Tantalex Lithium Resources Corporation

Unaudited Condensed Interim Consolidated Financial Statements

Three Months Ended May 31, 2024 and May 31 2023

(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

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(expressed in Canadian dollars)

	As at May 31, 2024	As at February 28, 2023
ASSETS		
CURRENT ASSETS		
Cash	$ 517,753	$ 846,141
Prepaid expenses and deposits	155,807	170,427
Inventory (Note 6)	99,172	448,353
Sales tax receivable	165,270	108,828
	938,002	1,573,749
Deposit on equipment	-	316,731
Property, plant and equipment (Note 9)	17,547,582	16,972,902
Right of use asset (Note 10)	218,079	248,683
TOTAL ASSETS	$ 18,703,663	$ 19,112,065
LIABILITIES		
CURRENT LIABILITIES		
Trade payables and accrued liabilities (Note 13)	$ 6,143,822	$ 5,971,989
Lease liability – current (Note 11)	109,887	98,504
Customer deposit	122,400	108,561
Loans and advances payable (Note 12)	24,246,950	20,692,334
Derivative liability (Note 14)	59,970	170,820
Convertible debentures (Note 14)	2,591,140	2,253,686
	33,274,169	29,295,894
Lease liability (Note 11)	104,286	136,873
Asset retirement obligation (Note 15)	7,309,055	7,229,688
Loans payable (Note 12)	-	4,477,728
Convertible debentures (Note 14)	2,855,101	2,855,101
TOTAL LIABILITIES	$ 43,542,611	$ 43,995,284
SHAREHOLDERS' DEFICIENCY		
Share capital (Note 16)	37,295,848	35,044,425
Contributed surplus	9,612,347	9,667,347
Warrants (Note 16)	780,779	780,779
Deficit	(70,998,486)	(68,974,515)
Accumulated other comprehensive income	(25,213)	102,968
TOTAL DEFICIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	(23,334,725)	(23,378,996)
Non-controlling interests	(1,504,223)	(1,504,223)
TOTAL DEFICIENCY	(24,838,948)	(24,883,219)
TOTAL LIABILITIES AND DEFICIENCY	$ 18,703,663	$ 19,112,065

GOING CONCERN (Note 2)

CONTINGENCIES AND COMMITMENTS (Notes 8 and 23)

SUBSEQUENT EVENTS (Note 24)

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

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS
For the three months ended May 31, 2024 and May 31, 2023
(expressed in Canadian dollars)

	2024 $'s	2023 $'s
SALES	379,286	-
COST OF SALES	350,171	-
	29,115	-
EXPENSES		
General and administrative (Note 21)	776,098	1,610,143
Exploration expenses (Note 8)	628,133	1,886,892
Stock based compensation (Note 16)	-	83,673
	1,404,231	3,580,708
LOSS BEFORE OTHER ITEMS	(1,375,116)	(3,580,708)
Accretion of asset retirement obligation	(63,384)	-
Change in fair value of derivative liability (Note 14)	110,850	(220,267)
(Loss) gain on foreign exchange	(127,177)	63,133
Interest and accretion	(644,004)	(377,525)
Gain on settlement of debt	292,927	-
Change in fair value of convertible debenture	(218,067)	-
NET LOSS FOR THE PERIOD	(2,023,971)	(4,115,367)
NET LOSS ATTRIBUTABLE TO:		
Equity holders of the Company	(2,023,971)	(4,115,367)
Non-controlling interests	-	-
	(2,023,971)	(4,115,367)
BASIC AND DILUTED LOSS PER SHARE (Note 17)	(0.00)	(0.02)

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
For the three months ended May 31, 2024 and May 31, 2023
(expressed in Canadian dollars)

	2024	2023
NET LOSS FOR THE PERIOD	(2,023,971)	(4,115,367)
Item of other comprehensive income to be subsequently reclassified to net loss		
Foreign currency translation	(128,181)	(52,177)
COMPREHENSIVE LOSS	(2,152,152)	(4,167,544)
NET COMPREHENSIVE LOSS ATTRIBUTABLE TO:		
Equity holders of the Company	(2,152,152)	(4,167,544)
Non-controlling interests	-	-
	(2,152,152)	(4,167,544)

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

Tantalex Lithium Resources Corporation

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN DEFICIENCY

(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, 2023	522,785,255	$ 24,621,762	$ -	$ -	$ 10,013,967	$ 220,687	$ (53,351,902)	$ (1,549,723)	$ (20,045,209)
Exercise of RSUs	1,000,000	110,000	-	-	(110,000)	-	-	-	-
Stock based compensation	-	-	-	-	83,673	-	-	-	83,673
Net loss for the period	-	-	-	-	-	-	(4,115,367)	-	(4,115,367)
Exchange differences on translating foreign operati	-	-	-	-	-	(52,177)	-	-	(52,177)
Balance as at May 31, 2023	523,785,255	$ 24,731,762	$ -	$ -	$ 9,987,640	$ 168,510	$ (57,467,269)	$ (1,549,723)	$ (24,129,080)
Balance as at February 29, 2024	719,175,070	$ 35,044,425	$ -	$ 780,779	$ 9,667,347	$ 102,968	$ (68,974,515)	$ (1,504,223)	$ (24,883,219)
Common shares issued on private placement	29,298,571	1,024,715	-	-	-	-	-	-	1,024,715
Shares issued for interest	29,292,711	1,171,708	-	-	-	-	-	-	1,171,708
Exercise of RSUs	500,000	55,000	-	-	(55,000)	-	-	-	-
Net loss for the period	-	-	-	-	-	-	(2,023,971)	-	(2,023,971)
Exchange differences on translating foreign operati	-	-	-	-	-	(128,181)	-	-	(128,181)
Balance as at May 31, 2024	778,266,352	$ 37,295,848	$ -	$ 780,779	$ 9,612,347	$ (25,213)	$ (70,998,486)	$ (1,504,223)	$ (24,838,948)

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

Tantalex Lithium Resources Corporation

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

For the three months ended May 31, 2024 and May 31, 2023

(expressed in Canadian dollars)

	2024 $'s	2023 $'s
OPERATING ACTIVITIES		
Net loss	(2,023,971)	(4,115,367)
Operating items not involving cash		
Accrued interest and accretion	707,008	906,631
Depreciation of equipment	140,987	118,540
Share based payments	-	83,673
Change in fair value of convertible debenture	218,067	-
Accretion of asset retirement obligation	63,384	-
Gain on settlement of debt	(292,927)	-
Change in fair value of derivative liability	(110,850)	220,267
Unrealized foreign exchange (gain)	(58,027)	(394,313)
Changes in working capital items		
Prepaid expenses and deposits	48,545	(45,464)
Inventory	349,181	-
Sales tax and other receivable	(56,442)	(15,037)
Customer deposits	13,839	-
Trade payables and accrued liabilities	171,834	(280,933)
Cash flows used in operating activities	(829,372)	(3,522,003)
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(334,142)	(1,018,112)
Cash flows used in investing activities	(334,142)	(1,018,112)
FINANCING ACTIVITIES		
Proceeds from loans and advances	-	5,444,407
Proceeds from issue of common shares	1,024,715	-
Lease payments	(40,800)	-
Repayments of loans and debentures outstanding	(148,789)	-
Cash flows from financing activities	835,126	5,444,407
NET INCREASE (DECREASE) IN CASH	(328,388)	904,292
CASH, BEGINNING OF PERIOD	846,141	110,958
CASH, END OF PERIOD	517,753	1,015,250

Note 18 provides additional information on the consolidated statements of cash flows.

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

1. NATURE OF OPERATIONS

Tantalex Lithium 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 1410-120 Adelaide Street West, Toronto, ON, M5H 1T1.

The Board of Directors approved and authorized for issue these consolidated financial statements on July 30, 2024.

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, 2024, the Company reported a net loss of $2,023,971 (May 31, 2023 - $4,115,367) and has an accumulated deficit of $70,998,486 (February 29, 2024 – deficit of $68,974,515). 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, 2024, the Company had a working capital deficit of $32,336,167 (February 29, 2024– working capital deficit of $27,722,145). 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 or a corporate transaction, 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.

(expressed in Canadian dollars)

3. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE

Statement of compliance
These 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 29, 2024

Basis of presentation
These consolidated financial statements have been prepared on a historical cost basis, except for financial instruments designated at fair value through profit or loss which are carried at fair value. 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 (dissolved in 2023)., Sandstone Worldwide Ltd., Buckell SAS, Tantalex SAU SARL, United Cominiere SARL, United Materials Congo, Societe De Tailings De Manono ("STM") and Sadem Congo SARL ("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. 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 (inactive)	DRC	90%
Tantalex SAU SARL	DRC	100%
United Cominiere SARL	DRC	63%
United Materials Congo (inactive)	DRC	90%
Societe De Tailings De Manono (inactive)	DRC	65%
Sadem Congo SARL (inactive)	RC	100%

4. SUMMARY OF MATERIAL 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 29, 2024 and February 28, 2023 (the "2024 audited consolidated financial statements"), (with the exception of any changes set out below) and accordingly, should be read in conjunction with the 2024 audited consolidated financial statements and the notes thereto.

Recent and Future accounting pronouncements
Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2024. Many are not applicable or do not have a significant impact to the Company and have been excluded.

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2024 and did not have a impact on these financial statements.

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.

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.

Information about the significant estimates, judgements 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, warrants and RSUs
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. RSUs with vesting conditions based on market factors are valued using the Monte-Carlo valuation model. Estimates are made as to the volatility of its own share price based on historical volatility, the probably life of the RSUs, and the probability the market conditions will be achieved.

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.

Expected credit losses
Determining an allowance for ECLs requires management to make estimates and assumptions about credit losses expected to occur in the future, which is based on the probability of default, loss given default, and expected cash shortfall relating to the underlying loan receivable. The expected credit loss is determined by evaluating a range of possible outcomes incorporating the time value of money and reasonable and supportable information about past events, current conditions, and future economic forecasts.

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.

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

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.

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.

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.

Inventory
The Company carries its long-term inventory at the lower of production cost and NRV. If the carrying value exceeds the net realizable amount, a write-down is required. The write-down may be reversed in a subsequent period if the circumstances which caused it no longer exist. The Company reviews NRV at least annually.

Asset retirement obligation
The Company incurs reclamation and other closure costs related to its mining properties. The future obligations for mine closure activities are estimated by the Company using mine closure plans or other similar studies which outline the activities to be undertaken to meet regulatory and internal requirements. Since the obligations are dependent on the laws and regulations of the countries in which the mines operate, they are regularly reviewed by management and external experts, and could change as a result of amendments to the laws and regulations. Included in the estimated obligations are a number of significant assumptions made by management in determining closure provisions. Accordingly, closure provisions are more uncertain the further into the future the mine closure activities are to be carried out.

The Company's policy for recording reclamation and other closure provisions is to establish provisions for future mine closure costs based on the present value of the future cash flows required to satisfy the obligations. This provision is updated as the estimate for future closure costs change. The amount of the present value of the provision is added to the cost of the related mineral property and plant and equipment and depreciated over the life of the mine. The provision is accreted to its future value over the life of mine through a charge to finance costs.

(expressed in Canadian dollars)

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

In determining this obligation, management must make a number of assumptions about the amount and timing of future cash flows and discount rate to be used. The actual future expenditures may differ from the amounts currently provided if the estimates made are significantly different than actual results or if there are significant changes in environmental and/or regulatory requirements in the future.

Contingencies and commitments
Refer to Note 23.

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.

Glencore convertible loan
The initial value of the convertible loan was determined by valuing the components of the hybrid financial instrument, including the liability component and the conversion component, which required a number of assumptions. The significant assumptions used in determining the value of the convertible loan at issuance date and each subsequent reporting date include the discount rate used in the discounted cash flow of the liability component. In determining the appropriate discount rate, the Company considered rates of the benchmark yield based on management's assessment of the Company's credit rating.

Management used significant judgement in determining that the fair value on the convertible loan on issuance did not equal the transaction price. The resulting difference between the transaction price and the fair value on initial recognition (the "Day 1 loss") was deferred. The unrecognized Day 1 loss was recorded in net loss only to the extent that it arises from a change in factor that market participants would take into account when pricing the convertible security. The Company believes that time is such a factor specific to the convertible security and the Day 1 loss is recognized on a straight-line basis in the statement of loss over the contractual life of the convertible loan.

The fair value of the Glencore convertible loan at initial recognition is measured using the discounted cash flow model. This model requires management to make various assumptions and estimates that are susceptible to uncertainty. Judgements include considerations of a market rate of interest. The market rate of interest used is based on judgements including the Company's own credit risk, economic environment, term, and interest rate charged to comparable companies. The Company has estimated its market rate of interest to be 13.21% on February 29, 2024. Changes in assumptions can materially affect the fair value estimate of the debenture.

Fair value of conversion right on the Glencore convertible loan
The Company values the conversion right related to the Glencore convertible loan using the Geometric Brownian motion model. The key inputs in this model relate to the Company's share price and foreign exchange rates, future assumptions of the respective volatility, and interest rates in Canada and the United States.

6. INVENTORY

Inventory is measured at its net realizable value. The inventory balance relates to the material and finished goods from the Titan plant as follows:

	May 31, 2024	February 29, 2024
Finished goods – Tin	$ -	$ 349,400
Raw materials – Tantalum concentrate	99,172	98,953
Total	$ 99,172	$ 448,353

(expressed in Canadian dollars)

7. LOAN RECEIVABLE

The Company entered into a short-term loan agreement with MINOR SARL ("Minor") in the amount of USD$350,000 ($489,105). The loan bears interest of 10% and was due May 2023. The Company has the option to convert the loan for 3% of the shares that Minor holds in Minocom Mining SAS ("Minocom") if the loan is not repaid by the due date. The loan was not repaid or converted at maturity and remains outstanding. As at February 29, 2024, given the uncertainty as to when it will be repaid or converted, the Company fully impaired the loan.

8. EXPLORATION AND EVALUATION

The following expenses related to the mining/exploration permits for the three months ended May 31, 2024 and May 31 , 2023:

	2024	2023
Exploration and evaluation costs	$ 628,133	$ 1,886,892
Acquisition costs	-	-
Total	$ 628,133	$ 1,886,892

In July 2021, the Company signed an agreement ("Agreement") with Minor to acquire the property interests and related tailings for PER 13698 (Permis Exploitation Rejets) ("PER 13698") at Manono, Democratic Republic of Congo ("DRC"). PER 13698 grants the exclusive rights to mine the tailings of the historical Manono-Kitotolo mine of lithium, tin and tantalum. PER 13698 is in the process of being renewed and such renewal is not assured.
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 USD$2,000,000 (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 USD$3,000,000 that was paid in fiscal 2019.

TTX SAU also held an option to buy an additional 27% interest in Minocom for either USD$10,000,000 or 20,000,000 shares of Tantalex to be decided by MINOR after the completion of the initial resource estimate.

On June 17, 2022, the Company announced that it effectively exercised its option to acquire an additional 27% stake in the Minocom assets for a total consideration of USD $500,000 and the issuance of 35,000,000 common shares of the Company pursuant to an amending agreement executed on May 17, 2022. During the year ended February 28, 2023, the USD$500,000 ($680,450) was paid. The 35,000,000 shares are currently being held in treasury. Once the shares are issued, the Company's earn-in will be effective.

The Company holds certain other mineral property interests, including those related to its property, plant and equipment. These permits are in the process of being converted and such conversions are not assured. The Company is required to pay an annual fee for each permit and certain of these fees are overdue.

(expressed in Canadian dollars)

9. PROPERTY, PLANT AND EQUIPMENT

	Construction in process	Equipment	Vehicles	Construction vehicles	Total
	$	$	$	$	$
Cost					
February 28, 2023	5,045,317	506,362	394,955	2,846,242	8,792,876
Foreign exchange adjustment	(15,366)	(1,451)	(1,133)	(9,481)	(27,431)
Additions	9,023,659	53,628	172,398	-	9,249,685
February 29, 2024	14,053,610	558,539	566,220	2,836,761	18,015,130
Foreign exchange adjustment	27,713	1,389	1,751	7,600	38,452
Additions	650,873	-	-	-	650,873
May 31, 2024	**14,732,195**	**559,928**	**567,971**	**2,844,361**	**18,704,455**
Accumulated Depreciation					
February 28, 2023	-	194,579	140,714	257,233	592,526
Foreign exchange adjustment	(760)	(557)	(402)	(722)	(2,441)
Depreciation	-	67,362	101,694	283,087	452,143
February 29, 2024	(760)	261,384	242,006	539,598	1,042,228
Foreign exchange adjustment	760	773	829	1,900	4,261
Depreciation	-	14,889	24,385	71,109	110,383
May 31, 2024	**-**	**277,045**	**267,220**	**612,607**	**1,156,872**
Carrying amounts					
February 29, 2024	14,054,370	297,155	324,214	2,297,163	16,972,902
May 31, 2024	14,732,195	282,883	300,751	2,231,754	17,547,582

During the three months ended May 31, 2024 $161,864 (year ended February 29, 2024 $878,581) of borrowing costs were capitalized to construction in process at a weighted average capitalization rate of 13% (2024 – 13%).

10. RIGHT OF USE ASSET

	Office Lease
Balance, February 28, 2023	$ -
Additions	507,603
Amendment	(117,226)
Depreciation	(141,694)
Balance, February 29, 2024	248,683
Depreciation	(30,604)
Balance, May 31, 2024	$ 218,079

The Company entered into a three-year lease for office space in the DRC. The lease commenced on April 10, 2023. Under the lease, the Company was required to pay a monthly base rent of USD$18,000. The lease payment was amended in January 2024, and reduced to USD$10,000 per month. At the commencement of the lease, the right of use asset was measured at the present value of the lease payments that were not paid at that date. The lease payments are discounted using an interest rate of 15.18%, which is the Company’s incremental borrowing rate in the DRC.

(expressed in Canadian dollars)

11. LEASE LIABILITY

Tantalex has entered into the leases as described in Note 10 above.

The following table reflects the continuity of the lease liabilities as at February 29, 2024:

	$
Balance – February 28, 2023	**-**
Additions	507,603
Amendment	(117,226)
Lease payments	(221,200)
Interest on lease obligations	66,200
Balance – February 29, 2024	**235,377**
Lease payments	(40,800)
Foreign exchange	521
Interest on lease obligations	19,075
Balance – May 31, 2024	**214,173**
Current	109,887
Long term	104,286

12. 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 bore 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.

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, at an interest rate to 4% with all other terms of the convertible debentures remain unchanged. On November 10, 2022 the ICC Convertible Debentures became due on demand.

The conversion feature of the USD $750,000 debenture met 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 was 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 $nil as at February 28, 2023. 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.

12. LOANS AND ADVANCES (continued)

On February 28, 2024, the Company settled the Unsecured Loans (principal and interest) with the issuance of 26,081,222 common shares, at $0.05 per share.

During the year ended February 28, 2023 and the year ended February 28, 2022, Afrimet Resources ("Afrimet"), a related party (note 13), advanced funds to the Company to cover purchases of property, plant and equipment, fund exploration expenditures and operating expenses. These advances carried a 10% agreed interest rate, were unsecured, and had no specific terms of repayment. On July 8, 2022, the Company formalized these advances into a USD$7,213,006 loan agreement (and a USD$1,231,784 convertible debenture (see note 13)) to convert the previous advances made to these loans. Pursuant to the loan agreement ("Loan #1") Afrimet made available a loan facility of USD$7,213,006 for the purpose of financing mining equipment for the Lubule Tin & Tantalum Alluvial Project. Loan #1 carries an interest at a rate of 10% per annum that are payable on March 31, June 30, September 30 and December 31 of each year. Afrimet is currently allowing the Company to defer payment of the interest. 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 March 22, 2024, the Company settled interest owing (on the Loan) in the amount of USD$1,084,915 ($1,464,635) with the issuance of 29,292,711 common shares at a price of $0.05 per Common Share. On the dated of issuance the shares had a fair market value of $0.04, resulting in a gain on settlement.

On March 30, 2022, the Company signed an unsecured grid promissory note (the "Grid Note #1") for USD$1,000,000 with Afrimet (a related party (note 12)). Grid Note #1 originally accrued interest at a rate of 10% per annum and became due in full on March 30, 2023. On August 1, 2023, the Grid Note was amended to extend the maturity date to March 30, 2024 and subsequently amended again to July 2024, and increase the interest rate to 12.5% commencing August 1, 2023. As at May 31, 2024 the full amount of Grid Note #1 was outstanding.

On July 20, 2022, the Company signed an unsecured grid promissory note (the "Grid Note #2") for USD$1,000,000 with Afrimet. Grid Note #2 originally accrued interest at a rate of 10% per annum and became due in full on July 20, 2023. On August 1, 2023, the Grid Note #2 was amended to extend the maturity date to July 20, 2024, and increase the interest rate to 12.5% commencing August 1, 2023. As at May 31, 2024 the full amount of Grid Note #2 was outstanding.

On July 8, 2022, the Company entered into a loan agreement with Trade Cloud Services PTE LTD., a related party, ("Trade Cloud"). Pursuant to this loan agreement ("Loan #2"), Trade Cloud has agreed to make available a 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 carries 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. Tantalex must repay this Loan #2 at the latest twelve (12) months from the date of the First Drawdown.

On August 1, 2023, the loan was amended to extend the maturity date to January 31, 2024 as the early repayment date and March 31, 2024 as the late repayment date. A service fee will be added on which will be calculated as 4% of the gross sales price on the first one thousand eight hundred (1,800) dry metric tonnes of tin concentrates produced by the Lubule project, an increase of nine hundred (600) dry metric tonnes from the original Loan Agreement.

Effective March 31, 2024, Trade Cloud has requested to transfer by novation to SLC Asia Pte Ltd ("SLC") and SLC agreed the transfer by novation of all the rights and obligations of Trade Cloud under and in respect of the Trade Cloud Loan Agreement and the Amending Agreement, in exchange for SLC's assumption of the same obligations (the "Novation"). The Novation has also been approved by Glencore, with which the Company has a lithium offtake agreement and convertible securities facilities, and all requisite documents have been completed. Mr. Simon Collins, director of the Company, is the principal of SLC.

SLC and the Company amended the Trade Cloud Loan Agreement, effective on March 31, 2024, post-Novation, in order to extend the repayment date to July 31, 2024 and amend the interest rate to 12.5% per annum.

(expressed in Canadian dollars)

12. LOANS AND ADVANCES (continued)

On January 23, 2023 the Company closed a working capital loan facility (the "Facility") of USD $3,000,000 with Afrimet. The Facility shall be repaid in installments of USD$125,000 per month (commencing upon commercial production) plus the interest payable at a rate of 10% per annum. The loan facility entitles Afrimet to purchase up to 2,400 metric tonnes of tin concentrate over a period of 24 months. The first USD$1,000,000 of the facility was drawn on February 2, 2023, and the balance in March 2023.

On April 20, 2023, the Company entered into a loan agreement with a director of the Company whereby it received an amount of USD$2,000,000 (the "Loan Agreement"). As per the Loan Agreement, the funds were received in two tranches: USD$500,000 on April 24, 2023 and the balance of USD$1,500,000 on May 1, 2023. The loan is unsecured, has a fee of USD$200,000 and is due forty-five (45) days from the date of the execution of the Loan Agreement. The interest fee resulted in an annualized effective interest rate of 81%. The loan was not repaid on its maturity date. On June 30, 2023, the Company converted the Loan Agreement of USD$2,000,000 and the fee of USD$200,000 into 26,922,546 common shares at an issue price of $0.11 per common share.

On August 1, 2023, the Company entered into a bridge loan agreement with a private investor at arm's length (the "Bridge Loan Agreement") whereby it received a loan of USD$500,000 (the "Loan"). The Loan is unsecured, bears a fee of USD$50,000 and is due sixty (60) days from the date of the execution of the Bridge Loan Agreement. The principal amount was repaid on November 20, 2023. As the Loan was not repaid at the maturity date, the Loan was amended to include an amount of USD$41,666, which represents a daily fee of USD$833 for the 50 days the late repayment, which is in addition to the USD$50,000 fee. The initial fee plus the late fee have been accrued (totaling $124,391 (USD$91,466)) at February 29, 2024. The interest fee resulted in an annualized effective interest rate of 60%.

During 2024, the Company entered into a loan agreement with Afrimet pursuant to which Afrimet will make available a loan in the principal amount of up to USD$750,000 (the "Afrimet Loan"). The Afrimet Loan bears an interest rate of 12.5% per annum from the date of payment. The Afrimet Loan will be offset of USD$12,500 per metric ton ("mt") of DRC Ta2O5 ore delivered.

During fiscal 2023 and fiscal 2024 the Company was advanced a total of $365,166 by Coproco Group SARL. These funds bear interest of 10%, are unsecured and have no specific terms of repayment.

	May 31, 2024	February 29, 2024
Opening balance	$ 25,170,062	$ 19,130,828
Advances	-	1,091,216
Settlement of interest with issuance of common shares	(1,464,635)	-
Loans received during the year	-	6,106,753
Repayments - cash	(148,789)	(685,472)
Conversion of debt to common shares	-	(2,961,480)
Interest accrued	568,547	2,542,378
Foreign exchange	121,765	(54,162)
Balance end of period/year	$ 24,246,950	$ 25,170,062
Current	$ 24,246,950	$ 20,692,334
Long-term	-	4,477,728
	$ 24,246,950	$ 25,170,062

(expressed in Canadian dollars)

13. 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, 2024 and May 31, 2023:

	2024	2023
Management and consulting fees	**$ 128,096**	$ 275,103
Share-based payments	**-**	42,857
	$ 128,096	$ 317,960

During the three months ended May 31, 2024 $30,000 (three months ended May 31, 2023 - $30,000) of fees were charged by CFO Advantage Inc., a company owned by the Chief Financial Officer of the Company. As at May 31, 2024, $93,877 (February 29, 2024 - $63,877) of the fees are outstanding and are included in trade payables and accrued liabilities on the statement of financial position. During the year ended February 29, 2024, 2,000,000 common shares were issued on the exercise of 2,000,000 stock options by the Chief Financial Officer.

During the three months ended May 31, 2024, $57,000 (three months ended May 31, 2023 - $59,500) of fees were charged by 3IM Technologies (“3IM”), a Company owned by the CEO of the Company. As at May 31, 2024, $139,498 (February 29, 2024 - $82,498) of the fees and expenses are outstanding and are included in trade payables and accrued liabilities on the statement of financial position. On August 17, 2023, 3IM provided a $60,000, non-interest-bearing, short-term loan to the Company with no specific terms of repayment. The loan was repaid on November 20, 2023.

During the three months ended May 31, 2024, the Company was charged $29,725 (three months ended May 31, 2023 - $24,482) by law firms for legal services and disbursements where Michel Lebeuf (former Interim CEO, former director and the current corporate secretary of the Company) is a partner. As at May 31, 2024, $16,665 (February 29, 2024 - $33,160) was payable to these law firms and are included in trade payables and accrued liabilities on the statement of financial position.

During the three months ended May 31, 2024, the Company was charged $nil (three months ended May 31, 2023 - $39,873), by Matthew Botell, a former director of the Company, as consulting fees. $212,656 of fees remained payable at May 31, 2024 (February 29, 2024 - $239,238).

During the three months ended May 31, 2024, the Company was charged $41,096 (three months ended May 31, 2023 - $19,906), by Hadley Natus, director of the Company, as consulting fees. $125,877 of fees remained payable at May 31, 2024 (February 29, 2024 - $84,781). During the fiscal 2024, 5,116,666 common shares were issued to Mr. Natus upon the exercise of 5,116,666 stock options.

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

On April 20, 2023, the Company entered into the Loan Agreement (note 12) with Simon Collins, a director of the company.

On July 8, 2022, the Company entered into Loan #2 (note 12) with Trade Cloud, a company controlled by Matthew Botell and Simon Collins, directors of the Company.

During the year ended February 29, 2024, the Company had the following transactions with Afrimet, and Coproco Group SARL (“Coproco”), companies controlled by Hadley Nautus, a director of the Company.

- Entered into the Afrimet Loan (note 12).
- Received additional $237,641 of advances from Coproco (note 12).

See note 16 for related parties’ involvement in private placements.

(expressed in Canadian dollars)

14. CONVERTIBLE DEBENTURES

The Company converted USD$1,231,784 of previously made advances, to a USD$1,231,784 ($1,601,320) principal amount of an unsecured convertible debenture with Afrimet on July 8, 2022 (the "Afrimet Convertible Debenture"). The Afrimet Convertible Debenture has a one-year term and matured on July 10, 2023 (the "Maturity Date"). On May 1, 2023, the Company entered into an amending agreement to extend the maturity date of a Convertible loan to January 10, 2024. All other terms remain the same. The parties extended a second time the maturity date to January 10, 2025, and increased the interest rate to 12.5% starting January 11, 2024 until maturity.

The Afrimet Convertible Debenture bears interest at 10% per annum until January 11, 2024, and 12.5% thereafter, payable at any time prior to the Maturity Date in cash or common shares of the Company (the "Common Shares"), at the option of the Company. 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 Afrimet 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. The conversion feature of the 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 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 $732,162 calculated using the Black-Scholes option pricing model, and has been adjusted to its current estimated value each reporting period.

The following table discloses the components associated with convertible debenture (other than the Glencore loans below):

	May 31, 2024	February 29, 2024
	$	$
Convertible debenture liability component:		
Balance, at beginning of the period	1,759,500	6,695,654
Converted to shares	-	(5,324,275)
Gain on modification	-	(1,090,216)
Foreign exchange adjustments	-	(1,437)
Accretion and interest	119,386	1,479,774
Balance, at the end of the period	1,878,886	1,759,500

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

	February 29, 2024	February, 29, 2024
	$	$
Opening balance	170,820	613,069
Change in fair value of derivative liability	(110,850)	(442,249)
Balance end of period	59,870	170,820

Glencore Loans

November 13, 2023, the Company entered into a Convertible Facilities Agreement with Glencore AG ("Glencore"). Glencore has agreed to make available to the Company (a) a convertible term loan facility in an amount up to $2,774,400 (USD$2,000,000) ("Facility A") and (b) a convertible term loan facility in an amount up to $4,116,600 (USD $3,000,000) ("Facility B") (Facility A and Facility B together being the "Facilities").

14. CONVERTIBLE DEBENTURES (continued)

Facility A was drawn at the closing date, being November 10, 2023 ("Closing Date"). A partial draw on Facility B of $1,351,200 (USD$1,000,000) was received on February 21, 2024. The Facilities shall terminate on December 1, 2025 (the "Termination Date").

The Company agreed to pay to Glencore a facility fee in an amount equal to 1.5 per cent of the aggregate amount of the Facilities as at the Closing Date. This amount is included in account payable and accrued liabilities at February 29, 2024.

The Facilities are convertible at Glencore's option. At any time during the conversion period, Glencore has the option to subscribe for common shares in the capital of the Company at the relevant conversion price. The conversion price for the Facilities is equal to the higher of (a) the closing price of the Common Shares published by Bloomberg for the scheduled trading day immediately prior to the Closing Date and (b) the 20-day volume weighted average trading price of the Common Shares published by Bloomberg for the 20 scheduled trading days immediately after the Closing Date less a 25 per cent. discount, in each case converted into US$ (the "Conversion Price").

The Facilities bear interest at the secured overnight financing rate ("SOFR") plus 8%. The Facilities are secured against the Company's 70% ownership interest in United Cominiere SAS, a corporate joint venture with Cominiere SA (a Congolese state-owned corporation).

The fair value of Facility A on issuance was estimated using a Geometric Brownian motion model using the following assumptions: expected dividend yield of 0%, expected volatility of 112% based on historical volatility of the Company's common shares, risk-free rate of 4.47%, share price on issuance date of $0.095, foreign exchange rate of 1.3722, exchange rate volatility of 6.5%, and expected life of two years. The fair value of the convertible security was $4,512,985, which resulted in a loss of $1,768,585 compared to funding proceeds received of $2,744,500. The Company determined that this loss cannot be recognized immediately in the consolidated statement of loss, but rather should be deferred against the liability components and realized over the term of convertible security in the financing costs, as factors that a market participant would include in pricing the instrument, including time, become observable.

The fair value of the partial draw down of Facility B on issuance was estimated using a Geometric Brownian motion model using the following assumptions: expected dividend yield of 0%, expected volatility of 111% based on historical volatility of the Company's common shares, risk-free rate of 4.3%, share price on issuance date of $0.045, foreign exchange rate of 1.3512, exchange rate volatility of 6.2%, and expected life of 1.78 years. The fair value of the convertible security was $1,618,335, which resulted in a loss of $267,135 compared to funding proceeds received of $1,351,200. The Company determined that this loss cannot be recognized immediately in the consolidated statement of loss, but rather should be deferred against the liability components and realized over the term of convertible security in the financing costs, as factors that a market participant would include in pricing the instrument, including time, become observable.

The Company has recorded the Facilities including the principal liability and conversion feature at fair value through profit and loss. The Facilities have been recorded at Level 3 in the fair value hierarchy.

At February 29, 2024, the fair value of the Facilities A and B were estimated using a Geometric Brownian motion model using the following assumptions: expected dividend yield of 0%, expected volatility of 113% based on historical volatility of the Company's common shares, risk-free rate of 4.28%, share price on valuation date of CAD$0.045, foreign exchange rate of 1.3570, exchange rate volatility of 6.2%, and expected life of 1.76 years.

(expressed in Canadian dollars)

14. CONVERTIBLE DEBENTURES (continued)

The following table discloses the components associated with Glencore loans:

	Facility A	Facility B	Total
Convertible Note			
Issued at fair value	4,512,985	1,618,335	6,131,320
Loss (gain) on fair value adjustment	(1,098,906)	21,044	(1,077,862)
Balance at February 29, 2024	3,414,079	1,639,379	5,053,458
Unrecognized Day 1 Loss			
Unrecognized loss deferred at issuance	(1,768,585)	(267,135)	(2,035,720)
Recognized loss during the period	246,890	42,807	289,697
Balance at February 29, 2024	(1,521,695)	(224,328)	(1,746,023)
Recognized loss during the period	212,230	5,837	218,067
Balance at May 31, 2024	(1,309,465)	(218,491)	1,527,956
Net balance at February 29, 2024	1,892,384	1,415,051	3,307,435
Net balance at May 31, 2024	2,104,614	1,420,888	3,525,502

15. ASSET RETIREMENT OBLIGATION

The following table presents the reconciliation of the estimated future obligations associated with the retirement of the exploration and evaluation assets:

	May 31, 2024	February 29, 2024
	$	$
Balance beginning of period	7,229,688	-
Additions	-	7,229,688
Foreign exchange changes	15,983	-
Accretion	63,384	-
Balance end of period	7,309,055	7,229,688

The Company's decommissioning provision has been estimated for the Titan mining project. The provision is based on estimated costs to dismantle and remove the asset, and the reclaim the property, and estimated timing of the cost to be incurred in future years. The undiscounted amount of the estimated cash flows required to settle the obligation is approximately $10,353,505. The estimated cash flow has been discounted using a pre-tax rate of 4.25% and inflation rate of 7%-8.47%. The Company estimates that these costs will be incurred between 2033 and 2035.

(expressed in Canadian dollars)

16. 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 28, 2023	**522,785,255**	**24,621,762**
Issue of shares on exercise of RSUs (i)	2,000,000	220,000
Issued of share on exercise of options (iii)	10,166,666	463,420
Issue of shares on the conversion of the Loan Agreement (note 12)	26,922,546	2,961,562
Shares issued on private placement of common shares (ii)	11,822,635	1,300,391
Shares issued on agreement with Minor (held in treasury) (note 8)	35,000,000	-
Conversion of debt (v)	4,042,462	141,486
Conversion of ICC loans (note 14)	106,485,506	5,324,275
Share issue costs reversed	-	11,529
Total shares issued at February 29, 2024	**719,175,071**	**35,044,425**
Shares issued on private placement of common shares (vi)	29,298,571	1,024,715
Shares issued to settle accrued interest (note 12)	29,292,711	1,171,708
Issue of shares on exercise of RSUs (vii)	500,000	55,000
Total shares issued at May 31, 2024	**778,266,352**	**$ 37,295,848**

(i) On September 1, 2022 and again on March 1, 2023, 1,000,000 and 2,000,000 common shares, respectively, were issued on the exercise and vesting of 1,000,000 and 2,000,000 RSUs, respectively, by two directors of the Company.

(ii) Between August 9, 2022 and October 7, 2022, the Company closed a private placement in two tranches for gross proceeds of $1,218,324, through the issuance of common shares at a price of $0.08 per common share. $23,208 of costs were associated with the private placement and have been deducted from share capital. A director subscribed for 3,225,000 common shares ($258,000), and the Corporate Secretary subscribed for 342,050 common shares ($27,364) of the private placement.

(iii) During the year ended February 29, 2024, 10,166,666 common shares were issued on the exercise of 10,166,666 stock options for proceeds of $232,000. The options had a value of $231,420 which was removed from contributed surplus on the issuance of the shares.

(iv) Company closed the first three tranches of a non-brokered private placement for gross proceeds of $1,300,391 through the issuance of 11,822,635 common shares at $0.11 per share. No compensation was paid in connection with the private placement.

(v) The Company settled debt in the amount of $194,021 with the issuance of 4,042,462 common shares. On the date of issuance, the shares had a fair value of $0.035 resulting in a gain on settlement of $52,535.

(vi) On May 6, 2024 the Company closed a first tranche closing of a non-brokered private placement for gross proceeds of $341,800 (USD$250,000) through the issuance of 9,765,714 common shares at a price of $0.035 per share. Mr. Simon Collins, a director of the Company, acquired all 9,765,714 common shares. On May 27, 2024, the Company closed a second tranche closing of a non-brokered private placement for gross proceeds of $683,650 (USD$500,000) through the issuance of 19,532,857 common shares at a price of $0.035 per share. Mr. Simon Collins, a director of the Company, acquired all 19,532,857 common shares.

(vii) On March 11, 2024, 500,000 common shares were issued on the exercise of 500,000 RSUs, by Mr. Simon Collins, a director of the Company.

(expressed in Canadian dollars)

16. EQUITY (continued)

Warrants
The following summarizes the activity during the three months ended May 31, 2024 and the year ended February 29, 2024:

	Number of warrants	Amount
Balance February 28, 2023	-	-
Issued (note 14)	50,000,000	780,779
Balance February 29, 2024 and May 31, 2024	50,000,000	$ 780,779

Share options
The Company has established a share option plan whereby the Board of Directors may from time-to-time grant options and RSUs 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.

For the three months ended March 31, 2024, $nil (three months ended May 31, 2023 - $83,673) is included in the statement of loss representing the value of the options and RSUs that vested.

The following summarizes the RSU activity during the three months ended May 31, 2024, and the year ended February 29, 2024:

	Number of RSUs
Balance at February 28, 2023	**7,900,000**
Vested and exercised	(2,000,000)
Cancelled	(1,900,000)
Balance at February 29, 2024	**4,000,000**
Vested and exercised	(500,000)
Balance at May 31, 2024	**3,500,000**

The following summarizes the stock option activity during the three months ended May 31, 2024, and the year ended February 29, 2024:

	Number of options	Exercise price
Balance at February 28, 2023	**41,250,000**	**$ 0.06**
Cancelled	(5,700,000)	$ 0.09
Expired	(4,000,000)	$ 0.07
Exercised	(10,116,666)	$ 0.02
Balance at February 29, 2024 and May 31, 2024	**21,433,334**	**$ 0.07**

(expressed in Canadian dollars)

16. EQUITY (continued)

The following options are outstanding and exercisable as at May 31, 2024:

Grant Date	Expiry date	# of Options	# of options exercisable	Exercise price
15-Dec-20	15-Dec-25	4,883,334	4,883,334	$ 0.03
12-Oct-21	12-Oct-26	12,000,000	12,000,000	$ 0.08
01-Nov-21	01-Nov-26	2,000,000	2,000,000	$ 0.08
01-June-22	01-June-27	2,550,000	1,750,000	$ 0.10

The weighted average expiry date is 2.25 years. The weighted average exercise price is $0.07.

17. LOSS PER SHARE

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.

18. 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, 2024	May 31, 2023
Shares issued on conversion and settlement of debt	**$1,171,708**	$ 497,882

19. 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 years ended February 29, 2024 and February 28, 2023. The Company is not subject to any externally imposed capital requirements as at February 29, 2024. 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.

20. 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, 2024, 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 and development 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, 2024, the Company had net monetary assets of $28,865,000 (February 29, 2024 – $33,298,469) 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, 2024 would be $2,886,500 (February 29, 2024 - $3,329,846).

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. The loan receivable is due from one party, refer to note 7.

(expressed in Canadian dollars)

21. GENERAL AND ADMINISTRATIVE

A breakdown of the general and administrative expenses for the three months ended May 31, 2024 and May 31, 2023:

	2024	2023
	$	$
Legal and audit	50,810	141,576
Consulting fees	112,128	92,674
Management fees	231,619	559,132
Office and general	343,137	567,606
Business development	7,250	130,615
Amortization	31,154	118,540
	776,098	1,610,143

22. 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, 2024	February 29, 2024
Canada	$ 3,147,389	$ 3,147,389
Democratic Republic of Congo	15,964,676	15,964,676
	$ 19,112,065	$ 19,112,065

Net Loss for the three months ended May 31,	2024	2023
Canada	$ 796,107	$ 1,009,417
Democratic Republic of Congo	1,227,864	3,105,950
	$ 2,023,971	$ 4,115,367

23. 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. Mineral interests are subject to annual fees, some of which are overdue (see note 8). Annual concession fees for 2024 are approximately $2,000,000.

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.

23. CONTINGENCIES AND COMMITMENTS (continued)

The Company, from time to time, may be involved in various claims and legal proceedings. The Company cannot reasonably predict the likelihood or outcome of these activities. The Company does not believe that adverse decisions in any ending or threatened proceedings related to any matter, or any amount which may be required to be paid by reasons thereof, will have a material effect on the financial condition or future results of operations.

The Company is a party to certain management contracts. These contracts contain clauses requiring additional payments of $150,000 on termination. As the triggering event has not taken place, the contingent payments have not been reflected in these financial statements. The minimum amount due within one year under these contracts is $150,000. In addition, the Company entered into various other agreements for services with minimum payments of $240,000 due in one year.

24. SUBSEQUENT EVENTS

On June 12, 2024, the Company closed a third tranche closing of a non-brokered private placement for gross proceeds of $349,775 (USD$250,000) (the “Private Placement”) through the issuance of 9,993,571 common shares at a price of $0.035 per share. Mr. Simon Collins, a director of the Company, acquired all 9,993,571 common shares.