

SIENNA RESOURCES INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

March 31, 2017

NOTICE OF NO AUDITOR REVIEW

The unaudited condensed consolidated interim financial statements, and accompanying notes thereto, for the periods ended March 31, 2017 and 2016 have not been reviewed by the Company's external auditor.

SIENNA RESOURCES INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

	ASSETS	March 31, <u>2017</u>	December 31, <u>2016</u>
Current assets			
Cash		\$ 8,216	\$ 18,618
Receivables – Note 4		18,872	16,086
Prepaid expenses		137,429	141,027
Total current assets		<u>164,517</u>	<u>175,731</u>
Non-current assets			
Equipment – Note 6		1,739	1,880
Investments – Note 5		413,001	413,001
Rent deposit		6,475	6,475
Exploration and evaluation assets – Note 7		295,296	295,296
Total assets		<u>\$ 881,028</u>	<u>\$ 892,383</u>

LIABILITIES

Current liabilities			
Accounts payable and accrued liabilities – Notes 8 and 12		\$ 1,644,785	\$ 1,597,282
Interest payable – Note 9		1,128	1,066
Loans payable – Note 9		15,000	5,000
Total current liabilities		<u>1,660,913</u>	<u>1,603,348</u>

SHAREHOLDERS' DEFICIENCY

Share capital – Note 10		16,880,593	16,880,593
Reserves – Note 10		2,962,695	2,909,373
Accumulated deficit		(20,623,173)	(20,500,931)
Total shareholders' deficiency		<u>(779,885)</u>	<u>(710,965)</u>
Total liabilities and shareholders' deficiency		<u>\$ 881,028</u>	<u>\$ 892,383</u>

Nature and Continuance of Operations (Note 1)
Subsequent Events (Note 16)
Commitment (Note 15)

APPROVED BY THE DIRECTORS:

<u>“John Masters”</u>	Director	<u>“Jason Gigliotti”</u>	Director
John Masters		Jason Gigliotti	

SIENNA RESOURCES INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

	Three months ended March 31,	
	<u>2017</u>	<u>2016</u>
Operating expenses		
Consulting	\$ -	\$ 5,500
Depreciation – Note 6	141	202
Directors’ fees – Note 12	5,000	5,000
Management fees – Note 12	30,000	7,500
Office and miscellaneous – Note 12	12,445	7,550
Professional fees	5,198	4,927
Share-based payments – Note 12	53,322	-
Transfer agent and filing fees	4,989	7,192
Travel and promotion	11,085	4,451
	<hr/>	<hr/>
	(122,180)	(42,322)
	<hr/>	<hr/>
Interest expense – Note 9	(62)	(62)
	<hr/>	<hr/>
Net comprehensive loss for the period	<u>\$ (122,242)</u>	<u>\$ (42,384)</u>
Loss per share – basic and diluted – Note 11	<u>\$ (0.003)</u>	<u>\$ (0.002)</u>
Weighted average number of common shares outstanding – basic and diluted – Note 11	<u>36,076,382</u>	<u>27,903,360</u>

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

SIENNA RESOURCES INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)

	Three months ended March 31,	
	<u>2017</u>	<u>2016</u>
Operating Activities		
Loss for the period	\$ (122,242)	\$ (42,384)
Adjustments for non-cash items:		
Accrued interest on loans payable	62	62
Depreciation	141	202
Share-based payments	53,322	-
Changes in non-cash working capital items:		
Receivables	(2,786)	(2,233)
Prepaid expenses	3,598	(3,900)
Accounts payable and accrued liabilities	47,503	21,952
	<hr/>	<hr/>
Cash used in operating activities	(20,402)	(26,301)
	<hr/>	<hr/>
Financing Activities		
Proceeds from loans	10,000	17,500
Proceeds from issuance of share capital	-	10,000
	<hr/>	<hr/>
Cash provided by financing activities	10,000	27,500
	<hr/>	<hr/>
Change in cash during the period	(10,402)	1,199
Cash, beginning of the period	18,618	2,454
	<hr/>	<hr/>
Cash, end of the period	<u>\$ 8,216</u>	<u>\$ 3,653</u>

Supplemental Disclosure with Respect to Cash Flows (Note 14)

SIENNA RESOURCES INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIENCY
(Expressed in Canadian Dollars)

Share Capital

	Number of shares	Amount	Reserves	Accumulated Deficit	Total
Balance, December 31, 2015	27,881,382	\$ 16,276,255	\$ 2,633,476	\$ (19,667,238)	\$ (757,507)
Share purchase warrants exercised	200,000	10,000	-	-	10,000
Loss for the period	-	-	-	(42,384)	(42,384)
Balance, March 31, 2016	28,081,382	16,286,255	2,633,476	(19,709,622)	(789,891)
Share purchase warrants exercised	6,950,000	347,500	-	-	347,500
Stock options exercised	1,045,000	157,875	-	-	157,875
Stock options issued	-	-	364,860	-	364,860
Transfer of reserves on options exercised	-	88,963	(88,963)	-	-
Loss for the period	-	-	-	(791,309)	(791,309)
Balance, December 31, 2016	36,076,382	16,880,593	2,909,373	(20,500,931)	(710,965)
Stock options issued	-	-	53,322	-	53,322
Loss for the period	-	-	-	(122,242)	(122,242)
Balance, March 31, 2017	36,076,382	\$ 16,880,593	\$ 2,962,695	\$ (20,623,173)	\$ (779,885)

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

SIENNA RESOURCES INC.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

March 31, 2017 – Page 1

1. NATURE AND CONTINUANCE OF OPERATIONS

Sienna Resources Inc. (the “Company”) was incorporated on March 11, 1983, under the British Columbia Company Act. The Company is an exploration stage public company and is listed on the TSX Venture Exchange. The Company’s principal business activities include acquiring and exploring exploration and evaluation assets. At March 31, 2017, the Company had exploration and evaluation assets located in Canada and the USA.

The Company’s head office and principal business address is Suite 1470, 701 West Georgia Street, Vancouver, British Columbia, V7Y 1C6. The Company’s registered and records office is located at 800 – 885 West Georgia Street, Vancouver, British Columbia, V6C 3H1.

These condensed consolidated interim financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realization of assets and discharge of liabilities in the normal course of business. At March 31, 2017, the Company had a working capital deficiency of \$1,496,396, had not yet achieved profitable operations and has an accumulated deficit of \$20,623,173 since its inception. The Company expects to incur further losses in the development of its business, all of which cast substantial doubt on the Company’s ability to continue as a going concern. The Company will require additional financing in order to conduct its planned work programs on exploration and evaluation assets, meet its ongoing levels of corporate overhead and discharge its liabilities as they come due. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future. Accordingly, these condensed consolidated interim financial statements do not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern. If the going concern assumption was not used then the adjustments required to report the Company’s assets and liabilities on a liquidation basis could be material to these condensed consolidated interim financial statements.

2. BASIS OF PREPARATION

a) Statement of Compliance

These condensed consolidated interim financial statements of the Company have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* (“IAS34”) as issued by the International Accounting Standards Board (“IASB”). Therefore, these condensed consolidated interim financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the Company’s most recently issued audited financial statements for the year ended December 31, 2016, which includes information necessary or useful to understanding the Company’s business and financial statement presentation. In particular, the Company’s significant accounting policies, use of judgements and estimates were presented in Note 2 and Note 3 of these audited financial statements, and have been consistently applied in the preparation of these condensed consolidated interim financial statements.

These condensed consolidated interim financial statements were authorized for issue by the Board of Directors on May 10, 2017.

2. BASIS OF PREPARATION (continued)

b) Basis of Consolidation

These condensed consolidated interim financial statements include the accounts of the Company and its wholly-owned subsidiary.

All inter-company transactions, income and expenses have been eliminated upon consolidation.

c) Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company has power over an investee, when the Company is exposed, or has rights, to variable returns from the investee and when the Company has the ability to affect those returns through its power over the investee. Subsidiaries are included in the consolidated financial results of the Company from the effective date of acquisition up to the effective date of disposition or loss of control. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company.

3. ACCOUNTING POLICIES ISSUED BUT NOT YET EFFECTIVE

These condensed consolidated interim financial statements are presented in Canadian dollars, which is also the Company's functional currency.

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any new standards and is currently evaluating the impact, if any, that the following new standard might have on its condensed consolidated interim financial statements.

IFRS 9 – Financial Instruments (“IFRS 9”)

In November 2009, the IASB issued IFRS 9 Financial Instruments as the first step in its project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on an entity's business model and the contractual cash flow of the financial asset. Classification is made at the time the financial asset is initially recognized, namely when the entity becomes a party to the contractual provisions of the instrument.

IFRS 9 amends some of the requirements of IFRS 7 Financial Instruments: Disclosures, including added disclosures about investments in equity instruments measured at fair value in other comprehensive income, and guidance on financial liabilities and derecognition of financial instruments. The amended standard is effective for annual periods beginning on or after January 1, 2018.

4. RECEIVABLES

The Company's receivables comprise of goods and services tax (“GST”) receivable due from Canadian government taxation authorities, and reimbursements from the public companies that share rent and office expenses.

4. RECEIVABLES (continued)

	March 31, <u>2017</u>	December 31, <u>2016</u>
Accounts receivable	\$ 15,667	\$ 13,446
GST recoverable	3,205	2,640
Total receivables	<u>\$ 18,872</u>	<u>\$ 16,086</u>

All amounts are short-term and the net carrying value of receivables is considered a reasonable approximation of fair value. The Company anticipates full recovery of these amounts and therefore no impairment has been recorded against receivables. The Company's receivables are all considered current and are not past due or impaired. The Company does not possess any collateral related to these assets.

5. INVESTMENTS

The Company's investments consist primarily of an investment in 700,000 common shares of Andora Energy Corporation ("Andora"), a private company in the oil and gas industry in Alberta, Canada. These shares were acquired for consideration of \$413,000 and account for 0.7% of Andora's outstanding common shares as of March 31, 2017 and December 31, 2016. The Company's available-for-sale investments are measured at cost which is representative of the fair value of the unlisted Andora common shares.

	March 31, <u>2017</u>	December 31, <u>2016</u>
Patch Oilsands Limited Partnership	\$ 1	\$ 1
Andora Energy Corporation, at cost	413,000	413,000
Total available-for-sale investments	<u>\$ 413,001</u>	<u>\$ 413,001</u>

6. EQUIPMENT

	Computer and office equipment
Cost, December 31, 2016 and March 31, 2017	\$ 38,774
Accumulated depreciation, December 31, 2015	36,086
Depreciation for the year	808
Accumulated depreciation, December 31, 2016	36,894
Depreciation for the period	141
Accumulated depreciation, March 31, 2017	\$ 37,035
Net book value, December 31, 2016	\$ 1,880
Net book value, March 31, 2017	\$ 1,739

7. EXPLORATION AND EVALUATION ASSETS

	QB Grand- Vallee N.	QB Lezai Gold	YK White Gold	Nevada Esmeralda Lithium Project	Nevada Clayton Valley Deep Basin Lithium Brine Project	Total
Balance, December 31 2015	\$ 241,447	\$ 53,156	\$ 4,240	\$ -	\$ -	\$ 298,843
Acquisition costs	-	-	-	7,790	23,609	31,399
Deferred exploration expenditures						
Claim maintenance fees	-	-	210	4,500	13,500	18,210
Write-down of exploration and evaluation assets	-	(53,156)	-	-	-	(53,156)
Balance, December 31, 2016 and March 31, 2017	\$ 241,447	\$ -	\$ 4,450	\$ 12,290	\$ 37,109	\$ 295,296

Title to Mineral Property Interests

Title to exploration and evaluation asset interests involve certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many exploration and evaluation assets. The Company has investigated title to all of its exploration and evaluation assets and, to the best of its knowledge, title to all of its interests are in good standing. However, this should not be construed as a guarantee of title. The concessions may be subject to prior claims, agreements or transfers, and rights of ownership may be affected by undetected defects.

7. EXPLORATION AND EVALUATION ASSETS (continued)

Grand-Vallee North Aluminous Clay Prospect, Quebec – Staking

During the years ended December 31, 2011, 2012 and 2013, the Company staked certain claims in the Grand-Vallee North Aluminous Clay Prospect in Quebec for staking costs of \$13,018.

During the years ended December 31, 2013 and 2014, the Company decided not to renew certain claims. Prior acquisition costs of \$2,209 associated with these lapsed claims were written off as of December 31, 2013.

During the year ended December 31, 2015, the Company decided not to renew certain claims. Prior acquisition costs of \$9,863 and exploration costs of \$138,333 associated with these lapsed claims were written off.

As of March 31, 2017, the Company had spent a total of \$240,501 in exploration expenditures on the remaining claims of this property.

White Gold, Yukon – Staking

During the year ended December 31, 2009, the Company acquired a 100% interest in certain gold claims in the region of the White and Yukon Rivers for staking costs incurred of \$106,896.

The Company decided not to renew certain claims and allowed them to lapse in fiscal 2011. Prior acquisition costs of \$30,542 associated with these claims were written off during the year ended December 31, 2011.

During the year ended December 31, 2013, the Company decided not to renew certain other claims and allowed them to lapse as they became due. Prior acquisition costs of \$64,823 and exploration costs of \$54,706 associated with these claims were written off.

During the year ended December 31, 2015, the Company decided not to renew certain claims and allowed them to lapse as they became due. Prior acquisition costs of \$10,908 and exploration costs of \$59,613 associated with these claims were written off.

The Company continues to hold a 100% interest in the remaining White Gold claims. As at March 31, 2017, the Company had spent a total of \$3,827 in exploration expenditures on the remaining claims of this property.

Esmeralda Lithium Project, Nevada, U.S.A. – Staking

In April 2016, the Company acquired a 100% interest in certain mineral claims of the Esmeralda Lithium Project in Nevada, U.S.A, for staking costs of \$7,790.

As at March 31, 2017, the Company had incurred a total of \$4,500 in claim maintenance fees on this property.

7. EXPLORATION AND EVALUATION ASSETS (continued)

Clayton Valley Deep Basin Lithium Brine Project, Nevada, U.S.A. – Staking

In May 2016, the Company acquired a 100% interest in certain mineral claims of the Clayton Valley Deep Basin Lithium Brine Project in Nevada, U.S.A., for staking costs of \$23,609.

As at March 31, 2017, the Company had incurred a total of \$13,500 in claim maintenance fees on this property.

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities recognized in the statement of financial position are as follows:

	March 31, <u>2017</u>	December 31, <u>2016</u>
Trade payables	\$ 1,629,471	\$ 1,570,468
Accrued liabilities	<u>15,314</u>	<u>26,814</u>
Total payables	<u>\$ 1,644,785</u>	<u>\$ 1,597,282</u>

All amounts are short-term. The carrying value of trade payables and accrued liabilities is considered a reasonable approximation of their fair value.

9. LOANS PAYABLE

In September 2012, the Company arranged a loan from an arm's length party for a total principal amount of \$5,000, bearing 5% interest per annum and due on demand.

During the three months ended March 31, 2017, the Company received a loan of \$10,000 from a private company controlled by a director of the Company, bearing no interest and due on demand.

As at March 31, 2017, \$15,000 (December 31, 2016: \$5,000) of principal and \$1,128 (December 31, 2016: \$1,066) of interest was outstanding relating to the loans.

10. SHARE CAPITAL AND RESERVES

Authorized: An unlimited number of common shares, without par value
100,000,000 Class A preferred shares, par value \$10
100,000,000 Class B preferred shares, par value \$50

(a) Share purchase warrants

The following is a summary of changes in share purchase warrants from December 31, 2015 to March 31, 2017:

	<u>Number</u>	<u>Weighted Average Exercise Price</u>
Balance, December 31, 2015	16,386,667	\$0.24
Exercised	(7,150,000)	\$0.05
Expired	<u>(300,000)</u>	\$1.50
Balance, December 31, 2016 and March 31, 2017	<u>8,936,667</u>	\$0.35

At March 31, 2017, the Company had 8,936,667 share purchase warrants outstanding. Each warrant entitles the holder the right to purchase one common share as follows:

<u>Number</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
2,836,667	\$1.00	April 26, 2018
1,650,000	\$0.05	April 11, 2019
<u>4,450,000</u>	\$0.05	April 6, 2020
<u>8,936,667</u>		

(b) Share-based payments

The Company has a stock option plan whereby the maximum number of shares reserved for issue under the plan shall not exceed 10% of the outstanding common shares of the Company, as at the date of grant. The maximum number of common shares reserved for issue to any one person under the plan cannot exceed 5% of the issued and outstanding number of common shares at the date of grant and the maximum number of common shares reserved for issue to a consultant or a person engaged in investor relations activities cannot exceed 2% of the issued and outstanding number of common shares at the date of grant. The exercise price of each option granted under the plan may not be less than the Discounted Market Price (as that term is defined in the policies of the TSX). Options may be granted for a maximum term of five years from the date of grant.

The following is a summary of changes in share purchase options from December 31, 2015 to March 31, 2017:

10. SHARE CAPITAL AND RESERVES (continued)

(b) Share-based payments (continued)

	<u>Number</u>	<u>Weighted Average Exercise Price</u>
Outstanding and exercisable, December 31, 2015	442,000	\$1.00
Granted	4,070,000	\$0.16
Exercised	(1,045,000)	\$0.15
Expired	<u>(2,664,000)</u>	\$0.21
Outstanding and exercisable, December 31, 2016	803,000	\$0.47
Granted	3,000,000	\$0.15
Expired	<u>(803,000)</u>	\$0.47
Outstanding and exercisable, March 31, 2017	<u>3,000,000</u>	\$0.15

At March 31, 2017, 3,000,000 employee and director share purchase options were outstanding and exercisable entitling the holders thereof the right to purchase one common share for each option held as follows:

<u>Number</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
3,000,000	\$0.15	August 6, 2017

During the three months ended March 31, 2017, the Company granted 3,000,000 stock options with an exercise prices at \$0.15 per share and an expiry date at August 6, 2017 (three months ended March 31, 2016: Nil stock options were granted). The weighted average fair value of the options issued during the three months ended March 31, 2017 was estimated at \$0.02 per option (three months ended March 31, 2016: \$Nil) at the grant date using the Black-Scholes option pricing model with the following assumptions:

	<u>Three months ended March 31, 2017</u>	<u>Three months ended March 31, 2016</u>
Weighted average expected dividend yield	0.0%	N/A
Weighted average expected volatility*	67.7%	N/A
Weighted average risk-free interest rate	0.7%	N/A
Weighted average expected term	0.5 years	N/A

* Expected volatility has been based on historical volatility of the Company's publicly traded shares.

Total expenses arising from share-based payment transactions recognized during the three months ended March 31, 2017 were \$53,322 (three months ended March 31, 2016: \$Nil).

11. LOSS PER SHARE

The calculation of basic and diluted loss per share was based on the following data:

	Three months ended March 31,	
	<u>2017</u>	<u>2016</u>
Net Loss	\$ (122,242)	\$ (42,384)
Weighted average number of common shares for the purpose of Basic and diluted loss per share	36,076,382	27,903,360

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. The diluted loss per share reflects the potential dilution of common share equivalents, such as stock options and share purchase warrants, in the weighted average number of common shares outstanding during the period, if dilutive. All of the stock options and share purchase warrants currently issued (see Note 10) were anti-dilutive for the three months ended March 31, 2017 and 2016.

The loss per share for the three months ended March 31, 2017 was \$0.003 (three months ended March 31, 2016: \$0.002).

12. RELATED PARTY TRANSACTIONS

Key management personnel compensation

Key management personnel include persons having the authority and responsibility for planning, directing and controlling the actions of the Company as a whole. Their remuneration includes the following:

	Three months ended March 31,	
	<u>2017</u>	<u>2016</u>
Directors' fees	\$ 5,000	\$ 5,000
Management fees	30,000	7,500
Share-based payments *	<u>7,110</u>	<u>-</u>
	<u>\$ 42,110</u>	<u>\$ 12,500</u>

* Share-based payments are the fair value of options granted to key management personnel as at the grant date.

Related party balances

At March 31, 2016, accounts payable and accrued liabilities include \$1,609,716 (December 31, 2016: \$1,563,998) payable to a former director and three directors of the Company, an officer, a public company with one common director and an officer, and two private companies controlled by a director for unpaid fees. These amounts are unsecured, non-interest bearing and payable on demand.

12. RELATED PARTY TRANSACTIONS (continued)

As outlined in Note 9, during the three months ended March 31, 2017, the Company received a loan of \$10,000 from a private company controlled by a director of the Company. As of March 31, 2017, this loan is outstanding.

During the three months ended March 31, 2017, the Company reimbursed a public company with a common director and an officer in the amount of \$4,637 (three months ended March 31, 2016: \$4,727) for the services provided by the Chief Financial Officer.

13. SEGMENTAL REPORTING

The Company operates in one business segment, being the acquisition and exploration of mineral properties. The Company's equipment is located in Canada and its exploration and evaluation assets are distributed by geographic location as follows:

	March 31, <u>2017</u>	December 31, <u>2016</u>
Canada	\$ 245,897	\$ 245,897
U.S.A.	49,399	49,399
	<u>\$ 295,296</u>	<u>\$ 295,296</u>

14. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Investing and financing activities that do not have a direct impact on cash flows are excluded from the statement of cash flows. The following transaction was excluded from the statement of cash flows:

As at March 31, 2017, the Company accrued exploration and evaluation assets of \$15,000 in accounts payable and accrued liabilities.

There were no non-cash financing or investing activities during the three months ended March 31, 2016.

15. COMMITMENT

During the year ended December 31, 2014, the Company entered into a lease extension agreement (the "Agreement") to extend the existing lease for office premises for a three-year period beginning August 1, 2014 and ending July 31, 2017. As of March 31, 2017, amounts under the Agreement terms (net of taxes) are as follows:

	<u>Amounts</u>
July 31, 2017	<u>\$ 13,798</u>

16. SUBSEQUENT EVENTS

Subsequent to March 31, 2017, the Company received a loan of \$10,000 from a private company controlled by a director of the Company, bearing no interest and payable on demand.