Condensed Interim Consolidated Financial Statements of

Simba Energy Inc.

As at December 31, 2015 and 2014

(Unaudited)

In accordance with National Instrument 51-102 Part 4, *Continuous Disclosure Obligations,* subsection 4.3(3)(a), **WE HERBY GIVE NOTICE** that our condensed consolidated financial statements for the interim period ended December 31, 2015, which follows this notice, have not been reviewed by an auditor.

SIMBA ENERGY INC.
Condensed Interim Consolidated Statement of Financial Position
December 31, 2015 and June 30, 2015
Stated in Canadian Dollars
(Unaudited - Prepared by Management)

	December 31 2015	June 30 2015
ASSETS		
Current assets		
Cash	$ 639,182	$ 4,883
Recoverable sales tax	11,433	26,506
Prepaid expenses	39,837	118,997
	690,452	150,386
Non-current assets		
Exploration and evaluation assets (Note 3)	9,107,168	8,729,289
Equipment (Note 4)	25,174	32,404
	9,132,342	8,761,693
	$ 9,822,794	$ 8,912,079
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (Note 5)	$ 1,981,582	$ 1,927,439
Due to related parties (Note 8)	697,864	604,659
	2,679,446	2,532,098
SHAREHOLDERS' EQUITY		
Share capital (Note 6)	27,759,492	27,737,991
Reserves	3,393,013	3,400,714
Subscriptions received	1,356,100	-
Treasury shares	-	(18,000)
Deficit	(25,365,257)	(24,740,724)
	7,143,348	6,379,981
	$ 9,822,794	$ 8,912,079

Nature and Continuance of Operations (Note 1)
Commitments (Note 7)
Event Subsequent to Period End (Note 11)

Approved by:

``Robert Dinning``, **Director**
Robert Dinning

``John Burns``, **Director**
John Burns

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

SIMBA ENERGY INC.
Condensed Interim Consolidated Statements of Operations
For the three and six month periods ended December 31, 2015 and 2014
Stated in Canadian dollars
(Unaudited - Prepared by Management)

	3 month period		6 month period	
For the period ended December 31	2015	2014	2015	2014
Operating expenses				
Amortization	$ 3,616	$ 3,063	$ 7,230	$ 10,156
Consulting fees	80,119	3,651	93,119	87,935
Interest and bank charges	1,134	507	1,641	6,276
Investor communication, trade shows and web site	52,495	68,833	103,473	144,280
Management fees (Note 8)	72,000	72,000	144,000	144,000
Office and miscellaneous	67,274	46,517	114,296	90,655
Professional fees	20,360	60,029	30,360	100,414
Project investigation costs	10,373	-	13,373	22,895
Transfer agent and regulatory fees	37,724	4,383	39,091	23,943
Travel	55,472	54,954	77,950	80,708
Loss from operations	(400,567)	(313,937)	(624,533)	(711,262)
Net loss and comprehensive loss for the period	$ (400,567)	$ (313,937)	$ (624,533)	$ (711,262)
Basic and diluted loss per common share	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)
Weighted average number of common shares outstanding - Basic and Diluted	296,784,088	281,844,268	296,818,419	276,780,331

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

SIMBA ENERGY INC.
Condensed Interim Consolidated Statements of Deficit
For the period from June 30, 2014 to December 31, 2015
Stated in Canadian dollars
(Unaudited - Prepared by Management)

	Share capital		Share subscriptions received (receivable)	Reserves	Treasury Shares	Deficit	Total Shareholder's Equity
	Number of Shares	Amount $					
Balance, June 30, 2014	**249,714,459**	**$ 25,410,102**	**$ 74,554**	**$ 3,229,258**	**$ -**	**$ (22,535,006)**	**$ 6,178,908**
Shares issued for debt at $0.06/sh	8,451,248	507,075	-	-	-	-	507,075
Shares issued for cash at $0.06/sh	23,678,561	1,420,714	(92,554)	-	-	-	1,328,160
Financing costs	-	(49,900)	-	-	-	-	(49,900)
Net loss and comprehensive loss for the six month period	-	-		-	-	(711,262)	(711,262)
Balance December 31, 2014	**281,844,268**	**27,287,991**	**(18,000)**	**3,229,258**	**-**	**(23,246,268)**	**7,252,981**
Shares issued for cash at $0.03/sh	15,000,000	450,000	-	-	-	-	450,000
Treasury shares	(300,000)	-	18,000	-	(18,000)	-	-
Share-based compensation	-	-	-	171,456	-	-	171,456
Net loss and comprehensive loss for the six months ended June 30, 2015	-	-	-	-	-	(1,494,456)	(1,494,456)
Balance, June 30, 2015	**296,544,268**	**27,737,991**	**-**	**3,400,714**	**(18,000)**	**(24,740,724)**	**6,379,981**
Options exercised at $0.06	530,000	39,501	-	(7,701)	-	-	31,800
Share subscriptions received	-	-	1,356,100	-	-	-	1,356,100
Treasury shares	-	(18,000)	-	-	18,000	-	-
Shares returned	(100,000)	-	-	-	-	-	-
Net loss and comprehensive loss for the six month period	-	-	-	-	-	(624,533)	(624,533)
Balance, December 31, 2015	**296,974,268**	**$ 27,759,492**	**$1,356,100**	**$ 3,393,013**	**$ -**	**$ (25,365,257)**	**$ 7,143,348**

SIMBA ENERGY INC.
Interim Consolidated Statements of Cash Flows
For the six month periods ended December 31, 2015 and 2014
Stated in Canadian dollars
(Unaudited - Prepared by Management)

For the Six Months Ended December 31	2015	2014
Cash Flows used in Operating Activities		
Net loss for the year	$ (624,533)	$ (711,262)
Items not affecting cash		
Amortization	7,230	10,156
Net change in non-cash working capital items		
Recoverable sales tax	15,073	9,212
Prepaid expenses	79,160	(86,562)
Accounts payable and accrued liabilities	28,734	(156,287)
Due to related parties	82,862	86,666
	(411,474)	(848,077)
Cash Flows from Financing Activities		
Due to related parties	10,999	(37,000)
Share subscriptions received	1,356,100	-
Cash received for options exercised	31,800	-
Short term loan	-	50,000
Share units issued for cash	-	1,328,160
Share issuance costs paid	-	(49,900)
	1,398,899	1,291,260
Cash Flows used in Investing Activities		
Exploration expenditures	(353,126)	(665,210)
Advances receivable	-	18,071
	(353,126)	(647,139)
Increase (decrease) in cash	634,299	(203,956)
Cash, beginning of period	4,883	293,334
Cash, end of period	$ 639,182	$ 89,378

Supplemental Disclosure of Cash Flow Information
(Note 10)

1. NATURE AND CONTINUANCE OF OPERATIONS

Simba Energy Inc. (the "Company" or "Simba") was incorporated under the laws of the Province of British Columbia. Its principal business activity includes the acquisition and exploration of resource properties. The Company's registered office is at Suite 210, 905 West Pender Street, Vancouver, British Columbia, V6C 3L6.

The Company is in the process of exploring its resource properties and has not yet determined whether the properties contain reserves that are economically recoverable. The recoverability of the amounts shown for resource properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon profitable production.

These condensed interim consolidated financial statements have been prepared assuming the Company will continue on a going-concern basis. This assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of operations. Management is actively targeting sources of additional financing through alliances with financial, exploration and evaluation entities, or other business and financial transactions which would assure continuation of the Company's operation and exploration programs. In order for the Company to meet its liabilities as they come due and to continue its operations, the Company is solely dependent upon its ability to generate such financing.

The Company has incurred losses since inception and the ability of the Company to continue as a going-concern depends upon its ability to develop profitable operations and to continue to raise adequate financing. There can be no assurance that the Company will be able to continue to raise funds, in which case the Company may be unable to meet its obligations. Should the Company be unable to realize its asses and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the statements of financial position. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amount and classification of liabilities that might be necessary should the Company be unable to continue in existence.

	December 31 2015	June 30 2015
Deficit	$ (25,365,257)	$ (24,740,724)
Working capital (deficiency)	(1,988,994)	(2,381,712)

2. COMPLIANCE AND SIGNIFICANT ACCOUNTING POLICIES

The condensed interim consolidated financial statements are prepared in accordance with IAS 34 "Interim Financial Reporting of the International Financial Reporting Standards ("IFRS"). The condensed interim consolidated financial statements were approved by the board of directors on February 29, 2016.

The condensed interim consolidated financial statements are presented in Canadian dollars unless otherwise noted. The financial statements include the accounts of the Company and its wholly owned subsidiaries. All significant intercompany balances and transactions were eliminated upon consolidation.

The company's subsidiary companies included in this consolidation are as follows:

Stated in Canadian dollars

	Country of Incorporation	Percentage of ownership as of December 31 2015	Percentage of ownership as of September 30 2014
Simba Energy Liberia Inc.	Liberia	90%	90%
Simba Energy Fze.	United Arab Emirates	100%	100%
Simba Africa Rift Energy Ltd.	Kenya	100%	100%
Simba Energy (UK) Ltd.	U.K.	100%	100%

These condensed interim financial statements do not include all the notes required for full annual financial statements.

The significant accounting policies for the periods are consistent with those disclosed in the audited annual financial statements of the Company for the year ended June 30, 2015. The accompanying unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's audited annual financial statements for the year ended June 30, 2015.

A number of new standards and amendments to standards and interpretations are not yet effective for the period ended December 31, 2015 and have not been applied in preparing these financial statements. Additionally, there were a number of new standards and amendments to standards and interpretations that came into effect subsequent to the annual statements. However, none of these new accounting pronouncements had any impact on the preparation of these financial statements.

3. EXPLORATION AND EVALUATION ASSETS

	Kenya	Guinea	Chad	Liberia	Total
2016					
Balance, June 30, 2015	$ 5,773,680	$ 987,258	$ -	$1,968,351	$ 8,729,289
Consulting	333,720	-	-	-	333,720
Field office, travel and other	44,159	-	-	-	44,159
Balance, December 31, 2015	$ 6,151,559	$ 987,258	$ -	$1,968,351	$ 9,107,168

	Kenya	Guinea	Chad	Liberia	Total
2015					
Balance, June 30, 2014	$ 4,005,335	$ 741,593	$ 619,856	$1,968,351	$ 7,335,135
Consulting	1,519,326	181,241	76,200	-	1,776,767
Field office, travel and other	249,019	64,424	-	-	313,443
Impairment	-	-	(696,056)	-	(696,056)
Balance, June 30, 2015	$ 5,773,680	$ 987,258	$ -	$1,968,351	$ 8,729,289

(a) Kenya

In August 2011, the Company was awarded a Production Sharing Contract ("PSC") by the Government of Kenya covering Block 2A, which overlies the southern tip of the Mandera Basin in the northern part of the country. There are work commitments (Note 10) required to keep the PSC in good standing.

On June 5, 2015, the Company entered into an agreement with Essel Group Middle East DMCC, (Essel") wherein Essel agreed to provide 100% of funding required to carry out an exploration program on all Simba PSCs including the Kenyan PSC. This 100% funding commitment covers all exploration expenditures including FTG and seismic surveys and the drilling of two wells. Essel will earn 60% of future revenues attributable under the PSC, while the Company will retain 40%.

A definitive agreement was executed on November 27, 2015 and is subject to approval of the TSX-V and where necessary, shareholders. The government of Kenya has already approved the participation of Essel.

(b) Guinea

In July 2011, the Company signed an agreement to acquire a 60% interest in an issued PSC for Blocks 1 & 2 onshore in the Republic of Guinea's Bove basin. The Company undertook 100% of the program costs in year one and 60% of the program costs in each year thereafter. On May 24, 2012, the Company received final approval for its 60% owned PSC for Blocks 1 & 2. The Company has fulfilled its work obligations to date and is in current negotiations with the government of Guinea revising the work program going forward and regarding the additional 40% of the PSC currently held by the Government to give it 100% ownership of the PSC.

The Company's work program was suspended in the previous year as a result of the outbreak of a contagious disease.

The 100% funding commitment from Essel covers all exploration expenditures including FTG and seismic surveys and the drilling of two wells. Essel will earn 60% of future revenues attributable under the PSCs, while the Company will retain 40%.

(c) Chad

The Company received formal ratification of its PSCs in Chad on June 25, 2013. This covered the Doba and Doseo blocks in the south of the block and the Erdis basin in the north. The issuance of the PSCs included a signing bonus which the Company feels is not acceptable. Accordingly, the PSC has been suspended but negotiations are currently underway in Chad regarding amendments to the PSC. As a result of the suspension of the PSC, the Company has written down the costs incurred to date.

The 100% funding commitment from Essel covers all exploration expenditures including FTG and seismic surveys and the drilling of two wells. Essel will earn 60% of future revenues attributable under the PSCs, while the Company will retain 40%.

(d) Liberia

The Company, through its 90% owned subsidiary, Simba Energy Liberia Inc., acquired a Hydrocarbon Reconnaissance License covering an onshore area in Liberia. This license has since expired but a formal application for a PSC has been instigated. The negotiations were put on hold over the past year as the country dealt with a serious contagious disease. The Company has fulfilled its obligations and is awaiting receipt of proposed final documentation for PSC from the National Oil Company of Liberia's Board of Directors.

Stated in Canadian dollars

4. EQUIPMENT

	December 31, 2015			
	Cost	Accumulated Amortization	Impairment	Net Book Value
Office equipment	$ 15,562	$ 11,496	$ -	$ 4,066
Vehicle	45,000	40,960	-	4,040
Computer hardware	32,077	25,914	-	6,163
Computer software	3,875	3,875	-	-
Leasehold improvements	34,553	23,648	-	10,905
	$ 131,067	$ 105,893	$ -	$ 25,174

	June 30, 2015			
	Cost	Accumulated Amortization	Impairment	Net Book Value
Field equipment	$ 106,783	$ -	$ 106,783	$ -
Office equipment	15,562	11,044	-	4,518
Vehicle	45,000	39,612	-	5,388
Computer hardware	32,077	24,122	-	7,955
Computer software	3,875	3,875	-	-
Leasehold improvements	34,553	20,010	-	14,543
	$ 237,850	$ 98,663	$ 106,783	$ 32,404

5. ACCOUNTS PAYBLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consist of the following:

	December 31 2015	June 2015 2015
Accounts payable	$ 1,961,582	$ 1,892,439
Accrued liabilities	20,000	35,000
	$ 1,981,582	$ 1,927,439

6. SHARE CAPITAL

(a) The authorized capital of the Company consists of an unlimited number of common shares without par value

During the six months ended December 31, 2015, the Company completed the following share transactions:

On September 15, 2015 530,000 options were exercised at $0.06 per share.

On October 29, 2015, the 300,000 shares held in treasury as well as an additional 100,000 were cancelled.

During the year ended June 30, 2015, the Company completed the following share transactions:

On February 11, 2015, the Company completed a non-brokered private placement by issuing 15,000,000 units at $0.03 each for gross proceeds of $450,000. Each unit consists of one common share and one-half of a non-transferable common share purchase warrant, with each full warrant exercisable for a period of two years at a price of $0.05 per share. No finders' fees were paid in connection with this issuance and no value was attributed to the warrants as a component of the units.

On July 30, 2014, the Company completed its second tranche of a non-brokered private placement by issuing 32,129,809 units with each unit consisting of one common share and one share purchase warrant. Each warrant is exercisable for a period of four years and can be exercised into one additional common share at a price of $0.10 during the first two year period and at a price of $0.15 for the next two year period. The Company paid finders 'fees of $49,500. Of the total gross proceeds of $1,927,789, the Company settled debt of $507,075 by issuing 8,451,248 units to various creditors. No value was attributed to the warrants issued as a component of the units.

When added to the first tranche (completed June 30, 2014 and described below) the units issued total 54,118,009 and the total gross proceeds are $3,247,081.

(b) Stock options

The Company has adopted an incentive stock option plan (the "Plan"). The essential elements of the Plan provide that the aggregate number of shares of the Company's capital stock issuable pursuant to options granted under the Plan may not exceed 10% of the Company's issued and outstanding shares at the date of grant of options. Options granted under the Plan may have a maximum term of five (5) years. The exercise price of options granted under the Plan will not be less than the market price of the shares (defined as the last closing market price of the Company's shares immediately preceding the issuance of a news release announcing the granting of the options) or such other price as may be agreed to by the Company and accepted by TSX Venture Exchange. Options granted to persons acting in investor relations vest at the rate of 25% on date of grant and 25% every three months thereafter. All other options vest on grant.

A summary of the status of the Company's outstanding stock options as at December 31, 2015 is as follows:

Stated in Canadian dollars

Options	Number exercisable	Number outstanding	Weighted average remaining contractual life (in yrs)
As At December 31, 2015			
$0.06	11,270,000	11,270,000	4.10
$0.10	350,000	350,000	0.92
$0.12	500,000	500,000	1.37
$0.13	3,850,000	3,850,000	1.53
	15,970,000	15,970,000	3.58

The following is a summary of stock option transactions during the six months ended December 31, 2015 and the year ended June 30, 2015:

	For the 6 month period ended December 31, 2015	Weighted average exercise price	For the year ended June 30, 2015	Weighted average exercise price
Balance, beginning of period	16,500,000	$ 0.08	4,900,000	$ 0.13
Granted	-	-	11,800,000	0.06
Expired	-	-	(200,000)	0.15
Exercised	(530,000)	0.06	-	-
Balance, end of period	15,970,000	$ 0.08	16,500,000	$ 0.08

(c) Share-based compensation

For stock options granted to employees, officers, directors and consultants, the Company recognizes as an expense the estimated fair value of the stock options granted. The fair value of each stock option granted is estimated on the date of grant using the Black Scholes option pricing model.

No options were granted during the six months ended December 31, 2015.

During the year ended June 30, 2015, share-based compensation of $171,456 was recognized and included in reserves.

The fair values for the share-based compensation noted above were determined by the Black-Scholes option pricing model using the following inputs as determined at the time of the option grant. The following weighted average assumptions were used for options granted:

	2015
Risk-free interest rate	0.62%
Expected life of options	5.0 years
Annualized volatility	123%
Dividend rate	0%
Weighted average fair value per option	$0.015

Stated in Canadian dollars

(d) Warrants

The changes in warrants during the six months ended December 31, 2015 and the year ended June 30, 2015 were as follows:

	For the 6 months ended Dec 31, 2015	Weighted average exercise price	For the year ended June 30, 2015	Weighted average exercise price
Balance, beginning of year	61,318,009	$ 0.09	21,988,200	$ 0.10
Warrants sold with shares	-	-	39,629,809	0.09
Warrants cancelled	-	-	(300,000)	0.10
Balance, end of period	61,318,009	$ 0.09	61,318,009	$ 0.09

A summary of the status of the Company's outstanding warrants as at December 31, 2015 is as follows:

Outstanding Warrants	Exercise Price		Expiry Date
21,988,200	$ 0.10	*	June 28, 2018
31,829,809	$ 0.10	*	July 30, 2018
7,500,000	$ 0.05		February 11, 2017
61,318,009	$ 0.09		

* Exercise price is $0.10 for the first two years and $0.15 for the last two years.

7. COMMITMENTS AND CONTINGENCIES

The Company has the following future commitments:

(a) Office lease

The Company has entered into an agreement to lease office space effective July 1, 2012 until June 30, 2017. The monthly net requirements under the lease are as follows:

	Minimum lease payment required	Sub lease	Net monthly obligation
For the year ended June 30, 2016	$8,103	$3,810	$4,293
2017	$8,103	$3,810	$4,293

(b) Work commitments

The terms of certain of the Company's PSCs require the Company to make payments and undertake exploration expenditures in order for the contracts to remain in good standing. In Kenya), the contract commitments for the first year were completed and the Government has extended the second year commitment because of documentation delays during the year. At the present time the Company is in good standing regarding its obligations on the PSC.

Stated in Canadian dollars

8. RELATED PARTY TRANSACTIONS

The amounts below represent related party transactions occurring during the six months ended December 31, 2015 and 2014:

Six months ended December 31	Note		2015		2014
Management fees (to an officer and director)	(i)	$	60,000	$	60,000
Management fees (to an officer and director)	(ii)		60,000		60,000
Management fees (to an officer)	(iii)		24,000		24,000
Geological consulting (to a director)	(iv)		-		37,670
		$	144,000	$	181,670

(i) Management fees accrued to the President and Chief Executive Officer.

(ii) Management fees accrued to the Managing Director - Operations.

(iii) Management fees accrued to the Chief Financial Officer.

(iv) Consulting fees accrued to a director for geological consulting services

As at December 31, 2015, the amount due to officers and directors of the Company was $687,864 (2014 - $268,227). Of this amount, $356,000 was settled after December 31, 2015. (See Note 11.) The sum of $217,244 (2014 - $31,210) was advanced by officers of the Company to finance the working capital of the Company. The amounts due were unsecured, non-interest bearing and have no fixed terms of repayment. During the six months ended December 31, 2014, $186,000 of the debt was reduced by the issuance of shares.

9. SUPPLEMENTAL CASH FLOW INFORMATION

The significant non-cash investing or financing transactions for the six months ended December 31, 2015 were as follows:

(a) A total of $1,588,099 of costs incurred on exploration and evaluation assets were included in accounts payable as at December 31, 2015.

The significant non-cash investing or financing transactions for the six months ended December 31, 2014 were as follows:

(a) Settled amounts owing to creditors of $507,075 by issuing shares. Of that amount $186,000 was debt owing to related parties and $321,075 was with trade payables.

(b) A total of $141,400 of costs incurred on exploration and evaluation assets were unpaid as at December 31, 2014. Of that amount, $55,826 was owing to related parties and $85,575 was for trade payables.

The Company has not paid any amounts for interest or income taxed during the six months ending in both December 31, 2015 and 2014.

Stated in Canadian dollars

10. SEGMENTED INFORMATION

The Company has one reportable operating segment, being oil and gas exploration and development in Africa. The Company's capital assets by geographic location are as follows:

	Equipment	Exploration & evaluation assets
December 31, 2015		
Canada	$ 14,971	$ -
United Kingdom	6,163	-
Liberia	265	1,968,351
Kenya	3,775	6,151,559
Guinea	-	987,258
	$ 25,174	$ 9,107,168

	Equipment	Exploration & evaluation assets
June 30, 2015		
Canada	$ 19,061	$ -
United Kingdom	7,955	-
Liberia	353	1,968,351
Kenya	5,035	5,773,680
Guinea	-	987,258
	$ 32,404	$ 8,729,289

11. EVENT SUBSEQUENT TO THE YEAR END

On January 21, 2016, the Company closed a non-brokered private placement, issuing 42,014,975 units at a price of $0.05 per unit for gross proceeds of $2,100,749. Each unit consists of one share and one-half of one warrant, each full warrant is exercisable into a common share at a price of $0.075 per share for a period of two years. Directors and senior officers of the Company subscribed for a total of 39,814,975 units. 8,100,000 units worth $405,000 were issued for debt.