

TANTALEX RESOURCES CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three and nine months ended November 30, 2016 and November 30, 2015

Management's Discussion and Analysis

Dated as of January 30, 2017

The following management's discussion and analysis ("**MD&A**") of the financial condition and results of the operations of Tantalex Resources Corporation (the "**Company**") constitutes management's review of the factors that affected the Company's financial and operating performance for the three and nine months ended November 30, 2016 and 2015. This MD&A was written to comply with the requirements of National Instrument 51-102 – *Continuous Disclosure Obligations*.

The discussion should be read in conjunction with the audited consolidated financial statements for the years ended February 28, 2016 and 2015, and related notes thereto. The Company's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"). All monetary amounts are reported in Canadian dollars unless otherwise noted. These documents, as well as additional information on the Company, are filed electronically through the System for Electronic Document Analysis and Retrieval (SEDAR) and are available online at www.sedar.com.

The results presented for three and nine months ended November 30, 2016 are not necessarily indicative of the results that may be expected for any future period. The financial statements and the financial information contained in this MD&A were prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") and interpretations of the IFRS Interpretations Committee ("**IFRIC**").

Cautionary Note Regarding Forward-Looking Information

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. Please also make reference to those risk factors referenced in the "Risk Factors" section below. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Description of Business and Overview

The Company was incorporated on September 28, 2009, under the *Business Corporations Act* (British Columbia) under the name Lynnwood Capital Inc. The Company was classified as a Capital Pool Company as defined in Policy 2.4 – *Capital Pool Companies* (“**Policy 2.4**”) of the TSX Venture Exchange (the “**TSXV**”). On October 21, 2013 the Company completed its Qualifying Transaction, as defined by the Exchange’s policy 2.4 and changed its name to Tantalex Resources Corporation. In connection with the qualifying transaction the Company delisted its common shares from the TSXV. The Company received approval to list its common shares on the Canadian Securities Exchange (herein the “CSE”). The Company’s common shares commenced trading on the CSE under the trading symbol “TTX” at market open on October 22, 2013.

Overview of Operations

Tantalex is a mining company engaged in the acquisition, exploration, development and distribution of Tantalum and other high-tech mineral properties in Africa.

In December 2015, Tantalex finalized the incorporation of a wholly owned subsidiary in the Democratic Republic of the Congo (“DRC”), in the name of United Materials Congo SARL (“UNITED MATERIALS”), in order to develop its activities in the DRC, moreover in the Katanga province, which is recognized as one of the most prolific mining regions in the DRC and to conclude protocol of partnership agreements with state ownership corporation of DRC. United Materials is focused on the production, study, development and exploitation of minerals and strategic metals, such as Tantalum, Lithium, and Tin.

In June 2016, United Materials signed a definitive agreement (“Agreement”) with a local mining cooperative, namely La Coopérative Minière pour le Développement Intégré du Congo (“CMDIC”), whereby CMDIC will become a sub-contractor to UMC, and as such, will supply UMC exclusively to the entirety of the Tantalum Pentoxide concentrate (Ta2O5) produced by local entities. In return, United Materials will provide CMDIC with technical manpower, equipment and other resources in order to contribute to the sustainability of the region’s small mining sites.

Continuing with the Company’s business plan, in July 2016, the Company signed additional definitive agreements with local mining cooperatives, namely La Cooperative Minière LUBI (“CML”) and La COMIPAK (“COMIPAK”), whereby CML and COMIPAK will also become a sub-contractors to UMC, for the exclusive supply of the Tantalum concentrate it produces.

In September 2016, The Company (through its wholly owned subsidiary Sandstone Worldwide Ltd.) signed a definitive joint-venture agreement with La Congolaise d’Exploitation Minière SA (“COMINIÈRE SA”), a private company in which 90% of the share capital is state-owned by the Democratic Republic of Congo (“DRC”), and 10% is owned by L’Institut National de Sécurité Sociale du Congo, DRC’s largest Social Security and Pension fund.

The joint-venture entity will be named United Cominière sas (“UNITED COMINIÈRE”), of which Tantalex will own 70% of the joint venture. The purpose of this union is to explore for, develop, and to put into production high-tech mineral deposits that exist on the properties belonging to UNITED COMINIÈRE. The four properties, which are fully permitted for exploration and production, cover a total area of 1,343 square kilometers, and are located in the mining-friendly region of Katanga (city of Manono), in the DRC. Two of the four properties are prospective for Lithium, and alone measure 800 square kilometers. There is also accessibility to nearby infrastructure such as roads, dams and aircraft runways, to which the Corporation has guaranteed access through the joint-venture partnership with the State.

On November 29, 2016, UMC was granted the operating status of Category A Processing Entity by the Democratic Republic of Congo Ministry of Mines. This allows UMC full rights to process, transform and export Lithium, Tantalum and other minerals originating from their properties in Tanganyika, to buyers be them domestic or international.

The Company has appointed Mr. Raymond Spanjers, P.Geo as an Independent Consultant to conduct a NI 43-101 Technical Report on selected mining properties described above. The Company is also planning a comprehensive work program on the above noted properties.

Exploration and Evaluation assets – Namibia Projects

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 terms of the agreement, the Company will issue Reydev 653,220 common shares of the Company.

During the nine months ended November 30, 2016, no work has been done on the project.

The Company is currently in negotiations to re-structure the agreement.

Results of Operations

During the three and nine months ended November 30, 2016 the Company focused its efforts raising capital and on developing strategic relationships in the DRC (as described in the overview of operations) and meeting with local mining cooperatives and government ministries. In Q3 2016, the Company also began preparing a 43-101 report on the properties belonging to UNITED COMINIÈRE, as well as planning a work program on these same properties.

For the three and nine months ended November 30, 2016, the Company recorded a net loss of \$1,162,492 (2015 - \$169,462) and \$1,755,613 (2015 - \$407,944).

Included in the loss for the three months ended November 30, 2016 is share based payments of \$446,250 (2015 - \$nil), general and administrative expenses of \$663,743 (2015 - \$169,462), and a loss on the settlement of debt of \$52,500 (2015 - \$nil).

Included in the loss for the nine months ended November 30, 2016 is share based payments of \$446,250 (2015 - \$nil), general and administrative expenses of \$1,429,863 (2015 - \$407,944), a gain on the settlement of debt of \$166,225 (2015 - \$nil) and a loss on the change in the fair value adjustment of shares owing to Reydev of \$45,725 (2015 - \$nil).

A breakdown of the general and administrative expenses is as follows:

	Three months ended November 30,		Nine months ended November 30,	
	2016	2015	2016	2015
Transfer agent and shareholder registration	\$ 3,785	\$ -	\$ 8,204	\$ 1,025
Management fees	69,000	20,000	207,000	108,000
Professional and consulting fees	413,090	81,091	866,550	149,882
Financial costs	14,781	12,710	47,499	37,127
Rent	8,718	6,825	15,900	6,825
Office and general	41,655	12,152	82,309	30,420
Travel related costs	109,876	36,684	199,563	74,371
Amortization of property, plant and equipment	2,838	-	2,838	294
	\$ 663,743	\$ 169,462	\$ 1,429,863	\$ 407,944

- Management fees consisted of fees accrued to the CEO, CFO and Senior VP.
- Professional fees consist of legal, audit and consulting fees. The increase in the expense was the result of an increase in business activity, fundraising, and the need for additional consultants (both domestic and abroad) to advance the company's business plan and to support operations.
- Financial costs represent interest on debt and accretion expense.
- Travel costs include travel related to investor presentations, site visits, sourcing new projects, fundraising and meetings abroad, and includes airfare, hotel and meals. The increase in this expense is due to the increased time spent travelling in Africa to source properties and develop local relationships.

The share based payments, represents the value stock options that vested during the period, and does not affect the cash resources of the Company. The timing of this expense is subject to the date of issue and vesting terms of the options. The values of the options are derived using the Black Scholes option pricing model in which subjective assumptions are used.

Summary of Quarterly Results

Three Months Ended	November 30, 2016	August 31, 2016	May 31, 2016	February 29, 2016
Total Revenue	-	-	-	-
Net Loss	(1,162,492)	(424,344)	(168,776)	(834,753)
Basic and diluted (loss) per share	(0.01)	(0.01)	(0.00)	(0.04)
Total assets	1,220,910	376,757	45,219	45,406
Total long term debt	-	-	-	-
Dividend	-	-	-	-

Three Months Ended	November 30, 2015 \$	August 31, 2015 \$	May 31, 2015 \$	February 28, 2015 \$
Total Revenue	-	-	-	-
Net Loss	(169,462)	(102,704)	(135,778)	(481,594)
Basic and diluted (loss) per share	(0.00)	(0.00)	(0.00)	(0.01)
Total assets	674,674	674,169	651,929	642,718
Total long term debt	408,437	395,727	383,292	371,310
Dividend	-	-	-	-

All of the above quarterly results presented are prepared in accordance with IFRS.

Liquidity and Capital Resources

The Company's cash increased to \$1,005,694 at November 30, 2016, from \$26,059 at February 29, 2016. The Company's working capital deficiency was \$676,215 compared to \$2,606,078 at February 29, 2016. The decrease in working capital deficiency was due to the settlement of \$1,719,376 of debt through the issuance of common shares, and the \$2,119,000 in proceeds from the issuance of common shares and warrants.

Cash used in operations was \$844,838 compared to \$204,586 in the prior period.

Cash used in investing activities amounted to \$126,971. \$68,137 of this was used for the purchase of office and site equipment, and \$58,834 for the license for UMC to have the right to be able to process, transform and export minerals from the Company's properties in Tanganyika.

Cash flows from financings activities of \$1,950,299 was primarily the result of proceeds from the private placements \$2,035,000 (offset by \$235,940 in financing costs), \$55,000 of proceeds for the exercise of warrants, and proceeds from notes receivable of \$119,610.

On July 5, 2016, the Company completed a private placement financing by issuing a total of 10,400,000 common share units ("Units") at a price of \$0.05 per Unit for gross proceeds of \$520,000.

On October 5, 2016, the Company completed a non-brokered private placement financing raising gross proceeds of \$1,515,000 through the issuance of 15,150,000 units ("Units") at \$0.10 per Unit.

The Company is in discussions with a number of parties regarding providing additional financings for the Company.

Since inception, the Company's capital resources have been limited to amounts raised from the private sale of common shares in the Company as well as loans and advances. The Company will rely on its ability to obtain equity, or other sources of financing, for growth. The ability of the Company to continue operations and carry out further desired activities over the course of the next 12 months is dependent upon obtaining additional financing. The timing and ability to do so will depend on the liquidity of the financial markets as well as the acceptance of

investors to finance resource based junior companies, in addition to the results of the Company's exploration programs and the acquisition of additional projects. There can be no guarantee that the Company will be able to secure any required financing.

The Company is not exposed to any externally imposed capital requirement. There were no changes in the Company's approach to capital management during the period.

The Company entered into settlement agreements with various creditors of the Corporation whereby the Company issued common shares of the Corporation at a deemed price of \$0.05 per common share. Pursuant to the Settlement Agreements, a total of 32,737,553 common shares were issued to settle debt of CDN\$1,719,379.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements.

Transactions with Related Parties

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 senior VP, is as follows:

	November 30, 2016	November 30, 2015
Management and consulting fees	\$ 207,000	\$ 127,000
Share based payments	446,250	-
	<u>\$ 653,250</u>	<u>\$ 127,000</u>

During the nine months ended November 30, 2016, \$54,000 of fees were charged by CFO Advantage Inc., a company owned by the Chief Financial Officer of the Company. As at November 30, 2016, \$64,000 of these fees are outstanding (February 29, 2016 - \$136,300). On June 1, 2016, \$125,000 of fees was settled with the issuance of 2,500,000 common shares at a deemed price of \$0.05. The settlement is part of the group of settlement agreements as further described in note 14(ii).

As at November 30, 2016, \$47,894 (February 29, 2016- \$47,895) was due to Charbone Petroleum (formerly Charbone Potash Mining), a related company by virtue of Dave Gagnon, the CEO and a director of the Company, being a common significant shareholder. These amounts are unsecured, non-interest bearing and have no specific terms of repayment.

As at November, 2016, \$21,202 (February 29, 2016- \$225,043) was due to Charbone Buckell, a related company by virtue of Dave Gagnon, the CEO and a director of the Company, being a common director. These amounts are unsecured, non-interest bearing and have no specific terms of repayment. \$150,000 owing to Charbone Buckell was partially settled through the issuance of 3,000,000 common shares at a deemed price of \$0.05 (this settlement is part of the group of settlement agreements described further in note 14(ii)).

As at November 30, 2016, \$9,500 (February 29, 2016 – \$74,217) 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. On June 1, 2016, \$150,000 of debt was settled through the issuance of 3,000,000 common shares at a deemed price of \$0.05 (this settlement is part of the group of settlement agreement described further in note 14(ii)).

As at November 30, 2016, \$129,714 (February 29, 2016 – \$97,110) was payable to Sylvain Giffard, a director (effective November 15, 2015), for outstanding management fees and advances. On June 1, 2016, \$32,953 of the amount owing was settled through the issuance of 659,071 common shares at a deemed price of \$0.05 (this settlement is part of the group of settlement agreements described further in note 14(ii)).

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

Critical Accounting Estimates

The preparation of the financial statements requires management to make estimate and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the unaudited interim financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Significant assumptions about the future that management has made that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

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. 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 and equipment, and no reversal of impairment losses have been recognized for the reporting periods.

Share based payments

The fair value of options and rights 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 on the balance of sale

On initial recognition, management estimated the fair value of the balance of sales. 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 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, meet 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 of the unaudited condensed interim financial statements for more information.

Change in Accounting Policies

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods on or after January 1, 2016 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.

Financial Instruments and Risk

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 quarter.

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. 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 November 30, 2016, management estimates that funds available will not be sufficient to meet the Company's obligations through the next 12 months. 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 United States dollar will affect the Company's operations and financial results. At November 30, 2016, the Canadian equivalent value of assets and liabilities denominated in a foreign currency consisted of cash and deposits of \$41,517 and deposits of \$28,000. 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, 2016 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.

Share Capital

As of the date of this MD&A, the Company had 103,445,996 issued and outstanding common shares, 32,362,002 of warrants outstanding and 4,250,000 options outstanding.

Risk Factors

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risk Factors" in the Company's listing statement (Form 2A) dated October 18, 2013, available on SEDAR at www.sedar.com.

In addition to the risks outlined in the Company's listing statement (Form 2A) dated October 18, 2010, the Company has identified the extreme volatility occurring in the financial markets as a significant risk for the Company. As a result of the market turmoil, investors are moving away from assets they perceive as risky to those they perceive as less so. Companies like the Company are considered risk assets and as mentioned above are highly speculative. The volatility in the markets and investor sentiment may make it difficult for the Company to access the capital markets in order to raise the capital it will need to fund its current level of expenditures.