TANA Resources Corp.

Condensed Interim Financial Statements

For the three months ending January 31, 2023 and 2022

(in Canadian Dollars - unaudited)

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of Tana Resources Corp. for the three months ended January 31, 2023 have been prepared by and are the responsibility of management. External auditors have not performed a review of these condensed interim financial statements.

TANA Resources Corp.
Condensed Interim Statements of Financial Position
(in Canadian Dollars - unaudited)

		January 31, 2023		October 31, 2022
Current Assets				
Cash	**$**	**196,969**	$	216,903
Prepaid expenses		**300**		-
Receivables		**12,359**		11,647
Total current assets		**209,628**		228,550
Equipment (note 5)		**175**		210
Exploration and evaluation asset (note 4, 10)		**-**		-
Total assets	**$**	**209,803**	$	228,760
Current Liabilities				
Accounts payable and accrued liabilities	**$**	**68,324**	$	50,876
Flow-through share premium liability (note 6)		**10,800**		10,800
		79,124		**61,676**
Shareholders' Equity				
Share capital (note 6)		**531,545**		531,545
Subscriptions received		**1,000**		1,000
Accumulated deficit		**(401,866)**		(365,461)
Total shareholders’ equity	**$**	**130,679**	$	167,084
Total liabilities and shareholders’ equity	**$**	**209,803**	$	228,760

Incorporation, Nature of Business and Going Concern (note 1)
Subsequent events (note 10)

Approved on behalf of the Board of Directors:

“Vartan Korajian”   “Theodore Konyi”

The accompanying *notes are an integral part of these condensed interim financial statements.*

TANA Resources Corp.
Condensed Interim Statements of Comprehensive Loss
(in Canadian Dollars - unaudited)

		For the three months ended		
		January 31, 2023		**January 31, 2022**
General and administrative expenses				
Consulting fees	$	**300**	$	347
Depreciation		**35**		-
Management Fees (Note 7)		**21,000**		**-**
Marketing and promotion		**419**		1,155
Office facilities and services		**4,780**		3,684
Professional fees		**6,000**		15,961
Transfer, listing, and filing fees		**3,195**		614
Travel and entertainment		**676**		317
Total expenses	$	**36,405**	$	22,078
Net Income (loss) and comprehensive income (loss)	$	**(36,405)**	$	(22,078)
Net loss per share – basic and diluted	$	(0.00)	$	(0.00)
Weighted average number of shares outstanding		**13,925,000**		9,433,522

The accompanying *notes are an integral part of these condensed interim financial statements.*

TANA Resources Corp.
Condensed Interim Statements of Changes in Shareholders' Equity
(in Canadian Dollars - unaudited)

	Common Shares			Warrants			
	Number of Shares	Amount	Subscriptions Received	Number of Warrants	Amount	Deficit	Shareholders' Equity
Balance at October 31, 2021	**4,425,000**	**$ 88,500**	**$ 257,600**	**-**	**$ -**	**$ (39,650)**	**$ 306,450**
Shares issued (note 6)	6,192,000	303,680	(257,600)	-	-	-	46,080
Subscriptions received	-	-	-	908,000	40,165	-	40,165
Shares issued for exploration and evaluation asset (note 4)	-	-	-	400,000	-	-	-
Net loss and comprehensive loss for the period	-	-	-	-	-	(22,078)	(22,078)
Balance at January 31, 2022	**10,617,000**	**$ 392,180**	**$ -**	**1,308,000**	**$ 40,165**	**$ (61,728)**	**$ 370,617**

	Common Shares			Warrants			
	Number of Shares	Amount	Subscriptions Received	Number of Warrants	Amount	Deficit	Shareholders' Equity
Balance at October 31, 2022	**13,925,000**	**$ 531,545**	**$ 1,000**	**-**	**$ -**	**$ (365,461)**	**$ 167,084**
Net loss and comprehensive loss for the period	-	-	-	-	-	(36,405)	(36,405)
Balance at January 31, 2023	**13,925,000**	**$ 531,545**	**$ 1,000**	**-**	**$ -**	**$ (401,866)**	**$ 130,679**

The accompanying notes are an integral part of these condensed interim financial statements.

TANA Resources Corp.
Condensed Interim Statements of Cash Flow
(in Canadian Dollars - unaudited)

		For the three months ended		
		January 31, 2023		**January 31, 2022**
Cash provided by (used in)				
Operating activities				
Net loss	$	**(36,405)**	$	(22,078)
Changes in working capital items				
Depreciation		**35**		-
Change in prepaid expenses		**(300)**		5,000
Change in receivables		**(712)**		(4,945)
Change in accounts payable and accrued liabilities		**17,448**		(5,873)
Cash used in operating activities		**(19,934)**		(27,896)
Financing Activities				
Share issuances, net of fees		**-**		50,720
Special warrants		**-**		40,165
Cash provided by financing activities		**-**		90,885
Change in cash		**(19,934)**		62,989
Cash beginning of the period		**216,903**		231,827
Cash end of the period	**$**	**196,969**	$	294,816
Supplemental cash disclosures				
Interest paid (received)	**$**	-	$	-
Income taxes paid (recovered)	**$**	-	$	-
Non-cash investing and financing activities				
Shares issued for subscriptions received	**$**	**-**	$	257,600

The accompanying *notes are an integral part of these condensed interim financial statements.*

1. INCORPORATION, NATURE OF BUSINESS AND GOING CONCERN

TANA Resources Corp. (the “Company”) was incorporated under the Business Corporation Act (B.C.) on August 26, 2020. The registered and records office is located at Suite 409 – 221 W. Esplanade, North Vancouver, BC, V7M 3J3. The head office is located at Suite 830 - 1100 Melville Street. Vancouver, BC V6E 4A6. The Company filed its final non-offering prospectus with the British Columbia Securities Commission and commenced trading on the CSE on June 21, 2022 under the symbol “TANA”.

The Company’s principal business activities include the acquisition and exploration of mineral property assets. As at January 31, 2023, the Company had not yet determined whether the mineral property asset contains ore reserves that are economically recoverable.

During the three months ended January 31, 2023, the Company incurred a loss of $36,405 and had a cumulative deficit of $401,866 as at January 31, 2023 (October 31, 2022: $365,461), which has been funded by the issuance of equity. The Company’s ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and/or generating revenues sufficient to cover its operating costs.

The outcome of these matters cannot be predicted at this time. During the period, there were continued closures and restrictions from the global pandemic outbreak of COVID-19. The actual and threatened spread of the virus globally has had a material adverse effect on the global economy and, specifically, the regional economies in which the Company operates. The pandemic could continue to have a negative impact on the stock market.

These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern.

On April 3, 2023, the Board of Directors approved these condensed interim financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

These condensed interim financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including International Accounting Standards (“IAS”), Interim Financial Reporting (“IAS 34”).

These financial statements do not include all of the information required of full annual financial statements and are intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that these financial statements be read in conjunction with the annual financial statements of the Company for the periods ended October 31, 2022 and 2021.

The accounting policies applied in these condensed interim financial statements are consistent with those applied and disclosed in the Company’s audited financial statements for the year ended October 31, 2022. The Company’s interim results are not necessarily indicative of its results for a full year.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation

The financial statements are presented in Canadian dollars ("CAD"), which is the Company's functional and presentation currency. The financial statements are prepared on a historical cost basis except for certain financial instruments measured at fair value. The accounting policies have been applied consistently throughout the periods presented in these financial statements.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

i. the assessment of indications of impairment of the exploration and evaluation asset and related determination of the net recoverable value and write-down of the exploration and evaluation asset where applicable.

4. EXPLORATION AND EVALUATION ASSET

	Acquisition Costs	Exploration Costs *	Total
Balance, October 31, 2021	$ 21,000	$ 63,483	$ 84,483
Additions	-	117,600	117,600
Impairment	(21,000)	(181,083)	(202,083)
Balance, October 31, 2022 and January 31, 2023	-	-	-

Double T Property

First Option Agreement
Pursuant to an option agreement ("Option Agreement I") dated January 11, 2021 (the "Agreement Date") between Carl von Einsiedel ("Optionor I") and the Company, the Company acquired the right to earn an initial 70% interest in the Double T Property ("Double T Option I"). The interest is subject to a 2% net smelter return royalty (the "Royalty Interest") payable to Optionor I, of which half (1%) may be purchased from Optionor I for the sum of $1,000,000.

(in Canadian Dollars - unaudited)

4. EXPLORATION AND EVALUATION ASSET (CONTINUED)

Double T Property (Continued)

First Option Agreement (Continued)

The terms of Option Agreement I provides that the Company will have earned a 70% interest in the Double T Property, subject only to the Royalty Interest, upon making cash payments of $250,000 to Optionor I, issuing a total of 500,000 common shares to Optionor I, and incurring $500,000 in exploration work on the Double T Property on or before the dates set out below:

Date	Cash payments	Number of common shares to be issued	Expenditures
On the Agreement Date (paid)	$ 20,000	-	$ -
Upon listing of the Company's shares on the CSE (not paid/ not issued)*	15,000	100,000	-
On or before October 31, 2021 (incurred)	-	-	40,000
On or before October 31, 2022 (not paid/not issued/incurred)	25,000	100,000	60,000
On or before October 31, 2023	50,000	100,000	200,000
On or before October 31, 2024	140,000	200,000	200,000
Total	**$ 250,000**	**500,000**	**$ 500,000**

*Subsequent to the period ended January 31, 2022, the Company made the cash payment of $15,000 and issued 100,000 shares to the Optionor (note 10).

The Company has a further option with Optionor I to acquire an additional 10% by: exercising the Double T Option I, completing a bankable feasibility study on the Double T Property or equivalent as acceptable to a commercial lending entity or other entity for the provision of production financing for the Double T Property, and, maintaining the Double T Property in good standing during the term of Option Agreement I by paying, or causing to be paid, to Optionor I, or on Optionor I's behalf as the Company may determine, all payments and taxes required by the applicable regulatory authorities to be paid with respect to the Double T Property and perform, or pay in lieu thereof, all assessment work required to be carried out on the Double T Property by the applicable regulatory authorities.

Certain claims are subject to 1.25% Net Smelter Return Royalty interest, with a buyback of 1% for $400,000.

As at January 31, 2023, the Option Agreement is in technical default and the Company is in negotiations with Optionor I. See note below regarding impairment of the property.

Second option agreement
Pursuant to an option agreement ("Option Agreement II") dated October 29, 2021 (the "Effective Date") between Garibaldi Resources Corp. ("Optionor II") and the Company, the Company acquired the right to earn a 50% interest in select mineral claims (the "Connected Claims") adjacent to the claims optioned under Option Agreement I ("Double T Option II").

(in Canadian Dollars - unaudited)

4. EXPLORATION AND EVALUATION ASSET (CONTINUED)

Double T Property (Continued)

Second option agreement (Continued)

The terms of Option Agreement II provides that the Company will have earned a 50% interest in the Connected Claims upon issuing a total of 900,000 common shares to Optionor II, and incurring $500,000 in exploration work on the Connected Claims on or before the dates set out below:

Date	Cash payments	Number of common shares to be issued	Expenditures
On the Effective Date (issued with a fair value of $1,000)	$ -	50,000	$ -
On or before October 29, 2022 (not issued/not incurred)	-	150,000	100,000
On or before October 29, 2023	-	200,000	150,000
On or before October 29, 2024	-	500,000	250,000
Total	**$ -**	**900,000**	**$ 500,000**

As at January 31, 2023, the Option Agreement II is in technical default and the Company is in negotiations with Optionor II. As a result, the Company considers the property impaired and accumulated exploration costs of $202,083 related to the Double T Property were written off during the year ended October 31, 2022.

5. EQUIPMENT

Cost:		
Balance, October 31, 2021	$	-
Additions		350
Balance, October 31, 2022		350
Additions		-
As at January 31, 2023	**$**	**350**
Accumulated depreciation:		
Balance, October 31, 2021	$	-
Depreciation		140
Balance, October 31, 2022		140
Depreciation		35
As at January 31, 2023	**$**	**175**
Carrying amount:		
As at October 31, 2021	$	210
As at January 31, 2023	**$**	**175**

6. SHARE CAPITAL

a) Authorized:

Unlimited number of common shares

b) Issued and outstanding

As at January 31, 2023: 13,925,000 common shares (October 31, 2022 – 13,925,000)

During the three months ended January 31, 2023
N/A

During the year ended October 31, 2022

In connection with the Company receiving final receipt of its non-offering prospectus by the British Columbia Securities Commission on June 8, 2022, 908,000 Special Warrants and 400,000 Compensation Special Warrants (note 6 c)) were converted into common shares.

On November 15, 2021, the Company closed a private placement financing of 5,552,000 common shares at $0.05 per common share for gross proceeds of $277,600 of which $257,600 was received during the year ended October 31, 2021. The Company paid $5,920 of share issue costs in relation to the financing of which $4,640 was recognized as deferred financing costs as at October 31, 2021.

On December 10, 2021, the Company closed a private placement financing of 640,000 common shares at $0.05 per common share for gross proceeds of $32,000.

On February 19, 2022, the Company issued 2,000,000 flow-through common shares at $0.075 per flow-through common share for total cash proceeds of $150,000. For the purpose of the calculation any premium related to the issuance of the flow-through common shares, the Company compared the most recent financing price per common share to the subscription price of the flow-through common share to determine if there was a premium paid on the flow-through common shares. As a result, the Company recognized a flow-through premium liability of $50,000 during the year ended October 31, 2022 and the Company amortized $39,200 which is recorded in profit or loss and represents the pro-rata amount spent on qualifying eligible expenditures during the year ended October 31, 2022. The balance of the flow-through premium liability is $10,800 as at October 31, 2022. The Company paid $800 of share issue costs in relation to the financing.

c) Warrants

On November 23, 2021, the Company issued an aggregate of 908,000 Special Warrants at a price of $0.05 per Special Warrant for gross proceeds of $45,400 and on November 25, 2021, issued 400,000 Compensation Special Warrants. The Company incurred $5,235 of issue costs.

Each Special Warrant entitles the holder to acquire, without further payment, one common share and will automatically convert on a one to one basis (i) at any time, at the discretion of the Company; or (ii) upon the issuance by a Canadian securities regulatory authority of a receipt for a final prospectus qualifying the issuance of the common shares upon conversion of the Special Warrants (the “Qualification Date”); or (iii) on that date that is 18 months plus a day from the date of issuance of the Special Warrants.

6. SHARE CAPITAL (CONTINUED)

c) Warrants

Each Compensation Special Warrant entitles the holder to acquire, without further payment, one common share and will automatically convert on a one to one basis (i) at any time, at the discretion of the Company; or (ii) the Qualification Date; or (iii) on that date that is 18 months plus a day from the date of issuance of the Special Compensation Warrants.

In connection with the Company receiving final receipt of its non-offering prospectus by the British Columbia Securities Commission on June 8, 2022, the 908,000 Special Warrants and the 400,000 Compensation Special Warrants converted into common shares.

d) Options

The Board adopted the Option Plan on January 20, 2022. The Option Plan provides that, subject to the requirements of the Exchange, the aggregate number of securities reserved for issuance, set aside and made available for issuance under the Option Plan may not exceed 10% of the number of Common Shares of the Company issued and outstanding from time to time.

The Option Plan will be administered by the Board or a committee of the Board, either of which will have full and final authority with respect to the granting of all Options thereunder. Options may be granted under the Option Plan to such directors, officers, employees or consultants of the Company, as the Board may from time to time designate. The exercise price of any Options granted under the Option Plan shall be determined by the Board, but may not have an exercise price lower than the greater of the closing market prices of the underlying securities on (a) the trading day prior to the date of grant of the Options; and (b) the date of grant of the Options.

The term of any Options granted under the Option Plan shall be determined by the Board at the time of grant but, subject to earlier termination in the event of termination or in the event of death, the term of any Options granted under the Option Plan may not exceed ten years. Options granted under the Option Plan are not to be transferable or assignable.

The Company has no options outstanding at January 31, 2023 and October 31, 2022.

e) Escrow shares

The issued and outstanding common shares will be held in escrow pursuant to the requirements of the Exchange. 10% of the escrowed common shares will be released from escrow on the issuance of the Final Exchange Bulletin (the “Initial Release”) and an additional 15% will be released on each of the dates which are 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the Initial Release. There were 1,775,250 common shares subject to escrow at January 31, 2023 (October 31, 2022 – 2,116,800).

7. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

7. RELATED PARTY TRANSACTIONS

During the three months ended January 31, 2023, the Company paid $21,000 (2022 - $Nil) in management fees to the officers and directors of the Company.

At January 31, 2023, there was a balance of $15,276 (October 31, 2022 - $8,673) payable to key management personnel included in accounts payable and accrued liabilities.

8. CAPITAL MANAGEMENT OBJECTIVE AND POLICIES

The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions and to fund the exploration of its current projects. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

Management reviews the capital structure on a regular basis to ensure that the above objectives are met. There have been no changes to the Company’s approach to capital management during the three months ended January 31, 2023. The Company is not subject to externally imposed capital requirements.

9. FINANCIAL INSTRUMENTS

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes. There were no changes to the Company’s risk exposures during the three months ended January 31, 2023. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit Risk
Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high credit quality financial institution, or in a trust account with legal counsel.

Liquidity Risk
Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs and to meet the Company’s liabilities. The Company’s accounts payable and accrued liabilities outstanding as at January 31, 2023 are due within one year.

Market Risk
Market risk is the that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk, and other price risk.

9. FINANCIAL INSTRUMENTS (CONTINUED)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has limited transactions in other currencies and is not exposed to significant currency risk.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market. The Company is exposed to other price risk with respect to commodity and equity prices. Equity price risk is the potential adverse impact on the Company’s earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Other price risk (Continued)

The Company's ability to raise capital to fund mineral resource exploration is subject to risks associated with fluctuations in mineral resource prices. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Fair Values

At January 31, 2023, the Company's financial instruments consist of cash, and accounts payable and accrued liabilities. Cash is carried at fair value using a Level 1 fair value measurement. The carrying amount of accounts payable and accrued liabilities approximates value because of the short-term nature of the instrument.

10. SUBSEQUENT EVENTS

Subsequent to the period ended January 31, 2023, the Company made a cash payment of $15,000 and issued 100,000 common shares of the Company to the Optionor of the Double T Property in regard to the First Option Agreement (note 4).