Coro Mining Corp.

Consolidated Financial Statements

December 31, 2016

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

Management’s Responsibility for Financial Reporting

The consolidated financial statements of Coro Mining Corp. (the “Company”) 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 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*”	“*Damian Towns*”
President and Chief Executive Officer	Chief Financial Officer and Corporate Secretary

March 27, 2017

March 27, 2017

Independent Auditor's Report

To the Shareholders of Coro Mining Corp.

We have audited the accompanying consolidated financial statements of Coro Mining Corp., which comprise the consolidated statements of financial position as at December 31, 2016 and December 31, 2015 and the consolidated statements of loss and comprehensive loss, shareholders' equity and cash flows for the years then ended, 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, 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 audit 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.

PricewaterhouseCoopers LLP
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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, 2016 and December 31, 2015 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

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

(signed) “PricewaterhouseCoopers LLP”

Chartered Professional Accountants

Coro Mining Corp.

Consolidated Statements of Financial Position

As at December 31, 2016 and 2015

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

	2016 $000's	2015 $000's
Assets		
Current assets		
Cash and cash equivalents	4,257	1,070
Accounts receivable and prepaid expenses (note 4)	1,296	422
Inventories (note 5)	1,578	848
	7,131	2,340
Property, plant and equipment (note 6)	20,861	14,968
Exploration and evaluation assets (note 7)	938	152
Total assets	**28,930**	**17,460**
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 8)	4,073	2,027
Current portion of other debt (note 9)	563	1,725
Convertible debenture (note 10)	-	7,021
Finance leases (note 11)	308	663
	4,944	11,436
Non-current portion of other debt (note 9)	431	813
Restoration provision (note 12)	1,281	1,291
Total liabilities	6,656	13,540
Shareholders' equity		
Common shares (note 13)	74,477	53,172
Contributed surplus	7,155	6,326
Accumulated other comprehensive income ("AOCI")	571	765
Deficit	(60,708)	(57,148)
	21,495	3,115
Non-controlling interests ("NCI") (note 15)	779	805
Total equity	**22,274**	**3,920**
Total liabilities and equity	**28,930**	**17,460**

Nature of operations and going concern (note 1)
Commitments (note 22)
Subsequent events (note 1)

Approved by the Board of Directors

"Gordon J Fretwell"	*"Colin Kinley"*
Director	Director

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

Coro Mining Corp.

Consolidated Statements of Loss and Comprehensive Loss

For the years ended December 31 and 2015

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

	2016 $000's	2015 $000's
Expenses		
Exploration expenditures (note 16)	2,241	390
Exploration recoveries (note 16)	-	(360)
Depreciation and amortization	12	9
Legal and filing fees	70	78
Other corporate costs	363	187
Salaries and management fees	536	359
Share-based payments expense	785	33
Deconsolidation loss (note 19)	-	98
Operating loss	4,007	794
Finance expense (income)	(170)	108
Foreign exchange loss (gain)	(215)	219
Unrealized gain on held-for-trading investment	(36)	-
Loss for the year	3,586	1,121
Attributable to:		
Owners of the parent	3,560	1,114
Non-controlling interests	26	7
	3,586	1,121
Other comprehensive income		
Items that may be reclassified subsequently to net income:		
Foreign currency translation adjustment	194	(295)
Loss and comprehensive loss for the year	3,780	826
Attributable to:		
Owners of the parent	3,754	819
Non-controlling interests	26	7
	3,780	826
Basic and diluted loss per share ($ per share)	$0.01	$0.01
Weighted average shares outstanding (000's)	348,346	159,372

Coro Mining Corp.

Consolidated Statements of Shareholders' Equity

For the years ended December 31, 2016 and 2015

(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 – December 31, 2014	159,372	53,172	6,287	470	(55,880)	4,049	274	4,323
NCI financing (note 15)	-	-	-	-	(154)	(154)	538	384
Share-based payments (note 14)	-	-	39	-	-	39	-	39
Comprehensive income (loss)	-	-	-	295	(1,114)	(819)	(7)	(826)
Balance - December 31, 2015	159,372	53,172	6,326	765	(57,148)	3,115	805	3,920
Shares issued (note 13)	324,053	21,305	-	-	-	21,305	-	21,305
Share-based payments (note 14)	-	-	829	-	-	829	-	829
Comprehensive loss	-	-	-	(194)	(3,560)	(3,754)	(26)	(3,780)
Balance - December 31, 2016	483,425	74,477	7,155	571	(60,708)	21,495	779	22,274

Coro Mining Corp.

Consolidated Statements of Cash Flows

For the years ended December 31, 2016 and 2015

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

	2016 $000's	2015 $000's
Cash flows from operating activities		
Loss for the year	(3,586)	(1,121)
Items not affecting cash		
Depreciation and amortization	12	9
Share-based payment expense	785	33
Deconsolidation loss (note 19)	-	98
Unrealized foreign exchange (gain) loss	(360)	326
Unrealized loss on held-for-trading investments	(36)	-
	(3,185)	(655)
Change in non-cash operating working capital		
Increase in receivables and prepaid	(29)	(2)
Increase in inventories	(730)	(848)
Decrease in accounts payable and accrued liabilities	(19)	(36)
	(3,963)	(1,541)
Cash flows from financing activities		
Convertible debenture (note 10)	-	6,455
Deferred consideration (note 9)	(563)	-
Short-term loan proceeds (note 9)	(600)	600
Finance lease payment (note 11)	(443)	(77)
Issuance of common shares (net of issuance costs) (note 13)	13,181	-
	11,575	6,978
Cash flows from investing activities		
Property, plant and equipment	5,206	(4,291)
Property, plant and equipment (capitalized revenues)	(8,474)	-
Proceeds from disposition (note 19)	-	1,300
Mineral property interests	(1,348)	(1,728)
	(4,616)	(4,719)
Effect of exchange rate changes on cash	191	(31)
Increase in cash and cash equivalents	3,187	687
Cash and cash equivalents - beginning of year	1,070	383
Cash and cash equivalents - end of year	4,257	1,070

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

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. 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, 2016, the Company reported a loss of $3.6 million, cash outflows from operations of $4.0 million, and as at that date had an accumulated deficit of $60.7 million, and working capital of $2.2 million.

In December 2016, the Company raised gross proceeds of $4.0 million from an equity financing (note 13) in order to build out the Berta facilities, to conduct further exploration at Marimaca, and for general working capital purposes. On March 22, 2017 the Company announced a $12.0 million equity financing (note 13) to provide funds to acquire Rayrock (note 7), to continue to explore Marimaca and for general working capital purposes. As of the date of these consolidated financial statements, the financing had not closed.

The Company's ability to continue as a going concern is dependent upon its ability to generate cash flow from operations and, to the extent that this is not sufficient, to obtain additional funding from loans, equity financings or through other arrangements. While the Company has been successful in arranging financing in the past, the success of such initiatives cannot be assured. These conditions 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 March 27, 2017.

Consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries: Minera Cielo Azul Ltda., Inversiones Cielo Azul Ltda., Minera Coro Chile Ltda., and its 65% interest in Sociedad Contractual Minera Berta ("SCMB"). All intercompany transactions, balances, income and expenses have been eliminated on consolidation.

In October 2016 the Company amalgamated Sea to Sky Holdings, Sky Dust Holdings, Machair Investments Ltd., and 0904213 BC LTD with Coro Mining Corp. Effective May 2015, the Company deconsolidated Minera San Jorge S.A. ("MSJ") (note 19).

2 Significant accounting policies (continued)

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. The following discusses the most significant accounting judgments and estimates that the Company has made in the preparation of the financial statements that could result in a material effect in the next financial year on the carrying amounts of assets and liabilities:

Impairment of exploration and evaluation assets

In applying its accounting policy for costs incurred during the exploration 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 circumstance in making this assessment including historical experience, expected market demand, costs and future economic conditions. The Company also considers the aforementioned factors when performing impairment tests.

Determination of commercial viability and technical feasibility of the Berta deposit

IFRS requires a distinction between exploration and evaluation assets and mine construction and development costs which are recorded within property plant and equipment. The Company considered the purchase of the Nora plant (note 3), and its subsequent refurbishment and remediation and concluded that commercial viability and technical feasibility of the Berta deposit had been confirmed during the fourth quarter of 2015. At this point, the Berta asset was reclassified to mineral properties and mine development costs within property, plant, and equipment and tested for impairment.

Impairment of property, plant and equipment

The application of the Company's accounting policy for impairment of property, plant and equipment requires judgment to determine whether indicators of impairment exist. The review of impairment indicators includes consideration of both external and internal sources of information, including factors such as market and economic conditions, metal prices and forecasts, commercial viability and technical feasibility and estimated project economics. Management has assessed impairment indicators on the Company's property, plant and equipment and has concluded that no impairment indicators exist as of December 31, 2016.

Reserve and resource estimation

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 income taxes, and various operational factors.

Foreign currency translation

The functional currency of the parent company, Coro Mining Corp., is the Canadian dollar (CA$). The functional currency of the Company's Chilean subsidiaries is the U.S. dollar ($). 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 statement 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.

2 Significant accounting policies (continued)

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

f) Debt
The Company recognizes all financial liabilities initially at fair value and classifies them as either fair value through profit or loss or other financial liabilities, as appropriate. Debt classified as other financial liabilities is subsequently measured at amortized cost, calculated using the effective interest rate method. Debt classified as fair value through profit or loss is measured at fair value on each financial period-end date with gains and losses flowing through the statement of operations.

g) Derivative Instruments
Derivative instruments, including embedded derivatives, are recorded at fair value through profit or loss and accordingly recorded on the statement of financial position date at fair value. Fair values for derivative instruments are determined using valuation techniques, using assumptions based on market conditions existing at the statement of financial position date.

h) Inventories
Finished goods (copper cathodes), in-process and stockpile inventories are recorded at the lower of average cost and net realizable value. Ore stockpiles include materials extracted from the mine and stockpiled before and after the crushing process. Finished goods, in-process and ore stockpiles costs include all direct costs incurred in production including direct labour and materials, freight, depreciation and amortization, and directly attributable overhead costs.

When inventories have been written down to net realizable value, a new assessment of net realizable value is made in each subsequent period. When the circumstances that caused the write down no longer exist, the amount of the write down is reversed.

2 Significant accounting policies (continued)

Consumable parts and supplies are valued at the lower of average cost and net realizable value. Cost includes acquisition, freight and other directly attributable costs.

i) Property, plant and equipment
Property, plant and equipment include mineral properties and mine development costs, plant and equipment, and capital work in progress.

Plant and equipment
Plant and equipment are carried at cost, less accumulated amortization and accumulated impairment losses. Cost comprises the fair value of consideration given to acquire an asset and includes the direct charges associated with bringing the asset to the location and condition necessary for putting it into use along with the future cost of dismantling and removing the asset. When parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

Plant and equipment are amortized over the life of the mine using the units-of-production ("UOP") method based on the recoverable tonnes from the estimated proven and probable reserves. Mobile equipment is depreciated on a straight-line basis for up to five years.

During the commissioning phase of a new plant, pre-production expenditures, net of incidental revenue, are capitalized to property, plant and equipment.

Mineral property and mine development costs
Mineral property costs are carried at cost, less accumulated depletion. Costs of project development including gaining initial access to the ore body are capitalized to mineral properties. Once the mineral property is in production, it will be depleted using the UOP method, based on recoverable tonnes from the estimated proven and probable reserves.

Capitalization of pre-commercial production ceases when the mining property is capable of commencement of mining operations in the manner intended by management. Costs incurred prior to this point, including depreciation of related plant and equipment, are capitalized and proceeds from sales during this period are offset against capitalized costs.

The Company applies judgment in its assessment of when a mine is capable of operating in the manner intended by management, which takes account of the design of the mine and the nature of the initial commissioning phase of the operation.

Deferred stripping
Stripping costs incurred during the production phase of a mine are considered production costs and are included in the cost of inventory produced during the period in which stripping costs are incurred, unless the stripping activity can be shown to be a betterment of the mineral property. Betterment occurs when stripping activity increases future output of the mine by providing access to additional reserves. Stripping costs incurred to prepare the ore body for extraction are capitalized as mine development costs and are amortized on a UOP basis over the reserves to which they relate.

2 Significant accounting policies (continued)

Construction in progress

Costs recorded for assets under construction are capitalized as construction in progress. On completion, the cost of construction is transferred to the appropriate category of property, plant and equipment. No amortization is recorded until the assets are substantially complete and available for their intended use.

Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial period of time to prepare for its intended use are capitalized as part of the cost of the asset. Capitalization of borrowing costs begins when there are borrowings and activities commence to prepare an asset for its intended use. Capitalization of borrowing costs ends when substantially all activity necessary to prepare a qualifying asset for its intended use is complete. When proceeds of project specific borrowings are invested on a temporary basis, borrowing costs are capitalized net of any investment income.

j) Exploration and evaluation expenditures

Exploration and evaluation expenditures include the costs of acquiring licenses and costs associated with exploration and evaluation activity. 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. Mineral property acquisition costs are capitalized.

Once the technical feasibility and commercial viability of the extraction of mineral reserves or resources from a particular mineral property have been determined, expenditures are reclassified to mineral property development costs within mineral properties, plant and equipment and are carried at cost until the properties to which the expenditures relate are sold, abandoned or determined by management to be impaired in value.

The establishment of technical feasibility and commercial viability of a mineral property is assessed based on a combination of factors, such as but not limited to:

- The extent to which mineral reserves or resources have been identified through an economic study;
- The status of environmental permits; and
- The status of mining leases or permits.

Exploration and evaluation assets are tested for impairment immediately prior to reclassification to mineral property development costs 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.

k) Impairment of non-financial assets

The carrying amounts of assets included in mineral properties, plant and equipment are reviewed for impairment whenever facts and circumstances suggest that the carrying amounts may not be recoverable. If there are indicators of impairment, the recoverable amount of the asset is estimated in order to determine the extent of any impairment. Where the asset does not generate cash flows that are independent from other assets, the recoverable amount of the cash generating unit to which the asset belongs is determined. The recoverable amount of an asset or cash generating unit is determined as the higher of its fair value less costs of disposal and its value in use. An impairment loss exists if the asset’s carrying amount exceeds the recoverable amount, and the excess is recorded as an expense immediately.

Value in use is determined as the present value of the future cash flows expected to be derived from continuing use of an asset or cash generating unit in its present form. These estimated future cash flows are discounted to

2 Significant accounting policies (continued)

their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit for which estimates of future cash flows have not been adjusted.

Fair value is the price that would be received from selling an asset in an orderly transaction between market participants at the measurement date. Costs of disposal are incremental costs directly attributable to the disposal of an asset. Estimated future cash flows are calculated using estimated future prices, mineral reserves and resources and operating and capital costs. All inputs used are those that an independent market participant would consider appropriate.

Tangible assets that have been impaired in prior periods are tested for possible reversal of impairment whenever events or changes in circumstances indicate that the impairment has reversed. If the impairment has reversed, the carrying amount of the asset is increased to its recoverable amount, but not beyond the carrying amount that would have been determined had no impairment loss been recognized for the asset in the prior periods. A reversal of an impairment loss is recognized into profit or loss immediately.

l) Decommissioning and restoration provision
An obligation to incur decommissioning and environmental costs arises when environmental disturbance is caused by the exploration or development of a mineral property. Such costs are estimated and discounted to their net present value and capitalized to the carrying amount of the related asset along with the recording of a corresponding liability, as soon as the obligation to incur such costs arises. Discount rates using a pre-tax rate that reflect risks specific to the liability are used to calculate the net present value. The liability is adjusted each year for the unwinding of the discount rate, changes to the current market-based discount rate, and for the amount or timing of the underlying cash flows needed to settle the obligation.

m) Leases
Assets financed by leasing agreements that give rights approximating ownership (finance leases) are capitalized at fair value. The capital elements of future obligations under finance leases are included as liabilities in the statement of financial position and the interest element is charged to the statement of loss. Annual payments under other lease arrangements, known as operating leases, are charged to the statement of loss on a straight-line basis.

n) Loss per share
Loss per share is calculated using the weighted average number of shares outstanding during the period. Diluted earnings 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.

o) 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 statement of financial position date.

2 Significant accounting policies (continued)

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.

p) 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.

q) Revenue
Revenue is recognized when it is probable that the economic benefits will flow to the Company, delivery has occurred, the sale price is reasonably determinable, and collectability is reasonably assured. These criteria are generally met at the time the product is shipped and delivered to the customer and, depending on the delivery conditions, title and risk have passed to the customer and acceptance of the product, when contractually required, has been obtained.

Revenue is recognized on a provisional pricing basis when title transfers and the rights and obligations of ownership pass to the customer, which occurs at mine gate. Final pricing is not determined at that time as it is contractually linked to market prices at a subsequent date. These arrangements have the characteristics of a derivative instrument as the value of the accounts receivable will vary as prices for the underlying commodities vary in the metal markets. These price adjustments result in gains in a rising price environment and losses in a declining price environment and are recorded as adjustments to revenues.

r) New accounting pronouncements
The following revised standards and amendments are effective in future accounting periods with earlier application permitted, except where indicated.

(i) IFRS 9, *Financial Instruments*, addresses the classification, measurement and recognition of financial assets and financial liabilities. It replaces the guidance in IAS 39, *Financial Instruments: Recognition and Measurement*, that relate to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortized cost, fair value through other comprehensive income and fair value through profit or loss. The basis of classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements.

The main change for liabilities is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income (loss) rather than in net earnings. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company is currently assessing the impact of IFRS 9.

(ii) IFRS 15, *Revenue from Contracts with Customers,* establishes principles to address the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. IFRS 15

2 Significant accounting policies (continued)

will be effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company is currently assessing the effect of this standard.

(iii) IFRS 16, *Leases*, addresses accounting for leases and lease obligations. It replaces the existing leasing guidance in IAS 17, *Leases.* The objective of the new standard is to report all leases on the statement of financial position and to define how leases and lease liabilities are measured. IFRS 16 is effective January 1, 2019 with early adoption permitted for companies that also apply IFRS 15. The Company is currently assessing the impact of IFRS 16.

There are no other IFRS's or IFRIC interpretations that are not yet effective that are expected to have a material impact on the Company.

3 Nora plant acquisition

On August 12, 2015, SCMB completed the acquisition of the Nora SXEW plant and assumed a restoration liability. The Nora plant was acquired from a local company in bankruptcy administration for cash consideration of $3.3 million.

Purchase price
The purchase price was calculated as follows:

$000's	
Cash	3,252
Transaction costs	45
Total purchase consideration	**3,297**

The purchase price was allocated as follows:

$000's	
Nora plant (note 6)	4,583
Restoration provision	(1,286)
	3,297

4 Accounts receivable and prepaid expenses

$000's	**2016**	**2015**
Trade receivables	147	-
Value added taxes	757	286
Prepaid expenses and other receivables	392	136
	1,296	**422**

Until October 1, 2015, the Company had been fully providing for Chilean value added taxes ("IVA"). With the acquisition of the Nora plant and the ability to recover IVA via sales starting in early 2016, the Company no longer provides for the IVA receivable of SCMB.

5 Inventories

$000's	2016	2015
Consumable parts and supplies	118	63
Ore stockpiles	204	64
Copper in circuit	1,000	350
Finished goods	256	371
	1,578	**848**

Copper in circuit and finished goods inventories are recorded at cost as the costs of production in 2016 did not exceeded the net realizable value of material produced (2015: net realizable value).

6 Property, plant and equipment

$000's	Mineral property and mine development	Nora plant	Other	Capital work in progress(1)	Total
Cost					
January 1, 2015	-	-	235	-	235
Deconsolidation (note 3)	-	-	(84)	-	(84)
Disposals	-	-	(33)	-	(33)
Transfer from E&E assets (note 7)	6,203	-	-	-	6,203
Acquisition (note 3)	-	4,583	-	-	4,583
Additions	630	3,508	9	28	4,175
December 31, 2015	**6,833**	**8,091**	**127**	**28**	**15,079**
Disposals	-	-	(86)	-	(86)
Additions	1,067	4,506	24	308	5,905
December 31, 2016	**7,900**	**12,597**	**65**	**336**	**20,898**
Accumulated depreciation					
January 1, 2015	-	-	(172)	-	(172)
Deconsolidation	-	-	51	-	51
Disposals	-	-	21	-	21
Depreciation expense	-	-	(11)	-	(11)
December 31, 2015	**-**	**-**	**(111)**	**-**	**(111)**
Disposals	-	-	86	-	**86**
Depreciation expense	-	-	(12)	-	(12)
December 31, 2016	**-**	**-**	**(37)**	**-**	**(37)**
Net book value					
January 1, 2015	-	-	63	-	63
December 31, 2015	**6,833**	**8,091**	**16**	**28**	**14,968**
December 31, 2016	**7,900**	**12,597**	**28**	**336**	**20,861**

(1) Includes the build out of the Berta facilities that commenced in December 2015

6 Property, plant and equipment (continued)

Mineral property and mine development costs
In the fourth quarter of 2015, the costs associated with the Berta deposit were reclassified from exploration and evaluation to Mineral property and mine development costs.

Nora plant
In 2016, additions at Nora included the capitalization of pre-commercial production expenditures of $2.6 million (2015: nil); capitalization of financing and interest costs of $1.1 million (2015: $0.6 million) and other additions of $0.4 million (2015: $1.0 million). Additions for 2015 include remediation, refurbishment and start-up costs of $1.85 million.

At December 31, 2016, the Nora plant remained in the commissioning phase and is unlikely to reach commercial production until the build out of the Berta facilities are complete, which is expected in the first half of 2017.

7 Exploration and evaluation assets

$000's	Berta	Rayrock	El Joté	Prat	Total
Balance – January 1, 2015	**3,006**	**-**	**-**	**27**	**3,033**
Geology	398	-	-	-	398
Miscellaneous development costs	546	-	-	75	621
Property acquisition costs	2,250	-	-	50	2,300
Share-based compensation	3	-	-	-	3
Reclassified PPE (note 6)	(6,203)	-	-	-	(6,203)
Balance – December 31, 2015	**-**	**-**	**-**	**152**	**152**
Miscellaneous development costs	-	-	-	68	68
Property acquisition costs (1)	-	583	135	-	718
Balance – December 31, 2016		**583**	**135**	**220**	**938**

(1) Property acquisition costs for Rayrock include due diligence and evaluation costs

Rayrock, Chile
In August 2016, Coro signed a non-binding Letter of Intent to acquire Minera Rayrock Ltda ("Rayrock") (the "Rayrock LOI"), a Chilean subsidiary of Compañía Minera Milpo S.A.A ("Milpo") a Peruvian mining company. Rayrock is the owner of the Ivan SXEW plant located some 18km south of the Company's Marimaca project.

The signing and initial payment of $250,000 (paid) provided Coro with an initial exclusivity period of 60 days (subsequently extended by 30 days) to conduct its due diligence. The parties to the Rayrock LOI will then have 30 days to negotiate and execute a definitive agreement upon which Coro will pay a further $6.25 million, bringing the total acquisition cost of Rayrock to $6.5 million.

Milpo also retains a 2% NSR on all production from the Rayrock mineral properties. Coro may acquire half the NSR for $2 million at any time and will have a right of first refusal over the NSR.

7 Exploration and evaluation assets (continued)

The potential acquisition also includes 23,748 hectares of mining claims (the "Ivan Claims") extending between Marimaca and Ivan and a further 14,505 hectares of mining claims located some 42km north east from Ivan and 30km east from Marimaca.

El Joté, Chile
In May 2016**,** SCMB optioned the El Joté (formerly called "Salvadora") copper project, located ~ 30km NW of the Nora plant and 58km NE of the port of Chañaral in the III Region of Chile. SCMB may acquire a 100% interest in the property by completing the following option payment schedule totalling $3,005,000; $165,000 (paid). On or before: May 2017; $180,000, May 2018; $250,000 and May 2019; $2,440,000. The final payment can be made in 8 equal instalments of $305,000 plus interest at LIBOR, and SCMB can start production with the first instalment payment. A 1.5% NSR is payable which can be purchased for $1,500,000 at any time.

Planta Prat, Chile
In August 2014, the Company signed an agreement to acquire an interest in a SXEW agitation leach plant in the II Region of Chile. Coro may earn a 51% interest by paying total consideration of $160,000 ($60,000 paid; and $100,000 on completing a plant expansion). In addition to the cash payments to earn it's 51% interest, Coro must expand the plant to 1,200 tonnes per year ("tpy") capacity (by August 2017); Coro may earn an additional 14% interest (for a total interest of 65%) upon commencement of commercial production which is defined as 80% of 1,200 tpy copper annual production rate for 60 consecutive days. The exercise of the Prat option is dependent upon discovering sufficient resources in the area to justify an investment decision.

8 Accounts payable and accrued liabilities

$000's	**2016**	**2015**
Accounts payable	3,292	1,407
Accrued liabilities	781	620
	4,073	**2,027**

9 Other debt

$000's	**2016**	**2015**
Finance lease (note 11)	489	663
Berta deferred consideration (a)	563	1,688
ProPipe shareholder loan (b)	250	250
Short-term loan (c)	-	600
Total other debt	**1,302**	**3,201**
Current portion	871	2,388
Non-current portion	**431**	**813**

a) Berta deferred consideration

Under the amended Berta option agreement (April 2013), SCMB paid $1.75 million in options payments prior to exercising its option and agreeing to pay $2.25 million in deferred consideration in eight quarterly instalments commencing in August 2015 plus interest at the rate of LIBOR on the outstanding balance. In addition to the deferred consideration, a 1.5% NSR is payable on all copper production and by product metal production from

9 Other debt (continued)

the Berta property. During the year ended December 31, 2016, the Company paid $1.125 million (2015: $0.563 million).

b) ProPipe shareholder loan

The current outstanding balance shall be paid to ProPipe on a preferential basis out of the free cash flow from SCMB.

c) Short-term loan

In December 2015, SCMB entered into a copper off-take contract for 100% of the copper production from the Nora Plant for a period of nine months. The off-take agreement provides for the sale of copper cathode at the monthly average LME or Comex copper price for either the month of delivery or the month following the month of delivery at the discretion of the purchaser. The agreement provided for an immediate advance of $0.6 million repayable in six months from the borrowing date (which subsequently repaid), bearing interest at a rate of one-month LIBOR plus 6% per annum. In July 2016, loan was increased to $0.5 million and the copper off-take contract agreement extended, but was subsequently repaid by year end.

10 Convertible debenture

$000's	**2016**	**2015**
Greenstone Tranche 1 & 2:		
Principal	-	6,500
Accrued interest and finance charges	-	566
Deferred finance fees	-	(45)
	-	**7,021**

The Greenstone Resources L.P. ("Greenstone") convertible debenture ("CD") was comprised of two tranches issued in 2015, totaling $6.5 million. In May 2016, the Company issued 106,730,000 common shares in final and full settlement of the CD at a conversion price of CA$0.10 per share. The effective interest rate on the original terms of the CD was approximately 25%.

During 2016 the Company capitalized non-cash interest and finance charges of $1.0 million (2015: $0.6 million). The conversion features in Tranche 1 and Tranche 2 represented an embedded derivative as the Company would have been required to deliver a variable number of its own shares in exchange for a fixed amount of U.S. dollars. These derivatives had a nominal value.

11 Finance leases

Included in property, plant and equipment are generators and crushing equipment acquired pursuant to lease agreements. The original lease agreement on the generators was entered into in September 2015 (subsequently amended in April and October 2016). The generators are the security for the indebtedness, and required an initial deposit of $77,141. The October 2016 amendment requires fifteen monthly payments of $19,679, and included a buyout amount of $121,896 at the end of the agreement. Under the revised terms, payments are due within 60 days of invoicing.

11 Finance leases (continued)

In April 2016, SCMB entered into a twenty-four month lease on a semi-mobile crusher. The lease terminates on June 2018 and the crusher is security for the indebtedness, and required an initial deposit of $40,500 and twenty-four monthly payments of $10,682. As of December 2016, SCMB was current with its payments to September 2016.

$000's	**2016**	**2015**
Remaining lease payment (within twelve months)	364	676
Remaining lease payment (thereafter)	184	-
Total lease payments	548	676
Less: interest portion	59	13
Present value of capital lease obligations	**489**	**663**

The cost of the generators held under the finance lease is equal to the lower of the net present value of the minimum lease payments or the fair value of the leased property at the inception of the lease and is amortized over the term of the lease, except when there is a reasonable certainty that the leased assets will be purchased at the end of the lease, in which case they are amortized over the expected continued useful life of the assets.

12 Restoration provision

The Company's restoration provision consists primarily of costs associated with reclamation and closure activities for the Nora plant. Due to the minimal site disturbance at Berta no restoration provision has been made as at December 31, 2016. These activities include costs for disposition of chemical materials, earthworks, and the dismantling and demolition of structures. In calculating the present value of the restoration provisions as at December 31, 2016, management used a risk-free rate of 2.35% and an inflation rate of 2.0%. The undiscounted cash flows, before inflation adjustments, estimated to settle the restoration provisions approximate the discounted cash flows. Due to the nature of closure plans, cash expenditures are expected to occur over a significant period of time with the majority of the expenditures expected to occur in seven to eight years.

No guarantee or deposit in respect of the restoration provision had been submitted as of December 31, 2016.

Details of the restoration provision are as follows:

$000's	**December 31, 2016**	**December 31, 2015**
Balance, beginning of year	1,291	-
Nora acquisition provision	-	1,286
Reclamation revaluation	(25)	-
Accretion expense	15	5
Balance, end of year	**1,281**	**1,291**
Less: current portion	-	-
Non-current portion	**1,281**	**1,291**

13 Common shares

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

Issued
In February 2016, the Company announced the closing of an equity private placement financing with Greenstone, whereby Greenstone purchased 79,800,000 common shares at a price of CA$0.04 for gross proceeds of CA$3.192 million.

In May 2016, the Company issued 106,730,000 common shares to extinguish the CD (note 10).

In June 2016, the Company also raised CA$3.4 million through the issuance of 34,000,000 common shares to Greenstone as part of an underwritten 100,000,000 common share issuance (CA$10.0 million) financing by Greenstone. In July 2016, the Company closed the remainder of the financing by issuing 46,074,350 common shares to third parties (to raise CA$4.6 million) and a final tranche with Greenstone of 19,925,650 common shares (to raise CA$1.9m). Associated with the aforementioned underwritten financing the Company paid $70,000 in underwriting fees to Greenstone and finder's fees of CA$368,000 on certain shares issued to third parties.

In December 2016, the Company raised gross proceeds of $4.0 million (CA$5.3 million at CA$0.14 per share) through the issuance of 37,522,859 common shares to Greenstone (29,825,874 shares) and third parties (7,696,985 shares). Finder's fees of CA$78,000 were paid on certain shares issued to third parties.

In January 2017, 2,162,500 warrants at CA$0.15 were exercised for gross proceed of CA$324,375.

On March 22, 2017 the Company announced a private placement of up to 107,680,000 common shares at a price of CA$0.15, to raise gross proceeds of up to CA$16.2 million to provide funds to acquire Rayrock, to continue to explore Marimaca and for general working capital purposes.

Capital risk management
The Company considers its components of shareholders' equity as capital. As the Company is in the development 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.

14 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.

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

14 Share stock options and warrants (continued)

	2016		2015	
	Number of shares	**Weighted average exercise price CA$**	**Number of shares**	**Weighted average exercise price CA$**
Outstanding – January 1	8,590,000	0.25	8,545,000	0.28
Expired	(500,000)	0.04	(455,000)	0.16
Expired	(550,000)	0.39	-	-
Granted	26,750,000	0.13	500,000	0.04
Outstanding – December 31	**34,290,000**	**0.16**	**8,590,000**	**0.25**

At December 31, 2016, the following stock options were outstanding:

	Number of options outstanding	Number of options vested and exercisable	Exercise price CA$	Expiry Date
	3,590,000	3,590,000	0.41	2017
	150,000	150,000	0.41	2017
	3,800,000	3,800,000	0.10	2019
	11,750,000	11,750,000	0.04	2021
	14,500,000	-	0.20	2021
	500,000	500,000	0.14	2021
Total	**34,290,000**	**19,790,000**		

In February 2016, the Company granted 11,750,000 options at CA$0.04. In August 2016, the Company granted 14,500,000 options at CA$0.20. In September 2016, the Company granted 500,000 options at CA$0.14.

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:

	Options
Risk-free interest rate	0.45% to 0.60%
Expected life	2 to 3.5 years
Expected volatility	90% to 122%
Expected dividend	0%

For the year ended December 31, 2016, total share-based compensation expense was $831,492 (2015: $33,250) of which $46,823 (2015: $5,248) was capitalized.

Warrants

	2016		2015	
	Number of shares	**Weighted average exercise price CA$**	**Number of shares**	**Weighted average exercise price CA$**
Outstanding – beginning of year	10,539,123	0.15	10,539,123	0.15
Expired	(5,436,623)	-	-	-
Outstanding – end of year	**5,102,500**	**0.15**	**10,539,123**	**0.15**

14 Share stock options and warrants (continued)

At December 31, 2016, warrants outstanding were as follows:

Number of warrants outstanding	Exercise price CA$	Expiry Date
5,102,500	0.15	January 2017
5,102,500		

In January 2017, 2,162,500 warrants were exercised (note 13) and 2,940,000 warrants expired unexercised.

15 Non-controlling interest

Under the SCMB Amended Shareholders Agreement, ProPipe S.A. ("ProPipe") have a 35% interest (2015: 35%) in SCMB. ProPipe earned its interest by completing various milestones in the development of the Berta Project. The increase in ProPipe's ownership during 2015 did not result in a loss of control of the subsidiary and therefore is considered an equity transaction. As a result, the Company recognized an additional non-controlling interest of $530,489 upon the additional 17% interest being earned.

The following table summarizes select SCMB financial information for the years ended December 31, 2016 and 2015:

$000's	2016	2015
Current Assets	2,814	2,253
Non-current assets	24,128	14,924
Current liabilities	10,252	11,531
Non-current liabilities	9,656	813
Loss	(74)	(73)
Total comprehensive loss	(74)	(73)

In 2015 the proceeds from the CD (note 10) were loaned to SCMB to complete the acquisition of the Nora plant and provide working capital to complete its refurbishment and commissioning. SCMB were not in a position to repay this amount and Coro agreed to re-finance the total amount of $8.125m which bears interest at Libor plus 7% and is repayable in 16 quarterly instalments commencing in August 2017. During 2016, Coro has also provided a further $3.4 amount in funding which is repayable on demand and also bears interest at the aforementioned rate. In addition, Coro has agreed to provide the initial financing for the build out of the Berta facilities that commenced in December 2016.

16 Exploration expenditures

				2016
$000's	**Celeste**	**Marimaca**	**General**	**Total**
Consulting, labour & professional fees	-	252	-	252
Drilling & trenching	-	1,445	-	1,445
General & admin	-	189	103	292
Property investigation	19	156	19	194
Travel and accommodation	-	58	-	58
Total exploration expenditure	**19**	**2,100**	**122**	**2,241**

				2015
$000's	**Celeste**	**Marimaca**	**General**	**Total**
Consulting, labour & professional fees	-	78	-	78
Drilling & trenching	-	-	-	-
General & admin	-	1	210	211
Property investigation	21	13	17	51
Property acquisition	-	50	-	50
Total exploration expenditure	**21**	**142**	**227**	**390**

Marimaca, Chile
In August 2014, the Company entered into an agreement to acquire up to a 75% interest in the Marimaca copper oxide prospect for $175,000 ($10,000 paid; $40,000 in February 2015 (subsequently deferred and paid in April 2015 and increased to $50,000); $125,000 on completion of an NI 43-101 compliant resource estimate and engineering study that demonstrates the technical and economic feasibility of producing a minimum of 1,500tpy of copper cathode by August 2018 to earn 51% interest. Coro may acquire a further 24% interest by obtaining project construction finance. The owner of the property will maintain a 25% interest with a 15% interest free carried to commercial production and a 10% participating interest that is subject to dilution.

Celeste, Chile
The 100% owned Celeste property includes the Celeste Sur iron ore project located in the III Region of Chile.

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

In November 2014, the Company signed an option agreement with Minera Peñoles de Chile Ltda who paid $350,000 prior to terminating the agreement in September 2016.

17 Income taxes

	2016		2015	
	$(000's)	**%**	**$(000's)**	**%**
Loss before tax	(3,585)	100	(1,121)	100
Income tax (recovery) expense at statutory rates	(932)	(26)	(293)	(26)
Difference in foreign tax rates	(190)	(5)	(24)	(2)
Non-deductible expenses	205	6	9	1
Unrecognized (recognized) tax losses	917	25	308	27
Deferred income tax (recovery) expense	-	-	-	-

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

$(000's)	**2016**	**2015**
Operating losses carried forward	8,860	8,499
Mineral property interests	1,570	87
Share issuance costs	125	10
Restoration provision	448	452
Financing transactions	368	877
Unrecognized deferred tax assets	**11,371**	**9,925**

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 $5.0 million and $21.6 million, in Canada and Chile respectively that expire after 2027.

18 Related party transactions

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

$000's	**2016**	**2015**
Short-term employee benefits	839	754
Share-based payments	683	25
Total key management personnel	**1,522**	**779**

19 Deconsolidation of Minera San Jorge S.A. ("MSJ")

In April 2015, the Company finalized an amending agreement with Alterra Investments Ltd. and Solway Industries Ltd., ("A&S") related to the sale of the San Jorge project. By making an advance payment of $1.3 million under this amended agreement, A&S have the right to acquire a 100% interest in MSJ and, effective on payment, exercise control over MSJ. As a result, effective May 1, 2015, the Company deconsolidated MSJ and recognized a non-cash loss on deconsolidation of $97,954.

19 Deconsolidation of Minera San Jorge S.A. ("MSJ") (continued)

The legal acquisition of MSJ by A&S is subject to the approval of both Franco Nevada, the underlying owner of MSJ, and the Argentinean authorities, which will be sought prior to the completion of the legal acquisition. Coro will retain a 2% net smelter return royalty ("NSR") on production from the property, other than gold, in the event that A&S develop the project.

20 Geographic 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	**Canada**	**Chile**	**Total**
December 31, 2016			
Non-current assets	233	21,567	21,800
Total assets	3,353	25,577	28,930
Total liabilities	121	6,535	6,656
December 31, 2015			
Non-current assets	2	15,118	15,120
Total assets	61	17,399	17,460
Total liabilities	7,160	6,380	13,540

21 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, 2016, the Company's carrying values of cash and cash equivalents, accounts receivable, and convertible debenture 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, 2016, 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").

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.

21 Financial instruments (continued)

Currency risk
The Company is subject to currency risk on financial instruments which are denominated in currencies that are not the same as the functional currency of the entity that holds them. Exchange gains and losses would impact profit or loss.

The Company's significant subsidiaries are located in Chile 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 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 period end would have resulted in the net loss being $16,493 higher (a greater loss) ($16,493 lower).

Interest rate risk
The Company was exposed to interest rate risk on cash and cash equivalents held as at December 31, 2016. A 100 basis point (1%) increase or decrease in the interest rate would have resulted in approximately a $37,728 change in the Company's reported loss for the period ended December 31, 2016 based on average cash holdings during the year.

The Company is also subject to interest rate risk with respect to its short term loan and the deferred consideration on Berta. A 100 basis point (1%) increase or decrease in the interest rate would not result in a significant change to the Company's reported loss for the period ended December 31, 2016.

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.

22 Commitments and option payments

The following table sets out the commitments and option payments of the Company as of December 31, 2016.

$**000's**	**2017**	**2018**	**2019**	**Thereafter**	**Total**
Property option payments					
Marimaca	-	125	-	-	125
Planta Prat	100	-	-	-	100
Salvadora	180	250	-	2,440	2,870
Total property option payments	**280**	**375**	**-**	**2,440**	**3,095**
Operating leases	90	-	-	-	90
Total	**370**	**375**	**-**	**2,440**	**3,185**