BEAR CREEK MINING CORPORATION
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE PERIOD ENDED DECEMBER 31, 2018

Introduction

The following Management's Discussion and Analysis ("MD&A") of Bear Creek Mining Corporation (the "Company" or "Bear Creek") was prepared on April 11, 2019 and should be read in conjunction with the consolidated financial statements of the Company for the year ended December 31, 2018, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All dollar amounts are expressed in United States dollars unless otherwise noted. Additional information relating to the Company, including the Company's Annual Information Form ("AIF"), is available on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com.

Bear Creek's business is the acquisition, exploration and development of precious and base metal properties located in Peru. The Company is advancing its 100%-owned Corani silver-lead-zinc project towards development and has a number of early-stage exploration projects being reviewed by third parties or explored by joint venture partners. Bear Creek has no revenues from its mineral properties.

The business of mining and exploration involves a high degree of risk and there can be no assurance that current exploration and development programs will result in profitable mining operations. A description of significant risks may be found in the Company's AIF for the year ended December 31, 2018.

Except where otherwise indicated, Bear Creek's exploration programs and pertinent disclosure of a technical or scientific nature are prepared by or prepared under the direct supervision of Andrew Swarthout, P.Geo., Executive Chairman of the Company, who serves as the Qualified Person under the definitions of National Instrument 43-101 ("NI 43-101").

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1) Current Highlights

Corporate Developments:

On March 6, 2019, the Company announced the appointment of Mr. Alfredo Bullard as a Director of the Company. Mr. Bullard, Partner in the Lima, Peru law firm Bullard Falla Ezcurra +, is an accomplished lawyer, author and professor. Mr. Bullard's legal expertise focuses on law and economics, including competition, economic regulation, property, consumer protection, torts, contracts and international trade and arbitration. Mr. Bullard is a member of the International Bar Association and various other legal institutions and has served as an arbitrator on more than 200 cases administered by both Peruvian and international arbitration courts. Mr. Bullard graduated from the Law School of Pontificia Universidad Católica del Perú and holds a Master's degree in law from Yale University in the United States.

The Company appointed Mr. Eric Caba to the position of Vice President, Project Development on March 15, 2018, and Mr. Paul Tweddle to the position of Chief Financial Officer on March 1, 2018. Both executives are based in Lima, Peru.

The Company announced that its common shares were listed for trading on the Bolsa de Valores de Lima (the "BVL"), effective as of May 30, 2018 under the ticker symbol 'BCM'. Kallpa Securities S.A.B. in Lima, Peru acted as Bear Creek's sponsoring broker for the BVL listing.

At the Company's annual meeting of shareholders held on June 6, 2018 (the "2018 AGM"), shareholders elected two new directors, Mr. Stephen Lang and Mr. Erfan Kazemi, to the Company's board of directors (the "Board"). Mr. Hawkshaw, who had been appointed to the Board concurrent with his appointment as President and CEO of the Company in October 2017, was also elected by shareholders at the 2018 AGM. Mr. Nolan Watson, a director of the Company since 2009, did not stand for re-election at the 2018 AGM.

On August 28, 2018, the Company filed a preliminary short form base shelf prospectus (the "Shelf Prospectus") with the securities commissions in each of the provinces of Canada, except Quebec. A final Shelf Prospectus was subsequently filed on September 12, 2018. The Final Shelf Prospectus allows the Company to offer and issue up to C$300 million of common shares, warrants, subscription receipts, units, debt securities, or any combination of such securities during the 25-month period following the filing of the final Shelf Prospectus, which securities may be offered separately or together, in amounts, at prices and on terms to be determined based on market conditions at the time of an offering, which would be set forth in the applicable prospectus supplement(s).

Corani Project:

The Company continues to advance the Corani project ("Corani" or the "Corani Project") toward development through additional metallurgical testing, engineering and early works. The Company will evaluate financing options for developing the Corani Project once the current engineering studies are complete in mid-2019. In accordance with the Corani Project Environmental and Social Impact Assessment and local community agreements the Company started a $4.5 million early works program including building temporary access roads, mine camp and maintenance and storage facilities. Additionally, the Company started civil works on the Antapata electrical substation and placed an order for the transformer on October 16, 2018. The transformer is expected to be delivered in August 2019.

On September 12, 2018 the Peruvian Ministry of Energy and Mines approved the modified closure plan presented pursuant to design changes made in the NI 43-101 feasibility study technical report filed on October 27, 2017 by the Company (the “2017 Corani Technical Report”).

On June 27, 2018 the Company announced it received the Process Plant Construction Permit from the Peruvian Ministry of Energy and Mines. The Process Plant Construction Permit authorizes construction of the Corani process plant, waste and tailings co-disposal facilities, water storage system and auxiliary buildings including a laboratory, internal energy system and other complementary structures.

On May 10, 2018, the Company announced it received the Mine Construction Permit and the Accreditation of Water Availability for the Corani project from the Peruvian Ministry of Energy and Mines (“MEM”) and the Water Authority within the Ministry of Agriculture, respectively. The Mine Construction Permit authorizes the stripping and extraction of ore according to the Corani Mine plan and the construction of auxiliary and complementary mine facilities such as access roads, the mine camp and maintenance and storage buildings. The Accreditation of Water Availability confirms that the water resources required for construction and operation of the Corani Mine are available for use in the project.

The Company is advancing the project by undertaking Phase 2 Detailed Engineering with the assistance of Ausenco Engineering, while at the same time continuing community and environmental initiatives.

For more details, see section 2.1

Santa Ana Project:

On November 13, 2018, the Company received payment from the Peruvian government of approximately $32.1 million in respect of the previously announced Santa Ana Award.

The Company returned all 6 Santa Ana concessions to the Peruvian government on November 12, 2018. Technical documents and part of the drill cores were returned to the Peruvian Government as of December 31, 2018 with the remaining drill cores returned during February 2019.

For more details, see section 2.2

Maria Jose Project:

As previously reported, the Company decided to seek a partner to advance the prospective Maria Jose Project. Analytica Mineral Services SAC (“AMS”), the Company’s joint venture partner, has secured surface rights agreements with the local community and has built an access road to the tunnel portal sites. Tunneling work began during December of 2018. The Maria Jose tunneling program is designed to test the continuity of gold mineralization and define resources for potential production.

For more details, see section 3.1

2) Development Projects

2.1) Corani Silver-Lead-Zinc Project

The 100%-owned Corani silver-lead-zinc project ("Corani") is located in the Andes Mountains approximately 160 kilometers southeast of Cusco, Peru at an elevation of approximately 4800 meters above sea level. The Corani Project currently consists of twelve mineral concessions that form a contiguous block of ground covering approximately 5,700 hectares. The Company applied for, and during Q3 2018 was notified that it won the auction for, an additional 300 hectares of mineral concessions in the Corani Project area. The Company is awaiting the results of a due diligence process required to be undertaken by the Peruvian government before adjudication of the concessions can be legally ratified, which due diligence may include title searches, dispute resolution (if required), and archeological research.

2017 Corani Technical Report Project Metrics and Key Updates and Optimizations *(all dollar amounts are expressed in US dollars unless otherwise noted)*

On October 27, 2017, the Company filed a NI 43-101 feasibility study technical report (the "2017 Corani Technical Report"). This feasibility study was prepared on behalf of the Company by Sedgman Chile SpA with contributions from other mining and engineering consulting firms.

Summary of key estimated Corani Project Life-of-Mine Metrics from the 2017 Corani Technical Report:

	2017 CORANI TECHNICAL REPORT
CAPITAL	
Initial Capital	**$585 M**
Total Capital	**$586 M**
PROCESSING	
Ore Milled (k t)	**139,073**
Silver Recovery	**69.9%**
Lead Recovery	**61.1%**
Zinc Recovery	**67.1%**
Payable Silver (M oz)	**144**
Payable Lead (B lbs)	**1.59**
Payable Zinc (B lbs)	**1.03**
OPERATING	
Total Production Costs (1)	**$3,350 M**
AISC (2) per oz Silver (by-product basis) Years 1-6	**$1.81**
AISC (2) per oz Silver (by-product basis) Life of Mine	**$5.01**
AISC (2) per oz Silver (co-product basis) Life of Mine	**$11.55**
Avg. Annual Silver Production Years 1-6	**12.0 M oz/year**
Avg. Annual Silver Production Life of Mine	**8.0 M oz/year**
Stripping Ratio	**1.49**
Mine Life (extraction)	**18 years**
Mine Life (processing)	**18 years**
Mill Capacity	**22,500 tpd**

(1) Total Production Costs are calculated as total cash operating costs + sustaining capital costs + reclamation and closure costs + social costs
(2) All-in Sustaining Cost ("AISC") is a non-GAAP financial measure that does not have any standardized meaning and therefore may not be comparable to similar measures presented by other issuers. The AISC's presented above are the estimated total costs per payable silver oz and are calculated as cash operating costs + sustaining capital costs + reclamation and closure costs + social costs.

Corani Reserve and Resources Estimates

2017 Corani Feasibility Mineral Reserves							
					Contained Metal		
Category	**M Tonnes**	**Silver g/t**	**Lead %**	**Zinc %**	**Silver Million oz.**	**Lead Million lb.**	**Zinc Million lb.**
Proven	20.8	65.8	1.03	0.71	44	472	323
Probable	118.3	47.5	0.87	0.57	181	2,274	1,486
Proven & Probable	139.1	50.3	0.90	0.59	225	2,746	1,809

2017 Corani Feasibility Study Mineral Resources in Addition to Reserves							
					Contained Metal		
Category	**M Tonnes**	**Silver g/t**	**Lead %**	**Zinc %**	**Silver Million oz.**	**Lead Million lb.**	**Zinc Million lb.**
Measured	13.4	34.5	0.39	0.17	15	111	50
Indicated	83.3	26.9	0.38	0.27	72	701	500
Measured & Indicated	96.7	27.9	0.38	0.26	87	812	550
Inferred	39.9	37.2	0.58	0.40	48	511	352

NI 43-101 Disclosure

The 2017 Corani Technical Report was prepared by a team of independent Qualified Persons ("QP"s, as defined in National Instrument 43-101) including: Juan Carlos Tapia, ChE, IMCh, PE of Sedgman, responsible for Summary, Introduction, Reliance on Other Experts, Recovery Methods, Interpretations and Conclusions, Recommendations and References; Kevin Gunesch, PE, Principal Mining Engineer of GRE, responsible for Property Description and Location, Accessibility and Infrastructure, History, Mining Methods and Market Studies; Jennifer Brown, PG, SME-RM, an associate of GRE, responsible for Geological Setting and Mineralization, Deposit Types, Exploration, Drilling, Sample Preparation and Analysis, Data Verification and Adjacent Properties; Rick Moritz, MMSA, Principal Mining Engineer of GRE, jointly responsible for Mineral Processing and Metallurgical Testing; Deepak Malhotra, PhD, MMSA, Independent Consultant, jointly responsible for Mineral Processing and Metallurgical Testing; Terre Lane, MMSA, Principal Mining Engineer of GRE, responsible for Mineral Resource Estimates, Economic Analysis, Other Relevant Data and Information and jointly responsible for Mineral Reserve Estimates and Mining Methods; Denys Parra, PE, Independent Consultant, jointly responsible for Mineral Reserve Estimates, Environmental Studies, Permitting and Social or Community Impact and Mining Methods; Gregory Wortman, BE (Metallurgy), PE, of Sedgman, jointly responsible for Project Infrastructure; Larry Breckenridge, PE, Principal Environmental Engineer of GRE, jointly responsible for Environmental Studies, Permitting and Social or Community Impact and Project Infrastructure; and, Michal Short, BE (Civil), CEng FIMMM, FAusIMM(CP), FIEAust, CPEng, of GBM, responsible for Capital and Operating Costs.

Assumptions used in the 2017 Corani Technical Report Mineral Reserve estimate are:

- The Mineral Reserves have been estimated using the definitions of the Canadian Institute of Mining, Metallurgy and Petroleum (CIM).
- The Mineral Reserves have been estimated using the following metal prices: $20.00/oz Ag, $1.00/lb Zn, $0.95/lb Pb using a revenue factor 1.00 pit shell as a basis for the pit design.
- Only pre-mineral tuff type of material has been considered as reserves.
- NSR Cut-off grades used are equal or higher than: $11.11/t for the East Pit, and $11.26/t for Minas and Main pits.
- The effective date for these Mineral Reserves is 1 May 2017.
- Totals / Averages may not add up due to rounding of individual tonnes and grades.

- The tonnes and grades shown above are considered a Mineral Reserve because they have been demonstrated to be economically viable through the Front End Engineering Design study ("FEED") financial model using the following metal prices: $18.00/oz Ag, $1.10/lb Zn, $0.95/lb Pb.

The economic input for mineral resource determination was identical to that applied to the mineral reserve, with the following exceptions:

- The resource Whittle pit shell did receive economic credit for inferred-class material. Inferred was treated as waste for the mineral reserve.
- The Mineral Resources were generated within the $30.00 silver, $1.425 lead, and $1.50 zinc price pit shell and the calculated $11/tonne NSR cut-off.
- The Mineral Resource contains potentially leachable material processed at $4.82/tonne and above a 15 g/tonne silver cut-off. This Resource is contained within the Whittle pit shell but is not included in the Resource Estimate. The Mineral Reserve does not include any potentially leachable material.

Social and Environmental

The Company has maintained excellent working relationships with the local communities and has continued to conduct activities at Corani without interruption. One of the areas of primary focus for the coming year will be to build on the positive relations with the local communities as the project is advanced. The Company owns 100% of the surface rights covering the mine, waste dumps and processing plant. The Company is working with the Peruvian government to provide the access rights for the ancillary facilities including the access roads and power.

The Company entered into a Life of Mine Investment Agreement ("LOM Agreement") in June 2013 with the District of Carabaya, five surrounding communities, and relevant, ancillary organizations specifying investment commitments over the project life, including the pre-production period. Under the agreement annual payments totaling 4 million nuevo soles per year (approximately $1.2 million per year) are to be made into a trust designed to fund community projects. The first installment was made in 2013. Subsequent installments were contingent upon certain permits being received. All of the permits were received by the end of June 2018 and as a result, payments will remain constant at 4 million nuevo soles throughout the term of the agreement. All future yearly obligations were present valued and recorded as a liability in June 2018. The required payment for 2018 was paid in July 2018. Cessation or interruptions of operations will cause pro-rata decreases in the annual payments. Under the LOM Agreement, a trust structure was established to fund approved investments. Each of the five communities (Corani (Aconsaya), Chacaconiza, Quelcaya, Isivilla, and Aymaña) has agreed to the formation of committees that will consider and approve investment projects for the benefit of the communities, such as schools, medical facilities, roads, or other infrastructure. The annual investment to be directed toward each community is agreed to and defined in the agreement. Bear Creek is an oversight member of the trust; however, the Company has no voting or governing powers. Bear Creek appoints independent members with community social responsibility experience to provide oversight of the foundation's functions in meeting its commitments to the communities and all of its members.

During September 2018, the Company started construction of the Antapata electrical substation near the town of Macusani, the nearest sizeable town to the Corani Project, located on the Interoceanic Highway approximately 30 kilometers directly east of Corani (approximately 64 kilometers by road). A purchase order for the transformer in the amount of $0.5 million was placed on October 16, 2018 and delivery on site is expected in August 2019. This substation will be used to direct electricity to a future power line that will supply the Corani Project and to provide a consistent power supply to the residents of Macusani, who experience regular power brownouts.

The Company will continue to cultivate the social license it has earned with the communities neighboring the Corani Project by maintaining the open, honest and transparent relationships it has established and by continuing its funding of the community trust established through the LOM Agreement.

Outlook

The Company will assess potential Corani Project financing alternatives during 2019. Concurrently, the Company will work on the pre-construction initiatives started during Q3 2018.

The Company plans to advance Corani toward development during 2019 and will consider a production decision for the project once Phase 2 detailed engineering is complete and an acceptable financing structure has been arranged.

Corani Expenditures

During the year ended December 31, 2018 the Company incurred expenses of $8.3 million on the Corani project. Included in this total are: detailed engineering costs of $1.2 million; camp supplies and logistics of $1.6 million; community contribution activities totaling $1.8 million; and salaries and consulting of $3.4 million.

The Company had $88.6 million of capitalized acquisition costs related to the Corani project as of December 31, 2018 (December 31, 2017 - $77.3 million). During the year ended December 31, 2018 the Company recognized a community projects liability and capitalized a corresponding resource property cost of $11.2 million upon receipt of mine and processing facility construction permits, which triggered successive payments under the LOM Agreement.

Planned expenditures of $17.1 million during 2019 will be primarily directed to the Anatapata electrical sub-station ($4.3 million), access road rehabilitation ($0.5 million), detailed engineering, metallurgical and geotechnical drilling and test work ($2.7 million), camp operating costs ($1.5 million), community related programs ($1.9 million), environmental management ($0.4 million), Corani and Lima salaries and overhead expenses ($5.7 million), and permitting ($0.1 million).

2.2) Santa Ana Silver Project

In June 2011 the Government of Peru issued a Supreme Decree DS-032-2011 (the "2011 Supreme Decree") that revoked an earlier Supreme Decree granting the Company the right to acquire title to and operate on the Santa Ana mineral concessions. As such, the Company ceased all exploration, permitting and community work on the Santa Ana project in 2011. The Company attempted to negotiate a settlement with the Peruvian government to reinstate the Company's rights to operate at Santa Ana but was unsuccessful. Consequently, in 2014 the Company filed an arbitration claim at the International Centre for the Settlement of Investment Disputes ("ICSID") pursuant to the Canada-Peru Free Trade Agreement.

On December 1, 2017, the Tribunal hearing the Santa Ana Arbitration at ICSID rendered an award (the "Award") of approximately $31 million in favor of the Company. On November 13, 2018, the Company received payment from the Peruvian government of S/. 108.4 million ($32.1 million) in respect of the Award. This payment was inclusive of interest accumulated to October 30, 2018. Details of the Award are available in the Company's AIF for the year ended December 31, 2017.

In November, the Peruvian Government notified the Company that it was granted $0.2 million in negotiable credits as reimbursement of payments of annual concession fees and penalties from 2012. These credits may be applied against future annual concession payments in Peru or may be sold to other parties.

As of December 31, 2018, the Company has relinquished all rights to the Santa Ana mineral concessions. Technical documents and part of the drill cores were returned to the Peruvian

Government as of December 31, 2018 with the remaining drill cores returned during February 2019.

3) Exploration Projects

The Company reduced its exploration activities over the past several years in order to preserve cash. The Company maintains a core exploration staff to manage its joint venture exploration projects. The Company has budgeted $0.3 million for these exploration programs in 2019.

3.1) Maria Jose Prospect

Maria Jose is located in the Department of Ancash, 140 kms NNW of Lima. The project is comprised of Cretaceous to Paleocene diorites and granitoids of the Coastal Batholith hosting a system of east-west to northeast trending, 45° to steeply north dipping, mesothermal quartz veins and shear zones containing high gold grade - silver values. At surface, the five, main east-west veins can be traced for approximately 500 meters; however, shallow cover is prevalent in the district and the possibility of much longer strike lengths was investigated by shallow trenching and sampling. The total vein lengths observed is approximately 4km. The observed veins range in thickness from 0.20 meters to 1.8 meters with average widths of ~1 meter. Exposed vein intersections reach up to 4.5 meters returning an average of 27.2 g/t gold. To date, mapping and channel sampling (237 samples) of seven veins yielded values ranging from 1.0 g/t to 233 g/t gold. Based upon preliminary field work to date, the mesothermal veins are consistently gold bearing and are indicated to have vertical continuity for at least 400 meters as evidenced by prospect pits and scattered outcrops separated by thin soil cover.

In March 2013, the Company entered into an option agreement with a private Peruvian third party to acquire 100% of the 3,500 hectare Maria Jose property. In 2015, the Company signed an option providing for a future joint venture agreement with AMS, a Peruvian tunneling contractor and gold producer to explore and develop the Maria Jose gold-quartz vein system. AMS is required to complete 2,000 meters of tunneling and cross-cuts in the vein systems, at its cost, to earn a 51% undivided interest in the mineral concessions. Following AMS earning its 51% interest, the two parties would form a joint venture. The primary purpose of this alliance was to reduce Bear Creek's exploration costs while maintaining a meaningful ownership interest with a reputable operating partner.

In December 2015, Bear Creek and AMS made a payment of $1.2M to the underlying owner to acquire a 100% interest in the company holding the mineral concessions. As a result, the Company and AMS now jointly own a 100% interest in the Maria Jose concessions. There are no underlying royalties. Under the purchase agreement there is an obligation to pay an additional $2.1 million to the former property owner upon commencement of commercial production. The $2.1 million is payable by the Company and AMS in proportion to their respective joint venture interests.

AMS has secured surface rights agreements with the local community and built an access road to the planned tunnel portal sites. AMS received the required permits and began the tunneling work during the December 2018. The Maria Jose tunneling program is designed to test the continuity of gold mineralization and define resources for potential production.

3.2) Sumi Gold Prospect

The Company acquired a 100% interest in the Sumi gold prospect by staking in 2011. Sumi is comprised of 1,200 hectares located in the gold-silver tertiary-age epithermal belt in central Peru.

Since March 2014, the Sumi prospect has been explored by Japan Oil, Gas and Metals National Corporation ("JOGMEC"), with which the Company had entered into a joint venture agreement. JOGMEC and the Company terminated the joint venture agreement on July 31st, 2018 upon fulfilment of JOGMEC's contractual obligation. JOGMEC has complied with its environmental remediation obligations in accordance with the closure plan approved by the Peruvian Ministry of Mines. Such obligations have been discharged. Bear Creek is reviewing the drilling results obtained by JOGMEC before making any decisions about future activity on this project.

3.3) Generative Exploration

Generative exploration has been an important part of the business of identifying and acquiring new opportunities. However, as a result of the Company's focus on the Corani Project generative exploration efforts have been reduced. Generative exploration costs are those costs not attributable to a specific project.

IGV

In November 2016, the Company submitted an application to the Peruvian Ministry of Energy and Mines ("MEM") for accelerated recovery of the 18% IGV ("Impuesto General a las Ventas" - Peruvian value added tax) that applies to the Company's planned future investments in the Corani project. The application was approved and a contract (the "IGV Contract") with the MEM and its agents was executed in the second quarter of 2017. Under the terms of the IGV Contract the Company will be able to recover, on an expedited basis, the IGV taxes associated with its Corani capital investments as described in the approved ESIA and the 2017 Corani Technical Report. During the year ended December 31, 2018 the Company submitted claims for early recovery of S/ 2.8 million of Corani related IGV, equivalent to approximately $0.9 million. Expenditures related to the Antapata sub-station do not fall under the IGV Contract.

During the year ended December 31, 2018, the Company received a net IGV recovery of $0.16 million, primarily due to $0.3 million of IGV recovered related to the investment in the Corani project per the above arrangement with the MEM.

Since the Company is in the exploration stage and there is no assurance that future revenues will be generated in Peru IGV, net of recoveries, is expensed as incurred. The cumulative amount of IGV paid by the Company as of December 31, 2018 was 46.6 million soles or $13.9 million. IGV credits can be carried forward indefinitely and may be applied to reduce future income taxes or future IGV.

Other Properties

Other properties are non-material exploration properties which management has determined are not an exploration priority or which management has chosen not to pursue and; therefore, has terminated option agreements.

4) Results of Operations

Year ended December 31, 2018 as compared to the year ended December 31, 2017

For the year ended December 31, 2018, the Company had a loss for the year of $10 million as compared to income of $18 million for the year ended December 31, 2017. The income of $18 million in 2017 was due to recording the Santa Ana Award, without which the loss for the year would have been $13 million. The Company's loss per share for the year ended December 31, 2018 was $0.10, as compared to earnings per share of $0.17 for 2017.

During the year ended December 31, 2018, spending on the Corani property was $8.3 million which was a decrease of $0.5 million from the $8.8 million spent in the year ended December 31, 2017. Corani costs were lower in the current period mainly due to reductions in detailed engineering costs partially offset by higher salary and consulting costs and higher community contributions required under the LOM Agreement subsequent to the permit grants. Other exploration and evaluation costs declined by $1.3 million mainly due to IGV recovery and Santa Ana cost recovery through concession payment credits issued. Santa Ana Arbitration costs decreased by $0.4 million to $0.1 million from $0.5 million as management reduced reliance on consultants and focused its efforts on expediting the payment of the award. Share-based compensation expense increased by $0.4 million to $1.9 million from $1.5 million as a result of the incentive stock options granted during 2018 over a longer term.

Three months ended December 31, 2018 as compared to the three months ended December 31, 2017

For the three months ended December 31, 2018 the Company had a loss of $2.2 million as compared to income of $27.3 million for the three months ended December 31, 2017. The Company's loss per share for Q4 2018 was $0.02, as compared to earnings per share of $0.26 for Q4 2017. The principal reason for the $29.5 million difference was the $31 million arbitration award rendered by the Arbitration Tribunal on December 1, 2017.

During the three months ended December 31, 2018, spending on the Corani property was $6.1 million which was an increase of $3.3 million from the $2.8 million spent in the three months ended December 31, 2017, primarily due to the Company's pre-construction initiatives described above as a result of the Company receiving it Process Plant Construction Permits from the MEM during Q3 2018.

Summary of Quarterly Results

The following table sets out selected unaudited quarterly financial information of the Company and is derived from unaudited interim consolidated financial statements. The Company's interim consolidated financial statements are prepared in accordance with IFRS applicable to interim financial statements and are expressed in US dollars. The presentation currency is the US dollar.

Period	Revenues	Income (Loss) for the period (in millions)	Basic and fully diluted earnings (loss) per share
4th Quarter 2018	Nil	$(2.2)	$(0.02)
3rd Quarter 2018	Nil	$(2.6)	$(0.03)
2nd Quarter 2018	Nil	$(3.0)	$(0.03)
1st Quarter 2018	Nil	$(2.2)	$(0.02)
4th Quarter 2017	Nil	$27.3	$0.26
3rd Quarter 2017	Nil	$(2.6)	$(0.03)
2nd Quarter 2017	Nil	$(3.3)	$(0.03)
1st Quarter 2017	Nil	$(3.4)	$(0.03)

The decrease in loss of $0.4 million in the 4th Quarter of 2018 as compared to the 3rd Quarter of 2018 is mostly attributable to a reduction of exploration and evaluation costs of $0.9 million, an increase in Corani expenditures of $0.5 million, reduction of share based compensation of $0.1 million, a decrease in Santa Ana arbitration costs of $0.1 million, a decrease in Santa Ana award interest accrual of $0.5 million, an increase in foreign exchange gain of $0.2 million and an increase in finance income of $0.1 million.

The decrease in loss of $0.4 million in the 3rd Quarter of 2018 as compared to the 2nd Quarter of 2018 is mostly attributable to a reduction of Corani expenditures of $0.1 million, reduction of share based compensation of $0.1 million and a foreign exchange gain of $0.1 million in the 3rd quarter as compared to a $30,000 loss in the 2nd quarter.

The increase in loss of $0.8 million in the 2nd Quarter 2018 as compared to the 1st Quarter 2018 is mostly attributable to $0.9 million increase in Corani property expenditures.

In the 4th quarter of 2017, the Tribunal of arbitrators hearing the Arbitration rendered a $31 million Award in favor of the Company. Without the Award, the Company had a loss of $3.7 million in the 4th quarter of 2017.

The decrease in loss of $1.5 million in the 1st Quarter 2018 as compared to the 4th Quarter 2017 (excluding the $31M award) is mostly attributable to a $1.4 million decline in Corani property expenditures along with the accrual of $0.4 million interest on the Santa Ana Award, partially offset by an increase in share-based compensation of $0.3 million.

The decrease in loss in the 3rd quarter of 2017 relates primarily to reduced expenditures on the Corani project. The Company completed its detailed engineering study on Corani during September 2017 and filed a technical report in October 2017, and as a result had fewer costs during the final months of the study preparation as compared to the previous quarters. In addition, the Company had lower share-based compensation and other exploration costs during the 3rd and 4th quarters of 2017 as compared to the 2nd quarter of 2017.

The principal recurring factors that can cause fluctuations in the Company's quarterly results include the timing and valuations attributable to stock option grants, expenditure levels on exploration projects, impairment losses on exploration projects and foreign exchange gains or losses related to Canadian dollar or Peruvian sole cash balances. The principal non-recurring factors affecting the quarterly results include detailed engineering expenditures for Corani and costs related to the Arbitration proceedings.

Selected Annual Information

The following table sets out selected annual financial information of the Company and is derived from the Company's audited consolidated financial statements for the years ended December 31, 2018, 2017 and 2016. The presentation currency is the US dollar.

	2018	2017	2016
Revenues	Nil	Nil	Nil
Income (Loss) for the year (in millions)	$(10.0)	$18.0	$(11.3)
Earnings (Loss) per share (basic and diluted)	$(0.10)	$0.17	$(0.12)
Total assets (in millions)	$132.0	$129.0	$108.6
Total non-current financial liabilities (in millions) [1]	$11.1	$1.2	$0.4
Dividends declared	Nil	Nil	Nil

[1] *On June 27, 2018 the Company received construction permits for processing facilities and mining installations, resulting in the recognition of a life of mine community projects obligation of $11 million*.

5) Liquidity and Capital Resources

Of the $40.7 million in cash and cash equivalents and short term investments, as of December 31, 2018, approximately $2.3 million (CDN$3.1 million) was denominated in Canadian dollars, $12.1 million (Soles 40.8 million) was denominated in Soles, with the remaining balance in US dollars. The Company's major exploration and development expenditures for 2019 are expected to be denominated in US dollars. The Company generally invests its cash and cash equivalents in Canadian government backed paper, Canadian chartered bank corporate paper with short-term maturities, Peruvian bank time deposits, or Peruvian chartered bank commercial paper with short-term maturities. In the year ended December 31, 2018 the Company had a cash inflow from operating activities of $23 million compared to a cash outflow of $11.3 million in the comparative period in 2017. The cash inflow from operating activities in the year ended December 31, 2018 was due to the $32.1 million Santa Ana Award payment, mostly offset by Corani operating cash outflows.

As of December 31, 2018, the Company's net working capital (current assets less current liabilities) was $39.3 million compared to net working capital of $49.4 million as of December 31, 2017. Cash and cash equivalents and short term investments at December 31, 2018 totaled $40.7 million compared to $18.8 million as of December 31, 2017. The increase is primarily due to the receipt of $32 million ICSID arbitration award, including interest.

The Company believes its current cash balances are sufficient to fund its planned exploration, development and corporate overhead activities for at least the next twelve months. The Company has budgeted costs of $18.2 million in 2019 (of which approximately $17.1 represent Corani related costs, including the Anatapata electrical sub-station, access road rehabilitation, detailed engineering, metallurgical and geotechnical drilling and test work, camp operating costs, community related programs, environmental management, Corani and Lima salaries and overhead expenses, and permitting). As of January 17, 2019, $0.63 million of the Company's cash was restricted due to the issuance of a Certificate of Deposit related to the posting of a mine closure guarantee with the Government of Peru.

The Company has incurred expenses related to the use of net proceeds from the July 2016 prospectus of approximately $11.6 million, of which $6.1 million related to costs associated with detailed engineering, $0.5 million for permitting work, and $0.2 million on pre-production infrastructure projects. The other costs incurred from the net proceeds of the 2016 prospectus related to: $0.3 million for costs of the offering, $0.7 million for IGV; $0.3 million for exploration costs and $3.5 million for general working capital expenses.

The business of mining and exploration involves a high degree of risk and there can be no assurance that current exploration and development programs will result in profitable mining operations in the future. The Company has had no source of revenue and has significant cash requirements to fund its development project capital requirements, continue with its exploration programs, administrative overhead and maintain its mineral properties.

The following table summarizes the contractual maturities of the Company's financial liabilities, and operating and capital commitments at December 31, 2018:

(000's)	2019	2020	2021	2022	2023 and Beyond	Total
Accounts payable and accrued liabilities	$ 831	$ -	$ -	$ -	$ -	$ 831
Provisions	-	-	-	-	200	200
Community Projects	1,187	1,187	1,187	1,187	20,178	24,926
Other liabilities	66	41	41	41	945	1,134
Office space leases	364	353	261	22	-	1,000
Vehicle rentals	321	321	-	-	-	642
	$ 2,769	$ 1,902	$ 1,489	$ 1,250	$ 21,323	$ 28,733

As at April 11, 2019, the Company had 103,085,064 outstanding common shares. The Company also had 7,290,750 share purchase options outstanding with a weighted average exercise price of CDN$2.14.

6) Related Party Transactions

Trading Transactions

Certain of the Company's officers and directors render services to the Company as sole proprietors or through companies in which they are an officer, director or partner.

	Nature of transactions
DuMoulin Black LLP	Legal fees
Estudio Grau S.C.R.L.	Legal fees
Avisar Chartered Professional Accountants	Accounting fees

The Company incurred the following fees and expenses in the normal course of operations in connection with related parties.

	Year Ended December 31	
	2018 (000's)	2017 (000's)
Legal fees – DuMoulin Black LLP	**$ 7**	$ 77
Legal fees – Estudio Grau S.C.R.L.	**-**	53
Accounting fees	**19**	125
	$ 26	$ 255

Transactions with related parties for goods and services are made on commercial terms. Amounts due to related parties are unsecured, non-interest bearing and due on demand. Accounts payable at December 31, 2018 included $1,134 (December 31, 2017 - $8,169) which were due to individuals or companies whose officers, directors or partners were also officers or directors of the Company.

Compensation of Key Management Personnel

The remuneration of the directors, president and chief executive officer, and the chief operating officer (collectively, the key management personnel) for the years ended December 31, 2018 and 2017 were as follows:

		Years Ended December 31	
	Note	**2018 (000's)**	2017 (000's)
Salaries and directors' fees	(i)	**$ 1,408**	$ 878
Share-based compensation	(ii)	**1,764**	1,128
		$ 3,172	$ 2,006

(i) Key management personnel were not paid post-employment benefits, termination benefits, or other long-term benefits.
(ii) Share-based compensation represents the non-cash expense, translated at the grant date foreign exchange rate.

7) Key Accounting Estimates and Judgments

The preparation of financial statements in conformity with IFRS requires management to use estimates and assumptions that affect the reported amounts of assets and liabilities, as well as revenues and expenses. Management's critical accounting estimates are summarized below:

Asset carrying values and impairment assessment

In accordance with the Company's accounting policy each asset or cash generating unit is evaluated every reporting period to determine whether there are any indications of impairment. If any such indication exists, a formal estimate of recoverable amount is prepared, and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount. The recoverable amount of an asset or cash generating group of assets is measured at the higher of fair value less costs of disposal and value in use.

The determination of fair value less costs of disposal and value in use requires management to make estimates and assumptions about expected production, sales volumes, commodity prices, reserves, operating costs, closure and rehabilitation costs and future capital expenditures. The estimates and assumptions are subject to risk and uncertainty; hence there is the possibility that changes in circumstances will alter these projections, which may affect the recoverable amount of the assets. In such circumstances, some or all of the carrying value of the assets may be impaired or a prior impairment charge reduced with the change recorded in the income statement.

Determination of the fair value of stock-based compensation

The fair value of share-based compensation granted is computed to determine a charge to the statement of operations. In order to compute fair value, the Company uses the Black-Scholes option pricing model, which requires management to make estimates and assumptions in relation to the expected life of the award, expected volatility of the Company's common shares and the risk-free interest rate.

Community obligations

The Company has agreements with local landowners and the Municipality of Corani which require future payments by the Company. The valuation of these future obligations has been based on assumptions regarding the period of time over which the payments need to be made.

8) Changes in Accounting Policies and New Accounting Pronouncements

The Company adopted the IFRS 9 for financial instruments as at January 1, 2018, in accordance with its transitional provisions and described below. The adoption of the IFRS 9 has not resulted to adjustments in previously reported figures and no change to the opening deficit balance as at January 1, 2018.

IFRS 9

IFRS 9 addresses the classification, measurement and recognition of financial assets and financial liabilities and supersedes the guidance relating to the classification and measurement of financial instruments in IAS 39, Financial Instruments: Recognition and Measurement (IAS 39).

Under IFRS 9, on initial recognition, a financial asset or liability is classified and measured at either: amortized cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVPL"). The classification of financial assets under IFRS 9 is generally based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated at FVPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest
  on the principal amount outstanding.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, there is an irrevocable option for each equity instrument to present fair value changes in other comprehensive income (FVOCI).

For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change relating to an entity's own credit risk is recorded in other comprehensive income rather than the statement of income or loss, unless this creates an accounting mismatch.

Classification and Measurement Changes

We have assessed the classification and measurement of our financial assets and financial liabilities under IFRS 9 and have summarized the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 in the following table:

	Measurement Category	
	Original (IAS 39)	**New (IFRS 9)**
Financial Assets:		
Cash and cash equivalents	**Amortized cost**	**Amortized cost**
Short-term investments	**Amortized cost**	**Amortized cost**
Receivables	**Amortized cost**	**Amortized cost**
Santa Ana settlement award receivable	**Amortized cost**	**Amortized cost**
Financial Liabilities:		
Accounts payable and accrued liabilities	**Amortized cost**	**Amortized cost**
Community projects obligation	**N/A**	**Amortized cost**
Other liabilities	**Amortized cost**	**Amortized cost**

There has been no change in the measurement categories, carrying values or to previously reported figures of our financial instruments. The adoption of the Standard did not have a significant impact on the financial statements.

IFRS 15

IFRS 15, Revenue from Contracts with Customers deals with revenue recognition and establishes principles of reporting useful information to users of financial statements about the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognized when the customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The Standard replaced IAS 18 Revenue, and IAS 11 Construction Contracts and related interpretations. As the Company is in a development stage, the adoption of this standard did not have any impact on the its financial statements.

The following new standards and amendments to standards have been issued but are not effective during the year ended December 31, 2018:

IFRS 16:

IFRS 16, Leases is a new standard that sets out the principles for recognition, measurement, presentation, and disclosure of leases including guidance for both parties to a contract, the lessee and the lessor. The new standard eliminates the classification of leases as either operating or finance leases as is required by IAS 17 and instead introduces a single lessee accounting model. The amendments are effective for annual periods beginning on or after January 1, 2019. A lessee can choose to apply the standard using either a full retrospective or a modified retrospective approach. The standard's transition provisions permit certain reliefs.

The Company is assessing the impact of IFRS 16 on its office space, office equipment, and vehicle leases in Peru. The Company plans to adopt IFRS 16 using the modified retrospective approach, which means the cumulative impact of the adoption will be recognized as at January 1, 2019, and the comparatives will not be restated. The Company will elect to use the exemptions and practical expedients proposed by the standard on lease contracts, as follows:

- Apply a single discount rate to a portfolio of leases with similar characteristics;
- Account for leases with a remaining term of less than 12 months as of January 1, 2019 as short-term leases;
- Account for lease payments as an expense and not recognize a right-to-use asset if the underlying asset is of low dollar value; and
- Use hindsight in determining the lease term where the contract contains terms to extend or terminate the lease.

During 2018, the Company reviewed its contracts and aggregated data to determine the effect of adopting IFRS 16. The terms of all of the Company's significant leases ended on December 31, 2018. As a result, the Company assessed that there would be no impact on the Company's opening deficit upon adopting the standard on January 1, 2019. The Company's office space and vehicle leases entered into in 2019 were evaluated under IFRS 16. On January 1, 2019, the Company expects to recognize approximately $1.45 million of lease liabilities and the right-of-use assets on its statement of financial position. The Company also leases certain office equipment that are of low-value and will not impact its financial statements.

9) Financial Instruments

Fair Value

The Company's financial instruments as at December 31, 2018 consist of cash and cash equivalents, short-term investments, receivables, accounts payable and accrued liabilities, community projects obligation and other liabilities.

As at December 31, 2018, the carrying values of all of the Company's financial assets and financial liabilities approximate their fair value.

Management of Financial Risk

The Company's financial instruments are exposed to certain financial risks, including currency risk, credit risk, liquidity risk, interest risk and price risk.

i. Currency risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company operates in Peru, Canada and the United States, and a portion of its expenses are incurred in Canadian dollars and Peruvian Soles. A significant change in the currency exchange rates between the Canadian dollar relative to the US dollar and the Peruvian Sol to the US dollar could have an effect on the Company's results of operations, financial position and cash flows. The Company has not hedged its exposure to currency fluctuations. At December 31, 2018, the Company is exposed to currency risk through the following assets and liabilities denominated in Canadian dollars and Peruvian Soles:

	December 31, 2018	
	Canadian Dollars (000's)	**Peruvian Soles (000's)**
Cash and cash equivalents, and short-term investments	3,141	40,839
Receivables	21	111
Accounts payable and accrued liabilities	(132)	(2,125)

Based on the above net exposures as at December 31, 2018, and assuming that all other variables remain constant, a 10% depreciation or appreciation of the US dollar against the Canadian dollar would result in an increase/decrease of approximately $222,000 in the Company's income for the year. A 10% depreciation or appreciation of the US dollar against the Peruvian Sol would result in a decrease/increase of approximately $1,150,000 in the Company's income for the year.

ii. Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The maximum credit risk the Company is exposed to is 100% of cash and cash equivalents, short-term investments and receivables.

The Company's cash and cash equivalents, and short-term investments are held in large Canadian and Peruvian financial institutions. Short-term investments (including those presented as part of cash and cash equivalents) are composed of financial instruments issued by Canadian and Peruvian banks. These investments mature at various dates over the current operating period.

iii. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meets its financial obligations as they fall due. The Company has an ongoing planning and budgeting process in place to help determine the funds required to support the Company's operating requirements. The Company ensures that there are sufficient funds to meet its short-term business requirements by taking into account anticipated cash expenditures for its exploration and other operating activities, and its holdings of cash and cash equivalents, and short-term investments. The

Company will pursue equity or debt financing as required to meet its long-term commitments. There is no assurance that such financing will be available or that it will be available on favorable terms.

As at December 31, 2018, the Company's financial liabilities consist of accounts payable and accrued liabilities and the current portion of other liabilities totaling $0.9 million, which are expected to be paid over the next twelve months, and the long-term portion of and other liabilities of $1.07 million, which are expected to be paid over the next five years. The Company also has community projects obligation for an annual payment of Peruvian Sol 4 million for each of the next 21 years.

iv. Interest rate risk

Interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest rate risk management policy is to purchase highly liquid investments with a term to maturity of one year or less on the date of purchase. Based on the amount of cash and cash equivalents invested in instruments earning interest as at December 31, 2018 and assuming that all other variables remain constant, a 0.5% change in the applicable interest rate would result in an increase/decrease of approximately $0.2 million in the interest earned by the Company per annum.

Management of Capital

The Company's objectives of capital management are intended to safeguard the Company's ability to support the Company's development and exploration of its mineral properties and support any expansionary plans.

The capital of the Company consists of items included in its shareholders' equity. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the Company's underlying assets.

To effectively manage its capital requirements, the Company has in place a planning and budgeting process to help determine the funds required the ensure the Company has the appropriate liquidity to meet its objectives. The Company may issue new shares or seek debt to ensure that there is sufficient working capital to meet its short-term business requirements.

There were no changes to the Company's approach to capital management during the year ended December 31, 2018.

10) Forward-Looking Information

This document contains "forward-looking information" within the meaning of Canadian securities legislation and "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995. This information and these statements, referred to herein as "forward-looking statements" are made as of the date of this MD&A or as of the date of the effective date of information described in this MD&A, as applicable. Forward-looking statements relate to future events or future performance and reflect current estimates, predictions, expectations or beliefs regarding future events and include, without limitation, statements with respect to: (i) the amount of mineral reserves and mineral resources; (ii) the amount of future production over any period; (iii) net present value and internal rates of return of the proposed mining operation; (iv) capital costs, including start-up, sustaining capital and reclamation/closure costs; (v) operating costs, including credits from the sale of silver, lead and zinc; (vi) waste to ore ratios and mining rates; (vii) expected grades and payable ounces and pounds of metals and minerals; (viii) expected processing recoveries; (ix) expected time frames; (x) prices of metals and minerals; (xi) mine life; (xii) expected exploration and development programs and their timing and success; (xiii) expected taxation rates and structure; (xiv) expected mineralization; and (xvi) adequacy of cash balances. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects", "anticipates", "plans", "projects", "estimates", "envisages", "assumes", "intends", "strategy", "goals", "objectives" or variations thereof or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward-looking statements.

All forward-looking statements are based on the Company's or its consultants' current beliefs as well as various assumptions made by and information currently available to them. These assumptions include, without limitation: (i) the presence of and continuity of metals at projects at modeled grades; (ii) the capacities of various machinery and equipment; (iii) the availability of personnel, machinery and equipment at estimated prices; (iv) exchange rates; (v) metals and minerals sales prices; (vi) appropriate discount rates; (vii) tax rates and royalty rates applicable to the proposed mining operation; (viii) the availability of financing and expected terms; (ix) financing structure and costs; (x) anticipated mining losses and dilution; (xi) metals recovery rates, (xii) reasonable contingency requirements; and (xiii) receipt of regulatory approvals on acceptable terms. Although management considers these assumptions and estimates to be reasonable based on available information, they may prove to be incorrect. Many forward-looking statements are made assuming the correctness of other forward looking statements, such as estimates of net present value and internal rate of return, which are based on most of the other forward-looking statements and assumptions herein. The cost information is also prepared using current estimates, but the time for incurring costs will be in the future and it is assumed costs will remain stable over the relevant period.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that estimates, forecasts, projections and other forward-looking statements will not be achieved or that assumptions do not reflect future experience. We caution readers not to place undue reliance on these forward-looking statements as a number of important factors could cause the actual outcomes to differ materially from the beliefs, plans, objectives, expectations, anticipations, estimates assumptions and intentions expressed in such forward-looking statements. These risk factors may be generally stated as the risk that the assumptions and estimates expressed above do not occur, but specifically include, without limitation, risks related to exploration and development programs and their timing and success; risks relating to variations in the mineral content within the material identified as mineral reserves and mineral resources from that predicted; variations in rates of recovery and extraction; developments in world metals and minerals markets; risks relating to fluctuations in the Canadian dollar relative to other currencies; increases in the estimated capital and operating costs or unanticipated costs; difficulties attracting the necessary work force; increases in financing costs or adverse changes to the terms of available financing, if any; tax rates or royalties being greater than assumed; changes in development or mining plans due to changes in logistical, technical or other factors, changes in project parameters as plans continue to be refined; risks relating to receipt of regulatory approvals; the effects of competition in the markets in which the Company operates; operational and infrastructure risks; and the additional risks described in the Company's Annual Information Form for the year ended December 31, 2018 and in the feasibility study technical report for the Corani project dated September 13, 2017 as filed on the SEDAR website (available at www.sedar.com). The foregoing list of factors that may affect future results is not exhaustive.

When relying on the forward-looking statements, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. The Company does not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by the Company or on behalf of the Company, except as required by law.

11) Disclosure Controls and Procedures

In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the consolidated financial statements for the year ended December 31, 2018 and this accompanying MD&A (together, the "Interim Filings").

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information, the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Interim Filings on SEDAR at www.sedar.com.

Approval

The Audit Committee of Bear Creek has approved the disclosure contained in this MD&A.

Additional Information

Additional information relating to Bear Creek is available on SEDAR at www.sedar.com