Bear Creek Mining Reports Q3 2022 Operating and Financial Results

Vancouver, British Columbia--(Newsfile Corp. - November 29, 2022) - Bear Creek Mining Corporation (TSXV: BCM) (OTCQX: BCEKF) (BVL: BCM) ("Bear Creek" or the "Company") is pleased to report its interim consolidated financial and operating results for the quarter ended September 30, 2022 ("Q3 2022").

Monetary amounts in this news release are in US dollars unless otherwise stated. The Company will host a conference call at 11:00 am Eastern time today, accessible via the call-in details below

Comments and Outlook

Anthony Hawkshaw, CEO, commented that "Since acquiring Mercedes our focus has been on mine development to reopen higher grade zones, which had been flooded or that were inaccessible because of unsafe ground conditions. From April to September 30 we completed a total of 3,894 meters of mine development; an increase of 1,460 meters of development from the same period of 2021. Without this incremental development the All-In-Sustaining Cost ("AISC") per ounce sold would have been approximately $300 per ounce lower than the $1,714 reported for the period. However, this work will allow us to mine the higher-grade Marianas and Rey de Oro zones later this year and in 2023."

Eric Caba, President & COO, states that "Bear Creek anticipates Q4 2022 production of 12,500 to 13,500 ounces of gold. Recent underground definition drilling at Marianas is encouraging with intercepts of 3.5 meters at 5.8 g/t Au and 3.6 meters at 13.1 g/t Au in hole UG-MR22-107 which will contribute to production in the near future at significantly higher mining grades than the current model. These grades also bode well for future step out drilling at Marianas. Planning for next year calls for mining approximately 600,000 tonnes of ore grading about 3.7 g/t Au to produce between 66,000 and 73,000 ounces of gold in 2023."

Q3 2022 Highlights

- Gold production of 11,170 ounces
- A total of 148,211 tonnes of ore processed at an average gold grade of 2.45 g/t
- Cash cost per ounce of gold sold of $995
- All-in Sustaining Cost ("AISC") of $1,364 per ounce of gold sold
- Revenue of $26.5 M
- Net loss of $7.7 M
- Cash used by operations of $9.5 M
- Corporate activities during Q3 2022 included:
    - Filing of a Technical Report (as defined in National Instrument 43-101) for the Mercedes mine, which provides an independent audit of Mercedes' mineral reserves and mineral resources at December 31, 2021;
    - Filing of a Business Acquisition Report for the acquisition of Mercedes on April 21, 2022;
    - Initiating a performance improvement program at the Mercedes mine to re-open closed mining areas to increase annual gold production and reduce costs.

Heads of Agreement

On October 26, 2022, Bear Creek announced it had reached a Heads of Agreement ("HOA") with Equinox Gold Corp. to defer and amortize over a two-year period the final $25 million purchase price installment for the Mercedes mine. Details of the HOA are described in the Company's October 26, 2022 news release.

Selected Q3 2022 Financial and Production Results

This news release should be read in conjunction with the Company's unaudited interim consolidated financial statements and management discussion and analysis for the three and nine months ended September 30, 2022, which are available on SEDAR (www.sedar.com) and on the Company's website (www.bearcreekmining.com).

	Three Months Ended September 30		162 Days Ended September 30, 2022 & 9 Months 2021 (1)	
	2022	2021	2022	2021
Operation Highlights				
Gold ounces produced	11,170	-	20,965	-
Gold ounces sold	14,445	-	19,642	-
Cash costs per gold ounce sold (2)	$995	-	$1,206	-
All-in sustaining cost per gold ounce sold (2)	$1,364	-	$1,714	-
Tonnes mined	126,420	-	209,530	-
Tonnes processed	148,211	-	270,180	-
Average gold grade mined	2.92 g/t	-	2.87 g/t	-
Average gold grade processed	2.45 g/t	-	2.53 g/t	-
Recovery rate gold	95.53%	-	95.57%	-
Gold ounces streamed	2,759	-	4,917	-
Average realized gold price (3)	$1,729	-	$1,754	-
Financial (thousands of dollars, except share and per share amounts)				
Weighted average shares during period	152,956,195	124,273,132	140,556,685	123,482,302
Shares outstanding end of period	153,408,708	124,273,132	153,408,708	124,273,132
Revenue	$26,554	-	$36,635	-
Comprehensive earnings (loss) after taxes	$(7,662)	$(3,526)	$(11,577)	$(15,484)
Comprehensive earnings (loss) per share (4)	$(0.05)	$(0.03)	$(0.08)	$(0.13)
Cash generated from (used in) operating activities	$662	$(3,778)	$(9,491)	$(13,826)
Cash from (used for) investing activities	$(7,932)	$(192)	$(11,862)	$(2,442)
Cash from (used for) financing activities	$4,496	$(174)	$6,876	$24,707

Note [1]: Mercedes was acquired on April 21, 2022.

Note [2]: Non-GAAP Measure. Please see "Non-GAAP Measures" section below for further information.

Note [3]: Inclusive of final settlement adjustments on sales.

Note [4]: Per share amounts are based on weighted average shares during the period.

Mercedes Gold Mine, Mexico

Q3 2022 was Bear Creek's first full quarter as owner of the Mercedes mine. During the quarter activities focused on increasing the number of working faces, implementing the Mercedes operating improvement program and design work for a new tailings storage facility. Improvements in mined ore grade and mined tonnage are being realized in Q4 and documents to permit additional tailings storage were submitted for approval. New procedures have been established for ore drilling control to better manage dilution due to over blasting and preventive maintenance practices are being established and will contribute to being able to achieve higher productivity and lower costs.

Low-grade stockpiles were processed by the mill during the past several months reducing the average mill feed relative to the ore mined grade.

Work continued to develop the Marianas decline and the rehabilitation of access to the Rey de Oro zone to re-open these areas to production. Marianas began contributing to production in Q3 with the first lens advancing with better-than-modeled grades. Development work will continue during Q4 to open additional working faces. Rey de Oro development work was hampered by water problems and the first mineralized structure was crossed at the end of Q3 2022. Rey de Oro is expected to contribute moderately to production during Q4 2022 with higher grade areas being opened in Q1 2023.

No lost time incidents ("LTI") were incurred at Mercedes during Q3 2022 and the mine achieved one year without an LTI during this period. No environmental incidents occurred during Q3 2022. Unfortunately, two Covid cases were treated on November 22. These workers were isolated with mild symptoms.

During Q3 2022 the Company conducted a greenfield exploration drilling program in the San Martin, Diluvio Scout, Margarita, and Neo zones, where highly prospective structures related to Mercedes mine gold mineralization extend beneath the post-mineral cover. Drilling to test the potential for mineralization in down-faulted portions of the San Martin and Neo ore bodies immediately west of the San Martin fault identified mineralized zones similar to the San Martin deposit. Additional work on these areas is planned for 2023.

Overview of Q3 2022 Results of Operations, Liquidity and Capital Resources

For the three months ended September 30, 2022, the Company recorded revenue of $26.55 million from the sale of gold and silver. The cost of goods sold was $23.72 million and depletion, amortization and depreciation amounted to $5.88 million. After other income and expenses, tax expenses and recoveries the Company recorded a comprehensive net loss of $7.66 million ($0.05 per share) for the three months ended September 30, 2022.

Operating activities provided $0.66 million during the 3 months ended September 30, 2022, while investing activities used $7.93 million and financing activities provided $4.5 million. At September 30, 2022, the Company's net working deficiency was $43.5 million compared to net working capital of $22.5 million at December 31, 2021. Significant amounts contributing to this deficiency are the final Mercedes acquisition payment of $24.9 million and deferred revenue of $18.7 million. Entering into the HOA in October 2022 reduced the working capital deficiency to $29.3 million and as metal is delivered under streaming agreements deferred revenue will be recognized as revenue. Cash and cash equivalents and short-term investments at September 30, 2022 were $9.6 million compared to $24.2 million at December 31, 2021. The Mercedes improvement program is expected to increase production and reduce costs thereby improving operating cashflow in future periods.

Conference Call

A conference call will be held today to discuss the Company's Q3 2022 financial and operating results. To participate in the conference call please refer to the following directions:

Date and Time:	Tuesday, November 29, 2022 at 11:00 am Eastern
Telephone Dial-In:	1-877-407-3982 (Toll Free Canada and US) 1-201-493-6780 (Toll/International)
Replay:	A replay of the call will be available from November 29, 2022 at 2:00 pm through to December 6, 2022 at 11:59 pm Eastern and may be accessed using the following dial-in numbers and PIN: 1-844-512-2921 (Toll Free Canada and US) 1-412-317-6671 (Toll/International) Replay Pin Number 13734643

Non-GAAP Measures

This news release includes non-GAAP measurements that are not generally accepted International Financial Reporting Standards ("IFRS") financial measures. Non-GAAP measurements do not have standardized meanings under IFRS, but they represent performance benchmarks widely used in the mining industry. However, as there is no standardized meaning or method of calculation, the non-GAAP measurements included by the Company in this news release may differ from similar measurements provided by other companies. The non-GAAP measurements included herein are cash cost per ounce of gold sold and AISC per ounce of gold sold. Cash cost per ounce of gold sold is the sum of production costs, royalties, finished goods adjustment and silver by-product credits divided by the number of gold ounces sold. AISC is the sum of cash cost per ounce sold, reclamation and remediation, sustaining capital expenditures and exploration and evaluation costs divided by the number of gold ounces sold. A reconciliation of these non-GAAP measurements to cost items reported in the consolidated financial statements is available in the Company's MD&A for the three and nine month periods ended September 30, 2022.

Shares for Services

Subject to TSX Venture Exchange approval, Bear Creek will issue 278,688 common shares at a deemed price of $0.51 per share to Unison Mining Consulting Pte. Ltd. ("Unison") for work on the Mercedes Gold Mine operating improvement program completed during the October 28 to November 25, 2022 period. Details regarding the improvement program and the terms of the Unison engagement agreement are provided in the Company's news release dated September 6, 2022.

On behalf of the Board of Directors,

Anthony Hawkshaw
Chief Executive Officer

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NI 43-101 Disclosure

Disclosure of a scientific or technical nature in this news release has been reviewed and approved by, Andrew Swarthout, AIPG Certified Professional Geologist, Director of the Company and a Qualified Person ("QP") as defined in NI 43-101.

Cautionary Statement Regarding Forward-Looking Information

This news release contains forward-looking statements regarding: finalizing documentation in respect of the Note; issuing the Warrants; TSX-V approval of the Note and the Warrants; expectations regarding production and cash flow improvements resulting from the Mercedes improvement program; and the ability of the Company to meet interest and principal repayment obligations under, or prepay, the Note; the progression and timing of development work at the Mercedes mine; the timing and tenor of potential contributions of ore mined from the Rey de Oro and Marianas zones to Mercedes production; the progression of anticipated work on the Mercedes TSF3; 2023 exploration plans; the timing and completion date of the Mercedes improvement program and TSX-V approval of shares to be issued for services provided by Unison;. These forward-looking statements are provided as of the date of this news release and reflect predictions, expectations or beliefs regarding future events based on the Company's beliefs at the time the statements were made, as well as various assumptions made by and information currently available to them. In making the forward-looking statements included in this news release, the Company has applied several material assumptions, including, but not limited to: that the Note and Warrants will be approved by the TSX-V and issued as expected; that the Mercedes improvement program will result in increased gold production; that the TSX-V will approve future issuances of shares for services performed by Unison in relation to the Mercedes improvement program; that unforeseen factors will not impede the benefits of the Mercedes optimization program or the anticipated performance of the Mercedes mine; that development work at the Rey de Oro and Marianas zones will continue as planned and result in contributions to production as anticipated; and that exploration drilling plans will transpire as and when predicted. Although management considers this assumption to be reasonable based on information available to it, it may prove to be incorrect. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and the risk exists that estimates, forecasts, projections, and other forward-looking statements will not be achieved or that assumptions on which they are based 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 expectations expressed in them. These risk factors may be generally stated as the risk that the assumptions expressed above do not occur, but may include additional risks as described in the Company's latest Annual Information Form, and other disclosure documents filed by the Company on SEDAR. The foregoing list of factors that may affect future results is not exhaustive. 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.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

BEAR CREEK
MINING CORPORATION

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