MANAGEMENT'S DISCUSSION & ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2021

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This Management's Discussion and Analysis ("MD&A") of Adventus Mining Corporation ("Adventus" or the "Corporation" has been prepared as of April 29, 2022 and should be read in conjunction with the Corporation's audited annual consolidated financial statements for the years ended December 31, 2021 and 2020 and related notes, prepared in accordance with International Financial Reporting Standards ("IFRS").

This MD&A supplements, but does not form part of, the annual financial statements. This MD&A covers the year ended December 31, 2021 and the subsequent period up to the date of this MD&A. All dollar amounts referred to in this MD&A are expressed in United States dollars except where indicated otherwise. Tabular amounts are presented in thousands of United States dollars with the exception of per share amounts. References to "C$" mean Canadian dollars.

Cautionary Statement Regarding Forward-Looking Information

This MD&A contains certain statements and information that are "forward-looking information" within the meaning of applicable Canadian securities laws. All statements other than statements of historical facts included in this document constitute forward-looking information, including but not limited to statements regarding the Corporation's plans, prospects and business strategies; the Corporation's guidance on the timing, progress, and results of future exploration, project development, and operations; expected costs; permitting requirements and timelines; timing and possible outcome of legal processes; the results of any technical reports and estimates as defined by any preliminary economic assessment, feasibility study, or Mineral Resource and Mineral Reserve calculations, life of mine estimates, and mine and mine closure plans; anticipated market prices of metals, currency exchange rates, and interest rates; the Corporation's ability to comply with contractual and permitting or other regulatory requirements; and the Corporation's integration of partnerships and corporate transactions and any anticipated benefits thereof. Words such as "believe", "expect", "anticipate", "contemplate", "target", "plan", "outlook", "guidance", "goal", "aim", "intend", "continue", "budget", "estimate", "forecast", "may", "will", "can", "could", "should", "schedule" and similar expressions identify forward-looking statements.

Forward-looking statements relate to future events or future performance and reflect management's expectations or beliefs regarding future events including, but not limited to, statements and information related to the results of the Feasibility Study and updated Mineral Reserves for El Domo, including the forecasted economics of the Curipamba project, expected gold, silver, copper and zinc production (and the grade of such gold, silver, copper and zinc production) from the Curipamba project and projected operating and capital costs associated with the Company's planned operations at the Curipamba project, the Proven and Probable reserves of gold, silver, copper and zinc, the capacity of tailings facility with regard to significant reserve additions, process optimization resulting from the addition of a lead concentrate circuit providing a third saleable product and allowing for the production of clean copper and zinc concentrates with minimal Pb penalties, and the self-sufficiency of water requirements through the use of rainfall/surface water on site; statements and information related to the results of the Preliminary Economic Assessment ("PEA"), including the forecasted economics of the Underground PEA, the commencement of the Underground PEA upon the exhaustion of the open-pit reserves in year 10, the development capital being deployed with respect to the Underground PEA in year 9, the additional indicated and inferred gold, silver, copper and zinc resources, the plan to upgrade underground resources to a reserve by means of additional drilling and test-work supporting a separate feasibility study costing approximately $8M over 2.5 years; statements and information relating to the mining process; the projected taxes and life-of-mine ("LOM") royalties to the Ecuadorian government; the 2% NSR royalty payable to Altius Mining Corporation; statements and information relating to the ESIA, including the expectation that approval will be received by end of 2022, and the permitting and approval process for the main access road and power lines having been initiated and the community consultations for the El Domo project; statements and information relating to the various workstreams which are anticipate to cost $25M to complete; the receipt of any necessary approvals and consents in connection with the development of the Curipamba project in a timely manner, including but not limited to the Environmental and Social Impact Assessment ("ESIA"); the estimated mine life of the Curipamba project; gold, silver, copper, zinc and lead price assumptions; exchange rate assumptions; the merits of the Curipamba project; the ability to access required financing, appropriate equipment and sufficient labour; future price of copper, gold, silver, zinc and other metals; anticipated costs; ability to achieve goals; ability of Adventus and its subsidiaries to satisfy the conditions precedent to receive funding under the PMPA and the OFA (such terms defined elsewhere in this MD&A); the prompt and effective integration of partnerships and corporate transactions, if any; the existence of political environments in which the Corporation operates will continue to support the exploration, development and operation of mining projects; and other statements regarding future plans, expectations, guidance, projections, objectives, estimates and forecasts, as well as statements as to management's expectations with respect to such matters.

Forward-looking information including, but not limited to, statements that the Corporation can access financing, appropriate equipment and sufficient labour; assumed and future price of copper, gold, silver, zinc, and lead; anticipated costs; ability to achieve goals. While these factors and assumptions are considered reasonable by Corporation as at the date of this document in light of management's experience and perception of current conditions and expected developments, these statements are inherently subject to significant business, economic, socio-political, and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements and undue reliance should not be placed on such statements and information. Such factors include, but are not limited to: risks inherent in and/or associated with operating in different countries; uncertain political and economic environments; community activism, shareholder activism and risks related to negative publicity with respect to the Corporation or the mining industry in general; changes in laws, regulations or policies including but not limited to those related to permitting and approvals, environmental and tailings management, labour, trade relations, and transportation; delays or the inability to obtain necessary governmental approvals and/or permits; regulatory investigations, enforcement, sanctions and/or related or other litigation; risks associated with business arrangements and partners over which the Corporation does not have full control; risks associated with corporate transactions and related integration efforts, including the ability to achieve anticipated benefits, unanticipated difficulties or expenditures relating to extraordinary situations, such as epidemics or natural disasters; competition; exploration, project development or operation results not being consistent with the Corporation's expectations; estimates of future production and operations; operating, cash and all-in sustaining cost estimates; allocation of resources and capital; litigation; uninsurable risks; volatility and fluctuations in metal and commodity prices; the estimation of asset carrying values; funding requirements and availability of financing; indebtedness; foreign currency fluctuations; interest rate volatility; changes in the Corporation's share price, and equity markets, in general; changing taxation regimes; counterparty and credit risks; health and safety risks; risks related to the environmental impact of the Corporation's activities and management thereof; unavailable or inaccessible infrastructure and risks related to ageing infrastructure; risks inherent in mineral exploration and mining including but not limited to risks to the environment, industrial accidents, catastrophic equipment failures, unusual or unexpected geological formations or unstable ground conditions; risks relating to attracting and retaining of highly skilled employees; ability to retain key personnel; the potential for and effects of labour disputes or other unanticipated difficulties with or shortages of labour or interruptions in work activities; the price and availability of energy and key operating supplies or services; the inherent uncertainty of exploration and development, and the potential for unexpected costs and expenses including, without limitation, risks associated with the estimation of Mineral Resources and Mineral Reserves and the geology, grade and continuity of mineral deposits including but not limited to models relating thereto; future actual ore mined and/or metal recoveries varying from Mineral Resource and Mineral Reserve estimates; mine plans, and life of mine estimates; the possibility that future exploration, development or mining results will not be consistent with expectations; natural phenomena such as earthquakes, flooding, and unusually severe weather; potential for the allegation of fraud and corruption involving the Corporation, its customers, suppliers or employees, or the allegation of improper or discriminatory employment practices, or human rights violations; security at the Corporation's projects and operations; breach or compromise of key information technology systems; materially increased or unanticipated reclamation obligations; risks related to mine closure activities; risks related to closed and historical sites; title risk and the potential of undetected encumbrances; risks associated with the structural stability of waste rock dumps or tailings storage facilities; risks related to political and economic instability in Ecuador, including unexpected changes to mining code, royalties and taxes; risks related to the COVID-19 pandemic and other natural disasters, terrorist acts, anti-mining protests, health crises, war and hostilities, and other disruptions; and other risks and uncertainties. All of the forward-looking statements made in this document are qualified by these cautionary statements. Although the Corporation has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated, forecast or intended and readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking information. Accordingly, there can be no assurance that forward-looking information will prove to be accurate and forward-looking information is not a guarantee of future performance. Readers are advised not to place undue reliance on forward-looking information. The forward-looking information contained herein speaks only as of the date of this document. The Corporation disclaims any intention or obligation to update or revise forward-looking information or to explain any material difference between such and subsequent actual events, except as required by applicable law.

Any financial outlook or future-oriented financial information in this MD&A, as defined by applicable securities legislation, has been approved by management of the Corporation as of the date of this MD&A. Such financial outlook or future-oriented financial information is included for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that such outlook or information should not be used for purposes other than for which it is disclosed in this MD&A.

The Corporation disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable law.

Additional information regarding the Corporation, including the Corporation's continuous disclosure materials, is available on the Corporation's website at www.adventusmining.com or through the SEDAR website at www.sedar.com.

BUSINESS OVERVIEW

The Corporation is a mineral exploration and development company that is based in Toronto, Ontario, Canada. It is listed on the TSX Venture Exchange under the symbol ADZN and trades on the OTCQX under the symbol ADVZF.

The Corporation was formed on October 24, 2016 as a strategic initiative to acquire and focus efforts on zinc-related base metal properties, specifically with the goal of acquiring significant zinc-related exploration and development projects held by major mining companies. After an extensive search globally, the Corporation identified a unique opportunity and decided it was in its best interests to focus on copper-gold exploration and development in Ecuador. The Corporation has since expanded its exploration portfolio in Ecuador and is focused on the discovery and definition of economic copper and gold deposits. The Corporation has not earned any revenue to date and is considered to be in the exploration stage.

The Corporation's main project and area of focus is the Curipamba property in Ecuador ("Curipamba") where it has an earn-in option agreement ("Salazar Option Agreement") with Salazar Resources Ltd. ("Salazar Resources") under which all necessary requirements for the earn-in have been completed and the Corporation exercised the option in December 2021 for a 75% interest in the mineral property of Curipamba. The Corporation also formed an exploration alliance (the "Exploration Alliance") with Salazar and executed an exploration alliance agreement with Salazar Resources to explore for additional mineral projects in Ecuador. To date, two projects have been established in the Exploration Alliance by the Pijilí Agreement and the Santiago Agreement respectively (collectively the "Pijilí and Santiago Agreements"): the Pijilí and the Santiago projects, with Adventus owning an 80% interest in the Exploration Alliance Projects and Salazar Resources owning the remaining 20% interest. With the feasibility study completed on the El Domo deposit in Curipamba in December 2021, Adventus continues to advance Curipamba to a construction decision over the next twelve months and to evaluate new properties and projects or strategic alliances in Ecuador for the Exploration Alliance.

With the focus on Ecuador, the original portfolio of properties in Ireland ("Irish Properties") and in Newfoundland and Labrador, Canada ("Newfoundland Properties") which the Corporation acquired in 2016 from Altius Resources Inc. ("Altius Resources") became non-core holdings and strategic partners were sought for further exploration and development. This has resulted in the Newfoundland Properties being consolidated with properties of Canstar Resources Inc. ("Canstar") in exchange for shares in Canstar; part of the Irish Properties divested to BMEx Limited ("BMEx"); and the remainder of the Irish Properties now subject to an earn-in agreement ("South32 Agreement") with a subsidiary of South32 Limited ("South32"). In July 2021, the Corporation agreed to divest its entire portfolio of shares in Canstar which was completed by the middle of August 2021. (See "Divestment of Canstar Shares" below for more details).

2021 HIGHLIGHTS

Curipamba Earn-in

- On December 10, 2021, having filed the feasibility study ("Feasibility Study") titled "National Instrument 43-101 ("NI 43-101") Technical Report Feasibility Study – Curipamba El Domo Project", the Corporation has completed the final milestone requirement under the Salazar Option Agreement and delivered written notice of the exercise of the option for 75% of the Canadian subsidiary of Salazar Resources that holds indirectly 100% of the Curipamba project. (See: "Curipamba Earn-in" below for more details.)

Feasibility Study – El Domo

- All required studies for the Feasibility Study at the El Domo ("El Domo") volcanogenic massive sulphide ("VMS") deposit in Curipamba were completed in the quarter ended September 30, 2021. On October 26, 2021, the Corporation announced the results of the Feasibility studies as well as updated mineral resources of El Domo, followed by the filing on December 10, 2021. The following summarizes the results. (See "Curipamba – El Domo Feasibility Study" below for notes and more details).

Open Pit Feasibility Study Results	Feasibility Study Base Case
After-Tax NPV ($M, 8% discount rate)	$259
After-Tax IRR (%)	32%
Cumulative First 6 Years of After-Tax Cashflow ($M undiscounted)	$495
Initial Capital Cost ($M, incl. refundable Value Added Tax (VAT))	$248
Total Life of Mine Capital Cost including Closure ($M)	$316
All-In Sustaining Cost ("AISC") ($/lb CuEq Basis)	$1.26
Payback Period (years)	2.6

- The following open-pit mineral reserves statement forms the basis for the Feasibility Study. (See "Curipamba – El Domo Feasibility Study" below for notes to the mineral reserves statement).

Classification		Grade					Contained Metal				
	Tonnage (kt)	Cu (%)	Pb (%)	Zn (%)	Au (g/t)	Ag (g/t)	Cu (kt)	Pb (kt)	Zn (kt)	Au (koz)	Ag (koz)
Proven Reserves	3,136	2.50	0.2	2.30	2.83	41	78.4	6.7	72.0	285	4,175
Probable Reserves	3,343	1.39	0.3	2.67	2.23	50	46.4	9.4	89.4	240	5,342
Proven + Probable	**6,478**	**1.93**	**0.2**	**2.49**	**2.52**	**46**	**124.9**	**16.2**	**161.4**	**525**	**9,517**

Environmental and Social Impact Assessment ("ESIA") – El Domo

- On November 18, 2021, the Corporation announced that the ESIA for the Curipamba project has been completed and the environmental licensing process has been initiated with the appropriate ministry. (See "Curipamba – El Domo Environmental and Social Impact Assessment ("ESIA") below for more details and news release dated November 18, 2021).
- The ESIA includes a comprehensive monitoring and management plan that details the mitigation offered by the Curipamba project to avoid or reduce impacts to acceptable levels, such as
  - the use of rainwater for the process plant that eliminate the need for surface water intake structures;
  - active management of geochemically active waste rock identification ensure avoidance of acid drainage;
  - protection and propagation of flora and fauna species where effects are predicted in remnant forest patches which may offer habitat to important biodiversity; and
  - introduce key benefits to local communities and to Ecuador in areas of temporary employment opportunities during construction and permanent jobs during operations, partnership and capacity building opportunities to maximize participation of local businesses, economic diversification of local economy, and life of mine royalties and taxes to the government.

Exploration

- Curipamba regional exploration – On August 9, 2021, the Corporation announced that it has identified a new VMS system approximately 4.5 km southwest of the El Domo VMS deposit. Exploration work, including drilling, continued on regional targets previously defined for Curipmaba. An update on December 7, 2021 provided more details of drill results. (See "Curipamba Project – Regional Exploration" below);
- Pijilí exploration – drilling program on the Mercy concession at Pijilí was completed in March 2021 with a total of twelve drill holes totalling 7,031 metres on the first of multiple porphyry targets identified. (See "Exploration Alliance – Pijilí" below for more details and news releases dated April 8, 2021 and April 20, 2021). The Corporation is also looking at strategic options for Pijilí, including expansion of the land footprint and adding a strategic partner to drill identified target in 2022;
- Santiago exploration – community support work, including public health initiatives and socialization of the exploration plans continued at site with a 2,500-metre drilling program being planned for mobilization in 2022; and
- Irish exploration – exploration work continued in Ireland pursuant to the South32 Agreement and drilling commenced on the Kingscourt property in the second quarter of 2021. (See "Irish Projects" below for more details and news release dated May 6, 2021).

Divestment of Canstar Shares

- On July 8, 2021, the Corporation agreed to sell its 17,336,339 shares in Canstar at C$0.375 per share. On July 15, 2021 and August 13, 2021, the Canstar sale closed in two tranches for aggregate cash proceeds of approximately $5,182,000 (C$6,501,000) for a gain of $2,985,000.

COVID-19

- In 2020, field work in Ecuador was suspended for several months due to the COVID-19 pandemic. Globally, nations are in different stages of economic recovery from the COVID-19 pandemic. The availability of vaccines or the lack thereof plays an important role in the path back to normalcy. Most countries worldwide have a high vaccination rate, and throughout 2021, subject to various health and safety protocols, work on all the projects have been carried out with only minor disruptions and most of the

Corporation's offices and sites are now on a hybrid mode where possible. Essential travel has resumed, and work is returning to pre-pandemic levels.

Subsequent to the year end, the Corporation have made further progress in de-risking the projects, in terms of ensuring that Curipamba will be well-funded while making further strides on the project execution side with the environmental permits and investment protection agreement with the various ministries in Ecuador, as well as the hiring of key personnel in Ecuador and the award of various contracts for the next phase of work, and study to develop a roadmap to setting climate change strategies for Curipamba while navigating against the backdrop of uncertainties in the global geopolitical front.

Project Financing

- In January 2022, the Corporation, together with its subsidiary Alliance Metals International ("AMI") entered into a definitive Precious Metals Purchase Agreement ("PMPA") with Wheaton Precious Metals International Ltd., a subsidiary of Wheaton Precious Metals Corp. ("Wheaton") in respect of Curipamba, with an upfront cash consideration of $175.5 million as well as up to $5 million in equity to the Corporation, in return for precious metals streaming rights over the life-of-mine.
- Concurrently, the Corporation also entered into a binding engagement for an Offtake Financing Agreement ("OFA") with Trafigura Pte Ltd. ("Trafigura") for a $45 million senior debt facility and $10 million in equity to the Corporation, in return for certain concentrate offtake rights over the life-of-mine.
- As at date of this MD&A, work is ongoing to finalize the security agreements with Wheaton as well as the definitive agreements with Trafigura for drawdown later in 2022.

Equity Financing

- 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 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.

Project Team

- In February 2022, the Corporation announced that Mr. Skott Mealer, a project and construction management professional with over 15 years of project execution success in the Americas, will join the team as General Manager of Curimining and be part of the Adventus executive management team in April 2022.
- Concurrently, the Corporation awarded an Engineering and Procurement ("EP") contract to DRA Americas Ltd ("DRA") to complete the detailed engineering and long lead equipment procure for Curipamba.
- Other key hires in various areas, both in corporate head office and in Ecuador, covering various areas of the Corporation, including finance, human resources, construction, IT etc. are under way, to round out the team.

Decarbonization roadmap

- In March 2022, the Corporation announced a collaboration with Invert Inc. ("Invert"), a net-zero advocate which works with businesses to acquire carbon credits, to develop a decarbonization roadmap and climate change policy for Curipamba.
- Copper is an essential part of the global green energy transition and Curipamba, with its planned use of energy that has primarily hydro-electric sources, and its proximity to deep water ports, is expected to have a low greenhouse gas ("GHG") emissions intensity.
- The Corporation, therefore, look to Invert for recommended GHG reduction initiatives that align with corporate and project objectives.

Global geo-political developments

- In February 2022, conflicts in Europe between Russia and Ukraine led to significant casualties and damage to infrastructure and mass relocation in Ukraine. In response, various global jurisdictions have imposed economic sanctions on Russia and its allies and some companies have opted to curtail or cease operations in Russia.
- While the Corporation is not directly affected by developments there, the ripple effect of the war and its disruption of traded exacerbated the global supply-chain challenges, labour shortages and inflationary pressures that had been brought on by the

pandemic disruptions and the war. These will introduce volatility in the prices of commodities and energy as well as global economic recovery.

EXPLORATION OUTLOOK IN ECUADOR

The Corporation's strategy is to conduct mineral exploration and development, as well as project generation activities. All properties that are capitalized meet the criteria associated with exploration and evaluation assets in which licenses are held. Properties that yield potential are staked or acquired and initial exploration work is performed. The Corporation then determines whether the initial exploration results are favourable enough to warrant further exploration work with a goal of eventual mine development. In the event the property has unfavourable results and no further work is warranted, the property is divested or abandoned and written down.

The Corporation's main focus in 2021 continued to be on the El Domo deposit in Curipamba, where following the completion of the Feasibility Study and the agreed qualifying project expenditures in Curipamba, the Corporation has exercised its option to acquire 75% of Salazar Holdings Ltd. ("Salazar Holdings"), whose wholly owned subsidiary Curimining S.A. ("Curimining") owns Curipamba.

The Corporation continues with exploration in Curipamba outside of the El Domo deposit and within the Exploration Alliance in the Pijilí and Santiago projects. The initial drilling program in Pijilí has been completed in early 2021 while regional exploration drilling in Curipamba, outside of El Domo, continued in 2021. An initial drilling program in Santiago was planned to commence in the second half of 2021. This has been deferred to 2022 to allow more work to be done on social and community outreach. The Corporation may divest or joint venture its properties and may consider other project-level financing offers.

In addition to exploration and development work at Curipamba and the Exploration Alliance properties, the Corporation continues to evaluate opportunities within Ecuador to add to its portfolio. Ecuador is located in the same Andean region as Peru and Colombia, and shares much of the same geology as these resource-rich mining districts. Ecuador is rich in natural resources but has been under-explored for minerals. As Ecuador recognizes modern mining as an engine of long-term economic growth, it continues to introduce measures to improve the mining investment environment. Ecuador's private and public sectors continue to make significant investments in its infrastructure, and the country continues to benefit from one of the lowest energy costs in the Americas. Its proximity to the Panama Canal, and access to modern port and highway logistics provide significant global and regional advantages. As with most countries in the Andean region, the natural resources from the land including both minerals and water sources, are considered critical and sacred to the peoples and their habitat and ecosystems in those region, and various groups have challenged federal or local authorities in making their concerns heard. Constitutional courts have heard and ruled on these matters, and so far, no ruling had been made retrospectively to rights already granted to mining companies.

President Guillermo Lasso was inaugurated on May 24, 2021. Some of Lasso's election platform promises include the opening of the market, promoting foreign investment, the reduction of taxes and the commitment to respect the agreement with the IMF and the debt restructuring agreed to by the previous administration. As a responsible explorer and potential miner, the Corporation is committed to respecting the communities and the environment in which it works and has undertaken a wide range of programs focused on their environmental and social well-being. On August 5, 2021, President Lasso, by Executive Decree No. 151 ("Decree") issued an Action Plan ("Plan") for the mining sector of Ecuador, which defined a new mining policy and provided a clear plan to "develop efficient and environmentally responsible mining, determine potential local geological potential of domestic and foreign investment and implement best practices for the use of these resources." In particular, the Plan guarantees contracts and rights previously acquired and signed with the Ecuador government. The Plan includes, among other commitments, to develop a new mining cadastre, to eradicate illegal mining, and review and process outstanding applications for permits, licenses and other administrative processes.

At Curipamba, local community, exploration, and project development activities are carried out by an all in-country Ecuadorian team. Local social programs are undertaken to encourage education and capacity building, environmental protection, economic development and diversification and improved opportunities for employment. Two rounds of official community consultations have been completed ahead of the announcement of the completion of the ESIA (see "Curipamba – El Domo Environmental and Social Impact Assessment" below) and more will be scheduled closer to the ESIA approval date.

EXPLORATION AND EVALUATION ASSETS

The following is a financial summary of exploration and evaluation assets owned or under the management of the Corporation, as well as options to acquire mineral interests, as at December 31, 2021 and December 31, 2020:

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)	$	-

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 continued to advance the Curipamba project and during the year ended December 31, 2021 incurred an amount of $18,283,000 in the option to acquire interest in the Curipamba project. The amount used was mainly for land acquisition, drilling, feasibility study, engineering studies such as environmental impact studies, permitting, preliminary engineering design, and metallurgical test work. As at December 31, 2021, the Corporation has funded $47,127,000 of the Qualifying Project Expenditures into the option in Curipamba, an amount which exceeded the $25,000,000 amount required over five years as specified in the Curipamba Option Agreement and hence satisfied the cumulative spending condition of the earn-in. 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 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.

The following is a breakdown of the Curipamba Project option costs for the years ended December 31, 2019 and 2020, and the Curipamba exploration and evaluation asset costs for the year ended December 31, 2021, after the earn-in was completed and the results of Salazar Holdings consolidated into the financial statements of Adventus:

	Curipamba Exploration and Evaluation Asset for year ended	Option to acquire mineral interests: Year ended	
	Dec 31, 2021	Dec 31, 2020	Dec 31, 2019
Balance, beginning of period	$ 28,844	$ 19,260	$ 10,074
Acquisition cost	18,559	-	-
Concession related costs and land acquisition	1,200	1,392	2,148
Drilling and geological interpretation	5,044	2,119	1,647
Feasibility studies including engineering studies	4,028	977	354
Camp, environment and community relations	6,662	4,213	3,878
General and administrative	1,349	883	1,159
Balance, end of period	$ 65,686	$ 28,844	$ 19,260

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.

Pursuant to the South32 Agreement signed on January 13, 2020 with South32 Ireland, work continued on the South32 Earn-In Projects with funding from South32. 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 an amount of $1,015,000 attributable to exploration and evaluation asset expenditures as well as expenditures on the option to acquire mineral interest. (December 31, 2020: $479,000).

The table below shows a breakdown of material components of the exploration and evaluation assets other than Curipamba as at December 31, 2021 and December 31, 2020:

As at December 31, 2021	Irish Properties			Ecuadorian Properties		Early stage Exploration and Evaluation Assets
	Rathkeale	Kingscourt	Fermoy	Pijilí	Santiago	
Accommodations	$ 3	$ 1	$ -	$ 306	$ 254	$ 564
Acquisitions	145	102	6	3,233	982	4,468
Analytical charges	169	-	-	738	47	954
Drilling	-	-	-	1,325	96	1,421
Field costs	52	-	11	1,822	815	2,700
Field supplies	2	-	-	545	278	825
Geophysics	66	-	-	1,065	558	1,689
Hotels and Meals	8	-	-	-	-	8
Technical and Professional Support	973	12	5	1,040	740	2,770
Travel	54	-	-	78	- -	132
Patents and Permitting	-	-	-	146	218	364
Others	-	-	-	96	4	100
Total	$ 1,472	$ 115	$ 22	$ 10,394	$ 3,992	$ 15,995

As at December 31, 2020	Irish Properties			Ecuadorian Properties		Early stage Exploration and Evaluation Assets
	Rathkeale	Kingscourt	Fermoy	Pijilí	Santiago	
Accommodations	$ 3	$ 1	$ -	$ 216	$ 97	$ 317
Acquisitions	158	109	6	3,160	982	4,415
Analytical charges	183	-	-	391	9	583
Drilling	-	-	-	1,196	-	1,196
Field costs	56	-	13	1,228	310	1,607
Field supplies	3	-	-	382	71	456
Geophysics	71	-	-	1,070	555	1,696
Hotels and Meals	9	-	-	-	-	9
Technical and Professional Support	1,051	12	6	585	411	2,065
Travel	56	1	-	51	21	129
Patents and Permitting	-	-	-	131	218	349
Others	-	-	-	43	1	44
Total	$ 1,590	$ 123	$ -	$ 8,453	$ 2,675	$ 12,866

ECUADOR PROJECTS

Curipamba Earn-in

On December 10, 2021, the Corporation filed the Feasibility Study, results of which were announced on October 26, 2021. The Feasibility Study was commenced in July 2020 and was led by DRA.

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, 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 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. 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%.

Curipamba – El Domo Feasibility Study

Highlights of the results of the Feasibility Study are as follows:

Mineral Resource estimate update

As part of the Feasibility Study, an update to the mineral resource estimate was completed, with an effective date of October 26, 2021 and is disclosed in accordance with National Instrument 43-101 ("NI 43-101") Standards of Disclosure for Mineral Projects and prepared by SLR Consulting (Canada) Ltd. ("SLR"), formerly Roscoe Postle Associates. The updated Mineral Resource estimate (Tables 1a to 1c below) is supported by information provided from 391 core boreholes, totalling 74,992 metres, completed between 2007 and 2021 and possesses a similar footprint to the previous Mineral Resource estimate (see May 2, 2019 news release). The infill drilling in 2020 and 2021 resulted in the upgrading of portions of the Mineral Resource from previously classified Indicated to Measured and Inferred to Indicated categories. Other highlights include copper grades increasing by 9%.

Table 1a. Total Mineral Resource for El Domo, Curipamba Project – October 26, 2021 (sum of tables 1b and 1c)

Resource Category	Tonnes (Mt)	Grade					Contained Metal				
		Cu (%)	Pb (%)	Zn (%)	Au (g/t)	Ag (g/t)	Cu (kt)	Pb (kt)	Zn (kt)	Au (koz)	Ag (koz)
Measured	3.2	2.61	0.24	2.50	3.03	45	84.9	7.7	81.1	316	4,704
Indicated	5.7	1.83	0.24	2.64	1.98	45	104.5	13.9	150.6	364	8,265
M+I	**9.0**	**2.11**	**0.24**	**2.59**	**2.36**	**45**	**189.4**	**21.6**	**231.7**	**680**	**12,969**
Inferred	1.1	1.72	0.14	2.18	1.62	32	18.5	1.5	23.6	57	1,118

Table 1b. Pit Constrained Mineral Resource for El Domo, Curipamba Project – October 26, 2021

Resource Category	Tonnes (Mt)	Grade					Contained Metal				
		Cu (%)	Pb (%)	Zn (%)	Au (g/t)	Ag (g/t)	Cu (kt)	Pb (kt)	Zn (kt)	Au (koz)	Ag (koz)
Measured	3.2	2.61	0.24	2.50	3.03	45	84.9	7.7	81.1	316	4,704
Indicated	3.8	1.38	0.30	2.77	2.29	52	52.6	11.3	105.2	280	6,370
M+I	**7.1**	**1.95**	**0.27**	**2.64**	**2.63**	**49**	**137.5**	**19.0**	**186.3**	**596**	**11,074**
Inferred	0.3	0.34	0.20	1.01	1.34	39	1.2	0.7	3.5	15	430

Table 1c. Underground Mineral Resource for El Domo, Curipamba Project – October 26, 2021

Resource Category	Tonnes (Mt)	Grade					Contained Metal				
		Cu (%)	Pb (%)	Zn (%)	Au (g/t)	Ag (g/t)	Cu (kt)	Pb (kt)	Zn (kt)	Au (koz)	Ag (koz)
Indicated	1.9	2.72	0.14	2.38	1.37	31	51.9	2.6	45.4	84	1,895
Inferred	0.8	2.31	0.11	2.68	1.74	29	17.3	0.8	20.1	42	688

Notes:

1. *CIM Definition Standards (2014) definitions were followed for Mineral Resources.*
2. *Mineral Resources are reported above a cut-off Net Smelter Return ("NSR") value of $29/t for Mineral Resources amenable to open-pit mining and the underground portion of the 2021 Mineral Resources are reported with mining shapes which were generated using a $105/t NSR cut-off value.*
3. *The NSR value is based on estimated metallurgical recoveries, assumed metal prices, and smelter terms, which include payable factors treatment charges, penalties, and refining charges.*

4. *Mineral Resources are estimated using the metal price assumptions: $4.00/lb Cu, $1.05/lb Pb, $1.30/lb Zn, $1,800/oz Au, and $24/oz Ag.*
5. *Metallurgical recovery assumptions were based on three mineral types defined by the metal ratio Cu/(Pb+Zn):*
   a. *Zinc Mineral (Cu/(Pb+Zn) <0.33): 86% Cu, 90% Pb, 97% Zn, 68% Au and 78% Ag*
   b. *Mixed Cu/Zn Mineral (0.33≤ Cu/(Pb+Zn) ≤3.0): 86% Cu, 82% Pb, 95% Zn, 55% Au and 67% Ag*
   c. *Copper Mineral (Cu/(Pb+Zn) >3.0): 80% Cu, 37% Pb, 36% Zn, 14% Au and 29% Ag*
6. *NSR factors were also based on the metal ratio Cu/(Pb+Zn):*
   a. *Zinc Mineral (Cu/(Pb+Zn) <0.33): 53.41 $/% Cu, 7.99 $/% Pb, 13.47 $/% Zn, 30.91 $/g Au and 0.39 $/g Ag*
   b. *Mixed Cu/Zn Mineral (0.33≤ Cu/(Pb+Zn) ≤3.0): 58.99 $/% Cu, 7.05 $/% Pb ,13.41 $/% Zn, 25.12 $/g Au and 0.34 $/g Ag*
   c. *Copper Mineral (Cu/(Pb+Zn) >3.0): 57.83 $/% Cu, 6.84 $/g Au and 0.19 $/g Ag*
7. *Bulk density interpolated on a block per block basis using assayed value, the correlation between measured density values and iron content, and base metal grade. The bulk densities range between 2.1 t/m³ and 4.6 t/m³*
8. *Mineral Resources are inclusive of Mineral Reserves.*
9. *Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.*
10. *The underground portion of the Mineral Resources are reported within underground reporting shapes and include low grade blocks falling within the shapes.*
11. *Qualified Person ("QP") is not aware of any environmental, permitting, legal, title, taxation, socio-economic, marketing, political, or other relevant factors that could materially affect the Mineral Resource estimate*
12. *Numbers may not add due to rounding.*

Feasibility Study Mineral Reserves

The basis of the Curipamba Feasibility Study is on the maiden open-pit Mineral Reserves that were estimated from the updated open-pit Mineral Resources and on the mine design by DRA (Table 2).

Table 2: Open-Pit Mineral Reserves Statement

Classification	Tonnes (kt)	Grade					Contained Metal				
		Cu (%)	Pb (%)	Zn (%)	Au (g/t)	Ag (g/t)	Cu (kt)	Pb (kt)	Zn (kt)	Au (koz)	Ag (koz)
Proven Reserves	3,136	2.50	0.2	2.30	2.83	41	78.4	6.7	72.0	285	**4,175**
Probable Reserves	3,343	1.39	0.3	2.67	2.23	50	46.4	9.4	89.4	240	**5,342**
Proven + Probable	**6,478**	**1.93**	**0.2**	**2.49**	**2.52**	**46**	**124.9**	**16.2**	**161.4**	**525**	**9,517**

Notes:
1. *Waste: Ore Strip Ratio 6.02 : 1 not including pre-strip waste and 8.59 : 1 including pre-strip waste*
2. *The effective date of the Mineral Reserve Estimate is October 26, 2021.*
3. *Mineral Reserves are reported in accordance with CIM Definition Standards (2014) and best practice guidelines (2019).*
4. *An NSR cut-off grade of $32.99 was used for all material.*
5. *Mineral reserves were estimated at a gold price of $1,630/oz, a silver price of $21.00/oz, a lead price of $0.92/lb, a zinc price of $1.16/lb, and a copper price of $3.31/lb; they include modifying factors related to mining cost, dilution, mine recovery, process recoveries and costs, G&A, royalties, and rehabilitation costs.*
6. *Figures have been rounded to an appropriate level of precision for the reporting of Mineral Reserves.*
7. *Due to rounding, some columns or rows may not compute exactly as shown.*
8. *The Mineral Reserves are stated as dry tonnes processed at the crusher.*
9. *Tonnages are presented in metric tonnes*

Open-Pit Feasibility Study

The Feasibility Study is based only on open-pit Mineral Reserves, whereas the 2019 preliminary economic assessment included both the open pit and potential underground Mineral Resources ("2019 PEA"). Table 3 provides a summary of the key Feasibility Study results with sensitivity scenarios for higher and lower metal prices also shown.

Table 3: Open Pit Feasibility Study Results

Open Pit Feasibility Study Results	Feasibility Study Base Case	-15% Price Deck	Spot Prices as of October 19, 2021
After-Tax NPV ($M, 8% discount rate) (1)	$259	$159	$423
After-Tax IRR (%) (2)	32%	23%	44%
Cumulative First 6 Years of After-Tax Cashflow ($M) (discounted)	$495	$391	$664

Initial Capital Cost ($M, incl. refundable VAT) (3)	$248		
Total Life of Mine Capital Cost including Closure ($M) (4)	$316		
AISC ($/lb CuEq Basis) (5)	$1.26	$1.23	$1.41
Payback Period (years)	2.6	3.2	2.1
Nominal processing capacity (tpd)	1,850		
Average annual payable production (Years 1 - 9) (6)	Cu = 11 kt		
	Au = 26 koz		
	Zn = 12 kt		
	Ag = 488 koz		
	Pb = 0.5 kt		
	CuEq= 23 kt	CuEq= 22 kt	CuEq= 21 kt
Metal prices assumed	$1,700/oz Au	$1,445/oz Au	$1,766/oz Au
	$23.00 /oz Ag	$19.55 /oz Ag	$23.29 /oz Ag
	$3.50 /lb Cu	$2.98 /lb Cu	$4.72 /lb Cu
	$0.95 /lb Pb	$0.81 /lb Pb	$1.10 /lb Pb
	$1.20 /lb Zn	$0.98 /lb Zn	$1.70 /lb Zn

Notes:

1) *Unless otherwise noted, all currencies are reported in US dollars on a 100% project basis*
2) *Assumes an 18-month construction period as the basis for the internal rate of return ("IRR") and net present value ("NPV") calculations*
3) *Capital cost estimates are to AACE class 3, are based primarily on contractor quotes and vendor equipment pricing, and includes 12% VAT (~$25M total) on the applicable work/materials, as well as an approximate 10% contingency. A developmental capital package (~$25M) for the progression of early works and project design is assumed to be sunk and not included in the capital cost shown here. It is envisioned to be spent prior to a construction decision.*
4) *Includes credit for $10M salvage at end of mine life*
5) *AISC per pound copper, cash cost per pound and cash cost per pound are not measures recognized under IFRS and are referred to as non-GAAP measures. These measures have no standardized meaning under IFRS and may not be comparable to similar measures presented by other companies. AISC per pound copper represents mining, processing, site general and administrative costs, royalties, refining, penalties, concentrate transport, and sustaining capital dividend by payable copper equivalent pounds.*
   Copper Equivalent Calculation:(Payable Metals NSR Ag,Zn,Pb,Au, Ag)/(Payable Metals NSR Cu) (Payable Copper t)*
6) *Year 10 excluded from the average as it is a partial year of production.*

Open-Pit Mining

The open-pit will be mined using a traditional truck and shovel operation with a contractor mining fleet consisting of drills, shovels, front end loaders, and 40-ton haul trucks. The open-pit will be developed in four phases and operate for approximately 10 years of production, with total material movement of 61.8 Mt (6.5 Mt ore and 55.3 Mt waste) at a strip ratio of 8.6 (including pre-stripping) and 6.02 without pre-stripping included. The open-pit mine design consists of a single pit with a mining sequence to maximize grade, but also provides suitable construction material for the project infrastructure and waste management facilities during construction. Mining of ore is expected to begin within 18 months of the start of pre-production waste movement.

Open-Pit Processing

Previously conducted metallurgical test-work programs in 2014 and 2019 were supplemented with further comminution, flotation, locked cycle, solid/liquid separation test-work programs and associated minerology and assays during 2020 and 2021. Samples consisted of remaining material from the 2019 test-work campaign and new composite samples taken from representative drill cores in 2020 and 2021. Results corresponded well with previously completed test-work with improvements in recoveries and grades incorporated in the Feasibility Study.

Net recoveries to copper, zinc, and lead concentrates total 87.5% for copper, 84.7% for zinc, 51.8% for gold, 63.6% for silver, and 30.3% for lead. The net recoveries only include metals that are payable in their respective concentrates.

The process plant is expected to ramp-up production over a three-month period following completion of construction to a steady state throughput rate of 666,000 tonnes/year (1,850 tpd). The processing plant design includes a comminution circuit consisting of a two-stage crushing circuit followed by ball milling, and sequential flotation circuits producing copper, zinc, and lead concentrates.

Site Infrastructure

The major infrastructure items considered and costed in the Feasibility Study support a mining and milling operation that is expected to operate 24-hours per day, seven-days per week. The design of project infrastructure has prioritized environmental protection, workforce safety, and operating efficiency while minimizing community impacts. The project site will consist of the open-pit mine and mining related workshops, a processing plant, waste rock and conventional tailings facility, and support service infrastructure such as warehousing, offices and workshops.

The project site is water positive for which water capture, treatment and discharge infrastructure has been allowed for and designed. The project will draw water from within the property and contain chemical process water and tailings within the TSF. Water management and treatment has been allowed for to treat both open-pit dewatering and surface facilities run-off to required environmental discharge standards.

The site will be supported by electrical grid power which requires the construction of a 7.1 km 69kV power line. The power grid of Ecuador is supplied mostly by hydro-electric generation, which may offer future credits to the project. The mine and process operations are supported by functional maintenance and administration infrastructure located on site as well as off-site locations for non-critical administrative functions. Select local access roads will be upgraded and maintained throughout the mine life.

The proposed tailings storage is of conventional design containing both tailings and process water. Waste rock and over burden will be split by type and placed in suitably designed facilities that will ensure stability and containment and run-off treatment of any potentially acid generating waste rock. All facilities are located near the open-pit mine to maximize efficiencies and minimize impact. The TSF is suitably designed to international standards for earthquake events, storms and floods.

Initial Capital Costs and Sustaining Costs

The initial capital expenditures for the project as estimated by DRA are summarized in Table 4. Capital expenditures to be incurred after the start-up of operations are assigned to sustaining capital and are projected to be covered by operating cash flows. Project contingencies have been added where applicable, excluding capitalized operating costs, which results in an overall contingency of $21.9M or 10% (excluding VAT).

The Curipamba project will benefit from established infrastructure in Ecuador, noting that the project is only 150 km by road to the major port city of Guayaquil. Local infrastructure owned by the Partners in the town of Las Naves will further support the project development. The estimated initial capital cost of $248M is inclusive of applicable VAT, with approximately $25 million expected to be refunded against VAT charged upon the commencement of concentrate sales.

Table 4: Initial Capital Cost Estimate

Initial Capital Cost Estimate ($M)	2021 Feasibility Study Total
Mining	$52.0
Earthworks	$34.3
Process Plant	$84.0
Buildings	$3.6
Contractor Indirect	$18.4
Freight & Logistics	$4.5
EPCM, Owners Cost, Consultants	$25.0
Surface Mobile Equipment & Spares	$4.3
Project Contingency	$21.9
TOTAL	**$248.0**(1)

Notes

1) *Capital cost estimates are to AACE class 3, are based primarily on contractor quotes and vendor equipment pricing, and includes 12% VAT (~$25M total) on the applicable work/materials, as well as an approximate 10% contingency. A developmental capital package (~$25M) for the progression of early works and project design is assumed to be sunk and not included in the capital cost shown here. It is envisioned to be spent prior to a construction decision.*

DRA estimates the life-of-mine sustaining capital for Curipamba to be $53M, which consists of $29M during mine operations and $34M in closure costs, offset by an estimated $10M in salvage value upon mine closure. Sustaining capital will be funded by operating cash flows.

Open Pit Operating Costs

The estimated operating costs for the Curipamba open-pit mine is $56.21/tonne (t) of mill feed – see Table 5. DRA has estimated the operating cost based on in-country contractor and supplier quotations, industry benchmarking, proprietary information, and its professional experience.

Table 5: On Site Operating Cost for the Open-Pit

Metric	Unit	Feasibility Study
Open pit mining cost (excl. pre-production)	$/t mined	3.35
Processing cost	$/t milled	22.74
G&A	$/t milled	8.95

Projected Treatment Charges ("TCs") and transport charges for the copper, zinc and lead concentrates were developed by a global major off-taker based on their extensive mining projects experience in Latin America. Table 6 summarizes the key terms used in the Feasibility Study.

Table 6: Off Site Costs – Copper, Zinc and Lead concentrates

Item	Copper Concentrate	Zinc Concentrate	Lead Concentrate
Treatment Charge	$80 / dry metric tonne ("dmt")	$220 / dmt	$180 / dmt
Refining Charge			
Primary Metal	$0.08 / lb Cu	-	-
Gold	$5.00 / oz	-	$15.00 / oz
Silver	$0.50 / oz	-	$1.50 / oz
Payability			
Copper	96.5%	-	-
Zinc	-	85%	-
Gold	95%	75%	95%
Silver	90%	75%	95%
Lead	-	-	95%
Moisture %	10%		
Transportation	$71.74 / wet metric tonne ("wmt")		

The concentrates are of good quality, with strong precious metals credits. A minor penalty for the combined zinc and lead grade in the copper concentrate was applied, at a rate of $3.00 / dmt for every 1% over 4%. Life-of-mine penalties for the copper concentrates were calculated to be approximately $4.7M, which could be decreased further with future blending strategies. Concentrates will be trucked approximately 275 km to the deep-water port at Posorja, southwest of Guayaquil, primarily on the Pan American highway, and shipped internationally.

Taxes and Royalties

Taxes and royalties that are presented in the Feasibility Study were based on Ecuadorian legislated tax rates and reviewed by an independent tax consultant. Improvements may be possible based on final terms agreed upon with the Ecuadorian government. Based on long-term prices assumed in the Feasibility Study, life-of-mine royalties to the government are estimated to be $59M, value added taxes ("VAT") are estimated to be $65M, while additional state taxes of $105M and income taxes of $147M – for an estimated total of $376M in taxes and royalties to the government of Ecuador over the 10 year mine life. An additional 2% NSR royalty is also payable to Altius Minerals Corporation. The VAT portion of the taxes are assumed to be refundable against exported concentrate revenues.

Environmental and Community Matters

See "Curipamba – El Domo Environmental and Social Impact Assessment ("ESIA")" below for more details.

Underground Mine PEA

The updated PEA for the underground mine expansion assumes the same metallurgy, treatment charges, refining charges, penalty assumptions, transport charges, tax structure, royalties, and surface infrastructure as the open-pit Feasibility Study. In particular, the process plant will be used for the underground operation, and the tailings storage facility has sufficient excess capacity to support the underground operation. As a result, this section will only summarize the underground PEA highlights, including the updated Mineral Resources amenable to underground mining, capital and operating costs estimates, and financial metrics.

The underground mine plan consists of 2.0 million tonnes at 2.48% Cu, 2.18% Zn, 1.25 g/t Au, 28.1 g/t Ag, 0.13% Pb of diluted Indicated Resources, and 0.8 million tonnes at 2.13% Cu, 2.46% Zn, 1.60 g/t Au, 26.4 g/t Ag, 0.09% Pb, of diluted Inferred Resources.

For consistency, the years of operation for the Underground PEA use the same starting point as the open-pit Feasibility Study, however the underground PEA is considered a separate mine plan on mineral resources exclusive of those used in the open-pit mine plan and will not potentially commence until the open-pit reserves are exhausted in year 10. Development capital for the Underground PEA is anticipated to be spent starting in year 9, to allow for the start of underground operations in year 10. NPV and IRR calculations for the Underground PEA have been significantly discounted back to year -2.

The preliminary economic assessment is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that the preliminary economic assessment will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

Table 7: Curipamba Underground Mine PEA Results

	Underground PEA Base Case	-15% Price Deck	Spot Prices as of October 19, 2021
After-Tax NPV ($M, 8% discount rate) (1)(2)	$49	$27	$93
Total development capital for underground ($M) (3)	$42		
Nominal processing capacity (tpd)	1,850		
Average annual payable production (Years 11 - 14)	Cu = 14 kt		
	CuEq = 20 kt	CuEq = 20 kt	CuEq = 20 kt
Metal prices assumed	$1,700/oz Au	$1,445/oz Au	$1,766/oz Au
	$23.00 /oz Ag	$19.55 /oz Ag	$23.29 /oz Ag
	$3.50 /lb Cu	$2.98 /lb Cu	$4.72 /lb Cu
	$0.95 /lb Pb	$0.81 /lb Pb	$1.10 /lb Pb
	$1.20 /lb Zn	$0.98 /lb Zn	$1.70 /lb Zn

Notes:

1) *Unless otherwise noted, all currencies are reported in US dollars on a 100% project basis. Metals prices used are the same as the Feasibility Study*
2) *Underground PEA net present value ("NPV") calculations are discounted back to Y-2 of the open pit LOM for consistency*
3) *Capital cost estimate is based on DRA in-house estimates and benchmarking, inclusive of 12% VAT (~$4.5M)*
4) *CuEq is calculated as follows: (Payable Metals NSR Ag,Zn,Pb,Au, Ag)/(Payable Metals NSR Cu)* (Payable Copper t)*

DRA has selected a drift and fill mining method for the Underground PEA to maximize mine recovery. The 2019 PEA assumed a room and pillar operation which had a lower overall mine recovery due to resource material left behind in the pillars despite having a similar development and operating cost.

The El Domo underground deposit is amenable to a drift and fill operation and can supply the mill with 1,850 tpd throughput. A 20-metre pillar composed primarily of waste rock will separate the exhausted open-pit from the underground mine. Development cost is estimated at $5,239/m for drift and fill.

Underground Mine Operating Costs

The estimated operating cost for the Curipamba underground mine is $75.58/t of mill feed exclusive of processing and G&A costs. DRA has estimated the operating cost based on in-country contractor and supplier quotations, industry benchmarking, proprietary information, and its professional experience.

Table 8: On Site Operating Cost for the Curipamba Underground Mine

Metric	Unit	PEA
Underground mining cost	$/t mined	70
Cemented rock fill	$/t mined	5
Stockpile rehandling	$/t of stockpile	0.33
Mine dewatering	$/t mined	0.25
Processing cost	$/t milled	22.74
G&A	$/t milled	8.95

Next Steps for Curipamba

Following the completion of the Feasibility Study, the Corporation will progress the following workstreams prior to construction decision approval and ramp-up to full scale construction:

- Complete detailed engineering
- Additional geotechnical drilling and test work to support the detailed design
- Additional geochemistry test work
- Upgrade existing and construct a new access road to the project site
- Power line detailed engineering, permitting and preparatory work
- Commence site preparatory infrastructure work (fencing, on-site roads, clear & grub, etc.)
- Install the previously purchased construction camp (see July 14, 2021 news release)
- Purchase engineering / vendor data for long lead equipment to support the detailed design (ball mill, flotation cells etc.)
- Prepare request-for-proposal documentation and tender the major construction contracts (mining, earthworks, concrete, steel, mechanical/piping, electrical and instrumentation), in preparation for award
- Complete final land acquisition
- Receive ESIA approval, and sign-off on investment protection agreement

These activities are expected to cost approximately $25M to complete and are being funded through existing treasury cash and upcoming Wheaton and Trafigura proceeds. These costs are not included in the Feasibility Study capital cost estimate or financial results, as they are required to be completed prior to a final construction decision expected over the next twelve months.

The estimated cost to further advance the underground mine to a Feasibility Study design is approximately $8M, requiring an estimated 2.5 years to complete. This is envisioned as a program once initial production from the open-pit is achieved and shall be financed through cash flows from the open-pit mine operations.

Technical Information and Quality Control & Quality Assurance ("QAQC")

The Curipamba project resource-related work program is being managed and reviewed by Vice President Exploration, Jason Dunning, M.Sc., P.Geo., a non-Independent Qualified Person within the meaning of NI 43-101. Salazar staff collect and process samples that are securely sealed and shipped to Bureau Veritas ("BV") in Quito for sample preparation that includes crushing and milling to prepare pulps that are then split for shipment to their facility in Lima, Peru for analysis.

All assay data have undergone internal validation of QAQC; noting there is an established sampling control program with blind insertion of assay blanks, certified industry standards and sample duplicates for the Curipamba project. A QAQC program is also in place at BV and includes insertion of blanks, standards, and duplicate reanalysis of selected samples. BV's quality system complies with the requirements for the International Standards ISO 9001:2000 and ISO 17025: 1999. At BV, gold is analyzed by classical fire assay techniques with an ICP-AES finish, and both silver and base metals are analyzed by a 44-element aqua regia ICP-AES technique. Overlimit protocols are in place for gold, silver, copper, lead, and zinc.

The engineering and technical content of the Feasibility Study and Underground PEA has been reviewed and approved by Mr. Dustin Small, P.Eng., Vice President of Projects for Adventus, a non-Independent Qualified Person, as defined by NI 43-101.

Qualified Persons

The Mineral Resources disclosed in the October 26, 2021 press release have been estimated by Ms. Dorota El Rassi, P.Eng., SLR Consultant Engineer, independent of Adventus. By virtue of the education and relevant experience, Ms. El Rassi is "Qualified Person" for the purpose of National Instrument 43-101. Ms. El Rassi has read and approved the contents of this press release as it pertains to the disclosed Mineral Resource estimates.

Philip De Weerdt, Pr.Eng., MBA, Project Manager for DRA Americas Inc. is the Independent Qualified Person for the infrastructure, cost estimates, and financial results contained in the October 26, 2021 news release. Mr. De Weerdt, Pr.Eng., MBA, has been directly involved in the planning, implementation, and reporting of all related results.

Daniel Gagnon, P.Eng., Principal Mining Engineer for DRA Americas Inc. is the Independent Qualified Person for the open-pit mine design and mineral reserves contained in the October 26, 2021 news release. Mr. Gagnon, P.Eng., has been directly involved in the planning, implementation, and reporting of all mining related results.

Andre-Francois Gravel, Senior Mining Engineer for DRA Americas Inc. is the Independent Qualified Person for the underground PEA contained in the October 26, 2021 news release. Mr. Gravel, P.Eng., has been directly involved in the planning, implementation, and reporting of all results for the underground PEA.

Volodymyr Liskovych, PhD, P.Eng., Principal Process Engineer for DRA Americas Inc. is the Independent Qualified Person for the mineral processing information contained in the October 26, 2021 news release. Mr. Liskovych, PhD, P.Eng., has been directly involved in the planning, implementation, laboratory work, and reporting of all process related results.

Brett Stephens, RPEQ, CPEng, P.Eng, P.E., Principal, Senior Geotechnical Engineer for Klohn Crippen Berger is the Independent Qualified Person for the Tailings and Waste Rock Facility information contained in the October 26, 2021 news release. Mr. Stephens, RPEQ, CPEng, P.Eng, P.E., has been directly involved in the planning, implementation, and reporting of all results.

Ken Embree, P.Eng., President of Knight Piésold is the Independent Qualified Person for the environmental and community information contained in the October 26, 2021 news release. Mr. Embree, P.Eng., participated in the planning, implementation, and reporting of all results.

Each of the individuals above are IQPs for the purposes of NI 43-101. All scientific and technical information in the October 26, 2021 news release in respect of El Domo and or the Feasibility is based on information prepared by or under the supervision of those individuals.

The Mineral Resource estimate and Mineral Reserves statement in the October 26, 2021 news release has been classified in accordance with CIM Definition Standards – For Mineral Resources and Mineral Reserves (May 14, 2014). An NI 43-101 Technical Report will be filed on SEDAR within 45 days of the disclosure of the news release.

Curipamba – El Domo Environmental and Social Impact Assessment ("ESIA")

On November 18, 2021, the Corporation announced that the ESIA for the Curipamba project has been completed and the environmental licensing process has been initiated with the Ecuadorian Ministry of Water, Environment and Ecological Transition (the "MAATE"). The completed ESIA is the culmination of over two years of environmental, community, and engineering activities led by the Corporation, with the assistance of several internationally recognized and Ecuador-experienced consulting firms. Importantly, the ESIA includes all technical design and project scope parameters detailed in the recently completed Curipamba feasibility study ("Feasibility Study" – see October 26, 2021 news release). The Corporation expects to work closely with MAATE during the ESIA review period as approval is required for the construction decision on the Curipamba project.

ESIA Highlights

Key components of the completed ESIA include:

- Description of the Curipamba project as defined by the Feasibility Study
- Detailed characterization of the physical and biotic environment
- Description of the socioeconomic environment, including communities and key stakeholders, as well as archaeology and culture
- Assessment of project environmental and socioeconomic impacts
- Mitigation, monitoring, and management plans

The ESIA includes a comprehensive monitoring and management plan that details the mitigation offered by the Curipamba project to avoid or reduce impacts to acceptable levels. This includes the use of rainwater for make-up requirements, which forgoes the need to develop surface water intake structures. Ongoing monitoring for the life of the project will confirm environmental and social commitments. The Curipamba project design completed in the Feasibility Study incorporates maximum water reuse and recycle, and treatment of any required discharge. Likewise, geochemically active waste rock was identified through independent testing and provided management prescriptions to ensure acid drainage is avoided. The Curipamba project is in an area that has been largely disturbed previously by farming and human occupation. Where remnant forest patches occur that may offer habitat to important biodiversity, the ESIA includes programs to rescue and propagate flora and fauna species where effects of the project are predicted.

Other highlights include:

- The Curipamba project will not require surface water intake as only rainwater will be used in the process plant
- All contact water will be treated to meet Ecuadorian regulatory standards prior to discharge
- The tailings and waste rock storage facilities have been designed by engineering firm Klohn Crippen Berger, to the highest international standards as detailed in the Feasibility Study
- Cardno Entrix was responsible for ESIA preparation in compliance with Ecuadorian regulations – the same group that recently led the ESIA licensing processes for two major mines in Ecuador (Fruta del Norte and Mirador)
- Engineering firm Knight Piésold provided technical oversight and support in preparation of the baseline studies and the ESIA report – building on engineering and technical design contributions in the Feasibility Study
- Key benefits for Ecuador and the local communities are expected to include:
    - Up to 800 temporary employment opportunities during construction and 400 permanent jobs during operations
    - Training and education programs to be developed in collaboration with local universities and other institutions
    - Priority hiring for communities within the direct area of influence

- Partnership and capacity building opportunities to maximize participation of local businesses
- Economic diversification of the local economy as a result of indirect employment and business opportunities
- Life-of-mine royalties to the government estimated to be $59M, value added taxes ("VAT") estimated to be $65M, while additional state taxes of $105M and income taxes of $147M – for an estimated total of $376 million in taxes and royalties to the government of Ecuador over the 10-year mine life. Note that estimates are based on the long-term consensus metal price forecasts referenced in the Feasibility Study, and the 10-year mine life does not include the potential for additional underground mining operations.

ESIA Background

Environmental baseline studies have been ongoing since 2019, including the following key components: terrestrial and aquatic biotic studies, installation of two local climate stations, monthly surface water quality monitoring, installation of hydrometric data stations, installation of groundwater monitoring wells, evaluation of baseline air quality, noise and vibration levels, archaeology study, soil study, and a socioeconomic study including cultural heritage. The ESIA was prepared by Cardno Entrix Ecuador, an international consultancy with offices in Ecuador. Technical support was further provided by Knight Piésold. ESIA community meetings were initiated in March 2021 to introduce the specifics of the Curipamba project to local stakeholders and will continue through 2022. This new set of community meetings builds on over ten years of community engagement focused on exploration and site activities.

Regulatory Process

The environmental licensing process commences with a formal review of the ESIA by the MAATE. The first step is a technical review by the MAATE of the information presented, and the issuance of observations for comment and clarification by the applicant. Once the MAATE has technically accepted the ESIA, the public consultation process will begin. According to Ecuadorian legislation, this consultation process will be led by MAATE and supported by the applicant. Following public consultation, feedback will be incorporated into the ESIA for final approval by MAATE and the issuance of the Environmental License which allows for submission and approval of relevant sectoral permits prior to the start of construction. In parallel, the Corporation will continue with community meetings and stakeholder engagement throughout 2022.

Other Key Permits & Approvals

In parallel with the ESIA process, the Corporation is continuing discussions with relevant government authorities to progress other key permits and approvals for the Curipamba project, including:

- Ministry of Energy and Non-Renewal Resources (MERNNR) for review and approval of the tailings storage facility design
- Ministry of Transportation and Public Works (MTOP) for upgrades to existing access roads and construction of a new main access road
- National Corporation of Electricity (CNEL) for the design and construction of a 69kv power line that will be constructed prior to the start of operations
- Ministry of Foreign Trade, Investment and Fisheries (COMEX) for signing of an investment protection agreement

Curipamba – Climate change strategies

In March 2022, the Corporation announced a partnership with Invert to focus on developing a decarbonization roadmap and climate change policy for Curipamba. The Curipamba project is a high-grade copper-gold project with a low capital intensity, expected low greenhouse gas (“GHG”) emissions intensity when in operations. Curipamba’s carbon footprint is expected to benefit from the planned connection to the national power grid, presently 80% supplied by hydro-electric sources, and proximity to deep water ports, and the Corporation plans to build upon its robust ESG program and environmental licensing process already under way at Curipamba.

Invert operates at the core of the carbon reduction ecosystem, from financing the removal of carbon from our atmosphere via high quality carbon offset projects to empowering businesses and individuals on their emissions reduction journeys. Invert invests in carbon credit projects that produce high quality meaningful carbon reduction and removal credits that they believe will help save the world.

Together with Invert, the Corporation will develop a pathway and set targets toward a True Net Zero mining future., covering Scopes 1, 2 and ultimately Scope 3 GHG emissions. The pathway will involve setting GHG emissions reduction targets based on science-basis methodologies. Key deliverables include

- Emissions inventory and forecast, including life-of-mine model that will categorize scopes and activity type;
- Identification and quantification of emissions reduction strategies, by review of relevant technologies, target setting, including carbon risk management; and
- Incorporate recommended GHG reduction initiatives that are in alignment with corporate and project objectives.

Curipamba – Regional Exploration

The Curipamba project is comprised of seven concessions representing about 21,500 ha and includes the El Domo deposit. Since completion of the MobileMT geophysical survey in 2019, the Corporation has made significant progress generating targets through the processing and integration of all geoscience data collected from surficial geochemistry, geological mapping, prospecting, drilling, and ground geophysical surveys. The various data sets were compiled in order to produce a matrix that will drive exploration logistics and planning on priority ranked targets. Targets were classified as either VMS-related, such as the El Domo deposit, or porphyry-related. In total, 15 targets had been defined and ranked in priority during the TGI process. Drilling commenced on the highest-ranking La Vaquera target approximately 8 km southwest of the El Domo deposit in March 2020 just before all field work was suspended due to COVID-19 health protocols. Work restarted in October 2020 and results from the regional exploration work program will aid in further pipeline development of drill ready locations in the favourable strata that hosts the El Domo deposit. Drilling results from the La Vaquera-Sesmo Sur targets can be found in the February 24, 2021 and May 12, 2021 press releases.

Regional drilling on the Agua Santa target started mid-June 2021 and eleven drill holes have been successfully completed totalling 2,818 metres. VMS mineralization was identified in the first drill hole of the work program designed to test the edge of a Mobile MT ("MMT") airborne geophysical anomaly that coincided with both favourable geology and surface geochemistry results from prospecting in nearby creek beds. The drill site location was limited due to limited access to surface rights, but additional surface rights have been recently acquired, providing wider access and coverage of the MMT geophysical anomaly for additional drilling.

The identification of this new VMS system at Agua Santa target (see August 9, 2021 and December 7, 2021 news releases for maps and detailed drilling results) meant the Corporation increased the regional drilling budget from 4,000 metres to 6,000 metres in 2021, principally to further assess the Agua Santa area. Other high priority targets defined during the 2020 target generation initiative process remain untested (see January 21, 2020 news release). Of key importance is that most of these targets are new and have not seen significant exploration or drilling historically. Results will be released after receipt from the laboratory and having passed QAQC protocols.

Regional drill holes at El Panecilla, east of El Domo, and at Selva Alegre did not yield any significant results, although intersection with known strata in the volcanic edifice known to host the El Domo VMS deposit. Further assessment of the geochemistry is ongoing to determine if there are possible exploration vectors present that can be used for follow up exploration work.

Exploration Alliance – Pijilí

The Pijilí project consists of three (3) concessions totalling 3,246 hectares that is subject to a $5 million spending commitment over 4 years. Pijilí is located in the province of Azuay, approximately 150 km from the major port city of Guayaquil. The Pijilí project is an untested epithermal gold-silver target, although there are opinions that there is a broader, larger scale porphyry target present.

An MobileMT geophysical survey was conducted on concessions for Pijilí Project. Field crews successfully completed 91.4% line-kilometres at Pijilí Project in 2019 and drilling targets were identified through a regional surficial geochemistry sampling program coupled with detailed property mapping for geology and hydrothermal alteration. The main targets at the Pijilí project are Cu-Au-Mo porphyry and orogenic gold deposits. In the second half of 2021, exploration activities continued follow up target generation results on the Mercy, Rosa de Oro and Carmen de Pijilí concessions. Field activities included prospecting, geological mapping, hydrothermal possible epithermal and porphyry systems.

Between July 2020 and March 2021, a total of twelve drill holes has been completed on the Mercy concession totalling 7,031 metres, all of which hit porphyry-style copper-gold-molybdenum mineralization. Ten of the twelve drill holes intersected greater than 100 metres of porphyry mineralization ranging between 100 to 424 metres. One of the drill holes also intersected a high-grade, near-surface silver-tungsten zone. The wide-spaced exploration drilling has traced porphyry-style mineralization approximately 2 km from the artisanal mine site (see June 8, 2020 and October 26, 2020 news releases) northwest to the northern Mercy concession boundary. (See April 20, 2021 news release for maps and detailed drilling results.)

In the Rosa de Oro and Carmen de Pijilí concessions, regional prospecting and geological mapping resulted in the total collection of 286 grab and float samples have been collected from the Rosa de Oro concession and 312 grab and float samples have been collected from the Carmen de Pijilí concession. The samples were principally from creeks and river exposures over both concessions that identified four high-priority areas for follow-up called El Pato, Rosa de Oro, Naranjos, and Papagayo. (See April 8, 2021 news release for maps and detailed results and December 7, 2021 news release for sample summary.)

Next Steps

Given the positive results from the drilling program on the Mercy concession intersecting porphyry mineralization in all twelve drill holes, opportunities are being assessed for a second phase of exploration drilling for later in 2021 or early 2022 to focus on expanding the areas of higher-grade mineralization. Future drilling would continue developing the geological understanding of the new Ensillada porphyry system discovery. In the interim, fieldwork will continue advancing the manual test pit program to further trace porphyry mineralization and aid with the definition of drilling targets. This work on Mercy concession will run in parallel with the continued exploration on the Rosa de Oro and Carmen de Pijilí concessions 8.0 km to the west where targets are being developed for possible drill-ready status.

For Rosa de Oro and Carmen de Pijilí concessions, the technical team will continue the target generation initiative over the next four to five months focusing on the four high priority areas. El Pato is the furthest advanced of the four high priority areas and it is developing into a prospective copper porphyry target. (see December 7, 2021 news release for sample summary.)

Exploration Alliance – Santiago

The Santiago Project consists of a single concession that encompasses 2,350 hectares and is currently 100%-owned by Salazar. It is in a geological setting similar to the nearby Loma Larga deposit owned by INV Metals Inc. and is considered prospective for epithermal gold and silver and porphyry copper gold deposits. It features three large, surficial geochemistry anomalies for gold, copper, and zinc. Numerous vein occurrences have been identified on the property thus far, which have yielded good chip sampling results for both gold and silver, including the following highlights (see June 15, 2020 news release):

Española Vein: (up to 3 metres width)

- 2.0 m @ 28.10 g/t gold and 231.0 g/t silver
- 1.0 m @ 26.00 g/t gold and 242.0 g/t silver
- 1.0 m @ 18.20 g/t gold and 252.0 g/t silver
- 1.0 m @ 4.80 g/t gold and 442.0 g/t silver

Structure Quartz-Tourmaline: (3 metres width)

- 1.9 m @ 1.19 g/t gold, 14.3 g/t silver and 296 ppm molybdenum
- 3.3 m @ 0.59 g/t gold, 36.6 g/t silver and 390 ppm molybdenum

Ribs Zone and Ancha Vein: (up to 5 metres width)

- 1.0 m @ 1.29 g/t gold and >100 g/t silver
- 1.0 m @ 1.65 g/t gold and >100 g/t silver

Structure F.U.: (1.5 metres width)

- 1.4 m @ 4.80 g/t gold and 378.0 g/t silver
- 1.2 m @ 6.40 g/t gold and 136.0 g/t silver
- 1.2 m @ 4.20 g/t gold and 183.0 g/t silver

There have also been historically modest drilling campaigns by two operators on the property, including Newmont Mining Corporation in the mid-1990s that reported wide drill intercepts for copper-gold from surface. Unfortunately, these historic drill results cannot be verified, as the drill core is unavailable. Additional work, including drilling, will be required to validate these reported historical drill results

Historical drilling results include:

- FUD-01 intersected 323.09 metres of 0.23% copper and 0.40 g/t gold
- FUD-02 intersected 267.80 metres of 0.24% copper and 0.43 g/t gold including a higher-grade subinterval that intersected 170.95 metres of 0.33% copper and 0.55 g/t gold
- FUD-09 intersected 295.17 metres of 0.22% copper and 0.20 g/t gold including a higher-grade subinterval that intersected 67.86 metres of 0.79% copper and 0.27 g/t gold

The Alliance completed an airborne Mobile MagnetoTellurics ("MobileMT") geophysical survey that was flown over Santiago at 150-metre line spacing (see April 5, 2019 news release for maps and detailed results). The historical exploration results from prior operators were integrated with the MobileMT geophysical mapping (apparent conductivity, resistivity, RTP, and TMI-RTP magnetics) to generate preliminary target areas for validation and field follow-up.

The principal target area at Santiago has coincident geological, geochemical and geophysical indicators that include quartz-alunite alteration, a large gold rock chip geochemical anomaly identified by Newmont (~ 2,200 by 600 metres), and both a low frequency apparent conductivity geophysical and resistivity anomaly of approximately 3,000 by 2,000 metres (Figures H and I), and TMI-RTP magnetic low of approximately 2,000 by 1,500 metres that is encircled by areas of higher magnetic response (Figure J). The magnetic low is suggestive of magnetic mineral destruction from hydrothermal alteration. This principal target is also coincident with historical drilling by Prospection and Newmont; however, a 3D review indicates that due to the short drill hole lengths, these two historical drilling programs do not provide an explanation for the large MobileMT geophysical anomaly, which suggests that additional, deeper drilling is warranted (see June 15, 2020 news release for maps and detailed exploration history). A 2,500 metre drilling program was designed to twin the Newmont drill hole, but was delayed to accommodate additional community relations and social work with stakeholders that includes but is not limited to the Ecuadorian government and Indigenous leadership. (see June 15, 2020 news release for maps and historical drilling summary).

Technical Information Quality Control & Quality Assurance

The Curipamba project work program is being managed and reviewed by Vice President Exploration, Jason Dunning, M.Sc., P.Geo., a Qualified Person within the meaning of NI 43-101. Salazar staff collect and process samples that are securely sealed and shipped to Bureau Veritas ("BV") in Quito for sample preparation that includes crushing and milling to prepare pulps that are then split for shipment to their facility in Lima, Peru for analysis. All assay data have undergone internal validation of QAQC; noting there is an established sampling control program with blind insertion of assay blanks, certified industry standards and sample duplicates for the Curipamba project. A QAQC program is also in place at BV and includes insertion of blanks, standards and duplicate reanalysis of selected samples. BV's quality system complies with the requirements for the International Standards ISO 9001:2000 and ISO 17025: 1999. At BV, gold is analyzed by classical fire assay techniques with an ICP-AES finish, and both silver and base metals are analyzed by a 44-element aqua regia ICP-AES technique. Overlimit protocols are in place for gold, silver, copper, lead, and zinc.

IRISH PROJECTS

The Corporation currently holds forty (40) exploration prospecting licenses in the Republic of Ireland, comprising three separate blocks across the principal prospective areas of the North Midlands and Southwest Ireland. The licenses are issued by the Exploration and Mining Division (EMD) of the DCCAE of the Republic of Ireland and the Corporation has been granted the right to explore for base metals, barytes (barite), silver and gold across the licensed areas.

The Corporation's exploration activity from its acquisition of these properties have been focused on the Rathkeale blocks, in particular the interpretation of the seismic survey. Subsequent to the signing of the South32 Agreement, exploration activities commenced in 2020 and included further geochemical studies. The South32 Earn-In Projects are highly prospective for zinc-lead-silver mineralization.

Rathkeale

The Rathkeale project comprises eight (8) prospecting licences covering 255 km^2 of prospective ground for carbonate-hosted Irish Type zinc-lead-silver mineralization within the targeted Waulsortian limestone. Historical drilling at Rathkeale has intersected significant alteration as well as mineralization. In 2017, Adventus completed a detailed structural-stratigraphic interpretation, under-pinned by 2D high-resolution seismic surveying, and supported by advanced geochemical techniques on historical records as an initial foundation to define areas of elevated mineral potential. This program resulted in seven exploration target areas being identified for further work and drill testing. These targets build on work carried out on the Rathkeale Block by Adventus to date and have been refined by selected geochemical and geophysical fieldwork carried out in the period since April 2020. A total of 5,000 metres of drilling was planned to target the prospective base of Waulsortian limestone for zinc-lead mineralization.

Phase 1 drill holes are targeted in areas with limited drill testing to the base of Waulsortian Reef with targeting based on prospective geochemistry and structural-stratigraphic setting. In addition to testing robust exploration targets, Phase 1 drilling will provide an essential test of the block structural interpretation, interpretation of seismic data and of the combination of exploration techniques deployed on the block in the 2020-2021 period. Phase 1 scout hole drilling will include a down-hole geophysical component to allow calibration of Adventus's seismic databases, as well as available ground magnetic and magneto-telluric (MT) data, and Tellus airborne magnetics and EM data. The first hole 21-3368-01 on the Killeen target collared in late November 2021 and is targeted at the hanging wall of the GB fault.

Kingscourt

The Kingscourt project comprises thirteen (13) prospecting licences covering 422 km^2 of ground considered prospective for Irish-type zinc-lead-silver deposits within the Pale Beds and Waulsortian limestone-hosted spectrums. Located in Counties Meath, Louth and Monaghan, exploration is primarily targeting footwall, Pale Beds-hosted zinc-lead-silver mineralization in the Moynalty Basin and is located approximately 10 km north of the Navan mine.

The Corporation announced the commencement of exploration drilling on the Kingscourt property focusing on seven new high priority targets were developed at the Kingscourt block using a multi-disciplinary approach, and a 4,500 metre drilling program commenced, targeting Pale Bed-hosted Irish-type zinc-lead deposits starting with an initial two scout drill holes at the top-rated Marl Hill (Julianstown) and Marvelstown targets on the hanging wall of the Ardee-Moynalty fault (see May 6, 2021 news release for maps and additional details).

Although only trace levels of zinc-lead mineralization were intersected in each drill hole, the key target horizon, known as the Pale Beds, was present and well developed, which confirmed modeling. The presence of slumped sedimentary breccias at Mark Hill in drill hole 21-3609-01 further enhances the prospectiveness of the target area. With these two drill holes, only a very small portion of the prospective area from the Kingscourt Fault east along the broad hanging wall of the Ardee Moynalty Fault Zone has been tested. This area is thought to be a compartmentalized basin that has a large area of untested prospective ground yet to be drilled. A key area of interest is the Marvelstown to the Kingscourt Fault area where pXRF data indicates a greater degree of hydrothermal activity. The use of innovate processing of pXRF data to model stratigraphy has confirmed the absence of an approximate 60 m section of the ABL in 21-3609-01, which is observed both in drill core and in chemical profiles. Additional drilling at Kingscourt is expected in the first half of 2022. (see December 3, 2021 news release).

Results will be disclosed after passing internal QAQC protocols.

Fermoy

The Fermoy project in north County Cork consists of nineteen (19) prospecting licences covering 600 km^2 and is located in the southern sector of the Irish zinc-lead-silver orefield. Five (5) of these licences covering 122km^2 have been issued in the 2021. Based on historic data and maps, the Corporation identified the area as poorly resolved geologically, with some key unrecognized structural characteristics yet to be interpreted by modern exploration models. Geochemical sampling is ongoing with results expected in the first quarter of 2022 for incorporation into Fermoy target generation with detailed follow ups to be carried out ahead of developing targets for drilling in the second half of 2022.

QUALIFIED PERSON

The technical information contained in this exploration update for the Corporation's properties at Ecuador and the Republic of Ireland has been reviewed and approved by Vice President, Exploration, Jason Dunning, M. Sc., P.Geo., as a non-Independent Qualified Person in accordance with National Instrument 43-101.

OTHER INVESTMENTS

Canstar Resources Inc.

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.

RESULTS OF OPERATIONS

The Corporation does not have any revenue. The following net expense information is derived from the Corporation's consolidated financial statements for the three and twelve months ended December 31, 2021.

	For the three months ended December 31,		For the twelve months ended December 31,	
	2021	**2020**	**2021**	**2020**
Expenses and Other				
Employee benefits	$ 366	$ 661	$ 1,369	$ 1,365
Professional and consulting fees	121	147	797	746
Other expenses	100	142	730	494
Share-based compensation	113	224	641	1,047
Impairment (reversal) loss on investment	-	-	(1,253)	162
Depreciation	2	11	31	21
Foreign exchange loss (gain)	31	(511)	59	(291)
Interest income	(3)	(27)	(40)	(75)
Gain on dilution of investment in associate	-	(582)	(18)	(582)
Share of loss in associate	-	70	118	112
Gain on disposal of investment in associate	-	-	(2,985)	-
Fair value gain on option to acquire mineral interests	(18,559)	-	(18,559)	-
Net expenses and other income	$ (17,829)	$ 135	$ (19,110)	$ 2,999

Significant work on the projects, including the feasibility study for El Domo, exploration work regionally at Curipamba and to a lesser extent at the exploration projects of Pijilí and Santiago, took place in the three and twelve months ended December 31, 2021, compared with the same period in 2020. Employee benefits expenditures for 2021 was almost unchanged from that of 2020 as the workforce remained relatively stable throughout 2021, while that for the three months ended December 31, 2021 was lower by $295,000 from the same period in 2020 due mainly to the higher accrual of bonus in the last quarter of 2020 compared with the lower level in the same period in 2021. Professional and consulting fees for the three months ended December 31, 2021 decreased moderately by $26,000 from the same period in 2020 while that of the twelve months ended December 31, 2021 increased by $51,000 over the same period in 2020 due primarily due to increase in audit fees due to increased complexity of group audit. Other expenses for the three and twelve months ended December 31, 2021 decreased by $42,000 and increased by $236,000 respectively, primarily due to the resumption of travel and marketing activities by the Corporation as part of the strategy of attracting new investors.

Share-based compensation for the three months ended December 31, 2021 was $111,000 lower than that for the same period in 2020 mainly because options granted in 2017-2019 have become fully vested. Similar pattern is observed for the twelve months ended December 31, 2021 where the amounts were decreased by $406,000. For the twelve months ended December 31, 2020, the Corporation recorded impairment charged an amount of $162,000 for impairment of an investment while during the twelve months ended December 31, 2021, a reversal of impairment charges in respect for Canstar to the amount of $1,253,000 was recorded. In the three months ended September 30, 2021, the Corporation completed the sale of its investment in Canstar and recorded a gain on disposal of investment in associate of $2,985,000.

In the last quarter of 2021, as the Feasibility Study had been completed and the Corporation considered that there is a mineral resource estimate for Curipamba, as well as a robust set of assumptions that allowed more accurate assessment of the value that can be attributable to the project. The Corporation commissioned an independent valuation specialist to perform the valuation of the fair value and concluded that an amount of $18,559,000 should be recorded due to the fair value gain on the option to acquire mineral interest.

The Corporation recorded a foreign exchange loss of $31,000 for the three months ended December 31, 2021 compared with a gain of $511,000 for the same period in 2020, and a foreign exchange loss of $59,000 for the twelve months ended December 31, 2021 compared with a loss of $291,000. This is due to the relative strength of the Canadian dollar against the United States dollar during the respective periods.

FINANCIAL CONDITIONS, LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2021, the Corporation had 131,791,382 common shares issued and outstanding (December 31, 2020: 131,091,382).

As at December 31, 2021, the Corporation had working capital of $775,000 (December 31, 2020: $21,148,000). This included cash and cash equivalents of $2,929,000 (December 31, 2020: $21,618,000), consisting of $2,055,000 cash on hand and $874,000 in cash equivalents.

The main use of cash during the twelve months ended December 31, 2021 was expenditures used in the investing activities with $18,343,000 expended in the option to acquire the entity that owns Curipamba compared with $9,621,000 in the same period in 2020 as the Corporation advanced the feasibility study work for most of 2021, with the announcement of its results in October and the filing of the report in December 2021. In the year ended December 31, 2021, $330,000 was used in working capital in cash settlement for RSUs.

The Corporation continued to invest in the two exploration projects of Pijilí and Santiago in 2021, spending $3,901,000 in Ecuador in the twelve months ended December 31, 2021 compared with $3,603,000 in Ecuador in the same period in 2020.

The consolidated statements of cash flows is presented as follows:

(Expressed in thousands of United States dollars)	Notes	For the year ended December 31, 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			(1,253)	162
Gain on disposal of investment in associate			(2,985)	-
Gain on dilution of investment in associate			(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 purchase 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

The recoverability of the amount capitalized to exploration and evaluation assets and to the options to acquire 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 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 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 with a $45,000,000 senior debt facility and a $10,000,000 equity commitment. (See Note 18 for more details).

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 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.

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.

SUMMARY OF QUARTERLY FINANCIAL INFORMATION

The table below outlines selected financial information related to each of the most recent eight quarters, all presented under IFRS.

	Attributable to common shareholders	
Quarter Ended	**Net earnings (loss)**	**Net earnings (loss) per common share (basic and diluted)**
December 31, 2021	$ 17,831	$ 0.14
September 30, 2021	1,839	0.01
June 30, 2021	254	-
March 31, 2021	(802)	(0.01)
December 31, 2020	(130)	-
September 30, 2020	(907)	(0.01)
June 30, 2020	(647)	(0.01)
March 31, 2020	(1,303)	(0.01)

As at	**Total assets**	**Total liabilities**
December 31, 2021	$ 98,193	$ 2,515
September 30, 2021	69,126	3,377
June 30, 2021	67,091	2,911
March 31, 2021	65,517	1,739
December 31, 2020	65,525	1,236
September 30, 2020	65,799	1,637
June 30, 2020	38,863	1,079
March 31, 2020	38,894	766

Other than for the disposal of investments or gain in the fair value of financial assets, the items with the largest impact on the earnings or loss of a quarter is the effect of exchange difference and impairment or reversal thereof of properties and investments. This can be seen in the third quarter of 2020, when there is a $428,000 foreign exchange loss, compared to the quarter of 2020, when there was a foreign exchange gain of $511,000. Likewise, a modest impairment was recorded in the first quarter of 2020 and a large reversal of impairment in the second quarter of 2021. The reversal of impairment losses in respect of Canstar in the second quarter of 2021, followed by the sale of investment in Canstar in the third quarter of 2021, and the fair value gain in the option to acquire Salazar Holdings following the filing of the feasibility study report resulted in earnings over three consecutive quarters in 2021 and resulted in net earnings of $19,110,000 for the year.

The net earnings for the quarter ended December 31, 2021 was attributable to the fair value gain on the option to acquire Salazar Holdings. This contrasts with the net loss for the quarter ended December 31, 2020 which was lower than other quarters primarily due to the gain on dilution of investment in associate of $582,000 arising from the financing activities that Canstar undertook in the last quarter of 2020 in which Adventus did not partake, hence diluting its stake in Canstar, as well as foreign exchange gains of $511,000. The gain for the quarter ended September 30, 2021 is $1,839,000, which included a gain of disposal of investment in Canstar of $2,985,000 while the gain for the quarter ended June 30, 2021 was $254,000 which included the reversal of impairment loss in Canstar to the amount of $1,253,000. If not for these amounts in the last three quarters, the loss for the quarter is consistent with other quarters, taking into consideration in the level of activities in the quarter compared with the previous quarters.

Total assets rose from $38,894,000 from March 31, 2020 to $98,193,000 as at December 31, 2021, reflecting the fair value gain in the option to acquire Salazar Holdings as well as the consolidation of Salazar Holdings and Curipamba as the Corporation acquired control in December 2021. The increase in total assets at September 30, 2021 from the end of the previous quarter is mainly due to the disposal of its investment in Canstar which closed in that quarter, while the increase in total assets from March 31, 2021 to June 30, 2021 is matched by a corresponding increase in liabilities, due mainly to the fact that the second quarter of 2021 saw much of the engineering work of the feasibility study work being undertaken. The increase in total assets from June 30, 2020 to September 30, 2020 reflected the equity financing that closed in the third quarter of 2020. Total liabilities continued to trend upward from the low of March 31, 2020 shortly after the start of the pandemic lockdown. It slowly built up as desktop work on the feasibility study started in the summer of 2020 and peaked at September 30, 2021 when most of the drilling and engineering work that went into the feasibility study were completed.

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 consist of members of the Corporation's Board of Directors and corporate executive officers.

Compensation for key management personnel and directors for the twelve months ended December 31, 2021 and 2020 is as follows:

(Expressed in thousands of United States dollars).	**For the twelve months ended December 31,**			
		2021		**2020**
Salaries and benefits	$	1,824	$	1,727
Share-based compensation		679		819
	$	2,503	$	2,546

For the twelve months ended December 31, 2021, an amount of $649,000 (2020: $543,000) of salaries and benefits of key management personnel were charged to the options to acquire mineral interest in Ecuador in accordance with the option agreement.

OFF-BALANCE SHEET ARRANGEMENTS

At December 31, 2021, the Corporation had no off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Corporation.

SHARE CAPITAL

As at the date of this MD&A, the Corporation has 166,360,882 common shares, 8,175,000 stock options, of which 2,716,680 are exercisable for common shares outstanding, 17,784,750 warrants, none of which are exercisable, and 1,755,000 restricted stock units.

NEW ACCOUNTING POLICIES

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.

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.

RISK FACTORS AND UNCERTAINTIES

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 option 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

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 had 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 was used as the key input to the valuation. 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.

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

Internal Control over Financial Reporting

Management is responsible for the establishment and maintenance of a system of internal control over financial reporting. This system has been designed to provide reasonable assurance that assets are safeguarded and that the financial reporting is accurate and reliable. The consolidated financial statements have been prepared by management in accordance with IFRS and in accordance with accounting policies set out in the notes to the consolidated financial statements for the year ended December 31, 2021. In 2020, management started to replace the standalone accounting systems with a single enterprise system. The accounting and payroll modules have been fully in place by the second quarter of 2021. The use of security roles and workflows and review of audit trails and reports introduced during the year ended December 31, 2021 enhanced the internal control over financial reporting and there are no changes that has adversely affected in a material way, or is reasonably likely to materially affect, the Corporation's internal control over financial reporting. There are inherent limitations in all control systems and no disclosure controls and procedures can provide complete assurance that no future errors or fraud will occur. An economically feasible control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

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 rely 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 current liability 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.

Commitments and Contractual 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.

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

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