TANAGER ENERGY INC.
CONDENSED INTERIM FINANCIAL STATEMENTS

THREE MONTHS ENDED MARCH 31, 2015
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

Auditor's Involvement

National Instrument 51-102, Part 4, Subsection 4.3 (3) (a), requires that if an auditor has not performed a review of the condensed interim financial statements there must be an accompanying notice indicating that the condensed interim financial statements have not been reviewed by an auditor.

The Auditors' of Tanager Energy Inc. have not performed a review of the condensed interim financial statements for the three months period ending March 31, 2015.

Management's Responsibility for Financial Reporting

The accompanying unaudited condensed interim financial statements of Tanager Energy Inc. (the "Company" or "Tanager") are the responsibility of management and the Board of Directors. The audited condensed interim financial statements have been prepared by managements, on behalf of the Board of Directors'; in accordance with the accounting policies disclosed in the notes to the unaudited condensed interim financial statements. Where necessary management has made informed judgments and estimates in accounting for transactions which were not complete at the balance sheet date. In the opinion of management, the condensed interim financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34-Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established processes, which are in place to provide them sufficient knowledge to support management representations that they have exercised reasonable diligence that:

(i) the condensed interim financial statements do not contain any untrue statements of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the condensed interim financial statements, and

(ii) the condensed interim financial statements fairly present in all material respects the financial condition, results of operations and cash flow of the Company, as of the date of and for the periods presented by the condensed interim financial statements.

The Board of Directors is responsible for reviewing and approving the condensed interim financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the condensed interim financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the condensed interim financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

(Signed) "John E. Squarek"
John E. Squarek
Chief Executive Officer

(Signed) "Donna J. Hyshka"
Donna J. Hyshka
Chief Financial Officer

Date: May 29, 2015

TANAGER ENERGY INC.
Interim Statement of Financial Position
(Unaudited - Expressed in Canadian Dollars)

	March 31, 2015	December 31, 2014
ASSETS		
Current Assets		
Cash and cash equivalents	18,512	143,712
Available-for sale security	1,540	1,540
Amounts receivable and other assets	114,645	87,567
	134,697	232,819
Deposit	262,988	239,420
Exploration and evaluation assets	381,071	381,071
TOTAL ASSETS	778,756	853,310
LIABILITIES		
Current Liabilities		
Accounts payable and other liabilities	886,813	469,597
Loan payable	193,545	135,042
	1,080,358	604,639
Decommissioning liabilities	467,467	467,467
TOTAL LIABILITIES	1,547,825	1,072,106
SHAREHOLDERS' DEFICIENCY		
Share capital	19,385,327	19,385,327
Contributed surplus	2,744,631	2,718,091
Accumulated other comprehensive loss	(13,861)	(13,861)
Deficit	(22,885,156)	(22,308,353)
Total shareholders' deficit	(769,059)	(218,796)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)	778,766	853,310

The notes to the condensed interim financial statements are an integral part of these statements.

TANAGER ENERGY INC
Interim Statements of Loss and Comprehensive Loss
(Unaudited - Expressed in Canadian Dollars)
For the three months ended March 31

	2015	2014
Revenue	6,561	-
Expenses		
General and administrative	583,364	333,557
Net loss for the period and comprehensive loss	(576,803)	(333,557)
Basic net loss per share	(0.01)	(0.01)
Weighted average number of common shares outstanding	50,551,600	48,898,024

The notes to the condensed interim financial statements are an integral part of these statements.

TANAGER ENERGY INC
Interim Statement of Cash Flows
(Unaudited - Expressed in Canadian Dollars)

	March 31, 2015	December 31, 2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Loss	(576,803)	(333,557)
Items not affecting cash:		
Debt settlement	-	40,000
Stock-based compensation	26,540	32,639
	(550,263)	(260,918)
Changes in non-cash working capital	366,560	98,962
Cash used in operating activities	(183,703)	(161,956)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of common shares	-	250,000
Loan payable (repayment)	58,503	(85,000)
Cash generated from financing activities	58,503	165,000
Change in cash and cash equivalents	(125,200)	3,044
Cash and cash equivalents, beginning of period	143,712	1,587
Cash and cash equivalents, end of period	18,512	4,631

The accompanying notes are an integral part of the condensed consolidated interim financial statements

TANAGER ENERGY INC.

Interim Statement of Changes in Equity

(Unaudited - Expressed in Canadian Dollars)

	Number of shares (#)	Share Capital ($)	Contributed Surplus ($)	Accumulated other comprehensive income ($)	Deficit ($)	Total shareholders' equity (deficit)
Balance, December 31, 2013	43,454,024	19,127,486	2,180,725	(13,861)	(21,474,708)	(180,358)
Common shares issued for debt	444,444	40,000				40,000
Private placement	5,000,000	250,000				250,000
Share-based payments			32,639			32,639
Net loss for the period					(333,557)	(333,557)
Balance March 31, 2014	48,898,468	19,417,486	2,213,364	(13,861)	(21,808,265)	(191,276)
Balance, December 31, 2014	53,910,968	19,385,327	2,718,091	(13,861)	(22,308,353)	(218,796)
						-
Share-based payments			26,540			26,540
						-
Net loss for the period					(576,803)	(576,803)
						-
Balance March 31, 2015	53,910,968	19,385,327	2,744,631	(13,861)	(22,885,156)	(769,059)

The notes to the condensed interim financial statements are an integral part of these statements.

1. Nature of operations and going concern

Nature of operations

Tanager Energy Inc. (the "Company" or "Tanager") was incorporated in 1946. Tanager is a mineral and oil and gas Exploration Company, engaged in the acquisition, exploration and development of precious and base metal properties and oil and gas hydrocarbons in Alberta, Canada. At the date of these unaudited interim financial statements, the Company has not yet discovered any deposits, nor has it earned any income. The Company's common shares are listed on the TSX Venture Exchange under the symbol "TAN".

The corporate head office is located at 3056 – 40th Avenue South, Lethbridge, Alberta. The unaudited condensed interim financial statements were approved by the Board of Directors on May 29, 2015.

Going concern:

The unaudited condensed interim financial statements, including comparatives, have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern which assumes continuity of operations and realization of assets and settlement of liabilities in the normal course of business for the foreseeable future, which is at least, but not limited to, one year from March 31, 2015. The Company is subject to risks and challenges similar to companies in a comparable stage of exploration and development. As a result of these risks, there is significant doubt s to the appropriateness of the going concern assumption. There is no assurance that the Company's funding initiatives will continue to be successful and these unaudited condensed interim financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statements of financial position classifications that would be necessary if the going concern assumption was in appropriate. These adjustments could be material. The Company will have to raise additional funds to advance its exploration and development efforts and, while it has been successful in doing so in the past, there can be no assurance that it will be able to do so in the future.

2. Significant accounting policies

(a) Basis of presentation

The condensed interim financial statements have been prepared as conformity with International Accounting Standards ("IAS") 34, Interim Financial Reporting, using the same accounting policies as detailed in the Company's annual audited financial statements for the year ended December 31, 2014 and 2013, and do not include all the information required for full annual financial statements in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). It is suggested that the condensed interim financial statements be read in conjunction with the annual audited financial statements.

These condensed interim financial statements have been prepared on a historical cost basis except for the revaluation of certain financial instruments. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting except for cash flow information. The accounting policies used are those the Company expects to adopt in its financial statements for the year ended December 31, 2014, and have been applied consistently to all periods presented by the Company.

(b) Management estimates and assumptions

The preparation of financial statements to conformity with the IFRS requires management to make estimates and assumptions about future events that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management estimates include, but are not limited to, the determination of carrying value of carrying

2. *Significant accounting policies (continued)*

Value of exploration and evaluation assets, the valuation of share-based compensation transactions, the valuation of purchase warrants issued on financings, deferred income tax assets and liabilities, and accrued liabilities and contingencies. Estimates and assumptions are regularly evaluated and based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

(c) Future accounting changes/adoption

IAS 32, "Offsetting Financial Assets and Liabilities' amendments clarify that an entity has a legal enforceable right to set off if the right is:

1. not contingent on a future event and
2. enforceable both in the normal course of business and in the event of default, insolvency or bankruptcy of the entity and all counterparts.

The amendments clarify when a settlement or gross settlement mechanism provides for net settlement or gross settlement that is equivalent to net settlement. The Corporation has adopted the amendments to IAS 32 in its financial statements for the annual period beginning January 1, 2015. The amendments have not had a material impact on the financial statement.

IFRIC 21, 'Levies' provides guidance on accounting for levies in accordance with the requirements of IAS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The interpretation defines a levy as an outflow from an entity imposed by a government in accordance with legislation. It also notes that levies do not arise from executory contracts or other contractual arrangements. This guidance has been adopted by the Corporation for the annual period beginning January 1, 2015. The amendments have not had a material impact on the financial statements.

In May 2013, the IASB issued amendments to IAS 36 "Impairment of Assets", which reduced the circumstances in which the recoverable a mount of CGU's is required to be disclosed and clarifies the disclosure required when an impairment loss has been recognized or reversed in the period. The amendments were required to be adopted retrospectively for the fiscal years beginning January 1, 2014, with earlier adoption permitted. These amendments were applied by the Corporation on January 1, 2014, and have not had a material impact on the financial statements.

3. Share Capital

a) Authorized share capital
At March 31, 2015, the authorized share capital consisted of unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

b) Common Shares issued
The change in issued share capital for the period was as follows:

<u>Authorized</u>

Unlimited common shares
Unlimited preferred shares, issuable in series, with rights and limitations to be set prior to issue.

(Unaudited – Expressed in Canadian Dollars)

	Number of Common Shares	Amount
Balance, December 31, 2014	**53,910,968**	**$19,385,327**
Private Placement	**0**	**$ 0**
Balance, March 31, 2015	**53,910,968**	**$19,385,327**

Loan Payable – Related Party

The Company was advanced, through a loan payable, from a Director and Officer of the Company $60,000.00. The Note is unsecured and bears interest at 12% annually, payable monthly and has no fixed terms of repayment.

3. Related Party Balances and Transactions

Related parties include the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions

Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties).

The Company entered into the following transactions with related parties:

For the three and nine months ended March 31, 2015, the Company has payable $9,000.00 in Director's fees and Director's are owed $21,000.00 at March 31, 2015

The Company owes for Geological Consulting and Management Services provided by Companies owned by officers of Tanager Energy Inc., in the amount of $10,500.00.

4. Contingencies and Commitments

a) The Company must perform a required level of evaluation activity, to maintain its properties in good standing. The failure of the Company to meet these requirements would lead to the forfeiture of the Company's rights to the claims comprising these properties or parts thereof.

b) The Company holds 100% interest in the Burchell Lake Property. The Burchell Lake Property is subject to a 3% Net Smelter Return Royalty, and is subject to advance payment provisions of $40,000 per annum, payable to the original optionors of the properties, subject to certain criteria. The ongoing obligation to pay future advance royalties and the NSR are contingent. The Company is currently seeking a purchaser for this property.

5. Net Loss Per Common Share

The calculation of basic diluted loss per share for the three months ended March 31, 2015 and March 31, 2014 was based on the loss attributable to common shareholders of $(0.01) and the weighted average number of common shares outstanding of 50,551,600. Diluted loss per share was not presented as it is anti-dilutive.