Coro Mining Corp.

Condensed Interim Consolidated Financial Statements

September 30, 2017

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

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3 (3)(a), if an auditor has not performed a review of the condensed interim consolidated financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

Coro Mining Corp.

Condensed Consolidated Statements of Financial Position

As at September 30, 2017 and December 31, 2016

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

	September 30, 2017 $000's	December 31, 2016 $000's
Assets		
Current assets		
Cash and cash equivalents	3,991	4,257
Accounts receivable and prepaid expenses (note 4)	2,477	1,296
Inventories (note 5)	1,787	1,578
	8,255	7,131
Property, plant and equipment (note 6)	40,758	20,861
Exploration and evaluation assets (note 7)	2,733	938
Total assets	**51,746**	**28,930**
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 8)	8,127	4,073
Current portion of other debt (note 9)	691	871
	8,818	4,944
Non-current portion of other debt (note 9)	250	431
Restoration provision (note 10)	6,140	1,281
Total liabilities	15,208	6,656
Shareholders' equity		
Common shares (note 11)	90,255	74,477
Contributed surplus	7,799	7,155
Accumulated other comprehensive income ("AOCI")	589	571
Deficit	(62,846)	(60,708)
	35,797	21,495
Non-controlling interests ("NCI") (note 13)	741	779
Total equity	**36,538**	**22,274**
Total liabilities and equity	**51,746**	**28,930**

Nature of operations and going concern (note 1)
Commitments (note 18)

Approved by the Board of Directors

"Gordon Fretwell"	*"Michael Haworth"*
Director	Director

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

Coro Mining Corp.

Condensed Consolidated Statements of Loss and Comprehensive Loss

For the three and nine months ended September 30, 2017 and 2016

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

	Three months ended Sept 30, 2017 $000's	Three months ended Sept 30, 2016 $000's	Nine months ended Sept 30, 2017 $000's	Nine months ended Sept 30, 2016 $000's
Expenses				
Exploration expenditures (note 14)	6	1,157	62	1,819
Ivan Plant care and maintenance (note 6)	324	-	324	-
Write-down of exploration and evaluation asset (note 7)	-	-	220	-
Depreciation and amortization	7	4	18	7
Legal and filing fees	4	12	56	57
Other corporate costs	139	60	401	232
Salaries and management fees	258	183	665	397
Share-based payments expense	115	304	610	359
Operating loss	853	1,720	2,356	2,871
Finance (income)	(141)	(59)	(358)	(82)
Foreign exchange loss (gain)	21	16	185	(106)
Unrealized loss (gain) on held-for-trading investment	4	(3)	(7)	(3)
Loss for the period	737	1,674	2,176	2,680
Attributable to:				
Owners of the parent	717	1,654	2,138	2,652
Non-controlling interests	20	20	38	28
	737	1,674	2,176	2,680
Other comprehensive income				
Items that may be reclassified subsequently to net income:				
Foreign currency translation adjustment	68	(42)	(18)	81
Loss and comprehensive loss for the period	805	1,632	2,158	2,761
Attributable to:				
Owners of the parent	785	1,612	2,120	2,733
Non-controlling interests	20	20	38	28
	805	1,632	2,158	2,761
Basic and diluted loss per share ($ per share)	0.00	0.00	$0.00	$0.00
Weighted average shares outstanding (000's)	595,629	400,377	561,763	314,494

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

Coro Mining Corp.

Condensed Consolidated Statements of Shareholders' Equity

As at September 30, 2017 and 2016

(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, 2016	159,372	53,172	6,326	765	(57,148)	3,115	805	3,920
Shares issued	286,530	17,473	-	-	-	17,473	-	17,473
Share-based payments	-	-	393	-	-	393	-	393
Comprehensive income (loss)	-	-	-	(81)	(2,653)	(2,653)	(28)	(2,762)
Balance – September 30, 2016	**445,902**	**70,645**	**6,719**	**684**	**(59,801)**	**18,247**	**777**	**19,024**
Balance - January 1, 2017	483,425	74,477	7,155	571	(60,708)	21,495	779	22,274
Shares issued (note 11)	143,580	15,534	-	-	-	15,534	-	15,534
Warrants exercised (note 11)	2,163	244	-	-	-	244	-	244
Share-based payments (note 12)	-	-	644	-	-	644	-	644
Comprehensive loss	-	-	-	18	(2,138)	(2,120)	(38)	(2,158)
Balance - September 30, 2017	**629,168**	**90,255**	**7,799**	**589**	**(62,846)**	**35,797**	**741**	**36,538**

Coro Mining Corp.

Condensed Consolidated Statements of Cash Flows

For the three and nine months ended September 30, 2017 and 2016

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

($000's)	Three months ended Sept 30, 2017	Three months ended Sept 30, 2016	Nine months ended Sept 30, 2017	Nine months ended Sept 30, 2016
Cash flows from operating activities				
(Loss) for the period	(737)	(1,673)	(2,176)	(2,680)
Items not affecting cash				
Depreciation and amortization	7	4	18	7
Write-down of exploration and evaluation asset	-	-	220	-
Share-based payment expense	115	304	610	359
Realized foreign exchange loss (gain)	-	-	-	(24)
Unrealized foreign exchange loss (gain)	-	76	-	(359)
Unrealized loss (gain) on held-for-trading investments	4	(3)	(7)	(3)
	(611)	(1,292)	(1,335)	(2,700)
Change in non-cash operating working capital				
(Increase) decrease in receivables & prepaid	(55)	4	(59)	6
Decrease (increase) in inventories	(134)	(410)	(209)	(818)
Decrease (increase) in accounts payable & accruals	7	289	(4)	429
	(793)	(1,409)	(1,607)	(3,084)
Cash flows from financing activities				
Deferred consideration (note 9)	-	(282)	(563)	(563)
Finance lease payments (note 9)	(49)	(80)	(169)	(238)
Issuance of common shares net (note 11)	3,835	4,609	15,778	9,349
Other debt (note 9)	(250)	75	500	(350)
	3,536	4,322	15,546	8,198
Cash flows from investing activities				
Property, plant and equipment (note 6)	(4,494)	(3,363)	(15,333)	(8,884)
Property, plant and equipment (capitalized revenues)	3,943	2,064	9,093	5,750
Rayrock acquisition (note 3)	(599)	-	(5,946)	-
Deferred exploration and evaluation assets (note 7)	(311)	-	(2,033)	-
	(1,461)	(1,299)	(14,219)	(3,134)
Effect of exchange rate changes on cash	(71)	(34)	14	303
Increase (decrease) in cash and cash equivalents	1,211	1,580	(266)	2,283
Cash & cash equivalents - beginning of period	2,780	1,773	4,257	1,070
Cash & cash equivalents - end of period	3,991	3,353	3,991	3,353

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 condensed interim 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 period ended September 30, 2017, the Company reported a loss of $2.2 million, cash outflows from operations of $1.6 million, and as at that date had an accumulated deficit of 62.8 million, and working capital deficit of $0.6 million.

In September 2017, the Company announced a CA$7.4 million equity financing (note 11) to provide funds to complete a Definite Feasibility Study ("DFS") at the Company's Marimaca copper development project and provide working capital. On September 25, 2017, the Company completed the first tranche of this financing for CA$4.7 million, and in October 2017, completed the remaining tranche of CA$2.7 million.

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

a) Basis of Presentation

These consolidated financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting ("IAS 34"), as issued by the International Accounting Standards Board ("IASB"), and its interpretations. Accordingly, these Financial Statements do not include all of the information and footnotes required by International Financial Reporting Standards ("IFRS") for complete annual financial statements, and should be read in conjunction with the Company's consolidated and audited financial statements as at and for the year ended December 31, 2016.

These condensed interim consolidated financial statements were approved for issue on November 8, 2017 by the Audit Committee on behalf of the Board of Directors.

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of policies and reported amounts of assets and liabilities and disclosures of contingent assets and contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Actual results could differ from those estimates. Significant accounts that require estimates as the basis for determining the stated amounts include exploration and evaluation assets, share-based payments, allocation of financing proceeds, and income and mining taxes. Differences may be material.

b) Consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries: Minera Cielo Azul Ltda., Minera Rayrock 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.

2 Significant accounting policies (continued)

c) Property, plant and equipment

Property, plant and equipment include plant and equipment, mineral properties and mine development costs, and construction 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.

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.

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.

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.

2 Significant accounting policies (continued)

Deferred revenue

Deferred income is the money received for goods or services which have not yet been delivered, it is recorded as liability until delivery is made at which time it is converted into revenue. Proceeds from sales during the pre-commercial period are offset against capitalized costs.

d) Exploration and evaluation assets

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.

e) 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 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.

3 Rayrock acquisition

In June 2017, Coro acquired Minera Rayrock Ltda (“Rayrock”). Rayrock is the owner of the Ivan SXEW (solvent extraction and electrowinning) plant located some 18km south of the Company’s Marimaca project. The Seller 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.

3 Rayrock acquisition (continued)

The Rayrock acquisition included 23,748 hectares of mining claims (the "Ivan Claims") and a further 14,505 hectares of mining claims (the "Sierra Medina Claims") (note 14). As the principal reason for the acquisition of Rayrock was the acquisition of the Ivan Plant, no value has been assigned to these exploration properties.

Rayrock purchase consideration:

$000's	
Cash	6,219
Transaction costs	389
Total purchase consideration	**6,608**

The purchase price was allocated as follows:

$000's	
Current assets	23
Ivan plant (note 7)	10,786
Total assets:	10,809
Current liabilities	216
Restoration provision (note 10)	3,985
Total liabilities:	4,201
Net identifiable assets acquired	**6,608**

For accounting purposes, the transaction did not meet the definition of a business combination and was therefore accounted as an asset acquisition. The purchase price was allocated to the identifiable assets acquired and liabilities assumed in the transaction including the property, plant and equipment, and restoration provision.

4 Accounts receivable and prepaid expenses

$000's	September 30, 2017	December 31, 2016
Trade receivables	88	147
Value added taxes	1,411	757
Prepaid expenses and other receivables	978	392
	2,477	**1,296**

5 Inventories

$000's	September 30, 2017	December 31, 2016
Consumable parts and supplies	125	118
Ore stockpiles	128	204
Copper in circuit[1]	1,194	1,000
Finished goods[1]	340	256
	1,787	**1,578**

[1] Copper in circuit and finished goods inventory were recorded at net realizable value as of September 30, 2017 and at cost as of December 31, 2016.

6 Property, plant and equipment

$000's	Mineral property and mine development	Nora plant	Berta facilities	Ivan Plant	Other	Const. in progress	Total
Cost							
January 1, 2016	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**
Disposals	-	(270)	-	-	-	-	(270)
Acquisition (note 7)	-	-	-	10,786	-	-	10,786
Equipment transfers	-	132	37	(169)	-	-	-
Additions	77	4,644	4,697	-	40	(59)	9,399
September 30, 2017	**7,977**	**17,103**	**4,734**	**10,617**	**105**	**277**	**40,813**
Accumulated depreciation							
January 1, 2016	-	-	-	-	(111)	-	(111)
Disposals	-	-	-	-	86	-	86
Depreciation	-	-	-	-	(12)	-	(12)
December 31, 2016	-	-	-	-	**(37)**	-	**(37)**
Disposals	-	-	-	-	-	-	-
Depreciation	-	-	-	-	(18)	-	(18)
September 30, 2017	-	-	-	-	**(55)**	-	**(55)**
Net book value							
January 1, 2016	6,833	8,091	-	-	16	28	14,968
December 31, 2016	7,900	12,597	-	-	28	336	20,861
September 30, 2017	**7,977**	**17,103**	**4,734**	**10,617**	**50**	**277**	**40,758**

Nora plant

In 2017, additions at Nora included the capitalization of pre-commercial production expenditures of $3.4 million (net of revenues of $9.0 million); the expansion of the Nora SXEW plant of $0.6 million; and capitalization of administration, financing and interest costs of $0.6 million. In 2016, additions at Nora included the capitalization of pre-commercial production expenditures of $2.5 million (net of revenues of $8.4 million); capitalization of administration, financing and interest costs of $1.4 million, and other additions of $0.5 million.

Berta Facilities

In December 2016, the Company commenced building the Berta facilities (completed June 2017), which included a crushing and agglomeration circuit and leach pads to produce Pregnant Leach Solution ("PLS") that will be transported to the Nora Plant. Production of PLS continues to ramp up to 400 tonnes per month of copper cathode (881,000 lbs), and therefore SCMB remains in the commissioning phase.

6 Property, plant and equipment (continued)

Ivan Plant

The Ivan Plant was purchased to process ore from Marimaca and therefore represents a key piece of the Marimaca development plan. Notwithstanding under IAS 16, care and maintenance costs are required to be expensed and therefore the holding costs at the Ivan Plant have been expensed.

7 Exploration and evaluation assets

$000's	Marimaca	Ivan	El Joté	Prat	Total
Balance – January 1, 2016	-	-	-	**152**	**152**
Miscellaneous development costs	-	-	-	68	68
Property acquisition costs (1)	-	583	135	-	718
Balance – December 31, 2016	**-**	**583**	**135**	**220**	**938**
Miscellaneous development costs	228	56	-	-	284
Geology and engineering	2,190	-	-	-	2,190
Property acquisition costs (2)	-	10,644	180	-	10,824
Write-down of exploration and evaluation assets	-	-	-	(220)	(220)
Reclassified to property, plant and equipment (note 3)	-	(11,283)	-	-	(11,283)
Balance – September 30, 2017	**2,418**	**-**	**315**	**-**	**2,733**

(1) *Property acquisition costs for Rayrock include due diligence and evaluation costs.*
(2) *Includes acquisition costs associated with Rayrock prior to June 2017.*

Marimaca, Chile

In August 2014 (subsequently amended in April 2017), the Company entered into an agreement to acquire up to a 75% interest in the Marimaca copper oxide prospect for $185,000 ($60,000 paid); and $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, or contributing the Ivan plant (note 3). 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.

Commencing January 1, 2017, the costs associated with Marimaca were classified as Mineral Property and Mine development costs and capitalized, as management believes that these costs can now be recovered, which is supported by the release of the NI 43-101 resource statement in January 2017.

Marimaca District, Chile
La Atomica, Chile

In August 2017**,** a binding letter of intent ("LOI") was signed to acquire 100% of the La Atomica property (option agreement subsequently signed in October 2017) by making $6.0 million in option payments as follows: $100,000 (paid); $0.5 million on 12-month anniversary date; $1.0 million on 24-month anniversary date; and $4.0 million on 36-month anniversary date. A 1.5% net smelter return ("NSR") is payable on the claims, with the Company retaining an option to purchase 0.5% out of the 1.5% for $2.0 million at any time.

Naguayan, Chile

In October 2017**,** a binding LOI was signed to acquire 100% of the Naguayan property, by making $6.5 million in option payments as follows; $0.2 million at signature of option agreement; $0.3 million on 12-month anniversary date; $0.7 million on 24-month anniversary date; $1.75 million on 36 month anniversary date; and $3.55 million on 48-month anniversary date. A 1.5% NSR is payable, with the Company retaining an option to purchase 0.5% out of the 1.5% for $2.0 million at any time up to one year (12 months) following the start of commercial production on the property.

7 Exploration and evaluation assets (continued)

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 $3.0 million; $0.32 million (paid) on or before: May 2018; $0.25 million, and May 2019; $2.44 million. The final payment may be made in eight equal instalments of $0.3 million plus interest at LIBOR, and SCMB may start production with the first instalment payment. A 1.5% NSR is payable, which can be purchased for $1.5 million at any time.

Planta Prat, Chile

As of September 30, 2017, the Company elected not to proceed with the acquisition of the Planta Prat. The agreement was terminated, and the Company write off the deferred exploration and evaluation costs associated with the project.

8 Accounts payable and accrued liabilities

$000's	**September 30, 2017**	**December 31, 2016**
Accounts payable	5,074	3,292
Accrued liabilities	3,053	781
	8,127	**4,073**

9 Other debt

$000's	**September 30, 2017**	**December 31,2016**
Finance leases (a)	191	489
Berta deferred consideration (b)	-	563
ProPipe shareholder loan	250	250
Deferred revenue (c)	500	-
Total other debt	**941**	**1,302**
Current portion	691	871
Non-current portion	**250**	**431**

a) Finance leases

Included in property, plant and equipment are generators acquired pursuant to lease agreements. The generators are the security for the indebtedness. SCMB has deferred the June to September payments for $0.14 million to November 2017, and those payments have been included in accounts payable. In March 2017, SCMB cancelled a twenty-four month lease on a semi-mobile crusher.

$000's	**September 30, 2017**	**December 31, 2016**
Remaining lease payment (within twelve months)	220	364
Remaining lease payment (thereafter)	-	184
Total lease payments	220	548
Less: interest portion	29	59
Present value of capital lease obligations	**191**	**489**

9 Other debt (continued)

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.

b) Berta deferred consideration

Under the amended Berta option agreement (April 2013), SCMB agreed to pay $2.25 million in deferred consideration in eight quarterly instalments. In addition to the deferred consideration, a 1.5% NSR is payable on all copper production and by product metal production from the Berta property.

c) Deferred revenue

In June 2017, SCMB entered into a copper off-take contract for 100% of the copper production from the Nora Plant for a period of twelve months. The agreement provided for an immediate advance of $0.75 million repayable in twelve months from the borrowing date, bearing interest at a rate of one-month US Libor plus 6% per annum.

10 Restoration provision

$000's	**September 30, 2017**				**December 31, 2016**
	Nora	**Ivan**	**Berta**	**Total**	**Nora & Total**
Balance, beginning of period	1,281	-	-	1,281	1,291
Initial provision	-	3,985	819	4,804	-
Reclamation revaluation	-	-	-	-	(25)
Accretion expense	23	32	-	55	15
Balance, end of period	**1,304**	**4,017**	**819**	**6,140**	**1,281**

In calculating the present value of the restoration provisions as at September 30, 2017, management used a risk-free rate between 2.31% and 2.75% and an inflation rate of 2.0%. The undiscounted cash flows, before inflation adjustments, estimated to settle the restoration provisions are approximately equal to 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 as follows: Nora and Berta – Seven to eight years; Ivan Plant – 22 to 24 years.

Nora Plant

Nora's restoration provision consists primarily of costs associated with reclamation and closure activities for the Nora plant. These activities include costs for disposition of chemical materials, earthworks, and the dismantling and demolition of structures.

Berta Facilities

During the first nine months of 2017, SCMB recorded $0.8 million for restoration provision for the Berta facilities which consists primarily of the costs associated with the auxiliary installations of the mine plant and the crushing and agglomeration facilities.

Ivan Plant

Ivan's restoration provision consists primarily of costs associated with reclamation and closure activities for the Ivan plant and mine site. These activities include costs for disposition of chemical materials, earthworks, and the dismantling and demolition of structures.

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

11 Common shares

Authorized

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

Issued

In January 2017, 2,162,500 warrants at CA$0.15 were exercised for gross proceed of CA$0.3 million. In March/April 2017, the Company completed a non-brokered private placement for $12.0 million and issued 107,680,000 common shares at CA$0.15 per common share.

In September 2017, the Company completed the first tranche of the non-brokered private placement for CA$7.3 million (56,561,973 common shares at CA$0.13 per common share) by issuing 35,899,990 common shares and raising gross proceeds of CA$4.7 million. In October 2017, the Company completed the remaining tranches by issuing a further 20,661,983 common shares and raising gross proceeds of approximately CA$2.7 million.

As of September 30, 2017, the Company had 629,167,529 common shares issued and outstanding.

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.

12 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.

	September 30, 2017		December 31, 2016	
	Number of shares	**Weighted average exercise price CA$**	**Number of shares**	**Weighted average exercise price CA$**
Outstanding – January 1	34,290,000	0.16	8,590,000	0.25
Expired	(500,000)	0.14	(500,000)	0.04
Expired	(3,740,000)	0.41	(550,000)	0.39
Granted	1,000,000	0.16	26,750,000	0.13
Granted	5,000,000	0.11	-	-
Outstanding – September 30	**36,050,000**	**0.14**	**34,290,000**	**0.16**

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

12 Share stock options and warrants (continued)

At September 30, 2017, the following stock options were outstanding:

	Number of options outstanding	Number of options vested and exercisable	Exercise price CA$	Expiry Date
	3,800,000	3,800,000	0.10	2019
	11,750,000	11,750,000	0.04	2021
	14,500,000	500,000	0.20	2021
	1,000,000	333,333	0.16	2022
	5,000,000	1,666,667	0.11	2022
Total	**36,050,000**	**18,050,000**		

For the nine months ended September 30, 2017, the Company granted 5,000,000 options at CA$0.11 and 1,000,000 options at CA$0.16. The unvested options vest upon the achievement of certain milestones.

Options were priced based on the Black-Scholes option pricing model using the following weighted average assumptions to estimate the fair value of options granted:

	September 30, 2017	September 30, 2016
Risk-free interest rate	0.76% to 1.05%	0.45% to 0.60%
Expected life	2.5 to 3.5 years	2 to 3.5 years
Expected volatility	122%	90% to 122%
Expected dividend	0%	0%

For the nine months ended September 30, 2017, total share-based compensation expense was $643,508 (2016: $393,411) of which $34,174 (2016: $34,669) was capitalized. For the three months ended September 30, 2017, total share-based compensation expense was $119,736 (2016: $320,053) of which $4,293 (2016: $16,026) was capitalized.

Warrants

	September 30, 2017		December 31, 2016	
	Number of shares	Weighted average exercise price CA$	Number of shares	Weighted average exercise price CA$
Outstanding – beginning of period	5,102,500	0.15	10,539,123	0.15
Exercised	(2,162,500)	0.15	-	-
Expired	(2,940,000)	0.15	(5,436,623)	-
Outstanding – end of period	**-**	**-**	**5,102,500**	**0.15**

In January 2017, 2,162,500 warrants were exercised (note 11) and 2,940,000 warrants expired unexercised.

13 Non-controlling interest

Under the SCMB Amended Shareholders Agreement, ProPipe S.A. ("ProPipe") have a 35% interest (2016: 35%) in SCMB. ProPipe earned its interest by completing various milestones in the development of the Berta Project.

13 Non-controlling interest (continued)

The following table summarizes select SCMB financial information for the period ended September 30, 2017 and the year ended December 31, 2016:

$000's	September 30, 2017	December 31, 2016
Current Assets	4,289	2,814
Non-current assets	33,904	24,128
Current liabilities	19,758	10,252
Non-current liabilities	11,509	9,656
Loss and Comprehensive loss	(109)	(74)

In 2015 the proceeds from a Convertible Debenture were loaned to SCMB to complete the acquisition of the Nora plant and provide working capital to complete its refurbishment and commissioning. SCMB was not in a position to repay this amount and Coro agreed to re-finance the total amount of $8.125 million, which bears interest at Libor plus 7%.

As of September 30, 2017, the total amount owed to Coro is $21.2 million which includes $8.1 million loan and $1.0 million loan interest in arrears; $3.6 million funding for the construction of the Berta facilities; $8.5 million for additional funding repayable on demand including $0.6 million interest in arrears.

14 Exploration expenditures

	For the three months ended September 30, 2017	
$000's	**General**	**Total**
General & admin	6	6
Total exploration expenditure	**6**	**6**

	For the three months ended September 30, 2016		
$000's	**Marimaca**	**General**	**Total**
Consulting, labour & professional fees	87	-	87
Drilling & trenching	929	-	929
General & admin	129	(82)	47
Property investigation	86	8	94
Total exploration expenditure	**1,231**	**(74)**	**1,157**

14 Exploration expenditures (continued)

	For the nine months ended September 30, 2017	
$000's	**General**	**Total**
General & admin	35	35
Property investigation	27	27
Total exploration expenditure	**62**	**62**

	For the nine months ended September 30, 2016		
$000's	**Marimaca**	**General**	**Total**
Consulting, labour & professional fees	151	-	151
Drilling & trenching	1,274	-	1,274
General & admin	176	76	252
Property investigation	105	37	142
Total exploration expenditure	**1,706**	**113**	**1,819**

Marimaca, Chile
Starting January 2017, the costs associated with Marimaca were classified as Mineral Property and Mine development costs (note 7).

General, Chile
General exploration activity in Chile includes other property evaluation and exploration costs. It also includes costs associated with the wholly owned Llancahue property, and the 100% owned Celeste property which includes the Celeste Sur iron ore project located in the III Region of Chile. In June 2017, the Company acquired 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 (the "Sierra Medina Claims") through the acquisition of Rayrock (note 3).

15 Related party transactions

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

$000's	**Three months ended Sept 30, 2017**	**Three months ended Sept 30, 2016**	**Nine months ended Sept 30, 2017**	**Nine months ended Sept 30, 2016**
Short-term employee benefits	335	264	1,081	654
Share-based payments	110	261	577	319
Total key management personnel	**445**	**525**	**1,658**	**973**

16 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
September 30, 2017			
Non-current assets	549	42,942	43,491
Total assets	3,573	48,173	51,746
Total liabilities	110	15,098	15,208
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

17 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 September 30, 2017, 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 September 30, 2017, 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.

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 $47,081 higher (a greater loss) ($47,081 lower).

17 Financial instruments (continued)

Interest rate risk
The Company was exposed to interest rate risk on cash and cash equivalents held as at September 30, 2017. A 100 basis point (1%) increase or decrease in the interest rate would resulted in approximately $41,240 change in the Company's reported loss for the period ended September 30, 2017 based on average cash holdings during the period.

The Company is also subject to interest rate risk with respect to the off-take advance on Berta copper production. 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 September 30, 2017.

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.

18 Commitments and option payments

The following table sets out the commitments and option payments of the Company as of September 30, 2017.

$000's	2017 three months	2018	2019	Thereafter	Total
Property option payments [(1)]					
Marimaca	-	125	-	-	125
La Atomica	80	500	1,000	4,400	5,980
El Jote	-	250	2,440	-	2,690
Total property option payments	**80**	**875**	**3,440**	**4,400**	**8,795**
Operating leases	23	-	-	-	23
Total	**103**	**875**	**3,440**	**4,400**	**8,818**

(1) *Excludes the Naguayan LOI that was entered into in October 2017.*