Tantalex Lithium Resources Corporation

Unaudited Condensed Interim Consolidated Financial Statements

Three and nine months ended November 30, 2023

(Expressed in Canadian dollars)

Notice of no auditor review of interim financial statements

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company s management. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the CPA Canada for a review of interim financial statements by an entity's auditor.

Tantalex Lithium Resources Corporation

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(expressed in Canadian dollars)

	As at November 30, 2023	As at February 28, 2023
ASSETS		
CURRENT ASSETS		
Cash	$ 1,108,782	$ 110,958
Prepaid expenses and deposits	168,094	127,056
Sales tax receivable	186,976	98,645
	1,463,852	336,659
Loan receivable (Note 6)	521,983	489,105
Property, plant and equipment (Note 8)	9,893,086	8,200,350
TOTAL ASSETS	$ 11,878,921	$ 9,026,114
LIABILITIES		
CURRENT LIABILITIES		
Trade payables and accrued liabilities (Note 10)	$ 3,883,659	$ 2,631,772
Loans and advances payable (Note 9)	12,157,208	8,661,133
Derivative liability (Note 11)	227,085	613,069
Convertible debentures (Note 11)	10,163,521	6,695,654
	26,431,473	18,601,628
Loans payable – long term (Note 9)	11,145,025	10,469,695
TOTAL LIABILITIES	$ 37,576,498	$ 29,071,323
SHAREHOLDERS' DEFICIENCY		
Share capital (Note 12)	33,018,664	24,621,762
Contributed surplus	9,896,220	10,013,967
Deficit	(67,138,447)	(53,351,902)
Accumulated other comprehensive income	75,709	220,687
TOTAL DEFICIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	(24,147,854)	(18,495,486)
Non-controlling interests	(1,549,723)	(1,549,723)
TOTAL DEFICIENCY	(25,697,577)	(20,045,209)
TOTAL LIABILITIES AND DEFICIENCY	$ 11,878,921	$ 9,026,114

GOING CONCERN (Note 2)
CONTINGENCIES (Note 19)
SUBSEQUENT EVENTS (Note 20)

Approved by the Board

“Eric Allard”
Director

“Simon Collins”
Director

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

Tantalex Lithium Resources Corporation (formerly Tantalex Resources Corporation)

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS
For the three and nine months ended November 30, 2023 and November 30, 2022
(expressed in Canadian dollars)

	Three months ended November 30,		Nine months ended November 30,	
	2023	**2022**	**2023**	**2022**
EXPENSES				
General and administrative (Note 16)	$ 1,818,916	$ 1,452,821	$ 4,634,485	$ 3,065,166
Exploration expenses (Note 6)	4,262,317	2,530,427	7,377,715	5,944,875
Stock based compensation (Note 11)	110,000	205,111	303,673	438,485
LOSS BEFORE OTHER ITEMS	(6,191,233)	(4,188,358)	(12,315,873)	(9,448,525)
Change in fair value of derivative liability (Note 10)	17,092	(1,380,005)	385,713	654,065
(Loss) gain on foreign exchange	(28,905)	(718,220)	197,135	(909,795)
Interest and accretion	(298,827)	(812,984)	(2,053,520)	(1,635,346)
NET LOSS FOR THE PERIOD	$ (6,501,873)	$ (7,099,567)	$(13,786,545)	$(11,339,601)
NET (LOSS) INCOME ATTRIBUTABLE TO:				
Equity holders of the Company	$ (6,501,873)	$ (7,099,567)	$(13,786,545)	$(11,339,601)
Non-controlling interests	-	-	-	-
	$ (6,501,873)	$ (7,099,567)	$(13,786,545)	$(11,339,601)
BASIC AND DILUTED LOSS PER SHARE (Note 12)	$ (0.01)	$ (0.01)	$ (0.02)	$ (0.02)

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
For the three and nine months ended November 30, 2023 and November 30, 2022
(expressed in Canadian dollars)

	Three months ended November 30,		Nine months ended November 30,	
	2023	**2022**	**2023**	**2022**
NET (LOSS) INCOME FOR THE PERIOD	$ (6,501,873)	$ (7,099,567)	$(13,786,545)	$(11,339,601)
Item of other comprehensive income to be subsequently reclassified to net loss				
Foreign currency translation	(90,414)	1,418,371	(144,978)	1,113,870
COMPREHENSIVE LOSS	$ (6,592,287)	$ (5,681,196)	$(13,931,523)	$(10,225,731)
NET COMPREHENSIVE LOSS ATTRIBUTABLE				
Equity holders of the Company	$ (6,592,287)	$ (5,681,196)	$(13,931,523)	$(10,225,731)
Non-controlling interests	-	-	-	-
	$ (6,592,287)	$ (5,681,196)	$(13,931,523)	$(10,225,731)

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

Tantalex Lithium Resources Corporation

UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN DEFICIENCY

Nine months ended November 30, 2023 and 2022

(expressed in Canadian dollars)

	Number of issued and outstanding common shares	Share Capital	Shares to be issued	Equity component of convertible debenture	Warrants	Contributed Surplus	Accumulated other comprehensive income	Deficit	Non-controlling interest	Total Equity
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	-	(23,208)	-	-	-	-	-	-	-	(23,208)
Conversion of convertible debentures	9,959,640	497,982	-	-	-	-	-	-	-	497,982
Debt settlement	2,943,558	236,180	-	-	-	-	-	-	-	236,180
Exercise of RSUs	1,000,000	70,000	-	-	-	(70,000)	-	-	-	-
Exercise of warrants	10,000,000	542,431	-	-	(42,431)	-	-	-	-	500,000
Stock based compensation	-	-	-	-	-	438,485	-	-	-	438,485
Net loss for the period	-	-	-	-	-	-	-	(11,339,601)	-	(11,339,601)
Exchange differences on translating foreign operations	-	-	-	-	-	-	1,113,870	-	-	1,113,870
Balance as at November 30, 2022	522,785,255	$ 24,593,291	$ -	$ 236,585	$ 124,452	$ 9,170,331	$ 1,200,766	$ (56,423,514)	$ (1,669,236)	$ (22,767,325)
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)
Conversion of loan	26,922,546	2,961,562	-	-	-	-	-	-	-	2,961,562
Exercise of RSUs	2,000,000	220,000	-	-	-	(220,000)	-	-	-	-
Exercise of stock options	9,116,666	403,420	-	-	-	(201,420)	-	-	-	202,000
Common shares issued on private placement	11,822,635	1,300,391	-	-	-	-	-	-	-	1,300,391
Share issue costs	-	11,529	-	-	-	-	-	-	-	11,529
Issue of shares per property agreement	35,000,000	3,500,000	-	-	-	-	-	-	-	3,500,000
Stock based compensation	-	-	-	-	-	303,673	-	-	-	303,673
Net loss for the period	-	-	-	-	-	-	-	(13,786,545)	-	(13,786,545)
Exchange differences on translating foreign operations	-	-	-	-	-	-	(144,978)	-	-	(144,978)
Balance as at November 30, 2023	607,647,102	$ 33,018,664	$ -	$ -	$ -	$ 9,896,220	$ 75,709	$ (67,138,447)	$ (1,549,723)	$ (25,697,577)

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

Tantalex Lithium Resources Corporation

UNAUDITED CONDENSED ITERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

For the nine months ended November 30, 2023 and November 30, 2022

(expressed in Canadian dollars)

	2023	2022
OPERATING ACTIVITIES		
Net loss	$ (13,786,545)	$ (11,339,601)
Operating items not involving cash		
Accrued interest and accretion	1,922,682	1,664,156
Depreciation of equipment	358,863	317,884
Share based payments	303,673	438,485
Shares issued as per property agreement	3,500,000	
Change in fair value of derivative liability	(385,713)	(654,065)
Unrealized foreign exchange (gain)	(272,436)	1,963,313
Changes in working capital items		
Prepaid expenses and deposits	(41,038)	(91,435)
Sales tax and other receivable	(88,331)	(7,562)
Trade payables and accrued liabilities	1,251,887	1,267,102
Cash flows used in operating activities	(7,236,958)	(6,441,723)
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,468,293)	(1,680,217)
Loan advances	-	(472,780)
Cash flows used in investing activities	(1,468,293)	(2,152,997)
FINANCING ACTIVITIES		
Proceeds from loans and advances	8,925,633	7,697,400
Proceeds from issue of common shares	1,311,920	1,195,116
Proceeds from exercise of stock options and warrants	202,000	500,000
Repayments of loans and debentures outstanding	(736,478)	(517,618)
Cash flows from financing activities	9,703,075	8,874,898
NET DECREASE IN CASH	997,824	280,178
CASH, BEGINNING OF PERIOD	110,958	367,559
CASH, END OF PERIOD	$ 1,108,782	$ 647,737

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 unaudited condensed interim consolidated financial statements on January 29, 2024.

2. GOING CONCERN

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which contemplates the realization of assets and the settlement of liabilities in the normal course of business as they come due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to twelve months from the date of the issuance of these financial statements. Management is aware, in making its assessment, of material uncertainties related to events and conditions that cast significant doubt upon the Company's ability to continue as a going concern as described in the following paragraph, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern. These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities, expenses and financial position classification that would be necessary if the going concern assumption was not appropriate. These adjustments could be material.

For the nine months ended November 30, 2023 the Company reported a net loss of $13,786,545 (nine months ended November 30, 2022 - $11,339,601) and has an accumulated deficit of $67,138,447 (February 28, 2023 – deficit of $53,351,902). 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 November 30, 2023, the Company had a working capital deficit of $24,967,621 (February 28, 2023 – working capital deficit of $18,264,969). These conditions indicate the existence of material uncertainties that cast significant doubt regarding the Company's ability to continue as a going concern. Any funding shortfall may be met in the future in a number of ways including but not limited to, the issuance of new equity, debt financing or a corporate transaction, revenue from future production. To this effect, the Company is currently evaluating different financing options. While management has been successful in securing financing in the past, there can be no assurance that it will be able to do so in the future or that these sources of funding will be available to the Company or that they will be available on terms which are acceptable to the Company. If management is unable to obtain new funding, the Company may be unable to continue its operations, and amounts realized for assets might be less than amounts reflected in these consolidated financial statements.

(expressed in Canadian dollars)

3. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE

Statement of compliance

These consolidated financial statements have been prepared in accordance and compliance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The interim condensed financial statements do not include all the information and disclosures required in the Company's annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended February 28, 2023.

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	70%
United Materials Congo	DRC	90%
Societe De Tailings De Manono	DRC	65%
Sadem Congo SARL	RC	100%

4. SUMMARY OF ACCOUNTING POLICIES

These unaudited condensed consolidated financial statements reflect the accounting policies described in Note 4 to the Company's audited consolidated financial statements for the years ended February 28, 2023 and 2022 (the "2023 audited consolidated financial statements"), (with the exception of any changes set out below) and accordingly, should be read in conjunction with the 2023 audited consolidated financial statements and the notes thereto.

Recent accounting pronouncements

During the nine months ended November 30, 2023, the Company adopted 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.

4. SUMMARY OF ACCOUNTING POLICIES (continued)

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

5. CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS

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

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

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

Stock based compensation, warrants and RSUs
The fair value of share-based payments and warrants is determined using the Black-Scholes valuation model taking into account the features of the plan and market data as at the grant date and on the basis of the Company management assumptions. Estimates are made as to the volatility of its own share price based on historical volatility, the probable life of share options and warrants granted and the time of exercise of those share options and warrants. RSUs with vesting conditions based on market factors are valued using the Monte-Carlo valuation model. Estimates are made as to the volatility of its own share price based on historical volatility, the probably life of the RSUs, and the probability the market conditions will be achieved.

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.

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

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

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

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.

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 19.

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.

(expressed in Canadian dollars)

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 nine months ended November 30, 2023 and November 30, 2022:

	2023	2022
Exploration and project development costs	$3,877,715	$ 5,307,675
Acquisition costs	3,500,000	637,200
Total	$7,377,715	$ 5,944,875

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.

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 were issued upon closing of the transaction in November 30, 2023. This resulted in TTX SAU having ownership of 52% of Minocom and where Minor holds 18% and Cominiere SA holds 30%.

(expressed in Canadian dollars)

8. PROPERTY, PLANT AND EQUIPMENT

	Construction in process	Equipment	Vehicles	Construction vehicles	Total
	$	$	$	$	$
Cost					
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-February-23	5,045,317	506,362	394,955	2,846,242	8,792,876
Foreign exchange adjustment	(28,056)	(2,902)	(2,264)	(16,312)	(49,534)
Additions	1,588,901	49,259	-	459,578	2,097,738
30-November-23	**6,606,162**	**552,719**	**392,691**	**3,289,508**	**10,841,080**
Accumulated Depreciation					
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- February -23	-	194,579	140,714	257,233	592,526
Foreign exchange adjustment	-	(1,114)	(805)	(1,475)	(3,394)
Depreciation	-	57,214	56,512	245,136	358,862
30-November-23	**-**	**250,679**	**196,421**	**500,894**	**947,994**
Carrying amounts					
28- February -23	5,045,317	311,783	254,241	2,589,009	8,200,350
30-November-23	6,606,162	302,040	196,270	2,788,614	9,893,086

During the nine months ended November 30, 2023, $619,445 (year ended February 28, 2023 - $629,920) of borrowing costs were capitalized to construction in process at a weighted average capitalized rate of 16% (2023 – 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.

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.

9. LOANS AND ADVANCES (continued)

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 originally accrued interest at a rate of 10% per annum and became due in full on March 30, 2023. On August 1, 2023, the Grid Note was amended to extend the maturity date to March 30, 2024, and increase the interest rate to 12.5% commencing August 1, 2023. As at November 30, 2023 and 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 originally accrued interest at a rate of 10% per annum and became due in full on July 20, 2023. On August 1, 2023, the Grid Note #2 was amended to extend the maturity date to July 20, 2024, and increase the interest rate to 12.5% commencing August 1, 2023. As at November 30, 2023 and February 28, 2023 the full amount of Grid Note #2 was outstanding.

(expressed in Canadian dollars)

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

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, and the balance in March 2023.

On April 20, 2023, the Company entered into a loan agreement with a director of the Company whereby it received an amount of USD$2,000,000 (the "Loan") (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 June 30, 2023, the Corporation converted the Loan Agreement of USD$2,000,000 and the 10% interest fee of USD$200,000 into 26,922,546 common shares at an issue price of $0.11 per common share.

On August 1, 2023, the Company entered into a bridge loan agreement with a private investor at arm's length (the "Bridge Loan Agreement") whereby it received a loan of USD$500,000 (the "Loan"). The Loan is unsecured, bears an interest fee of 10% and is due ninety (60) days from the date of the execution of the Bridge Loan Agreement. The proceeds from the Loan will be used for general working capital and progressing on the completion of the TiTan plant construction and advancing the Manono tailings preliminary economic assessment and feasibility study. The principal amount was repaid on November 20, 2023. The interest fee plus a late fee has been accrued (totaling $123,750) at November 30, 2023.

	November 30, 2023	February 28, 2023
Opening balance	$ 19,130,828	$ 10,005,050
Advances	-	1,150,910
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	6,180,957	5,793,716
Grid note 1	-	1,252,945
Grid note 2	-	1,289,880
Repayments - cash	(736,560)	(751,226)
Conversion of debt to common shares	(2,961,480)	-
Interest accrued	1,834,651	1,027,020
Foreign exchange	(146,163)	963,853
Balance end of period/year	$ 23,302,233	$ 19,130,828
Current	$ 12,157,208	$ 10,005,050
Long-term	11,145,025	-
	$ 23,302,233	$ 10,005,050

(expressed in Canadian dollars)

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 nine months ended November 30, 2023 and November 30, 2022:

	2023	2022
Management and consulting fees	**$ 751,686**	$ 1,013,526
Share-based payments	**42,857**	227,219
	$ 794,543	$ 1,240,745

During the nine months ended November 30, 2023, $91,125 (nine months ended November 30, 2022 - $73,200) of fees were charged by CFO Advantage Inc., a company owned by the Chief Financial Officer of the Company. As at November 30, 2023, $87,900 (February 28, 2023 - $83,793) of the fees are outstanding 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. During the nine months ended November 30, 2023, 2,000,000 common shares were issued on the exercise of 2,000,000 stock options by the Chief Financial Officer.

During the nine months ended November 30, 2023, $198,140 (nine months ended November 30, 2022 - $96,750) of fees were charged by 3IM Technologies (“3IM”), a Company owned by the CEO (and former VP) of the Company. As at November 30, 2023, $133,787 (February 28, 2023 - $68,847) of the fees and expenses are outstanding 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 November 30, 2023, $nil (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. On August 17, 2023, 3IM provided a $60,000, non-interest-bearing, short-term loan to the Company with no specific terms of repayment.

During the nine months ended November 30, 2023, the Company was charged $87,482 (nine months ended November 30, 2022 - $116,677) by law firms for legal services and disbursements where Michel Lebeuf (former Interim CEO, former director and the current corporate secretary of the Company) is a partner. As at November 30, 2023, $15,648 (February 28, 2023 - $32,007) was payable and are included in trade payables and accrued liabilities on the statement of financial position.

During the nine months ended November 30, 2023, the Company was charged $79,746, by Matthew Botell, director of the Company, as consulting fees. $239,238 of fees remained payable at November 30, 2023.

During the nine months ended November 30, 2023, the Company was charged $147,423, by Hadley Natus, director of the Company, as consulting fees. $43,685 of fees remained payable at November 30, 2023. During the period, 5,566,666 common shares were issued to Mr. Natus upon the exercise of 5,566,666 stock options.

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

On April 20, 2023, the Company entered into the Loan Agreement (note 9) with Simon Collins, a director of the company.

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.

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).

10. RELATED PARTY TRANSACTIONS (continued)

- $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.

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"). On May 1, 2023, the Company entered into an amending agreement to extend the maturity date of a Convertible loan to January 10, 2024. All other terms remain the same. The 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.

See note 9, ICC Convertible Debentures.

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

(expressed in Canadian dollars)

11. CONVERTIBLE DEBENTURES (continued)

Facility A was drawn at the Closing Date. Facility B is made available subject to the satisfaction of certain conditions precedent. The Company has indicated to Glencore that the Company intends to satisfy such conditions precedent promptly. The Facilities shall terminate on December 1st, 2025 (the "Termination Date").

The Company agreed to pay to Glencore a facility fee in an amount equal to 1.5 per cent of the aggregate amount of the Facilities as at the Closing Date.

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

The following table discloses the components associated with convertible debenture:

	November 30, 2023	February 28, 2023
	$	$
Convertible debenture liability component:		
Balance, at beginning of the period/year	6,695,654	5,190,993
Converted to shares	-	(497,982)
Funds advanced	2,744,676	1,601,320
Derivative liability	-	(732,162)
Gain on modification	-	(407,846)
Foreign exchange adjustments	(27,163)	321,303
Accretion and interest	750,354	1,220,028
Balance, at the end of the period/year	10,163,521	6,695,654

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

	November 30, 2023	February, 28, 2023
	$	$
Opening balance	613,069	4,458,448
Additions (note 9)	-	732,162
Change in fair value of derivative liability*	(385,713)	(4,582,220)
Foreign exchange adjustment	(271)	4,679
Balance end of period	227,085	613,069

** As at November 30, 2023 and 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.*

(expressed in Canadian dollars)

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, 2022	**483,651,757**	**$ 22,051,582**
Conversion of debenture (note 11)	9,959,640	497,982
Exercise of warrants (i)	10,000,000	542,431
Settlement of debt (ii)	2,943,558	236,179
Issue of shares on exercise of RSUs (iii)	1,000,000	110,000
Shares issued on private placement of common shares (iv)	15,230,300	1,183,588
Total shares issued at February 28, 2023	**522,785,255**	**24,621,762**
Issue of shares on exercise of RSUs (iii)	2,000,000	220,000
Issued of share on exercise of options (v)	9,166,666	403,420
Issue of shares on the conversion of the Loan Agreement (note 9)	26,922,546	2,961,562
Shares issued on private placement of common shares (vi)	11,822,635	1,300,391
Shares issued on agreement with Minor (note 7)	35,000,000	3,500,000
Share issue costs	-	11,529
Total shares issued at November 30, 2023	**607,647,102**	**$ 33,018,664**

(i) 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.

(ii) On September 6, 2022, the Company settled $236,179 of debt with the issuance of 2,943,558 common shares. $121,285 of this debt was settled with directors and officers.

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

(iv) 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.

(v) During the nine months ended November 30, 2023, 9,166,666 common shares were issued on the exercise of 9,166,666 stock options for proceeds of $202,000. The options had a value of $201,420 which was removed from contributed surplus on the issuance of the shares.

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

Warrants

The following summarizes the activity during the nine months ended November 30, 2023 and the year ended February 28, 2023:

	Number of warrants	Amount
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 and November 30, 2023	-	$ -

(expressed in Canadian dollars)

12. EQUITY (continued)

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 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 November 30, 2023, 2,000,000 (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 nine months ended November 30, 2023, $303,673 (2022 - $438,485) 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 nine months ended November 30, 2023 and the year ended February 28, 2023:

	Number of options	Exercise price
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**
Cancelled	(2,000,000)	$ 0.10
Exercised	(9,116,666)	$ 0.02
Balance at November 30, 2023	**30,133,334**	**$ 0.07**

The following options are outstanding and exercisable as at November 30, 2023:

Grant Date	Expiry date	# of Options	# of options exercisable	Exercise price
15-Dec-20	15-Dec-25	5,833,334	5,833,334	$ 0.03
18-Feb-21	18-Feb 24	5,000,000	5,000,000	$ 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
01-June-22	01-June-27	3,750,000	1,000,000	$ 0.10

The weighted average expiry date is 2.35 years. The weighted average exercise price is $0.07.

(expressed in Canadian dollars)

13. LOSS PER SHARE

Excluded from the calculation of the diluted loss per share are warrants, convertible debentures and stock options because to include them would be anti-dilutive as they would have the effect of decreasing the loss per share.

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:

	November 30, 2023	November 30, 2022
Shares issued on conversion and settlement of debt	**$2,961,562**	$ 497,882
Shares issued as part of property acquisition	**$3,500,000**	-

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 nine months ended November 30, 2023 and the year ended February 28, 2023. The Company is not subject to any externally imposed capital requirements as at November 30, 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:

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.

(expressed in Canadian dollars)

16. FINANCIAL INSTRUMENT RISKS (continued)

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 November 30, 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 November 30, 2023, the Company has assets of $10,160,215 (February 28, 2023 – $8,219,129) 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 November 30, 2023 would be $1,016,021 (February 28, 2023 - $821,900).

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 three and nine months ended November 30, 2023 and November 30, 2022:

	Three months ended November 30,		Nine months ended November 30,	
	2023	2022	2023	2022
Legal and audit	$ 278,872	$ 97,450	$ 480,086	$ 393,634
Consulting fees	60,666	139,908	415,358	317,768
Management fees	455,568	608,741	1,401,121	1,196,301
Office and general	873,617	354,486	1,829,230	573,312
Business development	28,196	135,335	149,827	277,681
Depreciation	121,997	116,901	358,863	306,470
	$ 1,818,916	$ 1,452,821	$ 4,634,485	$ 3,065,166

(expressed in Canadian dollars)

18. 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		November 30, 2023		February 28, 2023
Canada	$	2,227,158	$	1,372,883
Democratic Republic of Congo		9,651,763		7,653,231
	$	11,878,921	$	9,026,114

Net Loss for the nine months ended November 30,		2023		2022
Canada	$	6,535,744	$	(3,405,596)
Democratic Republic of Congo		7,250,801		(7,934,006)
	$	13,786,545	$	(11,339,601)

19. 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.

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.

20. SUBSEQUENT EVENTS

On July 8, 2022, the Corporation announced that it closed a private placement of USD$1,231,784.08 principal amount of an unsecured convertible debenture with AfriMet with an initial maturity date of July 10, 2023, and an interest rate of 10% per annum (the "Convertible Debenture"). The Convertible Debenture is 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 Common Share. Subsequently, the maturity date was extended to January 10, 2024. The parties extended a second time the maturity date to January 10, 2025, and the interest rate shall increase to 12.5% starting January 11, 2024 until maturity.

20. SUBSEQUENT EVENTS (continued)

The Corporation has entered into a loan agreement with AfriMet Resources AG ("AfriMet"), a corporation incorporated under the laws of Switzerland and involved in metals and minerals commodity trading specialising in Africa-sourced products including tin and tantalum and also a significant shareholder of the Corporation. Pursuant to this loan agreement ("AfriMet Loan Agreement") AfriMet will make available a loan in the principal amount of USD$750,000 (the "AfriMet Loan") which will be made in two tranches: a first tranche by December 31, 2023 and a second tranche by January 15, 2024. The AfriMet Loan bears an interest rate of 12.5% per annum from the date of payment. The AfriMet Loan will be offset of USD$12,500 per metric ton ("mt") of DRC Ta2O5 ore delivered with a target delivery of 10mt per lot. The proceeds will be used for general working capital purposes and procurement of a new trommel for the TiTan plant.

On December 4, 2023, 1,000,000 common shares were issued on the exercise of 1,000,000 stock options.