TARKU RESOURCES

Condensed Consolidated Interim Financial Statements

Three months ended December 31, 2021 and December 31, 2020

(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW

The accompanying unaudited interim financial statements have been prepared by management. The company's independent auditors have not performed a review of these financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditors.

Tarku Resources Ltd.

Condensed Consolidated Interim Statements of Financial Position (unaudited)

(Expressed in Canadian Dollars)

	December 31, 2021	September 30, 2021
Current		
Cash and cash equivalents	$ 384,075	$ 71,985
Trade and other receivables	40,156	30,100
Prepaid	-	29,973
	424,231	132,058
Non-current		
Exploration and evaluation assets (note 4)	1,989,103	1,744,219
Total assets	$ 2,413,334	$ 1,876,277
Liabilities		
Current		
Trade and other payables (note 7)	$ 107,929	$ 115,700
Loan payable (note 11)	-	60,000
	107,929	175,700
Equity		
Share capital (note 5)	8,575,905	7,836,847
Contributed surplus	1,058,916	1,044,982
Deficit	(7,329,416)	(7,181,252)
	2,305,405	1,700,577
Total liabilities and equity	$ 2,413,334	$ 1,876,277

Nature of business and continuance of operations (note 1)
Events after the reporting period (note 13)

APPROVED ON BEHALF OF THE BOARD

“Julien Davy”	**"Kyle Appleby"**
______________________	______________________
President, CEO & Director	**CFO & Director**

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

Tarku Resources Ltd.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss (unaudited)

For the three months ended December 31, 2021 and December 31, 2020

(Expressed in Canadian Dollars)

	2021	2020
Expenses		
Administrative expenses	$ 10,004	$17,582
Consulting fees (note 7)	18,000	170,490
Exploration costs (notes 4 and 7)	41,428	168,548
Investor relations expenses	37,709	15,946
Listing and filing fees	1,814	36,178
Professional fees	38,547	14,849
Share-based compensation (notes 5 and 7)	-	502,400
	(147,502)	(925,993)
Loss on foreign exchange	(662)	(200)
Loss and comprehensive loss for the period	$(148,164)	$ (926,193)
Basic and diluted loss per common share	$(0.00)	$(0.02)
Weighted average number of common shares outstanding - basic and diluted	59,035,357	45,107,005

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

Tarku Resources Ltd.

Condensed Consolidated Interim Statements of Cash Flows (unaudited)

For the three months ended December 31, 2021 and December 31, 2020

(Expressed in Canadian Dollars)

	2021	**2020**
Operating activities		
Loss for the period	$ (148,164)	$(926,193)
Adjustments:		
Share-based compensation	-	502,400
Changes in non-cash working capital items:		
Prepaid	29,973	(314,200)
Trade and other receivables	(10,056)	(91,826)
Trade and other payables	(7,772)	(24,704)
	(136,018)	(854,523)
Financing activities		
Cash received from share issuance	760,000	2,500,000
Share issue costs	(43,258)	(149,797)
Repayment of loans	(60,000)	-
	656,742	2,350,203
Investing activities		
Additions to exploration and evaluation assets, net of Income Tax Credits received	(208,634)	(495,211)
	(208,634)	(495,211)
Increase in cash and cash equivalents	312,090	1,000,469
Cash and cash equivalents, beginning of period	71,985	512,672
Cash and cash equivalents, end of period	$ 384,075	$1,513,141

Supplemental cash flow information (Note 12)

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

Tarku Resources Ltd.

Condensed Consolidated Interim Statements of Changes in Equity (unaudited)

(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Contributed Surplus	Deficit	Equity
Balance, September 30, 2020	28,074,038	$ 5,118,692	$ 360,484	$ (4,580,830)	$ 898,346
Private placements	25,000,000	2,140,100	359,900	-	2,500,000
Share issue costs	-	(225,367)	75,570	-	(149,797)
Share based payments	-	-	502,400	-	502,400
Net loss and comprehensive loss	-	-	-	(926,193)	(926,193)
Balance, December 31, 2020	**53,074,038**	**$ 7,033,425**	**$ 1,298,354**	**$ (5,507,023)**	**$ 2,824,756**
Balance, September 30, 2021	57,604,038	$ 7,836,847	$ 1,044,982	$ (7,181,252)	$ 1,700,577
Private placement	7,600,000	760,000	-	-	760,000
Share issue costs	-	(57,192)	13,934	-	(43,258)
Property agreement	450,000	36,250	-	-	36,250
Net loss and comprehensive loss	-	-	-	(148,164)	(146,164)
Balance, December 31, 2021	**65,654,038**	**$ 8,575,905**	**$ 1,058,916**	**$ (7,329,416)**	**$ 2,305,405**

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

1. Nature of business and continuance of operations

The principal business activity of Tarku Resources Ltd. (the "Company") is the exploration for mineral resources in Arizona, U.S.A, and the province of Quebec. The Company's corporate office is located at Suite 602, 224 4th Ave S., Saskatoon, Saskatchewan. The Company shares are listed on the TSX Venture Exchange under the symbol TKU, the OTCQB under the symbol TRKUF and the Frankfurt stock exchange under the symbol 7TK.

These consolidated financial statements (“financial statements”) have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its obligations in the normal course of operation. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to twelve months from the end of the reporting period. The use of these principles may not be appropriate. The Company has incurred losses since inception and expects to incur further losses in the development of its business and at December 31, 2021, the Company had a working capital deficiency of $316,302 and at that date, the Company also had an accumulated deficit of $7,329,416 which has been funded primarily by the issuance of equity. The Company’s ability to continue as a going concern is dependent upon its ability to obtain the necessary financing to meet its general operating expenses and to continue to explore its mineral properties. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. These factors may cast significant doubt upon the Company’s ability to continue as a going concern. These consolidated financial statements do not reflect the adjustments to the carrying values of the assets and liabilities, the reported expenses and the statements of financial position classifications that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

The Company’s operations could be significantly adversely affected by the effects of a widespread global outbreak of a contagious disease, including the recent outbreak of respiratory illness caused by COVID-19. The Company cannot accurately predict the impact COVID-19 will have on its operations and the ability of others to meet their obligations with the Company, including uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments of affected countries. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could further affect the Company’s operations and ability to finance its operations. This outbreak may increase difficulties in financing, access to properties and increased government regulations, all of which may adversely impact the Company’s business and financial condition. To date, and at least the near future, the pandemic will continue to have, an impact on the Company's ability to operate efficiently in the field as a result of travel restrictions and necessary site safety measures. The impact on the efficiency of corporate activities has been minimal.

2. Basis of preparation

(a) Statement of compliance

The Company’s financial statements for the period ended December 31, 2021 are prepared in accordance with International Accounting Standard 34, Interim Financial Reporting (“IAS 34”) as issued by the International Accounting Standards Board (“IASB”). Accordingly, certain information and disclosure normally included in annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the IASB, has been omitted or condensed.

2. Basis of preparation (continued)

These financial statements were authorized for issue by the Board of Directors on February 25, 2022.

(b) Basis of consolidation

These financial statements include the financial statements of the Company and the entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of the subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases. All intercompany transactions and balances have been eliminated on consolidation.

Subsidiary name	Place of Incorporation	Ownership	Principal activity
Eureka Exploration Inc. ("Eureka")	Quebec	100%	Exploration

The preparation of financial statements in compliance with IFRS requires management to make certain judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates and assumptions.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are continuously evaluated and reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the revision affects both current and future periods.

Significant areas requiring the use of management estimates include amounts of provisions, if any, for impairment of exploration and evaluation assets, reclamation and environmental obligations, deferred income taxes, share-based payments, and contingencies reported in the notes to the financial statements.

Significant areas requiring the use of management judgments include recognition of impairment of exploration and evaluation assets, reclamation and environmental obligations, deferred income taxes, share-based payments, classification of financial instruments, assessment of the going concern assumption, and disclosure of contingencies reported in the notes to the financial statements.

(d) Basis of Measurement

These financial statements have been prepared on a historical cost basis except for financial instruments classified as fair value through profit or loss (“FVTPL”) which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These financial statements are presented in Canadian dollars, which is also the functional currency of the Company and its subsidiary.

3. Significant Accounting Policies

The same accounting policies and methods of computation were followed in the preparation of these condensed interim financial statements as were followed in the preparation, and described in Note 2 of the annual audited financial statements as at and for the year ended September 30, 2021. Accordingly, these condensed consolidated interim financial statements for the three month period ended December 31, 2021 and 2020 should be read together with the annual financial statements as at and for the year ended September 30, 2021.

New standards, amendments and interpretations not yet adopted

There are no IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company

4. Exploration and evaluation assets

Silver Strike project, Arizona
On October 12, 2020, the Company signed an earn-in and joint venture agreement with arm's length individuals, to earn up to a 75% interest over 3 years in the project by funding project expenditures of up to US$3,000,000 as follows:

- Tarku will acquire 25% of the Property after spending US$1,000,000 in exploration expenses within the first year of earn-in period
- Tarku will acquire an additional 26% (total of 51%) of the Property after spending an additional US$1,000,000 in exploration expenses and the production of a NI 43-101 report on the Property within the first 2 years of earn-in period
- Tarku will acquire an additional 24% (total of 75%) of the Property after spending an additional US$1,000,000 for a cumulative US$3,000,000 in exploration expenses within the first 3 years of earn-in period.

At the end of this Earn-in Period, the Vendors and Tarku will become JV partners on the Property, 75% Tarku, 25% the Vendors. Should the Vendors elect to dispose of their remaining interest, Tarku will keep a Right of First Refusal. In the event that the Company acquires 100% interest in the Property, the seller will receive a 2% Net Smelter Royalty on the Property, being agreed that 1% of which could be repurchased by the Company for $1,000,000.

In accordance with the Definitive Agreement, on April 30, 2021, Tarku issued 3,000,000 common shares to the Vendors in consideration for the Projects. The shares are subject to resale restrictions of 4 equal periods of 6 months each and a right of first refusal will allow Tarku the opportunity to place these shares with existent shareholders at prevailing market prices.

At each anniversary date over the 3 years, Tarku will pay US$175,000 to the vendors of which a minimum of US$50,000 will be a cash payment and US$125,000 will be paid either in shares or in cash at the Company's discretion. In addition, the signing of this agreement, also allows Tarku to acquire an additional 33 patented claims in the historical area of Tombstone under agreement between third parties and the Vendors, namely the Rohe, Corkran, and Turner Options (The "Options"). These agreements are separate and independent from the Unpatented Claims Agreement. These Options require various cash payments with a total cost of US$ 700,000. The payments are spread out until July 2025 for the Rohe Option, until October 2021 for the Corkran Option, and July 2023 for the Turner Option. Tarku will also issue 50,000 shares for the Corkran Option. At the end of each Option acquisition, the patented claims will be added to the above Unpatented Claim Agreement to form the 75% Tarku, 25% Vendor JV Partnership.

(Expressed in Canadian dollars)

4. Exploration and evaluation assets (continued)

Chateau Fort gold project, Quebec
The Company owns 100% of the Chateau Fort gold project and the right to buy down the royalty of 1% for $500,000.

Apollo gold project, Quebec
The Company owns 100% of the Apollo gold project located 50 kilometers east from Matagami, Quebec.

Admiral gold project, Quebec
The Company owns 100% of the Admiral gold project located 25 kilometers east from Matagami, Quebec.

Atlas gold project, Quebec
The Company owns 100% of the Atlas gold project located 50 kilometers east from Matagami, Quebec.

Virgin River project, Saskatchewan
The Company maintains a 1% net smelter royalty on the property which the purchaser has the right to buy down the royalty to 0.5% for $500,000 on or before commencement of commercial production.

The Richardson, Bullion, Apollo, Admiral and Atlas gold projects are subject to the following:

- a 1% NSR in favour of Julien Davy, a director and officer of the Company, half of which can be bought back by the Company for $500,000.
- a 1% NSR in favour of Benoit Lafrance, a former director of the Company; half of which can be bought back by the Company for $500,000.

The following is a summary of changes to exploration and evaluation assets for the year ended September 30, 2021 and the three months ended December 31, 2021:

Projects	**Balance at September 30, 2021**	**Acquisitions and renewals**	**Impairment and disposal**	**Balance at December 31, 2021**
Silver Strike	$ 1,367,744	$ 244,885	$ -	$ 1,612,628
Apollo	173,562	-	-	173,562
Admiral	43,028	-	-	43,028
Atlas	159,885	-	-	159,885
	$ 1,744,219	$ 244,885	$ -	$ 1,989,103

Projects	**Balance at September 30, 2020**	**Acquisitions and renewals**	**Impairment and disposal**	**Balance at September 30, 2021**
Silver Strike	$ -	$ 1,367,744	$ -	$ 1,367,744
Apollo	168,400	5,162	-	173,562
Admiral	43,028	-	-	43,028
Atlas	151,644	8,241	-	159,885
	$ 363,072	$ 1,381,147	$ -	$ 1,744,219

(Expressed in Canadian dollars)

4. Exploration and evaluation assets (continued)

The following is a summary of exploration and evaluation expenditures for the three months ended December 31, 2021:

	Apollo	Atlas	Admiral	Matagami	Silver Strike	Total
Data compilation and planning	$ 1,680	$ 1,680	$ 1,680	$ 1,320	$ 5,100	$11,460
Other	-	-	-	-	568	568
Project management	5,880	5,880	5,880	5,880	5,880	29,400
Total exploration expenditures	**$ 7,560**	**$ 7,560**	**$ 7,560**	**$ 7,200**	**$11,548**	**$41,428**

Exploration input tax credits ("ITC") are received from the Quebec government for qualifying exploration work. Expenditures incurred to satisfy flow through share issuance does not qualify for the ITC.

5. Share capital

(a) Authorized

Unlimited common shares with no par value

Issued

(i) On October 30, 2020, the Company closed a private placement for gross proceeds of $2,500,000. The private placement consisted of 25,000,000 non-flow through units. Each non-flow through unit consisted of one common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one common share at a price of $0.15 per common share for a period of twenty-four months, expiring on October 30, 2022. No value was attributed to the warrant component of the units sold. The Company paid $149,797 in cash as a commission and issued 1,312,500 finders' warrants, exercisable at $0.15 per common share until October 30, 2022. The finders' warrants were valued at $182,098 using the Black-Scholes option pricing model with the same assumptions.

(ii) During the year ended September 30, 2021, 1,530,000 warrants were exercised for proceeds of $130,050.

(iii) On April 30, 2021, 3,000,000 common shares were issued in accordance with the silver strike project agreement. The shares were issued at a fair market value of $0.14.

(iv) On December 3, 2021, the Company closed a private placement for gross proceeds of $760,000. The private placement consisted of 7,500,000 flow-through units and $100,000 units, each at $0.10 per unit. Each flow through unit consisted of one common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one common share at a price of $0.15 per common share for a period of twenty-four months, expiring on December 3, 2023. No value was attributed to the warrant component of the units sold. The Company paid $38,500 in cash as a commission and issued 385,000 finders' warrants, exercisable at $0.15 per common share until December 3, 2023. The finders' warrants were valued at $13,934 using the Black-Scholes option pricing model.

(Expressed in Canadian dollars)

5. Share capital (continued)

(v) During the three months ended December 31, 2021, 450,000 common shares were issued in accordance with the silver strike project option agreements. The shares were issued at a fair market value of 36,250.

(b) Stock option Plan

The Company has a stock option plan (the "Plan") whereby options to purchase common shares are granted by the board of directors to directors, officers, employees and consultants to the Company. Under the terms of the Plan, the Company has reserved an amount of common shares for options up to 10% of the issued and outstanding number of common shares. Options granted under the Plan are non-transferable; expire no later than the tenth anniversary of the date the option is granted and must comply with the requirements of the regulatory authorities. Options granted under the Plan are subject to vesting terms determined by the board.

A summary of the changes to outstanding and exercisable stock options during the three months ended December 31, 2021 and the year ended September 30, 2021 is presented below.

	December 31, 2021			September 30, 2021		
	Options		Weighted Ave Price	Options		Weighted Ave Price
Beginning of period	4,502,306	$	0.15	1,594,611	$	0.10
Options granted	-		-	3,200,000		0.17
Options expired	(115,384)		(0.10)	-		-
Options cancelled	-		-	(292,305)		0.10
End of period	4,386,922	$	0.15	4,502,306	$	0.15

As at December 31, 2021, the weighted average remaining life of stock options is 3.57 years (September 30, 2021 – 3.82).

On November 11, 2020, the board of directors of the Company approved the grant of 3,200,000 stock options pursuant to the Plan. 2,500,000 of the options were granted to directors and executive officers with the balance granted to consultants. The options are exercisable at $0.17 per share, vest immediately and, if not exercised, expire November 11, 2025, subject to earlier expiration in accordance with the Plan and applicable policies of the TSX Venture Exchange.

The fair value of options issued on November 11, 2020, using the Black-Scholes option pricing model, was $502,400 which was allocated to the share-based compensation expense with a corresponding increase in contributed surplus. Assumptions used in the pricing model for the year are as follows: risk-free interest rate of 0.39%, expected life of 5 years, annualized volatility 158.79%, and dividend rate of nil.

Grant date	**Number of options**	**Expiry date**		**Exercise price**	**Exercisable**
March 13, 2019	376,922	March 13, 2024	$	0.10	376,922
July 30, 2020	810,000	July 30, 2025	$	0.11	810,000
November 11, 2020	3,200,000	November 11, 2025	$	0.17	3,200,000
	4,386,922				4,502,306

(Expressed in Canadian dollars)

5. Share capital (continued)

The Weighted average expiry date is 3.57. The weighted average exercise price is $0.15.

(b) Warrants

During the three months ended December 31, 2021, and the year ended September 30, 2021, the Company had the following warrant activities:

	Number of Warrants	Exercise Price	Weighted Average Exercise Price
Balance, September 30, 2020	12,078,456		$ 0.085
Issue	13,812,500	$ 0.15	
Exercised	(1,530,000)	$ 0.085	
Balance, September 30, 2021	24,360,956		$ 0.12
Issued	4,135,000	$ 0.15	
Balance, December 31, 2021	28,495,956		$ 0.13

At December 31, 2021, the following table summarizes information about warrants outstanding:

Total issued and outstanding	Warrants Outstanding	Expiry Date	Exercise Price
	10,548,456	Aug 13, 2022	$0.085
	13,812,500	Oct 30, 2022	$0.150
	4,135,000	Dec 3, 2023	$0.150
Balance, December 31, 2021	**28,495,956**		**$0.130**

(c) Escrow shares

At December 31, 2021, nil (2020 – nil) common shares were held in escrow.

6. Commitments and contingencies

The Company renounced $750,000 of qualifying exploration expenditures to the shareholders effective December 31, 2021. Under the “look back” provision governing flow-through shares, $750,000 of the amount was unspent by the end of 2021 and has to be spent by December 31, 2022.

7. Related party transactions

The Company had the following related party transactions during the three months ended December 31, 2021 and December 31, 2020:

(a) The Chief Executive Officer and director of the Company provided consulting services to the Company. Fees incurred during the period were $42,000 (2020 - $42,000). At December 31, 2021, $32,193 (September 30, 2021 - $32,193) is recorded in trade and other payables.

(b) The Chief Financial Officer and director of the Company provided consulting services to the Company. Fees incurred during the period were $12,000 (2020 - $6,000). At December 31, 2021, $9,680 (September 30, 2021 - $8,720) is recorded in trade and other payables.

(Expressed in Canadian dollars)

7. Related party transactions

(c) The former Chief Financial Officer and director of the Company provided consulting services to the Company. Fees incurred during the period were $nil (2020 - $12,240). At December 31, 2021, $nil (September 30, 2021 - $nil) is recorded in trade and other payables.

(d) A director of the Company provided geological consulting services to the Company. Fees incurred during the period were $nil (2020 - $8,000). At December 31, 2021 and September 30, 2021, $nil is recorded in trade and other payables.

Key Management Compensation:

	2021	2020
Consulting fees	$ 18,000	$ 24,240
Exploration expense	36,000	44,000
Share-based compensation to directors and officers	-	392,500
	$ 54,000	$ 460,740

8. Segmented information

The Company operates in one operating segment, being the exploration of mineral properties. The Company's exploration and evaluation assets by geographic location are as follows:

	December 31, 2021	September 30, 2021
Arizona, U.S.A	$ 1,612,628	$ 1,367,744
Quebec, Canada	376,475	376,475
	$ 1,989,103	$ 1,744,219

9. Capital management

The Company includes cash and cash equivalents and equity, comprising of issued common shares, contributed surplus and deficit, in the definition of capital.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management but relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the three months ended December 31, 2021. The Company was not subject to any externally imposed capital requirements.

(Expressed in Canadian dollars)

10. Financial risk management

The Company is exposed in varying degrees to a variety of financial instrument related risks by virtue of its activities. The overall financial risk management program focuses on preservation of capital and protecting current and future Company assets and cash flows by reducing exposure to risks posed by the uncertainties and volatilities of financial markets.

The types of risk exposure and the way in which such exposures are managed are as follows:

Credit Risk - The Company's credit risk is primarily attributable to its liquid financial assets. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash and cash equivalents with high-credit quality financial institutions. The Company does not have financial assets that are invested in asset backed commercial paper.

Liquidity Risk – The Company ensures that there is sufficient capital in order to meet short term business requirements.

Interest rate risk – In respect to the Company's financial assets, the interest rate risk mainly arises from the interest rate impact on our cash and cash equivalents. For the three months ended December 31, 2021, every 1% fluctuation in interest rates up or down would have had little impact on net loss.

Commodity price risk – The value of the Company's mineral resource properties is related to the price of various commodities and the outlook for them. Commodity prices have historically fluctuated widely and are affected by numerous factors outside of the Company's control, including, but not limited to, industrial retail demand, central bank lending, forward sales by producers and speculators, level of worldwide production and short-term changes in supply and demand.

December 31, 2021	Level 1	Level 2	Level 3	Total
Assets:				
Cash and cash equivalents	$ 384,075	$ -	$ -	$ 384,075

Fair Value - The Company has various financial instruments comprised of cash and cash equivalents, trade and other receivables and trade and other payables.

For disclosure purposes, all financial instruments measured at fair value are categorized into one of three hierarchy levels, described below. Each level is based on the transparency of the inputs used to measure the fair values of assets and liabilities:

Level 1 – Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2 – Values based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.

Level 3 – Values based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

11. Loan payable

The loan was unsecured, bore interest of 7% per year and had no set maturity date. The principal and interest on the loan was repaid in full in December 14, 2021

12. Supplemental cash flow information

Non-cash investing and financing activities

During the three months ended December 31, 2021,

- The Company issued broker warrants with a fair value of $13,934.
- The Company issued shares in accordance with the Silver Strike property agreement with a fair value of $36,250.

During the three months ended December 31, 2020,

- The Company issued broker warrants with a fair value of $75,570.

14. Events after the reporting period

On February 18, 2022, the board of directors has approved the grant of 1,500,000 stock options pursuant to the Company's Stock Option Plan. The options, which were granted to directors and officers of the Company, are exercisable at a price of $0.10 per share. If not exercised, the Options will expire on February 16, 2027.

On February 23, 2022, the Company entered into a new agreement (the "Agreement") which provides the Company with immediate 100% ownership of the Silver Strike Project, in the Tombstone area, Arizona from EXLA Resources (OTC PINK: EXLA) ("EXLA").

The Agreement terminates the previous earn-in option agreement to acquire 75% of the project over 3 years, signed October 12, 2020, with the former vendor and allows Tarku to acquire 100% of the 140 mining titles in Tombstone that is now held by EXLA in return for the following consideration:

- 7,000,000 Tarku' Shares (the "First Tranche Shares") issue to EXLA, which will give EXLA a 9.65% interest in Tarku and
- Delivering to EXLA debentures being comprised of an aggregate five hundred thousand Canadian dollars (CAD$500,000) principal amount of a six percent (6%) convertible unsecured subordinated debenture due in 60 months (5 years). Each debenture is convertible at a price of CAD$0.10 (collectively the "Second Tranche Shares");
- Granting EXLA a first right of refusal (ROFR) allowing EXLA the right to maintain its ownership position by participating in subsequent Tarku financings;
- Award EXLA a two percent (2%) NSR on the Property, one percent (1%) of which could be repurchased by Tarku for one million US dollars (USD$1,000,000).