ADVENTUS MINING CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

Deloitte.

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Independent Auditor's Report

To the Shareholders of
Adventus Mining Corporation

Opinion

We have audited the consolidated financial statements of Adventus Mining Corporation (the "Corporation"), which comprise the consolidated statements of financial position as at December 31, 2021 and 2020, and the consolidated statements of earnings (loss), comprehensive earnings (loss), changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2021 and 2020, and its financial performance and its 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 ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other 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.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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

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

In preparing the financial statements, management is responsible for assessing the Corporation’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 Corporation or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 GAAS 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 Corporations’ 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 Corporation’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 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 Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Corporation to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 audit.

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 Paul Fletcher.

"/s/ Deloitte LLP"

Chartered Professional Accountants
Licensed Public Accountants
April 29, 2022

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CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT

(Expressed in thousands of United States dollars)	Notes		December 31, 2021		December 31, 2020
ASSETS					
Current assets					
Cash and cash equivalents		$	2,929	$	21,618
Advances made on options to acquire mineral interests	10		-		21
Other receivables and prepaid expenses	10		361		745
Total current assets		$	3,290	$	22,384
Non-current assets					
Exploration and evaluation assets	6, 9	$	88,549	$	12,866
Option to acquire mineral interests	9		-		28,844
Property, plant and equipment	8		6,354		337
Investment in associate	7		-		1,094
Total non-current assets		$	94,903	$	43,141
TOTAL ASSETS		$	98,193	$	65,525
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities		$	2,515	$	1,236
Total current liabilities		$	2,515	$	1,236
Equity					
Shareholders' equity		$	82,337	$	62,831
Non-controlling interest			13,341		1,458
Total equity		$	95,678	$	64,289
TOTAL LIABILITIES AND EQUITY		$	98,193	$	65,525

Commitments (Note 17)
Subsequent events (Note 18)

On behalf of the Board (Approved on April 29, 2022)

/s/ "Christian Kargl-Simard"

Christian Kargl-Simard, Director

/s/ "Paul Sweeney"

Paul Sweeney, Director

ADVENTUS

Consolidated Statements of Earnings (Loss)
For the Year ended December 31,

(Expressed in thousands of United States dollars, except per share amounts)	Notes		2021		2020
Expenses and Other					
Employee benefits		$	1,369	$	1,365
Professional and consulting fees			797		746
Other expenses			730		494
Share-based compensation	12(b) (c)		641		1,047
Impairment (reversal) loss on investment	7		(1,253)		162
Depreciation			31		21
Foreign exchange loss (gain)			59		(291)
Interest income			(40)		(75)
Gain on dilution of investment in associate	7		(18)		(582)
Share of loss in associate	7		118		112
Gain on disposal of investment in associate	7		(2,985)		-
Fair value gain on option to acquire mineral interests	6, 9, 14		(18,559)		-
			(19,110)		2,999
Earnings (loss) before income taxes			19,110		(2,999)
Income tax expense			-		-
Net earnings (loss)		$	19,110	$	(2,999)
Net earnings (loss) attributable to:					
Common shareholders			19,122		(2,987)
Non-controlling interest			(12)		(12)
		$	19,110	$	(2,999)
Net earnings (loss) per share					
Basic	12(d)	$	0.15	$	(0.03)
Diluted	12(d)	$	0.14	$	(0.03)
Weighted average number of shares					
Basic	12(d)		131,183,711		112,191,429
Diluted	12(d)		132,023,711		112,191,429

CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS (LOSS)
FOR THE YEAR ENDED DECEMBER 31,

(Expressed in thousands of United States dollars)	Notes		2021		2020
Net earnings (loss)		$	19,110	$	(2,999)
Other comprehensive earnings (loss)					
To be reclassified subsequently to profit or loss					
Foreign currency translation adjustment on foreign operations			9		14
Other comprehensive earnings					
Reclassified to profit or loss					
Foreign currency translation adjustment on investment disposed of in the year			(66)		-
Total comprehensive earnings (loss)		$	19,053	$	(2,985)
Total comprehensive earnings (loss) attributable to:					
Common shareholders			19,065		(2,973)
Non-controlling interest			(12)		(12)
		$	19,053	$	(2,985)

ADVENTUS

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31,

(Expressed in thousands of United States dollars)			2021		2020
Operating activities					
Net earnings (loss)		$	19,110	$	(2,999)
Adjustments for non-cash and non-operating activities:					
Depreciation			31		21
Share-based compensation			641		1,047
General exploration			300		267
Impairment (reversal) loss on investment	7		(1,253)		162
Gain on disposal of investment in associate			(2,985)		-
Gain on dilution of investment in associate	7		(18)		(582)
Share of loss in associate			118		112
Fair value gain on option to acquire mineral interests			(18,559)		-
Foreign exchange loss			264		563
		$	(2,351)	$	(1,409)
Changes in non-cash operating working capital:					
Other receivables and prepaid expenses			545		(364)
Accounts payable and accrued liabilities			(34)		728
		$	511	$	364
Cash used in operating activities		$	(1,840)	$	(1,045)
Investing activities					
Exploration and evaluation assets			(3,233)		(3,603)
General exploration			(300)		(267)
Acquisition of property, plant and equipment			(15)		(217)
Option to acquire mineral interests			(18,343)		(9,621)
Net proceeds from disposal of investment in associate			5,168		-
Cash used in investing activities		$	(16,723)	$	(13,708)
Financing activities					
Net proceeds from issuance of shares			-		26,920
Issuance of common shares on exercise of options			130		111
Cash provided by financing activities		$	130	$	27,031
Net (decrease) increase in cash and cash equivalents			(18,433)		12,278
Effect of foreign exchange on cash and cash equivalents			(256)		(552)
Cash and cash equivalents, beginning of year			21,618		9,892
Cash and cash equivalents, end of year		$	2,929	$	21,618
Cash and cash equivalents consist of:					
Deposits with banks			2,055		1,658
Short term deposits			874		19,960
Cash and cash equivalents, end of year		$	2,929	$	21,618

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Expressed in thousands of United States dollars, except share amounts).	Notes	Common Shares Number	Common Shares Amount	Contributed Surplus	Accumulated Other Comprehensive Loss	Accumulated earnings (loss)	Total Shareholders' Equity	Non-controlling Interest	Total Equity
Balance, January 1, 2020		100,594,371	$ 45,042	$ 1,342	$ 687	$ (9,345)	$ 37,726	$ 1,470	$ 39,196
Shares issued under prospectus offering	12(a)	29,897,011	28,678	-	-	-	28,678	-	28,678
Share issuance costs	12(a)	-	(1,758)	-	-	-	(1,758)	-	(1,758)
Exercise of options	12(b)	600,000	181	(70)	-	-	111	-	111
Share-based compensation	12(b)(c)	-	-	1,047	-	-	1,047	-	1,047
Net loss		-	-	-	-	(2,987)	(2,987)	(12)	(2,999)
Other comprehensive earnings		-	-	-	14	-	14	-	14
Balance, December 31, 2020		131,091,382	$ 72,143	$ 2,319	$ 701	$ (12,332)	$ 62,831	$ 1,458	$ 64,289
Exercise of stock options	12(b)	500,000	209	(79)	-	-	130	-	130
Share-based compensation	12(b)(c)	-	-	641	-	-	641	-	641
Cash-settled RSUs	12(c)	-	-	(330)	-	-	(330)	-	(330)
Equity-settled RSUs	12(c)	200,000	145	(145)	-	-	-	-	-
Non-controlling interest of Salazar Holdings	6	-	-	-	-	-	-	11,895	11,895
Net earnings (loss)		-	-	-	-	19,122	19,122	(12)	19,110
Other comprehensive loss		-	-	-	(57)	-	(57)	-	(57)
Balance, December 31, 2021		131,791,382	$ 72,497	$ 2,406	$ 644	$ 6,790	$ 82,337	$ 13,341	$ 95,678

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

1. NATURE OF OPERATIONS AND CORPORATE INFORMATION

Adventus Mining Corporation ("Adventus" or "the Corporation") is a mineral exploration and development company that is focused on the identification and acquisition of mineral properties and the exploration and development of its mineral properties. Since 2017, the Corporation had been funding exploration and development expenditures in the Curipamba property ("Curipamba") in Ecuador under an option agreement ("Option Agreement") with Salazar Resources Ltd. ("Salazar Resources"), and in 2021, it has completed all its obligations under the Option Agreement and has acquired 75% of Salazar Holdings Ltd. ("Salazar Holdings") which holds Curimining S.A. ("Curimining"), the project owner of Curipamba. The focus of the Corporation has been on the advancement of the volcanogenic massive sulfide El Domo deposit ("El Domo") in Curipamba to a construction decision as well as in other exploration properties in Ecuador under an exploration alliance agreement ("Alliance Agreement") with Salazar Resources.

The Corporation was incorporated on October 24, 2016 pursuant to the Canada Business Corporations Act. Its registered office is at 550-220 Bay Street, Toronto, ON, M5J 2W4. It is listed on the TSX Venture Exchange under the symbol ADZN and trades on the OTCQX under the symbol ADVZF.

The Corporation's consolidated financial statements were authorized for issue by the Board on April 29, 2022.

2. BASIS OF PRESENTATION

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

These consolidated financial statements have been prepared on a historical cost basis, except for certain items at fair value. Additionally, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. All amounts are expressed in United States dollars, unless otherwise stated. Tabular amounts are presented in thousands of United States dollar with the exception of per share amounts.

Going concern

These consolidated financial statements have been prepared on a going concern basis. In making the assessment that the Corporation is a going concern, management has considered all available information about the future, which is at least, but not limited to, the twelve months from December 31, 2021.

As at December 31, 2021, the Corporation has approximately $2,929,000 in cash and cash equivalents (2020: $21,618,000), with $775,000 in working capital (2020: $21,148,000). The Corporation reported net earnings attributable to common shareholders of $19,122,000 for the year ended December 31, 2021 (2020: net loss of $2,987,000). The ability to continue operations in the normal course of business is dependent on several factors, including the Corporation's ability to secure funding.

The recoverability of the amount capitalized to exploration and evaluation assets and to the options to acquire shares in mineral interests is dependent upon the existence of economically recoverable reserves, the ability of the Corporation to obtain financing on favourable terms to continue to perform exploration activities 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 uncertainties may affect the ability of the Corporation to continue operations and meet its obligations and discharge its liabilities into the foreseeable future as a going concern and, accordingly, the ultimate appropriateness of the use of the accounting principles applicable to going concern.

The Corporation has been able to raise adequate funding for its operations in the past. In the year ended December 31, 2021, the Corporation disposed of its investment in Canstar Resources Inc. ("Canstar") for gross proceeds of $5,182,000 (C$6,501,000).

In January 2022, following the earn-in of its interest into 75% of Curipamba, a subsidiary of the Corporation entered into a precious metals purchase agreement ("PMPA") with a subsidiary of Wheaton Precious Metals Corp ("Wheaton") with an upfront cash consideration of $175,500,000 and a $5,000,000 equity commitment. Concurrently it entered into a binding engagement for an offtake financing arrangement with Trafigura Pte Ltd. ("Trafigura") with a $45,000,000 senior debt facility and a $10,000,000 equity commitment. (See Note 18 for more details).

2. BASIS OF PRESENTATION (CONTINUED)

Also in January 2022, the Corporation closed a bought deal prospectus financing ("January 2022 Offering") for 34,569,500 units (the "Units") at a price of C$0.97 per unit for aggregate gross proceeds of approximately $26,600,000 (C$33,532,000), each Unit consisting of one common share of the Corporation and one-half Warrant. Each Warrant is exercisable for one common share in the Corporation at C$1.20 up to July 26, 2023. A total of 500,000 Warrants at a price of C$0.10 per Warrant were also issued as part of the January 2022 Offering for aggregate gross proceeds of approximately $41,000 (C$50,000), these closed in two tranches on January 26, 2022 and February 2, 2022.

With the various financing initiatives in January 2022, the Corporation had secured project and equity financing that will ensure that the Curipamba project is well funded for pre-construction, environmental and social impact assessment, and community development activities, paving the way for a construction decision. The Corporation has been successful in raising equity financing as required and at December 31 2021 had $2,929,000 in cash and cash equivalents. However, events or circumstances could arise in future that may limit the ability of the Corporation to raise funds in a timely manner. As such, management believes that uncertainties continue to remain, which may cast doubt upon the Corporation's ability to continue as a going concern. Management continues to explore all available options to secure funding, including equity financing and strategic partnerships. Should the Corporation not be able to secure financing in a timely manner, the Corporation will curtail exploration spending and defer discretionary expenditures to conserve cash.

Following the World Health Organization's declaration of the outbreak of the novel coronavirus, COVID-19, a global pandemic in March 2020, public health safety measures were put in place by most of the world's nations, and certain mobility restrictions were imposed by various countries. This included countries in which the Corporation operates. As a result, the Corporation suspended site activities from mid-March 2020, while desktop studies and office work continued offsite. Activities gradually restarted from mid-2020 and in 2021, work proceeded relatively uninterrupted and the overall impact on the Corporation to date has not been material. As most countries, including those that that Corporation has activities, progressively removed most of the pandemic restrictions, whether there will be further impact in 2022 is dependent on whether variants, if any, will result in renewed spike of infection and hospitalizations, the continued efficacy of vaccines to the new variants, the re-imposing of mobility restrictions, the recovery of the global economy and the volatility of the commodity markets, all of which are uncertain and may impose significant negative impact on the operations of the Corporation and its cash flow.

On February 24, 2022, Russian troops entered Ukraine and the ensuing military action has led to significant casualties and damage to infrastructure and mass relocation in Ukraine. In response, various jurisdictions across the globe have imposed economic sanctions on Russia and its allies and a large number of companies, both large and small, public and private, have opted to curtail business in Russia, or to cease operations in Russia or to provide services and goods to Russia. While the Corporation is not directly affected by these, the ripple effect of the war and its disruption of trade exacerbated the global supply-chain challenges, labour shortages and inflationary pressures that had been brought on by the pandemic disruptions and the war, and the continued uncertainties around the global recovery will linger and may impose significant negative impact on the Corporation and its cash flow.

These 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 earnings (loss) and comprehensive earnings (loss) that might be necessary if the Corporation was unable to continue as a going concern.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of consolidation

These consolidated financial statements include the financial statements of the Corporation and the entities controlled by the Corporation (its subsidiaries). Control exists when the Corporation has power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to use its power to affect its returns. The Corporation reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

The Corporation considers all relevant facts and circumstances in assessing whether or not the Corporation's voting rights in an investee are sufficient to give it power, including the size of the Corporation's holding of voting rights relative to the size and dispersion of holdings of the other vote holders; potential voting rights held by the Corporation, other vote holders or other parties; rights arising from other contractual arrangements; and any additional facts and circumstances that indicate that the Corporation has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings, and the nature of substantive rights and protective rights.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

On acquiring control, the Corporation elected to apply the concentration test to permit a simplified assessment of whether an acquired set of activities and assets is not a business. The concentration test has the following consequences: (i) if the concentration test is met, the set of activities and assets is determined not to be a business and no further assessment is needed (ii) if the concentration test is not met, or the entity elects not to apply the test, the entity shall then perform the assessment of elements of a business.

The fair value of acquisition of a subsidiary is based on the fair value of the assets acquired and liabilities assumed. Where the subsidiary is acquired as a result of the exercise of an option, the fair value of the consideration given is equal to the fair value of the option at the time of acquisition. The fair value of the option at the acquisition date is equal to the fair value of the net assets acquired less the exercise price of $NIL. The Corporation recognizes any non-controlling interest in the investee at fair value.

The financial statements of subsidiaries 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**.** Non-controlling interests in the net assets of the consolidated subsidiaries are shown as a separate component of the Corporation's equity, and consist of the non-controlling interests on the date of the original acquisition date plus the non-controlling interests' share of changes in equity since the date of acquisition, as that represents the non-controlling shareholders' share of the investee's net assets as if the book value of their assets were realized and distributed to the shareholders based on the circumstances that exist at the end of the reporting period. As the Corporation's underlying ownership interest changes because of the external financings, the Corporation's investment is adjusted to reflect any dilution effect which is recorded in the consolidated statement of earnings (loss).

When the Corporation loses control of a subsidiary, it derecognizes the assets and liabilities of the subsidiary from the consolidated statement of financial position. It recognizes a gain or loss in the statements of loss, which is the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognized in other comprehensive loss in relation to that subsidiary are accounted for as if the Corporation had directly disposed of the related assets or liabilities of the subsidiary. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition of a financial asset for subsequent accounting under IFRS 9, and where applicable, the cost on initial recognition of an investment in an associate.

Investments in associates are accounted for using the equity method. Under this method, the Corporation's share of the investment's earnings or losses is included in the consolidated statement of earnings and the consolidated statement of comprehensive earnings (loss) and the carrying amount of the investment is adjusted by a like amount.

These consolidated financial statements include all material subsidiaries in the accounts of the Corporation for the periods presented. These subsidiaries are listed as follows:

Subsidiary	Ownership	Incorporated	Nature
Adventus Zinc Ireland Limited	100%	Ireland	Mineral exploration
Curimining S.A.	75%	Ecuador	Mineral exploration
Dos Gemas Company M2G S.A.	80%	Ecuador	Mineral exploration
Guayacán Gold GGC S.A.	80%	Ecuador	Mineral exploration
Llaktawayku S.A.	80%	Ecuador	Mineral exploration

(b) Financial instruments

The Corporation determines the classification of financial assets and financial liabilities at initial recognition and, except in very limited circumstances, the classification is not changed subsequent to initial recognition. The classification depends on the purpose for which the financial instruments were acquired, and their contractual characteristics and/or management's intent. Transaction costs with respect to instruments not classified as fair value through profit or loss are recognized as an adjustment to the cost of the underlying instruments and amortized using the effective interest method. Transaction costs with respect to instruments classified as fair value through profit or loss are recognized immediately in profit or loss.

The financial assets are classified according to the following measurement categories:

- Financial assets at amortized cost that are held in order to collect contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost;

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- Financial assets at fair value through other comprehensive loss ("FVOCI") that are held both for collecting contractual cash flows and future potential sale, where those cash flows represent solely payments of principal and interest are measured at fair value through other comprehensive loss; and
- Financial asset at fair value through profit or loss ("FVTPL") that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss.

The Corporation classified the options to acquire shares of an entity, which directly or indirectly holds an underlying mineral property interest, as FVTPL. The option derivative is measured at fair value at each reporting period.

Impairment of financial assets, such as the Corporation's other receivables and the advances made on options to acquire mineral interests, are determined using a single impairment model that requires the Corporation to recognize lifetime expected credit losses without requiring a triggering event to occur.

Financial assets are derecognized when the contractual rights to the cash flows from the assets have expired or been transferred or the Corporation no longer retains substantially all the risks and rewards of ownership. Where the financial asset is an option in an entity, on exercise of the option, determination will be made as to whether the acquisition of the underyling securities is a business acquisition or acquisition of assets.

The financial liabilities are classified according to the following measurement categories:

- Financial liabilities at FVTPL that are held for trading or designated by the Corporation as FVTPL are measured at fair value with changes in fair value recognized in the consolidated statement of loss.
- Financial liabilities at amortized cost that do not meet the criteria for FVTPL are measured at amortized cost using the effective interest rate method. Other-financial-liabilities are initially recorded at fair value including direct and incremental transaction costs and are subsequently measured at amortized cost using the effective interest method.

(c) *Cash and cash equivalents*

Cash and cash equivalents consist of amounts on deposit with banks and short-term investments in money market instruments that are readily convertible to cash with initial terms to maturity of three months or less at the time of purchase. Cash and cash equivalents are carried at amortized cost.

(d) *Property, plant and equipment*

Property, plant and equipment is recorded at cost less accumulated depreciation and impairment loss, if any, and is amortized using the straight-line method over the following useful lives:

Furniture, equipment and vehicles	3-10 years
Leasehold improvement	life of lease

Where parts of an item of an equipment have different useful lives, they are accounted for as separate items of equipment, and depreciated over their respective lives.

(e) *Impairment of property, plant and equipment*

At each reporting date the carrying amounts of property, plant and equipment are reviewed to determine whether there is any indication that those assets are impaired. The recoverable amount is the higher of fair value less costs of disposal and value in use, which is the present value of future cash flows expected to be derived from the asset.

In assessing value in use, the estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount is reduced to the recoverable amount. Impairment is recognized immediately as impairment expense. Where an impairment subsequently reverses, the carrying amount is increased to the revised estimate of recoverable amount but only to the extent that this does not exceed the carrying value that would have been determined if no impairment had previously been recognized. A reversal is recognized as an impairment reversal for the period.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Exploration and evaluation assets

The Corporation defers costs for mineral properties and exploration costs when it has in its possession the legal right to explore for mineral deposits on a given property. General prospecting and exploration costs incurred prior to the staking of specific mineral claims are expensed immediately. Exploration and evaluation assets include the direct costs of acquiring, maintaining, exploring and developing properties, an allocation of geologists' and prospectors' salaries based on time spent, and other costs directly related to specific properties. Mineral properties acquired for share consideration are recorded at the fair value of the mineral properties received.

Exploration and evaluation assets will be reclassified to property, plant and equipment as asset under construction when the technical feasibility and commercial viability of extracting the mineral resources or mineral reserves are demonstrable and a construction decision has been made.

Management reviews the carrying values of exploration and evaluation assets' costs on a quarterly basis to determine if there is any indication of impairment. A decision to abandon, reduce or expand activity on a specific project is based upon many factors including general and specific assessments of mineral reserves, anticipated future mineral prices, anticipated costs of developing and operating a producing mine, the expiration date of mineral property leases, and the general likelihood that the Corporation will continue exploration on the project.

The Corporation does not set a pre-determined holding period for properties with unproven reserves. However, properties which have not demonstrated suitable prospects at the conclusion of each phase of an exploration program are re-evaluated to determine if further exploration is warranted and if there is an indication of impairment.

If a mineral property is abandoned, or it is determined that its carrying value cannot be supported by future production or sale, the related costs are charged against earnings in the year of abandonment or determination of impairment. The amounts recorded as exploration and evaluation assets represent unamortized costs to date and do not necessarily reflect present or future values. The accumulated costs of exploration and evaluation assets that are developed to the stage of technical feasibility and commercial viability will be amortized to operations on a units-of-production basis over the life of the economically recoverable reserves.

(g) Decommissioning and restoration provision

The Corporation recognizes a provision for decommissioning and restoration costs associated with long-lived assets which includes the abandonment of exploration and evaluation assets and costs required to return the properties to their original condition.

The Corporation recognizes the fair value of the provision in the period in which the obligation is identified and records a corresponding increase in the carrying value of the related long-lived asset. Fair value is estimated using the present value of the estimated future cash outflows to abandon or reclaim the asset at the Corporation's risk-free interest rate. The provision is subsequently adjusted for the passage of time and is recognized as an accretion expense in the consolidated statement of loss. The provision is also adjusted due to revisions in either the timing or the amount of the original estimated cash flows. The increase in the carrying value of the asset is amortized on the same basis as the exploration and evaluation assets.

(h) Investment in associates

Investment in associates over which the Corporation exercises significant influence are accounted for using the equity method, whereby the investment is initially recognized at cost and adjusted thereafter for the Corporation's share of change in net assets of the investee post-acquisition, while including its share of the investee's profit or loss in the Corporation's profit or loss and the investee's other comprehensive loss is included in the Corporation's other comprehensive loss. At each reporting date, the Corporation determines if there is objective evidence of impairment as a result of one or more loss events and where that exists, the Corporation will record an amount of impairment charge in its profit or loss for the period in the statements of earnings (loss).

Where an impairment subsequently reverses, the carrying amount is increased to the revised estimate of recoverable amount but only to the extent that this does not exceed the carrying value that would have been determined if no impairment had previously been recognized. A reversal is recognized as an impairment reversal for the period in the statements of earnings (loss).

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Provision

In general, provisions are recognized when the Corporation has a present obligation (legal or constructive) as the result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where appropriate, the future cash flow estimates are adjusted to reflect risks specific to the liability. The expense relating to any provision is presented in general and administrative expenses, depending on the nature of the provision. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money. Where discounting is used, the increase in the provision due to the passage of time is recognized as financing expense. A contingent liability is disclosed where the existence of an obligation will only be confirmed by future events or where the amount of the obligation cannot be measured with reasonable reliability. Contingent assets are not recognized but are disclosed where an inflow of economic benefits is probable.

(j) Income taxes

The Corporation follows the asset and liability method of accounting for income taxes. Under this method, deferred income taxes are recognized based on the expected future tax consequences of unused tax losses, unused tax credits, and differences between the carrying amount of balance sheet items and their corresponding tax basis, using the substantively enacted income tax rates for the years in which the differences are expected to reverse. Deferred income tax assets are recognized to the extent it is probable they will be realized.

(k) Functional currency and presentation currency

An entity's functional currency is the currency of the primary economic environment in which it operates. Where there is a change in events or conditions used in the initial determination of the functional currency, management reconsiders its determination. The functional currency for the Corporation and its material subsidiaries is the United States Dollar ("US$") except for Adventus Zinc Ireland Limited ("Adventus Ireland") which is the Euro. The presentation currency is also US$.

At each financial reporting date, the assets and liabilities are translated to US$ at the exchange rates prevailing at the reporting date while income and expense items are translated at the average rates for the period, and equity at historical rates, with the resulting foreign exchange currency translation amount taken into other comprehensive earnings (loss).

On disposal of an entity, the cumulative exchange differences are recognized in the income statement as part of the profit or loss on sale. Exchange differences arising from translation of monetary items on each subsidiary's separate financial statements that form part of the Corporation's net investment in foreign operation are recognized in other comprehensive earnings (loss).

(l) Foreign currency transactions

Transactions entered into by an entity in a currency other than its functional currency are translated into the functional currency at the foreign exchange rate ruling at the date of the transaction. At each financial statement reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated. Gains and losses on translation of monetary assets and liabilities are included in the determination of net income or loss for the period.

(m) Share-based payments

The Corporation's Share Compensation Plan includes stock options ("Options") and restricted share units ("RSUs"). Each RSU represents a unit with the underlying value equal to the value of one common share of the Corporation, vests over a specified period of service in accordance with the plan and can be equity or cash settled at the discretion of the Corporation. Options and RSUs are granted to employees, directors and non-employees and are accounted for using the fair value method.

The compensation cost for Options granted is determined based on the estimated fair value of the Options at the time of the grant using the Black-Scholes option pricing model and is amortized over the vesting period with an offset to the contributed surplus account. When Options are exercised, the contributed surplus and the proceeds received by the Corporation are credited to share capital.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

RSUs are valued at the share price prevailing at the time of grant and are amortized as an expense in the consolidated statements of earnings (loss) over the vesting period. Where it is determined that they are considered equity-settled transactions, they are recorded as an increase to the contributed surplus in the consolidated statements of changes in shareholders' equity over the period in which the service conditions are fulfilled. Where the history of RSU settlement indicates that they are cash-settled transactions, they will be recorded as a liability and remeasured to fair value at each reporting date up to and including the settlement date, with changes in fair value being recognized as expenses in the consolidated statements of earnings (loss). In cases where RSUs previously considered as equity-settled transactions are subsequently determined to be cash-settled based on change in settlement history, the Corporation recognized the amount owed as a liability.

(n) *Earnings (loss) per share*

Basic net earnings (loss) per share is calculated using the weighted average number of common shares outstanding for the respective periods. Diluted earnings (loss) per share is calculated using the treasury stock method, whereby it is assumed that proceeds received on the exercise of in-the-money stock options and warrants are used to repurchase the Corporation's shares at the average market price during the period to the extent that their inclusion is not anti-dilutive.

(o) *Segment reporting*

The Corporation operates in the mineral exploration and development sector and has only one reportable segment. It has three geographic locations of operations, which are Ecuador, Ireland and Canada. The head office in Canada provides support to Ecuador in terms of corporate administration, treasury, finance and regulatory, technical support and project management. The Irish projects, which are not material, as well as the investment in an associate, are also managed out of the Canadian head office. The Chief Executive Officer is the chief operating decision maker ("CODM") and is responsible for assessing the performance of the Corporation's operations and making resource allocation decisions.

(p) *Adoption of new accounting standards*

Amendment to *IAS 16 – Property, Plant and Equipment:* In May 2020, the International Standards Accounting Board ("IASB") issued a narrow-scope amendment regarding proceeds from selling items produced while bringing an asset into the location and condition intended to by management. The amendment prohibits entities from being able to deduct such proceeds from the cost of the item of property, plant and equipment and instead requires the proceeds from such sales and the cost of producing those items to be recognized in profit or loss. The amendment is effective for annual periods beginning on or after January 1, 2022, with earlier application permitted. The Corporation has adopted this amendment for the year ended December 31, 2021 with no impact on its financial statements.

Other pronouncements by the IASB that are mandatory to be applied for the first time at December 31, 2021 have been reviewed and they did not have a significant impact on the Corporation's consolidated financial statements.

4. FUTURE ACCOUNTING PRONOUNCEMENTS

Amendment to *IAS 1 – Presentation of Financial Statements*: In January 2020, the IASB issued an amendment that affect the presentation of liabilities in the statement of financial position, clarifying that one of the requirements for the classification of a liability as non-current under the standard is the right of the entity to defer settlement of the liability for at least 12 months after the reporting period and that such right should exist at the end of the reporting period. This amendment is effective for annual periods beginning on or after January 1, 2023, with earlier application allowed. The Corporation is evaluating the amendment and does not expect any material impact to the financial statements upon adoption in the future.

Amendment to *IAS 12 – Income Taxes*: In May 2021 the IASB issued Deferred Tax related to Assets and Liabilities arising from a Single Transaction. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of IAS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The amendments are effective for annual reporting periods beginning on or after January 1, 2023. Early adoption is permitted.

An entity applies the amendments to transactions that occur on or after the beginning of the earliest comparative period presented. It also, at the beginning of the earliest comparative period presented, recognizes deferred tax for all temporary differences related to leases and decommissioning obligations and recognizes the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date. The Corporation is evaluating the amendment and does not expect any material impact to the financial statements upon adoption in the future.

5. CRITICAL ACCOUNTING ESTIMATES

In preparing these consolidated financial statements in conformity with IFRS, the Corporation has to exercise significant judgment and make assumptions and estimates that affect the reported amounts of assets and liabilities and disclosure of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ materially from those estimates. These consolidated financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements and may require accounting adjustments based on future occurrences. Estimates and assumptions are continually evaluated and are based on historical experience, current and future economic conditions and other factors, including expectations of events that are believed to be reasonable under the circumstances.

(a) *Significant judgments*

In preparing these consolidated financial statements, the significant judgments made by management in applying the Corporation's accounting policies and the basis of consolidation include but are not limited to the following:

Determination of fair value measurements: The Corporation's options to acquire shares of entities which directly or indirectly holds an underlying mineral property interest are financial instruments which are measured at fair value through profit or loss. Each option derivative is measured at fair value at each reporting period. Measurement of the fair value requires management's use of estimates and assumptions which includes among other things commodity prices, foreign exchange, country and liquidity risks, discount rates, mine plan, capital and operating expenditures, forecast of future cash flow, impact of climate changes, and stability of tax laws.

Economic recoverability and probability of future economic benefits of exploration and evaluation costs and options to acquire mineral interests: the Corporation has determined that exploration drilling, evaluation, development and related costs incurred which have been capitalized as well as expenditures incurred on the options to acquire mineral interests are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geological and metallurgical information, scoping and feasibility studies, accessible facilities, and existing permits.

Impairment of Property, Plant and Equipment: At the end of each reporting period, the Corporation assesses each cash generating unit to determine whether any indication of impairment exists. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs to sell and value in use. The impairment analysis requires the use of estimates and assumptions such as long-term commodity prices, discount rates, future capital requirements, exploration potential, and operating performance. Fair value of exploration and evaluation properties is generally determined as the present value of estimated future cash flows arising from the continued use of the asset, which includes estimates such as the cost of future expansion plans and eventual disposal, using assumptions that an independent market participant may take into account.

Consolidation of Salazar Holdings: The determination of when control is acquired in the acquisition of Salazar Holdings relies on judgement as to the timing of when it has the ability to use its power to affect the amount of its returns, the identification of relevant activities, the consideration of how decisions regarding the relevant activities are made and whether the investor's rights provide it with the current ability to direct the relevant activities.

(b) *Critical estimates*

In preparing these consolidated financial statements, the key sources of estimation uncertainly include but are not limited to the following:

Income taxes: The Corporation has available unused operating losses. The recognition or not of deferred tax assets requires judgment in determining if it is more likely than not that sufficient taxable profits will be available in the future against which the reversal of temporary difference can be deducted.

Share based compensation: The fair value of certain share-based compensation units require judgment in the determination of fair value using assumptions on expected volatility, expected lives and other factors that could affect the value reported as an expense and as an obligation.

Fair value of financial assets: The fair value of financial assets require judgment based on assumptions of discount rates, commodity pricing, foreign exchange rates, production rates, mine plan and timing of cash flows.

(Tabular amounts in thousands of United States dollars, except per share amounts)

6. ACQUISITIONS AND OPTIONS TO EARN-IN

Investment in Salazar Holdings

In 2017, the Corporation entered into the Option Agreement with Salazar Resources, pursuant to which the Corporation was to have the option ("Curipamba option") to acquire 75% of the interest in Salazar Holdings, the entity which holds Curimining, which owns the Curipamba concessions, by spending $25,000,000 and completing a feasibility study report.

By December 31, 2021, the Corporation has already incurred $47,127,000 of its expenditure commitment, well over the required $25,000,000. On December 10, 2021, the Corporation filed the feasibility study report titled "NI 43-101 Technical Report Feasibility Study – Curipamba El Domo Report" ("Feasibility Study"). The Corporation, having completed its obligations under the Option Agreement, delivered written notice of its exercise ("Option Exercise Notice") to Salazar Resources on December 10, 2021, and as Salazar Resources did not object to the Option Exercise Notice, it became final and the option exercise date ("Option Exercise Date") was the date of delivery of the Option Exercise Notice.

Pursuant to the Option Agreement, as of the Option Exercise Date,

(a) the aggregate amount of advances from Adventus for the project shall be capitalized in Salazar Holdings. Adventus shall be granted 75 Class A common shares representing 75% of the total issued and outstanding Class A common shares, and 95 Class B preferred shares, representing 100% of the total issued and outstanding Class B preferred shares; and

(b) the Corporation, Salazar Resources, Salazar Holdings and Curimining shall enter into a shareholders' agreement ("Shareholders' Agreement") and reconstitute the board of directors of Curimining ("Curimining Board") with two Adventus nominees and one Salazar nominee.

On December 31, 2021, Salazar Resources indicated that it is prepared to enter into the Shareholders' Agreement with the Corporation and to issue to the Corporation the necessary shares in Salazar Holdings to bring the Corporation to a 75% ownership of Salazar Holdings and control was determined to have passed on that date. These were filed with the British Columbia Registry Services on January 4, 2022.

The Corporation elected to apply the concentration test and determined the acquisition represented an asset acquisition. It assessed that the fair value of the assets being purchased upon exercise of the Option are concentrated in the overall mineral properties being acquired. The Corporation concluded that Salazar Holdings did not constitute as a business as defined under *IFRS 3 Business Combinations* and the acquisition is therefore accounted for as an asset acquisition. The Corporation has recognized the identifiable assets and liabilities acquired at their estimated acquisition date fair values as follows:

		Amounts
Fair value of Salazar Holdings	$	77,580
Cash and cash equivalents	$	44
Receivables and other assets		116
Curipamba mineral property including land and equipment		78,643
Accounts payable and accrued liabilities		(1,223)
	$	77,580

Pursuant to the Option Agreement and the Shareholders' Agreement, the Corporation has priority repayment of its investment in Curipamba according to an agreed distribution formula between the common shareholders and preferred shareholders. Based on this formula, the percentage of non-controlling interest of the net assets on the date of acquisition was 15.33% or an amount of $11,895,000. In subsequent periods, the percentage share of non-controlling interest will change as a function of advances made by the Corporation and the earnings or loss recorded by Salazar Holdings and its subsidiaries over the period. After the Corporation has received priority repayment of its investment, the non-controlling interest will revert to 25%.

(Tabular amounts in thousands of United States dollars, except per share amounts)

7. INVESTMENT IN ASSOCIATE

At the beginning of the quarter ended September 30, 2021, the Corporation owned approximately 20.07% (December 31, 2020: 23.86%) of common shares in Canstar and accounted for its investment in Canstar using the equity method. In May 2021 and throughout 2020, Canstar closed several private placements in which the Corporation did not participate and recorded dilution gain on investment. The May 2021 private placement undertaken by Canstar and the continuing increase in Canstar's share price above the price at which the Corporation made its initial investment, as well as the status of the underlying projects and their related funding requirements, were deemed by management to indicate that the conditions for the previous impairments no longer existed. As at June 30, 2021, the Corporation determined the recoverable value of its investment in Canstar and recorded a $1,253,000 impairment reversal resulting in a carrying amount of $2,276,000. The recoverable amount of the Corporation's investment in Canstar was based on the fair value less costs of disposal.

On July 8, 2021, the Corporation agreed to sell its 17,336,339 shares in Canstar at C$0.375 per share. The sale was completed in two tranches, on July 15, 2021 and August 13, 2021 respectively with gross proceeds of approximately $5,182,000 (C$6,501,000) and resulted in a gain of $2,985,000 after accounting for currency translation adjustment previously recorded as other comprehensive earnings as well as legal fees incurred for the transaction.

		Canstar
Balance, January 1, 2020	$	601
Share of loss in associate		(112)
Gain on dilution of investment		582
Currency Translation Adjustment		23
Balance, December 31, 2020	$	1,094
Share of loss in associate		(118)
Gain on dilution of investment		18
Reversal of impairment loss in associate		1,253
Currency Translation Adjustment		29
Sale of investment in associate		(2,276)
Balance, December 31, 2021	$	-

8. PROPERTY PLANT AND EQUIPMENT

As at December 31, 2021, the Corporation has the following property plant and equipment:

Cost		Office furniture and equipment		Camp Vehicles and Equipment		Leasehold Improvement		Land		Total
Balance, January 1, 2020	$	110	$	168	$	5	$	-	$	283
Additions		19		152		41		-		212
Disposals		(30)		-		-		-		(30)
Balance, December 31, 2020	$	99		320		46		-		465
Additions		9		6		-		-		15
Acquisition of Salazar Holdings		73		393		-		5,623		6,089
Balance, December 31, 2021	$	181	$	719	$	46	$	5,623	$	6,569

(Tabular amounts in thousands of United States dollars, except per share amounts)

8. PROPERTY PLANT AND EQUIPMENT

Accumulated depreciation		Office furniture and equipment		Camp Vehicles and Equipment		Leasehold Improvement		Land		Total
Balance, January 1, 2020	$	53	$	29	$	5	$	-	$	87
Additions		10		26		17		-		53
Disposals		(12)		-		-		-		(12)
Balance, December 31, 2020	$	51		55		22		-		128
Additions		17		46		24		-		87
Balance, December 31, 2021	$	68	$	101	$	46	$	-	$	215

Carrying value		Office furniture and equipment		Camp Vehicles and Equipment		Leasehold Improvement		Land		Total
Balance, January 1, 2020	$	57	$	139	$	-	$	-	$	196
Balance, December 31, 2020		48	$	265	$	24	$	-	$	337
Balance, December 31, 2021	$	113	$	618	$	-	$	5,623	$	6,354

$5,623,000 of land and $466,000 of the remainder of the property plant and equipment were added in 2021 as a result of the acquisition of Salazar Holdings. Depreciation for the year ended December 31, 2021 included $56,000 (2020: $32,000) which is capitalized to the various projects and $31,000 (2020: $21,000) are expensed during the year.

9. EXPLORATION AND EVALUATION ASSETS AND OPTION TO ACQUIRE MINERAL INTEREST

The Corporation has the following exploration and evaluation assets and options to acquire mineral interest:

Project		As at Jan 1, 2021		Additions		Effect of foreign currency exchange movements		Fair value changes		Option Exercise		As at Dec 31, 2021
Ireland												
Rathkeale Limerick	$	1,590	$	-	$	(118)	$	-	$	-	$	1,472
Kingscourt		123		-		(8)		-		-		115
Fermoy		25		-		(3)		-		-		22
Ecuador												
Curipamba		-		72,554		-		-		-		72,554
Pijilí		8,453		1,941		-		-		-		10,394
Santiago		2,675		1,317		-		-		-		3,992
Total mineral properties	$	12,866	$	75,812	$	(129)	$	-	$	-		88,549
Curipamba	$	28,844	$	18,283	$	-	$	18,559	$	(65,686)	$	-
Option to acquire mineral interests	$	28,844	$	18,283	$	-	$	18,559	$	(65,686)	$	-

(Tabular amounts in thousands of United States dollars, except per share amounts)

9. EXPLORATION AND EVALUATION ASSETS AND OPTION TO ACQUIRE MINERAL INTEREST

Project	As at Jan 1, 2020	Additions	Effect of foreign currency exchange movements	Fair value changes	Option Exercise	As at Dec 31, 2020
Ireland						
Rathkeale Limerick	$ 1,456	$ -	$ 134	$ -	$ -	$ 1,590
Kingscourt	113	-	10	-	-	123
Fermoy	22	-	3	-	-	25
Ecuador						
Pijilí	5,634	2,819	-	-	-	8,453
Santiago	2,103	572	-	-	-	2,675
Total mineral properties	$ 9,328	$ 3,391	$ 147	$ -	$ -	$ 12,866
Curipamba	$ 19,260	$ 9,584	$ -	$ -	$ -	$ 28,844
Option to acquire mineral interests	$ 19,260	$ 9,584	$ -	$ -	$ -	$ 28,844

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 assets to third parties in exchange for exploration expenditures, royalty interests, cash, and share-based payments.

During the year ended December 31, 2021, the Corporation incurred $18,283,000 (2020: $9,584,000) in the option to earn into Salazar Holdings, the entity that holds the Curipamba mining interest. As at the Option Exercise Date, the Corporation has exceeded its required $25,000,000 expenditures in Curipamba. Throughout the earn-in period, as the fair value of the option could not reasonably be measured, cost was used as the proxy to fair value. On the release of the Feasibility Study, indicating the existence of reserves and resources, the fair value of the mineral property could be more reliably estimated and a valuation was made using an independent valuator. This resulted in a fair value increase of $18,559,000 (2020: NIL) in the value of the option. The value of the option lies primarily in the value of the mineral property and on exercising the option to acquire Salazar Holdings, an amount of $72,554,000 was recorded as fair value of the Curipamba projects added during the year ended December 31, 2021.

During the year ended December 31, 2021, the Corporation incurred $1,941,000 and $1,317,000 (2020: $2,819,000 and $572,000) respectively into Pijilí and Santiago.

On January 13, 2020, Adventus Mining Corporation, entered into an earn-in agreement (the "South32 Agreement") with South32 Base Metals Ireland Limited ("South32 Ireland"), a wholly-owned subsidiary of South32 Limited ("South32"), to advance the Rathkeale, Kingscourt and Fermoy projects (the "South32 Earn-In Projects") in the Limerick Basin in the Republic of Ireland. The Projects are 100%-owned by Adventus through its wholly-owned subsidiary, Adventus Ireland. The South32 Agreement grants South32 Ireland the right to acquire a 70% interest in the South32 Earn-In Projects by sole funding €3,500,000 in exploration on the Projects over a four-year period. Adventus Ireland will operate the exploration activities during the earn-in period. On March 24, 2020, Adventus Ireland received approval for the earn-in agreement and funding arrangements from the Department of Communications, Climate and Environment in the Republic of Ireland. As at December 31, 2021, South32 has funded €2,175,000 (2020: €974,000) of the South32 Earn-In Projects.

As of December 31, 2021, the Corporation has included in its accounts payable and accrued liabilities an amount of $1,015,000 attributable to mineral expenditures (2020: $133,000).

(Tabular amounts in thousands of United States dollars, except per share amounts)

10. ADVANCES, OTHER RECEIVABLES AND PREPAID EXPENSES

Advances represent amounts in relation to the option to acquire mineral interests that have been advanced to Salazar for project expenditures in Curipamba but have not been spent. As the Corporation has acquired control as at December 31, 2021 and has included the financial results of Salazar Holdings in its consolidated financial statements, the advances in relation to the option have now been included as cash on consolidation. Other receivables include interest receivable, deposits with suppliers, sales tax recoverable from the government and other prepaid expenses.

		December 31, 2021		December 31, 2020
Advances made on option to acquire mineral interests	$	-	$	21
Total advances	$	-	$	21
Sales tax receivables	$	179	$	110
Interest and other receivables		6		205
Deposits with suppliers		35		36
Other prepaid expenses		141		394
Total other receivables and prepaid expenses	$	361	$	745

11. INCOME TAXES

The reconciliation of the effective tax expense (recovery) to the tax expense (recovery) computed using the combined Canadian federal and provincial statutory rate of 26.5% is as follows:

		2021		2020
Income (loss) before income taxes	$	19,110	$	(2,999)
Income tax expense (recovery) computed at the Canadian statutory rate		5,064		(795)
Different statutory tax rate applicable to foreign subsidiaries		(194)		3
Net permanent difference		(5,402)		294
Net movement in unrecognized temporary differences		243		516
Effect of exchange rate gain/(loss) on unrecognized temporary differences		289		(18)
Income tax expense (recovery)	$	-	$	-

As of December 31, 2021, the Corporation has non-capital losses and gross net deductible temporary differences of $19,675,000 (2020: $14,362,000) for which no deferred tax has been recognized, as the realization of the benefits related to these potential tax deductions is uncertain and cannot be viewed as probable. Accordingly, no deferred income tax asset has been recognized for accounting purposes. The following table summarizes the Corporation's non-capital losses and unrecognized net deductible temporary differences:

Item	Country		Amount	Expiry Date
Non-capital losses	Canada	$	15,148	2037 – 2040
Non-capital losses	Ireland		538	No expiry
Non-capital losses	Ecuador		680	2024 - 2025
Net temporary differences	Canada		3,301	No expiry
Net temporary differences	Ecuador		8	No expiry
Income tax expense (recovery)		$	19,675	

(Tabular amounts in thousands of United States dollars, except per share amounts)

12. SHAREHOLDERS' EQUITY

The Corporation is authorized to issue an unlimited number of common shares at no par value. The directors are authorized to fix the number of shares and to determine the designation, rights, privileges, restrictions, and conditions attached to the shares.

(a) Common Shares

The following shows the Corporation's issued and outstanding common shares and the prices at which the shares are issued.

	Number of Common Shares		Weighted Average Share Price
Balance as at January 1, 2020	100,594,371		
Shares issued under prospectus offering	29,897,011	C$	1.27
Share options exercised	600,000	C$	0.25
Balance as at December 31, 2020	131,091,382		
Share options exercised	500,000	C$	0.33
Equity-settled RSUs	200,000	C$	0.94
Balance as at December 31, 2021	131,791,382		

On August 14, 2020, the Corporation closed the Offering, pursuant to which a total of 27,559,100 common shares of the Corporation (the "Shares") were issued at a price of C$1.27 per Share (the "Offering Price") for aggregate gross proceeds of approximately $26,415,000 (C$35,000,000). On September 3, 2020, the Underwriters exercised an overallotment option to subscribe for an additional 2,337,911 common shares at the Offering Price, for aggregate gross proceeds of approximately $2,263,000 (C$2,969,000). The Underwriters received a cash commission equal to 5.5% of the gross proceeds from the sale of the Shares pursuant to the Offering, which commission was reduced to 2.75% or 1.0% in respect of certain president's list purchasers. An amount of $1,758,000 been recorded as share issuance costs against the carrying value of the common shares.

In 2021, 500,000 common shares were issued on the exercise of stock options (2020: 600,000) (See Note 12(b)) and 200,000 common shares issued (2020: NIL) in respect of equity-settled RSUs (See Note 12(c)).

(b) Stock Options

The Corporation's Share Compensation Plan ("Plan") includes stock options ("Options") and restricted share units ("RSUs"). Directors, officers, employees and consultants of the Corporation and of its subsidiaries are eligible to receive 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.

The following table summarizes the Corporation's stock option plan as of December 31, 2021 and changes during the periods then ended:

	Number of Options		Weighted Average Exercise Price
Options outstanding, January 1, 2020	5,550,000	C$	0.80
Granted	1,050,000		1.07
Exercised	(600,000)		0.25
Options outstanding, December 31, 2020	6,000,000		0.90
Forfeited	(350,000)		0.97
Exercised	(500,000)		0.33
Balance as at December 31, 2021	5,150,000	C$	0.95

(Tabular amounts in thousands of United States dollars, except per share amounts)

12. SHAREHOLDERS' EQUITY (CONTINUED)

During the year ended December 31, 2021, the Corporation recorded share-based compensation expense of $351,000 (2020: $733,000) relating to stock options vested in the period.

No stock options were granted during 2021. The weighted-average fair value of stock options granted during 2020 was estimated on the dates of grant to be C$1.07 per option granted using the Black-Scholes option pricing model with the following assumptions:

	2021	2020
Expected life (years)	-	5.0
Risk-free interest rate (%)	-	0.88
Expected volatility (%) [1]	-	83
Expected dividend yield (%)	-	-
Expected forfeitures (%)	-	-

1: Expected volatility is based on the historical volatility of the shares of a comparative peer group of companies

During the year ended December 31, 2021, 500,000 stock options were exercised (2020: 600,000) with a weighted average share price of C$0.96 on the exercise dates (2020: C$1.45), while 350,000 stock options were forfeited (2020: NIL) with a weighted average share price of C$1.09 on the exercise date (2020: C$ NIL).

Stock options outstanding and exercisable as at December 31, 2021 and 2020 are as follows:

Range of exercise prices ($/option)	Number, outstanding at December 31, 2021	Number, exercisable at December 31, 2021	Weighted Average Remaining contractual life (years)
$0.51 - $1.00	3,750,000	3,083,334	1.41
$1.01 - $1.50	1,400,000	733,346	3.08
Balance as at December 31, 2021	5,150,000	3,816,680	1.87

Range of exercise prices ($/option)	Number, outstanding at December 31, 2020	Number, exercisable at December 31, 2020	Weighted Average Remaining contractual life (years)
$0.00 - $0.50	450,000	450,000	0.97
$0.51 - $1.00	4,100,000	2,666,666	2.53
$1.01 - $1.50	1,450,000	299,996	4.06
Balance as at December 31, 2020	6,000,000	3,416,662	2.78

(c) RSUs

Under the Plan, RSUs are granted to employees, directors and non-employees as approved by the Corporation's Board of Directors. Each RSU represents a unit with the underlying value equal to the value of one common share of the Corporation, vests over a specified period of service in accordance with the Plan and can be equity or cash settled at the discretion of the Corporation. RSUs granted to date vest over a period of two years.

(Tabular amounts in thousands of United States dollars, except per share amounts)

12. SHAREHOLDERS' EQUITY (CONTINUED)

The following table summarizes the Corporation's RSUs as of December 31, 2021 and changes during the periods then ended:

	Number of RSUs		Weighted Average Value at Date of Grant
RSUs outstanding, January 1, 2020	655,000	C$	1.05
Granted	422,500		0.90
RSUs outstanding, December 31, 2020	1,077,500	C$	0.99
Settled	(655,000)		0.92
Forfeited	(25,000)		0.86
Balance as at December 31, 2021	397,500	C$	0.90

During the year ended December 31, 2021, 25,000 RSUs were forfeited, 455,000 RSUs were settled in cash at C$0.915 per share for an aggregated amount of $330,000 (2020: NIL). These RSUs were originally recorded based on fair value at grant date as there was no present obligation to settle in cash and no past practice of stated policies of settling in cash. On changing to cash settlement, the Corporation recognized the amount owed as a payroll liability. During the year ended December 31, 2021, 200,000 RSUs were settled in share issuance at C$0.936 per share for an aggregated amount of $145,000.

During the year ended December 31, 2021, the Corporation recorded share-based compensation expense of $290,000 (2020: $314,000) relating to RSUs.

(d) Net earnings (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.

Weighted average number of shares	2021	2020
Basic	131,183,711	112,191,429
Effect of dilutive common share equivalents	840,000	-
Diluted weighted average number of shares outstanding	132,023,711	112,191,429

The calculation of diluted earnings per share excludes 1,400,000 share options that were non-dilutive for the year because the exercise price together with the future IFRS 2 charge of the option exceeded the average fair value of the shares during the year.

13. 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 senior officers. Compensation for key management personnel and directors for the years ended December 31, 2021 and 2020 is as follows:

		2021		2020
Salaries and benefits	$	1,824	$	1,727
Share-based compensation		679		819
	$	2,503	$	2,546

For the year ended December 31, 2021, an amount of $649,000 (2020: $543,000) of salaries and benefits of key management personnel were charged to exploration and evaluation assets and to the options to acquire mineral interests in Ecuador.

(Tabular amounts in thousands of United States dollars, except per share amounts)

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial Instruments

Classification

The Corporation has classified its financial instruments as follows:

As at December 31, 2021	FVTPL	Amortised cost	Total
Financial Assets			
Cash and cash equivalents	$ 2,929	$ -	$ 2,929
Other receivables	-	185	185
Total Financial Assets	$ 2,929	$ 185	$ 3,114
Financial Liabilities			
Accounts payable and accrued liabilities	-	2,515	2,515
Total Financial Liabilities	$ -	$ 2,515	$ 2,515

As at December 31, 2020	FVTPL	Amortised cost	Total
Financial Assets			
Cash and cash equivalents	$ 21,618	$ -	$ 21,618
Other receivables	-	315	315
Advances made on options to acquire mineral interests	-	21	21
Option to acquire mineral interests[1]	28,844	-	28,844
Total Financial Assets	$ 50,462	$ 336	$ 50,798
Financial Liabilities			
Accounts payable and accrued liabilities	$ -	$ 1,236	1,236
Total Financial Liabilities	$ -	$ 1,236	$ 1,236

Note 1: Until reliably measurable, cost is used as the best estimate of fair value.

Fair value measurements and hierarchy

Financial instruments recorded at fair value on the consolidated statements of financial position 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's financial assets as measured in accordance with the fair value hierarchy described above are:

As at December 31, 2021	Level 1	Level 2	Level 3	Total
Financial Assets				
Cash and cash equivalents	$ 2,929	$ -	$ -	$ 2,929
Total Financial Assets	$ 2,929	$ -	$ -	$ 2,929

(Tabular amounts in thousands of United States dollars, except per share amounts)

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

As at December 31, 2020	Level 1	Level 2	Level 3	Total
Financial Assets				
Cash and cash equivalents	$ 21,618	$ -	$ -	$ 21,618
Option to acquire mineral interests[1]	-	-	28,844	28,844
Total Financial Assets	$ 21,618	$ -	$ 28,844	$ 50,462

Note 1: Until reliably measurable, cost is used as the best estimate of fair value.

Level 3 financial assets

The Corporation has only one level 3 financial asset – the option to acquire mineral interest. This option was exercised in exchange for shares in Salazar Holdings, a private company with mineral interest in Curipamba. In December 2021, the option was exercised and settled and the assets and liabilities of Salazar Holdings were included in the Corporation's consolidation primarily allocated to exploration and evaluation assets

(a) Reconciliation of Level 3 fair value measurement of financial instruments:

	Option to acquire mineral interest
Balance as at January 1, 2020	$ 19,260
Additions	9,584
Balance as at December 31, 2020	28,844
Additions	18,283
Fair value gain through profit or loss	18,559
Exercised and settled	(65,686)
Balance as at December 31, 2021	$ -

(b) Valuation processes and methodology

The valuation of the option to acquire mineral interests as at December 31, 2021 was prepared by an independent valuation specialist under the oversight of the Corporation using publicly available assumptions and internally available information. The valuation methodology was based primarily on the income approach, under which the discounted cash flow method was used to capture the present value of the expected future economic benefits to be derived from the ownership of this investment. To assess the reasonableness of the valuation, the market approach was also used, under which comparable company valuation multiples were used. Where an income approach is not possible or the fair value cannot be reliably measurable, the Corporation uses cost as a proxy for fair value.

(c) Significant unobservable inputs

In assessing the valuation of the option to acquire mineral interests in Curipamba, the life of mine plan from the feasibility study was used as the key input to the valuation as well as any pre-development capital expenditures. Risk-adjusted discount rates of between 15% and 16% were used to arrive at the high and low valuation and the average adopted as the valuation. The discount rate takes into consideration the country risk, the equity risk premium, the size premium and a company specific risk. Metal prices were long term prices based on consensus price forecasts, World Bank forecasts and analyst reports.

(d) Relationship and sensitivity of unobservable inputs to fair value

The fair value calculations may be impacted by the underlying sensitivities to these unobservable inputs. The Corporation applies a range of risk adjusted discount rates and the lower the discount rate, the higher will be the value of the financial instruments. A 1% change in the discount rate would have resulted in a change of $9,291,000 of the value of the option. The timing of commercial operations and hence the timing of when cash flows are expected to commence will be impacted by various project development milestones. The project will become increasingly derisked as those milestones are met and as the project moves closer to the commercial production date, the time to cashflow decreases and the value of the option will increase based on the time value of money. Conversely, a delay of the commercial production date will increase the time to cashflow with a resultant decrease in the value of the option. A delay of one year would have had a $7,897,000 impact on the value of the option. A 1% change in the metal prices would have an impact of $2,911,000 on the value of the option.

(Tabular amounts in thousands of United States dollars, except per share amounts)

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

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.

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. All receivables are current and the allowance for doubtful account for the years ended December 31, 2021 and 2020 is $NIL and $NIL respectively. The Corporation's cash and cash equivalents are held in fully segregated accounts and include only Euro, Canadian and United States dollar instruments. The Corporation does not expect any liquidity issues or credit losses on these instruments.

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.

Foreign currency risk

The Corporation is exposed to the financial risks related to the fluctuation of foreign exchange rates of the Canadian dollar relative to the United States dollar. As at December 31, 2021, the Corporation is exposed to currency risk through the following assets and liabilities denominated in the Canadian dollar:

	December 31, 2021	December 31, 2020
Cash and cash equivalents	$ 1,415	$ 7,367
Other receivables and prepaid expenses	69	133
Accounts payable and accrued liabilities	(802)	(352)
Net asset exposure	$ 682	$ 7,148

The Corporation is exposed to the financial risks related to the fluctuation of foreign exchange rates of the Euro relative to the United States dollar. As at December 31, 2021, the Corporation is exposed to currency risk through the following assets and liabilities denominated in the Euro:

	December 31, 2021	December 31, 2020
Cash and cash equivalents	$ 522	$ 59
Other receivables and prepaid expenses	57	333
Accounts payable and accrued liabilities	(568)	(236)
Net asset exposure	$ 11	$ 156

15. CAPITAL MANAGEMENT

The Corporation defines its capital as its total equity attributable to shareholders. The Corporation's objectives when managing capital is to maintain financial liquidity and flexibility to preserve its ability to meet financial obligations and to ensure that sufficient capital and access to capital for potential growth, to progress its Curipamba project and to pursue exploration opportunities.

The Corporation did not have any externally imposed restrictions as at December 31, 2021.

(Tabular amounts in thousands of United States dollars, except per share amounts)

16. SEGMENTED INFORMATION

The Corporation operates in one reportable segment, that of exploration and development of mineral properties. It has three geographic locations, namely, Ecuador, Ireland and Canada.

The geographic distribution of the Corporation's assets in exploration and evaluation assets and option to acquire mineral interests as well as total assets are as follows:

Exploration and Evaluation assets		December 31, 2021		December 31, 2020
Ecuador	$	86,940	$	39,972
Ireland		1,609		1,738
	$	88,549	$	41,710

Total assets		December 31, 2021		December 31, 2020
Ecuador	$	93,502	$	40,418
Ireland		2,182		2,023
Canada		2,509		23,084
	$	98,193	$	65,525

17. COMMITMENTS AND OBLIGATIONS

As at December 31, 2021, the Corporation has the following obligations for mineral property exploration expenditures and other significant contractual obligations:

		Less than 1 year		1-3 years		Total
Exploration expenditure commitments	$	3,353	$	917	$	4,270
Purchase and other commitments		302		-		302
Advance Payments to Salazar Resources		250		-		250
Balance as at December 31, 2021	$	3,905	$	917	$	4,822

The Corporation has obtained various mineral rights licenses by staking claims and paying refundable security deposits. Certain expenditures are required on an annual basis, from the date of license issuance, to maintain the licenses in good standing and for refund of security deposits.

Ireland

In Ireland, on or before the anniversary date of license issuance, and if the required expenditures are not met, the Corporation has the option of reducing claims on a property, posting a refundable security bond for the deficient amount or elect to allow title of the license be cancelled.

Ecuador

In Ecuador, for concessions applied through the public tender process, an investment offer is presented for each concession, the offer of which represents the total amounts required to be spent in order to maintain possession of the concession area at the end of the four-year investment period. For concessions not acquired through the public tender process or for concessions acquired through the public tender process and have fulfilled the initial investment conditions, the Corporation is required to submit an annual expenditure plan specifying its minimum amount of committed expenditures for the upcoming year. All of the Corporation's concessions fall into the latter category and are subject to annual expenditure plan.

(Tabular amounts in thousands of United States dollars, except per share amounts)

17. COMMITMENTS AND OBLIGATIONS (CONTINUED)

Royalty obligations

The Corporation has the following royalty obligations on its properties:

Projects	Country	Royalty
Rathkeale	Ireland	2% Net Smelter Return ("NSR")
Kingscourt (1)	Ireland	2% NSR
Kingscourt (1)	Ireland	0.5% NSR
Fermoy	Ireland	2% NSR
Curipamba	Ecuador	2% NSR
Santiago (2)	Ecuador	1.5% NSR
Santiago	Ecuador	4% net profits interest

(1): On most of the Kingscourt concessions, there are two separate NSRs, one for 2% and the other for 0.5%.
(2): The NSR royalty on Santiago can be bought out for $1,000,000.

18. SUBSEQUENT EVENTS

(a) Project Financing

On January 17, 2022, Alliance Metals International, a subsidiary of the Corporation and Adventus entered into a definitive PMPA with Wheaton Precious Metals International Ltd., a subsidiary of Wheaton in respect of Curipamba. Under the PMPA, Wheaton will provide a $175,500,000 upfront cash consideration and up to $5,000,000 in equity to Adventus, subject to a maximum Wheaton ownership level of below 10%. The upfront payment will consist of an $13,500,000 early deposit payment pre-construction and the remainder to be available in four (4) instalments during construction, subject to certain customary conditions precedent. Pursuant to the PMPA, Wheaton will purchase 50% of the payable gold production until 150,000 ounces have been delivered, thereafter dropping to 33% of payable gold production for the remaining life of mine; and 75% of the payable silver production until 4,600,000 ounces have been delivered, thereafter dropping to 50% of payable silver production for the remaining life of mine. Wheaton will make ongoing cash payments for the gold and silver ounces delivered equal to 18% of the spot prices ("Production Payment") until the value of gold and silver delivered less the Production Payment is equal to the upfront consideration of $175,500,000, at which point the Production Payment will increase to 22% of the spot prices. Certain of the equity financing had been completed as part of the January 2022 Offering. No amounts have been drawn down under the PMPA.

On January 17, 2022, the Corporation entered into a binding commitment for an Offtake Financing Agreement (the "OFA") with Trafigura under which Trafigura will provide Adventus with a facility of $45,000,000 and up to $10,000,000 in equity to Adventus. The upfront cash will consist of a $5,000,000 early deposit pre-construction and the remainder to be available in two installments during the construction of the Curipamba project. The facility has a 5-year term, with an 8% interest margin, subject to a 0.5% SOFR floor. The OFA includes an offtake agreement that provides certain concentrate offtake rights to Trafigura in respect of future production from the El Domo deposit over the life of mine. The OFA is subject to definitive documentation and an inter-creditor agreement with Wheaton being completed in the second quarter of 2022 and on closing, 13,500,000 common share purchase warrants of Adventus will be issued to Trafigura, priced on the basis of a 25% premium to the 10-day VWAP at the closing date, subject to approval of the TSX Venture Exchange. These warrants will have a 3-year term.

(b) Equity Financing

On January 26, 2022, the Corporation closed the January 2022 Offering for 34,569,500 units (the "Units") at a price of C$0.97 per unit for aggregate gross proceeds of approximately $26,600,000 (C$33,532,000), each Unit consists of one common share of the Corporation and one-half Warrant. Each Warrant is exercisable for one common share in the Corporation at C$1.20 up to July 26, 2023. A total of 500,000 Warrants at a price of C$0.10 per Warrant were also issued as part of the January 2022 Offering for aggregate gross proceeds of approximately $41,000 (C$50,000), these closed in two tranches on January 26, 2022 and February 2, 2022.

18. SUBSEQUENT EVENTS (CONTINUED)

(c) Options/RSU issue

In February 2022, an aggregate of 4,325,000 share options and 1,480,000 RSUs were granted to employees, directors and consultants, at a weighted average exercise price of $0.89 for the options with expiring five (5) years from grant, while 122,500 RSUs were cash-settled for consideration totalling $77,000. A total of 1,300,000 options granted in February 2017 expired unexercised in February 2022.