BEAR CREEK MINING CORPORATION

(An Exploration Stage Company)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2018

EXPRESSED IN US DOLLARS

(Unaudited)

Bear Creek Mining Corporation
(An Exploration Stage Company)
Interim Condensed Consolidated Statements of Financial Position
US Dollars (000's)
(Unaudited)

	Note		June 30, 2018		December 31, 2017
ASSETS					
Current assets					
Cash and cash equivalents	4	**$**	**4,338**	$	5,481
Short-term investments			**9,728**		13,342
Receivables and prepaid expenses			**407**		739
Santa Ana settlement award receivable	5		**31,786**		31,000
			46,259		50,562
Non-current assets					
Equipment and leasehold improvements			**310**		240
Resource property costs	5		**89,466**		78,239
TOTAL ASSETS		**$**	**136,035**	$	129,041
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities		**$**	**964**	$	1,016
Current portion of community projects obligation	6		**1,539**		-
Current portion of other liabilities	7		**112**		165
			2,615		1,181
Non-current liabilities					
Community projects obligation	6		**9,668**		952
Other liabilities	7		**917**		952
Provision for site restoration			**200**		200
			13,400		2,333
EQUITY					
Share capital	8		**286,786**		286,786
Contributed surplus			**33,678**		32,581
Deficit			**(197,829)**		(192,659)
			122,635		126,708
TOTAL LIABILITIES AND EQUITY		**$**	**136,035**	$	129,041

ON BEHALF OF THE BOARD:

Signed "Catherine McLeod-Seltzer", Director

Signed "Erfan Kazemi", Director

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

Bear Creek Mining Corporation
(An Exploration Stage Company)
Interim Condensed Consolidated Statements of Loss and Comprehensive Loss

US Dollars (000's, except share data)
(Unaudited)

		Three Months Ended June 30		Six Months Ended June 30	
	Note	**2018**	2017	**2018**	2017
Operating expenses					
Corani engineering and evaluation costs	5	**$ 2,210**	$ 2,088	**$ 3,541**	$ 4,116
Share-based compensation	8	**546**	398	**1,097**	972
Other exploration and evaluation costs	5	**314**	532	**491**	817
Santa Ana arbitration	5c	**(45)**	169	**20**	346
Wages and management salaries		**207**	166	**400**	326
Professional and advisory fees		**59**	53	**109**	112
General office expenses		**52**	45	**105**	88
Shareholder information and filing fees		**57**	16	**117**	91
Travel		**26**	17	**50**	43
Loss before other items		**3,426**	3,484	**5,930**	6,911
Other income and expense					
Foreign exchange loss (gain)		**33**	(93)	**132**	(73)
Finance income		**(56)**	(59)	**(106)**	(114)
Interest on Santa Ana settlement		**(386)**	-	**(786)**	-
Loss and Comprehensive Loss for the Period		**$ 3,017**	$ 3,332	**$ 5,170**	$ 6,724
Loss per Share – Basic and Diluted		**$ 0.03**	$ 0.03	**$ 0.05**	$ 0.07
Weighted Average Number of Shares Outstanding		**103,085,064**	103,085,064	**103,085,064**	103,085,064

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

Bear Creek Mining Corporation
(An Exploration Stage Company)
Interim Condensed Consolidated Statements of Cash Flows
For the Six Months Ended June 30
US Dollars (000's)
(Unaudited)

	Note		2018		2017
Operating Activities					
Loss for the period		**$**	**(5,170)**	$	(6,724)
Adjustments for:					
Amortization			**26**		24
Accretion of Community Project Obligation			**9**		-
Share-based compensation			**1,097**		972
Interest income			**(106)**		(114)
Interest on Santa Ana settlement	5		**(786)**		-
Unrealized foreign exchange loss (gain)			**123**		(114)
			(4,807)		(5,956)
Changes in current assets and liabilities:					
Receivables and prepaid expenses			**353**		(41)
Accounts payable and accrued liabilities			**(51)**		140
Cash used in operating activities			**(4,505)**		(5,857)
Investing Activities					
Purchase of equipment			**(95)**		(4)
Resource acquisition costs	5		**(7)**		(23)
Payment of Corani obligation	7		**(76)**		(22)
Short-term investment			**3,479**		46
Interest received			**84**		77
Cash provided by investing activities			**3,385**		74
Effect of exchange rate change on cash and cash equivalents			**(23)**		20
Net Decrease in Cash and Cash Equivalents			**(1,143)**		(5,763)
Cash and cash equivalents – Beginning of Period			**5,481**		9,172
Cash and Cash Equivalents – End of Period		**$**	**4,338**	$	3,409

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

Bear Creek Mining Corporation
(An Exploration Stage Company)

Interim Consolidated Statements of Changes in Equity

US Dollars (000's, except share data)
(Unaudited)

	Share Capital (Number of Shares)	Share Capital (Amount)	Contributed Surplus	Deficit	Total
December 31, 2016	**103,085,064**	**$ 286,786**	**$ 31,064**	**$ (210,637)**	**$ 107,213**
Share-based compensation	-	-	972	-	972
Net loss for the period	-	-	-	(6,724)	(6,724)
June 30, 2017	**103,085,064**	**286,786**	**32,036**	**(217,361)**	**101,461**
Share-based compensation	-	-	545	-	545
Net income for the period	-	-	-	24,702	24,702
December 31, 2017	**103,085,064**	**286,786**	**32,581**	**(192,659)**	**126,708**
Share-based compensation	-	-	1,097	-	1,097
Net loss for the period	-	-	-	(5,170)	(5,170)
June 30, 2018	**103,085,064**	**$ 286,786**	**$ 33,678**	**$ (197,829)**	**$ 122,635**

1. Nature of Business

Bear Creek Mining Corporation's ("Bear Creek" or the "Company") business is the acquisition, exploration and development of precious and base metal properties in Peru.

Bear Creek is a public company incorporated in British Columbia, Canada with shares listed on the TSX Venture Exchange and the Bolsa de Valores in Lima, Peru. The head office, principal address and records office of the Company are located at 400 Burrard Street, Suite 1400, Vancouver, British Columbia, Canada, V6C 3A6.

The business of mining and exploration involves a high degree of risk and there can be no assurance that current exploration programs and development projects will result in profitable mining operations. The Company has no source of revenue and has significant cash requirements to meet its exploration commitments, development activities, administrative overhead and maintain its mineral interests. The recoverability of amounts shown for resource properties is dependent on several factors. These factors include the discovery of economically recoverable reserves, the ability to complete development of these properties, and future profitable production or proceeds from disposition of mineral properties.

Ownership in mineral properties involves certain inherent risks due to the difficulties of determining and obtaining clear title to claims as well as the potential for problems arising from the frequently ambiguous conveyance history characteristics of many mineral properties. The Company has investigated ownership of its mineral properties and, to the best of its knowledge, ownership of its interests is in good standing.

2. Basis of Preparation

The interim condensed consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The interim condensed consolidated financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2017, which have been prepared in accordance with IFRS as issued by IASB. The accounting policies adopted are consistent with those of the previous financial year except as described in Note 3.

The Board of Directors approved the consolidated financial statements on August 22, 2018.

3. Recent Accounting Pronouncements

We have adopted the new IFRS pronouncement for financial instruments as at January 1, 2018, in accordance with the transitional provisions outlined in the respective standard and described below. The adoption of the new IFRS pronouncement has not resulted to adjustments in previously reported figures and no change to the opening deficit balance as at January 1, 2018, under the IFRS 9 transition provisions.

Overview of Changes in 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 at amortized cost or at fair value (either through other comprehensive income ("FVOCI") or profit or loss ("FVPL").

The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. 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 OCI. 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 income statement, 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.

The following new standards and amendments to standards have been issued but are not effective during the period ended June 30, 2018:

- 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. The Company is currently evaluating the impact of this Standard.

4. Cash and Cash Equivalents

		June 30, 2018 (000's)		December 31, 2017 (000's)
Cash	**$**	**4,338**	$	2,065
Investment savings account		**-**		3,416
	$	**4,338**	$	5,481

5. Resource Property Costs

		Corani Project (000's)		Maria Jose Project (000's)		Total (000's)
Balance at December 31, 2016	$	77,258	$	951	$	78,209
Land acquisition costs		30		-		30
Balance at December 31, 2017	$	77,288	$	951	$	78,239
Land acquisition costs		7		-		7
Community projects obligation (Note 6)		11,220		-		11,220
Balance at June 30, 2018	**$**	**88,515**	**$**	**951**	**$**	**89,466**

a) Corani Project

The Company has a 100% interest in the project. The Corani project is located in the Department of Puno, Peru.

Corani Engineering and Evaluation Costs:	Three Months Ended June 30				**Six Months Ended June 30**			
		2018 (000's)		2017 (000's)		**2018 (000's)**		2017 (000's)
Corani								
Community contributions		**585**		110		**720**		602
Detailed engineering		**208**		1,022		**450**		1,660
Consulting and geophysics		**-**		-		**-**		16
Environmental		**48**		22		**54**		44
Maintenance costs		**25**		31		**34**		32
Salary and consulting		**887**		577		**1,463**		1,038
Camp, supplies and logistics		**444**		317		**794**		702
Travel		**13**		9		**26**		22
Costs for the Period	**$**	**2,210**	$	2,088	**$**	**3,541**	$	4,116

b) Maria Jose Project

The Maria Jose Project is located in northern Peru in the Ancash Department. On February 27, 2013, the Company entered into an option agreement to purchase 100% of the Maria Jose Prospect for $4.9 million over a four-year period. In 2015, the Company entered into an option and joint venture agreement with a private Peruvian gold producer, Analytica Mineral Services SAC ("AMS"). AMS can earn a 51% interest in the project by completing 2,000 meters of tunneling at its cost. To date, AMS has not completed the 2,000 meters of tunneling. Following AMS earning its 51% interest, the two parties will form a joint venture agreement. In December 2015, replacing the February 2013 agreement, Bear Creek and AMS made a payment of $1.2 million to the underlying property owner to acquire 100% interest in the Maria Jose mineral concessions. Under the purchase agreement there is an obligation to pay an additional $2.1 million to the former property owner. The $2.1 million is payable by the Company and AMS in proportion to their respective joint venture interests upon commencement of commercial production.

c) Santa Ana Project

In December 2004 the Company acquired an option to earn a 100% interest in the Santa Ana silver property in south eastern Peru. The option was exercised in November 2007.

On June 25, 2011 the Company learned that the Peruvian Government issued Supreme Decree DS-032-2011 (the "Supreme Decree") rescinded the Company's right to operate on the mineral concessions covering the Santa Ana Project. The title to the concessions continue to be held by the Company.

Following a series of actions, including Constitutional lawsuits in Peru, known as Amparo, and negotiations to reach an amicable resolution with the Peruvian Government, the Company submitted a Request for Arbitration to The International Center for Settlement of Investment Disputes ("ICSID") against the Republic of Peru pursuant to the terms of the Canada-Peru Free Trade Agreement ("FTA").

On December 1, 2017, the tribunal of arbitration at the ICSID determined that the Supreme Decree amounted to an indirect expropriation of the Company's rights and rendered an award in favor of the Company of approximately $31.0 million, which consisted of $18.2 million for compensation of costs incurred at Santa Ana, $6.0 million for reimbursement of costs associated with the ICSID arbitration and accrued interest of $6.8 million. The articles of the ICSID Convention provides the opportunity, within 120 days, for either party to request annulment of the award. No annulment was sought by either party during this period. The Company anticipates that it will receive payment from the Peruvian government in 2018. As such, the Company recorded the $31.0 million as a receivable in the statement of financial position at December 31, 2017. Interest is accrued on the settlement amount at 5% per annum, compounded quarterly. During the six month period ended June 30, 2018, the Company has recorded $0.8 million interest on the settlement.

d) Sumi Project

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 company Bear Creek entered into a joint venture agreement. JOGMEC and the Company signed a termination agreement effective at either July 31, 2018 or upon the fulfilment of JOGMEC's remaining contractual obligation, including funding of environmental remediation, whichever comes first. JOGMEC has complied with its environmental remediation obligations in accordance with the closure plan approved by the Peruvian Ministry of Mines and the joint venture was terminated subsequent to the period ended June 30, 2018.

Other exploration and evaluation costs for the three and six months ended June 30, 2018 and 2017 are as follows:

Exploration and Evaluation Costs:	**Three Months Ended June 30**		**Six Months Ended June 30**	
	2018 (000's)	2017 (000's)	**2018 (000's)**	2017 (000's)
Maria Jose				
Community contributions	**$ 2**	$ 2	**$ 3**	$ 3
Maintenance costs	**11**	22	**11**	44
Salary and consulting	**17**	16	**27**	37
Supplies and general	**-**	-	**-**	6
	30	40	**41**	90
Santa Ana				
Maintenance	**49**	49	**49**	49
Salary and consulting	**36**	57	**53**	113
Supplies and general	**3**	10	**3**	24
Travel	**-**	1	**-**	1
	88	117	**105**	187
Sumi				
Community contributions	**4**	8	**8**	16
Geophysics	**2**	11	**4**	11
Maintenance	**5**	7	**5**	7
Salary and consulting	**40**	44	**90**	83
Supplies and general	**12**	7	**87**	16
Recovery of costs	**(82)**	(96)	**(224)**	(143)
	(19)	(19)	**(30)**	(10)
Generative				
Maintenance	**18**	3	**18**	3
Salary and consulting	**14**	18	**25**	26
	32	21	**43**	29
Other Properties	**21**	30	**22**	31
Value added tax	**162**	343	**310**	490
Costs for the Period	**$ 314**	$ 532	**$ 491**	$ 817

6. Community Projects Obligation

On April 8, 2013 the Company had entered into a Framework Agreement for the Sustainable Use of Natural Resources in the Mining Project Corani (the “Framework Agreement”) with the Corani District Municipality and the five communities contained within the District Municipality: Chacaconiza, Quelcaya, Isivilla, Corani-Aconsaya and Aymaňa. The Framework Agreement was for an initial payment (the “Initial Payment”) and 22 successive payments (the “Successive Payments”) of Peruvian Sol (“S/”) 4 million to be made into a trust designed to fund community projects. The Initial Payment was dependent on the Company obtaining the Environmental and Social Impact Assessment approval which was received in September 2013. Bear Creek made the initial payment in 3 tranches (between 2014 and 2015). The Successive Payments of S/. 4 million per year were dependent on the Company receiving the permit for the construction of the processing facilities and the mining installations.

Such permit for the construction of the processing facilities and the mining installations was received on June 27, 2018 and as a result the Company recognized a liability for the remaining Successive Payments and capitalized the corresponding cost within Resource Property Costs (Note 5). On June 27, 2018 and the end of the reporting period as of June 30, 2018, the Company had a gross community project obligation of S/ 85.3 million. The Company discounted these future payments using a pre-tax rate of 10%, resulting in a liability of $11.2 million.

A continuity of the Company’s community projects obligation per the Framework Agreement is as follows:

		(000’s)
Balance as of December 31, 2017	**$**	**-**
Initial recognition		11,220
Accretion expense		9
Impact of foreign exchange		(22)
Balance as of June 30, 2018	**$**	**11,208**
Less: current portion		(1,539)
Long-term portion as of June 30, 2018	**$**	**9,668**

If all other variables remain constant, a fifty basis point change in the discount rate used would result in a change in the initial liability of approximately $0.4 million.

On July 3, 2018, the Company paid $406,326 (S/ 1,336,000) in trust pursuant to the Framework Agreement.

The Framework Agreement with the local communities and under the Corani Environmental and Social Impact Assessment require that certain development work; such as, access roads, mine camp and maintenance and storage facilities, is to start before September 20, 2018. Plans to begin camp and access road construction have been finalized and work is expected to start in early September.

7. Other Liabilities

During 2011 the Company entered into land purchase agreements with local landowners for surface rights access to the Corani project as well as an agreement to provide the Municipality of Corani with funding for the construction of schools and other improvements to the community as determined by the Municipality of Corani. The total amount owed under the agreements was approximately $3,533,000 of which $1,029,000 remains outstanding as of June 30, 2018. All of the land purchase amounts have been capitalized as mineral properties. All community contributions have been expensed.

		(000's)
Balance as of December 31, 2016	**$**	**598**
Payments		(100)
Addition to obligation		597
Impact of foreign exchange		22
Balance as of December 31, 2017	**$**	**1,117**
Payments		(76)
Impact of foreign exchange		(12)
Balance as of June 30, 2018	**$**	**1,029**
Less: current portion		(112)
Long-term portion as of June 30, 2018	**$**	**917**

The Company's estimated future payments are as follows:

		June 30, 2018 (000's)		December 31, 2017 (000's)
Within one year	**$**	**112**	$	165
After one year but not more than five years		**917**		952
	$	**1,029**	$	1,117

8. Capital

Authorized share capital

An unlimited number of common shares without par value.

During the six months ended June 30, 2018 and the year ended December 31, 2017, the Company did not issue any share capital.

Share Purchase Options

The Company has established a share purchase option plan whereby the Board of Directors may, from time to time, grant options to directors, officers, employees or consultants. Options granted must be exercised no later than ten years from the date of grant or such lesser period as determined by the Company's Board of Directors. The exercise price of an option is determined by the Board of Directors, but it cannot be less than the closing price on the TSX Venture Exchange on the trading date preceding the date of grant, less the maximum discount permitted under TSX policies applicable to share purchase options. Vesting terms for each grant are also set by the Board of Directors but they are generally set with vesting of 25% on the date of grant, 25% six months from the date of grant, 25% one year from the date of grant and 25% eighteen months from the date of grant. The option plan provides that the aggregate number of shares reserved for issuance under the plan which may be made subject to options at any time and from time to time (including those issuable upon the exercise of pre-existing options) shall not exceed 10% of the total number of issued and outstanding shares, on a non-diluted basis, as constituted on the grant date of such options. At June 30, 2018, a total of 2,767,756 options were reserved under the option plan with 7,540,750 options outstanding.

a) Movements in share options

The changes in share options during the period ended June 30, 2018 and the year ended December 31, 2017 were as follows:

	June 30, 2018		December 31, 2017	
	Number of options	**Weighted average exercise price (in CDN$)**	Number of options	Weighted average exercise price (in CDN$)
Outstanding, beginning of the period	7,195,750	2.40	7,353,850	2.76
Granted	1,995,000	2.08	2,050,500	2.50
Expired	(1,650,000)	3.25	(2,208,600)	3.69
Outstanding, end of the period	**7,540,750**	**2.13**	**7,195,750**	**2.40**

b) Fair value of share options granted

During the period ended June 30, 2018, the Company granted options to directors, officers, and employees to purchase up to 1,995,000 common shares of the Company at a weighted average exercise price of CDN$2.08 per share.

945,000 options vest over a period of 18 months from the date of grant and expire ten years from the date of grant. The remaining 1,050,000 options vest 50% at the earlier of a construction decision on the Company's Corani project or two years from the date of grant and the remaining 50% vest at the earlier of commercial production on the Company's Corani project or five years from the date of grant and expire ten years from the date of grant.

During the year ended December 31, 2017, the Company granted options to directors, officers, and employees to purchase up to 2,050,500 common shares of the Company at a weighted average exercise price of CDN$2.50 per share.

1,050,500 options vest over a period of 18 months from the date of grant and expire five years from the date of grant. The remaining 1,000,000 options vest 50% at the earlier of a construction decision on the Company's Corani project or two years from the date of grant and the remaining 50% vest at the earlier of commercial production on the Company's Corani project or five years from the date of grant and expire ten years from the date of grant.

The fair value of the options granted was estimated on the date of grant using the Black-Scholes option pricing model, with the following weighted average assumptions:

	2018	2017
Expected dividend yield	0.00%	0.00%
Expected stock price volatility	75.23%	77.53%
Risk-free interest rate	2.13%	1.47%
Expected life of options	8.0 years	5.8 years
Forfeiture rate	3.18%	3.32%
Grant date fair value	CDN $1.53	CDN $1.53

c) Share options outstanding

A summary of the Company's options outstanding as at June 30, 2018 is as follows:

Options Outstanding	Options Exercisable	**Price per Share**	**Remaining contractual life (years)**	**Expiry Date**
250,000	250,000	CDN$1.85	0.09	August 2, 2018 *
1,200,000	1,200,000	CDN$2.05	0.65	February 21, 2019
1,109,250	1,109,250	CDN$1.41	1.65	February 23, 2020
936,000	936,000	CDN$2.48	2.97	June 17, 2021
1,050,500	792,375	CDN$2.73	3.64	February 16, 2022
1,000,000	-	CDN$2.25	9.27	October 3, 2027
795,000	212,250	CDN$2.05	9.67	February 26, 2028
650,000	-	CDN$2.05	9.68	March 2, 2028
400,000	-	CDN$2.24	9.72	March 16, 2028
150,000	37,500	CDN$1.92	9.96	June 12, 2028
7,540,750	**4,537,375**		**5.02**	

* - expired unexercised subsequent to June 30, 2018

The weighted average exercise price of exercisable options at June 30, 2018 is CDN$2.09.

9. Related Party Transactions

Details of the transactions between the Company and other related parties are disclosed below.

a) Services provided by related parties

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. [1]	Legal fees
Estudio Grau S.C.R.L. [2]	Legal fees
Avisar Chartered Accountants [3]	Accounting fees

[1] Ceased being a related party as at March 27, 2018
[2] Ceased being a related party as at December 31, 2017
[3] Ceased being a related party as at March 1, 2018

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

	Three Months Ended June 30		Six Months Ended June 30	
	2018 (000's)	2017 (000's)	**2018 (000's)**	2017 (000's)
Legal fees – DuMoulin Black LLP	**$ -**	$ 14	**$ 7**	$ 37
Legal fees – Estudio Grau S.C.R.L.	**2**	9	**2**	35
Accounting fees	**-**	27	**19**	51
	$ 2	$ 50	**$ 28**	$ 123

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 June 30, 2018 included $22,434 (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.

b) Compensation of key management personnel

The remuneration of the directors, president, chief financial officer and chief executive officer, and the chief operating officer (collectively, the key management personnel) for the three and six months ended June 30, 2018 and 2017 were as follows:

	Note	Three Months Ended June 30		Six Months Ended June 30	
		2018 (000's)	2017 (000's)	**2018 (000's)**	2017 (000's)
Salaries and directors' fees	(i)	**$ 344**	$ 207	**$ 603**	$ 410
Share-based compensation	(ii)	**468**	312	**982**	804
		$ 812	$ 519	**$ 1,585**	$ 1,214

(i) Key management personnel were not paid post-employment benefits, termination benefits, or other long-term benefits during the six months ended June 30, 2018 and 2017.
(ii) Share-based compensation represents the non-cash expense for the six months ended June 30, 2018 and 2017, translated at the grant date foreign exchange rate.

10. Segmented Information

The Company's business consists of a single reportable segment being mineral exploration and development. Details on a geographic basis are as follows:

Total Assets		June 30, 2018 (000's)		December 31, 2017 (000's)
Peru	**$**	**123,924**	$	111,445
Canada		**12,111**		17,596
	$	**136,035**	$	129,041

	Three Months Ended June 30				Six Months Ended June 30			
Net Loss (Income)		**2018 (000's)**		2017 (000's)		**2018 (000's)**		2017 (000's)
Peru	**$**	**2,113**	$	2,628	**$**	**3,230**	$	4,975
Canada		**904**		704		**1,940**		1,749
	$	**3,017**	$	3,332	**$**	**5,170**	$	6,724