



TANA Resources Corp.

Condensed Interim Financial Statements

For the three months ended January 31, 2024 and 2023

(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, 2024 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)

As at	January 31, 2024	October 31, 2023
Current Assets		
Cash	\$ 43,954	\$ 67,860
Marketable Securities (note 4)	1,000	1,500
Receivables	3,742	6,362
Prepaid expenses	400	100
Total current assets	49,096	75,822
Equipment (note 5)	35	70
Total assets	\$ 49,131	\$ 75,892
Current Liabilities		
Accounts payable and accrued liabilities (note 7)	\$ 113,743	\$ 99,834
	113,743	99,834
Shareholders' (Deficit) Equity		
Share capital (note 6)	537,545	537,545
Subscriptions received	1,000	1,000
Accumulated deficit	(603,157)	(562,487)
Total shareholders' (deficit) equity	\$ (64,612)	\$ (23,942)
Total liabilities and shareholders' (deficit) equity	\$ 49,131	\$ 75,892

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

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 Loss and Comprehensive Loss
(in Canadian Dollars - unaudited)

	For the three months ended	
	January 31,	January 31,
	2024	2023
General and administrative expenses		
Consulting fees	\$ 210	\$ 300
Depreciation	35	35
Management fees (note 7)	21,000	21,000
Marketing and promotion	449	419
Office facilities and services	4,699	4,780
Professional fees	6,000	6,000
Transfer, listing, and filing fees	3,670	3,195
Travel and entertainment	718	676
Total expenses	\$ 36,781	\$ 36,405
Other (loss) income		
Unrealized loss on marketable securities (note 4)	(500)	-
Exploration and evaluation assets impairment (note 4)	(3,389)	-
Net loss and comprehensive loss	\$ (40,670)	\$ (36,405)
Net loss per share – basic and diluted	\$ (0.00)	\$ (0.00)
Weighted average number of shares outstanding	14,025,000	13,925,000

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

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

	Common Shares		Subscriptions Received	Deficit	Shareholders' Equity
	Number of Shares	Amount			
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

	Common Shares		Subscriptions Received	Deficit	Shareholders' Equity
	Number of Shares	Amount			
Balance at October 31, 2023	13,925,000	\$ 537,545	1,000	\$ (562,487)	\$ (23,942)
Net loss and comprehensive loss for the period	-	-	-	(40,670)	(40,670)
Balance at January 31, 2024	13,925,000	\$ 537,545	1,000	\$ (603,157)	\$ (64,612)

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

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

	For the three months ended	
	January 31, 2024	January 31, 2023
Cash provided by (used in)		
Operating activities		
Net loss	\$ (40,670)	\$ (36,405)
Items not involving cash:		
Impairment of exploration and evaluation assets	3,389	-
Depreciation	35	35
Unrealized loss on marketable securities	500	-
<i>Changes in working capital items</i>		
Change in prepaid expenses	(300)	(300)
Change in receivables	2,620	(712)
Change in accounts payable and accrued liabilities	13,909	17,448
Cash used in operating activities	(20,517)	(19,934)
Investing Activities		
Exploration and evaluation assets	(3,389)	-
Cash used in investing activities	(3,389)	-
Change in cash	(23,906)	(19,934)
Cash beginning of the period	67,860	216,903
Cash end of the year	\$ 43,954	\$ 196,969
Supplemental cash disclosures		
Non-cash investing and financing activities		
Shares issued for exploration and evaluation assets	\$ -	\$ -
Shares issued for subscriptions received	\$ -	\$ -

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

TANA Resources Corp.

Notes to the Condensed Interim Financial Statements
For the three months ended January 31, 2024 and 2023
(in Canadian Dollars - unaudited)

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, 2024, 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, 2024, the Company incurred a loss of \$40,670 and had a cumulative deficit of \$603,157 at January 31, 2024 (October 31, 2023: \$562,487), 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.

These conditions indicate that a material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern. These condensed interim financial statements do not include any adjustments relating to the recoverability of assets and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

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 years ended October 31, 2023 and 2022.

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, 2023. The Company’s interim results are not necessarily indicative of its results for a full year.

These financial statements were authorized for issue on April 1, 2024, by the Company’s directors.

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

TANA Resources Corp.

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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.

4. EXPLORATION AND EVALUATION ASSET

	Acquisition Costs	Exploration Costs	Total
Balance, October 31, 2022	\$ -	\$ -	\$ -
Additions	21,000	40,000	61,000
Recovery	(2,500)	-	(2,500)
Impairment	(18,500)	(40,000)	(58,500)
Balance, October 31, 2023	\$ -	\$ -	\$ -
Additions	-	3,389	3,389
Impairment	-	(3,389)	(3,389)
Balance, January 31, 2024	\$ -	\$ -	\$ -

Double T Project

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.

On September 7, 2023, the Company entered into an option amendment agreement with Optionor I of the Double T Property. The Double T payments of \$25,000 due October 31, 2022 and a further \$50,000 due October 31, 2023 have been amended to be \$10,000 due December 2023, an additional \$15,000 due March 31, 2024, and a further \$50,000 due October 31, 2024. The Double T exploration expenditure of \$200,000 due by October 31, 2023 has been amended to be \$40,000 in expenditures due by October 31, 2023 and an additional \$160,000 in expenditures by October 31, 2024. Based on the amended terms of the agreement Tana will need to incur a total of \$360,000 on or before October 31, 2024. All other terms of the agreement remain in effect.

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4. EXPLORATION AND EVALUATION ASSET (CONTINUED)

Double T Project (Continued)

The terms of Option Agreement I and Amendment Agreement provide 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 (paid/issued February 22, 2023)	15,000	100,000	-
On or before October 31, 2021 (incurred)	-	-	40,000
On or before October 31, 2022 (not issued/incurred)	-	100,000	60,000
On or before October 31, 2023 (not issued/incurred)	-	100,000	40,000
On or before December 31, 2023 (paid)	10,000	-	-
On or before March 31, 2024	15,000	-	-
On or before October 31, 2024	190,000	200,000	360,000
Total	\$250,000	500,000	\$500,000

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.

During the three months ended January 31, 2024, the Company made the cash payment of \$nil (year ended October 31, 2023 - \$15,000), issued no shares (year ended October 31, 2023 - 100,000 shares with a fair value of \$6,000 to the Optionor (note 6)), and incurred \$3,389 (year ended October 31, 2023 - \$40,000) in exploration costs. As at January 31, 2024, the Option Agreement I is in technical default. As a result, the Company considers the property impaired and accumulated exploration costs of \$3,389 related to the Double T Property were written off during the three months ended January 31, 2024 (year ended October 31, 2023 - \$58,500).

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4. EXPLORATION AND EVALUATION ASSET (CONTINUED)

Double T Project (Continued)

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" or the "King Claims") adjacent to the claims optioned under Option Agreement I ("Double T Option II"). On September 7, 2023, the Company assigned the Option Agreement II with Optionor II to Goldrea Resources Corp. ("Goldrea") in exchange for 100,000 common shares of Goldrea and an additional 400,000 shares of Goldrea once Goldrea acquires a 50% interest in the King Claims from Garibaldi. As per the assignment agreement, Goldrea shall assume the outstanding obligations of Option Agreement II and the Company has no further obligations for the King Claims. During the year ended October 31, 2023, the Company recognized the initial fair value of the 100,000 Goldrea shares at \$2,500 which was recorded as a reduction in exploration and evaluation assets. At January 31, 2024, the Company recorded an unrealized loss of \$500 (year ended October 31, 2023 - \$1,000) relating to the investment in Goldrea. The fair value of the Goldrea shares at January 31, 2024 is \$1,000 (October 31, 2023 - \$1,500) and was determined as a underlying market price of the shares.

5. EQUIPMENT

Cost:	
Balance, October 31, 2022, 2023 and January 31, 2024	350
Accumulated depreciation:	
Balance, October 31, 2022	\$ 140
Depreciation	140
Balance, October 31, 2023	280
Depreciation	35
Balance, January 31, 2024	\$ 315
Carrying amount:	
As at October 31, 2023	\$ 70
Balance, January 31, 2024	\$ 35

6. SHARE CAPITAL

a) Authorized:

Unlimited number of common shares

b) Issued and outstanding

As at January 31, 2024: 14,025,000 common shares (October 31, 2023 – 14,025,000)

During the three months ended January 31, 2024

No shares issued during the period

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6. SHARE CAPITAL (CONTINUED)

b) Issued and outstanding (continued)

During the year ended October 31, 2023

On February 22, 2023, the Company issued 100,000 common shares with a fair value of \$6,000 to the optionor of the Double T Property regarding the First Option Agreement (note 4).

c) Warrants

The Company has no warrants outstanding at January 31, 2024 and October 31, 2023.

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, 2024 and October 31, 2023.

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 1,024,650 common shares subject to escrow at January 31, 2024 (October 31, 2023 – 1,366,200).

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.

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7. RELATED PARTY TRANSACTIONS (CONTINUED)

During the three months ended January 31, 2024, the Company incurred \$21,000 (2023 - \$21,000) in management fees to the officers and directors of the Company.

At January 31, 2024, there was a balance of \$55,155 (October 31, 2023 - \$33,999) payable to key management personnel included in accounts payable and accrued liabilities.

8. CAPITAL MANAGEMENT OBJECTIVE AND POLICIES

Management considers the Company's capital structure to consist of the components of shareholders' deficit which totaled \$603,157 as at January 31, 2024.

The Company's objectives when managing capital are to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and 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, 2024. 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, 2024. 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, 2024 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.

TANA Resources Corp.

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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 on its marketable securities. A fluctuation in the trading price of the marketable securities of 10% would result in a \$100 change in the Company's profit and loss.

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, 2024, the Company's financial instruments consist of cash, marketable securities, and accounts payable and accrued liabilities. Cash and marketable securities are 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.