FORM 2A
LISTING STATEMENT

LYNNWOOD CAPITAL INC.
(to be renamed Tantalex Resources Corporation)

DATED October 18, 2013

NEITHER THE CANADIAN NATIONAL STOCK EXCHANGE NOR ANY SECURITIES REGULATORY AUTHORITY HAS IN ANY WAY PASSED UPON THE MERITS OF THE TRANSACTION DESCRIBED IN THIS LISTING STATEMENT.

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GLOSSARY

"**Affiliate**" means a Company that is affiliated with another Company as described below. A Company is an Affiliate of another Company if (a) one of them is the subsidiary of the other, or (b) each of them is controlled by the same Person. A Company is "controlled" by a Person if (a) voting securities of the Company are held, other than by way of security only, by or for the benefit of that Person, and (b) the voting securities, if voted, entitle the Person to elect a majority of the directors of the Company. A Person beneficially owns securities that are beneficially owned by (a) a Company controlled by that Person, or (b) an Affiliate of that Person or an Affiliate of any Company controlled by that Person.

"**Amalgamated Corporation**" means the corporation that will continue following completion of the Amalgamation between Tantalex and the Amalgamation Entity.

"**Amalgamation**" means the amalgamation under the provisions of Section 181 of the CBCA, on the terms and subject to the conditions set out in Articles of Amalgamation, subject to any amendments or variations thereto made in accordance with the Amalgamation Agreement.

"**Amalgamation Agreement**" means the amalgamation agreement for the Amalgamation by and between Lynnwood, Tantalex and the Amalgamation Entity, as may be amended, supplemented and/or restated in accordance therewith.

"**Amalgamation Entity**" means 8482373 Canada Inc., a corporation incorporated under the CBCA, a wholly owned subsidiary of Lynnwood which will amalgamate with Tantalex pursuant to the Amalgamation.

"**Arm's Length Transaction**" means a transaction which is not a Related Party Transaction.

"**Associate**" has the meaning ascribed to such term in the *Securities Act* (British Columbia), as amended, including the regulations promulgated thereunder.

"**Available Funds**" means the funds that will be available to the Resulting Issuer on completion of the Amalgamation.

"**BCBCA**" means the *Business Corporations Act* (British Colombia), as amended, including the regulations promulgated thereunder.

"**Business Day**" means any day other than a Saturday, Sunday or a statutory or civic holiday in the City of Toronto, Ontario.

"**CBCA**" means the *Canada Business Corporations Act,* as amended, including the regulations promulgated thereunder.

"**Certificate of Amalgamation**" means the certificate of amalgamation in respect of the Amalgamation issued pursuant to Section 185(4) of the CBCA.

"**CNSX Listing**" means the listing of the Resulting Issuer Shares on the CNSX.

"**Company**" unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.

"**Computershare**" means Computershare Investor Services Inc.

"**Consulting Agreement**" means the consulting agreement to be entered into upon closing of the Amalgamation between the Resulting Issuer and Yewbrook Capital Inc. for mining, financial and capital markets consulting service.

"**Control Person**" means any person or company that holds or is one of a combination of persons or companies that holds a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer.

"**Effective Date**" means the date shown in the Certificate of Amalgamation.

"**Finder**" means Eosphoros Asset Management Incorporated who acted as a finder in connection with the Amalgamation.

"**Insider**" if used in relation to an issuer, means (a) a director or senior officer of the issuer; (b) a director or senior officer of the Company that is an Insider or subsidiary of the issuer; (c) a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the issuer; or (d) the issuer itself if it holds any of its own securities.

"**Letter Agreement**" means the letter of intent dated March 18, 2013 between Lynnwood and Tantalex in respect of the Amalgamation, as amended on March 27, 2013.

"**Listing Date**" means the date of the CNSX Listing.

"**Listing Statement**" means this listing statement, together with all appendices attached hereto and including the summary hereof.

"**Lynnwood**" means Lynnwood Capital Inc., a corporation incorporated under the laws of the Province of British Columbia.

"**Lynnwood IPO**" means the initial public offering of Lynnwood which closed on June 30, 2010, whereby it sold 2,000,000 Lynnwood Shares at a price of $0.10 per share and raised gross proceeds of $200,000.

"**Lynnwood Options**" means the incentive stock options issued by Lynnwood exercisable for 742,500 Lynnwood Shares (405,198 upon completion of the Lynnwood Share Consolidation);

"**Lynnwood Share Consolidation**" means the consolidation by Lynnwood of the Lynnwood Shares after the TSXV Delisting resulting in an aggregate of 1,118,731 Lynnwood Shares following completion of the consolidation.

"**Lynnwood Shareholders**" means the registered holders of the Lynnwood Shares.

"**Lynnwood Shares**" means the fully paid and non-assessable common shares in the capital of Lynnwood.

"**Mayoko Project**" means Tantalex's mining project composed of four exploration licences located in northwestern Congo, in the Niari district, from the town of Mossendjo in the south, to the Gabon border to the north, and which is the subject of the Technical Report.

"**MD&A**" means management discussion and analysis.

"**NI 43-101**" means National Instrument 43-101 *Standards of Disclosure for Mineral Projects* of the Canadian Securities Administration.

"**Person**" means a Company or individual.

"**Promoter**" means (a) a person or company who, acting alone or in conjunction with one or more other persons, companies or a combination thereof, directly or indirectly, takes the initiative in founding,

organizing or substantially reorganizing the business of an issuer, or (b) a person or company who, in connection with the founding, organizing or substantial reorganizing of the business of an issuer, directly or indirectly, receives in consideration of services or property, or both services and property, 10 per cent or more of any class of securities of the issuer or 10 per cent or more of the proceeds from the sale of any class of securities of a particular issue, but a person or company who receives such securities or proceeds either solely as underwriting commissions or solely in consideration of property shall not be deemed a promoter with the meaning of this definition if such person or company does not otherwise take part in founding, organizing, or substantially reorganizing the business.

"**Related Party Transaction**" has the meaning ascribed to such term in Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*.

"**Resulting Issuer**" means Lynnwood after giving effect to the Amalgamation.

"**Resulting Issuer Shares**" means the common shares of Lynnwood after giving effect to the Amalgamation.

"**Sandstone**" means Sandstone World Ltd., a corporation incorporated under the laws of Bahamas, a wholly owned subsidiary of Tantalex.

"**Sadem**" means Sadem Congo S.A.R.L., a limited liability corporation registered under the laws of the Republic of Congo, a wholly owned subsidiary of Sandstone.

"**Tantalex**" means Tantalex Corporation, a corporation incorporated under the CBCA.

"**Tantalex Convertible Securityholders**" means the persons who, pursuant to the exercise of outstanding Tantalex options, the conversion of Tantalex convertible debentures and Tantalex shares for debt transactions, will receive Resulting Issuer Shares upon completion of the Transaction.

"**Tantalex Shares**" means the common shares in the capital of Tantalex.

"**Tantalex Shareholders**" means the registered holders of the Tantalex Shares.

"**Technical Report**" means the technical report prepared by IOS effective January 9, 2013 entitled "The Mayoko Columbo-Tantalite Exploration Project, District of Niari, Republic Of Congo".

"**Transaction**" means the completion of (i) the TSXV Delisting; (ii) the Lynnwood Share Consolidation; (iii) the Amalgamation; and (iv) the CNSX Listing.

"**TSXV**" means the TSX Venture Exchange.

"**TSXV Delisting**" means the delisting of the Lynnwood Shares from the TSXV resulting in the cancellation of 3,600,000 Lynnwood Shares pursuant to the policies of the TSXV and resulting in an aggregate of 2,050,000 Lynnwood Shares (assuming no existing convertible securities of Lynnwood are exercised) following completion of the delisting.

"**TSXV Policy 2.4**" means Policy 2.4 – Capital Pool Companies of the TSXV.

CONVENTIONS

Certain terms used herein are defined in the "*Glossary*". Certain other terms used herein but not defined herein are defined in NI 43-101 and, unless the context otherwise requires, will have the same meanings herein as ascribed to them in NI 43-101.

Unless otherwise indicated, references herein to "$" or "dollars" are to Canadian dollars. All financial information herein has been presented in Canadian dollars and in accordance with Canadian GAAP.

Words importing the singular include the plural and vice versa and words importing any gender include all genders.

FORWARD-LOOKING INFORMATION

Certain statements contained in this Listing Statement constitute forward-looking information and forward-looking statements (collectively, "**forward-looking statements**") pursuant to the applicable securities laws. All statements, other than statements of historical fact, contained in this Listing Statement are forward-looking statements, including, without limitation, statements regarding the future financial position, business strategy, proposed acquisitions, budgets, projected costs and plans and objectives of or involving Lynnwood, Tantalex or the Resulting Issuer. The use of any of the words "anticipate", "intend", "continue", "estimate", "expect", "may", "will", "plan", "project", "should", "believe" and similar expressions are intended to identify forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. In particular, this Listing Statement contains forward-looking statements pertaining to the following:

- the resource potential of Tantalex's Mayoko Project;
- Tantalex's growth strategy and opportunities;
- the estimated quantity and value of Tantalex's resources;
- Tantalex's estimates of future interest and foreign exchange rates;
- Tantalex's expectations regarding commodity prices;
- the timing and scope of certain of Tantalex's operations and the timing and level of production from Tantalex's Mayoko Project;
- Tantalex's expectations and plans for the construction of the necessary infrastructure;
- Tantalex's expectations regarding its ability to successfully transport and sell Columbo-Tantalite;
- the potential for production disruption and constraints;
- supply and demand fundamentals for Columbo-Tantalite;
- the ability of Tantalex to work with the Republic of Congo;
- Tantalex's exploration and drilling plans;
- industry and market conditions pertaining to the mining industry;
- Tantalex's plans for, and results of, exploration and development activities;
- the use of available funds of the Resulting Issuer;
- the timing for receipt of regulatory and shareholder approvals;

- the completion of the Amalgamation, the TSXV Delisting and the CNSX Listing;
- Tantalex's treatment under the governmental and regulatory regimes and the application to Tantalex of tax laws of the Republic of Congo;
- the ability of Tantalex to retain and attract qualified personnel;
- Tantalex's future general and administrative expenses; and
- the compensation that is expected to be paid to the executive officers and directors of Tantalex in 2013 and thereafter.

Tantalex and Lynnwood believe that the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forwarding-looking statements speak only as of the date of this Listing Statement. Forward-looking statements are subject to risks, uncertainties and assumptions, including those discussed elsewhere in this Listing Statement. See "*Risk Factors*", "*Risk Factors - Risks Related to the Company's Country of Operation*", "*Risk Factors - Risks Related to the Resulting Issuer's Business*" and "*Risk Factors - Risks Related to the Amalgamation*". Although Tantalex and Lynwood believe the assumptions reflected in the forward-looking statements are reasonable, actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and included elsewhere in this Listing Statement, including:

- the risk that Tantalex's operating and capital costs escalate to levels beyond those contemplated in Tantalex's plans;
- the potential that more complicated logistics associated with construction and production in the Republic of Congo diverts Tantalex's management's focus and resources from other aspects of Tantalex's plans;
- risks related to the timing and scope of completion of Tantalex's projects;
- competition for, among other things, capital, the acquisition of reserves and resources, skilled personnel and equipment;
- failure to engage or retain key personnel on acceptable terms or at all;
- the potential for Tantalex's estimates and assumptions to be inaccurate;
- uncertainties inherent in estimating quantities of Columbo-Tantalite reserves and resources;
- potential losses which may stem from any disruptions in production, including work stoppages or other labour difficulties;
- failure by counterparties of Tantalex to make payments (including but not limited to payments for the purchase of Tantalex's production) or perform their operational or other obligations to Tantalex in compliance with the terms of contractual arrangements between Tantalex and such counterparties in a timely manner or at all;
- repatriation of earnings from the Republic of Congo;
- failure by Tantalex or its public or private industry partners to comply with applicable policies or laws, including those relating to corruption of government officials;

- political, economic and business risks in the Republic of Congo;
- actions by the Republic of Congo, including changes in the Republic of Congo's laws and regulations relating to royalties, the environment and taxation or changes to the terms of the mining concessions;
- failure to successfully tie-in, upgrade, transport and/or market and sell Tantalex's production on a timely basis and on commercial terms or at all;
- the failure of Tantalex to meet specific requirements of the mining concessions;
- claims made in respect of Tantalex's Mayoko Project or assets, including but not limited to the risk of nationalization or expropriation by the Republic of Congo;
- Tantalex's status and stage of development;
- general economic, market and business conditions;
- volatility in market prices for Columbo-Tantalite;
- risks inherent in the exploration, development and production of Columbo-Tantalite which may create liabilities to Tantalex in excess of Tantalex's insurance coverage;
- operational hazards;
- environmental risks and hazards;
- failure to accurately estimate abandonment and reclamation costs;
- failure of third parties' reviews, reports and projections to be accurate;
- the availability of capital on acceptable terms or at all;
- unforeseen title defects;
- potential conflicts of interest;
- risks associated with establishing and maintaining systems of internal controls;
- risks related to the reliance on historical financial information, including that historical financial information does not reflect the added costs that Tantalex expects to incur as a public entity;
- indebtedness that may need to be incurred by Tantalex;
- volatility in the market price of Resulting Issuer Shares;
- the effect that the issuance of additional securities by Tantalex could have on the market price of Resulting Issuer Shares;
- failure to acquire or develop replacement reserves and resources;

- geological, technical, drilling and processing problems, including the availability of equipment and personnel and access to properties;
- current global financial conditions, including fluctuations in interest rates, foreign exchange rates and stock market volatility;
- risks arising from future acquisition activities;
- hedging strategies; and
- the other factors discussed under "*Risk Factors*" in this Listing Statement.

Some of the risks which could affect future results and could cause results to differ materially from those expected in the forward-looking statements contained herein include, but are not limited to: the ability to access sufficient capital, the early stages of mining exploration, the impact of general economic conditions, volatility of commodity prices, environmental risks and regulatory requirements, competition from other industry participants, title risks and share price fluctuations. The information contained in this Listing Statement and information set forth under the heading "*Risk Factors*", identifies additional factors that could affect the operating results and performance of Tantalex, Lynnwood and the Resulting Issuer.

We urge you to carefully consider those factors. With respect to forward-looking statements contained in this Listing Statement, Tantalex and Lynnwood have made assumptions regarding, among other things:

- the political, economic and business stability of the Republic of Congo;
- a common understanding and interpretation of the terms of the mining concessions;
- the Republic of Congo's participation in Tantalex's development activities;
- the timeframe within which Tantalex expects to receive payment for its production;
- Tantalex's ability to obtain and retain qualified staff in a timely and cost-efficient manner;
- Tantalex's ability to obtain and retain necessary equipment in a timely and cost-efficient manner;
- future Columbo-Tantalite prices;
- the application to Tantalex of the regulatory framework governing royalties, taxes and environmental matters in the Republic of Congo;
- Tantalex's ability to market, sell and receive payment for its production and the prices to be received for such production sales;
- Tantalex's future production levels;
- the recoverability of Tantalex's resources;
- future capital expenditures to be made by Tantalex;
- future cash flows from production;
- future sources of funding for Tantalex's capital program;

- Tantalex's future debt levels, if any;
- geological and engineering estimates in respect of Tantalex's resources;
- the geography of the areas in which Tantalex is conducting exploration and development activities;
- the intentions of the board of directors of Tantalex with respect to the executive compensation plans and corporate governance programs described herein;
- the impact of competition on Tantalex; and
- Tantalex's ability to obtain additional required financing on acceptable terms.

Tantalex and Lynnwood have included the above summary of assumptions and risks related to forward-looking information provided in this Listing Statement in order to provide investors with a more complete perspective on Tantalex and Lynnwood's current and the Resulting Issuer's future operations and such information may not be appropriate for other purposes.

Forward-looking statements and other information contained in this In Listing Statement concerning the mining industry in Republic of Congo and Tantalex's general expectations concerning this industry are based on estimates prepared by Tantalex using data from publicly available industry sources as well as from reserve and resource reports, market research and industry analysis and on assumptions based on data and knowledge of this industry which Tantalex believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While Tantalex is not aware of any material misstatements regarding any industry data presented herein, the mining industry, particularly in the Republic of Congo, involves numerous risks and uncertainties and is subject to change based on various factors. The Resulting Issuer's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits Lynnwood, Tantalex and the Resulting Issuer will derive therefrom.

Readers are cautioned that the foregoing lists of risks and assumptions are not exhaustive. The forward-looking statements contained in this Listing Statement are expressly qualified by this cautionary statement.

Except as required by applicable securities laws, none of Tantalex, Lynwood or the Resulting Issuer undertakes any obligation or is under any duty to publicly update or revise any forward-looking statements. In addition, information and statements in this Listing Statement relating to reserves and resources are deemed to be forward-looking information and statements, as they involve the implied assessment, based on certain estimates and assumptions, that the resources described exist in the quantities predicted or estimated, and that the reserves and resources described can be profitably produced in the future.

THE TRANSACTION

Structure

Pursuant to the Letter Agreement, Lynnwood and Tantalex agreed to combine their businesses. They subsequently agreed that the most effective means of achieving such goal was to complete a triangular amalgamation.

The amalgamation effectively provides for the acquisition of all of the outstanding equity interests of

Tantalex by Lynnwood, indirectly through the Amalgamation Entity (a wholly owned Canada incorporated subsidiary of Lynnwood) in a transaction in which Tantalex Shareholders will receive Lynnwood Shares and, if applicable, convertible securities of Lynnwood. As a result of the amalgamation of Amalgamation Entity and Tantalex, Lynnwood will become the sole beneficial owner of all of the outstanding shares of Amalgamated Corporation.

Pursuant to the Amalgamation Agreement between Lynnwood, Tantalex and the Amalgamated Entity, upon completion of the Amalgamation every one (1) Tantalex Share held by Tantalex Shareholders will be exchanged for one Resulting Issuer Share.

The Amalgamation Agreement provides that, without action by the holder thereof each option and warrant of Tantalex shall, upon the Effective Date, become an option or warrant, as applicable, to purchase the number of Resulting Issuer Shares determined by dividing the number of Tantalex Shares subject to the option or warrant, as applicable, on the Effective Date by one (1), at an exercise price per Resulting Issuer Share equal to the exercise price per Tantalex Share in the option or warrant, as applicable, on the Effective Date multiplied by one (1). Subject to the above, the terms and conditions of the options and warrants in effect on the Effective Date shall continue to govern the said options and warrants following the Effective Date.

The Amalgamation will result in Lynnwood issuing an aggregate of 19,810,199 Resulting Issuer Shares to the Tantalex Shareholders, 12,496,634 Resulting Issuer Shares to the Tantalex Convertible Securityholders, and 75,000 Resulting Issuer Shares pursuant to the Consulting Agreement. Following completion of the Transaction, 33,500,564 Resulting Issuer Shares will be outstanding, without giving effect to:

(i) options to purchase 405,198 Resulting Issuer Shares pursuant to the Lynnwood Options;
(ii) options to purchase 2,000,000 Resulting Issuer Shares pursuant to the outstanding options of Tantalex;
(iii) warrants to purchase 7,617,963 Resulting Issuer Shares pursuant to the outstanding warrants of Tantalex (including 144,000 broker's warrants);
(iv) convertible debentures convertible into 4,500,000 Resulting Issuer Shares pursuant to outstanding convertible debentures of Tantalex; and
(v) 2,125,000 Resulting Issuer Shares which will be reserved for issuance pursuant to the Consulting Agreement.

The former Tantalex Shareholders and Tantalex Convertible Securityholders will own approximately 96.44% of the Resulting Issuer Shares, current Lynnwood Shareholders will hold approximately 3.34% of the Resulting Issuer Shares, and the consultant pursuant to the Consulting Agreement will hold approximately 0.22% of the Resulting Issuer Shares.

Accordingly, the Amalgamation will constitute a reverse takeover of Lynnwood. Completion of the Amalgamation is conditional upon all necessary regulatory approvals, including the approval of the CNSX, the approval of the shareholders of Lynnwood and Tantalex, the TSXV Delisting, the CNSX Listing and other conditions which are typical for a business combination transaction of this type.

The Amalgamation is not a Related Party Transaction. As a result, the Amalgamation is not subject to Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*.

TSXV Delisting and Lynnwood Share Consolidation

Pursuant to the terms of the Letter Agreement, prior to the Amalgamation Lynnwood is required to complete the TSXV Delisting resulting in the delisting of the 5,650,000 Lynnwood Shares issued and outstanding from the TSXV and the cancellation of 3,600,000 Lynnwood Shares pursuant to the policies of the TSXV. Upon completion of the TSXV Delisting there will be 2,050,000 Lynnwood Shares (assuming no existing convertible securities of Lynnwood are exercised) issued and outstanding and upon completion of the Lynnwood Share Consolidation the 2,050,000 Lynnwood Shares will be consolidated

into approximately (subject to rounding) 1,118,731 Lynnwood Shares (assuming no existing convertible securities of Lynnwood are exercised).

Consulting Agreement

Concurrently with the closing of the Amalgamation, the Resulting Issuer will enter into the Consulting Agreement. Pursuant to the terms of the Consulting Agreement Yewbrook Capital Inc. will provide the Resulting Issuer with mining, financial and capital markets consulting services which will be provided by Carl Pescio (mining) and Greg Hryhorchuk and Robert Lipsett (financial and capital markets). The terms of the Consulting Agreement will be substantially as follows:

(a) $15,000 engagement fee (payable by the issuance of 75,000 Resulting Issuer Shares at a deemed price of $0.20 per Resulting Issuer Share;

(b) $15,000/month (payable by the issuance of Resulting Issuer Shares at the end of each month at a deemed price equal to the greater of (i) $0.10, and (ii) the market price of the Resulting Issuer Shares on the CNSX on the last trading day of each month); and

(c) initial term to commence on the Effective Date and end on the later of (i) 20 months from the Effective Date, and (ii) the date Yewbrook Capital Inc. has been issued at least 2,200,000 Resulting Issuer Shares.

Yewbrook Capital Inc. is a corporation wholly owned and controlled by Greg Hryhorchuk (a former director of Lynnwood), Carl Pescio (a director of Lynnwood), Janet Pescio (the spouse of Carl Pescio) and Robert Lipsett (the Chief Executive Officer and a director of Lynnwood).

Resulting Issuer

Following completion of the Amalgamation, Amalgamated Corporation will be a wholly owned subsidiary of the Resulting Issuer.

The Resulting Issuer will be engaged in the business of Tantalex as described in this Listing Statement. See "*Narrative Description of the Business - Tantalex Corporation*".

The board of directors of the Resulting Issuer is expected to be comprised of the following five (5) persons: Dave Gagnon, Jean-Robert Pronovost, Bernard Lapointe, Ndongo Armel Rodrigue Dziengue, and Denis Bélisle.

The management team of the Resulting Issuer is expected to be comprised of the following individuals: Dave Gagnon (Chief Executive Officer), Jean-Robert Pronovost (Chief Financial Officer), Ndongo Armel Rodrigue Dziengue (Vice-President African Operations) and Michel Lebeuf (Corporate Secretary).

CORPORATE STRUCTURE

Lynnwood Capital Inc.

Lynnwood was incorporated under the name "Lynnwood Capital Inc." pursuant to the BCBCA on September 28, 2009. Lynnwood is a reporting issuer in the Provinces of British Columbia and Alberta.

Lynnwood's head and registered office is located at 2060-777 Hornby Street, Vancouver, British Columbia, Canada, V6Z 1T7.

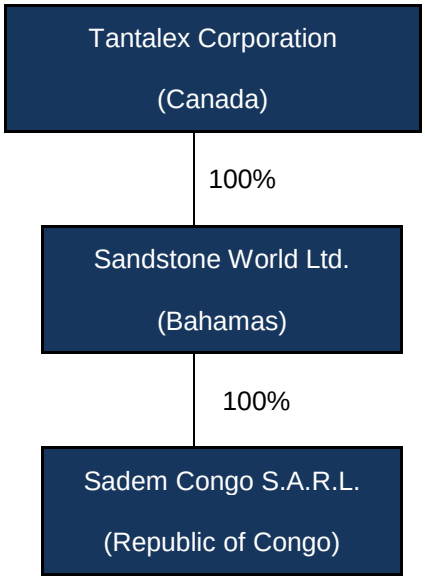
The only subsidiary of Lynnwood is Amalgamation Entity which was created to for the sole purpose of amalgamating with Tantalex pursuant to the Amalgamation.

Tantalex Corporation

Tantalex was incorporated under the name "*Tantalex Corporation*" pursuant to the CBCA on October 5, 2011.

Tantalex's head and registered office is located at 3 Place du Commerce, Suite 500, Montreal, Quebec, Canada.

The following chart illustrates the intercorporate relationships among Tantalex and its subsidiaries as of the date hereof.



Sandstone is a wholly-owned subsidiary of Tantalex. Sandstone incorporated under the laws of Bahamas.

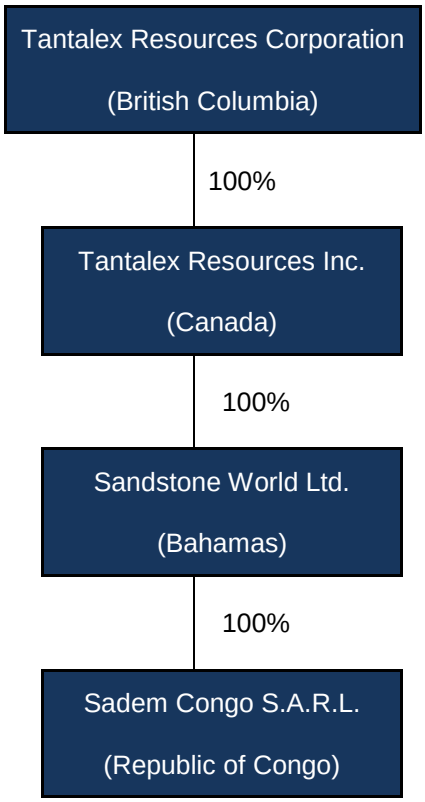
Sadem is a wholly-owned subsidiary of Sandstone. Sadem was incorporated under the laws of the Republic of Congo.

Resulting Issuer

The Resulting Issuer will be named "Tantalex Resources Corporation" and will be governed by the BCBCA. The Resulting Issuer will be a reporting issuer in the Provinces of British Columbia, Alberta and Ontario.

The Resulting Issuer's registered office will be located at 1500 Royal Centre, 1055 West Georgia Street, P.O. Box 11117, Vancouver, BC V6E 4N7, and its head office will be located at 3 Place du Commerce, Suite 500, Montreal, Quebec, Canada.

The following chart illustrates the intercorporate relationships that will exist among the Resulting Issuer and its subsidiaries as of the Effective Date.



Amalgamated Corporation (Tantalex Resources Inc.) will be a wholly-owned subsidiary of the Resulting Issuer. Amalgamated Corporation will be governed by the CBCA.

Sandstone will be a wholly-owned subsidiary of Amalgamated Corporation and will continue to be governed by the laws of Bahamas.

Sadem will be a wholly-owned subsidiary of Sandstone and will continue to be governed by the Republic of Congo.

GENERAL DEVELOPMENT OF THE BUSINESS

Lynnwood Capital Inc.

Lynnwood was incorporated on September 28, 2009. Lynnwood issued 7,200,000 Lynnwood Shares prior to the Lynnwood IPO to certain of its founders at a price of $0.05 per share for gross proceeds of $360,000, all of which were placed in escrow in accordance with the policies of the TSXV. On June 30, 2010, Lynnwood completed the Lynnwood IPO and on July 6, 2010 the Lynnwood Shares were listed for trading on the TSXV under the symbol “LCI.P”.

Effective the opening of market on October 5, 2012 the Lynnwood Shares commenced trading on the NEX trading board of the TSXV under the ticker symbol “LCI.H” for failure to complete a Qualifying Transaction (as such term is defined in TSXV Policy 2.4) within the time prescribed by TSXV Policy 2.4. Pursuant to the policies of the TSXV, 50% (3,600,000) of the 7,200,000 Lynnwood Shares issued prior to the Lynnwood IPO were cancelled.

Lynnwood entered into a letter agreement dated May 9, 2012 with Tantalex to complete a Qualifying Transaction pursuant to the policies of the TSXV and subsequently entered into the Letter Agreement to complete the Amalgamation, TSXV Delisting and CNSX Listing.

The Lynnwood Shares continued to be suspended, pending completion of the Transaction.

On May 13, 2013, the Lynnwood Shareholders approved, among other things, the Transaction and the appointment of the directors of the Resulting Issuer upon completion of the Transaction.

Additional information pertaining to Lynnwood, including financial information, is contained in the various disclosure documents of Lynnwood filed with applicable securities commissions and made available through the Internet on the SEDAR website at www.sedar.com.

Tantalex Corporation

Tantalex is a junior mining exploration and development company engaged in the acquisition, exploration and development of mineral projects in Central African countries.

In 2011, Tantalex entered the Republic of Congo with the objective to acquire Tantalum exploration projects. On October 22, 2011, Tantalex entered into a share purchase agreement to purchase all of the issued and outstanding shares of Sadem through its wholly-owned subsidiary Sandstone.

Sadem is a limited liability corporation registered under Congolese laws which owns 100% of four Tantalum mining concessions comprising in aggregate 6,000 km2 in the Republic of Congo located approximately 300 km north of Pointe Noire, the second largest city in the Republic of Congo.

Pursuant to the acquisition of Sadem, Tantalex retained the services of IOS, an independent geologist advisory firm, for the purpose of preparing the Technical Report.

Tantalex is not a reporting issuer in any jurisdiction and its common shares are not listed or posted for trading on any stock exchange. No public market exists for the Tantalex Shares.

On May 6, 2013, the Tantalex Shareholders approved, among other things, the Amalgamation.

NARRATIVE DESCRIPTION OF THE BUSINESS

Lynnwood Capital Inc.

Lynnwood is classified as a “capital pool company” pursuant to TSXV Policy 2.4. Its business is focused on identifying and evaluating businesses and assets with a view to completing a Qualifying Transaction. To date, Lynnwood has not commenced commercial operations and has no assets other than cash, cash equivalents and accrued receivables.

Tantalex Corporation

Tantalex commissioned the Technical Report on the Mayoko Project. The Technical Report has an effective date of January 18, 2013, and was prepared in accordance with NI 43-101 by Réjean Girard, p. geo. on behalf of IOS. The disclosure below has been taken directly from the Technical Report.

LOCATION AND PROPERTY DESCRIPTION

LOCATION OF THE PROJECT

The Mayoko Project is composed of four exploration licences located in the northwestern part of the Republic of Congo, more specifically in the Niari district, from the town of Mossendjo in the south, to the Gabon border to the north (figure 1). This area is a high lateritic plateau covered by a dense primary jungle forest, sparsely populated, underdeveloped and with limited access.

Simply finding a mere topographic map for the Mayoko area is challenging.

Mining code of the Republic of Congo has been modernized in 2005. Republic of Congo is a state of law, and is currently a mining friendly jurisdiction.

REPUBLIC OF CONGO MINING CODE

The Republic of Congo is a state of law, its civil code was inspired by the Napoleonic code of the French Republic. The mining code ("Code minier de la République du Congo, Loi n°3-2005") was modernized, effective April 11, 2005[1]. Although there is no restriction placed on travelling within the country, any mining and geological operations require specific authorization, permit or licence.

Given that the revised mining code was introduced recently and no mine was operating at that time or put into production since, the code has apparently not yet been seriously tested. One peculiarity of the code is that specific permits are required for each commodity or metal explored. Permits for different commodities, owned by different groups can be overlap and interference is to be expected.

Obligations and authorizations about manpower, local business development, environmental protection and rehabilitation, health and safety, etc. are embedded in any permit.

Prospection and exploration permits do not include any land ownership or surface rights, with the exception of inhabited areas; these are property of the Congolese government.

Importation of equipment and vehicles used for exploration purposes and mine development are exonerated of custom's duty.

[1] The government officer responsible for the revision of the Mining code was Mr. Simplice Ngami, founder of SADEM-Congo and recently approved by Tantalex shareholders as General Manager of SADEM-Congo, a, now wholly owned subsidiary of Tantalex.

There is no restriction on currency exchange or the importation and exportation of currencies. The currency used in the Republic of Congo is the CFA franc ("Francs centre-africains"), while international transactions are usually done in Euros.[2]

PROSPECTING AUTHORIZATION

In order to proceed with prospecting, a prospection authorization is required. This authorization does not give the owner the exclusive right to prospect for a specific commodity within its perimeter. Although this authorization is required to apply for an exploration permit, it does not give the exclusive right to acquire such exploration permit over the same area. The permit allows the owner to apply for authorization to travel within the concession's limits, collect samples and submit samples for assay. This authorization is valid for one year and can be renewed upon request.

The prospecting authorization places the following obligation on its owner:

- Inform the government officials of the conduct and results of prospecting work;
- Conduct mineral exploration or prospecting work and submit quarterly assessment reports to the Congolese authority;
- Obtain a certificate of origin for any sample submitted for assaying outside Congo;
- Pay a per square kilometre fee[3] to the Ministry of Mines and Geology.

The Ministry Order n° 5907[4], duly signed by Mr. Pierre Oba, Minister of Mines and Geology of the Republic of Congo, dated April 7th 2011, authorizes SADEM-Congo to carry out prospecting for columbo-tantalite (phase 1 work) on the Matsanga-Marala concession, in the Niari department. The authorization encompasses an area of 6,000 km^2 defined by the following geographical limits:

LIMITS	LONGITUDE	LATITUDE
A	12°27'14"E	2°19'33"S
B	12°27'14"E	2°50'13"S
C	13°02'42"E	2°50'13"S
D	13°02'42"E	2°19'51"S
Boundary	Congo	Gabon

[2] Exchange rate : CAN$1=0.766 Euro=502.51 CFA (March 12, 2012)

[3] Fee not indicated in the mining code.

[4] Arrêté N°5907/MMG/CAB portant attribution à la Société africaine pour le développement minier d'une autorisation de prospection pour la columbo-tantalite « Matsanga-Marala ».

EXPLORATION PERMITS

The prospecting permit provides the owner with the right to apply for an exploration permit ("Permis de recherche minière"), which will confer on the owner the exclusive right to carry out exploration work for the specified commodity. This permit is valid for three years and can be renewed for two additional two year periods, for a total of seven (7) years. Upon renewal, the total area of the permit can be subject to a size reduction of a maximum of 50%. This permit gives the owner the priority[5] for the acquisition of a mining license on the property.

The six prospecting permits awarded to Sadem Congo were recently converted into four exploration permit, for an area of 4050 km^2, valid for a period of 7 years.

The owner's obligations concerning the permit are:

- Initiate adequate exploration work within nine (9) months of its issuance.
- No requirement is indicated about filing assessment reports.

A request to convert the Matsanga-Marala prospection permit into exploration permits has been filed at the Ministry of Mines and Geology by SADEM-Congo on July 26, 2011 and submitted for approval to the Minister's Counsel on November 22, 2011. A field inspection was performed by Congolese government geologists between December 16 and 23, 2011 (Moumpossa et al., 2011), who confirmed that the Company had performed the necessary prospecting work on the concession, complied with the permit's requirement and made a favorable recommendation for the conversion of the prospecting permit into an exploration permit. The request has been approved on July 16th 2012, after a long delay due to the Brazzaville explosion on March 4th 2012, which disrupted governmental current affairs for months.

The prospecting permit ("arrêté ministériel n° 5907") has been converted by governmental decrees into a set of four exploration permits of approximately 1,000 km^2 each on July 16th 2012. Coordinates of these perimeters are indicated below (***table 1***)[6]. The author was not granted access to the original copies of the permits or *décrets* due to complicated Congolese business relations, but all the required official information was duly published on July 26th 2012 through the "Journal officiel du Secrétariat général de la République du Congo", accessible on-line (http://www.sgg.cg).

PERMIT	***AREA***	***ANNUAL FEE***	**ORDRE DE SERVICE**
Moupoupa	1116 km^2	1 674 000 CFAF	789/MMG/DGG
Doumani-Mounguelé	944 km^2	1 416 000 CFAF	787/MMG/DGG
Marala-Lebiha	1108 km^2	1 662 000 CFAF	791/MMG/DGG
Matsanga-Moukilingomo	882 km^2	1 323 000 CFAF	785/MMG/DGG

[5] Art. 36: It is stated as "priority" not as "exclusivity".

[6] The coordinates were published in the "Journal official". For an unknown reason, these coordinates differ slightly from the one submitted by Sadem.

EXPLORATION PERMIT MARALA- LEBIHA DÉCRET N° 2012-742, 16th July 2012		
LIMITS	**LONGITUDE**	**LATITUDE**
A	12°30'09"E	2°22'50"S
B	13°02'47"E	2°22'50"S
C	13°02'47"E	2°32'32"S
D	12°30'09"E	2°32'32"S[7]

EXPLORATION PERMIT MATSANGA-MOUKILINGOMO DÉCRET N° 2012-750, 16th July 2012		
LIMITS	**LONGITUDE**	**LATITUDE**
A	12°30'42"E	2°14'46"S
B	13°01'38"E	2°14'46"S
C	13°02'47"E	2°22'50"S
D	13°30'09"E	2°22'50"S
Frontière	Congo-Gabon	

EXPLORATION PERMIT DOUMANI-MOUNGUELÉ DÉCRET N° 2012-749, 16th July 2012		
LIMITS	**LONGITUDE**	**LATITUDE**
A	12°36'21"E	1°52'18"S
B	12°36'21"E	2°14'41"S
C	12°56'45"E	2°14'20"S
D	12°56'27"E	2°09'48"S

EXPLORATION PERMIT MOUPOUPA DÉCRET N° 2012-749, 16th July 2012		
LIMITS	**LONGITUDE**	**LATITUDE**
A	12°27'11"E	2°32'42"S
B	12°43'45"E	2°32'42"S
C	12°43'45"E	2°50'13"S
D	12°27'11"E	2°50'13"S

TANTALEX-SADEM TRANSACTION

SADEM Congo s.a.r.l. is a private Congolese mineral exploration company, which has been bought by Tantalex Resources and now act as his operating arm in Congo.

On October 22, 2011, all of the share capital of SADEM-Congo was acquired by Sandstone Worldwide Ltd, a corporation registered in the Bahamas and based in Nassau, and a wholly owned subsidiary of Tantalex Corporation, a Canadian based private corporation. SADEM-Congo is therefore considers itself as a wholly-owned Congolese subsidiary of Tantalex, acting as an operating arm in the Congo. As part of this transaction, the following obligations were contracted by Tantalex[8]:

- A payment of US$50,000 per exploration permit due upon issuance of the permits, for a total of US$200,000. Although initially expected due on April 2012, this payment has been postponed due to delays in permit issuance by the Congolese authorities.

[7] A transcription error is apparently present in the *Journal*. Latitude of corner #4 is indicated at 2°22'50"S, which is incongruent. The correct latitude is likely 2°32'32"S. The *Journal* clearly states that in case of discrepancies, original *decrees* have precedence to the *Journal.*

[8] Various "African style" complications occurred in the execution of this agreement, which were indicated technically settle at the effective date and to be signed in a meeting scheduled on January 28th 2013.

- A payment of US$50,000 per exploration permit payable upon issuance of an NI-43-101 compliant report disclosing mineral resources, for a total of $200,000, expected due in late 2013.
- A royalty of 10% on the gross production of coltan, to a maximum of US$2,000,000.
- A royalty of 15% on Avoine's 20 tonnes of coltan stockpile[9].
- No work commitment is indicated, nor is there any obligation to maintain the properties in good standing. No back-in rights are indicated.

IRREVOCABILITY

The mining license being defined by geographic coordinates, claims cannot be challenged on the basis of poor staking. However, the following issues are ambiguous in the mining law, and constant care will be required.

Revocability of the mining title is always of concern in African countries. One point of concern raised by the author is the interference between permits in regard of various commodities, which may overlap.

All types of licenses are associated with obligations for the stake holder, which must be diligently completed. The Republic of Congo being ruled by a Napoleon type civil code, the text of the laws must be applied regardless of jurisprudence (decisions rendered by courts of law). Rigidity about administrative mistakes is not known to the author. Authorities are generally lenient and overlook minor transgressions, although these can be invoked in a case of malversation.

Numerous ambiguities were noted in the mining code by the author, the most obvious being the interference between the various types of permits and the fact that the same area can be granted to different parties for different commodities. Special care shall be devoted to relations between Tantalex, the iron ore projects (DMC-Congo and Congo Mining) and the gold project (Sino-Congo) together with local gold diggers who benefit from artisanal mining rights.

LAND SURVEYING

Property limits are defined by geographical coordinates, no land surveying is required to officialise them. The licenses encompass "urbanized" areas such as Mayoko, which are likely surveyed and subtracted from the license, but no indication is available to assess such fact. Furthermore, in the event DMC-Congo and Congo-Mining are granted mining leases, these will have to be surveyed and subtracted from the license.

INFRASTRUCTURE

The property does not actually host any developed mineral occurrence or any mining infrastructure. The DMC-Congo and Congo Mining iron ore project, located within the perimeter of the Tantalex property, are currently under feasibility studies, and infrastructure construction may start in the near future.

The public infrastructures available in the area are very limited, including the N-2 road[10] and the Camilog narrow-gage railway[11]. Mayoko city is currently upgrading its infrastructure such as water distribution and sewage, with subsidies from the iron-ore companies. No electrical power is available. Water is plentiful. Mobile phone network provides proper coverage.

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[9] This clause refers to a stockpile of coltan, indicated as about 20 tonnes, and reputed to have been abandoned by Avoine in 1966 somewhere near the Banzoko mining site. However, according to the author's discussion with Mr. Téckesse, a former friend of Mr. Avoine and former deputy of the Republic, the stockpile was sold and expedited by Avoine to a German company. The 15% royalty would then be obsolete.

[10] N2 highway is classified as a national highway, but is merely an unmaintained mud road.

[11] Poorly maintained Cape-gauge medium haulage capacity, expected to be upgraded to match iron-ore expediting.

RIGHT OF ACCESS

Right of access to the property is granted by the mining code. No restriction was noted by the author in the course of its visit.

Large iron mining projects are currently under development in the Mayoko area, and which are expected to bring various infrastructures in the area.

TRADITIONAL LAND CLAIMS

The author is not aware of any traditional land claims issues in the Republic of Congo. Aboriginal ethnic groups are apparently not politically organized. It has been indicated however, that gold digging is considered as a traditional activity, and thus not restricted by the national government. Traditional activities are apparently limited to game hunting and some slash-and-burn manioc agriculture. Gold digging activities were inherited from "Société Avoine"; they are now familiar, although not traditional, to locals.

ENVIRONMENTAL LIABILITY

Congo's environmental regulations were not verified by the author, but very little effort appears to be devoted to enforcing them. Most alluvial occurrences visited by the author are located in restricted streams enclosed in deep and steep valleys, and narrow stream beds. These stream beds were exploited for alluvial gold by "Société Avoine" in the 1950s and 60s, who cleared all primary forests from these beds. These are currently regrown as secondary forests: trees up to 50 cm in diameters were noted by the author growing on top of old "Avoine" gravel heaps. Evidence of channel ways and dams are the only visible remnant of the gold mining activity. It is indicated in a report that mercury amalgamation was used by "Avoine", but no such contamination is suspected. Very little scrap equipment was noted.

Tantalex did not inherit any environmental legacy from previous activities.

Local gold diggers continue Avoine's activities on a small scale, mainly in streams accessible from villages. These diggers rework the stream gravels, leaving heaps and holes and disturbing the vegetation. However, no contamination or oil spills were noted by the author, except for some littering. It is to be understood that due to the constant reworking of the gravel and low water level, no fish appear to inhabit these streams. No agricultural activity was noted in the vicinity of these workings.

It is the author's opinion that Tantalex does not inherit any important environmental legacy.

RESTRICTIONS TO EXPLORATION

No restriction to exploration activity, such as nature reserves or parks, was brought to the author's attention. No important public infrastructure, such as buildings or bridges other than the Mayoko urbanized area is present that cannot be displaced at a reasonable cost. No archeological site is indicated. However, primary pristine jungle forests are ubiquitous.

ADEQUACY OF SIZE

The property is sufficiently large to secure the space required by an eventual mining operation.

ACCESSIBILITY AND PHYSIOGRAPHY

PHYSIOGRAPHY

The project is located within the Chaillu Massif, which is a rugged high plateau carved into rolling hills by ubiquitous deep valleys. The Mayoko area culminates at an altitude of 750 m *asl.*, while the lowest point is the Louesse valley floor at 610 m *asl.* Altitudes outside the Mayoko area are not known to the author, since no topographic maps were made available.

The project area is drained by a dense network of short streams, collecting into the Louessé River. This river is an affluent of the Niari River, which flows into the Kouilou River and then the Atlantic Ocean north of Pointe-Noire. The dense network of subsidiary stream criss-crosses the area with a typical spacing of a kilometre. Most of these streams are named by the locals and their names are not indicated on the maps.

VEGETATION

Most of the area is still covered by a thick mature primary jungle forest, near to impenetrable. However, extensive stretches of forests are currently been logged, driven by logging road construction. Small areas near communities are covered by secondary growth forests, resulting from slash-and-burn manioc agriculture. Although primary forests are not accessible by vehicle, trees are widely spaced allowing fairly easy walking. Helicopter landing is hampered by the tick and tall canopy.

The Mayoko area is located in the Chaillu massive, covered y a thick primary jungle. Logging activity is currently ravaging part of the area.

Lateritic soil in steep valley sides is typically stabilized by tree roots. Deforestation of such hillsides should be avoided in order to prevent mudslides in stream beds.

Game is apparently not very abundant in the area, probably due to human activity. Roaming big game, such as elephants, is however reported. Care is indicated by the mere presence of snakes and other similar threats.

ACCESS

Mayoko can be accessed through Gabon or by dirt road (5-6 hours from Dolesie, 3rd largest city of Congo) that can be impassable during the rainy season or after the passage of heavy-haulage logging trucks (***picture 3***). The trip is perilous and 4x4 trucks are required with drivers who have experience on these types of roads. Travelling at night is not recommended. Bridge capacity is an issue for heavy machinery mobilisation. Travelling from Pointe-Noire or Brazzaville to the property in one day is a challenge; no accommodation is available along the road other than in Dolesie.

Rail service along the former Cape gauge Camilog railway is offered once a week by CFCO ("Chemin de Fer Congo-Océan"), the national carrier (picture 4). This service is currently not dependable, but can be used to bring containers and heavy machinery, although no facility is available in the "Mayoko Station or "Gare" in French. Passenger service is not recommended. It is expected that this service may be improved for future iron mines. Standard gauge heavy haulage "Trans-Gabonais" railway is available in Mouanda, Gabon, about 100 km to the north.

The Mayoko area is accessible only by a dirt road and the old Camilog railway. A private airport is currently under construction by the iron companies.

The closest public airstrip is located in Mossendjo, about 60 km south of Mayoko. A private strip is apparently under construction near Mayoko by one of the iron mining companies. No heliport is currently available and landing in unprotected areas is not recommended because of the omnipresence of kids. No helicopter fuel is currently available in the area.

Picture 3*: View of N2 national road leading to Mayoko. Notice that the lightest rain renders this mud track extremely slippery and near impassible. The 4x4 pickup in the picture was immobilized by a 1-2% grade hill!*

***Picture 4**: A view of the Camilog "Cape Gauge" narrow gauge railway. Note the steel sleepers dating from 1976 and the approximately 70 lb/yard rails, inadequate for the anticipated transport of iron ore.*

SERVICES

Next to no services are available in Mayoko. The services are limited to an ENI Foundation dispensary, a small police station, a few small shops and a market (picture 5 and 6). The only heavy machinery available is owned and operated by other mining or logging corporations. Cell phone and internet service is accessible. No fuel dealer was noted, the closest one available appears to be in Mossendjo.

Various services required for mining operations are available in the capital city of Brazzaville, or in the port city of Pointe-Noire. These include western-standard hospital, international airport, European groceries and restaurants, as well as a multitude of shops and dealers.

Near to no services are available in the Mayoko area, else than a good cellular phone network. No electrical power, drinkable water or waste management is available.

Picture 5*: The Mayoko police station (Congolese army), the only ostensible sign of government presence in the area.*

Picture 6*: A view of Mayoko-Gare village. The Congo Mining camp is visible*

CLIMATE

The climate is tropical humid, with little contrasting "rain" (November to February) and "dry" season. Due to its altitude, the Mayoko climate is comfortable, with warm days and cool nights. Rain is common, and is of a concern for flash-floods in river gullies and for vehicle travel.

HISTORY

ASSESSMENT AND GOVERNMENTAL REPORTS

There is practically no geological report available for the area. The Congolese department of mine has been destroyed in 1998, with most of the geological and assessment reports.

Obtaining access to government files in an African country can be an act of patience, and the author did not visit the office of the "Bureau minier congolais" in Brazzaville. The author was informed that all historical records of the Congolese government, including the archives from the "Direction des mines et de la géologie de l'Afrique-Équatoriale française" about mining activities prior to 1998 were destroyed during the civil war[12]. No historical assessment files are available officially. Some reports may be available concerning recent exploration activity, but no attempt was made by the author or Tantalex to acquire them. It is not clear if these reports can be publically accessed. No geological report prepared by the Congolese government appears to be available, none is posted on the internet, nor are there any regional aeromagnetic maps or regional geochemical surveys.

BRGM REPORTS

The geological reconnaissance of Congo was carried in the late-colonial period by the French BRGM[13]. The last work published or available work dates back to the 1960s and no recent update seems available. The BRGM map indicates the "Massif du Chaillu" as being an Archean basement consisting almost entirely of undifferentiated granitoids, with the only supracrustal unit being in the Mayoko area, likely derived from "Société Avoine's" work. The only mineral occurrences indicated are the gold, tantalum and iron from "Société Avoine". It is unlikely that other relevant data is available at the BRGM the undisclosed archives of the BRGM.

SOCIÉTÉ AVOINE

La Société Avoine has been exploiting alluvial gold in the Mayoko area in the 1950' and 1960'. Evidences of their work are still visible in streams where exploitation took place.

Alluvial gold was discovered and exploited in the 1950s by a French group, "Société Avoine". The company left its mark that is still very visible in Mayoko. Most colonial buildings in the area were built by this group. Avoine exploited most rivers in the area with systematic but artisanal methods; evidence of its work is ubiquitous in the streams. The amount of gold extracted is not known, but legends tell of a single site on the Bamboma River, north of Moupapa, that produced more than one tonne of gold.

In the course of their gold exploitation, "Société Avoine" noticed the abundance of coltan in the alluvium. This company proceeded with a systematic evaluation of the heavy minerals of part of the area, including estimating coltan abundance, as described in two preserved reports (Boineau, 1956; Bureau minier congolais, 1964). However, no official record of the coltan production is available.

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[12] At the time of the 1998 civil war, the head of the "Direction générale de la géologie du ministère des Mines et de la Géologie" was Mr N'Gami, who founded SADEM-Congo. Mr N'Gami apparently managed to save a few of the reports, including the two from "Société Avoine", hereafter discussed below.

[13] BRGM: "Bureau de la recherche géologique et minière" is the approximate French equivalent of the Geological Survey of Canada. However, this organism was not in charge of maintaining colonies' mining activity records.

Two geological reports produced on behalf of La Société Avoine, written in 1956 and 1964, are the only geological information available. There reports deal with heavy mineral exploration and coltan abundance.

The purpose of the first report (Boineau, 1956) was to place the alluvial coltan into a geological context and to validate its link to various pegmatites in the area. It also mentions prospecting carried out in other areas without providing any results or localities. The report gives the most accurate description of the bedrock geology available. It describes the sinking of an unknown number of pits, some into a substratum rich in tantalum. Of the dozen or so pegmatites indicated as evaluated, two were mineralized. Grades of more than 1 kilogram of coltan per cubic meter were reported.

The second report (Bureau minier congolais, 1964) is a preliminary report describing the various sites evaluated for their coltan potential, nearly 10 years into their operation. Thirteen sites are described and are accompanied by detailed maps. The digging of 214 pits (sampling sites), the analysis of 192 heavy mineral concentrate samples and the presence of 66 m of galleries are mentioned. A number of pegmatite occurrences were evaluated without success. The work relied essentially on the known tantaliferous streams identified during alluvial gold extraction.

Although brief, these reports contain a lot of relevant information, which need to be compiled and carefully plotted on a map. It is clear that Avoine Mining produced a number of other reports which are not available at the present time.

The author had the opportunity to discuss the matter with Mr. Pierre Téckesse, former deputy-minister representing the Mayoko district in the Congolese government from 1961 to 1971. Mr. Téckesse was a school teacher in the time of "Société Avoine" and described himself as one of Mr. Avoine's personal friend. He told us that in the beginning of the 1960s, the company entered into a commercial agreement to sell its coltan to a German firm for the manufacturing of high temperature alloys to be used in airplane turbines. Several tonnes of coltan were sent to this company before the end of operations in 1962.

As indicated in the SADEM-Tantalex agreement, Mr. N'Gami reported the existence of an estimated 20 tonnes of coltan reserves accumulated by "Société Avoine" and left in place when they abandoned operations on the site. We met one of the company's former foreman[14] in Banzoko who told us that the coltan[15] stockpile was buried under a layer of mud not far from the village. This layer of mud could not be located by SADEM during its operations. According to Mr. Téckesse, the 20 tonnes of coltan stockpile mentioned above was sold by Avoine.

"Société Avoine" ended its operation in 1962, after the accidental death of Mr. Avoine. This was shortly after the inauguration of the Camilog railway, and represented the end of the mining development in the area until recently. Local gold diggers perpetuate the Avoine activity on an artisanal scale (***picture 7***).

It is to be mentioned that the Lékoumou iron deposit is indicated on "Société Avoine" reports, without further details.

[14] The man presented himself as a "capita", which means he was in charge of supervising a small group of worker.
[15] "coultan" or "cooltan" in the local dialect.

Picture 7*: Views of the artisanal gold mining operations using sluice boxes operated by children. The method is identical to the one used by Avoine Mining, but without bypass channels and dam. The last picture shows gold concentrate being traded at the village maki.*

WORK CARRIED OUT BY SADEM-CONGO

Prior to the author visit, SADEM-Congo conducted a single field program, were they sampled various stream for coltan, based on Avoine's reported occurrence.

SADEM-Congo conducted a prospecting program on the Matsanga-Marala permit from February 02 to March 9, 2011 (Ibouanga 2011). The program was conducted by Mr. Jean Bonate Ibouanga, a Congolese geologist, and is briefly described in his report. No reliable analysis is provided, with the exception of two XRD analyses that confirm the presence of coltan. Coltan proportions as indicated are only a visual estimate: coltan may be confused with any other black mineral in the concentrates, such as ilmenite. The report indicates the presence of other valuable minerals such as cassiterite, wolframite, chalcopyrite[16] and various gems, the identification of which can be dubious[17]. Some outcrops, identified as granitoids or metavolcanics, were reported with coordinates, but without descriptions[18].

[16] A picture provided in the report shows large chunks of alluvial chalcopyrite, the provenance of which is not indicated.

[17] Numerous such mineral misidentifications were noticed by the author during discussions with Mr. Ibouanga. For example, garnet and pyroxene were identified as ruby and emerald. Furthermore, the report does not provide locations for these mineral occurrences.

[18] Samples and sampling sites are not described. However, a set of pictures are provided with no indication of localisation, but showing that trench pits were dug, outcrops were visited, alluvial gold and coltan were obtained, and that even coltan-bearing quartz veins were found.

AUTHOR'S VISIT

At the request of Tantalex, the author visited the Mayoko project for a period of three (3) days, from November 12 to November 14 2011, plus traveling time. The author was accompanied by Mr. Ibouaga for this visit, who introduced him to the main coltan occurrences near Mayoko. A series of 25 stream sediments were collected by the crew under the direct supervision of the author, which were carried back to Canada for assaying. Currently, these samples provide the only reliable set of assays in the project area.

GEOLOGICAL SETTING AND MINERALIZATION

REGIONAL GEOLOGY

The Mayoko area is located within the Massif du Chaillu, which is a crystalline basement, part of the Kasai-Congo craton, archean in age, dominated by granitoid, Its geology is poorly known.

Very little is known of the regional geology, the last geological map was produced by the BRGM map in 1965 (figure 2). Even the recently published geological map of Africa by the Commission for the Geological Map of the World (http://ccgm.free.fr/cartes_afrique_gb.html) does not add any more detail compared to the UNESCO 1964 map.

The overall area is underlain by the Kasai-Congo craton, Archean in age. The craton is mostly covered by Cenozoic sediments; its geology is largely unknown. In western Congo, the Congo craton is present as the Chaillu massif, which connects with the Ivindo Complexe through Gabon. For most of eastern Congo, the massif is covered by the Bateke Plateaux, a part of the Congo Basin. This sedimentary sequence is transgressive eastward from Cretaceous to Pliocene in age. To the south and to the west, the Chaillu massive is bordered by the West Congo mobile belt. The mobile belt is Proterozoic in age, also known as the Mayombe series, and belongs to the Pan-African orogeny.

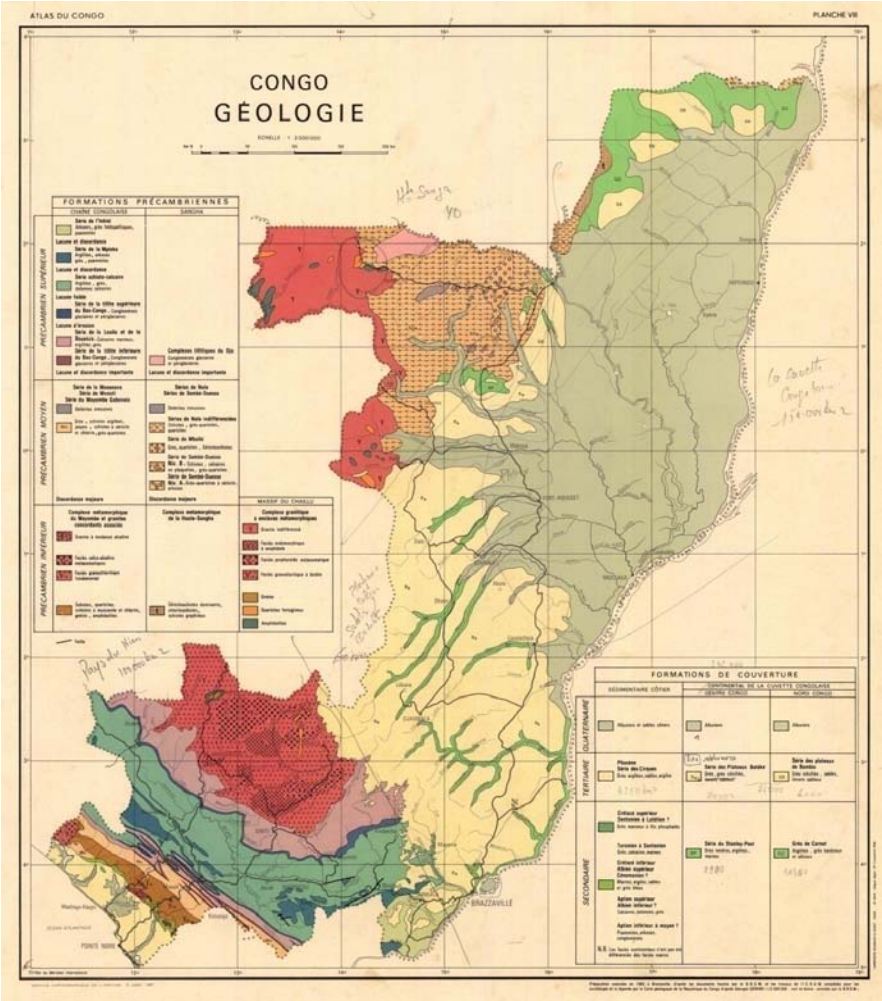


Figure 2*: Geological map of the Republic of Congo, originally produced by the French BRGM. The star marks the project location in the in the Archean Chaillu Massif (red background). Note the small green band indicating the only mention of volcanics in the massif. The information on these volcanic is likely taken from Société Avoine's report.*

The geology of the Chaillu massif is poorly known, due to restricted accessibility, thick forest cover and deep saprolitic alteration. Mapping conducted by Mr. Boineau[19] in the 1950s is the only information available, as stated in a recent Ngouabi University[20] publication (Watha-Ndoudy and Djama, 2004) (***figure 3***).

[19] Apparently the same person who worked for "Société Avoine.".

[20] *Département de géologie, Université Marien Ngouabi, Brazzaville.*

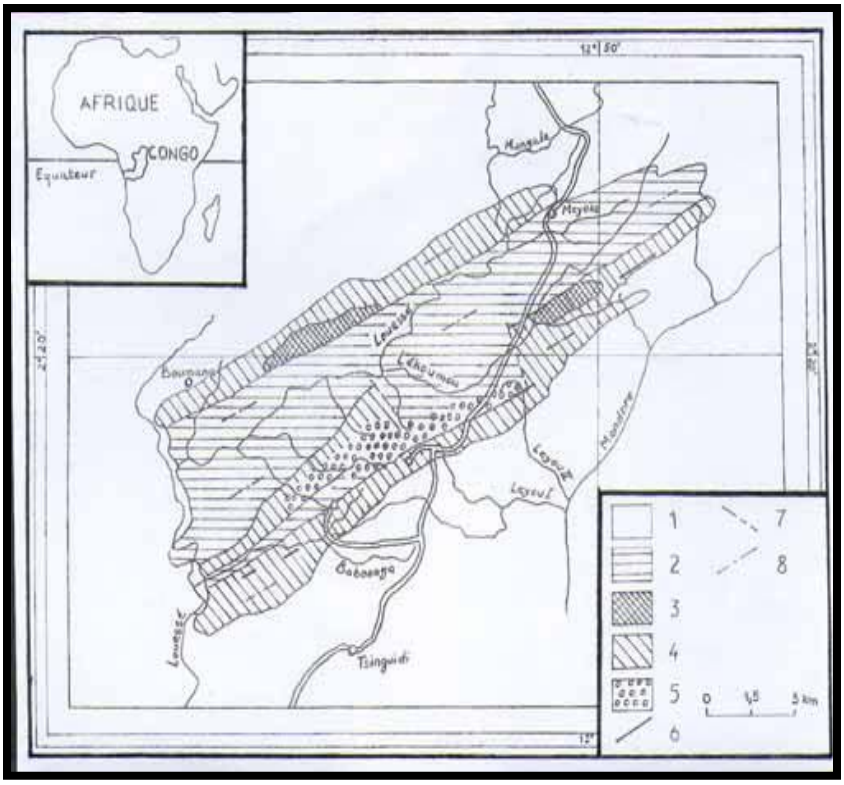


Figure 3*: Geological map of the Mayoko supracrustal belt as extracted from a BRGM report (Boineau, 1956, cited in Watha-Ndoudy and Djama, 2004). 1: Heterogeneous syn-cinematic granites, 2: Biotite gneiss, 3: Iron-bearing quartzite (Magnetite-BIF), 4: Amphibolite, 5: Conglomerates. 6: Pegmatite. 7: Interpreted fault. 8: Foliation with vertical dip.*

The Chaillu massif is reportedly dominated by porphyroid granites, with local granodiorites, diorites and gneisses. Supracrustal rocks are limited to the Mayoko volcanic belt and the Zanaga iron formation. The Mayoko volcanic belt is composed of amphibolite schists, magnetite-hematite (Algoma type) iron formation21 and various biotite gneisses and associated quartzofelspathic facies. It is likely that these "biotite gneisses" are metatexites and paragneisses, and some of them are of felsic volcanic origin. The author examined various outcrops and found the geology to be more complex than indicated on Boineau's published map (1956) or in his handwritten annotations found on the topographic map [22]. Pegmatites are indicated here and there.

The Mayoko area is the only supracrustal sequence known in the area. It is composed of basaltic amphibolites, oxide facies iron formation, and schistosed metasediments.

The quartzofeldspathic rocks are deeply weathered into a saprolitic blanket, tens of metres in thickness. The author noted that amphibolites and iron formations are much less affected by such weathering, and are typically preserved as outcrops forming blocks and ledges (***picture 8***). Streams eroded gullies through this clay-rich material, exposing the only available outcrops of the area. This suggests that topographic differences in such steep "V" shaped gullies represent the approximate thickness of the weathering. The laterite is disturbed by biological activity to a depth of a few meters, representing the soil. Below the disturbance, the original rock structures are preserved and the protolith can be discerned by trained eyes (***picture 9***).

[21] Described as "quartzite ferrugineux"

[22] Given to the author as part of the "Société Avoine" reports.

Picture 8: *Outcrops of a partially laterized biotite schist, (upper left), an amphibolite schist (upper right) and an iron formation forming a sill in the stream in the Makengui deposit (lower left), and the Lekoumou iron deposit (lower right).*

Picture 9*: A view of a road cut along the Pointe-Noire - Brazzaville N-1 highway through the Mayombe mountain range. The bedrock is a completely laterized schist or gneiss. Note the 1-2 meter thick zone of bioturbation at the surface (ochre layer) and the underlying laterite, where the mud has preserved the ghost structures of the original rock (foliation dips to the right).*

Thick vegetation allows stabilization of such soils and prevents flash-flooding in gullies, therefore preventing coarse sediment from being washed away. Refractory heavy mineral accumulation in stream beds is thus facilitated.

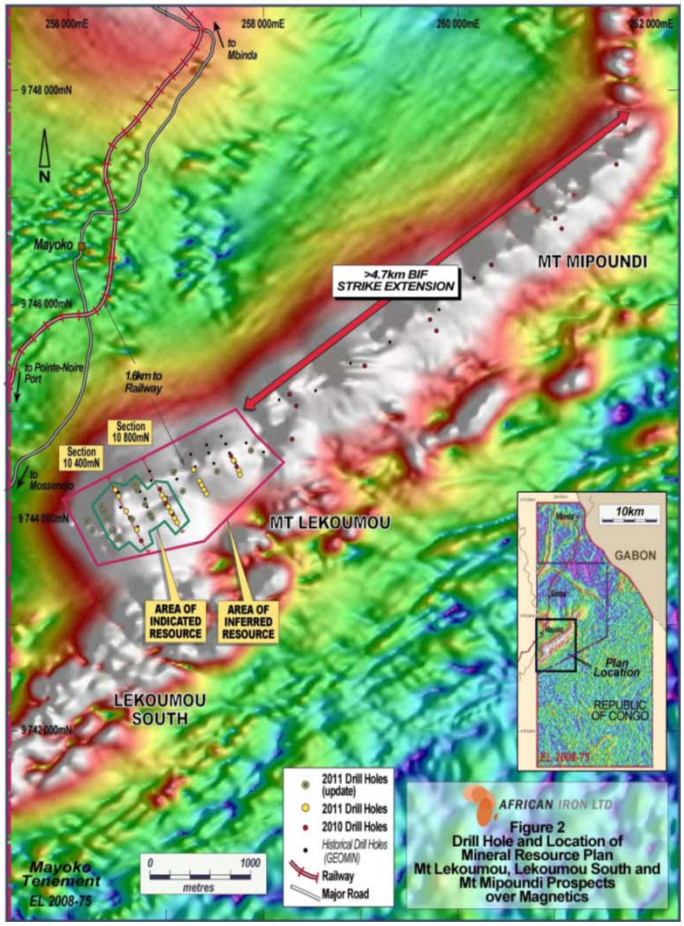


***Figure 4**: Aeromagnetic map of the Lekoumou area, directly south of Mayoko, and encompassing the main coltan occurrence, publically available on the African Iron Ore website.*

Coltan is found as detrital minerals in stream beds. Coltan is a refractory mineral which resist to lateritic weathering, and concentrate as residuum in quartz pebble conglomerate deposited in active streams carved in the lateritic clays.

GEOCHEMISTRY

The only "geochemistry" surveys available, restricted to the Mayoko area, are the two heavy mineral surveys carried out by the "Société Avoine". The purpose of these surveys was to detect the presence of coltan. They give a visual estimate of various heavy minerals in stream sediments (Boineau, 1956) and laterite pits (Bureau minier congolais, 1964). The survey includes the area where "Société Avoine" carried out its gold mining activities and was likely limited by accessibility. Coltan abundance is reported, including rutile, chromite, zircon, monazite and about twelve other common minerals. This information was compiled in a database, and a map of coltan abundance shown in ***figure 5***.

MINERALIZATION

Coltan, the commercial name of columbo-tantalite, is found as detrital minerals in alluvium throughout the Mayoko area (***picture 10***). It is a black, very dense, semi-metallic mineral, typically occurring as single crystals or fragmented grains. It is a very refractory mineral that resists lateritic weathering and consequently concentrates as residuum when a stream washes over the muddy laterite. It may have a slight iron oxide coating. It can be rather difficult to distinguish coltan from other non-magnetic black oxides, such as ilmenite just by visual examination. Untrained eyes may also confuse coltan with

tourmaline or hornblende, locally abundant minerals. Therefore, visual estimation of its abundance done by untrained geologist can be misleading.

Picture 10*: A very clean coltan concentrate obtained by Mr. Tsoumbo (alias "Diesel"), a local gold digger. At the author's request, the origin of the concentrate was not revealed. Although the whole concentrate was offered, only a 239.5 g, or 5.5 cm x 3.7cm x 2.0 cm, fragment worth $60 was accepted by the author. The estimated total weight of the concentrate is more than 5 kg valued at around $400, or the equivalent of the six month earning of a Congolese geologist.*

Coltan is mainly found as granules or even as single crystal pebbles, peppering quartz pebble gravels. Boineau (1956) reports that pebbles the size of a grapefruit were found by "Société Avoine". The author found up to 50 g grains just by hand picking in the gravel heaps (**pictures 11** and **12**).

Picture 11: Coltan pebbles collected at site 88040008 and pan concentrates collected at site 88040001. Note that the pebbles were subsequently assayed in laboratory with a portable XRF analyzer by the author and confirmed as coltan.

Picture 12: A view of the unperturbated gravel from site 88040019, showing quartz and schist pebbles dotted with black coltan and tourmaline grains up to a few millimetres in size. Notice the undisturbed small plants and seedlings growing in the gravel, witnessing the genuine coltan presence. Pen cap provides the scale.

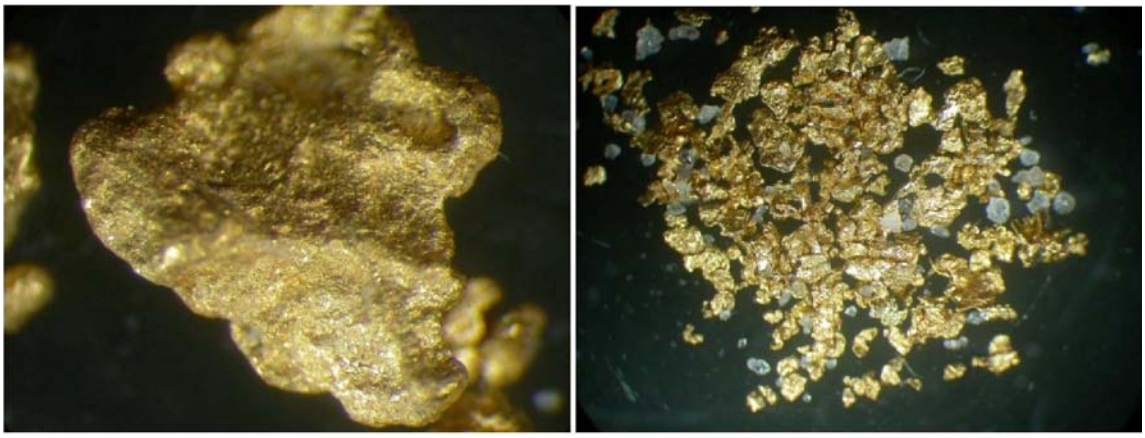
OTHER METALS AND COMMODITIES

Iron ore deposits were reported in the Mayoko area as early as 1912 (Watha-Ndoudy and Djama, 2004), and tonnage was suggested on the Boineau (1956) map. Although located within the Matsanga-Marala permit, these deposits belong to other companies and Tantalex does not have any rights to them. However, a relationship between iron ore outcrops in stream beds and coltan concentration was observed. It is interpreted to be caused by the presence of ledges that creates traps for the hydraulic accumulation of heavy minerals.

Gold has been mined by La Société Avoine for years, and is still extracted by local digger. Gold is expected to be recovered as co-product from the coltan mining.

Gold (***picture 13***) was exploited by Société Avoine and continues to be done so by local gold diggers. Although placer gold would be collected along with coltan in the course of alluvial mining, Tantalex does not own the rights for gold exploration.

The presence of a few pyropes, a purple garnet typically originating from kimberlite, was noted in a few samples, suggesting a potential for diamond exploration. The presence of kimberlite is realistic in the area, which is a basement of Archean age.



Picture 13*: Picture taken with a low-magnification microscope of a large (2 mm) gold nugget from sample 88040013a (40x), and of a gold grain concentrate from sample 88040004 (16x).*

DEPOSIT TYPE

ALLUVIAL COLTAN

Coltan in the Mayoko area is currently known only as detrital grains in alluvium. Although there are some mentions of coltan in pegmatites or laterite in historical reports, these are not considered to be reliable for the moment.

Alluvial coltan comes from the erosion and elutriation of the clay-rich laterite where it occurs as a refractory mineral. The streams where it has been accumulating are enclosed in narrow valleys, but are slow flowing due to the dense vegetation invading the stream bed. Coltan and other refractory heavy minerals accumulate in the gravel layer blanketing the stream bed. This gravel is largely dominated by quartz pebbles derived from the erosion of quartz veins resistant to lateritic alteration. As most of the streams visited are small with limited flow, minimal transport distances are expected. Deposits from each of the streams are thus expected to be small but enriched, not suitable for large scale dredging. Larger streams and rivers, such as the Louessé, were not visited, and their potential for coltan placer is not known.

SOURCE ROCKS OF THE COLTAN MINERALIZATION

Columbotantalite is known to be formed in significant abundance only in lithium-bearing pegmatite. Such pegmatites are typically associated with metasediments which underwent anatexis.

Only a few geological contexts can produce coltan mineralization, in particular the formation of the large crystals seen during the visit and so strongly enriched in tantalum with respect to niobium. Only LCT[23] type peraluminous sodium-lithium or sodolithic pegmatites are known to the author (Černý and Ercit, 2005). However, other contexts may contain coltan, or at least tantalum-bearing oxides, such as nepheline peralkaline pegmatites (Crevier deposit, Québec, Canada), carbonatites or possibly certain exotic types of mineralization associated with IOCG deposits. Obtaining enrichment of tantalum over niobium requires unusual geochemical conditions, since these two metals have near identical chemical behavior, and niobium being 10 times more abundant than tantalum in most alkaline

[23] LCT Pegmatite: Lithium-Ceasium-Tantalum bearing peraluminous pegmatite.

rocks as well as in cosmic abundance. The reason for tantalum enrichment over niobium in LCT pegmatites is not well understood.

LCT sodolithic pegmatites are coarse-grained, sodium-rich (alaskitic) granitic rocks formed by the melting of a paragneiss. They are characterised by an assemblage of quartz, albite (cleavelandite), muscovite and various lithium aluminosilicates such as spodumene and petalite. The columbo-tantalite content of these pegmatites is typically relatively low, around 0.05% or 500 ppm. This grade of tantalum is or has been exploited at different sites such as at Tanco in Manitoba, which is the main world source of tantalum. Note that the tantalum content of these rocks is significantly lower than the tantalum content of the alluvial deposits visited in Mayoko. The alluvial deposits have a residual origin, where refractory minerals preserved during the lateritization of crystalline rocks become concentrated in the superficial alluvium. The typical tantalum content of tantaliferous alluvium is not well documented, but shows an enrichment of up to an order of magnitude (0.5-5%) compared to the source rocks. Coltan, like gold, is very resistant to weathering, so they both get concentrated as heavy minerals with alluvial quartz pebbles.

Based on the author's experience, sodolithic pegmatite veins usually occur in swarms up to hundreds of metres in extent. In addition, dyke swarms are usually interspersed with a wide range of lithodemic assemblages, such as migmatite complexes. A number of swarms can be dispersed on a regional scale, scattered throughout the territory over several hundreds of kilometres. This is the basis of the argument suggesting that the alluvial coltan deposits in Mayoko may have a much larger regional extent than known at the present time.

Columbotantaline bearing sodolithic pegmatites are not yet reported in the Mayoko area, although granitic pegmatites are reported here and there. Exploration for such has been conducted by Société Avoine, in the 1960'.

It is currently impossible to confirm an association of the Mayoko coltan with the presence of a pegmatite. A few pegmatite outcrops were seen by the author (***picture 14***) or reported by the geologists from "Société Avoine" as well. Mentions of pegmatites are also made in Ibouanga (2011), but will require verification. But there are no reports of spodumene in these pregmatite at this time and the pegmatite's sodolithic nature is unconfirmed. Note that pegmatites are relatively common rocks in crystalline basement and only one type is coltan bearing. For a pegmatite swarm to be of interest for coltan exploitation, it must be on the order of kilometres in size: the size of the current spacing between the various stream in the drainage pattern.

***Picture 14**: Left: Flakes of muscovite scattered in gravel at site 84040008, suggesting erosion of a nearby peraluminous pegmatite.*
Right: View of a quartzofelspathic pegmatite outcrop in a stream.

Exploration for LCT type sodolithic pegmatites for their lithium content is relatively active around the world at the present time. Such pegmatites typically contain 1.5% Li_2O, or 20-30% spodumene. Spodumene is an industrial mineral currently worth over $800 a tonne, assuming suitable quality. It is used in the manufacture of glass and ceramics, and developments are currently carried for its use in the production of lithium carbonate for electrical storage batteries. The lithium content of these pegmatites is the main source of income from their exploitation, leaving coltan as a by-product or as a co-product at best. It is estimated that the in-situ value of a spodumene bearing pegmatite is on the order of $200 a tonne, versus production costs that could be well below $100 a tonne.

There is currently no known LCT pegmatite in Chaillu massive. However, numerous pegmatite occurrences, many of which are per-aluminous or tourmaline bearing, were reported by "Société Avoine".

Sodolithic pegmatites are mined around the world for lithium as well as columbotantalite. Such pegmatite usually occurs in large swarm, over metallogenic province.

While visiting the alluvium in the Banabari Creek area, near the MDC iron deposits, Mr. Ranchard N'Gamye, a young geologist working for SADEM-Congo, mentioned having collected a lateritic clay sample in a road cut which, when washed, yielded coltan. This sample was not duplicated by the author, but this type of material could be an example of the weathered source rock.

EXPLORATION

PREVIOUS EXPLORATION WORK

Due to the lack of detailed and reliable information, all previous exploration work is disregarded by the author, other than for being the trigger behind the project.

AUTHOR'S FIELD VISIT

The author's visit was guided by Mr. Bonate Ibouanga, who selected the sites to be visited based on his experience obtained during previous campaigns (***appendix 2***). Significant amounts of coltan could be found at each location.

In the course of his visit, the author sampled xxx sites from various stream. Coltan was collected from most of these sites. In many locations, coltan granules can be picked directly from gravel piles.

The selected sites were artisanal gold mining places in the various streams of the area. "Société Avoine" reported coltan in these streams; the reports were relatively accurate. It should be noted that the local miners do not recover the coltan at this time because they do not have a market for selling it.

Typically, the samples collected were the heavy fraction of four (4) pans of material, 5 litres each. The samples were washed by the local prospectors (***picture 15***). Sampling sites were usually selected by Mr. Ibouanga, even though the prospectors were free to collect material where they wished within the designated area (***figure 6***). The material was washed under the author's supervision. The typical material collected was from the quartz pebble gravel in a lateritic mud matrix.

Typically, a few grams of sand sized heavy mineral concentrate were recovered from each pan and stored in little sealable plastic bags. The material was retained by the author and brought back to Canada for subsequent analysis.

In parallel with the panning, an examination of the gravels allowed the recovery of coltan pebbles (1-100 g) at several locations, both by the local diggers and by the author himself[24]. These pebbles were retained by the author for subsequent analysis and brought back to Canada in his personal luggage. In addition, a number of coltan pebbles weighing up to 250 g were handed over by some of the local miners, in particular by Mr. Jean Firmin Tsoumbo.

It must be emphasised that the visit of the author and the sampling he carried strictly aimed at confirming the presence of the coltan on the property. It does not constitute a structured exploration program and is not carried according to systematic and rigorous procedures.

Picture 15*: SADEM-Congo crew at work, panning for coltan under the author's supervision.*

DRILLING

No drilling has ever been carried out on the project.

SAMPLE PREPARATION, ANALYSIS AND SECURITY

SAMPLE DESCRIPTION

Twenty-nine (29) samples were collected by the author in total. The samples are either heavy mineral pre-concentrates or coltan grains. In addition, nine (9) panned pre-concentrates and two (2) small bags of coltan grains labelled X01 to X11 were supplied by Mr. Ibouanga. The provenance of these last samples was not given to the author other than they were collected in the Mayoko area by a local SADEM worker during the author's visit. All samples were analysed using the same procedures, including the samples provided by Mr. Ibouanga.

Pan concentrate collected by the author were processed in his mineralogy facility in Saguenay, Canada, to measure accurately the coltan abundance and tantalum content of these concentrates.

[24] Due to the neighboring DRC coltan production, extreme care was taken by the author to detect any attempt at on-site salting.

SAMPLE PREPARATION AND COLTAN SEPARATION

Samples collected in the course of the visit were brought to the IOS facilities in Saguenay, Canada, for processing, a facility owned by the author, but independent from Tantalex. Samples were processed using the following procedure:

Sandy fraction <1 mm

- Drying and weighting
- Washing in bleach to sterilise the samples
- Washing in oxalic acid to remove any ferruginous encrustation. This step had to be vigorous and repeated several times because of the persistence of the encrustation, suggesting that it is hematite and not goethite. The cleanliness of the pre-concentrate is vital for the subsequent treatment with heavy liquids; any trace of ferruginous salts being harmful to the process.
- Separating using LST heavy liquids with a density of 3.2 g/cc.
- Separating magnetite using a hand magnet and Frantz field barrier magnetic separator.
- Examining the non-magnetic heavy mineral concentrate using a binocular microscope and evaluating the mineral proportion.
- Gold grains were extracted and stored separately.
- Analysing the non-magnetic heavy mineral component using a portable X-ray fluorescence analyzer, with Hf-Ta mode. This analysis gives the percentage of tantalum, niobium and major transition metals.

Granule fraction 1-5 mm

Tantalum analyses iscarried using a Niton XLT portable XRF analyzer, using the Nb-Ta mode, operated by a certified chemist.

Analysis of the grit fraction, between 1 and 5 mm, presented some difficulties. The material is too coarse to obtain a homogeneous material for portable XRF analysis, but too small to analyze individual grains.

The grit fraction, overwhelmingly composed of heavy oxides, was sorted by hand using a binocular microscope and weighted. The coltan proportion was measured, but its composition cannot be known without pulverizing the material, which we decided not to do.

Pebble fraction >5 mm

Individual coltan pebbles and granules were numbered based on to their place of origin and underwent the following analytical procedure:

- weighing
- washing in bleach and then in oxalic acid
- most grains larger than 5 mm were analysed using a portable X-ray fluorescence analyser. Unlike the analyses of the concentrates, the samples are not contaminated by other minerals and represent the real tantalum and niobium values for these crystals.

CHAIN OF CUSTODY

Samples were collected by SADEM crew members under the author's supervision. Pan concentrates were put in small bags and kept by the author, who brought them to Canada in his personal luggage. Samples were prepared and assayed in IOS facilities, under supervision of a certified chemist[25].

IOS is not a certified laboratory, but has 20 years of experience in heavy mineral processing.

QUALITY CONTROL AND QUALITY ANALYSIS

Quality control of the sample preparation and heavy mineral concentration used various methods such as mass balance and the insertion of tracer minerals.

Quality of the coltan analysis with the portable XRF spectrometer has not been rigorously monitored. Multiple measurements of 120 seconds were made for each analysis, discrepant results were discarded and the average of the three first consistent results used. Since the analysis is non-destructive, all the material and pebbles were preserved and archived, and can be used for re-assay with a different method.

Considering the simple prospecting nature of the program, the author is confident that the analysis are of sufficient quality to support the conclusion of the report.

OBSERVATIONS DERIVED FROM THE COLLECTED SAMPLES

1. The cleaned pre-concentrates brought back to Canada by the author consist of silt, sand and grit sized particles. All material smaller than 100 microns appear to have been lost through panning, which was to be expected.

2. The minerals retained after treatment are clean and ready to be examined.

3. The following minerals are observed in the heavy mineral concentrates:

   - Columbo-tantalite $(Fe,Mn)(Nb,Ta)_2O_6$ is the main mineral of interest. Grains of this mineral are a metallic greyish-black and usually euhedral. It tends to keep its crystalline form, but can also be found as cleaved fragments. It is relatively abundant, but on visual examination can be confused with ilmenite or specular hematite. Assuming that the entire niobium and tantalite content of the concentrate is in the coltan, XRF analysis of the concentrate should allow the calculation of coltan abundance. The columbite to tantalite ratio of the concentrate should represent that of coltan.

   - Ilmenite ($FeTiO_3$) appears to be the dominant mineral of numerous concentrates. It is metallic black in colour, very similar to coltan and it is easy to confuse the two. It is clear to the author that the panning done by the prospectors does not take into account the presence of ilmenite in their concentrate; therefore, the weights

Ilmenite is abundant in the coltan concentrate from some area, and can be difficult to distinguish or separate.

[25] Mme Karen Gagné, registered member of the *Ordre des chimistes du Québec*, n° 2003-137

obtained are overvalued. Ilmenite is the only titanium mineral noted, rutile and leucoxene are both absent. The proportion of ilmenite can thus be calculated from the chemical analysis, assuming its stoichiometric nature. Ilmenite is a common constituent of crystalline rocks, so its source rock cannot be uniquely identified. The author is never-the-less surprised that it shows no evidence of lateritic alteration or conversion to leucoxene or pseudorutile. Ilmenite is currently selling at $90 a metric tonne, too low to consider its exploitation.

- Garnet ($(Fe\text{-}Mg\text{-}Ca)_3Al_2Si_4O_{12}$) is present in relatively variable proportions from one sample to the next. Garnet is a common constituent in paraschists, an abundant lithofacies in the area. Contrary to the author's expectations, the garnet shows no sign of lateritic corrosion. Garnet has practically no commercial value.

- Zircon ($ZrSiO_4$) or xenotime (YPO_4) is a ubiquitous in crystalline rocks and extremely resistant to any weathering. The mineral is present in low amounts in all the concentrates. It is pale pinkish in colour and easily mistaken for quartz or feldspar on visual examination. It is not sufficiently abundant to have a commercial value.

- Apatite and quartz can be seen in small quantities in some of the samples, due to a separating problem with heavy liquids.

In total, 181 pebbles from the various sites thought to be coltan were analyzed with the use of a portable X-Ray fluorescence analyser. Of these, 165 (91.2%) were coltan, with an average[26] tantalum oxide content of 35.9% Ta_2O_5, ranging between 6.14% and 64.21%. Class distribution of tantalum grade in coltan grades is provided in ***figure 4***. The analyses are near to stoichiometric[27] $(Nb\text{-}Ta)_2(Fe\text{-}Mn)O_6$, with traces of titanium (0.5-1.5 TiO_2), calcium (0.1-3% CaO, likely from the inclusion of perovskite molecules), and abundant manganese (1-11% MnO, typically one third of iron). Traces of other metals were detected, below 1%, but it is uncertain if they are in solid solution within the coltan, a superficial alteration or a mere analytical discrepancy[28].

181 coltan pebble, either collected by the author or provided by local gold digger were analyzed. The average Ta_2O_5 content is 35.9%, but some pebble being as rich as 64%.

[26] Not weighted for the weight of the individual grains

[27] Stoichiometric calculation is slightly divergent from the theoretical stoichiometry, due to niobium grade errors inherent to the analytical method, varying by 0.4% to 10% of the measured value.

[28] Matrix corrections with Rousseau's fundamental algorithm are quite severe for material rich in heavy metals such as tantalum and may exceed the capability of the software used for the analysis. Rigorous calibration was not preformed.

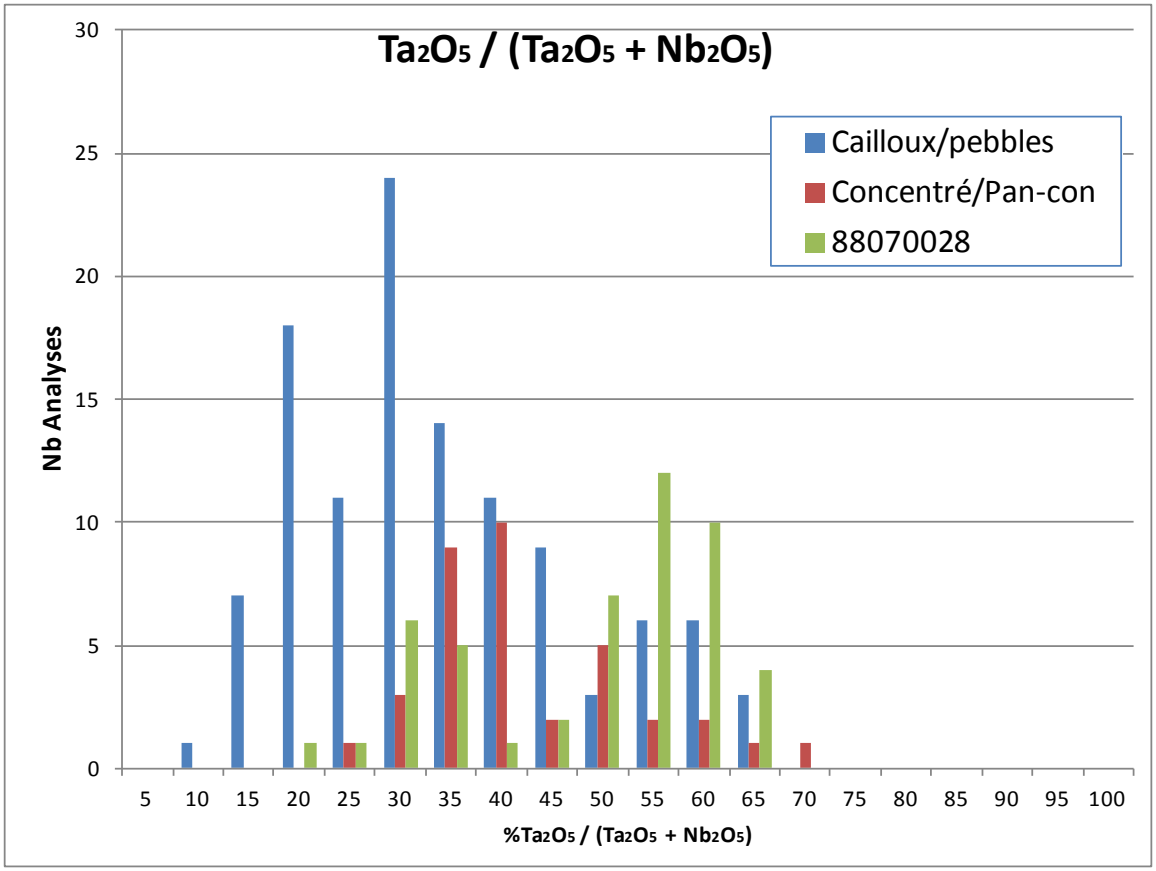


***Table 2**: Class distribution per 5% interval of the tantalum grade in pebbles (bleu), pan concentrates (red) and pebbles provided by Mr. N'Gamie (green). Notice the grade is indicated as the ratio of the tantalum to the tantalum plus niobium oxides, which is slightly higher than the actual tantalum grade as measured.*

Tantalum content of the pebbles varies based on their provenance. However, the small numbers of available analyses per site render statistical evaluation not very robust.

Site[29]	**Nb**	**Avg**	**%Ta_2O_5**
	88070001	6	25.4%
	88070004	7	28.7%
	88070005	5	29.0%
	88070007	4	38.0%
	88070007	5	33,7%
	88070009	8	40.9%
	88070010	3	43.4%
	88070012	5	19.1%
	88070016	5	26.8%
	88070017	5	34.1%
	88070020	3	30.2%
	88070021	3	21.7%

[29] Only sites with more than 3 grains are indicated

88070023	3	32.2%
88070024	5	37.2%
88070026	3	32.5%
88070027	4	30.6%
88070028[30]	49	46.4%
88070100[31]	29	30.4%

Other than coltan, pebbles included crystalline iron oxide (magnetite, maghemite or hematite), ilmenite and tourmaline (?). These, especially ilmenite, can be tricky to distinguish visually from coltan. Also, three large grains of the pyrochlore-microlite series $(Na,Ca)_2(Nb\text{-}Ta)_2O_6(OH,F)$ with 30% to 40% $(Nb\text{-}Ta)_2O_5$ were detected. Finally, two black oxides returned no detected metal with the XRF analyzer, meaning they are made of metals for which the analyser is not programmed. These are likely rare-earth oxides, such as euxenite or betafite.

The abundance of coltan pebble in gravel is near to impossible to evaluate accurately. The beneficiation process will have to enable recovery of these.

The abundance of coltan pebbles in the gravel is near to impossible to estimate accurately. Pebbles were collected one by one mainly by a visual search within the quartz gravel. Their contribution to the mass balance is erratic, a bit like the gold nugget effect. However, their contribution to potential revenues can be significant. In the Avoine report, there is mention of a coltan pebble the size of a grapefruit, which could weigh more than 10 kg and have a value in excess of $600. The mining process will have to be able to recover these erratic large pebbles.

Pan concentrate analyses

Pan concentrates smaller than 1 mm collected by the author yielded an average of 6 grams of coltan per 20 liters of gravel. Ta_2O_5 grade varies with location,

Local prospectors prepared the pan concentrates using their usual methods for gold panning: they concentrated the heavies until they obtained the cleanest concentrates they could achieve. The concentrates contain a certain proportion of grit dominated by coltan and were sieved in the laboratory to exclude material smaller than 0.1 mm or larger than 1mm. The sieved sandy material is composed of a salt-and-pepper mixture of dark heavy minerals such as coltan and light minerals such as quartz in various proportions. Coltan was then separated from the concentrate in the IOS laboratory. Light minerals were removed using heavy liquids, leaving heavy concentrates representing an average of 34% of the pan concentrates. Magnetite, separated with a hand magnet, represents an average of 8% of the concentrate. However, samples collected near iron formation ledges in the stream may contain up to 68% magnetite. Magnetite and coltan can easily be confused by

[30] 88070028: collection of grains provided by Mr. N'Gamie, with a few exceptions. Exact provenance was not disclosed and might not even been known to Mr. N'Gamie. He informed us that the SADEM crew collected them in the Mayoko district. Tantalum grade in these pebbles is significantly higher than the ones collected in the presence of the author. As it is impossible to visually distinguish tantalum-rich from tantalum-poor coltan and no simple analytical test were available to Mr. N'Gamie, it is difficult to imagine that a selection bias was introduced by him. The provenance of these pebbles must be different from the ones collected by the author, likely from a different stream.

[31] 88070100: Samples provided by Mr. Ibouanga and collected by unsupervised prospectors during the author's visit. Provenance was not disclosed to the author. They show tantalum grades similar to the ones collected in presence of the author: they likely come from the same system.

local prospectors if not tested with a magnet. The paramagnetic heavy concentrate is then analyzed with the XRF analyser. Since only coltan contains significant amounts of tantalum and niobium, the grade of these metals can be used to estimate the coltan abundance as well as its tantalum-niobium ratio. A mass balance and recovery is then back-calculated.

The amount of coltan recovered in the sandy fraction is modest, for an average of 20.8 grams per site. This average is biased by sample 88040004, with 526 g of coltan. If excluded, the average coltan per sample drops to 6.0 grams. Only seven (7) samples produced in excess of 10 g coltan, all from the Imvouala tributary, Lekoumou area. The tantalum versus niobium ratio of the coltan is calculated at an average of 38.3%. It is noted that samples from the Lekoumou area show a lower tantalum content (about 30%) than those of the Makengui area, which grade at about 50% tantalum. Class distribution of tantalum ratio is provided in ***figure 4***, compared to the pebble grades.

Grit analyses

Grit (1-5 mm in diameter) is dominated by coltan. The exact proportion is however hard to measure accurately, since coltan and ilmenite can be tricky to discriminate visually. Accurate assaying would require pulverisation of the material, which can be difficult for such small samples of a hard mineral. Visual examination under microscope indicate that silicates account for less than 1% of the grit, and coltan represent between 35% and 95% of the concentrate weight. It is noted that the proportion of coltan grit in the samples collected by unsupervised prospectors is significantly lower, typically 30%.

The grit fraction recovered by panning represent between 5 and 204 g for 5 pans, thus an average of 35.1 g per sample, or 41% of the pan concentrate. The grit is dominantly coltan and represents a significant proportion of the mineral budget. The recovery process for eventual mining will have to consider recovering this size fraction, which will require a different process than the sandy fraction. The tantalum oxide grade of this coltan cannot be measured, and can only be assumed to be similar to the one measured in the sandy fraction.

Although difficult to evaluate, the bulk of the coltan is contain in the grits (> 1 mm) fraction. The beneficiation circuit will require recovering efficiently this fraction.

Gold

The “Société Avoine” exploited the alluvial gold in the Mayoko district for almost 30 years. These exploitations used quite primitive equipment typical of the epoch. A fair amount of gold is still present in these gravels and artisanal exploitation is continued by local gold diggers. Gold is recovered along with coltan in pan concentrates. Up to 361 gold grains were recovered per sample, with a typical count of 20-30 grains. The gold grains were not weighed. The concentrate was not assayed for gold. The amount of gold is not sufficient to sustain gold mining by itself, but should be considered as a valuable by-product and a significant revenue source.

Diamond

Some kimberlitic indicator minerals such as pyrope were suspected in the concentrates. These minerals were extracted and will be analysed using an electron microprobe to evaluate the diamond potential.

DATA VERIFICATION

The project being in its infancy, next to no data is available. The information contained in Ibouanga (2011) will require a complete field revision and cannot be used as presented. The historical data from "Société Avoine" is incomplete and difficult to reconciliate, and shall be used with circumspection. Avoine's work has been compiled to the best of our capability, but misallocation of the samples remains an issue.

MINERAL PROCESSING AND METALLURGICAL TESTING

Coltan has effectively been mined and commercially produced by "Société Avoine", with the use of quite primitive means. Although no production rates or recoveries are available, this activity testifies to the mining feasibility of this mineral.

A 20 kg pan pre-concentrate of heavy mineral, collected by Mr. Ibouanga and local gold diggers is currently being processed at the author's facilities in Saguenay, Canada. Results from this procedure are to be used in addressing the principal issues that shall be considered for an eventual semi-industrialized operation.

The author did visit, in April 2012, a tantalum refinery, where he has been familiarized with the process. This will be discussed **in *item 24.***

MINING RESOURCES AND RESERVES

No CIM-guideline compliant mining resources or reserves have been defined within the Matsanga-Marala permit. However, the mere visual estimation of the site may suggest the potential sustainability of a semi-industrialized operation.

ADJACENT PROPERTIES

Mayoko district is currently very busy with mineral exploration, mostly with iron mine development. The detailed information on these projects is not available to the author, and verifications were limited to web-based publically disclosed information, without further verification. The author did witness the evidences of their activities in the course of its visit.

DMC Iron Mining

DMC Iron Congo[32] (***figure 7***), an Australian company, is currently evaluating the Lekoumou iron ore deposit in the Mayoko area, reporting a reserve of 2.6 billion tonnes. The project, acquired in 2007, is located in an area south of Mayoko and south of the Banabari River. The mineralization is apparently an Algoma type magnetite banded iron formation. It outcrops in some stream beds (visited by the author) and is mentioned in the reports produced by Avoine (Boineau, 1956). Mentions dating as early as 1912 were found (Watha-Ndoudy and Djama, 2004).

DMC Iron Mining is currently developing the Lekoumou iron ore deposit, located just south of Mayoko. Development of this project is expected to bring various infrastructure, as well as completion for local resources between mining companies.

DMC Iron Ore was a congolese corportation, of which about 92% of the

[32] Formerly DMC Iron Ore S.A.R.L.

capital was acquired last year by the Autralian-based African Iron Company Limited[33]. This company was subsequently acquired by Exarro Resources, a South-African corporation. The African Iron Company Limited, an Australian corporation, issued various press releases about its Lekoumou property, indicating a resource of 144 million tonnes at 46% DSO type iron (press release of October 17, 2011). The property is located between the Lekoumou and Mipoundi Mountains and stated as possible to be put into production quickly. The maps used, including the aeromagnetic base and drill site maps, are the same as those published by DMC Iron Congo.

A possible land-use conflict with Sadem must also be mentioned, since alluvial coltan occurrences are found overlying the above mentioned iron deposits. DMC established its site facilities in the village of Mayoko.

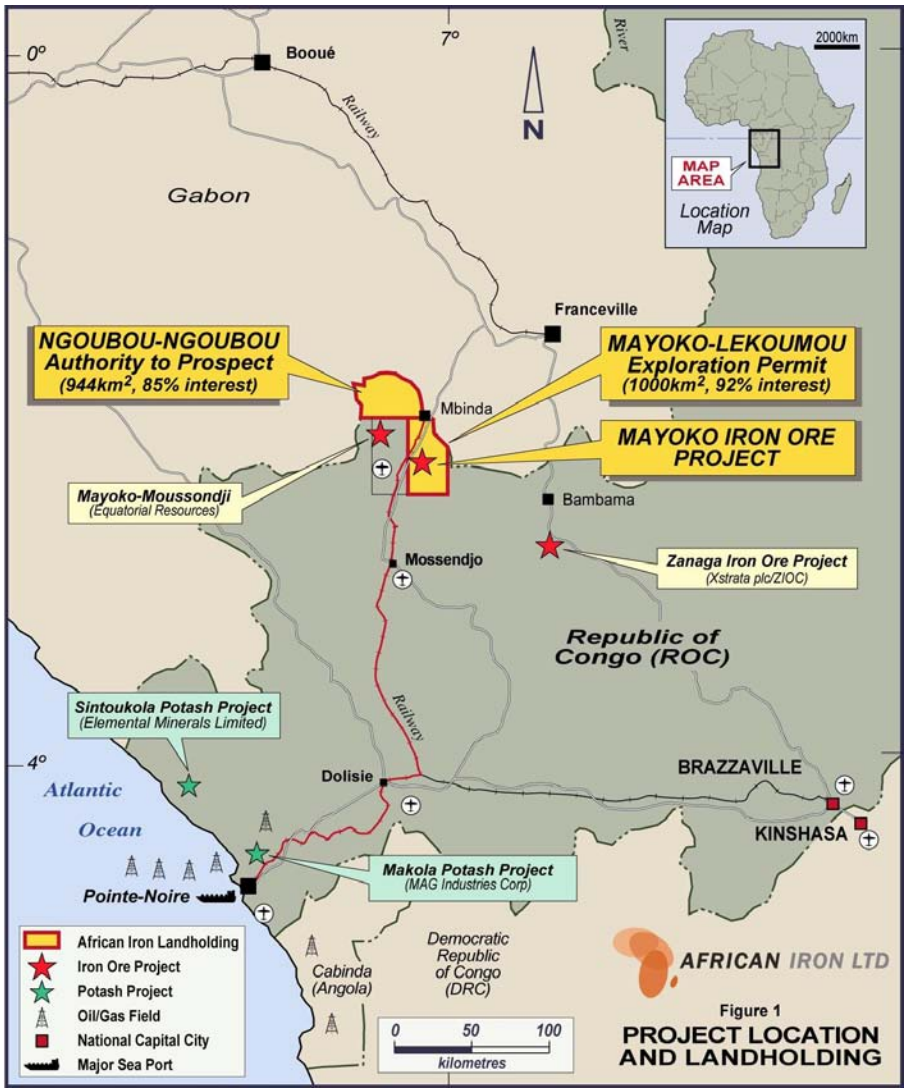


***Figure 7**: Regional map of the MDC iron-ore project, which provides an overview of south-western Congo.*

[33] Press releases and internet-based information about these corporations and transaction are quite confusing, and not considered relevant enough to be researched by the author.

Congo Mining

Congo Mining is currently the most active mining company in the area. It is actively developing an iron ore deposit in the area to the north-west of the Louessée River, expected to be in production in 2014. Site facilities are established in the village of Mayoko-Gare. Various pieces of heavy mining equipment have been shipped for the work, including reverse circulation drilling platforms, excavators, bulldozers, etc.

Based on maps published by African Iron Ore, the area worked by Congo-Mining is indicated as the "Mayoko-Moussondji" project and is belonging to Equatorial Resources, an Australian company. On their website, Equatorial mentions the "Makengui" deposit and the drill sites visited by the author (***picture 16***). Please note that, in 2011, Equatorial owns close to 20% of the African Iron Ore shares in circulation and therefore they have a share in all the iron projects of the region.

A second large iron project is under development by Congo Mining. This project is located north-west of Louesse River. Coltan alluviums were discovered in the same area.

Picture 16*: Concrete slab sealing off DMC's (African Iron Ore) reverse circulation drill hole, and Congo Mining's (Equatorial Resources) drill site with samples. Both operations are located close to a stream containing coltan.*

Sino-Congo

Sino-Congo is a mining exploration company owned by Chinese interests (government?). The link between Sino-Congo and Sino-Congolese Mines operating in the DRC[34] is not known to the author. Sino-Congo holds gold exploration permits in a part of the region. Evidence of their exploration work was seen here and there by the author (***picture 17***). Their site facilities are located a small distance to the south of Mayoko.

[34] DRC: République démocratique du Congo, informally known as Congo-Kinshasa, previously known as Zaïre and Belgian Congo. Not to be confused with the République Populaire du Congo, where the current project is located, also known as Congo-Brazzaville, previously known as French Congo or Afrique-Équatoriale française.

***Picture 17**: A series of small exploration pits dug for gold by Sino-Congo near a former Société Avoine exploitation (site 88040021).*

Other companies

The following exploration companies were reported in the area; however, no sign of their activity could be seen.

- MDC, a subsidiary of Canadian Mexivada, is inactive at the moment. They hold gold claims in the area.
- MPD Congo, a subsidiary of X-Strata PLC, holding claims and the 3.3 billion tonne Zanaga iron ore deposit approximately 100 km to the south-east of Mayoko. Their presence was not observed in the Mayoko area.
- Cantoon (?) Congo was reported active in gold exploration a few years ago.
- Socorem ("Société congolaise de recherche en exploration minière") also seemed to have worked in the region.
- Soneco S.A. recently acquired an exploration permit for iron to the east of Mayoko, which partly encompasses the eastern limit of Tantalex permit.

It should be mentioned that both Congo Mining and MDC Iron Ore tried to include columbo-tantalite as a commodity in their permits. In addition, at least four other companies submitted permit applications for columbo-tantalite exploration or prospecting to the "ministère des Mines du Congo".

Usually, the presence of these mining companies near the claim under study, particularly those intending in developing iron mines, allows the anticipation of a general improvement in the infrastructure in the medium and long term. A point to note, African Iron Ore says it expects to ship 5 million tonnes of ore per year by the Camilog railway. Congo Mining also forecasts 5 million tonnes per year, while DMC estimates shipping an additional 11 million tonnes. This represents a total of 21 million tonnes; 10 times the quantity

shipped by Comilog[35], the company the railway was built for. Such an annual traffic is simply unrealistic on a narrow gauge railway designed to accept 17 tonnes axle loads. In addition, this traffic will be added to normal the CFCO traffic on the Dolisie - Pointe-Noire stretch (1 million tonnes per year crossing the Mayonge Mountains).

OTHER RELEVANT INFORMATION

TANTALUM METALLURGY

The extractive metallurgy of tantalum is not complex, although the conversion from tantalum chemical into commercial goods is highly specialized. Tantalum is a heavy transition metal of group V_B, sixth period ([Xe] $4f^{14}$ $5d^3$ $6s^2$), usually pentavalent (Ta+5). Its electronic configuration on the outer shells is identical to niobium (or columbium), group V_B but fifth period. Therefore, these two metals are nearly always associated in nature, with a near constant abundance ratio of 1 tantalum for 10 niobium, similar to their cosmic abundance ratio. This indicates the difficulties in partitioning these two metals. The LCT peraluminous pegmatite is one of the only rock types known to the author where this ratio is not preserved.

Tantalum and niobium are always associated in nature, having similar chemical properties. Separating them requires hydrometallugical process, known as "de Marignac" process.

The great difficulty in partitioning tantalum and niobium is reflected in the extractive metallurgy. The aluminothermic process of tantalum-depleted pyrochlore produces most of the niobium used by the steel industry. In this process, the niobium oxide mineral is mixed with magnetite (iron oxide) and aluminum powder, ignited into an exothermic reaction that produces ferroniobium and alumina slag. A very similar process is used for most ferroalloys, such as ferrochromium, ferrovanadium, etc. This process doesn't discriminate tantalum, and hence tantalum cannot be separated from niobium by the use of pyrometallurgical processes. Tantalum poor pyrochlor, such as the one recovered from carbonatite, is preferred for this process. This explains why most niobium operations do not have tantalum as a by-product: tantalum is simply lost as contaminant in ferroniobium.

Separating niobium and tantalum require wet chemistry or hydrometallurgy. For these processes, the metals need to be put into an aqueous solution. The second difficulty is the refractory nature of these metals. Their pentavalent state and small nuclear diameter give them a high ionic ratio. Niobium and tantalum metals or oxides do not react readily with an acid or a base. Digestion proceeds in concentrated hydrofluoric acid (70% HF) at room temperature and pressure[36]. This enables solubilisation of the metal into complex fluoride salts, such as di-potassic heptafluorotantalate and di-potassic pentafluoroniobate, a process known as "de Marignac". Both salts can then be separated efficiently by either a solvent extraction process (usually Methyl-isobutyl-ketone or MIBK) or ion-exchange resins. Di-potassium heptafluorotantalate can then be precipitated into potassium tantalum heptafluoride K_2TaF_7 (commercially called KTaF) or precipitated as tantalum pentoxide (Ta_2O_5) by a reaction with ammonia.

The "de Marignac" process use coltan concentrate as feedstock, and is sufficiently selective to by quite robust to the various contaminant in the concentrate.

The *"de Marignac"* process is quite robust. The feedstock can be simple unclean heavy mineral concentrate, such as those obtained by artisanal mining methods. Coltan and a few other minerals are put into solutions in hydrofluoric acid, while most other common

[35] Camilog: Compagnie minière de l'Ogooué, the world's largest manganese producer with the Moanda mine in neighbouring Gabon, a subsidiary of Eramet.

[36] Manipulating hydrofluoric acid is extremely hazardous (polite word for "nasty") and should be attempted only under the strictest safety protocols both for transportation, storage and manipulation. For this reason alone, attempting tantalum refining in Congo would be socially irresponsible.

heavy minerals remain as a sludge, which can be separated by filter press. The pregnant liquor is brought into contact of MIBK[37], which is extremely selective in separating tantalum from niobium and other metals. The niobium sluge is not purified by this process, and is sold to other niobium refiner or aluminothermic converter. The author has been informed that the only contaminant of concern in heavy mineral concentrates is antimony (for an unknown reason) and silica which consume hydrofluoric acid.

The marketable tantalum end product is a soluble salt K_2TaF_7, known as KTaF.

KTaF recovered from *"de Marignac"* process is sold to be converted it into tantalum metal powder. This metallic powder is the commodity used for the manufacturing of electronic components and is produced by direct reduction of KTaF by sodium metal. Pentoxide can be reduced to ferrotantalum by an aluminothermic process to be used as an alloy component. Readers can appreciate the elevated cost of conversion: tantalum metal powder is sold at over $5000 per kilogram. The author has not been able to obtain reliable KTaF prices. However, the current market price paid by refiner for the coltan concentrate is about $60 per kilogram of contained Ta_2O_5[38]

COLTAN MARKET

Coltan is the main primary source of tantalum, either from alluvial or hard rock deposits. Other primary sources are as by-products of niobium (as pyrochlore), tin (cassiterite) or titanium (rutile) production. A significant proportion, estimated at 30%, of the tantalum comes from recycling and as a by-product of tin smelting. World production currently stands between 1500 and 2000 tonnes per year, with a current marketed price of 70$/lb[39]. However, the tantalum market is known to be highly volatile, this commodity is sold by lots between producers and processors, with or without metal brokers, on a strictly private basis. No spot price is available, the commodity not being traded on the metal markets. No vertical integration of the market has been achieved yet. The volatility of the market is apparent by looking at the 2008 bankruptcy of *Sons of Gwallia*, then the largest producers in the world, operating the Wodgina and Greenbushes mines in Australia, their recent reopening, the intermittent operation of the Tanco Mine in Manitoba, and the recent consolidation of the industry by Cabot.

About 2 000 tonnes of coltan is produced yearly, at an average price of $70 per pound of contained Ta_2O_5. The tantalum market is plagued by volatility

About 80% of the tantalum is used in manufacturing electronic capacitors, ubiquitous in computers and communication devices. Tantalum cannot be replaced in such application, and is therefore highly strategic to our high-tech society. Tantalum is also used for specialty alloys, such as turbine-grade high-temperature steel or surgery-grade low-corrosion alloys. It is a paradox to see such a strategic commodity being affected by such market volatility and disorganized production. Fluctuations in the market were caused by economic doldrums (post-IT Bubble in 2000, post-2008 crash, etc), selling of strategic stockpiles (2008 by US government), illegal production, waxing and waning of producers, metal broker speculation, etc. Coltan prices are therefore volatile, swinging from $60 to almost $200 per pound over a few years.

Current leading producers are Talison lithium, a Canadian corporation operating in Australia (Wodgina and Greenbushes accounting for about 600 tonnes per year), Cabot from Tanco in Manitoba, and various

[37] MIBK: Methyl-iso-buthyl-ketone, or raspberry flavor.

[38] Contained Ta_2O_5: Weight of the coltan concentrate multiplied by the Ta_2O_5 grade of the concentrate. Pricing of coltan is confusing in the literature, as this contained Ta_2O_5 price is usually referred as the coltan price, which is obviously not. Raw coltan price is approximately one third of the usually published Ta_2O_5 price!

[39] Prices are reported up to $150 per pound of Ta_2O_5 content, which is not sustainable and likely caused by fortuitous shortage or speculation. Although mentioned by various promoters, such price shall not be considered as sustainable, and therefore not used for any economic assessment.

African states such as Mozambique producing alluvial coltan. Forecasted new producers are Abu Dabbab in Egypt for 325 tonnes per year and Crevier Mineral from Québec with 220 tonnes per year.

SUPPLY AGREEMENT

Tantalex Resources signed, on May 15th 2012, a supply agreement ("off-take" agreement) with one of the leading tantalum refiner[40] based in an occidental country. According to this agreement, the refiner agree to buy from 5000 pounds to 20 000 pounds per month of Ta_2O_5 from the Mayoko project at either the average market price or a fixed non-discounted price depending on the production rates. This represents about 60 to 120 tonnes per year, or 6-8% of the world production. The signature of such supply agreement is of strategic importance to Tantalex.

Tantalex succeeded in signing an off-take agreement with a leading tantalum refiner at a non-discounted market price. Such off-takes are of strategic importance in the industrial mineral business.

DIFFERENCES BETWEEN THE REPUBLIC OF THE CONGO AND THE DEMOCRATIC REPUBLIC OF CONGO

It is of the utmost importance to state the differences between the "République du Congo" and the "République Démocratique du Congo", since these two distinct countries are very often confused by foreigners. The "République Démocratique du Congo", or DRC, former "Congo Belge", ex-Zaïre, usually referred to as Congo-Kinshasa, borders the Republic du Congo to the south, with the Congo River acting as the border. The two capital cities, Brazzaville and Kinshasa, are facing each-other across this river. DRC is far larger and densely populated (53 million inhabitants) than "République du Congo", and well known for its mineral endowment.

The DRC is a war-torn country, currently stabilized by UN troops (MONUSCO). Tribal wars are endemic and 50% of the population is threatened by hunger. Although endowed with tremendous mineral wealth, mining activity (1.3% of the non-domestic investment of Canadian mining corporations) is at risk due to the lack of governance and safety. By comparison, "République du Congo" is a rather stable country, quite safe for occidentals. However, DRC's reputation overshadows the "République du Congo". A large proportion of mining activity is illicit in the DRC, including coltan mining; revenues are used to finance warlords.

DRC COLTAN ISSUE

About 60% to 80% of the world's known coltan resources are located in the DRC. However, DRC currently accounts for less than 10% of the world production because DRC coltan has been vigorously banned by the industry. DRC coltan is produced essentially artisanally, sold at "*comptoirs*" controlled by various tribal warlords, the DRC army or the Rwandan army. Revenues from coltan sales are thus funnelled into guerilla warfare. The DRC "grey gold" has therefore been targeted by various international non-profit organizations, in a manner similar to Sierra Leone's "blood diamonds".

The largest coltan resources are located in Democratic Republic of Congo, and neighboring Ruanda's Kivu. This coltan is currently heavily discounted, being banned due to the use of its revenues to finance warlords and guerilla.

The main user of tantalum-based products are the 40 largest leading electronic manufacturers, such as Intel, Apple, Samsung, etc. They voluntarily joined the *Global e-Sustainability Initiative* or GeSI, and therefore subscribe to the *Electronic Industry Citizenship Coalition* or EICC[41]. This group insists on a strict

[40] Name of the refiner and details of the agreement are to be kept confidential for strategic reasons.

[41] Documents from the EICC were made available to the author by Tantalex representatives. The EICC is an association of electronic manufacturer, including Dell computer, Apple, Intel, Samsung, etc, which agreed on a code

code of social conduct that bans the use of tantalum products derived from DRC Coltan. Clean coltan production is currently attempted in the DRC by Canadian corporations like Shamika Resources, but stringent policies will have to be implemented.

The Belgium based "Centre d'Étude international sur le niobium et le tantale", discourages buyers from trading DRC coltan, in spite of the close economic ties between the DRC and its former colonial power, Belgium. Furthermore, the American government recently adopted the *Wall Street Reform and Consumer Protection Act*, which includes restrictions on using metals form war-torn states, among them tantalum from the DRC, in the manufacturing of consumer goods for the American market. The bulk of illegal coltan is sold in China for domestic consumption.

Due to the EICC and other's bans, DRC coltan is heavily discounted on the market, typically sold between $35 and $70 per kilogram (50% of the price of clean coltan). Commodity brokers, typically based in developing economy such as Costa Rica, regularly advertise such DRC coltan on the internet. Since the Republic of Congo is the neighboring state of the DRC and is often confused with it; special attention will be required from Tantalex in marketing and implementing a chain of custody. Concerns are expressed about the Republic of Congo acting as an outlet for DRC coltan, similar to Rwanda, Uganda and Burundi.

A rigorous chain of custody will be required to export coltan from Republic of Congo, compliant to UN and GeSI protocols. Tantalex has been invited to join the EICC.

Tantalex has been invited to attend the last EICC meeting in Capetown, SA., in May 2012, and currently work in implementing the indicated chain of custody.

The author does not have access to a reliable database of analyses for coltan from the DRC or Rwanda. It is not possible, for the moment, to say if the coltan from the Mayoko project is chemically distinctive.

TANTALUM SUPPLY CHAIN TRANSPARENCY

In order to sell its coltan to one of the primary processors or smelters[42], a certification of origin must be provided by the coltan producer. Leading electronic manufacturers will buy tantalum products only from EICC-GeSI certified processors or smelters. In order to be certified, the processor or smelter has to be audited by the EICC-GeSI. Because the Republic of Congo shares a border with the DRC, it is considered as a "*Level 2"* country. Producers from a level 2 country must implement a tracking mechanism and a chain of custody to secure its production delivery to the processor or smelter. They must provide, among other things, a government certificate of origin, an export license, all the accounting and ledgers from the mine, a bill of lading, etc. Acceptance of not-compliant coltan source by a processor may lead to its certification being revoked, an issue taken very seriously by the industry. This issue must be considered very serious by Tantalex and a rigorously robust chain of custody has to be implemented. The author has been informed that Tantalex negotiating with an internationally reputed firm of material inspection to implement such control protocol.

POLITICAL STABILITY

The Republic of Congo gained its independence from France in 1960. The country was politically instable until 1979, when the army general, Mr. Denis Sassou-Nguesso took over. After 1979, political stability was maintained, although the regime was not democratic. In 1991, following a general election, Sassou was replaced by Lissouba. In 1997 a civil war ravaged the country and put Sassou back in power. Since 2002, the Republic of Congo is officially a democracy, with Sassou as elected president.

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of ethic in regard of their supply chain, banning any commodity which might be financing War Lord and guerrillas. Coltan is the main commodity concerned, and DRC the main source targeted.

[42] Certified processors are currently Cabot, Ningxia, HC Starck, Niotan, F&X, Duoloshan, Plansee, Ulba, Mitsui, Jiujiang Tambre and Zhuzhou.

Congo is considered as a *Heavily Indebted Poor Country*, in spite of its oil revenues. Poor organization and underinvestment are endemic.

ETHNIC ISSUES AND LOCAL POPULATION

It is difficult to estimate the size of the population living in the project area. The only published values estimate the population of Mayoko to be about 15 000. Most of the people belong to the Mbéré Nzambi ethnic group, different from the dominant Teké (or Kongo) peoples. The district of Niari is the stronghold of former president, Mr. Pascal Lissouba, who was opposed by the current president, Mr. Denis Sassou-Nguesso during the 1997-1999 civil war. Although peace has returned to Congo, tensions remain between the Nzabi and the Bantu ethnic groups. Tensions were observed on several occasions by the author, especially between different members of the project from Pointe-Noire and Mr. Bonate. This residual tension is often sited to explain the under investment in the region by the government. These unpredictable sensitivities have to be taken into account when conducting field work.

Republic of Congo is a rather stable country, although considered as a Heavily Indebted Poor Country. No severe ethnic tensions were noticed.

The local Mbéré-Nzabi population lives together with the Pygmy population. Relations appear cordial, but some discrimination can be seen against the Pigmies by other Congolese. For example, the village of Banzoko consists of two adjacent settlements, one Nzambi and the other Pygmy and is managed by two chiefs and two elders. It can be difficult for westerners to detect these subtleties and thereby cause difficulties. But the easy-going nature of the Congolese makes sure these problems are easily straightened out.

Each village has its own political structure, usually including a village chief and an elder. It is essential that diplomatic relations between SADEM and local officials be amicable and respectful of unwritten rules. The village chief must be met at each visit and consulted about each decision, even though he has to defer to the doyen. Small gifts are expected to maintain good relations.

The local population lives in absolute poverty. All SADEM involvement in a community should, as far as possible, be accompanied by various investments and services in the community, such as providing drinking water or electricity. There are no regulations governing these investments. The approval of the local residents is not required for project development, but one must be aware of the local expectations in this regard.

SOCIO-ECONOMIC INVESTMENT

Traditionally, the local population has certain expectations concerning some social involvement from any company that wishes to set up in the area. Since the majority of the miners attracted to the project live in the village of Banzoko, it is recommended that Tantalex focus its efforts there. Also, the more populous community of Mayoko is currently benefiting from investments being made by MDC, Congo Mining and the ENI Foundation.

Tantalex shall consider doing some socio-economic investments if it wishes to operate on the long term in the Mayoko area. Simple needs such as schools and clean water access are out crying.

Examples of realistic investments can be:

- Installing a drinking water tap and a community laundry facility.
- Providing a power generator.
- Improving the school or providing the salary of a school teacher.
- Establishing weekly visits from a nurse and a small dispensary.
- Constructing a landfill facility.
- Building a soccer field.

- Donating the timber harvested during operations and installing a small sawmill.

The exploitation of the alluvial deposits necessitates the clearing of the plains and the disruption of thalwegs. Deforestation has to be carried out in a clean and organized manner. It should include the recovery of the tree trunks for making lumber for community needs, the recovery of logs or planks of valuable woods for sale, the recovery of fire wood or charcoal manufacture and the management of the remaining woody materials for eventual site reclamation.

Initially, the cleared gravel and other alluviums could be used for aggregate and manufacturing concrete. There is currently a real shortage of this commodity in the area, a need that will disappear once the iron mines are in production.

Washing sediment into streams will cause suspended sediments and clays. It is therefore essential that remedial measures are put in place to contain the sedimentation and to avoid sediment influx into rivers such as the Louesse. The influx of fine particulate matter would be devastating to the halieutic fauna in the rivers. Facilities needed for the project (dams, etc.) should be designed in a way to allow land reclamation or its conversion to agriculture.

INTERPRETATION AND CONCLUSION

CONCEPTUAL EXTENT OF THE DEPOSITS

The alluvial coltan containing deposits are limited to the residual gravel in the valley bottoms. Since these correspond to the active steam beds, no paleoplacer deposits are expected. The gravel rests on non-eroded lateritic clays. Its thickness varies between 0.5 and 1 m. It is difficult to evaluate the average thickness because of the extensive reworking of these gravels by the gold diggers. A thin layer of gravel covers virtually all the streambeds and is limited to them. The author examined some of the clay banks: they were undisturbed laterites devoid of gravel. A typical streambed is about 10 m or so wide. The various branches visited represent a minimal length of 1 km each. An examination of the topographic map suggests the existence of approximately a kilometre of stream per square kilometre. The author found coltan over the extent of the area visited, which appears to be 10 km long by a few kilometres wide. Please note that this figure covers only the visited area and the potential of the remaining property will be discussed below.

It is estimated that about 5000-10000 cubic meters of gravel are available per kilometer of stream. However, the extent of the coltan bearing drainage system is not known.

Therefore, we estimate that there is approximately 5 to 10 m^3 of gravel per linear metre of stream, that is to say 5000-10 000 m^3 per kilometre. As the study area covers approximately 20 km^2, the volume of ore-containing gravel is estimated to be 100 000 to 200 000 m^3 in the known area.

The amount of coltan in the gravel is difficult to estimate, due to its coarse habit and erratic distribution. The preliminary laboratory evaluation suggests approximately 10 g per pan (1116 g for 24 samples of 5 pans, weight corrected for the proportions of coltan in the concentrate, including the sandy and grit fractions but not the pebbles), or 2 g per litre, or 2 kg per cubic metre. It is therefore likely that there may be more than 100 tonnes of coltan available in the streams within the 20 km^2 area visited. This figure is a rough estimate and very imprecise. **By no means does it constitute a resource** estimate based on the standards set out by CIM Best Practices Guidelines and required by National Instrument 43-101. Obviously, a CIM compliant resource calculation will require systematic sampling and cubage measurements, which need to be carried out in the next exploration program.

Using a market value of about $35 per pound before refining, a value which could be higher depending on the quality of the ore and the state of the market, the inferred extent of the streams could easily represent an in-situ value of more than 7 million dollars based on the 20 km^2 parcel studied during our visit.

POTENTIAL SIZE OF THE ALLUVIAL DEPOSITS

The extent of the currently known deposits was shown by the working of the gold bearing alluvium by "Société Avoine" in the 1950s and the 1960s. Little information remains about the work carried out by this company. The only information available about their gold mining operations comes from a few sources: the few surviving former employees we could meet and the few indications found on topographic maps or in place names dating from that time.

At the present time, we do not have any information whether the streams beyond the area described above had been explored by "Société Avoine", whether they are gold bearing or whether they were judged to be too inaccessible at the time. The company stopped working suddenly in 1962 with the accidental death of Mr. Avoine, and the state of the then resource is unknown.

Coltan was found and reported by "Société Avoine" geologists. However, except during the last few years of its operations, coltan was not of interest for them. It was discarded with the gravels after sluicing. Since only the streams that had been previously worked for gold were evaluated for coltan, the extent of the coltan bearing tributaries is not actually known. A regional exploration campaign is needed to assess the area of dispersion, which more than likely extends beyond the known area. Note that the concession granted to SADEM covers more than 6000 km^2, or 30 times the area covered by "Société Avoine". Gold and coltan does not necessarily accompany each other.

RECOMMENDATIONS AND BUDGET

WORK RECOMMENDATION

Tantalex shall be capable to initiate small scale mining within a year. However, this will require an aggressive program of resource definition and exploration sampling.

Following this visit, the company would be justified in carrying out further exploration work, in estimating its resource and in preparing for a semi-mechanized extraction of alluvial coltan.

Exploration will have to proceed with systematic heavy mineral survey to measure coltan abundance in every single stream present within the permits. The samples should be pre-washed, sieved and preconcentrated on the site, but using a much more rigorous procedure than manual panning. A small laboratory needs to be created at the site facility. The use of a Falcon concentrator will probably be the preferred method.

A three phase sampling program is needed:

Alluvial exploration: A regional sampling program, with samples spaced every 300 m along all streams accessible across the property. About 500 samples are planned at first, which will represent about 750 to 100 days/crew of work. These samples can be taken from the superficial gravel in active stream-beds.

Resource assessment: A detailed sampling program with 50 m spacing along the best stream, and 20 m across stream when possible. These samples must be taken from pits on a very regular gird, along with DGPS surveying of the stream bed. These will be used to evaluate the resources of the coltan bearing streams. We estimate about 850 samples to evaluate about a 20 km length of stream. This sampling can and must be initiated very quickly on already known occurrences. Primary targets shall be the known occurrences coinciding with iron deposits, such as Makengui and Lekoumou streams.

Bedrock exploration: Using the results from the sampling program mentioned above, a sampling program of the laterite should be initiated near the apex of the in stream dispersion trend. The stream alluvium originates from the erosion of the lateritic overburden. Since it is highly unlikely that the sodolithic pegmatites resisted lateritization, their coltan content was probably released into the laterite with very little

displacement and the streams eroded the lateritic residues of these pegmatites. The sampling of the laterite below the bioturbated zone should detect the presence of coltan and its accompanying refractory minerals (tourmaline, garnet, beryl, triphyllite, etc.) from the pegmatites near the apexes of the main alluvial dispersion trains. Large, 1 cubic metre samples will be required to be processed, taken from pits or auger drill holes reaching below the bioturbated horizon. These samples should be taken as fences along the stream, with sample spacing every 10 m at the most, for 20 samples per target. A total of 400 samples can be anticipated.

Exploration work should always be led by an experienced geologist and will require the hiring of many local workers. The laboratory located at the site facility would allow the preparation of heavy mineral concentrates, but their examination should be entrusted to qualified skilled workers, probably in Canada.[43].

ORGANISATION OF THE SITE FACILITIES

A suitable site facility should be established in the Mayoko region for carrying out field work. Several alternatives were discussed and the option chosen was to rehabilitate the old Mingananga school building. The settlement of Mingananga is located on a plateau along the main road to Gabon, a few kilometres to the north of Mayoko. There are a few colonial houses, including the one used by the team during field work last November, the house of Mr. Téckesse, the Episcopal Church with its dependencies and the old school house along with a few traditional houses such as the house of the pastor. There is no water, electricity or sanitation in the village at this time.

The production facilities should include a small laboratory for heavy mineral processing, which shall be located in Pointe-Noire. This laboratory will require the purchase of various pieces of equipment, which will be determined based on the metallurgical testing currently being carried.

ORGANISATION OF MECHANIZED EXTRACTION

Tantalex Resources intend to proceed with mechanized alluvial mining at the earliest opportunity. A site evaluation by an experienced contractor shall be organized at the earliest date. A decision about equipment and labour requirements will be made following this evaluation. Budget and requirement to initiate such production are not indicated in the current report, which concerns only the exploration program.

BUDGET

Tantalex did indicate a minimum and maximum anticipated financing of $200 000 and $500 000. As the logistical platform and staff used to start semi-mechanized alluvial mining will contribute to the program, no infrastructure cost is included hereafter. Minimum financing will allow carrying the regional exploration program (item A), while the maximum financing will allow carrying both the regional exploration plus the systematic resource evaluation (item A&B) of the area already known to have coltan. The budget here proposed covers item A of the aforementioned work program, and thus includes only conducting the regional stream sampling in order to assess the regional mineral endowment. All figures are stated in Canadian dollars.

[43] The training of a mineralogist to carry out this task usually requires more than one year, and the use of sophisticated and fragile analytical equipment.

MINIMUM WORK PROGRAM

Preparation	20 men/day	$600 per day	$12 000
Capital cost	(vehicles, camps material, equipments)		$0
Camp and vehicle	100 men/day	$100 per day per man	$20 000
Sampling	500 samples	$200 samples	$100 000
Assaying	500 samples	$120 samples	$ 60 000
Reporting, consulting, administration			$8 000

TOTAL $200 000

MAXIMUM WORK PROGRAM

Preparation	20 men/day	$600 per day	$12 000
Capital cost	(vehicles, camps material, equipments)		$0
Camp and vehicle	200 men/day	$100 per day per man	$40 000
Sampling	1350 samples	$200 samples	$270 000
Assaying	1350 samples	$120 samples	$162 000
Reporting, consulting, administration		$16 000	

TOTAL $500 000

According to the author's experience, the budgets and targets presented here are realistic and legitimate. If properly managed, the project shall have reasonable chances of leading to sufficient resources defined to initiate a mechanized alluvial mining operation, notwithstanding the risk associated with any exploration project.

Resulting Issuer

Upon completion of the Amalgamation, the Resulting Issuer's business shall continue to be the business of Tantalex. See "Narrative Description of the Business – Tantalex Corporation".

Available Funds

The following table represents the available funds of the Resulting Issuer and the principal purposes of those funds:

	After Giving Effect to the Transaction
Estimated pro forma liquidities	$781,568
Available Funds of the Resulting Issuer	**$781,568**
Expenses related to the completion of the Transaction	$110,000
Finder's Fees(1)	$65,000
Exploration budget of the Mayoko Project (2)	$133,333
Outstanding payment to former shareholders of Sadem	$200,000
General and administrative charges estimated for operating 12 months (3)	$270,000
TOTAL UNALLOCATED	**$3,235**

(1) Fee to be paid to the Finder upon completion of the Transaction.
(2) Represents 12 months of the 18 months $200,000 minimum exploration budget as provided in the NI43-101.
(3) Excludes expenses associated with the pre-production and production of alluvial Tantalite ore.

Notwithstanding the proposed uses of available funds as discussed above, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary. It is difficult, at this time, to definitively project the total funds necessary to effect the planned activities of the Resulting Issuer. For these reasons, management considers it to be in the best interests of the Resulting Issuer and its shareholders to afford management a reasonable degree of flexibility as to how the funds are employed among the uses identified above, or for other purposes, as the need arises. Further, the above uses of available funds should be considered estimates.

The Resulting Issuer may require additional funds or may reallocate its working capital in order to complete Phase III of its work program subsequent to the Phase I and II work programs, as recommended by the Technical Report. Phase III is conditional upon completion of Phases I and II.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

Lynnwood Capital Inc.

A summary of selected financial information for the financial years ended February 28, 2013, February 29, 2012 and February 28, 2011 and for the three month period ended May 31, 2013, is as follows:

Selected Financial Information	Three months ended May 31, 2013 (unaudited)	Year ended Feb 28, 2013 (audited)	Year ended Feb 29, 2012 (audited)	Year ended Feb 28, 2011 (audited)
Total Expenses	2,543	67,673	70,568	182,739
Amounts deferred in connection with the Amalgamation	$Nil	$Nil	$Nil	$Nil

For the financial year ended February 28, 2013, Lynnwood reported no discontinued operations and declared no cash dividends.

A copy of the financial statements of Lynnwood previously filed with applicable securities commissions are available through the Internet on the SEDAR website at www.sedar.com.

Tantalex Corporation

A summary of selected financial information of Tantalex for the financial years ended February 28, 2013 (fourteen month period) and December 31, 2011:

Selected Financial Information	Year ended Feb 28, 2013 (audited)	Year ended Dec 31, 2011 (audited)
Net Sales	$NIL	$Nil
Income (loss) from operations	($1,682,397)	($235,495)
Net Income (Loss)	($1,765,473)	($235,637)
Net Loss per share (basic and fully diluted)	$0.11	$0.18
Total Assets	$680,900	$439,208
Total Liabilities	$1,803,959	$619,323
Cash Dividends declared per share	$NIL	$Nil

Selected Financial Information	Year ended Feb 28, 2013 (audited)	Year ended Dec 31, 2011 (audited)
capitalized or expensed exploration and development costs	$435,110	$370,504
expensed research and development costs	$NIL	$Nil
deferred development costs	$NIL	$Nil
office and general expenses	$1,332,282	$221,916
professional fees	$239,928	$27,201

For the fourteen month period ended February 28, 2013 and as at the date of this Listing Statement, Tantalex had not implemented any changes in accounting policy, except as required for implementation of IFRS, and declared no cash dividends.

A copy of the financial statements of Tantalex for the years ended February 28, 2013 and December 31, 2011 is attached as Schedule "A" to this Listing Statement.

Resulting Issuer

See attached Schedule "B" for the pro forma consolidated financial statements of the Resulting Issuer as at February 28, 2013.

MANAGEMENT DISCUSSION AND ANALYSIS

Lynnwood Capital Inc.

A copy of the MD&A of Lynnwood related to its financial statements previously filed with applicable securities commissions are available through the Internet on the SEDAR website at www.sedar.com.

Tantalex Corporation

The following MD&A is dated as at the date hereof and reports on the financial condition and the results of operations of Tantalex for the year ended February 28, 2013 (fourteen month period) and should be read in conjunction with the accompanying audited financial statements of Tantalex for the year ended February 28, 2013 and the audited financial statements of Tantalex for the year ended December 31, 2011.

In February 2013 Tantalex changed its financial year-end from December 31 to February 28 in order to align the Company's year-end with Lynnwood Capital. As a result of changing Tantalex's year end, the current reporting period is a 14 month period (January 1, 2012 to February 28, 2013)

Going concern

The consolidated financial statements have been prepared in compliance with International Reporting Standards (IFRS) and on the basis of the going concern assumption, meaning the group will be able to realize its assets and discharge its liabilities in the normal course of operations.

Given that the group has not yet determined whether its mineral properties contain mineral deposits that are economically recoverable, the group has not yet generated income nor cash flows from its operations. As at February 28, 2013, the group has a negative working capital of $1,179,461 ($350,872 as at December 31, 2011) and a deficit of $1,962,709 ($228,430 as at December 31, 2011). These material uncertainties cast significant doubt regarding the group's ability to continue as a going concern.

The group's ability to continue as a going concern is dependent upon its ability to raise additional financing to further explore its mineral properties and the continued support of shareholders, directors and creditors. There is no assurance that it will manage to obtain additional financing in the future.

Tantalex and Lynnwood signed an Amalgamation Agreement on October 16, 2013, pursuant to which and subject to shareholder and regulatory approval, Lynnwood and Tantalex will amalgamate. Under the terms of the agreement, the currently publicly listed shares of Lynnwood will be consolidated on a 1.8324:1 basis and the shares of Tantalex will be exchanged for one post-consolidation Lynnwood share for every one Tantalex common share.

The carrying amounts of assets, liabilities, revenues and expenses presented in the consolidated financial statements and the classification used in the consolidated statement of financial position have not been adjusted as would be required if the going concern assumption was not appropriate. If the going concern assumption was not appropriate, such adjustments could be significant.

Operating results

Revenues

For the period ended February 28, 2013, Tantalex did not record any revenues.

Expenses

Tantalex had operating expenses of $1,332,282 for the period ended February 28, 2013 (2011: $221,916) . The increase in operating expenses was primarily due to an increase in travel fees of $152,078 (2011: $21,286) in relation to travel to Africa for management and professionals, an increase in professional fees of $212,727 (2011: $27,201) mostly due to the going public transaction and an increase in management fees of $614,132 (2011: $135,000) based on the difference between the number of reporting months in 2013 (fourteen) and 2011 (three).

Net income (loss)

Net loss for the period ended February 28, 2013 was $1,735,454 or a loss of $0.09 per share and $226,186, or a loss of $0.01 per share for the period ended December 31, 2011.

Liquidity and Capital Resources

As at February 28, 2013, Tantalex had $99,481 in cash ($45,585 as at December 31, 2011) and, working capital amounted to ($1,179,461) (($350,872) as at December 31, 2011). The increase in negative working capital over the fourteen month period ended February 28, 2013 is due in part to an increase in trade payables of $485,399 (2011: $27,203), an increase of amounts due to directors of $233,496 (2011: $118,713) due to unpaid management fees and an increase in due to consultants of $198,421 (2011: $NIL).

Financial Situation

The following table explains the important changes to the statement of financial position as at February 28, 2013 compared to the statement of financial position as at December 31, 2011.

Accounts	Increase (Reduction)	Comments
Cash	$53,896	Increase through issuance of convertible debentures and issuance of share capital

Accounts receivable	$3,449	Mainly comprised of GST/QST receivable
Prepaid expenses	$Nil	
Fixed assets	$63,389	Related to the capitalized expenses in relation with technical work
Due to related parties	$220,794	Mostly comprised of unpaid management fees to management
Accounts payable	$485,399	Related to an increase in general trade payables
Accrued liabilities	$16,225	

Change in year end

In February 2013 Tantalex changed its financial year-end from December 31 to February 28 in order to align its year-end with Lynnwood. As a result of changing the Tantalex's year end, the current reporting period is a 14 months period (January 1, 2012 to February 28, 2013).

Basis of evaluation

These audited consolidated financial statements were prepared using the historical cost method.

Basis of consolidation

The group's financial statements consolidate those of the parent company and all of its subsidiaries. Subsidiaries are entities over which the group has the power to control the financial and operating policies. The group's subsidiaries are all 100% owned by the parent company or by the controlled subsidiary itself. All subsidiaries have a reporting date of February 28. All transactions and balances between group companies are eliminated upon consolidation, including unrealized gains and losses on transactions between group companies. When unrealized losses on intragroup asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the group.

Subsidiaries

Details of Tantalex's subsidiaries as at February 28, 2013 are as follows:

			Percentage of ownership	
Name of Subsidiaries	**Principal activity**	**Country of incorporation**	**Interest and voting**	**Power held**
Sandstone Worldwide Ltd.	holding company	Bahamas	100%	100%
Sadem Congo S.A.R.L.	mineral exploration	Republic of Congo	100%	100%

Critical accounting estimates, judgments and assumptions

When preparing the interim consolidated financial statements, management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results are likely to differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results. Information about the significant judgments, estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses are discussed below.

Impairment of property and equipment and exploration and evaluation assets

Determining if there are any facts and circumstances indicating impairment loss or reversal of impairment losses is a subjective process involving judgment and a number of estimates and interpretations in many cases. When an indication of impairment loss or a reversal of an impairment loss exists, the recoverable amount of the individual asset must be estimated. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs must be determined. Identifying the cash-generating units requires management judgment. In testing an individual asset or cash-generating unit for impairment and identifying a reversal of impairment losses, management estimates the recoverable amount of the asset or the cash-generating unit. This requires management to make several assumptions as to future events or circumstances. These assumptions and estimates are subject to change if new information becomes available. Actual results with respect to impairment losses or reversals of impairment losses could differ in such a situation and significant adjustments to the group's assets and earnings may occur during the next period. No impairment loss of the exploration and evaluation assets and property and equipment, and no reversal of impairment losses has been recognized for the reporting periods.

Risk Management

Tantalex is not exposed to any interest risk rates. Risk management is the responsibility of management and Tantalex did not use derivative financial instruments for the purpose of speculation.

Fair value

The fair market value of cash, accounts receivable, accounts payable and accrued liabilities and the advances from a Corporation under common control approximates the carrying values because of their short term maturity.

Liquidity risk

Liquidity risk is the risk that Tantalex could be unable to fulfill its obligations on a timely basis. Tantalex manages its liquidity risk by monitoring its operating requirements and using various funding sources to ensure its financial flexibility.

Credit risk

Tantalex does not provide and does not plan to provide credit to its eventual clients in the normal course of its operations.

Cash and Cash Equivalences

Cash and cash equivalents include cash on hand and bank balances.

Post-Reporting Date Events

April 1, 2013 conversion of convertible debenture

On April 1, 2013, Tantalex converted a $50,000 debenture into 390,625 units at a conversion price of $0.128. Each unit consist of one common share and one warrant. Each warrant entitles its holder to acquire one common share of the Company at a price of $0.35 for a period of 24 months following the listing of the company. A sum of $28,789 was allocated to share capital while $21,211 was allocated to the warrants.

April 1, 2013 private placement

On April 1, 2013, Tantalex issued 418,750 units at a price of $0,16 for a total gross proceeds of $67,000. Each unit consist of one common share and one warrant. Each warrant entitles its holder to acquire one common share of the Company at a price of $0.35 for a period of 24 months following the listing of the company. $44,262 was allocated to share capital while $22,738 was allocated to the warrants in shareholders' equity. The fair value of warrants issued was estimated at the grant date based on the Black-Scholes options pricing model using the following weighted average assumptions: average share price at the date of the grant of $0.16, expected dividends yield of 0%, expected weighted volatility of 100%, risk-free interest average rate of 1.16%, expected average life of 2 years and an average exercise price at date of grant of $0.35.

July 16, 2013 private placement and contemplated amalgamation

As part of the amalgamation transaction Tantalex completed an unbrokered private placement of 2,375,000 units at a price of $0,20 per unit for total gross proceeds of $475,000. Each unit consist of one common share and one warrant. Each warrant entitles its holder to acquire one common share of the Company at a price of $0,35 for a period of 24 months following the listing of the company. A sum of $289,037 will be allocated to share capital while $185,963 will be allocated to the warrants. Issuance costs totalling $43,949 (including an amount of $15,149 representing the value of agent's options) will be recorded as a reduction of share capital ($26,743) and warrants ($17,206). Issuance costs will be recorded as a reduction of share capital. The fair value of warrants issued was estimated at the grant date based on the Black-Scholes options pricing model using the following weighted average assumptions: average share price at the date of the grant of $0.20, expected dividends yield of 0%, expected weighted volatility of 100%, risk-free interest average rate of 1.16%, expected average life of 2 years and an average exercise price at date of grant of $0.35. The company will pay to agents a remuneration of $28,800 and will issue 144,000 broker warrants allowing them to acquire one common share of the Company at a price of $0,20 for a period of 24 months following the listing of the company. The fair value of share options issued was estimated at the grant date based on the Black-Scholes options pricing model using the following weighted average assumptions: average share price at the date of the grant of $0.20, expected dividends yield of 0%, expected weighted volatility of 100%, risk-free interest average rate of 1.16%, expected average life of 2 years and an average exercise price at date of grant of $0.20.

Concurrent with the Amalgamation, 6,524,176 shares options will be exercised for a total consideration $130,484 in consideration for trade payables ($24,646), due to directors ($81,494) and accrued interests related to the debentures ($24,344) following an agreement signed on January 18, 2013 that is conditional on the completion of the contemplated Amalgamation.

Concurrent with the Amalgamation, Tantalex will convert a total of $264,165 of trade payables ($79,191), due to director ($141,212) and due to consultants ($43,762) into 1,651,034 shares at a conversion price of $0.16 per common share following an agreement signed on January 18, 2013 that is conditional on the completion of the contemplated Amalgamation.

Concurrent with the Amalgamation, Tantalex will convert a total of $355,662 of trade payables ($69,369), due to directors ($161,159), due to consultants ($104,613) and debentures ($20,521) into 1,778,309

shares at a conversion price of $0.20 per common share following an agreement signed on July 16, 2013 that is conditional on the completion of the contemplated Amalgamation.

Concurrent with the Amalgamation, Tantalex will convert a total of $8,623 of trade payables into 43,115 shares at a conversion price of $0.20 per common share following an agreement signed on September 9, 2013 that is conditional on the completion of the contemplated Amalgamation.

MARKET FOR SECURITIES

Lynnwood Capital Inc.

The Lynnwood Shares were listed and posted for trading on the TSXV on July 6, 2010. On October 5, 2012, the Lynnwood Shares were transferred from the TSXV to the NEX trading board of the TSXV and the trading symbol for the Lynnwood Shares changed from LCI.P to LCI.H.

Tantalex Corporation

Tantalex is not a reporting issuer in any jurisdiction and its common shares are not listed or posted for trading on any stock exchange. No public market exists for the Tantalex Shares.

Resulting Issuer

The Resulting Issuer Shares will be listed and posted for trading on the CNSX.

CONSOLIDATED CAPITALIZATION

Pro Forma Consolidated Capitalization

The following table sets forth the pro forma share and loan capital of the Resulting Issuer, on a consolidated basis, after giving effect to the Transaction as described in the pro forma financial statements of the Resulting Issuer, attached in Schedule “B”.

Designation of Security	Amount Authorized	After Giving Effect to the Transaction
Common Shares	Unlimited	**33,500,564**

Fully Diluted Share Capital

In addition to the information set out in the capitalization table above, the following table sets out the diluted share capital of the Resulting Issuer after giving effect to the Transaction:

	After Giving Effect to the Transaction
Lynnwood Shares issued and outstanding	1,118,731 (2.23%)
Resulting Issuer Shares issued to Tantalex Shareholders pursuant to the Amalgamation	19,810,199 (39.50%)
Resulting Issuer Shares issued to Tantalex Convertible Securityholders pursuant to the Amalgamation	12,496,634 (24.92%)
Resulting Issuer Shares issued to the Consultant pursuant to the Consulting Agreement	75,000 (0.15%)
Total Resulting Issuer Shares	**33,500,564** **(66.80%)**
Reserved for issuance pursuant to Lynnwood Options	405,198 (0.81%)

Reserved for issuance pursuant to options of Tantalex	2,000,000 (3.99%)
Reserved for issuance pursuant to warrants of Tantalex (including broker warrants)	7,617,963 (15.19%)
Reserved for issuance pursuant to convertibles debentures of Tantalex	4,500,000 (8.97%)
Reserved for issuance pursuant to the Consulting Agreement	2,125,000 (4.24%)
Total Resulting Issuer Shares Reserved for Issuance	**16,648,161 (33.20%)**
Total Number of Fully Diluted Securities	**50,148,725 (100.00%)**

OPTIONS TO PURCHASE SECURITIES

Upon the completion of the Amalgamation an aggregate of 2,405,198 Resulting Issuer Shares are anticipated to be reserved for issuance pursuant to the following options:

Optionee	Type of Option	Resulting Issuer Shares Issuable	Exercise Price Per Resulting Issuer Share	Expiry Date
Jean-Robert Pronovost	Incentive Stock Option	1,775,000	$0.075	Dec 21, 2016
Scott Ross	Incentive Stock Option	150,000	$0.075	Dec 21, 2016
157318 Canada Inc.	Incentive Stock Option	75,000	$0.075	Dec 21, 2016
Robert Lipsett	Incentive Stock Option	85,951	$0.18	Jun 30, 2020
Foo Chan	Incentive Stock Option	85,951	$0.18	See Note 1
Carl Pescio	Incentive Stock Option	85,951	$0.18	Jun 30, 2020
George Brazier	Incentive Stock Option	147,345	$0.18	Jun 30, 2020

Note:

(1) Current Chief Financial Officer of Lynnwood who will be resigning upon completion of the Amalgamation. Expiry of options will be accelerated to the date that is 12 months from the date of resignation.

DESCRIPTION OF THE SECURITIES

General

The Resulting Issuer will be authorized to issue an unlimited number of common shares without par value (previously defined as the "**Resulting Shares**").

The Resulting Issuer Shares will have the same attributes as the Lynnwood Shares. Each Lynnwood Share ranks equally with all other common shares with respect to distribution of assets upon dissolution, liquidation or winding-up of the Lynnwood and payment of dividends. The holders of Lynnwood Shares will be are entitled to one vote for each share on all matters to be voted on by such holders and are entitled to receive pro rata such dividends as may be declared by the directors of Lynnwood. The holders of Lynnwood Shares have no pre-emptive or conversion rights. The rights attaching to the Lynnwood Shares can only be modified by the affirmative vote of at least two-thirds of the votes cast at a meeting of shareholders called for that purpose.

Following the completion of the Transaction, 33,500,564 Resulting Issuer Shares will be outstanding, and 16,648,161 Resulting Issuer Shares will be reserved for issuance pursuant to convertible securities and contractual obligations of the Resulting Issuer.

Prior Sales

No Lynnwood Shares of Lynnwood have been issued from in the treasury in the 12 months prior to the date of this Listing Statement.

The following Tantalex Shares have been issued or were issuable from treasury within the 12 months prior to the date of this Listing Statement:

Date Issued	Number of Tantalex Shares	Issue Price Per Security	Aggregate Issue Price	Nature of Consideration
Dec 28, 2012	1,956,250(1)	$0.16	$313,000	Cash
Jan 18, 2013	175,824(2)	$0.02	$134,000	Cash
Jan 18, 2013	493,750	See Note 3	See Note 3	Services
Apr 1, 2013	418,750(4)	$0.16	$67,000	Cash
Apr 1, 2013	390,625(5)	See Note 5	See Note 5	See Note 5
Jul 16, 2013	2,375,000(6)	$0.20	$475,000	Cash

Notes:

(1) Issued in connection with a private placement which included the issuance of 1,956,250 warrants of Tantalex exercisable at $0.35 per share for 24 months from the Listing Date.
(2) Issued pursuant to the exercise of options originally granted in January 2012.
(3) Issued pursuant to shares for debt transactions completed by Tantalex at a deemed price of $0.16 per share.
(4) Issued in connection with a private placement which included the issuance of 418,750 warrants of Tantalex exercisable at $0.35 per share for 24 months from the Listing Date.
(5) Issued pursuant to the conversion of a convertible debenture at $0.128 per share and included the issuance of 390,625 warrants of Tantalex exercisable at $0.35 per share for 24 months from the Listing Date.
(6) Issued in connection with a private placement which included the issuance of 2,375,000 warrants of Tantalex exercisable at $0.35 per share for 24 months from the Listing Date.

In addition to the issuance of the Tanatalex Shares noted above:

1) 6,524,176 Tantalex Shares are issuable to certain Tantalex Convertible Securityholders pursuant to the exercise of options originally granted in January 2012;
2) 2,500,000 Tantalex Shares are issuable to certain Tantalex Convertible Securityholders pursuant to the conversion of convertible debentures at $0.05 per share;
3) 1,651,034 Tantalex Shares are issuable to certain Tantalex Convertible Securityholders pursuant shares for debt transactions completed by Tantalex at a deemed price of $0.16 per share; and
4) 1,821,424 Tantalex Shares are issuable to certain Tantalex Convertible Securityholders pursuant to shares for debt transactions completed by Tantalex at a deemed price of $0.20 per share.

The issuance of the Tantalex Shares to Tantalex Convertible Securityholders noted above are currently subject to escrow and an equivalent number of Resulting Issuer Shares will be issued to these Tantalex Convertible Securityholders upon completion of the Transaction.

Stock Exchange Price

The Lynnwood Shares were listed and posted for trading on the TSXV on July 6, 2010. The following table sets out trading information for the Lynnwood Shares for the periods indicated as reported by the TSXV.

Period	High	Low	Trading Volume
Quarter ended August 31, 2010	$0.150	$0.100	258,000
Quarter ended November 30, 2010	$0.150	$0.100	45,000
Quarter ended February 28, 2011	$0.125	$0.100	61,000

Quarter ended May 31, 2011	$0.120	$0.110	49,500
Quarter ended August 31, 2011	$0.120	$0.080	70,500
Quarter ended November 30, 2011	$0.090	$0.085	38,500
Quarter ended February 29, 2012	$0.085	$0.085	60,500
Quarter ended May 31, 2012(1)	$0.010	$0.035	21,000
Quarter ended August 31, 2012(1)	-	-	-

Notes:

(1) The Lynnwood Shares were halted from trading on May 9, 2012 pending the announcement of the Amalgamation, and were subsequently suspended from trading on the TSXV for Lynnwood failing to complete its qualifying transaction within the 24 months of its listing on the TSXV.

On October 5, 2012, the Lynnwood Shares were transferred from the TSXV to the NEX trading board of the TSXV and the trading symbol for the Lynnwood Shares changed from LCI.P to LCI.H.

Tantalex is not a reporting issuer in any jurisdiction and its common shares are not listed or posted for trading on any stock exchange. No public market exists for the Tantalex Shares.

The CNSX has conditionally approved the listing of the Resulting Issuer Shares. Listing will be subject to the Resulting Issuer fulfilling all the listing requirements of the CNSX.

ESCROWED SECURITIES

Pursuant to the policies of the CNSX, an escrow agreement will be entered into prior to the Listing Date, among Computershare, the Resulting Issuer, and certain securityholders of the Resulting Issuer (the "**Escrow Agreement**").

The following table shows the Resulting Issuer Shares that will be subject to the Escrow Agreement:

Designation of class held in escrow	Number of Resulting Issuer Shares held in escrow	After Giving Effect to the Transaction
Common Shares	12,019,037	35.88%
Options	1,775,000	73.80%

Ten percent of such Resulting Issuer Shares will be released from escrow on the Listing Date. The remaining ninety percent of such Resulting Issuer Shares will be released from escrow in fifteen percent tranches during consecutive six-month intervals over a 36-month period following the Listing Date. This escrow release schedule is subject to acceleration in accordance with National Policy 46-201 *Escrow for Initial Public Offerings* and the policies of the CNSX.

PRINCIPAL SHAREHOLDERS OF THE RESULTING ISSUER

Once the Transaction has been completed, the following Persons will be the beneficial owners of or will, directly or indirectly, exercise control or direction over more than 10% of the issued and outstanding Resulting Issuer Shares.

Name	Number of Resulting Issuer Shares Held	Type of Ownership	After Giving Effect to the Transaction(1)	After Giving Effect to the Transaction(2) (Fully Diluted)
Dave Gagnon	4,830,176	Beneficial	14.42%	9.92%

Notes:

(1) Before the issuance of any Resulting Issuer Shares underlying the convertible securities of the Resulting Issuer.

(2) In the event that all Resulting Issuer Shares reserved for issuance pursuant to the convertible securities of the Resulting Issuer are issued, including the conversion of convertible securities owned by Dave Gagnon, See "*Consolidated Capitalization - Fully Diluted Share Capital*".

DIRECTORS AND OFFICERS OF THE RESULTING ISSUER

Directors and Officers

Upon completion of the Amalgamation, the board of directors of the Resulting Issuer is expected to be composed of five members, as set out below.

The name, municipality of residence, position or office held with the Resulting Issuer and principal occupation of each proposed director and executive officer of the Resulting Issuer, as well as the number of voting securities beneficially owned, directly or indirectly, or over which each exercises control or direction, following the successful completion of the Amalgamation, excluding common shares issued on the exercise of convertible securities, are as follows:

Name, Residence and Proposed Position with the Resulting Issuer	Principal Occupation or Employment	Resulting Issuer Shares Beneficially Owned, Directly or Indirectly, or Controlled or Directed upon completion of the Transaction[1] (%)
Dave Gagnon[2] *Montreal, QC* Chief Executive Officer and Director	President and Chief Executive Officer of Tantalex Chairman of Charbone Buckell Ltd., a private equity firm focusing on mining investments, since November 2010	4,830,176 (14.42%)
Jean-Robert Pronovost[2] *St-Lambert, QC* Chief Financial Officer and Director	Chief Financial Officer of Tantalex Managing Partner at Cape Partners Inc., a private equity advisory firm, since June 2005	3,306,475 (9.87%)
Bernard Lapointe *Chicoutimi, QC* Director	Geologist	87,500 (0.26%)
Ndongo Armel Rodrigue Dziengue *Paris, France* Vice-President African Operations and Director	President of Ryn Consulting, a consulting firm in Brazzaville, ROC	1,756,445 (5.24%)
Denis Bélisle[2] *Candiac, QC* Director	General Secretary and General Manager of Legal Affairs, Human Resources and Technical Services at Société de télédiffusion du Québec (Télé-Québec)	62,500 (0.19%)
Michel Lebeuf *Montreal, QC* Corporate Secretary	Partner at Briere Lebeuf Inc.	Nil

Notes:

(1) The information as to principal occupation, business or employment and shares beneficially owned or controlled is not within the knowledge of management of the Corporation and has been furnished by the respective individuals.

(2) Proposed Member of the Audit Committee.

Each director will hold office until his re-election or replacement at the next annual meeting of the shareholders unless he resigns his duties or his office becomes vacant following his, dismissal or any other cause prior to such meeting.

Corporate Cease Trade Orders or Bankruptcies

None of the proposed directors of the Resulting Issuer is, as at the date hereof, or has been, within the previous 10 years, a director, chief executive officer or chief financial officer of any company (including the Corporation) that, (i) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer, or (ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Except for Dave Gagnon, who was the Chief Executive Officer and a director, and Jean-Robert Provonost, who was the former Chief Financial Officer, of AAER Inc. (formerly a TSXV listed issuer), when AAER Inc. was subject to an arrangement with creditors under chapter 36 of the Companies' Creditors Arrangement Act, none of the proposed directors of the Resulting Issuer is, as at the date hereof, or has been, within the previous 10 years, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties or Sanctions

Except for Denis Bélisle, while acting as director of Vantex Resources Ltd., who was imposed an administrative fine by the «Autorité des Marchés Financiers» (AMF) for not filing an insider report within the prescribed time, none of the proposed directors of the Resulting Issuer has been subject to (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Personal Bankruptcies

None of the proposed directors of the Resulting Issuer has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Conflict of Interests

There may be potential conflicts of interest to which the directors, officers, Insiders and promoters of the Resulting Issuer may be subject in connection with the operations of the Resulting Issuer. Accordingly, situations may arise where a director, officer, Insiders or promoters will be in direct competition with the Resulting Issuer. Conflicts of interest, if any, will be subject to procedures and recourses pursuant to the CBCA. See also "Risk Factors".

Management Details

The following sets out details respecting the proposed management and directors of the Resulting Issuer:

Dave Gagnon, Chief Executive Officer and Director

Dave Gagnon is currently the Chief Executive Officer of Tantalex and Chairman of Charbone Buckell Ltd., a private equity firm focusing on mining investments. Mr. Gagnon began his career in 1981, developing international opportunities for a family business in the resources sector. In 1998, he put forward a partnership to develop internal markets with Expordev, a subsidiary of the Caisse de dépôt et placement du Québec, and the participation of Bombardier Inc., SNC Lavalin Inc., Telesystems Inc., Bronterra and Export Development Canada (EDC). In 2000, Mr. Gagnon decided to focus its efforts on sustainable development and, more specifically, wind energy. Mr. Gagnon was the founder and Chief Executive Officer of AAER Inc. a public issuer involved in the renewable energy sector, prior to his involvement with Tantalex. Mr. Gagnon's service agreement with Tantalex includes a non-disclosure clause and an 18 month non-competition clause.

Jean-Robert Pronovost, Chief Financial Officer and Director

Jean-Robert Pronovost is currently the Chief Financial Officer of Tantalex and partner and co-founder of Cape Partners Inc., a private equity advisory firm. Before his involvement with Tantalex, Mr. Pronovost was a partner at IUGO Capital, a family office venture capital firm with investments in Canada, the United States and Europe. Mr. Pronovost was responsible for direct investments, strategic divestitures as well as restructurings and acted as a board member of several portfolio companies. Previously, Mr. Pronovost spent four years at Crédit Suisse First Boston advising on large mergers and acquisitions and executing public and private financings for Canadian and foreign corporate clients. He also worked six years at various positions at the Caisse de Dépôt et Placement du Québec where he elaborated investment allocation strategies and securitization vehicles for alternative assets. He began his career at British Telecom as a financial analyst. Mr. Pronovost has a degree in economics and finance from Laval University and an MBA from UQAM. Mr. Pronovost's service agreement with Tantalex includes a non-disclosure clause and an 18 month non-competition clause.

Michel Lebeuf, Corporate Secretary

Mr. Lebeuf's legal practice is focused on securities, particularly in the area of natural resources, institutional financing, corporate finance, as well as public and private mergers and acquisitions. He represents public corporations, securities brokers, purchasers, sellers, bankers and financial advisors, and he provides strategic advice with respect to access to public capital markets and securities matters, including structured products. Mr. Lebeuf has acted as counsel to international dealers in several offerings in the Eurobond international debt market, public and private corporations in various mergers and acquisitions, and issuers and underwriters in the context of public offerings and private placements in Canada, Europe, South America and North Africa. Has been involved, over the past two years, in many mining projects in Africa (Congo ROC and DRC), Ethiopia, Angola, etc. and is regularly contacted by mining promoters, mining companies and investment banking firms wanting to put together mining projects in these countries. He has expertise in corporate reorganizations, public and private divestitures, and institutional financing, and he regularly provides counsel to financial institutions regarding security requirements and the drafting of documents pertaining to enforcement proceedings. Mr. Lebeuf has not entered into a non-disclosure or non-competition agreement with Tantalex or the Resulting Issuer.

Bernard Lapointe, Director

Bernard Lapointe holds a B.A. in Geology from the University of Quebec at Montréal (1980), a master's degree in structural geology from the University of Quebec at Chicoutimi (1984) and a PhD in mineral resources from the University of Quebec at Chicoutimi (1996). He was until recently CEO of Arianne Resources Inc., a public issuer. Previously, he was Director of the Saguenay-Lac-Saint-Jean Mining Fund from 1993 to 1998. From 1988 to 1993, he acted as a geochemist analyst for the Centre for Research in Mineral Resources of the University of Quebec at Chicoutimi. From 1980 to 1987, he was consultant for different mining exploration companies

and for the Department of Natural Resources. While working for the Department, he discovered the gold showings West of Schefferville, for which he won an award in 1986. He also did an internship at the Institut National de la Recherche Scientifique (INRS-Géoressources). Mr. Lapointe has also been teaching since 1981 and has been published on numerous occasions. Mr. Lapointe has not entered into a non-disclosure or non-competition agreement with Tantalex or the Resulting Issuer.

Ndongo Armel Rodrigue Dziengue, Vice-President African Operations and Director

Mr. Dziengue serves as Executive Vice President, African Operations for Tantalex. Mr. Dziengue started his career with Carpentier and Associates, an investment advisory firm specializing in business development in developing countries. He then founded his own advisory firm, Ryn Consulting, based in Brazzaville, Republic of Congo, with representative offices in Paris, Luxembourg and Libreville, and has been advising Western corporations on investments and business development specifically in Africa for the last ten years. He is also the owner of commercial businesses in the Paris region. Mr. Dziengue completed a DEA (Diplôme d'Études Approfondies) in International Relations at the Institute of political studies of Bucharest, Romania. Upon closing of the Amalgamation, Mr. Dziengue will enter into a service agreement with the Resulting Issuer which will include a non-disclosure and non-competition provisions.

Denis Bélisle, Director

Mr. Bélisle has been the General Manager of Legal Affairs, Human Resources and Technical Services at Société de télédiffusion du Québec (Télé-Québec) since 1996 and also serves as its General Secretary. He was a director of Arianne Resources Inc. and former Secretary of Arianne. He is also a former director and Corporate Secretary of Vanstar Mining Resources Inc. Mr. Bélisle was admitted to the Québec Bar in 1984. Mr. Bélisle has not entered into a non-disclosure or non-competition agreement with Tantalex or the Resulting Issuer.

It is expected that Mr. Gagnon will devote 100% of his time to the business of the Resulting Issuer, that Mr. Dziengue will devote 60% of his time to the business of the Resulting Issuer, that Mr. Pronovost will devote 40% of his time to the business of the Resulting Issuer, and that Messrs Lapointe, Bélisle and Lebeuf will devote 5% of their time to the business of the Resulting Issuer.

CAPITALIZATION OF THE RESULTING ISSUER

Issued Capital

	Number and % of Issued Securities upon Completion of the Transaction	
	(non-diluted)	**(fully-diluted)**
Public Float		
Total Outstanding (A)	33,500,564	50,148,725
Held by Related Persons or employees of the Resulting Issuer or Related Persons of the Resulting Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than 5% voting position in the Issuer upon exercise or conversation of other securities held) (B)	22,805,524 (68.08%)	31,832,612 (63.48%)
Total Public Float (A-B)	10,695,040 (31.92%)	18,316,113 (36.52%)
Freely-Tradeable Float		

Number of outstanding securities subject to resale restrictions, including restrictions opposed by pooling or other arrangements or in shareholder agreement and securities held by control block holders (C)	12,019,037 (35.88%)	13,794,037 (27.51%)
Total Tradeable Float (A-C)	21,481,527 (64.12%)	36,354,688 (72.49%)

Public Securityholders (Registered)

Resulting Issuer Shares

Size of Holding	Number of holders	Total number of securities
1 - 99 securities	-	-
100 - 499 securities	-	-
500 - 999 securities	-	-
1,000 - 1,999 securities	-	-
2,000 - 2,999 securities	-	-
3,000 - 3,999 securities	-	-
4,000 - 4,999 securities	-	-
5,000 or more securities	30	10,695,040
	30	**10,695,040**

The foregoing table does not include Resulting Issuer Shares held by Related Persons or employees of the Resulting Issuer or Related Persons of the Resulting Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than 5% voting position in the Issuer upon exercise or conversation of other securities held).

Public Securityholders (Beneficial)

Resulting Issuer Shares

Size of Holding	Number of holders	Total number of securities
1 - 99 securities	-	-
100 - 499 securities	-	-
500 - 999 securities	14	8,186
1,000 - 1,999 securities	20	30,288
2,000 - 2,999 securities	30	84,314
3,000 - 3,999 securities	2	6,276
4,000 - 4,999 securities	3	13,370
5,000 or more securities	103	10,346,869
	172	**10,489,303**

The foregoing table does not include Resulting Issuer Shares held by Related Persons or employees of the Resulting Issuer or Related Persons of the Resulting Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than 5% voting position in the Issuer upon exercise or conversation of other securities held).

In addition, as Lynnwood is currently a reporting issuer listed on the NEX, certain of its shareholders have indicated that they are “objecting beneficial owners” thus Lynnwood is unable to identify the number of holders and size of their holdings. Objecting beneficial owners can only be identified by the broker participants where the shares are held. Accordingly, the foregoing includes five broker participants who

will hold (subsequent to the Lynnwood Share Consolidation) 205,737 Resulting Issuer Shares on behalf of an undisclosed number of objecting beneficial owners.

Non-Public Securityholders (Registered)

Resulting Issuer Shares

Size of Holding	Number of holders	Total number of securities
1 - 99 securities	-	-
100 - 499 securities	-	-
500 - 999 securities	-	-
1,000 - 1,999 securities	-	-
2,000 - 2,999 securities	-	-
3,000 - 3,999 securities	-	-
4,000 - 4,999 securities	-	-
5,000 or more securities	12	**22,805,524**
	12	**22,805,524**

The foregoing table only includes Resulting Issuer Shares held by Related Persons or employees of the Resulting Issuer or Related Persons of the Resulting Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than 5% voting position in the Issuer upon exercise or conversation of other securities held).

EXECUTIVE COMPENSATION

Lynnwood Capital Inc.

Details related to the executive compensation paid by Lynnwood, prepared in accordance with Form 51-102F6 of National Instrument 51-102 – *Continuous Disclosure Obligations*, can be found on SEDAR (www.sedar.com) in Lynnwood's management information circular dated July 25, 2012.

Tantalex Corporation

Overview

The board of directors of Tantalex is responsible for setting the overall compensation strategy of Tantalex and evaluating and making determinations for the compensation of its directors and executive officers. The board of directors annually reviews and determines base salary, incentive compensation and long-term compensation for Tantalex's directors and executive officers.

Objectives of Compensation Program

It is the objective of Tantalex's compensation program to attract and retain highly qualified executives and to link incentive compensation to performance and shareholder value. It is the goal of the board of directors to ensure that the compensation of executive officers is sufficiently competitive to achieve the objectives of the executive compensation program. The board of directors gives consideration to Tantalex's performance as well to the qualitative aspects of the individual's performance and achievements.

Role of Executive Officers in Compensation Decisions

The board of directors of Tantalex will receive and review recommendations of its Chief Executive Officer and Chief Financial Officer relating to the general compensation structure and policies and

programs and the salary and benefit levels for its executive officers.

Elements of the Compensation Program

Tantalex's compensation program is comprised of two elements: (i) base salary and benefits; (ii) discretionary bonus. Tantalex desires to set up a stock option employee plan, but has not done so as of yet. Each element is designed to effectively retain and provide incentives to the executive officers to achieve the corporate goals and objectives.

Base Salaries and Benefits

Salaries for executive officers are reviewed annually by the board of directors based on corporate and personal performance and on individual levels of responsibility. Salaries of the executive officers are not determined based on a specific formula. The board of directors considers and, if thought appropriate, approves salaries recommended by the Chief Executive Officer for the other executive officers of Tantalex. The board of directors of Tantalex is responsible for determining the salary for the Named Executive Officers (defined below) of Tantalex.

Salaries of the executive officers are believed to be similar to, or less than, salaries provided in comparable companies. As the executive officers are also shareholders and/or will be option holders of Tantalex, it is expected that the executive officers will be involved with Tantalex on a long term basis and accordingly the long term incentive of capital appreciation plays a greater role in the compensation program than salaries.

Other components of compensation include personal benefits as determined by the board of directors that are consistent with the overall compensation strategy. There is no formula for how personal benefits are utilized in the total compensation package. Tantalex does not provide any pension or retirement benefits to its executive officers.

Discretionary Bonus

The board of directors considers and, if thought appropriate, approves annual bonuses to other executive officers of Tantalex as recommended by its Chief Executive Officer. The board of directors is responsible for determining the bonus for the Named Executive Officers of Tantalex.

Stock Options

Tantalex does not have a stock option plan at this time. It is working on establishing one in the near future. The board of directors will administer the granting of incentive stock options that are designed to provide a long-term incentive that is linked to shareholder value. The board of directors will determine the number of options to be granted to each executive officer based on the level of responsibility and experience required for the position and sets the number of options as appropriate to attract and retain qualified and talented employees. The board of directors will review and, where appropriate, adjusts the number of options granted to individuals and determines the vesting provisions of such options.

Service Agreements

Tantalex has entered into service agreements (collectively, the "**Service Agreements**") in relation to the services of two of the three Named Executive Officers and the compensation to be paid by Tantalex pursuant to such agreements are as disclosed in the "Summary Compensation Table" below.

Summary Compensation Table for Named Executive Officers

The following table sets forth all annual and long term compensation for services in all capacities to Tantalex during the periods indicated in respect of each "Named Executive Officer" ("**Named Executive Officer**") of Tantalex. "Named Executive Officer" is defined by legislation to mean: (i) the Chief

Executive Officer of Tantalex; (ii) the Chief Financial Officer of Tantalex; (iii) each of Tantalex's three most highly compensated executive officers or the three most highly compensated individuals acting in a similar capacity, other than the Chief Executive Officer and Chief Financial Officer, at the end of the most recently completed financial year and whose total compensation was, individually, more than $150,000 for that financial year; and (iv) each individual who would be a "Named Executive Officer" under paragraph (iii) but for the fact that the individual was neither an executive officer of Tantalex, nor acting in a similar capacity, at the end of the most recently completed financial year.

The following table sets forth information concerning the total compensation paid to the Named Executive Officers of Tantalex during its two completed financial years:

					Non-equity incentive plan compensation ($)				
Name and principal position	**Year**	**Salary ($)**	**Share-based awards ($)**	**Option-based awards ($)**	**Annual incentive plans**	**Long term incentive plans**	**Pension value ($)**	**All other compen-sation ($)**	**Total compen-sation ($)**
Dave Gagnon *CEO*	2012[1]	168,000[2]	N/A	N/A	N/A	N/A	N/A	N/A	168,000
	2011	Nil	N/A	N/A	N/A	N/A	N/A	75,000[3]	75,000
Jean-Robert Pronovost *CFO*	2012[1]	140,000[2]	N/A	44,380[2]	N/A	N/A	N/A	N/A	184,380
	2011	Nil	N/A	N/A	N/A	N/A	N/A	N/A	Nil
Rodrigue Dziengue *VP Africa*	2012[1]	116,667[2]	N/A	N/A	N/A	N/A	N/A	N/A	116,667
	2011	Nil	N/A	N/A	N/A	N/A	N/A	N/A	Nil

Notes:

(1) Compensation for 2012 is for the 14 month period beginning January 1, 2012 and ending February 28, 2013.

(2) Salary for Dave Gagnon, Jean-Robert Pronovost and Rodrigue Dziengue were not paid in their entirety and the remaining amount to be paid is recorded as due to directors in the financial statements of Tantalex.

(3) Calculated at the date of the grant using the Black-Scholes options pricing model with the following assumptions: Risk free rate of 1.15%; Dividend yield of NIL; Expected stock price volatility of 92%; Option life of 3.33 years. The amount is the same as that calculated in accordance with Section 3870 of the Handbook.

(4) Fee paid in consideration for efforts of organizing Tantalex.

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth all awards outstanding for the Named Executive Officers as of February 28, 2013:

	Option-Based Awards				**Share-Based Awards**	
Name	**Number of securities underlying unexercised options (#)**	**Option exercise price ($)**	**Option expiration date**	**Value of unexercised in-the-money options[1] ($)**	**Number of shares or units of shares that have not vested (#)**	**Market or payout value of share based awards that have not vested ($)**
Dave Gagnon	Nil	N/A	N/A	N/A	N/A	N/A
Jean-Robert Pronovost	2,000,000	$0.075	Dec 21, 2016	170,000	N/A	N/A
Rodrigue Dziengue	Nil	N/A	N/A	N/A	N/A	N/A

Notes:

(1) Aggregate value is calculated based on the difference between the exercise price of the options and the price of the most recently completed financing of Tantalex prior to February 28, 2013, namely $0.16 on December 28, 2012.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth the value of all incentive plan awards vested or earned for the Named Executive Officers during the year ended February 28, 2013:

Name	Option-based awards – Value vested during the year ($)	Share-based awards – Value vested during the year ($)	Non-equity incentive plan compensation – Value earned during the year ($)
Dave Gagnon	N/A	N/A	N/A
Jean-Robert Pronovost	Nil	N/A	N/A
Rodrigue Dziengue	N/A	N/A	N/A

Pension Plan Benefits

Tantalex has not implemented a pension plan.

Termination and Change of Control Benefits

During the financial year ended February 28, 2013 Tantalex entered into the Service Agreements with Messrs Gagnon and Pronovost that provide for payments to Messrs Gagnon and Pronovost at, following or in connection with a termination, resignation, and a change in control of Tantalex.

The terms of the Service Agreements include the following:

Tantalex may terminate a Named Executive Officer without cause at any time, with 90 days written notice, by paying the Named Executive Officer compensation equivalent to six months fees.

The Named Executive Officer may terminate a Service Agreement for any reason at any time, with 90 days written notice, in which case Tantalex shall be required to pay the Named Executive Officer his monthly fee up to the date of termination.

In the event of a “change of control” (as such term is defined in the Service Agreements) of Tantalex, Tantalex may terminate the Service Agreements with 30 days written notice, and Tantalex shall be required to pay the Named Executive Officer compensation equivalent to 12 months fee, and unvested incentive stock options shall immediately vest and become exercisable by the Named Executive Officer.

Director Compensation

No compensation was paid to the directors of the Corporation in their capacity as directors during the financial year ended February 28, 2013.

Proposed Executive Compensation of the Resulting Issuer

Compensation Discussion and Analysis

Except for the implementation of incentive stock options, the objectives, criteria and analysis of the compensation of the executive officers of the Resulting Issuer will be substantially, if not, identical to how Tantalex currently compensates its executive officers. See “*Executive Compensation – Tantalex Corporation*”.

Stock options will be granted to provide an incentive to the participants in the Resulting Issuer’s option plan to achieve the longer-term objectives of the Resulting Issuer; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Resulting Issuer; and to attract and retain persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Resulting Issuer. The Resulting Issuer will award stock options to the participants in the based upon the recommendation of the nomination and compensation committee of

the Resulting Issuer, which recommendation is based upon the nomination and compensation committee's review of a proposal from the CEO. Previous grants of incentive stock options will be taken into account when considering new grants.

The Resulting Issuer has no other forms of compensation, although payments may be made from time to time to individuals or companies they control for the provision of consulting services. Such consulting services are paid for by the Resulting Issuer at competitive industry rates for work of a similar nature by reputable arm's length services providers.

Summary Compensation Table

The following table sets forth the anticipated compensation to be paid or awarded to the Named Executive Officers of the Resulting Issuer, for the 12-month period after giving effect to the Amalgamation:

				Non-equity incentive plan compensation ($)				
Name and principal position	**Salary ($)**	**Share-based awards ($)**	**Option-based awards ($)**	**Annual incentive plans ($)**	**Long term incentive plans ($)**	**Pension value ($)**	**All other compen-sation ($)**	**Total compen-sation ($)**
Dave Gagnon (CEO)	144,000	Nil	See Note 1	Nil	Nil	Nil	Nil	144,000
Jean-Robert Pronovost (CFO)	120,000	Nil	See Note 1	Nil	Nil	Nil	Nil	120,000
Rodrigue Dziengue (VP Africa)	100,000	Nil	See Note 1	Nil	Nil	Nil	Nil	100,000

Notes:

(1) While there are no current plans to grant incentive stock options, management of the Resulting Issuer cannot predict the number of options that will be granted in the ensuing year.

Incentive Plan Awards

Except as described herein, the Resulting Issuer does not currently intend to issue the executive officers of the Resulting Issuer or the directors of the Resulting Issuer any share-based awards and option-based awards during the 12 months following completion of the Amalgamation. In addition, no benefits are proposed to be paid to any of the executive officers of the Resulting Issuer or director of the Resulting Issuer under any pension or retirement plan or under any deferred compensation plan during the 12 months following completion of the Amalgamation. The Resulting Issuer does not currently intend to provide its directors with any compensation for attending any meetings of the board of directors of the Resulting Issuer or any committee thereof.

Pension Plan Benefits

The Resulting Issuer does not intend to enact any deferred compensation plan or pension plan that provides for payments or benefits at, following or in connection with retirement.

Termination and Change of Control Benefits

The Service Agreements between Tantalex and Messrs Gagnon and Pronovost shall remain in full force and effect, and, upon closing of the Amalgamation, Mr. Dziengue will enter into a service agreement with the Resulting Issuer on basically the same terms, except for different monetary compensation consistent with the disclosure in the table above.

Director Compensation

Upon completion of the Amalgamation the directors of the Resulting Issuer will determine how much, if any, compensation will be paid to directors for services rendered to the Resulting Issuer by them in that capacity. Such incentives are anticipated to be in the form of incentive stock options pursuant to the Resulting Issuer's option plan. It is not anticipated that directors who are otherwise employed by or engaged to provide services to the Resulting Issuer will be paid an annual director's fee or be paid any cash compensation.

Share-Based Awards, Option-based Awards and Non-Equity Incentive Plan Compensation

Other than granting options under the Resulting Issuer's option plan, the Resulting Issuer has no plans to grant any share-based awards, option based awards or to establish any non-equity incentive plans.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director or officer of Lynnwood or Tantalex or person who acted in such capacity in the last financial year of Lynnwood or Tantalex, or proposed director or officer of the Resulting Issuer, or any Associate of any such director or officer is, or has been, at any time since the beginning of the most recently completed financial year of Lynnwood or Tantalex, indebted to Lynnwood or Tantalex nor is any indebtedness of any such person to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Lynnwood or Tantalex.

RISK FACTORS

The business of Tantalex, which will be the business of the Resulting Issuer upon completion of the Amalgamation, is subject to certain risks and uncertainties inherent in the mining industry as well as many additional risks associated with conducting mining operations in the Republic of Congo. Prior to making any investment decision regarding Tantalex, or the Resulting Issuer as the case may be, investors should carefully consider, among other things, the risk factors set forth below. In this section Tantalex and the Resulting Issuer are collectively referred to as the "**Company**".

While this Listing Statement has described the risks and uncertainties that management of Lynnwood and Tantalex believe to be material to the Company's business, it is possible that other risks and uncertainties affecting the Company's business will arise or become material in the future.

If the Company is unable to address these and other potential risks and uncertainties following the completion of the Amalgamation, its business, financial condition or results of operations could be materially and adversely affected. In this event, the value of the Resulting Issuer Shares could decline and an investor could lose all or part of their investment.

The following is a description of the principal risk factors that will affect the Company:

RISKS RELATED TO THE COMPANY'S COUNTRY OF OPERATION

Penalties under anti-corruption legislation

The Company is required to comply with the Canadian *Corruption of Foreign Public Officials Act* and applicable laws in other jurisdictions (collectively, the "**Anti-Bribery Laws**"), which prohibit Canadian companies from engaging in bribery or other prohibited payments to foreign officials for the purpose of obtaining or retaining business. Although the Company's policies mandate strict compliance with Anti-Bribery Laws and the Company has informed its employees that such practices are illegal, the safeguards and policies the Company has implemented to discourage these practices could prove to be ineffective. Additionally, there is no assurance that the Company's agents or industry partners have not engaged in

such illegal conduct for which the Company may be held responsible. If the Company is held responsible for such actions under Anti-Bribery Laws, it could have a Material Adverse Effect on the Company, its business, prospects, assets, results of operations and condition (financial or otherwise).

Political instability of the Republic of Congo and the Gabonese Republic

The Republic of Congo gained its independence from France in 1960. The country was politically instable until 1979, when the army general, Mr. Denis Sassou-Nguesso took over. After 1979, political stability was maintained, although the regime was not democratic. In 1991, following a general election, Sassou was replaced by Lissouba. In 1997 a civil war ravaged the country and put Sassou back in power. Since 2002, the Republic of Congo is officially a democracy, with Sassou as elected president.

Congo is considered as a heavily indebted poor country, in spite of its oil revenues. Poor organization and underinvestment are endemic.

While the Company believes its operations in Congo can operate without being materially affected by the national issues of the republic of Congo, the Company cannot guarantee that its operations, properties or its facilities will be immune from becoming involved in these activities. In addition, the Company believes its operations in the Republic of Congo can operate without being materially affected by any issues in neighbouring Gabon, the Company cannot guarantee that its operations, properties or its facilities will be immune from becoming involved in these activities, especially because of the proximity of the Mayoko Project to Gabon and access to the Mayoko Project being via a road in the Gabonese Republic. If the Company's operations, properties or its facilities are affected by such activities, it could have a Material Adverse Effect on the Company, its business, prospects, assets, results of operations and condition (financial or otherwise).

Compliance with regulatory regime of the Republic of Congo

The Company will be subject to extensive Congolese government laws and regulations governing prices, taxes, royalties, allowable production, waste disposal, pollution control and similar environmental laws, the export of tantalum and many other aspects of the mining business. Decision making authority and power is highly concentrated within executive branch of the government of the Republic of Congo. Although the Company believes it has good relations with the current government of the Republic of Congo, there can be no assurance that the actions of present or future governments in the Republic of Congo, or of governments of other countries in which the Company may operate in the future, will not materially adversely affect the business or financial condition of the Company.

In addition, there can be no assurance provided by the Company that industries deemed of national or strategic importance to the Republic of Congo, such as mining, will not be nationalized. Government policy may change to discourage foreign investment or restrictions and requirements not currently foreseen may be implemented. There can be no assurance that the Company's assets and properties in the Republic of Congo will not be subject to nationalization, expropriation, requisition or confiscation, whether legitimate or not, by any authority or body. Similarly, the Company's operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property or environmental legislation. There can be no assurance that the laws of the Republic of Congo protecting foreign investments will not be amended or abolished or that existing laws will be enforced or interpreted to provide adequate protection against any or all of the risks set forth above.

Infrastructure in the Republic of Congo

Mining exploration and production and the sale of such production depends, to varying degrees, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs. Generally speaking, the Republic of Congo suffers from limited infrastructure, chronic energy shortages and high energy costs. Transportation costs are

high, and most of the Republic of Congo's roads are unpaved and can become impassable during the rainy season. While the Company believes its operations in the Republic of Congo can operate without being unduly affected by the Congolese infrastructure, there are no assurances that the Company's operations, properties or its facilities will be immune from issues encountered due to the Republic of Congo's limited infrastructure. If the Company operations, properties or its facilities are affected by same, it could have a Material Adverse Effect on the Company, its business, prospects, assets, results of operations or condition (financial or otherwise).

Scarcity of skilled labour and potential for labour unrest in the Republic of Congo

The Republic of Congo has a shortage of skilled labour in most, if not all, categories and skilled workers comprise a very small percentage of the total labour pool. It may be difficult for the Company to locate and retain the skilled personnel required to efficiently and effectively conduct its operations in the Republic of Congo. There can be no assurance that the Company will not encounter staffing difficulties, including, once skilled personnel are retained, strikes, labour unrest or work stoppages, and any such difficulties could have a Material Adverse Effect on the Company, its business, prospects, assets, results of operations or condition (financial or otherwise).

Criminal or terrorist actions

Mining companies, particularly foreign-owned companies, operating in countries such as the Republic of Congo may be targets of criminal or terrorist acts. Criminal or terrorist action against the Company, its properties or its facilities could have a Material Adverse Effect on the Company's business, results of operations or financial condition. In addition, the threat of criminal or terrorist actions against the Company could have a Material Adverse Effect on the ability of the Company to raise capital or to adequately staff its operations or could substantively increase the costs of doing so.

RISKS RELATED TO THE RESULTING ISSUER'S PROPOSED BUSINESS

All material properties of the Company will be located in one country, the Republic of Congo

All of the Company's mining assets and properties will be located in one jurisdiction, the Republic of Congo, and are subject to the risks of operating in a foreign country as well as the risks specific to operating in the Republic of Congo, including political and economic risks. Any variation from the current regulatory, economic and political climate in the Republic of Congo could have a Material Adverse Effect on the affairs of the Company. The Company is currently entirely dependent upon its exploration and development properties covered by the mining concessions in the Republic of Congo and any adverse development affecting those properties or the mining concessions may have a Material Adverse Effect on the Company, its business, prospects, assets, results of operations and condition (financial or otherwise).

Exploration and Development Risks

Mineral exploration and development involves a high degree of risk. Few properties which are explored are ultimately developed into producing mines. Success in increasing mineral resources and reserves is the result of a number of factors, including the level of geological and technical expertise, the quality of land available for exploration and other factors. Once mineralization is discovered, it may take several years of drilling and development until production is possible during which time the economic feasibility of production may change. The economics of developing mineral properties are affected by many factors including the cost of operations, variations in the grade of ore mined, fluctuations in the price of gold and other minerals, fluctuations in exchange rates or other minerals produced, costs of development, infrastructure and processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. In addition, the grade of mineralization ultimately mined may differ from that indicated by drilling results and such differences could be material.

The Company will or will continue to rely upon consultants and others for exploration and development expertise. Substantial expenditures are required to establish reserves through drilling, to develop mineral processes to extract the product from the resource and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major deposit, no assurance can be given that the minerals will be discovered in sufficient quantities and/or quality to justify commercial operations or that funds required for development can be obtained on a timely basis. The economics of developing mineral properties is affected by many factors including the cost of operations, variations in the grade of the resource mined, fluctuations in mineral markets, importing and exporting of minerals and environmental protection. As a result of these uncertainties, there can be no assurance that mineral exploration and development of the Company's properties will result in profitable commercial operations.

Mining Risks

Mining operations, including the exploration and development of mineral deposits, generally involve a high degree of risk. Hazards such as unusual or unexpected formations and other conditions such as power outages, labour disruptions, flooding, landslides, and the inability to obtain suitable machinery, equipment or labour are involved in mineral exploration, development and operation. The Company may become subject to liability for pollution or hazards against which it cannot insure or against which it may elect not to insure. The payment of such liabilities may have a material, adverse effect on the Resulting Issuer's financial position.

In addition, it is not unusual in mining operations to experience unexpected problems both during start up and during ongoing operations. To the extent that unexpected problems occur affecting the production in the future, the Resulting Issuer's anticipated revenues may be reduced, costs may increase and the Resulting Issuer's profitability and ability to continue its mining operation may be adversely affected.

Availability of Drilling Equipment and Access

Natural resource exploration and development activities are dependent on the availability of drilling and related equipment in the particular areas where such activities will be conducted. Demand for such limited equipment or access restrictions may affect the availability of such equipment to the Company and may delay exploration and development activities.

Operating Risks

The activities of the Company will be subject to all of the hazards and risks normally incidental to exploring and developing natural resource projects. These risks and uncertainties include, but are not limited to, environmental hazards, industrial accidents, labour disputes, encountering unusual or unexpected geological formations or other geological or grade problems, unanticipated changes in metallurgical characteristics and mineral recovery, encountering unanticipated ground or water conditions, cave-ins, pit wall failures, flooding, rock bursts, periodic interruptions due to inclement or hazardous weather conditions and other acts of God or unfavourable operating conditions and losses. Should any of these risks and hazards affect the Resulting Issuer's exploration, development or mining activities, it may cause the cost of production to increase to a point where it would no longer be economic to produce mineral resources from the Resulting Issuer's reserves, require the Resulting Issuer to write-down the carrying value of one or more mineral projects, cause delays or a stoppage of mining and processing, result in the destruction of mineral properties or processing facilities, cause death or personal injury and related legal liability; any and all of which may have a material adverse effect on the Resulting Issuer. It is not always possible to fully insure against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability, result in increasing costs or the loss of its assets and a decline in the value of the Resulting Issuer's securities.

Permits and Licences

The operations of the Company require licences and permits from various governmental authorities. There can be no assurance that such licences and permits required to carry out exploration, development and mining operations at its projects will be granted.

Title Risks

Tantalex does not own the real property underlying its properties, and currently only has the right to conduct exploration activities on the properties pursuant to the terms of option agreements. In order to maintain the claims, the Company must comply with all of its covenants under the agreements, which include incurring certain minimum exploration expenditures annually. If the Company fails to meet its obligations it risks the forfeiture of its mining claims and any such expenditures made to such time. There can be no assurance that the Company will be able to obtain the required mining and other permits for its properties, if, as, and when mining operations become viable at the properties.

If the Company does not make all the required payments, it will forfeit the value of installment payments made pursuant to option agreements, without the ability to obtain a refund or the ability to cause the return of cash or securities issued.

The acquisition of title to resource properties is a very detailed and time-consuming process. Title to, and the area of, resource claims may be disputed. Although Tantalex and Lynnwood believe they have taken reasonable measures to ensure that title to the properties are held as described in this Listing Statement, there is no guarantee that title to any of the claims comprising the properties will not be challenged or impaired. There may be valid challenges to the title of any of the claims comprising the properties that, if successful, could impair development and/or operations.

Competition for New Mining Properties

Significant and increasing competition exists for mineral acquisition opportunities throughout the world. As a result of this competition, some of which is with large, more established mining companies with substantial capabilities and greater financial and technical resources than either of Lynnwood or Tantalex, the Company may be unable to acquire rights to exploit additional attractive mining properties on terms it considers acceptable.

Conflicts of Interest

Certain of the proposed directors or officers of the Company may also be directors or officers of other mining companies or otherwise involved in natural resource exploration and development and situations may arise where they are in a conflict of interest with the Company. Conflicts of interest which arise, if any, will be subject to, and governed by, procedures prescribed by the CBCA which require a director or officer of a corporation who is a party to, or is a director or an officer of, or has some material interest in any person who is a party to, a material contract or proposed material contract with the Company disclose his or her interest and, in the case of directors, to refrain from voting on any matter in respect of such contract unless otherwise permitted under the CBCA.

Forward-looking statements may prove inaccurate

Shareholders are cautioned not to place undue reliance on forward-looking statements. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking statements or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate.

RISKS RELATED TO THE AMALGAMATION

Completion of the Amalgamation

The completion of the Amalgamation is subject to several conditions precedent. There can be no assurances that the Amalgamation, either on the terms of the Amalgamation Agreement or as negotiated, will be completed. In the event that any of those conditions are not satisfied or waived, the Amalgamation may not be completed.

Market for Securities and Volatility of Share Price

There can be no assurance that an active trading market in the Resulting Issuer's securities will be established or sustained. The market price for the Resulting Issuer's securities could be subject to wide fluctuations. Factors such as announcements of quarterly variations in operating results and acquisition or disposition of properties, as well as market conditions in the industry, may have a significant adverse impact on the market price of the securities of the Resulting Issuer. The stock market has from time to time experienced extreme price and volume fluctuations, which have often been unrelated to the operating performance of particular companies.

Payment of Dividends Unlikely

There is no assurance that the Resulting Issuer will pay dividends on its shares in the near future or ever. The Resulting Issuer will likely require all its funds to further the development of its business.

Management of Growth

Any expansion of the Resulting Issuer's business may place a significant strain on its financial, operational and managerial resources. There can be no assurance that the Resulting Issuer will be able to implement and subsequently improve its operations and financial systems successfully and in a timely manner in order to manage any growth it experiences. There can be no assurance that the Resulting Issuer will be able to manage growth successfully. Any ability of the Resulting Issuer to manage growth successfully could have a material adverse effect on the Resulting Issuer's business, financial condition and results of operations.

Reliance on Key Personnel and Consultants

There can be no assurance that any of the Company's officers, directors, employees and consultants will remain with the Resulting Issuer or that, in the future, they will not organize competitive businesses or accept opportunities with companies competitive with the Company. The Company will depend on a number of key officers and directors the loss of any one of whom could have an adverse effect on the Company.

Government Regulation and Political Risk

The Company's operating activities will be subject to laws and regulations governing expropriation of property, health and worker safety, employment standards, waste disposal, protection of the environment, mine development, land and water use, prospecting, mineral production, exports, taxes, the protection of endangered and protected species and other matters. While Tantalex believes that it is in substantial compliance with all material current laws and regulations affecting its activities, future changes in applicable laws, regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms of existing permits and agreements applicable to the Company or its properties, which could have a material adverse impact on the Resulting Issuer's future operations or planned development projects. Where required, obtaining necessary permits and licences can be a complex, time consuming process and Tantalex cannot assure whether any necessary permits will be obtainable on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable

laws and regulations could stop or materially delay or restrict the Resulting Issuer from proceeding with any future exploration or development of its properties. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in interruption or closure of exploration, development or mining operations or material fines, penalties or other liabilities. The Resulting Issuer's activities may be affected in varying degrees by political stability and governmental regulations. Any changes in regulations or shifts in political attitudes are beyond the control of the Resulting Issuer and may adversely affect its operations.

Environmental Regulation

Environmental and safety legislation (e.g. in relation to reclamation, disposal of waste products, protection of wildlife and otherwise relating to environmental protection) may change in a manner that may require stricter or additional standards than those now in effect, a heightened degree of responsibility for companies and their directors and employees and more stringent enforcement of existing laws and regulations. There may also be unforeseen environmental liabilities resulting from mining activities, which may be costly to remedy. If the Resulting Issuer is unable to fully remedy an environmental problem, it may be required to stop or suspend operations or enter into interim compliance measures pending completion of the required remedy. The potential exposure may be significant and could have a material adverse effect on the Resulting Issuer. The Resulting Issuer has not purchased insurance for environmental risks (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) as it is not generally available at a price which the Resulting Issuer regards as reasonable.

Uninsured Risks

The business of the Company is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to properties of the Company or others, delays in mining, monetary losses and possible legal liability.

Although the Company may maintain insurance to protect against certain risks in such amounts as it considers reasonable, its insurance, if any, will not cover all the potential risks associated with a mining company's operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. The Company might also become subject to liability for pollution or other hazards which it may not be insured against or which the Company may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs. Unusual or infrequent weather phenomena, terrorism, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Corporation's operations, financial condition and results of operations.

Land Reclamation Expenses

It is difficult to determine the exact amounts which will be required to complete all land reclamation activities in connection with the properties in which the Company holds an interest. Reclamation bonds and other forms of financial assurance represent only a portion of the total amount of money that will be spent on reclamation activities over the life of a mine. Accordingly, it may be necessary to revise planned expenditures and operating plans in order to fund reclamation activities. Such costs may have a material adverse impact upon the financial condition and results of operations of the Company.

Shareholders' Interest may be Diluted in the Future

The Resulting Issuer will require additional funds for its planned activities. If the Resulting Issuer raises additional funding by issuing equity securities, which is highly likely, such financing could substantially dilute the interests of the Resulting Issuer's shareholders. Sales of substantial amounts of shares, or the availability of securities for sale, could adversely affect the prevailing market prices for the Resulting Issuer's shares. A decline in the market prices of the Resulting Issuer's shares could impair the ability of the Resulting Issuer to raise additional capital through the sale of new common shares should the Resulting Issuer desire to do so.

Approval from Government Bodies

The Resulting Issuer's future acquisition of properties, if any, will be conditional upon receiving certain regulatory approvals. A substantial delay in obtaining satisfactory approvals or the imposition of unfavourable terms or conditions in the regulatory approvals could adversely affect the business, financial condition or results of operations of the Resulting Issuer.

Current Global Financial Conditions

Current global financial conditions have been subject to increased volatility and numerous financial institutions have either gone into bankruptcy or have had to be rescued by governmental authorities. Access to public financing by junior mining exploration and development companies has been negatively impacted by the credit market crisis, the reduction in energy prices and the liquidity crisis affecting the asset-backed commercial paper market. These factors may impact the ability of the Resulting Issuer to obtain equity or debt financing in the future and, if obtained, on terms favourable to the Resulting Issuer. If these crises and increased levels of volatility continue, the Resulting Issuer's operations could be adversely impacted and the trading price of the Resulting Issuer Shares could be adversely affected.

Market Factors and Volatility of Columbo-Tantalite Prices

The marketability of Columbo-Tantalite deposits which may be acquired or discovered by the Company will be affected by numerous factors beyond the control of the Company. These factors include market fluctuations in the prices of Columbo-Tantalite, which are highly volatile, the proximity and capacity of Columbo-Tantalite markets and processing equipment, and government regulations, including regulations relating to taxes, royalties, land tenure, land use and environmental protection. The effect of these factors cannot be accurately predicted, but may result in the Company not receiving an adequate return on invested capital. The price of Columbo-Tantalite has fluctuated widely, particularly in recent years, and is affected by numerous factors beyond the control of the Resulting Issuer. Future Columbo-Tantalite prices cannot be accurately predicted. A severe decline in the price of Columbo-Tantalite would have a material adverse effect on the Resulting Issuer.

Commodity Price Hedging

Currently, the Company does not have a policy to hedge future commodity sales. If put into place, there is no assurance that a commodity hedging program designed to reduce the risk associated with fluctuations in commodity prices will be successful. Hedging may not protect adequately against declines in

commodity prices. Although hedging may protect the Company from a decline in commodity prices, it may also prevent the Company from benefiting fully from price increases.

Litigation Risk

All industries are subject to legal claims, with and without merit. The Company may be involved from time to time in various routine legal proceedings, which include labour matters such as unfair termination claims, supplier matters and property issues incidental to its business. Defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding could have a material effect on financial position and results of operations.

PROMOTERS

Dave Gagnon (Chief Executive Officer of Tantalex) and Jean-Robert Pronovost (Chief Financial Officer of Tantalex) are the Promoters of Tantalex and the Resulting Issuer. Upon closing of the Transaction, Mr. Gagnon will become the Chief Executive Officer and a director of the Resulting Issuer and Mr. Pronovost will become the Chief Financial Officer and a director of the Resulting Issuer. For a description of the number and percentage of Resulting Issuer Shares to be beneficially owned, directly or indirectly, or over which direction or control will be exercised by Messrs Gagnon and Pronovost see above “Directors and Officers”. For a description of the compensation to be paid to Messrs Gagnon and Pronovost, see also “Executive Compensation”.

LEGAL PROCEEDINGS

Lynnwood Capital Inc.

There are no legal proceedings to which Lynnwood is, or has been, a party or of which any of its property is, or has been, the subject matter. Additionally, to the reasonable knowledge of the management of Lynnwood, there are no such proceedings contemplated.

Tantalex Corporation

There are no legal proceedings to which Tantalex is, or has been, a party or of which any of its property is, or has been, the subject matter. Additionally, to the reasonable knowledge of the management of Tantalex, there are no such proceedings contemplated.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Lynnwood Capital Inc.

Except for the Consulting Agreement to be entered into by the Resulting Issuer and Yewbrook Capital Inc., to the knowledge of Lynnwood's management, no director or officer, insider, nor any of their respective associates, affiliates or member of their group have any interest in any material transaction of Lynnwood since its incorporation.

Tantalex Corporation

To the knowledge of Tantalex's management, no director or officer, insider, nor any of their respective associates, affiliates or member of their group have any interest in any material transaction of Tantalex since its incorporation.

AUDITORS, TRANSFER AGENTS AND REGISTRARS

Auditor

The auditors of the Resulting Issuer are expected to be Raymond Chabot Grant Thornton Chartered Accountants, with its offices located at 600 de la Gauchetière Blvd. West, Suite 2000, Montréal Québec H3B 4L8.

Transfer Agent and Registrar

Lynnwood's transfer agent and registrar, Computershare, at its principal offices in Vancouver, British Columbia, will be the transfer agent and registrar for the Resulting Issuer Shares.

MATERIAL CONTRACTS

Lynnwood Capital Inc.

Except for contracts entered into by Lynnwood in the ordinary course of business, the only material contracts entered into by Lynnwood in the previous two years are the following:

(1) Registrar and Transfer Agent Agreement dated February 10, 2010 between Lynnwood and Computershare;

(2) Agency Agreement dated April 28, 2010 between Lynnwood and Bolder Investment Partners, Ltd. in connection with the Lynnwood IPO;

(3) Form 2F *CPC Escrow Agreement* dated February 10, 2010, as amended by an addendum dated March 25, 2010, between Lynnwood, Computershare and those Lynnwood Shareholders that executed such agreement;

(4) Letter Agreement; and

(5) Amalgamation Agreement.

A copy of the foregoing agreements will be available for inspection at the offices of McMillan LLP, solicitors of Lynnwood, located at Brookfield Place, 181 Bay Street, Suite 4400, Toronto, Ontario, M5J 2T3 at any time during ordinary business hours until the completion of the Amalgamation and for a period of 30 days thereafter.

Tantalex Corporation

Except for contracts entered into by Tantalex in the ordinary course of business, the only material contracts entered into by Tantalex in the previous two years are the following:

(1) Purchase Agreement dated October 22, 2011 between Sandstone and the shareholders of Sadem;

(2) Service Agreement dated April 1, 2012 between Tantalex and Dave Gagnon;

(3) Service Agreement dated April 1, 2012 between Tantalex and Jean-Robert Pronovost;

(4) Supply Agreement dated May 15, 2012 between Tantalex and Kemet Electronics Corporation, as amended on August 2, 2013, wherein Tantalex agreed to supply and Kemet agreed to purchase Tantalum concentrate for five consecutive years (May 15, 2013 to May 15, 2018). Under the terms of the agreement, Kemet will buy a minimum of 5,000

pounds per month, and a maximum of 20,000 pounds per month, of Tantalite ore concentrate of facility origin with an average Tantalum Oxide (Ta2O5) content of a minimum of 25% at a minimum price per pound of contained Ta2O5 of USD$80.00. Payments for each shipment are made as follows: 15% upon shipment of the concentrate for the site; 35% upon shipment from the port; 35% upon reception at the buyers warehouse; and 15% after concentrate assay verification;

(5) Option Agreement dated December 21, 2011 between Tantalex and Jean-Robert Pronovost, as amended on February 1, 2013 and August 20, 2013;

(6) Letter Agreement; and

(7) Amalgamation Agreement.

A copy of the foregoing agreements will be available for inspection at the offices of Tantalex, at any time during ordinary business hours until the completion of the Amalgamation and for a period of 30 days thereafter.

INTEREST OF EXPERTS

IOS and Réjean Girard, P.Geol., the authors of the Technical Report, are each responsible independent qualified persons, in accordance with NI 43-101. No Person whose profession or business gives authority to a statement made by the Person and who is named as having prepared or certified a part of this Listing Statement or as having prepared or certified a report or valuation described or included in this Listing Statement holds any beneficial interest, direct or indirect, in any securities or property of the Resulting Issuer, or an Associate or Affiliate. Other than the Technical Report, there have been no other expert reports prepared to support the recommendation of the board of directors of Lynnwood and Tantalex.

OTHER MATERIAL FACTS

Lynnwood and Tantalex are not aware of any other material facts relating to Lynnwood, Tantalex or the Resulting Issuer or to the Transaction that are not disclosed under the preceding items and are necessary in order for this Listing Statement to contain full, true and plain disclosure of all material facts relating to Lynnwood, Tantalex and the Resulting Issuer, assuming completion of the Transaction, other than those set forth herein.

CERTIFICATE OF LYNNWOOD CAPITAL INC.

Date: October 18, 2013

Pursuant to a resolution duly passed by its board of directors, Lynnwood Capital Inc., hereby applies for the listing of the above mentioned securities on CNSX. The foregoing contains full, true and plain disclosure of all material information relating to Lynnwood Capital Inc. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

(signed) "*Robert Lipsett*"	(signed) "*Foo Chan*"
Chief Executive Officer	Chief Financial Officer
(signed) "*Carl Pescio*"	(signed) "*George Brazier*"
Director	Director

CERTIFICATE OF TANTALEX CORPORATION

Date: October 18, 2013

The foregoing contains full, true and plain disclosure of all material information relating to Tantalex Corporation. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

(signed) "*Dave Gagnon*"
Chief Executive Officer

(signed) "*Jean-Robert Pronovost*"
Chief Financial Officer

(signed) "Sylvain Giffard"
Director

(signed) "*Dave Gagnon*"
Promoter

(signed) "*Jean-Robert Pronovost*"
Promoter

SCHEDULE "A"

Financial Statements of Tantalex Corporation for the year ended February 28, 2013

TANTALEX CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS

February 28, 2013

TANTALEX CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS

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To the Shareholders of
Tantalex Corporation

We have audited the accompanying consolidated financial statements of Tantalex Corporation, which comprise the consolidated statements of financial position as at February 28, 2013 and December 31, 2011 and the consolidated statements of comprehensive loss, the consolidated statements of changes in equity and the consolidated statements of cash flows for the 14-month period ended February 28, 2013 and for the initial 3-month period ended December 31, 2011, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards (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 of error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An

audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Tantalex Corporation as at February 28, 2013 and December 31, 2011 and its financial performance and its cash flows for the 14-month period ended February 28, 2013 and for the initial 3-month period ended December 31, 2011 in accordance with International Financial Reporting Standards (IFRS).

Emphasis of matter

Without qualifying our opinion, we draw attention to Note 2 to the consolidated financial statements, which indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Raymond Chabot Grant Thornton LLP[1]

Montréal
October 15, 2013

[1] CPA auditor, CA public accountancy permit n° A115879

TANTALEX CORPORATION

Consolidated Statements of Financial Position

as at February 28, 2013 and December 31, 2011

(in Canadian dollars)

	Notes	February 28, 2013	December 31, 2011
		$	$
ASSETS			
Current			
Cash		99,481	45,585
Account receivable		4,432	983
Goods and services tax receivable		46,203	11,298
		150,116	57,866
Non Current			
Exploration and evaluation assets	7	435,110	370,504
Property and equipment	8	4,381	5,598
Advances receivable	10	91,293	5,240
		530,784	381,342
Total Assets		**680,900**	**439,208**
LIABILITIES			
Current			
Trade payables		512,602	27,203
Accrued liabilities		20,336	4,111
Balance of sale payable	9	200,000	200,000
Due to directors	11	352,209	118,713
Due to consultants		198,421	-
Due to a related company	12	46,009	58,711
		1,329,577	408,738
Non-current			
Balance of sale payable	9	148,419	148,419
Convertible debentures	13	337,722	62,166
		486,141	210,585
Total Liabilities		1,815,718	619,323
SHAREHOLDERS' EQUITY			
Share capital	14.1	325,751	1,000
Equity component of convertible debentures	13	104,582	30,724
Warrants	14.2	56,915	-
Share options	14.3	339,299	14,347
Contributed surplus		275	-
Accumulated Other Comprehensive Income		1,069	2,244
Deficit		(1,962,709)	(228,430)
Total Equity		(1,134,818)	(180,115)
Total Liabilities and Equity		**680,900**	**439,208**

Going concern (note 2)
Related party transactions (note 18)

The accompanying notes are an integral part of the consolidated financial statements

Approved on Behalf of the Board on October 15, 2013.

/s/ Dave Gagnon
Dave Gagnon, Director

/s/ Jean-Robert Pronovost
Jean-Robert Pronovost, Director

TANTALEX CORPORATION

Consolidated Statements of Comprehensive Loss

for the 14 months period ended February 28, 2013 and for the initial 3 months period ended December 31, 2011

(in Canadian dollars)

	February 28, 2013 (14 months)	**December 31, 2011** (3 months)
	$	$
Operating expenses		
Travel fees	173,364	21,286
Business development	35,979	2,334
Office fees	15,972	2,958
Equipment	-	1,177
Telecommunication	37,555	2,595
Lodging fees	18,300	9,500
Professionnal fees	239,928	27,201
Management fees	749,132	60,000
Finders fees	-	75,000
Taxes	-	391
Rent	62,052	19,474
Property royalties	18,075	-
Financial costs (note 6)	80,510	97
Bank fees	2,566	45
Depreciation – property and equipment	1,217	95
Shared-based compensation (note 14.3)	330,464	14,347
Gain and loss on foreign exchange	359	-
Other income	-	(863)
Gain on conversion of debt	(13,869)	-
Loss before income taxes	**1,751,604**	**235,637**
Recovery of deferred income taxes (note 15)	(17,325)	(7,207)
Net loss for the period	**1,734,279**	**228,430**
Other Comprehensive loss (income)		
Exchange differences on translating foreign operations	1,175	(2,244)
Total comprehensive loss for the period	**1,735,454**	**226,186**
Loss per Share		
Basic and diluted loss per share (note 16)	**0.09**	**0.01**

Going concern (note 2)
Related party transactions (note 18)

The accompanying notes are an integral part of the consolidated financial statements.

TANTALEX CORPORATION

Consolidated Statement of Changes in Equity

for the 14 months period ended February 28, 2013 and for the initial 3 months period ended December 31, 2011

(in Canadian dollars)

	Notes	Share Capital	Equity component of convertible debenture	Warrants	Share options	Contributed Surplus	Accumulated other comprenhensive income	Deficit	Total Equity
		$	$	$	$	$	$	$	$
Balance as at October 5th, 2011		-	-	-	-	-	-	-	-
									-
Shares issued	14.1	750	-	-	-	-	-	-	750
Shares issued for the acquisition of mining rights	14.1	250	-	-	-	-	-	-	250
Equity component of convertible debenture (net of deferred tax liabilities of $7,207)	13	-	30,724	-	-	-	-	-	30,724
Share options	14.3	-	-	-	14,347	-	-	-	14,347
		1,000	30,724	-	14,347	-	-	-	46,071
Net loss		-	-	-	-	-	-	(228,430)	(228,430)
Other comprehensive income									
Exchange differences on translating foreign operations		-	-	-	-	-	2,244	-	2,244
Total comprehensive loss		-	-	-	-	-	2,244	(228,430)	(226,186)
Balance as at December 31, 2011		1,000	30,724	-	14,347	-	2,244	(228,430)	(180,115)
Balance as at December 31, 2011		1,000	30,724	-	14,347	-	2,244	(228,430)	(180,115)
Shares issued	14.1	411,540	-	-	-	-	-	-	411,540
Issuance costs	14.1	(95,543)	-	(965)	-	-	-	-	(96,508)
Equity component of convertible debenture (net of deferred tax liabilities of $17,325)	13	-	73,858	-	-	-	-	-	73,858
Exercise of stock options		9,029	-	-	(5,512)	-	-	-	3,517
Shares buy-back		(275)	-	-	-	275	-	-	-
Warrants	14.2	-	-	57,880	-	-	-	-	57,880
Share options	14.3	-	-		330,464	-	-	-	330,464
		324,751	73,858	56,915	324,952	275	-	-	780,751
Net loss for the period		-	-	-	-	-	-	(1,734,279)	(1,734,279)
Other comprehensive loss									
Exchange differences on translating foreign operations		-	-	-	-	-	(1,175)	-	(1,175)
Total comprehensive loss		-	-	-	-	-	(1,175)	(1,734,279)	(1,735,454)
Balance as at February 28, 2013		**325,751**	**104,582**	**56,915**	**339,299**	**275**	**1,069**	**(1,962,709)**	**(1,134,818)**

Going concern (note 2)
Related party transactions (note 18)

The accompanying notes are an integral part of the consolidated financial statements

TANTALEX CORPORATION

Consolidated Statements of Cash Flows

for the 14 months period ended February 28, 2013 and the initial 3 months period ended December 31, 2011

(in Canadian dollars)

	February 28, 2013	December 31, 2011
	$	$
CASH FLOWS FROM:		
OPERATING ACTIVITIES		
Net Loss before income taxes	(1,751,604)	(235,637)
Non-cash items:		
Effective interest cost	25,124	97
Share-based compensation	330,464	14,347
Depreciation – property and equipment	1,217	95
Interest on convertible debenture	41,616	-
Financing costs	6,500	-
Gain of conversion of debt	(13,869)	-
Change in working capital items :		
Account receivable	(3,449)	(983)
Goods and services Tax Receivable	(34,905)	(11,298)
Trade payables	424,793	27,203
Accrued liabilities	16,225	4,111
Due to directors	308,496	118,713
Due to consultants	198,421	-
Net cash flows used in operating activities	(450,971)	(83,352)
INVESTING ACTIVITIES		
Acquisition of property and equipment	-	(5,693)
Additions to exploration and evaluation asset	-	(21,835)
Advances receivable	(86,053)	(5,240)
Net cash flows used in investing activities	(86,053)	(32,768)
FINANCING ACTIVITIES		
Due to a related company	(12,702)	58,711
Debt	93,500	-
Repayment of debt	(100,000)	-
Convertible debenture	300,000	100,000
Issuance of share capital	307,781	750
Exercise of stock options	3,517	-
Net cash flows from financing activities	592,096	159,461
Net increase in cash during the period	55,072	43,341
Cash at beginning of the period	45,585	-
Effect of exchange rate fluctuation on cash held in foreign currency	(1,176)	2,244
Cash at end of period	**99,481**	**45,585**
Additionnal information		
Interest paid included in operating activities	7,084	-
Supplemental schedule of non-cash investing and financing activities		
Changes in exploration and evaluation assets included in trade payables	64,606	-
Shares issuance costs not paid	5,219	-
Shares issued in consideration of a due to directors	75,000	-
Shares issued in consideration of trade payables	4,000	-
Accretion on balance of sale payable	38,754	-
Fair value of balance sale reevalued	(38,754)	-

Going concern (note 2)
Related party transactions (note 18)

The accompanying notes are an integral part of the consolidated financials statements

1. *NATURE OF OPERATIONS*

Tantalex Corporation (''Tantalex'' or ''the Company'') and its subsidiaries (hereinafter the ''Group''), is involved in exploration for Tantalum ore in Central Africa and owns mining rights for a Tantalum project in the Republic of Congo.

2. *GOING CONCERN ASSUMPTION*

The consolidated financial statements have been prepared in compliance with International Financial Reporting Standards (IFRS) and on the basis of the going concern assumption, meaning the Group will be able to realize its assets and discharge its liabilities in the normal course of operations.

Given that the Group has not yet determined whether its mineral properties contain minerals deposits that are economically recouverable, the Group has not yet generated income nor cash flows from its operations. As at February 28, 2013, the Group has a negative working capital of $1,179,461 ($350,872 as at December 31, 2011) and a deficit of $1,962,709 ($228 430 as at December 31, 2011). These material uncertainties cast significant doubt regarding the Group's ability to continue as a going concern.

The Group's ability to continue as a going concern is dependent upon its ability to raise additional financing to further explore its mineral properties and the continued support of shareholders, directors and creditors. There is no assurance that it will manage to obtain additional financing in the future.

Tantalex Corporation ("Tantalex") and Lynnwood Capital Inc. ("Lynnwood ") signed an Amalgamation Agreement on March 27 , 2013, pursuant to which and subject to shareholder and regulatory approval, Lynnwood and Tantalex will amalgamate (see note 21). Under the terms of the agreement, the currently publicly listed shares of Lynnwood will be consolidated on a 1.8324:1 basis and the shares of Tantalex will be exchanged for 1 post-consolidation Lynnwood share for every 1 Tantalex common shares.

The carrying amounts of assets, liabilities, revenues and expenses presented in the consolidated financial statements and the classification used in the consolidated statement of financial position have not been adjusted as would be required if the going concern assumption was not appropriate. If the going concern assumption was not appropriate, such adjustments could be significant.

3. *GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IFRS*

The consolidated financial statements of the Group have been prepared in accordance with IFRS.

Tantalex Corporation is the Group's ultimate parent company.

Tantalex Corporation is incorporated under the Canada Business Corporations Act. since October 5, 2011. The address of Tantalex Corporation registered office and its principal place of business is 500-3 place du commerce, Montreal, Quebec. The Group is a private company as at February 28, 2013.

Change in year end
In February 2013 the Company changed its financial year-end from December 31 to February 28 in order to align the Company's year-end with Lynnwood Capital, a capital pool company with whom Tantalex will made a triangular amalgamation in September 2013. As a result of changing the Company's year end, the current reporting period is a 14 months period (January 1, 2012 to February 28, 2013).

The consolidated financial statements for the reporting period ended February 28, 2013 were approved and authorized for issue by the Board of Directors on October 15, 2013.

4. *SUMMARY OF ACCOUNTING POLICIES*

4.1 Overall considerations

The significant accounting policies that have been applied in the preparation of these consolidated financial statements are summarized below.

4.2 Basis of evaluation

These consolidated financial statements are prepared using the historical cost method.

4.3 Basis of consolidation

The Group's financial statements consolidate those of the parent company and all of its subsidiaries. Subsidiaries are entities over which the Group has the power to control the financial and operating policies. The Group's subsidiaries are all 100% owned by the parent company or by the controlled subsidiary itself. All subsidiaries have a reporting date of February 28, 2013.

All transactions and balances between Group companies are eliminated upon consolidation, including unrealized gains and losses on transactions between Group companies. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

4.3 Basis of consolidation (continued)

Subsidiaries

Details of the Company's subsidiaries as at February 28, 2013 are as follows:

			Percentage of ownership	
Name of subsidiaries	Principal activity	Country of incorporation	Interest and voting	Power held
Sandstone Worldwide Hd.	Holding company	Bahamas	100%	100%
Sadem Congo S.A.R.L.(100% Held by Sandstone Worldwide Hd)	Mineral exploration	Repuplic of Congo	100%	100%

4.4 Foreign currency translation

Functionnal and presentation currency
The consolidated financial statements are presented in canadian (CDN) dollars, which is also the functional currency of the parent company. The principal subsidiary (Sadem Congo) is using the Central African Franc (CFA) as its functional currency.

Foreign currency transactions and balances
Foreign currency transactions are translated into the functional currency, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Exchange differences resulting from the settlement of such transactions and from the remeasurement of monetary items at year-end exchange rates are recognized in profit or loss.

Non-monetary items measured at historical cost are translated using the exchange rates at the date of the transaction (not retranslated). Non-monetary items measured at fair value are translated using the exchange rates at the date when fair value was determined.

In the Group's financial statements, all assets, liabilities and transactions of Group entities with a functional currency other than the canadian currency (the Group's presentation currency) are translated into canadian currency upon consolidation.

Upon consolidation, assets and liabilities have been translated into canadian currency at the closing rate at the reporting date. Income and expenses have been translated into the Group's presentation currency at the average rate over the reporting period. Exchange differences are charged/credited to other comprehensive income and recognised in the accumulated other comprehensive income in equity. On disposal of a foreign operation the cumulative translation differences recognised in equity are reclassified to profit or loss and recognised as part of the gain or loss on disposal.

4.5 Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

A financial liability is derecognized when it is extinguished, discharged, cancelled or when it expires.

Financial assets and financial liabilities are measured initially at fair value plus transactions costs, except for financial assets and financial liabilities carried at fair value through profit or loss, which are measured initially at fair value.

Financial assets and financial liabilities are measured subsequently as described below.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified into loans and receivables upon initial recognition.

All financials assets are reviewed for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

The category determines subsequent measurement and whether any resulting income and expense is recognized in profit or loss or in other comprehensive income.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortized cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Group's cash, accounts receivable and advances receivable fall into this category of financial instruments.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty default.

4.5 Financial instruments (continued)

Classification and subsequent measurement of financial liabilities

The Group's financial liabilities include trade payable, accrued liabilities, due to directors, due to consultants, due to a related company, balance of sale payable and the convertible debentures.

Financial liabilities are measured subsequently at amortized cost using the effective interest method.

All interest related charges are reported in profit or loss within financial costs, if applicable.

Compound financial instruments

The component parts of compound financial instruments (convertible debentures) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. The conversion option that will be settled by the exchange of a fixed amount of cash for a fixed number of the Group's own equity instruments is classified as an equity instrument.

At the date of issue, the liability component is recognized at fair value, wich is estimated using the prevailing market interest rate for similar non convertible instruments. Subsequently, the liability component is measured at amortized cost using the effective interest method until extinguished upon conversion or at maturity.

The value of the conversion option classified as equity is determined at the date of issue by deducing the amount of the liability component from the fair value of the compounded instrument as a whole. This amount is recognized in equity, net of income tax effects, and is not subsequently remeasured. When and if the conversion option is exercised, the equity component of convertible debenture is transferred to the contributed surplus. No gain or loss is recognized upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible debenture are allocated to the liability and equity components in proportion to the initial carrying amounts. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the maturity of the convertible debenture using the effective interest method.

4.6 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 period. Diluted earnings 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 period or, if later, at the date of issue of the potential common shares.

For the purpose of calculating diluted loss per share, the Group shall assume the exercise of dilutive warrants and options of the Group. 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 period. 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 , exceed basic earnings per share at the end of the reporting period. 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.

4.7 Exploration and evaluation expenditures, and exploration and evaluation assets

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 is obtained are recognized in profit or loss when they are incurred.

Once the legal right to undertake exploration and evaluation activities has been obtained, all costs of acquiring mineral rights, expenses related to the exploration and evaluation of mining properties, less refundable tax credits related to these expenses, if aplicable, are capitalized as exploration and evaluation assets. Expenses related to exploration and evaluation include topographical, geological, geochemical and geophysical studies, exploration drilling, trenching, sampling and other costs related to the evaluation of the technical feasibility and commercial viability of extracting a mineral resource. The various costs are capitalized on a property-by-property basis pending determination of the technical feasibility and commercial viability of extracting a mineral resource. These assets are capitalized as intangible assets and are carried at cost less any accumulated impairment losses. No depreciation expenses are recognized for these assets during the exploration and evaluation phase.

Whenever a mining property is considered no longer viable, or is abandoned, the capitalized amounts are written down to their recoverable amounts (see Note 4.10); the difference is then immediately recognized in profit or loss.

When technical feasibility and commercial viability of extracting a mineral resource are demonstrable, exploration and evaluation assets related to the mining property are transferred to property and equipment in Mining assets under construction. Before the reclassification, exploration and evaluation assets are tested for impairment (see Note 4.10) and any impairment loss is recognized in profit or loss before reclassification.

To date neither the technical feasability nor the commercial viability of extracting a mineral resource has been demonstrated.

Although the Group has taken steps to verify title to the mining properties in which it holds an interest, in accordance with industry practices for the current stage of exploration and development of such properties, these procedures do not guarantee the validity of the Group's titles. Property titles may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

4.8 Property and equipment

Property and equipment are held at cost less accumulated depreciation and accumulated impairment losses.

Cost includes all costs incurred initially to acquire or construct an item of property and 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.

Upon the transfer of exploration and evaluation assets to property and equipment under Mining assets under construction, all subsequent expenditures on the construction, installation or completion of equipment and infrastructure facilities are capitalized within Mining assets under construction. When development stage is completed, all assets included in the Mining assets under construction category are then transferred to Mining assets.

Depreciation is recognized on a straight-line basis to write down the cost to its estimated residual value, with a constant charge over the useful life of the asset. 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. The periods generally applicable are as follows:

	Useful life
Office furniture	5 years

The depreciation expense for each period is recognized in profit or loss except for certain items of property and equipment related to exploration and evaluation activities where the depreciation expense is included in the carrying amount of an exploration and evaluation asset when it relates to a specific exploration and evaluation project, if applicable.

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 property and 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 property and equipment is included in profit or loss when the item is derecognized.

4.9 Operating lease agreements

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments under an operating lease are charged to the consolidated statement of comprehensive income on a straight-line basis over the period of the lease. Related expenses, such as maintenance and insurance expenses, are charged as incurred.

4.10 Impairment of exploration and evaluation assets and property and equipment

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.

Whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, an asset or cash-generating unit is reviewed for impairment.

Impairment reviews for exploration and evaluation assets are carried out on a project-by-project basis, with each project representing a potential single cash generating unit. An impairment review in undertaken when indicators of impairment arise, but typically when one of the following circumstances apply:

- the right to explore the areas has expired or will expire in the near future with no expectation of renewal;
- no further exploration or evaluation expenditures in the area are planned or budgeted;
- no commercially viable deposits have been discoveres, and the decision has been made to discontinue exploration in the area;
- sufficient work has been performed to indicate that the carrying amount of the expenditure carried as an asset will not be fully recovered.

Additionally, when technical feasbility and commecial viability of extracting a mineral resource are demonstrable, the exploration and evaluation assets of the related mining property are tested for impairment before these items are transferred to property and equipment.

An impairment loss is recognizes in profit or loss for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less cost to sell and its value in use.

An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

4.11 Provisions, contingent liabilities and contingent assets

Provisions are recognized when present obligations as a result of a past event will probably lead to an outflow of economic resources from the Group and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events. 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.

The Group'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 Group'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.

4.11 Provisions, contingent liabilities and contingent assets (continued)

No liability is recognized if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resources is remote.

As at February 28, 2013, there are no provision in the consolidated statement of financial position relates to claims.

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

4.12 Income taxes

Generally, the tax expense recognized in profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the consolidated financial statements. Calculation of current tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

However, since the Group is in exploration phase and has no taxable income, tax expense recognized in profit or loss is currently comprised only of deferred tax.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with shares in subsidiaries is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be able to be utilized against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss credit. Deferred tax liabilities are always provided for in full.

Deferred tax assets and liabilities are offset only when the Group has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognized as deferred income tax expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

4.13 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 as share options. If share are issued within the conversion option on convertible debenture is exercice, the share capital account also compose the equity component of convertible debenture.

Unit placements

Proceeds from units placements, which include common shares and warrants, are allocated proportionately between common shares and warrants according to their respective fair value.

Other elements of equity

Warrants and share options include charges related to warrants and share options respectively. When share options and warrants are exercised, the related compensation cost is tranferred to share capital. Contributed surplus includes charges related to share options and warrants that are expired.

Deficit includes all current and prior period retained profits or losses.

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

4.14 Equity-settled share-based payments

The Group uses equity-settled share-based compensation for its eligible directors, officers, employees and consultants. As at February 28, 2013, none of the Group's plans are cash-settled.

All goods and services received in exchange for the grant of any share-based payments, if applicable, are measured at their fair values, unless that fair value cannot be estimated reliably. If the entity 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 Group 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 (except warrants to brokers) are ultimately recognized as an expense in the profit or loss or capitalized as an exploration and evaluation asset, depending on the nature of the payment with a corresponding credit to share options, 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 share options, in equity, if applicable.

4.14 Equity-settled share-based payments (continued)

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, 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 period. No adjustment is made to any expense recognized in prior period if 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 share options, are credited to share capital.

4.15 Segmental reporting

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

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

4.16 Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Group

At the date of autorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been published by the IASB but are not yet effective, and have not been adopted early by the group.

Management anticipates that all of the relevant pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments and interpretation that are expected to be relevant to the Group's financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material on the Group's financial statements.

Amendments to IAS 1, Presentation of financial statements
The Amendments to IAS 1 are effective for annual periods beginning on or after July 1, 2012 and require entities to group items presented in other comprehensive income (OCI) into those that, in accordance with other IFRSs, will not be reclassified subsequently to profit or loss and those that will be reclassified subsequently to profit or loss when specific conditions are met. The existing option to present items of OCI either before tax or net of tax remains unchanged; however, if the items are presented before tax, then the amendment to IAS 1 require the tax related to each of the two groups of OCI to be shown separately. The Group's management expects this will change the current presentation of items in other comprehensive income, however, it will not offset the measurement or recognition of such items.

IFRS 9 'Financial Instruments' (IFRS 9)
The IASB aims to replace IAS 39 'Financial Instruments; Recognition and Measurement' (IAS 39) in its entirety with IFRS 9. To date, the chapters dealing with recognition, classification, measurement and derecognition of financial assets and liabilities have been issued. Theses chapters are effective for annual periods beginning on or after 1 January 2015. Chapters dealing with impairment methodology and hedge accounting are still being developed. Further, in November 2012, the IASB published an exposure draft in order to made limited modifications to IFRS 9's financial asset classification model to address application issues. The Group's management have yet to assess the impact of this new standard on the Group's consolidated financial statements. However, Management does not expect to implement IFRS 9 until all of its chapters have been published and they can comprehensively assess the impact of all changes.

Consolidation standards
A package of new consolidation standards is effective for annual periods beginning or after 1 January 2013. Information on these news standards is presented below. Management has not yet completed its assessment of the impact of these new and revised standards on the Group's consolidated financial statements.

IFRS 10 'Consolidated Financial Statements' (IFRS 10)
IFRS 10 supersedes IAS 27' Consolidated and Separate Financial Statements' (IAS 27) and SIC 12 ' Consolidation - Special Purpose Entities'. IFRS 10 revises the definition of control and provides extensive new guidance on its application. These new requirements have the potential to affect which of the Group's investees are considered to be subsidiaries and therefore change the scope of consolidation. However, the requirements on consolidation procedures, accounting for changes in non-controlling interests and accounting for loss of control of a subsidiary remain the same. Management's provisional analysis is that IFRS 10 will not change the classification (as subsidiaries or otherwise) of any of the Goup' existing investees at February 28, 2013.

IFRS 12' Disclosure of interests in Other Entities' (IFRS 12)
IFRS 12 integrates and makes consistent the disclosure requirements for various types of investments, including unconsolidated structured entities. It introduces new disclosure requirements about the risks to which an entity is exposed from its involvement with structures entities.

Transition guidance for IFRS 10 and 12
Subsequent to issuing the new standards the IASB made some changes to the transitional provisions in IFRS 10 and IFRS 12. The guidance confirms that the entity is not required to apply IFRS 10 retrospectively in certain circumstances and clarifies the requirements to present adjusted comparatives. The guidance also makes changes to IFRS 12 which provide similar relief from the presentation or adjustment of comparative information for periods prior to the immediately preceding period. Further, it provides additional relief by removing the requirement to present comparatives for yhe disclosures relating to unconsolidated structured entities for any period before the first annual period for wich IFRS 12 is applied. The new guidance is also effective for annual periods on or after 1 January 2013.

IFRS 13 'Fair Value Measurement' (IFRS 13)
IFRS 13 clarifies the definition of fair value and provides related guidance and enhanced disclosures about fair value measurements. It does not affect which items are required to be fair-valued. IFRS 13 applies prospectively for annual periods beginning on or after 1 January 2013. Management is in the process of reviewing its valuation methodologies for conformity with the new requirements and has yet to complete its assessment of their impact on the Group's consolidated financial statements.

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.

5.1 Significant management judgment

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

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 carry-forward period (see Note 4.12).

Going concern

The assessment of the Group's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meets 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. See Note 2 for more information.

5.2 Estimation uncertainty

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

Impairment of property and equipment and exploration and evaluation assets

Determining if there are any facts and circumstances indicating impairment loss or reversal of impairment losses is a subjective process involving judgment and a number of estimates and interpretations in many cases (see note 4.10).

In assessing impairment, the Group must make some estimates and assumptions regarding future circumstances, in particular, whether an economically viable extraction operation can be established, the probability that the expenses will be recover from either future exploitation or sale when the activities have not reached a stage that permits a reasonable assessment of the existence of reserves, the Group's capacity to obtain financial resources necessary to complete the evaluation and development and to renew permits. Estimates and assumptions may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in profit or loss in the period when the new information becomes available.

No impairment loss of the exploration and evaluation assets and property and equipment , and no reversal of impairment losses has been recognized for the reporting periods.

Share-based payments

The fair value of options and rights 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 Group management assumptions. They made estimates as to the volatility of its own share, the propable life of share options and warrants granted and the time of exercice of those share options and warrants.

Fair value of the balance of sales

On initial recognition, management estimated the fair value of the balance of sales. Estimation uncertainty relates to assumptions about the timing of the expected outflows of this liability and the discounting rate used.

6. *FINANCIAL COSTS*

The following table provides a breakdown of finance costs for the 14 months period ended February 28, 2013 and for the initial 3 months period ended December 31, 2011 :

	February 28, 2013	December 31, 2011
	$	$
Interest on convertible debentures	41,616	-
Accretion on convertible debentures	25,124	97
Accretion on balance of sale payable	38,754	-
Fair value of balance of sale reevalued	(38,754)	-
Other interest charge	6,686	-
Interest on debt	7,084	-
	80,510	97

7. *EXPLORATION AND EVALUATION ASSETS*

	Balance as at October 5, 2011	Additions	Balance as at December 31, 2011
Republic of Congo	$	$	$
Mining rights (1)	-	348,669	348,669
Exploration and evaluation expenses (2)	-	21,835	21,835
	-	370,504	370,504

	Balance as at December 31, 2011	Additions	Balance as at February 28, 2013
Republic of Congo	$	$	$
Mining rights (1)	348,669	-	348,669
Exploration and evaluation expenses (2)	21,835	64,606	86,441
	370,504	64,606	**435,110**

(1) The mining rights are related to the acquisition of Sadem Congo S.A.R.L. (see note 9)
(2) The exploration and evaluation assets include geologist fees that were assumed by Tantalex Corporation to explore the awarded concession area in the Republic of Congo.

Africa
Republic of Congo

As at February 28, 2013, the Group had four Tantalum/Niobium prospecting mining concessions in the Republic of Congo totalling 4,050km2, located in the Matsanga Marala zone, in the Niari department. The four exclusive concessions were awarded in June 2012.

8. *PROPERTY AND EQUIPMENT*

	Office Furniture
	$
Gross carrying amount	
Balance at October 5, 2011	-
Additions	5,693
Balance at December 31, 2011	5,693
Accumulated depreciation and impairment	
Balance at October 5, 2011	-
Additions	95
Balance at December 31, 2011	95
Carrying amount at December 31, 2011	**5,598**
Gross carrying amount	
Balance at December 31, 2011	5,693
Additions	-
Balance at February 28, 2013	5,693
Accumulated depreciation and impairment	
Balance at December 31, 2011	95
Additions	1,217
Balance at February 28, 2013	1,312
Carrying amount at February 28, 2013	**4,381**

9. *ASSET ACQUISITION*

On October 20, 2011, the company acquired 100% of the outstanding common shares of SADEM Congo S.A.R.L. ("SADEM"), a mining exploration company which owns a mineral property in the Republic of Congo, for a total consideration of $348,419 payable via the issue of 25% of the outstanding common shares of Tantalex Corporation and a deferred balance of sales of $400,000. The terms of payments of the balance of sale are as follows:

- A payment of $200,000 is due when SADEM will convert its current prospecting permit into four explorations mining permits.

- A payment of $200,000 is due when Tantalex Corporation has successfully filed a National Instrument 43-101 technical report stating inferred resources with the Canadian securities authorities.

As at February 28, 2013, only the first condition was met.

The acquisition was accounted as an asset acquisition as it did not have the mineral reserve and other inputs, nor any significant processes that would make it capable of producing outputs, and consequently of being considered a business.

9. *ASSET ACQUISITION (continued)*

At acquisition date, the asset was recognized at cost. The cost was the fair value of the total consideration given. The fair value of the balance of sale was calculated by using the best estimates of when the payments will occur, using an effective rate of 22%.

The estimated maturity of the second condition was initialy made with the best estimate possible at the time of the transaction. An accretion expense of $38,754 was recognized in profit or loss as financial cost as at February 28, 2013. Since then, new informations were made available which changed the first estimate and the company reevalued the fair value of total consideration as at year end. The difference of $38,754 were recognized in profit or loss as financial cost as at February 28, 2013.

10. *ADVANCES RECEIVABLE*

	February 28, 2013	December 31, 2011
	$	$
Advances to directors	39,922	-
Advances to related company	42,751	-
Advances to consultants	8,620	5,240
	91,293	5,240

11. *DUE TO DIRECTORS*

Since, the Group is beginning its activities, the Group will pay management fees to its directors only upon the completion of an Initial Public Offering. The entire amount will be payable when the financing will be completed.

12. *DUE TO A RELATED COMPANY*

As at February 28, 2013, the Group owes to Charbone Potash Mining (a related company) a total of $46,009 ($58,711 in 2011). Both entities have the same group of officers as at February 28, 2013.

13. *CONVERTIBLE DEBENTURES*

	February 28, 2013	December 31, 2011
	$	$
Allocation of gross proceeds of financing		
Principal amount of debenture	300,000	100,000
Fair value of debt component	207,864	62,069
Discount on debt component	952	-
Fair value of equity component (net of deferred tax liabilites of $17,325 in 2013, $7,207 in 2011)	73,858	30,724
Convertible debenture debt component:		
Balance at beginning of the period	62,166	-
Additions	207,864	62,069
Accretion	25,124	97
Accrued interest	41,616	-
Discount on debt component	952	-
Balance at the end of the period	**337,722**	**62,166**
Balance of the equity component at the end of the period	**104,582**	**30,724**

The Debenture, issued on December 22, 2011, bears interest at the rate of 10% per annum, and matures in December 2016. The Debenture holder has the option to convert the principal and accrued interests at all time into Common Shares at price of $0.05 ($0.10 prior to share split made on July 1, 2012) per share.

The Debenture, issued on January 19, 2012, bears interest at a rate of 10% per annum, and matures in January 2017. The Debenture holder has the option to convert the principal and accrued interests at all time into Common Shares at price of $0.05 ($0.10 prior to share split made on July 1, 2012) per share.

The Debenture, issued on March 14, 2012, bears interest at a rate of 10% per annum, and matures in March 2017. The Debenture holder has the option to convert the principal and accrued interests at all time into Common Shares at price of $0.05 ($0.10 prior to share split made on July 1, 2012) per share.

The Debenture, issued on May 17, 2012, bears interest at a rate of 10% per annum, and matures in May 2017. The Debenture holder has the option to convert the principal and accrued interests at all time into Common Shares at price of $0.05 ($0.10 prior to share split made on July 1, 2012) per share.

The Debenture, issued on May 17, 2012, bears interest at a rate of 10% per annum, and matures in May 2017. Upon the closing of a going public transaction whereby the Common Shares of the Corporation are listed on a Canadian exchange, the principal amount of the Debenture, plus accrued and unpaid interest thereon, shall be automatically converted into Common Shares at a price equal to a twenty percent (20%) discount of the price of any concurrent distribution of the Common Shares upon the closing of the going public transaction.

The effective rate used in the calculation of the fair value of debt component for the first four debentures was 22%.

The effective rate used in the calculation of the fair value of the last debenture was 30%.

14. *EQUITY*

14.1 Share capital

The share capital of Tantalex Corporation consists only of fully paid common shares.

Authorized

Unilimited 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 Tantalex.

	Number of shares	Amount
Shares issued and fully paid		$
Balance - October 5, 2011	-	-
Shares issued for the acquisition of mining rights	5,000,000	250
Shares issued	15,000,000	750
Balance - December 31, 2011	20,000,000	1,000
Private placement (iii)	1,956,250	255,120
Exercise of stock options	175,824	9,029
Conversion of debt and payables (iv)	493,750	65,131
Issuance of seed shares (v)	700,000	91,289
Buy-back shares (vi)	(6,700,000)	(275)
Issuance cost (net of deferred tax liabilities of $18,156)	-	(95,543)
Total shares issued and fully paid at February 28, 2013	**16,625,824**	**325,751**

(i) The Company has made a share split on December 20, 2011 of all of the issued and outstanding commun shares on a basis of thousand (1000) common shares for every one (1) existing common share held. All common shares and per common share amounts have been restated to retroactively reflect the share split.

(ii) The Company has made a share split on July 1, 2012 of all of the issued and outstanding commun shares on a basis of two (2) common shares for every one (1) existing common share held. All common shares and per common share amounts have been restated to retroactively reflect the share split.

(iii) On December 28, 2012, the Company issued 1,956,250 units at a price of $0,16 for a total gross proceeds of $313,000. Each unit consists of one common share and one warrant. Each warrant entitles its holder to acquire one common share of the Company at a price of $0.35 for a period of 24 months following the listing of the company. A sum of $255,120 was allocated to share capital while $57,880 was allocated to the warrants. Issuance cost of $5,219 were recorded as a reduction of share capital and warrants on a prorata basis.

(iv) On January 18, 2013, the Company converted $75,000 of debt into 468,750 shares at a conversion price of $0.16 per common share. The estimated fair value of the share capital component is $0.1304 which represent the fair value used for the share capital of the private placement issued on December 28, 2012.

(iv) On February 28, 2013, the Company converted $4,000 of trade payable into 25,000 shares at a conversion price of $0.16 per common share.

(v) On January 18, 2013, the Company issued 700,000 seed shares for investor relations fee in relation to introductions to Canadian mining sector institutional funds for the purpose of current and future private placement.

(vi) On January 18, 2013, the Company bought-back 6,700,000 seed shares as part of a corporate reorganization.

14.2 Warrants

	Number of warrants	Amount	Weighted average exerciced price
		$	$
Balance as at December 31, 2011	-	-	-
Issued	1,956,250	56,915	0.35
Exerciced	-	-	-
Balance as at February 28, 2013	**1,956,250**	**56,915**	**0.35**

Expiration date	Number of warrants	Weight average exerciced price
		$
December 2014	1,956,250	0.35

14.2 Warrants (continued)

The fair value of warrants issued was estimated at the grant date based on the Black-Scholes options pricing model using the following weighted average

	Warrants expiring in December 2014
Average share price at date of grant	$0.16
Expected dividends yield	-
Expected weighted volatility	80%
Risk-free interest average rate	1.13%
Expected average life	2 years
Average exercise price at date of grant	$0.35

14.3 Share options

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

The Group's share options are as follows for the reporting periods presented:

	Number of options	Amount	Weighted average exercise price
		$	$
Issued as at December 31, 2011	666,668	14,347	0.08
Granted (1)	10,366,670	330,464	0.04
	11,033,338	344,811	0.04
Exercise of stock options	(175,824)	(5,512)	0.02
Outstanding and exercisable as at February 28, 2013	**10,857,514**	**339,299**	**0.04**

(i) The Company has made a share split on July 1, 2012 of all of the issued and outstanding commun shares on a basis of two (2) common shares for every one (1) existing common share held. The number of share option outstanding has been adjusted retrospectively to reflect the effect of the share split.

(1) On January 1, 2012, the Group issued 3,350,000 share options at a price of $0,04 per options which expiry date is March 1, 2013.

(1) On January 1, 2012, the Group issued 1,000,000 share options at a price of 0,15$ per options which expiry date is January 1, 2016.

(1) On January 19, 2012, the Group issued 333 334 share options at a price of $0,15 per options which expiry date is January 19, 2017. Those share options were issued in addition to the convertible debenture issued on the same date.

(1) On March 14, 2012, the Group issued 333 334 share options at a price of $0,15 per options which expiry date is March 14, 2017. Those share options were issued in addition to the convertible debenture issued on the same date.

(1) On May 17, 2012, the Group issued 166 667 share options at a price of $0,15 per options which expiry date is May 17, 2017. Those share options were issued in addition to the convertible debenture issued on the same date.

The following table summarizes information about the common share options outstanding as at February 28,2013, reflecting the share split made on July 1, 2012:

Expiry Date	Weighted average exercise price ($)	Number of options outstanding	Weighted average remaining contractual life (years)
March 1, 2013	0.02	6,524,176	-
December 21, 2016	0.08	2,000,000	3.8
December 22, 2016	0.08	666,668	3.8
January 19, 2017	0.08	666,668	3.9
March 14, 2017	0.08	666,668	4.0
May 17, 2017	0.08	333,334	4.2

The amount recorded for share based compensation was as follows:

	February 28, 2013	December 31 2011
	$	$
Share based compensation recorded in the consolidated statement of comprehensive income.	330,464	14,347

14.3 Share options (continued)

The share options granted during the fourtheen-month period were calculated to an estimated fair value of $330,464. This value was recorded in the share options. The fair value of share options issued was estimated at the grant date based on the Black-Scholes options pricing model using the following weighted average assumptions:

	Options expiring in March 2013	Options expiring in December 2016	Options expiring in January 2017	Options expiring in March 2017
Average share price at date of grant	$0.10	$0.10	$0.10	$0.10
Expected dividends yield	-	-	-	-
Expected weighted volatility	80%	90%	90%	90%
Risk-free interest average rate	0.93%	1.27%	1.35%	1.63%
Expected average life	1,16 years	5 years	5 years	5 years
Average exercise price at date of grant	$0.04	$0.15	$0.15	$0.15
Weighted fair value	$0.06	$0.06	$0.06	$0.06

	Options expiring in May 2017
Average share price at date of grant	$0.10
Expected dividends yield	-
Expected weighted volatility	90%
Risk-free interest average rate	1.39%
Expected average life	5 years
Average exercise price at date of grant	$0.15
	$0.06

The underlying expected volatility was determined by reference to historical volatility of comparable companies as an expectation of the Company's future volatility on the expected average life.

15. INCOME TAXES

The Company's effective income tax rate differs from the combined federal and provincial income tax rate in Canada. This difference arises from the following items:

	February 28, 2013	December 31, 2011
	$	$
Loss before income taxes	(1,751,604)	(235,637)
Income taxes calculated using the combined federal and provincial income tax rate in Canada of 19%	(332,805)	(44,771)
Increase (decrease) in income taxes resulting from the following:		
Temporary difference for which no deferred tax asset is recorded	264,573	34,939
Share-based payments	62,788	2,726
Difference in tax rate of foreign subsidiaries	(14,038)	(4,949)
Non-deductible expenses	(2,156)	4,848
	(17,325)	(7,207)

The effective tax rate in 2012 was lower than the effective tax rate in 2011 because of a change in the federal tax rate effective in January 1, 2012.

The income tax recoverable is detailed as follows:		
Current tax recoverable	-	-
Deferred tax recoverable:		
- Origination and reversal of temporary differences	(281,898)	(42,146)
- Tax effect of temporary difference for which no deferred tax asset is recorded	264,573	34,939
	(17,325)	(7,207)

Movement in deferred tax assets (liabilities) related to temporary differences during the year is as follows:

	October 5, 2011	Recognized in earnings	Recognized in equity	December 31, 2011
	$	$	$	$
Convertible debenture	-	-	(7,207)	(7,207)
Non capital losses	-	7,207	-	7,207
	-	7,207	(7,207)	-

	December 31, 2011	Recognized in earnings	Recognized in equity	February 28, 2013
	$	$	$	$
Convertible debenture	(7,207)	4,791	(17,325)	(19,741)
Non capital losses	7,207	12,534	-	19,741
	-	17,325	(17,325)	-

15. INCOME TAXES (continued)

As at February 28, 2013, the company has the following deductible temporary differences and unused tax losses for which no tax benefit have been recognized :

	Canada	Republic of Congo
	$	**$**
Intangibles	61,639	-
Non-capital losses	1,225,719	176,695
Shares issuance cost	115,669	-
	1,403,027	176,695

The ability to realize the tax benefits is dependent upon a number of factors, including the future profitability of operations in the jurisdictions in which the tax losses arose. Deferred tax assets are recognized only to the extent that it is probable that sufficient taxable profits will be available to allow the asset to be recovered.

As at February 28, 2013, the non-capital losses for which no tax benefit has been recognized are available to reduce future taxable income as follows:

	Canada	Republic of Congo
	$	**$**
2016	-	43,831
2018	-	132,864
2031	-	-
2032	1,225,719	-

16 *LOSS PER SHARE*

	February 28, 2013	December 31, 2011
Numerator		
Net loss for the year	$1,734,279	$228,430
Denominator		
Weigthed average number of share	19,778,428	16,551,724
Basic and diluted loss per share	**$0.09**	**$0.01**

When determining the weighted average number of shares outstanding, the Group takes into consideration the effect from the share splits occured during the reporting period. Prior compared period net loss per share was also adjusted to give effet to the share split.

17. *FAIR VALUE OF FINANCIAL INSTRUMENTS*

Fair value is the amount at which a financial instrument could be exchanged between willing parties, based on current markets for instruments with the same risk, principal and remaining maturity. Fair value estimates are based on present value and other valuation techniques using rates that reflect those that the Company could currently obtain, on the market, for financial instruments with similar terms, conditions and maturities.

The fair value of a financial instrument on initial recognition is the transaction price, which is the fair value of the consideration given or received. Subsequent to initial recognition, fair value is determined by management using available market information or other valuation methodologies.

The Company's financial instruments include cash, account receivables, advances receivable, trade payables, and accured liabilities, due to directors, balance of sales, convertible debenture and the due to a related company.

The carrying amount and fair value of financial instruments, with the exception of the balance of sales and the convertible debentures, are considered to be a reasonable approximation of fair value because of their short-term maturities. The carrying values of the balance of sales payable and the liability component of the convertible debentures are considered to be a reasonable approximation of fair value, since the interest rate used initialy approximates the interest rate at year end for similar instruments. The fair value of balance of slae payable and the convertible debentures has been determined using the present value of cash flows method.

18. *RELATED PARTY TRANSACTIONS*

18.1 Transactions with key management personnel

Compensation allocated to Key management personnel of the Company which are the Chief executive officer, Chief Financial Officer, Director of Congo's operation and members of Board of Directors is set out in the following table :

	February 28 2013	December 31, 2011
	$	$
Management fees*	564,782	60,000
Professionnals fees*	65,648	14,347
Share-based payments**	202,262	-
Total	**832,692**	**74,347**

* As at February 28, 2013, the balance to be paid resulting from management fees and professionnals fees is $547,697 ($ 43,713 in 2011).

** Corresponds to the cost of the share-based payments granted to the directors recorded in the statement of comprehensive loss.

18.2 Transactions with a related company

The Group received a total advance of $22,081 ($68,101 in 2011) during the period from a related company, without interest or repayment terms. This advance represents expenses that Charbone Potash Mining Ltd paid for Sadem Congo S.A.R.L.. During the same period, the Group repaid the related company or paid some expenses for them for a total of $63,368 (nil in 2011). As at February 28, 2013, the balance to be paid is $46,009 ($58,711 in 2011).

The Group advanced an amount of $42,751 during the period to a related company, without interest or repayment terms.

19. *CAPITAL MANAGEMENT POLICIES AND PROCEDURES*

The Group's capital management objectives are:

– to ensure the Group'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 Group.

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 Group monitors capital on the basis of the carrying amount of equity.

The Group sets the amount of capital in porportion to its overall financing structure, i.e. equity and financing liabilities. The Group 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 Group may return capital to shareholders, issue new shares or sell assets to reduce debt.

When financing conditions are not optimal, the company may enter into option agreements or other solutions to continue its exploration and evaluation activities or may slow its activities until conditions improve.

20. *FINANCIAL INSTRUMENT RISKS*

Objectives and policies concerning financial risk management

The Group 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 Group is exposed as well as its policies concerning the management of the financial risks are detailed as follow:

Interest rate risk

The debenture provides for a fixed annual interest rate and therefore expose the Company to the risk of fair value variation due to interest rate variation because the financial liabilities are recognized at amortized cost the fair value variation has no impact on profit or loss. The other financial assets and liabilities of the Company do not represent interest risk because they do not bear interest. 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 .

The following table presents contractual maturities (including interest payments where applicable) of the Group's liabilities :

	February 28, 2013		December 31, 2011	
	Current	Non current	Current	Non current
	Within 1 year	1 to 5 years	Within 1 year	1 to 5 years
	$	$	$	$
Trade payables	512,602	-	55,892	-
Accrued liabilities	20,336	-	4,111	-
Balance of sales	200,000	200,000	200,000	200,000
Due to directors	352,209	-	90,024	-
Due to consultants	198,421	-	-	-
Due to a related company	46,009	-	58,711	-
Convertible debenture	50,000	550,000	10,000	140,000
	1,379,577	**750,000**	**418,738**	**340,000**

As at February 28, 2013, management estimates that funds available will not be sufficient to meet the Group's obligations through February 28, 2014. In May 2012, the Group has signed a letter of intent in order to complete a qualifying transaction with a publicly traded capital pool company.

20. *FINANCIAL INSTRUMENT RISKS (continued)*

Foreign Currency Risk

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and Central African Franc will affect the Group operations and financial results. The Group is not significantly exposed to foreign currency exchange risk at this moment.

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 Group's maximum exposure to credit risk is limited to the carrying amount of cash advances receivable, and accounts receivable.

The Group has no trade accounts. The exposure to credit risk for the Group's receivables is considered immaterial. No impairment loss has been recognized in the period presented.

The Group's management considered that all the above financial assets that are not impaired or past due are of good credit quality.

The credit risk for cash is considered negligible since the counter parties are reputable banks with high quality external credit ratings.

21. *CONTINGENCIES AND COMMITMENTS*

As part of the acquisition of Sadem Congo, the Group commited to pay a royalty of 10% of the gross income on the sales of minerals. The royalty should be paid until a total of 2 000 000 USD as been pay to the sellers of Sadem Congo. In addition to the initial royalty commitments, the Group shall pay the sellers, 15 % of gross income on the sales of minerals coming from a stock pile of minerals gattered by " La compagnie Avoine" estimated at approximatively 20 metric tons.

On May 15, 2012, the Company signed a supply agreement with Kemet Corporation (the Buyer) for the supply of Tantalite ore concentrate. The initial terms included the delivery of a minimum of 5,000lbs of 25% contained Ta_2O_5 up to a maximum of 20,000lbs per month at a minimum price of USD80.00/lbs depending on the quantity shipped per month, for the duration of the 5 year agreement. The Company could be exposed to penalties in the event where a specific monthly purchase order issued by the Buyer is accepted by the Company but not fulfill according to the terms of this purchase order. Such penalties, if any, would be limited to the difference between the agreed upon price for the purchase order and the actual price paid by the Buyer for the order when filled by a third party. An addendum to the supply agreement was signed on August 2, 2013 to amend the initial term of the contract is now from May 15, 2013 to May 14, 2018.

22. *POST-REPORTING DATE EVENTS*

April 1, 2013 conversion of convertible debenture

On April 1, 2013, the Company converted a $50,000 debenture into 390,625 units at a conversion price of $0.128. Each unit consist of one common share and one warrant. Each warrant entitles its holder to acquire one common share of the Company at a price of $0.35 for a period of 24 months following the listing of the company. A sum of $28,789 was allocated to share capital while $21,211 was allocated to the warrants.

April 1, 2013 private placement

On April 1, 2013, Tantalex issued 418,750 units at a price of $0,16 for a total gross proceeds of $67,000. Each unit consist of one common share and one warrant. Each warrant entitles its holder to acquire one common share of the Company at a price of $0.35 for a period of 24 months following the listing of the company. $44,262 was allocated to share capital while $22,738 was allocated to the warrants in shareholders equity. The fair value of warrants issued was estimated at the grant date based on the Black-Scholes options pricing model using the following weighted average assumptions: average share price at the date of the grant of $0.16, expected dividends yield of 0%, expected weighted volatility of 100%, risk-free interest average rate of 1.16%, expected average life of 2 years and an average exercise price at date of grant of $0.35.

July 16, 2013 private placement and contemplated amalgamation

As part of the amalgamation transaction Tantalex completed an unbrokered private placement of 2,375,000 units at a price of $0,20 per unit for total gross proceeds of $475,000. Each unit consist of one common share and one warrant. Each warrant entitles its holder to acquire one common share of the Company at a price of $0,35 for a period of 24 months following the listing of the company. A sum of $289,037 will be allocated to share capital while $185,963 will be allocated to the warrants. Issuance costs totalling $43,949 (including an amount of $15,149 representing the value of agent's options) will be recorded as a reduction of share capital ($26,743) and warrants ($17,206). Issuance costs will be recorded as a reduction of share capital. The fair value of warrants issued was estimated at the grant date based on the Black-Scholes options pricing model using the following weighted average assumptions: average share price at the date of the grant of $0.20, expected dividends yield of 0%, expected weighted volatility of 100%, risk-free interest average rate of 1.16%, expected average life of 2 years and an average exercise price at date of grant of $0.35. The company will pay to agents a remuneration of $28,800 and will issue 144,000 broker warrants allowing them to acquire one common share of the Company at a price of $0,20 for a period of 24 months following the listing of the company. The fair value of share options issued was estimated at the grant date based on the Black-Scholes options pricing model using the following weighted average assumptions: average share price at the date of the grant of $0.20, expected dividends yield of 0%, expected weighted volatility of 100%, risk-free interest average rate of 1.16%, expected average life of 2 years and an average exercise price at date of grant of $0.20.

Concurrent with the Amalgamation, 6,524,176 shares options will be exerciced for a total consideration $130,484 in consideration for trade payables ($24,646) , due to directors ($81,494) and accrued interests related to the debentures ($24,344) following an agreement signed on January 18, 2013 that is conditionnal to the completion of the comtemplated Amalgamation.

22. *POST-REPORTING DATE EVENTS (continued)*

Concurrent with the Amalgamation, the Company will convert a total of $264,165 of trade payables ($79,191), due to director ($141,212) and due to consultants ($43,762) into 1,651,034 shares at a conversion price of $0.16 per common share following an agreement signed on January 18, 2013 that is conditionnal to the completion of the contemplated Amalgamation.

Concurrent with the Amalgamation, the Company will convert a total of $355,662 of trade payables ($69,369), due to directors ($161,159), due to consultants ($104,613) and debentures ($20,521) into 1,778,309 shares at a conversion price of $0.20 per common share following an agreement signed on July 16, 2013 that is conditionnal to the completion of the contemplated private placement.

Concurrent with the Amalgamation, the Company will convert a total of $8,623 of trade payables into 43,115 shares at a conversion price of $0.20 per common share following an agreement signed on September 9, 2013 that is conditionnal to the completion of the contemplated private placement.

SCHEDULE “B”

Pro Forma Balance Sheet of Resulting Issuer

TANTALEX RESOURCES CORPORATION

(formerly Tantalex Corporation)

Pro Forma Consolidated Statement of Financial Position
(unaudited)

As at February 28, 2013

TANTALEX RESOURCES CORPORATION
(formerly Tantalex Corporation)

Pro Forma Consolidated Statement of Financial Position

as at February 28, 2013
(Unaudited)

	Lynnwood Capital Inc.	Tantalex Corporation Inc.	Pro Forma Consolidated as at February 28, 2013	Notes	Pro Forma Ajustment	Pro Forma Consolidated before private placement	Notes	Pro Forma Ajustment	Pro Forma Consolidated after private placement
(in Canadian dollars)	$	$	$		$	$		$	$
ASSETS									
Current									
Cash	268,887	99,481	368,368	3 (b)	67,000	335,368	3 (f)	446,200	781,568
				3 (e)	(100,000)				-
Account receivable	-	4,432	4,432		-	4,432		-	4,432
Goods and services tax receivable	5,788	46,203	51,991		-	51,991		-	51,991
Prepaid expenses	18,425	-	18,425		-	18,425		-	18,425
	293,100	**150,116**	**443,216**		**(33,000)**	**410,216**		**446,200**	**856,416**
Non-current									
Exploration and evaluation assets	-	435,110	435,110		-	435,110		-	435,110
Property and Equipment	-	4,381	4,381		-	4,381		-	4,381
Advances receivable	-	91,293	91,293		-	91,293		-	91,293
	-	**530,784**	**530,784**		**-**	**530,784**		**-**	**530,784**
Total Assets	**293,100**	**680,900**	**974,000**		**(33,000)**	**941,000**		**446,200**	**1,387,200**
LIABILITIES									
Current									
Trade payables and accrued	34,984	532,938	567,922			567,922	3 (f)	(24,646)	386,093
							3 (f)	(79,191)	
							3 (f)	(69,369)	
							3 (f)	(8,623)	
Balance of sale	-	200,000	200,000		-	200,000		-	200,000
Due to directors	-	352,209	352,209			352,209	3 (f)	(81,494)	(31,656)
							3 (f)	(141,212)	
							3 (f)	(161,159)	
Due to consultants	-	198,421	198,421		-	198,421	3 (f)	(43,762)	50,046
							3 (f)	(104,613)	
Due to related company	-	46,009	46,009		-	46,009		-	46,009
	34,984	**1,329,577**	**1,364,561**		**-**	**1,364,561**		**(714,069)**	**650,492**
Non-current									
Balances of sales	-	148,419	148,419		-	148,419		-	148,419
Convertible debenture	-	337,722	337,722	3 (a)	(50,000)	287,722	3 (f)	(24,344)	158,900
							3 (f)	(20,521)	
							3(g)	(83,957)	
	-	**486,141**	**486,141**		**(50,000)**	**436,141**		**(128,822)**	**307,319**
Total Liabilities	**34,984**	**1,815,718**	**1,850,702**		**(50,000)**	**1,800,702**		**(842,891)**	**957,811**
SHAREHOLDERS' EQUITY									
Share capital	518,141	325,751	843,892	3 (a)	28,789	342,548	3 (f)	262,294	1,516,891
				3 (b)	44,262		3 (f)	335,017	
				3 (c)	(180,000)		3 (f)	215,365	
				3 (d)	(213,477)		3 (f)	216,420	
				3 (d)	(80,918)		3 (f)	5,247	
				3 (e)	(100,000)		3 (g)	15,000	
							3 (g)	125,000	
Equity component of convertible debenture	-	121,907	121,907	3 (a)	(2,960)	118,947	3(g)	(47,414)	71,533
Warrants	-	56,915	56,915	3 (a)	21,211	100,864	3 (f)	168,757	269,621
				3 (b)	22,738				
Stock options	76,988	339,299	416,287	3 (d)	(76,988)	339,299	3 (f)	(204,533)	134,766
Brokers warrants	-	-	-		-	-	3 (f)	15,149	15,149
Contributed Surplus		275	275		-	275			275
Accumulated Other Comprehensive Income	-	1,069	1,069			1,069		-	1,069
Deficit	(337,013)	(1,980,034)	(2,317,047)	3 (a)	2,960	(1,762,704)	3 (f)	48,800	(1,579,915)
				3 (c)	180,000		3 (f)	139,242	
				3 (d)	80,918		3 (f)	3,376	
				3 (d)	290,465		3 (g)	(15,000)	
							3 (g)	6,371	
Total equity (Deficiency)	**258,116**	**(1,134,818)**	**(876,702)**		**17,000**	**(859,702)**		**1,289,091**	**429,389**
Total liabilities and equity	**293,100**	**680,900**	**974,000**		**(33,000)**	**941,000**		**446,200**	**1,387,200**

TANTALEX RESOURCES CORPORATION
(formerly Tantalex Corporation)

Notes to Pro Forma Consolidated Statement of Financial Position

as at February 28, 2013
(Unaudited)

1. Basis of presentation

Lynnwood Capital Inc. ("Lynnwood ") and Tantalex Corporation ("Tantalex") signed an Amalgamation Agreement dated October 16, 2013, pursuant to which and subject to regulatory approval, Lynnwood and Tantalex will amalgamate. Under the terms of the agreement, the currently publicly listed shares of Lynnwood will be consolidated on a 1.8324:1 basis and the shares of Tantalex will be exchanged for 1 post-consolidation Lynnwood share for every 1 Tantalex common shares. It is expected that the resulting issuer will be named Tantalex Resources Corporation. In accordance with IFRS 3, Business Combinations, the substance of the transaction is a reverse acquisition of a non-operating company. The transaction does not constitute a business combination as Lynnwood does not meet the definition of a business under that standard. As a result, the transaction is accounted for as a capital transaction with the original Tantalex being identified as the acquirer and the equity consideration being measured at fair value. The resulting statement of financial position is presented as a continuation of Tantalex. IFRS 2 applies to transactions where an entity grants equity instruments and cannot identify specifically some or all of the goods or service received in return. Because Tantalex has issued shares with a shortfall value of the assets received, IFRS 2 would indicate that the difference is recognized in comprehensive loss as a reverse takeover transaction profit. The amount recognized as a reverse transaction profit is the difference between the fair value of the consideration paid and the net identifiable assets of Lynnwood acquired by Tantalex.

The accompanying pro forma consolidated statement of financial position has been prepared in accordance with IFRS. The unaudited pro forma statement of financial position has been prepared from information derived from the unaudited condensed consolidated financial statements of Tantalex as at February 28, 2013 and the audited financial statements of Lynnwood as at February 28,l 2013. The unaudited pro forma statement of financial position gives effect to the amalgamation as if it occurred on October 16, 2013.

The unaudited pro forma consolidated financial information is not intended to be indicative of the results that would actually have occurred, or the results expected in future periods, had the events reflected herein occurred on the dates indicated. Actual amounts recorded upon consummation of the transaction will differ from those recorded in the unaudited pro forma consolidated financial statement information.

Management of Tantalex believes that the assumptions used provide a reasonable basis for presenting all of the significant effects of the transaction and that the pro forma adjustments give appropriate effect to those assumptions and are appropriately applied in the unaudited pro forma statement of financial position.

2. Pro forma assumptions

(a) The proposed amalgamation will receive all required regulatory and shareholder approvals.

(b) Tantalex will close a private placement for the issue of 2,375,000 units for gross proceeds of $475,000. Issue costs equal to 8% of gross proceeds provided by agents will be paids and agent's options to purchase common shares equal to 8% of the receipts sold pursuant to the private placement on the same basis of issue costs will be issued to agents.

(c) Lynnwood will consolidate its share capital on a 1.8324 for one basis.

(d) There will be an exchange of common shares of Tantalex for common shares of the resulting issuer on a one for one basis.

(e) The estimated amalgamation transaction costs of $100,000 will be paid following the completion of the amalgamation.

3. Pro forma adjustments

a) Tantalex April 1, 2013 conversion of convertible debenture (event subsequent to February 28, 2013)

On April 1, 2013, the Company converted a $50,000 debenture into 390,625 units at a conversion price of $0.128. Each unit consist of one common share and one warrant. Each warrant entitles its holder to acquire one common share of the Company at a price of $0.35 for a period of 24 months following the listing of the company. A sum of $28,789 was allocated to share capital while $21,211 was allocated to the warrants.

b) Tantalex April 1, 2013 private placement (event subsequent to February 28, 2013)

On April 1, 2013, the Tantalex issued 418,750 units at a price of $0,16 for a total gross proceeds of $67,000. Each unit consist of one common share and one warrant. Each warrant entitles its holder to acquire one common share of the Company at a price of $0.35 for a period of 24 months following the listing of the company. A sum of $44,262 was allocated to share capital while $22,738 was allocated to the warrants.

c)Lynnwood common shares cancellation and consolidation

As at February, 2013 Lynnwood had 5,650,000 common shares outstanding. Pursuant the contemplated TSXV delisting, Lynnwood will cancel 3,600,000 common shares and outstanding common shares after cancellation will amount to 2,050,000. As part of the amalgamation agreement and conditional upon approval by the shareholders of Lynnwood, Lynnwood will consolidate its common shares on a 1.8324 to 1 basis, resulting in an aggregate 1,118,731 common shares outstanding at the time of the amalgamation with Tantalex.

3. Pro forma adjustments (continued)

d) Amalgamation transaction

For accounting purposes Tantalex is the acquirer and the Transaction will be accounted for as a reverse takeover. Considering that Lynnwood does not meet the definition of a business the Transaction will be considered a capital transaction in substance. Accordinglys, the Transaction is equivalent to the issuance of shares by Tantalex for the net assets of Lynnwood accompanied by a concurring private placement in Tantalex. This will eliminate Lynnwood's deficit and contributed surplus of $ 290,465 and $ 76,988 respectively resulting in a net decrease of $ 213,477 to pro forma share capital.

The estimated fair value of the net assets acquired by Tantalex is summarized as follows :

	Amount
	$
Assets acquired	
Cash	274,805
Goods and services tax receivable	5,156
Prepaid expenses	25,000
	304,961

	Amount
	$
1,118,730 shares issued and outstanding	223,746
Total consideration	223,746
Reverse take over shortfall	80,918
	304,664

e) Transaction costs

Total Tantalex Transaction costs will be approximately $ 100,000. Transaction costs are joined to the entire organization and cannot be attributed to any single transaction and are recorded as a reduction in share capital in the period in which the shares are issued.

f) Private placement

As part of the amalgamation transaction Tantalex completed an unbrokered private placement of 2,375,000 units at a price of $0,20 per unit for total gross proceeds of $475,000. Each unit consist of one common share and one warrant. Each warrant entitles its holder to acquire one common share of the Company at a price of $0,35 for a period of 24 months following the listing of the company. A sum of $289,037 will be allocated to share capital while $185,963 will be allocated to the warrants. Issuance costs totalling $43,949 (including an amount of $15,149 representing the value of agent's options) will be recorded as a reduction of share capital ($26,743) and warrants ($17,206). Issuance costs will be recorded on a pro rata basis of the allocated total gross proceeds to share capital and warrants. The company will pay to agents a remuneration of $28,800 and will issue 144,000 broker warrants allowing them to acquire one common share of the Company at a price of $0,20 for a period of 24 months following the listing of the company.

As part of the amalgamation, 6,524,176 shares options will be exerciced for a total consideration $130,484 in consideration for trade payables ($24,646) , due to directors ($81,494) and accrued interests related to the debentures ($24,344) following an agreement signed on January 18, 2013 that is conditionnal to the completion of the comtemplated Amalgamation.

As part of the amalgamation, the Company will convert a total of $264,165 of trade payables ($79,191), due to director ($141,212) and due to consultants ($43,762) into 1,651,034 shares at a conversion price of $0.16 per common share following an agreement signed on January 18, 2013 that is conditionnal to the completion of the contemplated amalgamation. The estimated fair value of the common share is $0.1304 which represent the fair value used for the share capital of the private placement issued on December 28, 2012.

As part of the amalgamation, the Company will convert a total of $355,662 of trade payables ($69,369), due to directors ($161,159), due to consultants ($104,613) and debentures ($20,521) into 1,778,309 shares at a conversion price of $0.20 per common share following an agreement signed on July 16,2013 that is conditionnal to the completion of the contemplated amalgamation. The estimated fair value of the common share is $0.1217 which represent the fair value used for the share capital of the private placement issued on July 16, 2013.

As part of the amalgamation, the Company will convert a total of $8,623 of trade payables into 43,115 shares at a conversion price of $0.20 per common share following an agreement signed on September 9, 2013 that is conditionnal to the completion of the contemplated amalgamation. The estimated fair value of the common share is $0.1217 which represent the fair value used for the share capital of the private placement issued on July 16, 2013.

g) Post amalgamation events

Effective on October 21, 2013, the Company signed a consulting agreement with Yewbrook in which the Company has to pay $15,000 of engagement fees by the issuance of 75,000 common shares at a price of $0.20.

Effective on October 21, 2013, a debenture holder as agreed to sell part of its convertible debentures to third parties at principal value for an amount totalling $125,000. Pursuant to acquiring the debentures, the new holders have agreed to convert the acquired debentures at the price set forth in the debenture of $0.05 par share representing 2,500,000 shares of the Company.

TANTALEX RESOURCES CORPORATION
(formerly Tantalex Corporation)

Notes to Pro Forma Consolidated Statement of Financial Position

as at February 28, 2013
(Unaudited)

4. Share Capital

A continuity of isssued common share capital and related recorded values after giving effect to the pro forma adjustments described in Note 3 is set out as follows:

	Number of shares	Amount
		$
Tantalex shares issued and outstandind as at February 28, 2013	16,625,824	325,751
Lynnwood shares issued and outstandind as at February 28, 2013	5,650,000	518,141
Lynnwood shares cancelled (note 3(c))	(3,600,000)	(180,000)
Lynnwood outstanding consolidation	(931,269)	-
Conversion of convertible debenture (note 3(a))	390,625	28,789
Private placement (note 3(b))	418,750	44,262
Amalgamation transaction (note 3(d))	-	(294,395)
Transaction costs (note 3(e))	-	(100,000)
Private placement (note 3(f))	12,371,634	1,034,343
Post amalgamation events (3 (g))	2,575,000	140,000
	33,500,564	1,516,891

5. Warrants

A continuity of isssued warrants and related recorded values after giving effect to the pro forma adjustments described in Note 3 is set out as follows:

	Number	Amount
		$
Tantalex warrants issued and outstandind as at February 28, 2013	1,956,250	56,915
Lynnwood warrants issued and outstandind as at February 28, 2013	-	-
Conversion of convertible debenture (note 3(a))	390,625	21,211
Private placement (note 3(b))	418,750	22,738
Private placement (note 3(f))	2,375,000	168,757
	5,140,625	269,621

6. Stock options

A continuity of isssued stock options and related recorded values after giving effect to the pro forma adjustments described in Note 3 is set out as follows:

	Number	Amount
		$
Tantalex stock options issued and outstandind as at February 28, 2013	10,857,514	339,299
Lynnwood stock options issued and outstandind as at February 28, 2013	742,500	76,988
Lynnwood outstanding consolidation	(337,301)	(76,988)
Options exercised concurrent to amalgamation (note 3(f))	(6,524,176)	(204,533)
	4,738,537	134,766

7. Broker's warrants

A continuity of isssued agent's options and related recorded values after giving effect to the pro forma adjustments described in Note 3 is set out as follows:

	Number	Amount
		$
Tantalex agent's options issued and outstandind as at February 28, 2013	-	-
Lynnwood agent's options issued and outstandind as at February 28, 2013	-	-
Private placement (note 3(f))	144,000	15,149
	144,000	15,149