TANTALEX RESOURCES CORPORATION

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Three months ended May 31, 2021
(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

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(expressed in Canadian dollars)

	As at May 31, 2021	As at February 28, 2021
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 47,310	$ 400,970
Prepaid expenses and deposits	6,713	6,868
Sales tax receivable	92,574	87,327
	146,597	495,165
Equipment (Note 7)	12,400	-
TOTAL ASSETS	$ 158,997	$ 495,165
LIABILITIES		
CURRENT LIABILITIES		
Trade payables and accrued liabilities (note 9)	$ 1,983,227	$ 2,012,120
Derivative liability (Note 10)	2,013,822	2,796,914
Convertible debentures (Note 10)	4,455,083	4,425,989
	8,452,132	9,235,023
TOTAL LIABILITIES	$ 8,452,132	$ 9,235,023
SHAREHOLDERS' DEFICIENCY		
Share capital (Note 11)	13,846,452	13,846,452
Contributed surplus	7,041,841	6,813,681
Warrants (Note 11)	639,814	639,814
Equity component of convertible debentures	236,585	236,585
Deficit	(29,294,705)	(29,517,204)
Accumulated other comprehensive income	(151,163)	(147,227)
TOTAL DEFICIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	(7,681,176)	(8,127,901)
Non-controlling interests	(611,959)	(611,959)
TOTAL DEFICIT	(8,293,135)	(8,739,860)
TOTAL LIABILITIES AND DEFICIT	$ 158,997	$ 495,165

GOING CONCERN (Note 2)

CONTINGENCIES (Note 18)

SUBSEQUENT EVENTS (Note 19)

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

Tantalex Resources Corporation

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS

For the three months ended May 31, 2021 and May 31, 2020

(expressed in Canadian dollars)

	2021	2020 (Note 17)
EXPENSES		
General and administrative (Note 15)	$ 232,904	$ 4,449
Exploration expenses (Note 6)	70,436	-
Stock based compensation (Note 11)	228,160	160,200
LOSS BEFORE OTHER ITEMS	(531,500)	(164,649)
Gain on disposal of subsidiaries (Note 6)	-	(205,544)
Change in fair value of derivative liability (Note 10)	665,193	-
Gain on foreign exchange	292,332	-
Interest and accretion	(203,526)	(172,140)
NET INCOME (LOSS) FOR THE PERIOD	$ 222,499	$ (542,333)
NET LOSS ATTRIBUTABLE TO:		
Equity holders of the Company	$ 222,499	$(541,273)
Non-controlling interests	-	(1,060)
	$ 222,499	$(542,333)
BASIC AND DILUTED LOSS PER SHARE (Note 12)	$ 0.00	$ (0.00)

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the three months ended May 31, 2021 and May 31, 2020

(expressed in Canadian dollars)

	2021	2020
NET INCOME (LOSS) FOR THE PERIOD	$ 222,499	$ (542,333)
Item of other comprehensive income to be subsequently reclassified to net loss		
Foreign currency translation	(3,936)	(180,263)
COMPREHENSIVE INCOME (LOSS)	$ 218,563	$ (722,596)
NET COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:		
Equity holders of the Company	$ 218,563	$ (721,536)
Non-controlling interests	-	(1,060)
	$ 218,563	$ (722,596)

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

Tantalex Resources Corporation

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the three months ended May 31, 2021 and May 31, 2020

(expressed in Canadian dollars)

	Number of issued and outstanding common shares	Share Capital	Equity component of convertible debenture	Warrants	Contributed Surplus	Accumulated other comprehensive income	Deficit	Non-controlling interest	Total Equity
Balance as at February 28, 2020 (Note 17)	194,882,623	$ 10,631,246	$ -	$ 2,858,965	$ 3,671,592	$ 70,151	$ (24,831,404)	$ (1,835,014)	$ (9,434,464)
Disposal of subsidiaries	-	-	-	-	-	-	-	1,082,753	1,082,753
Net loss for the period	-	-	-	-	-	-	(541,273)	(1,060)	(542,333)
Exchange differences on translating foreign operations	-	-	-	-	-	(180,263)	-	-	(180,263)
Balance as at May 31, 2021	194,882,623	$ 10,631,246	$ -	$ 2,858,965	$ 3,671,592	$ (110,112)	$ (25,372,677)	$ (753,321)	$ (9,074,307)
Balance as at February 28, 2021	367,297,147	$ 13,846,452	$ 236,585	$ 639,814	$ 6,813,681	$ (147,227)	$ (29,517,204)	$ (611,959)	$ (8,739,858)
Share based payments	-	-	-	-	228,160	-	-	-	228,160
Net income for the period	-	-	-	-	-	-	222,499	-	222,499
Exchange differences on translating foreign operations	-	-	-	-	-	(3,936)	-	-	(3,936)
Balance as at May 31, 2021	367,297,147	$ 13,846,452	$ 236,585	$ 639,814	$ 7,041,841	$ (151,163)	$ (29,294,705)	$ (611,959)	$ (8,293,135)

The accompanying notes form an integral part of these financial statements

Tantalex Resources Corporation

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

For the three months ended May 31, 2021 and May 31, 2020

(expressed in Canadian dollars)

	2021	2020
OPERATING ACTIVITIES		(Note 17)
Net income (loss)	$ 222,499	$ (542,333)
Operating items not involving cash		
Accrued interest and accretion	203,526	172,140
Depreciation of equipment	-	1,460
Change in fair value of derivative liability	(665,193)	
Disposal of subsidiary	-	205,543
Stock based compensation	228,160	160,200
Unrealized foreign exchange (gain) loss	(296,267)	(139)
Changes in working capital items		
Prepaid expenses and deposits	155	3,211
Sales tax and other receivable	(5,247)	(4,727)
Trade payables and accrued liabilities	(28,893)	(24,164)
Cash used in operating activities	(341,260)	(28,809)
INVESTING ACTIVITIES		
Purchase of equipment	(12,400)	-
Cash used in investing activities	(12,400)	-
NET DECREASE IN CASH	(353,660)	(28,809)
CASH, BEGINNING OF PERIOD	400,970	54,718
CASH, END OF PERIOD	$ 47,310	$ 25,909

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

1. NATURE OF OPERATIONS

Tantalex Resources Corporation ("Tantalex" or "the Company") was incorporated under the Business Corporations Act (British Columbia) on September 28, 2009. 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, and is primarily engaged in exploration and acquisition of Lithium and Tantalum ore and other strategic metals in the Democratic Republic of Congo.

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

The head office of the Company is located at 5 Hazelton Avenue, Suite 300, Toronto, ON Canada M5R 2E1.

The Board of Directors approved and authorized for issue these consolidated financial statements on July 21, 2021.

2. GOING CONCERN

These condensed interim 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 date of the issuance of these financial statements. Management is aware, in making its assessment, of material uncertainties related to events and conditions that cast 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 three months ended May 31, 2021 the Company reported a net income of $222,499 (three months ended May 31, 2020 – net loss of $3,937,712) and has an accumulated deficit of $29,294,705 (February 28, 2021 – deficit of $29,517,204). 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 May 31, 2021, the Company had a working capital deficit of $8,305,535 (February 28, 2021 – working capital deficit of $8,739,858). These conditions indicate the existence of a material uncertainty that casts 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.

3. 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 financial statements do not include all the information and disclosures required in the Company’s annual financial statements and should be read in conjunction with the Company’s annual financial statements for the year ended February 28, 2021.

3. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE (continued)

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

Basis of consolidation
These condensed interim consolidated financial statements include the accounts of the Company and those of its subsidiaries TTX Metals Inc., Sandstone Worldwide Ltd., Buckell SAS, Societe De Tailings De Manono ("STM") and Sadem Congo S.A.R.L ("Sadem"). 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 (with the exception of Buckell SAS 90% owned and STM 65% owned by Buckell SAS. 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 with the exception of STM which has a reporting date of December 31.

4. SUMMARY OF ACCOUNTING POLICIES

These unaudited condensed consolidated financial statements reflect the accounting policies described in Note 4 to the Company's audited consolidated financial statements for the years ended February 28, 2021 and February 29, (with the exception of any changes set out below) and accordingly, should be read in conjunction with the 2021 audited consolidated financial statements and the notes thereto.

Future accounting policies
Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after March 1, 2021 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 10 – Consolidated Financial Statements ("IFRS 10") and IAS 28 – Investments in Associates and Joint Ventures ("IAS 28") were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these amendments is yet to be determined; however early adoption is permitted.

5. 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.

Share-based payments and warrants
The fair value of share-based payments and warrants 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.

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

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 (Note 2).

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.

Estimation of decommissioning and reclamation costs and the timing of expenditure
Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities. Cost estimates are updated annually to reflect known developments and are subject to review at regular intervals.

Income, value added, withholding and other taxes
The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

Contingencies
Refer to Note 18.

The amounts recognized in the consolidated financial statements are derived from the Company's best estimation and judgement as described above. However, the inherent uncertainty regarding the outcome of these items means that eventual resolution could differ from the accounting estimates and therefore impact the Company's financial position and its financial performance and cash flows.

(expressed in Canadian dollars)

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

Derivative Liabilities
The Company values derivative liabilities by reference to their fair value at the date at which the instrument is granted and each reporting period. 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.

6. EXPLORATION AND EVALUATION

On August 23, 2018 the Company, through Buckell SAS, entered into an agreement to acquire a 65% control (at a cost of USD$3,000,000) of Société des Tailings de Manono ("STM"), which owns the PER 13698 (Permis Exploitation Rejets) ("PER 13698"). PER 13698 grants the exclusive rights to mine the tailings of the historical Manono-Kitotolo mine of lithium, tin and tantalum.

The following expenses related to the mining/exploration permits for the three months ended May 31, 2021 and the year ended February 28, 2021:

	May 31, 2021	February 28, 2021	Cumulative
Manono Tailings project	$ 70,436	$ -	$ 6,722,773

In September 2016, The Company, through its subsidiary United Materials Congo ("UMC") 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 was named United Cominière sas ("UNITED COMINIÈRE"). The purpose of this joint venture was to explore for, develop, and to put into production high-tech mineral deposits that exist on the properties belonging to UNITED COMINIÈRE. The Company owned 70% of this joint venture. In September 2019, the Joint venture was terminated.

On March 17, 2020, the Company ceded its interest in UC and UMC. The acquirors retained the rights and titles and assumed all liabilities that remained in these entities, for a nominal amount.

(expressed in Canadian dollars)

7. EQUIPMENT	Storage containers	Office furniture and equipment	Computer equipment	Field equipment	Vehicle	Total
	$	$	$	$	$	$
Cost						
February 29, 2020	57,237	10,996	5,000	78,527	337,975	489,735
Disposals (note 6)	(57,237)	(10,996)	(5,000)	(78,527)	(337,975)	(489,735)
February 28, 2021	-	-	-	-	-	-
Additions	-	12,400	-	-	-	12,400
May 31, 2021	**-**	**12,400**	**-**	**-**	**-**	**12,400**
Accumulated Depreciation						
February 29, 2020	20,605	4,946	5,000	45,626	182,667	258,844
Disposals (note 6)	(20,605)	(4,946)	(5,000)	(45,626)	(182,667)	(258,844)
February 28, 2021	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-
May 31, 2021	**-**	**-**	**-**	**-**	**-**	**-**
Carrying amounts						
February 28, 2021	-	-	-	-	-	-
May 31, 2021	-	12,400	-	-	-	12,400

8. LOANS

In October 2019, the Company entered into two loan agreements for a total of $200,000 (one for $150,000, the other $50,000). The loans bore annual interest of 12% and had a maturity date of one year. On August 18, 2020 the principal balance of the $150,000 loan was repaid in full. On November 30, 2020, the $50,000 loan (plus accrued interest of $6,608) was settled with the issuance of 1,886,941 common shares of the Company (at $0.03 per share, being the market value of the common shares on the date of settlement).

In April 2019, the Company received a loan advance of $25,000. The loan bore annual interest of 12% and had a maturity date of one year. On December 11, 2020, the loan of $25,000 plus accrued interest of $8,428 was repaid in full.

On December 8, 2020, the Company received a loan in the amount of $220,000. The loan is non-interest bearing is due and payable on or before December 3, 2021. On December 16, 2020, the loan was settled with the issuance of 9,366,667 common shares (at $0.03 per share, being the market value of the common shares on the date of settlement).

(expressed in Canadian dollars)

9. RELATED PARTY TRANSACTIONS

Remuneration of key management personnel of the Company.
The remuneration awarded to key management personnel, including directors, the Chief Executive Officer and the Chief Financial Officer, is as follows for the three months ended May 31, 2021 and May 31, 2020:

	2021	2020
Management and consulting fees	**$ 39,000**	$ 39,000
Share-based payments	**-**	108,000
	$ 39,000	$ 147,000

During the three months ended May 31, 2021, $18,000 (three months ended May 31, 2020 - $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, 2021, $31,640 of the fees are outstanding (February 28, 2021 - $51,980) and are included in trade payables and accrued liabilities on the statement of financial position. On December 16, 2020, the Company settled $129,736 of debt with CFO Advantage Inc. with the issuance of 6,486,815 common shares.

During the three months ended May 31, 2021, $21,000 (three months ended May 31, 2020 - $21,000) of fees were charged by 3IM Technologies, a Company owned by the CEO (and former VP) of the Company. As at February 28, 2021, $28,572 of the fees and expenses are outstanding (February 28, 2021- $4,842) and are included in trade payables and accrued liabilities on the statement of financial position. On December 16, 2020, the Company settled $152,912 of debt with 3IM Technologies Inc. with the issuance of 7,645,575 common shares.

During the three months ended May 31, 2021, the Company was charged $7,518 (three months ended May 31, 2020 - $11,896) by Dunton Rainville LLP for legal services and disbursements. Michel Lebeuf is a partner of Dunton Rainville LLP, and former Interim CEO and a director and corporate secretary of the Company. As at May 31, 2021, $33,444 (February 28, 2021 - $49,047) was payable to Dunton Rainville and are included in trade payables and accrued liabilities on the statement of financial position. During the year ended February 28, 2021, $25,000 of debt owing to Michel Lebeuf, was settled through the issuance of 1,250,000 common shares of the Company.

Amounts included in trade payable are accrued liabilities are unsecured, non-interest bearing and have no fixed terms of repayment.

During the year ended February 28, 2021, the Company had the following transaction with Afrimet Resources ("Afrimet"), a Company controlled by Hadley Nautus, a director of the Company.

- On December 8, 2020, Afrimet loaned the Company $220,000. The loan was non-interest bearing is due and payable on or before December 3, 2021. On December 16, 2020, the loan was settled with the issuance of 9,366,667 common shares. In return for structuring the loan, Afrimet received 6,100,000 common shares of the Company at $0.03 per share.
- In November 2020, Afrimet acquired 50,000,000 shares of the Company at $0.01 per share, for proceeds of $500,000.
- On December 4, 2020, the Company settled face value $300,000 of convertible debt (which was acquired by Afrimet in November 2020) with the issuance of 10,000,000 common shares.

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

10. CONVERTIBLE DEBENTURES

In July 2018, the Company completed a non-brokered private placement financing raising gross proceeds of $3,188,250 (USD$2,450,000, the "First Tranche")), completed a further $1,153,720 in November 2018 ($1,025,000, the "Second Tranche") and USD$100,000, the "Third Tranche")), through the issuance of convertible debentures (the "Debentures") in the amount of $4,341,970 bearing interest of 12% per annum and having an expiry date that is one year following their issuance (the "Maturity Date"). Each Debenture was convertible at the option of the holder into Common Shares of the Issuer at any time starting after the closing date and prior to the close of business on the last business day prior to the Maturity Date at the Conversion Price (based on a price equal to the current trading price of the Common Shares on the Canadian Securities Exchange on the maturity date or at 25% discount to such price if converted early). The principal amount of the Debentures was subject to a warrant coverage of up to 50% of the principal amount (1,787,500 warrants) to which the holder of the Debenture was entitled to receive up to 50% of the principal amount of the Debenture issued in warrants in the share capital of the Company (the "Warrants"), each Warrant entitling its holder to acquire one Common Share in the share capital of the Company at a price of $0.13 per Common Share for a period of 12 months from the date of issuance. The Company paid $349,280 in cash issue costs, and issued 30,000 broker warrants, entitling the holder to acquire one Common Share in the share capital of the Company at a price of $0.14 per Common Share for a period of 24 months from the date of issuance. These warrants were assigned a value of $1,890 using the Black Scholes option pricing model using the following assumptions: risk free interest rate 2.00%; expected volatility of 175%; expected dividend yield of 0% and an expected life of one year. On the Maturity Date, the conversion feature expired and the debt was accreted up to its face value.

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 (the "Amended Debentures"), 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.

On November 10, 2020, the Company entered into a second amended agreement whereby the maturity dates were extended to May 10, 2022. All other terms of the convertible debentures remain unchanged.

The first amendment was accounted for as an extinguishment to the original debenture while the second amendment was accounted for as a modification to the first amendment. The fair value of the liability component of the USD $1,350,000 debenture at the time of amendment was calculated as the discounted cash flows for the Amended Debentures assuming a market interest rate of 20.22%, which was the estimated rate for the Amended Debentures without the liability component of the conversion feature. The residual of the principal less the present value of the liability component was allocated to the conversion option based on their relative fair value calculated using the Black-Scholes option pricing model, resulting in an allocation of $227,039 to the conversion option. The conversion option is recorded as derivative liability and revalued at year end.

The first amendment was accounted for as an extinguishment to the original debenture while the second amendment was accounted for as a modification to the first amendment. The fair value of the liability component of the $1,000,000 debenture at the time of amendment was calculated as the discounted cash flows for the Amended Debentures assuming a market interest rate of 20.41%, which was the estimated rate for the Amended Debentures without the equity component of the conversion feature. The residual of the principal less the present value of the liability component was allocated to the conversion option based on their relative fair value calculated using the Black-Scholes option pricing model, resulting in an allocation of $123,042 to the conversion option. The conversion option is reported as Equity component of debt in the shareholders' equity.

10. CONVERTIBLE DEBENTURES (continued)

On November 3, 2020, the Company entered into an amending agreement whereby the terms of a debenture dated as of August 9, 2018 in the principal amount of USD $100,000 was 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 May 14, 2021.

The amendment was accounted for as a modification to the original debenture. The fair value of the liability component of the USD $100,000 debenture at the time of amendment was calculated assuming an interest rate of 12%, which was the original coupon rate. The residual of the principal less the present value of the liability component was allocated to the conversion option based on their relative fair value calculated using the Black-Scholes option pricing model, resulting in an allocation of $0 to the conversion option. The conversion option is recorded as derivative liability and revalued at year end.

On April 24, 2019, June 5, 2019, and October 9, 2019, the Company entered into loan agreements of USD $500,000, USD$250,000 and $100,000 respectively (the "Unsecured Loans"). The Unsecured Loans are non-interest bearing and had a maturity date one year from the date of issuance.

On July 28, 2020, the Unsecured Loans issued to the Company by International Cobalt Corp. were converted into unsecured convertible debentures (the "ICC Convertible Debentures") in the aggregate principal amount of USD $750,000 and $100,000. The Convertible Debentures will mature on July 28, 2021 (the "Maturity Date") and the principal amounts 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 Company. 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 ICC Convertible Debentures 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 ICC Convertible Debentures 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 ICC Convertible Debentures is subject to a warrant coverage of up to 50% of the principal amount of the ICC Convertible Debentures, pursuant to a warrant indenture to be entered between the Company and Dunton Rainville LLP acting as warrant agent (the "Warrant Agent"). Under the warrant indenture, the holder of the ICC Convertible Debentures will be entitled to receive up to 50% of the principal amount of the ICC Convertible Debentures issued in warrants in the share capital of the Company with each Warrant entitling its holder to acquire one common share in the share capital of the Company at a price of $0.10 per Common Share for a period of 24 months from the date of issuance.

November 10, 2020, the Company entered into an amended agreement whereby the maturity dates of the ICC Convertible Debentures were extended to May 10, 2022, and the conversion price was changed to $0.05 per common share. All other terms of the convertible debentures remain unchanged.

The conversion feature of the USD $750,000 debenture meets the definition of a derivative liability instrument because the conversion rate is variable based on the exchange rate and therefore does not meet the "fixed-for-fixed" criteria outlined under IFRS. As a result, the conversion feature 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.

(expressed in Canadian dollars)

10. CONVERTIBLE DEBENTURES (continued)

The amendment was accounted for as an extinguishment to the original debenture. The USD $750,000 debenture was separated into a convertible debt component and a derivative liability, which included the conversion option and the warrants. The derivative liability was valued first and the residual of the proceeds was allocated to the debt. The derivative liability was assigned a value of $996,475 calculated using the Black-Scholes option pricing model. The $100,000 debenture was separated into a convertible debt component and an equity component, which included the conversion option and the warrants. The equity component was valued first and the residual of the proceeds was allocated to the debt. The equity component was assigned a value of $142,543 calculated using the Black-Scholes option pricing model.

The following table discloses the components associated with convertible debenture:

	May 31, 2021	February, 28, 2021
	$	$
Convertible debenture liability component:		
Balance, at beginning of the year	4,425,989	4,983,323
Convertible debenture issued on conversion of loans	-	1,102,975
Converted to shares	-	(1,657,343)
Derivative liability	-	(1,193,514)
Equity component	-	(265,585)
Gain on modification	-	(270,350)
Loss on extinguishment	-	895,135
Foreign exchange adjustments	(174,432)	(231,058)
Accretion and interest	203,526	1,062,406
Balance, at the end of the period	4,455,083	4,425,989

The following table discloses the components associated with the derivative liability:

	May 31, 2021	February, 28, 2021
	$	$
Opening balance	2,796,914	-
Additions	-	1,193,514
Change in fair value of derivative liability	(665,193)	1,724,814
Foreign exchange adjustment	(117,899)	(121,414)
Balance end of period	2,013,822	2,796,914

(expressed in Canadian dollars)

11. 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 consists only of fully paid common shares.

	Number of shares	Amount
Total shares issued at February 29, 2020	**194,882,623**	**$ 10,631,246**
Units issued on private placement (i)	65,000,000	650,000
Valuation of warrants issued with units (i)	-	(275,800)
Conversion of debt (ii)	55,294,276	1,686,344
Settlement of debt (iii)	41,020,248	871,940
Shares issued for services (Note 9)	6,100,000	183,000
Exercise of stock options (iv)	5,000,000	99,722
Total shares issued at February 28, 2021 and May 31, 2021	**367,297,147**	**$ 13,846,452**

(i) On November 20, 2020 the Company closed a private placement financing for gross proceeds of $650,000. The Company issued a total of 65,000,000 units (each a "Unit") at $0.01 per Unit for total gross proceeds of $650,000. Each Unit consisted of one common share in the share capital of the Company (a "Common Share") and one common share purchase warrant of the Company. Each warrant is exercisable to acquire one Common Share at an exercise price of $0.05 for a period of thirty-six (18) months after issuance. The warrants were assigned a value of $275,800 using the black scholes model using the following assumptions: risk free interest rate 0.28%; expected volatility of 230%; expected dividend yield of 0% and an expected life of three years. See Note 9.

(ii) During fiscal 2021, $1,686,344 of convertible debentures (principal and interest) (note 10) were converted into 55,294,276 common shares of the Company. $1,603,315 of the debt was converted at $0.03 and $83,029 was converted at $0.06 being the market value of the common shares on the dates of conversion. $29,000 of the debenture amount converted was a reclassification from the equity component of the convertible debenture.

(iii) During December 2020, 41,020,248 common shares were issued to settle $871,940 of debt. $717,332 of the debt was converted at $0.02 and $154,608 was converted at $0.03, based on the quoted market price of the Company's shares at issuance.

(iv) During fiscal 2021, 5,000,000 common shares were issued upon the exercise of 5,000,000 stock options for proceeds of $50,000. The value of the options in the amount of $49,722 was allocated to share capital and removed from contributed surplus. 4,000,000 of the options were exercised by directors of the Company. 1,000,000 of the options was exercised by a former director (the options were issued during the time, he was a director).

Warrants
The following summarizes the activity during the three months ended May 31, 2021 and the year ended February 28, 202:

	Number of warrants	Amount
Balance February 29, 2020	55,346,177	2,858,965
Issued	65,000,000	275,800
Expired	(50,062,000)	(2,494,951)
Balance February 28, 2021 and May 31, 2021	70,284,177	639,814

(expressed in Canadian dollars)

11. EQUITY (continued)

Summary of warrants outstanding as at May 31, 2021:

Grant Date	Expiry date	Remaining life	Weighted average expiry date	# of Warrants	Exercise price
07/11/2018	07/11/2021	0.36	0.36	5,284,177	0.18
12/02/2020	06/03/2022	1.26	1.26	65,000,000	0.05
			1.19	70,284,177	0.05

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. On April 1, 2021, the Company approved an amendment to the stock option plan, lowering the minimum exercise price to $0.01 per share, the exercise price of an option being no less than the closing market price during the trading day immediately preceding the date of the grant of the option, less any applicable discount allowed by the CSE.

On May 22, 2020 the Company granted 17,800,000 options to purchase common shares of the Company to the current Directors, Officers and Consultants of the Company, all exercisable at a price of $0.01 for a period of 5 years. The options were assigned a value of $177,008 using the black scholes model using the following assumptions: risk free interest rate 1.99%; expected volatility of 170%; expected dividend yield of 0% and an expected life of five years. The options vested one month from the date of grant. 12,000,000 of the options were granted to officers and directors of the Company.

On December 15, 2020 the Company granted 13,000,000 options to purchase common shares of the Company to the current Directors, Officers and Consultants of the Company, all exercisable at a price of $0.03 for a period of 5 years. The options were assigned a value of $390,000 using the black scholes model using the following assumptions: risk free interest rate 1.99%; expected volatility of 170%; expected dividend yield of 0% and an expected life of five years. The options vested one month from the date of grant. 9,000,000 of the options were granted to directors of the Company.

On February 18, 2021, the Company granted 5,200,000 options to purchase common shares of the Company to a director and consultants of the Company, all exercisable at a price of $0.07 for a period of 3 years. The options were assigned a value of $364,000 using the black scholes model using the following assumptions: risk free interest rate 1.99%; expected volatility of 170%; expected dividend yield of 0% and an expected life of five years. The options vested one month from the date of grant. 2,000,000 of the options were granted to a director of the Company. As of February 28, 2021, 1,857,143 of said options were vested.

For the three months ended May 31, 2021, $228,160 (2020 - $160,200) is included in the statement of income (loss) representing the value of the options that vested during the period.

(expressed in Canadian dollars)

11. EQUITY (continued)

The following summarizes the activity during the three months ended May 31, 2021 and the year ended February 28, 2021:

	Number of options	Exercise price
Balance at February 29, 2020	**7,550,000**	**0.155**
Granted	36,000,000	0.025
Exercised	(5,000,000)	0.010
Expired	(7,550,000)	(0.155)
Balance at February 28, 2021 and May 31, 2021	**31,000,000**	**$ 0.024**

The following options are outstanding and exercisable as at May 31, 2021:

Grant Date	Expiry date	# of Options	Exercise price
22-May-20	22-May-25	12,800,000	$ 0.01
15-Dec-20	15-Dec-25	13,000,000	$ 0.03
18-Feb-21	18-Feb 24	5,200,000	$ 0.07

The weighted average expiry date is 4.00 years
The weighted average exercise price is $0.024

12. INCOME (LOSS) PER SHARE

The weighted average number of common shares outstanding used for the calculation for three months ended May 31, 2021 was 367,297,147 (three months ended May 31, 2020 - 194,882,623). Excluded from the calculation of the diluted loss per share are warrants, convertible debentures and stock options because to include them would be anti-dilutive as they would have the effect of decreasing the loss per share.

13. CAPITAL MANAGEMENT POLICIES AND PROCEDURES

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

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

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

The Company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financing liabilities. The Company manages the capital structure and makes adjustment to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares or sell assets to reduce debt. There were no changes in the Company's approach to capital management during the three months ended May 31, 2021. The Company is not subject to any externally imposed capital requirements as at May 31, 2021. 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.

14. 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 (Note 2).

As at May 31, 2021, 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, 2021, the Company has assets of $28,192 (February 28, 2021 –

$24,024) 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, 2021 would be $2,800 (February 28, 2021 - $2,400).

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.

(expressed in Canadian dollars)

15. GENERAL AND ADMINISTRATIVE

A breakdown of the general and administrative expenses for the three months ended May 31, 2021 and May 31, 2020:

	2021	2020
Insurance	**$ 5,309**	$ 6,149
Transfer agent and shareholder registration	**3,317**	3,199
Legal and audit	**111,530**	22,228
Consulting fees	**44,033**	(79,100)
Management fees	**39,000**	39,000
Office and general	**29,985**	12,973
	$ 232,904	$ 4,449

16. SEGMENT INFORMATION

The Company's business consists of a single reportable segment being mineral exploration and development. Details on a geographic basis are as follows:

Total Assets	May 31, 2021	February 28, 2021
Canada	$ 143,205	$ 471,141
Democratic Republic of Congo	15,792	24,024
	$ 158,997	$ 495,165

Net Income (Loss) for the three months ended May 31,	2021	2020
Canada	$ 464,828	$ (531,729)
Democratic Republic of Congo	(242,329)	(10,604)
	$ 222,499	$ (542,333)

17. CHANGE IN ACCOUNTING POLICY

During the year ended February 28, 2021, the Company changed its accounting policy of capitalizing exploration and evaluation expenditures. The Company believes that expensing such costs as incurred provides more reliable and relevant financial information. Cost of exploration properties, including the cost of acquiring prospective properties and exploration rights and exploration and evaluation costs, are expensed until it has been established that a mineral property is technically feasible and commercially viable. Previously, the Company capitalized these amounts. The financial statements for the comparable periods have been restated to reflect adjustments made as a result of this change in accounting policy.

There was no change to the statements of loss, and statement of cash flows for the three months ended May 31, 2020.

18. CONTINGENCIES AND COMMITMENTS

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of operations of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, social licensing requirements, unregistered prior agreements, unregistered claims, aboriginal claims, and non-compliance with regulatory, environmental and social requirements. The Company’s assets may also be subject to increases in taxes and royalties, renegotiation of contracts, and political uncertainty.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company's continued existence is dependent upon the preservation of its interests in the underlying properties, the achievement of profitable operations, or the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis.

The Company’s mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

The Company is party to certain management contracts. These contracts contain minimum commitments totaling $310,000 due within the next year. The contracts also propose that up to 5,000,000 performance options to be granted when certain milestones are achieved, including completion of a prefeasibility study. The issuance of the performance options require shareholder approval, which has not yet been obtained

19. SUBSEQUENT EVENTS

On June 4, 2021, the Company announced that Afrimet has given notice that they expect to exercise 50 million of its previously held common share purchase warrants, exercisable at $0.05 per share. As of June 26, 2021, the exercise had not been completed

On July 7, 2021, the Company announced that it entered into a binding LOI with Minor to expand it’s land package in the prolific Manono lithium, tin and tantalum hub with an earn-in option agreement to acquire the entirety of the dumps that are located on PER 13698.

The earn-in Agreement allows for TTX SAU, a wholly owned subsidiary of Tantalex in the DRC, to acquire up to a minimum of 52% of the shares in Minocom Mining SAS. Minocom Mining SAS (“Minocom”), the title owner of PER 13698 and PR13348 is a Joint Venture between Minor (70%) and Cominiere (30%). In the initial phase of the earn-in agreement, TTX SAU will acquire 25% of the shares in Minocom for a payment of 2M USD and 20,000,000 shares of Tantalex additional to the $3,000,000 USD that have previously been paid. TTX SAU also holds the firm option to buy an additional 27% of the shares in Minocom for either $10,000,000 USD or 20,000,000 shares to be decided by Minor after the completion of the initial resource estimate. Once the option exercised, TTX SAU will become 52% shareholder of Minocom with Minor holding 18% and Cominiere having 30%. TTX SAU will have a Right of First Refusal on any sale of the remaining 18% held by Minor.