



**ADVENTUS MINING CORPORATION**

**UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022**

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**ADVENTUS MINING CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**(UNAUDITED) AS AT**



(Expressed in thousands of United States dollars)	Notes	September 30, 2023	December 31, 2022
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		\$ 5,350	\$ 12,092
Other receivables and prepaid expenses	10	690	1,252
<b>Total current assets</b>		<b>\$ 6,040</b>	<b>\$ 13,344</b>
<b>Non-current assets</b>			
Exploration and evaluation assets	9	\$ 132,625	\$ 112,450
Property, plant and equipment	8	8,044	7,657
Other assets	11	1,727	2,253
<b>Total non-current assets</b>		<b>\$ 142,396</b>	<b>\$ 122,360</b>
<b>TOTAL ASSETS</b>		<b>\$ 148,436</b>	<b>\$ 135,704</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities		\$ 7,728	\$ 5,527
Lease liability	12	17	15
Convertible loan	7	3,873	5
Current portion of debt facility	6	5,900	-
Other liabilities	13	358	-
<b>Total current liabilities</b>		<b>\$ 17,876</b>	<b>\$ 5,547</b>
<b>Non-current liabilities</b>			
Lease liability	12	13	26
Deposit liability	5	13,150	13,000
Other liabilities	6, 13	106	1,145
<b>Total non-current liabilities</b>		<b>\$ 13,269</b>	<b>\$ 14,171</b>
<b>Total liabilities</b>		<b>\$ 31,145</b>	<b>\$ 19,718</b>
<b>Equity</b>			
Shareholders' equity		\$ 103,083	\$ 101,658
Non-controlling interest		14,208	14,328
<b>Total equity</b>		<b>\$ 117,291</b>	<b>\$ 115,986</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>\$ 148,436</b>	<b>\$ 135,704</b>

Commitments (Note 19)  
Subsequent events (Note 20)

On behalf of the Board (Approved on November 24, 2023)

/s/ "Christian Kargl-Simard"

Christian Kargl-Simard, Director

/s/ "Mark Wellings"

Mark Wellings, Director

**ADVENTUS MINING CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF LOSS**  
**(UNAUDITED)**



(Expressed in thousands of United States dollars, except per share amounts)	Notes	For the three months ended September 30,		For the nine months ended September 30,	
		2023	2022	2023	2022
<b>Expenses and other income</b>					
Employee benefits		\$ 275	\$ 347	\$ 981	\$ 1,220
Professional and consulting fees		554	612	1,124	1,340
Other expenses		264	350	835	968
Share-based compensation	14(c)(d)	289	201	856	724
Exploration and evaluation assets abandoned or impaired	9	-	102	-	102
Depreciation	8	8	11	24	17
Foreign exchange loss (gain)		54	536	(2)	948
Interest income		(73)	(60)	(156)	(113)
Property, plant and equipment written off	8	-	-	16	-
Fair value (gain) loss on other investments	11	(1)	(21)	23	(66)
Fair value gain on derivative liabilities	7, 14(b)	(48)	(17)	(53)	(1,412)
Finance costs	11	208	150	654	150
Interest expense on convertible loan	7	231	-	231	-
		\$ 1,761	\$ 2,211	\$ 4,533	\$ 3,878
Loss before income tax expense		(1,761)	(2,211)	(4,533)	(3,878)
Income tax expense		-	-	-	-
<b>Net loss</b>		\$ (1,761)	\$ (2,211)	\$ (4,533)	\$ (3,878)
<b>Net loss attributable to:</b>					
Common shareholders		(1,718)	(2,190)	(4,387)	(3,751)
Non-controlling interest		(43)	(21)	(146)	(127)
		\$ (1,761)	\$ (2,211)	\$ (4,533)	\$ (3,878)
<b>Net loss per common share attributable to common shareholders</b>					
Basic and diluted		\$ (0.01)	\$ (0.01)	\$ (0.02)	\$ (0.02)
<b>Weighted average number of shares outstanding</b>					
Basic	14(e)	179,630,112	166,360,882	178,383,831	161,586,089
Diluted	14(e)	179,630,112	166,360,882	178,383,831	161,586,089



(Expressed in thousands of United States dollars)	For the three months ended September 30,		For the nine months ended September 30,	
	2023	2022	2023	2022
<b>Net loss</b>	\$ (1,761)	\$ (2,211)	\$ (4,533)	\$ (3,878)
<b>Other comprehensive earnings (loss) To be reclassified subsequently to profit or loss:</b>				
Foreign currency translation adjustment on foreign operations	7	10	2	20
<b>Total comprehensive loss</b>	\$ (1,754)	\$ (2,201)	\$ (4,531)	\$ (3,858)
<b>Total comprehensive loss attributable to:</b>				
Common shareholders	(1,711)	(2,180)	(4,385)	(3,731)
Non-controlling interest	(43)	(21)	(146)	(127)
	\$ (1,754)	\$ (2,201)	\$ (4,531)	\$ (3,858)

**ADVENTUS MINING CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(UNAUDITED)**



(Expressed in thousands of United States dollars)	Notes	For the nine months ended September 30,	
		2023	2022
<b>Operating activities</b>			
Net loss		\$ (4,533)	\$ (3,878)
Adjustments for non-cash and non-operating activities:			
Depreciation		24	17
Share-based compensation	14(c)(d)	856	724
Exploration and evaluation assets abandoned or impaired		-	102
Finance costs	11	654	150
Interest expense on convertible loan	7	231	-
Property, plant and equipment written off		16	-
Fair value loss (gain) on other investments	11	23	(66)
Fair value gain on derivative liabilities	7, 14(b)	(53)	(1,412)
Unrealized exchange (gain) loss		(32)	632
Changes in non-cash operating working capital	17	1,331	3,019
Receipt of precious metals stream deposit	5	150	-
<b>Cash used in operating activities</b>		<b>\$ (1,333)</b>	<b>\$ (712)</b>
<b>Investing activities</b>			
Exploration and evaluation assets		(17,605)	(15,809)
Acquisition of property, plant and equipment		(557)	(1,011)
<b>Cash used in investing activities</b>		<b>\$ (18,162)</b>	<b>\$ (16,820)</b>
<b>Financing activities</b>			
Net proceeds from issuance of shares and warrants	14(a)(b)	4,615	24,887
Proceeds from debt facility	6	5,000	-
Net proceeds from Issuance of convertible loan	7	3,845	-
Finance costs		(646)	-
Interest paid		(81)	-
Payment of lease obligations		(11)	(4)
<b>Cash provided by financing activities</b>		<b>\$ 12,722</b>	<b>\$ 24,883</b>
Net (decrease) increase in cash and cash equivalents		(6,773)	7,351
Effect of foreign exchange on cash and cash equivalents		31	(610)
Cash and cash equivalents, beginning of period		12,092	2,929
<b>Cash and cash equivalents, end of period</b>		<b>\$ 5,350</b>	<b>\$ 9,670</b>
Cash and cash equivalents consist of:			
Deposits with banks		3,267	6,035
Short term deposits		2,083	3,635
<b>Cash and cash equivalents, end of period</b>		<b>\$ 5,350</b>	<b>\$ 9,670</b>

**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	Accumulated earnings (loss)	Total Shareholders' Equity	Non- controlling Interest	Total Equity
<b>Balance, January 1, 2022</b>		131,791,382	\$ 72,497	\$ 2,406	\$ -	\$ 644	\$ 6,790	\$ 82,337	\$ 13,341	\$ 95,678
Shares issued under prospectus placement		34,569,500	25,229	-	-	-	-	25,229	-	25,229
Share issuance costs		-	(1,754)	-	-	-	-	(1,754)	-	(1,754)
Lender's Warrants		-	-	-	1,363	-	-	1,363	-	1,363
Share-based compensation	14(c)(d)	-	-	724	-	-	-	724	-	724
RSU settlement and reclassification to liabilities	14(d)	-	-	(168)	-	-	-	(168)	-	(168)
Non-controlling interest of Salazar Holdings		-	-	-	-	-	(2,247)	(2,247)	2,247	-
Net loss		-	-	-	-	-	(3,751)	(3,751)	(127)	(3,878)
Other comprehensive earnings		-	-	-	-	20	-	20	-	20
<b>Balance, September 30, 2022</b>		166,360,882	\$ 95,972	\$ 2,962	\$ 1,363	\$ 664	\$ 792	\$ 101,753	\$ 15,461	\$ 117,214
Share-based compensation		-	-	274	-	-	-	274	-	274
Non-controlling interest of Salazar Holdings	4	-	-	-	-	-	1,069	1,069	(1,069)	-
Net loss		-	-	-	-	-	(1,418)	(1,418)	(64)	(1,482)
Other comprehensive loss		-	-	-	-	(20)	-	(20)	-	(20)
<b>Balance, December 31, 2022</b>		166,360,882	\$ 95,972	\$ 3,236	\$ 1,363	\$ 644	\$ 443	\$ 101,658	\$ 14,328	\$ 115,986
Shares issued under prospectus placement	14(a)	13,269,230	5,134	-	-	-	-	5,134	-	5,134
Share issuance costs	14(a)	-	(519)	-	-	-	-	(519)	-	(519)
Lender's Warrants	14(b)	-	-	-	365	-	-	365	-	365
Share-based compensation	14(c)	-	-	856	-	-	-	856	-	856
Non-controlling interest of Salazar Holdings	4	-	-	-	-	-	(26)	(26)	26	-
Net loss		-	-	-	-	-	(4,387)	(4,387)	(146)	(4,533)
Other comprehensive earnings		-	-	-	-	2	-	2	-	2
<b>Balance, September 30, 2023</b>		179,630,112	\$ 100,587	\$ 4,092	\$ 1,728	\$ 646	\$ (3,970)	\$ 103,083	\$ 14,208	\$ 117,291

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

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2023 and 2022

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

**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. In 2021, the Corporation has completed all its obligations under an option agreement (“Option Agreement”) with Salazar Resources Ltd. (“Salazar Resources”) for earning into the Curipamba property (“Curipamba”) in Ecuador 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 November 24, 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, except as noted below. 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 September 30, 2023.

As at September 30, 2023, the Corporation has approximately \$5,350,000 in cash and cash equivalents (December 31, 2022: \$12,092,000), with current liabilities exceeding current assets by \$11,836,000 (December 31, 2022: current assets exceeding current liabilities by \$7,797,000). The Corporation reported net loss attributable to common shareholders of \$4,387,000 for the nine months ended September 30, 2023 (2022: \$3,878,000). 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 September 30, 2023, the Corporation has drawn \$13,150,000 from Wheaton.

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. In July 2023, the Corporation drew on the first tranche (the “First Tranche”) of the debt facility and received \$5,000,000. Subject to an amendment to the Trafigura Agreements, should the Corporation not draw on the remainder of the facility, the First Tranche will be due on June 30, 2024. Otherwise, it will be due five years after the satisfaction of the conditions precedent for the second tranche.



For the three and nine months ended September 30, 2023 and 2022

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

## 2. BASIS OF PRESENTATION (CONTINUED)

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).

In July 2023, the Corporation closed a \$4,000,000 unsecured convertible loan agreement (the “Convertible Loan Agreement”) with Altius Royalty Corporation, a subsidiary of Altius Minerals Corporation (TSX: ALS, “Altius”). (See Note 7 for more details).

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 September 30, 2023 had \$5,350,000 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 material uncertainties continue to remain, which may cast significant 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, or may consider selling some or a portion of its projects or farming them out. 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 global conflicts seen in the last two years and its disruption of trade exacerbated the global supply-chain challenges, labour shortages and inflationary pressures that had been brought on by pandemic disruptions and the continued uncertainties around the global economy. Inflation and higher interest rates may continue 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

The accounting policies, judgments and estimates applied in the Corporation’s condensed consolidated financial statements are consistent with those of the annual consolidated financial statements as at and for the year ended December 31, 2022 except as noted below.

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) *Convertible loans*

Convertible loans are loans with an equity conversion feature that gives the holder an option to convert the loan into shares of the borrower. Convertible loans are usually accounted for as financial instruments in accordance with IAS 32 Financial Instruments: Presentation and IFRS 9 Financial Instruments. Under IAS 32, the convertible instrument is assessed by analyzing the two components: the liability host contract and the conversion feature which may be classified as equity or liability. Classification of the conversion feature as equity if the liability host contract can be settled by exchanging a fixed number of shares for a fixed amount of cash. Otherwise, it will be classified as a derivative liability.

For the three and nine months ended September 30, 2023 and 2022

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

### 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### b) *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. 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 consolidated financial statements.

#### c) *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 incorporates 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 option 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 September 30, 2023, based on the same formula and on the net assets as at September 30, 2023, the percentage of non-controlling interest of the net assets was 13.10% or an amount of \$12,772,000 (September 30, 2022: \$12,817,000).

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2023 and 2022

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

**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 (the “Early Deposit”) for pre-construction activities, and \$500,000 for local community development initiatives (the “ESG Deposit”) 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 September 30, 2023 amounts totalling \$13,150,000 have been drawn, being \$13,000,000 as Early Deposit and \$150,000 as ESG Deposit to support the training programs for members of the communities. These are recorded as deposit liability on the condensed consolidated statements of financial position.

**6. TRAFIGURA DEBT FACILITY**

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 of the El Domo project in Curipamba, 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. In July 2023, the Corporation drew on the first tranche (the “First Tranche”) of the debt facility and received \$5,000,000. Subject to an amendment to the Trafigura Agreements, should the Corporation not draw on the remainder of the facility, the First Tranche will be due on June 30, 2024. The Corporation has recorded this as a current liability which, together with a 2% arrangement fee (the “Arrangement Fee”), will be reclassified as non-current liability when the second tranche is drawn before June 30, 2024.

Upon closing of the Trafigura Agreements in July 2022, 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. In July 2023, concurrent with the drawdown of the First Tranche, the Corporation agreed to amend the terms of the Lender’s Warrants, repricing them to C\$0.448, representing the mean between the C\$0.513 original exercise price and C\$0.384, a 25% premium to the 10-day VWAP of the common shares of the Corporation on the TSXV immediately prior to July 10, the date of the amendment to the Warrant Agreement and extending the expiry date. The Lender’s Warrants expire on August 3, 2026, subject to accelerator provisions based on Adventus’ share price. If exercised, the Lender’s Warrants will bring approximately C\$6,048,000 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 July 31, 2022 closing date and is subject to certain conditions precedent as those for the construction instalments under the Credit Agreement.

As at September 30, 2023, the carrying cost of the debt facility is \$5,900,000 (2022: \$NIL).

**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**
**For the three and nine months ended September 30, 2023 and 2022**

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

**7. CONVERTIBLE LOAN**

On July 20, 2023, the Corporation closed the \$4,000,000 Convertible Loan Agreement with a subsidiary of Altius. Pursuant to the Convertible Loan Agreement, interest will accrue at an interest rate of 10% per annum until the earlier of December 31, 2023 and the date on which there is an event of default under the Convertible Loan Agreement (the "Maturity Date"), and 15% per annum after the Maturity Date. Altius has the right to convert all or any of the outstanding principal amount and interest into common shares of the Corporation at a price of C\$0.31 per common share in respect of the principal amount and, subject to TSXV approval, at the then current-market price in respect of interest amount being converted. Should the share conversion option not be exercised and all outstanding principal and interest not yet paid on or prior to the Maturity Date, Altius has the option to convert all outstanding indebtedness into a 0.63% net smelter return royalty in the Curipamba project, subject to any necessary TSXV approval. Altius held 9.70% of the common shares of Adventus immediately prior to this transaction, and following the closing of the Convertible Loan Agreement, should Altius exercise the option to convert the entire \$4,000,000 principal on July 20, 2023, and assuming an exchange rate of US\$1.3170 (based on the Bank of Canada rate on July 19, 2023), Altius would own approximately 17.51% of the outstanding Common Shares on a partially-diluted basis and hence they became a related party of the Corporation as from July 20, 2023. Transaction costs of \$177,000, which included a \$120,000 commitment fee to Altius, were recorded as a reduction in the carrying value of the loan. Interest accreted on the convertible loan for the nine months ended September 30, 2023 is \$231,000 (2022: NIL).

As the loan is denominated in United States Dollars while the shares are fixed at a Canadian Dollar value, the conversion feature is classified as a derivative liability and is valued at \$181,000 using the Black-Scholes option pricing model with level 2 fair value inputs that included a risk-free interest rate of 5.23%, a share price of C\$0.30, an expected share price volatility of 58.36% and a dividend yield of 0% on the date of issuance.

At September 30, 2023, the conversion feature is valued at \$133,000 using the Black-Scholes option pricing model with level 2 fair value inputs that included a risk-free interest rate of 5.16%, a share price of C\$0.305 an expected share price volatility of 55.37% and a dividend yield of 0%. A \$48,000 fair value gain on derivative liabilities was recorded in the condensed statement of loss during the nine months ended September 30, 2023.

**8. PROPERTY, PLANT AND EQUIPMENT**

As at September 30, 2023, the Corporation has the following property plant and equipment:

<b>Cost</b>	<b>Office furniture and equipment</b>	<b>Camp Vehicles and Equipment</b>	<b>Leasehold Improvement</b>	<b>Land</b>	<b>Total</b>
<b>Balance, January 1, 2022</b>	\$ 181	\$ 719	\$ 46	\$ 5,623	\$ 6,569
Additions	80	49	-	1,410	1,539
Disposals/Write-Offs	(19)	-	-	-	(19)
<b>Balance, December 31, 2022</b>	\$ 242	\$ 768	\$ 46	\$ 7,033	\$ 8,089
Additions	26	1	-	530	557
Disposals/Write-Offs	(2)	(74)	-	-	(76)
<b>Balance, September 30, 2023</b>	\$ 266	\$ 695	\$ 46	\$ 7,563	\$ 8,570

  

<b>Accumulated depreciation</b>	<b>Office furniture and equipment</b>	<b>Camp Vehicles and Equipment</b>	<b>Leasehold Improvement</b>	<b>Land</b>	<b>Total</b>
<b>Balance, January 1, 2022</b>	\$ 68	\$ 101	\$ 46	\$ -	\$ 215
Additions	64	172	-	-	236
Disposals/Write-Offs	(19)	-	-	-	(19)
<b>Balance, December 31, 2022</b>	\$ 113	\$ 273	\$ 46	\$ -	\$ 432
Additions	50	104	-	-	154
Disposals/Write-Offs	(2)	(58)	-	-	(60)
<b>Balance, September 30, 2023</b>	\$ 161	\$ 319	\$ 46	\$ -	\$ 526

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2023 and 2022

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

**8. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

Carrying value	Office furniture and equipment	Camp Vehicles and Equipment	Leasehold Improvement	Land	Total
<b>Balance, December 31, 2022</b>	\$ 129	\$ 495	\$ -	\$ 7,033	\$ 7,657
<b>Balance, September 30, 2023</b>	\$ 105	\$ 376	\$ -	\$ 7,563	\$ 8,044

Depreciation for the nine months ended September 30, 2023, included \$130,000 (September 30, 2022: \$157,000) which is capitalized to the various projects and \$24,000 (September 30, 2022: \$17,000) which is expensed during the period.

Property, plant and equipment as of September 30, 2023 includes ROU Assets with a net book value of \$27,000 (2022: \$44,000). See Note 12.

**9. EXPLORATION AND EVALUATION ASSETS**

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

Project	As at December 31, 2022	Additions	Effect of foreign currency exchange movements	Abandoned or Impaired	As at September 30, 2023
Ireland					
Rathkeale Limerick	\$ 1,384	\$ -	\$ (12)	\$ -	\$ 1,372
Fermoy	21	-	1	-	22
Ecuador					
Curipamba	94,407	19,040	-	-	113,447
Pijilí	11,116	263	-	-	11,379
Santiago	5,522	883	-	-	6,405
<b>Total mineral properties</b>	<b>\$ 112,450</b>	<b>\$ 20,186</b>	<b>\$ (11)</b>	<b>-</b>	<b>\$ 132,625</b>

Project	As at January 1, 2022	Additions	Effect of foreign currency exchange movements	Abandoned or impaired	As at December 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
<b>Total mineral properties</b>	<b>\$ 88,549</b>	<b>\$ 24,105</b>	<b>\$ (102)</b>	<b>(102)</b>	<b>112,450</b>

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.

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**9. EXPLORATION AND EVALUATION ASSETS (CONTINUED)**

During the nine months ended September 30, 2023, the Corporation incurred \$19,040,000 (2022: \$12,748,000) in Curipamba. During the same period, the Corporation incurred \$263,000 and \$883,000 (September 30, 2022: \$1,663,000 and \$917,000) respectively into Pijili and Santiago. As of September 30, 2023, the Corporation has included in its accounts payable and accrued liabilities an amount of \$5,790,000 (September 30, 2022: \$2,595,000) attributable to exploration and evaluation asset expenditures.

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. Having spent the initial €3,500,000, South32 intends to exercise the option into Rathkeale and Fermoy and work commenced on the transaction documents associated with the joint venture that will be formed after the option is exercised. In June 2023, South32 and the Corporation signed an amendment to the South32 Agreement (the "South32 Amendments") to extend the Earn-In beyond the initial €3,500,000 and to continue to fully fund Rathkeale and Fermoy until the transaction documents are completed. Pursuant to the South32 Amendments, the participating interests of South32 and Adventus will be adjusted by the additional funding that South32 will have invested above the initial €3,500,000 until the joint venture is formed.

**10. OTHER RECEIVABLES AND PREPAID EXPENSES**

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

	September 30, 2023	December 31, 2022
Sales tax receivables	\$ 148	\$ 310
Interest and other receivables	132	27
Deposits with suppliers	280	674
Other prepaid expenses	130	241
<b>Total other receivables and prepaid expenses</b>	<b>\$ 690</b>	<b>\$ 1,252</b>

**11. OTHER ASSETS**

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

	September 30, 2023	December 31, 2022
Transaction costs for arranging Trafigura credit facilities	\$ 683	\$ 1,022
Trafigura warrants	1,009	1,172
Investment in marketable securities	35	59
<b>Total other assets - non-current</b>	<b>\$ 1,727</b>	<b>\$ 2,253</b>

Pursuant to the Trafigura Agreements, the Corporation is obliged to reimburse Trafigura for certain disbursements in drawing up the Trafigura Agreements, as well as the 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. These transaction costs have been incurred to access the capital over the term of the credit facilities. As a result, these costs were recorded as other assets and were amortized over the facility period of five years on a straight-line basis. Pursuant to the amendment of the Credit Agreement in July 2023 (see Note 6), until the second Tranche is drawn, the First Tranche is due June 30, 2024, the Corporation commenced to amortize the remainder of the transaction costs over the period to June 2024.

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. In the nine months ended September 30, 2023, \$654,000 (September 30, 2022: \$150,000) finance costs were recorded.

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

**11. OTHER ASSETS (CONTINUED)**

Upon closing, 13,500,000 common share purchase warrants (“Lender’s Warrants”) were issued to Trafigura. The Lender’s Warrants 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 and are amortized over the life of the Lender’s Warrants on a straight-line basis. In July 2023, concurrent with the drawdown of the First Tranche, these were re-priced at C\$0.448 per common share and these transaction costs are amortized over the period to June 2024. (See Note 6 and Note 14(b) for more details).

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 is remeasured at fair value each reporting period with the change recorded through profit or loss. The carrying value of other investments, as measured at fair value on September 30, 2023, was \$35,000 (2022: \$59,000) and a fair value loss on other investments of \$23,000 was recorded for the nine months ended September 30, 2023 (2022: gain of \$66,000).

**12. LEASE LIABILITY**

	<b>Right-of-Use assets</b>	
<b>Balance, January 1, 2022</b>	\$	-
Additions		49
Depreciation		(9)
<b>Balance, December 31, 2022</b>		40
Additions		-
Depreciation		(13)
<b>Balance, September 30, 2023</b>	\$	27
	<b>September 30, 2023</b>	<b>December 31, 2022</b>
<b>Current liability</b>		
Lease liability	\$ 17	\$ 15
<b>Total current liability</b>	\$ 17	\$ 15
<b>Non-current liability</b>		
Lease liability	\$ 13	\$ 26
<b>Total non-current liability</b>	\$ 13	\$ 26
	<b>Lease liability</b>	
<b>Balance, January 1, 2022</b>	\$	-
Additions		49
Interest expense		4
Lease payments		(12)
<b>Balance, December 31, 2022</b>	\$	41
Interest expense		4
Lease payments		(15)
<b>Balance, September 30, 2023</b>	\$	30

Undiscounted lease payments associated with the Corporation’s lease liabilities as of September 30, 2023, are summarized below:

	<b>Less than 1 year</b>	<b>1-3 years</b>
<b>Total lease liability</b>	\$ 20	\$ 14

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**13. OTHER LIABILITIES**

Other liabilities included Restricted Share Units (“RSUs”), warrant liabilities accounted for as a financial liability and the convertible feature of the convertible loan which is accounted for as a financial liability.

	Note	September 30, 2023	December 31, 2022
Restricted Share Unit (“RSU”) liability	14(d)	\$ 331	\$ 245
Warrants from January 2022 Offering		-	5
Trafigura Arrangement Fee	6	-	900
Convertible loan – derivative component	7	133	-
<b>Total other liabilities</b>		\$ 464	\$ 1,150
Current		\$ 358	\$ 5
Non-current		106	1,145
<b>Total other liabilities</b>		\$ 464	\$ 1,150

RSUs which are considered cash-settled are accounted for as a financial liability. On drawdown of the Trafigura debt facility, the Trafigura Arrangement Fee of \$900,000 was included as principal of the debt and reclassified from other liabilities.

**14. 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
<b>Balance as at September 30, 2023</b>	<b>179,630,112</b>	

On January 26, 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, each Unit consisting of one Common Share of the Corporation and one-half warrant (“Warrant”). Each Warrant was 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 purchasers. An amount of \$519,000 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 \$4,615,000.



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

#### 14. SHARE CAPITAL AND SHARE-BASED COMPENSATION (CONTINUED)

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 Curipamba 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 September 30, 2023, no common shares have been issued in respect of this commitment.

In the nine months ended September 30, 2023, no common shares were issued in respect of the exercise of stock options (2022: NIL) nor in respect of the settlement of RSUs (2022: NIL).

##### (b) *Warrant and Lender's Warrants*

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 derivative financial liabilities, which are 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 on date of issue was \$1,412,000 based on the issue price of C\$0.10 per Warrant. In July 2023, the Warrants expired unexercised with a fair value gain of \$5,000 for the nine months ended September 30, 2023.

The Lender's Warrants issued to Trafigura as part of the OFA in return for the arrangement of the credit facility and are accounted for as equity instruments. These warrants contained acceleration provisions and are valued using Monte Carlos simulation with a fair value of \$1,363,000 on the date of issue.

The terms of the Lender's Warrants were amended on July 20, 2023 (see Note 6) which resulted in an increase in their value by \$365,000 comparing the fair value with inputs based on the original terms (risk-free interest rate of 4.48%, share price of C\$0.30, and expected share price weighted average volatility of 69.34%) with those of the amended terms on the date of the amendment (risk-free interest rate of 4.26%, share price of C\$0.30, and expected share price weighted average volatility of 66.81%).

The following table summarizes the Corporation's Warrants as of September 30, 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)
<b>Balance as at December 31, 2022</b>	<b>31,284,750</b>	<b>\$</b>	<b>1,368</b>
Incremental fair value allocated to the Lender's Warrants on amendment	-		365
Change in fair value of derivative liabilities	-		(5)
Warrants expiring unexercised	(17,784,750)		-
<b>Balance as at September 30, 2023</b>	<b>13,500,000</b>	<b>\$</b>	<b>1,728</b>
<b>Warrant – Liability</b>	<b>-</b>		<b>-</b>
<b>Warrant – Equity</b>	<b>13,500,000</b>		<b>1,728</b>
<b>Total Warrants</b>	<b>13,500,000</b>	<b>\$</b>	<b>1,728</b>

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**14. SHARE CAPITAL AND SHARE-BASED COMPENSATION (CONTINUED)***(c) Stock Options*

The following table summarizes the Corporation's stock option plan as of September 30, 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
Expired unexercised	(2,199,999)		0.86
Options outstanding, December 31, 2022	7,458,333	C\$	0.90
Granted	5,703,500		0.52
Forfeited	(763,334)		0.64
Expired, unexercised	(489,999)		1.02
<b>Balance as at September 30, 2023</b>	<b>11,908,500</b>	<b>C\$</b>	<b>0.73</b>

During the nine months ended September 30, 2023, the Corporation recorded share-based compensation expense of \$856,000 (September 30, 2022: \$720,000) relating to stock options. 5,703,500 options were granted during the nine months ended September 30, 2023 (September 30, 2022: 4,675,000) and 763,334 were forfeited (September 30, 2022: 366,000) while 489,999 options expired unexercised (September 30, 2022: 1,300,000).

The weighted-average fair value of stock options granted during the nine months ended September 30, 2023 was estimated on the dates of grant to be C\$0.49 per option granted using the Black-Scholes option pricing model with the following assumptions:

	2023	2022
Expected life (years)	5.0	5.0
Risk-free interest rate (%)	2.82	1.61 – 3.24
Expected volatility (%)	66	71 – 83
Expected dividend yield (%)	-	-
Expected forfeitures (%)	-	-

Stock options outstanding and exercisable as September 30, 2023 and December 31, 2022 are as follows:

Range of exercise prices (\$/option)	Number, outstanding at September 30, 2023	Number, exercisable at September 30, 2023	Weighted Average Remaining contractual life (years)
\$0.00 - \$0.50	350,000	-	4.05
\$0.51 - \$1.00	10,523,500	2,766,672	3.54
\$1.01 - \$1.50	1,035,000	901,672	1.32
<b>Balance as at September 30, 2023</b>	<b>11,908,500</b>	<b>3,668,344</b>	<b>3.36</b>

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
<b>Balance as at December 31, 2022</b>	<b>7,458,333</b>	<b>2,516,673</b>	<b>3.30</b>

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**14. SHARE CAPITAL AND SHARE-BASED COMPENSATION (CONTINUED)***(d) RSUs*

The following table summarizes the Corporation's RSUs as of September 30, 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	(300,000)		0.63
<b>Balance as at September 30, 2023</b>	<b>2,513,000</b>	<b>C\$</b>	<b>0.65</b>

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. In February 2022, 122,500 RSUs were settled in cash at C\$0.79 per share for an aggregate amount of \$77,000. These RSUs were originally recorded as equity settled instruments as there was no present obligation to settle in cash and no past practice of stated policies of settling in cash. As management has an option to settle in cash or equity and now has history of cash settlement since September 2021, the Corporation now recognizes the amounts on cash basis as a liability.

In February 2022, 1,480,000 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 an expense in the condensed consolidated statements of loss. The liability is re-measured to fair value at each reporting date with changes in fair value recognized in the condensed consolidated statement of loss earnings. To reflect the settlement history, the Corporation reclassified an amount of \$91,000 previously recorded on equity basis from contributed surplus to other liabilities.

During the nine months ended September 30, 2023, 300,000 RSUs were forfeited (September 30, 2022: 195,000) and the Corporation recorded share-based compensation expense of \$NIL (September 30, 2022: \$4,000) relating to RSUs before the change to cash-based settlement. During the nine months ended September 30, 2023, an amount of \$86,000 (September 30, 2022: \$92,000) relating to RSUs after the change was recorded in employee benefits expense.

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

Weighted average number of shares outstanding	For the three months ended September 30,		For the nine months ended September 30,	
	2023	2022	2023	2022
Basic	179,630,112	166,360,882	178,383,831	161,586,089
Effect of dilutive common share equivalents	-	-	-	-
<b>Diluted weighted average number of shares outstanding</b>	<b>179,630,112</b>	<b>166,360,882</b>	<b>178,383,831</b>	<b>161,586,089</b>

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

## 15. RELATED PARTY TRANSACTIONS

Compensation for key management personnel and directors for the three and nine months ended September 30, 2023 and 2022 is as follows:

(Expressed in thousands of United States dollars)	For the three months ended September 30,		For the nine months ended September 30,	
	2023	2022	2023	2022
Salaries and benefits	\$ 500	\$ 568	\$ 1,581	\$ 1,760
Share-based compensation	275	242	807	738
	\$ 775	\$ 810	\$ 2,388	\$ 2,498

For the nine months ended September 30, 2023, an amount of \$565,000 (September 30, 2022: \$385,000) of salaries and benefits of key management personnel were charged to exploration and evaluation assets.

In 2023, the Corporation charged Altius an amount of \$4,700 for its share of office rental since it became a related party. As at September 30, 2023 the amounts included in accounts receivable from Altius are \$NIL (December 31, 2022: NIL).

On July 20, 2023, the Corporation received a convertible loan from Altius. The face value of the loan is \$4,000,000. Fees of \$155,000 were deducted from the proceeds, while another \$21,777 was incurred by the Corporation as legal fees.

These transactions are in the normal course of operations and are measured at the fair value amount, which is the amount of consideration established and agreed to by the related parties.

## 16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

### *Financial Instruments*

#### Classification

The Corporation has classified its financial instruments as follows:

As at September 30, 2023	FVTPL	Amortized cost	Total
Financial Assets			
Cash and cash equivalents	\$ -	\$ 5,350	\$ 5,350
Other assets	35	-	35
<b>Total Financial Assets</b>	\$ 35	\$ 5,350	\$ 5,385
Financial Liabilities			
Accounts payable and accrued liabilities	-	7,728	7,728
Convertible loan	-	3,873	3,873
Current portion of debt facilities	-	5,900	5,900
Other liabilities	464	-	464
<b>Total Financial Liabilities</b>	\$ 464	\$ 17,501	\$ 17,965
As at December 31, 2022			
Financial Assets			
Cash and cash equivalents	\$ -	\$ 12,092	\$ 12,092
Other receivables	-	337	337
Other assets	59	-	59
<b>Total Financial Assets</b>	\$ 59	\$ 12,429	\$ 12,488
Financial Liabilities			
Accounts payable and accrued liabilities	-	5,527	5,527
Other liabilities	250	900	1,150
<b>Total Financial Liabilities</b>	\$ 250	\$ 6,427	\$ 6,677

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**16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)**
**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 prepaid expenses, accounts payables, and accrued liabilities approximate their carrying amounts, largely due to the short-term maturities of these instruments.

Other investments are investments in quoted securities. Other liabilities consist of RSU liabilities and the derivative liabilities of the Warrant. With the availability of quoted prices in an active market, other investments and 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:

<b>As at September 30, 2023</b>		<b>Level 1</b>		<b>Level 2</b>		<b>Level 3</b>		<b>Total</b>
Financial Assets								
Other investments	\$	35	\$	-	\$	-	\$	35
<b>Total Financial Assets</b>	<b>\$</b>	<b>35</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>35</b>
Financial Liabilities								
Other liabilities	\$	331	\$	133	\$	-	\$	464
<b>Total Financial Liabilities</b>	<b>\$</b>	<b>331</b>	<b>\$</b>	<b>133</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>464</b>
<b>As at December 31, 2022</b>		<b>Level 1</b>		<b>Level 2</b>		<b>Level 3</b>		<b>Total</b>
Financial Assets								
Other investments	\$	59	\$	-	\$	-	\$	59
<b>Total Financial Assets</b>	<b>\$</b>	<b>59</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>59</b>
Other liabilities								
Other liabilities	\$	245	\$	5	\$	-	\$	250
<b>Total Financial Liabilities</b>	<b>\$</b>	<b>245</b>	<b>\$</b>	<b>5</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>250</b>

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**16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)**
*Risk Management*

The Corporation's financial assets and financial liabilities are exposed to various risk factors that may affect the fair value presentation or the amount ultimately received or paid on settlement of its assets and liabilities. The Corporation manages these risks through prudent investment and business decisions and, where the exposure is deemed too high, the Corporation may enter into derivative contracts to reduce this exposure.

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 September 30, 2023, the Corporation is exposed to currency risk through the following assets and liabilities denominated in the Canadian dollar:

	September 30, 2023	December 31, 2022
Cash and cash equivalents	\$ 466	\$ 1,332
Other receivables & prepaid expenses	114	125
Accounts payable and accrued liabilities	(663)	(660)
Other liabilities	(330)	(250)
<b>Net asset exposure</b>	<b>\$ (413)</b>	<b>\$ 547</b>

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 September 30, 2023, the Corporation is exposed to currency risk through the following assets and liabilities denominated in the Euro:

	September 30, 2023	December 31, 2022
Cash and cash equivalents	\$ 358	\$ 226
Other receivables & prepaid expenses	34	30
Accounts payable and accrued liabilities	(402)	(228)
<b>Net asset exposure</b>	<b>\$ (10)</b>	<b>\$ 28</b>

**17. SUPPLEMENTARY CASH FLOW INFORMATION**
*Changes in non-cash working capital*

For the year ended September 30, 2023	2023	2022
Changes in:		
Other receivables and prepaid expenses	\$ 561	\$ (754)
Accounts payable and accrued liabilities	770	3,773
<b>Total changes in non-cash working capital</b>	<b>\$ 1,331</b>	<b>\$ 3,019</b>

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**18. SEGMENTED INFORMATION**

The Corporation operates in one reportable segment, that of exploration and development of mineral properties. It has three main 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:

<b>Non-current assets</b>	<b>September 30, 2023</b>		<b>December 31, 2022</b>	
Ecuador	\$	140,939	\$	120,861
Ireland		1,394		1,404
Canada		63		95
	\$	142,396	\$	122,360

  

<b>Total Assets</b>	<b>September 30, 2023</b>		<b>December 31, 2022</b>	
Ecuador	\$	142,443	\$	131,647
Ireland		1,784		1,655
Canada		4,209		2,402
	\$	148,436	\$	135,704

**19. COMMITMENTS AND OBLIGATIONS**

As at September 30, 2023, the Corporation has the following obligations for mineral property exploration expenditures and other significant contractual obligations:

	<b>Less than 1 year</b>		<b>1-3 years</b>		<b>Total</b>	
Exploration expenditure commitments	\$	591	\$	319	\$	910
Purchase and other commitments		352		-		352
<b>Balance as at September 30, 2023</b>	\$	943	\$	319	\$	1,262

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.

For the three and nine months ended September 30, 2023 and 2022

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

## 19. 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 <sup>(1)</sup>	Ecuador	2% NSR
Santiago <sup>(2)</sup>	Ecuador	1.5% NSR
Santiago	Ecuador	4% net profits interest

1: The NSR royalty on Curipamba can be increased to 2.63% should Altius opt to convert the Convertible Debt to royalty pursuant to the Convertible Debt Agreement.

2: The NSR royalty on Santiago can be bought out for \$1,000,000, subject to certain conditions.

## 20. SUBSEQUENT EVENTS

### *a) RSUs forfeiture*

Subsequent to the end of the quarter, 20,000 RSUs were forfeited.

### *b) Merger with Luminex Resources Corp.*

On November 21, 2023, Adventus announced that it has entered into an arrangement agreement (the "Arrangement Agreement") with Luminex Resources Corp. ("Luminex") pursuant to which Adventus will acquire all the issued and outstanding common shares of Luminex in exchange for common shares in Adventus, by way of a court-approved plan of arrangement under the Business Corporations Act (British Columbia), with Adventus being the resulting issuer (the "Transaction"). Pursuant to the terms and conditions of the Arrangement Agreement, holders of the issued and outstanding Luminex shares will receive 0.67 Adventus share for each Luminex share outstanding held (the "Exchange Ratio"). Luminex is listed on the TSXV and after the Transaction, the combined company will own a large and prospective gold-copper development and exploration portfolio in Ecuador totalling over 135,000 hectares including the PEA stage Condor Project. The Transaction is subject to certain terms and conditions, including the approval of the Luminex securityholders, approval of the TSXV, approval of the British Columbia Supreme Court, and a minimum of \$13,500,000 in gross proceeds from a concurrent financing (the "Concurrent Financing"). See Note 20(c) below.

### *c) Concurrent Financing*

The Concurrent Financing consists of two tranches, for total gross proceeds of approximately \$17,100,000, of which \$13,500,000 is a fully committed non-brokered private placement (the "Non-Brokered Private Placement") and the balance of approximately \$3,640,000 (approximately C\$5,000,000 based on the USD/CAD exchange rate on November 21, 2023) is to be purchased on a "bought deal" private placement basis (the "Bought Deal Private Placement").

The Non-Brokered Private Placement is a fully committed offering of subscription receipts (the "Subscription Receipts") of Adventus at a price of C\$0.29 per Subscription Receipt (the "Subscription Receipt"). Each Subscription Receipt shall entitle the holder to receive one share of the resulting issuer. Certain shareholders of both Adventus and Luminex have committed to participating in this tranche. No commission is being paid on the Non-Brokered Private Placement.

In connection with the second tranche, the Bought Deal Private Placement, Adventus and Luminex have entered into an engagement letter with Raymond James Ltd. and National Bank Financial, who will act on their own behalf and on behalf of the Underwriters, on a "bought deal" private placement basis to purchase 1,725,000 units (the "Units") of Adventus at a price of C\$2.90 per Unit (the "Unit Offering Price") for gross proceeds of approximately C\$5,000,000. Each Unit shall consist of four Adventus shares and six Subscription Receipts, with 40% of the price per Unit allocated to the Adventus shares underlying each Unit and 60% of the price per Unit (the "Subscription Receipt Allocation") allocated to the Subscription Receipts underlying each Unit, subject to an over-allotment option to purchase up to 15% of the additional Units. Adventus shall pay to the Underwriters a commission equal to 6.0% of the gross proceeds from the Bought Deal Private Placement, 50% of which will be paid to the Underwriters at closing of the Brokered Private Placement and 50% of which will be placed in escrow (the "Escrowed Commission").





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**20. SUBSEQUENT EVENTS (CONTINUED)**

The gross proceeds of the Non-Brokered Placement and the gross proceeds of the Subscription Receipt Allocation as well as the Escrowed Commission (collectively the “Escrowed Proceeds”) will be placed into escrow and will be released when the conditions of closing are satisfied on or before March 31, 2024.

The net proceeds of the Concurrent Financing will be used to advance the El Domo project, select exploration programs across the combined exploration portfolio of Adventus and Luminex, costs related to the proposed Transaction and for working capital and general corporate purposes.