Tantalex Lithium Resources Corporation (formerly Tantalex Resources Corporation)

Unaudited Condensed Interim Consolidated Financial Statements

Three Months Ended May 31, 2022 and 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 Lithium Resources Corporation (formerly Tantalex Resources

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(expressed in Canadian dollars)

	As at May 31, 2022	As at February 28, 2022
ASSETS		
CURRENT ASSETS		
Cash	$ 683,913	$ 367,559
Prepaid expenses and deposits	5,384	34,097
Sales tax receivable	85,590	64,973
	774,887	466,629
Property, plant and equipment (Note 7)	5,962,384	5,486,193
TOTAL ASSETS	$ 6,737,271	$ 5,952,822
LIABILITIES		
CURRENT LIABILITIES		
Trade payables and accrued liabilities (note 9)	$ 1,934,116	$ 1,707,688
Loans and advances payable (Note 8)	12,108,860	10,005,050
Derivative liability (Note 10)	6.389,390	4,458,448
Convertible debentures (Note 10)	4,969,443	5,190,993
	25,401,809	21,362,179
TOTAL LIABILITIES	$ 25,401,809	$ 21,362,179
SHAREHOLDERS' DEFICIENCY		
Share capital (Note 11)	23,091,995	22,051,582
Contributed surplus	8,801,846	8,801,846
Warrants (Note 11)	124,452	166,883
Equity component of convertible debentures	236,585	236,585
Deficit	(49,392,022)	(45,083,913)
Accumulated other comprehensive income	141,842	86,896
TOTAL DEFICIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	(16,995,302)	(13,740,121)
Non-controlling interests	(1,669,236)	(1,669,236)
TOTAL DEFICIENCY	(18,664,538)	(15,409,357)
TOTAL LIABILITIES AND DEFICIENCY	$ 6,737,271	$ 5,952,822

GOING CONCERN (Note 2)
CONTINGENCIES (Note 18)
SUBSEQUENT EVENTS (Note 19)

Approved by the Board

“Eric Allard”
Director

“Simon Collins”
Director

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

Tantalex Lithium Resources Corporation (formerly Tantalex Resources Corporation)

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS
For the three months ended May 31, 2022 and May 31, 2021
(expressed in Canadian dollars)

	2022	2021
EXPENSES		
General and administrative (Note 16)	$ 727,633	$ 232,904
Exploration expenses (Note 6)	1,316,342	70,436
Stock based compensation (Note 11)	-	228,160
LOSS BEFORE OTHER ITEMS	(2,043,975)	(531,500)
Change in fair value of derivative liability (Note 10)	(1,843,514)	665,193
Gain on foreign exchange	(146,871)	292,332
Interest and accretion	(273,749)	(203,526)
NET LOSS FOR THE PERIOD	$(4,308,109)	$ 222,499
NET LOSS ATTRIBUTABLE TO:		
Equity holders of the Company	$(4,308,109)	$ 222,499
Non-controlling interests	-	-
	$(4,308,109)	$ 222,499
BASIC AND DILUTED LOSS PER SHARE (Note 12)	$ (0.01)	$ 0.00

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
For the three months ended May 31, 2022 and May 31, 2021
(expressed in Canadian dollars)

	2022	2021
NET LOSS FOR THE PERIOD	$(4,308,109)	$ 222,499
Item of other comprehensive income		
to be subsequently reclassified to net loss		
Foreign currency translation	54,946	(3,936)
COMPREHENSIVE LOSS	$(4,253,163)	$ 218,563
NET COMPREHENSIVE LOSS ATTRIBUTABLE TO:		
Equity holders of the Company	$(4,253,163)	$ 218,563
Non-controlling interests	-	-
	$(4,253,163)	$ 218,563

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

Tantalex Lithium Resources Corporation (formerly Tantalex Resources Corporation)

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (DEFICIENCY)

For the three months ended May 31, 2022 and 2021

(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, 2021	367,297,147	$ 13,846,452	$ 236,585	$ 639,814	$ 6,813,681	$ 164,165	$ (29,682,383)	$ (1,842,432)	$ (9,824,118)
Stock based compensation	-	-	-	-	228,160	-	-	-	228,160
Net loss 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	$ 160,229	$ (29,459,884)	$ (1,842,432)	$ (9,377,395)
Balance as at February 28, 2022	483,651,757	$ 22,051,582	$ 236,585	$ 166,883	$ 8,801,846	$ 86,896	$ (45,083,913)	$ (1,669,236)	$ (15,409,357)
Conversion of convertible debentures	-	497,982	-	-	-	-	-	-	497,982
Exercise of warrants	10,000,000	542,431	-	(42,431)	-	-	-	-	500,000
Net income for the period	-	-	-	-	-	-	(4,308,109)	-	(4,308,109)
Exchange differences on translating foreign operations	-	-	-	-	-	54,946	-	-	54,946
Balance as at May 31, 2022	493,651,757	$ 23,091,995	$ 236,585	$ 124,452	$ 8,801,846	$ 141,842	$ (49,392,022)	$ (1,669,236)	$ (18,664,538)

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

Tantalex Lithium Resources Corporation (formerly Tantalex Resources Corporation)

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

For the three months ended May 31, 2022 and May 31, 2021

(expressed in Canadian dollars)

	2022	2021
OPERATING ACTIVITIES		
Net loss	$ (4,308,109)	$ (222,499)
Operating items not involving cash		
Accrued interest and accretion	273,749	203,526
Depreciation of equipment	94,127	-
Change in fair value of derivative liability	1,843,514	(665,193)
Stock based compensation	-	228,160
Unrealized foreign exchange (gain)	182,153	(296,267)
Changes in working capital items		
Prepaid expenses and deposits	28,713	155
Sales tax and other receivable	(20,617)	(5,247)
Trade payables and accrued liabilities	226,428	(28,893)
Cash flows used in operating activities	(1,680,042)	(341,260)
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(591,909)	(12,400)
Cash flows used in investing activities	(591,909)	(12,400)
FINANCING ACTIVITIES		
Proceeds from loans and advances	2,159,923	-
Repayments of advances	(71,618)	-
Proceeds from exercise of stock options and warrants	500,000	-
Cash flows from financing activities	2,588,305	-
NET (DECREASE) INCREASE IN CASH	316,354	(353,660)
CASH, BEGINNING OF PERIOD	367,559	400,970
CASH, END OF PERIOD	$ 683,913	$ 47,310

Note 14 provides additional information on the consolidated statements of cash

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

1. NATURE OF OPERATIONS

Tantalex Lithium Resources Corporation (formerly 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 1410-12- Adelaide St W, Toronto, Ontario, M5H 1T1.

The Board of Directors approved and authorized for issue these consolidated financial statements on July 29, 2022.

2. GOING CONCERN

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which contemplates the realization of assets and the settlement of liabilities in the normal course of business as they come due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to twelve months from the 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, 2022 the Company reported a net loss of $4,308,109 (year ended February 28, 2022 - $15,228,334) and has an accumulated deficit of $49,392,022 (February 28, 2022 – deficit of $45,083,913). 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, 2022, the Company had a working capital deficit of $24,626,922 (February 28, 2022 – working capital deficit of $20,895,550). These conditions indicate the existence of material uncertainties that cast significant doubt regarding the Company’s ability to continue as a going concern. Any funding shortfall may be met in the future in a number of ways including but not limited to, the issuance of new equity, debt financing, a corporate transaction, or revenue from future production. 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, 2022.

(expressed in Canadian dollars)

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

Basis of presentation

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

Basis of consolidation

These consolidated financial statements include the accounts of the Company and those of its subsidiaries TTX Metals Inc., Sandstone Worldwide Ltd., Buckell SAS, Tantalex SAU SARL, United Cominiere SARL, and Societe De Tailings De Manono ("STM"). 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, and United Cominiere SARL 90%). 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.

Name of subsidiary	Country of Incorporation	Percentage Ownership
TTX Metals Inc.	Canada	100%
Sandstone Worldwide Ltd.	Bahamas	100%
Buckell SAS	DRC	90%
Tantalex SAU	DRC	100%
United Cominiere SAS	DRC	70%
United Materials Congo	DRC	90%
Societe De Tailings De Manono	DRC	65%

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, 2022 and 2021 (the "2022 audited consolidated financial statements"), (with the exception of any changes set out below) and accordingly, should be read in conjunction with the 2022 audited consolidated financial statements and the notes thereto.

Recent accounting pronouncements

During the three months ended May 31, 2022, there were no new accounting pronouncements and standards that had any material impact on the Company's financial statements.

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, 2022 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.

Stock based compensation 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 based on historical volatility, 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.

Assessment of indicators of impairment
At the end of each reporting period, the Company assesses whether there are any indicators, from external and internal sources of information, that an asset may be impaired, thereby requiring adjustment to the carrying value.

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.

(expressed in Canadian dollars)

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

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.

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, 2022 and 2021:

	May 31, 2022	May 31, 2021
Exploration costs	$ 1,316,342	$ 70,436
Acquisition costs	-	-
Total	$ 1,316,342	$ 70,436

In July 2021, the Company signed an agreement ("Agreement") with MINOR SARL to acquire the property interests and related tailings at Manono, DRC. Upon signing, the Company paid USD$1,000,000 to enter into the Agreement.

The earn-in Agreement allows for TTX SAU, a wholly owned subsidiary of Tantalex in the DRC, to acquire up to an effective 52% interest in Minocom Mining SAS ("Minocom's") interest in certain property holdings. In the initial phase of the earn-in agreement, TTX SAU acquired a 25% interest for a payment of $2,000,000 USD (USD$1,000,000 and 20,000,000 shares of Tantalex, valued at $1,600,000 based on the quoted market price on issuance), in addition to the $3,000,000 USD that has previously been paid in fiscal 2019.

(expressed in Canadian dollars)

6. EXPLORATION AND EVALUATION (continued)

TTX SAU also holds an option to buy an additional 27% interest in Minocom for either $10,000,000 USD or 20,000,000 shares of Tantalex to be decided by MINOR after the completion of the initial resource estimate. Once the option is exercised, TTX SAU will become a 52% shareholder of Minocom Mining SAS 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 (see note 19).

7. PROPERTY, PLANT AND EQUIPMENT

	Construction in process	Equipment	Vehicles	Construction vehicles	Total
	$	$	$	$	$
Cost					
28-Feb-21	-	-	-	-	-
Additions	2,948,772	461,536	356,199	1,973,639	5,740,146
28-Feb-22	2,948,772	461,536	356,199	1,973,639	5,740,146
Foreign exchange adjustment	(11,601)	(1,817)	(1,402)	(7,771)	(22,591)
Additions	406,549	52,936	12,269	120,156	591,909
31-May-22	**3,343,720**	**512,655**	**367,065**	**2,086,024**	**6,309,465**
Accumulated Depreciation					
28-Feb-21	-	-	-	-	-
Depreciation	-	129,792	62,357	61,804	253,953
28-Feb-22	-	129,792	62,357	61,804	253,953
Foreign exchange adjustment	-	(511)	(245)	(243)	(999)
Depreciation	-	19,093	22,872	52,163	94,127
31-May-22	**-**	**148,374**	**84,983**	**113,723**	**347,081**
Carrying amounts					
28-Feb-22	2,948,772	331,744	293,842	1,911,836	5,486,194
31-May-22	3,343,720	364,281	282,082	1,972,301	5,962,384

8. LOANS AND ADVANCES

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 had a maturity date of 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.

On 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. On May 10, 2022, the Company entered into amending agreements to extend the maturity dates of the Unsecured Loans to November 10, 2022. 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.

The 2021 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 initially assigned a value of $996,475 calculated using the Black-Scholes option pricing model, and has been adjusted to its current estimated value of $2,032,788 as at May 31, 2022 (February 28, 2022 - $1,505,370). 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 assigned a value of $142,543 calculated using the Black-Scholes option pricing model.

On October 12, 2021 the Company issued an unsecured convertible debenture in the amount of USD$1,000,000. The loan bore interest at an annual rate of 10%, and at the option of the holder to convert the loan to common shares at a conversion price of $0.07, with a maturity date of April 2023. On December 15, 2021, the loan was converted to shares (see note 11).

During the three months ended May 31, 2022 and the year ended February 28, 2022, Afrimet Resources ("Afrimet"), a related party, advanced funds to the Company to cover purchases of property, plant and equipment, fund exploration expenditures and operating expenses. As at May 31, 2022, these advances carried a 10% agreed interest rate, were unsecured, and had no specific terms of repayment. The Company and Afrimet were in discussions to formalize these advances as at the date of these financial statements (see note 19).

(expressed in Canadian dollars)

8. LOANS AND ADVANCES (continued)

On March 30, 2022, the Company signed an unsecured grid promissory note (the "Grid Note") for USD$1,000,000 with Afrimet. The Grid Note bears interest at a rate of 10% per annum and becomes due in full on March 30, 2023. As at May 31, 2022 the full amount of the Grid Note was outstanding.

	May 31, 2022	February, 28, 2022
	$	$
Opening balance	10,005,050	-
Loans received during the year	1,194,415	1,233,978
Advances	965,508	9,091,587
Repayments - cash	(71,618)	-
Conversion of debenture to common shares	-	(1,233,978)
Interest accrued	54,901	913,463
Foreign exchange	(39,396)	-
Balance end of year	12,108,860	10,005,050

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, the Chief Financial Officer and VPs, is as follows for the three months ended May 31, 2022 and 2021:

	Three months ended May 31, 2022	Three months ended May 31, 2021
Management and consulting fees	**$ 55,500**	$ 39,000
Share-based payments	**-**	-
	$ 55,500	$ 39,000

During the three months ended May 31, 2022, $18,000 (2021 - $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, 2022, $49,720 of the fees are outstanding (February 28, 2021 - $29,380) and are included in trade payables and accrued liabilities on the statement of financial position. On October 15, 2021, the Company settled $72,320 of debt with CFO Advantage Inc. with the issuance of 1,033,143 common shares.

During the three months ended May 31, 2022, $37,500 (2021- $21,000) of fees were charged by 3IM Technologies, a Company owned by the CEO (and former VP) of the Company. As at May 31, 2022, $60,767 of the fees and expenses are outstanding (February 28, 2022 - $18,392) and are included in trade payables and accrued liabilities on the statement of financial position.

During the three months ended May 31, 2022, the Company was charged $43,596 (2021 - $7,518) by Dunton Rainville LLP for legal services and disbursements. Michel Lebeuf is a partner of Dunton Rainville LLP, and former Interim CEO, former director and the current corporate secretary of the Company. As at May 31, 2022, $47,702 (February 28, 2022 - $22,365) was payable to Dunton Rainville and are included in trade payables and accrued liabilities on the statement of financial position.

On January 21, 2022, 2,000,000 common shares were issued to Klaus Eckhof, upon his appointment as director of the Company. These shares were valued at $290,000 based on their quoted market value on the date of issuance

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

9. RELATED PARTY TRANSACTIONS (continued)

During the year ended February 28, 2022, 4,500,000 stock options were exercised by officers of the Company, for proceeds of $80,000.

During the three months ended May 31, 2022 and the year ended February 28, 2022, the Company had the following transaction with Afrimet Resources ("Afrimet"), and Coproco Group SARL, companies controlled by Hadley Nautus, a director of the Company.

- On October 12, 2021, Afrimet loan the Company USD$1,000,000 through the issuance of an unsecured convertible debenture (see note 8).
- See note 8 for loan advances from Afrimet.
- See note 8 for Grid Note.
- During fiscal 2022, Afrimet exercised 50,000,000 warrants at a cost of $2,500,000

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. On May 10, 2022, the Company entered into amending agreements to extend the maturity dates of the convertible debentures to November 10, 2022. All other terms of the convertible debentures remain unchanged.

(expressed in Canadian dollars)

10. CONVERTIBLE DEBENTURES (continued)

The first amendment was accounted for as an extinguishment to the original debenture while the second and third amendments were 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 approximately 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 each reporting period.

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 approximately 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.

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 was recorded as derivative liability and revalued at year end.

In November 2021 the USD$100,000 debenture was converted to 2,520,000 common shares of the Company.

Accretion expense on all debentures during the three months ended May 31, 2022 amounted to $106,362 (2021 - $89,912)

See note 8, ICC Convertible Debentures.

The following table discloses the components associated with convertible debenture:

	May 31, 2022	**February 28, 2022**
	$	$
Convertible debenture liability component:		
Balance, at beginning of the year	5,190,993	4,425,989
Convertible debenture issued on conversion of loans	-	-
Converted to shares	(497,982)	(126,000)
Foreign exchange adjustments	57,584	12,291
Accretion and interest	218,848	878,713
Balance, at the end of the period	4,969,443	5,190,993

(expressed in Canadian dollars)

10. CONVERTIBLE DEBENTURES (continued)

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

	May 31, 2022	February, 28, 2022
	$	$
Opening balance	4,458,448	2,796,914
Change in fair value of derivative liability	1,843,514	1,636,461
Foreign exchange adjustment	87,428	25,073
Balance end of year	6,389,390	4,458,448

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.

(expressed in Canadian dollars)

11. EQUITY (continued)

	Number of shares	Amount
Total shares issued at February 28, 2021	**367,297,147**	**$ 13,846,452**
Exercise of stock options (i)	11,500,000	378,450
Exercise of warrants (ii)	55,000,000	2,983,369
Settlement of debt (iii)	2,486,000	174,020
Shares issued for earn-in agreement (note 6)	20,000,000	1,600,000
Conversion of debenture (note 10)	2,520,000	433,481
Conversion of loan (note 8)	17,848,610	1,972,905
Shares issued on private placement of units (v)	5,000,000	500,000
Valuation of warrants (ix)	-	(124,350)
Issue costs	-	(2,745)
Shares issued for services (note iv)	2,000,000	290,000
Total shares issued at February 28, 2022	**483,651,757**	**22,051,582**
Conversion of debenture (note 10)	9,959,640	497,982
Exercise of warrants (vi)	10,000,000	542,431
Total shares issued at May 31, 2022	**503,611,397**	**$ 23,091,995**

(i) During the year ended February 28, 2022, 11,500,000 common shares were issued upon the exercise of 11,500,000 stock options for proceeds of $190,000. The value of the options in the amount of $188,450 was allocated to share capital and removed from contributed surplus.

(ii) During the year ended February 28, 2022, 55,000,000 common shares were issued upon the exercise of 55,000,000 warrants for proceeds of $2,750,000. The value of the warrants in the amount of $233,369 was allocated to share capital and removed from warrants.

(iii) On October 15, 2021, 2,486,000 common shares were issued to settle $174,020 of debt ($72,320 with a related party, see note 9). The debt was converted at $0.07, based on the quoted market price of the Company's shares at issuance.

(iv) On January 21, 2022, 2,000,000 shares were issued to a director, for his on-boarding and services as director. The shares were valued at $290,000 based on the quoted market value of the shares at the grant date.

(v) On January 21, 2022, the Company closed a private placement for gross proceeds of $500,000, through the issuance of 5,000,000 units, issued at $0.10 per unit ("Unit"). Each Unit consisted of one common share, and one half common share purchase warrant ("Warrant"). Each Warrant can be exercised at a price of $0.15 per Warrant for a period of 12 months, provided however that, shall the VWAP of the Shares reach $0.75 over a period of 10 business days, then the holder thereof shall have 30 days to exercise its Warrants. The Warrants were valued at $124,350 using the Black Scholes option pricing model using the following assumptions: risk free interest rate of 1.22%, expected historical volatility of 134%, expected life of one year, expected dividend rate of 0% and a quoted market stock price of $0.08.

(vi) During the three months ended May 31, 2022, 10,000,000 common shares were issued upon the exercise of 10,000,000 warrants for proceeds of $500,000. The value of the warrants in the amount of $42,431 was allocated to share capital and removed from warrants.

(expressed in Canadian dollars)

11. EQUITY (continued)

Warrants

The following summarizes the activity during the three months ended May 31, 2022 and the year ended February 28, 2022:

	Number of warrants	Amount
Balance February 28, 2021	70,284,177	639,814
Issued	2,500,000	124,350
Exercised	(55,000,000)	(233,369)
Expired	(5,284,177)	(363,912)
Balance February 28, 2022	12,500,000	$ 166,883
Exercised	(10,000,000)	(42,431)
Balance May 31, 2022	2,500,000	$ 124,452

Summary of warrants outstanding as at May 31, 2022:

Grant Date	Expiry date	Remaining life	Weighted average expiry date	# of Warrants	Exercise price
01/21/2021	01/21/2023	0.90	0.01	2,500,000	0.15

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. At the Company's AGM held in May 2022, the shareholders approved, and the Company adopted an amended stock option and restricted stock units plan (the"Plan"), reserving a rolling 10% of the issued and outstanding shares of the Company, which may be issued under the Plan. Significant terms of the Plan are as follows: (i) maximum term is fixed by the board of directors and may not exceed 10 years (ii) exercise price is determined by the board of directors, provided it is not less than the price permitted by the Canadian Stock Exchange (iii) vesting of stock options are determined by the board, and restricted stock units vest upon meeting certain milestones that are time or performance based.

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.

On October 12, 2021, the Company granted 14,000,000 options to purchase common shares of the Company to officers, directors and consultants of the Company, all exercisable at a price of $0.08 for a period of 5 years. The options were assigned a value of $1,101,540 using the black scholes model using the following assumptions: risk free interest rate 1.24%; expected volatility of 213%; expected dividend yield of 0% and an expected life of five years. The options vested one month from the date of grant. 10,500,000 of the options were granted to officers and directors of the Company.

On November 1, 2021, the Company granted 2,000,000 options to purchase common shares of the Company to a consultant of the Company, exercisable at a price of $0.08 for a period of 5 years. The options were assigned a value of $174,204 using the black scholes model using the following assumptions: risk free interest rate 1.24%; expected volatility of 213%; expected dividend yield of 0% and an expected life of five years. The options vested one month from the date of grant.

(expressed in Canadian dollars)

11. EQUITY (continued)

On January 21, 2022, the Company granted 2,000,000 options to purchase common shares of the Company to a director of the Company, exercisable at a price of $0.15 for a period of 5 years. The options were assigned a value of $286,043 using the black scholes model using the following assumptions: risk free interest rate 1.24%; expected volatility of 213%; expected dividend yield of 0% and an expected life of five years. The options vested one month from the date of grant.

For the three months ended May 31, 2022, $nil (2021 - $228,160) is included in the statement of loss representing the value of the options that vested.

The following summarizes the activity during the three months ended May 31, 2022 and the year ended February 28, 2022:

	Number of options	Exercise price
Balance at February 28, 2021	**31,000,000**	**0.024**
Granted	18,000,000	0.08
Exercised	(11,500,000)	0.01
Balance at February 28, 2022 and May 31, 2022	**37,500,000**	**$ 0.06**

The following options are outstanding and exercisable as at May 31, 2022:

Grant Date	Expiry date	# of Options	Exercise price
22-May-20	22-May-25	3,800,000	$ 0.01
15-Dec-20	15-Dec-25	11,000,000	$ 0.03
18-Feb-21	18-Feb 24	5,200,000	$ 0.07
12-Oct-21	12-Oct-26	13,500,000	$ 0.08
01-Nov-21	01-Nov-26	2,000,000	$ 0.08
21-Jan-22	21-Jan-27	2,000,000	$ 0.15

The weighted average expiry date is 3.63 years
The weighted average exercise price is $0.06

12. LOSS PER SHARE

The weighted average number of common shares outstanding used for the calculation for the three months ended May 31, 2022 was 484,417,884 (2021 – 367,297,147). 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. ADDITIONAL INFORMATION ON CONSOLIDATED STATEMENT OF CASH FLOWS

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

	May 31, 2022	May 31, 2021
Shares issued on conversion and settlement of debt	**$ 497,982**	$ -

14. 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 significant changes in the Company’s approach to capital management during the three months ended May 31, 2022. The Company is not subject to any externally imposed capital requirements as at May 31, 2022. 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.

15. 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, 2022, 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, 2022, the Company has assets of $6,050,713 (February 28, 2022 – $5,164,260) 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, 2022 would be $605,071 (February 28, 2022 - $516,426).

(expressed in Canadian dollars)

15. FINANCIAL INSTRUMENT RISKS (continued)

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.

16. GENERAL AND ADMINISTRATIVE

A breakdown of the general and administrative expenses for the three months ended May 31, 2022 and May 31, 2021:

	2022	2021
Transfer agent and shareholder registration	**$ 5,848**	$ 3,317
Legal and audit	**87,377**	111,530
Consulting fees	**49,558**	44,033
Management fees	**212,493**	39,000
Office and general	**260,705**	35,024
Travel and costs of working abroad	**17,061**	-
Depreciation of equipment	**94,591**	-
	$ 727,633	$ 232,904

17. 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, 2022	February 28, 2022
Canada	$ 662,945	$ 788,562
Democratic Republic of Congo	6,074,326	5,164,260
	$ 6,737,271	$ 5,952,822

Net Income (Loss)	May 31, 2022	May 31, 2021
Canada	$ (2,522,301)	$ 464,828
Democratic Republic of Congo	(1,785,808)	(242,329)
	$ (4,308,109)	$ 222,499

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.

18. CONTINGENCIES AND COMMITMENTS (continued)

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.

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. To date, COVID-19, has not had a material impact on the Company or its operations.

19. SUBSEQUENT EVENTS

On June 1, 2022, the board approved the grant of 3,750,000 options to purchase common shares of the Company to certain employees, consultants, officers and directors of the Company with an exercise price of $0.10. The options have vesting conditions based on certain milestones.

On June 1, 2022, the board approved the grant of 8,900,000 restricted share units (“RSUs”) to certain employees, consultants, officers and directors of the Company. The RSUs have vesting conditions based on certain milestones.

On June 17, 2022, the Company announced that it effectively exercised its option to acquire an additional 27% stake in the MINOCOM assets (note 6) for a total consideration of USD $500,000 and the issuance of 35,000,000 common shares of TTX pursuant to an amending agreement executed on May 17, 2022. This will be effective by TTX SAU having ownership of 52% of MINOCOM SAS and where MINOR will hold 18% and Cominiere SA will hold 30%.

On July 8, 2022, the Company entered into a loan agreement with AfriMet to convert the previous advances made to this loan. Pursuant to the loan agreement (“Loan #1”) AfriMet made available a loan facility of USD$7,213,006 for the purpose of financing of mining equipment for the Lubule Tin & Tantalum Alluvial Project. Loan #1 shall carry interest at a rate of 10% per annum that are payable on March 31, June 30, September 30 and December 31 of each year. Tantalex must repay this Loan #1 on the date falling 18 months from the commencement of the commercial mining and minerals processing operations at the Lubule Tin & Tantalum Project or by December 31, 2024, whichever is earlier.

On July 8, 2022, the Company entered into a loan agreement with Trade Cloud Services PTE LTD., a related party, (“Trade Cloud”) incorporated under the laws of Singapore and specialized in cloud-based commodities platform for minerals and metals physical markets. Pursuant to this loan agreement (“Loan #2”), Trade Cloud has agreed to make available this loan for an amount of up to USD$3,000,000 for the purpose of completing the financing for Tantalex Lithium’s Lubule plant to produce tin and tantalum concentrates. Loan #2 shall carry interest at a rate of 10% per annum for the first 12 months and an additional annual rate of five per cent (5%) shall be applied to bring the interest rate to fifteen percent (15%) per annum for any days in delay in the repayment. Trade Cloud shall pay the amount of USD$1,000,000 upon the Corporation evidencing the receipt of licensing on the Lubule Tin & Tantalum Alluvial Project (the “First Drawdown”).

19. SUBSEQUENT EVENTS

An additional USD$1,000,000 will be paid thirty (30) days of the First Drawdown and another USD$1,000,000 as well sixty (60) days of the First Drawdown. Tantalex must repay this Loan #2 at the latest twelve (12) months from the date of the First Drawdown.

The Company closed a private placement of USD$1,231,784 principal amount of an unsecured convertible debenture with AfriMet on July 8, 2022 (the "Convertible Debenture"). The Convertible Debenture has a one-year term and will mature on July 10, 2023 (the "Maturity Date"). The Convertible Debenture bears interest at 10% per annum, payable at any time prior to the Maturity Date in cash or common shares of the Corporation (the "Common Shares"), at the option of the Corporation. At any time during the term, AfriMet may elect to convert the outstanding principal net amount, or any portion thereof, into Common Shares at a conversion price of $0.10 per share. The Convertible Debenture and any Common Shares issuable upon conversion thereof will be subject to a statutory hold period lasting four months and one day following the closing date of the Convertible Debenture.