STRATA MINERALS INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

THREE AND NINE MONTHS ENDED MARCH 31, 2017

(EXPRESSED IN CANADIAN DOLLARS)

(UNAUDITED)

NOTICE TO READER

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Company's auditors.

STRATA MINERALS INC.

Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian Dollars unless otherwise stated)
(Unaudited)

	March 31, 2017	June 30, 2016
ASSETS		
Current assets		
Cash and cash equivalents (note 3)	**$ 97,134**	$ 19,393
Amounts receivable (note 4)	**6,729**	17,776
Total current assets	**103,863**	37,169
Non-current assets		
Exploration and evaluation assets (note 5)	**1**	1
Reclamation bond (note 6)	**12,330**	11,953
Total non-current assets	**12,331**	11,954
Total assets	**$ 116,194**	$ 49,123
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (notes 7)	**$ 75,398**	$ 632,634
Due to related party (note 15)	**15,000**	-
Promissory notes (note 8)	**-**	107,000
Total current liabilities	**90,398**	739,634
Equity		
Share capital (note 9)	**9,661,847**	9,205,639
Contributed surplus	**281,268**	264,048
Foreign currency translation reserve	**(87,842)**	(87,158)
Deficit	**(9,829,477)**	(10,073,040)
Total equity	**25,796**	(690,511)
Total liabilities and equity	**$ 116,194**	$ 49,123

Approved:

"Hugh Agro" Director

"Carmelo Marrelli" Director

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

STRATA MINERALS INC.

Condensed Interim Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)
(Expressed in Canadian Dollars unless otherwise stated)
(Unaudited)

	Three Months Ended March 31, 2017	Three Months Ended March 31, 2016	Nine Months Ended March 31, 2017	Nine Months Ended March 31, 2016
Operating expenses				
Exploration and evaluation expenditures (note 12)	**$ 62,676**	$ -	**$ 62,676**	$ -
General and administrative expenses (note 14)	**55,971**	(309)	**83,245**	74,963
Share based payment	**17,220**	6,816	**17,220**	16,405
Operating loss before the following items	**(135,867)**	(6,507)	**(163,141)**	(91,368)
Finance income	**-**	-	**158**	-
Gain on settlement of accounts payable and accrued liabilities	**-**	-	**406,546**	-
Net income (loss) for the period	**(135,867)**	(6,507)	**243,563**	(91,368)
Items that will be reclassified subsequently to income				
Exchange difference on translation from functional to presentation currency	**(496)**	(54)	**(684)**	(526)
Comprehensive income (loss) for the period	**$ (136,363)**	$ (6,561)	**$ 242,879**	$ (91,894)
Basic and diluted net income (loss) per share (note 13)	**$ (0.05)**	$ (0.00)	**$ 0.10**	$ (0.04)
Weighted average number of common shares outstanding	**2,789,980**	2,432,405	**2,549,857**	2,432,405

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

STRATA MINERALS INC.

Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars unless otherwise stated)
(Unaudited)

	Nine Months Ended March 31, 2017	Nine Months Ended March 31, 2016
Operating activities		
Net income (loss) for the period	**$ 243,563**	$ (91,368)
Adjustments for:		
Share-based payments	**17,220**	16,405
Gain on settlement of accounts payable and accrued liabilities	**(406,546)**	-
	(145,763)	(74,963)
Changes in non-cash operating capital:		
Amounts receivable	**11,047**	(6,397)
Prepaid expenses and deposits	**-**	12,302
Accounts payables and accrued liabilities	**(150,690)**	43,482
Net cash used in operating activities	**(285,406)**	(25,576)
Financing activities		
Proceeds from private placement	**214,580**	-
Cost of issue	**(7,372)**	-
Advance from related party	**15,000**	-
Proceeds from promissory notes	**142,000**	-
Net cash provided by financing activities	**364,208**	-
Effect of foreign currency translation	**(1,061)**	(986)
Net change in cash and cash equivalents	**78,802**	(25,576)
Cash and cash equivalents, beginning of period	**19,393**	28,928
Cash and cash equivalents, end of period	**$ 97,134**	$ 2,366

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

STRATA MINERALS INC.

Condensed Interim Consolidated Statements of Changes in Equity
(Expressed in Canadian Dollars unless otherwise stated)
(Unaudited)

	Number of Shares	Share Capital	Contributed Surplus	Warrant Reserve	Foreign Currency Translation Reserve	Deficit	Total
Balance, June 30, 2015	2,432,405	$ 9,205,639	$ 252,134	$ 372,667	$ (87,071)	$ (10,208,169)	$ (464,800)
Share-based payment	-	-	16,405	-	-	-	16,405
Warrants expired	-	-	-	(372,667)	-	372,667	-
Exchange difference on translation from functional to presentation currency	-	-	-	-	(526)	-	(526)
Loss for the period	-	-	-	-	-	(91,368)	(91,368)
Balance, March 31, 2016	2,432,405	$ 9,205,639	$ 268,539	$ -	$ (87,597)	$ (9,926,870)	$ (540,289)

	Number of Shares	Share Capital	Contributed Surplus	Warrant Reserve	Foreign Currency Translation Reserve	Deficit	Total
Balance, June 30, 2016	2,432,405	$ 9,205,639	$ 264,048	$ -	$ (87,158)	$ (10,073,040)	$ (690,511)
Private placement	3,065,430	214,580	-	-	-	-	214,580
Cost of issue - cash	-	(7,372)	-	-	-	-	(7,372)
Shares issued to settle promissory notes	4,980,000	249,000	-	-	-	-	249,000
Share-based payment	-	-	17,220	-	-	-	17,220
Exchange difference on translation from functional to presentation currency	-	-	-	-	(684)	-	(684)
Income for the period	-	-	-	-	-	243,563	243,563
Balance, March 31, 2017	**10,477,835**	**$ 9,661,847**	**$ 281,268**	**$ -**	**$ (87,842)**	**$ (9,829,477)**	**$ 25,796**

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

1. Nature of operations and going concern

Strata Minerals Inc. and its subsidiary, Strata Minerals Pty Ltd., (the “Company” or "SMP") is a mineral exploration and development company. The Company has a 51% interest in the Diamond Mountain phosphate project located in the State of Utah. Strata is currently assessing exploration and development plans for Diamond Mountain and evaluating other business opportunities. The head office of the Company is located at 82 Richmond Street East, Suite 200, Toronto, Ontario, M5C 1P1.

SMP was incorporated under the Canada Business Corporations Act on February 7, 2008 and was classified as a Capital Pool Company as defined in the TSX Venture Exchange ("TSX-V" or the "Exchange") Policy 2.4 and domiciled in Canada. The Company's wholly owned subsidiary, Strata Minerals Pty Ltd. ("Strata") was incorporated under the laws of Australia on September 8, 2009.

On June 6, 2016, the Company was suspended from trading on the TSX-V for failure to maintain the Exchange requirements. On March 27, 2017, the Company resumed trading on the NEX board of the Exchange.

As at March 31, 2017, the Company had not determined the existence of economically recoverable reserves. The Company’s assets may be subject to increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and restrictions, and political uncertainty.

These condensed interim consolidated financial statements have been prepared using International Financial Reporting Standards applicable to a going concern, which contemplates the realization of assets and the settlement of liabilities in the normal course of business for the foreseeable future as they come due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Given that the Company has not yet determined whether its mineral properties contain mineral deposits that are economically recoverable, the Company has not yet generated income or cash flows from its operations. The Company has incurred a loss in the current and prior periods, with a current net income of $243,563 during the nine months ended March 31, 2017 (nine months ended March 31, 2016 - loss of $91,368) and has an accumulated deficit of $9,829,477 (June 30, 2016 - $10,073,040). These material uncertainties cast significant doubt regarding the Company’s ability to continue as a going concern.

As at March 31, 2017, the Company had a working capital of $13,465, including $97,134 in cash and cash equivalents and current liabilities totalling $90,398. The Company will require additional financing to meet its on-going operating expenses and advance its exploration work at its mineral properties. The Company is considering alternative financing opportunities. While there is no assurance additional funds can be raised, the Company believes such financing will be available as required. The Company's discretionary exploration activities do have considerable scope for flexibility in terms of the amount and timing of exploration expenditure, and expenditures may be adjusted accordingly.

These condensed interim consolidated financial statements do not reflect adjustments to the carrying amounts of assets and liabilities, the reported revenues and expenses and the statement of financial position classifications used that would be necessary if the going concern assumptions were not appropriate.

2. Significant accounting policies

Statement of compliance

The Company applies International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”). These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC.

(Expressed in Canadian Dollars unless otherwise stated)

2. Significant accounting policies (continued)

Statement of compliance (continued)

The policies applied in these condensed consolidated interim financial statements are based on IFRSs issued and outstanding as of May 23, 2017, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these condensed consolidated interim financial statements as compared with the most recent annual consolidated financial statements as at and for the year ended June 30, 2016. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending June 30, 2017 could result in restatement of these unaudited condensed interim consolidated financial statements.

New standards not yet adopted and interpretations issued but not yet effective

IFRS 9 – Financial instruments ("IFRS 9") was issued by the IASB in October 2010 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Earlier adoption is permitted. The Company has not yet assessed the impact of this standard.

3. Cash and cash equivalents

	March 31, 2017	**June 30, 2016**
Cash on hand	**$ 97,134**	$ 18,974
Short-term bank deposits	**-**	419
	$ 97,134	$ 19,393

4. Amounts receivable

	March 31, 2017	**June 30, 2016**
Sales tax receivable	**$ 6,729**	$ 17,776

5. Exploration and evaluation assets

	Total
Balance, June 30, 2015	$ 182,381
Write-off	(182,380)
Balance, June 30, 2016 and March 31, 2017	$ 1

(Expressed in Canadian Dollars unless otherwise stated)

6. Reclamation bond

The Company posted a US$84,254 reclamation bond for the Diamond Mountain Project, as required by the State of Utah, to secure clean-up costs if the projects are abandoned or closed. During the year ended June 30, 2015, US$75,000 was released back to the Company for reclamation work performed. As at March 31, 2017, US$9,254 remains posted.

7. Accounts payable and accrued liabilities

		March 31, 2017		June 30, 2016
Falling due within the next year:				
Trade payables	**$**	**33,242**	$	466,172
Accrued liabilities		**42,156**		166,462
	$	**75,398**	$	632,634

8. Promissory notes

During the nine months ended March 31, 2017, the Company entered into promissory notes of $142,000 which are unsecured, bear interest at a rate of Prime Rate plus 2% per annum and are due on demand. $117,000 of the promissory notes were held by officers and directors of the Company or companies controlled by directors of the Company.

As of March 31, 2017 - $nil (June 30, 2016 - $107,000) of unsecured, non-interest bearing promissory notes due on demand were owing to the Chief Executive Officer and former directors.

During the nine months ended March 31, 2017, total promissory notes of $249,000 were settled through the issuance of common shares of the Company at a price of $0.05 per share.

9. Share capital

On March 27, 2017, the Company completed the share consolidation of its issued and outstanding common shares on the basis of one post-consolidation common share for every ten pre-consolidation common shares. The share consolidation has been reflected in these financial statements and all applicable references to the number of shares, warrants, stock options and their strike price and per share information has been restated.

a) Authorized share capital

At March 31, 2017, the authorized share capital consisted of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

b) Common shares issued

	Number of common shares		Amount
Balance - June 30, 2015, March 31, 2016 and June 30, 2016	**2,432,405**	**$**	**9,205,639**
Shares issued to settle promissory notes (note 8)	4,980,000		249,000
Units issued for private placements (i)	3,065,430		214,580
Cost of issue - cash (i)	-		(7,372)
Balance - March 31, 2017	**10,477,835**	**$**	**9,661,847**

(Expressed in Canadian Dollars unless otherwise stated)

9. Share capital (continued)

b) Common shares issued (continued)

(i) On March 27, 2017, the Company completed a non-brokered private placement for gross proceeds of $214,580 at a price of $0.07 per common share for a total of 3,065,430 common shares. The securities issued pursuant to the placement are subject to a four month and one day statutory hold period.

An officer of the Company subscribed for 360,000 common shares under the private placement.

10. Warrants

The following table reflects the continuity of warrants for the periods ended March 31, 2017 and 2016:

	Number of warrants	Weighted average exercise price
Balance, June 30, 2015	**666,667**	**$ 1.20**
Expired	(666,667)	1.20
Balance, March 31, 2016, June 30, 2016 and March 31, 2017	**-**	**$ -**

11. Stock options

The Company has a stock option plan for its directors, officers, employees and technical consultants to the Company that are non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares. The number of common shares reserved for issuance to any individual, director or officer will not exceed 5% of the issued and outstanding common shares and the number of common shares reserved for issuance pursuant to options granted to all Technical consultants will not exceed 2% of the issued and outstanding common shares. Such options will be exercisable for a period of up to 10 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors.

The following table reflects the continuity of stock options for the periods ended March 31, 2017 and 2016:

	Number of stock options	Weighted average exercise price
Balance, June 30, 2015	**184,000**	**$ 3.70**
Expired/Forfeited	(52,500)	7.50
Balance, March 31, 2016	131,500	$ 2.10
Balance, June 30, 2016	**2,500**	**$ 15.00**
Granted (i)	350,000	0.10
Expired	(2,500)	15.00
Balance, March 31, 2017	**350,000**	**$ 0.10**

(Expressed in Canadian Dollars unless otherwise stated)

11. Stock options (continued)

(i) On February 9, 2017, the Company granted 350,000 stock options to directors and officers of the Company at an exercise price of $0.10 and expiry date of February 9, 2022. The stock options vested on grant. A value of $17,220 was assigned to the options using the Black-Scholes pricing model with the following assumptions: share price of $0.05; expected dividend yield - 0%; expected volatility 167% (based on historical volatility); risk-free interest rate - 1.22% and an expected life of 5 years.

The following table reflects the stock options issued and outstanding as of March 31, 2017:

Expiry Date	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (years)	Number of Options Outstanding	Number of Options Vested (Exercisable)
February 9, 2022	$ 0.10	4.87	350,000	350,000

12. Exploration and evaluation expenditures

The following tables reflect the exploration and evaluation expenditures incurred in the nine months ended March 31, 2017 and year ended June 30, 2016. Cumulative expenses are shown for only the projects where the Company continues to hold the tenements.

Nine months ended March 31, 2017	Diamond Mountain
Leases and taxes	$ 13,449
Consulting	2,328
Travel	1,699
Total for the nine months ended March 31, 2017	17,476
Cumulative exploration and evaluation expenditures as at June 30, 2016	1,223,440
Cumulative exploration and evaluation expenditures as at March 31, 2017	$ 1,240,916

Year ended June 30, 2016	Diamond Mountain
Leases and taxes	$ 19,376
Administration and other	(9,656)
Total for the year ended June 30, 2016	9,720
Cumulative exploration and evaluation expenditures as at June 30, 2015	1,213,720
Cumulative exploration and evaluation expenditures as at June 30, 2016	$ 1,223,440

(Expressed in Canadian Dollars unless otherwise stated)

13. Loss per share

	Three Months Ended March 31, 2017	Three Months Ended March 31, 2016	Nine Months Ended March 31, 2017	Nine Months Ended March 31, 2016
Net income (loss) per share:				
- basic	**$ (0.05)**	$ (0.00)	**$ 0.10**	$ (0.04)
- diluted	**$ (0.05)**	$ (0.00)	**$ 0.10**	$ (0.04)
Net income (loss) attributable to common shareholders	**$ (135,867)**	$ (6,507)	**$ 243,563**	$ (91,368)
Weighted average outstanding - basic	**2,789,980**	2,432,405	**2,549,857**	2,432,405
Weighted average outstanding - diluted	**2,789,980**	2,432,405	**2,549,857**	2,432,405

(i) Basic loss per share is computed by dividing net income (loss) (the numerator) by the weighted average number of outstanding common shares for the period (the denominator). Options and warrants outstanding have been excluded from computing diluted earnings per share because they are anti-dilutive.

14. General and administrative expenses

	Three Months Ended March 31, 2017	Three Months Ended March 31, 2016	Nine Months Ended March 31, 2017	Nine Months Ended March 31, 2016
Consulting fees (note 15)	**$ -**	$ -	**$ 8,000**	$ -
Accounting and audit fees	**9,394**	12,179	**27,296**	42,580
Legal fees	**31,779**	-	**31,779**	-
Office and general	**3,371**	(15,653)	**3,514**	21,285
Travel and accommodation	**5,712**	-	**5,712**	-
Regulatory and listing fees	**4,783**	3,165	**14,996**	11,098
Salaries and director fees (note 15)	**932**	-	**(8,052)**	-
	$ 55,971	$ (309)	**$ 83,245**	$ 74,963

15. Related party transactions

Related parties include the Board of Directors, officers, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. The below noted transactions are in the normal course of business and are measured at the amount as agreed to by the parties, and approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

(a) The Company entered into the following transactions with related parties:

Carmelo Marrelli, a director of the Company, is President of Marrelli Support Services Inc. ("Marrelli Support"), a firm providing accounting services. Fees for services provided by Marrelli Support totaled $7,394 and $9,897, for the three and nine months ended March 31, 2017 (three and nine months ended March 31, 2016 - $nil). As at March 31, 2017, Marrelli Support was owed $2,637 and this amount was included in accounts payable and accrued liabilities (June 30, 2016 - $nil).

See note 9 (b)(i).

(Expressed in Canadian Dollars unless otherwise stated)

15. Related party transactions (continued)

(a) The Company entered into the following transactions with related parties: (continued)

During the three and nine months ended March 31, 2017, Hugh Agro, an officer and director of the Company, advanced $15,000 to the Company. The advance was unsecured, non-interest bearing and due on demand. Subsequent to March 31, 2017, this amount was repaid.

(b) In addition to the above, the Company paid or accrued remuneration of Directors and key management of the Company as follows:

	Three Months Ended March 31, 2017	Three Months Ended March 31, 2016	Nine Months Ended March 31, 2017	Nine Months Ended March 31, 2016
Share-based payments	$ 17,220	$ 5,006	$ 17,220	$ 15,882

(c) Promissory notes

See note 8.

(d) Insider shareholdings

As of March 31, 2017, Peter Kozicz controls 1,214,545 common shares of the Company or approximately 12% of the total common shares outstanding.

As of March 31, 2017, Hugh Agro, directly and indirectly, controls 2,469,225 common shares of the Company or approximately 24% of the total common shares outstanding.

As of March 31, 2017, Carmelo Marrelli, directly and indirectly, controls 1,282,857 common shares of the Company or approximately 12% of the total common shares outstanding.

None of the Company's major shareholders have different voting rights than other holders of the Company's common shares.

As of March 31, 2017, directors and officers of the Company, with individual control of less than 10% of the total common shares outstanding, collectively control 858,000 common shares of the company or approximately 8% of the total common shares outstanding. To the knowledge of the directors and officers of the Company, the remaining common shares of the Company were widely held.

16. Segmented information

The Company has determined that it only operates in one segment, being mineral exploration. Non-current assets segmented by geographical area are as follows:

	March 31, 2017	June 30, 2016
Canada	**$ -**	$ -
Australia	**-**	-
United States	**12,331**	11,954
Total	**$ 12,331**	$ 11,954

17. Subsequent event

On May 8, 2017, the Company announced it completed a non-brokered financing for gross proceeds of $500,000 by way of private placement of 2,500,000 common shares of the Company at the price of $0.20 per share. The securities issued pursuant to the placement are subject to a four month and one day statutory hold period.

In connection with the placement, Hugh Agro, President, Chief Executive Officer and a Director of the Company, and Messrs. Donald Birak, Michael Mansfield, and Carmelo Marrelli, each a Director of the Company, acquired 175,000 Shares in the aggregate.