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2023 Annual Due Diligence Report

December 18, 2024

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1. Company Information and Policy Overview

Tantalex Lithium Resources Corporation is a Canadian junior exploration company listed on the Canadian Securities Exchange, the Frankfurt Stock Exchange and US-OTCQB Venture Market. The company is focused on developing Lithium projects in Africa, producing Lithium, Tantalum & Tin.

Tantalex was originally named Tantalex Resources Corporation, which was founded on 21 October 2013. Effective May 26, 2022, Tantalex Resources Corp. changed its name to Tantalex Lithium Resources Corporation to reflect the company's engagement in the acquisition, exploration, development and distribution of lithium, tantalum, and other high-tech minerals.

TiTan Project

- Location: Democratic Republic of Congo, Province of Haut-Lomami, near Manono. 30% of the Project's footprint overlaps the Province of Tanganyika.
- Rely on vast cassiterite and coltan alluvial deposits near the surface of the Pegmatite corridor in license 12447
- Tin and tantalum concentrate plant
- Plant construction and commissioning ongoing with ramping up of production
- Nameplate capacity of 130 tph plant throughput to be reached end of Q1 2025.
- Fully permitted with Mining License received in October 2022.

The directors and management aim to position Tantalex as a first-class exploration and development company in the region, with high standards for both environmental sustainability and the social well-being of local communities.

It is our objective to develop our portfolio of assets. By building a strong team of experienced professionals, our focus is on delivering our projects – on time, on budget and always in a sustainable way. Through this sustainable development we aim to create value for our shareholders and the countries we operate in.

This Annual Due Diligence Report forms part of the implementation of Tantalex Lithium Resources Corp due diligence management systems in accordance with

the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (hereafter 'OECD Due Diligence Guidance'). The due diligence management systems and this Annual Report are designed to be in conformance with the OECD Due Diligence Guidance. According to the OECD Due Diligence Guidance, Step 5, companies should meaningfully report on supply chain due diligence to generate public confidence in the measures companies are taking.

An objective of the Tantalex Lithium Resources Corp due diligence management system is to identify, assess, and mitigate human rights risks in our supply chains to reduce actual and potential negative impacts on people and planet. Further, the system seeks to ensure that the company's sourcing practices are in conformance with international good practice. Our due diligence approach has been developed in a way that manages risks based on available information and make improvements over time.

Tantalex Lithium Resources Corp utilizes RCS Global services, including traceability and due diligence systems to support our efforts. Better Mining (BM), implemented by the RCS Global Group, is an upstream assurance mechanism that puts in place a number of systems to support that exports of minerals from Conflict-Affected and High-Risk Areas (CAHRA) are produced, transported and exported by companies operating in a manner that is aligned with the requirements of the OECD Due Diligence Guidance, the Better Mining program, and the Responsible Minerals Initiative (RMI) Responsible Minerals Assurance Process (RMAP).

This report describes a) the due diligence management system, b) the methodology for the assessment of risks, and c) the steps taken to manage the risks as established at Tantalex Lithium Resources.

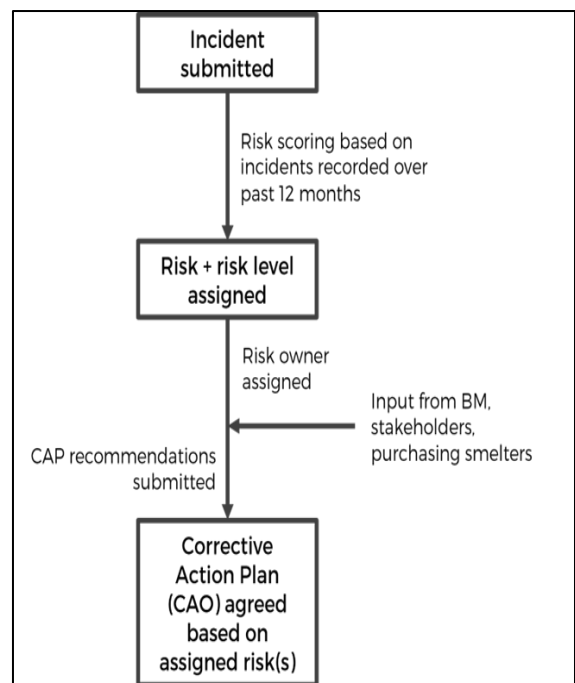
2. Risk Identification and Mitigation Approach

We take a transparent approach to mining operations, production, and the trade of minerals from our sites. Purchasing smelters are encouraged to review the

information provided to them and follow-up on elements in line with their own due diligence procedures. The due diligence we apply is risk based and commensurate to the severity and likelihood of identified risks. The process includes:

- (1) Identifying risks using evidence-based information that extends across all risks noted in the OECD Due Diligence Guidance.
- (2) Supporting the assessment of risks against our supply chain policy, national laws, and international guidance.
- (3) Responding to, managing, and reporting on identified risks in a measurable and accountable manner.
- (4) Promoting transparency along the supply chain, as part of an accurate depiction of local circumstances, to enhance engagement among supply chain members and improve access to market and investment for local operators and communities.
- (5) Promoting continuous reporting of risk-related information along our supply chain to downstream buyers.

Incidents that may occur at our site are recorded by independent monitors deployed by BM on an ongoing basis to our mine site. Monitors digitally record incidents in line with the RCS Global incident and risk categorization (aligned with the OECD Due Diligence Guidance Annex II risks). The collection and verification of incidents form the basis of the risk assessment approach. Following the logic outlined in the RCS Risk Management Procedure (RMP) the incidents recorded over the past 12 months are used to assign adequate risk levels for each monitored Risk.



The risk mitigation approach at Tantalex Lithium Resources seeks to address issues in a structural manner. Based on the Risk Assessment a comprehensive Corrective Action Plan (CAP) is provided to Tantalex Lithium Resources on a monthly basis by BM including the following information for each risk:

- Risk category
- Risk level
- Number of incidents associated with that risk category recorded over the past month
- Suggested actions for risk mitigation
- Required evidence
- Recommended timeline for implementation of mitigation actions
- Responsible actor(s) for implementation
- Status (not started, in progress, completed) of mitigation actions
- Risk owner notes (to be completed based on risk owner feedback)

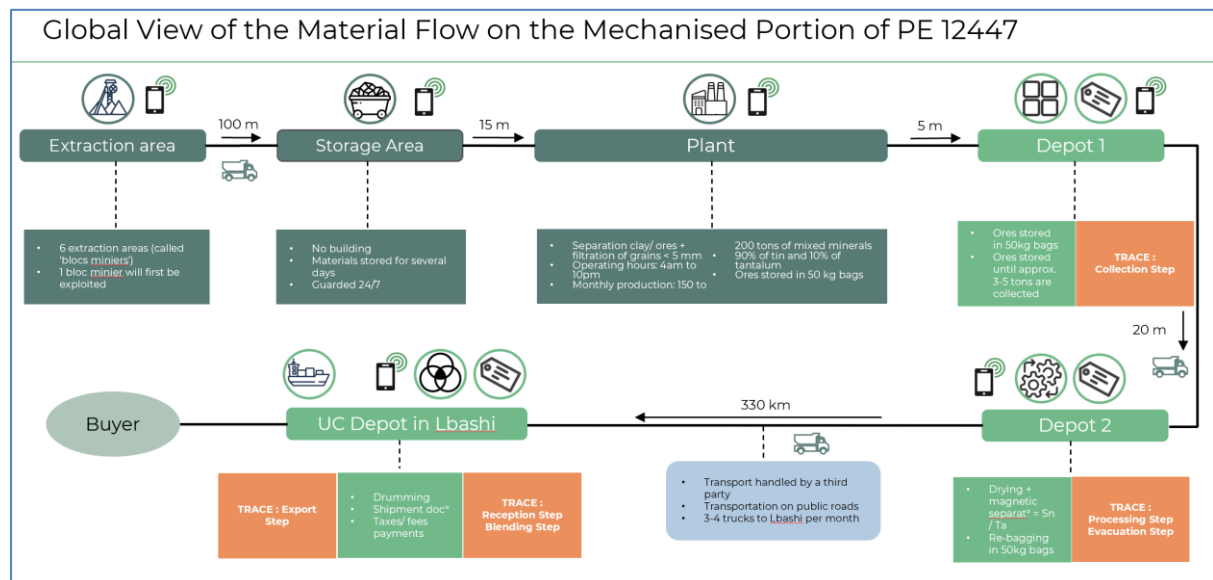
In line with the core 'continuous improvement' principle in the OECD Due Diligence Guidance and accepted by market requirements, our company implements proactive and risk-based risk mitigation ('corrective action'). Current CAP statuses are also shared along with each shipment to support our risk management and reporting obligations.

TRACEABILITY

Based on recommendations from the OECD Guidance, Chain of Custody System Standards from the ICGLR Regional Certification Mechanism (RCM), and RMI RMAP audit requirements, BM deploys a digital traceability system for materials from mine to export. The objective of BM-implemented traceability is to provide assurance that the minerals exported originate from BM-monitored mine sites and to protect against the smuggling and laundering of minerals into BM-monitored supply chains.

The approach relies on recording of traceability information at local level, and data reconciliation in real time. The approach allows for systematic identification of all participants in the supply chain. The traceability system digitally records the weight,

purity, tag number of mineral bags as well as the names of present stakeholders and pit managers at the pit level and verifies the information at each supply chain step up to export.



The process accounts for average weight loss during transport and processing. Any discrepancies in the recorded data are recorded as incidents and follow the same risk assessment and CAP procedure described above.

GRIEVANCE MECHANISM

Stakeholders can utilize the RCS Global Grievance Mechanism or the Responsible Minerals Initiative (RMI) Grievance Mechanism to raise concerns.

3. Annual Risk Mitigation Efforts

BM operated at our site in 2023 on a near permanent basis, from September to December. During the year and through its Congolese subsidiary United Cominière SAS, Tantalex Lithium Resources Corp set up and supported the work, in April, of a joint commission aimed at harmonizing financial flows, traceability and the implementation of community development plans between the two provinces of Haut-Lomami (main) and Tanganyika (secondary). This commission was made up

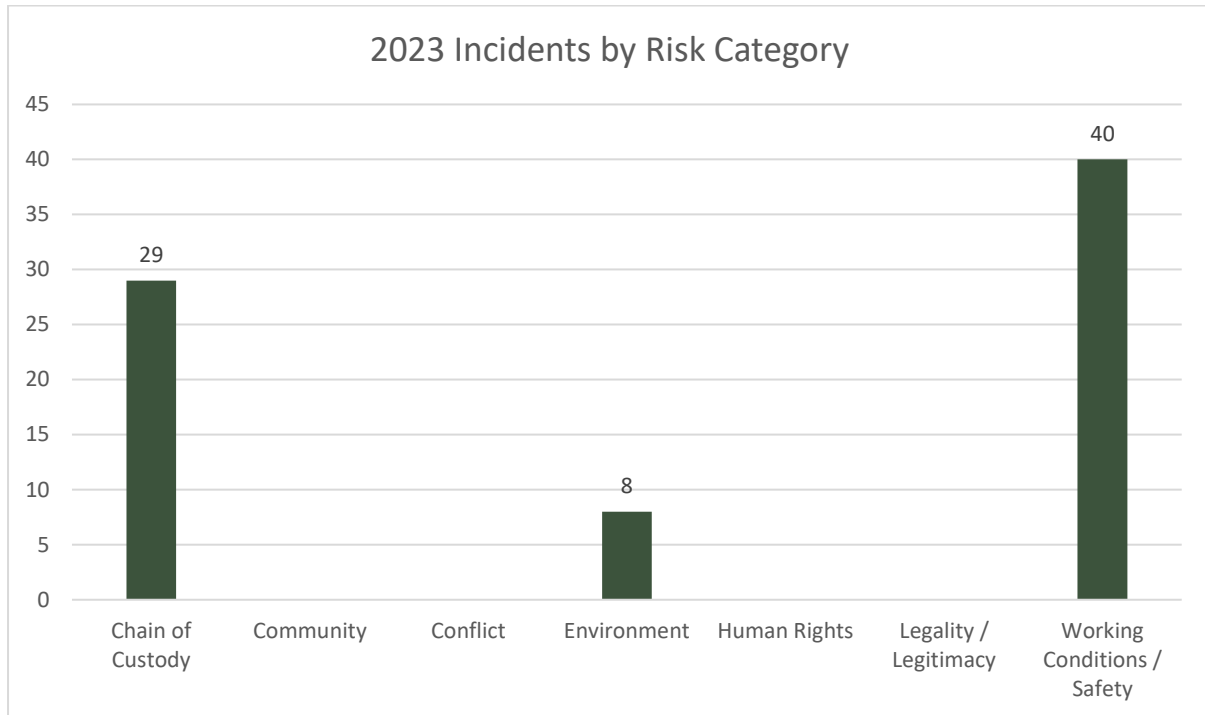
of 11 representatives of United Cominière SAS, the Provincial Directorate of Mines (Tanganyika and Haut-Lomami) and the Mining Cadaster of Lubumbashi.

Similar harmonization meetings were concluded in November with the traditional authorities of the neighboring lands.

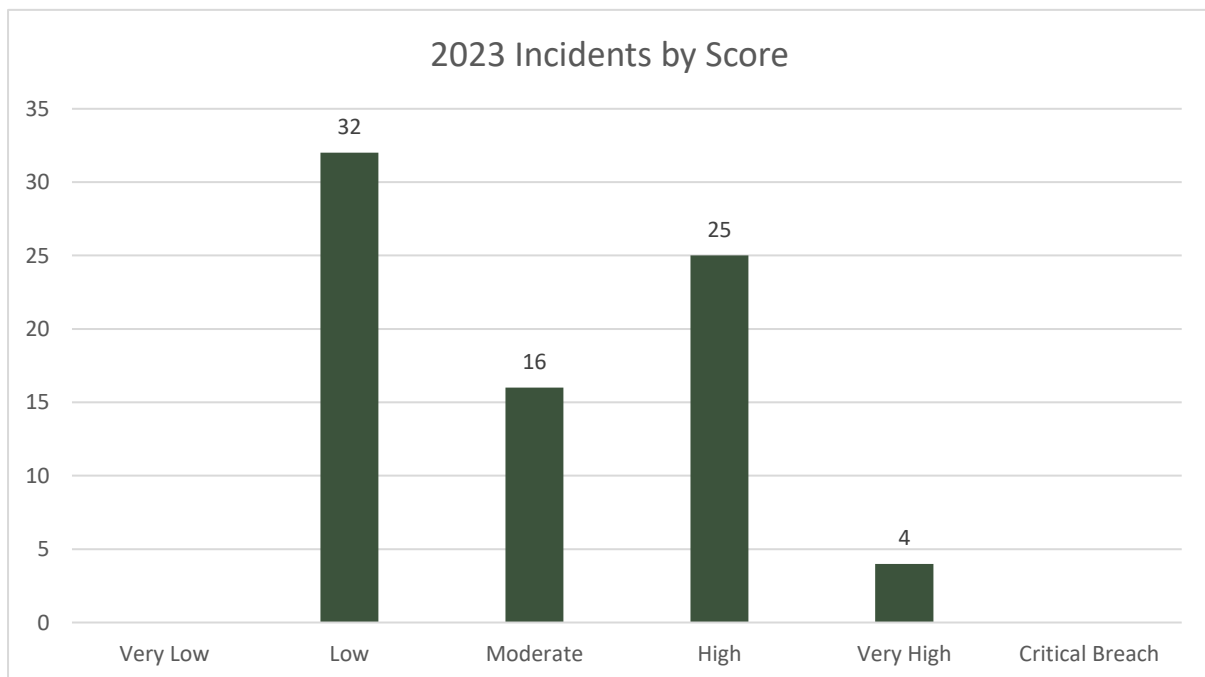
The field team also ensured the participation of United Cominière SAS in the meetings of the Local Monitoring Committees (CLS) organized by the two provinces.

18 specific meetings were held in both Territories (Manono, Malemba-Nkulu) with members of the communities, civil society and local authorities, to foster an ongoing dialogue confirmed by the maintenance of a stakeholder register and a commitment register. Tantalex Lithium Resources also facilitated, in July, the creation of SCOMIDEF SARL, or *Coopérative Minière pour le Développement Effectif*. This entity's mission is to bring together, supervise and promote the development of artisanal miners active throughout PE-12447, on an exclusive basis.

In 2023, 77 incidents were recorded and started being reported to the company mid-October. These incidents either came from a Supply Chain Evaluation documented in September (72) or from new observations (5). 90% of these incidents fell into the categories of Chain of Custody and Occupational Health and Safety, as illustrated below. This distribution reflects the two main challenges faced by the young mining company in its early efforts 1) to manage traceability in the DRC and 2) to address the stringent constraints of building a mine site in a remote region. The low number of environmental incidents (8) and the total absence of social or legal incidents highlight a promising performance in stakeholder relations and respect for human rights.



Two incidents out of 3 were rated either “low” or “moderate” risk. The four incidents rated “very high” all belonged to the Chain of Custody category. During 2023, **zero** “critical” incidents were registered affecting our operations.

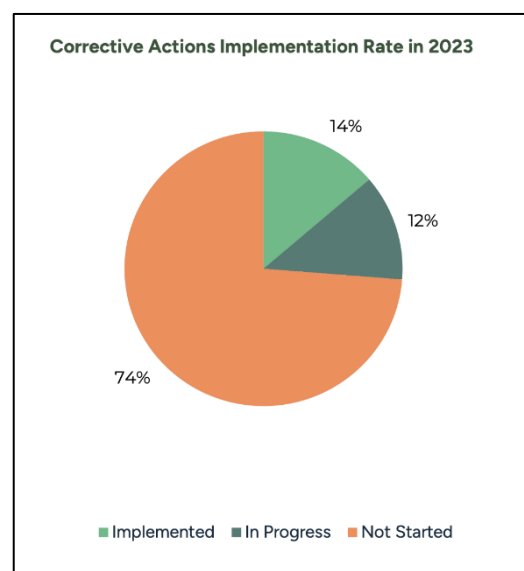


As a result, the following risks were identified in the Tantalex Lithium Resources supply chain. The below table shows the average score recorded during 2023 for each risk.

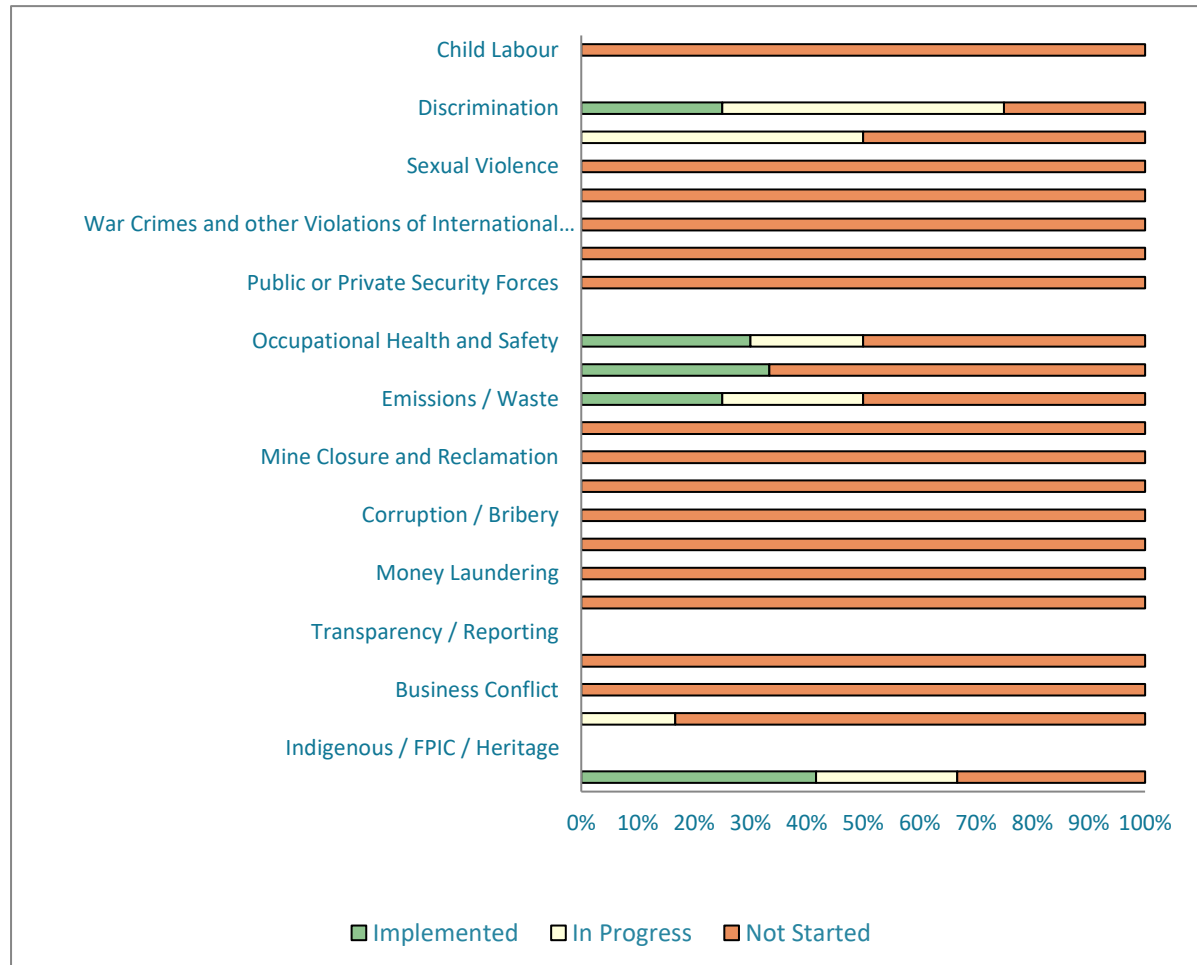
Risk category	Risk	Risk Score
Human Rights	Child Labour	Least Risk
	Worst Forms of Child Labour (WFCL)	Low Risk
	Discrimination	Least Risk
	Forced Labour	Least Risk
	Sexual Violence	Least Risk
	Torture, Cruel, Inhumane and Degrading Treatment	Least Risk
Conflict	War Crimes and other Violations of International Humanitarian Law	Least Risk
	Non-State Armed Group	Least Risk
	Public or Private Security Forces	Least Risk
	General Security	Low Risk
Working Conditions / Safety	Occupational Health and Safety	Moderate Risk
	Worker Rights	Moderate Risk
Environment	Emissions/Waste	Least Risk
	Water	Moderate Risk
	Mine Closure and Reclamation	Moderate Risk
	Protected Flora/ Fauna	Least Risk
Legality / Legitimacy	Corruption/ Bribery	Moderate Risk
	Payment of Taxes, Fees and Royalties	Moderate Risk
	Money Laundering	Moderate Risk
	Operational Legality	Moderate Risk
	Transparency/ Reporting	Low Risk
	Company Governance	Moderate Risk
Community	Business Conflict	Least Risk
	Community Engagement/ Development	Least Risk
	Indigenous/ FPIC/ Heritage	Low Risk
Chain of Custody	Traceability	High Risk

To mitigate the identified risks Tantalex Lithium Resources worked on implementing 85 mitigation actions following the guidance of the BM-issued Corrective Action Plans. Over the past year 12% actions were successfully implemented. For 14% mitigation actions the implementation is still ongoing, and 74% actions are yet due to be started.

The opposite pie chart shows the implementation rates of corrective actions in 2023



The below chart highlights the division of mitigation action status for each risk identified in 2023.



Tantalex Lithium Resources Corp managed to tackle 26% of these incidents within the remnant of fourth quarter of 2023, namely by:

Action item 7: Providing an exhaustive list of United Cominière's employees demonstrating gender distribution within the staff and the company's efforts to recruiting female workers.

Action item 8: Conducting an internal investigation to confirm that the two Pygmies working for the UC were treated fairly and did not suffer any type of discrimination.

Action items 9, 11, 13: Starting to develop a Human Rights Policy prohibiting discrimination based on race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status such as disability, age, marital and

family status, gender identity, health status, place of residence, economic and social situation. This Policy was also meant to address Forced Labour, Gender Equality

Action item 28: Initiating the construction of adequate restrooms for the workers on TiTan site.

Action items 32, 33, 38: Provision of PPE to all workers (regular and daily) in the mechanized area, including masks to workers in the Drying/Cleaning Station and safety harnesses for working at height.

Action item 30: Installing fire extinguishers in high fire risk areas.

Action item 34: Positioning 6 brand new first aid kits on site, in strategic locations

Action item 37: Developing a code of conduct listing the rights and obligations of workers on the mining site.



New First Aid kits

Action item 39: Commissioning a full revision of the Project's Environmental & Social Impact Assessment.

Action item 68: Organizing training workshops (3) on the negotiation of participatory community development plans, along with supporting reports.



Training Workshop on Participatory Community Development Planning, Manono, Nov 2-5 2023

Action items 69, 70, 71 (high risk): Deciding on the new location of the Sn/Ta magnetic separation station and communicating this relocation to the relevant stakeholders.

Action items 72, 73, 74, 75 (high risk): Storing and retaining untagged minerals in the processing unit, separate from the rest of the supply chain, until next steps are determined. Working with Better Mining and provincial authorities to authorize the export of this material, as no significant violations of OECD Annex II risks have been identified.

*** End of report ***