TANTALEX RESOURCES CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE MONTHS ENDED MAY 31, 2020

Management's Discussion and Analysis

Dated as of November 9, 2020

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 months ended May 31, 2020 and May 31, 2019. 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 condensed interim consolidated financial statements for the three months ended May 31, 2020 and the audited consolidated financial statements for the years ended February 29, 2020 and February 28, 2018, 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 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 refer 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.

Overview of Company and Highlights

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") and commenced trading on the CSE under the trading symbol "TTX" at market open on October 22, 2013.

Tantalex is a mining company focused on the acquiring, exploring, developing and distributing Lithium, Tantalum and other high-tech mineral properties in Africa. The Company's main project is the tailings of the historical Manono-Kitotolo mine.

Exploration and Evaluation assets

Manono Kitotolo Tailings (PER 13698)

In August 2018, the Company (through its subsidiary Buckell SAS) entered into an assignment agreement (the "Agreement") to acquire Mines d'Or Resources ("Minor") 65% participation in a corporation which owns PER 13698 (Permis Exploitation Rejets) ("PER 13698"), at a cost of USD$3,000,000. PER 13698 grants exclusive rights to mine the tailings of the historical Manono-Kitotolo mine for lithium, tin and tantalum. The new entity is named Société des Tailings de Manono ("STM") and is owned 65% by Tantalex, 30% by La Congolaise D'Exploitation Minière ("La Cominière") and 5% by Minor.

The license has a surface area of 53 square kilometers and is located directly on the site of the former mining operation and world-class LCT-pegmatite of Manono-Kitotolo (MK) mine, which has been historically defined as the largest pegmatitic deposit of tin and coltan ever worked (Bassot, Mario & Levesque, 1980).

The Manono Kitotolo Tailings consist of material mined and crushed to an average 3.2mm granulometry from the numerous open pit mines which were exploited from 1919 to the mid 80's, producing 140,000-185,000 tonnes of tin and 4,500 tonnes of coltan concentrate (Zairetain 1981). Spodumene (Li ore mineral) was not recovered by the historical processing and was part of the reject material comprising the tailings. A study performed by BRGM of France in 1980 on 2 grab samples of 180 kg each taken from two quarries of the Mine confirmed spodumene concentrations of 26,7% and 31% respectively (1,7 and 2% Li2O). The authors of the study (Bassot, Mario & Levesque, 1980) conclude that the faces from where these samples originate appear to be similar in spodumene concentration to all the other faces observed along the entire pegmatite body (pits, Roches Dure, M'Pete, quarry 5, quarry 6, East Quarry, Hopital, Tempete, Kahungwe). This shows the potential for high grade spodumene rich tailings in the Manono-Kitotolo area. There are 9 dumps spread throughout the 12km strike along the various quarries that have been exploited. A preliminary estimate completed by Tantalex estimates the total tonnage of the tailings to be between 60Mt to 80Mt, grading conservatively between 0.5 % and 1% Li2O.

Tantalex has completed the following exploration on the Manono Tailings Project to date:

- Grab sampling and associated laboratory assays
- Handheld GPS survey
- Bulk sampling for metallurgical testwork
- Access road investigation on Manono tailings
- An Exploration Target was completed in September 2018

Mineralisation encountered on the Manono tailings varied from spodumene and lepidolite, to traces of cassiterite. The tailings dumps are composed of coarser material averaging 3-5 mm particle size (40 to 60 m in vertical height), while the terraces are composed of finer grained materials and average approximately 5 m in thickness.

The drilling Manono Kitotolo Tailings project has not yet occurred due to operational and weather difficulties encountered in autumn 2019 and lack of access to project site in 2020 due to COVID lockdown. The COVID lockdown in DRC has been lifted since September 1st, 2020.

The Company is currently planning a drill program on the tailings, subject to financing and property access.

Buckell Lithium project

As at February 29, 2020 all costs associated with the project were written off (impairment charge of $2,958,561), as the Company had no future work plans on the property. The Company no longer owns the project, as the project was held in two of its subsidiaries (namely United Cominiere (“UC”) and United Materials Congo SARL (“UMC”)) which were sold on March 17, 2020.

Events occurring subsequent to May 31, 2020

On July 28, 2020, the unsecured loans issued to the Corporation by International Cobalt Corp. on April 24, 2019, June 5, 2019 and October 8, 2019 to finance ongoing business operations in the aggregate amounts of USD $750,000 and CAD $100,000 have been converted into unsecured convertible debentures (the “Convertible Debentures”) in the aggregate principal amount of USD $850,000. The Convertible Debentures will mature on July 24, 2021 (the “Maturity Date”) and the principal amount will bear interest at the rate of 12% per annum (the “Interest”), payable on the Maturity Date in cash or Common Shares at the option of the Corporation. If the payment of interest is made in Common Shares, the Common Shares will be based on a price equal to the current trading price of the Common Shares on the Canadian Securities Exchange on the Maturity Date or on the Early Conversion date to which shall be applied a 25% discount (the “Conversion Price”). The Debenture will be convertible at the option of the Holder at any time starting after the closing date and prior to the close of business on the last day prior to the Maturity Date for Common Shares equal to the principal amount of the Debenture plus any and all and unpaid interest, divided by the Conversion Price. The conversion amount shall include principal and accrued and unpaid interest (if any) as of the conversion date. The principal amount of the Convertible Debenture is subject to a warrant coverage of up to 50% of the principal amount of the Convertible Debenture, pursuant to a warrant indenture to be entered between the Corporation and Dunton Rainville LLP acting as warrant agent (the “Warrant Agent”). Under the warrant indenture, the holder of the Convertible Debenture will be entitled to receive up to 50% of the principal amount of the Convertible Debenture issued in warrants in the share capital of the Corporation (the “Warrants”), each Warrant entitling its holder to acquire one common share in the share capital of the Corporation at a price of $0.10 per Common Share for a period of 24 months from the date of issuance.

On July 28, 2020, the Company entered into an amending agreement whereby the terms of certain debentures (dated as of July 27, 2018 in the principal amount of USD $1,350,000 and an unsecured convertible debenture dated as of November 9, 2018 in the principal amount of $1,000,000, see note 11), were amended and replaced with the following terms. The principal amounts bear interest at an annual rate of 12% per annum, payable on the maturity date. Interest shall be payable in cash or common shares, at the option of the Company. If the payment is made in common shares, the common shares will be issued at a price of $0.05 per common share. The maturity date was extended to July 28, 2021.

COVID-19

The Company’s operations could be significantly adversely affected by the effects of a widespread global outbreak of a contagious disease, including the recent outbreak of respiratory illness caused by COVID-19. The Company cannot accurately predict the impact COVID-19 will have on its operations and the ability of others to meet their obligations with the Company, including uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments of affected countries. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could further affect the Company’s operations and ability to finance its operations. This outbreak may increase difficulties in financing, access to properties and increased government regulations, all of which may adversely impact the Company’s business and financial condition.

Results of Operations

As at May 31, 2020, the Company had a cash and cash equivalent balance of $25,909 (February 28 2020 - $54,718) and total current assets of $215,175 (February 29, 2020 - $400,214).

Long term assets comprised of equipment $nil (February 29, 2020 - $230,891), and exploration and evaluation assets of $6,652,337 (February 29, 2020 - $6,652,337).

Total liabilities amounted to $9,129,282 (February 29, 2020 - $10,065,569). The decrease is attributed to the disposition of two and its subsidiaries which had $1,084,000 of accrued payables.

For the three months ended May 31 2020, the Company recorded a net loss of $542,333 (three months ended May 31, 2019 - $592,435) and detailed as follows:

For the three months ended May 31 2020 and May 31, 2019
(expressed in Canadian dollars)

	2020	2019
EXPENSES		
General and administrative (a)	$ 4,449	$ 324,564
Stock based compensation (b)	160,200	-
LOSS BEFORE OTHER ITEMS	(164,649)	(324,564)
Gain on disposal of subsidiaries (c)	(205,544)	-
Change in fair value of derivative liability (d)	-	1,600,669
Interest and accretion (e)	(172,140)	(1,368,540)
NET LOSS FOR THE PERIOD	$(542,333)	$ (92,435)

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

	2020	2019
Insurance	$ 6,149	$ 8,485
Transfer agent and shareholder registration	3,199	4,397
Legal and audit	22,228	38,068
Consulting fees (i)	(79,100)	41,692
Management fees (ii)	39,000	69,000
Office and general (iii)	12,973	57,257
Travel and costs of working abroad (iv)	-	80,671
Depreciation of equipment (v)	-	24,994
	$ 4,449	$ 324,564

(i) Represents a gain on some accrued consulting fees that were not earned.

(ii) See related party section.

(iii) Corporate and general include public company costs (such as transfer agent, press releases, regulatory fees, insurance and other), maintaining offices in North American and Africa and salaries for employees based in Africa. Costs decreased due to a reduction of personnel and related administrative expenses.

(iv) The Company was not active abroad due to COVID restrictions.

(v) Equipment disposed of during the quarter as was all held in UC and UMC.

(b) Represents the value of the stock options expensed during the period. The Company granted 17,800,000 to officers, directors and consultants.

(c) Represents the loss on the disposal of UC and UMC.

(d) The conversion feature of the convertible debentures issued during 2018, is required to be recorded as a derivative liability recorded at fair value and marked-to-market each period with the changes in fair value each period being charged or credited to income.

(e) Interest and accretion on convertible debentures outstanding during the period.

Summary of Quarterly Results

Three Months Ended	**May 31, 2020** **$**	**February 29, 2020** **$**	**November 30, 2019** **$**	**August 31, 2019** **$**
Total Revenue	-	-	-	-
Net income (loss)	(542,333)	(3,579,203)	577,589	(776,943)
Basic and diluted income (loss) per share	(0.00)	(0.02)	(0.00)	(0.00)
Total assets	6,867,512	7,283,442	7,858,415	7,858,415

Three Months Ended	**May 31, 2019** **$**	**February 28, 2019** **$**	**November 30, 2018** **$**	**August 31, 2019** **$**
Total Revenue	-	-	-	-
Net Loss	(92,435)	(1,630,885)	(446,101)	(1,026,262)
Basic and diluted (loss) per share	(0.00)	(0.01)	(0.00)	(0.01)
Total assets	7,821,293	7,325,683	7,672,132	7,329,536

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

Liquidity and Capital Resources

The Company's cash decreased to $25,909 at May 31, 2020, from $54,718 at February 29, 2020. The Company's working capital deficit was $8,914,107 compared to a working capital of $9,665,355 at February 29, 2020. Cash from (used in) operations was $28,809 compared to $337,332 in the prior period, as detailed below:

	2020	2019
OPERATING ACTIVITIES		
Net loss before income taxes	$(542,333)	$(92,435)
Operating items not involving cash		
Accrued interest and accretion	172,140	1,368,540
Depreciation of equipment	1,460	16,203
Change in fair value of derivative liability	-	(1,600,669)
Gain on disposition of subsidiaries	205,543	-
Stock based compensation	160,200	-
Unrealized foreign exchange gain (loss)	(139)	(31,540)
Changes in working capital items		
Prepaid expenses and deposits	3,211	(9,499)
Sales tax and other receivable	(4,727)	21,933
Trade payables and accrued liabilities	(24,164)	(23,171)
Due to former directors	-	13,306
Cash flows from operating activities	(28,809)	(337,332)

The Company had no cash flows from or used in investing and financing activities during the three months ended May 31, 2020.

Currently the Company does not have the required working capital to maintain corporate operations and conduct exploration programs on its property. The Company is working diligently to restructure its debt, and raise funds. However, 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.

There were no changes in the Company's approach to capital management during the period.

Debt
Since inception, the Company has financed its cash requirements primarily through the issuance of equity and debt. Total principal debt outstanding as of the date of this MD&A was as follows:

Amount	**Currency**	**Maturity Date**
$850,000	USD	July 2021
$200,000	CAD	October 2020
$25,000	CAD	April 2020
$1,100,000	USD	July 2019
$1,350,000	USD	July 2021
$1,000,000	CAD	July 2021
$25,000	CAD	November 2019
$100,000	USD	November 2019

Further information regarding the Company's debt issuances, and convertible notes, is included in Note 9 and 11 of the Condensed Interim Consolidated Financial Statement for the three months ended May 31, 2020.

Management is working diligently to restructure the terms of the past due debt.

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 VPs, is as follows:

	2020	2019
Management and consulting fees	**$ 39,000**	$ 69,000
Share-based payments	**108,000**	-
	$ 147,000	$ 69,000

During the three months ended May 31, 2020, $18,000 (three months ended May 31, 2019 - $18,000) of fees were charged by CFO Advantage Inc., a company owned by the Chief Financial Officer of the Company. As at May 31, 2020, $160,356 of the fees are outstanding (February 28, 2020 - $140,016) and are included in trade payables and accrued liabilities on the statement of financial position.

During the three months ended May 31, 2020, $21,000 (three months ended May 31, 2019 - $nil) of fees were charged by the VP of the Company. As at May 31, 2020, $63,000 of the fees are outstanding (February 28, 2020 - $42,000) and are included in trade payables and accrued liabilities on the statement of financial position.

During the three months ended May 31, 2020, the Company was charged $11,896 (three months ended May 31, 2019 - $23,568) by Dunton Rainville LLP for legal services and disbursements. Michel Lebeuf is a partner of Dunton Rainville LLP, Interim CEO and a director and corporate secretary of the Company. As at May 31, 2020, $60,217 (February 28, 2019 - $49,047) was payable to Dunton Rainville and are included in trade payables and accrued liabilities on the statement of financial position.

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. 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 recovered 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 year.

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. Estimates are made as to the volatility of its own share price, the probable life of share options and warrants granted and the time of exercise of those share options and warrants.

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, 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 of the unaudited condensed interim financial statements for more information.

Functional currency

In concluding on the functional currency of the parent and its subsidiary companies, management considered the currency that mainly influences costs of operating in each jurisdiction in which the Company operates. The Company also considered secondary indicators including the currency in which funds from financing activities are denominated, the currency in which funds are retained and whether the activities of the subsidiaries are carried out as an extension of the Company or if they are carried out with a degree of autonomy.

Derivative Liabilities

The Company values derivative liabilities by reference to their fair value at the date at which the instrument is granted. Estimating fair value requires determining the most appropriate valuation model. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life and volatility and making assumptions about them. Changes in the input assumptions can materially affect the fair value estimate.

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 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 May 31, 2020, management estimates that funds available will not be sufficient to meet the Company's obligations through the next twelve 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 May 31, 2020, the Company has assets of $6,303,000 (February 29, 2020 - $6,690,714) denominated in a foreign currency. The impact to equity of a 10% increase or decrease in foreign currencies to the Canadian dollar exchange rate at May 31, 2020 would be $370,000 (2019 - $391,855).

The impact to the statement of loss and comprehensive loss of a 10% increase or decrease in in foreign currencies to the Canadian dollar exchange rate at May 31, 2020, related to the convertible debentures and derivative liabilities, would be $490,000 (2019 - $483,309)

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 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 194,882,623 issued and outstanding common shares, 55,316,177 of warrants outstanding and 19,300,000 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.