ADVENTUS ZINC CORPORATION

Condensed Consolidated Financial Statements
For the three and nine months ended
September 30, 2017
(Unaudited)

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Condensed Consolidated Balance Sheets

(Unaudited, in Canadian dollars)

As at,

	Note #	**September 30, 2017**	December 31, 2016
	1	**$**	$
ASSETS			
Current assets			
Cash and cash equivalents		**6,673,825**	7,934,425
Accounts receivable and prepaid expenses	5	**207,876**	301,798
		6,881,701	8,236,223
Non-current assets			
Exploration and evaluation assets	6	**3,201,733**	1,250,664
Property and equipment		**3,994**	-
		3,205,727	1,250,664
TOTAL ASSETS		**10,087,428**	9,486,887
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		**717,367**	770,860
		717,367	770,860
EQUITY			
Shareholders' equity		**9,370,061**	8,716,027
		9,370,061	8,716,027
TOTAL LIABILITIES AND EQUITY		**10,087,428**	9,486,887

see accompanying notes to the unaudited Condensed Consolidated Financial Statements

Condensed Consolidated Statement of Loss

(Unaudited, in Canadian dollars)

	Note #	Three months ended September 30, 2017	Nine months ended September 30, 2017
	1	$	$
Expenses			
General and administrative	7	**443,842**	**1,531,643**
Share-based compensation	8	**148,473**	**381,787**
Generative exploration		**-**	**6,907**
Depreciation		**799**	**2,397**
Net loss		**(593,114)**	**(1,922,734)**
Net loss per share			
basic & diluted	9	**(0.01)**	**(0.04)**

see accompanying notes to the unaudited Condensed Consolidated Financial Statements

Condensed Consolidated Statement of Comprehensive Loss

(Unaudited, in Canadian dollars)

	Note #	Three months ended September 30, 2017	Nine months ended September 30, 2017
	1	**$**	**$**
Net loss		**(593,114)**	**(1,922,734)**
Other comprehensive loss			
To be reclassed subsequently to profit or loss			
Foreign currency translation adjustment		**(12,183)**	**(8,466)**
Total comprehensive loss		**(605,297)**	**(1,931,200)**

see accompanying notes to the unaudited Condensed Consolidated Financial Statements

Condensed Consolidated Statement of Cash Flows

Unaudited, in Canadian dollars)

	Note #	Nine months ended September 30, 2017 $
Operating activities	1	
Net loss		**(1,922,734)**
Adjustments for operating activities:		
Share-based compensation	8	**381,787**
Depreciation		**2,397**
Generative exploration		**6,907**
		(1,531,643)
Changes in non-cash operating working capital:		
Accounts receivable and prepaid expenses	5	**93,922**
Accounts payable and accrued liabilities		**(322,324)**
		(1,760,045)
Financing activity		
Proceeds from issuance of shares (net of share issuance costs of $796,554)	9	**2,203,446**
		2,203,446
Investing activities		
Generative exploration		**(6,907)**
Exploration and evaluation assets, net of recoveries	6	**(1,682,237)**
Acquisition of property and equipment		**(6,391)**
		(1,695,535)
Net decrease in cash and cash equivalents		**(1,252,134)**
Unrealized exchange gains in foreign currency balances		**(8,466)**
Cash and cash equivalents, beginning of period		**7,934,425**
Cash and cash equivalents, end of period		**6,673,825**
Cash and cash equivalents consist of:		
Deposits with banks		**6,573,825**
Short-term investments		**100,000**
		6,673,825

see accompanying notes to the unaudited Condensed Consolidated Financial Statements

Condensed Consolidated Statements of Changes in Equity
(unaudited, Canadian dollars, except share amounts)

	Common Shares		Contributed Surplus	Equity Reserves	Accumulated Other Comprehensive Earnings	Deficit	Total Shareholders' Equity
	#	$	$		$	$	$
Balance, October 24, 2016 (Note 1)	1	1	-	-	-	-	**1**
Net loss and comprehensive loss,							
October 24 to December 31, 2016	-	-	-	-	79	(302,289)	**(302,210)**
Shares exchanged for Irish properties (Note 1)	4,000,014	333,709	-	-	-	-	**333,709**
Shares exchanged for Newfoundland properties (Note 1)	3,570,000	713,789	-	-	-	-	**713,789**
Shares issued under offering (Note 9)	32,000,000	8,000,000	-	-	-	-	**8,000,000**
Share issuance costs (Note 9)	-	(36,114)	-	-	-	-	**(36,114)**
Share-based compensation (Note 8)	-	-	6,852	-	-	-	**6,852**
Balance, December 31, 2016	39,570,015	9,011,385	6,852	-	79	(302,289)	**8,716,027**
Net loss and comprehensive loss,							
January 1 to September 30, 2017	-	-	-	-	(8,466)	(1,922,734)	**(1,931,200)**
Shares issued under offering (Note 9)	6,000,000	3,000,000	-	-	-	-	**3,000,000**
Share issuance costs (Note 9)	-	(839,325)	-	-	-	-	**(839,325)**
Broker warrants (Note 9)	-	-	-	42,772	-	-	**42,772**
Share-based compensation (Note 8)	-	-	381,787	-	-	-	**381,787**
Balance, September 30, 2017	**45,570,015**	**11,172,060**	**388,639**	**42,772**	**(8,387)**	**(2,225,023)**	**9,370,061**

see accompanying notes to the unaudited condensed consolidated interim financial statements

1. NATURE OF OPERATIONS AND CORPORATE INFORMATION

Adventus Zinc Corporation ("Adventus Zinc" or "the Corporation") is a mineral exploration and development company that is focused on the exploration and development of the properties, and specifically its core assets, the Buchans property located in Newfoundland and Labrador, Canada and the Rathkeale and Lismore projects located in Ireland.

The Corporation was incorporated on October 24, 2016 pursuant to the Canada Business Corporation Act and its registered office is at 66 Kenmount Road, Suite 202, St. John's, NL, A1B 3V7, while its head office is at 707-438 King Street West, Toronto, ON, M5V 3T9.,

Adventus Newfoundland Corporation ("Adventus NL") and Adventus Zinc Ireland Limited ("Adventus Ireland") are subsidiaries of the Corporation which own zinc exploration and evaluation properties in Newfoundland, Canada (the "Newfoundland Properties"), and Ireland (the "Irish Properties"), respectively (collectively, the "Adventus Zinc Properties").

The Corporation was formed on October 24, 2016 as a strategic initiative to acquire and focus efforts on zinc properties, specifically acquiring significant zinc development projects held by major mining companies. The Canadian and Irish zinc properties and related interests were acquired by the Corporation on December 8, 2016 and December 9, 2016 respectively.

The Corporation's unaudited condensed consolidated financial statements were authorized for issue on November 23, 2017.

Acquisition of Newfoundland Properties and Adventus NL

Pursuant to an agreement of purchase and sale (the "Newfoundland Properties Agreement") dated November 16, 2016 between Altius Resources Inc. ("Altius") and Adventus NL, then a wholly-owned subsidiary of Altius, Altius transferred to Adventus NL the Newfoundland Properties, subject to the retention of a 2% net smelter returns royalty by Altius, in exchange for Common Shares of Adventus NL. Adventus NL and Altius also entered into a royalty agreement dated November 16, 2016 (the "Newfoundland Royalty Agreement") setting forth the terms under which Altius retains such 2% net smelter returns royalty on production of mineral products from the Newfoundland Properties, subject to reduction for underlying royalty obligations on certain claims forming part of the Katie project which Adventus NL has acquired. The Newfoundland Royalty Agreement provides for an area of interest around each of the Newfoundland Properties and prohibits the granting of further royalties on the Newfoundland Properties.

Following the acquisition of the Newfoundland Properties by Adventus NL, the Corporation entered into an agreement of purchase and sale dated December 9, 2016 pursuant to which the Corporation acquired all of the outstanding shares of Adventus NL from Altius in consideration of the issuance of 3,570,000 Common Shares to Altius.

Acquisition of Irish Properties and Adventus Ireland

Adventus Ireland was incorporated in Ireland on October 27, 2016 for the purpose of acquiring Irish Properties from Adventus Exploration Limited ("Altius Ireland"), a subsidiary of Altius in which Altius has an 80% interest. On incorporation, approximately 80% of the outstanding ordinary shares of Adventus Ireland were beneficially owned by Altius and the remaining 20% were beneficially owned by other shareholders of Altius Ireland.

1. NATURE OF OPERATIONS AND CORPORATE INFORMATION (CONTINUED)

On November 29, 2016, under a scheme of reconstruction pursuant to a business transfer agreement between Altius Ireland and Adventus Ireland (the "Irish Property Agreement"), Altius Ireland transferred to Adventus Ireland the Irish Properties, and certain associated assets, employees and liabilities, in consideration of the issuance of shares of Adventus Ireland to the shareholders of Altius Ireland pro rata to their shareholdings in Altius Ireland. Pursuant to the Irish Properties Agreement, Adventus Ireland entered into a Royalty agreement dated November 29, 2016 (the "Irish Royalty Agreement") whereby Altius Ireland retains a 2% net smelter returns royalty on production of mineral products from the Irish Properties (excluding the Kingscourt joint venture project). Pursuant to the Irish Royalty Agreement, any transfer or assignment of the Irish Properties is subject to the approval by Altius Ireland of the financial standing of the proposed purchaser or assignee. In addition, Adventus Ireland is prohibited from granting any additional royalties on the Irish Properties. The Irish Royalty Agreement also includes an area of interest clause.

The Corporation acquired all the issued and outstanding shares of Adventus Ireland on December 8, 2016 pursuant to a share purchase agreement dated December 7, 2016 among the Corporation, Altius and the remaining shareholders of Adventus Ireland in consideration of the issuance of 4,000,014 Common Shares to the shareholders of Adventus Ireland (including 3,200,000 Common Shares to Altius).

2. BASIS OF PRESENTATION

These unaudited condensed consolidated financial statements have been prepared in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting using the same accounting policies and methods of computation as the Corporation's most recent annual consolidated financial statements, except as described in Note 3. The unaudited condensed consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the 69 day period ended December 31, 2016, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Given the date of incorporation, no comparative interim financial period has been presented.

These unaudited condensed consolidated financial statements have been prepared on an historical cost basis. Additionally, these unaudited condensed consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. All amounts are expressed in Canadian dollars, unless otherwise stated.

Going concern

These unaudited condensed consolidated financial statements have been prepared on a going concern basis. The Corporation reported net losses of $593,114 and $1,922,734 for the three month and nine month periods ended September 30, 2017 respectively and an accumulated deficit of $2,225,023. The ability to continue operations in the normal course of business is dependent on several factors, including the Corporation's ability to secure funding.

Management is exploring all available options to secure funding, including equity financing and strategic partnerships. There exists an uncertainty as to the Corporation's ability to raise additional funds on favourable terms. In addition, the recoverability of the amount shown for exploration and evaluation assets is dependent upon the existence of economically recoverable reserves, the ability of the Corporation to obtain financing to continue to perform exploration activity or complete the development of the properties where necessary, or alternatively, upon the Corporation's ability to recover its incurred costs through a disposition of its interests, all of which are uncertain. These material uncertainties may cast significant doubt as to the ability of the Corporation to continue operations

(Tabular amounts in Canadian dollars)

2. BASIS OF PRESENTATION (CONTINUED)

into the foreseeable future as a going concern and, accordingly, the ultimate appropriateness of the use of the accounting principles applicable to going concern. On February 9, 2017, the Corporation closed its initial public offering for gross proceeds of $3,000,000. As at September 30, 2017, the Corporation has cash and cash equivalents of $6,673,825 and current liabilities of $717,367.

The unaudited condensed consolidated financial statements do not include any additional adjustments to the recoverability and classification of certain recorded asset amounts, classification of certain liabilities and changes to statement of loss and comprehensive loss that might be necessary if the Corporation was unable to continue as a going concern.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in the Corporation's unaudited condensed consolidated financial statements are consistent with those of the annual consolidated financial statements as at and for the 69 day period ended December 31, 2016, except as noted below.

Property and equipment

Property and equipment of the Corporation is initially recorded at cost and are depreciated over its estimated useful life. Depreciation is determined using the declining balance method at the following rate:

Computer equipment	50%

New accounting pronouncements

The Corporation has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective as disclosed in the annual consolidated financial statements as at December 31, 2016.

4. CRITICAL ACCOUNTING ESTIMATES

In preparing these unaudited condensed consolidated financial statements, the significant judgments made by management in applying the Corporation's accounting policies, basis of consolidation and the key sources of estimation uncertainty were the same as those that applied to the audited consolidated financial statements for the 69 day period ended December 31, 2016.

5. ACCOUNTS RECEIVABLE AND PREPAID EXPENSES

	September 30, 2017	December 31, 2016
	$	$
Government receivables	**191,663**	86,610
Deferred share issue costs	**-**	194,890
Other prepaid expenses	**16,213**	20,298
Total prepaid expenses	**16,213**	215,188
Total accounts receivable and prepaid expenses	**207,876**	301,798

(Tabular amounts in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS

The Corporation acquires exploration and evaluation assets through staking and from third party vendors. In addition, the Corporation may sell some or a portion of its exploration and evaluation to third parties in exchange for exploration expenditures, royalty interests, cash, and share-based payments.

Project	As at December 31, 2016	Additions/ Reclassifications, net of recoveries	As at September 30, 2017
	$	$	$
Ireland			
Rathkeale	219,728	968,224	**1,187,952**
Shrule	124,701	17,320	**142,021**
Kingscourt	131,860	17,070	**148,930**
Lismore	60,586	427,802	**488,388**
Fermoy	-	9,068	**9,068**
Gaine River	-	3,197	**3,197**
Moyvore	-	7,751	**7,751**
Newfoundland & Labrador			
Buchans	517,268	435,075	**952,343**
Katie	189,169	35,946	**225,115**
La Poile	5,252	7,166	**12,418**
Security Deposits	2,100	22,450	**24,550**
Total	**1,250,664**	**1,951,069**	**3,201,733**

Project	Acquisition (Note 1)	Additions/ Reclassifications, net of recoveries	As At December 31, 2016
	$	$	$
Ireland			
Rathkeale	89,226	130,502	219,728
Shrule	118,649	6,052	124,701
Kingscourt	125,834	6,026	131,860
Lismore	-	60,586	60,586
Newfoundland & Labrador			
Buchans	517,268	-	517,268
Katie	189,169	-	189,169
La Poile	5,252	-	5,252
Security Deposits	2,100	-	2,100
Total	1,047,498	203,166	1,250,664

(Tabular amounts in Canadian dollars)

6. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

Curipamba Project

On September 14, 2017, the Corporation announced that it had entered into a definitive option agreement with Salazar Resources Limited ("Salazar") whereby the Corporation may earn a 75% interest in Salazar's Curipamba Project ("the Project") located in Ecuador by funding exploration and development expenditures of US$25 million over the next five years. The agreement contemplates that a feasibility study is to be completed within three years, after which the Corporation is required to fund 100% of the development and construction expenditures to commercial production.

Upon achievement of commercial production, Adventus will receive 95% of the dividends from the Project until its aggregate investment, including the US$25 million, has been recouped minus the approximate Salazar carrying value of US$18.2 million, after which dividends will be shared on a 75%/25% pro-rata basis with Salazar. In certain circumstances where Project development is delayed post earn-in, Adventus' ownership position could be diluted. In addition, both companies announced that they have also formed an exclusive exploration alliance to explore for additional zinc-related deposits in Ecuador outside of the Project area.

The agreement closed subsequent to the nine months ended September 30, 2017 on October 5, 2017 (Note 12).

7. GENERAL AND ADMINISTRATIVE

General and administrative expenses for the three and nine months ended September 30, 2017 are as follows:

	Three months ended September 30, 2017	**Nine months ended September 30, 2017**
	$	**$**
Professional and consulting fees	**179,116**	536,633
Salaries and benefits	**208,608**	853,761
Office and administrative	**56,118**	141,249
Total general and administrative	**443,842**	1,531,643

8. SHARE-BASED COMPENSATION

The Corporation has a stock option plan under which directors, officers, employees, and consultants of the Corporation and of its subsidiaries are eligible to receive stock options. The aggregate number of shares to be issued upon the exercise of all options granted under the plan shall not exceed 10% of the issued shares of the Corporation at the time of granting the options. The maximum number of common shares optioned to any one optionee shall not exceed 5% of outstanding common shares of the Corporation. Options granted under the plan generally have a term of five years but may not exceed five years and typically vest over a five–year period or at terms to be determined by the directors at the time of grant. The exercise price of each option shall be determined by the directors at the time of grant but shall not be less than the price permitted by the policies of the stock exchange(s) on which the Corporation's common shares are then listed.

(Tabular amounts in Canadian dollars)

8. SHARE-BASED COMPENSATION (CONTINUED)

The following table summarizes information regarding stock options outstanding and exercisable at September 30, 2017.

	Number of Options	Weighted Average Exercise Price
Outstanding, beginning of period	2,250,000	0.25
Granted	1,300,000	0.80
Exercised	-	-
Expired/forfeited	-	-
Outstanding, end of period	3,550,000	0.45
Exercisable, end of period	-	-

The fair value of stock options granted during the nine month period ended September 30, 2017 was estimated on the date of grant to be $0.49 compared to $0.15 during the 69 day period ended December 31, 2016 using the Black-Scholes option pricing model with the following assumptions:

	Three months ended September 30, 2017	69 day period ended December 31, 2016
Expected life (years)	4.50	5.0
Risk-free interest rate (%)	0.92	0.92
Expected volatility (%)	79.00	79.00
Expected dividend yield (%)	-	-

9. SHARE CAPITAL

Authorized

Unlimited number of Common voting shares

The directors are authorized to fix the number of shares and to determine the designation, rights, privileges, restrictions, and conditions attached to the shares.

Initial public offering

On February 9, 2017, the Corporation closed an initial public offering ("the Offering") under a long-form prospectus. This offering consisted of 6,000,000 common shares of the Corporation at a price of $0.50 per common share, for aggregate gross proceeds of $3,000,000. The common shares were offered for sale pursuant to an underwriting agreement dated December 16, 2016 among the Corporation and a syndicate of various underwriters. On closing, the Corporation paid the underwriters a fee equal to 2% of the gross proceeds of the Offering up to $1,000,000 received from purchasers identified on the President's List and 5% of the remaining gross proceeds of the Offering. The broker, Haywood Securities Inc. ("Haywood") received 200,000 broker warrants in the Corporation and may exercise these warrants within 24 months from the Offering date in exchange

(Tabular amounts in Canadian dollars)

9. SHARE CAPITAL (CONTINUED)

for common shares of the Corporation at the Offering price of $0.50. The broker warrants are valued at $42,772 using the Black-Scholes option pricing model and are recorded as share issuance costs and equity reserves in the statement of changes in equity.

Other share issuance costs of $796,554 have been recorded against equity.

Private placement financing

On December 16, 2016, the Corporation closed a private equity financing. The offering consisted of 32,000,000 common shares of the Corporation at a price of $0.25 per common share, for aggregate gross proceeds of $8,000,000. Share issuance costs of $36,114 were recorded against equity.

Acquisition of properties

On December 9, 2016, the Corporation issued 3,570,000 shares in exchange for the transfer of exploration and evaluation assets of $713,789. On December 8, 2016, the Corporation issued 4,000,014 shares in exchange for the transfer of exploration and evaluation assets of $333,708 (Note 1).

Net loss per share

Basic and diluted net loss per share were calculated using the weighted average number of common shares for the respective periods. The diluted net loss per share was calculated using the weighted average number of common shares outstanding for the respective periods after giving effect to dilutive stock options. For loss periods, the diluted net loss per share was calculated using weighted average number of common shares outstanding for the respective periods without giving effect to dilutive stock options since their inclusion would be anti-dilutive.

	Three months Ended September 30, 2017	**Nine months Ended September 30, 2017**	69 day period ended December 31, 2016
Weighted average number of shares:			
Basic and diluted	**45,570,015**	**44,712,872**	10,001,600

10. RELATED PARTY TRANSACTIONS

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Corporation as a whole. The Corporation has determined that key management personnel consists of members of the Corporation's Board of Directors and corporate officers, including the Chief Executive Officer and Vice President of Corporate Development. Compensation for key management personnel and directors for the three and nine months ended September 30, 2017 is as follows:

	Three months ended September 30, 2017	**Nine months ended September 30, 2017**
	$	**$**
Salaries and benefits	**208,608**	**853,761**
Share-based compensation	**148,473**	**381,787**
	357,081	**1,235,548**

(Tabular amounts in Canadian dollars)

10. RELATED PARTY TRANSACTIONS (CONTINUED)

During the three and nine months ended September 30, 2017, the Corporation incurred charges of $53,402 and $340,997 respectively from Altius Minerals Corporation and or its subsidiaries for management fees, technical consulting and exploration related fees and reimbursement of share issuance costs. As at September 30, 2017, $30,673 of this amount is included in accounts payable and accrued liabilities.

These transactions are in the normal course of operations and are measured at fair value.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments recorded at fair value on the unaudited condensed consolidated balance sheets are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 – valuation based on quoted prices (unadjusted) observed in active markets for identical assets or liabilities;

Level 2 – valuation techniques based on inputs that are quoted prices of similar instruments in active markets; inputs other than quoted prices used in a valuation model that are observable for that instrument; inputs that are derived principally from or corroborated by observable market data by correlation or other means; and estimates of expected volatility, expected life and expected risk-free rate of return, and;

Level 3 – valuation techniques with significant unobservable market inputs.

The Corporation has classified its financial instruments as follows:

	September 30, 2017	December 31, 2016
Financial Assets		
Accounts receivable, measured at amortized cost		
Accounts receivable	**$ 191,663**	$ 86,810
Financial Liabilities		
Other liabilities, measured at amortized cost		
Accounts payable and accrued liabilities	**$ 717,367**	$ 770,860

The Corporation does not have any Level 2 or 3 financial assets or liabilities.

Risk Management

The Corporation's financial assets and financial liabilities are exposed to various risk factors that may affect the fair value presentation or the amount ultimately received or paid on settlement of its assets and liabilities. The Corporation manages these risks through prudent investment and business decisions and, where the exposure is deemed too high, the Corporation may enter into derivative contracts to reduce this exposure. The Corporation does not utilize derivative financial instruments for trading or speculative purposes. Hedge accounting is applied only when appropriate documentation and effectiveness criteria are met.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Credit Risk

Credit risk is the risk that a third party might fail to fulfill its performance obligations under the terms of a financial instrument. Credit risk arises from receivables. The Corporation closely monitors its financial assets, including the receivables from third parties. All receivables are current and the allowance for doubtful accounts for the three months and nine months ended September 30, 2017 is $nil.

Liquidity Risk

The Corporation believes that its ability to raise capital and improve net working capital position will enable it to meet current and future obligations at the current level of activity. This conclusion could change with a significant change in operations, the inability to obtain capital or financing from other developments.

12. SUBSEQUENT EVENT

As per Note 6, the option agreement with Salazar closed on October 5, 2017. Subsequent to quarter end, the Corporation issued payment of US $1,264,561 to Salazar for the Curipamba Project in Ecuador. These amounts included management fees payable to Salazar as well as advances on project expenditures, particularly a geophysical survey on the property.