Ressources TANTALEX

Tantalex Resources Corporation

CONSOLIDATED FINANCIAL STATEMENTS

Years ended February 28, 2015 and 2014

(Expressed in Canadian dollars)

MNP LLP

Independent Auditors' Report

To the Shareholders of Tantalex Resources Corporation:

We have audited the accompanying consolidated financial statements of Tantalex Resources Corporation and its subsidiaries, (the "Company") which comprise the consolidated statement of financial position as at February 28, 2015, and the consolidated statements of loss and comprehensive loss, changes in equity and cash flows for the year ended February 28, 2015 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes assessing the appropriateness of accounting principles used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe the audit evidence obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as at February 28, 2015, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Emphasis of Matters

Without qualifying our opinion, we draw attention to Note 2 in the consolidated financial statements which describes conditions and matters that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Other Matter

The comparative figures as at February 28, 2014 and for the year then ended were audited by another firm of Chartered Professional Accountants who expressed an unqualified opinion in their report dated November 17, 2014.

MNP LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Ontario
June 29, 2015

Tantalex Resources Corporation

(Formerly Lynnwood Capital Inc.)

CONSOLIDATED BALANCE SHEETS

(expressed in Canadian dollars)

	As at February 28, 2015	As at February 28, 2014
ASSETS		
CURRENT ASSETS		
Cash	$ 4,309	$ 14,827
Trade receivable and other receivable	-	1,725
Sales tax receivable	14,680	47,100
Prepaid expenses	1,306	12,628
Advances receivable	-	7,095
	20,295	83,375
EQUIPMENT	2,299	3,745
EXPLORATION AND EVALUATION ASSETS (Note 7)	620,124	468,149
TOTAL ASSETS	$ 642,718	$ 555,269
LIABILITIES		
CURRENT LIABILITIES		
Trade payable and accrued liabilities	$ 836,330	$ 338,575
Loan (Note 10)	127,424	71,775
Promissory notes (Note 11)	65,000	
Due to related companies (Note 12)	254,256	21,821
Due to directors (note 13)	137,926	116,124
Due to consultants	187,783	142,938
Balance of sale (Note 8)	200,000	200,000
	1,808,719	891,233
BALANCE OF SALE (Note 8)	148,419	148,419
CONVERTIBLE DEBENTURES (Note 14)	222,891	178,030
	$ 2,180,029	$ 1,217,682
SHAREHOLDERS' DEFICIENCY		
Share capital (Note 15)	2,429,244	2,046,817
Contributed surplus	354,037	354,037
Warrants (Note 15)	342,846	243,473
Equity component of convertible debentures (Note 14)	31,183	31,183
Shares to be issued (note 9)	129,000	-
Deficit	(4,824,804)	(3,344,595)
Accumulated other comprehensive income	1,183	6,672
	$ (1,537,311)	$ (662,413)
TOTAL LIABILITIES AND EQUITY	$ 642,718	$ 555,269

GOING CONCERN (Note 2)

COMMITMENTS (Note 22)

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

ON BEHALF OF THE BOARD OF DIRECTORS

(s) ______________________________, Director

Tantalex Resources Corporation

(Formerly Lynnwood Capital Inc.)

CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

For the years ended February 28, 2015 and February 28, 2014

(expressed in Canadian dollars)

	2015	2014
EXPENSES		
General and administrative (note 23)	$ (1,480,209)	$ (1,415,430)
LOSS BEFORE INCOME TAXES		
Income taxes (recovery)	-	6,502
NET LOSS FOR THE YEAR	$ (1,480,209)	$ (1,421,932)
BASIC AND DILUTED LOSS PER SHARE (note 16)	$ (0.04)	$ (0.04)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

For the years ended February 28, 2015 and February 28, 2014

(expressed in Canadian dollars)

	2015	2014
NET LOSS FOR THE YEAR	$ (1,480,209)	$ (1,421,932)
Item of other comprehensive income to be subsequently reclassified to net loss		
Foreign currency translation	(5,489)	5,603
COMPREHENSIVE LOSS	$ (1,485,698)	$ (1,416,329)

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

Tantalex Resources Corporation

(Formerly Lynnwood Capital Inc.)

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the years ended February 28, 2015 and February 28, 2014

(expressed in Canadian dollars)

	Number of issued and outstanding common shares	Share Capital	Shares to be issued	Equity component of convertible debenture	Warrants	Contributed Surplus	Accumulated other comprehensive income	Deficit	Total Equity
Balance as at February 28, 2013	5,650,000	$ 339,621	$ -	$ 47,607	$ 56,915	$ 329,575	$ 1,069	$(1,922,663)	$(1,147,876)
Shares cancelled	(3,600,000)	-	-	-	-	-	-	-	-
Share consolidation	(931,269)	-	-	-	-	-	-	-	-
Operations before RTO:									-
Shares issued by private placement	-	391,382	-	-	150,618	-	-	-	542,000
Share issue expenses	-	(43,949)	-	-	15,149	-	-	-	(28,800)
Debenture conversion (net of income tax recovery of $6,502)	-	166,421	-	(16,424)	-	24,462	-	-	174,459
Shares issed for debt conversion	-	628,450	-	-	-	-	-	-	628,450
Stock options exercised for settlement of debt	-	130,484	-	-	-	-	-	-	130,484
	1,118,731	1,612,409	-	31,183	222,682	354,037	1,069	(1,922,663)	298,717
Shares issued on RTO (note 3)	32,306,833	290,199	-	-	-	-	-	-	290,199
Shares issued on private placement	1,050,000	84,209	-	-	20,791	-	-	-	105,000
Shares issued in accordance with consulting agreement (note 3)	425,000	60,000	-	-	-	-	-	-	60,000
	34,900,564	2,046,817	-	31,183	243,473	354,037	1,069	(1,922,663)	753,916
Net loss for the year	-	-	-	-	-	-	-	(1,421,932)	(1,421,932)
Other Comprehensive loss									-
Exchange differences on translating foreign operations	-	-	-	-	-	-	5,603	-	5,603
Balance as at February 28, 2014	34,900,564	$ 2,046,817	$ -	$ 31,183	$ 243,473	$ 354,037	$ 6,672	$(3,344,595)	$ (662,413)
Shares issued by private placement	3,700,000	269,137	-	-	100,863	-	-	-	370,000
Share issue costs on financings	-	(25,710)	-	-	(1,490)	-	-	-	(27,200)
Shares to be issued	-	-	129,000	-	-	-	-	-	129,000
Shares issued on settlement of debt	840,000	84,000	-	-	-	-	-	-	84,000
Shares issued in accordance with consulting services	100,000	10,000	-	-	-	-	-	-	10,000
Shares issued in accordance with consulting agreement (Note 3)	287,879	45,000	-	-	-	-	-	-	45,000
	39,828,443	2,429,244	129,000	31,183	342,846	354,037	6,672	(3,344,595)	(51,613)
Net loss for the year	-	-	-	-	-	-	-	(1,480,209)	(1,480,209)
Other Comprehensive loss									
Exchange differences on translating foreign operations	-	-	-	-	-	-	(5,489)	-	(5,489)
Balance as at February 28, 2015	39,828,443	$ 2,429,244	$ 129,000	$ 31,183	$ 342,846	$ 354,037	$ 1,183	$(4,824,804)	$(1,537,311)

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

Tantalex Resources Corporation

(Formerly Lynnwood Capital Inc.)

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended February 28, 2015 and February 28, 2014

(expressed in Canadian dollars)

	2015	2014
OPERATING ACTIVITIES		
Net loss before income taxes	$(1,480,209)	$ (1,415,430)
Operating items not involving cash		
Effective interest cost	16,393	19,793
Interest on convertible debentures	28,468	33,721
Amortization of equipment	1,173	1,123
Shares issued in accordance with consulting agreements	55,000	60,000
Share issued on settlement of debt	84,000	-
Cost of listing	-	79,299
Changes in working capital items		
Trade receivable and other receivable	1,725	2,707
Sales taxes receivable	32,420	(897)
Prepaid expenses	11,322	(12,628)
Trade payables and accrued liabilities	432,433	(149,480)
Due to directors	21,802	325,987
Due to consultants	44,845	(36,293)
Cash flows used in operating activities	(750,628)	(1,092,098)
INVESTING ACTIVITIES		
Advances receivable	7,095	84,198
Exploration and evaluation assets	(86,653)	224,691
Cash flows used in investing activities	(79,558)	308,889
FINANCING ACTIVITIES		
Due to a related party	232,435	(24,188)
Subscriptions received in advance	129,000	-
Promissory notes receivable	65,000	-
Issuance of share capital	370,000	647,000
Loan	55,649	71,775
Cash flows from financing activities	824,884	694,587
NET DECREASE IN CASH	(5,302)	(88,622)
Effect of exchange rate fluctuations	(5,216)	3,968
CASH, BEGINNING OF YEAR	14,827	99,481
CASH, END OF YEAR	$ 4,309	$ 14,827

Note 17 provides additional information on the consolidated statements of cash flows.

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

1. NATURE OF OPERATIONS

Tantalex Resources Corporation ("Tantalex" or "the Company") (formerly, Lynnwood Capital Inc. ("Lynnwood")) was incorporated under the Business Corporations Act (British Columbia) on September 28, 2009 as a Capital Pool Company as defined in the TSX Venture Exchange (“TSX-V”) Policy 2.4. On October 21, 2013, Lynnwood completed its Qualifying Transaction by acquiring all of the issued and outstanding shares of Tantalex (the “Transaction”) and changed its name from Lynnwood Capital Inc., to Tantalex Resources Corporation. As a result of the transaction, the former shareholders of Tantalex acquired approximately 96% of the Company. Accordingly, from an accounting standpoint, the transaction constitutes a reverse takeover. Tantalex has been treated as the accounting parent (legal subsidiary) and Lynnwood has been treated as the accounting subsidiary (legal parent) in these consolidated financial statements. As Tantalex was deemed to be the acquirer for accounting purposes, its assets, liabilities and operations since incorporation are included in these consolidated financial statements at their historical carrying value. Lynnwood's results have been included from the date of the reverse takeover ("RTO"). The legal share capital of the entity continues to be that of Lynnwood, the legal parent. The Company is listed on the Canadian Securities Exchange (“CSE”) under the symbol TTX, as well as on the Frankfurt Stock exchange under the symbol 1TO beginning May 2014, and is primarily engaged in exploration for Tantalum ore in Central Africa and owns mining rights for Tantalum in the Republic of Congo and Namibia. To date, the Company has not earned significant revenue and is considered to be in exploration stage.

Although the Company has taken steps to verify title to the properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, undetected defects, unregistered claims, native land claims, and non-compliance with regulatory and environmental requirements.

The head office of the Company is located 1055 West Georgia Street, Suite 1500, P.O Box 11117, Vancouver, British Columbia V6E 4N7.

The Board of Directors approved and authorized for issue these consolidated financial statements on June 29, 2015.

2. GOING CONCERN

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which contemplates the realization of assets and the settlement of liabilities in the normal course of business 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 not limited to twelve months from the end of the reporting period. Management is aware, in making its assessment, of material uncertainties related to events and conditions that may cast a significant doubt upon the Company's ability to continue as a going concern as described in the following paragraph, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern. These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities, expenses and financial position classification that would be necessary if the going concern assumption was not appropriate. These adjustments could be material.

For the year ended February 28, 2015 the Company reported a net loss of $1,480,209 (2014 - $1,421,932) and has an accumulated deficit of $4,824,804 at February 28, 2015 (2014 - $3,344,595). In addition to ongoing working capital requirements, the Company must secure sufficient funding to further develop the Company’s properties and pay for general and administration expenses. At February 28, 2015, the Company had a working capital deficiency of $1,782,983 ($807,858 at February 28, 2014). These conditions indicate the existence of a material uncertainty that cast significant doubt regarding the Company's ability to continue as a going concern. Any funding shortfall may be met in the future in a number of ways including but not limited to, the issuance of new equity, debt financing or a corporate transaction. To this effect, the Company is currently evaluating different financing options. While management has been successful in securing financing in the past, there can be no assurance that it will be able to do so in the future or that these sources of funding will

(expressed in Canadian dollars)

2. GOING CONCERN (continued)

be available to the Company or that they will be available on terms which are acceptable to the Company. If management is unable to obtain new funding, the Company may be unable to continue its operations, and amounts realized for assets might be less than amounts reflected in these consolidated financial statements.

3. REVERSE TAKEOVER TRANSACTION ("RTO")

The Company entered into a letter agreement (the "Letter Agreement") dated October 16, 2013 with Lynnwood Capital Inc. ("Lynnwood"), and its subsidiary (8482373 Canada Inc.) pursuant to which it was agreed to combine their businesses by way of a triangular amalgamation. The amalgamation was effective on October 21, 2013 (the "Amalgamation date"). The amalgamation (the "Amalgamation") provided for the acquisition of all of the outstanding equity interests of Tantalex by Lynnwood. The agreement set out the terms of the transaction as follows:

(i) Lynwood issued 19,810,199 common shares to Tantalex shareholders, being one (1) exchange share for each Tantalex shares that was issued and outstanding as at the date of the agreement;

(ii) Lynnwood issued 12,496,634 common shares to Tantalex shareholders and suppliers party to Tantalex escrow agreements, and pursuant to the conversion of an aggregate of $125,000 of convertible debentures, being one (1) exchange share for each Tantalex share to be issued pursuant to the escrow agreements or upon the conversion of an aggregate of $125,000 of convertible debentures at $0.05 per Tantalex share;

(iii) In accordance with the amalgamation agreement, each option and warrant providing for the acquisition of shares of Tantalex were converted into the same number of options or warrants providing for the acquisition of shares of the Company, at the same exercise prices and expiry dates. In addition, the Company assumed the obligations of the Tantalex Convertible Debentures.

The determination and allocation of the deemed acquisition cost is summarized below:

Deemed acquisition cost	$ 290,199 (i)
Net assets acquired	
Cash	224,691
Sales tax receivable	2,351
Liabilities	(16,421)
Cost of listing	79,299(iii)
Total net assets	$ 290,199(ii)

(i) The deemed acquisition cost is based on the fair value of the number of equity interests the legal subsidiary would have had to issue to provide the owners of the legal parent the same percentage of equity interest in the combined entity that results from the RTO.

(ii) Represents the fair value of the net identifiable assets of Lynnwood as at October 21, 2013.

(iii) The excess of the deemed acquisition cost over the net assets acquired has been charged to operations, and is presented as cost of listing.

Concurrent with the closing of the Transaction, the Company entered into a consulting agreement with a company owned and controlled by former directors and officers of Lynnwood, for mining, financial and capital markets consulting services pursuant to the following terms:

3. REVERSE TAKEOVER TRANSACTION (continued)

(i) a $15,000 engagement fee payable by the issuance of 75,000 common shares at a market price of $0.20

(ii) $15,000 per month payable by the issuance of common shares at the end of each month at a deemed price equal to the greater of (i) $0.10, and (ii) the market price of the common shares on the Canadian Securities Exchange on the last trading day of each month.

This agreement shall enter into effect as of the date hereof and shall continue in effect until the later of (i) 20 months from commencement of the agreement and (ii) the issuance of 2,200,000 shares.

Fees related with this agreement, $180,000 for the year ended February 28, 2015 (2014 - $60,000), are classified under professional fees in the consolidated statement of loss and comprehensive loss. For the year ended February 28, 2015, 287,879 (2014 - 425,000) common shares were issued in accordance with this contract for services rendered. Pursuant to the Letter Agreement, prior to the Amalgamation, Lynnwood was required to consolidate the 2,050,000 issued and outstanding Lynnwood shares into 1,118,731 shares (Note 15).

4. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE

Statement of compliance
The consolidated financial statements of the Company and its subsidiaries have been prepared in accordance with International Financial Reporting Standards (”IFRS”), as issued by the International Accounting Standards Board (“IASB”).

Basis of presentation
These consolidated financial statements have been prepared on a historical cost basis. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Basis of consolidation
These consolidated financial statements include the accounts of the Company and those of its wholly-owned subsidiaries Tantalex Resources Inc., Sandstone Worldwide Ltd., Tantalex Namibia (PTY) Ltd., Kum Kum Mining and Exploration (PTY) Ltd., Kohero Mining and Exploration (PTY) Ltd. and Sadem Congo S.A.R.L. The parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. The Company's subsidiaries are all 100% owned by the parent company. All transactions and balances between companies are eliminated upon consolidation, including unrealized gains and losses on transactions between the companies. All subsidiaries have a reporting date of February 28.

5. SUMMARY OF ACCOUNTING POLICIES

Foreign Currency Translation
Within each entity, transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on dates of transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at that date. Foreign exchange differences arising on translation are recognized in consolidated statements of operations. Non-monetary assets and liabilities that are measured at historical cost are translated using the exchange rate at the date of the transaction.

The accounts of the Company are presented in Canadian dollars which is also the functional currency of the Company. The financial statements of foreign subsidiaries for which the functional currency is not the Canadian dollar are translated into Canadian dollars using the exchange rate in effect at the end of the reporting period for assets and liabilities and the average exchange rates for the period for revenue, expenses and cash flows. Functional currencies of the subsidiaries are the U.S Dollar. Foreign exchange differences arising on

5. SUMMARY OF ACCOUNTING POLICIES (continued)

translation are recognized in other comprehensive income and in accumulated other comprehensive income in shareholders' equity.

Financial Instruments
Financial assets
The Company classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, or assets acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of loss.

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

Held-to-maturity investments - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in the statement of loss.

Available-for-sale - Non-derivative financial assets not included in the above categories are classified as available-for- sale. They are carried at fair value with changes in fair value recognized directly in equity. Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognized in the statement of loss.

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described above.

Financial liabilities
The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of loss.

Other financial liabilities: This category includes promissory notes, amounts due to related parties and accounts payables and accrued liabilities, all of which are recognized at amortized cost.

Compound financial instruments
The component parts of compound financial instruments (convertible debentures) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the

5. SUMMARY OF ACCOUNTING POLICIES (continued)

definitions of a financial liability and an equity instrument. The conversion option that will be settled by the exchange of a fixed amount of cash for a fixed number of the Company's own equity instruments is classified as an equity instrument.

At the date of issue, the liability component is recognized at fair value, which is estimated using the prevailing market interest rate for similar non-convertible instruments. Subsequently, the liability component is measured at amortized cost using the effective interest method until extinguished upon conversion or at maturity.

The value of the conversion option classified as equity is determined at the date of issue by deducting the amount of the liability component from the fair value of the compounded instrument as a whole. This amount is recognized in equity, net of income tax effects, and is not subsequently re-measured. When and if the conversion option is exercised, the equity component of convertible debenture is transferred to the contributed surplus. No gain or loss is recognized upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible debentures are allocated to the liability and equity components in proportion to the initial carrying amounts. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortized over the maturity of the convertible debentures using the effective interest method.

Fair value hierarchy
The fair value hierarchy that applies in determining fair value requires that observable market data be used if such data exist. An asset or liability is classified at the lowest hierarchical level when significant unobservable market data has been used in the fair value measurement.
The Company uses the following hierarchy for the fair value determination of financial and non-financial items:

Level 1: the fair value is determined directly by reference to unadjusted quoted prices in an active market for identical assets or liabilities.

Level 2: the fair value is estimated using a valuation technique based on observable market data, either directly or indirectly.

Level 3: the fair value is estimated using a valuation technique based on unobservable data.

Basic and diluted loss per share
Basic loss per share is calculated by dividing the loss attributable to common equity holders of the parent company by the weighted average number of common shares outstanding during the period. Diluted loss per share is calculated by adjusting loss attributable to common equity holders of the parent company, and the weighted average number of common shares outstanding, for the effects of all dilutive potential common shares which include options, warrants and convertible debentures. Dilutive potential common shares shall be deemed to have been converted into common shares at the beginning of the period or, if later, at the date of issue of the potential common shares.

For the purpose of calculating diluted loss per share, the Company shall assume the exercise of dilutive options and warrants of the Company. The assumed proceeds from these instruments shall be regarded as having been received from the issue of common shares at the average market price of common shares during the period. The convertible debenture is anti-dilutive whenever its interest (net of tax and other change in income or expense) per common share obtainable on conversion, exceeds basic earnings per share at the end of the reporting period. The diluted loss per share is equal to the basic loss per share as a result of the anti-dilutive effect of the outstanding options and the convertible debenture.

5. SUMMARY OF ACCOUNTING POLICIES (continued)

Exploration and evaluation expenditures and assets
Exploration and evaluation expenditures are costs incurred in the course of the initial search for mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable. Costs incurred before the legal right to undertake exploration and evaluation activities are recognized in profit or loss when they are incurred.

Once the legal right to undertake exploration and evaluation activities has been obtained, all costs of acquiring mineral rights, expenses related to the exploration and evaluation of mining properties, less refundable tax credits related to these expenses, if applicable, are recognized as exploration and evaluation assets. Expenses related to exploration and evaluation include topographical, geological, geochemical and geophysical studies, exploration drilling, trenching, sampling and other costs related to the evaluation of the technical feasibility and commercial viability of extracting a mineral resource. The various costs are capitalized on a property-by-property basis pending determination of the technical feasibility and commercial viability of extracting a mineral resource. These assets are recognized as intangible assets and are carried at cost less any accumulated impairment losses. No depreciation expenses are recognized for these assets during the exploration and evaluation phase. Any pre-production revenue is netted against the cost of exploration and evaluation assets until the property is in commercial production.

Whenever a mining property is considered no longer viable, or is abandoned, the capitalized amounts are written down to their recoverable amounts; the difference is then immediately recognized in profit or loss.

When technical feasibility and commercial viability of extracting a mineral resource are demonstrable, exploration and evaluation assets related to the mining property are transferred to property and equipment in Mining assets under construction. Before the reclassification, exploration and evaluation assets are tested for impairment and any impairment loss is recognized in profit or loss before reclassification.

To date neither the technical feasibility nor the commercial viability of extracting a mineral resource has been demonstrated.

Although the Company has taken steps to verify title to the mining properties in which it holds an interest, in accordance with industry practices for the current stage of exploration and development of such properties, these procedures do not guarantee the validity of the Company’s titles. Property titles may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

Property, plant and equipment
Property, plant and equipment are held at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes all costs incurred initially to acquire or construct an item of property, plant and equipment, costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and costs incurred subsequently to add to or replace part thereof. Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the asset is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Upon the transfer of exploration and evaluation assets to property, plant and equipment under Mining assets under construction, all subsequent expenditures on the construction, installation or completion of equipment and infrastructure facilities are capitalized within Mining assets under construction. When development stage is completed, all assets included in the Mining assets under construction category are then transferred to Mining assets.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. Depreciation is recognized on a straight-line basis to write down the cost to its estimated residual value, with a constant charge over the useful life of the asset. Depreciation of an asset begins when it is available for use,

5. SUMMARY OF ACCOUNTING POLICIES (continued)

i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. The periods generally applicable are as follows:

Office furniture	5 years

The depreciation expense for each period is recognized in profit or loss except for certain items of property, plant and equipment related to exploration and evaluation activities where the depreciation expense is included in the carrying amount of an exploration and evaluation asset when it relates to a specific exploration and evaluation project, if applicable. Depreciation of an asset ceases when it is classified as held for sale (or included in a disposal group that is classified as held for sale) or when it is derecognized. Therefore, depreciation does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated.

The residual value, depreciation method and useful life of each asset are reviewed at least at each financial year-end. The carrying amount of an item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognized.

Impairment of exploration and evaluation assets, and property plant and equipment
For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at a cash-generating unit level.

Whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, an asset or cash-generating unit is reviewed for impairment. Impairment reviews for exploration and evaluation assets are carried out on a project-by-project basis, with each project representing a potential single cash generating unit. An impairment review is undertaken when indicators of impairment arise, but typically when one of the following circumstances apply:

- the right to explore the areas has expired or will expire in the near future with no expectation of renewal;
- no further exploration or evaluation expenditures in the area are planned or budgeted;
- no commercially viable deposits have been discovered, and the decision has been made to discontinue exploration in the area;
- sufficient work has been performed to indicate that the carrying amount of the expenditure carried as an asset will not be fully recovered.

Additionally, when technical feasibility and commercial viability of extracting a mineral resource are demonstrable, the exploration and evaluation assets of the related mining property are tested for impairment before these items are transferred to property, plant and equipment.

An impairment loss is recognized in profit or loss for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less cost to sell and its value in use. To determine the value in use, management estimates expected future cash flows from each asset or cash-generating unit, and then determines an appropriate interest rate for the calculation of the expected present value of the cash flows.

The impairment loss reduces the asset or is charged pro rata on the basis of the carrying amount of each asset in the cash-generating unit. All the assets are assessed whether there is any indication that an impairment loss recognized in prior periods may no longer exist. An impairment charge is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

5. SUMMARY OF ACCOUNTING POLICIES (continued)

Provisions and contingent liabilities
Provisions are recognized when present obligations as a result of a past event will probably lead to an outflow of economic resources from the Company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events, for example, legal disputes, decommissioning, restoration and similar liabilities, or onerous contracts. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted when the time value of money is significant.

The Company’s operations are governed by government environment protection legislation. Environmental consequences are difficult to identify in terms of amounts, timetable and impact. As of the reporting date, management believes that the Company’s operations are in compliance with current laws and regulations. Site restoration costs currently incurred are negligible. When the technical feasibility and commercial viability of extracting a mineral resource have been demonstrated, a restoration provision will be recognized in the cost of the mining property when there is constructive commitment that has resulted from past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be measured with sufficient reliability.

In those cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognized. Such situations are disclosed as contingent liabilities unless the outflow of resources is remote.

As at February 28, 2015 and 2014, there are no provision in the consolidated statements of financial position relates to claims.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate, if applicable.

Income taxes
Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the asset and liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not-deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting or taxable loss; nor differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a future tax asset will be recovered, the tax asset is not recognized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend.

5. SUMMARY OF ACCOUNTING POLICIES (continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Equity
Share capital represents the amount received on the issue of shares, less issuance costs, net of any underlying income tax benefit from these issuance costs. If shares are issued when options are exercised, the share capital account also comprises the compensation costs previously recorded in equity under contributed surplus. If shares are issued on conversion of the convertible debentures, the share capital account also comprises the equity component of convertible debentures.

Proceeds from unit placements are allocated between shares and warrants issued based on the relative fair values of each instrument. The fair value of the common shares is calculated by using the CSE share price on the date of the issuance and is accounted for in share capital and the fair value of the share purchase warrants is determined using the Black-Scholes valuation model and is accounted for in warrants.

Other elements of equity
Contributed surplus includes charges related to share options. When share options are exercised, the related compensation cost is transferred to share capital.

Warrants include amounts allocated to warrants issued as part of unit placements. When warrants are exercised, the related amount is transferred to share capital.

Deficit includes all current and prior periods accumulated profits or losses.

Accumulated other comprehensive income includes the cumulative currency translation adjustment which includes all foreign currency differences obtained from the translation of the financial statement of subsidiaries.

Equity settled stock based payments
The Company uses equity-settled share-based compensation for its eligible directors, officers, employees and consultants. As at February 28, 2015, the Company does not intend to use options for cash settlement.

All goods and services received in exchange for the grant of any share-based payments are measured at their fair values, unless that fair value cannot be estimated reliably. If the Company cannot estimate reliably the fair value of the goods or services received, the entity shall measure their value indirectly by reference to the fair value of the equity instruments granted. For the transactions with employees and others providing similar services, the Company measured the fair value of the services received by reference to the fair value of the equity instruments granted.

All equity-settled share-based payments (except warrants to brokers) are ultimately recognized as an expense in the profit or loss or capitalized as an exploration and evaluation asset, depending on the nature of the payment with a corresponding credit to contributed surplus, in equity. Equity-settled share-based payments to brokers, in respect of an equity financing are recognized as issuance cost of the equity instruments with a corresponding credit to warrants in equity, if applicable.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognized in the current period. No adjustment is made to any expense recognized in prior period if the number of share options ultimately exercised are different to that estimated on vesting.

5. SUMMARY OF ACCOUNTING POLICIES (continued)

Upon exercise of share options, the proceeds received net of any directly attributable transaction costs, as well as the related compensation cost previously recorded as contributed surplus, are credited to share capital.

Segment reporting
The Company has determined that there was only one operating segment being the sector of exploration and evaluation of mineral resources.

The Company presents and discloses segment information based on information that is regularly reviewed by the Officers and the Board of Directors.

Recent accounting pronouncements
Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods on or after January 1, 2015 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

IFRS 9 – Financial Instruments (“IFRS 9”) was issued by the IASB in November 2009 with additions in October 2010 and May 2013 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, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity’s own credit risk in other comprehensive income, rather than within profit or loss. 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.

IAS 1 – Presentation of Financial Statements (“IAS 1”) was amended in December 2014 in order to clarify, among other things, that information should not be obscured by aggregating or by providing immaterial information, that materiality consideration apply to all parts of the financial statements and that even when a standard requires a specific disclosure, materiality considerations do apply. The amendments are effective for annual periods beginning on or after January 1, 2016. Earlier adoption permitted.

IAS 24 - Related Party Disclosures (“IAS 24”) was amended by the IASB on December 12, 2013. The amendments clarify the identification and disclosure requirements for related party transactions when key management personnel services are provided by a management entity. The amendments are effective for annual periods beginning on or after July 1, 2014.

The adoption of these amendments is not expected to have an impact on the Company’s consolidated financial statements.

Current accounting changes
During 2014, the Company adopted a number of new IFRS standards, interpretations, amendments and improvements to existing standards. These included IAS 32, IAS 36, IAS 39, and IFRIC 21. These new standards and amendments did not have any material impact on the Company’s consolidated financial statements.

6. CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS

When preparing the consolidated financial statements, management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

The actual results are likely to differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results.

Estimation of uncertainty
Information about the significant estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses are discussed below.

Impairment of property plant and equipment and exploration and evaluation assets
Determining if there are any facts and circumstances indicating impairment loss or reversal of impairment losses is a subjective process involving judgment and a number of estimates and interpretations in many cases.

When an indication of impairment loss or a reversal of an impairment loss exists, the recoverable amount of the individual asset must be estimated. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs must be determined. Identifying the cash-generating units requires management judgment. In testing an individual asset or cash-generating unit for impairment and identifying a reversal of impairment losses, management estimates the recoverable amount of the asset or the cash-generating unit. This requires management to make several assumptions as to future events or circumstances. In assessing impairment of exploration and evaluation assets, the Company must make some estimates and assumptions regarding future circumstance, in particular, whether an economically viable extraction operation can be established, the probability that the expenses will be recover from either future exploitation or sale when the activities have not reached a stage that permits reasonable assessment of the existence of reserves, the Company’s capacity to obtain financial resources necessary to complete the evaluation and development and to renew permits. These assumptions and estimates are subject to change if new information becomes available. Actual results with respect to impairment losses or reversals of impairment losses could differ in such a situation and significant adjustments to the Company’s assets and earnings may occur during the next period.

No impairment loss of the exploration and evaluation assets and property, plant and equipment, and no reversal of impairment losses has been recognized for the reporting periods.

Share-based payments
The fair value of share-based payment costs is determined using the Black-Scholes valuation model taking into account the features of the plan and market data as at the grant date and on the basis of the Company management assumptions. They made estimates as to the volatility of its own share, the probable life of share options and warrants granted and the time of exercise of those share options and warrants.

Fair value of the balance of sale
On initial recognition, management estimated the fair value of the balance of sale. Estimation uncertainty relates to assumptions about the timing of the expected outflows of this liability and the discounting rate used.

Significant management judgment
The following are significant management judgments in applying the accounting policies of the Company that have the most significant effect on the consolidated financial statements.

Recognition of deferred income tax assets and measurement of income tax expense
Management continually evaluates the likelihood that its deferred tax assets could be realized. This requires management to assess whether it is probable that sufficient taxable income will exist in the future to utilize these losses within the

(expressed in Canadian dollars)

6. CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS (continued)

carry-forward period. By its nature, this assessment requires significant judgment. To date, management has not recognized any deferred tax assets in excess of existing taxable temporary differences expected to reverse within the carry-forward period.

Going concern
The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meets its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgment based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances. See Note 2 for more information.

7. EXPLORATION AND EVALUATION ASSETS

	February 28, 2014	Additions	February 28, 2015
	$	$	$
Republic of Congo			
Mining rights (1)	348,669	-	348,669
Exploration and evaluation expenses (2)	119,480	65,848	185,328
	468,149	65,848	533,997
Namibia			
Joint venture payment	-	65,322	65,322
Exploration and evaluation expenses (3)	-	20,805	20,805
	-	86,127	86,127
Total	468,149	151,975	620,124

	February 28, 2013	Additions	February 28, 2014
	$	$	$
Republic of Congo			
Mining rights (1)	348,669	-	348,669
Exploration and evaluation expenses (2)	86,441	33,039	119,480
	435,110	33,039	468,149

(1) The mining rights are related to the acquisition of Sadem Congo S.A.R.L. (see Note 10)

(2) The exploration and evaluation expenses for 2015 include payment to the Better Sourcing Program to assist the Company with conflict free compliance with its operations in the Republic of Congo, as well as tents for the camp and other camp related costs. In 2014 expenses consisted of geologist fees that were assumed by the Company to explore the awarded concession area in the Republic of Congo.

7. EXPLORATION AND EVALUATION ASSETS (continued)

(3) Exploration costs for 2015 consist of geological work.

Republic of Congo
As at February 28, 2015 and 2014, the Company had four Tantalum/Niobium prospecting mining concessions in the Republic of Congo, located in the Matsanga Marala zone, in the Niari department. The four exclusive concessions were awarded in June 2012 and expire on July 15, 2015.

Namibia
On May 27, 2014 the Company entered in to an agreement with Reydev Mining (Proprietary) Limited, for the development of the exclusive prospecting licenses held by Reydev in Namibia. In accordance with the agreement, the Company will pay Reydev $US60,000 by issuing 653,220 common shares of the Company at a price of $0.10 per share. The Agreement will be implemented in three phases, as follows:

Phase 1: The Approval Phase
Reydev will establish three (3) Namibian companies incorporated under the Namibia Companies Act, 2004 (the "Newcos"). The first of the Newcos ("Tantalex Namibia") will entirely hold the issued share capital of the other two Newcos (the "Newcos Subs") who will hold the two (2) prospecting Licenses acquired under the Agreement. Tantalex Namibia will issue twenty percent (20%) of its issued share capital to Reydev and eighty percent (80%) of its issued share capital to Tantalex. In the event that the parties are unable to secure the transfer of the Licenses to the Newco Subs within a period of three (3) months following the submission of the application, either party will be entitled to terminate the Agreement, in which case the common shares of Tantalex issued to Reydev will be cancelled.

Phase 2: The Exploration Phase
The conduct of prospecting on one or more of the Licenses will commence following the establishment or acquisition of the Newcos and the completion of the transfer of the Licenses from Reydev to the Newco Subs. During the exploration phase, and in respect of each Newco Sub, prospecting operations will be funded fully by Tantalex.

Phase 3: The Mining Phase
Following the successful grant of a mining license, the Newcos' administrative expenditures and all mine establishment, development and operational expenditures will be funded by Tantalex and Reydev in proportion to their shareholdings in Tantalex Namibia.

The Agreement was subject to all necessary regulatory approvals, including the approval of the CSE and approval by the Ministry of Mines and Energy of Namibia. The Company is currently in Phase 2 of the deal.

As at February 28, 2015, the 653,220 share have not been issued and therefore $65,322 is included in accounts payable and accrued liabilities.

8. ASSET ACQUISITION

On October 20, 2011, the Company acquired 100% of the outstanding common shares of SADEM Congo S.A.R.L. ("SADEM"), a mining exploration company which owns a mineral property in the Republic of Congo, for a total consideration of $348,419 comprised of 25% of the outstanding common shares of the Company and a deferred balance of sale of $400,000. The terms of payments of the balance of sale are as follows:

(i) A payment of $200,000 was due when SADEM converted its current prospecting permit into four explorations mining permits.

8. ASSET ACQUISITION (continued)

(ii) A payment of $200,000 is due when the Company will successfully file a National Instrument 43-101 technical report stating inferred resources with the Canadian securities authorities.

As at February 28, 2015 only the first condition was met.

The acquisition was classified as an asset acquisition as it did not have the mineral reserve and other inputs, nor any significant processes that would make it capable of producing outputs, and consequently of being considered a business.

At acquisition date, the asset was recognized at cost. The cost is the fair value of the total consideration given. The fair value of the balance of sale was calculated by using the best estimates of when the payments would occur, using an effective rate of 22%.

The estimated maturity of the second condition was initially made with the best estimate possible at the time of the transaction. Since then, new information was made available which changed the past estimates and the Company revalued the fair value of total consideration as at year end. The difference of $Nil ($32,652 in 2014) was recognized in profit or loss as financial cost at the year ended February 28, 2015.

9. SHARES TO BE ISSUED

The Company received $129,000 in advance of closing a private placement. On closing the Company will issue 1,290,000 units at a price of $0.10 per unit. Each unit consists of one common share and one common share purchase warrant. Each whole warrant will entitle the holder to purchase one common share of the Company at an exercise price of $0.18 per common share for a period of 24 months from the date the private placement closes.

10. LOAN

The Company entered in a factoring contract with FinexCorp Inc. under which the Company has the possibility to effect the factoring of its accounts receivable against a fee as a percentage of the receivables transferred. The maximal amount of receivables that could be transferred to FinexCorp Inc. amounts to $500,000. The transaction has been accounted for under the principles of IAS 39 - Financial instruments: recognition and measurement and does not meet the criteria for de-recognition of the underlying assets. Accordingly, an amount of $121,867 plus accrued interest of $5,557 ($71,775 as at February 28, 2014) is recognized as a short-term liability. The loan is secured by a $750,000 mortgage, 25% per annum, on the universality of the Company's moveable tangible and intangible assets.

11. PROMISSORY NOTES

On September 25, 2014, the Company closed a $65,000 debt financing in the form of three promissory notes. The promissory notes are unsecured, accrue interest at a rate of 20% per annum (calculated on the basis of the 360 day per year method). The promissory notes and accrued interest and became due December 20th, 2014. As at February 28, 2015 the loans remain outstanding. Interest will continue to accrue until the debt is repaid.

12. DUE TO RELATED COMPANIES

During the year ended February 28, 2015, Charbone Potash Mining, a related company by virtue of Dave Gagnon being a common significant shareholder, advanced $nil (2014 - $2,707) to the Company. As at February 28, 2015, there is an amount of $17,424 (2014 - $21,821) due to Charbone Potash Mining. These advances are unsecured, non-interest bearing and have no specific terms of repayment.

(expressed in Canadian dollars)

12. DUE TO RELATED COMPANIES (continued)

During the year ended February 28, 2015, Charbone Buckell, a related company by virtue of Dave Gagnon being a common director, advanced a net amount of $243,929 to the Company. As at February 28, 2015, there is an amount of $236,831 (2014- $nil) due to Charbone Buckell. These advances are unsecured, non-interest bearing and have no specific terms of repayment.

13. DUE TO DIRECTORS

As at February 28, 2015, $50,946 (2014 – $32,399) was payable to Dave Gagnon, the CEO and a director of the Company, for outstanding management fees and expenses paid on behalf of the Company.

As at February 28, 2015, $86,980 (2014 - $83,725) was payable to Jean Robert Provonost, a director and former officer of the Company, for outstanding management fees.

14. CONVERTIBLE DEBENTURES

	February 28, 2015	February 28, 2014
	$	$
Convertible debenture debt component:		
Balance, at beginning of the year	178,030	337,722
Conversion of debentures	-	(168,613)
Conversion of accrued interests	-	(44,593)
Accretion	16,393	19,793
Accrued interest	28,468	33,721
Balance, at the end of the year	**222,891**	**178,030**
Balance of the equity component at the end of the year	**31,183**	**31,183**

The Debenture, issued on December 22, 2011, bears interest at the rate of 10% per annum, and matures in December 2016. The Debenture holder has the option to convert the principal and accrued interests at any time into Common Shares at price of $0.05 ($0.10 prior to share split made on July 1, 2012) per share. The accrued interests as at January 18, 2013 and as at July 16, 2013 was converted into shares at the price of $0.20 effective at the Amalgamation date. As at February 28, 2015, $106,761 of principal and accrued interest is outstanding.

The Debenture, issued on January 19, 2012, bears interest at a rate of 10% per annum, and matures in January 2017. The Debenture holder has the option to convert the principal and accrued interests at any time into Common Shares at price of $0.05 ($0.10 prior to share split made on July 1, 2012) per share. As at the Amalgamation date, the total amount of the debenture was converted into shares. The accrued interest as at July 16, 2013 was converted into shares at the price of $0.20.

The Debenture, issued on March 14, 2012, bears interest at a rate of 10% per annum, and matures in March 2017. The Debenture holder has the option to convert the principal and accrued interests at any time into Common Shares at price of $0.05 ($0.10 prior to share split made on July 1, 2012) per share. 25% of the debenture has been converted at the Amalgamation date. The accrued interest as at January 18, 2013 and as at July 16, 2013 was converted into shares at the price of $0.20 effective at the Amalgamation date. As at February 28, 2015, $75,498 of principal and accrued interest is outstanding.

(expressed in Canadian dollars)

14. CONVERTIBLE DEBENTURES (continued)

The Debenture, issued on May 17, 2012, bears interest at a rate of 10% per annum, and matures in May 2017. The Debenture holder has the option to convert the principal and accrued interests at any time into Common Shares at price of $0.05 ($0.10 prior to share split made on July 1, 2012) per share. The accrued interest as at January 18, 2013 and as at July 16, 2013 was converted into shares at the price of $0.20 effective at the Amalgamation date. As at February 28, 2015, $53,519 of principal and accrued interest is outstanding.

The Debenture, issued on May 17, 2012, bears interest at a rate of 10% per annum, and matures in May 2017. Upon the closing of a going public transaction whereby the Common Shares of the Corporation are listed on a Canadian exchange, the principal amount of the Debenture, plus accrued and unpaid interest thereon, was automatically converted into Common Shares at a price equal to a twenty percent (20%) discount of the price of any concurrent distribution of the Common Shares upon the closing of the going public transaction. As at the Amalgamation date, the total amount of the debenture was converted into shares at the price of $0.128.

15. EQUITY

Share capital

Authorized
Unlimited number of shares without par value. All shares are equally admissible to receive dividends and the repayment of capital, and represent one vote each at the shareholders' meeting of the Company.

The share capital of Tantalex Resources Corporation consists only of fully paid common shares.

	Number of shares		Amount
Total shares issued and fully paid at February 28, 2013	**5,650,000**	**$**	**339,621**
Shares cancelled (i)	(3,600,000)		
Share consolidation (note 3)	(931,269)		
Operations before RTO:			
Shares issued by private placement (ii)(iii)	-		391,382
Share issue expenses (net of income tax of $7,747) (iii)	-		(43,949)
Debenture conversion (iv)(v)	-		166,421
Shares issued convertion of debt (vi)(vii)	-		628,450
Stock options exercised for settlement of debt (viii)	-		130,484
Total shares prior to RTO	1,118,731		1,612,409
Shares issued on RTO	32,306,833		290,199
Shares issued on private placement (ix)	1,050,000		84,209
Shares issued in accordance with consulting agreement (note 3)	425,000		60,000
Total shares issued and fully paid at February 28, 2014	**34,900,564**	**$**	**2,046,817**
Shares issued by private placement (x) (xi)	3,700,000		370,000
Valuation of warrants issued on private placement (x) (xi)	-		(100,863)
Share issue expenses (x) (xi)	-		(25,710)
Shares issued on settlement of debt (xii)	840,000		84,000
Shares issued in accordance with consulting services (xiii)	100,000		10,000
Shares issued in accordance with consulting agreement (note 3)	287,879		45,000
Total shares issued and fully paid at February 28, 2015	**39,828,443**	**$**	**2,429,244**

15. EQUITY (continued)

(i) Pursuant to the terms of the Letter Agreement, prior to the Amalgamation Lynnwood is required to complete the TSXV Delisting resulting in the delisting of the 5,650,000 Lynnwood Shares issued and outstanding from the TSXV and the cancellation of 3,600,000 Lynnwood Shares pursuant to the policies of the TSXV.

(ii) On April 1, 2013, the Company issued 418,750 units at a price of $0,16 for a total gross proceeds of $67,000. Each unit consists of one common share and one warrant. Each warrant entitles its holder to acquire one common share of the Company at a price of $0.35 for a period of 24 months following the listing of the company. A sum of $50,024 was allocated to share capital while $16,976 was allocated to the warrants.

(iii) On July 16, 2013, the Company issued 2,375,000 units at a price of $0,20 for a total gross proceeds of $475,000. Each unit consists of one common share and one warrant. Each warrant entitles its holder to acquire one common share of the Company at a price of $0.35 for a period of 24 months following the listing of the company. A sum of $341,358 was allocated to share capital while $133,642 was allocated to the warrants. The Company paid agents fees of $28,800 and issued 144,000 broker warrants allowing them to acquire one common share of the Company at a price of $0.20 for a period of 24 months following the listing of the Company.

(iv) On April 1, 2013, the Company converted $50,000 of debentures into 390,625 shares at a conversion price of $0.128 per common share which represent a discount of 20% of the fair value used for the share capital of the private placement issued on April 1, 2013. A sum of $65,741 was allocated to share capital.

(v) On October 21, 2013, the Company converted $125,000 of debentures into 2,500,000 shares at a conversion price of $0.05 per common share which represents the conversion price of the debenture. A sum of $102,872 was allocated to share capital while $16,424 was allocated to decrease the equity component of convertible debentures net of income tax of $9,999.

(vi) On October 21, 2013, the Company converted a total of $264,165 including trade payables, due to director and due to consultants into 1,651,034 shares at a conversion price of $0.16 per common share, following an agreement that was signed on January 18, 2013 that was conditional to the completion of the Amalgamation.

(vii) On October 21, 2013, the Company converted a total of $364,285 including trade payables, due to directors, due to consultants and accrued interest related to debentures into 1,821,424 shares at a conversion price of $0.20 per common share, following an agreement that was signed on July 16, 2013 that was conditional to the completion of the Amalgamation.

(viii) On October 21, 2013 6,524,176 stock options were exercised for a total consideration of $130,484 in consideration for trade payables, due to directors and accrued interests related to debentures following an agreement signed on January 18, 2013 that was conditional to the completion of the Amalgamation.

(ix) On February 21, 2014 completed the first closing of a non-brokered private placement financing by issuing 1,050,000 common share units (“Units”) at a price of $0.10 per Unit for gross proceeds of $105,000. Each Unit consisted of one common share (a “Common Share”) and one-half of one common share purchase warrant (a “Warrant”). Each whole Warrant entitles the holder thereof to acquire one Common Share at an exercise price of $0.15 per Common Share for twenty-four months from closing. In connection with the financing, the Company paid cash commissions of $4,400, and issued compensation warrants to purchase 44,000 Common Shares at an

15. EQUITY (continued)

exercise price of $0.10 per Common Share exercisable for a period of twenty-four months from closing. A sum of $86,519 was allocated to share capital while $18,481 was allocated to the warrants.

(x) On March 11, 2014, the Company completed the second closing of a non-brokered private placement financing by issuing 1,500,000 common share units (“Units”) at a price of $0.10 per Unit for gross proceeds of $150,000. Each Unit consisted of one common share (a “Common Share”) and one-half of one common share purchase warrant (a “Warrant”). Each whole Warrant entitles the holder thereof to acquire one Common Share at an exercise price of $0.15 per Common Share for twenty-four months from closing. These warrants were assigned a value of $40,889 using the Black Scholes option pricing model using the following assumptions: risk free interest rate 1.04%; expected volatility of 178%; expected dividend yield of 0% and an expected life of two years. Expected volatility was based on the historical volatility of other comparable listed companies.

In connection with the financing, the Company paid cash commissions of $17,000, and issued compensation warrants to purchase 120,000 Common Shares at an exercise price of $0.10 per Common Share exercisable for a period of twenty-four months from closing. These warrants were assigned a value of $9,528 using the Black Scholes option pricing model using the following assumptions: risk free interest rate 1.04%; expected volatility of 178%; expected dividend yield of 0% and an expected life of two years. Expected volatility was based on the historical volatility of other comparable listed companies.

(xi) On May 2, 2014 the Company completed the final closing of its non-brokered private placement financing by issuing 2,200,000 common share units (“Units”) at a price of $0.10 per Unit for gross proceeds of $220,000. Each Unit consisted of one common share in the capital of Tantalex (a “Common Share”) and one-half of one common share purchase warrant (a “Warrant”) of Tantalex. Each whole Warrant entitles the holder thereof to acquire one Common Share at an exercise price of $0.15 per Common Share up to the date that is twenty-four (24) months from closing. All securities issued pursuant to the financing are subject to a four-month hold period. These warrants were assigned a value of $59,974 using the Black Scholes option pricing model using the following assumptions: risk free interest rate 1.07%; expected volatility of 178%; expected dividend yield of 0% and an expected life of two years. Expected volatility was based on the historical volatility of other comparable listed companies.

In connection with the financing, the Company paid cash commissions of $19,040.

(xii) On May 2, 2014 the Company entered into an agreement with an arm’s length service provider, pursuant to which the Company settled $84,000 of debt through the issuance of 840,000 Common Shares based on an agreed issue price of $0.10 per share. The Company determined to satisfy the indebtedness with common shares in order to preserve its cash. The Common Shares issued in satisfaction of the indebtedness will be subject to a four month statutory hold period from the date of issuance.

(xiii) On May 2, 2014 the Company issued 100,000 Common Shares, at an issue price of $0.10, to an arm’s length consultant in consideration for fiscal advisory services provided pursuant to the terms of a consulting agreement. The Common Shares issued to the consultant will be subject to a four month statutory hold period from the date of issuance.

(expressed in Canadian dollars)

15. EQUITY (continued)

Warrants
The following summarizes the activity during the years ended February 28, 2015 and February 28, 2014:

	Number of warrants	Amount	Weighted average exercise price
Balance at February 28, 2013	1,956,250	56,915	0.35
Issued	3,506,750	186,558	0.31
Balance at February 28, 2014	5,463,000	243,473	0.32
Reclassed	2,723,963	-	-
Issued March 11, 2014	750,000	35,789	0.15
Issued March 11, 2014	120,000	6,670	0.10
Issued May 2, 2014	1,100,000	56,914	0.15
Balance at February 28, 2015	10,156,963	342,846	0.23

Summary of warrants outstanding as at February 28, 2015:

Grant Date	Expiry date	# of Warrants	Exercise price	Weighted average price	Weighted average expiry
21-Oct-13	19-Jan-17	666,668	0.08	0.00	1.89
21-Oct-13	14-Mar-17	666,668	0.08	0.00	2.04
21-Oct-13	22-Dec-16	666,668	0.08	0.00	1.82
21-Oct-13	17-May-17	333,334	0.08	0.00	2.22
21-Oct-13	22-Oct-15	5,140,625	0.35	0.18	0.65
21-Oct-13	22-Oct-15	144,000	0.20	0.00	0.65
21-Feb-14	21-Feb-16	525,000	0.15	0.00	0.98
21-Feb-14	21-Feb-16	44,000	0.10	0.00	0.98
10-Mar-14	10-Mar-16	750,000	0.15	0.01	1.03
10-Mar-14	10-Mar-16	120,000	0.10	0.00	1.03
2-May-14	2-May-16	1,100,000	0.15	0.02	1.18
		10,156,963			0.92

Share options
The Company has established a share option plan whereby the Board of Directors may from time to time grant options to purchase common shares to employees, officers, directors and consultants, for such terms and at such exercise prices as may be determined by the Board.

No options were granted during the years ended February 28, 2015 and 2014. 85,951 options expired during the year ended February 28, 2015 (nil for the year ended February 28, 2014), with an exercise price of $0.18.

(expressed in Canadian dollars)

15. EQUITY (continued)

Share options (continued)

The following options are outstanding as at February 28, 2015:

Grant Date	Expiry date	# of Options	Exercise price	Weighted average price	Weighted average expiry
30-Jun-13	30-Jun-20	85,951	0.18	0.01	5.34
30-Jun-13	30-Jun-20	85,951	0.18	0.01	5.34
30-Jun-13	30-Jun-20	147,345	0.18	0.01	5.34
21-Oct-13	1-Jan-17	75,000	0.08	0.00	1.84
21-Oct-13	1-Jan-17	150,000	0.08	0.01	1.84
21-Oct-13	1-Jan-17	1,775,000	0.08	0.06	1.84
		2,319,247		0.09	2.33

16. LOSS PER SHARE

The calculation of basic and diluted loss per share for the years ended February 28, 2015 and 2014 were based on the loss attributable to common shareholders of $1,474,768 and $1,421,932. The weighted average number of common shares outstanding used for the calculation for the years ended February 28, 2015 and 2014 were 39,371,908 and 33,691,333, respectively.

Excluded from the calculation of the diluted loss per share are warrants, and stock options because to include them would be anti-dilutive as they would have the effect of decreasing the loss per share.

17. ADDITIONAL INFORMATION ON CONSOLIDATED STATEMENT OF CASH FLOWS

Certain investing and financing activities do not require the use of cash and, accordingly, have been excluded from the consolidated statements of cash flows:

For the years ended February 28,	2015	2014
Shares issued for settlement of debt	84,000	-
Shares issued for consulting services	55,000	-
Shares issued for amounts due to directors	-	562,072
Shares issued for amounts due to consultants	-	32,248
Shares issued in consideration for trade payables	-	111,122
Total	$139,000	$705,442

18. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount at which a financial instrument could be exchanged between willing parties, based on current markets for instruments with the same risk, principal and remaining maturity. Fair value estimates are based on present

(expressed in Canadian dollars)

18. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

value and other valuation techniques using rates that reflect those that the Company could currently obtain, on the market, for financial instruments with similar terms, conditions and maturities.

The fair value of a financial instrument on initial recognition is the transaction price, which is the fair value of the consideration given or received. Subsequent to initial recognition, fair value is determined by management using available market information or other valuation methodologies.

The Company's financial instruments include due to related companies, accounts receivable and other receivables, advances receivable, trade payables and accrued liabilities, promissory notes, loan, due to directors, due to consultants, balance of sale and the convertible debentures.

The carrying amount and fair value of financial instruments, with the exception of the balance of sale and the convertible debentures, are considered to be a reasonable approximation of fair value because of their short-term maturities. The carrying values of the balance of sale and the liability component of the convertible debentures (level 2 of the fair value hierarchy) are considered to be a reasonable approximation of fair value, since the interest rate used initial approximates the interest rate at year end for similar instruments. The fair value of balance of sale payable and the convertible debentures has been determinate using the present value of cash flows method.

19. OTHER RELATED PARTY TRANSACTIONS

Remuneration of key management personnel of the Company.

The remuneration awarded to key management personnel, including directors, the Chief Executive Officer, the Chief Financial Officer and the Director of Congo's operations, is as follows for the years ended February 28, 2015 and 2014:

	2015	2014
Management and consulting fees	$ 178,485	$ 396,956
Share-based remuneration	-	-
Total	$ 178,485	$ 396,956

As at February 28, 2015, $111,570 (2014 - $82,824) of the fees is outstanding.

Unless otherwise stated, none of the transactions provided for special terms and conditions.

20. CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The Company defines capital as shareholders' equity. The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern;
- to increase the value of the assets of the business; and
- to provide an adequate return to shareholder of the Company.

These objectives will be achieved by acquiring the right exploration projects, implementing appropriate work programs to assess resources and by identifying and executing the optimal corporate strategy in terms of cash flow or sale.

The Company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financing liabilities. The Company manages the capital structure and makes adjustment to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares or sell assets to reduce debt. There were no changes in the Company's approach to

(expressed in Canadian dollars)

20. CAPITAL MANAGEMENT POLICIES AND PROCEDURES (continued)

capital management during the year ended February 28, 2015. The Company is not subject to any externally imposed capital requirements as at February 28, 2015. When financing conditions are not optimal, the Company may enter into option agreements or other solutions to continue its exploration activities or may slow its activities until conditions improve.

21. FINANCIAL INSTRUMENT RISKS

Objectives and policies concerning financial risk management
The Company is exposed to different financial risks resulting from its operations as well as investing and financing activities. The following analysis enables users to evaluate the nature and extent of the risks at the end of the year.

Financial risks
The principal financial risks to which the Company is exposed as well as its policies concerning the management of the financial risks are detailed as follow:

Interest rate risk
The convertible debentures provide for a fixed annual interest rate and therefore expose the Company to the risk of fair value variation due to interest rate variation because this financial asset is recognized at amortized cost. The other financial assets and liabilities of the Company do not represent interest risk because they do not bear interest or are at a fixed interest rate. The Company does not use financial derivatives to decrease its exposure to interest risk.

Liquidity risk
Management's objective is to maintain sufficient levels of cash and to ensure that the Company has at its disposal sufficient sources of financing, such as private financing and capital markets. Obtaining additional funds make it possible for the Company to continue its operations.

The following table presents contractual maturities (including interest payments where applicable) of the Company financial liabilities:

	28-Feb-15		28-Feb-14	
	Current	Non-current	Current	Non-current
	Within 1 year	1 to 5 years	Within 1 year	1 to 5 years
Trade payables and accrued liabilities	$ 836,446	$ -	$ 338,575	$ -
Loan	121,867	-	71,775	-
Promissory notes	65,000	-	-	-
Due to a related company	254,256	-	21,821	-
Due to directors	137,926	-	116,124	-
Due to consultants	187,783	-	142,938	-
Balance of sale	200,000	148,419	200,000	200,000
Convertible debentures	-	222,891	-	178,030
	$ 1,803,278	$ 371,310	$ 891,233	$ 378,030

As at February 28, 2015, management estimates that funds available will not be sufficient to meet the Company's obligations through February 28, 2016. The Company is evaluating different financing options to continue the exploration and development of its projects, which may include the issuance of securities, entering into partnership, joint venture or other arrangements. There can be no assurance that additional funds will be available or available on terms acceptable to the Company. If management is unable to obtain new funding, the Company may be required to delay, reduce the scope of, or eliminate its current or future exploration activities or relinquish rights to certain of its interests.

21. FINANCIAL INSTRUMENT RISKS (continued)

Foreign Currency Risk
Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and Central African Franc will affect the Company's operations and financial results. At February 28, 2015, the Canadian equivalent value of assets and liabilities denominated in a foreign currency consisted of cash of $3,960 (February 28, 2014 - $15,014), accounts payable and accrued liabilities of $16,463 (February 28, 2014 - $4,381) and due to directors of $nil (February 28, 2014 - $4,947). The impact on operations and comprehensive income and equity of a 10% increase or decrease in foreign currencies to the Canadian dollar exchange rate on the Company's financial instruments based on balances at February 28, 2015 would be insignificant.

Credit risk
Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets at the reporting date.

The Company has no trade accounts. The exposure to credit risk for the Company's receivables is considered immaterial. No impairment loss has been recognized in the periods presented.

The Company's management considered that all the above financial assets that are not impaired or past due are of good credit quality.

The credit risk for cash is considered negligible since the counter parties are reputable banks with high quality external credit ratings and that cash held in Congo is not subject to any restrictions.

22. COMMITMENTS

As part of the acquisition of Sadem Congo, the Company shall pay a royalty of 10% of the gross income on the sales of minerals. The royalty should be paid until a total of 2,000,000 USD has been paid to the sellers of Sadem Congo. In addition to the initial royalty commitments, the Company shall pay the sellers, 15% of gross income on the sales of minerals coming from a stock pile of minerals gathered by "La compagnie Avoine" estimated at approximatively 20 metric tons.

On May 15, 2012, the Company signed a supply agreement for the supply of Tantalite ore concentrate. The terms included the delivery of a minimum of 5,000lbs of 25% contained Ta2O5 up to a maximum of 20,000lbs per month, for the duration of the 5 year agreement. The Company could be exposed to penalties in the event where a specific monthly purchase is accepted by the Company but not fulfilled in accordance with the terms of the purchase order. Such penalties, if any, would be limited to the difference between the agreed upon price for the purchase order and the actual price paid for the order when filled by a third party. An addendum to the supply agreement was signed on August 2, 2013 to amend the initial term of the contract that is now from May 15, 2013 to May 14, 2018.

On December 5, 2013, the Company signed a three-year agreement with Better Sourcing Program for the Mayoko supply chain due diligence assurance including due diligence setup services prior to export commencement and on-going services for export validation. The agreement includes minimum annual payment for export validation amounting to USD 70,000 per annum calculated from the date of first export.

(expressed in Canadian dollars)

23. GENERAL AND ADMINISTRATIVE

A breakdown of the general and administrative expenses for the years ended February 28, 2015 and 2014 is as follows:

	2015	2014
Salaries and fringe benefits	$ 21,549	$ 34,032
Lodging fees	40,507	37,627
Insurance	18,622	7,487
Bank charges	10,533	8,871
Transfer agent and shareholder registration	37,368	21,407
Management fees	372,691	451,659
Professional fees	482,105	467,691
Financial costs	65,880	71,744
Reporting to shareholders	187,000	12,609
Rent	35,076	32,009
Cost of listing	-	79,299
Office fees	17,898	20,713
Telecommunication	10,638	13,098
Travel fees	179,571	155,824
Business development	581	234
Amortization of property, plant and equipment	1,173	1,123
Loss (gain) on exchange rate	(983)	3
	$ 1,480,209	$ 1,415,430

24. INCOME TAXES

The provision for taxes differs from the amount obtained by applying the combined federal and provincial income tax rate of 26.9% (2014 – 26.9%) to loss before income taxes. The differences relate to the following items:

	2015	2014
Net loss before recovery of income taxes	$ (1,480,209)	$ (1,415,429)
Expected income tax recovery	(398,190)	(380,751)
Difference in foregin tax rates	(2,260)	(109,346)
Non-deductible expenses	8,530	31,579
Tax impact of foreign exchange	-	(9,843)
Other	(10,050)	(3,036)
Change in tax benefits not recognized	401,970	477,899
	$ -	$ 6,502

(expressed in Canadian dollars)

24. INCOME TAXES (continued)

The following table summarizes the components of deferred tax:

	2015	2014
Deferred Tax Assets		
Non-capital losses carried forward	16,220	16,220
Deferred Tax Liabilities		
Convertible debenture	(16,220)	(16,220)
	$ -	$ -

Deferred taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities. Deferred tax assets have not been recognized in respect of the following deductible temporary differences:

	2015	2014
Share issuance costs	3,810	226,575
Non-capital losses carried forward - Canada	4,309,570	2,761,007
Non-capital losses carried forward - Congo	311,155	238,393
Intangible	96,660	69,590
	$ 4,721,195	$ 3,295,565

Congolese losses may be carried forward for an unlimited period, but may offset a maximum of 70% of the profit before tax in any year. Share issue costs will be fully amortized in 2020. The remaining deductible temporary differences may be carried forward indefinitely. Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Company can utilize the benefits therefrom.

The Company's Canadian non-capital income tax losses expire as follows:

Non-capital losses expiry	Canada
2029	16,030
2030	120,040
2031	167,850
2032	1,200,240
2033	699,860
2034	786,240
2035	1,379,610
	4,369,870

25. SUBSEQUENT EVENT

Subsequent to year end, the Company entered into debt settlement agreements with various debt holders, to settle $189,573 with the issuance of 3,791,512 common shares of the Company.