



**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2018 AND 2017**

**(UNAUDITED)**

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**INV METALS INC.**  
**INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**(IN CANADIAN DOLLARS)**

<i>As at</i>	<b>September 30, 2018</b>	<b>December 31, 2017</b>
<b>Assets</b>		
<b>Current assets</b>		
Cash	\$ 7,341,030	\$ 19,139,960
Other receivables	620,049	715,710
<b>Total current assets</b>	<b>7,961,079</b>	<b>19,855,670</b>
<b>Non-current assets</b>		
Investments	1,108,495	577,868
Property, plant and equipment	361,887	339,618
Exploration and evaluation assets (note 4)	68,774,678	57,407,535
<b>Total non-current assets</b>	<b>70,245,060</b>	<b>58,325,021</b>
<b>Total assets</b>	<b>\$ 78,206,139</b>	<b>\$ 78,180,691</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Other payables (note 5)	\$ 1,256,387	\$ 1,199,672
<b>Total current liabilities</b>	<b>1,256,387</b>	<b>1,199,672</b>
<b>Non-current liabilities</b>		
Provisions	1,001,348	974,636
<b>Total non-current liabilities</b>	<b>1,001,348</b>	<b>974,636</b>
<b>Total liabilities</b>	<b>2,257,735</b>	<b>2,174,308</b>
<b>Equity</b>		
Share capital (note 6)	135,787,827	135,803,542
Contributed surplus (note 7)	13,648,077	12,643,569
Deficit	(81,618,300)	(79,074,524)
Accumulated other comprehensive income	8,130,800	6,633,796
<b>Total equity attributed to equity holders of the Company</b>	<b>75,948,404</b>	<b>76,006,383</b>
<b>Total liabilities and equity</b>	<b>\$ 78,206,139</b>	<b>\$ 78,180,691</b>

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

**INV METALS INC.**  
**INTERIM CONSOLIDATED STATEMENTS OF LOSS AND**  
**COMPREHENSIVE LOSS /(INCOME)**  
**(IN CANADIAN DOLLARS)**

	Three Months Ended		Nine Months Ended	
	September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017
<b>Operations</b>				
General and administration (note 8)	\$ 99,141	\$ 230,841	\$ 396,173	\$ 605,695
Compensation (note 8)	846,815	657,282	2,681,893	2,174,299
Professional fees	27,061	27,374	121,389	152,884
Fair value loss/(gain) on investments	(560,775)	(188,604)	(523,699)	(254,293)
Other expenses and general exploration	-	7,247	-	848,153
Foreign exchange loss/(gain)	477	(14,421)	(1,773)	170,970
<b>Operating loss</b>	<b>412,719</b>	<b>719,719</b>	<b>2,673,983</b>	<b>3,697,708</b>
Finance income	(35,135)	(57,881)	(130,207)	(150,672)
<b>Total loss for the period</b>	<b>\$ 377,584</b>	<b>\$ 661,838</b>	<b>\$ 2,543,776</b>	<b>\$ 3,547,036</b>
<b>Other comprehensive (income)/loss</b>				
Items that may be reclassified to profit or loss				
Cumulative translation adjustment	1,051,373	2,147,301	(1,497,004)	3,851,251
<b>Total comprehensive loss/(income) for the period</b>	<b>\$ 1,428,957</b>	<b>\$ 2,809,139</b>	<b>\$ 1,046,772</b>	<b>\$ 7,398,287</b>
<b>Basic and diluted total loss per share from continuing operations</b> (note 6)	<b>\$ 0.00</b>	<b>\$ 0.01</b>	<b>\$ 0.03</b>	<b>\$ 0.04</b>

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

**INV METALS INC.**  
**INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**(IN CANADIAN DOLLARS)**

*Equity attributable to owners of the Company*

	Share Capital	Contributed Surplus	Deficit	Accumulated Other Comprehensive Income	Total
<b>Balance January 1, 2017</b>	\$ 110,359,748	\$ 11,479,822	\$ (74,316,523)	\$ 10,286,201	\$ 57,809,248
Total loss for the period	-	-	(3,547,036)	-	(3,547,036)
Cumulative translation adjustment	-	-	-	(3,851,251)	(3,851,251)
<b>Total comprehensive (loss) for the period</b>	-	-	(3,547,036)	(3,851,251)	(7,398,287)
Issuance of shares - equity financing	25,306,867	-	-	-	25,306,867
Issuance of shares - restricted share unit exercise	39,937	(39,937)	-	-	-
Share-based compensation	-	1,080,557	-	-	1,080,557
<b>Transactions directly attributed to equity</b>	25,346,804	1,040,620	-	-	26,387,424
<b>Balance September 30, 2017</b>	\$ 135,706,552	\$ 12,520,442	\$ (77,863,559)	\$ 6,434,950	\$ 76,798,385

*Equity attributable to owners of the Company*

	Share Capital	Contributed Surplus	Deficit	Accumulated Other Comprehensive Income	Total
<b>Balance January 1, 2018</b>	\$ 135,803,542	\$ 12,643,569	\$ (79,074,524)	\$ 6,633,796	\$ 76,006,383
Total loss for the period	-	-	(2,543,776)	-	(2,543,776)
Cumulative translation adjustment	-	-	-	1,497,004	1,497,004
<b>Total comprehensive (loss)/income for the period</b>	-	-	(2,543,776)	1,497,004	(1,046,772)
Issuance of shares - equity financing	(30,000)	-	-	-	(30,000)
Issuance of shares - restricted share unit exercise (note 7)	14,285	(14,285)	-	-	-
Share-based compensation (note 7)	-	1,018,793	-	-	1,018,793
<b>Transactions directly attributed to equity</b>	(15,715)	1,004,508	-	-	988,793
<b>Balance September 30, 2018</b>	\$ 135,787,827	\$ 13,648,077	\$ (81,618,300)	\$ 8,130,800	\$ 75,948,404

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

**INV METALS INC.**  
**INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(IN CANADIAN DOLLARS)**

<i>For the nine-month periods ended</i>	<b>September 30, 2018</b>	September 30, 2017
<b>Cash flows from operating activities</b>		
Total loss for the period	\$ (2,543,776)	\$ (3,547,036)
Adjustments for:		
Unrealized fair value gain on investments	(523,699)	(254,293)
Depreciation	2,662	4,757
Finance income	(130,207)	(150,672)
Unrealized loss on foreign exchange	14,537	(129,943)
Share-based compensation (note 7)	906,894	931,817
	<b>(2,273,589)</b>	<b>(3,145,370)</b>
Change in items of working capital:		
Change in other receivables	99,870	(480,580)
Change in other payables	418,872	984,940
	<b>518,742</b>	<b>504,360</b>
Net cash used in operating activities	<b>(1,754,847)</b>	<b>(2,641,010)</b>
<b>Cash flows from investing activities</b>		
Interest received	130,207	150,672
Additions to exploration properties (note 4)	(10,144,543)	(8,823,626)
Additions of property, plant and equipment	(14,267)	-
Net cash used in investing activities	<b>(10,028,603)</b>	<b>(8,672,954)</b>
<b>Cash flows from financing activities</b>		
Proceeds from equity financing	-	25,306,867
Net cash sources from financing activities	-	25,306,867
<b>Net (decrease)/increase in cash</b>	<b>(11,783,450)</b>	<b>13,992,903</b>
<b>Cash, beginning of period</b>	<b>19,139,960</b>	<b>8,737,850</b>
<b>Effect of exchange rate fluctuations on cash held</b>	<b>(15,480)</b>	<b>87,191</b>
<b>Cash, end of period</b>	<b>\$ 7,341,030</b>	<b>\$ 22,817,944</b>

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

**INV METALS INC.**

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2018 AND 2017  
(IN CANADIAN DOLLARS)**

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**1) Reporting entity**

INV Metals Inc. (“INV Metals” or the “Company”) is a publicly listed company incorporated in Canada. The address of the Company’s registered office is 55 University Avenue, Suite 700, Toronto, Ontario, Canada. The unaudited interim condensed consolidated financial statements (“Financial Statements”) of the Company as at and for the three and nine-months periods ended September 30, 2018 and 2017 include the Company and its subsidiaries (together the “Group” and individually as “Group entities”). The Group is primarily in the business of acquiring, exploring and developing mineral deposits in Ecuador.

**2) Basis of preparation**

**a) Significant accounting policies**

The Company’s accounting policies applied to all periods presented in these Financial Statements are the same as those applied by the Company in its annual consolidated financial statements as at and for the year ended December 31, 2017, except as disclosed in note 3 a).

**b) Statement of compliance**

These Financial Statements have been prepared in accordance with International Accounting Standard (“IAS”) *IAS 34 - Interim Financial Reporting* and should be read in conjunction with the consolidated financial statements for the year ended December 31, 2017, which have been prepared in accordance with International Financial Reporting Standards (“IFRS”).

These Financial Statements were approved by the Audit Committee for issue on November 13, 2018.

**c) Basis of measurement**

The Financial Statements have been prepared on the historical cost basis with the exception of financial assets at fair value through profit and loss, which are measured at fair value.

**d) Functional and presentation currency**

These Financial Statements are presented in Canadian dollars. Items included in the Financial Statements of each consolidated entity of the Company are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The Company and its subsidiaries were evaluated on an individual basis and were each determined to have Canadian dollar functional currencies with the exception of INV Minerales Ecuador S.A. (“INV Minerales”) whose functional currency is the United States (“US”) dollar.

**e) Critical judgements and key sources of estimation**

The preparation of the Financial Statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The estimates and



## **2) Basis of preparation (continued)**

### ***e) Critical judgements and key sources of estimation (continued)***

associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

In preparing these Financial Statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation were the same as those that applied to the consolidated financial statements as at and for the year ended December 31, 2017.

## **3) IFRS accounting pronouncements**

### ***a) Changes in IFRS effective for the first time***

The following revised standards are effective for annual periods beginning on or after January 1, 2018. The Company has assessed the amendments and determined that there are no material impacts on the accounting and presentation of the Financial Statements.

#### ***i) IFRIC 22, Foreign Currency Transactions and Advance Consideration***

IFRIC 22, Foreign Currency Transactions and Advance Consideration ("IFRIC 22") was issued in December 2017 to provide interpretation guidance where:

- there is consideration that is denominated or priced in a foreign currency,
- an entity recognises a prepayment or a deferred liability in respect of that consideration in advance of recognition of the related asset; and
- where the prepayment asset or deferred income liability is non-monetary.

#### ***ii) IFRS 9, Financial Instruments***

The Company adopted IFRS 9, Financial Instruments: ("IFRS 9") effective January 1, 2018. Classification of financial instruments under the new standard did not have a material impact. Further, no material changes were noted as a result of the new impairment model, and the Company does not currently engage in any hedging activity and is therefore not affected by the new hedge accounting guidance. Financial liabilities will continue to be measured at amortized cost.

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when the obligation specified in the contract is discharged, cancelled or expires.

At initial recognition, the Company classifies its financial instruments in the following categories:

**3) IFRS accounting pronouncements (continued)**

**a) Changes in IFRS effective for the first time (continued)**

**ii) IFRS 9, Financial Instruments (continued)**

***Financial assets at fair value through profit or loss ("FVTPL")***

Financial assets measured at FVTPL are assets which do not qualify as financial assets at amortized cost or at fair value through other comprehensive income. Changes in fair values of FVTPL assets are recorded in the consolidated statement of loss and comprehensive loss/(income) in the period in which they arise. The Company currently has marketable securities classified as FVTPL.

***Financial assets at amortized cost***

Financial assets classified as amortized cost are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. The Company's loans and receivables, which are not provisionally priced, are comprised of cash and interest receivable with fixed or determined cash flows related solely to principal and interest amounts. Financial assets at amortized cost are initially recognized at the amount expected to be received, net of any transaction costs incurred. Subsequently, loans and receivables are measured at amortized cost using the effective interest method. The Company recognizes a loss allowance for expected credit losses on a financial asset that is measured at amortized cost when applicable.

***Financial liabilities at amortized cost***

Financial liabilities at amortized cost include other payables, unless they are required to be measured at FVTPL, or the Company has opted to measure them at FVTPL. Other payables are comprised of trade payables and accrued liabilities and are recognized at the amount required to be paid. Provisions are recognized using the valuation of an actuary. These are classified as current liabilities if payment is due within twelve months. Otherwise, they are presented as non-current liabilities.

***Financial liabilities at FVTPL***

Financial liabilities at FVTPL are liabilities which include embedded derivatives and cannot be classified as amortized cost. Financial liabilities at FVTPL are initially recognized at fair value with any changes to fair value recognized in the consolidated statement of loss and comprehensive loss/(income) in the period in which they arise. The Company does not currently have any financial liabilities at FVTPL.

The adoption of IFRS 9 did not impact the carrying value of any financial asset or financial liability on the transition date. The table below illustrates the change in classification of the Company's financial instruments under IAS 39 and IFRS 9.

**INV METALS INC.**

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2018 AND 2017  
(IN CANADIAN DOLLARS)**

**3) IFRS accounting pronouncements (continued)**

**a) Changes in IFRS effective for the first time (continued)**

**ii) IFRS 9, Financial Instruments (continued)**

Line Item	IFRS 9	IAS 39	
	New Classification	Original Classification	Measurement Model
Cash	FVTPL	FVTPL	FVTPL
Investments	FVTPL	FVTPL	FVTPL
Other receivables	Amortized cost	Loans and receivables	Amortized cost
Other payables	Amortized cost	Amortized cost	Amortized cost
Provisions	Amortized cost	Amortized cost	Amortized cost

**iii) IFRS 15, Revenue from Contracts with Customers**

IFRS 15, Revenue from Contracts with Customers (“IFRS 15”) was adopted effective for annual periods beginning on or after January 1, 2018 and given that the Company does not have revenue from contracts with customers, there is no material impact from adoption of the standard.

**iv) IFRS 2, Share-Based Payment**

IFRS 2, Share-Based Payment (“IFRS 2”) was adopted January 1, 2018 and clarifies accounting for cash-settled share-based payment transactions that include a performance condition, the classification of share-based payment transactions with net settlement features, and the accounting for modification of share-based payment transactions from cash-settled to equity-settled. There is no impact from adoption of the standard, as its share-based plans do not presently employ these features.

**b) Future accounting pronouncements**

The following revised interpretation and standards are effective for annual periods as noted below. The Company has not fully assessed the standards, interpretations and amendments, but does not expect them to have a material impact on the Company’s accounting or disclosures, except as disclosed in i) below.

**i) IFRS 16, Leases**

IFRS 16, Leases (“IFRS 16”) was issued in January 2017 and specifies how an entity will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16’s approach to lessor accounting substantially unchanged from its predecessor, IAS 17. This standard becomes effective for annual periods beginning on or after January 1, 2019. Preliminary review of leases commenced in 2017 with further analysis and quantification of impacts underway in 2018. The Company expects to recognize lease liabilities and right-of-use assets, related debt amounts and

**INV METALS INC.**

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2018 AND 2017  
(IN CANADIAN DOLLARS)**

**3) IFRS accounting pronouncements (continued)**

**b) Future accounting pronouncements (continued)**

**i) IFRS 16, Leases (continued)**

corresponding depreciation and finance cost expenses in respect of operating leases previously expensed.

**ii) IFRIC 23, Uncertainty over Income Tax Treatments**

IFRIC 23, Uncertainty over Income Tax Treatments ("IFRIC 23") was issued in June 2017 and is to be applied to determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12. This interpretation becomes effective for annual periods beginning on or after January 1, 2019 and management does not currently anticipate the early adoption of the standard.

**4) Exploration and evaluation assets**

The following table summarizes information regarding the Company's exploration and evaluation assets as at September 30, 2018 and December 31, 2017:

September 30, 2018					
	January 1, 2018	Additions	Write-down	Exchange Differences	September 30, 2018
Ecuador property					
Loma Larga	\$ 55,936,133	\$ 8,207,158	\$ -	\$ 1,398,051	\$ 65,541,342
Exploration Properties	1,471,402	1,723,423	-	38,511	3,233,336
	<b>\$ 57,407,535</b>	<b>\$ 9,930,581</b>	<b>\$ -</b>	<b>\$ 1,436,562</b>	<b>\$ 68,774,678</b>
December 31, 2017					
	January 1, 2017	Additions	Write-down	Exchange Differences	December 31, 2017
Ecuador property					
Loma Larga	\$ 48,687,558	\$ 10,555,817	\$ -	\$ (3,307,242)	\$ 55,936,133
Exploration Properties	-	1,524,938	-	(53,536)	1,471,402
Namibia property					
Kaoko	516,923	-	(516,923)	-	-
	<b>\$ 49,204,481</b>	<b>\$ 12,080,755</b>	<b>\$ (516,923)</b>	<b>\$ (3,360,778)</b>	<b>\$ 57,407,535</b>

**5) Other payables**

The following table summarizes information regarding the Company's other payables as at September 30, 2018 and December 31, 2017:

**INV METALS INC.**

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
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(IN CANADIAN DOLLARS)**

**5) Other payables (continued)**

As at	September 30, 2018	December 31, 2017
Accounts payable	\$ 397,319	\$ 855,296
Accrued liabilities	859,068	344,376
	<b>\$ 1,256,387</b>	<b>\$ 1,199,672</b>

**6) Share capital**

The following table summarizes information regarding the Company's share capital as at September 30, 2018 and December 31, 2017:

As at	September 30, 2018	December 31, 2017
Balance - number of shares	92,586,747	64,872,641
Issuance of common shares on equity financing	-	27,600,000
Exercise of restricted share units	11,904	114,106
	<b>92,598,651</b>	<b>92,586,747</b>

**a) Loss per share**

The basic loss per share for the three and nine-month periods ended September 30, 2018 and 2017 was calculated using a weighted average number of common shares outstanding as follows:

	Three Months Ended		Nine Months Ended	
	September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017
Common shares outstanding	92,586,747	64,872,641	92,586,747	64,872,641
Issuance of common shares in equity financing	-	27,600,000	-	21,511,765
Effect of share based compensation exercises	11,904	114,106	10,941	104,877
	<b>92,598,651</b>	<b>92,586,747</b>	<b>92,597,688</b>	<b>86,489,283</b>

**b) Diluted earnings per share**

The calculation of fully diluted loss per share has not been detailed in the note, as the effect of the conversion of outstanding stock options, warrants and restricted share units would be anti-dilutive.

**7) Share based payments**

The following table summarizes the stock option transactions for the nine-month period ended September 30, 2018 and year ended December 31, 2017 as follows:

INV METALS INC.

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2018 AND 2017  
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**7) Share based payments (continued)**

	Number of Stock Options	Weighted- Average Exercise Price
<b>Outstanding, January 1, 2017</b>	<b>4,384,500</b>	<b>\$ 0.83</b>
Granted	3,405,000	0.99
<b>Outstanding, December 31, 2017</b>	<b>7,789,500</b>	<b>\$ 0.88</b>
Expired	<b>(2,752,000)</b>	<b>1.00</b>
Granted	<b>2,671,700</b>	<b>0.54</b>
<b>Outstanding, September 30, 2018</b>	<b>7,709,200</b>	<b>\$ 0.74</b>

**a) Details of share options**

The following table summarizes information regarding the Company's outstanding and exercisable stock options as at September 30, 2018:

Exercise Price Range	Number of Stock Options Outstanding	Weighted- Average Remaining Years of Contractual Life	Weighted Average Exercise Price	Number of Stock Options Exercisable	Weighted Average Exercisable Price
\$0.00 - 0.35	144,500	0.4	\$ 0.35	144,500	\$ 0.35
0.36 - 0.80	4,166,700	3.9	0.55	2,162,926	0.56
0.81 - 1.00	3,398,000	3.5	0.99	3,298,000	1.00
\$0.35 - 1.00	7,709,200	3.7	\$ 0.74	5,605,426	\$ 0.81

The table that follows summarizes information regarding the stock options granted by the Company in 2018 and 2017 as follows.

	2018	2017
Fair value at grant date	<b>\$0.22</b>	<b>\$0.43</b>
Share price at grant date	<b>\$0.54</b>	<b>\$0.90</b>
Exercise price	<b>\$0.54</b>	<b>\$0.90 - \$1.00</b>
Weighted average grant date fair value	<b>\$0.22</b>	<b>\$0.43</b>
Expected volatility	<b>73%</b>	<b>90% - 95%</b>
Expected dividend yield	<b>0%</b>	<b>0%</b>
Option life (expected weighted average life)	<b>2 year</b>	<b>2 year</b>
Forfeiture rate	<b>0.08%</b>	<b>0.03% - 0.05%</b>
Risk-free interest rate (based on government bonds)	<b>1.95%</b>	<b>0.75% - 1.43%</b>

**INV METALS INC.**

**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2018 AND 2017  
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**7) Share based payments (continued)**

**b) Details of restricted share units**

The following table summarizes the restricted share units for the nine-month period ended September 30, 2018 and year ended December 31, 2017 as follows:

	Number of Restricted Shares	Weighted Average Fair Value of Restricted Shares
<b>Outstanding, January 1, 2017</b>	<b>806,008</b>	<b>\$ 0.50</b>
Exercised	(114,106)	1.20
<b>Outstanding, December 31, 2017</b>	<b>691,902</b>	<b>\$ 0.38</b>
Exercised	(11,904)	1.20
<b>Outstanding, September 30, 2018</b>	<b>679,998</b>	<b>\$ 0.36</b>

On January 22, 2018, an amount of \$14,285 was transferred to share capital upon exercise of restricted share units.

**8) Expenses**

The following table summarizes information regarding the Company's expenses from operations for the three and nine-month periods ended September 30, 2018 and 2017:

	Three Months Ended		Nine Months Ended	
	September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017
<b>General and administration</b>				
Shareholder and regulatory compliance	\$ 10,000	\$ 117,840	\$ 144,831	\$ 326,106
Travel	11,217	53,921	61,715	103,002
Office	77,924	59,080	189,627	176,587
	<b>\$ 99,141</b>	<b>\$ 230,841</b>	<b>\$ 396,173</b>	<b>\$ 605,695</b>
<b>Compensation</b>				
Compensation	\$ 429,682	\$ 370,319	\$ 1,774,999	\$ 1,242,482
Stock-based compensation	417,133	286,963	906,894	931,817
	<b>\$ 846,815</b>	<b>\$ 657,282</b>	<b>\$ 2,681,893</b>	<b>\$ 2,174,299</b>

**9) Related party transactions**

The Company's related parties and subsidiaries are the same as those presented by the Company in its annual consolidated financial statements as at and for the year ended December 31, 2017.

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**9) Related party transactions (continued)**

**a) Transactions with related parties**

A company of which a director is the Chief Executive Officer provided advisory services to INV Metals in the amount of \$30,000.

**b) Remuneration of directors and officers**

The remuneration of directors and officers during the nine-month periods ended September 30, 2018 and 2017 was as follows:

	<b>September 30, 2018</b>	September 30, 2017
Salaries of key management	<b>\$ 1,137,990</b>	\$ 818,025
Director fees	<b>169,696</b>	174,403
Stock-based compensation	<b>867,269</b>	883,624
	<b>\$ 2,174,955</b>	\$ 1,876,052

**10) Commitments and contingencies**

**a) Commitments**

The Company has committed to payments under various leases and other commitments as outlined in the table below. The expenditures for amounts which may be required to maintain the Company's mineral properties in good standing are not outlined in the table below.

	<b>Total</b>	<b>Less than One Year</b>	<b>Between 1 - 5 Years</b>	<b>More than 5 Years</b>
Operating leases	\$ 985,519	\$ 399,296	\$ 586,223	\$ -
Environmental management plan	\$ 264,420	\$ 264,420	\$ -	\$ -

INV Metals has a lease arrangement for office space that was renewed in January 2018 and expires December 31, 2022. During the nine-month period ended September 30, 2018 an amount of \$232,906 was recognized in total loss in respect of operating leases.

INV Minerale holds a term deposit relating to its environmental management plan for ongoing expenditures related to environmental matters.

**b) Contingent liability**

The Loma Larga Project is subject to a 5% Net Profit Interest, payable to Compagnie Générale des Matières Nucléaires (now "AREVA"), the original owner of the property. In addition, the Company must pay to AREVA, \$2.00 per ounce of gold, payable in three equal annual installments, contained in proven and probable mineral reserves and indicated and measured mineral resources, as defined by the completion of a bankable feasibility study ("FS") from the date on which the Board of Directors makes a formal production decision ("Production



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**10) Commitments and contingencies (continued)**

**b) Contingent liability (continued)**

Decision”). Any contingent payments are subject to significant uncertainty based on many factors, including, but not limited to the completion of a positive economic FS, positive market conditions, the availability of project financing, positive operating conditions in Ecuador, and the acquisition of all relevant permits.

**11) Segmented information**

Segmented information is provided on the basis of geographical segments as the Company manages its business and exploration activities through geographical regions – Canada, Ecuador, Namibia and Barbados. The business segments presented reflect the management structure of the Company and the way in which the Company’s executive officers review business performance on a quarterly basis.

The Company evaluates performance of its operating and reportable segments as noted in the following table:

<i>For the nine-month period ended September 30, 2018</i>	<b>Assets</b>	<b>Liabilities</b>	<b>Total Comprehensive Loss</b>
Canada*	\$ 8,610,658	\$ 980,514	\$ 2,551,125
Ecuador	69,566,735	1,270,316	(1,497,004)
Namibia	9,956	-	3,951
Barbados	18,790	6,905	(11,300)
	<b>\$ 78,206,139</b>	<b>\$ 2,257,735</b>	<b>\$ 1,046,772</b>

*For the year ended December 31, 2017*

	Assets	Liabilities
Canada*	\$ 20,010,232	\$ 1,035,450
Ecuador	58,145,290	1,094,263
Namibia	23,489	9,582
Barbados	1,680	35,013
	<b>\$ 78,180,691</b>	<b>\$ 2,174,308</b>

<i>For the nine-month period ended September 30, 2017</i>	<b>Total Comprehensive Loss</b>
Canada*	\$ 2,689,372
Ecuador	4,699,404
Namibia	3,997
Barbados	5,514
	<b>\$ 7,398,287</b>

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**11) Segmented information (continued)**

\*All amounts listed in Canadian operating segment relate to Canadian corporate assets, liabilities and exploration properties less related impairment losses.