

Consolidated Financial Statements  
(Expressed in Canadian dollars)

# **TAJIRI RESOURCES CORP.**

Years ended April 30, 2021 and 2020

## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Tajiri Resources Corp.

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the consolidated financial statements of Tajiri Resources Corp. (the "Company"), which comprise the consolidated statements of financial position as at April 30, 2021 and 2020 and the consolidated statements of comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects the consolidated financial position of the Company as at April 30, 2021 and 2020, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS).

#### Basis for Opinion

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

#### Material Uncertainty Related to Going Concern

We draw attention to Notes 1 and 2 in the consolidated financial statements, which indicates that the Company has no source of revenue, has an accumulated deficit as at April 30, 2021 and is dependent upon the future receipt of equity financing to maintain its operations. These events or conditions, along with other matters as set forth in Notes 1 and 2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

#### Other Information

Management is responsible for the other information. The other information comprises the information included in "Management's Discussion and Analysis", but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

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

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

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

The engagement partner on the audit resulting in this independent auditor's report is G. Cameron Dong.

A handwritten signature in black ink that reads "De Visser Gray LLP". The signature is written in a cursive, flowing style.

**CHARTERED PROFESSIONAL ACCOUNTANTS**

Vancouver, BC  
August 30, 2021

**Tajiri Resources Corp.**

## Consolidated Statements of Financial Position

(Expressed in Canadian dollars)

	Notes	April 30, 2021	April 30, 2020
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	\$ 681,603	\$ 45,788
Receivables		118,432	12,916
Prepaid		48,224	-
		848,259	58,704
<b>Non-current assets</b>			
Property and equipment	6	39,478	4,109
Exploration and evaluation assets	7	5,341,505	3,126,967
<b>TOTAL ASSETS</b>		<b>\$ 6,229,242</b>	<b>\$ 3,189,780</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade payables and accrued liabilities	8 & 11	\$ 584,206	\$ 211,758
<b>TOTAL LIABILITIES</b>		<b>584,206</b>	<b>211,758</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	10	12,281,297	9,188,721
Obligation to issue shares		28,345	28,345
Share subscriptions receivable		(42,000)	(20,000)
Reserves	10	1,527,064	329,234
Deficit		(8,149,670)	(6,548,278)
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>5,645,036</b>	<b>2,978,022</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>\$ 6,229,242</b>	<b>\$ 3,189,780</b>

Nature and continuance of operations (Note 1)  
Subsequent event (Note 15)

Approved by the Board of Directors and authorized for issue on August 30, 2021.

*"Graham Keevil"*

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Graham Keevil, Director

*"Bilal Bhamji"*

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Bilal Bhamji, Director

See accompanying notes to the consolidated financial statements.

**Tajiri Resources Corp.**

## Consolidated Statements of Comprehensive Loss

(Expressed in Canadian dollars)

	Notes	Years ended	
		April 30, 2021	April 30, 2020
<b>Expenses</b>			
Consulting fees	11	\$ 192,887	\$ 60,000
Foreign exchange loss (gain)		(13,033)	(28,619)
Management fees	11	84,000	84,000
Office and miscellaneous	11	29,684	24,318
Professional fees	11	64,453	64,809
Shareholder information, transfer agent and filing fee		84,109	23,776
Share-based compensation		1,104,486	-
Travel and promotion		54,806	7,347
Website costs		-	502
<b>Loss from operations</b>		<b>1,601,392</b>	<b>236,133</b>
Write-off of exploration and evaluation assets	7	-	422,158
<b>Net loss and comprehensive loss for the year</b>		<b>\$ 1,601,392</b>	<b>\$ 658,291</b>
<b>Loss per share – basic and diluted</b>		<b>\$ 0.01</b>	<b>\$ 0.01</b>

See accompanying notes to the consolidated financial statements.

**Tajiri Resources Corp.**

Consolidated Statements of Changes in Shareholders' Equity

(Expressed in Canadian dollars)

	Share Capital							Total
	Notes	Number of Shares	Amount	Obligation to issue share	Share subscription receivable	Reserves	Deficit	
			\$	\$	\$	\$	\$	\$
<b>Balance, May 1, 2020</b>		<b>87,439,685</b>	<b>9,188,721</b>	<b>28,345</b>	<b>(20,000)</b>	<b>329,234</b>	<b>(6,548,278)</b>	<b>2,978,022</b>
Comprehensive loss		-	-	-	-	-	(1,601,392)	(1,601,392)
Private placement at \$0.15	<b>10 (b)</b>	21,602,934	3,240,440	-	(42,000)	-	-	3,198,440
Share subscription received		-	-	-	20,000	-	-	20,000
Share issue cost – cash		-	(191,620)	-	-	-	-	(191,620)
Share issue cost – finder's warrants		-	(93,344)	-	-	93,344	-	-
Shares issued for services	<b>10(a)</b>	214,000	32,100	-	-	-	-	32,100
Shares issued for exploration and evaluation assets	<b>7(c)</b>	1,000,000	105,000	-	-	-	-	105,000
Stock-based compensation		-	-	-	-	1,104,486	-	1,104,486
<b>Balance, April 30, 2021</b>		<b>110,256,619</b>	<b>12,281,297</b>	<b>28,345</b>	<b>(42,000)</b>	<b>1,527,064</b>	<b>(8,149,670)</b>	<b>5,645,036</b>

	Share Capital							Total
	Notes	Number of Shares	Amount	Obligation to issue share	Share subscription receivable	Reserves	Deficit	
			\$	\$	\$	\$	\$	\$
<b>Balance, May 1, 2019</b>		<b>72,539,685</b>	<b>8,488,021</b>	<b>28,345</b>	<b>(2,000)</b>	<b>321,734</b>	<b>(5,889,987)</b>	<b>2,946,113</b>
Comprehensive loss		-	-	-	-	-	(658,291)	(658,291)
Private placement at \$0.05	<b>10 (a)</b>	14,900,000	745,000	-	(20,000)	-	-	725,000
Share subscription received		-	-	-	2,000	-	-	2,000
Share issue cost – cash		-	(36,800)	-	-	-	-	(36,800)
Share issue cost – finder's warrants		-	(7,500)	-	-	7,500	-	-
<b>Balance, April 30, 2020</b>		<b>87,439,685</b>	<b>9,188,721</b>	<b>28,345</b>	<b>(20,000)</b>	<b>329,234</b>	<b>(6,548,278)</b>	<b>2,978,022</b>

See accompanying notes to the consolidated financial statements.

**Tajiri Resources Corp.**

## Consolidated Statements of Cash flows

(Expressed in Canadian dollars)

	Years ended	
	April 30, 2021	April 30, 2020
<b>Operating activities</b>		
Net loss for the year	\$ (1,601,392)	\$ (658,291)
Adjustments for:		
Write-off of exploration and evaluation assets	-	422,158
Share based compensation	1,104,486	-
Shares issued for services	32,100	-
Foreign exchange gain	(13,033)	
Changes in non-cash working capital items:		
Receivables	(20,880)	3,271
Trade payables and accrued liabilities	51,619	36,090
Prepaid expenses	(48,224)	3,728
<b>Net cash flows used in operating activities</b>	<b>(495,324)</b>	<b>(193,044)</b>
<b>Investing activities</b>		
Expenditures on exploration and evaluation assets	(1,855,291)	(523,529)
Property and equipment	(40,390)	-
<b>Net cash flows used in investing activities</b>	<b>(1,895,681)</b>	<b>(523,529)</b>
<b>Financing activities</b>		
Proceeds from issuance of common shares, net of share issue costs	3,026,820	688,200
<b>Net cash flows from financing activities</b>	<b>3,026,820</b>	<b>688,200</b>
Increase (decrease) in cash and cash equivalents	635,815	(28,373)
Cash and cash equivalents, beginning of year	45,788	74,161
<b>Cash and cash equivalents, end of year</b>	<b>\$ 681,603</b>	<b>\$ 45,788</b>

Supplemental cash flow information (Note 14)

See accompanying notes to the consolidated financial statements.

## Tajiri Resources Corp.

### Notes to the Consolidated Financial Statements

For the years ended April 30, 2021 and 2020

(Expressed in Canadian dollars)

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#### 1. Nature and continuance of operations

Tajiri Resources Corp. (the "Company") was incorporated under the laws of the province of British Columbia, Canada, and its principal activity is the acquisition and exploration of mineral properties in Guyana and Burkina Faso. The Company's shares are traded on the TSX Venture Exchange ("TSX.V") under the symbol "TAJ.V". The head office, principal address and records office of the Company are located at 409 Granville Street, Suite 608, Vancouver, British Columbia, Canada.

The Company is currently exploring its exploration and evaluation assets and has not yet determined the existence of economically recoverable reserves. The recoverability of the amounts shown for interests in mineral properties is dependent upon the discovery of economically recoverable reserves or proceeds from the disposition thereof, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain financing to complete development of the properties and on future profitable operations.

These financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As at April 30, 2021, the Company had not advanced its properties to commercial production and is not able to finance day to day activities through operations. The Company's continuation as a going concern is dependent upon the successful results from its mineral property exploration activities and its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. Should the Company be unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its statement of financial position.

#### 2. Significant accounting policies and basis of preparation

The financial statements were authorized for issue on August 30, 2021 by the directors of the Company.

##### ***Statement of compliance to International Financial Reporting Standards***

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

##### ***Going Concern of Operations***

The Company has not generated revenue from operations. The Company incurred a net loss of \$1,601,392 during the year ended April 30, 2021 and, as of that date the Company's accumulated deficit was \$8,149,670. As the Company is in the exploration stage, the recoverability of the costs incurred to date on exploration properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties and deferred exploration expenditures. The Company will periodically have to raise funds to continue operations and, although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future.

##### ***Basis of preparation***

The financial statements have been prepared on a historical cost basis except for certain financial assets measured at fair value as explained in the accounting policies set out in Note 2. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. All dollar amounts presented are in Canadian dollars unless otherwise specified.

## Tajiri Resources Corp.

### Notes to the Consolidated Financial Statements

For the years ended April 30, 2021 and 2020

(Expressed in Canadian dollars)

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## 2. Significant accounting policies and basis of preparation (continued)

### ***Basis of Consolidation***

These consolidated financial statements include the accounts of the Company and its subsidiary. A subsidiary is an entity in which the Company has control, directly or indirectly. Control is defined as the investor being exposed, or having rights, to variable returns from its involvement with the investee and having the ability to affect those returns through its power over the investee.

All material intercompany transactions and balances have been eliminated on consolidation.

Details of the Company's subsidiary as at April 30, 2021 are as follows:

<b>Name</b>	<b>Place of incorporation</b>	<b>Ownership %</b>	<b>Principle activity</b>
Protean Mining (Guyana) Inc.	Guyana	100%	Exploration company

### ***Functional and Presentation Currency***

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The functional currency of Tajiri Resources Corp. is the Canadian dollar. The functional currency of Protean Mining (Guyana) Inc. is also the Canadian dollar.

The presentation currency of the group is the Canadian dollar. All financial information has been presented in Canadian dollars in these consolidated financial statements, except when otherwise indicated.

### ***Foreign Currency Translation***

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities are translated at the rate of exchange prevailing when the assets were acquired or the liabilities incurred. Revenue, expense items and capitalized exploration and evaluation expenditures are translated using the average rate of exchange during the financial statement periods, except for depreciation and amortization, which are translated at historic rates.

Foreign exchange gains and losses resulting from the translation of transactions and balances denominated in foreign currencies are included in the consolidated statement of operations and comprehensive loss.

### ***Significant accounting judgments, estimates and assumptions***

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation and judgment relate to the recoverability of the carrying value of exploration and evaluation assets and the determination of the Company's ability to continue as a going concern. Actual results may differ from those estimates and judgments. See Note 4.

## Tajiri Resources Corp.

### Notes to the Consolidated Financial Statements

For the years ended April 30, 2021 and 2020

(Expressed in Canadian dollars)

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## 2. Significant accounting policies and basis of preparation (continued)

### Property and Equipment

Property and equipment are stated at historical cost less accumulated depreciation and any provision for impairment. Cost includes the purchase price, any directly attributable costs of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, and the present value of the estimated costs of decommissioning and restoration, if applicable. Costs relating to major upgrades are included in property and equipment if it is probable that future economic benefits associated with the expenditure will flow to the Company.

Depreciation on property and equipment is recognized on a straight-line basis to write down the cost or valuation less estimated residual value of equipment. The rates generally applicable are:

- Property and equipment – 25% straight line.

Material residual value estimates and estimates of useful life are updated as required, but at least annually.

Gains or losses arising on the disposal of equipment are determined as the difference between the disposal proceeds and the carrying amount of the equipment and are recognized in profit or loss within 'other income' or 'other expenses'.

### Exploration and evaluation expenditures

Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures ("E&E") are recognized and capitalized, in addition to the acquisition costs. These direct expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractors and depreciation on plant and equipment during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, are expensed in the year in which they occur. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

Government tax credits received are recorded as a reduction to the cumulative costs incurred and capitalized on the related property.

The Company may occasionally enter into farm-out arrangements, whereby the Company will transfer part of a mineral interest, as consideration, for an agreement by the transferee to meet certain exploration and evaluation expenditures which would have otherwise been undertaken by the Company.

The Company does not record any expenditures made by the farmee on its behalf. Any cash consideration received from the agreement is credited against the costs previously capitalized to the mineral interest given up by the Company, with any excess cash accounted for as a gain on disposal.

When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to the statement of comprehensive loss.

The Company assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property.

## Tajiri Resources Corp.

### Notes to the Consolidated Financial Statements

For the years ended April 30, 2021 and 2020

(Expressed in Canadian dollars)

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#### 2. Significant accounting policies and basis of preparation (continued)

##### *Exploration and evaluation expenditures (cont'd)*

As the Company currently has no operational income, any incidental revenues earned in connection with exploration activities are applied as a reduction to capitalized exploration costs.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Mineral exploration and evaluation expenditures are classified as intangible assets.

##### *Loss per share*

Basic loss per share is calculated by dividing the loss attributable to common shareholders by the weighted average number of common shares outstanding in the period. For all periods presented, the loss attributable to common shareholders equals the reported loss attributable to owners of the Company. Diluted loss per share is calculated by the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period.

##### *Impairment of assets*

The carrying amount of the Company's assets (which include exploration and evaluation assets) is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of comprehensive loss.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs. An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

##### *Share-based payments*

The Company operates an employee stock option plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the option reserve. The fair value of the option is determined using a Black-Scholes pricing model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

## Tajiri Resources Corp.

### Notes to the Consolidated Financial Statements

For the years ended April 30, 2021 and 2020

(Expressed in Canadian dollars)

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## 2. Significant accounting policies and basis of preparation (continued)

### *Financial instruments*

Financial instruments are measured on initial recognition at fair value, plus, in the case of financial instruments other than those classified as fair value through profit or loss ("FVPL"), directly attributable transaction costs. Financial instruments are recognized when the Company become party to the contracts that give rise to them and are classified as amortized cost, fair value through profit or loss or fair value through other comprehensive income, as appropriate.

The Company considers whether a contract contains an embedded derivative when the entity first becomes a party to it. The embedded derivatives are separated from the host contract if the host contract is not measured at fair value through profit or loss and when the economic characteristics and risks are not closely related to those of the host contract. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required.

### *Financial assets at FVPL*

Financial assets at FVPL include financial assets held for trading and financial assets not designated upon initial recognition as amortized cost or fair value through other comprehensive income ("FVOCI"). A financial asset is classified in this category principally for the purpose of selling in the short term, or if so designated by management. Transaction costs are expensed as incurred. On initial recognition, a financial asset that otherwise meets the requirements to be measured at amortized cost or FVOCI may be irrevocably designated as FVPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. Financial assets measured at FVPL are measured at fair value with changes in fair value recognized in profit or loss.

### *Financial assets at FVOCI*

On initial recognition of an equity investment that is not held for trading, an irrevocable election is available to measure the investment at fair value upon initial recognition plus directly attributable transaction costs and at each period end, changes in fair value are recognized in other comprehensive income ("OCI") with no reclassification to profit or loss. The election is available on an investment-by-investment basis.

### *Financial assets at amortized cost*

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, and is not designated as FVPL. Financial assets classified as amortized cost are measured subsequent to initial recognition at amortized cost using the effective interest method. Cash, other receivables and certain other assets are classified as and measured at amortized cost.

### *Financial liabilities*

Financial liabilities, including accounts payable and accrued liabilities and finance leases are recognized initially at fair value, net of transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in net earnings when the liabilities are derecognized as well as through the amortization process. Borrowing liabilities are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date. Accounts payable and accrued liabilities and finance leases are classified as and measured at amortized cost.

## Tajiri Resources Corp.

### Notes to the Consolidated Financial Statements

For the years ended April 30, 2021 and 2020

(Expressed in Canadian dollars)

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## 2. Significant accounting policies and basis of preparation (continued)

### ***Financial instruments (continued)***

#### *Derivative instruments*

Derivative instruments, including embedded derivatives, are measured at fair value on initial recognition and at each subsequent reporting period. Any gains or losses arising from changes in fair value on derivatives are recorded in profit or loss.

#### *Fair values*

The fair value of quoted investments is determined by reference to market prices at the close of business on the statement of financial position date. Where there is no active market, fair value is determined using valuation techniques. These include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; discounted cash flow analysis; and, pricing models.

Financial instruments that are measured at fair value subsequent to initial recognition are grouped into a hierarchy based on the degree to which the fair value is observable as follows:

- Level 1 fair value measurements are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

#### ***Cash and cash equivalents***

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments.

#### ***Income taxes***

Income tax expense comprises of current and deferred tax. Current tax and deferred tax are recognized in net income except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive loss/income.

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Current income taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current year and any adjustment to income taxes payable in respect of previous years. Current income taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the year-end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

**Tajiri Resources Corp.**

Notes to the Consolidated Financial Statements

For the years ended April 30, 2021 and 2020

(Expressed in Canadian dollars)

**2. Significant accounting policies and basis of preparation (continued)*****Income taxes (continued)***

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting year, the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

***Share Capital***

Common shares issued by the Company are classified as equity. Costs directly attributable to the issue of common shares, share purchase warrants and share options are recognized as a deduction from equity, net of any related income tax effects.

***Restoration and environmental obligations***

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future restoration cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to exploration and evaluation assets along with a corresponding increase in the restoration provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The restoration asset will be depreciated on the same basis as other mining assets.

The Company's estimates of restoration costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to exploration and evaluation assets with a corresponding entry to the restoration provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the period.

The net present value of restoration costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to profit or loss in the period incurred.

The costs of restoration projects that were included in the provision are recorded against the provision as incurred. The costs to prevent and control environmental impacts at specific properties are capitalized in accordance with the Company's accounting policy for exploration and evaluation assets. As at April 30, 2021, the Company has no restoration and environmental obligations.

## Tajiri Resources Corp.

### Notes to the Consolidated Financial Statements

For the years ended April 30, 2021 and 2020

(Expressed in Canadian dollars)

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#### 3. New Accounting Standards and Interpretations Adopted

The Company is not aware of any applicable but not-yet-adopted standards that are expected to materially affect the consolidated financial statements of future periods.

#### 4. Critical Accounting Estimates and Judgments

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive loss in the years of change, if the change affects that year only, or in the year of the change of future years, if the change affects both.

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed below:

##### ***Mineral Property Interests***

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

##### ***Exploration and Evaluation Expenditures***

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after the expenditure is capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalized is written off in the profit or loss in the year the new information becomes available.

##### ***Going Concern***

The determination of the Company's ability to continue as a going concern requires significant judgment. Material adjustments to the financial statements would be required if the going concern assumption was not used.

#### 5. Cash and cash equivalents

The components of cash and cash equivalents are as follows:

	<b>April 30, 2021</b>	<b>April 30, 2020</b>
Cash at bank	\$ 681,603	\$ 45,788

**Tajiri Resources Corp.**

Notes to the Consolidated Financial Statements

For the years ended April 30, 2021 and 2020

(Expressed in Canadian dollars)

**6. Property and equipment**

	<b>Property and equipment</b>	
<b>Cost</b>		
April 30, 2019	\$	19,087
Additions		306
<b>April 30, 2020</b>	<b>\$</b>	<b>19,393</b>
Additions		<b>40,327</b>
April 30, 2021		<b>59,720</b>
<b>Accumulated Amortization</b>		
April 30, 2019	\$	13,951
Additions		1,333
<b>April 30, 2020</b>		<b>15,284</b>
Additions		4,958
<b>April 30, 2021</b>	<b>\$</b>	<b>20,242</b>
<b>Net Book Value</b>		
<b>April 30, 2020</b>		4,109
<b>April 30, 2021</b>	<b>\$</b>	<b>39,478</b>

**7. Exploration and evaluation assets**

The following is a description of the Company's exploration and evaluation assets and the related spending commitments as at April 30, 2021:

Guyana, (a) and (b)	Balance as at May 1, 2020	Property expenditures	Impairment	Balance as at <b>April 30, 2021</b>
Acquisition	\$ -	\$ -	\$ -	\$ -
Mineral rights acquisition	233,129	308,711	-	<b>541,840</b>
Consulting	168,526	95,495	-	<b>264,021</b>
Drilling, exploration, labour and claim maintenance	768,156	97,176	-	<b>865,332</b>
Fees, transport and camp	104,839	622,887	-	<b>727,726</b>
Amortization capitalized	6,043	5,021	-	<b>11,064</b>
	<b>\$ 1,280,693</b>	<b>\$ 1,129,290</b>	<b>\$ -</b>	<b>\$ 2,409,983</b>

**Tajiri Resources Corp.**

## Notes to the Consolidated Financial Statements

For the years ended April 30, 2021 and 2020

(Expressed in Canadian dollars)

**7. Exploration and evaluation assets (continued)**

Burkina Faso (c)	Balance as at May 1, 2020	Property expenditures	Impairment	Balance as at April 30, 2021
Mineral rights acquisition	\$ 1,142,503	\$ -	\$ -	\$ 1,142,503
Assay	225	40,814	-	41,039
Consulting	57,876	46,911	-	104,787
Drilling	-	635,419	-	635,419
Fees, transport and camp	645,670	362,104	-	1,007,774
	\$ 1,846,274	\$ 1,085,248	\$ -	\$ 2,931,522
<b>Total</b>	<b>\$ 3,126,967</b>	<b>\$ 2,214,538</b>	<b>-</b>	<b>\$ 5,341,505</b>

The following is a description of the Company's exploration and evaluation assets and the related spending commitments as at April 30, 2020:

Guyana, (a) and (b)	Balance as at May 1, 2019	Property expenditures	Impairment	Balance as at April 30, 2020
Acquisition	\$ 164,528	\$ -	\$ (164,528)	\$ -
Mineral rights acquisition	309,637		(76,508)	233,129
Consulting	102,380	66,146	-	168,526
Drilling, exploration, labour and claim maintenance	789,791	159,487	(181,122)	768,156
Fees, transport and camp	93,124	11,715	-	104,839
Amortization capitalized	4,827	1,216	-	6,043
	\$ 1,464,287	\$ 238,564	\$ (422,158)	\$ 1,280,693
<b>Burkina Faso, (c)</b>				
Mineral rights acquisition	\$ 939,852	\$ 202,651	\$ -	\$ 1,142,503
Assay	225	-	-	225
Consulting	30,239	27,637	-	57,876
Fees, transport and camp	630,502	15,168	-	645,670
	\$ 1,600,818	\$ 245,456	\$ -	\$ 1,846,274
<b>Total</b>	<b>\$ 3,065,105</b>	<b>\$ 484,020</b>	<b>\$ (422,158)</b>	<b>\$ 3,126,967</b>

**Tajiri Resources Corp.**

## Notes to the Consolidated Financial Statements

For the years ended April 30, 2021 and 2020

(Expressed in Canadian dollars)

**7. Exploration and evaluation assets (continued)****(a) Kaburi Guyana**

On December 31, 2016, the Company acquired an option to acquire 6 mining permits. Under the terms of the agreement the Company will pay cash considerations to the vendor as follows:

Option Exercise Schedule	Make Payment (USD\$)
Upon signing (1)	\$ 100,000
October 31, 2019 (2)	100,000
October 31, 2020 (3)	100,000
October 31, 2021	2,000,000
Total	\$ 2,300,000

(1) Payment made during the 2017 year

(2) Payment made during the 2020 year

(3) Payment made during the 2021 year

The Vendor will retain a 2% Net Smelter Return (NSR) royalty, of which the Company has the right to buy back the first 1.0% for USD \$1,000,000.

**(b) Wineperu Creek, Guyana**

On June 29, 2020 the Company entered into a sale and purchase agreement to acquire an 100% interest in 6 mining permits situated in the headwaters of Wineperu Creek, Guyana. Under the terms of the agreement, the Company will pay cash considerations to the vendors as follows:

Due Date	GYP
Upon signing ( <b>paid</b> )	\$ 2,000,000
Within 60 days of signing ( <b>paid</b> )	14,000,000
On or before the transfer of the permits	16,000,000
Upon verification by the GGMC	8,000,000 (1)
Total	\$ 40,000,000

(1) Upon verification by the Guyana Geology and Mines Commission ("GGMC"), a variable amount calculated at a price of GYD\$20,000 per acre (for each acre above 607 acres) up to a maximum of GYD\$8,000,000

**Tajiri Resources Corp.**

## Notes to the Consolidated Financial Statements

For the years ended April 30, 2021 and 2020

(Expressed in Canadian dollars)

**7. Exploration and evaluation assets (continued)****(b) Wineperu Creek, Guyana (continued)**

On September 25, 2020, the Company entered into an option agreement to acquire 28 unverified mining claims located near Wineperu Creek, Guyana. Under the terms of the agreement, the Company will pay cash considerations to the vendor as follows:

Due Date		GYD
Upon signing <b>(paid)</b>	\$	3,500,000
September 25, 2021		2,500,000
September 25, 2022		2,000,000
September 25, 2023		2,000,000
Within 21 days of issuance of claim licenses by the GGMC		2,000,000
September 25, 2024		14,000,000
Total	\$	26,000,000

The Vendor will retain a 2% Net Smelter Return (NSR) royalty.

**(c) Reo Gold Project, Burkina Faso**

In February 2018 (and modified in May 2018), the Company signed a heads of agreement with Middle Island Resources Ltd. ("MDI") to enter into an option agreement to acquire a 100% interest of 7 exploration licences located in Burkina Faso. The Company made USD \$35,000 cash payments to MDI in regards to the heads of agreement. The terms of the option agreement are as follows:

	Issue Shares	Make Payment (USD\$)
Upon signing HOA <b>(paid)</b>	-	\$ 35,000
Commencement of option <b>(issued and paid)</b>	5,000,000	150,000
Exercise of option within 18 months <b>(paid)</b>	-	150,000
Total	5,000,000	\$ 335,000

The Vendor will retain a 2% Net Smelter Return (NSR) royalty. The Company has the right to buy back the entire royalty by paying USD \$5,000,000.

The Company earned 100% interest in the Reo Gold Project following a final payment of \$150,000 made to Middle Island Resources on August 26, 2019.

On April 23, 2021, the Company issued 1,000,000 common shares at a fair of \$105,000 to ABC Mining SARL for its role as Trustee to hold the exploration licenses.

**Tajiri Resources Corp.**

## Notes to the Consolidated Financial Statements

For the years ended April 30, 2021 and 2020

(Expressed in Canadian dollars)

**8. Trade payables and accrued liabilities**

	<b>April 30, 2021</b>	<b>April 30, 2020</b>
Trade payables and accrued liabilities	\$ 575,175	\$ 95,430
Amounts due to related party (see Note 11)	9,031	116,328
	\$ 584,206	\$ 211,758

**9. Income tax expense and deferred tax assets and liabilities**

A reconciliation of the expected income tax recovery to the actual income tax recovery is as follows:

	<b>Year ended April 30, 2021</b>	<b>Year ended April 30, 2020</b>
Loss before income taxes	\$ (1,601,392)	\$ (658,292)
Combined effective statutory rate	26.89%	27.09%
Expected income tax recovery at the statutory tax rate	(430,694)	(178,311)
Non-deductible items	241,272	96,892
Unrecognized benefit of non-capital losses	189,422	81,419
Income tax recovery	\$ -	\$ -

The components of the Company's deferred tax assets and liabilities are as follows:

	<b>April 30, 2021</b>	<b>April 30, 2020</b>
Exploration and evaluation assets	\$ (1,927,279)	\$ (533,802)
Loss carry-forwards	6,170,000	5,584,000
Capital loss	3,000	3,000
Share issuance costs	224,599	109,195
	4,470,320	5,162,293
Valuation allowance	(4,470,320)	(5,162,293)
Net deferred income tax asset (liability)	\$ -	\$ -

The Company has recorded a valuation allowance against deferred income taxes on the extent to which it is more likely than not that sufficient taxable income will not be realized during the carry forward period, to utilize all the deferred tax assets.

As at April 30, 2021, the Company's Canadian non-capital losses total approximately \$6,170,000 and expires at various years from 2028 to 2041.

## Tajiri Resources Corp.

### Notes to the Consolidated Financial Statements

For the years ended April 30, 2021 and 2020

(Expressed in Canadian dollars)

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#### 10. Share capital

##### *Authorized share capital*

Unlimited number of common shares without par value.

##### *a) Issued share capital*

At April 30, 2021, there were 110,256,619 issued and fully paid common shares (April 30, 2020 – 87,439,685).

- (i) On August 12, 2019, the Company completed a private placement of 6,200,000 units at \$0.05 per unit for gross proceeds of \$310,000. Each unit consists of one common share and one-half common share purchase warrant. Each whole warrant will entitle the holder to purchase one additional common share at \$0.17 for 2 years. The Company paid \$9,600 of share issue costs.
- (ii) On December 17, 2019, the Company completed the first tranche of the private placement of 2,950,000 units at \$0.05 per unit for gross proceeds of \$147,500. Each unit consists of one common share and one-half common share purchase warrant. Each whole warrant will entitle the holder to purchase one additional common share at \$0.20 for 2 years. The Company paid cash finder's fees of \$11,800 and issued 118,000 finders' warrants exercisable at \$0.20 per warrant share for a period of two years from the issue date. The finders' warrants were valued at \$1,900 using the Black-Scholes option pricing model.
- (iii) On December 24, 2019, the Company completed the second tranche of the private placement of 3,640,000 units at \$0.05 per unit for gross proceeds of \$182,000. Each unit consists of one common share and one-half common share purchase warrant. Each whole warrant will entitle the holder to purchase one additional common share at \$0.20 for 2 years. The Company paid cash finder's fees of \$9,760 and issued 187,000 finders' warrants exercisable at \$0.20 per warrant share for a period of two years from the issue date. The finders' warrants were valued at \$4,000 using the Black-Scholes option pricing model.
- (iv) On January 22, 2020, the Company completed final tranche of the private placement of 2,110,000 units at \$0.05 per unit for gross proceeds of \$105,500. Each unit consists of one common share and one-half common share purchase warrant. Each whole warrant will entitle the holder to purchase one additional common share at \$0.20 for 2 years. The Company paid cash finder's fees of \$5,640 and issued 56,400 finders' warrants exercisable at \$0.20 per warrant share for a period of two years from the issue date. The finders' warrants were valued at \$1,600 using the Black-Scholes option pricing model.
- (v) On August 21, 2020, the Company completed a private placement of 21,602,934 units at \$0.15 per Unit for gross proceeds of \$3,240,440. Each Unit consists of one common share and one common share purchase warrant. Each whole warrant will entitle the holder to purchase one additional common share at \$0.30 for 2 years, exercisable until August 21, 2022. The exercise period of the warrants can be accelerated to 30 days if the Company's shares trade at or above a volume weighted average price of \$0.50 for 15 consecutive trading days. The Company paid cash finder's fees of \$191,620 and issued 1,166,797 finders' warrants exercisable at \$0.20 per warrant share for a period of two years from the issue date (valued at \$93,344 using the Black-Scholes model).

**Tajiri Resources Corp.**

## Notes to the Consolidated Financial Statements

For the years ended April 30, 2021 and 2020

(Expressed in Canadian dollars)

**10. Share capital (continued)**

(vi) On December 7, 2020, the Company issued 214,000 common shares for \$32,100 for marketing and share services.

(vii) On April 23, 2021 the Company issued 1,000,000 common shares for \$105,000 for Trustee services relating to the Burkina Faso property (see Note 7c).

**b) Basic and diluted loss per share**

The calculation of basic and diluted loss per share for the year ended April 30, 2021 was based on the loss attributable to common shareholders of \$1,601,392 (2020 - \$658,291) and the weighted average number of common shares outstanding of 87,493,052 (2019 – 79,929,986).

Diluted loss per share did not include the stock options or share purchase warrants as the effect would be anti-dilutive.

**c) Stock options**

The Company adopted a stock option plan whereby, the maximum number of shares reserved for issue under the plan shall not exceed 10% of the outstanding common shares of the Company, as at the date of the grant.

On July 16, 2020, the Company granted 7,450,000 stock options exercisable at a price of \$0.15 per share to employees, directors, and consultants of the Company. The fair value attributable to these stock options was \$1,013,200 using the Black Scholes option pricing model and the total amount was expensed during the year.

On July 16, 2020, the Company granted 1,000,000 stock options under the terms of the Investor Relations Agreement entered into between the Company and Paradox Public Relations Inc. on July 13, 2020. These options will vest in four equal tranches, quarterly over a 12-month period, commencing October 16, 2020, The fair value attributable to these stock options was \$97,000 using the Black Scholes option pricing model of which \$91,286 was expensed during the year.

A summary of stock option activities is as follows:

	Number of options	Weighted average exercise price (\$)
Balance, April 30, 2020	-	-
Granted	8,450,000	0.15
Forfeited/Cancelled	-	-
Expired	-	-
Balance, April 30, 2021	8,450,000	0.15

**Tajiri Resources Corp.**

Notes to the Consolidated Financial Statements

For the years ended April 30, 2021 and 2020

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**10. Share capital (continued)**

Outstanding and exercisable stock options as at April 30, 2021 are as follows:

Options Outstanding	Options exercisable	Exercise Price (\$)	Expiry date
7,450,000	7,450,000	0.15	July 16, 2025
1,000,000	750,000	0.15	July 16, 2023

The weighted average contractual life remaining of all stock options at April 30, 2021 is 3.98 years.

The fair value of stock options granted during the year is estimated using the Black-Scholes option pricing model based on the following assumptions:

	<u>2021</u>
Risk-free interest rate	0.28% - 0.33%
Estimated volatility	119.84% - 192.81%
Expected life	3 – 5 years
Expected dividend yield	0%
Expected forfeiture rate	0%

**d) Share purchase warrants**

A summary of share purchase warrant activities is as follows:

	Number of warrants	Weighted average exercise price (\$)
Balance, April 30, 2020	21,333,972	-
Granted	22,769,731	0.15
Forfeited/Cancelled	-	-
Expired	-	-
Balance, April 30, 2021	44,103,703	0.15

Outstanding share purchase warrants at April 30, 2021 were as follows:

Warrants outstanding	Exercise price	Expiry date
13,522,572	0.24	August 4, 2021 *
3,100,000	0.17	August 12, 2021 *
1,593,000	0.20	December 17, 2021
2,007,000	0.20	December 24, 2021
1,111,400	0.20	January 22, 2022
1,166,797	0.20	August 21, 2022
21,602,934	0.30	August 21, 2022
44,103,703		

\*Subsequently expired unexercised

The weighted average contractual life remaining of all warrants at April 30, 2021 is 0.64 years.

## Tajiri Resources Corp.

### Notes to the Consolidated Financial Statements

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#### 11. Related party transactions

##### *Related party balances*

The following amounts due to related parties are included in trade payables and accrued liabilities:

	April 30, 2021	April 30, 2020
Directors or companies controlled by directors of the Company	\$ 9,031	\$ 111,205

##### *Related party transactions*

The Company had the following transactions in the normal course of operations with directors and companies with common directors:

	Year ended	
	April 30, 2021	April 30, 2020
Management fees	\$ 84,000	\$ 84,000
Management and consulting fees in E&E assets	89,637	78,554
Professional and consulting fees	45,056	36,000
	\$ 218,693	\$ 198,554

These charges were measured by the exchange amount, which is the amount agreed upon by the transacting parties.

- a. The Company incurred \$84,000 (2020 - \$84,000) in management fees and \$36,000 (2020 - \$36,000) in professional fees to its officers;
- b. The Company incurred \$89,637 (2020 - \$78,554) in management and consulting fees capitalized as exploration and evaluation assets to a director and a private company controlled by a director of the Company.

#### 12. Financial risk management

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

##### *Credit risk*

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash and cash equivalents. The majority of cash is deposited in bank accounts held at a major bank in Canada. As most of the Company's cash is held by one bank there is a concentration of credit risk. This risk is managed by using a major bank that is considered a high credit quality financial institution as determined by rating agencies.

**Tajiri Resources Corp.**

## Notes to the Consolidated Financial Statements

For the years ended April 30, 2021 and 2020

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**12. Financial risk management (continued)*****Foreign exchange risk***

Foreign exchange risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign exchange rates. As at April 30, 2021, the majority of the Company's cash is held in Canadian dollars, the Company's functional currency. The Company has operations in a foreign jurisdiction outside of Canada at this time and as such has currency risk associated with its operations.

***Interest rate risk***

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on its cash equivalents as these instruments have original maturities of three months or less. However, this risk is not significant.

***Capital management***

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity, net of cash and cash equivalents.

There were no changes in the Company's approach to capital management during the year.

The Company is not subject to any externally imposed capital requirements.

***Liquidity risk***

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding. The following is an analysis of the contractual maturities of the Company's non-derivative financial liabilities as at April 30, 2021:

		<b>Between one</b>		<b>More</b>
		<b>Within one year</b>	<b>and five years</b>	<b>than</b>
				<b>five years</b>
Trade payables and accrued liabilities	\$	584,206	\$	-
	\$	584,206	\$	-

The following is an analysis of the contractual maturities of the Company's non-derivative financial liabilities as at April 30, 2020:

		<b>Between one</b>		<b>More</b>
		<b>Within one year</b>	<b>and five years</b>	<b>than</b>
				<b>five years</b>
Trade payables and accrued liabilities	\$	211,758	\$	-
	\$	211,758	\$	-

**Tajiri Resources Corp.**

Notes to the Consolidated Financial Statements

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**12. Financial risk management (continued)*****Classification of financial instruments***

Financial assets included in the statement of financial position are as follows:

	April 30, 2021	April 30, 2020
Cash and cash equivalents	\$ 681,603	\$ 45,788

Financial liabilities included in the statement of financial position are as follows:

	April 30, 2021	April 30, 2020
Non-derivative financial liabilities:		
Trade payables and accrued liabilities	\$ 680,512	\$ 211,758
	\$ 680,512	\$ 211,758

***Fair value***

The fair value of the Company's financial assets and liabilities approximates the carrying amount.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The following is an analysis of the Company's financial assets measured at fair value as at April 30, 2021 and April 30, 2020:

	As at April 30, 2021		
	Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 681,603	\$ -	\$ -

  

	As at April 30, 2020		
	Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 45,788	\$ -	\$ -

There were no transfers between levels during the year.

**Tajiri Resources Corp.**

## Notes to the Consolidated Financial Statements

For the years ended April 30, 2021 and 2020

(Expressed in Canadian dollars)

**13. Segmented information*****Operating segments***

The Company operates in a single reportable operating segment – the acquisition, exploration, and development of mineral properties.

***Geographic segments***

The Company operates in three jurisdictions, Canada, Guyana, and Burkina Faso.

<b>April 30, 2021</b>	<b>Canada (\$)</b>	<b>Guyana (\$)</b>	<b>Burkina Faso (\$)</b>	<b>Total (\$)</b>
Non-current assets	-	2,449,461	2,931,522	5,380,983
Net loss	1,517,263	84,129	-	1,601,392

**14. Non-cash transactions**

During the quarter ended April 30, 2021 and year ended April 30, 2020, the Company incurred the following non-cash transactions that are not reflected in the statement of cash flows:

	<b>Year ended</b>	
	<b>April 30, 2021</b>	<b>April 30, 2020</b>
	<b>\$</b>	<b>\$</b>
Fair value of shares issued on acquisition of exploration and evaluation assets	105,000	-
Included in accounts receivable relating to exploration and evaluation assets	84,636	-
Included in accounts payable relating to exploration and evaluation assets	430,442	96,580

**15. Subsequent event**

On May 15, 2021, the Company signed a purchase and sale agreement to acquire 1 prospecting permit and 1 mining permit for GYD14,000,000 (GYD11,000,000 paid to date) in the Kaburi district. Upon transfer of the permits to the Company, the final GYD3,000,000 is due.