



**MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE THREE MONTHS ENDED MARCH 31, 2021**

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This Management's Discussion and Analysis ("MD&A") of Adventus Mining Corporation ("Adventus" or the "Corporation" has been prepared as of May 26, 2021 and should be read in conjunction with the Corporation's audited annual consolidated financial statements for the years ended December 31, 2020 and 2019 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, 2021 and 2020, prepared in accordance with *International Accounting Standard 34, "Interim Financial Reporting"* ("IAS34").

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

Cautionary Statement Regarding Forward-Looking Information

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

Forward-looking information is necessarily based upon various estimates and assumptions including, without limitation, the expectations and beliefs of management, including that the Corporation can access financing, appropriate equipment and sufficient labour; assumed and future price of copper, gold, silver, zinc, and other metals; anticipated costs; ability to achieve goals; the prompt and effective integration of partnerships and corporate transactions, if any; that the political environments in which the Corporation operates will continue to support the exploration, development and operation of mining projects; and assumptions related to the factors set forth below. While these factors and assumptions are considered reasonable by Adventus as at the date of this document in light of management's experience and perception of current conditions and expected developments, these statements are inherently subject to significant business, economic, socio-political, and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements and undue reliance should not be placed on such statements and information. Such factors include, but are not limited to: risks inherent in and/or associated with operating in different countries; uncertain political and economic environments; community activism, shareholder activism and risks related to negative publicity with respect to the Corporation or the mining industry in general; changes in laws, regulations or policies including but not limited to those related to permitting and approvals, environmental and tailings management, labour, trade relations, and transportation; delays or the inability to obtain necessary governmental approvals and/or permits; regulatory investigations, enforcement, sanctions and/or related or other litigation; risks associated with business arrangements and partners over which the Corporation does not have full control; risks associated with corporate transactions and related integration efforts, including the ability to achieve anticipated benefits, unanticipated difficulties or expenditures relating to extraordinary situations, such as epidemics or natural disasters; competition; exploration, project development or operation results not being consistent with the Corporation's expectations; estimates of future production and operations; operating, cash and all-in sustaining cost estimates; allocation of resources and capital; litigation; uninsurable risks; volatility and fluctuations in metal and commodity prices; the estimation of asset carrying values; funding requirements and availability of financing; indebtedness; foreign currency fluctuations; interest rate volatility; changes in the Corporation's share price, and equity markets, in general; changing taxation regimes; counterparty and credit risks; health and safety risks; risks related to the environmental impact of the Corporation's activities and management thereof; unavailable or inaccessible infrastructure and risks related to ageing infrastructure; risks inherent in mineral exploration and mining including but not limited to risks to the environment, industrial accidents, catastrophic equipment failures, unusual or unexpected geological formations or unstable ground conditions; risks relating to attracting and retaining of highly skilled employees; ability to retain key personnel; the potential for and effects of labour disputes or other unanticipated difficulties with or shortages of labour or interruptions in work activities; the price and availability of energy and key operating supplies or services; the inherent uncertainty of exploration and development, and the potential for unexpected costs and expenses including, without limitation, risks associated with the estimation of Mineral Resources and Mineral Reserves and the geology, grade and continuity of mineral deposits including but not limited to models relating thereto; future actual ore mined and/or metal recoveries varying from Mineral Resource and Mineral Reserve estimates; mine plans, and life of mine estimates; the possibility that future exploration, development or mining results will not be consistent with expectations; natural phenomena such as earthquakes, flooding, and unusually severe weather; potential for the allegation of fraud and corruption involving the Corporation, its customers, suppliers or employees, or the allegation of improper or discriminatory employment practices, or human rights violations; security at the Corporation's projects and operations; breach or compromise of key information technology systems; materially increased or unanticipated

reclamation obligations; risks related to mine closure activities; risks related to closed and historical sites; title risk and the potential of undetected encumbrances; risks associated with the structural stability of waste rock dumps or tailings storage facilities; risks related to political and economic instability in Ecuador, including unexpected changes to mining code, royalties and taxes; risks related to the COVID-19 pandemic and other natural disasters, terrorist acts, health crises and other disruptions; and other risks and uncertainties. All of the forward-looking statements made in this document are qualified by these cautionary statements. Although the Corporation has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated, forecast or intended and readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking information. Accordingly, there can be no assurance that forward-looking information will prove to be accurate and forward-looking information is not a guarantee of future performance. Readers are advised not to place undue reliance on forward-looking information. The forward-looking information contained herein speaks only as of the date of this document. The Corporation disclaims any intention or obligation to update or revise forward-looking information or to explain any material difference between such and subsequent actual events, except as required by applicable law.

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

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

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

BUSINESS OVERVIEW

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

The Corporation was formed on October 24, 2016 as a strategic initiative to acquire and focus efforts on zinc-related base metal properties, specifically with the goal of acquiring significant zinc-related exploration and development projects held by major mining companies. After an extensive search globally, the Corporation identified a unique opportunity and decided it was in its best interests to focus on copper-gold exploration and development in Ecuador. The Corporation has since expanded its exploration portfolio in Ecuador and is focused on the discovery and definition of economic copper and gold deposits. To better reflect the change in focus, the Corporation changed its name to Adventus Mining Corporation following shareholders' approval on June 12, 2019. The Corporation has not earned any revenue to date and is considered to be in the exploration stage.

The Corporation's main project and area of focus is the Curipamba property in Ecuador ("Curipamba") where it has an earn-in option agreement ("Salazar Option Agreement") with Salazar Resources Ltd. ("Salazar") for a 75% interest. The Corporation also formed an exploration alliance (the "Exploration Alliance") with Salazar and executed an exploration alliance agreement (the "Alliance Agreement") with Salazar to explore for additional mineral projects in Ecuador. To date, two projects have been established in the Exploration Alliance by the Pijilí Agreement and the Santiago Agreement respectively (collectively the "Pijilí and Santiago Agreements"): the Pijilí and the Santiago projects, with Adventus owning an 80% interest in the Exploration Alliance Projects and Salazar owning the remaining 20% interest. Adventus continues to evaluate new properties and projects in Ecuador to add to the Exploration Alliance.

With the focus on Ecuador, the original portfolio of properties in Ireland ("Irish Properties") and in Newfoundland and Labrador, Canada ("Newfoundland Properties") which the Corporation acquired in 2016 from Altius Resources Inc. ("Altius") became non-core holdings and strategic partners were sought for further exploration and development. This has resulted in the Newfoundland Properties being consolidated with properties of Canstar Resources Inc. ("Canstar") in exchange for shares in Canstar; part of the Irish Properties divested to BMEx Limited ("BMEx"); and the remainder of the Irish Properties now subject to an earn-in agreement ("South32 Agreement") with a subsidiary of South32 Limited ("South32").

CORPORATE HIGHLIGHTS FOR THE QUARTER ENDED MARCH 31, 2021

Corporate

- In January 2021, the Corporation raised C\$53,000 through the exercise of 50,000 stock options; and
- After the end of the quarter, Mr. Roberto Salas resigned as director of Adventus and as Vice Chairman and Chief Executive Officer of Nobis Consorcio ("Nobis") ahead of his appointment as Ecuador's new Minister of Energy and Non-Renewable Natural Resources as a member of the new national government cabinet. A new board nominee from Nobis is expected before the Company's Annual General Meeting.

Feasibility Study – El Domo

- The Corporation continued to make progress in the drilling program at the El Domo ("El Domo") volcanogenic massive sulphide deposit in Curipamba in the first quarter of the year, and subsequent to the year-end, the Corporation completed the infill drill program. (See "Curipamba – El Domo Feasibility Study" below for more details).

Exploration

- Curipamba regional exploration – drilling continued on the targets defined for Curipamba, most of which are new areas that have not undergone systematic exploration or drilling. (See "Curipamba Project – Regional Exploration" below and on the website www.adventusmining.com under "Curipamba Project");
- Pijilí exploration – drilling program on the Mercy concession at Pijilí was completed in March 2021 with a total of twelve drill holes totalling 7,031 metres on the first of multiple porphyry targets identified. (See "Exploration Alliance – Pijilí" below for more details and news releases dated April 8, 2021 and April 20, 2021);
- Santiago exploration – community support work, including public health initiatives and socialization of the exploration plans continued at site. A 2,500-metre drilling program is being planned for mobilization in the third quarter of 2021; and
- Irish exploration – exploration work continued in Ireland pursuant to the South32 Agreement and subsequent to March 31, 2021, the Corporation announced the commencement of drilling on the Kingscourt property. (See "Irish Projects" below for more details and news release dated May 6, 2021).

COVID-19

- Globally, nations are in different stages of economic recovery from the COVID-19 pandemic. The availability of vaccines or the lack thereof plays an important role in the path back to normalcy. On April 5, 2021, the World Bank announced that it has approved of \$150 million in additional financing to the COVID-19 Emergency Response Project for the procurement of COVID-19 vaccination in Ecuador which the Government of Ecuador expects to help cover the immunization needs for approximately 30% of the population. Site work continued at the Corporation's projects in Ecuador, subject to various health and safety protocols. Although vaccination rates in Ireland and Canada are considerably higher, both countries are still in various stages of lockdown and staff are still continuing to work remotely where possible.

EXPLORATION OUTLOOK IN ECUADOR

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

The Corporation's main focus in 2021 continues to be on the El Domo deposit in Curipamba, where the Corporation has already completed its commitment to spend \$25 million over five years for a 75% interest, and the commitment of a feasibility study is expected to be completed by the end of 2021. On October 13, 2020, the Corporation announced that drilling activities had been restarted at Curipamba after approximately six and a half months work suspension due to COVID-19 concerns. As a result, the requirement to complete the feasibility study as part of the earn-in agreement has been extended to April 2022 by mutual agreement with Salazar. Work on feasibility study and trade-off engineering studies began in mid-2020 and is on track to be completed by the end of 2021.

The Corporation will also continue with exploration in Curipamba outside of the El Domo deposit and within the Exploration Alliance in the Pijilí and Santiago projects. The initial drilling program in Pijilí has been completed in early 2021 while regional exploration drilling in Curipamba, outside of El Domo, continues in 2021. An initial drilling program in Santiago is planned to commence in the third quarter of 2021. The Corporation may divest or joint venture its properties and may consider other 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. Ecuador is rich in natural resources but has been under-explored for minerals. As Ecuador recognizes modern mining as an engine of long-term economic growth, it continues to introduce measures to improve the mining investment environment. Ecuador's private and public sectors continue to make significant investments in its infrastructure, and the country continues to benefit from one of the lowest energy costs in the Americas. Its proximity to the Panama Canal, and access to modern port and highway logistics provide significant global and regional advantages.

Similar to what other mineral-rich neighbours in the Andean region like Peru and Chile have experienced in the past decades, as Ecuador starts to develop its vast mineral resources with two large-scale mines having commenced production in 2019, conflicts with special interest groups are expected to become more common. The Ecuador government remains committed to developing the mining sector to diversify its economy from the declining oil and gas industry. Over the past two years, attempts by various groups to introduce referendums to stop mining activities in certain geographic areas of Ecuador have been ruled as unconstitutional by the Constitutional Court of Ecuador (the "Constitutional Court") and were not allowed to proceed. In September 2020, the Constitutional Court approved a request to hold referendum for large-scale and medium scale mining projects in the city of Cuenca within the five water sources of the city. The decision of the Constitutional Court sets the precedent that if any further future referendum requests which meet the criteria previously set by the Constitutional Court are allowed to proceed, it is expected that the potential impact will only be related to future mineral rights not yet granted and may not be retroactively applied to previously granted concessions based on legally valid laws, rules and regulations. Ecuador's presidential election in February 2021 did not produce a clear winner and after the run-off election between the two top contenders on April 11, 2021, Guillermo Lasso, a former banker, was declared winner and will be inaugurated on May 24, 2021. Some of Lasso's election platform promises include the opening of the market, promoting foreign investment, the reduction of taxes and the commitment to respect the agreement with the IMF and the debt restructuring agreed to by the previous administration. As a responsible explorer and potential miner, the Corporation is committed to respecting the communities and the environment in which it works and has undertaken a wide range of programs focused on their environmental and social well-being.

At Curipamba, local community, exploration, and project development activities are carried out by an all in-country Ecuadorian team. Local social programs are undertaken to encourage education and capacity building, environmental protection, economic development and diversification and improved opportunities for employment.

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, 2021 and December 31, 2020:

(Expressed in thousands of United States dollars)

Project	As at Dec 31, 2020	Additions	Effect of foreign currency exch movements	As at Mar 31, 2021
Ireland				
Rathkeale Limerick	\$ 1,590	\$ -	\$ (68)	\$ 1,522
Kingscourt	123	-	(5)	118
Fermoy	25	-	(2)	23
Ecuador				
Pijilí	8,453	817	-	9,270
Santiago	2,675	244	-	2,919
Total mineral properties	\$ 12,866	\$ 1,061	\$ (75)	\$ 13,852
Curipamba	\$ 28,844	\$ 5,006	\$ -	\$ 33,850
Option to acquire mineral interests	\$ 28,844	\$ 5,006	\$ -	\$ 33,850

(Expressed in thousands of United States dollars)

Project	As at Dec 31, 2019	Additions	Effect of foreign currency exch movements	As at Dec 31, 2020
Ireland				
Rathkeale Limerick	\$ 1,456	\$ -	\$ 134	\$ 1,590
Kingscourt	113	-	10	123
Fermoy	22	-	3	25
Ecuador				
Pijilí	5,634	2,819	-	8,453
Santiago	2,103	572	-	2,675
Total mineral properties	\$ 9,328	\$ 3,391	\$ 147	\$ 12,866
Curipamba	\$ 19,260	\$ 9,584	\$ -	\$ 28,844
Option to acquire mineral interests	\$ 19,260	\$ 9,584	\$ -	\$ 28,844

The Corporation continued to advance the Curipamba project and during the three months ended March 31, 2021 incurred an amount of \$5,006,000 in the option to acquire interest in the Curipamba project. The amount used was mainly for access land acquisition, drilling, feasibility studies including engineering studies such as environmental impact studies, permitting, drill spacing, tailings, road route, power route and metallurgy. As at March 31, 2021, the Corporation has funded a cumulative amount of \$33,850,000 of Qualifying Project Expenditures into the option in Curipamba, an amount which exceeded the \$25,000,000 amount required over five years as specified in the Curipamba Option Agreement and hence satisfied the cumulative spending condition of the earn-in. The remaining obligation for the earn-in is the completion of the feasibility study, which is expected by the end of 2021.

Most of the infill drilling and feasibility studies drilling had been completed in the first few months of 2021 and geo-technical drilling is expected to be completed by the middle of 2021, while environmental baseline work continues to progress.

Fieldwork in Ireland also restarted in October 2020 following the Government of Ireland's guidelines for COVID-19 protocols for biosecurity. In May 2021, the Corporation announced the start of exploration drilling on its Kingscourt property in the Moynalty Basin.

The following is a breakdown of the Curipamba Project option cost as of the periods indicated below:

(expressed in thousands of United States dollars)	Three months ended	Year ended	
	Mar 31, 2021	Dec 31, 2020	Dec 31, 2019
Balance, beginning of period	28,844	19,260	10,074
Concession related costs and land acquisition	199	1,392	2,148
Drilling and geological interpretation	2,027	2,119	1,647
Feasibility studies including engineering studies	709	977	354
Camp, environment and community relations	1,711	4,213	3,878
General and administrative	360	883	1,159
Balance, end of period	33,850	28,844	19,260

During the three months ended March 31, 2021, the Corporation invested \$817,000 and \$244,000 respectively into Pijilí and Santiago. The carrying value of Pijilí and Santiago at March 31, 2021 is \$9,270,000 (December 31, 2020: \$8,453,000) and \$2,919,000 (December 31, 2020: \$2,675,000) respectively.

Pursuant to the South32 Agreement signed on January 13, 2020 with South32 Ireland, work continued on the South32 Earn-In Projects with funding from South32. As at March 31, 2021, South32 has funded \$1,559,000 (€1,328,000) of the South32 Earn-In Projects.

As of March 31, 2021, the Corporation has included in its accounts payable and accrued liabilities an amount of \$620,000 attributable to exploration and evaluation asset expenditures as well as expenditures on the option to acquire mineral interest.

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

(expressed in thousands of United States dollars)						
As at March 31, 2021	Irish Properties			Ecuadorian Properties		Total Exploration and Evaluation Assets
	Rathkeale	Kingscourt	Fermoy	Pijilí	Santiago	
Accommodations	3	1	-	264	131	399
Acquisitions	151	104	6	3,160	982	4,403
Analytical charges	175	-	-	502	9	686
Drilling	-	-	-	1,450	-	1,450
Field costs	54	-	12	1,295	397	1,758
Field supplies	2	-	-	486	94	582
Geophysics	68	-	-	1,070	555	1,693
Hotels and Meals	7	-	-	-	-	7
Technical and Professional Support	1,006	12	5	762	474	2,259
Travel	56	1	-	59	39	155
Patents and Permitting	-	-	-	166	236	402
Others	-	-	-	56	2	58
Total	1,522	118	23	9,270	2,919	13,852

(expressed in thousands of United States dollars)

As at December 31, 2020

	Irish Properties			Ecuadorian Properties		Total Exploration and Evaluation Assets
	Rathkeale	Kingscourt	Fermoy	Pijilí	Santiago	
Accommodations	3	1	-	216	97	317
Acquisitions	158	109	6	3,160	982	4,415
Analytical charges	183	-	-	391	9	583
Drilling	-	-	-	1,196	-	1,196
Field costs	56	-	13	1,228	310	1,607
Field supplies	3	-	-	382	71	456
Geophysics	71	-	-	1,070	555	1,696
Hotels and Meals	9	-	-	-	-	9
Technical and Professional Support	1,051	12	6	585	411	2,065
Travel	56	1	-	51	21	129
Patents and Permitting	-	-	-	131	218	349
Others	-	-	-	43	1	44
Total	1,590	123	25	8,453	2,675	12,866

ECUADOR PROJECTS

Curipamba – El Domo Feasibility Study

The Feasibility Study, commenced in July 2020 by DRA Americas Inc., is on track to be completed by the last quarter of 2021, with a construction decision to be made in early 2022. Work programs to date have been focused on enhancements to the project through additional metallurgical test work, trade-off studies, and advancement of various engineering designs. The results will serve as a solid baseline from which the rest of the study will be built on. Other regulatory and project risk mitigation activities in 2021 is expected to include submission of the draft environmental and social impact assessment (“ESIA”) to authorities in Ecuador, negotiation of a formal investment agreement with the government of Ecuador, upgrade the existing Curipamba mining permits from small to medium scale categories, additional surface rights acquisition, and project financing discussions.

Metallurgical Test Work

In February 2020, the Corporation provided an update to the ongoing metallurgical test work and reported improved quality and marketability of copper concentrates, potential to significantly increase precious metal recovery, reduction in acid-generating waste and the possibility of a lead concentrate. The test work was led by and conducted at Base Metallurgical Laboratories (“BML”) in Kamloops, British Columbia, Canada. (See February 20, 2020 news release).

Process optimization work undertaken since February 2020 as part of the current test work program has focused primarily on primary grind size and reagent use. Two positive results have been realized, which may serve to further bolster the project’s economics and reliability by means of reduced capital and operating costs:

- Primary grind size (bulk flotation feed) can be increased to a P₈₀ of 125 microns which is beneficial in reducing ball milling circuit power requirements, and has the potential to improve settling of the bulk cleaner tailings, and;
- Collector (SIPX) consumption in the bulk rougher flotation circuit can be reduced by 10% without compromising of the bulk concentrate grades and metal recoveries.

The positive results from the recent metallurgical test work are a significant advancement for the future engineering development of the El Domo deposit within the Curipamba project, including direction for additional metallurgical test work.

Geochemical Characterization of Potential Waste Rock

The Corporation engaged pHase Geochemistry Inc. (“pHase”) to conduct geochemical characterization of the rock units that comprise the host strata for El Domo. This work program has been running in parallel with the metallurgical program at BML. Work has focused on the potential waste materials from the open pit and underground mining environments and the level of acid rock drainage (“ARD”) and metal leaching potential as a key consideration in future engineering studies and waste management plans.

Tables showing the locked cycle test results for zinc, mixed and copper composites as well as leach test results on cleaner tails for three composites can be found in the February 20, 2020 news release which can be located on www.adventusmining.com under “Curipamba project”.

Qualified Persons:

Tom Shouldice, P.Eng., President and Principal Metallurgist for Base Metallurgical Laboratories Ltd. is the Independent Qualified Person for the metallurgical information. Mr. Shouldice, P.Eng., has been directly involved in the planning, implementation, laboratory work, and reporting of all results.

Shannon Shaw, P.Geo., President and Principal Geochemist for pHase Geochemistry Inc. is the Independent Qualified Person for the geochemical characterization and acid-rock drainage information. Ms. Shaw, P.Geo., has been directly involved in the planning, implementation, interpretation of laboratory work, and reporting of all results.

Water Management Strategy

A positive water balance has been confirmed for the project site. Rainfall exceeds evaporation by a ratio of approximately 3:1 before considering subsurface water contributions. Once in operation, 100% of the project’s process water requirements will be met through a combination of reclaimed tailings facility water and rainfall within the project boundaries. Potable and emergency water supply will be from a suitably located borehole within the project site. As a result, a decision was made to eliminate the previously planned make-up water pump station on the nearby Runayacu river to minimize the potential impact to the nearby environment and communities as well as to realize cost savings.

Construction water and initial process start-up water requirements will be satisfied by means of a temporary water control and storage ponds constructed on the plant site as part of the early site-works program. The El Domo project is expected to be 100% self-sufficient from a process water perspective during construction, start-up, and operations.

Trade-off Study Results

As of the date of this MD&A, a total of 18 trade-off studies were conducted or are currently in progress as part of the Feasibility Study with the objective of providing a clear and optimized definition of the project scope and baseline. The scope of these trade-offs were related to various aspects of the mine, process plant, project execution strategy, and infrastructure. The results of these studies have been reviewed and decisions made based on these results which are expected to lower cost, reduce risks, and/or improve the overall project economics.

Qualified Persons:

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

Philip De Weerd, Pr.Eng., MBA, Project Manager for DRA Americas Inc. is the Independent Qualified Person for the water management, trade-off study, and mine optimization information contained in this news release. Mr. De Weerd, Pr.Eng., MBA, has been directly involved in the planning, implementation, and reporting of all results.

Shannon Shaw, P.Geo., President and Principal Geochemist for pHase Geochemistry Inc. is the Independent Qualified Person for the geochemical characterization and acid-rock drainage information contained in this news release. Ms. Shaw, P.Geo., has been directly involved in the planning, implementation, interpretation of laboratory work, and reporting of all results.

Trade-off study results are highlighted as follows:

- **Modular vs. Traditional Crushing Facility:** The El Domo crushing circuit consists of 2-stage crushing with primary and secondary crushing operations. This study traded-off the merits of a traditional facility with crushers and ancillary equipment installed in a permanent structural steel and concrete structure vs. a modular crushing plant that would be pre-fabricated at a vendor facility and be skid or trailer-mounted. Estimated net present cost (“NPC”) at an 8% discount rate was \$8.7M for the traditional facility vs. \$3.6M for the modular facility, resulting in a net benefit of approximately \$5.1M (prior to indirect costs and contingency) in favour of the modular approach. It was decided to proceed with a modular crushing plant design. The equipment will be ordered in advance of the construction period, which will allow for its use to provide a reliable source of aggregate for construction.
- **Mill Feed:** The throughput and El Domo process plant characteristics make it amenable to alternate mill feed strategies. Considered in this study was a traditional stockpile and underground reclaim tunnel design, vs. mill feed via a front-end loader (“FEL”) to a small feed hopper. The minimal infrastructure required for the FEL approach results in an expected reduced initial capital cost of approximately \$2M (prior to indirect costs and contingency) when compared to a traditional reclaim tunnel feed. Operating cost for the FEL is higher due to the requirement for a continuous operator, diesel fuel, and higher maintenance. Over the life of mine the estimated NPC of both options is very similar, but the reduced initial capital of the FEL option reduces risk, and this approach has been selected.

- **Process Plant Location:** A total of seven potential process plant locations were considered from a safety, cost, and impact on the community perspective. Of key interest was the selection of an appropriate site that would allow for a low initial cost of construction, low operating cost by means of short haul routes from the pit to the crusher installation and waste rock facilities, low tailings and reclaim water pumping costs, and a site which would minimize the effect on communities near the El Domo deposit. The ultimate site selected was not the lowest cost, but had the lowest potential effect on nearby communities, as this site is completely surrounded by higher-elevation hills and vegetation in all directions which will serve to minimize noise and dust transmission as well as other forms of disturbance. The overall project impact area is also minimized by maintaining a compact footprint near the mine pit.
- **Electric Power:** While the project has access to a nearby 69 kV national power grid, it was decided to minimize schedule and start-up risks by leasing and operating a small-scale on-site diesel power generation plant. On-site self-generated power also offers improved control over power availability and reliability.
- **Accommodation Strategy:** Several different options were looked at for future personnel accommodations during both construction and operations phases, on-site, and off-site. The Corporation is committed to maximizing economic benefits to local communities from El Domo development. As such, the accommodations strategy will promote local spending and commerce to the maximum extent possible. The current strategy encourages the hiring of permanent employees from local communities as top priority, and will provide relocation assistance where suitable candidates are only available elsewhere to encourage those individuals to relocate to the area with their families. The construction period will follow a similar approach with most personnel sourced from and housed in local communities. The size of the temporary on-site camp will be minimized to the extent possible to house remotely based skilled workers.
- **Access Road:** Six potential access road options are currently under consideration, which include the upgrades of three existing road routes to the El Domo deposit. The Partners are working to select an optimal route that provides safe, reliable access to the project site that is cost-effective, while minimizing the effect on nearby communities. The options being considered include new routes, upgrades to existing roads, and combinations thereof. Some of the options are much shorter than the 10 km route used as the basis for site access in the PEA.

Infill Drilling

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. The National Instrument 43-101 (“NI 43-101”) Technical Report dated June 14, 2019 was prepared by Rostle Postle Associates (“RPA”) and may be found under the Corporation’s profile on SEDAR as well as the Corporation’s website at www.adventusmining.com. The updated Mineral Resource estimate is summarized as follows:

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

The 2020/21 drilling program for the El Domo deposit was designed for infill, geomechanical, geotechnical and hydrogeological drilling required to support the completion of the El Domo feasibility study and the submission of the environmental and social impact assessment. Two diamond rig drills were deployed, completing 53 drill holes totalling 6,555 metres. Details of the drilling results can be found in news releases dated December 21, 2020, December 30, 2020, January 13, 2021, February 8, 2021, February 24, 2021, March 16, 2021, and April 6, 2021) as well as on the Corporation's website www.adventusmining.com.

Curipamba – Regional Exploration

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

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.Ge., 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.

Exploration Alliance – Pijilí

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

An MobileMT geophysical survey was conducted on concessions for Pijilí Project. Field crews successfully completed 91.4% line-kilometres at Pijilí Project in 2019 and drilling targets were identified through a regional surficial geochemistry sampling program coupled with detailed property mapping for geology and hydrothermal alteration. The main targets at the Pijilí project are Cu-Au-Mo porphyry and orogenic gold deposits.

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

In the Rosa de Oro and Carmen de Pijilí concessions, regional prospecting and geological mapping resulted in the total collection of 286 grab and float samples have been collected from the Rosa de Oro concession and 312 grab and float samples have been collected from the Carmen de Pijilí concession. The samples were principally from creeks and river exposures over both concessions that identified four high-priority areas for follow-up called El Pato, Rosa de Oro, Naranjos, and Papagayo. An optimized 200 metre by 200 metre spacing was established for collection of surficial geochemistry samples over both concessions. To date, a total of 562 soil samples have been collected from Rosa de Oro concession and 441 soil samples from the Carmen de Pijilí concession. The initial review of geochemical supported the prospecting results and the delineation of four high priority targets that the technical teams have laid out additional soil sampling at 100 metres by 100 metres spacing for the high priority areas to delineate the targets more accurately. (See April 8, 2021 news release for maps and detailed results.)

Next Steps

Given the positive results from the drilling program on the Mercy concession intersecting porphyry mineralization in all twelve drill holes, opportunities are being assessed for a second phase of exploration drilling for later in 2021 or early 2022 to focus on expanding the areas of

higher-grade mineralization. Future drilling would continue developing the geological understanding of the new Ensillada porphyry system discovery. In the interim, fieldwork will continue advancing the manual test pit program to further trace porphyry mineralization and aid with the definition of drilling targets. This work on Mercy concession will run in parallel with the continued exploration on the Rosa de Oro and Carmen de Pijili concessions 8.0 km to the west where targets are being developed for possible drill-ready status.

Exploration Alliance – Santiago

The Santiago Project consists of a single concession that encompasses 2,350 hectares and is currently 100%-owned by Salazar. It is in a geological setting similar to the nearby Loma Larga deposit owned by INV Metals Inc. and is considered prospective for epithermal gold and silver and porphyry copper gold deposits. It features three large, surficial geochemistry anomalies for gold, copper, and zinc. Numerous vein occurrences have been identified on the property thus far, which have yielded good chip sampling results for both gold and silver, including the following highlights (see 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 will entail 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 (MobileMT) 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. Evaluation and construction planning work has begun on the potential upgrade of local roads and support infrastructure ahead of a planned drilling program. The proposed drill program will utilize results from the 2019 MobileMT geophysical survey, and all compiled historical exploration results.

IRISH PROJECTS

The Corporation currently holds thirty-five (35) exploration prospecting licenses in the Republic of Ireland, comprising three separate blocks 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 DCCAE of the Republic of Ireland and the Corporation has been granted the right to explore for base metals, barytes (barite), silver and gold across the licensed areas.

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

Rathkeale

The Rathkeale project comprises eight (8) prospecting licences covering 256 km² of prospective ground for carbonate-hosted Irish Type zinc-lead-silver mineralization within the targeted Waulsortian limestone. Historical drilling at Rathkeale has intersected significant alteration as well as mineralization. In 2017, Adventus completed a detailed structural-stratigraphic interpretation, under-pinned by 2D high-resolution seismic surveying, and supported by advanced geochemical techniques on historical records as an initial foundation to define areas of elevated mineral potential. This program resulted in six exploration target areas being identified for further work and drill testing.

Kingscourt

The Kingscourt project comprises thirteen (13) prospecting licences covering 422 km² of ground considered prospective for Irish-type zinc-lead-silver deposits within the Pale Beds and Waulsortian limestone-hosted spectrums. Located in Counties Meath, Louth and Monaghan, exploration is primarily targeting footwall, Pale Beds-hosted zinc-lead-silver mineralization in the Moynalty Basin and is located approximately 10 km north of the Navan mine.

The Kingscourt Outlier is understood as an extension to the Dublin Basin, which hosts the Navan deposit, and is known as the Moynalty Basin. It is a northeast trending sub-basin predominantly containing the same favourable Lower Carboniferous platform carbonate rocks referred to as the Pale Beds, overlying a Lower Palaeozoic basement. A wedge of Permo-Triassic rocks forms the final infill of the half graben structure abutting the Kingscourt fault.

The structural regime influencing mineralization at the Navan Mine includes an east-northeast trending and northwest dipping extensional relay fault system, a structural pattern also displayed in the Kingscourt block area. Mineralization at the Navan Mine is thought to be due to the mixing of metal-rich and sulphur-poor hydrothermal fluids leaching metals from the basement with sulphide-rich surface brines developed in small localized basinal areas in half grabens. Continuing tectonic extension is thought to have allowed the development of increased fracture permeability in host environment creating an ideal depositional environment that allowed the formation of Navan Mine. The structure of the region shows some later effects of overprinting by the Variscan Orogeny, particularly with inversion on the principal extensional structures.

Over the last year, all available exploration datasets were compiled and reprocessed to merge with new data being collected from ongoing surface exploration over the Kingscourt block. Large datasets for surficial geochemistry (including soil and lithochemical samples), historical drilling (98 drill holes), historical geophysical studies (gravity, magnetics, electromagnetic, GeoTEM, and Radiometrics), and geological mapping were incorporated with new micropaleontological dating samples collected while verifying existing rock exposures and mapping new outcroppings identified over the last year of work. A detailed ionic leach sampling grid over priority target areas was also incorporated to help interpret the lithochemical model to facilitate changes to both the geological and the structural-stratigraphic model.

To visualize the Kingscourt geological and structural framework, detailed cross-sections using historical drill hole information were constructed across the 13 prospecting licenses of the Kingscourt block. These cross-sections were then added to a Leapfrog Geo 3D model that was developed for visualization of all TGI datasets. This model allowed for enhanced target selection in the 3D environment for drill hole planning purposes. A total of seven new targets were determined for the Kingscourt block from the TGI. These new targets were put into a ranking matrix assessing geological and structural frameworks, hydrothermal alteration, lithochemical, soil geochemistry, presence of sulphide mineralization, geophysical responses, and the mineral potential to host an Irish-type zinc-lead-silver system.

In May 2021, the Corporation announced the commencement of exploration drilling on the Kingscourt property. Seven new high priority targets were developed at the Kingscourt block using a multi-disciplinary approach, and a total of 4,500 metres of drilling has been planned, targeting Pale Bed-hosted Irish-type zinc-lead deposits starting with an initial two scout drill holes at the top-rated Marl Hill (Julianstown) and Marvelstown targets on the hanging wall of the Ardee-Moynalty fault.

Fermoy

The Fermoy project in north County Cork consists of twelve (12) prospecting licences covering 477 km² and is located in the southern sector of the Irish zinc-lead-silver orefield. Based on historic data and maps, the Corporation identified the area as poorly resolved geologically, with some key unrecognized structural characteristics yet to be interpreted by modern exploration models.

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.Ge., as a non-Independent Qualified Person in accordance with National Instrument 43-101.

OTHER INVESTMENTS

Canstar Resources Inc.

The Corporation owns approximately 23.86% of common shares in Canstar as a result of its divestment of its Newfoundland Properties in 2018. It accounts for its investment in Canstar using the equity method and the Corporation's share of loss for the three months ended March 31, 2021 is \$48,000. In August 2020, Canstar announced that it entered into an option agreement in the Golden Baie Project in Newfoundland and Labrador, appointed a Chief Executive Officer, and that it will be entering into a C\$2 million private placement. The first tranche of the private placement closed in September 2020 for aggregate gross proceeds of C\$500,000, and the second tranche closed in October 2020 for aggregate gross proceeds of C\$1,500,000. In November it closed the option agreement in the Golden Baie Project. In December 2020, it



entered into a flow through financing for aggregate gross proceeds of C\$1,286,000. The Corporation did not participate any of the 2020 financing and its ownership was reduced to 23.86% as at the date of the MD&A, and as a result realized a gain on dilution of \$582,000 for 2020. As at March 31, 2021, the carrying value of Canstar is \$1,059,000. On May 5, 2021, Canstar announced a non-brokered private placement with gross proceeds of up to C\$2,500,000 with lead order from Eric Sprott for approximately C\$2,000,000 of the offering. The Corporation will not participate in the placement and will see its shareholding reduce slightly.

BME_x Limited

The Corporation owns 3,047,500 common shares in BME_x as a result of the divestment of several of its Irish Properties in 2019. BME_x is an unlisted company incorporated in Australia. Due to volatility in the capital markets resulting from COVID-19, management has determined that it is not likely that BME_x is able to obtain adequate financing for its operations in the current capital market, and the Corporation recorded a full impairment charge of \$162,000 against its investment in BME_x in the quarter ended March 31, 2020.

RESULTS OF OPERATIONS

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

(Expressed in thousands of United States dollars, except per share amounts)	For the three months ended	
	March 31,	
	2021	2020
Expenses and other income		
Employee benefits	\$ 264	\$ 226
Professional and consulting fees	109	90
Other expenses	163	122
Share-based compensation	235	282
Impairment loss on investment	-	162
Depreciation	12	1
Foreign exchange (gain)/loss	(7)	428
Interest income	(19)	(23)
Gain on dilution of investment in associate	-	(7)
Share of loss in associate	48	21
Net expenses and other income	\$ 805	\$ 1,302

Employee benefits expenditures for the three months ended March 31, 2021 was increased by \$38,000 from the same period in 2020, due mainly to increase in staffing levels. Professional and consulting fees for the three months ended March 31, 2021 increased marginally by \$19,000 from 2020 primarily due to tax advisory services rendered, while other expenditures for the three months ended March 31, 2021 increased by \$41,000 as marketing activities have been resumed by the Corporation as part of the strategy of attracting new investors. Share-based compensation for the three months ended March 31, 2021 was \$47,000 lower than that for the same period in 2020 mainly because options granted in 2017 and 2018 have been fully vested. For the three months ended March 31, 2020, the Corporation recorded impairment charged an amount of \$162,000 for impairment of the BME_x investment whereas no impairment charges were recorded in the same period in 2021.

The Corporation recorded a foreign exchange gain of \$7,000 for the three months ended March 31, 2021 compared with a loss of \$428,000 for the same period in 2020, due to the relative strength of the Canadian dollar against the United States dollar during the respective periods. Following the signing of the South32 Agreement, the completion of the Pijilí and Santiago earn-in and the progressing of El Domo toward pre-feasibility studies and engineering work, all the Corporation's project expenditures going forward will be substantially denominated in United States dollars and the Corporation is managing its treasury functions in the United States dollar. The Corporation determined that the Corporation's functional currency is the United States dollars as of January 1, 2020. Its presentation currency was also changed to the United States dollar as of the same date.

In the quarter ended March 31, 2020, Canstar completed a financing in which the Corporation did not participate, resulting in a 3.4% reduction of its ownership in Canstar, resulting in a dilution gain of \$7,000. There was no change in ownership in Canstar in the three months ended March 31, 2021.



FINANCIAL CONDITIONS, LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2021, the Corporation had 131,141,382 common shares issued and outstanding (December 31, 2020: 131,091,382).

As at March 31, 2021, the Corporation had working capital of \$14,690,000 (December 31, 2020: \$21,148,000). This included cash and cash equivalents of \$15,896,000 (December 31, 2020: \$21,618,000), consisting of \$1,207,000 cash on hand and \$14,689,000 in short-term deposits.

The main use of cash during the three months ended March 31, 2021 was expenditures used in the investing activities with \$4,901,000 expended in the option to acquire the entity that owns Curipamba compared with \$2,993,000 in the same period in 2020.

The Corporation continued to invest in the two projects in 2021, spending \$930,000 in Ecuador in the three months ended March 31, 2021 compared with \$325,000 in Ecuador in the same period in 2020.

The condensed consolidated statements of cash flows is presented as follows:

(Expressed in thousands of United States dollars)	Notes	For the three months ended March 31,	
		2021	2020
Operating activities			
Net loss		\$ (805)	\$ (1,302)
Adjustments for operating activities:			
Depreciation		12	1
Share-based compensation		235	282
General exploration		10	-
Impairment loss on investment		-	162
Gain on dilution of investment in associate		-	(7)
Share of loss in associate		48	21
Unrealized exchange (gain)/loss		(87)	404
		\$ (587)	\$ (439)
Changes in non-cash operating working capital:			
Other receivables and prepaid expenses		262	(106)
Accounts payable and accrued liabilities		327	158
		\$ 589	\$ 52
Cash generated by (used in) operating activities		\$ 2	\$ (387)
Investing activities			
Exploration and evaluation assets		(930)	(325)
General exploration		(10)	-
Acquisition of property, plant and equipment		(14)	(8)
Options to purchase mineral interests		(4,901)	(2,993)
Cash used in investing activities		\$ (5,855)	\$ (3,326)
Financing activity			
Issuance of common shares on exercise of stock options	9	41	-
Cash provided by financing activity		\$ 41	\$ -
Net decrease in cash		(5,812)	(3,713)
Effect of foreign exchange on cash and cash equivalents		90	(379)
Cash and cash equivalents, beginning of period		21,618	9,892
Cash and cash equivalents, end of period		\$ 15,896	\$ 5,800

The recoverability of the amount capitalized to exploration and evaluation assets and to the options to acquire mineral interests is dependent upon the existence of economically recoverable reserves, the ability of the Corporation to obtain financing on favourable terms to continue to perform exploration activities or complete the development of the properties where necessary, or alternatively, upon the Corporation's ability to recover its incurred costs through a disposition of its interests, all of which are uncertain. These uncertainties may affect the ability of the Corporation to continue operations and meet its obligations and discharge its liabilities into the foreseeable future as a going concern and, accordingly, the ultimate appropriateness of the use of the accounting principles applicable to going concern.

The Corporation has been able to raise adequate funding for its operations in the past. On August 14, 2020, the Corporation closed the previously announced Offering (see "Corporate – Bought-Deal Prospectus Financing" above) and on September 3, 2020 the option for over-allotment was exercised. Total gross proceeds amounted to approximately C\$37,969,000. The use of proceeds from the financing was to fund exploration and development activities at the Curipamba project, including the completion of a feasibility study for the El Domo copper-gold deposit, the completion and submission of draft environment impact assessment ("EIA"), exploration and development activities within the Ecuador Exploration Alliance including the Pijilí and Santiago projects, and general administration and corporate purposes.

Although the Corporation had been successful in raising funding in the past, 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	Attributable to common shareholders	
	Net loss	Net loss per common share (basic and diluted)
March 31, 2021	\$ (802)	\$ (0.01)
December 31, 2020	(130)	-
September 30, 2020	(907)	(0.01)
June 30, 2020	(647)	(0.01)
March 31, 2020	(1,303)	(0.01)
December 31, 2019	(1,552)	(0.02)
September 30, 2019	(821)	(0.01)
June 30, 2019	(1,489)	(0.02)

As at	Total assets	Total liabilities
March 31, 2021	\$ 65,517	\$ 1,739
December 31, 2020	65,525	1,236
September 30, 2020	65,799	1,637
June 30, 2020	38,863	1,079
March 31, 2020	38,894	766
December 31, 2019	39,880	684
September 30, 2019	40,928	1,269
June 30, 2019	29,775	731

Over the last eight quarters, the three quarters with the highest losses, namely the second and fourth quarters of 2019 and the first quarter of 2020, were affected by the impairment of the Irish Properties of Lismore, Charleville and Millstreet, the impairment loss on investment in Associate, and the impairment loss of other Investments (BMEx Limited) respectively, as well as higher level of foreign exchange losses. The net loss for the quarter ended December 31, 2020 is comparatively lower than past quarters primarily due to the gain on dilution of investment in associate of \$582,000 arising from the financing activities that Canstar undertook in the last quarter of 2020 in which Adventus did not partake, hence diluting its stake in Canstar, as well as foreign exchange gains of \$511,000 as compared with foreign exchange losses of \$443,000 in the same quarter in 2019. Comparing the loss for the quarter ended March 31, 2021 with other quarters in 2020, it is comparable to those of the second and third quarter, both quarters of which had a modest foreign exchange gain, while comparing with the first quarter, it is much lower due to a \$162,000 impairment loss and a \$428,000 foreign exchange loss in the first quarter of 2020.



Total assets rose from \$29,775,000 from June 30, 2019 to \$65,517,000 as at March 31, 2021, reflecting the various financing undertaken in 2019 and 2020, with the last two quarters being the highest, consistent with the \$26,920,000 net proceeds from the prospectus financing in the quarter ended September 30, 2020. Total liabilities have been consistent for all the quarters, peaking at \$1,637,000 as at September 30, 2020 with higher-than-normal professional fees as we closed a prospectus financing in August/September 2020. Total liabilities were also higher as at March 31, 2021 as compared with those of previous quarters mainly because of the increased in feasibility studies work and drilling in the first quarter.

RELATED PARTY TRANSACTIONS

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

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

(Expressed in thousands of United States dollars).	For the three months ended March 31,	
	2021	2020
Salaries and benefits	\$ 326	\$ 308
Share-based compensation	214	191
	\$ 540	\$ 499

For the three months ended March 31, 2021, an amount of \$167,000 (March 31, 2020: \$106,000) 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, 2021, the Corporation charged Altius Minerals Corporation an amount of \$4,800 (March 31, 2020: \$4,000) for its share of office rental. As at March 31, 2021 the amounts included in accounts receivable is \$Nil. (December 31, 2020: \$Nil)

As at March 31, 2021 an amount of \$2,000 (December 31, 2020: \$7,000) was included in the accounts receivable for amounts owing from Canstar with respect to share of office rental.

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

SHARE CAPITAL

As at the date of this MD&A, the Corporation has 131,141,382 common shares, 5,950,000 stock options, of which 3,599,996 are exercisable for common shares outstanding and 1,077,500 restricted stock units.

NEW ACCOUNTING POLICIES

Amendment to IAS 1 – Presentation of Financial Statements: In January 2020, the International Standards Accounting Board ("IASB") issued an amendment that affect the presentation of liabilities in the statement of financial position, clarifying that one of the requirements for the classification of a liability as non-current under the standard is the right of the entity to defer settlement of the liability for at least 12 months after the reporting period and that such right should exist at the end of the reporting period. This amendment is effective for annual periods beginning on or after January 1, 2023, with earlier application allowed. The Corporation is currently evaluating the potential impact of these amendments on its financial statements.

Amendment to IAS 16 – Property, Plant and Equipment: In May 2020, IASB issued a narrow-scope amendment regarding proceeds from selling items produced while bringing an asset into the location and condition intended to by management. The amendment prohibits entities from being able to deduct such proceeds from the cost of the item of property, plant and equipment and instead requires the proceeds from such sales and the cost of producing those items to be recognized in profit or loss. The amendment is effective for annual periods beginning



on or after January 1, 2022, with earlier application permitted. The Corporation continues to evaluate the amendment and does not expect any material impact to the financial statements upon adoption in the future.

RISK FACTORS AND UNCERTAINTIES

Financial instruments recorded at fair value on the consolidated statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 – valuation based on quoted prices (unadjusted) observed in active markets for identical assets or liabilities;

Level 2 – valuation techniques based on inputs that are quoted prices of similar instruments in active markets; inputs other than quoted prices used in a valuation model that are observable for that instrument; inputs that are derived principally from or corroborated by observable market data by correlation or other means; and estimates of expected volatility, expected life and expected risk-free rate of return, and;

Level 3 – valuation techniques with significant unobservable market inputs. Management assessed that the fair values of cash and cash equivalents, other receivables and advances, accounts payables, accrued liabilities and advances and other investment approximate their carrying amounts, largely due to the short-term maturities of these instruments.

As at March 31, 2021, the Corporation has classified its financial instruments as follows:

(Expressed in thousands of United States dollars)

As at March 31, 2021	FVTPL	Amortised cost	Total
Financial Assets			
Cash and cash equivalents	\$ 15,896	\$ -	\$ 15,896
Other receivables	-	132	132
Advances made on options to acquire mineral interests	-	50	50
Options to acquire mineral interests ¹	33,850	-	33,850
Total Financial Assets	\$ 49,746	\$ 182	\$ 49,928
Financial Liabilities			
Accounts payable and accrued liabilities	-	1,739	1,739
Total Financial Liabilities	\$ -	\$ 1,739	\$ 1,739

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

(Expressed in thousands of United States dollars)

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

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



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

(Expressed in thousands of United States dollars)

As at March 31, 2021	Level 1	Level 2	Level 3	Total
Financial Assets				
Cash and cash equivalents	\$ 15,896	\$ -	\$ -	\$ 15,896
Options to acquire mineral interests	-	-	33,850	33,850
Total Financial Assets	\$ 15,896	\$ -	\$ 33,850	\$ 49,746

(Expressed in thousands of United States dollars)

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

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, 2020.

Foreign currency risk

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

(Expressed in thousands of United States dollars)	March 31, 2021	December 31, 2020
Cash and cash equivalents	\$ 5,865	\$ 7,367
Other receivables and prepaid expenses	107	133
Accounts payable and accrued liabilities	(414)	(352)
Net asset exposure	\$ 5,558	\$ 7,148

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

(Expressed in thousands of United States dollars)	March 31, 2021	December 31, 2020
Cash and cash equivalents	\$ 355	\$ 59
Other receivables and prepaid expenses	288	333
Accounts payable and accrued liabilities	(393)	(236)
Net asset exposure	\$ 250	\$ 156

INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for the establishment and maintenance of a system of internal control over financial reporting. This system has been designed to provide reasonable assurance that assets are safeguarded and that the financial reporting is accurate and reliable. The consolidated financial statements have been prepared by management in accordance with IFRS and in accordance with accounting policies set out in the notes to the consolidated financial statements for the year ended December 31, 2020. In 2020, management started to replace the standalone accounting systems with a single enterprise system. The accounting and payroll modules are expected to be fully in place by the second quarter of 2021 at which point there will be improvements in reporting and internal controls. There has been no change in the Corporation's internal control over financial reporting during the three months ended March 31, 2021 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, 2020 and 2019.

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, 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. The Corporation is required to spend \$275,000 (€234,000) by December 31, 2021 and \$158,000 (€135,000) by December 31, 2022 in Ireland to maintain various licenses in good standing.

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.

Year ended December 31,	Acquired through public tender	Not acquired through public tender
2021	\$ 691	\$ 50
2022	-	-
	\$ 691	\$ 50

Contractual obligations

The Corporation has the following royalty obligations on its properties.

Projects	Country	Royalty
Rathkeale	Ireland	2% Net Smelter Return ("NSR")
Kingscourt	Ireland	2% NSR
Kingscourt	Ireland	0.5% NSR – all but one licence
Fermoy	Ireland	2% NSR
Santiago	Ecuador	1.5% NSR – can be bought out for \$1,000,000
Santiago	Ecuador	4% Net Profits Interest



Under the Option Agreement in Curipamba, the Corporation shall pay to Salazar an annual advance payment of \$250,000 to an aggregate maximum of \$1,750,000. Should the Option Agreement be terminated without the Option having been exercised, any such amounts of advance payment made will not be refundable.

The Corporation has acquired an artisanal mine at Pijilí and is committed to the remaining payments:

Year ended December 31,		Amount
2021	\$	30
2022		30
2023		20
Total commitments	\$	80