Coro Mining Corp.

(An Exploration Stage Company)
Consolidated Financial Statements
December 31, 2013
(Expressed in U.S. dollars, except where indicated)

Management's Responsibility for Financial Reporting

The consolidated financial statements of Coro Mining Corp. and the information contained in the annual report have been prepared by and are the responsibility of the Company's management. The consolidated financial statements have been prepared in accordance with generally accepted accounting principles (GAAP) in Canada, which requires International Financial Reporting Standards, and, where appropriate, reflect management's best estimates and judgements based on currently available information.

Management has developed and is maintaining a system of internal controls to obtain reasonable assurance that the Company's assets are safeguarded, transactions are authorized and financial information is reliable.

The Company's independent auditors, PricewaterhouseCoopers LLP, who are appointed by the shareholders, conduct an audit in accordance with Canadian generally accepted auditing standards. Their report outlines the scope of their audit and gives their opinion on the consolidated financial statements.

The Audit Committee of the Board of Directors meets periodically with management and the independent auditors to review the scope and results of the annual audit, and to review the consolidated financial statements and related financial reporting matters prior to approval of the consolidated financial statements.

"*Alan Stephens*"
President and Chief Executive Officer

"*Damian Towns*"
Chief Financial Officer

February 25, 2014

February 25, 2014

Independent Auditor's Report

To the Shareholders of Coro Mining Corporation

We have audited the accompanying consolidated financial statements of Coro Mining Corp. (the "Company"), which comprise the consolidated statement of financial position as at December 31, 2013 and December 31, 2012 and the consolidated statement of loss and comprehensive loss, shareholders' equity and cash flow for the years ended December 31, 2013 and December 31, 2012, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Coro Mining Corp. as at December 31, 2013 and December 31, 2012 and their financial performance and their cash flows for the years ended December 31, 2013 and 2012 then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Emphasis of matter
Without qualifying our opinion, we draw attention to Note 1 in the financial statements which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

/s/ PricewaterhouseCoopers LLP

Chartered Accountants
Vancouver, British Columbia

Coro Mining Corp.

Consolidated Statement of Financial Position

As at December 31, 2013 and 2012

(Expressed in U.S. dollars, except where indicated)

	2013 $000's	2012 $000's
Assets		
Current assets		
Cash and cash equivalents (note 4)	1,543	2,086
Accounts receivable and prepaid expenses	40	47
Investments	5	19
	1,588	2,152
Property, plant and equipment	58	85
Mineral property interests (note 5)	15,249	30,361
Total assets	**16,895**	**32,598**
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	305	297
Shareholders' equity		
Common Shares (note 6)	52,480	51,656
Contributed Surplus	5,907	5,317
Accumulated other comprehensive income ("AOCI")	506	534
Deficit	(42,432)	(25,206)
	16,461	32,301
Non-controlling interests ("NCI") (note 5)	129	-
Total equity	**16,590**	**32,301**
Total liabilities and equity	**16,895**	**32,598**

Nature of operations and going concern (note 1)
Commitments (note 12)

Approved by the Board of Directors

"Robert Watts"

Director

"Alvin Jackson"

Director

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

Coro Mining Corp.

Consolidated Statement of Loss and Comprehensive Loss

For the year ended December 31, 2013 and 2012

(Expressed in U.S. dollars, except where indicated)

Expenditures	**2013** $000's	**2012** $000's
Exploration expenditures (recoveries)		
Expenditures (note 3)	1,383	6,646
Gain on disposal (note 3)	(2,000)	-
Write-down of mineral property interests (note 5)	17,438	-
	16,821	6,646
Corporate and Other Costs		
Depreciation and amortization	20	26
Finance income	(3)	(62)
Foreign exchange loss (gain)	(154)	31
Legal and filing fees	81	74
Other corporate costs	179	302
Realized (gain) on disposal of shares & warrants	-	(253)
Salaries and management fees	525	751
Share-based payments expense	387	1,116
Unrealized loss on held-for-trading investment	13	342
	1,048	2,327
Loss for the year	17,869	8,973
Attributable to:		
Owners of the parent	17,869	8,973
Non-controlling interests	-	-
Other comprehensive income		
Items that may be reclassified subsequently to net income		
Foreign currency translation adjustment	28	(192)
Loss and comprehensive loss for the year	17,897	8,781
Attributable to:		
Owners of the parent	17,897	8,781
Non-controlling interests	-	-
Basic diluted loss per share ($ per share)	$0.13	$0.06
Diluted loss per share ($ per share)	$0.13	$0.06
Weighted average shares outstanding (000's)	138,622	138,283

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

Coro Mining Corp.

Consolidated Statements Shareholders' Equity

For the year ended December 31, 2013 and 2012

(Expressed in U.S. dollars, except where indicated)

	Attributable to owners of the parent							
	Common shares							
	No. of shares #000's	Amount $000's	Contributed Surplus $000's	AOCI $000's	Deficit $000's	Total $000's	NCI $000's	Total Equity $000's
Balance – January 1, 2012	138,269	51,650	3,986	342	(16,233)	39,745	-	39,745
Options exercised	25	6	(2)	-	-	4	-	4
Share-based payments	-	-	1,333	-	-	1,333	-	1,333
Comprehensive income (loss)	-	-	-	192	(8,973)	(8,781)	-	(8,781)
Balance- December 31, 2012	138,294	51,656	5,317	534	(25,206)	32,301	-	32,301
Balance – January 1, 2013	138,294	51,656	5,317	534	(25,206)	32,301	-	32,301
NCI financing (note 6)	-	-	-	-	643	643	129	772
Share issuance (note 7)	10,873	824	150	-	-	974	-	974
Share-based payments	-	-	440	-	-	440	-	440
Comprehensive (loss) income	-	-	-	(28)	(17,869)	(17,897)	-	(17,897)
Balance- December 31, 2013	149,167	52,480	5,907	506	(42,432)	16,461	129	16,590

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

Coro Mining Corp.

Consolidated Statement of Cash Flow

For the year ended December 31, 2013 and 2012

(Expressed in U.S. dollars, except where indicated)

	2013 $000's	**2012** $000's
Cash flows from operating activities		
(Loss) for the year	(17,869)	(8,973)
Items not affecting cash		
Depreciation and amortization	20	26
Gain on disposal of shares and warrants	-	(253)
Share-based payment expense	387	1,116
Unrealized loss on held-for-trading investments	13	342
Write-down of mineral property interests (note 5)	17,438	-
	(11)	(7,742)
Change in non-cash operating working capital		
Decrease (increase) in receivables & prepaids	7	23
(Decrease) increase in accounts payable & accruals	(21)	(18)
	(25)	(7,737)
Cash flows from financing activities		
Funding from non-controlling interests (note 5)	500	-
Issuance of common shares (net of issue costs)	974	4
	1,474	4
Cash flows from investing activities		
Proceeds from sale of investments	-	383
Property, plant and equipment (net)	-	(27)
Mineral property interests	(1,965)	(2,682)
	(1,965)	(2,326)
Effect of exchange rate changes on cash	(27)	180
(Decrease) increase in cash and cash equivalents	(543)	(9,879)
Cash and cash equivalents - beginning of year	2,086	11,965
Cash and cash equivalents - end of year	1,543	2,086

1 Nature of operations and Going Concern

Coro Mining Corp. (the "Company" or "Coro") and its subsidiaries are engaged in the exploration and development of base and precious metal projects in Chile and Argentina. The Company was incorporated on September 22, 2004 and commenced activities in 2005. The Company's registered office is Suite 2610, Oceanic Plaza, 1066 West Hastings Street, Vancouver, British Columbia, Canada.

Going concern

These consolidated financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business. For the year ended December 31, 2013, the Company reported a loss of $17.9 million and as at that date had a net working capital balance of $1.3 million and an accumulated deficit of $42.4 million. In January 2014, the Company raised gross proceeds of CA$1.0 million (note 6). The Company is committed to further develop the Berta property and therefore planning to make the Company's share of the $2.5 million option payment on the property due in June 2014, which amounts to $1.25 million (note 5). Notwithstanding, the Company has property payments due on other properties (note 12) and will require financing to be able to make these payments.

The Company's ability to continue as a going concern is dependent upon its ability to obtain additional funding from loans, equity financings or through other arrangements. The success of such initiatives cannot be assured. These conditions and events cast significant doubt on the validity of the going concern assumption.

These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption deemed to be inappropriate. These adjustments could be material.

2 Significant accounting policies

Basis of Presentation

These financial statements have been prepared in accordance with IFRS and include all adjustments, of a normal recurring nature, considered necessary by management to fairly present the financial position, results of operations and cash flows of the Company. These financial statements were authorized for issue by the Board of Directors on February 25, 2014.

Consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries; Sea to Sky Holdings Ltd., Minera Cielo Azul Ltda., Minera San Jorge S.A., Inversiones Cielo Azul Ltda., 0904213 BC LTD., Sky Dust Holdings Limited, Machair Investments Ltd., Minera Coro Chile Ltda., and Sociedad Contractual Minera Berta ("SCM Berta"). All intercompany transactions, balances, income and expenses have been eliminated on consolidation.

Estimates and use of judgement

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts reported and disclosed in the financial statements and the accompanying notes. Actual results could differ from those estimates.

In applying its accounting policy for costs incurred during the development phase the Company must determine whether the criteria for capitalization have been met. The most difficult and subjective estimate is whether a project will generate probable future economic benefits. Management considers all appropriate facts and

2 Significant accounting policies (continued)

circumstances in making this assessment including historical experience, expected market demand, costs and future economic conditions.

Realization of the Company's assets and liabilities is subject to risks and uncertainties, including reserve and resource estimation, future copper and other base and precious metal prices, estimated costs of future production, changes in government legislation and regulations, estimated deferred income taxes, the availability of financing, and various operational factors.

Foreign currency translation
The functional currency of the parent company, Coro Mining Corp., is the Canadian dollar. The functional currency of the Company's Chilean and Argentinian's subsidiaries is the U.S. dollar. The presentation currency of the Company is the U.S. dollar.

The financial statements of the parent company are translated into U.S. dollars for presentation purposes as follows: assets and liabilities at the closing rate at the date of the consolidated statements of financial position, income and expenses at the average rate of the period (as this is considered a reasonable approximation to actual rates) and shareholders' equity components at a historical rate. All resulting changes are recognized in other comprehensive income as cumulative translation adjustments.

Transactions in currencies other than the functional currency of an entity are recorded at the rate of exchange prevailing on the date of the transaction. Monetary assets and liabilities that are denominated in foreign currencies are translated at the rate prevailing at each reporting date. Foreign currency translation differences arising on transition into the functional currency of an entity are recognized in the statement of loss.

Financial instruments

a) Cash and cash equivalents
Cash and cash equivalents comprise cash at banks, cash on hand and other short-term investments with initial maturities of less than three months. Cash and cash equivalents are classified as loans and receivables.

b) Investments
Investments in public company shares are held for trading and measured at fair value on the balance sheet. Changes in fair value are recorded in the statement of loss.

c) Accounts receivable
Accounts receivable are classified as loans and receivables and are recorded at amortized cost using the effective interest rate method, which upon their initial measurement is approximately equal to their fair value. Subsequent measurement of receivables is at amortized cost.

d) Accounts payable
Accounts payable and accrued liabilities are classified as other financial liabilities and are measured at amortized cost using the effective interest rate method.

Impairment of non-financial assets
Non-financial assets are assessed for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. An impairment loss, if any, is recognized for the amount by which the asset's carrying value exceeds its recoverable amount. The recoverable amount of an asset is the greater of an assets' fair value less costs to sell and its value in use.

2 Significant accounting policies (continued)

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows. If their carrying value is assessed not to be recoverable, an impairment loss is recognized. An assessment is made, at each reporting date, as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company makes an estimate of the recoverable amount and, if appropriate, reverses all or part of the impairment. If the impairment is reversed, the carrying value of the asset is increased to the newly estimated recoverable amount. This increases carrying amount may not exceed the carrying amount that would have resulted after taking into account depreciation if no impairment loss had been recognized in the prior periods. The amount of any impairment reversal is recorded immediately in net income or loss for the period.

Property, plant and equipment

Property, plant and equipment are recorded at cost less accumulated depreciation. Depreciation is calculated over the estimated useful lives of the assets. Vehicles are depreciated on a straight-line basis over 5 years. Computer and office equipment is depreciated on a declining balance basis at rates of 45% and 33% respectively.

Exploration and evaluation costs

Exploration and evaluation costs include costs to acquire the rights to explore, geological studies, exploratory drilling and sampling and directly attributable administrative costs. Exploration and evaluation costs relating to non-specific projects or properties or costs incurred before the Company has obtained legal rights to explore an area are expensed in the period incurred.

Exploration and evaluation costs are recognized as mineral property interests when management has established that a resource exists and that the costs can be economically recovered. Once the technical feasibility and commercial viability of the extraction of resources from a particular mineral property has been determined, exploration and evaluation assets are reclassified to mine properties within property, plant and equipment.

Proceeds from the sale of properties or cash proceeds received from option payments are recorded as a reduction of the related mineral property interest.

Asset impairment

The Company performs impairment tests on mineral property interests, when events or circumstances occur which indicate the assets may not be recoverable. Impairment assessments are carried out on project by project basis with each project representing a single cash generating unit.

When impairment indicators are identified, an impairment loss is recognized for any amount by which the asset’s carrying value exceeds its recoverable amount. The recoverable amount is the higher of the asset’s fair value less costs to sell and value in use.

Loss per share

Loss per share is calculated using the weighted average number of shares outstanding during the period. Diluted earnings (loss) per share is calculated using the treasury stock method whereby all in the money options and warrants are assumed to have been exercised at the beginning of the year and the proceeds from the exercise are assumed to have been used to purchase common shares at the average market price during the period. In periods of loss, basic and diluted loss per share are the same, as the effect of the exercise of outstanding options and warrants is anti-dilutive.

2 Significant accounting policies (continued)

Income taxes
Deferred income tax is recognized using the liability method on temporary differences arising between the tax and accounting bases of assets and liabilities as well as for the benefit of losses available to be carried forward to future years. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects either accounting nor taxable profit or loss. Deferred income tax is determined using tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred income tax assets are recognized only to the extent that it is probable that future profit will be available against which such assets can be utilized.

Share-based payments
The Company applies the fair value method of accounting for stock options granted to employees and others providing similar services. The fair value of options is determined using a Black-Scholes option pricing model that takes into account, as of the grant date, the exercise price, the expected life of the option, the current price of the underlying stock and its expected volatility, expected dividends on the stock, and the risk-free interest rate over the expected life of the option. The Company expenses the fair value of stock options granted over the vesting period with the corresponding credit to contributed surplus.

Cash consideration received from employees on exercise of options is credited to common shares along with the original grant date fair value of the options exercised.

New accounting standards adopted
(i) IFRS 10, *Consolidated Financial Statements*, requires an entity to consolidate an investee when it has power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under previous IFRS, consolidation was required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The Company assessed its consolidation conclusions on January 1, 2013 and determined that the adoption of IFRS 10 did not result in any change in the consolidation status of any of its subsidiaries.

(ii) IFRS 11, *Joint Arrangements*, requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under previous IFRS, entities had the choice to proportionately consolidate or equity account for interests in jointly controlled entities. The adoption of this standard had no effect on the Company's financial statements.

(iii) IFRS 12, *Disclosure of Interests in Other Entities*, outlines the disclosure requirements for interests in subsidiaries and other entities to enable users to evaluate the risks associated with interests in other entities and the effects of those interests on an entity's financial position, financial performance and cash flow. The adoption of this standard had no effect on the comparative figures on the Company's financial statements.

(iv) IFRS 13, Fair value measurements, provides as single framework for measuring fair value. The measurement of the fair value of an asset or liability is based on assumptions that market participants would use when pricing the asset or liability under current market conditions, including assumptions about risk. The Company adopted IFRS 13 on January 1, 2013 on a prospective basis. The adoption of IFRS did not require any adjustments to the valuation techniques used by the Company to measure fair value and did not result in any measurement adjustments as at January 1, 2013.

2 Significant accounting policies (continued)

(iv) The Company has adopted the amendments to IAS 1 effective January 1, 2013. These amendments required the Company to group other comprehensive incomes by those that will be reclassified subsequently to profit or loss and those that will not be reclassified. The Company has reclassified comprehensive income items of the comparative period. These changes did not result in any adjustments to other comprehensive income or comprehensive income.

New accounting pronouncements
The following new or revised standards will be effective for the Company in future periods.

(i) IFRS 9, *Financial Instruments,* was issued in November 2009 and addresses classification and measurement of financial assets. It replaces the multiple category and measurement models in IAS 39 for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit or loss. IFRS 9 also replaces the models for measuring equity instruments. Such instruments are either recognized at fair value through profit or loss or at fair value through other comprehensive income. Where equity instruments are measured at fair value through other comprehensive income, dividends are recognized in profit or loss to the extent that they do not clearly represent a return of investment; however, other gains and losses (including impairments) associated with such instruments remain in accumulated comprehensive income indefinitely.

Requirements for financial liabilities were added to IFRS 9 in October 2010 and largely carried forward existing requirements in IAS 39, *Financial Instruments – Recognition and Measurement*, except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss are generally recorded in other comprehensive income. The effective date of IFRS 9 was deferred in November 2013, a new effective date has not yet been published. The Company has not yet completed an assessment of the impact of adopting IFRS 9.

(ii) IFRIC 21, Accounting for Levies imposed by Governments, clarifies that the obligating event giving rise to a liability to pay a levy is the activity described in the relevant legislation that triggers payment of the levy. IFRIC 21 is effective for the Company beginning on January 1, 2014. The Company is currently assessing the impact of this guidance.

3 Exploration expenditures

								For the year ended December 31, 2013
$000's	**Berta**	**Chacay**	**El Des**	**El Inca**	**Payen**	**General**	**Total**
Consulting, labour & professional fees	**Costs Capitalized Effective Jan 1, 2013 (note 5)**	4	184	-	108	119	415
Drilling & trenching		-	-	-	-	-	-
General & admin		7	5	2	24	118	156
Property investigation		56	66	-	51	103	276
Property acquisition		-	500	-	-	-	500
Travel & accommodation		-	10	-	12	14	36
Total exploration expenditure		**67**	**765**	**2**	**195**	**354**	**1,383**

3 Exploration expenditures (continued)

	For the year ended December 31, 2012						
$000's	**Berta**	**Chacay**	**El Des**	**El Inca**	**Payen**	**General**	**Total**
Consulting, labour & professional fees	608	9	78	32	15	118	860
Drilling & trenching	1,749	-	324	409	-	-	2,482
General & admin	17	6	1	6	-	791	821
Property investigation	355	36	94	10	61	87	643
Property acquisition	800	-	200	201	500	-	1,701
Travel & accommodation	49	11	24	6	8	41	139
Total exploration expenditure	**3,578**	**62**	**721**	**664**	**584**	**1,037**	**6,646**

Chacay, Chile:- In March 2013, the Company agreed to sell the core mining claims covering the Chacay property to Compania Minera Relincho SA ("Relincho"), a subsidiary of Teck Resources Limited, for consideration of $2.0 million and a 1.5% Net Smelter Royalty ("NSR"). Under the terms of the agreement, Coro also agreed to enter into a sale promise agreement to sell the remainder of their Chacay exploration claims to Relincho for $0.5 million and a 1.5% NSR. The purchase agreement for the remaining claims will be executed upon Coro converting the exploration claims to mining claims.

El Desesperado:- ("El Des"), Chile; -In February 2012, the Company entered into an option agreement, subsequently amended in August 2013, to acquire 100% of the El Des property, for total cash consideration of $13.0 million ($0.7 million (paid); $0.65 million in February 2014; $1.75 million in February 2015; and $9.9 million in February 2016). In addition, a 1.9% sales royalty is payable on any production from the property. Coro has a first right of refusal on the sales royalty. In February 2014, the Company obtained a three month extension to defer the $0.65 million payment due, at a cost of $20,000 per month.

El Inca, Chile:- In January 2013, the El Inca property option agreement was terminated.

Payen, Chile: -In October 2012, the Company entered into an option agreement to acquire the Payen property in Chile for total cash consideration of $17.0 million with $0.5 million paid upon signing. A 2.5%NSR was retained by the owner and Coro may acquire half of the NSR (1.25%NSR) for $10.0 million.

In October 2013, the Company entered into an option agreement with Minera Aurex Chile Ltda. ("Aurex"), a subsidiary of Freeport-McMoRan Copper & Gold Inc., for Aurex to acquire a 70% interest in the property by meeting the obligations set forth in the following table:

$000's	**Underlying Option Payment**	**Work Commitment**	**Payment to Coro**
On October 10, 2013	$500 *(paid)*	-	-
By October 10, 2014	$1,000	$1,500	-
By October 10, 2015	$2,000	$3,500	$500
By October 10, 2016	$13,000	$8,000	$500
On Formation of Operating Company			$21,500
Total	**$16,500**	**$13,000**	**$22,500**

3 Exploration expenditures (continued)

After earn-in, Aurex may elect to fund and complete a Feasibility Study to NI43-101 standards on a best efforts basis by October 10, 2019 to earn an additional 10% at which point Coro can maintain its remaining interest of 20% by refunding 20% of the costs of the Feasibility Study ("FS") or it will be diluted to a 2% NSR. If Coro elects to fund its 20% share of the FS, future costs on a pro-rata basis, or be subject to dilution.

General, Chile

General exploration activity in Chile includes property evaluation and other exploration costs. It also includes costs associated with the wholly owned Celeste, Gloria, Llancahue and Talca properties.

4 Cash and cash equivalents

Cash and cash equivalents comprise the following:

$000's	2013	2012
Cash	447	562
Cash equivalents	1,096	1,524
	1,543	**2,086**

5 Mineral property interests

$000's	Berta	San Jorge[1]	Total
Balance – January 1, 2012	-	**27,652**	**27,652**
Engineering	-	112	112
Environmental	-	255	255
Geology	-	223	223
Misc. development costs	-	652	652
Property acquisition costs	-	1,250	1,250
Share-based compensation	-	217	217
Balance – December 31, 2012	-	**30,361**	**30,361**
Environmental	425	200	625
Geology	382	73	455
Misc. development costs	419	229	648
Property acquisition costs	500	1,072	1,572
Partner funding	-	(1,026)	(1,026)
Share-based compensation	23	29	52
Write-down of mineral property interests	-	(17,438)	(17,438)
Balance – December 31, 2013	**1,749**	**13,500**	**15,249**

[1] Included within mineral property interests is a Value Added Tax ("IVA") receivable in Argentina of $389,510 (2012: $511,000). Due to the uncertainty surrounding timing and collectability, the Company views the IVA as a cost of developing the San Jorge project. During 2013, the Company recovered $48,340 (2012: $nil) and credited this amount against mineral property interests.

5 Mineral property interests (continued)

Berta, Chile

The costs associated with the Berta project prior to January 1, 2013 were being expensed (note 3). From January 1, 2013 the Company has capitalized the costs associated with Berta after the preparation of the initial NI 43-101 compliant resource statement.

Under the April 2013 Amended Berta option agreement Coro may acquire 100% of the Berta property for total cash consideration of $4 million ($1.5 million (paid); $2.5 million in June 2014). In addition, a 1.5% NSR is payable on all copper production together with any by-product metals. The Company has also staked a land position around the optioned property.

In May 2013, the Company entered into the ProPipe S.A. ("ProPipe") Binding Letter of Intent whereby ProPipe may earn up to a 50% interest in Berta by completing various milestones. At each milestone, ProPipe will be issued shares in SCM Berta to give effect to the new ownership interest. As of December 31, 2013, ProPipe had earned a 13% interest in the previously 100% owned SCM Berta, in Chile which holds the Berta Property.

As this change in ownership interest did not result in a loss of control of the subsidiary it is considered an equity transaction. As a result, the Company recognized a non-controlling interest of $81,912, upon the 10% initial earn in by paying $0.5 million due under the option agreement and a further non-controlling interest of $47,414 was recognized upon filing the Environment Impact Declaration. ProPipe may earn an additional 5% by completing a Preliminary Economic Assessment by September 30, 2013 (deferred by mutual consent); and up to an additional 32% by arranging project financing for up to 100% of the total project costs (including an overrun facility).

As of the date of these financial statements the final definitive agreement has not yet been signed and therefore this accounting treatment is subject to final review and may change.

San Jorge, Argentina:

The San Jorge Purchase Agreement, amended October 2012, requires annual payments of $1.25 million (payable in quarterly installments), for 10 years, commencing on March 31, 2012 ($2.5 million paid). In addition a 7.5% NSR is payable on all gold produced from the property. The annual payments are not payable when that payment is exceeded by the gold NSR payment. No other consideration, obligations, payments, or royalties are due, and Coro may withdraw from the agreement at any time with no further obligation.

In December 2013, the Company entered into a binding Heads of Agreement ("HOA") with Aterra Investments Ltd. and Solway Industries Ltd., (collectively, "A&S"). A&S has the right to acquire a 70% interest in San Jorge by paying a total of $1.5 million ($0.2 million paid, and $0.3 million after 6 months; $0.5 million after 12 months; and $0.5 million after 24 months, of signing the Definitive Agreement ("DA").

Under the terms of the HOA, A&S is required to fund all of the costs required to advance the project through to the Exercise Date (earning of the 70% interest), including those costs to complete an independent, bankable Definitive Feasibility Study, completed to NI43-101 standards ("the BFS"); maintain San Jorge in good standing; and, prior to the Exercise Date, paying all of the underlying quarterly payments. The Exercise Date is the date that A&S informs Coro of its decision to place San Jorge into commercial production or the completion of the BFS.

If A&S total expenditures reach $10.0 million they will retain a 50% interest in the project, regardless of whether A&S elects to proceed to the Exercise Date at its sole cost. After formation of a joint venture (either 70/30 or 50/50), the parties shall finance the future development on a pro-rata basis. If either Party's interest is

5 Mineral property interests (continued)

diluted to 10%, its interest shall immediately be converted to a 2% NSR on the production of all metals, except gold.

A&S may acquire the remaining 30% of San Jorge by paying an additional $3.0 million within 6 months from signing of the DA or $5.0 million within 18 months from signing of the DA. If A&S acquires 100% of San Jorge, Coro will retain a 2.5% NSR on the production of all metals, except gold.

A&S is the operator of the project. As at December 31, 2013, A&S have contributed $1.03 million funding the project including $0.96 million in quarterly option payments and $0.2 million in payments to the Company, which have been netted against property acquisition costs.

As of December 31, 2013, the Company completed an assessment as to whether any impairment indicators existed in accordance with of IFRS 6, Exploration for and Evaluation of Mineral Resources. As a result of this assessment, including but not limited to the current market conditions facing exploration and development companies, certain provisions contained in the HOA, and lack of any substantive progress on approval of the Updated EIS, the Company has concluded that an impairment indicator does exist. In conjunction with its accounting policy on Impairment of non-financial assets the Company has recognized an impairment of $17.4 million in respect of the San Jorge project, reducing the carrying value of the property to $13.5 million.

In determining the fair value of San Jorge as of December 31, 2013, the Company considered the current political environment, expected timeline to development, the potential discounted cash flows from the project considering both the required rate of return and time value of money, future commodity prices and expectations surrounding the overall development of the project. All of these assumptions are highly subjective and subject to change over time all of which could have a significant bearing on the carrying value of San Jorge.

6 Common shares

Authorized

The Company has an unlimited number of authorized common shares without par value.

Issued

On December 20, 2013, the Company closed the first tranche of a non-brokered private placement of up to 22,500,000 units (“Units”) at a price of CA$0.10 per Unit. In the first tranche 10,873,246 Units were issued for gross proceeds of CA$1,087,325. Each Unit is comprised of one common share of the Company and one half of a common share purchase warrant. The warrants are exercisable at a price of $0.15 until December 20, 2016.

On January 22, 2014, the Company closed the second tranche of the non-brokered private placement and issued 10,250,000 Units at a price of CA$0.10 per Unit for gross proceeds of CA$1,025,000. Each Unit is comprised of one common share of the Company and one half of a common share purchase warrant. The warrants are exercisable at a price of CA$0.15 until January 22, 2017.

The warrants for both tranches will be subject to a forced exercise provision after one year in the event the volume weighted average trading price of the Company’s common shares is greater than or equal to CA$0.30 for 20 consecutive trading days.

(Expressed in U.S. dollars, except where indicated)

6 Common shares (continued)

Capital risk management

The Company considers its components of shareholders' equity as capital. As the Company is in the exploration stage, its principal source of funds is from the issuance of common shares. It is the Company's objective to safeguard its ability to continue as a going concern, so that it can continue to explore and develop its projects for the benefit of its stakeholders.

7 Share stock options and warrants

Options

The Company has a stock option plan that permits the granting of stock options to directors, officers, key employees and consultants. Terms and pricing of options are determined in accordance with the plan. A total of 10% of the issued and outstanding common shares of the Company may be allotted and reserved for issuance under the stock option plan.

	2013		2012	
	Number of shares	**Weighted average exercise price CA$**	**Number of shares**	**Weighted average exercise price CA$**
Outstanding – January 1	11,793,333	0.60	7,728,333	0.74
Cancelled	(2,910,000)	1.45	-	-
Exercised	-	-	(25,000)	0.15
Expired	(108,333)	1.07	(196,667)	1.50
Forfeited	(108,334)	0.34	(58,333)	1.45
Granted	-	-	4,345,000	0.41
Outstanding	**8,666,666**	**0.31**	**11,793,333**	**0.60**

At December 31, 2013, the following stock options were outstanding:

	Number of options Outstanding	**Number of options vested and exercisable**	**Exercise price CA$**	**Expiry Date**
	3,033,333	3,033,333	0.15	2014
	425,000	325,000	0.22	2014
	455,000	455,000	0.52	2015
	550,000	366,667	0.39	2016
	4,053,333	2,809,999	0.41	2017
	150,000	-	0.25	2017
Total	**8,666,666**	**7,173,332**		

In January 2014, the Company granted 3,800,000 options at CA$0.10. The majority of stock options vest over a two or three year period.

Option and warrant valuation models require the input of highly subjective assumptions including the expected volatility. Changes in the assumptions can materially affect the fair value estimate. The following assumptions were used in the Black-Scholes option pricing model to calculate the compensation expense for options and the fair value of warrants:

7 Share stock options and warrants (continued)

	Warrants	Options
Risk-free interest rate	1.10%	0.47% to 2.39%
Expected life	1.25 years	2 to 3.5 years
Expected volatility	108%	90% to 115%
Expected dividend	0%	0%

For the year ended December 31, 2013 total share-based compensation expense was $439,628 (2012: $1,333,147) of which $52,283 (2012: $216,948) was capitalized.

Warrants

At December 31, 2013, warrants outstanding were as follows:

	2013		2012	
	Number of shares	Weighted average exercise price CA$	Number of shares	Weighted average exercise price CA$
Outstanding – beginning of year	-	-	2,777,777	0.65
Issued (note 6)	5,436,623	0.15	-	-
Exercised	-	-	-	-
Expired	-	-	(2,777,777)	(0.65)
Outstanding – end of year	**5,436,623**	**0.15**	-	-

8 Related party transactions

The Company considers the Executive Directors and Officers of the Company to be key management personnel.

$000's	2013	2012
Short-term employee benefits	994	1,042
Share-based payments	208	795
Total key management personnel	**1,202**	**1,837**

9 Geographic segmented information

The Company operates in a single operating segment, mineral exploration and development. The following table provides geographic information about the Company's assets and operations.

$000's	Argentina	Canada	Chile	Total
December 31, 2013				
Loss for the year	17,438	1,199	(768)	17,869
Non-current assets	13,519	2	1,787	15,307
Total assets	13,628	1,429	1,838	16,895
Total liabilities	76	106	122	305
December 31, 2012				
Loss for the year	276	2,065	6,632	8,973
Non-current assets	30,387	3	56	30,446
Total assets	30,377	1,977	244	32,598
Total liabilities	54	68	175	297

10 Income taxes

	2013		2012	
	$(000's)	**%**	**$(000's)**	**%**
Earnings (loss) before tax	(17,869)	100	(8,973)	100
Income tax (recovery) expense at statutory rates	(4,646)	(26)	(2,243)	(25)
Difference in foreign tax rates	(111)	(1)	(662)	(7)
Non-deductible expenses	124	1	420	4
Mineral property write-down (non-deductible)	4,360	24		
Non-taxable portion of capital losses (gains)	(1)	-	(11)	-
Effect of change in tax rates	(28)	-	-	-
Unrecognized (recognized) tax losses	302	2	2,496	28
Deferred income tax (recovery) expense	-	-	-	-

The significant components of the Company's deferred income tax asset (liability) are as follows:

$(000's)	**2013**	**2012**
Deferred income tax assets		
Operating losses carried forward	7,272	7,859
Mineral property interests	9,425	11,951
Share issuance costs	13	13
	16,710	19,823
Deferred income tax liabilities		
Unrealized gain on held-for-trading investments	-	(2)
Unrecognized deferred tax assets	16,710	19,821

The Company has incurred non-capital losses that may be carried forward and used to reduce taxable income of future years in the countries indicated. The Company has tax losses of $3.6 million and $18.1 million, in Canada and Chile respectively that expire after 2027.

11 Financial instruments

Financial instruments include cash and any contracts that give rise to a financial asset to one party and a financial liability or equity instrument to another party. As at December 31, 2013, the Company's carrying values of cash and cash equivalents and accounts receivable approximate their fair values due to their short term to maturity.

The fair value of the Company's accounts payable and accrued liabilities may be significantly lower than the carrying value given the Company's going concern uncertainty and the fair value is not readily determinable.

The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

At December 31, 2013, the Company's financial instruments measured at fair value on a recurring basis were the held-for-trading investment in Bearing Resources Ltd. shares (classified as "Level 1").

11 Financial instruments (continued)

Credit Risk

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents and accounts receivable. The Company deposits cash and cash equivalents with high credit quality financial institutions as determined by rating agencies.

Currency Risk

The Company's significant subsidiaries are located in Chile and Argentina and the parent company is in Canada. As a result a portion of the Company's accounts receivable, accounts payable and accruals are denominated in the Chilean Peso, Argentine Peso and Canadian Dollars and are therefore subject to fluctuation in exchange rates.

As the Company's parent company functional currency is the Canadian dollar, a 100 basis point (one per cent) increase/ strengthening (decrease/ weakening) in the U.S. dollar at year end would have resulted in the net loss being $3,414 lower ($3,414 higher).

Interest Rate Risk

The Company was exposed to interest rate risk on cash and cash equivalents held as at December 31, 2013. A 100 basis point (1%) increase or decrease in the interest rate in 2013 would have resulted in approximately a $3,196 change in the Company's reported loss for the year ended December 31, 2013 based on average cash holdings during the year.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with its financial liabilities. The Company is reliant upon equity issuances as its sole source of cash. The Company manages liquidity risk by maintaining an adequate level of cash and cash equivalents to meet its ongoing obligations.

The Company continuously reviews its actual expenditures and forecast cash flows and matches the maturity dates of its cash equivalents to capital and operating needs. For further information related to liquidity refer to note 1.

12 Commitments

The following table sets out the commitments of the Company as of December 31, 2013 and does not consider any subsequent events.

$000's	2014	2015	2016	2017	2018	Thereafter	Total
Operating leases	**28**	**-**	**-**			**-**	**28**
Property option payments[1]	**1,900**	**1,750**	**9,900**	**-**	**-**	**-**	**13,550**
Berta[2]	1,250	-	-	-	-	-	1,250
El Des	650	1,750	9,900	-	-	-	12,300
Total	**1,928**	**1,750**	**9,900**	**-**	**-**	**-**	**13,578**

[1] Excludes any royalties (note 3 and 5).
[2] Assumes that ProPipe pays 50% of the final payment (note 5)