



ADVENTUS ZINC CORPORATION

**MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE THREE MONTHS ENDED MARCH 31, 2019**

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This Management's Discussion and Analysis ("MD&A") of Adventus Zinc Corporation ("Adventus" or the "Corporation") has been prepared as of May 27, 2019 and should be read in conjunction with the Corporation's audited annual consolidated financial statements for the years ended December 31, 2018 and 2017 and related notes, prepared in accordance with International Financial Reporting Standards ("IFRS") as well as the unaudited condensed consolidated financial statements ("Interim Financial Statements") of the Corporation for the three months ended March 31, 2019 and 2018, prepared in accordance with *International Accounting Standard 34, "Interim Financial Reporting"* ("IAS34").

This MD&A supplements, but not form part of, the Interim Financial Statements and includes financial and operational information from the Corporation's subsidiaries. This MD&A covers the three months ended March 31, 2019 and the subsequent period up to the date of this MD&A. All dollar amounts referred to in this MD&A are expressed in Canadian dollars except where indicated otherwise.

Cautionary Note Regarding Forward-Looking Statements

This MD&A includes certain statements that constitute forward-looking information. All statements in this discussion other than statements of historical fact, including those that address the Corporation's plans for the discovery or acquisition of additional mineral projects, expected working capital requirements and proposed exploration and evaluation activities, are forward-looking information. Although the Corporation believes the expectations expressed in such forward-looking information are based on reasonable assumptions (including assumptions relating to economic, market and political conditions and the Corporation's working capital requirements), such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking information. Readers are cautioned not to place undue reliance on forward-looking information. Factors that could cause actual results to differ materially from those in forward-looking information include market prices, exploration and evaluation results, continued availability of capital and financing, and general economic, market or business conditions.

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

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

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

BUSINESS OVERVIEW

The Corporation is a mineral exploration and development company that is based in Toronto, Ontario, Canada. It is listed on the TSX Venture Exchange under the symbol ADZN and began to trade on the OTCQX under the symbol ADVZF on September 21, 2018.

The Corporation was formed on October 24, 2016 as a strategic initiative to acquire and focus efforts on zinc-related properties, specifically acquiring significant zinc-related exploration and development projects held by major mining companies. The Corporation has not earned any revenue to date and is considered to be in the exploration stage.

Today, the strategy of the Corporation has expanded to cover identification and acquisition of exceptional quality exploration projects primarily in the base metals sector, and to advance the projects to development and production stages, by leveraging management's expertise in exploration and in the capital markets, either on its own or with strategic partners.

The Corporation's main project and area of focus is the Curipamba property in Ecuador ("Curipamba") where it has an earn-in option agreement ("Option Agreement") with Salazar Resources Ltd. ("Salazar"). The Corporation also formed an exploration alliance ("Exploration Alliance") with Salazar and executed an exploration alliance agreement ("Alliance Agreement") with Salazar to explore for additional mineral projects in Ecuador. To date, two projects have been incorporated in the Exploration Alliance: the Pijilí and the Santiago projects. Other projects that meet Adventus' investment criteria will be added when available.

The original portfolio of properties in Ireland ("Irish Properties") and in Newfoundland and Labrador, Canada ("Newfoundland Properties") which the Corporation acquired in 2016 from Altius Resources Inc. ("Altius") have become non-core and strategic partners have been sought for further exploration and development in 2018. This has resulted in the Newfoundland Properties being consolidated with Canstar Resources Inc. ("Canstar") and part of the Irish Properties to be divested to BMEx Limited ("BMEx") as described in more details in this MD&A.

CORPORATE HIGHLIGHTS FOR THE QUARTER ENDED MARCH 31, 2019

During the quarter ended March 31, 2019, the Corporation signed a non-binding heads of agreement with BMEx, a privately owned Australian exploration company which is applying for a listing on the Australian Securities Exchange ("ASX"), to divest several of the Corporation's Irish Properties to BMEx in exchange for shares in BMEx (the "BMEx Transaction").

Subsequent to March 31, 2019, the Corporation announced the following:

- The completion of airborne geophysical survey of the Pijilí and Santiago properties with a budgeted total of 1,830 line-kilometres of survey at a 150-metre line spacing. 91.4% of the targeted line-kilometres at Pijilí and 94.2% of the targeted line-kilometres at Santiago were achieved. Once analyzed, the data will be combined with surficial geochemistry and available geoscience data to create priority listing of targets for follow-up;
- The preliminary metallurgical results from composites collected from the 2018 infill drilling program at the El Domo volcanogenic massive sulphide ("VMS") deposit ("El Domo"). Two metallurgical samples show positive results for the recovery of base and precious metals, and the production of saleable copper and zinc concentrates with results meeting or exceeding grades and recoveries from historical metallurgical work;
- An updated Mineral Resource estimate and the results of a Preliminary Economic Assessment ("PEA") for El Domo which will be summarized in an independent National Instrument ("NI") 43-101 within 45 days. (See "Preliminary Economic Assessment" in the "Corporate Highlights" section and in the "Ecuador Projects – Curipamba" section below for more details); and
- A fully subscribed non-brokered private placement (the "Nobis Placement") for total proceeds of approximately \$12.1 million with Consorcio Nobis (the "Nobis Group" or "Nobis"), one of Ecuador's largest private business conglomerates, as the lead participant by subscribing for approximately \$7.4M, resulting in ownership of approximately 9.9% of the common shares of Adventus upon closing. (See "Financing" below for more details).

Preliminary metallurgical results for El Domo

On April 15, 2019 the Corporation announced preliminary metallurgical results from composites which were meeting or exceeding grades and recoveries derived from historical metallurgical testwork.

For this testwork, the Corporation adopted a strategy similar to the design of metallurgical composites from the historical PEA study completed for Salazar (see Salazar January 22, 2015 news release). Metallurgical composite samples were designed to produce commercial concentrates based on the relative abundance of base and precious metals in the feed material supplied from 2018 Phase 1 infill drilling at El Domo VMS deposit that would be both spatially and volumetrically representative of the current open-pit constrained Mineral Resource estimate that has been classified in accordance with CIM (2016) Definition Standards – Disclosure for Mineral Projects. The NI 43-101 Technical Report, dated March 9, 2018, may be found under the Corporation’s profile on SEDAR as well as the Corporation’s website at www.adventuszinc.com.

Sample material was derived from the drill core assay coarse reject material that was vacuum sealed with a nitrogen purge after laboratory sample preparation and stored securely at Bureau Veritas (“BV”) facilities in Quito, Ecuador. A total of 1,512 kilograms were shipped from storage to Base Metallurgical Laboratories Ltd. (“BML”), Kamloops, British Columbia, Canada, an independent laboratory, which is under contract for the metallurgical work. RPA is under contract to manage the metallurgical work and integrate its results into the upcoming PEA.

Conventional rougher and cleaner flotation testing was completed on the composites and the selected optimum metallurgical settings for the composites were taken to LCT, which simulates the metal recovery process. Locked cycle testing indicates the expected metallurgical performance from the test materials that could result in the production of commercial concentrate material. Selected LCT results are presented below.

Locked Cycle Test Results for Mixed and Copper Composites are as follows:

Composite	Product	Weight (%)	Assay					Contained Metal				
			Cu (%)	Pb (%)	Zn (%)	Au (g/t)	Ag (g/t)	Cu (kt)	Pb (kt)	Zn (kt)	Au (koz)	Ag (koz)
Mixed Composite (LCT 49)	Cu Con	5.31	24.70	2.91	8.00	340.0	22.17	79.17	66.50	14.95	41.64	43.92
	Zn Con	4.29	3.12	0.72	53.40	270.0	13.45	8.07	13.28	80.54	26.69	21.51
	Flotation Feed	100.0	1.66	0.23	2.84	43.36	2.68	100.0	100.0	100.0	100.0	100.00
Mixed Composite (LCT 52)	Cu Con	6.10	22.40	2.90	11.50	320.0	23.60	86.30	85.50	26.1	50.6	56.40
	Zn Con	3.50	1.38	0.32	53.8	210.0	6.90	3.10	5.50	70.3	19.1	9.50
	Flotation Feed	100.0	1.58	0.20	2.69	39.00	2.55	100.0	100.0	100.0	100.0	100.00
Copper Composite (LCT 59)	Cu Con	8.95	21.40	0.31	3.40	110.0	4.09	88.25	68.62	73.44	50.20	26.55
	Flotation Feed	100.0	2.17	0.04	0.41	20.00	1.40	100.0	100.0	100.0	100.0	100.00

The LCT results indicate a significant improvement in the metallurgical performance in comparison to previously released metallurgical results by Salazar (see February 25, 2014 news release). The improvements to the metallurgical performance are the result of a different approach with respect to conventional flotation processes by rejecting more gangue material in the initial rougher stages from the source feed prior to commencing selective flotation to produce both copper and zinc concentrates. Details of the metallurgical testwork and the flowsheet will be available in the upcoming PEA.

The metallurgical information has been reviewed and approved by Avakash Patel, P.Eng., Vice President – Metallurgy and Processing, RPA, a "Qualified Person" as defined in NI 43-101 is independent of Adventus or Salazar, and has been involved in the planning, observation and reporting all metallurgical test work.

Preliminary Economic Assessment for El Domo

On May 2, 2019 the Corporation announced results of a PEA for El Domo in which the Mineral Resource estimate for El Domo has been updated. Details of the PEA are discussed elsewhere in this MD&A.

A summary of the results is as follows:

US\$M unless otherwise stated	PEA Base Case	-10% Pricing	+10% Pricing	Long-term Consensus Forecast ⁽³⁾	Spot Prices as of April 30, 2019
After-Tax NPV (\$M, 8% discount rate) ⁽²⁾	\$288	\$225	\$342	\$330	\$271
After-Tax IRR (%) ⁽²⁾	40%	35%	45%	44%	39%
First 6 Years of After-Tax Cashflow (\$M)	\$449	\$392	\$500	\$488	\$434
Initial Capital Cost (\$M, includes refundable VAT) ⁽⁴⁾			\$185		
Life of Mine ("LOM") Sustaining Capital Cost (\$M)			\$105		
Total Capital Cost (\$M)			\$289		
C1 Cost (\$/lb CuEq, see below production) ⁽⁵⁾	\$0.96	\$0.94	\$0.98	\$0.98	\$0.91
Payback Period (years)			Approximately 2 years		
Nominal processing capacity (tpd)			1,750		
LOM CuEq Head Grade over 15 years			4.9%		
Average annual payable production (Years 1 -14)			Cu = 8,495 t Au = 24,433 oz Zn = 10,831 t Ag = 558,160 oz Pb = 564 t CuEq = ~19,000 t		
Metal prices assumed	\$3.15/lb Cu	\$2.84/lb Cu	\$3.47/lb Cu	\$3.38/lb Cu	\$2.91/lb Cu
	\$1,350/oz Au	\$1,215/oz Au	\$1,485/oz Au	\$1,436/oz Au	\$1,285/oz Au
	\$1.15/lb Zn	\$1.04/lb Zn	\$1.27/lb Zn	\$1.22/lb Zn	\$1.33/lb Zn
	\$18.00/oz Ag	\$16.20/oz Ag	\$19.80/oz Ag	\$19.80/oz Ag	\$14.91/oz Ag
	\$1.00/lb Pb	\$0.90/lb Pb	\$1.10/lb Pb	\$1.00/lb Pb	\$0.88/lb Pb

Notes:

- 1) Unless otherwise noted, all currencies are reported in US dollars on a 100% basis
- 2) Assumes an 18-month construction period as the basis for the internal rate of return ("IRR") and net present value ("NPV") calculations
- 3) Long-term, consensus metal forecasting has been provided by RPA
- 4) Capital cost estimates used for the PEA are based off benchmarking and not engineering design
- 5) C1 Cash Cost is net of direct operating costs and royalties

Nobis Placement

On May 22, 2019, the Corporation closed a non-brokered private placement pursuant to which the Corporation issued 13,794,616 common shares of the Corporation at \$0.876 per share for aggregate gross proceeds of \$12,084,084. Nobis was the lead participant with an investment of \$7,375,388. With the Corporation's existing strategic shareholders with participation rights making up the remainder. As a result, Nobis owns 9.9% of the Corporation's common shares and has been granted the right to participate in any future equity offerings so that it can maintain its pro rata ownership at the time of any of such offering, up to a maximum of 9.9% of the common shares of the Corporation, as long as Nobis holds 9.9% of the outstanding equity at the time of such an offering.

Nobis is one of Ecuador's largest private groups, with business interests across the agricultural, real estate, industrial, commercial, construction and hospitality sector. Its current business portfolio in Ecuador includes being:

- A partner in the new deep-water port under construction in Posorja, Ecuador;
- One of the largest agricultural conglomerates;
- One of the largest private and commercial real estate owners and operators, including malls, hotels, resorts and apartments;

- The largest ethanol producer from sugarcane by-products; and
- The owner and operator of energy plants.

Nobis is also a leader in community development and philanthropy initiatives through the Nobis Foundation, which aims to educate and enable women, youth and low-income communities within Ecuador.

EXPLORATION OUTLOOK

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

The Corporation's main exploration focus in 2019 will continue to be focused on the Curipamba project, where the Corporation has a commitment to spend US\$25 million over five years for a 75% interest, and to complete a feasibility study within three years. In particular, the focus for the first half of 2019 was the completion of the PEA for El Domo, which will result in a NI 43-101 compliant report in June 2019. It will continue to invest in the Curipamba project and further advance the project. The Corporation is also committed to further invest in Pijilí and Santiago within the Exploration Alliance. The Corporation may divest or joint venture its non-core properties and may consider other attractive project-level financing offers for its material projects as well.

In addition to exploration and development work at Curipamba and the Exploration Alliance properties, the Corporation continues to evaluate opportunities within Ecuador to add to its portfolio. Ecuador is located in the same Andean region as Peru and Colombia, and shares much of the same geology as these resource-rich mining districts. It is rich in natural resources but has been under-explored for minerals. As Ecuador recognizes modern mining as a pillar of long-term economic growth, it continues to introduce measures to improve the mining investment environment. In 2018, the windfalls profits tax was formally eliminated, Net Smelter Return ("NSR") royalty rates were reduced, value added tax ("VAT") refunds allowed for export sales, and capital gains tax rates were reduced. In 2019, the Ministry of Energy and Natural Resources is allowing scout drilling during exploration, which will accelerate the start of project development, as companies can commence drilling before additional permissions are needed. Ecuador continues to make significant investments in its infrastructure, it has one of the lowest energy costs in the Americas. Its proximity to the Panama Canal, and access to modern port and highway logistics provide significant global advantage.

The Corporation expects to grow its management team and staff on a needs-basis as project(s) are acquired and/or advanced.

EXPLORATION AND EVALUATION ASSETS

The following is a financial summary of exploration and evaluation assets owned or under the management of the Corporation, as well as options to acquire mineral interests, as at March 31, 2019 and December 31, 2018:

Project	As at Dec 31, 2018	Additions, net of recoveries	Abandoned or impaired	Effect of foreign currency exchange movements	Reclassified to held for sale	As at Mar 31, 2019
Ireland						
Rathkeale Limerick	\$ 2,002,721	\$ -	\$ -	\$ (78,374)	\$ -	\$ 1,924,347
Kingscourt	143,322	-	-	(5,608)	-	137,714
Lismore Waterford	572,804	-	-	(22,418)	(550,386)	-
Fermoy	30,483	-	-	(1,193)	-	29,290
Charleville	21,182	-	-	(829)	(20,353)	-
Millstreet	27,611	-	-	(1,079)	(26,532)	-
Total mineral properties	\$ 2,798,123	\$ -	\$ -	\$ (109,501)	\$ (597,271)	\$ 2,091,351
Curipamba	\$ 13,742,967	\$ 2,394,387	\$ -	\$ (257,262)	\$ -	\$ 15,880,092
Pijilí	4,000,582	870,379	-	(16,990)	-	4,853,971
Santiago	1,351,855	631,967	-	(2,470)	-	1,981,352
Total options to acquire mineral interests	\$ 19,095,404	\$ 3,896,733	\$ -	\$ (276,722)	\$ -	\$ 22,715,415

Project	As at Dec 31, 2017	Additions, net of recoveries	Abandoned or impaired	Effect of foreign currency exchange movements	Disposed	As at Dec 31, 2018
Ireland						
Rathkeale Limerick	\$ 1,464,123	\$ 489,738	\$ -	\$ 48,860	\$ -	\$ 2,002,721
Shrulle	132,700	9,378	(146,224)	4,146	-	-
Kingscourt	138,173	-	-	5,149	-	143,322
Lismore Waterford	507,470	46,722	-	18,612	-	572,804
Fermoy	8,814	21,100	-	569	-	30,483
Gainne River	2,820	1,529	(4,411)	62	-	-
Moyvore	7,470	2,779	(10,437)	188	-	-
Charleville	-	20,838	-	344	-	21,182
Millstreet	-	27,163	-	448	-	27,611
Newfoundland & Labrador						
Buchans	964,437	(63,958)	-	-	(900,479)	-
Katie	235,624	2,099	-	-	(237,723)	-
La Poile	11,893	4,069	-	-	(15,962)	-
Security Deposits	17,845	-	-	-	(17,845)	-
Total mineral properties	\$ 3,491,369	\$ 561,457	\$ (161,072)	\$ 78,378	\$ (1,172,009)	\$ 2,798,123
Curipamba	\$ 3,117,192	\$ 9,814,885	\$ -	\$ 810,890	\$ -	\$ 13,742,967
Pijilí	-	3,952,745	-	47,837	-	4,000,582
Santiago	-	1,342,853	-	9,002	-	1,351,855
Total options to acquire mineral interests	\$ 3,117,192	\$ 15,110,483	\$ -	\$ 867,729	\$ -	\$ 19,095,404

The Corporation continued to advance the Curipamba project and invested an amount of \$2,394,387 during the three months ended March 31, 2019 in the option to acquire interest in the Curipamba project. The amount used was mainly for the PEA, as well as various studies including environmental audit, permitting, drill spacing, road route, power route and metallurgy. As at March 31, 2019, the Corporation has funded a cumulative amount of US\$11,883,627 of the US\$25,000,000 Qualifying Project Expenditures required over five years, into the option in Curipamba.

In 2018, pursuant to agreements with Salazar on March 28, 2018 and May 22, 2018, the Corporation paid US\$100,000 and US\$50,000 to Salazar in respect of the options to earn into the entity that holds the Pijilí project and the Santiago project respectively. The Corporation also issued an aggregate of 3,804,348 common shares to Salazar as part of the consideration for the two projects. As at March 31, 2019, the Corporation has invested US\$1,924,240 and US\$628,637 into Pijilí and Santiago respectively, exceeding the required US\$1,000,000 expenditures in Pijilí and the required US\$500,000 expenditures in Santiago respectively. The Corporation plans to complete the transfer of Pijilí and Santiago to its 80% owned subsidiary in 2019 with the payment of the remaining US\$50,000 and US\$25,000.

The Corporation incurred expenditures of \$17,844 (March 31, 2018: \$112,789) on generative exploration in relation to properties in which licenses have not yet been offered and accepted.

During the quarter ended March 31, 2019, the Corporation reclassified the Lismore, Charleville and Milltown properties as assets held for sale and the assets and liabilities of these properties are to be measured at the lower of carrying value and fair value less cost of disposal. The fair value of the BMEEx shares to be issued on closing, which is the underlying fair value for the SW Irish Properties, cannot reliably be measured at March 31, 2019. As a result, the assets and liabilities of the SW Irish Properties are presented at the carrying value as at March 31, 2019 and are expected to be adjusted once the fair value can be determined upon closing or when reliably determinable.

The table on the following page shows a breakdown of material components of the exploration and evaluation ("E&E") assets as at March 31, 2019:

As at March 31, 2019	Irish Properties						Total	Classified as Asset for Sale	Total Exploration and Evaluation Assets
	Lismore	Rathkeale	Kingscourt	Fermoy	Charleville	Millstreet			
Accommodations	26,919	3,533	990	-	-	-	31,442	(26,919)	4,523
Acquisitions	11,625	182,300	133,735	7,876	9,002	6,188	350,726	(26,815)	323,911
Analytical charges	77,661	224,259	-	-	-	-	301,920	(77,661)	224,259
Field costs	9,495	68,408	476	15,100	2,933	14,202	110,614	(26,630)	83,984
Field supplies	2,837	3,178	261	-	-	-	6,276	(2,837)	3,439
Geophysics	5,900	86,607	-	-	-	-	92,507	(5,900)	86,607
Hotels and Meals	6,983	10,050	39	-	422	-	17,494	(7,405)	10,089
Technical and Professional	374,637	1,275,550	1,556	6,314	7,996	6,142	1,672,195	(388,775)	1,283,420
Travel	34,329	70,462	657	-	-	-	105,448	(34,329)	71,119
Total	550,386	1,924,347	137,714	29,290	20,353	26,532	2,688,622	(597,271)	2,091,351

As at December 31, 2018	Irish Properties						Total Exploration and Evaluation Assets
	Lismore	Rathkeale	Kingscourt	Fermoy	Charleville	Millstreet	
Accommodations	28,016	3,677	1,032	-	-	-	32,725
Acquisitions	12,098	189,725	139,182	8,197	9,368	6,440	365,010
Analytical charges	80,824	233,393	-	-	-	-	314,217
Field costs	9,881	71,194	494	15,715	3,053	14,780	115,117
Field supplies	2,953	3,309	271	-	-	-	6,533
Geophysics	6,141	90,134	-	-	-	-	96,275
Hotels and Meals	7,269	10,458	40	-	439	-	18,206
Technical and Professional Support	389,896	1,327,500	1,619	6,571	8,322	6,391	1,740,299
Travel	35,726	73,331	684	-	-	-	109,741
Total	572,804	2,002,721	143,322	30,483	21,182	27,611	2,798,123

ECUADOR PROJECTS

Curipamba

In 2017, the Corporation retained Roscoe Postle Associates Inc. (“RPA”) to complete an updated Mineral Resource estimate for the El Domo VMS deposit which lies within the Curipamba project. The NI 43-101 Technical Report, dated March 9, 2018, may be found under the Corporation’s profile on SEDAR as well as the Corporation’s website at www.adventuszinc.com.

At the end of January 2018, a 18,000 metre drill program commenced at the Curipamba project. Salazar field crews used two drill rigs at the Curipamba project for most of the year. One drill rig primarily worked to complete infill and definition drilling within the Whittle starter open-pit of the recent Mineral Resource update (see January 22, 2018 news release) to not only raise confidence in Mineral Resource, but to also collect material for a metallurgical program planned for the second half of 2018. The second drill rig primarily tested targets proximal to El Domo but finished the year on infilling and definition drilling. Assay results from drilling will be released when they have passed QA/QC protocols.

On February 11, 2019, Adventus announced it had engaged RPA to produce a PEA for El Domo that will include a Mineral Resource update with all 2018 drilling results. RPA was also retained to conduct additional engineering work including but not limited to overseeing the ongoing metallurgical work at BML.

An update to the Mineral Resource estimate for El Domo has been completed as part of the PEA announced on May 2, 2019 to include all recent infill drilling completed in 2018. The updated, open pit constrained, Mineral Resource estimate for El Domo has an effective date of May 2, 2019 and is supported on information provided from 309 core boreholes, totalling 60,449 metres, completed between 2007 and 2018. The Measured Mineral Resources for El Domo total 1.4 million tonnes grading 1.92% copper, 0.37% lead, 3.52% zinc, 3.75 g/t gold and 58 g/t silver. The Indicated Mineral Resources for El Domo total 7.5 million tonnes grading 2.02% copper, 0.26% lead, 2.81% zinc, 2.33g/t gold and 49 g/t silver. The Inferred Mineral Resources for El Domo total 1.3 million tonnes grading 1.52% copper, 0.20% lead, 2.25% zinc, 1.83 g/t gold and 42 g/t silver. Details of the updated Mineral Resource are discussed elsewhere in this MD&A.

The Corporation is also planning additional exploration drill holes in 2019 at the Curipamba after completion of a MobileMT airborne geophysical survey, expected by mid-2019. Following the processing of acquired geophysical data, a detailed target generation initiative will commence, and diamond drills will be deployed to test newly developed exploration targets.

Infill drilling results

The first phase of infill drilling program commenced in early March 2018 with the objective being to upgrade the confidence level of the Mineral Resource within the southern portion of the open-pit constrained Mineral Resource with key focus on the Whittle starter open-pit area. These drill holes were designed to decrease drill spacing, and to also generate material for a metallurgical program that would be used in a future engineering study of Curipamba project. After successful completion of the first phase of infill drilling, a second, optimized phase commenced in September 2018 focusing on the northern portion of the open-pit area that constrains the Mineral Resource. All infill and exploration drilling results that have been previously disclosed, including CURI-240 to CURI-337, can be reviewed in detailed on the Adventus website at www.adventuszinc.com.

Other Results

In the Sesmo area which is located 1,100 metres north of El Domo, work started in 2018 with a review of historical work near the target. Technical staff conducted a thorough assessment of 2018 drill holes due to the subtle nature of mineralization in order to relate their observations back to study positive assay results from CURI-254, CURI-254A, and CURI-274 (see April 30, 2018 and September 6, 2018 news releases). Several drill holes were selected for resampling including CURI-258, CURI-263, CURI- 267 and CURI-271; unfortunately, except for some geochemically anomalous narrow intervals, no significant results have been returned. Subsequent drill holes CURI-307, CURI-308, CURI-313, and CURI-321 at the main showing similarly returned only geochemically anomalous narrow intervals, and no significant results. Technical staff are continuing their assessment of this interesting target area through prospecting, geological mapping, and 2019 airborne geophysical survey results to further enhance future targeting.

Technical Information Quality Control & Quality Assurance

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

with an ICP-AES finish, and both silver and base metals are analyzed by a 44-element aqua regia ICP-AES technique. Overlimit protocols are in place for gold, silver, copper, lead, and zinc.

Preliminary Economic Assessment

The PEA was commissioned by Adventus and carried out by RPA in order to provide a base case assessment for the development of El Domo by both open-pit and underground methods with onsite production of concentrates for copper, zinc, and lead.

The PEA results summary, which was presented in the *Corporation Highlights* section in this MD&A, contains economic analysis that is based, in part, on Inferred Mineral Resources, and is preliminary in nature. Inferred Mineral Resources are considered too geologically speculative to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves. There is no certainty that economic forecasts on which this PEA is based will be realized. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

PEA Contributors

The following companies have undertaken focused work programs since July 2018 that have been referenced in preparation of the PEA for El Domo:

- RPA – Lead author and Independent Qualified Person (“IQP”), Mineral Resource estimation, open pit and underground mine design, mine plan, and mine layout
- Klohn Crippen Berger – Tailings storage and waste rock facilities
- Knight Piésold Ltd. – Social and environmental matters, access roads and power transmission line
- Base Metallurgical Laboratory Ltd. – Metallurgical laboratory work
- Independent Mining Consultants, Inc. – Open pit production throughput analysis

Geology and Updated Mineral Resource Estimate

The updated Mineral Resource estimate possesses a similar footprint to the previous Mineral Resource estimate (see January 31, 2018 news release), but infill drilling in 2018 resulted in the upgrading of portions of the Mineral Resource from previously classified Indicated to Measured and Inferred to Indicated categories. The new Mineral Resource estimate has a total tonnage distribution of approximately 14%, 73%, and 13% classified in the Measured, Indicated and Inferred categories, respectively, which includes the Measured category for the first time. The increases in average grades in the Measured and Indicated Mineral Resource categories of approximately 24% for copper, 10% for gold, and 21% for zinc are the result of higher NSR cut-off values, the improved geological model and related grade estimation domains, and changes to capping levels.

Total Mineral Resource for El Domo

Resource Category	Tonnes (Mt)	Grade					Contained Metal				
		Cu (%)	Pb (%)	Zn (%)	Au (g/t)	Ag (g/t)	Cu (kt)	Pb (kt)	Zn (kt)	Au (koz)	Ag (koz)
Measured	1.4	1.92	0.37	3.52	3.75	58	27.8	5.3	50.9	174	2,704
Indicated	7.5	2.02	0.26	2.81	2.33	49	150.9	19.7	210.3	559	11,884
M+I	8.9	2.00	0.28	2.93	2.56	51	178.7	25.0	261.3	733	14,588
Inferred	1.3	1.52	0.20	2.25	1.83	42	20.1	2.7	29.7	78	1,783

Pit Constrained Mineral Resource for El Domo

Resource Category	Tonnes (Mt)	Grade					Contained Metal				
		Cu (%)	Pb (%)	Zn (%)	Au (g/t)	Ag (g/t)	Cu (kt)	Pb (kt)	Zn (kt)	Au (koz)	Ag (koz)
Measured	1.4	1.92	0.37	3.52	3.75	58	27.8	5.3	50.9	174	2,704
Indicated	5.7	1.74	0.28	2.60	2.47	51	99.0	16.1	147.8	452	9,417
M+I	7.1	1.78	0.30	2.78	2.73	53	126.8	21.4	198.7	627	12,121
Inferred	0.7	0.67	0.21	1.72	1.60	46	4.6	1.5	11.9	36	1,032

Underground Mineral Resource for El Domo

Resource Category	Tonnes (Mt)	Grade					Contained Metal				
		Cu (%)	Pb (%)	Zn (%)	Au (g/t)	Ag (g/t)	Cu (kt)	Pb (kt)	Zn (kt)	Au (koz)	Ag (koz)
Indicated	1.8	2.91	0.20	3.51	1.85	43	51.9	3.6	62.5	106	2,467
Inferred	0.6	2.46	0.19	2.82	2.09	37	15.5	1.2	17.8	42	751

Notes for the above Mineral Resource Tables:

1. Mineral Resources in these tables are effective as of May 2, 2019
2. CIM (2014) definitions were followed for Mineral Resources
3. A nominal minimum thickness of two metres was applied to the Mineral Resource wireframes
4. Bulk density assigned on a block per block basis using the correlation between measured density values and base metal grade
5. Mineral Resources are reported above a cut-off net smelter return ("NSR") value of US\$25 per tonne for potential open-pit Mineral Resources and US\$100 per tonne for potential underground Mineral Resources
6. NSR value is based on estimated metallurgical recoveries, assumed metal prices and smelter terms; which include payable factors treatment charges, penalties, and refining charges
7. Metal price assumptions were: US\$3.15/lb Cu, US\$1.00/lb Pb, US\$1.15/lb Zn, US\$1,350/oz Au and US\$18/oz Ag
8. Metallurgical recoveries assumptions were based on three mineral types defined by the metal ratio Cu/(Pb+Zn):
 - Zinc Mineral (Cu/(Pb+Zn)<0.33): 84% Cu, 84% Pb, 95% Zn, 51% Au and 71% Ag
 - Mixed Cu/Zn Mineral (0.33≤Cu/(Pb+Zn)≤3.0): 88% Cu, 85% Pb, 96% Zn, 66% Au and 69% Ag
 - Copper Mineral (Cu/(Pb+Zn)>3.0): 88% Cu, 69% Pb, 73% Zn, 27% Au and 50% Ag
9. NSR factors were also based on the metal ratio Cu/(Zn+Pb):
 - Zinc Mineral (Cu/(Pb+Zn)<0.33): 29.94 US\$/% Cu, 9.17 US\$/% Pb, 11.52 US\$/% Zn, 14.17 US\$/g Au and 0.27 US\$/g Ag
 - Mixed Cu/Zn Mineral (0.33≤Cu/(Pb+Zn)≤3.0): 44.20 US\$/% Cu, 11.34 US\$/% Zn, 22.90 US\$/g Au and 0.27 US\$/g Ag
 - Copper Mineral (Cu/(Pb+Zn)>3.0): 46.27 US\$/% Cu, 6.86 US\$/g Au and 0.19 US\$/g Ag
10. Numbers may not add due to rounding

Mining and Processing

The principal mining method proposed in the PEA is open-pit mining at 1,750 tonnes per day ("tpd") throughput at the mill that can be conventionally extracted using trucks, loaders and backhoes. The open pit mine design consists of a single pit with a mining sequence optimized through four main phases to maximize grade, reduce stripping ratios, and maintain the mill at optimum capacity for production of saleable concentrates of copper, zinc and possibly lead.

Mining is expected to begin with eighteen months of pre-production waste mining on steep terrain. Mining operations consist of four open pit phases and underground operation. Mining equipment in the open pit is expected to include 40-tonne haul trucks, 3.8 m³ backhoe loaders and 114 mm blasthole production drills. Additional support heavy equipment is expected to include dozers, graders, and water trucks.

Underground mining operations would start in year 10 of the production schedule proposed in the PEA at a target rate of 1,000 tpd, using variations of room and pillar methods. Access to the mine would be from a single decline that will transport run of mine ("ROM") to the surface facilities. In conjunction with the owner's development team, it is conceived that a contractor would be engaged for the initial development of the mine. Mining equipment selection is based on production requirements and stope dimensions. Under the PEA mine plan, ventilation is expected to be established in phases as mine development progresses to facilitate mining through the various zones of mineralization.

Metallurgical test-work had previously been conducted between 2009 and 2014 on composite samples taken from both drill core and assay sample reject material. In 2018, the Corporation funded a new metallurgical test-work program designed to provide indicative metallurgical performance that could be expected during the production of saleable concentrates.

Conventional rougher and cleaner flotation testing was completed on the composites and the selected optimum metallurgical settings for the composites were taken to locked cycle tests, which simulates the metal recovery process. Locked cycle testing indicates the expected metallurgical performance from the test materials that could result in the production of commercial concentrate material. Details of the most recent metallurgical test results can be found elsewhere within this MD&A.

Net recoveries to copper, zinc, and lead concentrates total 80.7% for copper, 38.3% for lead, 78.5% for zinc, 57.5% for gold, and 69.0% for silver. The net recoveries only include metals that are payable in their respective concentrates.

The process plant is expected to ramp-up operations over a six-month period after completion of construction to a steady state throughput rate of 612,500 tonnes/year (1,750 tpd). The processing plant design includes a comminution circuit consisting of a crushing circuit followed by ball milling, and a sequential flotation circuit producing copper, zinc, and lead concentrates.

The tailings storage and waste rock facilities proposed for construction and development at El Domo are conventional in nature for the base case scenario and both facilities are located on owned concessions close to mine infrastructure. Klohn Crippen Berger completed an analysis

of nine different tailings storage locations, with various designs and technologies in order to arrive at the preferred location. The tailings storage facility is designed for a 1 in 10,000-year earthquake event, with similar international design standards for storms and floods.

The PEA proposed open pit production totals 7.5 M tonnes, which has been estimated through the application of a \$25/t NSR cut-off value to the open pit constrained Mineral Resource estimate and then allowing for a dilution factor, mining recovery and design losses. The open pit mine life, including pre-stripping, is estimated at approximately 16 years, with a total strip ratio of 6.3.

Potential underground production totals 1.2 M tonnes, which has been estimated through the application of a \$100.00/t NSR cut-off value to the underground constrained Mineral Resource estimate and then allowing for a dilution factor, and mining recovery design losses. The underground mine life is estimated at approximately 6 years, with additional time required for underground access development and infrastructure construction.

Initial Capital Costs

The initial capital expenditures for the project as estimated by RPA is summarized in the following table. Capital expenditures to be incurred after the start-up of operations are assigned to sustaining capital and are projected to be covered by operating cash-flows. Project contingencies have been added where applicable, excluding capitalized operating costs, which results in an overall contingency of \$33.0 M or 25% for the PEA (excluding VAT). The Corporation believes that El Domo will benefit from established infrastructure in Ecuador, noting that El Domo is only 150 km by road to the major port city of Guayaquil.

Initial Capital Cost Estimates

Item	Pre-Production (Initial Capital, \$M)
Contractor Mining	\$17
Processing	\$52
Infrastructure	\$24
Tailings	\$7
EPCM / Owners Cost / Indirect Costs	\$32
Contingency (25%)	\$33
VAT (12%, which is a credit against taxes once exporting)	\$20
Total (100% basis)	\$185

Notes:

- (1) Totals do not necessarily equal the sum of the components due to rounding adjustments
- (2) Direct process plant capital costs are based on benchmarking and not from engineering design

Sustaining Capital Costs

RPA estimates the life-of-mine (“LOM”) sustaining capital for El Domo to be \$105 M, which is expected to be funded by operating cash flows. The sustaining capital estimate is primarily for the expansion of the tailings storage facility, development of the underground mine, and reclamation and closure. Adventus has assumed \$10 M at the end of LOM, and that has been credited against \$34 M in closure and reclamation costs.

On Site Direct Operating Costs (“Opex”)

The estimated Opex for El Domo is \$54.80/t of mill feed – see the following table. RPA has estimated the Opex based on industry benchmarking, proprietary information and its professional experience.

On Site Operating Cost for Base Case

Area	Cost (\$/t)
Mining	\$3.15/tonne moved for the open pit and \$71.50/tonne for processed underground mining
Processing	\$21.80/tonne processed
G & A	\$4.74/tonne processed
Total:	\$54.80/tonne processed for the life of mine (blended open pit and underground mining cost)

Notes:

- (1) Totals do not necessarily equal the sum of the components due to rounding adjustments

Off-Site Costs (Concentrate Transport, Treatment, and Refining Charges)

Projected Treatment Charges (“TCs”) and transport charges for the copper, zinc and lead concentrates were developed by RPA based on their extensive experience on engineering projects in Latin America.

The Corporation anticipates that the copper, zinc, and lead concentrates are likely to be sold primarily to smelters in Asia. Off-site costs are comprised of freight charges (highway and ocean), port handling fees, and smelter treatment and refining charges – see the following table.

Off Site Costs – Copper, Zinc and Lead concentrates:

Item	Treatment Charges
Silver refining	\$0.50/oz
Gold refining	\$5.00/oz
Copper TCs	\$80/t
Copper RCs	\$0.08/lb
Lead TCs	\$200/t
Zinc TCs	\$230/t
Transportation	\$98/t conc.

The concentrates are of good quality, with strong precious metals credits. A minor penalty for the zinc grade over 4% in the copper concentrate was assumed, at a rate of US\$2 for every 1% over 4% zinc. Life-of-mine penalties for the copper concentrates are assumed at approximately US\$3.3M, which could be decreased with future blending strategies.

Taxes

Income and other taxes, and royalties that are presented in the PEA were based on Ecuadorian legislated tax rates and do not reflect any tax planning opportunities identified by the Corporation, RPA, or third-party tax advisors. LOM royalties to the government are estimated to be \$63M, VAT taxes are estimated to be \$34M, while additional profit sharing of \$73M and income taxes of \$83M project an estimated total of greater than \$253M in government royalties and taxes over the 15-year mine life. A 2% NSR royalty is payable to Altius Minerals Corporation. The VAT is assumed as refundable if the concentrates are exported internationally.

Infrastructure

The major infrastructure items considered and costed in the PEA support a mining and milling operation that is expected to operate 24-hours per day, seven-days per week. The design of project infrastructure has prioritized environmental protection, workforce safety, and operating efficiency while minimizing community impacts. Major infrastructure items include, but are not limited to the following:

- **Power Supply:** It is assumed that El Domo will connect to the Ecuadorian power grid along existing road access and a new mine access road based on work completed by Knight Piésold in early 2019. RPA has benchmarked and estimated the cost for power at \$0.11/kWh.
- **Road Access:** Access to the project site is planned to use both new and existing road networks based off work completed by Knight Piésold in 2019. A new 12.5 km access road is expected to connect the project site to the existing road network. Secondary access roads to El Domo will also be maintained;
- Mine haul road access for waste and feed to the mill that can accommodate 40-tonne trucks;
- Mine facilities including but not limited to buildings for maintenance, warehousing, administration, laboratories, security, first aid, explosive storage, and fuel storage;
- Mill and process plant including crushing, grinding, and flotation based on detailed metallurgical work done by Base Metallurgical Laboratories Ltd. under the direction of RPA;
- Water supply and management systems, and;
- Lined tailings storage facility and waste rock storage pads leveraging off studies completed by Klohn Crippen Berger in early 2019.

Environmental and Community Matters

Knight Piésold has reviewed the work completed at El Domo to date and concluded that the ongoing environmental monitoring and community engagement programs have provided appropriate support to the project. All exploration permits with the Ecuadorian Ministry of Environment are in good standing.

Knight Piésold has subsequently been contracted to prepare a study plan to complete the Environmental Impact Assessment and environmental permitting to Ecuadorian and international standards. Baseline studies are underway and include geosciences, climate and water, terrestrial biota, the human environment, and natural and cultural heritage. An enhanced program to support mine development will commence in the second quarter of 2019.

Opportunities and Future Work

RPA and the Corporation have identified several areas and opportunities that may provide significant costs savings and improved economics for the project. Post-PEA the Corporation will embark on additional technical work and trade-off engineering studies to better position and further de-risk the project, including but not limited to the following:

a. Mining

- Optimization of the production schedule, including transition between the open-pit and the underground mining operations;
- Optimization of the open-pit and underground designs through collection of additional geomechanical information;
- Further work to increase confidence in the Mineral Resource and lead to the definition of a Mineral Reserve;
- Detailed equipment costing to determine potential discounts to list price for all major components, as well as review purchase versus leasing options for mining heavy equipment, and;
- Back-filling of waste rock into the open pit.

b. Milling and Metallurgy

- Additional metallurgical work to optimize results from the mixed and copper geometallurgical domains and continue research on the optimum grind size, analyze recoveries of the various metals and the effects of the higher grade coming from the mineral sorters on metal recoveries;
- Complete metallurgical test-work on the zinc geometallurgical domain through more detailed test-work and optimization;
- Optimize reagents to reduce costs and improve metallurgy;
- Investigate the potential for a gold recovery circuit from a pyrite concentrate not currently in the PEA, and;
- Investigate ore blending as an option to simplify the three geometallurgical domains and find efficiencies in process design.

c. Tailings Storage and Waste Rock Facilities

- Detailed analysis of tailings storage and waste rock storage facilities for an integrated waste management plan and design to reduce overall costs.

d. Other

- Construction camp location, and a trade-off study between at site accommodation versus daily commutes to the project from local communities
- Investigate regional quarry sites and quality of quarry material for construction purposes, notably the tailing storage facility;
- Water supply for the project site, and a trade-off study between a constructed reservoir with project infrastructure or a water pipeline from a local source, and;
- Power sources for the project site, including a trade-off study between diesel generators as part of the project infrastructure or a power transmission line that links to the Ecuadorian power grid.

The Corporation aims to commission and commence a detailed Feasibility Study later in 2019. There is no assurance that the results of a Feasibility Study will recommend proceeding with a development project on El Domo, and any recommendation to proceed with development may differ significantly from the scope and design recommended in this PEA.

Changes to the mine plan and mine design that may be recommended in the Feasibility Study, if approved and implemented, could impact the construction schedule, capital and operating costs, profitability and cash flows and timeline to production, the impact of which cannot be quantified at this time. As a result, there are additional uncertainties with respect to the size and grade of the Mineral Resources that may become Mineral Reserves and that will serve as the basis for the Feasibility Study, the extent of capital and operating costs, mineral recoveries and financial viability.

In addition, the Corporation will continue to conduct exploration activities within the 21,500-hectare Curipamba project which encompasses El Domo. The objective of continuing regional exploration is to develop and assess targets that could further maximize the Corporation's flexibility with respect to future development decisions on the El Domo, Curipamba project.

Additional Considerations Related to the PEA

Approximately 5% of the tonnage from the open-pit constrained Mineral Resource and 24% of the tonnage from the underground constrained Mineral Resource that forms the basis of the PEA is derived from Inferred Mineral Resources. The estimated costs in this PEA are subject to an estimated margin of error of plus or minus 30-35%.

Investors should be cautioned that there is no guarantee that the future construction and development of El Domo will be completed in accordance with the 2019 PEA results set forward in this news release. There is no certainty that production will begin, or that operating capital, or that financial results will be consistent with the 2019 PEA.

Qualified Persons

The following IQPs will co-author the technical report that will be based on the PEA. These IQPs have approved the information in this news release that pertain to the sections of the PEA technical report that they are responsible for.

- Geology: David Ross, P.Geo., RPA
- Metallurgy and Processing: Avakash Patel, P.Eng., RPA
- Mineral Resource: Dorota El Rassi, P.Eng., RPA
- Mining: Hugo Miranda, P.Eng., RPA
- Infrastructure and Economic Evaluation: Torben Jensen, P.Eng., RPA
- Environmental & Community: Ken Embree, P.Eng., Knight Piésold

Each of the individuals above are IQPs for the purposes of NI 43-101. All scientific and technical information in this press release in respect of El Domo and or the PEA is based on information prepared by or under the supervision of those individuals. The Mineral Resource estimate in this news release has been classified in accordance with CIM Definition Standards – For Mineral Resources and Mineral Reserves (May 14, 2014).

In accordance with NI 43-101, a Technical Report will be filed on SEDAR within 45 days of the disclosure of the May 2, 2019 news release. The technical and scientific information of this news release has been reviewed and approved as accurate by Mr. Jason Dunning, M.Sc., P.Geo., Vice President Exploration for Adventus, a non-Independent Qualified Person, as defined by NI 43-101.

Exploration Alliance – Pijilí project

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

The Pijilí project has never been explored with modern exploration techniques, such as geophysics, nor has there been any systematic geological mapping, geochemical sampling, trenching and/or drilling undertaken. Small-scale, legally permitted artisanal mining operations adjacent to the property are following precious metal-bearing structures via several small open pits and underground tunnels. It is also important to note the presence of secondary copper mineralization that is visible along the walls of the small open pits. Salazar staff have noted copper sulphide-bearing (chalcopyrite) veins in a valley bottom at the confluence of major creeks that also requires additional follow-up.

The initial 18-month program is ongoing and entails detailed prospecting, surficial sampling, geological and structural mapping, implementation of a PIMA/TerraSpec for detailed hydrothermal alteration mineral studies, and geophysics. An airborne geophysical survey (MobileMMT) was completed on concessions for Pijilí Project that were flown in a systematic grid pattern to ensure full coverage and depth penetration. Field crews successfully completed 91.4% line-kilometres at Pijilí Project. Initial drilling on targets is expected in the second half of 2019.

Exploration Alliance – Santiago project

The Santiago Project consists of a single concession that encompasses 2,350 hectares and is currently 100%-owned by Salazar. It is in a geological setting similar to the nearby Loma Larga deposit owned by INV Metals Inc. and is considered prospective for epithermal gold and silver and porphyry copper gold deposits. It features three large, surficial geochemistry anomalies for gold, copper, and zinc. Numerous vein occurrences have been identified on the property thus far, which have yielded good chip sampling results for both gold and silver, including the following highlights (see Salazar news release for technical summary on February 23, 2012):

Española Vein: (up to 3 metres width)

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

Structure Quartz-Tourmaline: (3 metres width)

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

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

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

Structure F.U.: (1.5 metres width)

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

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

The initial 24-month program is ongoing and entails detailed prospecting, surficial sampling, geological and structural mapping, implementation of a PIMA/TerraSpec for detailed hydrothermal alteration mineral studies, and geophysics. An airborne geophysical survey (MobileMMT) was flown in a systematic grid pattern to ensure full coverage and depth penetration. Field crews successfully completed 94.2% line-kilometres at Santiago Project. Drilling will be considered once a target generation evaluation is completed.

IRISH PROJECTS

The Corporation currently holds 62 exploration prospecting licenses in the Republic of Ireland, comprising seven separate blocks (with one joint venture with Teck Ireland) across the principal prospective areas of the North Midlands and South West Ireland. The licenses are issued by the Exploration and Mining Division (EMD) of the Department of Communications, Climate Action and Environment (DCCA) of the Republic of Ireland and the Corporation has been granted the right to explore for base metals, barytes (barite), silver and gold across the licensed areas. This includes the 21 additional licenses covering Millstreet and Charleville added in 2018.

The Corporation's exploration activity from its acquisition of these properties have been focused on the Rathkeale and Lismore blocks, in particular the interpretation of the seismic survey. The Corporation continues to explore ways to conduct exploration work on these properties, including joint ventures, partnerships, and changes in ownership structure.

Lismore

The Lismore Block consists of six, non-surveyed prospecting licences that cover an area of approximately 163.7 km² within County Waterford in the Republic of Ireland. The project covers prospective Waulsortian strata with a recently discovered discrete zone of younger Viséan limestone, shale and sedimentary breccias (Dr. M. Philcox. 1976 & 2017) that was previously mis-identified as Waulsortian. These strata are being interpreted by the Corporation as a structurally-controlled sag facies that display elevated zinc values. Historical drilling proximal to these sag zones have encountered shallow, near surface low-grade mineralization and clay alteration at Ballyduff-Glenbeg and Ballinanchor).

The Corporation's field work has identified two broad target areas where preserved zinc-lead sulphide mineralization may exist beneath Viséan cover rocks previously mis-identified as Waulsortian, lithologies proximal to an extensional structure, down-dip from anomalous soils and sub-cropping hydrothermal dolomite breccias. The new interpretation for the Lismore block means that the Corporation is targeting deeper mineral potential that is down-dip from the historical low-grade discoveries near surface at Ballinanchor and Ballyduff-Glenbeg that has never been tested.

The Ballinanchor breccia is a 500 metre by 250 metre zone of sub-cropping, sphalerite-bearing, hydrothermal dolomite breccia units near the base of Waulsortian that was drilled by Navan Resources in 1994-1995. The Corporation's recent field work in 2017 and 2018 has shown the mineralization is juxtaposed against a section of Viséan strata. Chip sampling of historical drill holes into the Viséan strata reported intersections of up to 3.0 metre grading 2.3% zinc and 8.5 metres grading 1.4% zinc in historical drill hole DDC3-17. An east-west southerly bounding fault juxtaposes the Viséan against the sub-Waulsortian, Ballysteen Limestone (ABL) with a throw of at least 350 metre northwards.

The Corporation now interprets these mineralized breccia units as sub-cropping on a structural high across a south-stepping, structural relay zone and that the younger Viséan package lies above a structurally controlled sag at a relay. Although there are indications that other historical operators such as Billiton-Central Mining Finance knew the Viséan strata at Ballinanchor was being mis-interpreted as Waulsortian, it is clear that historical drilling failed to test the target horizon, thereby supporting the need for deeper drilling at Ballinanchor.

The Ballyduff breccia is a 1,500 metre by 300 metre zone drilled on three north-south fences, from west to east, at Bawnbrack, Ballyduff and Glenbeg. The Corporation's relogging of historical drill hole LS-81-45, when placed in context of micro-palaeontological dating, revealed that Viséan strata are overlying and therefore juxtaposed against the Waulsortian across an inferred fault. Historical drill hole LS-81-45 at Glenbeg collared in and terminated within Viséan strata at 176.8 metres without intersecting the Waulsortian or any associated breccia. This fact suggests a possible downthrow southwards on the order of 200 metres across the inferred fault.

Historical drilling by previous operators at Glenbeg intersected sphalerite-bearing hydrothermal breccias with historical intersections recording up to 12.8 metres grading 2.95% zinc from 162.5 metre in historical drill hole DDC3-4; including 1.5 metre grading 8.47% zinc from 165.5 metres. Within this latter intersection is a 15-centimetre zone of 14.7% zinc demonstrating the potential of the system to generate

ore-grade mineral. The Glenbeg breccias may represent up dip mineralization, meaning that there is an untested southward area, down-dip area across the fault. As such, the Corporation believes that drilling is also appropriate at Glenbeg).

On February 7, 2019, the Corporation announced a non-binding heads of agreement with BMEx whereby BMEx shall acquire an Irish subsidiary of the Corporation that controls Lismore as well as Fermoy, Millstreet and Charleville exploration projects, in return for shares in BMEx. Subsequent to the announcement, the Corporation and BMEx agreed to exclude Fermoy from the sale. The transaction is expected to close during the second quarter of 2019.

Rathkeale

The Rathkeale license block ("Rathkeale Block") consists of eight non-surveyed prospecting licenses covering an area of approximately 256.7 km² and is located within County Limerick of Republic of Ireland. The block is centered at 8° 51' 56" West and 52° 33' 24" North and is registered to Adventus Zinc Ireland Limited, a wholly owned subsidiary of the Corporation. The licenses, issued by the EMD, grant the right to explore for base metals, barytes (barite), silver and gold - the licenses, which are valid to September 21, 2022, are currently held in good standing with EMD.

It was originally thought the structures of the Rathkeale Block were north-dipping with the prospective Waulsortian strata on a northern hanging wall, but results from Adventus' seismic survey revealed two half-grabens controlled by large, south-dipping fault complexes. This radical departure from the traditionally accepted structural interpretation of the area means that prior operators would have mistakenly been targeting host rocks on the northern side of fault structures, believing the rocks represented hanging wall strata. The revised interpretation represents an important advance in the understanding of the geology of the area, opening untested target areas proximal to known mineralization.

An additional key observation is that under a south-dipping structural regime, the potential relay(s) between structures within a bifurcating rift, as represented by the GH, GB and N faults, would be to the north. As a northward relay would be expected, this structural orientation suggests that the key area of interest is along strike from Pallas Green to the west and north, where inferred relays would place permissive structural zones along the GB Fault and N Fault respectively.

To assist further with the interpretation of the seismic survey results, drill core was relogged at both GSI and Boliden core storage facilities. A total of nine historical drill holes were studied including the collection of magnetic susceptibility measurements to link ground magnetic survey data to geology. The review of drill core was highly successful in defining links between seismic reflectors and the favourable strata typically known for zinc-lead mineral potential. In certain cases, subtle features within the seismic data could be traced back to variation in the drill core such as weak lithological contrasts.

Successful results from a pilot surficial geochemistry orientation survey justified a larger-scale survey that combined the use of ionic leach and pH analytes from the A-Horizon, as well as a more standard multi-element analysis from the B-Horizon. The objective of this larger-scale survey was to delineate geochemical anomalies adjacent to the newly interpreted structures from the seismic survey that could indicate potential leakage from concealed massive sulphide source.

Other Irish blocks

No expenditures were made in the Kingscourt, Fermoy, Charleville and Millstreet properties during the quarter ended March 31, 2019.

QUALIFIED PERSON

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

RESULTS OF OPERATIONS

The Corporation does not have any revenue. The following net expense information is derived from the Corporation's condensed consolidated financial statements for the quarter ended March 31, 2019.

	For the three months ended	
	March 31,	
	2019	2018
Expenses and other income		
Salaries and benefits	\$ 234,924	\$ 299,637
Professional and consulting fees	292,896	133,095
Office and administrative	198,788	132,319
General and administrative	\$ 726,608	\$ 565,051
Share-based compensation	114,991	189,639
Generative exploration	17,844	112,789
Exploration and evaluation assets abandoned or impaired	-	161,072
Depreciation	6,747	5,190
Foreign exchange loss (gain)	408,575	(353,488)
Interest income	(14,735)	(24,890)
Share of loss in associates	45,054	-
Net expenses and other income	\$ 1,305,084	\$ 655,363

The salaries and benefits expenditures for the quarter ended March 31, 2019 was decreased by \$64,713 from the same period in 2018, mainly due to higher levels of staff costs being allocated to the projects. As the Corporation continues to advance the three projects in Ecuador, it will expand its team both in Canada and in Ecuador. Professional and consulting fees were increased by \$159,801 from the same period in 2019 as recruitment fees were paid in order to expedite the building of its team, as well as higher legal and tax advisory services for the BMEx Transaction and other initiatives. Office and administrative expenditures are \$66,469 higher than the same period for 2018, due to the lease of office space commencing March 2018 and increased activities for the quarter ended March 31, 2019.

Generative exploration for the quarter ended March 31, 2019 fell by \$94,945 from the same period in 2018 mainly because the Corporation is currently focused on the three main projects in Ecuador: Curipamba, Pijilí and Santiago and as the system for tendering for new concessions in Ecuador had been suspended for most of 2018, there is limited exploration expenditures being made this quarter. No impairment charges were recorded in the quarter ended March 31, 2019, as compared with properties abandoned in the corresponding period in 2018.

The Corporation recorded a foreign exchange loss of \$408,575 for the quarter ended March 31, 2019 compared with a gain of \$353,488 in the same period in 2018, due to the relative movement of the US dollar against the Canadian dollar during the quarters ended March 31, 2019 and 2018. The options to acquire mineral interests were denominated in US dollars, and hence gave rise to foreign exchange difference when these amounts are retranslated into the Corporation's functional currency using the spot rates at each reporting period.

The Corporation acquired approximately 39% of Canstar in July 2018, as a result of the sale of its subsidiary Adventus Newfoundland Corporation and its properties in the province of Newfoundland and Labrador. Its investment in Canstar as an associate is accounted for on an equity accounting basis and the Corporation's share of loss for the quarter ended March 31, 2019 is \$45,054.

FINANCIAL CONDITIONS, LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2019, the Corporation had 71,204,925 common shares issued and outstanding (2018: 71,004,925).

As at March 31, 2019, the Corporation had a working capital of 1,435,524 (2018: \$5,384,581). This included cash and cash equivalents of \$2,040,092 (2018: \$6,769,641), consisting of \$622,490 cash on hand and \$1,417,602 in short-term deposits.

The main use of cash during the quarter ended March 31, 2019 was expenditures used in the investing activities. The Corporation continued to invest in various projects in the quarter ended March 31, 2019, spending \$4,178,507 in Ecuador and \$Nil in Newfoundland and Ireland, compared with \$1,595,216 in Ecuador and \$344,436 in Newfoundland and Ireland in the same period in 2018.

The recoverability of the amount capitalized to exploration and evaluation assets and to the options to acquire shares in mineral interests is dependent upon the existence of economically recoverable reserves, the ability of the Corporation to obtain financing on favourable terms to continue to perform exploration activities or complete the development of the properties where necessary, or alternatively, upon the Corporation's ability to recover its incurred costs through a disposition of its interests, all of which are uncertain. These uncertainties may

affect the ability of the Corporation to continue operations and meet its obligations and discharge its liabilities into the foreseeable future as a going concern and, accordingly, the ultimate appropriateness of the use of the accounting principles applicable to going concern.

The Corporation will continue to fund ongoing investment and investigate current and future mineral exploration assets, perform exploration work programs and run general operations. Future developments will depend on the Corporation's ability to obtain financing through joint venturing of projects, debt financing, equity financing or other means. The Corporation has been able to raise adequate funding its operations since its incorporation in 2016. On May 22, 2019, the Corporation closed a non-brokered private placement (the "Nobis Placement") for gross proceeds of \$12,084,084 with Consorcio Nobis ("Nobis"), a private business group in Ecuador, as lead investor. On July 17, 2018, the Corporation closed a non-brokered private placement (the "Offering") for gross proceeds of \$9,240,233 with Wheaton Precious Metals Corp. ("Wheaton") as lead investor. However, there is no assurance that this can be replicated in a timely manner. As such, management believes that there are material uncertainties that exist that may cast significant doubt upon the Corporation's ability to operate as a going concern. Management continues to explore all available options to secure funding, including equity financing and strategic partnerships. Should the Corporation not be able to secure financing in a timely manner, the Corporation will curtail exploration spending and defer discretionary expenditures to conserve cash.

SUMMARY OF QUARTERLY FINANCIAL INFORMATION

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

Quarter Ended	Net earnings/ (loss)	Net earnings/(loss) per common share (basic and diluted)
March 31, 2019	\$ (1,305,084)	\$ (0.02)
December 31, 2018	(2,996,056)	(0.04)
September 30, 2018	2,508,548	0.04
June 30, 2018	(586,103)	(0.01)
March 31, 2018	(655,363)	(0.01)
December 31, 2017	(1,907,170)	(0.04)
September 30, 2017	(593,114)	(0.01)
June 30, 2017	(512,663)	(0.01)

As at	Total assets	Total liabilities
March 31, 2019	\$ 29,146,237	\$ 1,526,856
December 31, 2018	30,366,610	1,665,108
September 30, 2018	32,814,300	1,229,752
June 30, 2018	16,997,061	666,218
March 31, 2018	17,595,414	837,486
December 31, 2017	18,341,279	1,117,933
September 30, 2017	10,087,428	717,367
June 30, 2017	10,865,848	1,037,316

The net loss for each of the quarters is relatively stable in the first six quarters except for the fourth quarter of 2017, the loss is increased by \$1,314,056 over the third quarter due mainly to the legal and professional fees incurred in closing the Salazar transaction, professional and consulting fees for due diligence activities and marketing associated with the financing, management bonuses, as well as the addition of two officers in the last quarter. The net earnings for the quarter ended September 30, 2018 was due to the one-off income derived from the sale to Wheaton of certain rights to precious metals streams and royalties in Ecuador and the disposal of its investments in the Newfoundland Properties, while the net loss for the quarter ended December 31, 2018 was primarily due to the impairment of investment in Canstar. The increase in net loss for the quarter ended March 31, 2019 was mainly due to the foreign exchange loss of \$408,575.

The total assets as at March 31, 2019 was \$1,220,373 lower than that as at December 31, 2018, primarily due to unrealized exchange loss when translating the United States dollar based options to acquire mineral interests into Canadian dollar. The level of liabilities was decreased by \$138,252 from December 31, 2018 to March 31, 2019 due primarily to the decrease in accruals.

RELATED PARTY TRANSACTIONS

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Corporation as a whole. The Corporation has determined that key management personnel consists of members of the Corporation's Board of Directors and corporate officers.

Compensation for key management personnel and directors for the three months ended March 31, 2019 and 2018 is as follows:

	For the three months ended March 31,	
	2019	2018
Salaries and benefits	\$ 299,194	\$ 365,310
Share-based compensation	114,991	189,639
	\$ 414,185	\$ 554,949

For the three months ended March 31, 2019, an amount of \$86,191 (March 31, 2018: 65,672) of salaries and benefits of key management personnel were charged to the options to acquire mineral interest in Ecuador,

During the three months ended March 31, 2019, the Corporation incurred charges of \$Nil (March 31, 2018: \$8,370) from Altius Minerals Corporation and/or its subsidiaries for management fees, technical consulting and exploration related expenses. As from March 1, 2018, the Corporation is sharing its office with Altius Minerals Corporation and during the three months ended March 31, 2019, the Corporation charged Altius Minerals Corporation an amount of \$6,030 (March 31, 2018: \$1,545) for its share of office rental as well as a deposit of \$1,707. As at March 31, 2019, the amounts included in accounts payable and accrued liabilities are \$Nil (December 31, 2018: \$8,782), and the amounts included in accounts receivable is \$Nil. (December 31, 2018: \$Nil)

Since September 1, 2018, the Corporation has been sharing its office with Canstar and during the three months ended March 31, 2019, the Corporation charged Canstar an amount of \$4,525 for its share of office rental as well as a deposit of \$1,706. As at March 31, 2019, the amounts included in accounts receivable is \$3,050 (December 31, 2018: \$Nil).

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.

OFF-BALANCE SHEET ARRANGEMENTS

At March 31, 2019, the Corporation had no off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Corporation.

SHARE CAPITAL

As at the date of this MD&A, the Corporation has 85,012,631 common shares, 5,000,000 stock options, of which 2,683,334 are exercisable, and 141,835 broker warrants exercisable for common shares outstanding. This includes the 13,794,616 common shares issued in the Nobis Financing and the 13,090 brokers' warrants which were exercised subsequent to March 31, 2019.

NEW ACCOUNTING POLICIES

IFRS 16 – Leases: This standard was issued by the IASB on January 13, 2016 and replaced IAS 17 "Leases". The new standard was effective for annual periods beginning on or after January 1, 2019 and brings most leases on-balance sheet for lessees under a single accounting model, eliminating the distinction between operating and financing leases. Lessor accounting remains largely unchanged. The Corporation has recognized

- (a) right-of-use assets and lease liabilities, except for short-term leases and leases of low value assets, initially measured at the present value of future lease payments;
- (b) depreciation of right-of-use assets and interest on lease liabilities in the consolidated statement of earnings and losses; and
- (c) separate the total amount of cash paid into a principal portion (presented within the financing activities) and interest (presented with operating activities) in the consolidated statement of cash flows.

For short-term leases with lease term of 12 months or less, and for leases of low-value assets, the Corporation has opted to recognize a lease expense on a straight-line basis.

The Corporation has adopted IFRS 16 effective January 1, 2019 with no material effect on these condensed consolidated financial statements.

RISK FACTORS AND UNCERTAINTIES

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 Corporation anticipates further exploration, development and acquisition of future prospective properties and has positive net working capital to fund currently planned work programs on existing properties.

A summary of the major financial instrument risks and the Corporation's management of these risks can be found in the annual financial statements and MD&A for the year ended December 31, 2018. There have been no changes to these factors during the current period.

INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for the establishment and maintenance of a system of internal control over financial reporting. This system has been designed to provide reasonable assurance that assets are safeguarded and that the financial reporting is accurate and reliable. The consolidated financial statements have been prepared by management in accordance with IFRS and in accordance with accounting policies set out in the notes to the consolidated financial statements for the three months ended March 31, 2019. There has been no change in the Corporation's internal control over financial reporting during the three months ended March 31, 2019 that has materially affected, or is reasonably likely to materially affect, the Corporation's internal control over financial reporting. There are inherent limitations in all control systems and no disclosure controls and procedures can provide complete assurance that no future errors or fraud will occur. An economically feasible control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

CRITICAL ACCOUNTING ESTIMATES

A summary of the Corporation's critical accounting estimates and judgments can be found in the annual consolidated financial statements for the years ended December 31, 2018 and 2017.

COMMITMENTS AND CONTRACTUAL OBLIGATIONS

Mineral property expenditures

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, in order to maintain the licenses in good standing and for refund of security deposits. 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, post a refundable security bond for the deficient amount or elect to allow title of the license be cancelled. The Corporation is required to spend \$66,258 by December 31, 2019 and \$33,129 by December 31, 2020 in order to maintain various licenses in good standing.

Operating lease

As at March 31, 2019 the Corporation is committed to lease obligations, including operating costs, on office space for annual future payments as follows:

	Amounts	
2019	\$	109,798
Total commitments	\$	109,798

Contractual obligations

The Corporation has certain royalty obligations on its properties. This includes a 2% NSR royalty on the Irish Properties pursuant to the Irish Royalty Agreement dated November 29, 2016.

Under the Option Agreement in Curipamba, the Corporation shall pay to Salazar an annual advance payment of US\$250,000 to an aggregate maximum of US\$1,500,000 over the option period of five years. Should the Option Agreement be terminated without the Option having been exercised, any such amounts of advance payment made will not be refundable. As of the date of this MD&A, a total amount of US\$500,000 has been made.

Under the Pijilí and Santiago Agreements, the Corporation shall pay to Salazar US\$50,000 and US\$25,000 respectively as the remainder of the cash consideration when all conditions to the Pijilí and Santiago Agreements have been satisfied.