Tantalex Lithium Resources Corporation

Consolidated Financial Statements

Years ended February 28, 2023 and February 28, 2022

(Expressed in Canadian dollars)

McGovern Hurley

Audit. Tax. Advisory.

Independent Auditor's Report

To the Shareholders of Tantalex Lithium Resources Corporation

Opinion

We have audited the consolidated financial statements of Tantalex Lithium Resources Corporation and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as at February 28, 2023 and 2022, and the consolidated statements of loss, consolidated statements of comprehensive loss, consolidated statements of changes in deficiency and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at February 28, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 2 in the consolidated financial statements, which indicates that the Company incurred a net loss during the year ended February 28, 2023 and, as of that date, the Company's current liabilities exceeded its current assets. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that material uncertainties exist that cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in Material uncertainty related to going concern section, we have determined that there were no additional key audit matters to communicate in our report.

Other information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risks of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

McGovern Hurley

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner of the audit resulting in this independent auditor's report is Jessica Glendinning.

McGovern Hurley LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Ontario
June 28, 2023

Tantalex Lithium Resources Corporation

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(expressed in Canadian dollars)

	As at February 28, 2023	As at February 28, 2022
ASSETS		
CURRENT ASSETS		
Cash	$ 110,958	$ 367,559
Prepaid expenses and deposits	127,056	34,097
Sales tax receivable	98,645	64,973
	336,659	466,629
Loan receivable (Note 6)	489,105	-
Property, plant and equipment (Note 8)	8,200,350	5,486,193
TOTAL ASSETS	$ 9,026,114	$ 5,952,822
LIABILITIES		
CURRENT LIABILITIES		
Trade payables and accrued liabilities (Note 10)	$ 2,631,772	$ 1,707,688
Loans and advances payable (Note 9)	8,661,133	10,005,050
Derivative liability (Note 11)	613,069	4,458,448
Convertible debentures (Note 11)	6,695,654	5,190,993
	18,601,628	21,362,179
Loans payable – long term (Note 9)	10,469,695	-
TOTAL LIABILITIES	$ 29,071,323	$ 21,362,179
SHAREHOLDERS' DEFICIENCY		
Share capital (Note 12)	24,621,762	22,051,582
Contributed surplus	10,013,967	8,801,846
Warrants (Note 12)	-	166,883
Equity component of convertible debentures	-	236,585
Deficit	(53,351,902)	(45,083,913)
Accumulated other comprehensive income	220,687	86,896
TOTAL DEFICIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	(18,495,486)	(13,740,121)
Non-controlling interests	(1,549,723)	(1,669,236)
TOTAL DEFICIENCY	(20,045,209)	(15,409,357)
TOTAL LIABILITIES AND DEFICIENCY	$ 9,026,114	$ 5,952,822

GOING CONCERN (Note 2)
CONTINGENCIES (Note 20)
SUBSEQUENT EVENTS (Note 21)

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

CONSOLIDATED STATEMENTS OF LOSS
For the years ended February 28, 2023 and February 28, 2022
(expressed in Canadian dollars)

	2023	2022
EXPENSES		
General and administrative (Note 17)	$ 4,238,215	$ 1,347,446
Exploration expenses (Note 6)	5,340,627	7,472,661
Stock based compensation (Note 12)	961,084	2,102,703
LOSS BEFORE OTHER ITEMS	(10,539,926)	(10,922,810)
Gain on modification of debt (Note 9)	407,846	-
Change in fair value of derivative liability (Note 9)	4,582,220	(2,682,869)
Gain on foreign exchange	(1,024,430)	(35,394)
Interest and accretion	(1,574,186)	(1,587,261)
NET LOSS FOR THE YEAR	$(8,148,476)	$(15,228,334)
NET LOSS ATTRIBUTABLE TO:		
Equity holders of the Company	$(8,267,989)	$(15,401,530)
Non-controlling interests	119,513	173,196
	$(8,148,476)	$(15,228,334)
BASIC AND DILUTED LOSS PER SHARE (Note 13)	$ (0.02)	$ (0.04)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
For the years ended February 28, 2023 and February 28, 2022
(expressed in Canadian dollars)

	2023	2022
NET LOSS FOR THE YEAR	$(8,148,476)	$(15,228,334)
Item of other comprehensive income to be subsequently reclassified to net loss		
Foreign currency translation	133,791	(77,269)
COMPREHENSIVE LOSS	$(8,014,685)	$(15,305,603)
NET COMPREHENSIVE LOSS ATTRIBUTABLE TO:		
Equity holders of the Company	$(8,134,198)	$(15,478,799)
Non-controlling interests	119,513	173,196
	$(8,014,685)	$(15,305,603)

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

Tantalex Lithium Resources Corporation

CONSOLIDATED STATEMENTS OF CHANGES IN DEFICIENCY

For the years ended February 28, 2023 and 2022

(expressed in Canadian dollars)

	Number of issued and outstanding common shares	Share Capital	Equity component of convertible debenture	Warrants	Contributed Surplus	Accumulated other comprehensive income	Deficit	Non-controlling interest	Total Equity
Balance as at February 28, 2021	367,297,147	$ 13,846,452	$ 236,585	$ 639,814	$ 6,813,681	$ 164,165	$ (29,682,383)	$ (1,842,432)	$ (9,824,118)
Units issued on private placement	5,000,000	375,650	-	124,350	-	-	-	-	500,000
Issue costs	-	(2,745)	-	-	-	-	-	-	(2,745)
Conversion of convertible debentures	2,520,000	433,481	-	-	-	-	-	-	433,481
Conversion of loan	17,848,610	1,972,905	-	-	-	-	-	-	1,972,905
Debt settlement	2,486,000	174,020	-	-	-	-	-	-	174,020
Exercise of stock options	11,500,000	378,450	-	-	(188,450)	-	-	-	190,000
Exercise of warrants	55,000,000	2,983,369	-	(233,369)	-	-	-	-	2,750,000
Shares issued for services	2,000,000	290,000	-	-	-	-	-	-	290,000
Shares issued in accordance with property agreement	20,000,000	1,600,000	-	-	-	-	-	-	1,600,000
Expiry of warrants	-	-	-	(363,912)	363,912	-	-	-	-
Stock based compensation	-	-	-	-	1,812,703	-	-	-	1,812,703
Net loss for the year	-	-	-	-	-	-	(15,401,530)	173,196	(15,228,334)
Exchange differences on translating foreign operations	-	-	-	-	-	(77,269)	-	-	(77,269)
Balance as at February 28, 2022	483,651,757	$ 22,051,582	$ 236,585	$ 166,883	$ 8,801,846	$ 86,896	$ (45,083,913)	$ (1,669,236)	$ (15,409,357)
Balance as at February 28, 2022	483,651,757	$ 22,051,582	$ 236,585	$ 166,883	$ 8,801,846	$ 86,896	$ (45,083,913)	$ (1,669,236)	$ (15,409,357)
Common shares issued on private placement	15,230,300	1,218,324	-	-	-	-	-	-	1,218,324
Share issue costs	-	(34,736)	-	-	-	-	-	-	(34,736)
Conversion of convertible debentures	9,959,640	497,982	-	-	-	-	-	-	497,982
Debt settlement	2,943,558	236,179	-	-	-	-	-	-	236,179
Exercise of RSUs	1,000,000	110,000	-	-	(110,000)	-	-	-	-
Exercise of warrants	10,000,000	542,431	-	(42,431)	-	-	-	-	500,000
Maturity of debentures	-	-	(236,585)	-	236,585	-	-	-	-
Expiry of warrants	-	-		(124,452)	124,452	-	-	-	-
Stock based compensation	-	-	-	-	961,084	-	-	-	961,084
Net loss for the year	-	-	-	-	-	-	(8,267,989)	119,513	(8,148,476)
Exchange differences on translating foreign operations	-	-	-	-	-	133,791	-	-	133,791
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)

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

Tantalex Lithium Resources Corporation

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended February 28, 2023 and February 28, 2022

(expressed in Canadian dollars)

	2023	2022
OPERATING ACTIVITIES		
Net loss	$ (8,148,476)	$ (15,228,334)
Operating items not involving cash		
Accrued interest and accretion	2,234,257	1,792,179
Shares issued for exploration properties	-	1,600,000
Depreciation of equipment	320,355	253,952
Share based payments	961,084	-
Change in fair value of derivative liability	(4,582,220)	2,682,869
Gain on modification of debt	(407,846)	-
Stock based compensation	-	2,102,703
Unrealized foreign exchange (gain)	1,027,298	(39,908)
Changes in working capital items		
Prepaid expenses and deposits	(92,959)	(27,229)
Sales tax and other receivable	(33,672)	22,354
Trade payables and accrued liabilities	779,864	(1,214,672)
Cash flows used in operating activities	(7,942,315)	(8,056,086)
INVESTING ACTIVITIES		
Loan advances	(476,315)	-
Purchase of property, plant and equipment	(2,257,782)	(5,740,145)
Cash flows used in investing activities	(2,734,097)	(5,740,145)
FINANCING ACTIVITIES		
Proceeds from loans and advances	9,487,451	10,325,565
Proceeds from exercise of stock options and warrants	500,000	2,940,000
Repayments of loans and debentures outstanding	(751,228)	-
Proceeds from issuance of common shares (net of issue costs $34,736, 2021 - $2,745)	1,183,588	497,255
Cash flows from financing activities	10,419,811	13,762,820
NET DECREASE IN CASH	(256,601)	(33,411)
CASH, BEGINNING OF YEAR	367,559	400,970
CASH, END OF YEAR	$ 110,958	$ 367,559

Note 14 provides additional information on the consolidated statements of cash

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

1. NATURE OF OPERATIONS

Tantalex Lithium Resources Corporation ("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 June 28, 2023.

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 year ended February 28, 2023 the Company reported a net loss of $8,148,476 (February 28, 2022 - $15,228,334) and has an accumulated deficit of $53,351,902 (February 28, 2022 – deficit of $45,083,913). In addition to ongoing working capital requirements, the Company must secure sufficient funding to further develop the Company's properties and pay for general and administration expenses. At February 28, 2023, the Company had a working capital deficit of $18,264,969 (February 28, 2022 – working capital deficit of $20,895,550). These conditions indicate the existence of material uncertainties that cast significant doubt regarding the Company's ability to continue as a going concern. Any funding shortfall may be met in the future in a number of ways including but not limited to, the issuance of new equity, debt financing 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.

3. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE

Statement of compliance
The consolidated financial statements of the Company and its subsidiaries have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

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

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., 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	DRC	90%
Tantalex SAU SARL	DRC	100%
United Cominiere SARL	DRC	63%
United Materials Congo	DRC	90%
Societe De Tailings De Manono	DRC	65%
Sadem Congo SARL	RC	100%

4. SUMMARY OF ACCOUNTING POLICIES

Foreign currency translation
Within each entity, transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on dates of transactions. At the end of each reporting year, monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at that date. Foreign exchange differences arising on translation are recognized in the consolidated statements of loss. Non-monetary assets and liabilities that are measured at historical cost are translated using the exchange rate at the date of the transaction.

The accounts of the Company are presented in Canadian dollars which is also the functional currency of the Company. The financial statements of foreign subsidiaries for which the functional currency is not the Canadian dollar are translated into Canadian dollars using the exchange rate in effect at the end of the reporting year for assets and liabilities and the average exchange rates for the year for revenue, expenses and cash flows. Functional currency of the foreign subsidiaries (inclusive of Buckell SAS, STM and Sadem) is the U.S Dollar. Foreign exchange differences arising on translation are recognized in other comprehensive income and in accumulated other comprehensive income in shareholders' equity.

Financial instruments
Financial assets

Initial recognition and measurement
Non-derivative financial assets within the scope of IFRS 9 are classified and measured as "financial assets at fair value", as either fair value through profit and loss ("FVPL") or fair value through other comprehensive income ("FVOCI"), and "financial assets at amortized costs", as appropriate. The Company determines the classification of financial assets at the time of initial recognition based on the Company's business model and the contractual terms of the cash flows.

4. SUMMARY OF ACCOUNTING POLICIES (continued)

All financial assets are recognized initially at fair value plus, in the case of financial assets not at FVPL, directly attributable transaction costs on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

Financial assets with embedded derivatives are considered in their entirety when determining their classification at FVPL or at amortized cost. Amounts receivable held for collection of contractual cash flows are measured at amortized cost.

Subsequent measurement – financial assets at amortized cost
After initial recognition, financial assets measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the Effective Interest Rate (“EIR”) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the consolidated statements of loss. Cash, amounts receivable and loan receivable held for collection of contractual cash flows are measured at amortized cost.

Subsequent measurement – Financial assets at FVPL
Financial assets measured at FVPL include financial assets management intends to sell in the short term and any derivative financial instrument that is not designated as a hedging instrument in a hedge relationship. Financial assets measured at FVPL are carried at fair value in the statements of financial position with changes in fair value recognized in other income or expense in the statements of loss. The Company does not measure any financial assets at FVPL.

Subsequent measurement – Financial assets at FVOCI
Financial assets measured at FVOCI are non-derivative financial assets that are not held for trading and the Company has made an irrevocable election at the time of initial recognition to measure the assets at FVOCI. The Company does not measure any financial assets at FVOCI.

After initial measurement, investments measured at FVOCI are subsequently measured at fair value with unrealized gains or losses recognized in other comprehensive income or loss in the statements of comprehensive income. When the investment is sold, the cumulative gain or loss remains in accumulated other comprehensive income or loss and is not reclassified to profit or loss.

Dividends from such investments are recognized in other income in the statements of income when the right to receive payments is established.

Derecognition
A financial asset is derecognized when the contractual rights to the cash flows from the asset expire, or the Company no longer retains substantially all the risks and rewards of ownership.

Impairment of financial assets
IFRS 9 introduced a single expected credit loss impairment model, which is based on changes in credit quality since initial application. The carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

For financial assets measured at amortized cost, the Company recognizes lifetime expected credit losses (“ECL”) when there has been a significant increase in credit risk since initial recognition. If the credit risk on such financial instruments has not increased significantly since initial recognition, the Company measures the loss allowance on those financial instruments at an amount equal to 12-month ECL.

4. SUMMARY OF ACCOUNTING POLICIES (continued)

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial asset. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial asset that are possible within 12 months after the reporting date. In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Company compares the risk of default on the financial asset at the reporting date with the risk of default occurring at the initial recognition. The Company considers both quantitative and qualitative factors that are supportable, including historical experience and forward-looking information that is available without undue cost or effort.

Irrespective of the above assessment, the Company presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Company has reasonable and supportable information that demonstrates otherwise. The Company presumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the reporting date.

The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Financial liabilities

Initial recognition and measurement
Financial liabilities are measured at amortized cost, unless they are required to be measured at FVPL as is the case for held for trading or derivative instruments, or the Company has opted to measure the financial liability at FVPL. The Company's financial liabilities include trade payables and accrued liabilities, loans and advances payable, convertible debentures, and derivative liability, all of which are each measured at amortized cost with the exception of the derivative liability measured at fair value through profit and loss. All financial liabilities are recognized initially at fair value.

Subsequent measurement – financial liabilities at amortized cost
After initial recognition, financial liabilities measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the Effective Interest Rate ("EIR") method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR. The EIR amortization is included in interest and accretion in the statements of loss.

Subsequent measurement – Financial liabilities at FVPL
Financial liabilities measured at FVPL include financial liabilities management intends to sell in the short term and any derivative financial instrument that is not designated as a hedging instrument in a hedge relationship. Financial liabilities measured at FVPL are carried at fair value in the consolidated statements of financial position with changes in fair value recognized in other income or expense in the consolidated statements of loss.

Derecognition
A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires with any associated gain or loss recognized in other income or expense in the statements of loss and comprehensive loss.

Financial assets:	Classification IFRS 9
Cash	Amortized cost
Loan receivable	Amortized cost

4. SUMMARY OF ACCOUNTING POLICIES (continued)

Financial liabilities:	Classification IFRS 9
Trade payables and accrued liabilities	Amortized cost
Loans and advances payable	Amortized cost
Convertible debentures	Amortized cost
Derivative liability	Fair value through profit/loss

The fair value hierarchy that applies in determining fair value requires that observable market data be used if such data exist. An asset or liability is classified at the lowest hierarchical level when significant unobservable market data has been used in the fair value measurement. The carrying amount and fair value of financial instruments are considered to be a reasonable approximation of fair value because of their short-term maturities.

The Company uses the following hierarchy for the fair value determination of financial and non-financial items:

Level 1: the fair value is determined directly by reference to unadjusted quoted prices in an active market for identical assets or liabilities.
Level 2: the fair value is estimated using a valuation technique based on observable market data, either directly or indirectly.
Level 3: the fair value is estimated using a valuation technique based on unobservable data. Derivative liability is level 3.

The carrying amount and fair value of financial instruments are considered to be a reasonable approximation of fair value because of their short-term maturities.

Basic and diluted loss per share
Basic loss per share is calculated by dividing the loss attributable to common equity holders of the parent company by the weighted average number of common shares outstanding during the year. Diluted loss per share is calculated by adjusting loss attributable to common equity holders of the parent company, and the weighted average number of common shares outstanding, for the effects of all dilutive potential common shares which include options, warrants and convertible debentures. Dilutive potential common shares shall be deemed to have been converted into common shares at the beginning of the year or, if later, at the date of issue of the potential common shares.

For the purpose of calculating diluted loss per share, the Company shall assume the exercise of dilutive options and warrants of the Company. The assumed proceeds from these instruments shall be regarded as having been received from the issue of common shares at the average market price of common shares during the year. The convertible debenture is anti-dilutive whenever its interest (net of tax and other change in income or expense) per common share obtainable on conversion, exceeds basic earnings per share at the end of the reporting year. The diluted loss per share is equal to the basic loss per share as a result of the anti-dilutive effect of the outstanding options, warrants and the convertible debenture.

Exploration and evaluation expenditures
Exploration and evaluation expenditures are costs incurred in the course of the initial search for mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable. Costs incurred before the legal right to undertake exploration and evaluation activities are recognized in profit or loss when they are incurred.

Exploration expenditures are the costs incurred in the initial search for mineral deposits with economic potential, including acquisition costs. Exploration expenditures typically include costs associated with prospecting, sampling, mapping, diamond drilling and other work involved in searching for ore. All acquisition costs and exploration expenditures are expensed as incurred.

When economically viable reserves have been determined and the decision to proceed with development has been approved, the expenditures incurred subsequent to this date related to development and construction are capitalized as construction-in-process and classified as a component of property, plant and equipment.

4. SUMMARY OF ACCOUNTING POLICIES (continued)

Mining properties and process facility assets are amortized upon commencement of commercial production either on a unit-of-production basis over measured and indicated resources included in the mine plan or the life of mine.

Property, plant and equipment

Property, plant and equipment is held at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes all costs incurred initially to acquire or construct an item of equipment, costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and costs incurred subsequently to add to or replace part thereof. Recognition of costs in the carrying amount of an item of equipment ceases when the asset is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Each part of an item of equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation is recognized as follows:

Equipment	20% declining balance
Construction vehicles	10 years straight line
Vehicles	30% declining balance

The depreciation expense for each year is recognized in the statement of loss and comprehensive loss. Depreciation of an asset ceases when it is classified as held for sale (or included in a disposal group that is classified as held for sale) or when it is derecognized. Therefore, depreciation does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated.

The residual value, depreciation method and useful life of each asset are reviewed at least at each financial year-end. The carrying amount of an item of equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of equipment is included in the statement of loss and comprehensive loss when the item is derecognized.

Impairment of non-financial assets

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at a cash-generating unit level.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of loss.

Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event and a probable outflow of economic resources from the Company that can be estimated reliably. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events, for example, legal disputes, decommissioning, restoration and similar liabilities, or onerous contracts. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted when the time value of money is significant.

4. SUMMARY OF ACCOUNTING POLICIES (continued)

The Company's operations are governed by government environment protection legislation. Environmental consequences are difficult to identify in terms of amounts, timetable and impact. As of the reporting date, management believes that the Company's operations are in compliance with current laws and regulations. Site restoration costs currently incurred are negligible. When the technical feasibility and commercial viability of extracting a mineral resource have been demonstrated, a restoration provision will be recognized in the cost of the mining property when there is constructive commitment that has resulted from past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be measured with sufficient reliability.

As at February 28, 2023 and February 28, 2022, management has not identified any material provisions.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate, if applicable.

Income taxes
Income tax on the profit or loss for the year end presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the asset and liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not-deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting or taxable loss; nor differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a future tax asset will be recovered, the tax asset is not recognized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Equity
Share capital represents the amount received on the issue of shares, less issuance costs, net of any underlying income tax benefit from these issuance costs. If shares are issued when options are exercised, the share capital account also comprises the compensation costs previously recorded in equity under contributed surplus. If shares are issued on conversion of the convertible debentures, the share capital account also comprises the equity component of convertible debentures or derivative liability.

Proceeds from unit placements are allocated between shares and warrants issued based on the relative fair values of each instrument. The fair value of the common shares is calculated by using the quoted market share price on the date of the issuance and is accounted for in share capital and the fair value of the share purchase warrants are determined using the Black-Scholes valuation model and accounted for in warrants.

4. SUMMARY OF ACCOUNTING POLICIES (continued)

Other elements of equity

Contributed surplus includes charges related to share options. When share options are exercised, the related compensation cost is transferred to share capital.

Warrants include amounts allocated to warrants issued as part of unit placements. When warrants are exercised, the related amount is transferred to share capital. When warrants expire, the related value is transferred to contributed surplus.

Deficit includes all current and prior year end accumulated profits or losses.

Non-controlling interest represents the Company's foreign subsidiaries minority ownership's share of loss.

Equity component of convertible debenture represents the value of a conversion option that will be settled by the exchange of a fixed amount of cash for a fixed number of the Company's own equity instruments.

Accumulated other comprehensive income includes the cumulative currency translation adjustment which includes all foreign currency differences obtained from the translation of the financial statement of subsidiaries.

Equity-settled share-based payments

The Company uses equity-settled share-based compensation for its eligible directors, officers, employees and consultants.

All goods and services received in exchange for the grant of any share-based payments are measured at their fair values, unless that fair value cannot be estimated reliably. If the Company cannot estimate reliably the fair value of the goods or services received, the entity shall measure their value indirectly by reference to the fair value of the equity instruments granted. For the transactions with employees and others providing similar services, the Company measured the fair value of the services received by reference to the fair value of the equity instruments granted.

All equity-settled share-based payments are ultimately recognized as an expense in the statement of loss and comprehensive loss with a corresponding credit to contributed surplus, in equity. Equity-settled share-based payments to brokers, in respect of an equity financing are recognized as issuance cost of the equity instruments with a corresponding credit to warrants in equity, if applicable.

If vesting years or other vesting conditions apply, the expense is allocated as the vesting terms are met, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognized in the current year. No adjustment is made to any expense recognized in prior year if the number of share options ultimately exercised are different to that estimated on vesting.

Upon exercise of share options, the proceeds received net of any directly attributable transaction costs, as well as the related compensation cost previously recorded as contributed surplus, are credited to share capital.

Segment reporting

The Company has determined that there was only one operating segment being the sector of exploration and evaluation of mineral resources.

The Company presents and discloses segment information based on information that is regularly reviewed by the Officers and the Board of Directors.

4. SUMMARY OF ACCOUNTING POLICIES (continued)

Recent accounting pronouncements
During the year ended February 28, 2023, the Company adopted a number of new IFRS standards, interpretations, amendments and improvements of existing standards. These new standards and changes did not have any material impact on the Company's financial statements.

Future accounting policies
Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after March 1, 2023 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

IFRS 10 – Consolidated Financial Statements ("IFRS 10") and IAS 28 – Investments in Associates and Joint Ventures ("IAS 28") were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these amendments is yet to be determined; however early adoption is permitted.

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, 2023.

IAS 12 – In May 2021, the IASB issued 'Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction' that clarifies how entities account for deferred tax on transactions such as leases and decommissioning obligations. The amendments are effective for year ends beginning on or after January 1, 2023.

5. CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS

When preparing the consolidated financial statements, management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

The actual results are likely to differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results.

Estimation of uncertainty
Information about the significant estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses are discussed below.

Stock based compensation, 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 probable life of the RSUs, and the probability the market conditions will be achieved.

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

Significant management judgment
The following are significant management judgments in applying the accounting policies of the Company that have the most significant effect on the consolidated financial statements.

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. Management is not aware of any material ECL on its loan receivable or other financial assets.

Recognition of deferred income tax assets and measurement of income tax expense
Management continually evaluates the likelihood that its deferred tax assets could be realized. This requires management to assess whether it is probable that sufficient taxable income will exist in the future to utilize these losses within the carry-forward period. By its nature, this assessment requires significant judgment. To date, management has not recognized any deferred tax assets in excess of existing taxable temporary differences expected to reverse within the carry-forward period.

Going concern
The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meet its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgment based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances (Note 2).

Functional currency
In concluding on the functional currency of the parent and its subsidiary companies, management considered the currency that mainly influences costs of operating in each jurisdiction in which the Company operates. The Company also considered secondary indicators including the currency in which funds from financing activities are denominated, the currency in which funds are retained and whether the activities of the subsidiaries are carried out as an extension of the Company or if they are carried out with a degree of autonomy.

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

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

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

Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

Contingencies
Refer to Note 20.

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

Derivative liabilities
The Company values derivative liabilities by reference to their fair value at the date at which the instrument is granted and each reporting period. Estimating fair value requires determining the most appropriate valuation model. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life and volatility and making assumptions about them. Changes in the input assumptions can materially affect the fair value estimate.

6. 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. It is classified as a long-term asset due to the uncertainty as to when it will be repaid or converted.

7. EXPLORATION AND EVALUATION

The following expenses related to the mining/exploration permits for the years ended February 28, 2023 and 2022:

	February 28, 2023	February 28, 2022
Exploration costs	$ 4,660,177	$ 3,371,406
Acquisition costs	680,450	4,101,255
Total	$ 5,340,627	$ 7,472,661

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, 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 $2,000,000 USD (USD$1,000,000 and 20,000,000 shares of Tantalex, valued at $1,600,000 based on the quoted market price on issuance), in addition to the $3,000,000 USD that 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.

7. EXPLORATION AND EVALUATION (continued)

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. As at February 28, 2023 the USD$500,000 ($680,450) was paid. The 35,000,000 shares will be issued upon closing of the transaction and therefore have not been recorded at February 28, 2023. This will be effective by TTX SAU having ownership of 52% of Minocom and where Minor will hold 18% and Cominiere SA will hold 30%. The Company is currently in process of completing the transaction.

8. PROPERTY, PLANT AND EQUIPMENT

	Construction in process	Equipment	Vehicles	Construction vehicles	Total
	$	$	$	$	$
Cost					
28-Feb-21	-	-	-	-	-
Additions	2,948,772	461,536	356,199	1,973,639	5,740,146
28-Feb-22	2,948,772	461,536	356,199	1,973,639	5,740,146
Foreign exchange adjustment	214,287	33,113	25,555	141,596	414,551
Additions	1,882,258	11,713	13,201	731,007	2,638,179
28-Feb-23	**5,045,317**	**506,362**	**394,955**	**2,846,242**	**8,792,876**
Accumulated Depreciation					
28-Feb-21	-	-	-	-	-
Depreciation	-	129,792	62,357	61,804	253,953
28-Feb-22	-	129,792	62,357	61,804	253,953
Foreign exchange adjustment	-	9,312	4,472	4,434	18,218
Depreciation	-	55,475	73,885	190,995	320,355
28-Feb-23	**-**	**194,579**	**140,715**	**257,232**	**592,526**
Carrying amounts					
28-Feb-22	2,948,772	331,744	293,842	1,911,835	5,486,193
28-Feb-23	5,045,317	311,783	254,240	2,589,010	8,200,350

During 2023, $629,920 (2022 - $195,300) of borrowing costs were capitalized to construction in process at a weighted average capitalized rate of 16% (2022 – 16%).

9. 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.

9. LOANS AND ADVANCES (continued)

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 while the Company is negotiating new terms.

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 (February 28, 2022 - $1,505,370). The $100,000 debenture was separated into a convertible debt component and an equity component, which included the conversion option and the warrants. The equity component was assigned a value of $142,543 calculated using the Black-Scholes option pricing model.

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

During the year ended February 28, 2023 and the year ended February 28, 2022, Afrimet Resources ("Afrimet"), a related party (note 10), 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 10)) 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 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 10)). The Grid Note bears interest at a rate of 10% per annum and becomes due in full on March 30, 2023. As at February 28, 2023 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 bears interest at a rate of 10% per annum and becomes due in full on July 20, 2023. As at February 28, 2023 the full amount of Grid Note #2 was outstanding.

9. LOANS AND ADVANCES (continued)

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 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 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.

	February 28, 2023	February 28, 2022
Opening balance	$ 10,005,050	$ -
Advances	1,150,910	9,091,587
Advances formalized to loans	(9,443,267)	-
Advances formalized to convertible debentures	(1,601,320)	-
Conversions of advances to loan agreement	9,443,267	-
Loans received during the year	5,793,716	1,233,978
Grid note 1	1,252,945	-
Grid note 2	1,289,880	-
Repayments - cash	(751,226)	-
Conversion of debenture to common shares	-	(1,233,978)
Interest accrued	1,027,020	913,463
Foreign exchange	963,853	-
Balance end of year	$ 19,130,828	$ 10,005,050
Current	$ 8,661,133	$ 10,005,050
Long-term	10,469,695	-
	$ 19,130,828	$ 10,005,050

10. 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 years ended February 28, 2023 and 2022:

	2023	2022
Management and consulting fees	**$ 1,029,595**	$ 268,752
Share-based payments	**952,435**	1,112,198
	$ 1,982,030	$ 1,380,950

10. RELATED PARTY TRANSACTIONS (continued)

During the year ended February 28, 2023, $101,250 (2022 - $72,000) of fees were charged by CFO Advantage Inc., a company owned by the Chief Financial Officer of the Company. As at February 28, 2023 $83,793 of the fees are outstanding (February 28, 2022 - $29,380) and are included in trade payables and accrued liabilities on the statement of financial position. On September 6, 2022, the Company settled $40,000 of debt with CFO Advantage Inc. with the issuance of 500,000 common shares. On October 15, 2021, the Company settled $72,320 of debt with CFO Advantage Inc. with the issuance of 1,033,143 common shares.

During the year ended February 28, 2023, $146,831 (2022 - $84,000) of fees were charged by 3IM Technologies, a Company owned by the CEO (and former VP) of the Company. As at February 28, 2023, $68,847 of the fees and expenses are outstanding (February 28, 2022 - $18,392) and are included in trade payables and accrued liabilities on the statement of financial position. On September 6, 2022, the Company settled $60,000 of debt with 3IM Technologies. with the issuance of 750,000 common shares. As At February 28, 2023, $13,412 is also included in accounts payable as due to the CEO for expenses paid for on behalf of the Company.

During the year ended February 28, 2023, the Company was charged $132,878 (February 28, 2022 - $64,357) by Dunton Rainville LLP for legal services and disbursements. Michel Lebeuf is a partner of Dunton Rainville LLP, and former Interim CEO, former director and the current corporate secretary of the Company. As at February 28, 2023, $32,007 (February 28, 2022 - $22,365) was payable to Dunton Rainville and are included in trade payables and accrued liabilities on the statement of financial position.

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

During the year ended February 28, 2023, the Company had the following transactions with Afrimet Resources (“Afrimet”), and Coproco Group SARL (“Coproco”), companies controlled by Hadley Nautus, a director of the Company.

- Entered into an agreement for Grid Note #1 (note 9).
- Entered into an agreement for Grid Note #1 (note 9).
- Entered into an agreement for the Facility (note 9).
- $17,153 included in accounts payable at February 28, 2023 for expense paid by Afrimet on behalf of the Company.
- $127,525 is owing to Coproco for invoices paid on behalf of the Company.
- During the year ended February 28, 2023, the Company was charged $73,101, by Mr. Natus as consulting fees, which remained payable at February 28, 2023.

See note 12 for related parties’ involvement in private placements.

During the year ended February 28, 2022, the Company had the following transaction with Afrimet.

- On October 12, 2021, Afrimet loan the Company USD$1,000,000 through the issuance of an unsecured convertible debenture (see note 9).
- See note 9 for loan advances from Afrimet.
- During fiscal 2022, Afrimet exercised 50,000,000 warrants at a cost of $2,500,000

On July 8, 2022, the Company entered into Loan #2 (note 9) with Trade Cloud, a company controlled by Matthew Botell and Simon Collins, directors of the Company.

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

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

11. CONVERTIBLE DEBENTURES

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

These warrants were assigned a value of $1,890 using the Black Scholes option pricing model using the following assumptions: risk free interest rate 2.00%; expected volatility of 175%; expected dividend yield of 0% and an expected life of one year. On the Maturity Date, the conversion feature expired and the debt was accreted up to its face value.

On July 28, 2020, the Company entered into an amending agreement whereby the terms of certain debentures (dated as of July 27, 2018 in the principal amount of USD $1,350,000 and an unsecured convertible debenture dated as of November 9, 2018 in the principal amount of $1,000,000 (the "Amended Debentures"), were amended and replaced with the following terms:

- The principal amounts bear interest at an annual rate of 12% per annum, payable on the maturity date.
- Interest shall be payable in cash or common shares, at the option of the Company.
- If the payment is made in common shares, the common shares will be issued at a price of $0.05 per common share.
- The maturity date was extended to July 28, 2021.

On November 10, 2020, the Company entered into a second amended agreement whereby the maturity dates were extended to May 10, 2022. On May 10, 2022, the Company entered into amending agreements to extend the maturity dates of the convertible debentures to November 10, 2022 and reduce the 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 while the Company is negotiating new terms.

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

11. CONVERTIBLE DEBENTURES (continued)

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

On November 3, 2020, the Company entered into an amending agreement whereby the terms of a debenture dated as of August 9, 2018 in the principal amount of USD $100,000 was amended and replaced with the following terms:

- The principal amounts bear interest at an annual rate of 12% per annum, payable on the maturity date.
- Interest shall be payable in cash or common shares, at the option of the Company.
- If the payment is made in common shares, the common shares will be issued at a price of $0.05 per common share.
- The maturity date was extended to May 14, 2021.

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

During fiscal 2022, the debentures maturity was further extended to May 14, 2021 and in November 2021 was converted to 2,520,000 common shares of the Company.

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 will mature on July 10, 2023 (the "Maturity Date"). The Afrimet Convertible Debenture bears interest at 10% per annum, payable at any time prior to the Maturity Date in cash or common shares of the Corporation (the "Common Shares"), at the option of the Corporation. At any time during the term, Afrimet may elect to convert the outstanding principal net amount, or any portion thereof, into Common Shares at a conversion price of $0.10 per share. The 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.

Accretion expense on all debentures during 2023 amounted to $916,912 (2022 - $425,395).

See note 9, ICC Convertible Debentures.

11. CONVERTIBLE DEBENTURES (continued)

The following table discloses the components associated with convertible debenture:

	2023	2022
	$	$
Convertible debenture liability component:		
Balance, at beginning of the year	5,190,993	4,425,989
Converted to shares	(497,982)	(126,000)
Funds advanced	1,601,320	-
Derivative liability	(732,162)	-
Gain on modification	(407,846)	-
Foreign exchange adjustments	321,303	12,291
Accretion and interest	1,220,028	878,713
Balance, at the end of the year	6,695,654	5,190,993

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

	February 28, 2023	February, 28, 2022
	$	$
Opening balance	4,458,448	2,796,914
Additions (note 9)	732,162	-
Change in fair value of derivative liability*	(4,582,220)	1,636,461
Foreign exchange adjustment	4,679	25,073
Balance end of year	613,069	4,458,448

** As at February 28, 2023, the derivative liability relates only to the Afrimet Convertible Debenture, as all of the conversion features relating to the other convertible debentures expired on their maturity dates.*

12. 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, 2021	**367,297,147**	**$ 13,846,452**
Exercise of stock options (i)	11,500,000	378,450
Exercise of warrants (ii)	55,000,000	2,983,369
Settlement of debt (iii)	2,486,000	174,020
Shares issued for earn-in agreement (note 6)	20,000,000	1,600,000
Conversion of debenture (note 11)	2,520,000	433,481
Conversion of loan (note 8)	17,848,610	1,972,905
Shares issued on private placement of units (v)	5,000,000	500,000
Valuation of warrants (v)	-	(124,350)
Issue costs	-	(2,745)
Shares issued for services (note iv)	2,000,000	290,000
Total shares issued at February 28, 2022	**483,651,757**	**22,051,582**
Conversion of debenture (note 11)	9,959,640	497,982
Exercise of warrants (vi)	10,000,000	542,431
Settlement of debt (vii)	2,943,558	236,179
Issue of shares on exercise of RSUs (viii)	1,000,000	110,000
Shares issued on private placement of common shares (ix)	15,230,300	1,183,588
Total shares issued at February 28, 2023	**522,785,255**	**$ 24,621,762**

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

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

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

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

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

(vi) On May 27, 2022, 10,000,000 common shares were issued upon the exercise of 10,000,000 warrants for proceeds of $500,000. The value of the warrants in the amount of $42,431 was allocated to share capital and removed from warrants.

12. EQUITY (continued)

(vii) On September 6, 2022, the Company settled $235,485 of debt with the issuance of 2,943,558 common shares. $121,285 of this debt was settled with directors and officers.
(viii) On September 1, 2022, 1,000,000 common shares were issued on the exercise and vesting of 1,000,000 RSUs, by two directors of the Company.
(ix) 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.

Warrants
The following summarizes the activity during the year ended February 28, 2023 and the year ended February 28, 2022:

	Number of warrants	Amount
Balance February 28, 2021	70,284,177	$ 639,814
Issued	2,500,000	124,350
Exercised	(55,000,000)	(233,369)
Expired	(5,284,177)	(363,912)
Balance February 28, 2022	12,500,000	166,883
Expired	(2,500,000)	(124,452)
Exercised	(10,000,000)	(42,431)
Balance February 28, 2023	-	$ -

There are no warrants outstanding as at February 28, 2023**.**

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.

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

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

12. EQUITY (continued)

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

On January 21, 2022, the Company granted 2,000,000 options to purchase common shares of the Company to a director of the Company, exercisable at a price of $0.10 for a period of 5 years. The options were assigned a value of $286,043 using the black scholes model using the following assumptions: risk free interest rate 1.24%; expected volatility of 213%; expected dividend yield of 0% and an expected life of five years. The options vested one month from the date of grant.

On June 1, 2022, the board approved the grant of 3,750,000 options to purchase common shares of the Company to certain employees, consultants, officers and directors of the Company with an exercise price of $0.10. 1,750,000 of the options have vesting conditions based on certain milestones (750,000 vest on the commissioning of the Lubule plant and 1,000,000 vest on the completion of a prefeasibility study on the Manono tailings). The options were assigned a value of $291,814 using the black scholes model using the following assumptions: risk free interest rate 2.86%; expected volatility of 208-226%; expected dividend yield of 0% and an expected life of five years.

On June 1, 2022, the board approved the grant of 8,900,000 restricted share units ("RSUs") to certain employees, consultants, officers and directors of the Company. 4,900,000 of the RSUs have vesting conditions based on certain milestones (1,750,000 vest upon completion of the financing for building the plant for the Manono tailings project, 1,750,000 vest upon 45 days after continuous share price trading over $0.30 and 1,750,000 vest upon 45 days after continuous share price trading over $0.60). As at February 28, 2023, 1,000,000 of the RSUs were vested and exercised. There were no RSUs outstanding at February 28, 2022 and 2021. The RSUs with market conditions were valued using the Monte Carlo valuation model using the following inputs: assumed life of RSUs 7 years, share price of $0.11, risk free rate of 2.90% and volatility of 229%. The other RSUs were valued based on the quoted market price of the Company's shares on the date of issuance being $0.11.

For the year ended February 28, 2023, $961,084 (2022 - $2,102,703) is included in the statement of loss representing the value of the options and RSUs that vested.

The following summarizes the stock option activity during the year ended February 28, 2023 and 2022:

	Number of options	Exercise price
Balance at February 28, 2021	**31,000,000**	**0.024**
Granted	18,000,000	0.08
Exercised	(11,500,000)	0.01
Balance at February 28, 2022	**37,500,000**	**$ 0.06**
Granted	3,750,000	$ 0.10
Balance at February 28, 2023	**41,250,000**	**$ 0.06**

The following options are outstanding and exercisable as at February 28, 2023:

Grant Date	Expiry date	# of Options	# of options exercisable	Exercise price
22-May-20	22-May-25	3,800,000	3,800,000	$ 0.01
15-Dec-20	15-Dec-25	11,000,000	11,000,000	$ 0.03
18-Feb-21	18-Feb 24	5,200,000	5,200,000	$ 0.07
12-Oct-21	12-Oct-26	13,500,000	13,500,000	$ 0.08
01-Nov-21	01-Nov-26	2,000,000	2,000,000	$ 0.08
21-Jan-22	21-Jan-27	2,000,000	2,000,000	$ 0.15
01-June-22	01-June-27	3,750,000	1,000,000	$ 0.10

12. EQUITY (continued)

The weighted average expiry date is 3.01 years. The weighted average exercise price is $0.06.

13. LOSS PER SHARE

The weighted average number of common shares outstanding used for the calculation for 2023 was 507,737,299 (2022 – 405,181,098). 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.

14. 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:

	February 28, 2023	February 28, 2022
		$
Shares issued for services	**$ -**	290,000
Change in accounts payable and accrued liabilities relating to property, plant and equipment	**$ 380,397**	$ -
Shares issued on conversion and settlement of debt	**$**	$

15. 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 28, 2023 and February 28, 2022. The Company is not subject to any externally imposed capital requirements as at February 28, 2023. 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.

16. 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:

16. FINANCIAL INSTRUMENT RISKS (continued)

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 February 28, 2023, 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 February 28, 2023, the Company has assets of $8,219,129 (2022 – $5,164,260) denominated in a foreign currency. The impact to equity of a 10% increase or decrease in foreign currencies to the Canadian dollar exchange rate at February 28, 2023 would be $821,900 (2022 - $516,426).

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 6.

17. GENERAL AND ADMINISTRATIVE

A breakdown of the general and administrative expenses for the years ended February 28, 2023 and February 28, 2022:

	2023	2022
Transfer agent and shareholder registration	**$ 16,523**	$ 9,875
Legal and audit	**528,962**	342,767
Consulting fees	**608,505**	141,537
Management fees	**1,716,019**	311,347
Office and general	**455,787**	250,452
Travel and costs of working abroad	**154,052**	37,515
Business development	**449,169**	-
Depreciation of equipment	**309,198**	253,953
	$ 4,238,215	$ 1,347,446

18. INCOME TAXES

The reconciliation of the combined Canadian federal and provincial statutory income tax rate for 2023 and 2022 of 27% (2019 - 26.8%) to the effective tax rates is as follows:

		February 28, 2023		February 28, 2022
Net loss before recovery of income taxes	$	(8,148,476)	$	(15,228,334)
Expected income tax recovery		(2,159,000)		(4,036,000)
Non-deductible expenses and other		(805,000)		2,537,000
Change in tax benefits not recognized		2,964,000		1,499,000
	$	-	$	-

Deferred tax assets and liabilities have been offset where they relate to income taxes levied by the same taxation authority and the Company has the legal right and intent to offset.

Unrecognized deferred tax assets

Deferred taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities. Deferred tax assets have not been recognized in respect of the following deductible temporary differences:

		February 28, 2023		February 28, 2022
Share issuance costs	$	90,000	$	33,000
Non-capital losses carried forward - Canada		30,431,000		18,505,000
Other temporary difference		593,000		-
	$	31,114,000	$	18,538,000

Congolese losses may be carried forward for an unlimited period, but may offset a maximum of 70% of the profit before tax in any year. Share issue costs will be fully amortized in 2019. The remaining deductible temporary differences may be carried forward indefinitely. Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the group can utilize the benefits therefrom.

18. INCOME TAXES (continued)

The Company's Canadian non-capital income tax losses expire as follows:

Non-capital losses expiry	Canada
2031	$ 75,000
2032	1,124,000
2033	653,000
2034	702,000
2035	1,352,000
2036	1,035,000
2037	1,074,000
2038	1,848,000
2039	2,375,000
2040	985,000
2041	1,823,000
2042	5,459,000
2043	10,879,000
	30,431,000

19. 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	2023	2022
Canada	$ 1,372,883	$ 788,562
Democratic Republic of Congo	7,653,231	5,164,260
	$ 9,026,114	$ 5,952,822

Net Loss	2023	2022
Canada	$ 162,344	$ 9,778,856
Democratic Republic of Congo	7,986,132	5,449,478
	$ 8,148,476	$ 15,228,334

20. CONTINGENCIES AND COMMITMENTS

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

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

20. CONTINGENCIES AND COMMITMENTS (continued)

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

The Company, 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.

21. SUBSEQUENT EVENTS

On April 20, 2023, the Company entered into a loan agreement with a director of the Company whereby it will receive an amount of USD$2,000,000 (the "Loan") (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, bears an interest fee of 10% and is due forty-five (45) days from the date of the execution of the Loan Agreement. The loan was not repaid on its 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.

Subsequent to February 28, 2023, the remaining USD$2,000,000 was drawn down on the Afrimet Facility.

Subsequent to February 28, 2023, 4,333,333 common shares were issued on the exercise of 4,333,333 stock options.