TANZANIA MINERALS CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
(Unaudited)

May 31, 2018

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

The accompanying unaudited condensed interim financial statements of Tanzania Minerals Corp. (the "Company") have been prepared by and are the responsibility of the Company's management. These financial statements, along with the accompanying notes, have been reviewed and approved by the members of the Company's audit committee.

In accordance with Canadian Securities Administrators National Instruments 51-102, the Company discloses that these unaudited condensed interim consolidated financial statements have not been reviewed by the Company's auditors.

TANZANIA MINERALS CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
(Unaudited)

AS AT

	May 31, 2018	February 28, 2018
ASSETS		
Current		
Cash	$ 171	$ 734
Receivables	1,614	4,245
	$ 1,785	$ 43,121
LIABILITIES		
Current		
Accounts payable and accrued liabilities	$ 455,340	$ 433,227
SHAREHOLDERS' DEFICIENCY		
Capital stock (Note 6)	13,660,966	13,660,966
Reserves (Note 6)	2,514,841	2,514,841
Deficit	(17,523,770)	(17,499,062)
Accumulated other comprehensive income	894,408	895,007
	(453,555)	(428,248)
	$ 1,785	$ 4,979

Nature of operations (Note 1)
Going concern (Note 2)
Subsequent event (Note 11)

Approved on behalf of the Board on July 26, 2018:

Robert Dzisiak Director *Grant Hall* Director

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

TANZANIA MINERALS CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
(Unaudited)

	May 31, 2018	May 31, 2017
Expenses		
Consulting fees (Note 7)	$ 5,000	$ -
General and administrative expenses	5,325	269
Professional fees (Note 9)	14,383	(1,553)
Net Income (Loss) for the period	(24,708)	1,285
Translation adjustment	(599)	(944)
Comprehensive loss for the period	$ (25,307)	$ 341
Basic and diluted loss per common share	$ (0.00)	$ (0.00)
Weighted average number of common shares outstanding – basic and diluted	9,405,038	9,405,038

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

TANZANIA MINERALS CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
(Unaudited)
For the periods ended

		May 31, 2018		May 31, 2017
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss for the period	$	(24,708)	$	1,285
Items not involving cash:				
Unrealized foreign exchange		(599)		(1,785)
Changes in non-cash working capital items:				
(Increase) decrease in receivables		2,631		(9)
Increase in accounts payable and accrued liabilities		20,915		420
Net cash used in operating activities		(563)		(89)
Decrease in cash		(563)		(89)
Cash, beginning of year		734		732
Cash, end of period	$	171	$	643
Cash paid during the period for:				
Interest	$	-	$	-
Income taxes	$	-	$	-

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

TANZANIA MINERALS CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIENCY
(Expressed in Canadian Dollars)
(Unaudited)

	Capital Stock					
	Number	Amount	Reserves	Deficit	Accumulated Other Comprehensive Income	Total
Balance, February 29, 2017	**2,405,106**	**$13,660,966**	**$ 2,514,841**	**$ (17,356,270)**	**$ 892,973**	**$ (287,490)**
Loss for the year	-	-	-	(142,792)	-	(142,792)
Translation adjustment	-	-	-	-	2,034	2,034
Balance, February 28, 2018	**2,405,106**	**13,660,966**	**2,514,841**	**(17,499,062)**	**895,007**	**(428,248)**
Loss for the period	-	-	-	(24,708)	-	(24,708)
Translation adjustment	-	-	-	-	(599)	(599)
Balance, May 31, 2018	**2,405,106**	**$ 13,660,966**	**$ 2,514,841**	**$ (17,499,062)**	**$ 894,408**	**$ (453,555)**

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

1. NATURE OF OPERATIONS

Tanzania Minerals Corp. (the "Company") is an exploration stage company and was in the business of exploration and evaluation of mineral properties in Tanzania, Africa through its wholly owned subsidiary, Tansmin Resources (Tanzania) Limited ("Tansmin"). The Company was incorporated under the laws of the British Columbia on June 29, 2007. The Company has its head office at #410-1040 West Georgia, Vancouver, BC V6E 4H1.

To date, the Company has not earned significant revenues, and is considered to be in the exploration stage.

On September 16, 2016, trading in the Company's shares was suspended on the TSX Venture Exchange ("TSX-V"). On January 29, 2018, the cease trade order was removed, and the Company's shares were reinstated for trading on the NEX Board of the TSX-V.

On April 26, 2018, the Company consolidated its share capital on the basis of one post consolidated common share for every 30 pre-consolidated common shares. All common share and per common share amounts, including options, in these financial statements have been adjusted to give retroactive effect to the share consolidation (Note 12).

2. GOING CONCERN

These condensed interim consolidated financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going-concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. Accordingly, it does not give effect to adjustments, if any that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities in other than the normal course of business and at amounts which may differ from those shown in the consolidated financial statements. The ability of the Company to continue as a going concern is dependent on its ability to obtain additional equity financing and achieve future profitable operations.

As at May 31, 2018, the Company had a working capital deficit (excess of current liabilities over current assets) of $453,555 (February 28, 2018 - $428,248). The Company's liquidity is dependent on its ability to obtain additional equity financing.

The Company has not generated revenue from operations and will require additional financing to maintain its operations and activities. These material uncertainties and conditions may cast significant doubt as to the Company's ability to continue as a going concern.

The condensed interim consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

3. BASIS OF PRESENTATION

Statement of compliance

The condensed interim consolidated financial statements of the Company for the period ending May 31, 2018, including comparatives, are prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB").

The condensed interim consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss, or available-for-sale, which are stated at their fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The condensed interim consolidated financial statements were authorized for issue by the Board of Directors on July 26, 2018.

Basis of measurement

The condensed interim consolidated financial statements are presented in Canadian dollars, unless otherwise stated.

These condensed interim consolidated financial statements include the financial statements of the Company, 0886940 B.C. Ltd., and Tansmin, which are wholly owned, and controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity to obtain benefits from its activities. The financial statements of the Company's subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases. All intercompany transactions and balances have been eliminated.

Critical accounting judgments and estimates

The preparation of these condensed interim consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the period. Actual results could differ from these estimates.

Critical judgments in applying accounting policies

The preparation of these condensed interim consolidated financial statements requires management to make judgments regarding the going concern of the Company, as discussed in Note 2, as well as the determination of functional currency. The functional currency is the currency of the primary economic environment in which an entity operates and has been determined for each entity within the Company. The functional currency for the Company and 0886940 B.C. Ltd. has been determined to be the Canadian dollar, while the functional currency of Tansmin has been determined to be the United States ("US") dollar.

(Expressed in Canadian Dollars)

4. SIGNIFICANT ACCOUNTING POLICIES

The condensed interim consolidated financial statements of the Company have been prepared in accordance with IFRS and reflect the following significant accounting policies:

Recent Accounting Pronouncements

IFRS 9, Financial Instruments ("IFRS 9") is effective for annual periods beginning on or after January 1, 2018. IFRS 9 introduces new requirements for the classification and measurement of financial assets and liabilities as well as derecognition of financial instruments. IFRS 9 has two measurement categories for financial assets: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is amortized at cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest, otherwise it is at fair value through profit and loss. The Company has analyzed the impact of adopting IFRS 9 and anticipates that there will be no material changes as a result of adopting this new standard.

6. CAPITAL STOCK AND RESERVES

The authorized capital stock of the Company is unlimited common shares without par value.

The authorized preferred shares of the Company is unlimited preferred shares without par value.

There were no capital stock transactions during the year ended February 28, 2018 or the period ended May 31, 2018. (Note 11)

On April 26, 2018, the Company consolidated its share capital on the basis of one post consolidated common share for every 30 pre-consolidated common shares. All common share and per common share amounts, including options and warrants, in these financial statements have been adjusted to give retroactive effect to the share consolidation.

Warrants

There were no warrants outstanding as at February 28, 2018 and May 31, 2018. (Note 11)

Stock options

The Company has established a stock option plan pursuant to which options to purchase common shares may be granted to certain officers, directors, and employees of the Company as well as persons providing ongoing services to the Company. The exercise price of options is to equal at least the market price of the Company's stock on the date of grant. Stock options are exercisable for a five-year term in accordance with TSX-V policy. The options vest at the discretion of the Board of Directors. The number of common shares reserved for issuance may not exceed 10% of the issued and outstanding common shares of the Company.

	Number of Stock Options		Weighted Average Exercise Price
Outstanding and exercisable at February 28, 2017	86,667	$	1.50
Expired	(21,667)		1.50
Outstanding and exercisable at February 28, 2018	65,000		1.50
Expired	(10,000)		1.50
Outstanding and exercisable at May 31, 2018	55,000	$	1.50

(Expressed in Canadian Dollars)

6. CAPITAL STOCK AND RESERVES (cont'd…)

Stock options

At May 31, 2018 the following stock options were outstanding and exercisable:

Outstanding and Exercisable	Exercise Price	Remaining Contractual Life (years)	Expiry Date
55,000	$ 1.50	1.48	November 24, 2019

Share-based payments

The Company recognizes share-based payments expense for all stock options granted using the fair value based method of accounting. There were no stock options granted during the year ended February 28, 2018 or the period ended May 31, 2018.

7. RELATED PARTY TRANSACTIONS

Related parties and related party transactions impacting the accompanying financial statements are summarized below and include transactions with the following individuals or entities:

Key management personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

Remuneration attributed to key management personnel can be summarized as follows:

	For the three months ended May 31, 2018	May 31, 2017
Consulting and professional fees	$ 16,000	$ -
	$ 16,000	$ -

Other related parties

As at May 31, 2018, $66,445 (February 28, 2018, $74,955) was included in accounts payable due to various related parties. During the fiscal year, $190,250 owing to related parties were assigned to a third party.

8. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and evaluation of exploration and evaluation assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

In the management of capital, the Company considers components of shareholders' equity(deficiency).

Management reviews its capital management approach on an on-going basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the year.

9. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, receivables, due from related party, investment, and accounts payable and accrued liabilities. The Company has classified its cash as fair value through profit or loss. The Company's receivables and due from related party are classified as loans and receivables. The Company's investment is classified as available for sale. The Company's accounts payable and accrued liabilities is classified as other financial liabilities. The fair value of the Company's receivables, and accounts payable and accrued liabilities approximate the carrying value, which is the amount on the consolidated statements of financial position due to their short-term maturities or ability of prompt liquidation. The Company's cash and investment, under the fair value hierarchy are measured at fair value, based on level one quoted prices in active markets for identical assets or liabilities.

As at May 31, 2018, the Company's risk exposures and the impact on the Company is financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit risk as the majority of its cash is held at a large Canadian bank.

The Company's receivables consist mainly of input tax credits receivable from the Government of Canada, and as a result the Company does not believe it is subject to significant credit risk.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at May 31, 2018, the Company had cash of $171 to settle current liabilities of $455,340. The Company's liquidity is dependent on its ability to obtain additional equity financing.

9. FINANCIAL INSTRUMENTS (cont'd…)

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

a) Interest rate risk

The Company has cash balances and an amount due from related party which bears interest. The Company has no interest bearing debt. The interest earned on cash and the amount due from related party is insignificant, and the Company does not rely on interest received to fund its operations. As a result, the Company is not at a significant risk to fluctuating interest rates.

b) Currency risk

The Company's operations are in Canada and accordingly the Company is not subject to significant foreign currency risk.

c) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and copper, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

10. SEGMENTED INFORMATION

The Company primarily operates in one reportable operating segment, being the acquisition, exploration, and evaluation of resource properties.

11. SUBSEQUENT EVENTS

On July 4, 2018 the Company announced the closing of a private placement offering (the "Offering") of $629,993.88 of gross proceeds based on the issuance of 6,999,932 units (the "Units") at a price of $0.09 per Unit. Each Unit consists of one common share (a "Common Share") and one common share purchase warrant (a "Warrant"). Each Warrant entitles the holder to acquire one common share at an exercise price of $0.12 until July 4, 2019 (with a restriction on the exercise of the warrants in the event that the holder would own more than 9.99% of the issued and outstanding common shares of the Company as a result of such exercise). The Company paid arms length finder's fees of $36,605.63. The Common Shares and Warrants are subject to a resale restriction until November 5, 2018. Closing of the Offering remains subject to receipt of all necessary regulatory approvals, including final approval of the TSX Venture Exchange.

One of the directors and the spouse of one of the directors of the Company acquired a portion of the Offering, and their participation (the "Insider Participation") is considered to be a "related party transaction" as defined under Multilateral Instrument 61-101 ("MI 61-101"). The Insider Participation is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101.

11. SUBSEQUENT EVENTS (cont'd…)

The net proceeds of the private placement will be used for the repayment of debt as well as for general corporate purposes.

On July 18, 2018 the Company announced the resignation of David Eaton as a member of the Board of Directors. The Company has appointed Bev Funston as a member of the Board of Directors of the Company effective immediately.