BEAR CREEK MINING CORPORATION
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2020

Introduction

The following Management's Discussion and Analysis ("MD&A") of Bear Creek Mining Corporation (the "Company" or "Bear Creek") was prepared on November 20, 2020, and should be read in conjunction with the interim condensed consolidated financial statements of the Company for the three and nine months ended September 30, 2020, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements. The Company's unaudited condensed interim consolidated financial statements for the three and nine months ended September 30, 2020 (the "interim financial statements") have been prepared in accordance with International Accounting Standard 34 – *Interim Financial Reporting* ("IAS 34"). 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. In Peru, the Company is advancing its 100%-owned Corani silver-lead-zinc project towards development, has a royalty interest in a development project, and has other early-stage exploration projects. 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 business risks may be found in the Company's AIF for the year ended December 31, 2019.

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

Table of Contents

1) Current Highlights

Corporate Developments:

On September 18, 2020, the Company announced that it had approved and would soon commence construction of several capital projects in the Corani region to support the long term health, education, and economy of local communities and provide early construction infrastructure for the Corani mine. These projects have the full support and cooperation of authorities and members of the communities of Corani, Tantamaco and Pacaje, and of the Corani District Municipality. The projects include a COVID-19 rapid response care center for those afflicted, completion of the Antapata substation, installation of transmission towers from the Antapata substation to the town of Isivilla, and construction and upgrading of roads from the Interoceanic Highway through three communities and eventually to the Corani mine site.

Due to COVID-19, on March 15, 2020, the President of Peru issued a national state of emergency decree that closed the country's borders, limited transportation within the country, and required most people to work from home. The stay at home decree was lifted on June 30, 2020, while the state of emergency remains in place until November 30, 2020. On September 26, 2020, the government of Peru announced the partial initiation of phase four of its economic reactivation plan on October 1, 2020. The government of Peru announced on September 29, 2020, it was opening its borders to flights from Colombia, Ecuador, Panamá, Paraguay, Uruguay, Bolivia, and Chile. On October 22, 2020, the government of Peru announced it would broaden air travel to include travel originating within eight hours' flying time of Lima. Travelers will require a negative result for a COVID-19 RT-PCR test within 72 hours of flight departure and will also have to quarantine upon arrival for 14 days. Sunday quarantine is no longer in effect in areas previously subject to the all-day quarantine, while personal vehicle use on Sundays is still restricted throughout the country. The Company's offices in Lima and Vancouver remain closed. Staff levels and travel to the Corani Property continue to be restricted. A staff of twelve to thirteen remains on-site for 30 day rotations at the Corani property rather than the pre-COVID-19 turnaround of two weeks. The Company anticipates that staffing levels will return to pre-COVID levels in November 2020 as the Peruvian authorities reduce travel restrictions in the Puno region. Management cannot predict the effect of the COVID-19 virus on the Company's future business plans, financial position, cash flows, and results of operations.

Corani Silver-Lead-Zinc Project:

Due diligence activities by the banks engaged by the Company to provide a Senior Secured Credit Facility (the SSCF") to develop Corani continued during the third quarter.

Civil works on the Antapata electrical substation have been completed. The remaining steel infrastructure erection and electrical equipment installation were restarted mid-July, but work ceased on August 28, 2020, due to a government-mandated quarantine for several provinces, including Puno. Work resumed in early October as the quarantine was lifted and will include building a transmission line from the substation to the town of Isivilla. The electrical substation and transmission line will be commissioned by the end of the second quarter of 2021.

Costs related to the Corani early works program, except work related to the Antapata substation and power distribution system, are charged to operations in the consolidated financial statements. Under the Company's accounting policy, technical feasibility and commercial viability are achieved upon establishing proven and probable reserves and the approval by the Board of Directors to proceed with the development of a project. Development costs incurred for Corani after this approval will be capitalized.

For more details, see section 2.1

Maria Jose Project:

On December 3, 2019, the Company received a net smelter return royalty from Minera Castor S.A.C ("MICASAC") in exchange for its 49% interest in the joint venture ownership of Maria Jose.

For more details, see section 3.

2) Development Projects

2.1) Corani

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 4,800 meters above sea level. The Corani Project currently consists of thirteen mineral concessions covering approximately 6,000 hectares.

A NI 43-101 Technical Report for Corani was filed on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com, and on our website www.bearcreekmining.com. The 2019 Corani Technical Report's objectives were to reduce construction, development, and operating risks and identify potential improvements to the project's expected economic performance.

Report Highlights from the 2019 NI 43-101 Technical report

	2019 Report*
After tax NPV_5	$531 million
After tax IRR	22.9 %
Initial Capital	$579 million
Capital Payback	2.4 years
Ore Processed per Day	27,000 tonnes
Average annual silver production (LOM)	9.6 million oz

* The 2019 Report estimates are based on metal prices of $18.00 per ounce of silver, $0.95 per pound of lead, and $1.10 per pound of zinc, that the Corani Project would be entirely financed by equity and developed on an Engineering Procurement Construction Management basis.

Social and Environmental

The Company maintains excellent working relationships with local communities and entered into a Life of Mine Investment Agreement ("LOM Agreement") in June 2013 with the District of Carabaya, which includes five communities and relevant ancillary organizations. The LOM Agreement specifies investment commitments over the project life, including the pre-production period. Under the agreement, annual payments totaling 4 million Soles per year (approximately $1.2 million) are to be made into a trust to fund community projects. The first installment was made in 2013. Subsequent installments were contingent upon certain permits being received. All permits were received by June 2018, and as a result, annual payments of 4 million Soles will be made throughout the term of the agreement. All future obligations were recorded as a liability in June 2018. Cessation or interruptions of operations will cause pro-rata decreases in the annual payments. Each of the five communities (Corani (Aconsaya), Chacaconiza, Quelcaya, Isivilla, and Aymaña) agreed to the formation of committees to consider and approve investment projects such as schools, medical facilities, and infrastructure for the benefit of the communities.

During September 2018, the Company started construction of the Antapata electrical substation near the town of Macusani, the nearest sizable town to the Corani Project, located on the Interoceanic Highway approximately 30 kilometers directly east of Corani (approximately 64 kilometers by road). The transformer was delivered to the substation site on August 7, 2019, and civil works were completed in December 2019. Local municipalities will require some residential electrical infrastructure upgrades before connecting to the electrical substation. On September 18, 2020, the Company announced the building of a transmission line from the substation to the town of Isivilla. Due to the mandated quarantine in the Puno region during much of the third quarter and the increased substation scope to include the transmission line, substation commissioning is expected by June 2021. 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 Carabaya and Macusani, who experience regular power brownouts.

The Company has focused its Covid-19 community support efforts on health, education, and family income generation. The communities have five fully equipped and certified ambulances, two of which were purchased by the Community Trust the Company contributes to and advises. The Trust also assisted with the purchase and logistics of acquiring medical equipment and supplies to outfit local clinics. Aid was provided in tracing through cameras, infrared thermometers, and personal protection equipment. The Company continues to help ease quarantine effects by delivering food and supplies to the elderly and children and promoting locally made face masks, cleanliness, hand washing, and social distancing. A ten-bed rapid response center is being implemented in the community of Isivilla to provide local, specialized therapy for Covid-19 infection, including oxygen concentrators and ten intensive care treatment beds.

The Company assisted Corani's municipalities in obtaining home learning certifications while funding 30 professionals to teach students through virtual classrooms. Satellite and fiber optic cable infrastructure was set up to ensure internet access. Trucks were leased to deliver school supplies (mostly printed at our camp) to each home, and the Company is working with AM radio stations to broadcast classes. The Company's sponsored technology innovation center manufactured radio receivers for community member use.

The Company announced on September 18, 2020, the construction of an Alpaca Research Center to house the initiatives already being advanced in partnership with Corani-area communities to enhance alpaca health and farming methods and continue research the creation of unique and innovative products from local resources. Recent examples of these innovations include the design and production of healthy textiles incorporating silver thread into alpaca fiber garments and COVID-19 face masks made from Ichu grass imbibed with silver nanoparticles, which have passed safety standards for the prevention of COVID-19 transmission.

Outlook

Beginning in August 2020, the Company began undertaking detailed engineering work to close the design phase of the Corani project. This will be achieved by advancing the Earthworks design for the process plant to an “issued for tender” basis, completing the detailed engineering of the Corani site outside of the process plant, preparing all major equipment tender packages, optimizing earth movement as a whole, and refining the construction schedule and cost estimate.

The Company is in the process of arranging a senior secured credit facility and assessing other financing alternatives to fund the development of the Corani Project. The senior secured facility joint lead arrangers will continue their due diligence activities through year-end while actively searching for commercial banks and export credit agencies interested in forming part of the loan syndicate.

The Company renewed work on the Antapata electrical substation in mid-July but had to stop activities on August 28, 2020, due to a government-mandated quarantine for Puno. The quarantine has been lifted, and work restarted in October. The Company announced on September 18, 2020, the Installation of transmission towers from the Antapata substation, initially to the community of Isivilla, to deliver medium tension electrical service to the Carabaya Province, including the town of Macusani and communities within the Corani district and, eventually, high tension electrical service to the Corani mine site. The transmission towers will also provide fiber optic internet service to local communities en route to the Corani project that do not have this service. The Company also announced the construction and upgrading of roads from the Interoceanic Highway, through the communities of Tantamaco, Huiquisa and Corani and eventually to the Corani mine site, which will increase security and accessibility for residents, reduce road hazards and traffic accidents and provide a route for the transport of heavy construction equipment to the Corani site.

The Company has implemented measures to mitigate the risk of COVID-19 infection. The overall effect and duration of which remains unknown as at the date of this MD&A. As a result, the Company cannot predict the impact this virus would have on its business plans.

Corani Expenditures

During the nine months ended September 30, 2020, the Company incurred expenses of $6.21 million on the Corani Project. Included in this total are detailed engineering costs of $0.55 million, camp supplies and logistics of $1.11 million, community contribution activities totaling $1.14 million; salaries and consulting of $3.24 million; and other costs of $0.17 million.

3) Exploration Projects

The Company reduced its exploration activities over the past several years to preserve cash and focus on the Corani Project. The Company maintains a core exploration staff. The Company has budgeted $0.5 million for exploration staff and landholding costs in 2020.

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 gold and silver.

On December 3, 2019, the Company signed an agreement to exchange a net smelter return ("NSR") royalty in the Maria Jose Project for its 49% interest under a previous joint venture agreement. The NSR ranges from 0% to 9%, depending on the amount of gold ounces produced and gold price. A royalty of 1% would be earned for annual production of at least 30,000 ounces with an average price of gold of at least $1,400 per ounce, and a 9% royalty would be earned for annual production of more than 60,000 ounces of gold at an average price of $2,000 or more per ounce.

The project owner completed 581 meters of exploration tunneling and crosscuts before work stopped on March 15 due to the government-mandated lockdown. Activities reinitiated in mid-June with 706 meters of development added through September. The Company has been informed that during October 2020, the project owner sent 60 tonnes of mined ore to an affiliated plant for processing.

3.2) Tassa Prospect

Tassa is an exploration project located in the district of Ubinas, within the Sanchez Cerro Province, in the Moquegua region. The project consists of 1,200 hectares within three concessions.

On February 24, 2020 the Company optioned the Tassa property to Teck Peru S.A. ("Teck"). Under the agreement, Teck may earn a 51% interest in the property by incurring $3 million in expenditures. Upon which the Company's participation would be a 49% interest in a joint venture company ("JV") that would own the rights to the Tassa concessions. By incurring an additional $6 million in expenditures, Teck could increase its ownership of the JV to 70%. Before forming JV, the Company may elect to surrender its deemed 49% interest for a 2.5% NSR royalty that would reduce to a 1.5% NSR in exchange for a cash payment to Bear Creek of $1.25 million.

3.3) Generative Exploration

Generative exploration has been an essential part of the business of identifying and acquiring new opportunities. However, due to 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

IGV is a value-added tax payable at the rate of 18% of all goods or services purchased in Peru.

Bear Creek Mining S.A.C. has a contract (the "IGV Contract") with the Ministry of Energy and Mines Peru ("MEM"). Under the terms of the IGV Contract, the Company may 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. The Company recovered S/ 2.8 million of Corani related IGV, equivalent to approximately $0.9 million during 2018.

The IGV expense of $0.30 million represents IGV paid during the nine months ended September 30, 2020. Since the Company is in the exploration stage, and there is no assurance that future revenues will be generated in Peru, IGV has been expensed as incurred. IGV is denominated in Peruvian Soles. Net of recoveries, the cumulative amount of IGV paid by the Company as of September 30, 2020, is $14.83 million (53.28 million Soles). Of this amount, $3.2 million is attributable to Bear Creek Mining S.A.C. of which $0.83 million is available for expedited recovery. The balance is available for recovery once the project is in production. IGV amounts paid and not recovered can be carried forward indefinitely and may be applied to reduce future income taxes or future IGV. The Company was informed by Peru's National Tax Administrator ("SUNAT") on November 6, 2020 that its application for early recovery of IGV submitted on October 30, 2020 for 0.75 million Soles ($0.21 Million) was approved.

4) Results of Operations

Nine months ended September 30, 2020, as compared to the nine months ended September 30, 2019

For the nine months ended September 30, 2020, the Company incurred a net loss of $9.94 million as compared to a net loss of $13.87 million for the nine months ended September 30, 2019, a decrease of $3.93 million. The Company's loss per share for the nine months ended September 30, 2020, was $0.08, as compared to a loss per share of $0.13 for the comparable period in 2019.

During the nine months ended September 30, 2020, spending on the Corani property was $6.21 million (2019 – $9.01 million). Exploration cost incurred on other projects, including for the maintenance of the Company's Peruvian entities amounted to $0.45 million (2019 - $0.58 million) and IGV paid during the nine months ended September 30, 2020 was $0.45 million (2019 - $1.21 million). The Company's overall exploration activities decreased primarily due to the COVID-19 measures and the Company entering into the option and the NSR agreements described above. The overall decrease of $2.8 million in exploration and evaluation costs can be attributable to a decrease of $1.92 million in detailed engineering costs, a decrease of $0.39 million in drilling costs, a decrease of $0.3 million in camp, supplies & logistics costs, a decrease of $0.17 in community contributions, and a decrease of $0.09 million in other engineering related costs, partially offset by a $0.07 increase in salaries and consulting costs. There was also a decrease of $1.14 million in share-based compensation expense due to the difference in the fair value of the instruments granted during the two periods. In 2019 there were 1.9 million incentive stock options granted with a term of 10 years. During 2020, the Company granted 1 million Restricted Stock Units ("RSUs"), which vest equally over a three-year period. The total stock-based compensation expense during the nine months ended September 30, 2020, was $0.82 million compared to $1.97 million for the same period in 2019. Stock options granted last year were valued higher because they had a longer term to maturity. The increase in professional and advisory fees of $0.82 is due to ongoing joint lead arranger work fees and related due diligence costs.

All other operating costs incurred by the Company were comparable during the two periods.

During the nine months ended September 30, 2020, the Company had a foreign exchange gain of $1.08 million compared to a gain of $0.22 million during the nine months ended September 30, 2019 due to the relative depreciation of the Peruvian Sol during 2020, which reduced the dollar value of the future obligation under the LOM Agreement. Also, during 2020, the Company's interest income amounted to $0.18 million compared to $0.63 million due to lower interest rates in the current period when compared to the corresponding period of 2019.

Three months ended September 30, 2020 as compared to the three months ended September 30, 2019

For the three months ended September 30, 2020, the Company had a loss of $2.82 million compared to a loss of $3.5 million for the three months ended September 30, 2019. The Company's loss per share for Q3 2020 was $0.03 compared to a loss per share of $0.03 for Q3 2019.

During the three months ended September 30, 2020, spending on the Corani property was $1.99 million (2019 - $2.77 million). Exploration cost incurred on other projects, including for the maintenance of the Company's Peruvian entities amounted to $0.16 million (2019 - $0.14 million) and IGV paid during the three months ended September 30, 2020 was $0.14 million (2019 - $0.36 million). The Company's exploration costs were lower primarily due to the COVID-19 measures and the Company entering into the option and NSR agreements noted above. The overall decrease of $0.78 million in exploration and evaluation costs can be attributable to a decrease of $0.45 million in detailed engineering costs, a decrease of $0.15 million in camp, supplies & logistics costs, a decrease of $0.11 million in drilling costs, a decrease of $0.1 million in community contributions, and a decrease of $0.03 million in other engineering related costs, partially offset by a $0.07 increase in salaries, consulting, and maintenance costs. The Company's professional and advisory fees increased by $0.35 due to ongoing joint lead arranger work fees and related due diligence costs. The Company's other operating costs were comparable during the two periods.

During the three months ended September 30, 2020, the Company had a foreign exchange gain of $0.68 million, compared to gain of $0.36 million during the three months ended September 30, 2019, primarily due to the appreciation of the Canadian dollar, relative to the US dollar, during Q2 2020. The Company's interest income declined to $0.02 million compared to $0.16 million during the three months ended September 30, 2019, due to the recent reduction in interest rates.

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.

Period	Revenues	Loss for the period (in millions)	Basic and fully diluted loss per share
3rd Quarter 2020	Nil	$2.8	$0.03
2nd Quarter 2020	Nil	$2.4	$0.02
1st Quarter 2020	Nil	$3.5	$0.03
4th Quarter 2019	Nil	$4.7	$0.05
3rd Quarter 2019	Nil	$3.5	$0.03
2nd Quarter 2019	Nil	$5.4	$0.05
1st Quarter 2019	Nil	$4.1	$0.04
4th Quarter 2018	Nil	$2.2	$0.02

The principal recurring factors that cause fluctuations in the Company's quarterly results include the timing of vesting and valuations attributable to the vesting of stock option grants, expenditure levels on exploration projects and foreign exchange gains or losses related to Canadian dollar or Peruvian sole cash balances.

The increase in loss of $0.4 million in the 3rd Quarter 2020 as compared to the 2nd Quarter 2020 was due to higher share-based compensation, and a lower foreign exchange gain.

The decrease in loss of $1.1 million in the 2nd Quarter 2020 as compared to the 1st Quarter 2020 was due to foreign exchange gain of $1.1 million during Q2 2020 as a result of the movement of the Canadian dollar and the Peruvian Sol compared to the US dollar during the period. There was a slight reduction in the Company's exploration activity due to the continued COVID-19 measures; however, the Company incurred additional costs due to its efforts to finance the Corani Project's development offsetting the reduced exploration activity.

The decrease in loss of $1.2 million in the 1st Quarter 2020 as compared to the 4th Quarter 2019 was due to the reduction in Corani engineering and evaluation cost as the Company adjusted activities due to COVID-19.

The increase in loss of $1.2 million in the 4th Quarter 2019 as compared to the 3rd Quarter 2019 is mostly attributable to increases of $0.8 million in Corani engineering and evaluation costs as well as $0.5 million impact of foreign exchange movement due to the weakness of the US dollar compared to Peruvian Sol during the Quarter causing an increase in the Peruvian Sol denominated community projects obligation.

The increased loss of $0.9 million in the 3rd Quarter 2019 compared to the 2nd Quarter 2019 is mostly attributable to increases of $0.7 million in Corani engineering and evaluation costs and an increase of $0.3 million in share-based compensation expense.

The increased loss of $1.4 million in the 2nd Quarter 2019 compared to the 1st Quarter 2019 is mostly attributable to an increase of $1.7 million in Corani property expenditures, and an increase of $0.3 million in foreign exchange loss, partially offset by a $0.7 million decrease in share based compensation.

The increased loss of $1.9 million in the 1st Quarter of 2019 compared to the 4th Quarter of 2018 is due to an increase of $1.3 million in exploration and evaluation costs, an increase of $0.8 million in share based compensation due to incentive stock option grants in the 1st Quarter of 2019 and decline of $0.1 million in other income and expenses partially offset by a decrease of $0.3 million in Corani engineering and evaluation costs.

The decreased 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 arbitration costs of $0.1 million, a decrease arbitration 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 decreased 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.

5) Liquidity and Capital Resources

Of the $24.87 million in cash and cash equivalents and short term investments, as of September 30, 2020, approximately $3.08 million (CDN$4.10 million) was denominated in Canadian dollars, $0.14 million (Soles 0.50 million) was denominated in Soles, with the remaining balance in US dollars. The Company's primary exploration and development expenditures for 2020 are expected to be denominated in US dollars. The Company invests cash 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. During the nine months ended September 30, 2020, the Company had a $7.8 million cash outflow from operating activities compared to a cash outflow of $11.2 million in the comparative period in 2019. The overall decrease of $3.4 million in cash outflow from operating activities can be primarily attributable to a decrease in spending of $2.8 million on the Corani engineering and evaluation costs as follows: a decrease of $1.92 million in detailed engineering costs, a decrease of $0.39 million in drilling costs, a decrease of $0.30 million in camp, supplies & logistics related costs, and a decrease of $0.19 million in other engineering and evaluation related costs.

As of September 30, 2020, the Company's net working capital (current assets less current liabilities) was $23.2 million compared to net working capital of $19.8 million as of December 31, 2019. Cash and cash equivalents and short-term investments at September 30, totaled $24.9 million compared to $22.1 million as of December 31, 2019. During the nine months ended September 30, 2020, the Company raised $11.6 million from issuing 7.9 million common shares, net of issuance costs, and a further $1.4 million from the exercise of stock options. Total cash spent on investing activities amounted to $2.0 million, primarily related to the payments of community project obligation and expenditures on the Antapata substation.

Not included in cash and cash equivalents as of September 30, 2020 is $0.63 million. It is considered to be restricted and serves as a partial guarantee of a Certificate of Deposit in the amount of $2.5 million for future mine closure obligations.

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 used approximately $0.98 million of the net proceeds received of $11.6 million from the February 2020 prospectus offering of common shares as set out in the table below.

	2020 Prospectus	**Total Incurred till date**
Corani Property	**USD $**	**USD $**
Advancement of 138kV/22.9kV power line	2,000,000	-
Antapata Substation	1,100,000	842,250
Develop project access roads	2,500,000	-
Advance detail Engineering for Earthworks and Process Plant	6,000,000	142,375
Total Corani Property	**11,600,000**	**984,625**

The business of mining and exploration involves a high degree of risk. There can be no assurance that current exploration and development programs will result in profitable mining operations. 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 September 30, 2020:

(000's)	2020	2021	2022	2023	2024 and Beyond	Total
Accounts payable and accrued liabilities	$ 1,184	$ -	$ -	$ -	$ -	$ 1,184
Provisions	-	-	-	-	200	200
Community Projects	-	1,112	1,112	1,112	17,792	21,128
Financing arrangement costs	210	-	-	-	-	210
Other liabilities	65	40	40	40	1,050	1,235
Office space leases	96	330	78	-	-	504
Vehicle rentals	99	-	-	-	-	99
	$ 1,654	$ 1,482	$ 1,230	$ 1,152	$ 19,042	$ 24,560

As at November 20, 2020, the Company had 112,439,314 common shares and 1,000,000 restricted stock units outstanding. The Company also had 6,512,500 share purchase options outstanding with a weighted average exercise price of CDN$2.13.

6) Related Party Transactions

Compensation of Key Management Personnel

The remuneration of the directors, president and chief executive officer, chief financial officer, chief operating officer and the vice president of project development (collectively the "key management personnel") for the three and nine months ended September 30, 2020 and 2019 were as follows:

	Three Months Ended September 30		**Nine Months Ended September 30**	
	2020 (000's)	2019 (000's)	**2020 (000's)**	2019 (000's)
Salaries	**$ 407**	$ 385	**$ 1,203**	$ 1,167
Share-based compensation	**422**	360	**802**	1,910
	$ 829	$ 745	**$ 2,005**	$ 3,077

7) Key Accounting Estimates and Judgments

The preparation of the consolidated financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income, and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results could differ from these estimates.

In preparing the interim condensed consolidated financial statements, the significant judgments made by management in applying the Company's accounting policies and key sources of estimation uncertainty were the same as those applied to the annual audited consolidated financial statements for the year ended December 31, 2019.

New Accounting Standards not yet Adopted

Property, Plant and Equipment

Proceeds before Intended Use (Amendments to IAS 16): The amendments prohibit an entity from deducting from the cost of an item of property, plant, and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. This amendment is effective for the Company's annual reporting period beginning January 1, 2022, with early adoption permitted. The Company is in the process of assessing the impact of the adoption of this amendment. None of the remaining standards and amendments to standards and interpretations which have been issued but are not yet effective are expected to have a significant effect on the consolidated financial statements of the Company

Financial Instruments

The Company's financial instruments as at September 30, 2020 consist of cash and cash equivalents, short-term investments, restricted cash, accounts payable and accrued liabilities, community projects obligation and other liabilities. The fair value of these instruments approximates their carrying value. There were no off-balance sheet financial instruments.

The Company's cash and term investments are held in 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.

The Company does not use derivative or hedging instruments to reduce its exposure to fluctuations in foreign currency exchange rates for the Canadian dollar or Peruvian Sol.

Management of Capital

The Company's capital management objectives are to safeguard the Company's ability to support the Company's development and exploration of its mineral properties and support the acquisition of additional mineral projects.

The capital of the Company consists of items included in its shareholders' equity. The Company manages its 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 to ensure that there is sufficient liquidity to meet its objectives. The Company may issue new shares or incur debt to ensure that there is sufficient working capital to meet its short and long-term business requirements.

There were no changes to the Company's approach to capital management during the quarter ended September 30, 2020.

8) *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; (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; (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. Cost information is 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 and Peruvian Sol 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 government imposed 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, 2019 and in the feasibility study technical report for the Corani project dated December 17, 2019 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.

9) 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 interim condensed consolidated financial statements for the quarter ended September 30, 2020 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.