ADVENTUS MINING CORPORATION

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022

Table of Contents

Adventus Mining Corporation
Condensed Consolidated Statements of Financial Position
(Unaudited) As at

(Expressed in thousands of United States dollars)	Notes		March 31, 2023		December 31, 2022
ASSETS					
Current assets					
Cash and cash equivalents		$	7,694	$	12,092
Other receivables and prepaid expenses	9		978		1,252
Total current assets		$	8,672	$	13,344
Non-current assets					
Exploration and evaluation assets	8	$	120,418	$	112,450
Property, plant and equipment	7		8,148		7,657
Other assets	10		2,073		2,253
Total non-current assets		$	130,639	$	122,360
TOTAL ASSETS		$	139,311	$	135,704
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities		$	5,467	$	5,527
Lease Liability	11		16		15
Other liabilities	12		236	$	5
Total current liabilities		$	5,719	$	5,547
Non-current liabilities					
Lease liability	11	$	22		26
Other liabilities	12		949	$	1,145
Deposit liability	5		13,150		13,000
Total non-current liabilities		$	14,121	$	14,171
Total liabilities		$	19,840	$	19,718
Equity					
Shareholders’ equity		$	105,217	$	101,658
Non-controlling interest			14,254		14,328
Total equity		$	119,471	$	115,986
TOTAL LIABILITIES AND EQUITY		$	139,311	$	135,704

Commitments (Note 18)

On behalf of the Board (Approved on May 26, 2023)

/s/ “Christian Kargl-Simard”

Christian Kargl-Simard, Director

/s/ “Mark Wellings”

Mark Wellings, Chairman and Director

(Expressed in thousands of United States dollars, except per share amounts)	Notes	For the three months ended March 31, 2023	2022
Expenses and other			
Employee benefits		$ 419	$ 429
Professional and consulting fees		236	182
Other expenses		319	251
Share-based compensation	13(c)	272	244
Depreciation	7	8	2
Foreign exchange (gain) loss		(15)	26
Interest income		(44)	(16)
Fair value loss on other investments	10	13	-
Fair value gain on derivative liabilities	13(b)	(5)	(781)
Finance costs	10	222	-
		$ 1,425	$ 337
Loss before income taxes		(1,425)	(337)
Income tax expense		-	-
Net loss		$ (1,425)	$ (337)
Net loss attributable to:			
Common shareholders		(1,368)	(308)
Non-controlling interest		(57)	(29)
		$ (1,425)	$ (337)
Net loss per common share attributable to common shareholders			
Basic and diluted		$ (0.01)	$ (0.00)
Weighted average number of shares			
Basic and diluted	13(d)	177,123,702	156,758,243

			For the three months ended March 31,		
(Expressed in thousands of United States dollars)	**Notes**		**2023**		**2022**
Net loss		$	(1,425)	$	(337)
Other comprehensive gain (loss)					
To be reclassified subsequently to profit or loss:					
Foreign currency translation adjustment on foreign operations			(4)		3
Total comprehensive loss		$	(1,429)	$	(334)
Total comprehensive loss attributable to:					
Common shareholders			(1,372)		(305)
Non-controlling interest			(57)		(29)
		$	(1,429)	$	(334)

(Expressed in thousands of United States dollars)	Notes		For the three months ended March 31, 2023		2022
Operating activities					
Net loss		$	(1,425)	$	(337)
Adjustments for operating activities:					
Depreciation			8		2
Share-based compensation	13(c)(d)		272		244
Fair value loss on other investments			13		-
Fair value gain on derivative liabilities	13(b)		(5)		(781)
Finance costs			222		-
Unrealized foreign exchange gain			(40)		(26)
Changes in non-cash operating working capital	16		156		(272)
Receipt of precious metals stream deposit	5		150		-
Cash used in operating activities		$	(649)	$	(1,170)
Investing activities					
Exploration and evaluation assets			(7,687)		(3,083)
Acquisition of property, plant and equipment			(545)		(21)
Cash used in investing activities		$	(8,232)	$	(3,104)
Financing activities					
Net proceeds from issuance of shares and warrants	13(a)(b)		4,704		24,890
Finance costs			(227)		-
Interest paid			(28)		-
Payment of lease obligations			(4)		-
Cash provided by financing activities		$	4,445	$	24,890
Net (decrease) increase in cash and cash equivalents			(4,436)		20,616
Effect of foreign exchange on cash and cash equivalents			38		28
Cash and cash equivalents, beginning of period			12,092		2,929
Cash and cash equivalents, end of period		$	7,694	$	23,573

Cash and cash equivalents consist of:				
Deposits with banks		3,752		23,488
Short term deposits		3,942		85
Cash and cash equivalents, end of period	$	7,694	$	23,573

ADVENTUS MINING CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(UNAUDITED)

(Expressed in United States dollars, except share amounts)	Notes	Common Shares Number	Common Shares Amount	Contributed Surplus	Purchase Warrants	Accumulated Other Comprehensive Loss (Earnings)	Accumulated earnings (loss)	Total Shareholders' Equity	Non-controlling Interest	Total Equity
Balance, January 1, 2022		131,791,382	$ 72,497	$ 2,406	$ -	$ 644	$ 6,790	$ 82,337	$ 13,341	$ 95,678
Shares issued under prospectus placement	13(a)	34,569,500	25,229	-	-	-	-	25,229	-	25,229
Share issuance costs		-	(1,751)	-	-	-	-	(1,751)	-	(1,751)
Share-based compensation	13(c)(d)	-	-	244	-	-	-	244	-	244
RSU Settlement and reclassification to liabilities		-	-	(168)	-	-	-	(168)	-	(168)
Non-controlling interest of Salazar Holdings	4	-	-	-	-	-	(740)	(740)	740	-
Net loss		-	-	-	-	-	(308)	(308)	(29)	(337)
Other comprehensive earnings		-	-	-	-	3	-	3	-	3
Balance, March 31, 2022		166,360,882	$ 95,975	$ 2,482	-	647	5,742	104,846	14,052	118,898
Share issuance costs		-	(3)	-	-	-	-	(3)	-	(3)
Lender's Warrants		-	-	-	1,363	-	-	1,363	-	1,363
Share-based compensation		-	-	754	-	-	-	754	-	754
Non-controlling interest of Salazar Holdings	4	-	-	-	-	-	(438)	(438)	438	-
Net loss		-	-	-	-	-	(4,861)	(4,861)	(162)	(5,023)
Other comprehensive loss		-	-	-	-	(3)	-	(3)	-	(3)
Balance, December 31, 2022		166,360,882	$ 95,972	$ 3,236	$ 1,363	$ 644	$ 443	$ 101,658	$ 14,328	$ 115,986
Shares issued under prospectus placement	13(a)	13,269,230	5,134	-	-	-	-	5,134	-	5,134
Share issuance costs	13(a)	-	(492)	-	-	-	-	(492)	-	(492)
Share-based compensation	13(c)(d)	-	-	272	-	-	-	272	-	272
Non-controlling interest of Salazar Holdings	4	-	-	-	-	-	17	17	(17)	-
Net loss		-	-	-	-	-	(1,368)	(1,368)	(57)	(1,425)
Other comprehensive loss		-	-	-	-	(4)	-	(4)	-	(4)
Balance, March 31, 2023		179,630,112	$ 100,614	$ 3,508	$ 1,363	$ 640	$ (908)	$ 105,217	$ 14,254	$ 119,471

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

1. NATURE OF OPERATIONS AND CORPORATE INFORMATION

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

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

The Corporation's condensed consolidated financial statements were authorized for issue by the Board on May 26, 2023.

2. BASIS OF PRESENTATION

These condensed consolidated financial statements have been prepared in accordance with International Accounting Standards ("IAS") 34, *Interim Financial Reporting* using the same accounting policies and methods of computation as the Corporation's most recent annual consolidated financial statements. These condensed consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2022, which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

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

Going concern

These condensed consolidated financial statements have been prepared on a going concern basis. In making the assessment that the Corporation is a going concern, management has considered all available information about the future, which is at least, but not limited to, the twelve months from March 31, 2023.

As at March 31, 2023, the Corporation has approximately $7,694,000 in cash and cash equivalents (December 31, 2022: $12,092,000), with current assets exceeding current liabilities by $2,953,000 (December 31, 2022: $7,797,000). The Corporation reported net loss attributable to common shareholders of $1,368,000 for the three months ended March 31, 2023 (2022: $308,000). The ability to continue operations in the normal course of business is dependent on several factors, including the Corporation's ability to secure funding.

The recoverability of the amount capitalized to exploration and evaluation assets 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 January 2022, following the earn-in of its interest into 75% of Curipamba, a subsidiary of the Corporation entered into a precious metals purchase agreement ("PMPA") with a subsidiary of Wheaton Precious Metals Corp ("Wheaton") with an upfront cash consideration of $175,500,000 and a $5,000,000 equity commitment. As at March 31, 2023, the Corporation has drawn $13,150,000 from Wheaton. (See Note 5).

Concurrently it entered into a binding engagement for an offtake financing arrangement ("OFA") with Trafigura Pte Ltd. ("Trafigura") with a $45,000,000 senior debt facility and a $10,000,000 equity commitment. (See Note 6 for more details). Definitive agreements ("Trafigura Agreements") were finalized and signed with Trafigura in July 2022. No amounts have been drawn as at March 31, 2023.

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

2. BASIS OF PRESENTATION (CONTINUED)

In January 2022, the Corporation closed a bought deal prospectus financing ("January 2022 Offering") for 34,569,500 units (the "Units") at a price of C$0.97 per unit for aggregate gross proceeds of approximately $26,600,000 (C$33,532,000), each Unit consisting of one common share of the Corporation and one-half warrant ("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. In January 2023, the Corporation closed a bought deal prospectus financing ("January 2023 Offering") for 13,269,230 common shares for aggregate gross proceeds of approximately $5,134,000 (C$6,900,000).

With the various financing initiatives in 2022 and 2023, the Corporation had secured project and equity financing that will advance the Curipamba project towards 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 March 31, 2023 had $7,694,000 in cash and cash equivalents. However, events or circumstances could arise in the 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.

The Corporation is not directly affected by the conflict in Ukraine. However, the ripple effect of the war and its disruption of trade exacerbated the global supply-chain challenges, labour shortages and inflationary pressures that had been brought on by the COVID pandemic disruptions and the continued uncertainties around the global economy, inflation and higher interest rates may linger and impose significant negative impact on the Corporation and its cash flow.

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

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

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

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

a) New accounting standards

Amendment to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies: In February 2021, the IASB issued amendment titled Presentation of Financial Statements to provide guidance on the application of materiality judgements to accounting policy disclosures. This amendment replaces the requirement to disclose "significant" accounting policies with the requirement to disclose "material" accounting policy information. The amendment is effective for annual periods beginning on or after January 1, 2023. Prospective application is required on adoption. As a result of adopting the amendments, there were no adjustments to the presentation or amounts recognized in the Corporation's condensed interim consolidated financial statements.

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.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

b) *Future accounting pronouncements*

Amendment to IAS 1 – Presentation of Financial Statements: In October 2022, the IASB issued an amendment for Non-Current Liabilities with covenants with the objective to improve the information that an entity provides when its right to defer settlement of a liability is subject to compliance with covenants within 12 months after the reporting period. This amendment override but also incorporate the previous amendment issued in January 2020 that affected 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, 2024, with earlier application allowed. The Corporation is evaluating the amendments and does not expect any material impact to the financial statements upon future adoption.

4. INVESTMENT IN SALAZAR HOLDINGS

In 2017, the Corporation entered into the Option Agreement with Salazar Resources, pursuant to which the Corporation was to have the option to acquire 75% of the interest in Salazar Holdings, by spending $25,000,000 and completing a feasibility study report. By December 31, 2021, having satisfied all conditions of the earn-in, the Corporation exercised its options and the appropriate shares in Salazar Holdings were issued to the Corporation for a 75% ownership of Salazar Holdings and indirectly the Curipamba project and entered into a shareholders' agreement (the "Shareholders' Agreement") with Salazar Resources.

Pursuant to the Option Agreement and the Shareholders' Agreement, the Corporation has priority repayment of its investment in Curipamba according to an agreed distribution formula between the common shareholders and preferred shareholders. Based on this formula, the percentage of non-controlling interest of the net assets on the date of acquisition was 15.33% or an amount of $11,895,000. In subsequent periods, the percentage share of non-controlling interest will change as a function of advances made by the Corporation and the earnings or loss recorded by Salazar Holdings and its subsidiaries over the period. After the Corporation has received priority repayment of its investment, the non-controlling interest will revert to 25%. As at March 31, 2023, based on the same formula and on the net assets as at March 31, 2023, the percentage of non-controlling interest of the net assets was 13.48% or an amount of $12,817,000.

5. DEPOSIT LIABILITY

The PMPA with Wheaton provides the Corporation with access to an upfront cash consideration of $175,500,000 and a $5,000,000 equity commitment. Of this, $13,000,000 was made available as an early deposit for pre-construction activities, and $500,000 for local community development initiatives prior to production. The remainder will be available in four instalments during construction, subject to certain customary conditions precedent being satisfied. Under the PMPA, Wheaton will purchase 50% of the payable gold production until 145,000 ounces have been delivered, thereafter dropping to 33% for the life of mine; and 75% of the payable silver production until 4,600,000 ounces have been delivered, thereafter dropping to 50% for the life of mine. Wheaton will make ongoing payments for the gold and silver ounces delivered equal to 18% of the spot prices ("Production Payment") until the value of gold and silver delivered less the Production Payment is equal to the upfront consideration of $175,500,000, at which point the Production Payment will increase to 22% of the spot prices. The Corporation and its subsidiaries have provided securities and guarantees in favour of Wheaton in respect of their obligations under the PMPA., such securities and guarantees ranking pari passu with Trafigura.

The PMPA transaction is fully committed, and as at March 31, 2023 amounts totalling $13,150,000 have been drawn, being $13,000,000 as Early Deposit and $150,000 as ESG Deposit. These are recorded as deposit liability on the consolidated statements of financial position.

6. TRAFIGURA AGREEMENTS

The Trafigura Agreements closed on July 31, 2022 and the credit agreement with Trafigura (the "Credit Agreement") provided the Corporation with a credit facility of $45,000,000 and a $10,000,000 equity commitment. $5,000,000 of the facility can be paid on an early deposit basis for pre-construction activities and the remainder in two instalments during construction, subject to certain customary conditions precedent being satisfied.

The facility has a 5-year term with an 8% interest margin and a credit adjustment spread of 0.1%, subject to a 0.5% Secured Overnight Financing Rate ("SOFR") floor. It includes an offtake agreement which provides certain concentrate offtake rights to Trafigura for future production over the life of mine, based on terms in the Feasibility Study. The Credit Agreement is subject to completion of executed inter-creditor agreements. Pursuant to the Credit Agreement, the Corporation and its subsidiaries have provided securities and guarantees in favour of Trafigura in respect of their obligations under the Credit Agreement, such securities and guarantees ranking pari passu with Wheaton. As at March 31, 2023, the Corporation has not drawn on the Credit Agreement.

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

6. TRAFIGURA AGREEMENTS (CONTINUED)

Upon closing of the Trafigura Agreements, 13,500,000 common share purchase warrants ("Lender's Warrants") were issued to Trafigura, priced at C$0.513 per common share, on the basis of 25% premium to the 10-day volume weighted average price ("VWAP") at the closing date subject to approval of the TSX Venture Exchange. The Lender's Warrants have a 3-year term, subject to accelerator provisions based on Adventus' share price. If exercised, the Lender's Warrants will bring approximately C$6,926,000 into the Corporation's treasury. In addition, Trafigura has agreed to invest US$10,000,000 in equity of the Corporation not to exceed 19.99% ownership on a partially diluted basis. Such investment is at the option of the Corporation for a period of thirty months after the closing date and is subject to certain conditions precedent as those for the construction instalments under the Credit Agreement.

7. PROPERTY PLANT AND EQUIPMENT

As at March 31, 2023, the Corporation has the following property plant and equipment:

Cost		Office furniture and equipment		Camp Vehicles and Equipment		Leasehold Improvement		Land		Total
Balance, January 1, 2022	$	181	$	719	$	46	$	5,623	$	6,569
Additions		80		49		-		1,410		1,539
Write-Offs		(19)		-		-		-		(19)
Balance, December 31, 2022	$	242	$	768	$	46	$	7,033	$	8,089
Additions		15		-		-		530		545
Balance, March 31, 2023	$	257	$	768	$	46	$	7,563	$	8,634

Accumulated depreciation		Office furniture and equipment		Camp Vehicles and Equipment		Leasehold Improvement		Land		Total
Balance, January 1, 2022	$	68	$	101	$	46	$	-	$	215
Additions		64		172		-		-		236
Write-Offs		(19)		-				-		(19)
Balance, December 31, 2022	$	113	$	273	$	46	$	-	$	432
Additions		16		38		-		-		54
Balance, March 31, 2023	$	129	$	311	$	46	$	-	$	486

Carrying value		Office furniture and equipment		Camp Vehicles and Equipment		Leasehold Improvement		Land		Total
Balance, January 1, 2022	$	113	$	618	$	-	$	5,623	$	6,354
Balance, December 31, 2022	$	129	$	495	$	-	$	7,033	$	7,657
Balance, March 31, 2023	$	128	$	457	$	-	$	7,563	$	8,148

Depreciation for the three months ended March 31, 2023, included $46,000 (March 31, 2022: $52,000) which is capitalized to the various projects and $8,000 (March 31, 2022: $2,000) which is expensed during the period. Property, plant and equipment as of March 31, 2023, includes ROU Assets with a net book value of $36,000 (2022: $NIL).

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

8. EXPLORATION AND EVALUATION ASSETS

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

Project	As at Dec 31, 2022	Additions	Effect of foreign currency exchange movements	As at Mar 31, 2023
Ireland				
Rathkeale Limerick	$ 1,384	$ -	$ 25	$ 1,409
Fermoy	21	-	-	21
Ecuador				
Curipamba	94,407	7,181	-	101,588
Pijilí	11,116	113	-	11,229
Santiago	5,522	649	-	6,171
Total mineral properties	$ 112,450	$ 7,943	$ 25	120,418

Project	As at Jan 1, 2022	Additions	Effect of foreign currency exchange movements	Abandoned or impaired	As at Dec 31, 2022
Ireland					
Rathkeale Limerick	$ 1,472	$ -	$ (88)	-	$ 1,384
Kingscourt	115	-	(13)	(102)	-
Fermoy	22	-	(1)	-	21
Ecuador					
Curipamba	72,554	21,853	-	-	94,407
Pijilí	10,394	722	-	-	11,116
Santiago	3,992	1,530	-	-	5,522
Total mineral properties	$ 88,549	$ 24,105	$ (102)	(102)	112,450

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

During the three months ended March 31, 2023, the Corporation incurred $7,181,000 (2022: $2,544,000) in Curipamba. During the same period, the Corporation incurred $113,000 and $649,000 (March 31, 2022: $250,000 and $423,000) respectively into Pijilí and Santiago.

On January 13, 2020, the Corporation entered into the South32 Agreement to advance the Rathkeale, Kingscourt and Fermoy projects (the "Irish Projects") in the Limerick Basin in the Republic of Ireland. The Irish Projects are owned by Adventus Ireland. The South32 Agreement grants South32 Ireland the right to acquire a 70% interest in the Irish Projects by funding €3,500,000 in exploration on the Irish Projects over a four-year period. Adventus Ireland will operate the exploration activities during the earn-in period. As South32 has indicated that it has no plans to continue with explorations in the Kingscourt properties, the Corporation has decided to let the licences lapse when they come up for renewal, and to write off the properties with a charge of $102,000 in the three months ended September 30, 2022.

As of March 31, 2023, the Corporation has included in its accounts payable and accrued liabilities an amount of $4,338,000 attributable to exploration and evaluation asset expenditures.

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

9. OTHER RECEIVABLES AND PREPAID EXPENSES

Other receivables include interest receivable, sales tax recoverable from the government, deposits with suppliers and other prepaid expenses.

		March 31, 2023		December 31, 2022
Sales tax receivables	$	150	$	310
Interest and other receivables		268		27
Deposits with suppliers		394		674
Other prepaid expenses		166		241
Total other receivables and prepaid expenses	$	978	$	1,252

10. OTHER ASSETS

Other assets include deferred financing costs and an investment in marketable securities.

		March 31, 2023		December 31, 2022
Transaction costs for arranging Trafigura credit facilities	$	966	**$**	1,022
Trafigura warrants		1,061		1,172
Investment in marketable securities		46		59
Total other assets - non-current	$	2,073	**$**	2,253

Pursuant to the Trafigura Agreements, the Corporation is obliged to reimburse Trafigura for certain disbursements in drawing up the Trafigura Agreements, as well as an arrangement fee ("Agreement Fee") of $900,000 calculated as 2% of the total commitments, such Agreement Fee to be paid in kind by adding the amount to the principal amount of the advance. The Corporation considers these to be transaction costs incurred to access the capital over the contractual term and therefore accounts for these costs as a deferred asset since the facility is set up to support the eventual development and construction of the project. As there is no evidence that it is probable that some or all of the facility will be drawn down, these are amortized over the facility period of five years on a straight-line basis.

In addition, an availability fee ("Availability Fee") calculated at the rate of 2% per annum on the aggregate amount of the commitments which have not been advanced at any time during the period was to be paid quarterly, in arrears. These are not fees incurred for future economic benefit and are expensed as finance costs. During the three months ended March 31, 2023, $222,000 finance costs (2022: $NIL) were recorded.

Upon closing, 13,500,000 common share purchase warrants ("Lender's Warrants") were issued to Trafigura, priced at C$0.513 per common share, on the basis of 25% premium to the 10-day VWAP at the closing date. The Lender's Warrants have a 3-year term, subject to accelerator provisions based on Adventus' share price. If exercised, the Lender's Warrants are expected to bring potentially approximately C$6,926,000 into the Corporation's treasury. The Lender's Warrants are issued to secure the credit facilities and are considered to be deferred assets amortized over the life of the Lender's Warrants on a straight-line basis. They are accounted for as equity instruments. As a result of the accelerator provisions embedded in the Lender's Warrants, they are valued using a Monte Carlo simulation to estimate the fair value of the Lender's Warrants at issuance. As the Lender's Warrants were issued as consideration to secure financing, it is treated in the same manner as transaction costs.

The Corporation owns common shares in Felix Gold Limited ("Felix Gold"), a company trading on the Australian Securities Exchange ("ASX") under the ticker symbol ASX:FXG. The Corporation accounts for its investment in Felix Gold as a financial asset at fair value through profit or loss. The investment will be remeasured at fair value on subsequent reporting date and the change recorded through profit or loss. The carrying value of other investments, as measured at fair value on March 31, 2023, was $46,000 (2022: $NIL) and a fair value loss on other investments of $13,000 was recorded for the three months ended March 31, 2023 (2022: $NIL).

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

11. LEASES

		Right-of-Use assets
Balance, January 1, 2022	$	-
Additions		49
Depreciation		(9)
Balance, December 31, 2022		40
Additions		-
Depreciation		(4)
Balance, March 31, 2023	$	36

		March 31, 2023		December 31, 2022
Current liability				
Lease liability	$	16	$	15
Total current liability	$	16	$	15
Non-current liability				
Lease liability	$	22	$	26
Total non-current liability	$	22	$	26

		Lease liability
Balance, January 1, 2022	$	-
Additions		49
Interest expense		(4)
Lease payments		(4)
Balance, December 31, 2022	$	41
Interest expense		(1)
Lease payments		(2)
Balance, March 31, 2023	$	38

Undiscounted lease payments associated with the Corporation's lease liabilities as of March 31, 2023, are summarized below:

		Less than 1 year		1-3 years
Total lease liability	$	16	$	22

12. OTHER LIABILITIES

Other liabilities included Restricted Share Units ("RSUs"), the Trafigura Arrangement fee and the warrant liabilities accounted for as a financial liability.

		March 31, 2023		December 31, 2022
Restricted Share Unit ("RSU") liability	$	285	$	245
Warrants from January 2022 Offering		-		5
Trafigura Arrangement Fee		900		900
Total other liabilities	$	1,185	$	1,150
Current	$	236	$	5
Non-current		949		1,145
Total other liabilities	$	1,185	$	1,150

RSUs which are considered cash-settled are accounted for as a financial liability. (See Note 9(d)).

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

13. SHARE CAPITAL AND SHARE-BASED COMPENSATION

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

(a) *Common Shares*

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

	Number of Common Shares		Weighted Average Share Price
Balance as at January 1, 2022	131,791,382		
Shares issued under prospectus offering	34,569,500	C$	0.92
Balance as at December 31, 2022	166,360,882		
Shares issued under prospectus offering	13,269,230	C$	0.52
Balance as at March 31, 2023	179,630,112		

On January 26, 2022, the Corporation closed the January 2022 Offering for 34,569,500 Units at a price of C$0.97 per Unit, each Unit consisting of one Common Share of the Corporation and one-half Warrant. Each Warrant is exercisable for one Common Share in the Corporation at C$1.20 up to July 26, 2023. In addition, 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), these closing in two tranches on January 26, 2022 and February 2, 2022. Total aggregate gross proceeds for the January 2022 financing were approximately $26,641,000 (C$33,582,000) of which $25,229,000 is attributable to the Common Share and $1,412,000 to the Warrants. The Underwriters received a cash commission equal to 6% of the gross proceeds from the sale of the Units pursuant to the January 2022 Offering, which commission was reduced to 3% in respect of certain president's list purchasers. Each Common Share is valued at C$0.92, being the difference between the price of a Unit (C$0.97) and the price of a half Warrant (C$0.05). An amount of $1,754,000 has been recorded as share issuance costs against the carrying value of the Common Shares. Proceeds of the January 2022 Offering net of issuance costs is $23,475,000.

On January 17, 2023, the Corporation closed the January 2023 Offering for 13,269,230 common shares at C$0.52 per common shares, for aggregate gross proceeds of approximately $5,134,000 (C$6,900,000). The underwriters received a cash commission equal to 6% of the gross proceeds from the sale of common shares pursuant to the January 2023 Offering, which commission to 3% in respect of certain president's list purchases. An amount of $492,000 has been recorded as share issuance costs against the carrying value of the Common Shares. Proceeds of the January 2023 Offering net of issuance costs is $4,642,000.

In November 2022, the Corporation entered into a mining contract with STRACON-RIPCONCIV, a joint venture between Stracon S.A. ("Stracon") and RIPCONCIV Construcciones Civiles CIA Ltda. ("RIPCONCIV"). The contract, which is structured in an alliance-partnership model and is for a duration of 48 months, expected to include the construction period as well as the first two years of operations, and can be extended upon mutual agreement. It includes scope consisting of open pit pre-strip and mining, as well as construction of the tailings facility, waste rock facilities and associated mine infrastructure. At the same time, both Stracon and Ripconciv have signed definitive binding agreements to invest in the Corporation, with each contributing $2.5 million for an aggregate $5 million subject to each holding, after each issuance, less than 10% of Adventus' issued and outstanding common shares. This issuance of common shares is structured such that $2.5 million will be through a private placement calculated at the 10-day VWAP preceding the construction decision approval by Adventus' board, and the other $2.5 million will be issued in tranches once specific invoicing thresholds for the noted services have been achieved based on the 10-day VWAPs prior to issuance, and will be based on a percentage of the invoices that will be settled in common shares in lieu of cash. As at March 31, 2023, no such common shares have been issued.

In the three months ended March 31, 2023, no common shares were issued in respect of the exercise of stock options (2022: NIL) (See Note 17(c).) nor in respect of the settlement of RSUs (2022: 665,000). See Note 17(d).

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

13. SHARE CAPITAL AND SHARE-BASED COMPENSATION (CONTINUED)

(b) *Purchase Warrant*

As part of the January 2022 Offering, 17,784,750 Warrants were issued, 17,284,750 as part of the Units being issued, and 500,000 being Warrants issued at C$0.10 per Warrant. As the Warrants are denominated in a currency (C$) that is different from the functional currency (US$) of the Corporation, they represent a derivative financial liability, which is recognized at fair value on inception and remeasured at the end of each reporting period with changes in value being recorded in profit or loss.

The fair value of the Warrants was $1,412,000 based on the issue price of C$0.10 per Warrant. On March 31, 2023, the fair value of the Warrants was determined to be $NIL using the Black-Scholes option pricing model with level 2 fair value input that included a risk-free interest rate of 3.78%, a share price of C$0.46, an expected share price volatility of 35% and a dividend yield of 0%. A $5,000 (2022: $781,000) fair value gain on derivative liabilities was recorded in the statement of loss during the three months ended March 31, 2023.

The following table summarizes the Corporation's Warrants as of March 31, 2023 and changes during the period:

	Warrants		Amount
Balance as at January 1, 2022	-	$	-
Fair value allocated in the Warrants	17,784,750		1,412
Fair value allocated to the Lender's Warrants	13,500,000		1,363
Change in fair value of derivative liabilities	-		(1,407)
Balance as at December 31, 2022	31,284,750		1,368
Change in fair value of derivative liabilities	-		(5)
Balance as at March 31, 2023	31,284,750	$	1,363
Warrant – Liability	17,784,750		-
Warrant – Equity	13,500,000		1,363
Total Warrants as at March 31, 2023	31,284,750	$	1,363

(c) *Stock Options*

The following table summarizes the Corporation's stock option plan as of March 31, 2023 and changes during the periods then ended:

(Expressed in Canadian dollars, except per share amounts)	Number of Options		Weighted Average Exercise Price
Options outstanding, January 1, 2022	5,150,000	C$	0.95
Granted	4,875,000		0.84
Forfeited	(366,668)		0.99
Exercised	(2,199,999)		0.33
Options outstanding, December 31, 2022	7,458,333		0.90
Granted	5,703,500		0.52
Forfeited	(713,334)		0.66
Expired, unexercised	(248,333)		1.01
Balance as at March 31, 2023	12,200,166	C$	0.74

During the three months ended March 31, 2023, the Corporation recorded share-based compensation expense of $272,000 (March 31, 2022: $240,000) relating to stock options. 5,703,5000 options were granted during the three months ended March 31, 2023 (March 31, 2022: 4,325,000) while 248,333 options expired unexercised (March 31, 2022: 1,300,000) and 713,334 (March 31, 2022: NIL) were forfeited.

The weighted-average fair value of stock options granted during the three months ended March 31, 2023 was estimated on the dates of grant to be C$0.30 per option granted using the Black-Scholes option pricing model with the following assumptions:

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

13. SHARE CAPITAL AND SHARE-BASED COMPENSATION (CONTINUED)

	2023	2022
Expected life (years)	5.0	5.0
Risk-free interest rate (%)	2.82	1.61 - 1.82
Expected volatility (%)	66	71 – 83
Expected dividend yield (%)	-	-
Expected forfeitures (%)	-	-

Stock options outstanding and exercisable as March 31, 2023 and December 31, 2022 are as follows:

Range of exercise prices ($/option)	Number, outstanding at March 31, 2023	Number, exercisable at March 31, 2023	Weighted Average Remaining contractual life (years)
$0.00 - $0.50	400,000	-	4.56
$0.51 - $1.00	10,631,833	2,758,337	4.04
$1.01 - $1.50	1,168,333	1,035,005	1.80
Balance as at March 31, 2023	12,200,166	3,793,342	3.84

Range of exercise prices ($/option)	Number, outstanding at December 31, 2022	Number, exercisable at December 31, 2022	Weighted Average Remaining contractual life (years)
$0.00 - $0.50	400,000	-	4.81
$0.51 - $1.00	5,791,667	1,400,001	3.47
$1.01 - $1.50	1,266,666	1,116,672	2.04
Balance as at December 31, 2022	7,458,333	2,516,673	3.30

(d) RSUs

The following table summarizes the Corporation's RSUs as of March 31, 2023 and December 31, 2022 and changes during the periods then ended:

(Expressed in Canadian dollars, except per share amounts)	Number of RSUs		Weighted Average Value at Date of Grant
RSUs outstanding, January 1, 2022	397,500	C$	0.90
Granted	1,530,000		0.79
Settled	(347,500)		0.79
Forfeited	(195,000)		0.68
RSUs outstanding, December 31, 2022	1,385,000	C$	0.79
Granted	1,428,000		0.52
Forfeited	(280,000)		0.64
RSUs outstanding, March 31, 2023	2,533,000	C$	0.65

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

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

13. SHARE CAPITAL AND SHARE-BASED COMPENSATION (CONTINUED)

In February 2023, 1,428,000 RSUs were granted. As the Corporation has a history of cash settlement, the cost of the RSUs is recognized as other liability in the statement of financial position and as employee benefits expense in the consolidated statements of (loss) earnings. The liability is re-measured to fair value at each reporting date with changes in fair value recognized in the consolidated statement of loss.

During the three months ended March 31, 2022, the Corporation recorded employee benefits expense of $40,000 (March 31, 2022: $4,000) relating to RSUs.

(d) Net loss per share

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

Weighted average number of shares	March 31, 2023	March 31, 2022
Basic and diluted	177,123,702	156,758,243

14. RELATED PARTY TRANSACTIONS

Compensation for key management personnel and directors for the three months ended March 31, 2023 and 2022 is as follows:

Three months ended March 31,		2023		2022
Salaries and benefits	$	593	$	549
Share-based compensation		254		235
	$	847	$	784

For the three months ended March 31, 2023, an amount of $186,000 (March 31, 2022: $193,000) of salaries and benefits of key management personnel were charged to exploration and evaluation assets.

15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial Instruments

Classification

The Corporation has classified its financial instruments as follows:

As at March 31, 2023		FVTPL		Amortized cost		Total
Financial Assets						
Cash and cash equivalents	$	-	$	7,694	$	7,694
Other receivables		-		418		418
Other assets		46		-		46
Total Financial Assets	$	46	$	8,112	$	8,158
Financial Liabilities						
Accounts payable and accrued liabilities		-		5,467		5,467
Other liabilities		285		900		1,185
Total Financial Liabilities	$	285	$	6,367	$	6,652

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

15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

As at December 31, 2022	FVTPL	Amortized cost	Total
Financial Assets			
Cash and cash equivalents	$ -	$ 12,092	$ 12,092
Other receivables	-	337	337
Other assets	59	-	59
Total Financial Assets	$ 59	$ 12,429	$ 12,488
Financial Liabilities			
Accounts payable and accrued liabilities	-	5,527	5,527
Other liabilities	250	900	1,150
Total Financial Liabilities	$ 250	$ 6,427	$ 6,677

Fair value measurements and hierarchy

Financial instruments recorded at fair value on the condensed 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.

Management assessed that the fair values of cash and cash equivalents, other receivables and advances, accounts payables, accrued liabilities and advances approximate their carrying amounts, largely due to the short-term maturities of these instruments.

Other liabilities consist of RSU liabilities and the derivative liabilities of the Warrant. With the availability of quoted prices in an active market, the RSU liabilities are classified as Level 1 in the fair value hierarchy. As the Warrants are unlisted, they are classified as Level 2 in the fair value hierarchy as the inputs to the determination of fair value such as share price of underlying common shares, risk-free discount rates, dividend rates, etc. can be observed in the open market.

The Corporation's financial assets and liabilities measured in accordance with the fair value hierarchy described above are:

As at March 31, 2023	Level 1	Level 2	Level 3	Total
Financial Assets				
Other investments	$ 46	$ -	$ -	$ 46
Total Financial Assets	$ 46	$ -	$ -	$ 46
Financial Liabilities				
Other liabilities	$ 285	$ -	$ -	$ 285
Total Financial Liabilities	$ 285	$ -	$ -	$ 285

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

15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

As at December 31, 2022	Level 1	Level 2	Level 3	Total
Financial Assets				
Other investments	$ 59	$ -	$ -	$ 59
Total Financial Assets	$ 59	$ -	$ -	$ 59
Financial Liabilities				
Other liabilities	$ 245	$ 5	$ -	$ 250
Total Financial Liabilities	$ 245	$ 5	$ -	$ 250

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.

A summary of the major financial instrument risks and the Corporation's approach to the management of these risks are included in the annual consolidated financial statements for the year ended December 31, 2022.

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 March 31, 2023, the Corporation is exposed to currency risk through the following assets and liabilities denominated in the Canadian dollar:

	March 31, 2023	December 31, 2022
Cash and cash equivalents	$ 2,441	$ 1,332
Other receivables & prepaid expenses	148	125
Accounts payable and accrued liabilities	(510)	(660)
Other liabilities	(285)	(250)
Net asset exposure	$ 1,794	$ 547

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 March 31, 2023, the Corporation is exposed to currency risk through the following assets and liabilities denominated in the Euro:

	March 31, 2023	December 31, 2022
Cash and cash equivalents	$ 61	$ 226
Other receivables & prepaid expenses	85	30
Accounts payable and accrued liabilities	(120)	(228)
Net asset exposure	$ 26	$ 28

16. SUPPLEMENTARY CASH FLOW INFORMATION

Changes in non-cash working capital

For the year ended March 31,	2023	2022
Changes in:		
Other receivables and prepaid expenses	$ 272	$ (214)
Accounts payable and accrued liabilities	(116)	(58)
Total changes in non-cash working capital	$ 156	$ (272)

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

17. SEGMENTED INFORMATION

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

The geographic distribution of the Corporation's non-current assets as well as total assets are as follows:

Non-current assets		March 31, 2023		December 31, 2022
Ecuador	$	129,128	$	120,861
Ireland		1,431		1,404
Canada		80		95
	$	130,639	$	122,360

Total Assets		March 31, 2023		December 31, 2022
Ecuador	$	132,953	$	131,647
Ireland		1,571		1,655
Canada		4,787		2,402
	$	139,311	$	135,704

18. COMMITMENTS AND OBLIGATIONS

As at March 31, 2023, 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	$	1,841	$	327	$	2,168
Purchase and other commitments		302		-		302
Advance Payments to Salazar Resources		250		-		250
Balance as at March 31, 2023	$	2,393	$	327	$	2,720

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.

18. COMMITMENTS AND OBLIGATIONS (CONTINUED)

Royalty obligations

The Corporation has the following royalty obligations on its properties:

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

(1): The NSR royalty on Santiago can be bought out for $1,000,000.