

Bear Creek Mining Announces Q3 2023 Mercedes Production Results

Vancouver, British Columbia--(Newsfile Corp. - October 20, 2023) - Bear Creek Mining Corporation (TSXV: BCM) (OTCQX: BCEKF) (BVL: BCM) ("Bear Creek" or the "Company") announces it produced 9,158 ounces of gold and 34,929 ounces of silver from the Mercedes Mine ("Mercedes") during the three months ended September 30, 2023 ("Q3 2023").

Eric Caba, President and CEO of Bear Creek, states, "Mercedes did not achieve the level of gold production that we had anticipated for Q3 2023. While the efforts we have made at Mercedes to increase development, decrease costs, eliminate operating inefficiencies, and improve staffing have been largely successful, it is taking longer than anticipated for these measures to be reflected in production. As a result, we are revising our gold production guidance for 2023 to 39,000 - 45,000 ounces. We are taking additional action to identify and overcome remaining barriers and are compressing our response time as we continue to work to further increase underground development, improve processing grades and reduce dilution. We are also making progress assembling a skilled team that shares our focus on Mercedes' profitability. We believe Mercedes has the elements necessary to improve annual production, discover additional mineralization, lower costs and contribute significant free cash flow and we are working relentlessly to provide sufficient bandwidth, both operationally and financially, to make these improvements come to fruition."

Production and development results for the quarter ended September 30, 2023 are as follows:

	Q3 2023	Q2 2023	Q1 2023
Ore Mined (tonnes)	123,505	121,490	133,621
Ore Processed (tonnes)	125,208	125,135	134,487
Gold recovery (%)	94.03	94.54	95.56
Gold grade processed (gpt)	2.42	2.41	2.91
Gold ounces produced	9,158	9,199	12,025
Silver ounces produced ⁽¹⁾	34,929	39,841	40,105
Gold ounces sold ⁽²⁾	6,298	6,458	9,304
Gold ounces streamed ⁽³⁾	2,720	3,063	3,182
Development (meters)	1,791	1,353	1,044

(1) Silver production was delivered under a pre-existing streaming obligation that concluded on September 27, 2023.

(2) Gold ounces sold at market prices.

(3) Gold ounces sold at contracted gold stream prices.

The pace of development at Mercedes continues to accelerate as we prepare the Marianas deposit and associated infrastructure to support increased mine production.

While the San Martin mine plan is being reliably executed, limitations on equipment and infrastructure kept the pace of increases in tonnage slower than expected through much of the quarter. However, tonnage produced from San Martin is now approaching 600 of the planned 800 tonnes per day, and the grade of material being mined is increasing as mining faces drive into the heart of this deposit. This trend toward higher production from San Martin is expected to increase as infrastructure continues to be developed and San Martin is expected to be a significant contributor to production during Q4 2023.

Delineation drilling at the Marianas deposit during 2023 has resulted in the discovery of a number of new high-grade veins and the intersection of zones of intense structural complexity, including hydrothermal breccias that contain gold mineralization at significantly higher grades than the current reserve grade, including up to 62.6 g/t gold over 5.2 m true width (see Bear Creek news releases dated February 22 and August 30, 2023). This style of mineralization is presenting both opportunities and challenges. The higher grades and structural complexity may point to a closer proximity to the source structures of

mineralization in the Mercedes district and bode well for future exploration potential, however, the intense structural complexity also creates complications with respect to ground control and it is proving difficult to control dilution using the sub-level caving mining method at Marianas. As a result, the gold grade per tonne of ore mined from Marianas has been lower than planned during Q3 2023. The Company is continuing to evaluate this methodology and how best to extract the Marianas mineralization to optimize the gold grade and maximize production.

Bear Creek has recently entered into restructuring agreements with Equinox Gold Corp. and Sandstorm Gold Ltd. to refinance and extend the maturity date of near term debt and to significantly reduce the number of gold and silver ounces payable monthly under Mercedes' stream obligations. These agreements will improve the Company's financial condition and generate additional cash flow, which along with funds raised in the Company's recent equity financing, will allow the Company to re-invest in the near- and long-term success of Mercedes. Specifically, Bear Creek will deploy funds on underground and surface exploration to increase the density of delineation drilling at the Marianas and Rey de Oro deposits and to further test brownfield and greenfield exploration targets where low angle, listric/detachment faults intersect the near-vertical veins that dominate the Mercedes district. These structural intersections are important as they provide the structural preparation for bulkier orebodies and the initial focus of this planned surface exploration will be the northern extensions of the Mercedes vein trend, which is open to for 4.5 km to the northwest of the Marianas deposit.

Details regarding the debt and stream restructuring agreements and the equity financing are available in the Company's news releases dated May 29, July 5, September 2, September 28, and October 5, 2023.

On behalf of the Board of Directors,
Eric Caba
President and Chief Executive Officer

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NI 43-101 Disclosure

Scientific and technical information in this news release is based on work programs and initiatives conducted under the supervision of, and/or has been reviewed and approved by, Andrew Swarthout, AIPG Certified Professional Geologist, a director of the Company who is a Qualified Person ("QP") as defined in NI 43-101.

Cautionary Statement Regarding Forward-Looking Information

This news release contains forward-looking statements regarding: actions being taken to improve development progress and processing grades, reduce dilution, reduce operating costs, discover additional mineralization and attract personnel at the Mercedes mine; anticipated 2023 production from the Mercedes mine; expectations regarding trends in the pace of development advances; anticipated increases in tonnage mined and mill feed grade in the remainder of 2023; the technical and geological appropriateness of various mining methodologies; the Company's evolving understanding of controls on gold mineralization at various deposits in the Mercedes property; the intended use of cash resources on exploration drilling and the intended targets of these exploration programs; and the effects of the debt and stream restructuring agreements on the Company's financial condition and future cash flow potential. 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 expectations 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 assumptions related to the

Company's planned development and operating activities, business objectives, goals and capabilities, financial resources and liquidity, assumptions related to gold and silver prices, and the expectation that anticipated development and operating results will not differ materially from expectations. On June 30, 2023 the Company had a working capital deficiency of US\$57.5 million. There is no guarantee that sufficient funds will be available to meet the Company's financial obligations and the Company may be required to raise funds through the issuance of equity or by other means. There can be no assurances that such funding will be available, and if so, under acceptable terms and conditions. Although management considers these assumptions to be reasonable based on information available to it, they 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.

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