Tantalex Resources Corporation

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

Three and nine months ended November 30, 2015 and 2014
(Expressed in Canadian dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company s management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the CPA Canada for a review of interim financial statements by an entity's auditor.

Tantalex Resources Corporation

CONDENSED INTERIM CONSOLIDATED BALANCE SHEETS (unaudited)

(expressed in Canadian dollars)

	As at November 30, 2015	As at February 28, 2015
ASSETS		
CURRENT ASSETS		
Cash	$ 22,885	$ 4,309
Sales tax receivable	5,917	14,680
Prepaid expenses	-	1,306
Inventory	23,650	-
	52,452	20,295
EQUIPMENT	2,098	2,299
EXPLORATION AND EVALUATION ASSETS (Note 7)	620,124	620,124
TOTAL ASSETS	$ 674,674	$ 642,718
LIABILITIES		
CURRENT LIABILITIES		
Trade payable and accrued liabilities	$ 1,005,849	$ 836,330
Loan (Note 10)	136,042	127,424
Promissory notes (Note 11)	65,000	65,000
Due to related companies (Note 12)	250,867	254,256
Due to directors (note 13)	180,255	137,926
Due to consultants	176,300	187,783
Balance of sale (Note 8)	200,000	200,000
	2,014,313	1,808,719
BALANCE OF SALE (Note 8)	148,419	148,419
CONVERTIBLE DEBENTURES (Note 14)	260,018	222,891
	$ 2,422,750	$ 2,180,029
SHAREHOLDERS' DEFICIENCY		
Share capital (Note 15)	2,532,203	2,429,244
Contributed surplus	355,998	354,037
Warrants (Note 15)	412,926	342,846
Equity component of convertible debentures (Note 14)	31,183	31,183
Shares to be issued (note 9)	129,000	129,000
Deficit	(5,232,748)	(4,824,804)
Accumulated other comprehensive income	23,362	1,183
	$ (1,748,076)	$ (1,537,311)
TOTAL LIABILITIES AND EQUITY	$ 674,674	$ 642,718

GOING CONCERN (Note 2)

COMMITMENTS (Note 22)

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

Tantalex Resources Corporation

CONSENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS (unaudited)

For the three and nine months ended November 30, 2015 and November 30, 2014

(expressed in Canadian dollars)

	3 months ended November 30		9 months ended August 31,	
	2015	2014	2015	2014
EXPENSES				
General and administrative (note 23)	$ (169,462)	$ (171,919)	$ (407,944)	$ (993,174)
NET LOSS FOR THE PERIOD	$ (169,462)	$ (171,919)	$ (407,944)	$ (993,174)
BASIC AND DILUTED LOSS PER SHARE (note 16)	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.03)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS (unaudited)

For the three and nine months ended November 30, 2015 and November 30, 2014

(expressed in Canadian dollars)

	2015	2014	2015	2014
NET LOSS FOR THE PERIOD	$ (169,462)	$ (171,919)	$ (407,944)	$ (993,174)
Item of other comprehensive income to be subsequently reclassified to net loss				
Foreign currency translation	-	(77)	22,179	(6,188)
COMPREHENSIVE LOSS	$ (169,462)	$ (171,996)	$ (385,765)	$ (999,362)

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

Tantalex Resources Corporation

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (unaudited)

For the nine months ended November 30, 2015 and 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, 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	304,818	-	-	65,182	-	-	-	370,000
Share issue costs on financings	-	(23,300)	-	-	6,300	-	-	-	(17,000)
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 services	653,220	65,322	-	-	-	-	-	-	65,322
Shares issued in accordance with consulting agreement (Note 3)	371,212	60,000	-	-	-	-	-	-	60,000
	40,564,996	2,547,657	-	31,183	314,955	354,037	6,672	(3,344,595)	(90,091)
Net loss for the period	-	-	-	-	-	-	-	(993,174)	(993,174)
Other Comprehensive loss									
Exchange differences on translating foreign operations	-	-	-	-	-	-	(6,188)	-	(6,188)
Balance as at November 30, 2014	$ 40,564,996	$ 2,547,657	$ -	$ 31,183	$ 314,955	$ 354,037	$ 484	$ (4,337,769)	$ (1,089,453)
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)
Shares issued by private placement	3,500,000	175,000	-	-	-	-	-	-	$ 175,000
Expiry of warrants	-	-	-	-	(1,961)	1,961	-	-	-
Valuation of warrants on private placement	-	(72,041)	-	-	72,041	-	-	-	-
	43,328,443	2,532,203	129,000	31,183	412,926	355,998	1,183	(4,824,804)	(1,362,311)
Net loss for the period	-	-	-	-	-	-	-	(407,944)	(407,944)
Other Comprehensive loss									
Exchange differences on translating foreign operations	-	-	-	-	-	-	22,179	-	22,179
Balance as at November 30, 2015	$ 43,328,443	$ 2,532,203	$ 129,000	$ 31,183	$ 412,926	$ 355,998	$ 23,362	$ (5,232,748)	$ (1,748,076)

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

Tantalex Resources Corporation

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS (unaudited)

For the three and nine months ended November 30, 2015 and November 30, 2014

(expressed in Canadian dollars)

	2015	2014
OPERATING ACTIVITIES		
Net loss before income taxes	$ (407,944)	$ (993,174)
Operating items not involving cash		
Effective interest cost	14,894	7,010
Interest on convertible debentures	22,234	26,427
Amortization of equipment	294	887
Shares issued in accordance with consulting agreements	-	154,000
Changes in working capital items		
Inventory	(23,650)	-
Sales taxes receivable	8,763	11,926
Prepaid expenses	1,306	12,628
Trade payables and accrued liabilities	137,188	255,469
Due to directors	42,329	46,902
Due to consultants	-	(15,778)
Cash flows from operating activities	(204,586)	(493,703)
INVESTING ACTIVITIES		
Advances receivable	-	7,095
Exploration and evaluation assets	-	(86,653)
Cash flows used in investing activities	-	(79,558)
FINANCING ACTIVITIES		
Due to a related party	(14,872)	129,376
Repayment of debt	-	21,835
Promissory notes receivable	-	-
Issuance of common shares and warrants	175,000	353,000
Loan	40,948	65,000
Cash flows from financing activities	201,076	569,211
NET DECREASE IN CASH	(3,510)	(4,050)
Effect of exchange rate fluctuations	22,086	(5,950)
CASH, BEGINNING OF PERIOD	4,309	14,827
CASH, END OF PERIOD	$ 22,885	$ 4,827

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. To date, the Company has not earned significant revenue and is considered to be in exploration stage. The head office of the Company is located 1055 West Georgia Street, Suite 1500, P.O Box 11117, Vancouver, British Columbia V6E 4N7.

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.

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 nine months ended November 30, 2015, the Company reported a net loss of $407,944 (nine months ended November 30, 2014 - $993,174) and has an accumulated deficit of $5,232,748 at February 28, 2015 (2015 - $4,824,804). 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 November 30, 2015, the Company had a working capital deficiency of $1,961,861 ($1,788,424 at February 28, 2015). 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 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.

(expressed in Canadian dollars)

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 Tantelex 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 Tantelex 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 deemed 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.

4. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE

Statement of compliance
These condensed interim consolidated financial statements have been prepared in accordance and compliance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The interim condensed consolidated financial statements do not included all the information and disclosures required in the Company's annual consolidated financial statements and should be read in conjunction with the Company's annual consolidated financial statements for the year ended February 28, 2015.

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.

The Board of Directors approved and authorized for issue these consolidated financial statements on January 29, 2016.

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

These unaudited condensed consolidated financial statements reflect the accounting policies described in Note 5 to the Company's Audited Consolidated Financial Statements for the years ended February 28, 2015 and 2014 ("2015 Audited Consolidated Financial Statements") (with the exception of any changes set out below) and accordingly, should be read in conjunction with those financial statements and the notes thereto.

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.

The adoption of these amendments is not expected to have an 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, 2015	Additions	November 30, 2015
	$	$	$
Republic of Congo			
Mining rights	348,669	-	348,669
Exploration and evaluation expenses	185,328	-	185,328
	468,149	-	533,997
Namibia			
Joint venture payment	65,322	-	65,322
Exploration and evaluation expenses	20,805	-	20,805
	86,127	-	86,127
Total	620,124	-	620,124

	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

(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 fiscal 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.

7. EXPLORATION AND EVALUATION ASSETS (continued)

(3) Exploration costs for fiscal 2015 consisted of geological work.

Republic of Congo
As at November 30, 2015 and February 28, 2015, 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 expired on July 15, 2015. The Company is in the process of renewing these concessions.

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 deemed 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.

As at November 30, 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 November 30, 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 $32,652 ($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 $136,042 ($127,424 as at February 28, 2015) 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 November 30, 2015 the loans remain outstanding. Interest will continue to accrue until the debt is repaid.

12. DUE TO RELATED COMPANIES

As at November 30, 2015, there is an amount of $19,380 (2015 - $17,424) due to Charbone Petroleum, a related company by virtue of Dave Gagnon being a common significant shareholder. These advances are unsecured, non-interest bearing and have no specific terms of repayment.

(expressed in Canadian dollars)

12. DUE TO RELATED COMPANIES (continued)

As at November 30, 2015, there is an amount of $231,487 (February 28, 2015- $236,831) due to Charbone Buckell, a related company by virtue of Dave Gagnon being a common significant shareholder. These advances are unsecured, non-interest bearing and have no specific terms of repayment.

13. DUE TO DIRECTORS

As at November 30, 2015, $93,275 (February 28, 2015 - $50,946) 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.

14. CONVERTIBLE DEBENTURES

	November 30, 2015	February 28, 2015
	$	$
Convertible debenture debt component:		
Balance, at beginning of the period	222,891	178,030
Accretion	14,893	16,393
Accrued interest	22,234	28,468
Balance, at the end of the period	**260,018**	**222,891**
Balance of the equity component at the end of the period	**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 November 30, 2015, $123,995 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 November 30, 2015, $87,059 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 November 30, 2015, $61,853 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, 2014	**34,900,564**	**$**	**2,046,817**
Shares issued by private placement (i) (ii)	3,700,000		370,000
Valuation of warrants issued on private placement (i) (ii)	-		(100,863)
Share issue expenses (i) (ii)	-		(25,710)
Shares issued on settlement of debt (iii)	840,000		84,000
Shares issued in accordance with consulting services (iv)	100,000		10,000
Shares issued in accordance with consulting agreement (note 3)	287,879		45,000
Total shares issued and fully paid at February 28, 2015	**39,828,443**	**$**	**2,429,244**
Shares issued by private placement (v)	3,500,000		175,000
Valuation of warrants issued on private placement (v)	-		(72,041)
Total shares issued and fully paid at November 30, 2015	**43,328,443**	**$**	**2,532,203**

(i) 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.

15. EQUITY (continued)

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.

(ii) 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.

(iii) 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.

(iv) 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.

(v) On August 24 and October 13, 2015 the Company completed two private placement financings by issuing a total of 3,500,000 common share units (“Units”) at a price of $0.05 per Unit for gross proceeds of $175,000. Each Unit consisted of one common share in the capital of Tantalex (a “Common Share”) and 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 $0.055 per Common Share up to the date that is eighteen (18) 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 $72,041 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 one and a half years. Expected volatility was based on the historical volatility of other comparable listed companies.

(expressed in Canadian dollars)

15. EQUITY (continued)

Warrants
The following summarizes the activity during the nine months ended November 30, 2015 and the year ended February 28, 2015:

	Number of warrants	Amount	Weighted average exercise price
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 and May 31, 2015	10,156,963	342,846	0.09
expired	(5,328,625)	(237,484)	0.32
Issued August 24, 2015	1,000,000	20,000	0.01
Issued October 13, 2015	2,500,000	52,041	0.02
Balance at November 30, 2015	8,328,338	177,402	0.09

Summary of warrants outstanding as at November 30, 2015:

Grant Date	Expiry date	# of Warrants	Exercise price	weighted ave price	Weighted ave expiry
21-Oct-13	19-Jan-17	666,668	0.08	0.01	1.14
21-Oct-13	14-Mar-17	666,668	0.08	0.01	1.29
21-Oct-13	22-Dec-16	666,668	0.08	0.01	1.06
21-Oct-13	17-May-17	333,334	0.08	0.00	1.46
21-Feb-14	21-Feb-16	525,000	0.15	0.00	0.23
10-Mar-14	10-Mar-16	750,000	0.15	0.01	0.28
10-Mar-14	10-Mar-16	120,000	0.10	0.00	0.28
2-May-14	2-May-16	1,100,000	0.15	0.02	0.42
24-Aug-15	24-Feb-17	1,000,000	0.06	0.01	1.24
13-Oct-15	24-Aug-17	2,500,000	0.06	0.02	1.73
		8,328,338		0.09	1.11

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 nine months ended November 30, 2015 and the year ended February 28, 2015. 85,951 options expired during the year ended February 28, 2015, with an exercise price of $0.18.

(expressed in Canadian dollars)

15. EQUITY (continued)

Share options (continued)

The following options are outstanding as at November 30, 2015:

Grant Date	Expiry date	# of Options	Exercise price	weighted average price	Weighted average expiry date
30-Jun-13	30-Jun-20	85,951	0.180	0.01	4.59
30-Jun-13	30-Jun-20	85,951	0.180	0.01	4.59
30-Jun-13	30-Jun-20	147,345	0.18	0.01	4.59
21-Oct-13	1-Jan-17	75,000	0.08	0.00	1.09
21-Oct-13	1-Jan-17	150,000	0.08	0.01	1.09
21-Oct-13	1-Jan-17	1,775,000	0.08	0.06	1.09
		2,319,247		0.09	1.57

16. LOSS PER SHARE

The calculation of basic and diluted loss per share for the three and nine months ended November 30, 2015 and 2014 were based on the loss attributable to common shareholders of $169,462 (2014 - $171,919) and $407,944 (2014 - $993,174), respectively. The weighted average number of common shares outstanding used for the calculation for the three and nine months ended November 30, 2015 and 2014 were 40,663,002 (2014 – 40,564,996) and 42,147,124 (2014 – 39,552,520), 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 nine months ended November 30,	2015	2014
Shares issued for consulting services	-	154,000
Shares issued in consideration for trade payables	-	65,322
Total	-	$204,322

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 nine months ended November 30, 2015 and 2014:

	2015	2014
Management and consulting fees	$ 127,000	$ 179,815

For the nine months ended November 30, 2015 the Company was charged $55,000 in consulting fees by CFO Advantage Inc., a Company owned by the CFO of the Company, for accounting and advisory services for the nine months ended November 30, 2015 and includes an under-accrual of $15,000 for work related to the 2015 fiscal year end. As at November 30, 2015, $80,000 is owed and included in accounts payable and accrued liabilities.

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.

20. CAPITAL MANAGEMENT POLICIES AND PROCEDURES (continued)

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 capital management during the nine months ended November 30, 2015. The Company is not subject to any externally imposed capital requirements as at November 30, 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.

As at November 30, 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.

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 November 30, 2015, the Canadian equivalent value of assets and liabilities denominated in a foreign currency consisted of cash of $nil (February 28, 2015- $3,960) and accounts payable and accrued liabilities of $nil (February 28, 2015 - $16,463). 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 November 30, 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.

21. FINANCIAL INSTRUMENT RISKS (continued)

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 (“Supply Agreement”). 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

	Three months ended November 30		Nine months ended November 30	
	2015	2014	2015	2014
Salaries and fringe benefits	$ -	$ 188	$ 702	$ 21,549
Insurance	6,142	4,607	18,301	14,453
Bank charges	699	1,728	3,037	7,634
Transfer agent and shareholder registration	-	18,271	1,025	27,108
Management fees	20,000	52,000	108,000	270,715
Professional fees	81,091	25,731	149,882	326,656
Financial costs	12,710	21,566	37,127	44,723
Reporting to shareholders	-	12,000	-	48,000
Rent	6,825	7,500	6,825	27,575
Office fees	5,311	4,493	8,380	24,389
Travel fees	36,684	23,629	74,371	180,357
Amortization of property, plant and equipment	-	283	294	887
Loss (gain) on exchange rate		-	-	(872)
	$ 169,462	$ 171,996	$ 407,944	$ 993,174