

Coeur Mining, Inc.
 Form 10-K
 February 07, 2018

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

Form 10-K
 (Mark
 One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
 For the fiscal year ended December 31, 2017

OR
 TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
 For the transition period from _____ to _____

Commission File Number 1-8641
 COEUR MINING, INC.

(Exact name of registrant as specified in its charter)

Delaware 82-0109423
 (State or other jurisdiction of (I.R.S. Employer
 incorporation or organization) Identification No.)

104 S. Michigan Ave. Suite 900 60603
 Chicago, IL (Zip Code)

(Address of principal executive offices)

Registrant's telephone number, including area code: (312) 489-5800

Securities Registered pursuant to Section 12(b) of the Act:

Title of each class Name of each exchange on which registered

Common Stock, par value \$0.01 per share New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer

Non-accelerated filer
 (Do not check if a smaller reporting company) Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter.

\$1,538,261,285

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

As of February 5, 2018, 185,442,526 shares of Common Stock, par value \$0.01 per share

DOCUMENTS INCORPORATED BY REFERENCE

Certain information called for by Part III of the Form 10-K is incorporated by reference from the registrant's definitive proxy statement for the 2018 Annual Meeting of Stockholders which will be filed pursuant to Regulation 14A not later than 120 days after the end of the fiscal year covered by this report.

COEUR MINING, INC.

FORM 10-K

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PART I

Item 1. Business

INTRODUCTION

Coeur Mining, Inc. (“Coeur”, “the Company”, or “we”) is a gold and silver producer, as well as a zinc and lead producer after the acquisition of Silvertip (as defined below), with mines located in the United States, Canada, Mexico, and Bolivia and exploration projects in the United States and Mexico. The Company operates the Palmarejo complex, and the Rochester, Kensington, Wharf, Silvertip (acquired in October 2017; expected to commence production in the first quarter of 2018) and San Bartolomé mines. The Company’s principal sources of revenue are its operating mines. As described below, in December 2017, the Company entered into an agreement to sell 100% of the shares of Empresa Minera Manquiri S.A. (“Manquiri”), the operator of the San Bartolomé mine. As a result, the Company presents San Bartolomé as a discontinued operation for all periods presented. In this Annual Report on Form 10-K (this “Report” or “Form 10-K”), the operating statistics, results of operations, cash flows and financial condition that we present and discuss are those of our continuing operations unless otherwise indicated. For additional information regarding our discontinued operations, see Note 22 to the Consolidated Financial Statements and the discussion in our Results of Consolidated Operations below.

Coeur was incorporated as an Idaho corporation in 1928 under the name Coeur d’Alene Mines Corporation. On May 16, 2013, Coeur changed its state of incorporation from the State of Idaho to the State of Delaware and changed its name to Coeur Mining, Inc.

OVERVIEW OF MINING PROPERTIES AND INTERESTS

The Company’s operating properties and interests are described below:

- Coeur owns 100% of Coeur Mexicana S.A. de C.V. (“Coeur Mexicana”), which operates (1) the Palmarejo processing facility (since 2009); (2) the Guadalupe underground mine (since 2015), located about eight kilometers southeast of the Palmarejo mine; (3) the Independencia underground mine (since 2016), located approximately 800 meters northeast of the Guadalupe underground mine, and (4) other nearby deposits and exploration targets (together, the “Palmarejo complex”). The Palmarejo complex produced 7.2 million ounces of silver and 121,569 ounces of gold in 2017.

Coeur owns 100% of Coeur Rochester, Inc. (“Coeur Rochester”), which has operated the Rochester mine, a silver and gold surface mining operation located in northwestern Nevada, since 1986. The Rochester mine produced 4.7 million ounces of silver and 51,051 ounces of gold in 2017.

- Coeur owns 100% of Coeur Alaska, Inc. (“Coeur Alaska”), which has operated the Kensington mine, an underground gold mine located north of Juneau, Alaska since 2010. Kensington produced 115,094 ounces of gold in 2017.

Coeur owns 100% of Wharf Resources (U.S.A.), Inc. (“Wharf”), which operates the Wharf mine, an open-pit gold mine located near Lead, South Dakota. The Wharf mine is located in the Black Hills mining district of South Dakota and has been in production for over 30 years, during which it has produced over 2.2 million ounces of gold. Coeur acquired Wharf in February 2015. The Wharf mine produced 95,372 ounces of gold in 2017.

Coeur owns 100% of Coeur Silvertip Holdings Ltd. (“Silvertip”), which operates the underground Silvertip silver-zinc-lead mine located in northern British Columbia, Canada. Coeur acquired Silvertip in October 2017. The Silvertip mine is expected to commence production in the first quarter of 2018.

Coeur owns 100% of Manquiri, a Bolivian company that controls the mining rights for the San Bartolomé mine, which is a surface silver mine in Bolivia where Coeur commenced commercial production in 2008. The San Bartolomé mine produced 4.3 million ounces of silver in 2017. In December 2017, Coeur and certain of its subsidiaries entered into a Share Purchase Agreement (the “Manquiri Agreement”) for the sale by Coeur and its subsidiaries of 100% of the issued and outstanding shares of Manquiri (the “Manquiri Divestiture”). Coeur expects to close the sale of Manquiri during the first quarter of 2018.

Coeur owns 100% of the La Preciosa silver-gold exploration project in the State of Durango, Mexico.

Coeur has made strategic equity investments in other early-stage precious metals companies.

Coeur has an interest in exploration-stage properties throughout North America.

For financial and geographic information regarding our operating segments, see Note 3 to the consolidated financial statements.

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SILVER, GOLD, ZINC, AND LEAD PRICES

The Company's operating results are substantially dependent upon the market prices of silver and gold, and to a lesser extent zinc and lead following the Silvertip acquisition, which fluctuate widely. The volatility of such prices is illustrated in the following table, which sets forth the high and low prices of each metal published by the London Bullion Market Association ("LBMA") for silver and gold and the London Metal Exchange ("LME") for zinc and lead:

	Year Ended December 31,					
	2017		2016		2015	
	High	Low	High	Low	High	Low
Silver (per oz.)	\$18.56	\$15.22	\$20.71	\$13.58	\$18.23	\$13.71
Gold (per oz.)	\$1,346	\$1,151	\$1,366	\$1,077	\$1,296	\$1,049
Zinc (per lb.)	\$1.53	\$1.10	\$1.31	\$0.66	\$1.10	\$0.67
Lead (per lb.)	\$1.17	\$0.91	\$1.14	\$0.73	\$0.98	\$0.71

MARKETING

The Company's mining operations produce silver and/or gold doré and gold concentrate. The Company uses a geographically diverse group of third-party refiners and smelters in the United States and China. The Company will produce zinc, lead, and silver concentrate when Silvertip commences production.

The Company's doré, as well as the concentrate product produced by the Wharf mine, is refined into gold and silver bullion according to benchmark standards set by the LBMA, which regulates the acceptable requirements for bullion traded in the London precious metals markets. The Company then sells its silver and gold bullion to multi-national banks, bullion trading houses, and refiners across the globe. The Company has eight trading counterparties at December 31, 2017. The Company's sales of doré or concentrate product produced by the Palmarejo, Rochester, and Wharf mines amounted to approximately 78%, 74%, and 72% of total metal sales for the years ended December 31, 2017, 2016, and 2015, respectively. Generally, the loss of a single bullion trading counterparty would not adversely affect the Company due to the liquidity of the markets and availability of alternative trading counterparties.

The Company's gold concentrate products from the Kensington mine are primarily sold to one smelter under a purchase and sale agreement, and the smelter pays the Company for the metals recovered from the concentrates. The Company's sales of concentrate produced by the Kensington mine amounted to approximately 22%, 26%, and 27% of total metal sales for the years ended December 31, 2017, 2016, and 2015, respectively. While the loss of a smelter may have a material adverse effect if alternate smelters are not available or if the failure to engage a new smelter results in a delay in the sale or purchase of Kensington concentrate, the Company believes that there is sufficient global capacity available to address the loss of a smelter.

HEDGING ACTIVITIES

The Company's strategy is to provide stockholders with exposure to silver and gold prices by selling silver and gold production at market prices. The Company also plans to sell zinc and lead concentrate when the Silvertip mine commences production in the first quarter of 2018. The Company may enter into short-term derivative contracts to protect the selling price for certain anticipated silver, gold, zinc and lead production and to manage risks associated with foreign currencies. For additional information see "Item 7A. Quantitative and Qualitative Disclosures About Market Risk" and Note 12 -- Derivative Financial Instruments in the notes to the consolidated financial statements.

GOVERNMENT REGULATION**General**

The Company's activities are subject to extensive federal, state and local laws governing the protection of the environment, prospecting, development, production, taxes, labor standards, occupational health, mine safety, toxic substances, protection of endangered, protected or other specified species and other matters. The costs to comply with such regulatory requirements are substantial and possible future legislation and regulations could cause additional expense, capital expenditures, restrictions and delays in the development and continued operation of the Company's properties, the extent of which cannot be predicted. In the context of environmental permitting, including the approval of reclamation plans, the Company must comply with known standards and regulations which may entail significant costs and delays. Although the Company has been recognized for its commitment to environmental responsibility and believes it is in substantial compliance with applicable laws and regulations, amendments to current laws and regulations, more stringent application or interpretation of these laws and regulations through judicial review, or

administrative action or the adoption of new laws could have a material adverse effect upon the Company and its results of operations.

Estimated future reclamation costs are based primarily on legal and regulatory requirements. At December 31, 2017, \$118.8 million was accrued for reclamation costs relating to currently developed and producing properties. The Company is also involved in several matters concerning environmental obligations associated with former mining activities. Based upon the Company's best estimate of its liabilities for these items, \$2.0 million was accrued at December 31, 2017. These amounts are included in Reclamation on the Consolidated Balance Sheet.

U.S. Environmental Laws

Certain mining wastes from extraction and beneficiation of ores would be considered hazardous waste under the Resource Conservation and Recovery Act ("RCRA") and state law equivalents, but are currently exempt from the extensive set of Environmental Protection Agency ("EPA") regulations governing hazardous waste. If the Company's mine wastes were treated as hazardous waste under RCRA or such wastes resulted in operations being designated as "Superfund" sites under the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA") or state law equivalents for cleanup, material expenditures could be required for the construction of additional waste disposal facilities, for other remediation expenditures, or for natural resource damages. Under CERCLA, any present or past owners or operators of a Superfund site generally may be held liable and may be forced to undertake remedial cleanup action or to pay for the government's cleanup efforts. Such owners or operators may also be liable to governmental entities for the cost of damages to natural resources, which may be substantial. Additional regulations or requirements may also be imposed upon the Company's operations, tailings, and waste disposal areas, as well as upon mine closure, in Alaska, Nevada, and South Dakota under federal and state environmental laws and regulations, including, without limitation, CERCLA, the Clean Water Act, Clean Air Act and state law equivalents. The Company has reviewed and considered current federal legislation relating to climate change and does not believe it to have a material effect on its operations. Future changes in U.S. federal or state laws or regulations could have a material adverse effect upon the Company and its results of operations.

U.S. Mining Legislation

A portion of the Company's U.S. mining properties are on unpatented mining claims on federal lands. Legislation has been introduced regularly in the U.S. Congress over the last decade to change the Mining Law of 1872 as amended (the "Mining Law"), under which the Company holds these unpatented mining claims. It is possible that the Mining Law may be amended or replaced by less favorable legislation in the future. Previously proposed legislation contained a production royalty obligation, new environmental standards and conditions, additional reclamation requirements and extensive new procedural steps which would likely result in delays in permitting. The ultimate content of future proposed legislation, if enacted, is uncertain. If a royalty on unpatented mining claims were imposed, the profitability of the Company's U.S. operations could be materially adversely affected. In addition, the U.S. Forest Service and the U.S. Bureau of Land Management ("BLM") have considered revising regulations governing operations under the Mining Law on federal lands they administer, which, if implemented, may result in additional procedures and environmental conditions and standards on those lands. The majority of the Company's operations are either outside of the United States or on private patented lands and would be unaffected by potential legislation.

Any such reform of the Mining Law or BLM and U.S. Forest Service regulations thereunder could increase the costs of mining activities on unpatented mining claims, or could materially impair the ability of the Company to develop or continue operations which derive ore from federal lands, and as a result, could have an adverse effect on the Company and its results of operations. Until such time, if any, as new reform legislation or regulations are enacted, the ultimate effects and costs of compliance on the Company cannot be estimated.

Foreign Government Regulations

Mexico, where the Palmarejo complex and the La Preciosa exploration project are located, and Canada, where the Silvertip mine is located and Bolivia, where the San Bartolomé mine is located, have all adopted laws and guidelines for environmental permitting that are similar to those in effect in the United States. The permitting process requires a thorough study to determine the baseline condition of the mining site and surrounding area, an environmental impact analysis, and proposed mitigation measures to minimize and offset the environmental impact of mining operations. The Company has received all permits required to operate the Palmarejo complex and the San Bartolomé mine and to carry out the current scope of activities at the Silvertip Mine, and has received all permits necessary for the exploration activities being conducted at its other non-U.S. properties.

Maintenance of Claims

United States

At mining properties in the United States, including the Rochester, Kensington, and Wharf mines, operations are conducted upon both patented and unpatented mining claims. Pursuant to applicable federal law, it is necessary to pay to the Secretary of the Interior, on or before September 1st of each year, a claim maintenance fee of \$155 per unpatented federal claim. This claim maintenance fee is in lieu of the assessment work requirement contained in applicable mining laws. In addition, Nevada holders

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of unpatented federal mining claims are required to pay the county recorder of the county in which the claim is situated an annual fee of \$12.00 per claim. In South Dakota, holders of unpatented federal mining claims are required to pay the county recorder of the county in which the claim is situated an annual fee of \$0.25 per claim. In Alaska, the Company is required to pay a variable, annual rental fee for State claims and a State upland mining lease based on the age of the claim or claims converted to the upland mining lease. Annual labor must also be performed or an annual payment in lieu of annual labor must be paid to the State of Alaska for State claims and upland mining leases. No maintenance fees are payable for federal patented claims. Patented claims are similar to land held by an owner who is entitled to the entire interest in the property with unconditional power of disposition and are subject to local ad valorem property taxes.

Mexico

In order to carry out mining activities in Mexico, the Company is required to obtain a mining concession from the General Bureau of Mining, which belongs to the Ministry of Economy of the Federal Government, or be assigned previously granted concession rights, and both must be recorded with the Public Registry of Mining. In addition, mining works may have to be authorized by other authorities when performed in certain areas, including ejidos (communal owners of land recognized by the federal laws in Mexico), villages, dams, channels, general communications ways, submarine shelves of islands, islets and reefs, marine beds and subsoil and federal maritime-terrestrial zones. Reports have to be filed with the General Bureau of Mining in May of each year, evidencing previous calendar year mining investment and works. Annual reports, detailing technical and statistical information and production results, must be submitted during the first 30 business days of the following year for each concession or group of concessions bearing production and all concessions over six years of age. Bi-annual mining duties are payable in January and July of each year and, based on amount of surface of each mining concession, holders of mining concessions must also pay annually and no later than the last business day of March a special mining fee based on 7.5% of the income before interest and certain other permitted deductions derived from the transfer or sale of minerals, plus 0.5% of gross revenues from sales of gold, silver and platinum. Failure to pay any of these duties and submit the required reports could lead to cancellation of the concessions. Upon expiration or cancellation of the concession, certain obligations remain, such as filing technical reports and ground support.

Canada (British Columbia)

Mineral claims and mining leases in British Columbia are regulated by the provincial government under the Mineral Tenure Act. Mineral claims are initially valid for one year after recording. To maintain a claim, the recorded holder must, on or before the expiry date of the claim, either perform exploration and development work on that claim (or contiguous block of claims) and register such work, or register a payment instead of exploration and development work. Only work prescribed by regulation is acceptable for registration. The value of exploration and development work required to maintain a mineral claim for one year is CAD5/hectare ("ha") for each of the first and second years, CAD10/ha for each of the third and fourth years, CAD15/ha for each of the fifth and sixth years, and CAD20/ha for each subsequent year. If a payment is made instead of performing exploration and development work, the payment must be double the value of the required work. The recorded holder of a mineral claim is allowed to produce a very limited amount of mineralized material. For production in excess of these limits, a mining lease is required. Mining leases in British Columbia are generally issued for a term of 30 years, and renewal terms are available. An annual rental payment of CAD20/ha is required to maintain a mining lease. There are no annual work requirements for mining leases. Before any mechanical disturbance of the surface of the ground is performed by, or on behalf of, the recorded holder, the necessary approvals and permits under the Mineral Tenure Act must be obtained. Mines in production are subject to taxation by the provincial government.

Bolivia

The Bolivian state owns the mining rights at San Bartolomé. The Bolivian state-owned mining organization, Corporación Minera de Bolivia ("COMIBOL"), is the underlying manager of all of the mining rights relating to the San Bartolomé mine. Bolivia's ownership derives from the Supreme Decree 3196 issued in October 1952, when the government nationalized most of the mines in Potosí. COMIBOL has leased the mining rights for the surface silver and tin bearing sediment to several Potosí cooperatives. The cooperatives have subleased their mining rights to Coeur's subsidiary, Manquiri, through a series of "joint venture" contracts ("JV Agreements"). In addition to those agreements with the cooperatives, Manquiri holds additional mining rights under lease agreements directly with COMIBOL. All

of Manquiri's mining and surface rights collectively constitute the San Bartolomé mine. In response to conflicts between local mining cooperatives and the Bolivian government, on September 1, 2016, the Bolivian government issued Supreme Decree No. 2891, and on October 24, 2016, Law 845, which impose tighter restrictions on mining cooperatives, including reversion of mining areas leased to the mining cooperatives by COMIBOL that are subject to JV Agreements, leases or subleases with third parties to the Bolivian state. Although Bolivian government officials have made public statements that the decree will not impact Manquiri's ability to continue operations in the areas subject to the JV Agreements and the JV Agreements continue to be formally in existence, any cancellation of leases between COMIBOL and the applicable mining cooperatives and/or the JV Agreements will require negotiation of and entry into contracts directly with

COMIBOL to continue mining operations at the affected areas. In January 2017, an interim permit was granted to Manquiri allowing for continuation of mining operations in the areas subject to the JV Agreements pending negotiation of contracts directly with COMIBOL. For additional information regarding the maintenance of its claims to the San Bartolomé mine, see “Item 2. Properties - Silver and Gold Mining Properties, Bolivia-San Bartolomé.”

EMPLOYEES

The number of full-time employees of the Company at December 31, 2017 was:

U.S. Corporate and Other	74
Wharf Mine	207
Rochester Mine	286
Silvertip Mine	167
Kensington Mine	367
Palmarejo Complex	878
San Bartolomé Mine ⁽¹⁾	278
Total	2,257

Manquiri maintained a labor agreement in South America with Sindicato de Trabajadores Mineras de la Empresa Manquiri S.A. at the San Bartolomé mine in Bolivia in 2017, which remains in effect for 2018. At December 31, ⁽¹⁾2017, approximately 7% of the Company’s global labor force was covered by collective bargaining agreements, consisting entirely of employees at San Bartolomé.

BUSINESS STRATEGY AND COMPETITIVE STRENGTHS

Management believes the following strengths provide the Company with significant competitive advantages:

Strong track record of developing and operating mines

The Company has successfully acquired, developed, and operated a portfolio of operating mines since its founding in 1928. In 2017, we had production from continuing operations of 12.1 million ounces of silver and 383,086 ounces of gold at costs applicable to sales of \$10.70 per silver equivalent ounce¹ (\$9.66 per average spot silver equivalent ounce) at primary silver mines and \$822 per gold equivalent ounce¹ at primary gold mines.

Silver Production (Continuing Operations)	Gold Production (Continuing Operations)
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Costs Applicable to Sales per Silver Equivalent Oz ¹	Costs Applicable to Sales per Gold Equivalent Oz ¹
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All-in Sustaining Costs per Silver Equivalent Oz 60:1 ¹	All-in Sustaining Costs per Silver Equivalent Oz Spot ¹
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(1) See Non-GAAP Financial Performance Measures.

Operating and commodity diversity

The Company’s silver and gold production comes from five operating mines and an additional mine, which is expected to commence production of silver, zinc and lead in the first quarter of 2018. The Company operates the Palmarejo silver and gold complex in Mexico, the Silvertip silver-zinc-lead mine in Canada, the Kensington gold mine in Alaska, the Wharf gold mine in South Dakota, the Rochester silver and gold mine in Nevada, and the San Bartolomé silver mine in Bolivia (the Company expects to complete the Manquiri Divestiture during the first quarter of 2018).

The Company’s metal sales breakdown by operating mine in continuing operations and metal is set out below:

2017 Silver Sales by Mine (millions of ounces) 2017 Gold Sales by Mine (ounces)

Experienced management team

The Company has built a high-caliber management team of devoted professionals with extensive mining industry expertise. President and Chief Executive Officer, Mitchell Krebs, Senior Vice President and Chief Financial Officer, Peter Mitchell, and Senior Vice President and Chief Operating Officer, Frank Hanagarne, each has significant experience in the mining industry. The board of directors also brings diverse industry backgrounds and a depth of professional experience to the Company.

Capitalizing on prior development program

The Company has spent significant capital in developing or expanding its four 100%-owned operating mines that remain as continuing operations. The following table provides the percentage contribution to the Company’s total revenues:

Mine/Location	Percentage of Total Revenues				
	For The Year Ended				
	December 31,				
	2017	2016	2015	2014	2013
Palmarejo Complex, Mexico	38 %	24 %	30 %	47 %	54 %
Kensington Mine, United States	22	26	26	26	25
Rochester Mine, United States	22	24	26	24	20
Wharf Mine, United States ⁽¹⁾	18	24	15	—	—
Coeur Capital ⁽²⁾	—	2	3	3	1
	100 %	100 %	100 %	100 %	100 %

(1) Acquired February 2015.

(2) Primarily the Endeavor Silver Stream (Australia).

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This report contains numerous forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) relating to the Company’s gold, silver, zinc and lead mining business, including statements regarding the Manquiri Divestiture, and timing for commencement of production at Silvertip, mineral reserve and mineralized material estimates, exploration efforts, drilling, development at Kensington and Palmarejo, estimated production, costs, capital expenditures, expenses, metals prices, sufficiency of assets, ability to discharge liabilities, liquidity management, financing needs, environmental compliance expenditures, risk management strategies, operational excellence, cost reduction initiatives, capital discipline, and initiatives to maximize net cash flow, enhance revenues, reduce operating and non-operating costs, and manage working capital efficiently. Such forward-looking statements are identified by the use of words such as “believes,” “intends,” “expects,” “hopes,” “may,” “should,” “plan,” “projected,” “contemplates,” “anticipates” or similar words. Actual results could differ materially from those projected in the forward-looking statements. The factors that could cause actual results to differ

materially from those projected in the forward-looking statements include (i) the risk factors set forth below under Item 1A and in Management's Discussion and Analysis of Financial Condition and Results of Operations under Item 7, (ii) the risk that the Manquiri Divestiture is not completed on a timely basis or at all, (iii) the risk that commencement of commercial production at Silvertip will be delayed, (iv) the risks and hazards inherent in the mining business (including risks inherent in developing large-scale mining projects, environmental hazards, industrial accidents, weather or geologically related conditions), (v) changes in the market prices of gold, silver, zinc and lead and a sustained lower price environment, (vi) the uncertainties inherent in the Company's production, exploratory and developmental activities, including risks relating to permitting and regulatory delays, ground conditions and grade variability, (vii) any future labor disputes or work stoppages (involving the Company and its subsidiaries or third parties), (viii) the uncertainties inherent in the estimation of gold, silver, zinc and lead reserves and mineralized material, (ix) changes that could result from the Company's future acquisition of new mining properties or businesses, (x) the loss of access to any third-party smelter to whom the Company markets silver and gold, (xi) the effects of environmental and other governmental regulations, (xii) the risks inherent in the ownership or operation of or investment in mining properties or businesses in foreign countries, and (xiii) the Company's ability to raise additional financing necessary to conduct its business, make payments or refinance its debt. Readers are cautioned not to put undue reliance on forward-looking statements. The Company disclaims any intent or obligation to update publicly these forward-looking statements, whether as a result of new information, future events or otherwise.

CAUTIONARY NOTE REGARDING DISCLOSURE OF MINERAL PROPERTIES

Reserves, Resources and Mineralized Material

Coeur Mining, Inc. is subject to the reporting requirements of the Exchange Act and applicable Canadian securities laws, and as a result we report our mineral reserves according to two different standards. Canadian reporting requirements for disclosure of mineral properties are governed by National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101"). The definitions of NI 43-101 are adopted from those given by the Canadian Institute of Mining, Metallurgy and Petroleum. U.S. reporting requirements, however, are governed by Securities and Exchange Commission ("SEC") Industry Guide 7 ("Guide 7"). Both sets of reporting standards have similar goals in terms of conveying an appropriate level of confidence in the disclosures being reported, but embody different approaches and definitions. Under Guide 7, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made.

In our public filings in Canada and in certain other announcements not filed with the SEC, we disclose measured, indicated and inferred resources, each as defined in NI 43-101, in addition to our mineral reserves. U.S. investors are cautioned that, while the terms "measured mineral resources," "indicated mineral resources" and "inferred mineral resources" are recognized and required by Canadian securities laws, Guide 7 does not recognize them. The estimation of measured resources and indicated resources involve greater uncertainty as to their existence and economic feasibility than the estimation of proven and probable reserves, and therefore U.S. investors are cautioned not to assume that all or any part of measured or indicated resources will ever be converted into Guide 7 compliant reserves. The estimation of inferred resources involves far greater uncertainty as to their existence and economic viability than the estimation of other categories of resources, and therefore it cannot be assumed that all or any part of inferred resources will ever be upgraded to a higher category. Therefore, investors are cautioned not to assume that all or any part of inferred resources exist, or that they can be mined legally or economically.

In this Annual Report on Form 10-K ("Form 10-K") and in our other filings with the SEC, we modify our estimates made in compliance with NI 43-101 to conform to Guide 7 for reporting in the United States. In this Form 10-K, we use the term "mineralized material" to describe mineralization in mineral deposits that do not constitute "reserves" under U.S. standards. "Mineralized material" is substantially equivalent to measured and indicated mineral resources (exclusive of reserves) as disclosed for reporting purposes in Canada, except that the SEC only permits issuers to

report “mineralized material” in tonnage and average grade without reference to contained ounces. We provide disclosure of mineralized material to allow a means of comparing our projects to those of other companies in the mining industry, many of which are Canadian and report pursuant to NI 43-101, and to comply with applicable disclosure requirements. We caution you not to assume that all or any part of mineralized material will ever be converted into Guide 7 compliant reserves.

Technical Reports and Qualified Persons

As required by Canadian securities laws, we hereby notify Canadian investors that the scientific and technical information concerning our mineral projects in this Form 10-K have been reviewed and approved by a “qualified person” under NI 43-101, namely our Director, Technical Services, Christopher Pascoe. For a description of the key assumptions, parameters and methods used to estimate mineral reserves included in this Form 10-K, as well as data verification procedures and a general discussion of the extent to which the estimates may be affected by any known environmental, permitting, legal, title, taxation, socio-political, marketing or other relevant factors, Canadian investors may view technical reports prepared for each of our properties as filed on

SEDAR at <http://www.sedar.com>. Neither the technical reports nor the statements of any qualified person filed with the Canadian securities regulatory authorities are included in, or incorporated by reference in, this Form 10-K. Because the definitions and standards of NI 43-101 differ from those of Guide 7, investors are cautioned that information contained in reports prepared pursuant to NI 43-101, like the technical reports, may not be comparable to similar information that we can disclose in this Form 10-K or the other reports we file with the SEC.

AVAILABLE INFORMATION

Coeur makes available, on its website (<http://www.coeur.com>), its Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and Proxy Statements, as well as Forms 3, 4 and 5 with respect to its common stock, including any amendments to any of the foregoing, as soon as reasonably practicable after such reports are electronically filed with the SEC. Copies of Coeur's Corporate Governance Guidelines, charters of the key committees of the Board of Directors (Audit, Compensation, Nominating and Corporate Governance, and Environmental, Health, Safety, and Social Responsibility Committees) and its Code of Business Conduct and Ethics, applicable to the Chief Executive Officer, Chief Financial Officer and Principal Accounting Officer, among others, are also available on the Company's website. Information contained on the Company's website is not a part of this report.

Item 1A. Risk Factors

The Company's results of operations, cash flows and operating costs are highly dependent upon the market prices of silver and gold, and, following the Silvertip acquisition, other commodities including zinc and lead, which are volatile and beyond the Company's control.

Silver, gold, zinc and lead are actively traded commodities, and their prices are volatile. During the twelve months ended December 31, 2017, the price of silver ranged from a low of \$15.22 per ounce to a high of \$18.56 per ounce, the price of gold ranged from a low of \$1,151 per ounce to a high of \$1,346 per ounce, the price of zinc ranged from a low of \$1.10 per pound to a high of \$1.53 per pound, and the price of lead ranged from a low of \$0.91 per pound to a high of \$1.17 per pound. The closing market prices of silver, gold, zinc and lead on February 5, 2018 were \$16.88 per ounce, \$1,334 per ounce, \$1.63 per pound, and \$1.21 per pound, respectively.

Silver, gold, zinc and lead prices are affected by many factors beyond the Company's control, including U.S. dollar strength or weakness, speculation, global currency values, the price of products that incorporate silver, gold, zinc or lead, global and regional demand and production, political and economic conditions and other factors. In addition, Exchange Traded Funds ("ETFs"), which have substantially facilitated the ability of large and small investors to buy and sell precious metals and base metals, have become significant holders of gold, silver, zinc and lead. Silver and gold prices are also affected by prevailing interest rates and returns on other asset classes, expectations regarding inflation and governmental decisions regarding precious metals stockpiles.

Because the Company derives a significant portion of its revenues from sales of silver and gold and, to a lesser extent, zinc and lead as a result of the Silvertip acquisition during the fourth quarter of 2017, its results of operations and cash flows will fluctuate as the prices of these metals change. A period of significant and sustained lower gold and silver prices and, to a lesser extent, zinc and lead prices, would materially and adversely affect the Company's results of operations and cash flows. Additionally, if market prices for silver, gold, zinc and lead decline and remain at lower levels for a sustained period of time, the Company may have to revise its operating plans, including reducing operating costs and capital expenditures, terminating or suspending mining operations at one or more of its properties and discontinuing certain exploration and development plans. The Company may be unable to decrease its costs in an amount sufficient to offset reductions in revenues, and may continue to incur losses.

Operating costs at the Company's mines are also affected by the price of input commodities, such as fuel, electricity, labor, chemical reagents, explosives, steel and concrete. Prices for these input commodities are volatile and can fluctuate due to conditions that are difficult to predict, including global competition for resources, currency fluctuations, consumer or industrial demand and other factors. Continued volatility in the prices of commodities and other supplies the Company purchases could lead to higher costs, which would adversely affect results of operations and cash flows.

The Company's future growth will depend upon its ability to develop new mines, either through exploration at existing properties or by acquisition of other mining companies.

Because mines have limited lives based on proven and probable ore reserves, the Company's ability to achieve significant additional growth in revenues and cash flows will depend upon success in further developing existing properties and the opportunistic acquisition or development of new mining properties, such as the Company's recent Silvertip acquisition.

While initial development of the Palmarejo, Rochester, and Kensington mines has been substantially completed, development work continues to expand these mines while leveraging existing infrastructure. In addition, the Company has acquired several mining properties in recent years, namely, the Silvertip silver-zinc-lead mine, the Wharf gold mine and the properties held by Paramount Gold & Silver Corp. which are now part of the Palmarejo complex, and

has significantly expanded its near-mine exploration program. The Company cannot assure that it will be able to successfully expand and develop existing or new mining properties or acquire additional mining properties on favorable economic terms or at all.

The Company regularly evaluates and engages in discussions or negotiations regarding acquisition opportunities. Any transactions that the Company contemplates or pursues would involve risks and uncertainties. There can be no assurance with respect to the timing, likelihood or business effect of any possible transaction.

The Company may be unable to successfully integrate the recently acquired Silvertip mine or other acquisitions.

There can be no assurance that the anticipated benefits of the recently completed acquisition of the Silvertip mine in British Columbia, Canada, or any future acquisition, will be realized. The success of this and any other acquisition will depend upon the Company's ability to effectively manage the integration and operations of entities or properties it acquires and to realize other anticipated benefits. The process of managing acquired businesses may involve unforeseen difficulties and may require a disproportionate amount of management resources, which may divert management's focus and resources from other strategic opportunities and from operational matters during this process.

In addition to the above, any acquisition would be accompanied by risks, including:

- a significant change in commodity or stock prices after the Company has committed to complete the transaction and established the purchase price or exchange ratio;
- a material ore body may prove to be below expectations;
- difficulties integrating and assimilating the operations and personnel of any acquired companies, realizing anticipated synergies and maximizing the financial and strategic position of the combined enterprise, and maintaining uniform standards, policies and controls across the organization; and
- the acquired business or assets may have unknown liabilities which may be significant.

In addition, the Silvertip acquisition was funded, in part, with funds drawn under the Company's revolving credit facility, resulting in increased interest expense. In connection with any future acquisition, the Company may incur indebtedness or issue equity securities or securities convertible into equity securities, resulting in increased interest expense, or dilution of the percentage ownership of existing stockholders. The Company cannot predict the impact of future acquisitions on the price of its common stock, or assure that it would be able to obtain any necessary financing on acceptable terms. Unprofitable acquisitions, or additional indebtedness or issuances of securities in connection with such acquisitions or any mine development, may negatively affect results of operations.

Finally, the Company's systems, procedures and controls may be inadequate to support the expansion of our operations resulting from an acquisition or development of a new mine. The Company's future operating results could be affected by the ability of its officers and key employees to manage the changing business conditions and to integrate an acquired business or new operation into Coeur. There may also be liabilities, such as environmental liabilities, or significant capital expenditures that the Company failed to discover or have underestimated in connection with any acquisition or development. Any such liabilities or capital expenditure requirements could have a material adverse effect on the Company's business, financial condition or future prospects.

The Company is an international company and is exposed to political and social risks associated with its foreign operations.

A significant portion of the Company's revenues are generated by operations outside the United States. Exploration, development, production and closure activities in many countries are potentially subject to heightened political and social risks that are beyond the Company's control and could result in increased costs, capacity constraints and potential disruptions to the Company's business. These risks include the possible unilateral cancellation or forced renegotiation of contracts in which the Company, directly or indirectly, may have an interest, unfavorable changes in foreign laws and regulations, royalty and tax increases (including taxes associated with the import or export of goods), risks associated with the value-added tax ("VAT") and income tax refund recovery and collection process, claims by governmental entities or indigenous communities, expropriation or nationalization of property and other risks arising out of foreign sovereignty over areas in which our operations are conducted. The right to import and export silver and gold may depend on obtaining certain licenses and quotas, which could be delayed or denied at the discretion of the relevant regulatory authorities, or could become subject to new taxes or duties imposed by U.S. or foreign jurisdictions, which could have a material adverse effect on the Company's business, financial condition, or future

prospects. In addition, the Company's rights under local law may be less secure in countries where judicial systems are susceptible to manipulation and intimidation by government agencies, non-governmental organizations or civic groups.

Any of these developments could require the Company to curtail or terminate operations at its mines, incur significant costs to renegotiate contracts, meet newly-imposed environmental or other standards, pay greater royalties or higher prices for labor or services and recognize higher taxes, or experience significant delays or obstacles in the recovery of VAT or income tax refunds owed, which could materially and adversely affect financial condition, results of operations and cash flows.

These risks may be higher in developing countries in which the Company may expand its exploration for and development of mineral deposits. Potential operations in these areas increase the Company's exposure to risks of war, local economic conditions, political disruption, civil disturbance and governmental policies that may disrupt its operations.

The Company's ongoing and future success depends on developing and maintaining productive relationships with the communities, including indigenous peoples who may have rights or may assert rights to certain of the Company's properties, and other stakeholders in its operating locations. The Company believes its operations can provide valuable benefits to surrounding communities, in terms of direct employment, training and skills development and other benefits associated with ongoing payment of taxes. In addition, the Company seeks to maintain its partnerships and relationships with local communities, including indigenous peoples, and stakeholders in a variety of ways, including in-kind contributions, volunteer time, sponsorships and donations. Notwithstanding the Company's ongoing efforts, local communities and stakeholders can become dissatisfied with its activities or the level of benefits provided, which may result in legal or administrative proceedings, civil unrest, protests, direct action or campaigns against it. Any such occurrences could materially and adversely affect the Company's financial condition, results of operations and cash flows.

The Company's operations outside the United States also expose it to economic and operational risks.

The Company's operations outside the United States also expose it to economic and operational risks. Local economic conditions can cause shortages of skilled workers and supplies, increase costs and adversely affect the security of operations. In addition, higher incidences of criminal activity and violence in the area of some of the Company's foreign operations, including drug-cartel related violence in Mexico, could adversely affect the Company's ability to operate in an optimal fashion and may impose greater risks of theft and greater risks as to personnel and property security. These conditions could lead to lower productivity and higher costs, which would adversely affect results of operations and cash flows.

In addition, acts of civil disobedience are common in certain of the countries where the Company's operations are located. In recent years, many mining companies have been the targets of actions to restrict their legally-entitled access to mining concessions or property. Such acts of civil disobedience often occur with no warning and can result in significant direct and indirect costs. The Company cannot provide assurance that there will be no disruptions to site access in the future, which could adversely affect the Company's business.

The Company sells silver and gold doré, gold concentrate, and expects to sell its silver, zinc and lead concentrates in U.S. dollars, but it conducts operations outside the United States in local currency. Currency exchange movements could also adversely affect the Company's results of operations.

The estimation of ore reserves is imprecise and depends upon subjective factors. Estimated ore reserves may not be realized in actual production. The Company's results of operations and financial position may be adversely affected by inaccurate estimates.

The ore reserve figures presented in the Company's public filings are estimates made by the Company's technical personnel and independent mining consultants with whom the Company contracts. Reserve estimates are a function of geological and engineering analyses that require the Company to make assumptions about production costs, recoveries and silver, gold, zinc and lead market prices. Reserve estimation is an imprecise and subjective process. The accuracy of such estimates is a function of the quality of available data and of engineering and geological interpretation, judgment and experience. Assumptions about silver, gold, zinc and lead market prices are subject to great uncertainty as those prices fluctuate widely and have fallen significantly at times over the past several years. Declines in the market prices of silver, gold, zinc or lead may render reserves containing relatively lower grades of ore uneconomic to exploit, and the Company may be required to reduce reserve estimates, discontinue development or mining at one or more of its properties or write down assets as impaired. Should the Company encounter mineralization or geologic formations at any of its mines or projects different from those predicted, it may adjust its reserve estimates and alter its mining plans. Either of these alternatives may adversely affect actual production and financial condition, results of operations and cash flows.

The Company's estimates of future production, costs, and financial results are imprecise, depend upon subjective factors, may not be realized in actual production and such estimates speak only as of their respective dates.

The Company has in the past, and may in the future, provide estimates and projections of its future production, costs and financial results. Any such information is forward-looking. Neither the Company's independent registered public accounting firm nor any other independent expert or outside party compiles or examines these forward-looking statements and, accordingly, no such person expresses any opinion or any other form of assurance with respect thereto. Such estimates are made by the Company's management and technical personnel and are qualified by, and subject to the assumptions, contained or referred in the filing, release or presentation in which they are made, including assumptions about the availability, accessibility, sufficiency and quality of mineralized material, the Company's costs of production, the market prices of silver, gold, zinc and lead, the Company's ability to sustain and increase production levels, the sufficiency of its infrastructure, the performance of its personnel and equipment, its ability to maintain and obtain mining interests and permits, the state of government and community relations, and its compliance with existing and future laws and regulations. The Company sometimes states possible outcomes as high and low ranges which

are intended to provide a sensitivity analysis as variables are changed but are not intended to represent that actual results could not fall outside of the suggested ranges. Actual results and experience may differ materially from these assumptions. Any such production, cost, or financial results estimates speak only as of the date on which they are made, and the Company disclaims any intent or obligation to update such estimates, whether as a result of new information, future events or otherwise. Accordingly, these forward-looking statements should be considered in the context in which they are made and undue reliance should not be placed on them.

The Company's future operating performance may not generate cash flows sufficient to meet debt payment obligations.

As of February 5, 2018, the Company had approximately \$411.3 million of outstanding indebtedness. The Company's ability to make scheduled debt payments on outstanding indebtedness will depend on future results of operations and cash flows. The Company's results of operations and cash flows, in part, are subject to economic factors beyond its control, including the market prices of silver, gold, zinc and lead. The Company may not be able to generate enough cash flow to meet obligations and commitments under outstanding debt instruments. If the Company cannot generate sufficient cash flow from operations to service debt, it may need to further refinance debt, dispose of assets or issue equity to obtain the necessary funds.

If the Company's cash flows and capital resources are insufficient to fund its debt service obligations, the Company could face substantial liquidity problems and could be forced to reduce or delay investments and capital expenditures or to dispose of material assets or operations, seek additional debt or equity capital or restructure or refinance its indebtedness. The Company cannot predict whether it would be able to refinance debt, issue equity or dispose of assets to raise funds on a timely basis or on satisfactory terms. In a rising interest rate environment, the costs of borrowing additional funds or refinancing outstanding indebtedness would also be expected to increase. The agreements governing the Company's outstanding indebtedness restrict the Company's ability to dispose of assets and use the proceeds from those dispositions and may also restrict its ability to raise debt or equity capital to be used to repay other indebtedness when it becomes due. The Company may not be able to consummate those dispositions or to obtain proceeds in an amount sufficient to meet any debt service obligations then due. If the Company raises additional funds by issuing equity securities or securities convertible into equity securities, holders of its common stock could experience significant dilution of their ownership interest, and these securities could have rights senior to those of the holders of common stock.

The terms of the Company's debt impose restrictions on its operations.

The agreements governing the Company's outstanding indebtedness include a number of significant negative covenants. These covenants, among other things:

- limit the Company's ability to obtain additional financing, repurchase outstanding equity or issue debt securities;
- require the Company to meet certain financial covenants consisting of a consolidated net leverage ratio and a consolidated interest coverage ratio;
- require a portion of the Company's cash flows to be dedicated to debt service payments instead of other purposes, thereby reducing the amount of cash flows available for working capital, capital expenditures, acquisitions and other general corporate purposes;
- limit the Company's ability to sell, transfer or otherwise dispose of assets, enter into transactions with and invest capital in affiliates, enter into agreements restricting our subsidiaries' ability to pay dividends, consolidate, amalgamate, merge or sell all or substantially all of the Company's assets;
- increase our vulnerability to general adverse economic and industry conditions;
- limit the Company's flexibility in planning for and reacting to changes in the industry in which we compete; and
- place the Company at a disadvantage compared to other, less leveraged competitors.

A breach of any of these covenants could result in an event of default under the applicable agreement governing the Company's outstanding indebtedness that, if not cured or waived, could cause all amounts outstanding with respect to the debt to be due and payable immediately. Acceleration of any debt could result in cross-defaults under the Company's other debt instruments. The Company's assets and cash flow may be insufficient to repay borrowings fully under all of its outstanding debt instruments if any of its debt instruments are accelerated upon an event of default, which could force the Company into bankruptcy or liquidation.

Any downgrade in the credit ratings assigned to the Company or its debt securities could increase future borrowing costs, adversely affect the availability of new financing and may result in increased collateral requirements under the Company's existing surety bond portfolio.

There can be no assurance that any rating currently assigned by Standard & Poor's Rating Services or Moody's Investors Service to the Company or its debt securities will remain unchanged for any given period of time or that a rating will not be lowered if, in that rating agency's judgment, future circumstances relating to the basis of the rating so warrant. If the Company is unable to maintain its outstanding debt and financial ratios at levels acceptable to the credit rating agencies, or should the Company's business prospects or financial results deteriorate, including as a result of declines in silver and gold prices or other factors beyond our control, our ratings could be downgraded by the rating agencies. A downgrade by the rating agencies could adversely affect the value of the Company's outstanding debt securities, its existing debt, and its ability to obtain new financing on favorable terms, if at all, increase borrowing costs, and may result in increased collateral requirements under the Company's existing surety bond portfolio, which in turn may adversely affect the Company's results of operations and financial position.

The Company's business is subject to U.S. Foreign Corrupt Practices Act and similar worldwide anti-bribery laws, a breach or violation of which could lead to civil and criminal fines and penalties, loss of licenses or permits and reputational harm.

The Company operates in certain jurisdictions that have experienced governmental and private sector corruption to some degree. The U.S. Foreign Corrupt Practices Act and anti-bribery laws in other jurisdictions generally prohibit companies and their intermediaries from making improper payments for the purpose of obtaining or retaining business or other commercial advantage. Violations of these laws, or allegations of such violations, could lead to civil and criminal fines and penalties, litigation, and loss of operating licenses or permits, and may damage the Company's reputation, which could have a material adverse effect on the Company's business, financial position and results of operations. The Company's Code of Business Conduct and Ethics and other corporate policies mandate compliance with these anti-bribery laws; however, there can be no assurance that the Company's internal control policies and procedures always will protect it from recklessness, fraudulent behavior, dishonesty or other inappropriate acts committed by the Company's affiliates, employees or agents. As such, the Company's corporate policies and processes may not prevent all potential breaches of law or other governance practices.

A significant delay or disruption in sales of concentrates as a result of the unexpected discontinuation of purchases by smelters could have a material adverse effect on results of operations.

The Company currently sells its gold concentrates from the Kensington mine to one third-party smelter in China. The loss of this smelter could have a material adverse effect on the Company if alternative smelters are unavailable. The Company cannot ensure that alternative smelters would be available or offer comparable terms if the need for them were to arise or that it would not experience delays or disruptions in sales that would materially and adversely affect results of operations.

There are significant hazards associated with mining activities, some of which may not be fully covered by insurance.

The mining business is subject to risks and hazards, including environmental hazards, industrial accidents, the encountering of unusual or unexpected geological formations, cave-ins, flooding, earthquakes and periodic interruptions due to inclement or hazardous weather conditions. These occurrences could result in damage to, or destruction of, mineral properties or production facilities, personal injury or death, environmental damage, reduced production and delays in mining, asset write-downs, monetary losses and possible legal liability.

Insurance fully covering many environmental risks, including potential liability for pollution or other hazards as a result of disposal of waste products occurring from exploration and production, is not generally available. Any

liabilities that the Company incurs for these risks and hazards could be significant and could adversely affect results of operations, cash flows and financial condition.

The Company is subject to significant governmental regulations, including the Federal Mine Safety and Health Act, and related costs and delays may negatively affect its business.

Mining activities are subject to extensive federal, state, local and foreign laws and regulations governing environmental protection, natural resources, prospecting, development, production, post-closure reclamation, taxes, labor standards and occupational health and safety laws and regulations, including mine safety, toxic substances and other matters. The costs associated with compliance with such laws and regulations are substantial. Changes in existing laws (including recent changes to U.S. tax laws), possible future laws and regulations, or more restrictive interpretations of current laws and regulations by governmental authorities, could cause additional expense, capital expenditures, restrictions on or suspensions of operations and delays in the development of new properties.

U.S. surface and underground mines like the Kensington, Rochester and Wharf mines are continuously inspected by the U.S. Mine Safety and Health Administration (“MSHA”), which inspections often lead to notices of violation. Recently, MSHA has been conducting more frequent and more comprehensive inspections of mining operations in general.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, which may require corrective measures including capital expenditures, installation of additional equipment or remedial actions. In addition, any of the Company’s U.S. mines could be subject to a temporary or extended shutdown as a result of a violation alleged by MSHA. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may be subject to civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Any such penalties, fines, sanctions or shutdowns could have a material adverse effect on the Company’s business and results of operations.

Compliance with environmental regulations and litigation based on environmental regulations could require significant expenditures.

Environmental regulations mandate, among other things, the maintenance of air and water quality standards, land development and land reclamation, and set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner that may require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for mining companies and their officers, directors and employees. The Company may incur environmental costs that could have a material adverse effect on financial condition and results of operations. Any failure to remedy an environmental problem could require it to suspend operations or enter into interim compliance measures pending completion of the required remedy. The environmental standards that ultimately may be imposed at a mine site affect the cost of remediation and could exceed the financial accruals that the Company has made for such remediation. The potential exposure may be significant and could have a material adverse effect on the Company’s financial condition and results of operations.

Moreover, governmental authorities and private parties may bring lawsuits based upon damage to property and injury to persons resulting from the environmental, health and safety impacts of prior and current operations, including operations conducted by other mining companies many years ago at sites located on properties that the Company currently or formerly owned. These lawsuits could lead to the imposition of substantial fines, remediation costs, penalties and other civil and criminal sanctions. Substantial costs and liabilities, including for restoring the environment after the closure of mines, are inherent in the Company’s operations. The Company cannot assure that any such law, regulation, enforcement or private claim would not have a material adverse effect on its financial condition, results of operations or cash flows.

Some of the mining wastes from the Company’s U.S. mines currently are exempt to a limited extent from the extensive set of EPA regulations governing hazardous waste under the Resource Conservation and Recovery Act (“RCRA”). If the EPA were to repeal this exemption, and designate these mining wastes as hazardous under RCRA, the Company would be required to expend additional amounts on the handling of such wastes and to make significant expenditures to construct hazardous waste storage or disposal facilities. In addition, if any of these wastes causes contamination in or damage to the environment at a U.S. mining facility, that facility could be designated as a “Superfund” site under the Comprehensive Environmental Response, Compensation, and Liability Act (“CERCLA”). Under CERCLA, any present owner or operator of a Superfund site or the owner or operator at the time of contamination may be held jointly and severally liable regardless of fault, and may be forced to undertake extensive remedial cleanup action or to pay for the cleanup efforts. The owner or operator also may be liable to federal, state and tribal governmental entities for the cost

of damages to natural resources, which could be substantial. Additional regulations or requirements also are imposed on the Company's tailings and waste disposal areas in Alaska under the federal Clean Water Act ("CWA"), in Nevada under the Nevada Water Pollution Control Law which implements the CWA, and in South Dakota under the South Dakota Water Pollution Control Act and the Administrative Rules of the State of South Dakota. In addition, proposed CERCLA regulations requiring mining companies to obtain supplemental financial assurance could, if adopted, have a material adverse effect on results of operations and cash flows.

Airborne emissions are subject to controls under air pollution statutes implementing the Clean Air Act in Nevada, Alaska and South Dakota. In addition, there are numerous legislative and regulatory initiatives related to climate change, reductions in greenhouse gas emissions, or energy policy and adoption of these initiatives through legislative actions or administrative policy could have a material adverse effect on results of operations and cash flows.

In addition, U.S. environmental conservation efforts could result in the withdrawal of certain federal lands from mineral entry under the Mining Law, which could have the effect of restricting the Company's current or future planned activities involving its unpatented mining claims on the affected public lands.

The Company is required to obtain and renew governmental permits in order to conduct operations, a process which is often costly and time-consuming. The Company's ability to obtain necessary government permits to expand operations or begin new operations can be materially affected by third party activists.

In the normal course of its business, the Company is required to obtain and renew governmental permits for exploration, operations and expansion of existing operations and for the development of new projects. Obtaining and renewing governmental permits is a complex and time-consuming process. The timeliness and success of permitting efforts are contingent upon many variables not within the Company's control, including the interpretation of permit approval requirements administered by the applicable permitting authority. The Company may not be able to obtain or renew permits that are necessary to its operations or the cost and time required to obtain or renew permits may exceed the Company's expectations. Any unexpected delays or costs associated with the permitting process could delay the development or impede the operation of a mine, which in turn could materially adversely affect the Company's revenues and future growth. In addition, key permits and approvals may be revoked or suspended or may be changed in a manner that adversely affects the Company's operations.

Private parties such as environmental activists frequently attempt to intervene in the permitting process and to persuade regulators to deny necessary permits or seek to overturn permits that have been issued. Obtaining the necessary governmental permits is a complex and time-consuming process involving numerous jurisdictions and often involving public hearings and costly undertakings. These third party actions can materially increase the costs and cause delays in the permitting process and could cause the Company to not proceed with the development or expansion of a mine. In addition, the Company's ability to successfully obtain key permits and approvals to explore for, develop, operate and expand mines and to conduct its operations will likely depend on the Company's ability to develop, operate, expand and close mines in a manner that is consistent with the creation of social and economic benefits in the surrounding communities, which may or may not be required by law. The Company's ability to obtain permits and approvals and to successfully operate in particular communities may be adversely impacted by real or perceived detrimental events associated with its activities or those of other mining companies affecting the environment, human health and safety of communities in which it operates.

If future permitting applications or amendments are not approved on a timely basis or at all, or if the permitting process is delayed for any reason, including to address public comments, the Company's plans for continued operations and future growth could be materially adversely affected, which could have a material adverse effect on the Company's financial condition and results of operations.

Significant investment risks and operational costs are associated with exploration and development activities. These risks and costs may result in lower economic returns and may adversely affect the Company's business.

The Company's ability to sustain or increase its present production levels depends in part on successful exploration and development of new ore bodies and expansion of existing mining operations. Substantial expenditures are required to establish ore reserves, to extract metals from ores and, in the case of new properties, to construct mining and processing facilities.

Mineral exploration, particularly for silver and gold, involves many risks and is frequently unproductive. Even if mineral deposits are found, those deposits may be insufficient in quantity and quality to return a profit from production, or it may take a number of years until production is possible, during which time the economic viability of the project may change. Few properties that are explored are ultimately developed into producing mines. The commercial viability of a mineral deposit, once developed, depends on a number of factors, including: the particular

attributes of the deposit, such as size, grade and proximity to infrastructure; government regulations including taxes, royalties and land tenure; land use; importing and exporting of minerals; environmental protection; mineral prices; and issuance and maintenance of necessary permits. Factors that affect adequacy of infrastructure include: reliability of roads, bridges, power sources and water supply; unusual or infrequent weather phenomena; sabotage; and government or other interference in the maintenance or provision of such infrastructure. All of these factors are highly cyclical. The exact effect of these factors cannot be accurately predicted, but the combination may result in not receiving an adequate return on invested capital.

In addition, exploration projects, such as the Company's La Preciosa project, may have no operating history upon which to base estimates of future operating costs and capital requirements. Exploration project items such as estimates of reserves, metal recoveries and cash operating costs are to a large extent based upon the interpretation of geologic data, obtained from a limited number of drill holes and other sampling techniques, and feasibility studies. Estimates of cash operating costs are then derived based upon anticipated tonnage and grades of ore to be mined and processed, the configuration of the ore body, expected recovery

rates of metals from the ore, comparable facility and equipment costs, anticipated climate conditions and other factors. As a result, actual operating costs and economic returns of any and all exploration projects may materially differ from the costs and returns estimated, and accordingly, the Company's financial condition, results of operations and cash flows may be negatively affected.

The significant and sustained decline in gold and silver prices in recent years caused the Company to write down certain of its long-lived assets and, in the future, declines in relevant metal prices could cause one or more of the Company's mining properties to become less profitable, which could require the Company to record additional write-downs of long-lived assets. Such write-downs may adversely affect the Company's results of operations and financial condition.

The Company reviews its long-lived assets for recoverability pursuant to the Financial Accounting Standard Board's Accounting Standards Codification Section 360. Under that standard, the Company reviews the recoverability of its long-lived assets, such as its mining properties, upon a triggering event. Such review involves the Company estimating the future undiscounted cash flows expected to result from the use and eventual disposition of the asset. Impairment, measured by comparing an asset's carrying value to its fair value, must be recognized when the carrying value of the asset exceeds these cash flows. The Company conducts a review of the financial performance of its mines in connection with the preparation of its financial statements for each reported period and determines whether any triggering events are indicated.

In prior years, the Company's assessment of the recoverability of its long-lived assets resulted in write-downs in the Company's Statement of Comprehensive Income (Loss) and reduced the carrying value of Mining properties and Property, plant, and equipment on the Company's balance sheet. See Note 4 -- Write-Downs in the notes to the Consolidated Financial Statements for further detail.

If there are further significant and sustained declines in relevant metal prices, or if the Company fails to control production and operating costs or realize the mineable ore reserves at its mining properties, the Company may terminate or suspend mining operations at one or more of its properties. These events could require a further write-down of the carrying value of the Company's assets. Any such actions would adversely affect the Company's results of operations and financial condition.

The Company may record other types of charges in the future if it sells a property for a price less than its carrying value or has to increase reclamation liabilities in connection with the closure and reclamation of a property. Any additional write-downs of mining properties could adversely affect the Company's results of operations and financial condition.

The Company's use of derivative contracts to protect against market price volatility exposes it to risk of opportunity loss, mark-to-market fair value adjustments and exposure to counterparty credit risk.

From time to time, the Company may enter into price risk management contracts to protect against fluctuations in the price of silver, gold, zinc and lead, foreign currency rates and changes in the prices of fuel and other input costs. These contracts could include forward sales or purchase contracts, futures contracts, purchased or sold put and call options and other derivative instruments.

The use of derivative instruments can expose the Company to risk of an opportunity loss and may also result in significant mark-to-market fair value adjustments, which may have a material adverse impact on reported financial results. The Company is exposed to credit risk with contract counterparties, including, but not limited to, sales contracts and derivative contracts. In the event of nonperformance in connection with a contract, the Company could be exposed to a loss of value for that contract.

Forward sales, royalty arrangements, and certain derivative instruments can result in limiting the Company's ability to take advantage of increased metal prices while increasing its exposure to lower metal prices.

The Company has in the past entered into, and may in the future enter into, arrangements under which it (or a mine acquired by the Company) has agreed to make royalty or similar payments to lenders or other third parties in amounts that are based on expected production and price levels for silver or gold. The Company enters into such arrangements when it concludes that they provide it with necessary capital to develop a specific mining property or to achieve other business objectives. Royalty or similar payment obligations, however, can limit the Company's ability to realize the full effects of rising gold or silver prices and may require the Company to make potentially significant cash payments if the mine fails to achieve specified minimum production levels.

The Company is dependent upon information technology systems, which are subject to disruption, damage, failure and risks associated with implementation and integration.

The Company's information technology systems used in its operations are subject to disruption, damage or failure from a variety of sources, including, without limitation, computer viruses, security breaches, cyber-attacks, natural disasters and defects in design. Cybersecurity incidents, in particular, are evolving and include, but are not limited to, malicious software, attempts to gain unauthorized access to data and other electronic security breaches that could lead to disruptions in systems, unauthorized release of confidential or otherwise protected information and the corruption of data. Various measures have been implemented to manage the Company's risks related to information technology systems and network disruptions. However, given the unpredictability of the timing, nature and scope of information technology disruptions, the Company could potentially be subject to production downtimes, operational delays, the compromising of confidential or otherwise protected information, destruction or corruption of data, security breaches, other manipulation or improper use of our systems and networks or financial losses from remedial actions, any of which could have a material adverse effect on cash flows, financial condition or results of operations.

The Company could also be adversely affected by system or network disruptions if new or upgraded information technology systems are defective, not installed properly or not properly integrated into operations. Various measures have been implemented to manage the risks related to the system implementation and modification, but system modification failures could have a material adverse effect on the Company's business, financial position and results of operations.

The Company's business depends on good relations with, and the retention and hiring of, employees.

The Company may experience labor disputes, work stoppages or other disruptions in production that could adversely affect its business and results of operations. Labor disruptions may be used to advocate labor, political or social goals, particularly at non-U.S. mines. For example, labor disruptions may occur in sympathy with strikes or labor unrest in other sectors of local economies. During the past several years, two of the Company's mines have experienced work stoppages, each of which was resolved within a short period of time and had no material effect on results of operations or financial condition. The Company cannot assure that work stoppages or other disruptions will not occur in the future. Any such work stoppage or disruption could expose the Company to significant costs and have a material adverse effect on its business, results of operations or financial condition.

At December 31, 2017, unions represented approximately 7% of the Company's global workforce, all of which were comprised of workers at the San Bartolomé mine in Bolivia. Manquiri has a labor agreement at the San Bartolomé mine which is in effect for 2018. The Company cannot predict whether this agreement will be renewed on similar terms or at all, whether future labor disruptions will occur or, if disruptions do occur, how long they will last.

We compete with other mining companies to attract and retain key executives, skilled labor, contractors and other employees. We may be unable to continue to attract and retain skilled and experienced employees, which could have an adverse effect on our competitive position or adversely impact our results of operations or financial condition.

Disputes regarding the Company's mining claims, concessions or surface rights to land in the vicinity of the Company's mining projects could adversely impact operations.

The validity of mining or exploration claims, concessions or rights, which constitute most of the Company's property holdings, is often uncertain and may be contested. The Company has used commercially reasonable efforts, in accordance with industry standard, to investigate its title or claims to its various properties, however, no assurance can be given that applicable governments will not revoke or significantly alter the conditions of the applicable exploration and mining claims, concessions or rights or that such exploration and mining claims, concessions or rights will not be challenged by third parties. Although the Company has attempted to acquire satisfactory title to undeveloped

properties, in accordance with mining industry practice it does not generally obtain title opinions until a decision is made to develop a property. As a result, some titles, particularly titles to undeveloped properties may be defective. Defective title to any of the Company's exploration and mining claims, concessions or rights could result in litigation, insurance claims and potential losses affecting its business as a whole. There may be challenges to the title of any of the claims comprising the Company's projects that, if successful, could impair development and operations. A defect could result in the Company losing all or a portion of its right, title, estate and interest in and to the properties to which the title defect relates.

In Mexico, while mineral rights are administered by the federal government through federally issued mining concessions, federally recognized agrarian communities called ejidos control surface or surface access rights to the land. An ejido may sell or lease lands directly to a private entity. While the Company has agreements or is in the process of negotiating agreements with the ejidos that impact all of its projects in Mexico, some of these agreements may be subject to renegotiation.

Continuation of the Company's mining operations is dependent on the availability of sufficient and affordable water supplies.

The Company's mining operations require significant quantities of water for mining, ore processing and related support facilities. In particular, the Company's properties in Mexico are in areas where water is scarce and competition among users for continuing access to water is significant. Continuous production and mine development is dependent on the Company's ability to acquire and maintain water rights and claims and to defeat claims adverse to current water uses in legal proceedings. Although each of the Company's operating mines currently has sufficient water rights and claims to cover its operational demands, the Company cannot predict the potential outcome of pending or future legal proceedings relating to water rights, claims and uses. Water shortages may also result from weather or environmental and climate impacts out of the Company's control, such as the drought conditions in Bolivia that have significantly negatively impacted 2017 operations at the San Bartolomé mine. Shortages in water supply could result in production and processing interruptions. In addition, the scarcity of water in certain regions could result in increased costs to obtain sufficient quantities of water to conduct the Company's operations. The loss of some or all water rights, in whole or in part, or ongoing shortages of water to which we have rights or significantly higher costs to obtain sufficient quantities of water (or the failure to procure sufficient quantities of water) could result in the Company's inability to maintain production at current or expected levels, require the Company to curtail or shut down mining production and could prevent the Company from pursuing expansion or development opportunities, which could adversely affect the Company's results of operations and financial condition. Laws and regulations may be introduced in some jurisdictions in which the Company operates which could also limit access to sufficient water resources, thus adversely affecting the Company's operations.

The Company is subject to litigation and may be subject to additional litigation in the future.

The Company is currently, and may in the future become, subject to other litigation, arbitration or proceedings with other parties. If decided adversely to the Company, these legal proceedings, or others that could be brought against the Company in the future, could have a material adverse effect on our financial position or prospects. For a more detailed discussion of pending litigation, see Note 21 to the Consolidated Financial Statements. In the event of a dispute arising at the Company's foreign operations, the Company may be subject to the exclusive jurisdiction of foreign courts or arbitral panels, or may not be successful in subjecting foreign persons to the jurisdiction of courts or arbitral panels in the United States. The Company's inability to enforce its rights and the enforcement of rights on a prejudicial basis by foreign courts or arbitral panels could have an adverse effect on the Company's results of operations and financial position.

The Company has the ability to issue additional equity securities, including in connection with an acquisition of other companies, which would lead to dilution of its issued and outstanding common stock and may materially and adversely affect the price of its common stock.

The issuance of additional equity securities or securities convertible into equity securities, whether to acquire new companies or businesses or for other strategic benefits, would result in dilution of the Company's existing stockholders' equity ownership. The Company is authorized to issue, without stockholder approval, 10.0 million shares of preferred stock in one or more series, to establish the number of shares to be included in each series and to fix the designation, powers, preferences and relative participating, optional, conversion and other special rights of the shares of each series as well as the qualification, limitations or restrictions on each series. Any series of preferred stock could contain dividend rights, conversion rights, voting rights, terms of redemption, redemption prices, liquidation preferences or other rights superior to the rights of holders of its common stock. If the Company issues additional equity securities, the price of its common stock may be materially and adversely affected.

Holders of our common stock may not receive dividends.

We have not historically declared cash dividends on our common stock. Holders of our common stock are entitled to receive only such dividends as our Board of Directors may declare out of funds legally available for such payments. We are incorporated in Delaware and governed by the Delaware General Corporation Law. Delaware law allows a corporation to pay dividends only out of surplus, as determined under Delaware law or, if there is no surplus, out of net profits for the fiscal year in which the dividend was declared and for the preceding fiscal year. Under Delaware law, however, we cannot pay dividends out of net profits if, after we pay the dividend, our capital would be less than the capital represented by the outstanding stock of all classes having a preference upon the distribution of assets. Our ability to pay dividends will be subject to our future earnings, capital requirements and financial condition, as well as our compliance with covenants related to existing or future indebtedness and would only be declared in the discretion of our Board of Directors.

The Company's operations in Bolivia are subject to political risks.

Until the Manquiri Divestiture closes, the Company remains subject to political risks associated with operating in Bolivia. In response to conflicts between local mining cooperatives and the Bolivian government, on September 1, 2016, the Bolivian

government issued Supreme Decree No. 2891, and on October 24, 2016, Law 845, which impose tighter restrictions on mining cooperatives, including reversion of mining areas leased to the mining cooperatives by COMIBOL that are subject to joint venture agreements, leases or subleases with third parties to the Bolivian state. The Company's wholly-owned subsidiary, Manquiri is currently party to various JV Agreements with local cooperatives and has also entered in to mining contracts directly with COMIBOL (which are not impacted by the decree). Although Bolivian government officials have made public statements that the decree will not impact Manquiri's ability to continue operations in the areas subject to the JV Agreements and the JV Agreements continue to be formally in existence, any cancellation of leases between COMIBOL and the applicable mining cooperatives and/or the JV Agreements will require negotiation of and entry into contracts directly with COMIBOL to continue mining operations at the affected areas, which could have an adverse impact on financial condition, results of operations and cash flows. In January 2017, an interim permit was granted to Manquiri allowing for continuation of mining operations in the areas subject to the JV Agreements pending negotiation of contracts directly with COMIBOL.

In addition, the potential effects of the Bolivian mining law enacted in 2014 remain uncertain until the regulations implementing the law are accompanied by a new contractual structure. The law regulates royalties and provides for mining contracts with the government rather than concession holding. The regulations promulgated under the new mining law may mandate a renegotiation of the terms of Manquiri's existing contracts with COMIBOL, this could materially adversely affect the profitability and cash flow of Manquiri's operations in Bolivia.

In addition, companies in Bolivia are also operating under Law No. 403 of September 18, 2013, and its regulatory Supreme Decree, which provides for the reversion of mining rights if the Ministry of Mines verifies that a person with mining rights has not initiated mining activities or developed the mining rights. The contracts with COMIBOL and the cooperatives are excluded from the application of Law No. 403. In April 2014, Manquiri was served by the Bolivian government with a reversion decision affecting nine mining rights wholly-owned by Manquiri. The affected area is not in an area of active mining by Manquiri and the Manquiri's San Bartolomé operations were not targeted as an area of interest in the decision since all of our past and current mining activity is performed through our contracts with COMIBOL and the mining cooperatives.

It is also uncertain if any new mining or investment policies or shifts in political attitude may affect mining in Bolivia.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

MINING PROPERTIES

Coeur Mining's significant production and development properties are described below. Operating statistics are presented in the section entitled "Operating Statistics" below.

Mexico — Palmarejo

The Palmarejo complex consists of (1) the Palmarejo processing facility; (2) the Guadalupe underground mine, located about eight kilometers southeast of the Palmarejo mine; (3) the Independencia underground mine, located approximately 800

meters northeast of the Guadalupe underground mine; and (4) other nearby deposits and exploration targets. The Palmarejo complex is located in the state of Chihuahua, Mexico. Access to the property is provided by air, rail, and all-weather paved and gravel roads from the state capitol of Chihuahua. Silver and gold production from the Palmarejo complex was approximately 7.2 million ounces and 121,569 ounces in 2017, respectively. At December 31, 2017, we reported 47.0 million ounces of silver reserves and 706,000 ounces of gold reserves at the Palmarejo complex.

The Palmarejo complex consists of 79 wholly-owned mining concessions, covering approximately 112,520 acres (45,535.18 hectares) of land. In total, the Palmarejo complex covers over 175 square miles. All mining concessions owned by Coeur Mexicana are valid until at least 2029.

The Palmarejo complex is located on the western flank of the Sierra Madre Occidental, a mountain range that comprises the central spine of northern Mexico. The north-northwest trending Sierra Madre Occidental is composed of a relatively flat-lying sequence of Tertiary volcanic rocks that forms a volcanic plateau, cut by numerous igneous intrusive rocks. This volcanic plateau is deeply incised in the Palmarejo mine area, forming steep-walled canyons. The Sierra Madre Occidental gives way to the west to an extensional terrain that represents the southward continuation of the Basin and Range Province of the western United States, and then to the coastal plain of western Mexico.

The gold and silver deposits at the Palmarejo complex, typical of many of the other silver and gold deposits in the Sierra Madre, are classified as epithermal deposits and are hosted in multiple veins, breccias, and fractures. These geologic structures trend generally northwest to southeast and dip either southwest or northeast. The dip on the structures ranges from about 45 degrees to 70 degrees. In the mineralized portions of the structures, gold and silver are zoned from top to bottom with higher silver values occurring in the upper parts of the deposit and higher gold values in the lower parts, sometimes accompanied by base metal mineralization, though local variations are common. The Palmarejo complex contains a number of mineralized zones or areas of interest. The most important of these to date is the Palmarejo zone in the north of the mining concessions, which covers the old Palmarejo gold-silver mine formed at the intersection of the northwest-southeast trending La Prieta and La Blanca gold-and-silver bearing structures. In addition to the Palmarejo zone, other mineralized vein and alteration systems in the district area have been identified all roughly sub-parallel to the Palmarejo zone. The most significant of these additional targets are the Guadalupe (including Animas), Independencia, and La Patria vein systems in the southern part of the property, which are currently under development (Guadalupe and Independencia) and exploration (La Patria) by the Company.

A portion of the Palmarejo complex (which excludes the properties acquired in the 2015 Paramount Gold & Silver Corp. acquisition) is subject to a gold stream agreement with a subsidiary of Franco-Nevada Corporation pursuant to which Coeur Mexicana sells 50% of applicable gold production for the lesser of \$800 or spot price per ounce.

USA (Nevada) — Rochester

The Rochester mine, and associated heap leach facilities, is an open pit silver and gold mine located in Pershing County, Nevada, approximately thirteen miles northeast of the city of Lovelock. The Company owns 100% of the Rochester mine through Coeur Rochester. The mine consists of the main Rochester deposit and the adjacent Nevada Packard deposit, southwest of the Rochester mine. The Rochester mine is fully supported with electricity, supplied by a local power company on their public grid, telephone and radio communications, production water wells, and processing, maintenance, warehouse, and office facilities. Ore is mined using conventional open pit methods, with gold and silver recovered by heap leaching of crushed open-pit ore placed on pads located within the Rochester mining area. Based upon actual operating experience and metallurgical testing, the Company estimates ultimate recovery rates from the crushed ore of 61.5% for silver, depending on the ore being leached, and 92.5% for gold. Silver and gold production from Rochester was approximately 4.7 million ounces and 51,051 ounces in 2017, respectively. At December 31, 2017, we reported 117.6 million ounces of silver reserves and 757,000 ounces of gold reserves at the Rochester mine.

Coeur Rochester lands consist of approximately 16,494 net acres, which encompasses 733 Federal unpatented lode claims, appropriating approximately 11,075 net acres of Public Land, 21 patented lode claims, consisting of approximately 357 acres, interests owned in approximately 4,794 gross acres of additional real property and certain rights in and to approximately 269 acres, held either through lease, letter agreement or license.

The Company acquired the Rochester property from ASARCO in 1983 and commenced mining in 1986. No mining or processing was conducted at Rochester by the prior owner. The Company acquired its initial interest in the adjacent

Nevada Packard property in 1996, completed the full purchase in 1999 and commenced mining in 2003. However, mining of the Nevada Packard property has since ceased. The prior owner conducted very limited mining and processing at Nevada Packard. Collectively, the Rochester and Nevada Packard properties, together with other adjacent and contiguous lands subsequently acquired, comprise the Rochester silver and gold processing operation. The Federal unpatented lode claims are maintained via annual filings and timely payment of claim maintenance fees to the BLM, which acts as administrator of the claims.

At Rochester, silver and gold mineralization is hosted in folded and faulted volcanic rocks of the Rochester Formation and overlying Weaver Formation. Silver and gold, consisting of silver sulfosalt minerals, argentite, silver-bearing tetrahedrite and minor native gold, are contained in zones of multiple quartz veins and veinlets (vein, vein swarms and stockworks) with variable amounts of pyrite.

The Company is obligated to pay a NSR royalty to ASARCO, the prior owner, when the average quarterly market price of silver equals or exceeds \$23.60 per ounce indexed for inflation up to a maximum rate of 5% with the condition that the Rochester mine achieves positive cash flow for the applicable year. If cash flow is negative in any calendar year, the maximum royalty payable is \$250,000.

Coeur Rochester was obligated to pay a 3.4% NSR royalty on up to 39.4 million silver equivalent ounces produced and sold from a portion of the Rochester mine (including stockpile ore, mineral processing facilities and mining claims located in the Sections set forth in the NSR royalty agreement) commencing January 1, 2014. In May 2017, the Company repurchased the Rochester royalty obligation.

USA (Alaska) — Kensington

The Kensington underground gold mine and associated milling facilities are located on the east side of the Lynn Canal about 45 miles north-northwest of Juneau, Alaska. The Company controls 100% of the mine through Coeur Alaska. The mine is accessed by a horizontal tunnel and utilizes conventional and mechanized underground mining methods. Ore is processed in a flotation mill that produces a concentrate that is sold to third party smelters. Waste material is deposited in an impoundment facility on the property. Power is supplied by on-site diesel generators. Access to the mine is by either a combination of road vehicles, boat, helicopter, floatplane, or by boat direct from Juneau. Gold production from the Kensington mine was 115,094 ounces in 2017. At December 31, 2017, we reported 520,000 ounces of gold reserves at the Kensington mine.

Coeur Alaska controls two contiguous property groups: the Kensington Group and Jualin Group. The Kensington Group, totaling approximately 3,969 net acres, consists of 51 patented lode and patented mill site claims comprising approximately 766 net acres, 284 Federal unpatented lode claims covering approximately 3,108 net acres, and 13 State of Alaska mining claims covering approximately 95 net acres. The Jualin Group, totaling approximately 8,366 net acres, is comprised of 23 patented lode and patented mill site claims covering approximately 388 net acres, 471 Federal unpatented lode claims and 1 Federal unpatented mill site claim appropriating approximately 7,916 net acres, a State of Alaska upland mining lease comprising approximately 682 acres, one State of Alaska mining claim comprising approximately three acres and four State-selected mining claims covering approximately 70 acres. 14 of the 23 patented lode claims cover private surface estate only. The mineral estate to these 14 patented lode claims is owned by the State of Alaska, the mineral rights to which are secured by a State of Alaska upland mining lease. The Company controls properties comprising the Jualin Group, under a lease agreement with Hyak Mining Company, which is valid until August 5, 2035 and thereafter, provided mining and production are actively occurring within and from the leased premises.

The Federal unpatented lode and Federal unpatented mill site claims are maintained via annual filings and timely payment of claim maintenance fees to the BLM, which acts as administrator of the claims. State of Alaska mining claims and upland mining leases are maintained via fees and filings to the Alaska Department of Natural Resources, Division of Mining, Land and Water and the Juneau Recorder's Office. Real property taxes are paid annually to the City and Borough of Juneau for the patented lode claims. Private lease payments are paid annually and all leases are in good standing.

The Kensington ore deposit consists of multiple gold bearing mesothermal, quartz, carbonate and pyrite vein swarms and discrete quartz-pyrite veins hosted in Cretaceous-aged Jualin diorite. Most of the gold is contained in calaverite (AuTe₂) that occurs in association with native gold as inclusions in and interstitial to pyrite grains and in microfractures in pyrite.

USA (South Dakota) — Wharf

The Wharf mine is located in the northern Black Hills of western South Dakota, approximately four miles south and west of the city of Lead, South Dakota. Access is established by paved road with power supplied by a local power company. Coeur acquired the Wharf mine in 2015 and owns all of the issued and outstanding equity interests in Wharf and its wholly-owned subsidiary, Golden Reward Mining Limited Partnership ("Golden Reward"), the owners of the

Wharf mine. Gold production from the Wharf mine was 95,372 ounces in 2017. At December 31, 2017, we reported 869,000 ounces of gold reserves at Wharf.

There are two contiguous property groups located at the Wharf mine; the Wharf Group and the Golden Reward Group, owned or controlled by wholly-owned subsidiaries of Coeur and Wharf Resources. The Wharf Group is generally described as the northern and western portions of the project, while the Golden Reward Group is generally described as the southern and eastern portion of the project.

The Wharf Group comprises 362 patented lode claims, 35 government lots, 123 subdivided lots, and 59 federal unpatented lode claims. The Wharf Group is comprised of approximately 3,599 net acres of surface, 652 net mineral acres where both the Precambrian and younger formations are owned or controlled, 3,243 net mineral acres of non-Precambrian mineral estate, and

1,603 net mineral acres of Precambrian mineral estate and 287 net acres of federal unpatented lode claims. The Golden Reward Group encompasses 218 patented lode claims, 14 government lots, 19 subdivided lots and 34 federal unpatented lode claims. The Golden Reward Group is comprised of approximately 1,563 net acres of surface estate, 2,987 net mineral acres of mineral estate where both the Precambrian and younger formations are owned or controlled, 357 net mineral acres of Non-Precambrian mineral estate, 153 net mineral acres of Precambrian mineral estate and 25 net acres of federal unpatented lode claims.

The federal unpatented lode claims are maintained by the timely annual payment of claim maintenance fees, payable to the BLM. The patented lands are private land and therefore not subject to federal claim maintenance requirements. However, as private land, they are subject to ad valorem property taxes assessed by Lawrence County, South Dakota, which may be paid semi-annually.

Wharf and Golden Reward are obligated to pay a sliding scale production royalty to Royal Gold, Inc. The royalty encumbers the majority of the land comprising the Wharf Group, together with a small portion of the lands encompassing the Golden Reward Group, and wholly excludes the Precambrian Mineral Estate. The sliding scale provides for a 2.0% royalty on the gross value less state severance taxes with a monthly average PM LBMA Gold Price of \$500 or more per ounce.

Wharf and Golden Reward are also obligated to pay a 3.0% non-participating royalty to Donald D. Valentine, et al, on gold that is produced from ores mined and delivered to heap leach pads or recovered from tailings. This royalty encumbers the mineral estate, including the Precambrian Mineral Estate, of much of the lands comprising the Wharf Group, together with a small portion of the lands encompassing the Golden Reward Group. Wharf holds a right of first refusal to purchase this royalty upon any proposed transfer by the royalty holder.

Canada (British Columbia) — Silvertip

The Silvertip Mine is located in British Columbia, Canada and consists of sixty-four (64) contiguous mineral claims containing 36,485 hectares (90,155.58 acres) and one mining lease containing 1,464 hectares (3,617.62 acres). In total, the Silvertip mine covers an area of approximately 37,949 hectares (93,773 acres). All mineral claims are valid for one year after recording. To maintain a claim, the recorded holder must, on or before the expiry date of the claim, either perform exploration and development work on that claim (or contiguous block of claims) and register such work online, or register a payment instead of exploration and development work.

Coeur Silvertip maintains one mining lease which is also subject to the Mineral Tenure Act regulations. Coeur Silvertip's mining lease covers 1,464 hectares (3,617.62 acres). Mining leases are held by making an annual rental payment of CAD20 per hectare. The mining lease expires 30 years after the grant date which, in this case, is September 1, 2045.

The Company is obligated to pay a 2.5% net smelter returns royalty payable to Maverix Metals, Inc. on all mineral products produced from the Silvertip Mine. The Company is also obligated to pay to Silvertip Resources Investment Cayman Ltd. a net smelter returns royalty of 1.429% on the first 1,434,000 tons of mineralized material mined, and 1.00% thereafter, on all mineral leases that underlie the Silvertip Mine and that were in existence at April 11, 2016. The Company is party to a formal agreement with the Kaska Nation dated December 12, 2013, under which the Company is obligated to make an annual payment to the Kaska Nation that is calculated based on financial performance of the Silvertip mine and can increase or decrease based on the average price of silver for the relevant calendar year.

Bolivia — San Bartolomé

In December 2017, Coeur and certain of its subsidiaries entered into the Manquiri Agreement for the sale by Coeur and its subsidiaries of 100% of the issued and outstanding shares of Manquiri, which operates the San Bartolomé mine. Coeur expects to close the sale of Manquiri during the first quarter of 2018, subject to customary closing conditions.

The San Bartolomé silver mine, and associated milling operation, operated by Manquiri, is located on the flanks of the Cerro Rico mountain bordering the town of Potosí, in the department of Potosí, Bolivia. Access to the property and Manquiri's processing facilities is by paved and all-weather gravel roads leading south-southwest from Potosí. Silver was first discovered in the area around 1545. Mining of silver and lesser amounts of tin and base metals has been

conducted nearly continuously since that time from multiple underground mines driven into Cerro Rico. Silver production from the San Bartolomé mine was approximately 4.3 million ounces in 2017. At December 31, 2017, we reported 4.9 million ounces of silver reserves at the San Bartolomé mine.

The silver mineralization at the San Bartolomé mine is hosted in unconsolidated sediments (pallacos), reworked sediments (sucus and troceras), and oxide stockpiles and dumps (desmontes) from past mining that occurred on Cerro Rico. Cerro Rico is a prominent mountain in the region that reaches an elevation of over 15,400 feet (over 4,700 meters). It is composed of Tertiary-aged volcanic and intrusive rocks that were emplaced into and over older sedimentary, and volcanic, basement rocks. Silver, along with tin and base metals, is located in multiple veins and vein swarms and stockworks that occur in a northeast trending belt, which

transects Cerro Rico. The upper parts of the Cerro Rico mineralized system were subsequently eroded and re-deposited into the flanking gravel deposits. Silver is hosted in all portions of the pallacos, sucus, and troceras with the best grades segregated to the coarser-grained silicified fragments. These deposits lend themselves to simple, free digging surface mining techniques and can be extracted without drilling and blasting. Of the several pallaco deposits that are controlled by Manquiri and surround Cerro Rico, three are of primary importance and are known as Huacajchi, Diablo, and Santa Rita.

The mineral and mining rights for the San Bartolomé mine are held through a mixture of JV Agreements, long-term lease agreements, and Autorizaciones Transitorias Especiales (similar to mining concessions) with seven independent mining cooperatives and the Bolivian state-owned mining organization COMIBOL. See “Item 1. Business - Government Regulation, Maintenance of Claims, Bolivia” for additional information. Manquiri controls three acres (one hectare) of land at San Bartolomé, around Cerro Rico, through these agreements and Autorizaciones Transitorias Especiales. The San Bartolomé agreements expire between 2021 and 2028 and are generally subject to a production royalty payable partially to the cooperatives and partially to COMIBOL. The royalty rate is 3% at silver prices below \$4 per ounce and 6% at prices above \$8 per ounce. Manquiri has additional mining rights, known as the Plahipo project, which include the mining rights to oxide dumps adjacent to the original property package. The oxide dumps included in the Plahipo project are subject to a sliding scale royalty payable to COMIBOL that is a function of silver price. Manquiri incurred royalty payment obligations to COMIBOL and the Cooperatives for these mining rights totaling \$1.7 million and \$2.8 million for the years ended 2017 and 2016, respectively.

NEAR-MINE EXPLORATION

Exploration expense from continuing operations was \$30.3 million, \$12.9 million, and \$11.5 million in 2017, 2016 and 2015, respectively. Capitalized drilling from continuing operations was \$11.6 million in 2017 and \$12.4 million in 2016. Coeur’s exploration program completed over 654,750 feet (199,750 meters) of combined core and reverse circulation drilling in 2017.

Mexico - Palmarejo

Exploration focused primarily on the expansion of the Guadalupe and Independencia underground mines, and several new discoveries including the Zapata and Nación-Dana vein deposits. Additionally, several new veins were discovered and are expected to be drilled with a focus on conversion to mineralized material in 2018. Exploration expense of \$11.9 million related to mapping, sampling, drill target generation, and drilling new silver and gold mineralization (216,662 feet or 66,039 meters). Capitalized drilling of \$3.7 million related to infill resource conversion drilling in the Guadalupe and Independencia ore bodies (72,061 feet or 21,694 meters).

The Company expects \$10.0 million of exploration expense in 2018 to discover and expand mineralization near Guadalupe and Independencia mines, mainly focused on expansion of northern portions of Independencia, expansion of southern portions of Nación-Dana, expansion of southern portions La Bavisa vein, and resource growth of new veins located west and east of the Guadalupe mine. Additionally, the Company is planning to spend \$4.7 million of conversion drilling in the Guadalupe and Independencia ore bodies.

USA (Alaska) - Kensington

Exploration expense of \$8.6 million consisted of 77,730 feet (23,692 meters) while \$5.7 million of conversion drilling completed 61,939 feet (18,879 meters) to expand and define mineralization in the main Kensington and Raven deposits. Exploration focused on testing new veins in the district as well as expansion of the high-grade Jualin deposit, which became the focus of a revised preliminary economic assessment in April 2015. Capitalized drilling was directed at infill drilling in the southern and deeper portions of the main Kensington deposit as well as the Raven vein. In 2018, the Company expects \$3.5 million in exploration expense for additional discovery or expansion of mineralized material at Thomas-Comet-Seward, Jualin, upper Raven and lower Kensington, and \$5.7 million of resource conversion drilling at Jualin, middle and upper Kensington.

USA (South Dakota) - Wharf

Conversion drilling of \$1.0 million completed 30,490 feet (9,293 meters) of drilling primarily within the Portland Main deposit with only a limited amount of exploration discovery drilling (1,290 feet or 393 meters) at Bald Mountain. In 2018, the Company expects exploration expense of \$0.2 million to continue drilling at Bald Mountain

target, and \$0.9 million to complete conversion drilling in the Portland Main and Portland Ridge layback areas.

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USA (Nevada) - Rochester

Exploration expense was \$1.4 million and capitalized drilling was \$1.3 million. Exploration expense consisted of 25,620 feet (7,809 meters) testing areas near Packard Pit, in the South Charlie target area and the new East Rochester deposit, while conversion drilling consisted of 23,238 feet (7,083 meters) mainly within the main Rochester Pit deposit. In 2018, the Company expects \$0.5 million of exploration expense to drill testing several targets around Rochester, including condemnation drilling in support of the next planned leach pads. Additionally, \$1.9 million in conversion drilling is planned to infill South, North and East Rochester mineralized material.

Canada (British Columbia) - Silvertip

At Silvertip, underground development drilling began early during the fourth quarter and targeted conversion of mineralized material, while underground access was undergoing preparation for multiple drill rigs in 2018. The Company expects to spend \$10.0 million on conversion of mineralized material and expansion drilling south and southeast of the Silver Creek mineralized material.

EARLY-STAGE EXPLORATION PROPERTIES

The Company invested \$5.5 million completing target analysis and regional exploration with a focus on projects in Nevada, USA and La Morita, Mexico. A total of 29,185 feet (8,895 meters) of drilling was completed on two projects in the USA; Arabia, Nevada and Astoria, South Dakota, near Wharf. A total of 26,462 feet (8,066 meters) were drilled in Mexico at two projects; Todos Los Santos and La Morita, both in the state of Chihuahua. The Company began applying for drill permits on its lease/option agreement at the Mineral Hill Project, Wyoming, which it expects to receive late 2018. Additionally, four new option agreements were signed in 2017 near Tonopah, Nevada. The Company expects to invest \$6.0 million in 2018 focused on new project reviews, drill target generation on existing projects and drilling at least four early-stage projects in USA and one in Mexico.

STREAMING AND ROYALTY INTERESTS

Australia - Endeavor

In July 2017, the Company sold its interest in a silver stream on the Endeavor mine. The Endeavor mine and associated mill facility is an underground silver and base metal operation in production since 1983 located in north-central New South Wales, Australia, about 30 miles (48 kilometers) northwest of the community of Cobar, accessible by paved road. The ore reserves at Endeavor are covered by five consolidated mining leases issued by the state of New South Wales to Cobar Operations Pty. Limited ("Cobar"), a wholly-owned subsidiary of CBH Resources Ltd., which in turn is a wholly-owned subsidiary of Toho Zinc Co. Ltd. The leases form a contiguous block of 10,121 acres in size and expire between 2019 and 2027. The mine employs bulk mining methods and utilizes a conventional flotation mill to produce a concentrate that is sold to a third-party smelter. Power to the mine and processing facilities is provided by the grid servicing the local communities. Silver production from Endeavor was approximately 0.1 million ounces in 2017. At July 1, 2016, we reported 2.6 million ounces of silver reserves at Endeavor.

ADVANCED-STAGE EXPLORATION PROPERTIES

Mexico - La Preciosa Project

The La Preciosa project is located approximately 52 miles (84 kilometers) northeast of the city of Durango in Durango State, Mexico. The veins at the La Preciosa project have been classified as low- to intermediate-sulfidation type. Two major vein and vein breccia systems are exposed on hills and ridges on either side of an approximately 800 meter wide valley, including the Martha, Abundancia, Gloria, Pica, Luz Elena, Sur, and Nueva veins.

In 2017, the Company produced a new geologic model and subsequently completed 77,648 feet (23,667 meters) of conversion drilling. A revised economic analysis is currently under review.

OPERATING STATISTICS

	Palmarejo			Rochester		
	2017	2016	2015	2017	2016	2015
Ore tons milled/placed	1,498,420	1,788,888	1,616,668	16,440,279	15,555,998	16,414,302
Ore grade silver (oz./ton)	5.62	4.66	3.78	0.53	0.57	0.63
Ore grade gold (oz./ton)	0.09	0.08	0.05	0.003	0.003	0.003
Recovery/Ag oz. (%)	86.0	88.4	84.3	54.0	41.0	44.7
Recovery/Au oz. (%)	90.0	86.5	80.6	105.0	85.9	100.2
Silver produced (oz.)	7,242,084	8,142,164	5,148,612	4,713,574	4,564,138	4,630,738
Gold produced (oz.)	121,569	93,913	70,922	51,051	50,751	52,588
Costs applicable to sales per silver equivalent oz. ⁽¹⁾	\$9.44	\$ 10.72	\$ 14.07	\$ 13.15	\$ 11.90	\$ 12.41
Costs applicable to sales per average spot silver equivalent oz. ⁽¹⁾	\$8.45	\$ 9.73	\$ 12.75	\$ 12.04	\$ 10.97	\$ 11.32

	Kensington			Wharf		
	2017	2016	2015	2017	2016	2015
Ore tons milled	668,720	720,209	660,464	4,560,426	4,268,105	3,600,279
Ore grade gold (oz./ton)	0.18	0.21	0.20	0.03	0.03	0.03
Recovery/Au oz. (%)	93.5	94.8	94.9	—	—	—
Gold produced (oz.)	115,094	124,331	126,266	95,372	109,175	78,132
Costs applicable to sales per gold equivalent oz. ⁽¹⁾	\$922	\$ 795	\$ 803	\$ 697	\$ 606	\$ 706

	San Bartolomé			Endeavor		
	2017	2016	2015	2017	2016	2015
Ore tons milled	1,509,708	1,666,787	1,713,079	133,902	119,430	767,314
Ore grade silver (oz./ton)	3.17	3.69	3.75	1.58	2.48	1.87
Recovery/Ag oz. (%)	89.3	88.8	84.6	50.6	45.6	43.8
Silver produced (oz.)	4,269,645	4,468,898	5,436,353	107,026	147,998	629,167
Costs applicable to sales per silver equivalent oz. ⁽¹⁾	\$17.44	\$ 13.71	\$ 13.80	\$ 6.96	\$ 6.56	\$ 5.72

⁽¹⁾ See Non-GAAP Financial Performance Measures

PROVEN AND PROBABLE RESERVES

Silver Reserves at December 31, 2017⁽¹⁾⁽²⁾⁽³⁾

	Proven Reserves			Probable Reserves			Proven and Probable Reserves				
	Tons (000s)	Grade (oz./ton)	Ounces (000s)	Tons (000s)	Grade (oz./ton)	Ounces (000s)	Tons (000s)	Grade (oz./ton)	Ounces (000s)	Metallurgical Recovery	
Palmarejo ⁽⁴⁾	1,571	3.81	5,978	9,414	4.36	41,033	10,985	4.28	47,011	88	%
Rochester ⁽⁵⁾	195,724	0.45	87,518	77,703	0.39	30,105	273,427	0.43	117,623	61	%
San Bartolomé ⁽⁶⁾	1,640	2.52	4,429	162	2.98	482	1,802	2.55	4,911	88	%
Total Silver	198,935		97,925	87,279		71,620	286,214		169,545		

Gold Reserves at December 31, 2017⁽¹⁾⁽²⁾⁽³⁾

	Proven Reserves			Probable Reserves			Proven and Probable Reserves			
	Tons (000s)	Grade (oz./ton)	Ounces (000s)	Tons (000s)	Grade (oz./ton)	Ounces (000s)	Tons (000s)	Grade (oz./ton)	Ounces (000s)	Metallurgical Recovery
Kensington ⁽⁸⁾	1,284	0.202	254	1,389	0.197	266	2,673	0.199	520	95 %
Palmarejo ⁽⁴⁾	1,571	0.073	115	9,414	0.063	591	10,985	0.064	706	89 %
Rochester ⁽⁵⁾	195,724	0.003	598	77,703	0.002	159	273,427	0.003	757	92 %
Wharf ⁽⁹⁾	18,125	0.027	483	16,560	0.023	386	34,685	0.025	869	79 %
Total Gold	216,704		1,450	105,066		1,402	321,770		2,852	

Silver Reserves at December 31, 2016⁽¹⁾⁽²⁾⁽³⁾

	Proven Reserves			Probable Reserves			Proven and Probable Reserves			
	Tons (000s)	Grade (oz./ton)	Ounces (000s)	Tons (000s)	Grade (oz./ton)	Ounces (000s)	Tons (000s)	Grade (oz./ton)	Ounces (000s)	Metallurgical Recovery
Palmarejo ⁽⁴⁾	1,569	4.44	6,971	7,174	4.72	33,847	8,743	4.67	40,818	88%
Rochester ⁽⁵⁾	143,686	0.48	68,369	101,118	0.43	43,676	244,804	0.46	112,045	61%
San Bartolomé ⁽⁶⁾	5,563	3.32	18,485	765	3.48	2,659	6,328	3.34	21,144	88%
Endeavor ⁽⁷⁾	476	2.48	1,181	753	1.92	1,449	1,229	2.14	2,630	50%
Total Silver	151,294		95,006	109,810		81,631	261,104		176,637	

Gold Reserves at December 31, 2016⁽¹⁾⁽²⁾⁽³⁾

	Proven Reserves			Probable Reserves			Proven and Probable Reserves			
	Tons (000s)	Grade (oz./ton)	Ounces (000s)	Tons (000s)	Grade (oz./ton)	Ounces (000s)	Tons (000s)	Grade (oz./ton)	Ounces (000s)	Metallurgical Recovery
Kensington ⁽⁸⁾	1,133	0.194	220	1,483	0.187	277	2,616	0.190	497	95%
Palmarejo ⁽⁴⁾	1,569	0.080	126	7,174	0.065	466	8,743	0.068	592	89%
Rochester ⁽⁵⁾	143,686	0.004	503	101,118	0.003	300	244,804	0.003	803	92%
Wharf ⁽⁹⁾	9,453	0.031	294	15,581	0.022	345	25,034	0.026	639	95%
Total Gold	155,841		1,143	125,356		1,388	281,197		2,531	

(1) Certain definitions:

The term “reserve” means that part of a mineral deposit that can be economically and legally extracted or produced at the time of the reserve determination.

The term “proven (measured) reserves” means reserves for which (a) quantity is computed from dimensions revealed in outcrops, trenches, workings or drill holes, grade and/or quality are computed from the results of detailed sampling; and (b) the sites for inspection, sampling and measurements are spaced so closely and the geologic character is sufficiently defined that size, shape, depth and mineral content of reserves are well established.

The term “probable (indicated) reserves” means reserves for which quantity and grade and/or quality are computed from information similar to that used for proven (measured) reserves, but the sites for inspection, sampling and measurement are farther apart or are otherwise less adequately spaced. The degree of assurance, although lower than that for proven (measured) reserves, is high enough to assume continuity between points of observation. Proven and probable reserves include silver attributable to Coeur’s ownership or economic interest in the Endeavor project.

The term “cutoff grade” means the lowest grade of mineralized material considered economic to process. Cutoff grades vary between deposits depending upon prevailing economic conditions, mineability of the deposit, by-products, amenability of the mineralized material to silver or gold extraction and type of milling or leaching facilities available.

Assumed metal prices for proven and probable reserves were \$17.50 per ounce of silver and \$1,250 per ounce of gold. Assumed metal prices for estimated 2016 proven and probable reserves were \$17.50 per ounce of silver and \$1,250 per ounce of gold, except Endeavor at \$1,800 per metric ton of lead, \$2,200 per metric ton of zinc, and \$20.00 per ounce of silver.

- (3) Mineral reserve estimates were prepared by the Company's technical staff.
- (4) The cutoff grade for mineral reserves is 2.5 to 2.8 g/tonne AuEq.
- (5) The cutoff grade for mineral reserves is 0.53 oz/ton AgEq.
- (6) The cutoff grades for mineral reserves range from 81 to 107 g/tonne Ag based on material.
- (7) Effective at July 1, 2016, thus excluding additions or depletions through December 31, 2016. Mineral reserves were estimated with a cutoff grade of 7.0% combined lead and zinc.
- (8) The cutoff grade for mineral reserves is 0.14 oz/ton Au.
- (9) The cutoff grade for mineral reserves is 0.012 oz/ton Au.

MINERALIZED MATERIAL

	Mineralized Material at December 31, 2017 ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾				
	Tons (000s)	Silver Grade (oz./ton)	Gold Grade (oz./ton)	Lead Grade (percent)	Zinc Grade (percent)
Palmarejo Mine, Mexico ⁽⁵⁾	15,410	3.77	0.048	—	—
San Bartolomé Mine, Bolivia ⁽⁶⁾	4,106	3.41	—	—	—
Kensington Mine, USA ⁽⁷⁾	4,349	—	0.271	—	—
Wharf Mine, USA ⁽⁸⁾	8,760	—	0.023	—	—
Rochester Mine, USA ⁽⁹⁾	311,455	0.39	0.002	—	—
Silvertip Mine, Canada ⁽¹⁴⁾	3,096	10.20	—	6.64	9.48
La Preciosa Project, Mexico ⁽¹¹⁾	30,438	3.65	0.006	—	—
Total Mineralized Material	377,614				
	Mineralized Material at December 31, 2016 ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾				
	Tons (000s)	Silver Grade (oz./ton)	Gold Grade (oz./ton)		
Palmarejo Mine, Mexico ⁽⁵⁾	4,900	3.52	0.048		
San Bartolomé Mine, Bolivia ⁽⁶⁾	1,861	2.17	—		
Kensington Mine, USA ⁽⁷⁾	3,125	—	0.279		
Wharf Mine, USA ⁽⁸⁾	4,914	—	0.026		
Rochester Mine, USA ⁽⁹⁾	69,461	0.56	0.003		
Endeavor Mine, Australia ⁽¹⁰⁾	13,542	2.08	—		
La Preciosa Project, Mexico ⁽¹¹⁾	38,974	2.96	0.005		
Joaquin Project, Argentina ⁽¹²⁾	10,252	5.02	0.004		
Lejano Project, Argentina ⁽¹³⁾	631	3.09	0.011		
Total Mineralized Material	147,660				

Assumed metal prices for estimated 2017 mineralized material were \$20.00 per ounce of silver, \$1,400 per ounce of gold, \$1.15 per pound zinc, and \$1.00 per pound lead. 2017 mineralized material effective December 31, 2017.

(1) Assumed metal prices for estimated 2016 mineralized material were \$19.00 per ounce of silver and \$1,275 per ounce of gold, except (a) Endeavor at \$2,200 per tonne zinc, \$1,800 per tonne lead and \$20.00 per ounce of silver.

(2) Estimated with mining cost parameters and initial metallurgical test results.

(3) Resource estimates were completed by company technical staff, except for La Preciosa which was completed by an external consultant supervised by technical company staff.

Estimated using 3-dimensional geologic modeling and geostatistical evaluation of the exploration drill data.

(4) Mineralized material is reported exclusive of reserves. "Mineralized material" as used in this Annual Report on Form 10-K, although permissible under Guide 7, does not indicate "reserves" by SEC standards. There is no certainty that any part of the reported mineralized material will ever be confirmed or converted into Guide 7 compliant "reserves".

(5) Cutoff grades for mineralized material is 2.49 g/tonne AuEq.

(6) Cutoff grades for mineralized material is 95 g/tonne.

(7) The cutoff grade for mineralized material is 0.13 oz/ton Au.

(8) The cutoff grade for mineralized material is 0.009 oz/ton Au.

(9) The cutoff grade for mineralized material is 0.46 oz/ton AgEq.

(10) Effective July 1, 2016. Prepared by CBH Resources Ltd. staff and reviewed by the Company's technical staff.

(11) The cutoff grade for mineralized material is 121.71 g/ton AgEq for underground, and 71.86 g/t for surface mining.

(12) No changes were made to cutoff grades in 2016 for the Joaquin project.

(13) No changes were made to cutoff grades in 2016 for the Lejano project.

(14) The cutoff grade for mineralized material is 200 g/tonne AgEq.

Item 3. Legal Proceedings

For a discussion of legal proceedings, see Note 21 -- Commitments and Contingencies in the notes to the Consolidated Financial Statements included herein.

Item 4. Mine Safety Disclosures

Information pertaining to mine safety matters is reported in accordance with Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act in Exhibit 95.1 attached to this Form 10-K.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

The following table sets forth, for the periods indicated, the high and low closing sales prices of the common stock as reported by the New York Stock Exchange:

	2017		2016	
	High	Low	High	Low
First Quarter	\$12.02	\$7.33	\$5.80	\$1.73
Second Quarter	\$9.87	\$7.86	\$10.66	\$5.55
Third Quarter	\$9.38	\$7.61	\$15.98	\$11.26
Fourth Quarter	\$9.72	\$6.78	\$11.81	\$8.72
2018				
First Quarter through February 5, 2018	\$8.61	\$7.42		

The Company has not paid cash dividends on its common stock since 1996. Future dividends, if any, will be determined by the Company's Board of Directors and will depend upon the Company's results of operations, financial condition, capital requirements and other factors.

On February 5, 2018, there were 185,442,526 outstanding shares of the Company's common stock which were held by approximately 1,455 stockholders of record.

STOCK PERFORMANCE CHART
 COMPARISON OF CUMULATIVE TOTAL RETURN
 AMONG COEUR MINING, S&P 500 INDEX AND PEER GROUP INDEX

The following performance graph compares the performance of the Company's common stock during the period beginning December 31, 2012 and ending December 31, 2017 to the S&P 500 and a Peer Group Index consisting of the following companies: Agnico-Eagle Mines Limited, Alamos Gold Inc., B2Gold Corp., Centerra Gold Inc., Detour Gold Corporation, Eldorado Gold Corporation, First Majestic Silver Corp., Hecla Mining Company, Hochschild Mining plc, IAMGOLD Corporation, New Gold, Inc., OceanaGold Corporation, Pan American Silver Corporation, Royal Gold, Inc., SSR Mining, Inc., Tahoe Resources Inc., and Yamana Gold Inc. ("New Peer Group"). The Company formerly used a Peer Group Index consisting of the following companies: Agnico-Eagle Mines Limited, Alamos Gold Inc., B2Gold Corp., Centerra Gold Inc., First Majestic Silver Corp., Hecla Mining Company, Hochschild Mining plc, IAMGOLD Corporation, New Gold Inc., OceanaGold Corporation, Pan American Silver Corporation, Primero Mining Corp., Royal Gold, Inc., SSR Mining, Inc. (formerly known as Silver Standard Resources, Inc.), Stillwater Mining Company, and Tahoe Resources Inc. ("Old Peer Group"). The Company has determined that the New Peer Group is a more relevant group of companies for purposes of the comparison of cumulative total return contained in the performance graph.

The graph assumes a \$100 investment in the Company's common stock and in each of the indexes at the beginning of the period, and a reinvestment of dividends paid on such investments throughout the five-year period.

	Dec. 2013	Dec. 2014	Dec. 2015	Dec. 2016	Dec. 2017
Coeur Mining	44.11	20.77	10.08	36.95	30.49
S&P 500 Index	132.39	150.51	152.59	170.84	208.14
New Peer Group	52.60	49.70	43.53	66.21	71.63
Old Peer Group	57.68	58.90	47.57	74.38	77.71

The following performance graph compares the performance of the Company's common stock during the period beginning December 31, 2016 and ending December 31, 2017 to the S&P 500 and the New Peer Group. The graph assumes a \$100 investment in the Company's common stock and in each of the indexes at the beginning of the period, and a reinvestment of dividends paid on such investments throughout the period.

	Jan-17	Feb-17	Mar-17	Apr-17	May-17	June-17	July-17	Aug-17	Sept-17	Oct-17	Nov-17	Dec-17
Coeur Mining	128.16	94.50	88.89	99.67	102.09	94.39	91.09	96.26	101.10	83.50	83.83	82.51
S&P 500 Index	101.90	105.94	106.07	107.16	108.66	109.34	111.59	111.93	114.24	116.91	120.49	121.83
New Peer Group	113.77	105.23	105.81	107.59	110.81	107.66	110.48	119.68	110.17	105.49	102.20	108.39

This stock performance information is “furnished” and shall not be deemed to be “soliciting material” or subject to Rule 14A, shall not be deemed “filed” for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section, and shall not be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date of this report and irrespective of any general incorporation by reference language in any such filing, except to the extent that it specifically incorporates the information by reference.

Item 6. Selected Financial Data

The following selected consolidated financial data should be read in conjunction with the Consolidated Financial Statements and accompanying Notes.

	Year ended December 31,					
	2017	2016	2015	2014	2013	
Revenue	\$709,598	\$571,897	\$561,407	\$517,993	\$604,273	
Costs applicable to sales	440,260	335,375	403,827	388,286	376,836	
Income (loss) from continuing operations	10,925	22,435	(287,811)	(1,097,650)	(671,741)	
Income (loss) from discontinued operations	(12,244)	32,917	(79,372)	(89,224)	21,178	
Net income (loss)	\$(1,319)	\$55,352	\$(367,183)	\$(1,186,874)	\$(650,563)	
Basic income (loss) per share:						
Income (loss) from continuing operations	\$0.06	\$0.14	\$(2.22)	\$(10.72)	\$(6.87)	
Income (loss) from discontinued operations	\$(0.07)	\$0.21	\$(0.61)	\$(0.87)	\$0.22	
Basic	(0.05259987282)	\$(0.01)	\$0.35	\$(2.83)	\$(11.59)	\$(6.65)
Diluted income (loss) per share:						
Income (loss) from continuing operations	\$0.06	\$0.14	\$(2.22)	\$(10.72)	\$(6.87)	
Income (loss) from discontinued operations	\$(0.07)	\$0.20	\$(0.61)	\$(0.87)	\$0.22	
Diluted	(0.05259987282)	\$(0.01)	\$0.34	\$(2.83)	\$(11.59)	\$(6.65)

	At December 31,				
	2017	2016	2015	2014	2013
Total assets	\$1,701,175	\$1,318,909	\$1,332,489	\$1,436,569	\$2,885,978
Reclamation and mine closure liabilities	\$120,832	\$88,701	\$74,958	\$63,042	\$52,609
Debt, including current portion	\$411,322	\$210,637	\$485,505	\$453,358	\$308,166
Stockholders' equity	\$814,977	\$768,487	\$421,476	\$554,328	\$1,730,567

Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations

The following Management’s Discussion and Analysis (“MD&A”) provides information that management believes is relevant to an assessment and understanding of the consolidated financial condition and results of operations of Coeur Mining, Inc. and its subsidiaries (collectively the “Company”, “our”, or “we”). We use certain non-GAAP financial performance measures in our MD&A. For a detailed description of these measures, please see “Non-GAAP Financial Performance Measures” at the end of this item. We provide certain operational and financial data on a silver equivalent basis, converting gold to silver at a historical 60:1 ratio of silver ounces to gold ounces, unless otherwise noted. We also provide realized silver equivalent data determined by average spot silver and gold prices during the relevant period.

Overview

We are a gold and silver producer with mines located in the United States, Mexico, Canada, Bolivia and exploration projects in the United States and Mexico. The Palmarejo complex, Rochester, Kensington, Wharf and San Bartolomé mines constitute our principal sources of revenue.

In July 2017, the Company sold the Endeavor Silver Stream and our remaining portfolio of royalties. In October 2017, the Company added a mine to Coeur’s North America-focused platform with the acquisition of the high-grade silver-zinc-lead Silvertip mine located in northern British Columbia, Canada. The Silvertip mine is expected to commence production in the first quarter of 2018. In December 2017, Coeur and certain of its subsidiaries entered into the Manquiri Agreement relating to the divestiture of the San Bartolomé mine, which is expected to close during the first quarter of 2018. At December 31, 2017, we determined that the Manquiri Divestiture represents a strategic shift to a North America-focused mining portfolio that is expected to have a major effect on the entity's results and operations; therefore, the assets and liabilities for the San Bartolomé mine for all periods presented are included in the Consolidated Balance Sheets as held for sale and San Bartolomé’s results of operations as discontinued operations for all periods. In the following discussion and analysis, the operating statistics, results of operations, cash flows and financial condition that we present and discuss are those of our continuing operations unless otherwise indicated. The Company's strategy is to discover, acquire, develop and operate low-cost silver and gold mines, which may include base metals such as zinc and lead, that produce long-term cash flow, provide opportunities for growth through continued exploration, and generate superior and sustainable returns for stockholders. Management focuses on maximizing net cash flow through identifying and implementing revenue enhancement opportunities, reducing operating and non-operating costs, exercising consistent capital discipline, and efficient working capital management.

2017 Highlights

- Production from continuing operations of 35.1 million silver equivalent ounces (excluding 4.3 million silver equivalent ounces produced at San Bartolomé), consisting of 12.1 million silver ounces and 383,086 gold ounces
- Sales from continuing operations of 37.3 million silver equivalent ounces, consisting of 12.7 million silver ounces and 410,604 gold ounces
- Net income from continuing operations of \$10.9 million (\$0.06 per share) and adjusted net income of \$4.2 million (\$0.02 per share) (see “Non-GAAP Financial Performance Measures”)
- Costs applicable to sales from continuing operations were \$10.70 per silver equivalent ounce (\$9.66 per average spot silver equivalent ounce) and \$822 per gold equivalent ounce (see “Non-GAAP Financial Performance Measures”)
- All-in sustaining costs from continuing operations were \$15.95 per silver equivalent ounce (\$13.86 per average spot silver equivalent ounce) (see “Non-GAAP Financial Performance Measures”)
- Operating cash flow from continuing operations of \$197.2 million and adjusted EBITDA from continuing operations of \$203.3 million (see “Non-GAAP Financial Performance Measures”)
- Cash and cash equivalents of \$192.0 million at December 31, 2017
- Acquired the Silvertip mine for initial consideration of \$192.2 million, net of liabilities assumed. Additional consideration up to \$50.0 million is payable contingent upon achieving specific future permitting and exploration milestones.
- Established a \$200.0 million secured revolving credit facility, which may be increased by up to \$50.0 million in incremental loans and commitments subject to the terms of the Credit Agreement (as defined below)
- Refinanced the remaining \$178.0 million outstanding of the 7.875% Senior Notes due 2021 with \$250.0 million of 5.875% Senior Notes due 2024, extending the maturity by over three years and providing additional cash to the

balance sheet for approximately the same annual interest expense

Entered into the Manquiri Agreement to sell Manquiri, which operates the San Bartolomé mine. The transaction is expected to close in the first quarter of 2018, subject to customary closing conditions

Sold the Joaquin silver-gold exploration project for consideration of \$27.4 million and retained a 2.0% NSR royalty

Sold Endeavor Silver Stream and our remaining portfolio of royalties for total consideration of \$13.0 million

Selected Financial and Operating Results

	Year ended December 31,		
	2017	2016	2015
Financial Results from Continuing Operations:			
Metal sales	\$709,598	\$568,617	554,557
Net income (loss)	\$10,925	\$22,435	(287,811)
Net income (loss) per share, diluted	\$0.06	\$0.14	(2.22)
Adjusted net income (loss) ⁽¹⁾	\$4,223	\$15,601	(90,730)
Adjusted net income (loss) per share, diluted ⁽¹⁾	\$0.02	\$0.10	(0.70)
EBITDA ⁽¹⁾	\$202,912	\$142,612	(145,955)
Adjusted EBITDA ⁽¹⁾	\$203,340	\$194,880	117,680
Operating Results from Continuing Operations:			
Silver ounces produced	12,126,217	9,359,444	10,464,261
Gold ounces produced	383,086	358,170	327,908
Silver equivalent ounces produced	35,111,377	30,849,644	30,138,741
Silver ounces sold	12,698,635	8,933,749	11,011,450
Gold ounces sold	410,604	338,131	335,882
Silver equivalent ounces sold	37,334,889	29,221,609	31,164,390
Average realized price per silver ounce	\$16.96	\$17.08	\$15.49
Average realized price per gold ounce	\$1,204	\$1,230	\$1,143
Costs applicable to sales per silver equivalent ounce ⁽¹⁾	\$10.70	\$11.23	\$13.06
Costs applicable to sales per average spot silver equivalent ounce ⁽¹⁾	\$9.66	\$10.29	\$11.90
Costs applicable to sales per gold equivalent ounce ⁽¹⁾	\$822	\$705	\$768
All-in sustaining costs per silver equivalent ounce ⁽¹⁾	\$15.95	\$16.16	\$16.68
All-in sustaining costs per average spot silver equivalent ounce ⁽¹⁾	\$13.86	\$14.05	\$14.50
Financial and Operating Results from Discontinued Operations:			
Income (loss) from discontinued operations	\$(12,244)	\$32,917	\$(79,372)
Silver ounces produced	4,269,649	5,468,898	5,436,353
Gold ounces produced	358	—	—
Silver equivalent ounces produced	4,291,129	5,468,898	5,436,353
Silver ounces sold	4,240,901	5,411,057	5,495,369
Gold ounces sold	111	—	—
Silver equivalent ounces sold	4,247,561	5,411,057	5,495,369

(1) See "Non-GAAP Financial Performance Measures."

Consolidated Financial Results

2017 compared to 2016

Net Income (Loss) from Continuing Operations

Net income from continuing operations was \$10.9 million (\$0.06 per share) compared to Net income of \$22.4 million (\$0.14 per share). The decrease in Net income from continuing operations is primarily due to a significant tax benefit realized in 2016 and lower realized silver and gold prices, partially offset by a \$21.1 million gain on the sale of the Joaquin project, lower interest expense, lower all-in sustaining costs per silver equivalent ounce and higher silver and gold production.

Revenue

Metal sales were higher due to higher silver and gold production, partially offset by a decrease in average realized silver and gold prices of 2% and 1%, respectively. The Company sold 12.7 million silver ounces and 410,604 gold ounces, compared to sales of 8.9 million silver ounces and 338,131 gold ounces. Gold contributed 70% of sales and silver contributed 30%, compared to 73% of sales from gold and 27% from silver. Metal sales were sourced primarily from North American operations.

Costs Applicable to Sales

Costs applicable to sales increased due to higher silver and gold ounces sold and higher costs applicable to sales per gold ounce. For a complete discussion of costs applicable to sales, see Results of Operations below.

Amortization

Amortization increased \$30.0 million or 26%, primarily due to higher silver and gold ounces produced at Palmarejo.

Expenses

General and administrative expenses increased 15% due to higher compensation, severance and professional service costs.

Exploration expense increased \$17.4 million, due to the Company's expansion of near-mine drilling at Palmarejo, Kensington and Rochester, and regional exploration focused on projects in Nevada and Mexico.

Pre-development, reclamation, and other expenses increased 31% due to additional work at La Preciosa and Silvertip acquisition costs.

Other Income and Expenses

In 2017, the Company incurred a \$9.3 million loss in connection with the repurchase of the 7.875% Senior Notes due 2021 (the "2021 Senior Notes") concurrent with the completed offering of the 5.875% Senior Notes due 2024 (the "2024 Senior Notes") compared to losses of \$21.4 million on extinguishment of debt in 2016.

Non-cash fair value adjustments, net, were a loss of \$0.9 million compared to a loss of \$11.6 million due to diminishing effects related to the Palmarejo gold production royalty which was terminated in the third quarter of 2016 and the Rochester royalty obligation which was terminated in the second quarter of 2017.

Interest expense (net of capitalized interest of \$1.9 million) decreased to \$16.4 million from \$36.9 million, primarily due to lower average debt levels and the lower 2024 Senior Notes interest rate.

Other, net increased to \$26.6 million, primarily due to a \$21.1 million gain on the sale of the Joaquin project in Argentina and a \$2.3 million gain on the repurchase of the Rochester royalty obligation.

Income and Mining Taxes

The Company's Income and mining tax (expense) benefit consisted of:

In thousands	Year ended	
	2017	2016
Income and mining tax (expense) benefit at statutory rate	\$(14,037)	\$3,718
State tax provision from continuing operations	26	336
Change in valuation allowance	86,712	40,517
Effect of tax legislation	(88,174)	—
Percentage depletion	703	983
Uncertain tax positions	2,596	(8,829)
U.S. and foreign permanent differences	2,348	(2,652)
Foreign exchange rates	(14,180)	19,701
Foreign inflation and indexing	(2,346)	(670)
Foreign tax rate differences	2,929	120
Mining, foreign withholding, and other taxes	(11,274)	(11,052)
Other, net	5,699	—
Legal entity reorganization	—	(8,925)
Income and mining tax (expense) benefit	\$(28,998)	\$33,247

Income and mining tax expense of approximately \$29.0 million results in an effective tax rate of 73% for 2017. This compares to income tax benefit of \$33.2 million or effective tax rate of 308% for 2016. The Company's effective tax rate is impacted by multiple factors as illustrated above. The 2017 effective tax rate differs from 2016 primarily due to favorable operating results at Palmarejo contributing to higher income and mining tax expense and the 2016 completion of a legal entity reorganization to integrate recent acquisitions resulting in a valuation allowance release of \$40.8 million.

The Company's effective tax rate is impacted by recurring items, such as foreign exchange rates on deferred tax balances, mining tax expense, full valuation allowance on the deferred tax assets relating to losses in the United States and certain foreign jurisdictions, and uncertain tax positions. In addition, the Company's consolidated effective income tax rate is a function of the combined effective tax rates and foreign exchange rates in the jurisdictions in which it operates. Variations in the jurisdictional mix of income and loss and foreign exchange rates result in significant fluctuations in its consolidated effective tax rate. The following table summarizes the components of the Company's income (loss) before tax and income and mining tax (expense) benefit:

In thousands	Year ended December 31,			
	2017		2016	
	Income (loss) before tax	Tax (expense) benefit	Income (loss) before tax	Tax (expense) benefit
United States	\$10,099	\$(5,635)	\$(13,299)	\$(10,525)
Canada	(3,176)	979	(1,355)	(503)
Mexico	28,631	(25,958)	(5,268)	45,801
Other jurisdictions	4,369	1,616	9,110	(1,526)
	\$39,923	\$(28,998)	\$(10,812)	\$33,247

A valuation allowance is provided for deferred tax assets for which it is more likely than not that the related benefits will not be realized. The Company analyzes its deferred tax assets and if it is determined that the Company will not realize all or a portion of its deferred tax assets, it will record or increase a valuation allowance. Conversely, if it is determined that the Company will ultimately be able to realize all or a portion of the related benefits for which a valuation allowance has been provided, all or a portion of the related valuation allowance will be reduced. There are a number of risk factors that could impact the Company's ability to realize its deferred tax assets.

On December 22, 2017, the United States (“U.S.”) enacted significant changes to U.S. tax law following the passage and signing of H.R.1, “An Act to Provide for Reconciliation Pursuant to Titles II and V of the Concurrent Resolution on the Budget for Fiscal Year 2018” which makes widespread changes to the Internal Revenue Code, including, among other items, a reduction in the federal corporate tax rate to 21%, effective January 1, 2018.

The Company is subject to the provisions of the Financial Accounting Standards Board (“FASB”) ASC 740-10, Income Taxes, which requires that the effect on deferred tax assets and liabilities of a change in tax rates be recognized in the period the tax rate change was enacted. The carrying value of our U.S. deferred taxes is determined by the enacted U.S. corporate income tax rate. Consequently, the reduction in the U.S. corporate income tax rate impacts the carrying value of our deferred tax assets. Under the new corporate income tax rate of 21%, the U.S. net deferred tax asset position will decrease as will the related valuation allowance. The net effect of the tax reform enactment on the financial statements is minimal.

While there are certain aspects of the new tax law that will not impact the Company based on its tax structure, such as the one-time transition tax on unremitted foreign earnings; there are other aspects of the law, which could have a positive impact on the Company’s future U.S. income tax expense, including the elimination of the U.S. corporate alternative minimum tax. However, uncertainty regarding the impact of tax reform remains, as a result of factors including future regulatory and rulemaking processes, the prospects of additional corrective or supplemental legislation, potential trade or other litigation, and other factors.

Income (loss) from Discontinued Operations

In respect of San Bartolomé’s operating results, income decreased \$45.2 million, primarily due to lower production, higher unit costs and a tax benefit realized in 2016 with regard to San Bartolomé.

2016 compared to 2015

Net Income (Loss) from Continuing Operations

Net income from continuing operations was \$22.4 million (\$0.14 per share) compared to Net loss of \$287.8 million (\$2.22 per share). The increase in Net income from continuing operations is primarily due to asset write-downs in 2015 and higher gold production, a reduction in deferred tax valuation allowances and other deferred tax benefits, higher average realized silver and gold prices, lower all-in sustaining costs per silver equivalent ounce, and lower interest expense, partially offset by lower silver production and unfavorable fair value adjustments.

Revenue

Metal sales increased due to a 10% and 8% increase in average realized silver and gold prices, respectively. The Company sold 8.9 million silver ounces and 338,131 gold ounces, compared to sales of 11.0 million silver ounces and 335,882 gold ounces. Gold contributed 73% of sales and silver contributed 27% compared to 69% of sales from gold and 31% from silver. Royalty revenue was lower due to the Company’s divestiture of non-core royalty assets throughout 2016 and the first half of 2017. Metal sales from North American operations provided 99% of revenue, compared to 98%.

Costs Applicable to Sales

Costs applicable to sales decreased due to lower silver and gold unit costs and lower silver ounces sold. For a complete discussion of costs applicable to sales, see Results of Operations below.

Amortization

Amortization decreased \$9.4 million, or 7%, primarily due to lower silver equivalent ounces sold and lower amortizable mineral interest and mining equipment that resulted from the 2015 write-down.

Expenses

General and administrative expenses decreased 10% due to lower professional services and compensation costs. Exploration expense increased \$1.4 million due to the Company's expansion of drilling activities at Palmarejo, Kensington and Rochester as well as regional exploration with a focus on projects in Nevada and Chihuahua, Mexico.

Write-downs were \$4.4 million (\$3.9 million net of tax) compared to \$246.6 million (\$209.8 million net of tax). The \$4.4 million (\$3.9 million net of tax) write-downs in 2016 were primarily related to the Company's silver stream on the Endeavor mine in Australia as a result of the decision by the mine operator to significantly curtail production due to low lead and zinc prices.

Pre-development, reclamation, and other expenses decreased 11% to \$14.4 million as a result of lower transaction related costs.

Other Income and Expenses

In 2016, the Company incurred a loss of \$21.4 million on the extinguishment of debt in connection with the repayment

of the Term Loan (as defined below) and a portion of its outstanding 2021 Senior Notes compared to a \$15.9 million gain on the exchange of 2021 Senior Notes for common stock in 2015.

Non-cash fair value adjustments, net, were a loss of \$11.6 million compared to a gain of \$5.2 million, primarily due to

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the impact of changes in future metal prices on the Palmarejo gold production royalty (termination effective in the third quarter

of 2016) and the Rochester NSR royalty obligation.

Interest expense (net of capitalized interest of \$1.2 million) decreased to \$36.9 million from \$45.0 million, primarily due

to the repayment of the Term Loan, the redemption of \$200.8 million of 2021 Senior Notes and lower accretion of the terminated

Palmarejo gold production royalty obligation.

Other, net increased by \$17.8 million, primarily due to a \$5.3 million pre-tax gain on the sale of Martha assets in Argentina,

a \$7.8 million pre-tax gain on the sale of non-core royalty assets, and gains from the sale of investments.

Income and Mining Taxes

The Company's Income and mining tax (expense) benefit consisted of:

In thousands	Year ended	
	December 31, 2016	2015
Income and mining tax (expense) benefit at statutory rate	\$3,718	\$110,848
State tax provision from continuing operations	336	(2,075)
Change in valuation allowance	40,517	(70,457)
Percentage depletion	983	—
Uncertain tax positions	(8,829)	170
U.S. and foreign permanent differences	(2,652)	(3,376)
Mineral interest related	—	(18,318)
Foreign exchange rates	19,701	21,461
Foreign inflation and indexing	(670)	1,117
Foreign tax rate differences	120	(14,062)
Mining, foreign withholding, and other taxes	(11,052)	8,141
Other, net	—	(4,374)
Legal entity reorganization	(8,925)	—
Income and mining tax (expense) benefit	\$33,247	\$29,075

Income and mining tax benefit of approximately \$33.2 million results in an effective tax rate of 308% for 2016. This compares to income tax benefit of \$29.1 million or effective tax rate of 9% for 2015. The Company's effective tax rate is impacted by multiple factors as illustrated above. The 2016 effective tax rate differs from 2015 primarily due to the completion of a legal entity reorganization to integrate recent acquisitions resulting in a valuation allowance release of \$40.8 million, changes in valuation allowances on deferred tax assets, including the impacts of mineral interest impairments, and lower foreign withholding taxes.

The Company's effective tax rate is impacted by recurring items, such as foreign exchange rates on deferred tax balances, impacts of mineral interest impairments, full valuation allowance on the deferred tax assets relating to losses in the United States and certain foreign jurisdictions, mining tax expense and uncertain tax positions. In addition, the Company's consolidated effective income tax rate is a function of the combined effective tax rates and foreign exchange rates in the jurisdictions in which it operates. Variations in the jurisdictional mix of income and loss and foreign exchange rates result in significant fluctuations in its consolidated effective tax rate. The following table summarizes the components of the Company's income (loss) before tax and income and mining tax (expense) benefit:

In thousands	Year ended December 31,			
	2016		2015	
	Income	Tax	Income	Tax
	(loss)	(expense)	(loss)	(expense)
	before tax	benefit	before tax	benefit
United States	\$(13,299)	\$(10,525)	\$(44,101)	\$(2,868)
Canada	(1,355)	(503)	(10,714)	2,359

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Mexico	(5,268)	45,801	(250,054)	26,713
Other jurisdictions	9,110	(1,526)	(12,017)	2,871
	\$(10,812)	\$33,247	\$(316,886)	\$29,075

A valuation allowance is provided for deferred tax assets for which it is more likely than not that the related benefits will not be realized. The Company analyzes its deferred tax assets and if it is determined that the Company will not realize all or a

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portion of its deferred tax assets, it will record or increase a valuation allowance. Conversely, if it is determined that the Company will ultimately be able to realize all or a portion of the related benefits for which a valuation allowance has been provided, all or a portion of the related valuation allowance will be reduced. There are a number of risk factors that could impact the Company's ability to realize its deferred tax assets.

Income (loss) from Discontinued Operations

In respect of San Bartolomé's operating results, net income increased \$112.3 million, primarily due to higher realized silver prices, lower unit costs and a tax benefit realized in 2016 with regard to San Bartolomé. Also, write-downs of \$66.7 million were included in 2015.

2018 Outlook

Production Guidance

The Company's full-year 2018 production guidance reflects the anticipated sale of San Bartolomé and the commencement of production at Silvertip, both of which are expected to occur during the first quarter.

	Silver (K oz)	Gold (oz)	Zinc (K lbs)	Lead (K lbs)	Silver Equivalent ¹ (K oz)
Palmarejo	6,500 - 7,100	110,000 - 115,000	—	—	13,100 - 14,000
Rochester	4,200 - 4,700	45,000 - 50,000	—	—	6,900 - 7,700
Kensington	—	115,000 - 120,000	—	—	6,900 - 7,200
Wharf	—	85,000 - 90,000	—	—	5,100 - 5,400
Silvertip	1,500 - 2,000	—	23,000 - 28,000	23,000 - 28,000	4,030 - 5,080
Total	12,200 - 13,800	355,000 - 375,000	23,000 - 28,000	23,000 - 28,000	36,030 - 39,380
Total (including discontinued operations)	12,800 - 14,400	355,000 - 375,000	23,000 - 28,000	23,000 - 28,000	36,630 - 39,980

Cost Outlook

	2018 Guidance
(dollars in millions, except per ounce amounts)	60:1
CAS per AgEqOz ¹ – Palmarejo	\$10.50 - \$11.00
CAS per AgEqOz ¹ – Rochester	\$13.25 - \$13.75
CAS per AuOz ¹ – Kensington	\$900 - \$950
CAS per AuEqOz ¹ – Wharf	\$850 - \$900
CAS per AgEqOz ¹ – Silvertip	\$15.00 - \$15.50
Capital Expenditures	\$120 - \$140
General and Administrative Expenses	\$32 - \$34
Exploration Expense	\$20 - \$25
AISC per AgEqOz ¹ from continuing operations	\$17.50 - \$18.00

(1) See "Non-GAAP Financial Performance Measures."

Results of Continuing Operations

The Company produced 12.1 million ounces of silver and 383,086 ounces of gold in the year ended December 31, 2017, compared to 9.4 million ounces of silver and 358,170 ounces of gold in the year ended December 31, 2016.

Silver production increased 30% due to higher grade and mill throughput at Palmarejo. Gold production increased 7% due to higher grade and mill throughput at Palmarejo, partially offset by lower grades at Kensington and Wharf.

The Company produced 9.4 million ounces of silver and 358,170 ounces of gold in the year ended December 31, 2016, compared to 10.5 million ounces of silver and 327,908 ounces of gold in the year ended December 31, 2015. Silver production decreased 11% due to lower mill throughput at Palmarejo as the mine transitioned to a lower-tonnage, higher-grade, higher-margin underground operation, timing of leach pad recoveries at Rochester, and lower mining rates at Endeavor. Gold production increased 9% due to higher grade and recovery at Palmarejo, higher grade and tons placed at Wharf as well as a full-year of production at Wharf.

Costs applicable to sales were \$10.70 per silver equivalent ounce (\$9.66 per average spot silver equivalent ounce) and \$822 per gold equivalent ounce in the year ended December 31, 2017 compared to \$11.23 per silver equivalent ounce (\$10.29 per average spot silver equivalent ounce) and \$705 per gold equivalent ounce in the year ended December 31, 2016. Costs applicable to sales per silver equivalent ounce decreased 5% due to lower unit costs at Palmarejo while costs applicable to sales per gold equivalent ounce increased 17% in the year ended December 31, 2017 due to higher unit costs at Kensington and Wharf.

Costs applicable to sales were \$11.23 per silver equivalent ounce (\$10.29 per average spot silver equivalent ounce) and \$705 per gold equivalent ounce in the year ended December 31, 2016 compared to \$13.06 per silver equivalent ounce (\$11.90 per average spot silver equivalent ounce) and \$768 per gold equivalent ounce in the year ended December 31, 2015. Costs applicable to sales per silver equivalent ounce decreased 14% in the year ended December 31, 2016 due to lower unit costs at Palmarejo and Rochester, partially offset by higher unit costs at Endeavor. Costs applicable to sales per gold equivalent ounce decreased 8% in the year ended December 31, 2016 due to lower unit costs at Wharf and Kensington.

All-in sustaining costs were \$15.95 per silver equivalent ounce (\$13.86 per average spot silver equivalent ounce) in the year ended December 31, 2017, compared to \$16.16 per silver equivalent ounce (\$14.05 per average spot silver equivalent ounce) in the year ended December 31, 2016. The 1% decrease was primarily due to lower sustaining capital, partially offset by higher costs applicable to sales per consolidated silver equivalent ounce, higher general and administrative costs and higher exploration expense.

All-in sustaining costs were \$16.16 per silver equivalent ounce (\$14.05 per average spot silver equivalent ounce) in the year ended December 31, 2016, compared to \$16.68 per silver equivalent ounce (\$14.50 per average spot silver equivalent ounce) in the year ended December 31, 2015. The 3% decrease in all-in sustaining costs per silver equivalent ounce in 2016 was primarily due to lower costs applicable to sales per consolidated silver equivalent ounce and lower general and administrative costs, partially offset by higher sustaining capital expenditures and exploration expense.

Palmarejo

	Year ended December 31,		
	2017	2016	2015
Tons milled	1,498,420	1,078,888	1,616,668
Silver ounces produced	7,242,082	4,242,164	5,148,612
Gold ounces produced	121,569	93,913	70,922
Silver equivalent ounces produced	14,536,826	8,26,944	9,403,932
Costs applicable to sales per silver equivalent oz ⁽¹⁾	\$9.44	\$ 10.72	\$ 14.07
Costs applicable to sales per average spot silver equivalent oz ⁽¹⁾	\$8.45	\$ 9.73	\$ 12.75

(1) See Non-GAAP Financial Performance Measures.

2017 compared to 2016

Silver equivalent production increased 64% due to higher mining rates from Guadalupe and Independencia and higher silver and gold grade, partially offset by lower silver recovery. Metal sales were \$274.8 million, or 38% of Coeur's metal sales, compared with \$141.3 million, or 24% of Coeur's metal sales. Costs applicable to sales per ounce decreased 12% as a result of higher production. Amortization increased to \$73.7 million compared to \$36.6 million, primarily due to higher production from Guadalupe and Independencia. Capital expenditures decreased to \$29.9 million due to lower underground development at Independencia.

2016 compared to 2015

Silver equivalent production decreased 6% due to planned lower mill throughput as the mine transitioned to lower-tonnage, higher-grade, higher-margin underground mines at Guadalupe and Independencia. Metal sales

were \$141.3 million, or 24% of Coeur's metal sales, compared with \$169.1 million, or 30% of Coeur's metal sales. Costs applicable to sales per ounce decreased 24% as a result of lower waste tons mined, lower milling, diesel and consumables costs, and favorable currency exchange rates. Amortization increased to \$36.6 million compared to \$32.4 million, primarily due to production from Guadalupe and Independencia. Capital expenditures remained comparable at \$35.8 million related underground development at Guadalupe

and Independencia.
Rochester

	Year ended December 31,		
	2017	2016	2015
Tons placed	16,440,270	15,555,998	16,414,302
Silver ounces produced	4,713,574	4,564,138	4,630,738
Gold ounces produced	51,051	50,751	52,588
Silver equivalent ounces produced	7,776,634	7,609,198	7,786,018
Costs applicable to sales per silver equivalent oz ⁽¹⁾	\$ 13.15	\$ 11.90	\$ 12.41
Costs applicable to sales per average spot silver equivalent oz ⁽¹⁾	\$ 12.04	\$ 10.97	\$ 11.32

(1) See Non-GAAP Financial Performance Measures.

2017 compared to 2016

Silver equivalent production increased 2% due to the timing of recoveries, partially offset by lower tons placed. Metal sales were \$152.7 million, or 22% of Coeur's metal sales, compared with \$139.9 million, or 25% of Coeur's metal sales. Costs applicable to sales per silver equivalent ounce increased 11% due to lower tons placed. Amortization increased to \$22.3 million due to higher production. Capital expenditures increased to \$40.9 million compared to \$16.4 million due to the Stage IV leach pad expansion.

2016 compared to 2015

Silver equivalent production decreased 2% due to lower silver grades and timing of recoveries, partially offset by higher tons placed. Metal sales were \$139.9 million, or 25% of Coeur's metal sales, compared with \$143.9 million, or 26% of Coeur's metal sales. Costs applicable to sales per silver equivalent ounce decreased 4%, primarily due to lower mining and processing costs. Amortization decreased to \$21.8 million compared to \$23.9 million due to lower silver and gold production. Capital expenditures decreased to \$16.4 million compared to \$25.3 million due to the completion of the in-pit crusher expansion and Stage III buttress construction in 2015.

Kensington

	Year ended December 31,		
	2017	2016	2015
Tons milled	668,727	620,209	660,464
Gold ounces produced	115,094	124,331	126,266
Costs applicable to sales/oz ⁽¹⁾	\$ 922	\$ 795	\$ 803

(1) See Non-GAAP Financial Performance Measures.

2017 compared to 2016

Gold production decreased 7% due to lower grades mined, partially offset by higher mill throughput. Metal sales were \$154.5 million, or 22% of Coeur's metal sales, compared to \$146.6 million, or 26% of Coeur's metal sales. Costs applicable to sales per ounce were 16% higher, primarily due to lower grade and higher contract mining costs. Amortization increased to \$36.0 million from \$34.8 million due to higher ounces sold. Capital expenditures remained comparable at \$36.2 million.

2016 compared to 2015

Gold production decreased 2% due to mill downtime caused by a blocked tailings line at the end of September, partially offset by higher grade. Metal sales were \$146.6 million, or 26% of Coeur's metal sales, compared to \$148.7 million, or 27% of Coeur's metal sales. Costs applicable to sales per ounce were 1% lower, primarily due to lower diesel costs. Amortization was \$34.8 million compared to \$42.2 million due to lower production. Capital expenditures were \$36.8 million compared to \$23.8 million, due to the continued development of the high-grade Jualin deposit.

Wharf

	Year ended December 31,		
	2017	2016	2015 ⁽¹⁾
Tons placed	4,560,426	4,268,105	3,600,279
Gold ounces produced	95,372	109,175	78,132
Silver ounces produced	63,535	105,144	55,744
Gold equivalent ounces produced ⁽¹⁾	96,431	110,927	79,061
Costs applicable to sales per gold equivalent oz ⁽¹⁾	\$ 697	\$ 606	\$ 706

(1) See Non-GAAP Financial Performance Measures.

2017 compared to 2016

Gold equivalent production decreased 13% due to lower grade, partially offset by higher tons placed. Metal sales were \$125.9 million, or 18% of Coeur's metal sales, compared to \$136.7 million, or 24% of Coeur's metal sales. Costs applicable to sales per gold equivalent ounce increased 15% due to lower production resulting from the completion of mining at the higher-grade Golden Reward deposit and higher blasting costs. Amortization was \$13.0 million compared to \$20.6 million due to lower production and higher life of mine reserves. Capital expenditures increased to \$8.8 million due to mining equipment purchases.

2016 compared to 2015

Gold equivalent production increased 40% due to higher grade and tons placed, higher plant recovery rates and a full-year of attributable production. Metal sales were \$136.7 million, or 24% of Coeur's metal sales, compared to \$84.1 million, or 15% of Coeur's metal sales. Costs applicable to sales per gold equivalent ounce decreased 14%, primarily due to lower mining and leaching costs, partially offset by a \$3.7 million inventory write-down related to lower expected recoveries from leach pad 3. Amortization was \$20.6 million compared to \$16.4 million due to higher production. Capital expenditures were \$4.8 million compared to \$3.2 million due to the acquisition of additional equipment and capitalized drilling.

Endeavor Silver Stream

	Year ended December 31,		
	2017	2016	2015
Tons milled	133,902	119,430	767,314
Silver ounces produced	107,026	147,998	629,167
Costs applicable to sales/oz ⁽¹⁾	\$ 6.96	\$ 6.56	\$ 5.72

(1) See Non-GAAP Financial Performance Measures.

In July 2017, the Company sold the Endeavor Silver Stream and our remaining portfolio of royalties for total consideration of \$13.0 million to Metalla Royalty & Streaming Ltd. Reported production and financial results include operations through May 2017 in accordance with the terms of the sale agreement.

2016 compared to 2015

Silver production at Endeavor decreased as a result of the mine operator's decision to significantly curtail production due to low lead and zinc prices. Costs applicable to sales per ounce increased due to the impact of higher silver prices on the Company's silver price sharing agreement with the Endeavor mine operator. Amortization was \$1.1 million compared to \$9.0 million due to lower production and lower amortizable mineral interest.

Liquidity and Capital Resources

Cash Provided by Operating Activities from Continuing Operations

Net cash provided by operating activities for the years ended December 31, 2017, 2016 and 2015 was \$197.2 million, \$96.5 million and \$87.4 million, respectively, and was impacted by the following key factors:

	Year ended December 31,		
	2017	2016	2015
Consolidated silver equivalent ounces sold	37,334,889	29,221,609	31,164,390
Average realized price per consolidated silver equivalent ounce	\$19.01	\$19.46	\$17.79
Costs applicable to sales per consolidated silver equivalent ounce ⁽¹⁾	(11.79)	(11.48)	(12.96)
Operating margin per consolidated silver equivalent ounce	\$7.22	\$7.98	\$4.83

(1) See Non-GAAP Financial Performance Measures.

In thousands	Year ended December 31,		
	2017	2016	2015
Cash flow before changes in operating assets and liabilities	\$145,201	\$141,384	\$66,740
Changes in operating assets and liabilities:			
Receivables	18,895	(2,783)	(5,022)
Prepaid expenses and other	(2,015)	(4,420)	5,702
Inventories	23,517	(34,610)	15,578
Accounts payable and accrued liabilities	11,562	(3,110)	4,414
Cash provided by continuing operating activities	\$197,160	\$96,461	\$87,412

Cash provided by operating activities increased \$100.7 million for the year ended December 31, 2017 compared to the year ended December 31, 2016 due to higher silver equivalent ounces sold and favorable working capital adjustments, partially offset by lower average realized prices and higher costs applicable to sales per consolidated silver equivalent ounce. Metal sales for the year ended December 31, 2017 increased \$141.0 million, with \$151.1 million due to higher silver equivalent ounces sold, partially offset by \$10.1 million due to lower average realized prices. The \$52.0 million working capital decrease in the year ended December 31, 2017 was primarily due to a decrease in inventories and collection of accounts receivable, partially offset by an increase of prepaid assets, compared to the \$44.9 million working capital increase in the year ended December 31, 2016, which was primarily due to an increase in metal ore on leach pads, inventories and timing of payments.

Cash provided by operating activities increased \$9.0 million for the year ended December 31, 2016 compared to the year ended December 31, 2015 due to higher average realized prices and lower costs applicable to sales per consolidated silver equivalent ounce, partially offset by lower silver equivalent ounces sold and unfavorable working capital adjustments. Metal sales for the year ended December 31, 2016 increased \$14.0 million, with \$46.7 million due to higher average realized prices, partially offset by \$32.7 million due to lower silver equivalent ounces sold. The \$44.9 million working capital increase in the year ended December 31, 2016 was primarily due to an increase in metal ore on leach pads, inventories and timing of payments, compared to the \$20.7 million working capital decrease in the year ended December 31, 2015, which was primarily due to a reduction of metal inventory and prepaid assets as well as the timing of payments.

Cash Used in Investing Activities from Continuing Operations

Net cash used in investing activities in the year ended December 31, 2017 was \$280.2 million compared to \$76.8 million in the year ended December 31, 2016, primarily due to the acquisition of Silvertip, the purchase of strategic equity investments, and higher capital expenditures, partially offset by the proceeds from the sale of the Joaquin project. The Company had capital expenditures of \$136.7 million in the year ended December 31, 2017 compared with \$94.4 million in the year ended December 31, 2016. Capital expenditures in the year ended December 31, 2017 were primarily related to underground development at Palmarejo, Silvertip and Kensington, capitalized conversion drilling, and the Stage IV leach pad expansion at Rochester. Capital expenditures in the year ended December 31, 2016 were primarily related to underground development at Palmarejo and Kensington.

Net cash used in investing activities in the year ended December 31, 2016 was \$76.8 million compared to \$205.1 million in the year ended December 31, 2015, primarily due to proceeds from the sales of non-core assets and the Wharf acquisition in 2015. The Company had capital expenditures of \$94.4 million in the year ended December 31,

2016 compared with \$89.0 million in the year ended December 31, 2015. Capital expenditures in both periods primarily related to underground development at Palmarejo and Kensington.

Cash Provided by (Used in) Financing Activities from Continuing Operations

Net cash provided by financing activities in the year ended December 31, 2017 was \$135.8 million compared to net cash used in financing activities of \$75.6 million in the year ended December 31, 2016. During the year ended December 31, 2017, the Company received net proceeds of approximately \$245.0 million from the issuance of the 2024 Senior Notes and drew \$100.0 million from the Facility (as defined below), partially offset by the repurchase of the 2021 Senior Notes for \$185.5 million, including premiums. During the year ended December 31, 2016, the Company voluntarily repaid the \$100.0 million Term Loan due 2020 (“Term Loan”) for \$103.4 million and redeemed \$190 million aggregate principal amount of its 2021 Senior Notes. The Company also received net proceeds of \$269.6 million from the sale of 26.9 million shares of its common stock in connection with the \$75.0 million and \$200.0 million “at the market” stock offerings. Payments of \$27.2 million were made in 2016 under the Palmarejo gold production royalty that terminated in July 2016. Coeur Mexicana now sells 50% of Palmarejo gold production (excluding production from Independencia Este, acquired in 2015 Paramount transaction) for the lesser of \$800 or spot price per ounce under a gold stream agreement.

Net cash used in financing activities in the year ended December 31, 2016 was \$75.6 million compared to net cash provided by financing activities of \$39.6 million in the year ended December 31, 2016. During the year ended December 31, 2016, the Company voluntarily repaid the Term Loan for \$103.4 million and redeemed \$190 million aggregate principal amount of its 2021 Senior Notes. The Company also received net proceeds of \$269.6 million from the sale of 26.9 million shares of its common stock in connection with the \$75.0 million and \$200.0 million “at the market” stock offerings. Payments of \$27.2 million were made in 2016 under the Palmarejo gold production royalty. During the year ended December 31, 2015, the Company entered into a \$50.0 million short-term loan which was subsequently repaid upon entering into the Term Loan.

In September 2017, the Company, as borrower, and certain subsidiaries of the Company, as guarantors, entered into a Credit Agreement (the “Credit Agreement”) with Bank of America, N.A, Royal Bank of Canada, Bank of Montreal, Chicago Branch, and the Bank of Nova Scotia. The Credit Agreement provides for a \$200.0 million senior secured revolving credit facility (the “Facility”), which may be increased by up to \$50.0 million in incremental loans and commitments subject to the terms of the Credit Agreement. The Facility has a term of four years. Loans under the Facility will bear interest at a rate equal to either a base rate plus a margin ranging from 1.00% to 1.75% or an adjusted LIBOR rate plus a margin ranging from 2.00% to 2.75%, as selected by the Company, in each case, with such margin determined in accordance with a pricing grid based upon the Company’s consolidated net leverage ratio as of the end of the applicable period.

The Facility is secured by substantially all of the assets of the Company and its domestic subsidiaries, including the land, mineral rights and infrastructure at the Kensington, Rochester and Wharf mines, as well as a pledge of the shares of certain of the Company’s subsidiaries. The Credit Agreement contains representations and warranties and affirmative and negative covenants that are usual and customary, including representations, warranties, and covenants that, among other things, restrict the ability of the Company and its subsidiaries to incur additional debt, incur or permit liens on assets, make investments and acquisitions, consolidate or merge with any other company, engage in asset sales and make dividends and distributions. The Credit Agreement contains financial covenants consisting of a consolidated net leverage ratio and a consolidated interest coverage ratio. Obligations under the Credit Agreement may be accelerated upon the occurrence of certain customary events of default. At December 31, 2017, the Company had \$88.0 million available under the Facility; \$12.0 million of the amounts used under the Facility currently support outstanding letters of credit and \$100.0 million was used to partially fund the Silvertip acquisition. At December 31, 2017, the interest rate of the Facility was 3.7%.

In May 2017, the Company completed an offering of \$250.0 million in aggregate principal amount of 2024 Senior Notes in a private placement conducted pursuant to Rule 144A and Regulation S under the Securities Act of 1933, as amended for net proceeds of approximately \$245.0 million. The 2024 Senior Notes are governed by an Indenture dated as of May 31, 2017 (the “Indenture”), among the Company, as issuer, certain of the Company's subsidiaries named therein, as guarantors thereto (the “Guarantors”), and the Bank of New York Mellon, as trustee. In connection with the sale of the 2024 Senior Notes, the Company entered into a Registration Rights Agreement. On August 4, 2017, the Company commenced an exchange offer of registered 2024 Senior Notes for privately-placed 2024 Senior Notes which was completed on September 12, 2017. The 2024 Senior Notes bear interest at a rate of 5.875% per year from

the date of issuance. Interest on the 2024 Senior Notes is payable semi-annually in arrears on June 1 and December 1 of each year, commencing on December 1, 2017. The 2024 Senior Notes will mature on June 1, 2024 and are fully and unconditionally guaranteed by the Guarantors. At any time prior to June 1, 2020, the Company may redeem all or part of the 2024 Senior Notes upon not less than 30 nor more than 60 days' prior notice at a redemption price equal to the sum of (i) 100% of the principal amount thereof, plus (ii) a make-whole premium as of the date of redemption, plus (iii) accrued and unpaid interest and additional interest, if any, thereon, to the date of redemption. In addition, the Company may redeem some or all of the 2024 Senior Notes on or after June 1, 2020, at redemption prices set forth in the Indenture, together with accrued and unpaid interest. At any time prior to June 1, 2020, the Company may use the proceeds of certain equity offerings to redeem up to 35% of the aggregate principal amount of the 2024 Senior Notes, including any permitted additional 2024 Senior Notes, at a redemption price equal to 105.875% of the principal amount. The Indenture contains covenants that, among other things, limit the Company's ability under certain circumstances to incur additional indebtedness, pay dividends or make other distributions or

repurchase or redeem capital stock, prepay, redeem or repurchase certain debt, make loans and investments, create liens, sell, transfer or otherwise dispose of assets, enter into transactions with affiliates, enter into agreements restricting the Company's subsidiaries' ability to pay dividends and impose conditions on the Company's ability to engage in mergers, consolidations and sales of all or substantially all of its assets. The Indenture also contains certain "Events of Default" (as defined in the Indenture) customary for indentures of this type.

Concurrent with the offering of the 2024 Senior Notes, the Company commenced a cash tender offer (the "Tender Offer") to purchase the outstanding \$178.0 million in aggregate principal amount of its 2021 Senior Notes. The Tender Offer was made on the terms and subject to the conditions set forth in the Offer to Purchase dated May 19, 2017. Holders of the 2021 Senior Notes who tendered their notes were entitled to receive \$1,043.88 per \$1,000 principal amount of the Notes, plus accrued and unpaid interest. \$118.1 million aggregate principal amount of the Notes were tendered and purchased by the Company on May 31, 2017. In accordance with the terms of the indenture governing the 2021 Senior Notes, the remaining \$59.9 million aggregate principal amount of the Notes were redeemed on June 30, 2017 at the redemption price of \$1,039.38 per \$1,000 principal amount, plus accrued and unpaid interest. The Company recorded a loss of \$9.3 million as a result of the extinguishment of the 2021 Senior Notes.

Contractual Obligations

The following table summarizes the Company's contractual obligations at December 31, 2017 and the effect such obligations are expected to have on its liquidity and cash flow in future periods.

Contractual Obligations	Payments Due by Period				
	Total	Less Than 1 Year	1-3 Years	4-5 Years	More Than 5 Years
Long-term debt obligations:					
5.875% Senior Notes	\$250,000	\$—	\$—	\$—	\$250,000
Revolving Credit Facility ⁽¹⁾	100,000	—	—	100,000	—
Silvertip debt obligation	14,194	14,194	—	—	—
Interest on debt	110,216	19,358	37,594	32,457	20,807
	474,410	33,552	37,594	132,457	270,807
Capital lease obligations ⁽²⁾	56,910	18,758	24,957	13,155	40
Operating lease obligations:					
Hyak mining lease (Kensington mine)	3,615	301	602	602	3,313
Operating leases	25,586	5,220	9,824	6,443	4,099
	29,201	5,521	9,825	6,444	7,412
Other long-term obligations:					
Reclamation and mine closure ⁽³⁾	334,582	4,414	37,687	13,469	279,012
Severance payments ⁽⁴⁾	6,094	—	—	—	6,094
Unrecognized tax benefits ⁽⁵⁾	8,100	—	—	—	—
	348,776	4,414	37,687	13,469	285,106
Total	\$909,297	\$62,245	\$110,063	\$165,525	\$563,365

(1) The Facility has a variable interest rate and, accordingly, the Company has estimated future interest payable.

(2) The Company has entered into various capital lease agreements for commitments primarily over the next five years.

Reclamation and mine closure amounts represent the Company's estimate of the cash flows associated with its legal (3) obligation to reclaim mining properties. This amount will decrease as reclamation work is completed. Amounts shown on the table are undiscounted.

(4) Accrued government-mandated severance at the Palmarejo complex.

(5) The Company is unable to reasonably estimate the timing of recognition of unrecognized tax benefits beyond 2017 due to uncertainties in the timing of the effective settlement of tax positions.

Environmental Compliance Expenditures

For the years ended December 31, 2017, 2016, and 2015, the Company spent \$6.5 million, \$6.9 million, and \$6.8 million, respectively, in connection with routine environmental compliance activities at its operating properties. The Company estimates that environmental compliance expenditures during 2018 will be approximately \$8.9 million. Future environmental compliance expenditures will be determined by governmental regulations and the overall scope of the Company's operating and development activities.

Other Liquidity Matters

We believe that our liquidity and capital resources from U.S. operations are adequate to fund our U.S. operations and corporate activities. The Company has asserted indefinite reinvestment of earnings from its Mexican operations as determined by management's judgment about and intentions concerning the future operations of the Company. The Company does not believe that the amounts reinvested will have a material impact on liquidity.

Critical Accounting Policies and Accounting Developments

Listed below are the accounting policies that we believe are critical to our financial statements due to the degree of uncertainty regarding the estimates and assumptions involved and the magnitude of the asset, liability, revenue, and expense being reported. For a discussion of recent accounting pronouncements, see Note 2 -- Summary of Significant Accounting Policies in the notes to the consolidated financial statements.

Revenue Recognition

Revenue includes sales value received for the Company's principal products, silver and gold, and royalty revenues received. Revenue is recognized when title to silver and gold passes to the buyer and when collectability is reasonably assured. Title passes to the buyer based on terms of the sales contract. Product pricing is determined at the point revenue is recognized by reference to active and freely traded commodity markets; for example, the London Bullion Market for both gold and silver.

Under the Company's concentrate sales contracts with third-party smelters, final gold and silver prices are set on a specified future quotational period, typically one to three months, after the shipment date based on market prices. Revenues are recorded under these contracts at the time title passes to the buyer based on the forward price for the expected settlement period. The contracts, in general, provide for provisional payment based upon provisional assays and quoted metal prices. Final settlement is based on the average applicable price for the specified future quotational period and generally occurs from three to six months after shipment. Final sales are settled using smelter weights and settlement assays (average of assays exchanged and/or umpire assay results) and are priced as specified in the smelter contract. The Company's provisionally priced sales contracts contain an embedded derivative that is required to be separated from the host contract for accounting purposes. The host contract is the receivable from the sale of concentrates at the forward price at the time of sale. The embedded derivative does not qualify for hedge accounting and is adjusted to fair value through revenue each period until the date of final gold and silver settlement.

Estimates

The preparation of the Company's consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of its financial statements, the reported amounts of revenue and expenses during the reporting period, and mined reserves. There can be no assurance that actual results will not differ from those estimates. There are a number of uncertainties inherent in estimating quantities of reserves, including many factors beyond the Company's control. Mineral reserve estimates are based upon engineering evaluations of samplings of drill holes and other openings. These estimates involve assumptions regarding future silver and gold prices, mine geology, mining methods and the related costs to develop and mine the reserves. Changes in these assumptions could result in material adjustments to the Company's reserve estimates. The Company uses reserve estimates in determining the units-of-production amortization and evaluating mine assets for potential impairment.

Amortization

The Company amortizes its property, plant, and equipment, mining properties, and mine development using the units-of-production method over the estimated life of the ore body based on its proven and probable reserves or the straight-line method over the useful life, whichever is shorter. The accounting estimates related to amortization are

critical accounting estimates because (1) the determination of reserves involves uncertainties with respect to the ultimate geology of its reserves and the assumptions used in determining the economic feasibility of mining those reserves and (2) changes in estimated proven and probable reserves and asset useful lives can have a material impact on net income.

Write-downs

50

We review and evaluate our long-lived assets for impairment whenever events or changes in circumstances indicate that the related carrying amounts may not be recoverable. Asset impairment is considered to exist if the total estimated undiscounted pretax future cash flows are less than the carrying amount of the asset. In estimating future cash flows, assets are grouped at the lowest level for which there is identifiable cash flows that are largely independent of future cash flows from other asset groups. An impairment loss is measured by discounted estimated future cash flows, and recorded by reducing the asset's carrying amount to fair value. Future cash flows are estimated based on estimated quantities of recoverable minerals, expected silver and gold prices (considering current and historical prices, trends and related factors), production levels, operating costs, capital requirements and reclamation costs, all based on life-of-mine plans. During 2016 and 2015, we recorded impairments of \$4.4 million and \$246.7 million, respectively, to reduce the carrying value of mining properties and property, plant and equipment as part of Write-downs. Results of operations for the year ended December 31, 2017 include a \$3.4 million write-down of assets to expected realizable value, included in Income (loss) from discontinued operations.

Existing proven and probable reserves and value beyond proven and probable reserves, including mineralization other than proven and probable reserves are included when determining the fair value of mine site asset groups at acquisition and, subsequently, in determining whether the assets are impaired. The term "recoverable minerals" refers to the estimated amount of silver and gold that will be obtained after taking into account losses during ore processing and treatment. Estimates of recoverable minerals from exploration stage mineral interests are risk adjusted based on management's relative confidence in such materials. The ability to achieve the estimated quantities of recoverable minerals from exploration stage mineral interests involves further risks in addition to those risk factors applicable to mineral interests where proven and probable reserves have been identified, due to the lower level of confidence that the identified mineralized material could ultimately be mined economically. Assets classified as exploration potential have the highest level of risk that the carrying value of the asset can be ultimately realized, due to the still lower level of geological confidence and economic modeling.

Silver and gold prices are volatile and affected by many factors beyond the Company's control, including prevailing interest rates and returns on other asset classes, expectations regarding inflation, speculation, currency values, governmental decisions regarding precious metals stockpiles, global and regional demand and production, political and economic conditions and other factors may affect the key assumptions used in the Company's impairment testing. Various factors could impact our ability to achieve forecasted production levels from proven and probable reserves. Additionally, production, capital and reclamation costs could differ from the assumptions used in the cash flow models used to assess impairment. Actual results may vary from the Company's estimates and result in additional Write-downs.

Ore on Leach Pads

The heap leach process is a process of extracting silver and gold by placing ore on an impermeable pad and applying a diluted cyanide solution that dissolves a portion of the contained silver and gold, which are then recovered in metallurgical processes.

The Company uses several integrated steps to scientifically measure the metal content of ore placed on the leach pads. As the ore body is drilled in preparation for the blasting process, samples are taken of the drill residue which are assayed to determine estimated quantities of contained metal. The Company estimates the quantity of ore by utilizing global positioning satellite survey techniques. The Company then processes the ore through crushing facilities where the output is again weighed and sampled for assaying. A metallurgical reconciliation with the data collected from the mining operation is completed with appropriate adjustments made to previous estimates. The crushed ore is then transported to the leach pad for application of the leaching solution. As the leach solution is collected from the leach pads, it is continuously sampled for assaying. The quantity of leach solution is measured by flow meters throughout the leaching and precipitation process. After precipitation, the product is converted to doré, which is the final product produced by the mine. The inventory is stated at lower of cost or market, with cost being determined using a weighted average cost method.

The historical cost of the metal that is expected to be extracted within twelve months is classified as current. Ore on leach pad is valued based on actual production costs incurred to produce and place ore on the leach pads, less costs allocated to minerals recovered through the leach process.

The estimate of both the ultimate recovery expected over time and the quantity of metal that may be extracted relative to the time the leach process occurs requires the use of estimates and relies upon laboratory testwork. Testwork consists of 60 day leach columns from which the Company projects metal recoveries up to five years in the future. The quantities of metal contained in the ore are estimated based upon actual weights and assay analysis. The rate at which the leach process extracts gold and silver from the crushed ore is based upon laboratory column tests and actual experience occurring over more than twenty years of leach pad operations at the Rochester mine. The assumptions used by the Company to measure metal content during each stage of the inventory conversion process includes estimated recovery rates based on laboratory testing and assaying. The Company periodically reviews its estimates compared to actual experience and revises its estimates when appropriate. The ultimate recovery will not be known until leaching operations cease. Historically, our operating results have not been materially impacted by variations between the estimated and actual recoverable quantities of silver and gold on our leach pads.

Reclamation

The Company recognizes obligations associated with the retirement of tangible long-lived assets and the associated asset retirement costs. The fair value of a liability for an asset retirement obligation will be recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. The fair value of the liability is added to the carrying amount of the associated asset and this additional carrying amount is depreciated over the life of the asset. An accretion cost, representing the increase over time in the present value of the liability, is recorded each period in Pre-development, Reclamation, and Other. As reclamation work is performed or liabilities are otherwise settled, the recorded amount of the liability is reduced. Future remediation costs for inactive mines are accrued based on management's best estimate at the end of each period of the discounted costs expected to be incurred at the site. Such cost estimates include, where applicable, ongoing care and maintenance and monitoring costs. Changes in estimates are reflected in earnings in the period an estimate is revised.

Derivatives

The Company recognizes all derivatives as either assets or liabilities on the balance sheet and measures those instruments at fair value. Changes in the value of derivative instruments are recorded each period in Fair value adjustments, net. Management applies judgment in estimating the fair value of instruments that are highly sensitive to assumptions regarding commodity prices, market volatilities, and foreign currency exchange rates.

Income and Mining Taxes

The Company accounts for income taxes in accordance with the guidance of ASC 740. The Company's annual tax rate is based on income, statutory tax rates in effect and tax planning opportunities available to us in the various jurisdictions in which the Company operates. Significant judgment is required in determining the annual tax expense, current tax assets and liabilities, deferred tax assets and liabilities, and our future taxable income, both as a whole and in various tax jurisdictions, for purposes of assessing our ability to realize future benefit from our deferred tax assets. Actual income taxes could vary from these estimates due to future changes in income tax law, significant changes in the jurisdictions in which we operate or unpredicted results from the final determination of each year's liability by taxing authorities.

The Company's deferred income taxes reflect the impact of temporary differences between the reported amounts of assets and liabilities for financial reporting purposes and such amounts measured by tax laws and regulations. In evaluating the realizability of the deferred tax assets, management considers both positive and negative evidence that may exist, such as earnings history, reversal of taxable temporary differences, forecasted operating earnings and available tax planning strategies in each tax jurisdiction. A valuation allowance may be established to reduce our deferred tax assets to the amount that is considered more likely than not to be realized through the generation of future taxable income and other tax planning strategies.

The Company has asserted indefinite reinvestment of earnings from its Mexican operations as determined by management's judgment about and intentions concerning the future operations of the Company. The Company does not record a U.S. deferred tax liability for the foreign earnings that meet the indefinite reversal criteria. Refer to Note 9 -- Income and Mining Taxes for further discussion on our assertion.

The Company's operations may involve dealing with uncertainties and judgments in the application of complex tax regulations in multiple jurisdictions. The final taxes paid are dependent upon many factors, including negotiations with taxing authorities in various jurisdictions and resolution of disputes arising from federal, state, and international tax audits. The Company recognizes potential liabilities and records tax liabilities for anticipated tax audit issues in the United States and other tax jurisdictions based on its estimate of whether, and the extent to which, additional taxes will be due. The Company adjusts these reserves in light of changing facts and circumstances, such as the progress of a tax audit; however, due to the complexity of some of these uncertainties, the ultimate resolution could result in a payment that is materially different from our current estimate of the tax liabilities. These differences will be reflected as increases or decreases to income tax expense in the period which they are determined. The Company recognizes interest and penalties, if any, related to unrecognized tax benefits in income tax expense.

On December 22, 2017, the United States ("U.S.") enacted significant changes to U.S. tax law following the passage and signing of H.R.1, "An Act to Provide for Reconciliation Pursuant to Titles II and V of the Concurrent Resolution on the Budget for Fiscal Year 2018" which makes widespread changes to the Internal Revenue Code, including, among other

items, a reduction in the federal corporate tax rate to 21%, effective January 1, 2018.

The Company is subject to the provisions of the Financial Accounting Standards Board (“FASB”) ASC 740-10, Income Taxes, which requires that the effect on deferred tax assets and liabilities of a change in tax rates be recognized in the period the tax rate change was enacted. The carrying value of our U.S. deferred taxes is determined by the enacted U.S. corporate income tax rate. Consequently, the reduction in the U.S. corporate income tax rate impacts the carrying value of our deferred tax assets. Under the new corporate income tax rate of 21%, the U.S. net deferred tax asset position will decrease as will the related valuation allowance. The net effect of the tax reform enactment on the financial statements is minimal.

While there are certain aspects of the new tax law that will not impact the Company based on its tax attributes, such as the one-time transition tax on unremitted foreign earnings; there are other aspects of the law, which could have a positive impact on the Company's future U.S. income tax expense, including the elimination of the U.S. corporate alternative minimum tax. However, uncertainty regarding the impact of tax reform remains, as a result of factors including future regulatory and rulemaking processes, the prospects of additional corrective or supplemental legislation, potential trade or other litigation, and other factors.

Non-GAAP Financial Performance Measures

Non-GAAP financial measures are intended to provide additional information only and do not have any standard meaning prescribed by generally accepted accounting principles (“GAAP”). Unless otherwise noted, we present the Non-GAAP financial measures of our continuing operations in the tables below. For additional information regarding our discontinued operations, see Note 22 to the Consolidated Financial Statements. These measures should not be considered in isolation or as a substitute for performance measures prepared in accordance with GAAP.

Adjusted Net Income (Loss)

Management uses Adjusted net income (loss) to evaluate the Company’s operating performance, and to plan and forecast its operations. The Company believes the use of Adjusted net income (loss) reflects the underlying operating performance of our core mining business and allows investors and analysts to compare results of the Company to similar results of other mining companies. Management’s determination of the components of Adjusted net income (loss) are evaluated periodically and are based, in part, on a review of non-GAAP financial measures used by mining industry analysts. The tax effect of adjustments are based on statutory tax rates and the Company’s tax attributes, including the impact through the Company’s valuation allowance. The combined effective rate of tax adjustments may not be consistent with the statutory tax rates or the Company’s effective tax rate due to jurisdictional tax attributes and related valuation allowance impacts which may minimize the tax effect of certain adjustments and may not apply to gains and losses equally. Adjusted net income (loss) is reconciled to Net income (loss) in the table below:

In thousands except per share amounts	Year ended December 31,		
	2017	2016	2015
Net income (loss)	\$(1,319)	\$55,352	\$(367,183)
(Income) loss from discontinued operations, net of tax	12,244	(32,917)	79,372
Fair value adjustments, net	864	11,581	(5,202)
Impairment of equity and debt securities	426	703	2,346
Write-downs	—	4,446	246,625
Inventory write-downs	—	3,689	—
Gain on sale of Joaquin project	(21,138)	—	—
(Gain) loss on sale of assets and securities	1	(11,334)	352
Gain on repurchase of Rochester royalty	(2,332)	—	—
(Gain) loss on debt extinguishment	9,342	21,365	(15,916)
Corporate reorganization costs	—	—	647
Transaction costs	3,757	1,199	2,112
Deferred tax on reorganization (gain)	—	(40,767)	—
Foreign exchange loss (gain)	1,562	(299)	1,851
Tax effect of adjustments ⁽¹⁾	816	2,583	(35,734)
Adjusted net income (loss)	\$4,223	\$15,601	\$(90,730)
Adjusted net income (loss) per share - Basic	\$0.02	\$0.10	\$(0.70)
Adjusted net income (loss) per share - Diluted	\$0.02	\$0.10	\$(0.70)

(1) For the year ended December 31, 2017, tax effect of adjustments of \$0.8 million (-10%) is primarily related to a taxable gain on the sale of the Joaquin project and deferred taxes on the Metalla transaction

For the year ended December 31, 2016, tax effect of adjustments of \$2.6 million (8%) is primarily related to a taxable gain on the sale of assets and the tax valuation allowance impact from an asset write-down, partially offset by tax benefit from fair value adjustments.

For the year ended December 31, 2015, tax effect of adjustments of \$(35.7) million (-12%) is primarily related to the tax benefit from write-downs of the Palmarejo complex and Coeur Capital.

EBITDA and Adjusted EBITDA

Management uses EBITDA to evaluate the Company's operating performance, to plan and forecast its operations, and assess leverage levels and liquidity measures. The Company believes the use of EBITDA reflects the underlying operating performance of our core mining business and allows investors and analysts to compare results of the Company to similar results of other mining companies. Adjusted EBITDA is a measure used in the Indenture and the Facility to determine our ability to make certain payments and incur additional indebtedness. EBITDA and Adjusted EBITDA do not represent, and should not be considered an alternative to, Net income (Loss) or Cash Flow from Operations as determined under GAAP. Other companies may calculate Adjusted EBITDA differently and those calculations may not be comparable to our presentation. Adjusted EBITDA is reconciled to Net income (loss) in the table below:

In thousands except per share amounts	Year ended December 31,		
	2017	2016	2015
Net income (loss)	\$(1,319)	\$55,352	\$(367,183)
(Income) loss from discontinued operations, net of tax	12,244	(32,917)	79,372
Interest expense, net of capitalized interest	16,440	36,896	44,978
Income tax provision (benefit)	28,998	(33,247)	(29,075)
Amortization	146,549	116,528	125,953
EBITDA	202,912	142,612	(145,955)
Fair value adjustments, net	864	11,581	(5,202)
Impairment of equity and debt securities	426	703	2,346
Foreign exchange (gain) loss	(1,281)	11,455	16,021
Gain on sale of Joaquin project	(21,138)	—	—
(Gain) loss on sale of assets and securities	1	(11,334)	352
Gain on repurchase of Rochester royalty	(2,332)	—	—
Loss on debt extinguishment	9,342	21,365	(15,916)
Corporate reorganization costs	—	—	647
Transaction costs	3,757	1,199	2,112
Asset retirement obligation accretion	8,983	7,263	7,374
Inventory adjustments and write-downs	1,806	5,590	9,276
Write-downs	—	4,446	246,625
Adjusted EBITDA	\$203,340	\$194,880	\$117,680

Costs Applicable to Sales and All-in Sustaining Costs

Management uses Costs applicable to sales ("CAS") and All-in sustaining costs ("AISC") to evaluate the Company's current operating performance and life of mine performance from discovery through reclamation. We believe these measures assist analysts, investors and other stakeholders in understanding the costs associated with producing silver and gold, assessing our operating performance and ability to generate free cash flow from operations and sustaining production. These measures may not be indicative of operating profit or cash flow from operations as determined under GAAP. Management believes converting the benefit from selling gold into silver equivalent ounces best allows management, analysts, investors and other stakeholders to evaluate the operating performance of the Company. Other companies may calculate CAS and AISC differently as a result of reflecting the benefit from selling non-silver metals as a by-product credit rather than converting to silver equivalent ounces, differences in the determination of sustaining capital expenditures, and differences in underlying accounting principles and accounting frameworks such as in International Financial Reporting Standards.

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Year Ended December 31, 2017

In thousands except per ounce amounts	Silver				Gold			Total
	Palmarejo	Rochester	Endeavor	Total	Kensington	Wharf	Total	
Costs applicable to sales, including amortization (U.S. GAAP)	\$219,920	\$130,227	\$1,046	\$351,193	\$152,118	\$82,334	\$234,452	\$585,645
Amortization	73,744	22,306	301	96,351	36,022	13,012	49,034	145,385
Costs applicable to sales	\$146,176	\$107,921	\$745	\$254,842	\$116,096	\$69,322	\$185,418	\$440,260
Silver equivalent ounces sold	15,490,734	8,209,888	107,027	23,807,649				37,334,889
Gold equivalent ounces sold					125,982	99,472	225,454	
Costs applicable to sales per ounce	\$9.44	\$13.15	\$6.96	\$10.70	\$922	\$697	\$822	\$11.79
Costs applicable to sales per average spot ounce	\$8.45	\$12.04		\$9.66				\$10.24
Costs applicable to sales								\$440,260
Treatment and refining costs								5,912
Sustaining capital ⁽¹⁾								65,010
General and administrative								33,616
Exploration								30,311
Reclamation								14,910
Project/pre-development costs								5,543
All-in sustaining costs								\$595,562
Silver equivalent ounces sold								23,807,649
Kensington and Wharf silver equivalent ounces sold								13,527,240
Consolidated silver equivalent ounces sold								37,334,889
All-in sustaining costs per silver equivalent ounce								\$15.95
Consolidated silver equivalent ounces sold (average spot)								42,969,841
All-in sustaining costs per average spot silver equivalent ounce								\$13.86

(1) Excludes development capital for Jualin, Guadalupe South Portal, Rochester expansion permitting, Wharf denitrification plant, and Silvertip.

Year Ended December 31, 2016

In thousands except per ounce amounts	Silver				Gold			Total
	Palmarejo	Rochester	Endeavor	Total	Kensington	Wharf	Total	
Costs applicable to sales, including amortization (U.S. GAAP)	\$117,419	\$111,564	\$2,363	\$231,346	\$131,518	\$87,000	\$218,518	\$449,864
Amortization	36,599	21,838	644	59,081	34,787	20,621	55,408	114,489
Costs applicable to sales	\$80,820	\$89,726	\$1,719	\$172,265	\$96,731	\$66,379	\$163,110	\$335,375
Silver equivalent ounces sold	7,538,311	7,542,740	262,078	15,343,129				29,221,609
Gold equivalent ounces sold					121,688	109,620	231,308	
Costs applicable to sales per ounce	\$10.72	\$11.90	\$6.56	\$11.23	\$795	\$606	\$705	\$11.48

Costs applicable to sales per average spot ounce	\$9.73	\$10.97	\$10.29	\$9.98
Costs applicable to sales				\$335,375
Treatment and refining costs				4,307
Sustaining capital ⁽¹⁾				71,134
General and administrative				29,275
Exploration				12,930
Reclamation				13,291
Project/pre-development costs				5,779
All-in sustaining costs				\$472,091
Silver equivalent ounces sold				15,343,129
Kensington and Wharf silver equivalent ounces sold				13,878,480
Consolidated silver equivalent ounces sold				29,221,609
All-in sustaining costs per silver equivalent ounce				\$16.16
Consolidated silver equivalent ounces sold (average spot)				33,600,783
All-in sustaining costs per average spot silver equivalent ounce				\$14.05

(1) Excludes development capital for Jualin, Independencia, Guadalupe South Portal and Rochester expansion permitting.

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Year Ended December 31, 2015

In thousands except per ounce amounts	Silver				Gold			
	Palmarejo	Rochester	Endeavor	Total	Kensington	Wharf	Total	Total
Costs applicable to sales, including amortization (U.S. GAAP)	\$ 170,899	\$ 127,900	\$ 9,059	\$ 307,858	\$ 147,880	\$ 68,575	\$ 216,455	\$ 524,313
Amortization	32,423	23,906	5,539	61,868	42,240	16,378	58,618	120,486
Costs applicable to sales	\$ 138,476	\$ 103,994	\$ 3,520	\$ 245,990	\$ 105,640	\$ 52,197	\$ 157,837	\$ 403,827
Silver equivalent ounces sold	9,840,705	8,377,823	615,022	18,833,550				31,164,390
Gold equivalent ounces sold					131,553	73,961	205,514	
Costs applicable to sales per ounce	\$ 14.07	\$ 12.41	\$ 5.72	\$ 13.06	\$ 803	\$ 706	\$ 768	\$ 12.96
Costs applicable to sales per average spot ounce	\$ 12.75	\$ 11.32		\$ 11.90				\$ 11.27
Costs applicable to sales								\$ 403,827
Treatment and refining costs								4,801
Sustaining capital ⁽¹⁾								47,072
General and administrative								32,636
Exploration								11,521
Reclamation								15,308
Project/pre-development costs								4,702
All-in sustaining costs								\$ 519,867
Silver equivalent ounces sold								18,833,550
Kensington and Wharf silver equivalent ounces sold								12,330,840
Consolidated silver equivalent ounces sold								31,164,390
All-in sustaining costs per silver equivalent ounce								\$ 16.68
Consolidated silver equivalent ounces sold (average spot)								35,852,897
All-in sustaining costs per average spot silver equivalent ounce								\$ 14.50

(1) Excludes development capital for Jualin, Guadalupe, Independencia and Rochester crushing capacity expansion.

Reconciliation of All-in Sustaining Costs per Silver Equivalent Ounce for 2018 Guidance

In thousands except per ounce amounts	Silver				Gold			
	Palmarejo	Rochester	Silvertip	Total Silver	Kensington	Wharf	Total Gold	Total Combined
Costs applicable to sales, including amortization (U.S. GAAP)	\$ 208,000	\$ 116,300	\$ 88,000	\$ 412,300	\$ 146,100	\$ 89,700	\$ 235,800	\$ 648,100
Amortization	63,300	18,900	20,000	102,200	40,400	12,100	52,500	154,700
Costs applicable to sales	\$ 144,700	\$ 97,400	\$ 68,000	\$ 310,100	\$ 105,700	\$ 77,600	\$ 183,300	\$ 493,400
Silver equivalent ounces sold	13,700,000	7,300,000	4,500,000	25,500,000				37,800,000
Gold equivalent ounces sold					117,500	87,500	205,000	
Costs applicable to sales per ounce	\$ 10.50 - \$ 11.00	\$ 13.25 - \$ 13.75	\$ 15.00 - \$ 15.50		\$ 900 - \$ 950	\$ 850 - \$ 900		

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Costs applicable to sales	\$ 493,400
Treatment and refining costs	12,000
Sustaining capital, including capital lease payments	100,000
General and administrative	33,000
Exploration	22,000
Reclamation	15,700
Project/pre-development costs	2,900
All-in sustaining costs	\$ 679,000
Silver equivalent ounces sold	25,500,000
Kensington and Wharf silver equivalent ounces sold	12,300,000
Consolidated silver equivalent ounces sold	37,800,000
All-in sustaining costs per silver equivalent ounce	\$17.50 - \$18.00

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

The Company is exposed to various market risks as a part of its operations and engages in risk management strategies to mitigate these risks. The Company continually evaluates the potential benefits of engaging in these strategies based on current market conditions. The Company does not actively engage in the practice of trading derivative instruments for profit. Additional information about the Company's derivative financial instruments may be found in Note 12 -- Derivative Financial Instruments in the notes to the condensed consolidated financial statements. This discussion of the Company's market risk assessments contains "forward looking statements". For additional information regarding forward-looking statements and risks and uncertainties that could impact the Company, please refer to Item 7 of this Report - Cautionary Statement Concerning Forward-Looking Statements. Actual results and actions could differ materially from those discussed below.

Gold and Silver Price

Gold and silver prices may fluctuate widely due to numerous factors, such as U.S. dollar strength or weakness, demand, investor sentiment, inflation or deflation, and global mine production. The Company's profitability and cash flow may be significantly impacted by changes in the market price of gold and silver.

Gold and Silver Hedging

To mitigate the risks associated with gold and silver price fluctuations, the Company may enter into option contracts to hedge future production. The Company had no outstanding gold and silver option contracts at December 31, 2017.

Provisional Silver and Gold Sales

The Company enters into sales contracts with third-party smelters and refiners which, in some cases, provide for a provisional payment based upon preliminary assays and quoted metal prices. The provisionally priced sales contracts contain an embedded derivative that is required to be separated from the host contract. Depending on the difference between the price at the time of sale and the final settlement price, embedded derivatives are recorded as either a derivative asset or liability. The embedded derivatives do not qualify for hedge accounting and, as a result, are marked to the market gold and silver price at the end of each period from the provisional sale date to the date of final settlement. The mark-to-market gains and losses are recorded in earnings. Changes in silver and gold prices resulted in provisional pricing mark-to-market gains of \$0.6 million, losses of \$0.2 million, and gains of \$0.2 million in the years ended December 31, 2017, 2016, and 2015, respectively.

At December 31, 2017, the Company had outstanding provisionally priced sales of 23,065 ounces of silver and 41,476 ounces of gold at prices of \$16.61 and \$1,283, respectively. A 10% change in realized silver price would result in a de minimis change in revenue and a 10% change in realized gold price would cause revenue to vary by \$5.3 million.

Foreign Currency

The Company operates, or has mineral interests, in several foreign countries including Canada, Mexico, and New Zealand, which exposes it to foreign currency exchange rate risks. Foreign currency exchange rates are influenced by world market factors beyond the Company's control such as supply and demand for U.S. and foreign currencies and related monetary and fiscal policies. Fluctuations in local currency exchange rates in relation to the U.S. dollar may significantly impact profitability and cash flow.

Foreign Exchange Hedging

To manage foreign currency risk, the Company may enter into foreign exchange forward and/or option contracts when the Company believes such contracts would be beneficial. The Company had no outstanding foreign exchange contracts at December 31, 2017.

Item 8. Financial Statements and Supplementary Data

Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders
Coeur Mining, Inc.

Opinion on the financial statements

We have audited the accompanying consolidated balance sheets of Coeur Mining, Inc. (a Delaware corporation) and subsidiaries (the “Company”) as of December 31, 2017 and 2016, and the related consolidated statements of comprehensive income (loss), changes in stockholders’ equity, and cash flows for each of the two years in the period ended December 31, 2017, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2017 and 2016, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2017, in conformity with accounting principles generally accepted in the United States of America. We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (“PCAOB”), the Company’s internal control over financial reporting as of December 31, 2017, based on criteria established in the 2013 Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”), and our report dated February 7, 2018 expressed an unmodified opinion.

Basis for opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB. We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ GRANT THORNTON LLP

We have served as the Company’s auditor since 2016.

Chicago, Illinois
February 7, 2018

Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders
Coeur Mining, Inc.

Opinion on internal control over financial reporting

We have audited the internal control over financial reporting of Coeur Mining, Inc. (a Delaware corporation) and subsidiaries (“the Company”) as of December 31, 2017, based on criteria established in the 2013 Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2017, based on criteria established in the 2013 Internal Control-Integrated Framework issued by COSO.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (“PCAOB”), the consolidated financial statements of the Company as of and for the year ended December 31, 2017, and our report dated February 7, 2018 expressed an unqualified opinion on those financial statements.

Basis for opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in Management’s Report. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Our audit of, and opinion on, the Company’s internal control over financial reporting does not include the internal control over financial reporting of Coeur Silvertip Holdings Ltd., a wholly-owned subsidiary, whose financial statements reflect total assets and revenues constituting 20% and 0%, respectively, of the related consolidated financial statement amounts as of and for the year ended December 31, 2017. As indicated in the accompanying Management’s Report on Internal Control over Financial Reporting (“Management’s Report”), Coeur Silvertip Holdings Ltd. was acquired during 2017. Management’s assertion on the effectiveness of the Company’s internal control over financial reporting excluded internal control over financial reporting of Coeur Silvertip Holdings Ltd.

Definition and limitations of internal control over financial reporting

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ GRANT THORNTON LLP
Chicago, Illinois
February 7, 2018

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Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders
Coeur Mining, Inc.:

We have audited the accompanying consolidated statements of comprehensive income (loss), changes in stockholders' equity, and cash flows of Coeur Mining, Inc. and subsidiaries for the year ended December 31, 2015. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the results of operations and the cash flows of Coeur Mining, Inc. and subsidiaries for the year ended December 31, 2015, in conformity with U.S. generally accepted accounting principles.

/s/ KPMG LLP
Chicago, Illinois
February 10, 2016, except as to note 22, which is as of February 7, 2018

COEUR MINING, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

	Year ended December 31,			
	2017	2016	2015	
	Notes In thousands, except share data			
Revenue	3	\$ 709,598	\$ 571,897	\$ 561,407
COSTS AND EXPENSES				
Costs applicable to sales ⁽¹⁾	3	440,260	335,375	403,827
Amortization		146,549	116,528	125,953
General and administrative		33,616	29,275	32,636
Exploration		30,311	12,930	11,521
Write-downs		—	4,446	246,625
Pre-development, reclamation, and other		18,936	14,411	16,204
Total costs and expenses		669,672	512,965	836,766
OTHER INCOME (EXPENSE), NET				
Gain (loss) on debt extinguishment	19	(9,342)	(21,365)	15,916
Fair value adjustments, net	11	(864)	(11,581)	5,202
Interest expense, net of capitalized interest	19	(16,440)	(36,896)	(44,978)
Other, net	8	26,643	98	(17,667)
Total other income (expense), net		(3)	(69,744)	(41,527)
Income (loss) before income and mining taxes		39,923	(10,812)	(316,886)
Income and mining tax (expense) benefit	9	(28,998)	33,247	29,075
Income (loss) from continuing operations		\$ 10,925	\$ 22,435	\$ (287,811)
Income (loss) from discontinued operations	22	(12,244)	32,917	(79,372)
NET INCOME (LOSS)		\$ (1,319)	\$ 55,352	\$ (367,183)
OTHER COMPREHENSIVE INCOME (LOSS), net of tax:				
Unrealized gain (loss) on equity securities, net of tax of (\$767) for the year ended December 31, 2016		3,227	3,222	(4,154)
Reclassification adjustments for impairment of equity securities		426	703	2,346
Reclassification adjustments for realized (gain) loss on sale of equity securities		1,354	(2,691)	894
Other comprehensive income (loss)		5,007	1,234	(914)
COMPREHENSIVE INCOME (LOSS)		\$ 3,688	\$ 56,586	\$ (368,097)
NET INCOME (LOSS) PER SHARE	10			
Basic income (loss) per share:				
Net income (loss) from continuing operations		\$ 0.06	\$ 0.14	\$ (2.22)
Net income (loss) from discontinued operations		(0.07)	0.21	(0.61)
Basic		\$ (0.01)	\$ 0.35	\$ (2.83)
Diluted income (loss) per share:				
Net income (loss) from continuing operations		\$ 0.06	\$ 0.14	\$ (2.22)
Net income (loss) from discontinued operations		(0.07)	0.20	(0.61)
Diluted		\$ (0.01)	\$ 0.34	\$ (2.83)

(1) Excludes amortization.

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

COEUR MINING, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years ended December 31,		
	2017	2016	2015
	Notes In thousands		
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net (income) loss	\$(1,319)	\$55,352	\$(367,183)
(Income) loss from discontinued operations	12,244	(32,917)	79,372
Adjustments:			
Amortization	146,549	116,528	125,953
Accretion	9,980	9,142	13,332
Deferred taxes	(13,888)	(54,184)	(38,496)
Loss (gain) on debt extinguishment	9,342	21,365	(15,916)
Fair value adjustments, net	11 864	11,581	(5,202)
Stock-based compensation	6 10,541	9,715	9,272
Gain on sale of the Joaquin project	(21,138)	—	—
Write-downs	—	4,446	246,625
Other	(7,974)	356	18,983
Changes in operating assets and liabilities:			
Receivables	18,895	(2,783)	(5,022)
Prepaid expenses and other current assets	(2,015)	(4,420)	5,702
Inventory and ore on leach pads	23,517	(34,610)	15,578
Accounts payable and accrued liabilities	11,562	(3,110)	4,414
CASH PROVIDED BY OPERATING ACTIVITIES OF CONTINUING OPERATIONS	197,160	96,461	87,412
CASH PROVIDED BY OPERATING ACTIVITIES OF DISCONTINUED OPERATIONS	11,296	29,356	26,130
CASH PROVIDED BY OPERATING ACTIVITIES	208,456	125,817	113,542
CASH FLOWS FROM INVESTING ACTIVITIES:			
Capital expenditures	(136,734)	(94,382)	(88,973)
Acquisitions, net	13 (156,248)	(1,417)	(110,846)
Proceeds from the sale of assets	16,705	16,296	607
Purchase of investments	(15,058)	(178)	(1,880)
Sale of investments	11,321	7,077	605
Other	(217)	(4,208)	(4,586)
CASH USED IN INVESTING ACTIVITIES OF CONTINUING OPERATIONS	(280,231)	(76,812)	(205,073)
CASH USED IN INVESTING ACTIVITIES OF DISCONTINUED OPERATIONS	(1,392)	(6,631)	(6,220)
CASH USED IN INVESTING ACTIVITIES	(281,623)	(83,443)	(211,293)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Issuance of common stock	—	269,556	—
Issuance of notes and bank borrowings, net of issuance costs	19 342,620	—	150,000
Payments on debt, capital leases, and associated costs	19 (203,045)	(318,153)	(70,603)
Gold production royalty payments	—	(27,155)	(39,235)
Other	(3,746)	172	(542)
CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES OF CONTINUING OPERATIONS	135,829	(75,580)	39,620
CASH USED IN FINANCING ACTIVITIES OF DISCONTINUED OPERATIONS	(84)	(4,648)	(10,612)

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CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	135,745	(80,228)	29,008
Effect of exchange rate changes on cash and cash equivalents	203	(678)	(1,404)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	62,781	(38,532)	(70,147)
Less net cash provided by (used in) discontinued operations ⁽¹⁾	(10,939)	1,576	11,552
	73,720	(40,108)	(81,699)
Cash and cash equivalents at beginning of period	118,312	158,420	240,119
Cash and cash equivalents at end of period	\$192,032	\$118,312	\$158,420

⁽¹⁾ Less net cash provided by (used in) discontinued operations includes the following cash transactions: net subsidiary payments to parent company of \$20,759, \$16,501 during the years ended December 31, 2017, 2016, respectively, and net parent company payments to subsidiary of \$2,254 during the year ended December 31, 2015.

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

COEUR MINING, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

		December 31, 2017	December 31, 2016
	Notes	In thousands, except share data	
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		\$ 192,032	\$ 118,312
Receivables	15	19,069	53,415
Inventory	16	58,230	93,436
Ore on leach pads	16	73,752	64,167
Prepaid expenses and other		15,053	10,015
Assets held for sale	22	91,421	71,442
		449,557	410,787
NON-CURRENT ASSETS			
Property, plant and equipment, net	17	254,737	193,423
Mining properties, net	18	829,569	550,290
Ore on leach pads	16	65,393	67,231
Restricted assets	14	20,847	17,597
Equity and debt securities	14	34,837	4,488
Receivables	15	28,750	13,745
Other		17,485	12,585
Assets held for sale	22	—	48,763
TOTAL ASSETS		\$ 1,701,175	\$ 1,318,909
LIABILITIES AND STOCKHOLDERS' EQUITY			
CURRENT LIABILITIES			
Accounts payable		\$ 48,592	\$ 44,660
Accrued liabilities and other	23	94,930	36,445
Debt	19	30,753	11,955
Royalty obligations	11	—	4,995
Reclamation	5	3,777	3,109
Liabilities held for sale	22	50,677	15,470
		228,729	116,634
NON-CURRENT LIABILITIES			
Debt	19	380,569	198,682
Royalty obligations	11	—	4,292
Reclamation	5	117,055	85,592
Deferred tax liabilities		105,148	69,811
Other long-term liabilities		54,697	41,654
Liabilities held for sale	22	—	33,757
		657,469	433,788
STOCKHOLDERS' EQUITY			
Common stock, par value \$0.01 per share; authorized 300,000,000 shares, issued and outstanding 185,637,724 at December 31, 2017 and 180,933,287 at December 31, 2016		1,856	1,809
Additional paid-in capital		3,357,345	3,314,590
Accumulated other comprehensive income (loss)		2,519	(2,488)
Accumulated deficit		(2,546,743)	(2,545,424)
		814,977	768,487
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		\$ 1,701,175	\$ 1,318,909

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

COEUR MINING, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

In thousands	Common Stock Shares	Common Stock Par Value	Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total
Balances at December 31, 2014	103,384	\$ 1,034	\$2,789,695	\$(2,233,593)	\$ (2,808)	) \$554,328
Net income (loss)	—	—	—	(367,183)	—	(367,183)
Other comprehensive income (loss)	—	—	—	—	(914)	(914)
Common stock issued for the acquisition of Paramount Gold and Silver Corp.	32,667	327	188,490	—	—	188,817
Common stock issued for the extinguishment of Senior Notes	14,365	144	38,379	—	—	38,523
Common stock issued under stock-based compensation plans, net	923	8	7,897	—	—	7,905
Balances at December 31, 2015	151,339	\$ 1,513	\$3,024,461	\$(2,600,776)	\$ (3,722)	) \$421,476
Net income (loss)	—	—	—	55,352	—	55,352
Other comprehensive income (loss)	—	—	—	—	1,234	1,234
Common stock issued for the extinguishment of Senior Notes	739	7	11,806	—	—	11,813
Issuance of common stock	26,944	270	269,286	—	—	269,556
Common stock issued under stock-based compensation plans, net	1,911	19	9,037	—	—	9,056
Balances at December 31, 2016	180,933	\$ 1,809	\$3,314,590	\$(2,545,424)	\$ (2,488)	) \$768,487
Net income (loss)	—	—	—	(1,319)	—	(1,319)
Other comprehensive income (loss)	—	—	—	—	5,007	5,007
Purchase of JDS Silver	4,192	42	35,965	—	—	36,007
Common stock issued under stock-based compensation plans, net	513	5	6,790	—	—	6,795
Balances at December 31, 2017	185,638	\$ 1,856	\$3,357,345	\$(2,546,743)	\$ 2,519	) \$814,977

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

Coeur Mining, Inc. and Subsidiaries
Notes to Consolidated Financial Statements

NOTE 1 - THE COMPANY

Coeur Mining, Inc. ("Coeur" or "the Company") is a gold and silver producer, as well as a zinc and lead producer after the acquisition of Silvertip, with mines located in the United States, Mexico, and Canada and exploration projects in the United States and Mexico. The Company operates the Palmarejo complex as well as the Kensington, Rochester, Wharf, and Silvertip mines. At December 31, 2017, the Company determined that the expected disposal of Empresa Minera Manquiri S.A. ("Manquiri") and the San Bartolomé mine represents a strategic shift to a North America-focused mining portfolio that is expected to have a major effect on the entity's results and operations; therefore, the applicable assets and liabilities for all periods presented are included in the consolidated balance sheets as held for sale and the results of operations as discontinued operations for all periods. The cash flow and profitability of the Company's operations are significantly impacted by the market price of gold and silver. The prices of gold and silver are affected by numerous factors beyond the Company's control.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reclassifications

Certain reclassifications have been made to the 2016 and 2015 consolidated financial statements to conform to the 2017 presentations. These reclassifications primarily represent reclassifications of revenue and expenses to discontinued operations on the consolidated statements of operations and comprehensive income and consolidated statements of cash flows for the years ended December 31, 2016 and 2015 and reclassifications of assets and liabilities to held for sale on the consolidated balance sheet as of December 31, 2016.

Use of Estimates

The Company's Consolidated Financial Statements have been prepared in accordance with United States Generally Accepted Accounting Principles. The preparation of the Company's Consolidated Financial Statements requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and the related disclosure of contingent assets and liabilities at the date of the Consolidated Financial Statements and reported amounts of revenues and expenses during the reporting period. The more significant areas requiring the use of management estimates and assumptions relate to metal prices and mineral reserves that are the basis for future cash flow estimates utilized in impairment calculations and units-of production amortization calculations, environmental, reclamation and closure obligations, estimates of recoverable silver and gold in leach pad inventories, estimates of fair value for certain reporting units and asset impairments, valuation allowances for deferred tax assets, and the fair value and accounting treatment of financial instruments, equity securities, the allocation of fair value to assets and liabilities assumed in connection with business combinations, and derivative instruments. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances. Accordingly, actual results will differ from the amounts estimated in these financial statements.

Principles of Consolidation

The Consolidated Financial Statements include the wholly-owned subsidiaries of the Company, the most significant of which are Coeur Mexicana S.A. de C.V., Coeur Rochester, Inc., Coeur Alaska, Inc., Wharf Resources (U.S.A.), Inc., Coeur Silvertip Holdings Ltd., and Coeur Capital, Inc. All intercompany balances and transactions have been eliminated. The Company's investments in entities in which it has less than 20% ownership interest are accounted for using the cost method.

Cash and Cash Equivalents

Cash and cash equivalents include all highly-liquid investments with an original maturity of three months or less. The Company minimizes its credit risk by investing its cash and cash equivalents with major U.S. and international banks and financial institutions located principally in the United States with a minimum credit rating of A1, as defined by Standard & Poor's. The Company's management believes that no concentration of credit risk exists with respect to the investment of its cash and cash equivalents.

Receivables

Trade receivables and other receivable balances are reported at outstanding principal amounts, net of an allowance for doubtful accounts, if deemed necessary. Management evaluates the collectability of receivable account balances to determine the allowance, if any. Management considers the other party's credit risk and financial condition, as well as current and projected economic and market conditions, in determining the amount of the allowance. Receivable balances are written off when management determines that the balance is uncollectible.

Ore on Leach Pads

The heap leach process extracts silver and gold by placing ore on an impermeable pad and applying a diluted cyanide solution that dissolves a portion of the contained silver and gold, which are then recovered in metallurgical processes.

Coeur Mining, Inc. and Subsidiaries
Notes to Consolidated Financial Statements

The Company uses several integrated steps to scientifically measure the metal content of ore placed on the leach pads. As the ore body is drilled in preparation for the blasting process, samples are taken of the drill residue which are assayed to determine estimated quantities of contained metal. The Company estimates the quantity of ore by utilizing global positioning satellite survey techniques. The Company then processes the ore through crushing facilities where the output is again weighed and sampled for assaying. A metallurgical reconciliation with the data collected from the mining operation is completed with appropriate adjustments made to previous estimates. The crushed ore is then transported to the leach pad for application of the leaching solution. As the leach solution is collected from the leach pads, it is continuously sampled for assaying. The quantity of leach solution is measured by flow meters throughout the leaching and precipitation process. After precipitation, the product is converted to doré at the Rochester mine and a form of gold concentrate at the Wharf mine, representing the final product produced by each mine. The inventory is stated at lower of cost or market, with cost being determined using a weighted average cost method.

The historical cost of metal expected to be extracted within twelve months is classified as current and the historical cost of metals contained within the broken ore expected to be extracted beyond twelve months is classified as non-current. Ore on leach pads is valued based on actual production costs incurred to produce and place ore on the leach pad, less costs allocated to minerals recovered through the leach process.

The estimate of both the ultimate recovery expected over time and the quantity of metal that may be extracted relative to the time the leach process occurs requires the use of estimates, which are inherently inaccurate due to the nature of the leaching process. The quantities of metal contained in the ore are based upon actual weights and assay analysis. The rate at which the leach process extracts gold and silver from the crushed ore is based upon laboratory testing and actual experience of more than twenty years of leach pad operations at the Rochester mine and thirty years of leach pad operations at the Wharf mine. The assumptions used by the Company to measure metal content during each stage of the inventory conversion process includes estimated recovery rates based on laboratory testing and assaying. The Company periodically reviews its estimates compared to actual experience and revises its estimates when appropriate. Variations between actual and estimated quantities resulting from changes in assumptions and estimates that do not result in write-downs to net realizable value are accounted for on a prospective basis.

Metal and Other Inventory

Inventories include concentrate, doré, and operating materials and supplies. The classification of inventory is determined by the stage at which the ore is in the production process. All inventories are stated at the lower of cost or market, with cost being determined using a weighted average cost method. Concentrate and doré inventory includes product at the mine site and product held by refineries. Metal inventory costs include direct labor, materials, depreciation, depletion and amortization as well as overhead costs relating to mining activities.

Property, Plant, and Equipment

Expenditures for new facilities, assets acquired pursuant to capital leases, new assets or expenditures that extend the useful lives of existing facilities are capitalized and depreciated using the straight-line method at rates sufficient to depreciate such costs over the shorter of estimated productive lives of such facilities, lease term, or the useful life of the individual assets. Productive lives range from 7 to 30 years for buildings and improvements and 3 to 10 years for machinery and equipment. Certain mining equipment is depreciated using the units-of-production method based upon estimated total proven and probable reserves.

Mining Properties and Mine Development

Capitalization of mine development costs begins once all operating permits have been secured, mineralization is classified as proven and probable reserves and a final feasibility study has been completed. Mine development costs include engineering and metallurgical studies, drilling and other related costs to delineate an ore body, the removal of overburden to initially expose an ore body at open pit surface mines and the building of access ways, shafts, lateral access, drifts, ramps and other infrastructure at underground mines. Costs incurred before mineralization are classified as proven and probable reserves are capitalized if a project is in pre-production phase or expensed and classified as Exploration or Pre-development if the project is not yet in pre-production. Mine development costs are amortized using the units of production method over the estimated life of the ore body based on recoverable ounces to be mined from proven and probable reserves. Interest expense allocable to the cost of developing mining properties and to

construct new facilities is capitalized until assets are ready for their intended use.

Drilling and related costs incurred at the Company's operating mines are expensed as incurred in Exploration, unless the Company can conclude with a high degree of confidence, prior to the commencement of a drilling program, that the drilling costs will result in the conversion of a mineral resource into proven and probable reserves. The Company's assessment is based on the following factors: results from previous drill programs; results from geological models; results from a mine scoping study confirming economic viability of the resource; and preliminary estimates of mine inventory, ore grade, cash flow and mine life.

In addition, the Company must have all permitting and/or contractual requirements necessary to have the right to and/or control

of the future benefit from the targeted ore body. The costs of a drilling program that meet these criteria are capitalized as mine

development costs. Drilling and related costs of approximately \$11.7 million and \$12.9 million at December 31, 2017 and 2016, respectively, were capitalized.

Coeur Mining, Inc. and Subsidiaries
Notes to Consolidated Financial Statements

The cost of removing overburden and waste materials to access the ore body at an open pit mine prior to the production phase are referred to as “pre-stripping costs.” Pre-stripping costs are capitalized during the development of an open pit mine. Stripping costs incurred during the production phase of a mine are variable production costs that are included as a component of inventory to be recognized in Costs applicable to sales in the same period as the revenue from the sale of inventory.

Mineral Interests

Significant payments related to the acquisition of land and mineral rights are capitalized. Prior to acquiring such land or mineral rights, the Company generally makes a preliminary evaluation to determine that the property has significant potential to develop an economic ore body. The time between initial acquisition and full evaluation of a property’s potential is variable and is determined by many factors including: location relative to existing infrastructure, the property’s stage of development, geological controls and metal prices. If a mineable ore body is discovered, such costs are amortized when production begins using the units of- production method based on recoverable ounces to be mined from proven and probable reserves. If no mineable ore body is discovered, such costs are expensed in the period in which it is determined the property has no future economic value.

Write-downs

We review and evaluate our long-lived assets for impairment whenever events or changes in circumstances indicate that the related carrying amounts may not be recoverable. Asset impairment is considered to exist if the total estimated undiscounted pretax future cash flows are less than the carrying amount of the asset. In estimating future cash flows, assets are grouped at the lowest level for which there is identifiable cash flows that are largely independent of future cash flows from other asset groups. An impairment loss is measured by discounted estimated future cash flows, and recorded by reducing the asset's carrying amount to fair value. Future cash flows are estimated based on estimated quantities of recoverable minerals, expected silver and gold prices (considering current and historical prices, trends and related factors), production levels, operating costs, capital requirements and reclamation costs, all based on life-of-mine plans. During 2016 and 2015, we recorded impairments of \$4.4 million and \$246.6 million, respectively, to reduce the carrying value of mining properties and property, plant and equipment as part of Write-downs.

Existing proven and probable reserves and value beyond proven and probable reserves, including mineralization other than proven and probable reserves are included when determining the fair value of mine site asset groups at acquisition and, subsequently, in determining whether the assets are impaired. The term “recoverable minerals” refers to the estimated amount of silver and gold that will be obtained after taking into account losses during ore processing and treatment. Estimates of recoverable minerals from exploration stage mineral interests are risk adjusted based on management’s relative confidence in such materials. The ability to achieve the estimated quantities of recoverable minerals from exploration stage mineral interests involves further risks in addition to those risk factors applicable to mineral interests where proven and probable reserves have been identified, due to the lower level of confidence that the identified mineralized material could ultimately be mined economically. Assets classified as exploration potential have the highest level of risk that the carrying value of the asset can be ultimately realized, due to the still lower level of geological confidence and economic modeling.

Silver and gold prices are volatile and affected by many factors beyond the Company’s control, including prevailing interest rates and returns on other asset classes, expectations regarding inflation, speculation, currency values, governmental decisions regarding precious metals stockpiles, global and regional demand and production, political and economic conditions and other factors may affect the key assumptions used in the Company’s impairment testing. Various factors could impact our ability to achieve forecasted production levels from proven and probable reserves. Additionally, production, capital and reclamation costs could differ from the assumptions used in the cash flow models used to assess impairment. Actual results may vary from the Company’s estimates and result in additional Write-downs.

Properties Held for Sale

In determining whether to classify a property as held for sale, the Company considers whether: (i) management has committed to a plan to sell the property; (ii) the investment is available for immediate sale, in its present condition; (iii) the Company has initiated a program to locate a buyer; (iv) the Company believes that the sale of the property is

probable; (v) the Company has received a significant non-refundable deposit for the purchase of the property; (vi) the Company is actively marketing the property for sale at a price that is reasonable in relation to its estimated fair value; and (vii) actions required for the Company to complete the plan indicate that it is unlikely that any significant changes will be made to the plan. If all of the above criteria are met, the Company classifies the property as held for sale. When these criteria are met, the Company suspends depreciation on the properties held for sale. The properties held for sale and associated liabilities are classified separately on the consolidated balance sheets. Such properties are recorded at the lesser of the carrying value or estimated fair value less costs to sell. Additionally, if the sale represents a strategic shift that has (or will have) a major effect on the entity's results and operations, the assets, liabilities and operations for the periods presented are classified on the consolidated balance sheets as held for sale and consolidated statements of operations and comprehensive income (loss) as discontinued operations for all periods presented. At December 31, 2017, the San Bartolomé mine met the held for sale criteria. Furthermore, considering that San Bartolomé is one of the Company's current five operating mines and the expected sale would represent an exit from the South American

Coeur Mining, Inc. and Subsidiaries
Notes to Consolidated Financial Statements

region, the Company has determined that the expected disposal of Manquiri and the San Bartolomé mine through a sale of all of the issued and outstanding shares of Manquiri represents a strategic shift to a North America-focused mining portfolio that is expected to have a major effect on the entity's results and operations, therefore, the applicable assets, liabilities and operations for the periods presented are classified on the consolidated balance sheets as held for sale and the consolidated statements of operations and comprehensive income (loss) as discontinued operations for all periods presented. Results of operations for the year ended December 31, 2017 include a \$3.4 million write-down of assets to expected realizable value, included in Income (loss) from discontinued operations.

Restricted Assets

The Company, under the terms of its self-insurance and bonding agreements with certain banks, lending institutions and regulatory agencies, is required to collateralize certain portions of its obligations. The Company has collateralized these obligations by assigning certificates of deposit that have maturity dates ranging from three months to a year, to the respective institutions or agencies. At December 31, 2017 and 2016, the Company held certificates of deposit and cash under these agreements of \$20.8 million and \$17.6 million, respectively. The ultimate timing of the release of the collateralized amounts is dependent on the timing and closure of each mine and repayment of the facility. In order to release the collateral, the Company must seek approval from certain government agencies responsible for monitoring the mine closure status. Collateral could also be released to the extent the Company is able to secure alternative financial assurance satisfactory to the regulatory agencies. The Company believes there is a reasonable probability that the collateral will remain in place beyond a twelve-month period and has therefore classified these investments as long-term.

Reclamation

The Company recognizes obligations for the expected future retirement of tangible long-lived assets and other associated asset retirement costs. The fair value of a liability for an asset retirement obligation will be recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. The fair value of the liability is added to the carrying amount of the associated asset and this additional carrying amount is depreciated over the life of the asset. An accretion cost, representing the increase over time in the present value of the liability, is recorded each period in Pre-development, reclamation, and other. As reclamation work is performed or liabilities are otherwise settled, the recorded amount of the liability is reduced. Future remediation costs for inactive mines are accrued based on management's best estimate at the end of each period of the discounted costs expected to be incurred at the site. Such cost estimates include, where applicable, ongoing care and maintenance and monitoring costs. Changes in estimates are reflected prospectively in the period an estimate is revised.

Revenue Recognition

Revenue is recognized, net of treatment and refining charges, when persuasive evidence of an arrangement exists, delivery

has occurred, the price is fixed or determinable, no obligations remain, and collection is probable.

Under the Company's concentrate sales contracts with third-party smelters, gold and silver prices are set on a specified future quotational period, typically one to three months, after the shipment date based on market prices. Revenue and Costs Applicable to Sales are recorded on a gross basis under these contracts at the time title passes to the buyer based on the forward price for the expected settlement period. The contracts, in general, provide for provisional payment based upon provisional assays and forward metal prices. Final settlement is based on the average applicable price for the specified future quotational period and generally occurs from three to six months after shipment. The Company's provisionally priced sales contain an embedded derivative that is required to be separated from the host contract for accounting purposes. The host contract is the receivable from the sale of concentrates measured at the forward price at the time of sale. The embedded derivative does not qualify for hedge accounting and is adjusted to fair value through revenue each period until the date of final gold and silver settlement.

Foreign Currency

The assets and liabilities of the Company's foreign subsidiaries are measured using U.S. dollars as their functional currency. Revenues and expenses are remeasured at the average exchange rate for the period. Foreign currency gains and losses are included in the determination of net income or loss.

Derivative Financial Instruments

The Company recognizes all derivatives as either assets or liabilities on the balance sheet and measures those instruments at fair value. Changes in the value of derivative instruments are recorded each period in the Consolidated Statement of Comprehensive Income (Loss) in Fair value adjustments, net. Management applies judgment in estimating the fair value of instruments that are highly sensitive to assumptions regarding commodity prices, market volatilities, and foreign currency exchange rates.

Coeur Mining, Inc. and Subsidiaries
Notes to Consolidated Financial Statements

Stock-based Compensation

The Company estimates the fair value of stock options using the Black-Scholes option pricing model and stock appreciation rights (“SARs”) awards using market comparison. Stock options granted are accounted for as equity-based awards and SARs are accounted for as liability-based awards. The value of the SARs is remeasured at each reporting date. The Company estimates forfeitures of stock-based awards based on historical data and periodically adjusts the forfeiture rate. The adjustment of the forfeiture rate is recorded as a cumulative adjustment in the period the forfeiture estimate is changed. Compensation costs related to stock based compensation are included in General and administrative expenses, Costs applicable to sales, and Property, plant, and equipment, net as deemed appropriate. The fair value of restricted stock based on the Company's stock price on the date of grant. The fair value of performance leverage stock units (“PSUs”) with market conditions is determined using a Monte Carlo simulation model. Stock based compensation expense related to awards with a market or performance condition is generally recognized over the vesting period of the award utilizing the graded vesting method, while all other awards are recognized on a straight-line basis. The Company's estimates may be impacted by certain variables including, but not limited to, stock price volatility, employee stock option exercise behaviors, additional stock option grants, estimates of forfeitures, the Company's performance, and related tax impacts.

Income and Mining Taxes

The Company uses an asset and liability approach which results in the recognition of deferred tax liabilities and assets for the expected future tax consequences or benefits of temporary differences between the financial reporting basis and the tax basis of assets and liabilities, as well as operating loss and tax credit carryforwards, using enacted tax rates in effect in the years in which the differences are expected to reverse.

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of its deferred tax assets will not be realized. Management considers the scheduled reversal of deferred tax liabilities,

projected future taxable income and tax planning strategies in making this assessment. A valuation allowance has been provided

for the portion of the Company's net deferred tax assets for which it is more likely than not that they will not be realized.

On December 22, 2017, the United States (“U.S.”) enacted significant changes to U.S. tax law following the passage and signing of H.R.1, “An Act to Provide for Reconciliation Pursuant to Titles II and V of the Concurrent Resolution on the Budget for Fiscal Year 2018” which makes widespread changes to the Internal Revenue Code, including, among other items, a reduction in the federal corporate tax rate to 21%, effective January 1, 2018.

The Company is subject to the provisions of the Financial Accounting Standards Board (“FASB”) ASC 740-10, Income Taxes, which requires that the effect on deferred tax assets and liabilities of a change in tax rates be recognized in the period the tax rate change was enacted. The carrying value of our U.S. deferred taxes is determined by the enacted U.S. corporate income tax rate. Consequently, the reduction in the U.S. corporate income tax rate impacts the carrying value of our deferred tax assets. Under the new corporate income tax rate of 21%, the U.S. net deferred tax asset position will decrease as will the related valuation allowance. The net effect of the tax reform enactment on the financial statements is minimal.

While there are certain aspects of the new tax law that will not impact the Company based on its tax attributes, such as the one-time transition tax on unremitted foreign earnings; there are other aspects of the law, which could have a positive impact on the Company's future U.S. income tax expense, including the elimination of the U.S. corporate alternative minimum tax. However, uncertainty regarding the impact of tax reform remains, as a result of factors including future regulatory and rulemaking processes, the prospects of additional corrective or supplemental legislation, potential trade or other litigation, and other factors.

Recent Accounting Standards

In January 2017, the FASB issued ASU 2017-01, “Business Combinations (Topic 805) - Clarifying the Definition of a Business,” which clarifies the definition of a business to assist entities in the evaluation of acquisitions and disposals of assets or businesses. These changes become effective for the Company's fiscal year beginning January 1, 2018. The

Company is currently evaluating this standard and does not expect this ASU to materially impact the Company's consolidated net income, financial position or cash flows.

In November 2016, the FASB issued ASU 2016-18, "Statement of Cash Flows (Topic 230) - Restricted Cash," which will require entities to show the changes in the total of cash, cash equivalents, restricted cash and restricted cash equivalents in the statement of cash flows. These changes become effective for the Company's fiscal year beginning January 1, 2018. The Company is currently evaluating this standard and does not expect this ASU to materially impact the Company's consolidated statement of cash flows.

In August 2016, the FASB issued ASU 2016-15, "Statement of Cash Flows (Topic 230) - Classification of Certain Cash Receipts and Cash Payments," which provides guidance on presentation and classification of certain cash receipts and payments in the statement of cash flows. These changes become effective for the Company's fiscal year beginning January 1, 2018. The

Coeur Mining, Inc. and Subsidiaries
Notes to Consolidated Financial Statements

Company is currently evaluating this standard and does not expect this ASU to materially impact the Company's consolidated net income, financial position or cash flows.

In March 2016, the FASB issued ASU 2016-09, "Improvements to Employee Share-Based Payment Accounting," which amends several aspects of the accounting for share-based payment transaction, including income tax consequences, classification of awards as either equity or liabilities, and classification on the statement of cash flows. These changes became effective for the Company's fiscal year beginning January 1, 2017, and the Company's adoption had no impact on the Company's consolidated financial position, results of operations, and cash flows.

In February 2016, the FASB issued ASU 2016-02, "Leases," which will require lessees to recognize assets and liabilities for the rights and obligations created by most leases on the balance sheet. These changes become effective for the Company's fiscal year beginning January 1, 2019. Modified retrospective adoption for all leases existing at, or entered into after, the date of initial application, is required with an option to use certain transition relief. The Company is currently evaluating the potential impact of implementing these changes on the Company's consolidated financial position, results of operations, and cash flows.

In January 2016, the FASB issued ASU 2016-01, "Recognition and Measurement of Financial Assets and Financial Liabilities," which requires entities to measure equity investments that do not result in consolidation and are not accounted for under the equity method at fair value and recognize any changes in fair value in net income. This new guidance also updates certain disclosure requirements for these investments. These changes become effective for the Company's fiscal year beginning January 1, 2018, and will result in a reclassification of unrealized holding gains and losses and deferred income taxes related to investments in marketable equity securities from Accumulated other comprehensive income (loss) to Accumulated deficit in the Consolidated Balance Sheets on that date. After the initial reclassification, unrealized holding gains and losses and deferred income taxes related to investments in marketable equity securities will be recognized in Fair value adjustments, net in the Consolidated Statements of Comprehensive Income (Loss).

In July 2015, the FASB issued ASU 2015-11, "Simplifying the Measurement of Inventory," which provides a revised, simpler measurement for inventory to be measured at the lower of cost and net realizable value. These changes become effective for the Company's fiscal year beginning January 1, 2018. The Company is currently evaluating this standard and does not expect this ASU to materially impact the Company's consolidated net income, financial position or cash flows.

In May 2014, the FASB issued ASU 2014-09, "Revenue from Contracts with Customers", which has subsequently been amended several times, to update revenue guidance under the newly-created ASC 606. The new standard provides a five-step approach to be applied to all contracts with customers and also requires expanded disclosures about revenue recognition. These changes become effective for the Company's fiscal year beginning January 1, 2018. The Company has elected the modified retrospective method for adoption of ASC 606. The Company has substantially completed its analysis of the new standard and reviewed potential impacts from timing of when control is transferred to customers, variable consideration on concentrate sales and classification of refining fees. Currently, revenue is recognized for these contracts based on varying contractual terms indicating when risk of loss and title have transferred to the buyer. Upon adoption, revenue related to concentrate sales will typically be recognized upon completion of loading the material for shipment to the customer and satisfaction of the Company's significant performance obligations. Based on our current analysis, the estimate of revenue recognized for concentrates will remain unchanged as sales will initially be recorded on a provisional basis based on the forward prices for the estimated month of settlement and the Company's estimated metal quantities delivered based on weighing and assay data. The Company believes changes in the underlying weight and metal content are not significant to the sale as a whole and therefore do not preclude the recognition of revenue upon transfer of control. The Company's provisional gold and copper concentrate sales will continue to contain an embedded derivative that is required to be separated from the host contract for accounting purposes. The host contract is the receivable from the sale of the gold concentrates at the prevailing indices' prices at the time of sale. The embedded derivative, which does not qualify for hedge accounting, is marked to market through earnings each period prior to final settlement. The Company does not expect the adoption of ASC 606 to materially impact the Company's consolidated net income, financial position or cash flows.

Coeur Mining, Inc. and Subsidiaries
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NOTE 3 – SEGMENT REPORTING

The Company's operating segments include the Palmarejo complex, and the Rochester, Kensington, Wharf and Silvertip mines. Except for the Silvertip mine, which was acquired in the fourth quarter of 2017, all operating segments are engaged in the discovery, mining, and production of gold and/or silver. Silvertip is engaged in the discovery, mining, and production of silver, zinc and lead. Other includes the La Preciosa project, other mineral interests, strategic equity investments, corporate office, elimination of intersegment transactions, and other items necessary to reconcile to consolidated amounts. The Company eliminated Coeur Capital as a standalone reportable segment in the first quarter and has classified the operating performance, segment assets, and capital expenditures of the Endeavor Silver Stream and other remaining non-core assets in Other. All prior period amounts have been adjusted to conform to the current presentation.

At December 31, 2017, we determined that the expected disposition of Manquiri and the San Bartolomé mine represents a strategic shift to a North America-focused mining portfolio that is expected to have a major effect on the entity's results and operations, therefore, the applicable assets and liabilities for all periods presented are included in the consolidated balance sheets as held for sale and the results of operations as discontinued operations for all periods. Financial information relating to the Company's segments is as follows (in thousands):

Year ended December 31, 2017	Palmarejo	Rochester	Silvertip	Kensington	Wharf	Other	Total
Revenue							
Metal sales	\$274,809	\$152,680	\$—	\$154,469	\$125,901	\$1,739	\$709,598
Costs and Expenses							
Costs applicable to sales ⁽¹⁾	146,176	107,921	—	116,096	69,322	745	440,260
Amortization	73,744	22,306	—	36,022	13,012	1,465	146,549
Exploration	11,924	1,352	—	8,604	320	8,111	30,311
Other operating expenses	1,263	3,394	153	1,412	2,468	43,862	52,552
Other income (expense)							
Loss on debt extinguishment	—	—	—	—	—	(9,342)	(9,342)
Fair value adjustments, net	—	(864)	—	—	—	—	(864)
Interest expense, net	(487)	(496)	(2,212)	(413)	(66)	(12,766)	(16,440)
Other, net	(851)	2,193	1,142	(922)	172	24,909	26,643
Income and mining tax (expense) benefit	(24,330)	(1,028)	(932)	—	(3,936)	1,228	(28,998)
Income (loss) from continuing operations	\$16,034	\$17,512	\$(2,155)	\$(9,000)	\$36,949	\$(48,415)	\$10,925
Income (loss) from discontinued operations	\$—	\$—	\$—	\$—	\$—	\$(12,244)	\$(12,244)
Segment assets ⁽²⁾	\$377,621	\$239,223	\$339,369	\$212,588	\$104,010	\$71,742	\$1,344,553
Capital expenditures	\$29,902	\$40,874	\$17,684	\$36,248	\$8,844	\$3,182	\$136,734

(1) Excludes amortization

(2) Segment assets include receivables, prepaids, inventories, property, plant and equipment, and mineral interests

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Year ended December 31, 2016	Palmarejo	Rochester	Kensington	Wharf	Other	Total
Revenue						
Metal sales	\$ 141,273	\$ 139,945	\$ 146,593	\$ 136,678	\$ 4,128	\$ 568,617
Royalties	—	—	—	—	3,280	3,280
	141,273	139,945	146,593	136,678	7,408	571,897
Costs and Expenses						
Costs applicable to sales ⁽¹⁾	80,820	89,726	96,731	66,379	1,719	335,375
Amortization	36,599	21,838	34,787	20,621	2,683	116,528
Exploration	5,063	841	3,487	2	3,537	12,930
Write-downs	—	—	—	—	4,446	4,446
Other operating expenses	1,213	2,801	1,038	2,238	36,396	43,686
Other income (expense)						
Loss on debt extinguishment	—	—	—	—	(21,365)	(21,365)
Fair value adjustments, net	(5,814)	(4,133)	—	—	(1,634)	(11,581)
Interest expense, net	(1,187)	(664)	(128)	(69)	(34,848)	(36,896)
Other, net	(12,125)	(3,859)	(25)	17	16,090	98
Income and mining tax (expense) benefit	45,085	(2,785)	—	(4,293)	(4,760)	33,247
Income (loss) from continuing operations	\$ 43,537	\$ 13,298	\$ 10,397	\$ 43,093	\$ (87,890)	\$ 22,435
Income (loss) from discontinued operations	\$ —	\$ —	\$ —	\$ —	\$ 32,917	\$ 32,917
Segment assets ⁽²⁾	\$ 436,642	\$ 219,009	\$ 199,232	\$ 105,901	\$ 84,938	\$ 1,045,722
Capital expenditures	\$ 35,810	\$ 16,446	\$ 36,826	\$ 4,812	\$ 488	\$ 94,382

(1) Excludes amortization

(2) Segment assets include receivables, prepaids, inventories, property, plant and equipment, and mineral interests

Year ended December 31, 2015	Palmarejo	Rochester	Kensington	Wharf	Other	Total
Revenue						
Metal sales	169,133	143,930	148,710	84,052	8,732	\$ 554,557
Royalties	—	—	—	—	6,850	6,850
	169,133	143,930	148,710	84,052	15,582	561,407
Costs and Expenses						
Costs applicable to sales ⁽¹⁾	138,476	103,994	105,640	52,197	3,520	403,827
Amortization	32,423	23,906	42,240	16,378	11,006	125,953
Exploration	4,533	1,324	2,596	134	2,934	11,521
Write-downs	224,507	—	—	—	22,118	246,625
Other operating expenses	1,293	2,948	1,301	1,717	41,581	48,840
Other income (expense)						
Loss on debt extinguishment	—	—	—	—	15,916	15,916
Fair value adjustments, net	3,160	818	—	—	1,224	5,202
Interest expense, net	(4,269)	(748)	(218)	—	(39,743)	(44,978)
Other, net	(10,968)	(13)	7	143	(6,836)	(17,667)
Income and mining tax (expense) benefit	37,597	(1,497)	—	(857)	(6,168)	29,075
Income (loss) from continuing operations	(206,579)	10,318	(3,278)	12,912	(101,184)	(287,811)
Income (loss) from discontinued operations	—	—	—	—	(79,372)	(79,372)
Segment assets ⁽²⁾	406,648	190,714	197,873	113,305	103,629	1,012,169
Capital expenditures	35,991	25,330	23,834	3,211	607	88,973

(1) Excludes amortization

(2) Segment assets include receivables, prepaids, inventories, property, plant and equipment, and mineral interests

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Assets	December 31, December 31,	
	2017	2016
Total assets for reportable segments	\$ 1,344,553	\$ 1,045,722
Cash and cash equivalents	192,032	118,312
Other assets	164,590	154,875
Total consolidated assets	\$ 1,701,175	\$ 1,318,909

Geographic Information

Long-Lived Assets	December 31, December	
	2017	31, 2016
Mexico	\$ 370,188	\$ 397,697
United States	377,768	338,897
Canada	331,440	—
Argentina	229	10,228
Other	4,681	8,547
Total	\$ 1,084,306	\$ 755,369

Revenue	Year ended December 31,		
	2017	2016	2015
United States	\$433,050	\$423,216	\$376,692
Mexico	274,809	142,198	171,911
Australia	1,739	4,128	8,732
Other	—	2,355	4,072
Total	\$709,598	\$571,897	\$561,407

The Company's doré, as well as the concentrate product produced by the Wharf mine, is refined into gold and silver bullion according to benchmark standards set by the LBMA, which regulates the acceptable requirements for bullion traded in the London precious metals markets. The Company then sells its silver and gold bullion to multi-national banks, bullion trading houses, and refiners across the globe. The Company has eight trading counterparties at December 31, 2017. The Company's sales of doré or concentrate product produced by the Palmarejo, Rochester, and Wharf mines amounted to approximately 78%, 74%, and 72% of total metal sales for the years ended December 31, 2017, 2016, and 2015, respectively. Generally, the loss of a single bullion trading counterparty would not adversely affect the Company due to the liquidity of the markets and availability of alternative trading counterparties.

The Company's gold concentrate products from the Kensington mine are primarily sold to one smelter under a purchase and sale agreement, and the smelter pays the Company for the metals recovered from the concentrates. The Company's sales of concentrate produced by the Kensington mine amounted to approximately 22%, 26%, and 27% of total metal sales for the years ended December 31, 2017, 2016, and 2015, respectively. While the loss of a smelter may have a material adverse effect if alternate smelters are not available or if the failure to engage a new smelter results in a delay in the sale or purchase of Kensington concentrate, the Company believes that there is sufficient global capacity available to address the loss of a smelter.

The following table indicates customers that represent 10% or more of total sales of metal for at least one of the years December 31, 2017, 2016, and 2015 (in millions):

Customer	Year ended December			Segments reporting revenue
	2017	2016	2015	
China National Gold	\$137.5	\$126.6	\$126.2	Kensington
Republic Metal Corporation	132.4	47.3	0.6	Palmarejo, Wharf
Asahi (formerly Johnson Matthey)	124.1	62.6	84.2	Palmarejo, Wharf, Rochester

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Techemet Metal Trading	104.8	40.7	—	Rochester, Wharf
TD Securities	—	15.5	81.3	Palmarejo, Rochester
INTL Commodities	9.6	76.6	33.1	Palmarejo, Rochester, Wharf
Mitsui & Co.	—	—	137.7	Palmarejo, Rochester

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NOTE 4 – WRITE-DOWNS

	Year ended December 31,	
	2016	2015
Mining properties		
Palmarejo	\$—	\$205,803
Coeur Capital	—4,446	22,118
	—4,446	227,921
Property, plant, and equipment		
Palmarejo	\$—	\$18,704
Total	\$—4,446	\$246,625

The 2016 write-down of \$4.4 million (\$3.9 million net of tax) was due to the impairment of Coeur Capital assets. The operator of the Endeavor mine in Australia, on which the Company holds a 100% silver stream, announced in early 2016 a significant curtailment of production due to low lead and zinc prices. As a result, Coeur recorded a \$2.5 million write-down of the mineral interest associated with the Endeavor Silver Stream at March 31, 2016. In April 2016, Coeur sold its tiered NSR royalty on the El Gallo mine to the operator, a subsidiary of McEwen Mining Inc., for total consideration of approximately \$6.3 million, including \$1 million in contingent consideration. In anticipation of this sale, the Company recorded a \$1.9 million write-down of the mineral interest at March 31, 2016.

The 2015 write-down of \$246.6 million (\$209.8 million net of tax) was due to a \$224.5 million impairment of the Palmarejo

complex (\$193.5 million net of tax) and a \$22.1 million impairment (\$16.3 million net of tax) of certain Coeur Capital assets, including the Endeavor Silver Stream and other royalties. The non-cash impairment charges were largely driven by significant decreases in long-term metal price assumptions and revised mine plans in the fourth quarter. For purposes of this evaluation, estimates of future cash flows of the individual reporting units were used to determine fair value. The estimated cash flows were derived from life-of-mine plans, developed using long-term pricing reflective of the current price environment and management's projections for operating costs.

NOTE 5 – RECLAMATION

Reclamation and mine closure costs are based principally on legal and regulatory requirements. Management estimates costs associated with reclamation of mining properties. On an ongoing basis, management evaluates its estimates and assumptions, and future expenditures could differ from current estimates.

Changes to the Company's asset retirement obligations for operating sites are as follows:

	Year ended December 31,	
In thousands	2017	2016
Asset retirement obligation - Beginning	\$86,754	\$71,763
Accretion	8,769	7,030
Additions and changes in estimates	25,370	9,389
Settlements	(2,094)	(1,428)
Asset retirement obligation - Ending	\$118,799	\$86,754

The Company has accrued \$2.0 million and \$1.9 million at December 31, 2017 and December 31, 2016, respectively, for reclamation liabilities related to former mining activities, which are included in Reclamation.

The Company increased the reclamation liability at Palmarejo by \$17.1 million due to the inclusion of the waste rock facility closure plan and tailings facility expansion and at Rochester by \$1.2 million at December 31, 2017 due to leach pad expansion. The Company also recorded a \$7.1 million reclamation liability in conjunction with the Silvertip

acquisition.

NOTE 6 – STOCK-BASED COMPENSATION

The Company has stock incentive plans for executives and eligible employees. Stock awards include stock options, restricted stock, and performance shares. Stock-based compensation expense for the years ended December 31, 2017, 2016, and

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2015 was \$10.5 million, \$9.7 million and \$9.3 million, respectively. At December 31, 2017, there was \$6.1 million of unrecognized stock-based compensation cost which is expected to be recognized over a weighted-average remaining vesting period of 1.4 years.

Stock Options and Stock Appreciation Rights

Stock options and stock appreciation rights (SARs) granted under the Company's incentive plans vest over three years and are exercisable over a period not to exceed ten years from the grant date. The exercise price of stock options is equal to the fair market value of the shares on the date of the grant. The value of each stock option award is estimated using the Black-Scholes option pricing model. Stock options are accounted for as equity awards and SARs are accounted for as liability awards and remeasured at each reporting date. SARs, when vested, provide the participant the right to receive cash equal to the excess of the market price of the shares over the exercise price when exercised. The following table sets forth the weighted average fair value of stock options and the assumptions used to estimate the fair value of the stock options using the Black-Scholes option valuation model:

	2017	2016	2015
Weighted average fair value of stock options granted	\$3.91	\$1.06	\$2.65
Volatility	67.07 %	61.75 %	55.71 %
Expected life in years	4.00	3.99	4.75
Risk-free interest rate	1.69 %	1.50 %	1.51 %
Dividend yield	—	—	—

The following table summarizes stock option and SAR activity for the years ended December 31, 2017, 2016, and 2015:

	Stock Options		SARs	
	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
Outstanding at December 31, 2014	598,346	\$ 16.26	46,572	\$ 14.06
Granted	310,028	5.57	—	—
Canceled/forfeited	(238,365)	12.69	—	—
Outstanding at December 31, 2015	670,009	12.58	46,572	14.06
Granted	183,251	2.19	—	—
Exercised	(170,897)	7.81	—	—
Canceled/forfeited	(25,752)	16.76	(4,420)	13.31
Outstanding at December 31, 2016	656,611	10.76	42,152	14.14
Granted	14,820	7.60	—	—
Exercised	(26,966)	3.28	—	—
Canceled/forfeited	(27,019)	21.88	—	—
Outstanding at December 31, 2017	617,446	\$ 10.53	42,152	\$ 14.14

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The following table summarizes outstanding stock options as of December 31, 2017.

Range of Exercise Price	Number Outstanding	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value (in thousands)
\$ 0.00-\$10.00	434,520	\$ 5.45	7.24	
\$10.00-\$20.00	47,051	12.73	5.68	
\$20.00-\$30.00	133,692	25.64	4.33	
\$30.00-\$40.00	—	—	0.00	
\$40.00-\$50.00	2,183	48.50	0.03	
Outstanding	617,446	\$ 10.53	6.47	\$ 1,127
Vested and expected to vest	601,545	\$ 10.71	6.42	\$ 1,065
Exercisable	427,730	\$ 13.62	5.81	\$ 377

At December 31, 2017, there was \$0.1 million of unrecognized compensation cost related to non-vested stock options to be recognized over a weighted average period of 1.0 year.

The total intrinsic value of options exercised for the year ended December 31, 2017 was \$0.2 million. Cash received from options exercised for the year ended December 31, 2017 was \$0.1 million for which there was no related tax benefit. The grant date fair value for stock options vested during the years ended December 31, 2017, 2016, and 2015 was \$0.5 million, \$1.0 million and \$1.4 million, respectively.

Restricted Stock

Restricted stock granted under the Company's incentive plans are accounted for based on the market value of the underlying shares on the date of grant and vest in equal installments annually over three years. Restricted stock awards are accounted for as equity awards. Holders of restricted stock are entitled to vote the shares and to receive any dividends declared on the shares.

The following table summarizes restricted stock activity for the years ended December 31, 2017, 2016, and 2015:

	Number of Shares	Weighted Average Grant Date Fair Value
Outstanding at December 31, 2014	901,999	\$ 12.19
Granted	1,180,384	5.49
Vested	(317,122)	13.38
Cancelled/Forfeited	(257,849)	7.59
Outstanding at December 31, 2015	1,507,412	7.49
Granted	1,768,746	3.72
Vested	(681,829)	8.51
Cancelled/Forfeited	(160,414)	7.16
Outstanding at December 31, 2016	2,433,915	4.48
Granted	799,165	8.78
Vested	(1,023,708)	5.14
Cancelled/Forfeited	(53,527)	5.90
Outstanding at December 31, 2017	2,155,845	\$ 5.72

At December 31, 2017, there was \$3.5 million of unrecognized compensation cost related to restricted stock awards to be recognized over a weighted-average period of 1.3 years.

Performance Shares

Performance shares granted under the Company's incentive plans are accounted for at fair value using a Monte Carlo simulation valuation model on the date of grant. Performance share awards are accounted for as equity awards. The performance

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shares vest at the end of a three-year service period if relative stockholder return and internal performance metrics are met. The existence of a market condition requires recognition of compensation cost for the performance share awards over the requisite period regardless of whether the relative stockholder return metric is met.

The following table summarizes performance shares activity for the years ended December 31, 2017, 2016, and 2015:

	Performance Shares	Weighted Average Number of Grant Shares Date Fair Value
Outstanding at December 31, 2014	516,830	\$ 17.61
Granted	809,293	6.97
Cancelled/Forfeited	(190,988)	15.62
Outstanding at December 31, 2015	1,135,135	10.35
Granted	1,437,077	1.79
Cancelled/Forfeited	(199,580)	17.98
Outstanding at December 31, 2016	2,372,632	4.53
Granted	316,213	11.58
Vested	(66,696)	14.18
Cancelled/Forfeited	(253,868)	11.56
Outstanding at December 31, 2017	2,368,281	\$ 4.44

At December 31, 2017, there was \$2.6 million of unrecognized compensation cost related to performance shares to be recognized over a weighted average period of 1.6 years.

NOTE 7 – RETIREMENT SAVINGS PLAN

The Company has a 401(k) retirement savings plan that covers all eligible U.S. employees. Eligible employees may elect to contribute up to 75% of base salary, subject to ERISA limitations. The Company generally makes matching contributions equal to the employee's contribution up to 4% of the employee's salary. The Company may also provide an additional contribution based on an eligible employee's salary. Total plan expenses recognized for the years ended December 31, 2017, 2016, and 2015 were \$7.3 million, \$5.4 million, and \$2.9 million, respectively, due to additional Company contributions. In addition, the Company has a deferred compensation plan for employees whose benefits under the 401(k) plan are limited by federal regulations.

NOTE 8 - OTHER, NET

Other, net consists of the following:

In thousands	Year ended December 31,		
	2017	2016	2015
Foreign exchange gain (loss)	\$1,281	\$(11,456)	\$(16,021)
Gain (loss) on sale of assets and investments	(1,037)	11,334	(352)
Gain on sale of the Joaquin project	21,138	—	—
Gain on repurchase of the Rochester royalty obligation	2,332	—	—
Gain on sale of Endeavor stream and other royalties	1,036	—	—
Impairment of equity securities	(426)	(703)	(2,346)
Other	2,319	923	1,052
Other, net	\$26,643	\$98	\$(17,667)

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NOTE 9 – INCOME AND MINING TAXES

The components of Income (loss) before income taxes are below:

	Year ended December 31,		
In thousands	2017	2016	2015
United States	\$10,099	\$(13,299)	\$(44,101)
Foreign	29,824	2,487	(272,785)
Total	\$39,923	\$(10,812)	\$(316,886)

The components of the consolidated Income and mining tax (expense) benefit from continuing operations are below:

	Year ended December 31,		
In thousands	2017	2016	2015
Current:			
United States	\$1,428	\$—	\$49
United States — State mining taxes	(6,016)	(7,826)	(4,305)
United States — Foreign withholding tax	8,466)	(1,838)	—
Argentina	55	10	715
Australia	—	14	130
Canada	876	(1,841)	(516)
Mexico	(30,763)	(9,581)	(476)
Deferred:			
United States	6,367	(1,610)	(564)
United States — State mining taxes	1,052	748	1,952
Argentina	1,531	115	(1,197)
Australia	—	(1,638)	3,223
Canada	104	1,338	2,875
Mexico	4,805	55,383	27,189
New Zealand	29	(27)	—
Income tax (expense) benefit	\$(28,998)	\$33,247	\$29,075

The Company's effective tax rate is impacted by recurring items, such as foreign exchange rates on deferred tax balances, mining tax expense, full valuation allowance on the deferred tax assets relating to losses in the United States and certain foreign jurisdictions, and uncertain tax positions. During the year ended December 31, 2016, the Company completed a legal entity reorganization to integrate recent acquisitions resulting in a valuation allowance release of \$40.8 million. In addition, the Company's consolidated effective income and mining tax rate is a function of the combined effective tax rates and foreign exchange rates in the jurisdictions in which it operates. Variations in the jurisdictional mix of income and loss and foreign exchange rates result in significant fluctuations in our consolidated effective tax rate.

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A reconciliation of the Company's effective tax rate with the federal statutory tax rate for the periods indicated is below:

In thousands	Year ended December 31,		
	2017	2016	2015
Income and mining tax (expense) benefit at statutory rate	\$(14,037)	\$3,718	\$110,848
State tax provision from continuing operations	26	336	(2,075)
Change in valuation allowance	86,712	40,517	(70,457)
Effect of tax legislation	(88,174)	—	—
Percentage depletion	703	983	—
Uncertain tax positions	2,596	(8,829)	170
U.S. and foreign permanent differences	2,348	(2,652)	(3,376)
Mineral interest related	—	—	(18,318)
Foreign exchange rates	(14,180)	19,701	21,461
Foreign inflation and indexing	(2,346)	(670)	1,117
Foreign tax rate differences	2,929	120	(14,062)
Mining, foreign withholding, and other taxes	(11,274)	(11,052)	8,141
Other, net	5,699	—	(4,374)
Legal entity reorganization	—	(8,925)	—
Income and mining tax (expense) benefit	\$(28,998)	\$33,247	\$29,075

At December 31, 2017 and 2016, the significant components of the Company's deferred tax assets and liabilities are below:

In thousands	Year ended December 31,	
	2017	2016
Deferred tax liabilities:		
Mineral properties	\$143,773	\$60,199
Unrealized foreign currency loss and other	1,748	—
Inventory	8,258	4,629
Royalty and other long-term debt	—	8,685
	\$153,779	\$73,513
Deferred tax assets:		
Net operating loss carryforwards	\$155,512	\$186,005
Property, plant, and equipment	60,286	60,828
Mining Royalty Tax	11,797	6,359
Capital loss carryforwards	19,881	6,770
Asset retirement obligation	25,309	26,951
Foreign subsidiaries - unremitted earnings	1,842	3,685
Unrealized foreign currency loss and other	218	7,413
Accrued expenses	13,512	15,193
Tax credit carryforwards	45,277	29,227
	333,634	342,431
Valuation allowance	(282,868)	(338,539)
	50,766	3,892
Net deferred tax liabilities	\$103,013	\$69,621

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A valuation allowance is provided for deferred tax assets for which it is more likely than not that the related tax benefits will not be realized. The Company analyzes its deferred tax assets and, if it is determined that the Company will not realize all or a portion of its deferred tax assets, it will record or increase a valuation allowance. Conversely, if it is determined that the Company will ultimately be more likely than not able to realize all or a portion of the related benefits for which a valuation allowance has been provided, all or a portion of the related valuation allowance will be reduced. There are a number of factors that impact the Company's ability to realize its deferred tax assets. For additional information, please see the section titled "Risk Factors" included in Item 1A. Based upon this analysis, the Company has recorded valuation allowances as follows:

	Year ended December 31,	
In thousands	2017	2016
U.S.	\$235,395	\$292,446
Argentina	3,914	6,197
Canada	2,455	1,296
Mexico	17,087	13,033
New Zealand	23,792	23,717
Other	225	1,850
	\$282,868	\$338,539

The Company has the following tax attribute carryforwards at December 31, 2017, by jurisdiction:

In thousands	U.S.	Canada	Mexico	New Zealand	Other	Total
Regular net operating losses	\$ 369,973	\$ 39,833	\$ 56,958	\$ 86,165	\$ 12,436	\$565,365
Expiration years	2019-2037	2029-2036	2017-2026	Indefinite	2017-2021	
Alternative minimum tax net operating losses	179,882	—	—	—	—	179,882
Capital losses	72,772	14,018	—	—	—	86,790
Alternative minimum tax credits	1,654	—	—	—	—	1,654
Foreign tax credits	41,730	—	—	—	—	41,730

The majority of the U.S. capital losses will expire from 2020 through 2022. Alternative minimum tax credits do not expire and foreign tax credits expire if unused beginning in 2019.

The Company intends to indefinitely reinvest earnings from Mexican operations.

A reconciliation of the beginning and ending amount related to unrecognized tax benefits is below (in thousands):

Unrecognized tax benefits at December 31, 2015	\$2,131
Gross increase to current period tax positions	239
Gross increase to prior period tax positions	5,187
Reductions in unrecognized tax benefits resulting from a lapse of the applicable statute of limitations	(400)
Unrecognized tax benefits at December 31, 2016	\$7,157
Gross increase to current period tax positions	202
Gross increase to prior period tax positions	316
Reductions in unrecognized tax benefits resulting from a lapse of the applicable statute of limitations	(2,351)
Unrecognized tax benefits at December 31, 2017	\$5,324

At December 31, 2017, 2016, and 2015, \$4.3 million, \$5.1 million, and \$1.2 million, respectively, of these gross unrecognized benefits would, if recognized, decrease the Company's effective tax rate.

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The Company operates in numerous countries around the world and is subject to, and pays annual income taxes under, the various income tax regimes in the countries in which it operates. The Company has historically filed, and continues to file, all required income tax returns and paid the taxes reasonably determined to be due. The tax rules and regulations in many countries are highly complex and subject to interpretation. From time to time, the Company is subject to a review of its historic income tax filings and, in connection with such reviews, disputes can arise with the taxing authorities over the interpretation or application of certain rules to the Company's business conducted within the country involved.

The Company files income tax returns in various U.S. federal and state jurisdictions, in all identified foreign jurisdictions, and various others. The statute of limitations remains open from 2014 for the US federal jurisdiction and from 2008 for certain other foreign jurisdictions. As a result of statutes of limitations that will begin to expire within the next 12 months in various jurisdictions and possible settlement of audit-related issues with taxing authorities in various jurisdictions with respect to which none of these issues are individually significant, the Company believes that it is reasonably possible that the total amount of its unrecognized income tax liability will decrease between \$1.5 million and \$2.5 million in the next 12 months.

The Company classifies interest and penalties associated with uncertain tax positions as a component of income tax expense and recognized interest and penalties of \$4.8 million, \$5.5 million, and \$0.7 million at December 31, 2017, 2016, and 2015, respectively.

On December 22, 2017, the United States ("U.S.") enacted significant changes to U.S. tax law following the passage and signing of H.R.1, "An Act to Provide for Reconciliation Pursuant to Titles II and V of the Concurrent Resolution on the Budget for Fiscal Year 2018" which makes widespread changes to the Internal Revenue Code, including, among other items, a reduction in the federal corporate tax rate to 21%, effective January 1, 2018.

The Company is subject to the provisions of the Financial Accounting Standards Board ("FASB") ASC 740-10, Income Taxes, which requires that the effect on deferred tax assets and liabilities of a change in tax rates be recognized in the period the tax rate change was enacted. The carrying value of our U.S. deferred taxes is determined by the enacted U.S. corporate income tax rate. Consequently, the reduction in the U.S. corporate income tax rate impacts the carrying value of our deferred tax assets. Under the new corporate income tax rate of 21%, the U.S. net deferred tax asset position will decrease as will the related valuation allowance. The net effect of the tax reform enactment on the financial statements is minimal.

While there are certain aspects of the new tax law that will not impact the Company based on its tax attributes, such as the one-time transition tax on unremitted foreign earnings; there are other aspects of the law, which could have a positive impact on the Company's future U.S. income tax expense, including the elimination of the U.S. corporate alternative minimum tax. However, uncertainty regarding the impact of tax reform remains, as a result of factors including future regulatory and rulemaking processes, the prospects of additional corrective or supplemental legislation, potential trade or other litigation, and other factors.

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NOTE 10 – NET INCOME (LOSS) PER SHARE

Basic net income (loss) per share is computed by dividing net income (loss) available to common stockholders by the weighted average number of common shares outstanding during the period. Diluted net income (loss) per share reflects the potential dilution that would occur if securities or other contracts to issue common stock were exercised or converted into common stock.

For the years ended December 31, 2017, 2016, and 2015, 653,354, 386,771 and 3,239,425 common stock equivalents, respectively, related to equity-based awards were not included in the diluted earnings per share calculation as the shares would be antidilutive.

The 3.25% Convertible Senior Notes (“Convertible Notes”) were not included in the computation of diluted net income (loss) per share for the year ended December 31, 2015 because there was no excess value upon conversion over the principal amount of the Convertible Notes. The outstanding Convertible Notes were redeemed in the third quarter of 2016.

In thousands except per share amounts	Year ended December 31,		
	2017	2016	2015
Net income (loss) available to common stockholders:			
Income (loss) from continuing operations	\$ 10,925	\$ 22,435	\$(287,811)
Income (loss) from discontinued operations	(12,244)	32,917	(79,372)
	\$(1,319)	\$ 55,352	\$(367,183)

Weighted average shares:

Basic	180,096	159,853	129,639
Effect of stock-based compensation plans	4,048	3,606	—
Diluted	184,144	163,459	129,639

Basic income (loss) per share:

Income (loss) from continuing operations	\$ 0.06	\$ 0.14	\$(2.22)
Income (loss) from discontinued operations	(0.07)	0.21	(0.61)
Basic	\$(0.01)	\$ 0.35	\$(2.83)

Diluted income (loss) per share:

Income (loss) from continuing operations	\$ 0.06	\$ 0.14	\$(2.22)
Income (loss) from discontinued operations	(0.07)	0.20	(0.61)
Diluted	\$(0.01)	\$ 0.34	\$(2.83)

NOTE 11 – FAIR VALUE MEASUREMENTS

In thousands	Year ended December 31,		
	2017	2016	2015
Rochester royalty obligation	\$(864)	\$(4,133)	\$ 818
Palmarejo royalty obligation embedded derivative	—	(5,866)	3,101
Silver and gold options	—	(1,582)	1,283
Fair value adjustments, net	\$(864)	\$(11,581)	\$ 5,202

Accounting standards establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1), secondary priority to quoted prices in inactive markets or observable inputs (Level 2), and the lowest priority to unobservable inputs (Level 3).

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The following table presents the Company's financial assets and liabilities measured at fair value on a recurring basis (at least annually) by level within the fair value hierarchy. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement:

In thousands	Fair Value at December 31, 2017			
	Total	Level 1	Level 2	Level 3
Assets:				
Equity and debt securities	\$34,837	\$27,946	\$—	\$6,891
Other derivative instruments, net	251	—	251	—
	\$35,088	\$27,946	\$251	\$6,891
Liabilities:				
Silvertip contingent consideration	\$47,965	\$—	\$—	\$47,965
Other derivative instruments, net	222	—	222	—
	\$48,187	\$—	\$222	\$47,965

In thousands	Fair Value at December 31, 2016			
	Total	Level 1	Level 2	Level 3
Assets:				
Equity securities	\$4,488	\$4,209	\$—	\$279
	\$4,488	\$4,209	\$—	\$279
Liabilities:				
Rochester royalty obligation	\$9,287	\$—	\$—	\$9,287
Other derivative instruments, net	762	—	762	—
	\$10,049	\$—	\$762	\$9,287

The Company's investments in equity securities are recorded at fair market value in the financial statements based primarily on quoted market prices. Such instruments are classified within Level 1 of the fair value hierarchy. Quoted market prices are not available for certain debt and equity securities; these securities are valued using pricing models, which require the use of observable and unobservable inputs, and are classified within Level 3 of the fair value hierarchy.

The Company's other derivative instruments, net, relate to concentrate and certain doré sales contracts valued using pricing models, which require inputs that are derived from observable market data, including contractual terms, forward market prices, yield curves, credit spreads, and other unobservable inputs. The model inputs can generally be verified and do not involve significant management judgment. Such instruments are classified within Level 2 of the fair value hierarchy.

In May 2017, the Company repurchased the Rochester royalty obligation for \$5.0 million, resulting in a pre-tax gain of \$2.3 million, which is included in Other, net. The fair value of the Rochester royalty obligation was estimated based on observable market data including contractual terms, forward silver and gold prices, yield curves, and credit spreads, as well as the Company's current mine plan which is considered a significant unobservable input. Therefore, the Company historically classified this obligation as a Level 3 financial liability.

In July 2017, the Company sold the Endeavor Silver Stream and remaining non-core royalties to Metalla Royalty & Streaming Ltd. ("Metalla") for total consideration of \$13.0 million, including a \$6.7 million convertible debenture. The convertible debenture matures June 30, 2027, bears interest at a rate of 5% payable semi-annually, and is convertible into Metalla shares in connection with future equity financings or asset acquisitions by Metalla at the then-current price to maintain the Company's approximate 19.9% ownership. The fair value of the convertible debenture is estimated based on observable market data including yield curves and credit spreads. Therefore, the Company classifies the convertible debenture in Level 3 of the fair value hierarchy.

In October 2017 the Company acquired the Silvertip mine from JDS Silver. The consideration for the Silvertip mine includes two \$25.0 million contingent payments, which are payable in cash and common stock upon reaching a future resource declaration milestone in 2019 and a future permitting milestone, respectively. The fair value of the Silvertip contingent consideration is estimated based on an estimated discount rate of 2.5% for the contingent permitting payment and 2.9% for the contingent resource declaration payment and is classified within Level 3 of the fair value hierarchy.

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No assets or liabilities were transferred between fair value levels in the year ended December 31, 2017. The following tables present the changes in the fair value of the Company's Level 3 financial assets and liabilities for the years ended December 31, 2017 and 2016:

In thousands	Year Ended December 31, 2017					Balance at the end of the period
	Balance at the beginning of the period	Additions	Revaluation	Settlements	Gain on settlement	
Assets:						
Equity and debt securities	\$279	\$6,677	\$ (65)	\$ —	\$ —	\$6,891
Liabilities:						
Rochester royalty obligation	\$9,287	\$ —	\$ 864	\$ (7,819)	\$ (2,332)	\$ —
Silvertip contingent consideration	\$ —	\$47,705	\$ 260	\$ —	\$ —	\$47,965
In thousands	Year Ended December 31, 2016					Balance at the end of the period
	Balance at the beginning of the period	Additions	Revaluation	Settlements	Gain on settlement	
Assets:						
Equity and debt securities		\$10	\$ —	—\$ 272	\$(3)	—\$ 279
Liabilities:						
Palmarejo royalty obligation embedded derivative		\$4,957	\$ —	—\$ 5,866	\$(10,823)	—\$ —
Rochester royalty obligation		\$9,593	\$ —	—\$ 4,133	\$(4,439)	—\$ 9,287

The fair value of financial assets and liabilities carried at book value in the financial statements at December 31, 2017 and December 31, 2016 is presented in the following table:

In thousands	December 31, 2017				
	Book Value	Fair Value	Level 1	Level 2	Level 3
Liabilities:					
5.875% Senior Notes due 2024 ⁽¹⁾	\$245,088	\$243,913	\$ —	—\$243,913	\$ —
Revolving Credit Facility ⁽²⁾	\$100,000	\$100,000	\$ —	—\$100,000	\$ —

(1) Net of unamortized debt issuance costs of \$4.9 million.

(2) Unamortized debt issuance costs of \$1.9 million at December 31, 2017 included in Other Non-Current Assets.

In thousands	December 31, 2016				
	Book Value	Fair Value	Level 1	Level 2	Level 3
Liabilities:					
7.875% Senior Notes due 2021 ⁽¹⁾	\$175,991	\$184,373	\$ —	—\$184,373	\$ —

(1) Net of unamortized debt issuance costs and premium received of \$2.0 million.

The fair value of the 5.875% Senior Notes due 2024 (the "2024 Senior Notes") and the 7.875% Senior Notes due 2021 (the "2021 Senior Notes") were estimated using quoted market prices. The fair value of the Revolving Credit Facility approximates book value as the liability is secured, has a variable interest rate, and lacks significant credit concerns.

NOTE 12 – DERIVATIVE FINANCIAL INSTRUMENTS

Palmarejo Gold Production Royalty

In January 2009, the Company's subsidiary, Coeur Mexicana, S.A. de C.V. ("Coeur Mexicana"), entered into a gold production royalty agreement with a subsidiary of Franco-Nevada Corporation that covered 50% of the life of mine production from the Palmarejo mine and legacy adjacent properties. The royalty transaction included a minimum obligation of 4,167 gold ounces per month and terminated upon delivery of 400,000 gold ounces, which occurred in July 2016.

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The price volatility associated with the minimum royalty obligation was considered an embedded derivative. The Company was required to recognize the change in fair value of the remaining minimum obligation due to changing gold prices. For the years ended December 31, 2016 and 2015, the mark-to-market adjustment associated with the change were losses of \$5.9 million and gains of \$17.0 million, respectively. Payments on the royalty obligation decreased the carrying amount of the minimum obligation and the derivative liability. For the years ended December 31, 2016 and 2015, realized losses on settlement of the liabilities were \$10.8 million and \$13.9 million, respectively. The mark-to-market adjustments and realized losses are included in Fair value adjustments, net.

Provisional Silver and Gold Sales

The Company enters into sales contracts with third-party smelters and refiners which, in some cases, provide for a provisional payment based upon preliminary assays and quoted metal prices. The provisionally priced sales contracts contain an embedded derivative that is required to be separated from the host contract for accounting purposes. The host contract is the receivable recorded at the forward price at the time of sale. The embedded derivatives do not qualify for hedge accounting and are marked to market through earnings each period until final settlement. Changes in silver and gold prices resulted in provisional pricing mark-to-market gains of \$0.6 million, losses of \$0.2 million, and gains of \$0.2 million in the years ended December 31, 2017, 2016, and 2015, respectively.

At December 31, 2017, the Company had the following provisionally priced sales that settle as follows:

In thousands except average prices and notional ounces

	2018	Thereafter
Provisional silver sales contracts	\$383	\$ —
Average silver price	\$16.61	\$ —
Notional ounces	23,065	—
Provisional gold sales contracts	\$53,214	\$ —
Average gold price	\$1,283	\$ —
Notional ounces	41,476	—

Provisional silver sales contracts	\$383	\$	—
Average silver price	\$16.61	\$	—
Notional ounces	23,065	—	

Provisional gold sales contracts	\$53,214	\$	—
Average gold price	\$1,283	\$	—
Notional ounces	41,476	—	

Silver and Gold Options

During the years ended December 31, 2016 and 2015, the Company had realized losses of \$1.6 million and realized gains of \$1.3 million, respectively, from settled option contracts. At December 31, 2017, the Company had no outstanding gold and silver options contracts.

The following summarizes the classification of the fair value of the derivative instruments:

In thousands	December 31, 2017			
	Prepaid expenses and other	Accrued liabilities and other	Current portion of royalty obligation	Non-current portion of royalty obligation
Provisional silver and gold sales contracts	\$251	\$ 222	\$ —	\$ —
In thousands	December 31, 2016			
	Prepaid expenses and other	Accrued liabilities and other	Current portion of royalty obligation	Non-current portion of royalty obligation
Provisional silver and gold sales contracts	\$—	\$ 762	\$ —	\$ —

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The following represent mark-to-market gains (losses) on derivative instruments for the years ended December 31, 2017, 2016, and 2015, respectively (in thousands):

Financial statement line	Derivative	Year ended December		
		31, 2017	2016	2015
Revenue	Provisional silver and gold sales contracts	\$631	\$(239)	\$214
Fair value adjustments, net	Palmarejo gold production royalty	—	(5,866)	3,101
Fair value adjustments, net	Silver and gold options	—	(1,582)	1,283
		\$631	\$(7,687)	\$4,598

Credit Risk

The credit risk exposure related to any derivative instrument is limited to the unrealized gains, if any, on outstanding contracts based on current market prices. To reduce counter-party credit exposure, the Company enters into contracts with institutions management deems credit-worthy and limits credit exposure to each institution. The Company does not anticipate non-performance by any of its counterparties.

NOTE 13 – ACQUISITIONS

In October 2017, the Company completed the acquisition of JDS Silver Holdings, Ltd. and its wholly-owned subsidiary JDS Silver Inc. (collectively, “JDS Silver”), which owns the underground Silvertip silver-zinc-lead mine in northern British Columbia, Canada. JDS Silver was purchased for approximately \$156.2 million in cash and \$36.0 million in Coeur common stock. In addition, the Company recorded \$47.7 million of contingent consideration payable in cash and common stock upon reaching future permitting and resource declaration milestones. The cash consideration was funded with \$100.0 million of borrowing under the Facility (as defined below) and cash on hand. Upon closing, the Company issued approximately 4.2 million Coeur shares to former shareholders of JDS Silver. The acquisition aligns with the Company’s strategic shift to a North America-focused mining portfolio.

The transaction was accounted for as a business combination, which requires that assets acquired and liabilities assumed be recognized at their respective fair values at the acquisition date. The Company incurred \$3.3 million of acquisition costs, which are included in Pre-development, reclamation, and other on the Consolidated Statements of Comprehensive Income (Loss).

The acquisition is not significant to the Company’s results of operations, individually or in the aggregate, because the Silvertip mine is in pre-production. As there is no significant differences from the Company’s historical results of operations, no pro forma financial information is provided. In accordance with the acquisition method of accounting, the purchase price of Silvertip has been allocated to the acquired assets and assumed liabilities based on their estimated fair values on the acquisition date. The fair value estimates were based on, but not limited to, quoted market prices, where available; current replacement cost for similar capacity for certain fixed assets; and appropriate discount rates. The excess of the total consideration over the estimated fair value of the amounts initially assigned to the identifiable acquired assets and liabilities assumed has been recorded as mineral interest.

The allocation of purchase price to the acquired assets and liabilities assumed is preliminary as of December 31, 2017 and subsequent adjustments may result in changes to mineral interest and other carrying amounts initially assigned based on the preliminary fair value analysis. The principal remaining items to be valued are property, plant and equipment and mining properties, which will be finalized as management continues to review the valuation methodologies used to estimate the fair value of these assets.

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The preliminary purchase price allocation is as follows (in thousands):

Common shares issued (4,191,679 at \$8.59)	\$36,007
Cash	156,247
Contingent consideration	47,705
Total purchase price	\$239,959
Assets:	
Receivables and other assets	\$9,881
Property, plant, and equipment	29,943
Mining properties, net	288,464
	328,288
Liabilities:	
Accounts payable and accrued liabilities	13,077
Asset retirement obligation	6,982
Debt and capital lease	20,149
Deferred income taxes	48,121
	88,329
Net assets acquired	\$239,959

In April 2015, the Company completed the acquisition of Paramount, which held mineral claims adjacent to the Company's Palmarejo mine, including a continuation of the Independencia deposit. Upon closing, Paramount became a wholly-owned subsidiary of the Company, and each issued and outstanding share of Paramount common stock was converted into 0.2016 shares of Coeur common stock, with cash paid in lieu of fractional shares. Immediately prior to completion of the acquisition, Paramount spun off to its existing stockholders a separate, publicly-traded company, Paramount Gold Nevada Corp. ("SpinCo"), which owns the Sleeper Gold Project and other assets in Nevada. SpinCo was capitalized with \$8.5 million in cash contributed by Coeur, which amount has been included in the total consideration paid for the acquisition of Paramount. The Company also paid \$1.5 million to acquire 4.9% of the newly issued and outstanding shares of SpinCo.

The transaction was accounted for as an asset acquisition, as Paramount is an exploration stage project, which requires that the total purchase price be allocated to the assets acquired and liabilities assumed based on their relative fair values. The purchase price and acquired assets and liabilities were as follows (in thousands except share data):

Common shares issued (32,667,327 at \$5.78)	\$188,817
Cash	8,530
Transaction advisory fees and other acquisition costs	4,020
Total purchase price	\$201,367
Total assets acquired	\$307,193
Total liabilities assumed	105,826
Net assets acquired	\$201,367

The assets acquired and liabilities assumed have been assigned to the Palmarejo reportable operating segment.

In February 2015, the Company completed its acquisition of the Wharf gold mine located near Lead, South Dakota, from a subsidiary of Goldcorp in exchange for \$99.4 million in cash. The transaction was accounted for as a business combination which requires that assets acquired and liabilities assumed be recognized at their respective fair values at the acquisition date. The Company incurred \$2.1 million of acquisition costs, which are included in Pre-development, reclamation, and other on the Consolidated Statements of Comprehensive Income (Loss).

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The purchase price allocation was based on the fair value of acquired assets and liabilities as follows (in thousands):

Total assets acquired	133,269
Total liabilities assumed	33,873
Net assets acquired	\$99,396

NOTE 14 – INVESTMENTS

Equity and Debt Securities

The Company makes strategic investments in equity and debt securities of silver and gold exploration and development companies. These investments are classified as available-for-sale and are measured at fair value in the financial statements with unrealized gains and losses recorded in Other comprehensive income (loss).

At December 31, 2017

In thousands	Cost	Gross Unrealized Losses	Gross Unrealized Gains	Estimated Fair Value
Equity Securities				
Metalla Royalty & Streaming Ltd.	\$6,294	\$ —	\$ 1,354	\$ 7,648
Corvus Gold Inc.	3,582	—	4,518	8,100
Almaden Minerals, Ltd.	3,125	(235)	—	2,890
Northern Empire Resources Corp.	4,489	—	1,077	5,566
Rockhaven Resources, Ltd.	2,064	(193)	—	1,871
Kootenay Silver, Inc.	738	—	1	739
Other	1,479	(453)	405	1,431
Equity securities	\$21,771	\$ (881)	\$ 7,355	\$ 28,245
Debt Securities				
Metalla Royalty & Streaming Ltd.	\$6,677	\$ (85)	\$ —	\$ 6,592
Equity and debt securities	\$28,448	\$ (966)	\$ 7,355	\$ 34,837

At December 31, 2016

In thousands	Cost	Gross Unrealized Losses	Gross Unrealized Gains	Estimated Fair Value
Kootenay Silver, Inc.	\$2,645	\$ —	\$ —	\$ 2,645
Silver Bull Resources, Inc.	233	—	783	1,016
Other	229	—	598	827
Equity securities	\$3,107	\$ —	\$ 1,381	\$ 4,488

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The Company performs a quarterly assessment on each of its equity and debt securities with unrealized losses to determine if the security is other than temporarily impaired. The Company recorded pre-tax other-than-temporary impairment losses of \$0.4 million, \$0.7 million and \$2.3 million in the years ended December 31, 2017, 2016 and 2015, in Other, net. The following table summarizes unrealized losses on equity and debt securities for which other-than-temporary impairments have not been recognized and the fair values of those securities, aggregated by the length of time the individual securities have been in a continuous unrealized loss position, at December 31, 2017:

In thousands	Less than	Twelve	Total
	twelve months	months or more	
	Unrealized Losses	Unrealized Losses	Unrealized Losses
Equity securities	\$881 \$5,662	\$ —	—\$881 \$5,662
Debt securities	85 6,592	—	85 6,592

Restricted Assets

The Company, under the terms of its self-insurance and bonding agreements with certain banks, lending institutions and regulatory agencies, is required to collateralize certain portions of its asset retirement obligations. The Company has collateralized these obligations by assigning certificates of deposit that have maturity dates ranging from three months to a year to the applicable institutions or agencies. At December 31, 2017 and December 31, 2016, the Company held certificates of deposit and cash under these agreements of \$20.8 million and \$17.6 million, respectively. The ultimate timing of the release of the collateralized amounts is dependent on the timing and closure of each mine and repayment of the obligation. In order to release the collateral, the Company must seek approval from certain government agencies responsible for monitoring the mine closure status. Collateral could also be released to the extent the Company is able to secure alternative financial assurance satisfactory to the regulatory agencies. The Company believes the collateral will remain in place beyond a twelve-month period and has therefore classified these investments as long-term.

NOTE 15 – RECEIVABLES

Receivables consist of the following:

In thousands	December 31, 2017	December 31, 2016
Current receivables:		
Trade receivables	\$ 5,883	\$ 5,973
Income tax receivable	7	1,038
Value added tax receivable	10,982	44,150
Other	2,197	2,254
	\$ 19,069	\$ 53,415
Non-current receivables:		
Value added tax receivable	\$ 28,750	\$ 2,088
Income tax receivable	—	11,657
	28,750	13,745
Total receivables	\$ 47,819	\$ 67,160

After considering the timing required for judgment and appeals, the Company reclassified \$26.8 million of value added tax receivables related to Palmarejo from short-term to long-term at December 31, 2017.

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NOTE 16 – INVENTORY AND ORE ON LEACH PADS

Inventory consists of the following:

In thousands	December 31, December 31,	
	2017	2016
Inventory:		
Concentrate	\$ 6,831	\$ 17,994
Precious metals	18,803	41,955
Supplies	32,596	33,487
	58,230	93,436
Ore on leach pads:		
Current	73,752	64,167
Non-current	65,393	67,231
	139,145	131,398
Total inventory and ore on leach pads	\$ 197,375	\$ 224,834

NOTE 17 – PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of the following:

In thousands	December 31, December 31,	
	2017	2016
Land	\$ 9,408	\$ 7,869
Facilities and equipment	554,160	532,122
Assets under capital leases	82,753	54,297
	646,321	594,288
Accumulated amortization ⁽¹⁾	(448,001)	(423,361)
	198,320	170,927
Construction in progress	56,417	22,496
Property, plant and equipment, net	\$ 254,737	\$ 193,423

(1) Includes \$28.2 million and \$14.8 million of accumulated amortization related to assets under capital leases at December 31, 2017 and 2016, respectively.

Rent expense for operating lease agreements was \$18.0 million, \$16.8 million, and \$14.3 million for the years ended December 31, 2017, 2016, and 2015, respectively.

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NOTE 18 – MINING PROPERTIES

Mining properties consist of the following (in thousands):

December 31, 2017	Palmarejo	Rochester	Silvertip	Kensington	Wharf	La Preciosa	Total	
Mine development	\$214,383	\$193,881	\$57,214	\$298,749	\$40,618	\$—	\$804,845	
Accumulated amortization	(146,598)	(144,390)	—	(178,632)	(15,748)	—	(485,368)	
	67,785	49,491	57,214	120,117	24,870	—	319,477	
Mineral interests	629,303	—	245,116	—	45,837	49,085	969,341	
Accumulated amortization	(435,215)	—	—	—	(24,034)	—	(459,249)	
	194,088	—	245,116	—	21,803	49,085	510,092	
Mining properties, net	\$261,873	\$49,491	\$302,330	\$120,117	\$46,673	\$49,085	\$829,569	
December 31, 2016	Palmarejo	Rochester	Kensington	Wharf	La Preciosa	Joaquin	Other	Total
Mine development	\$174,890	\$165,230	\$271,175	\$37,485	\$—	\$—	\$—	\$648,780
Accumulated amortization	(134,995)	(138,244)	(154,744)	(11,699)	—	—	—	(439,682)
	39,895	26,986	116,431	25,786	—	—	—	209,098
Mineral interests	629,303	—	—	45,837	49,085	10,000	37,272	771,497
Accumulated amortization	(381,686)	—	—	(19,249)	—	—	(29,370)	(430,305)
	247,617	—	—	26,588	49,085	10,000	7,902	341,192
Mining properties, net	\$287,512	\$26,986	\$116,431	\$52,374	\$49,085	\$10,000	\$7,902	\$550,290

Palmarejo is located in the State of Chihuahua in northern Mexico and consists of the Palmarejo mine and mill, the Guadalupe underground mine, the Independencia underground mine, and other deposits and exploration targets. Palmarejo commenced production in April 2009.

The Rochester silver and gold mine, located in northwestern Nevada has been operated by the Company since September 1986. The mine utilizes heap-leaching to extract both silver and gold from ore mined using open pit methods.

The Silvertip is a silver-zinc-lead mine located in northern British Columbia, Canada. Silvertip is expected to commence production in the first quarter of 2018.

The Kensington mine is an underground gold mine and consists of the Kensington and adjacent Jualin properties located north-northwest of Juneau, Alaska. The Company commenced commercial production in July 2010.

The Wharf gold mine is an open pit gold mine located near the city of Lead, South Dakota. The Company acquired Wharf in February 2015.

The La Preciosa silver-gold project is located in the State of Durango in northern Mexico. The Company completed a feasibility study in 2014 and has deferred construction activities until expected returns improve.

Asset Sales

In February 2017, the Company sold the Joaquin silver-gold exploration project for consideration of \$27.4 million and a 2.0% NSR royalty on the Joaquin project, the Company recognized a \$21.1 million pre-tax gain on this sale, included in Other, net on the Consolidated Statements of Comprehensive Income.

In July 2017, the Company sold the Endeavor Silver Stream and our remaining portfolio of royalties to Metalla for total consideration of \$13.0 million comprised of \$6.3 million of Metalla shares and a \$6.7 million convertible debenture. The Company recognized a \$1.2 million pre-tax gain, included in Other, net on the Consolidated Statements of Comprehensive Income.

In December 2017, the Company entered into an agreement to sell Manquiri, which operates the San Bartolomé mine. See Note 22 -- Held for Sale for additional detail.

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NOTE 19 – DEBT

In thousands	December 31, 2017		December 31, 2016	
	Current	Non-Current	Current	Non-Current
2024 Senior Notes, net ⁽¹⁾	\$—	\$ 245,088	\$—	\$ —
2021 Senior Notes, net ⁽²⁾	—	—	—	175,991
Revolving Credit Facility ⁽³⁾	—	100,000	—	—
Capital lease obligations	16,559	35,481	11,955	22,691
Silvertip debt obligation	14,194	—	—	—
	\$30,753	\$ 380,569	\$11,955	\$ 198,682

⁽¹⁾ Net of unamortized debt issuance costs of \$4.9 million at December 31, 2017.

⁽²⁾ Net of unamortized debt issuance costs and premium received of \$2.0 million at December 31, 2016.

⁽³⁾ Unamortized debt issuance costs of \$1.9 million at December 31, 2017 included in Other Non-Current Assets.

5.875% Senior Notes due 2024

In May 2017, the Company completed an offering of \$250.0 million in aggregate principal amount of 2024 Senior Notes in a private placement conducted pursuant to Rule 144A and Regulation S under the Securities Act of 1933, as amended for net proceeds of approximately \$245.0 million. The 2024 Senior Notes are governed by an Indenture dated as of May 31, 2017 (the “Indenture”), among the Company, as issuer, certain of the Company’s subsidiaries named therein, as guarantors thereto (the “Guarantors”), and the Bank of New York Mellon, as trustee. In connection with the sale of the 2024 Senior Notes, the Company entered into a Registration Rights Agreement. On August 4, 2017, the Company commenced an exchange offer of registered 2024 Senior Notes for privately-placed 2024 Senior Notes which was completed on September 12, 2017. The 2024 Senior Notes bear interest at a rate of 5.875% per year from the date of issuance. Interest on the 2024 Senior Notes is payable semi-annually in arrears on June 1 and December 1 of each year, commencing on December 1, 2017. The 2024 Senior Notes will mature on June 1, 2024 and are fully and unconditionally guaranteed by the Guarantors. At any time prior to June 1, 2020, the Company may redeem all or part of the 2024 Senior Notes upon not less than 30 nor more than 60 days’ prior notice at a redemption price equal to the sum of (i) 100% of the principal amount thereof, plus (ii) a make-whole premium as of the date of redemption, plus (iii) accrued and unpaid interest and additional interest, if any, thereon, to the date of redemption. In addition, the Company may redeem some or all of the 2024 Senior Notes on or after June 1, 2020, at redemption prices set forth in the Indenture, together with accrued and unpaid interest. At any time prior to June 1, 2020, the Company may use the proceeds of certain equity offerings to redeem up to 35% of the aggregate principal amount of the 2024 Senior Notes, including any permitted additional 2024 Senior Notes, at a redemption price equal to 105.875% of the principal amount. The Indenture contains covenants that, among other things, limit the Company’s ability under certain circumstances to incur additional indebtedness, pay dividends or make other distributions or repurchase or redeem capital stock, prepay, redeem or repurchase certain debt, make loans and investments, create liens, sell, transfer or otherwise dispose of assets, enter into transactions with affiliates, enter into agreements restricting the Company’s subsidiaries’ ability to pay dividends and impose conditions on the Company’s ability to engage in mergers, consolidations and sales of all or substantially all of its assets. The Indenture also contains certain “Events of Default” (as defined in the Indenture) customary for indentures of this type.

7.875% Senior Notes due 2021

Concurrent with the offering of the 2024 Senior Notes, the Company commenced a cash tender offer (the “Tender Offer”) to purchase the outstanding \$178.0 million in aggregate principal amount of its 2021 Senior Notes. The Tender Offer was made on the terms and subject to the conditions set forth in the Offer to Purchase dated May 19, 2017. Holders of the 2021 Senior Notes who tendered their notes were entitled to receive \$1,043.88 per \$1,000 principal amount of the Notes, plus accrued and unpaid interest. \$118.1 million aggregate principal amount of the Notes were tendered and purchased by the Company on May 31, 2017. In accordance with the terms of the indenture governing the 2021 Senior Notes, the remaining \$59.9 million aggregate principal amount of the Notes were redeemed on June 30, 2017 at the redemption price of \$1,039.38 per \$1,000 principal amount, plus accrued and unpaid interest. The

Company recorded a loss of \$9.3 million as a result of the extinguishment of the 2021 Senior Notes.

Coeur Mining, Inc. and Subsidiaries
Notes to Consolidated Financial Statements

Revolving Credit Facility

In September 2017, the Company, as borrower, and certain subsidiaries of the Company, as guarantors, entered into a Credit Agreement (the “Credit Agreement”) with Bank of America, N.A, Royal Bank of Canada, Bank of Montreal, Chicago Branch, and the Bank of Nova Scotia. The Credit Agreement provides for a \$200.0 million senior secured revolving credit facility (the “Facility”), which may be increased by up to \$50.0 million in incremental loans and commitments subject to the terms of the Credit Agreement. The Facility has a term of four years. Loans under the Facility will bear interest at a rate equal to either a base rate plus a margin ranging from 1.00% to 1.75% or an adjusted LIBOR rate plus a margin ranging from 2.00% to 2.75%, as selected by the Company, in each case, with such margin determined in accordance with a pricing grid based upon the Company’s consolidated net leverage ratio as of the end of the applicable period.

The Facility is secured by substantially all of the assets of the Company and its domestic subsidiaries, including the land, mineral rights and infrastructure at the Kensington, Rochester and Wharf mines, as well as a pledge of the shares of certain of the Company’s subsidiaries. The Credit Agreement contains representations and warranties and affirmative and negative covenants that are usual and customary, including representations, warranties, and covenants that, among other things, restrict the ability of the Company and its subsidiaries to incur additional debt, incur or permit liens on assets, make investments and acquisitions, consolidate or merge with any other company, engage in asset sales and make dividends and distributions. The Credit Agreement contains financial covenants consisting of a consolidated net leverage ratio and a consolidated interest coverage ratio. Obligations under the Credit Agreement may be accelerated upon the occurrence of certain customary events of default. At December 31, 2017, the Company had \$88.0 million available under the Facility; \$12.0 million of the amounts used under the Facility currently support outstanding letters of credit and \$100.0 million was used to partially fund the Silvertip acquisition. At December 31, 2017, the interest rate of the Facility was 3.7%.

Silvertip Debt Obligation

The Company assumed an existing third-party debt obligation as part of the Silvertip acquisition (the “Silvertip Debt”). The Silvertip Debt is comprised of three \$5.0 million tranches, all of which are contractually due October 31, 2018 and secured by machinery and equipment. Two of the three tranches bear interest at the 3-month LIBOR rate plus 5.5% and one tranche bears interest at the 3-month LIBOR rate plus 6.7%.

Capital Lease Obligations

From time to time, the Company acquires mining equipment under capital lease agreements. In the year ended December 31, 2017, the Company entered into new lease financing arrangements primarily for diesel generators at Kensington and mining equipment at Palmarejo, Rochester, Silvertip and Kensington. All capital lease obligations are recorded, upon lease inception, at the present value of future minimum lease payments.

Minimum future lease payments under capital and operating leases with terms longer than one year are as follows:
At December 31, (In thousands)

	Operating leases	Capital leases
2018	\$ 5,220	\$ 18,758
2019	5,154	13,938
2020	4,669	11,018
2021	3,798	9,646
2022	2,646	3,510
Thereafter	4,099	40
Total	\$ 25,586	\$ 56,910
Less: imputed interest	—	(4,696)
Net lease obligation	\$ 25,586	\$ 52,214

Coeur Mining, Inc. and Subsidiaries
Notes to Consolidated Financial Statements

Interest Expense

In thousands	Year ended December 31,		
	2017	2016	2015
2024 Senior Notes	\$8,608	\$—	\$—
2021 Senior Notes	6,221	28,871	\$33,437
Revolving Credit Facility	885	—	—
3.25% Convertible Senior Notes due 2028	—	13	54
Term Loan due 2020	—	4,939	4,715
Capital lease obligations	1,621	1,422	999
Accretion of Palmarejo gold production royalty obligation	—	1,211	6,567
Amortization of debt issuance costs	809	1,933	2,257
Accretion of debt premium	(71)	(345)	(409)
Accretion of Silvertip contingent consideration	260	—	—
Other debt obligations	42	58	350
Capitalized interest	(1,935)	(1,206)	(2,992)
Total interest expense, net of capitalized interest	\$16,440	\$36,896	\$44,978

Coeur Mining, Inc. and Subsidiaries
Notes to Consolidated Financial Statements

NOTE 20 - SUPPLEMENTAL GUARANTOR INFORMATION

The following Consolidating Financial Statements are presented to satisfy disclosure requirements of Rule 3-10 of Regulation S-X resulting from the guarantees by Coeur Alaska, Inc., Coeur Explorations, Inc., Coeur Rochester, Inc., Coeur South America Corp., Wharf Resources (U.S.A.), Inc. and its subsidiaries, and Coeur Capital, Inc. (collectively, the “Subsidiary Guarantors”) of the 2024 Senior Notes. The following schedules present Consolidating Financial Statements of (a) Coeur, the parent company; (b) the Subsidiary Guarantors; and (c) certain wholly-owned domestic and foreign subsidiaries of the Company (collectively, the “Non-Guarantor Subsidiaries”). Each of the Subsidiary Guarantors is 100% owned by Coeur and the guarantees are full and unconditional and joint and several obligations. There are no restrictions on the ability of Coeur to obtain funds from the Subsidiary Guarantors by dividend or loan.

CONDENSED CONSOLIDATING STATEMENT OF COMPREHENSIVE INCOME (LOSS)
YEAR ENDED DECEMBER 31, 2017

In thousands	Coeur Mining, Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Revenue	\$—	\$ 433,050	\$ 276,548	\$ —	\$ 709,598
COSTS AND EXPENSES					
Costs applicable to sales ⁽¹⁾	—	293,340	146,920	—	440,260
Amortization	1,157	71,340	74,052	—	146,549
General and administrative	33,379	28	209	—	33,616
Exploration	1,592	13,689	15,030	—	30,311
Pre-development, reclamation, and other	4,705	7,497	6,734	—	18,936
Total costs and expenses	40,833	385,894	242,945	—	669,672
OTHER INCOME (EXPENSE), NET					
Loss on debt extinguishments	(9,342)	—	—	—	(9,342)
Fair value adjustments, net	—	(864)	—	—	(864)
Other, net	21,254	2,936	10,179	(7,726)	26,643
Interest expense, net of capitalized interest	(14,657)	(975)	(8,534)	7,726	(16,440)
Total other income (expense), net	(2,745)	1,097	1,645	—	(3)
Income (loss) from continuing operations before income and mining taxes	(43,578)	48,253	35,248	—	39,923
Income and mining tax (expense) benefit	2,170	(5,758)	(25,410)	—	(28,998)
Income (loss) from continuing operations	(41,408)	42,495	9,838	—	10,925
Equity income (loss) in consolidated subsidiaries	40,089	(577)	4,416	(43,928)	—
Income (loss) from discontinued operations	—	—	(12,244)	—	(12,244)
NET INCOME (LOSS)	\$(1,319)	\$ 41,918	\$ 2,010	\$(43,928)	\$(1,319)
OTHER COMPREHENSIVE INCOME (LOSS), net of tax:					
Unrealized gain (loss) on marketable securities, net of tax	3,227	915	—	(915)	3,227
Reclassification adjustments for impairment of equity securities, net of tax	426	426	—	(426)	426
Reclassification adjustments for realized gain (loss) on sale of equity securities, net of tax	1,354	486	—	(486)	1,354
Other comprehensive income (loss)	5,007	1,827	—	(1,827)	5,007
COMPREHENSIVE INCOME (LOSS)	\$ 3,688	\$ 43,745	\$ 2,010	\$(45,755)	\$ 3,688

(1) Excludes amortization.

Coeur Mining, Inc. and Subsidiaries
Notes to Consolidated Financial Statements

CONDENSED CONSOLIDATING STATEMENT OF COMPREHENSIVE INCOME (LOSS)
YEAR ENDED DECEMBER 31, 2016

In thousands	Coeur Mining, Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Revenue	\$—	\$ 423,488	\$ 148,409	\$—	\$ 571,897
COSTS AND EXPENSES					
Costs applicable to sales ⁽¹⁾	—	252,836	82,539	—	335,375
Amortization	1,558	77,392	37,578	—	116,528
COSTS AND EXPENSES					
General and administrative	28,704	250	321	—	29,275
Exploration	1,596	6,127	5,207	—	12,930
Write-downs	—	—	4,446	—	4,446
Pre-development, reclamation, and other	2,044	5,839	6,528	—	14,411
Total costs and expenses	33,902	342,444	136,619	—	512,965
OTHER INCOME (EXPENSE), NET					
Loss on debt extinguishments	(21,365)	—	—	—	(21,365)
Fair value adjustments, net	(1,635)	(4,133)	(5,813)	—	(11,581)
Other, net	4,357	2,139	(1,314)	(5,084)	98
Interest expense, net of capitalized interest	(35,158)	(861)	(5,961)	5,084	(36,896)
Total other income (expense), net	(53,801)	(2,855)	(13,088)	—	(69,744)
Income (loss) from continuing operations before income and mining taxes	(87,703)	78,189	(1,298)	—	(10,812)
Income and mining tax (expense) benefit	11,733	(7,517)	29,031	—	33,247
Income (loss) from continuing operations	(75,970)	70,672	27,733	—	22,435
Equity income (loss) in consolidated subsidiaries	131,322	(4,353)	—	(126,969)	—
Income (loss) from discontinued operations	—	—	32,917	—	32,917
NET INCOME (LOSS)	\$55,352	\$ 66,319	\$ 60,650	\$(126,969)	\$ 55,352
OTHER COMPREHENSIVE INCOME (LOSS), net of tax:					
Unrealized gain (loss) on marketable securities, net of tax	3,222	3,156	—	(3,156)	3,222
Reclassification adjustments for impairment of equity securities, net of tax	703	703	—	(703)	703
Reclassification adjustments for realized loss on sale of equity securities, net of tax	(2,691)	(3,181)	—	3,181	(2,691)
Other comprehensive income (loss)	1,234	678	—	(678)	1,234
COMPREHENSIVE INCOME (LOSS)	\$56,586	\$ 66,997	\$ 60,650	\$(127,647)	\$ 56,586

(1) Excludes amortization.

Coeur Mining, Inc. and Subsidiaries
Notes to Consolidated Financial Statements

CONDENSED CONSOLIDATING STATEMENT OF COMPREHENSIVE INCOME (LOSS)
YEAR ENDED DECEMBER 31, 2015

In thousands	Coeur Mining, Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Revenue	\$—	\$ 378,278	\$ 183,129	\$—	\$ 561,407
COSTS AND EXPENSES					
Costs applicable to sales ⁽¹⁾	—	261,830	141,997	—	403,827
Amortization	1,991	83,325	40,637	—	125,953
COSTS AND EXPENSES					
General and administrative	32,405	35	196	—	32,636
Exploration	2,265	3,931	5,325	—	11,521
Write-downs	—	1,630	244,995	—	246,625
Pre-development, reclamation, and other	4,083	5,920	6,201	—	16,204
Total costs and expenses	40,744	356,671	439,351	—	836,766
OTHER INCOME (EXPENSE), NET					
Gain on debt extinguishments	15,916	—	—	—	15,916
Fair value adjustments, net	1,224	818	3,160	—	5,202
Other, net	4,336	(3,106)	(15,121)	(3,776)	(17,667)
Interest expense, net of capitalized interest	(39,867)	(966)	(7,921)	3,776	(44,978)
Total other income (expense), net	(18,391)	(3,254)	(19,882)	—	(41,527)
Income (loss) from continuing operations before income and mining taxes	(59,135)	18,353	(276,104)	—	(316,886)
Income and mining tax (expense) benefit	1,827	(2,354)	29,602	—	29,075
Income (loss) from continuing operations	(57,308)	15,999	(246,502)	—	(287,811)
Equity income (loss) in consolidated subsidiaries	(309,875)	(14,814)	—	324,689	—
Income (loss) from discontinued operations	—	—	(79,372)	—	(79,372)
NET INCOME (LOSS)	\$(367,183)	\$ 1,185	\$ (325,874)	\$ 324,689	\$(367,183)
OTHER COMPREHENSIVE INCOME (LOSS), net of tax:					
Unrealized gain (loss) on equity securities, net of tax	(4,154)	(3,118)	—	3,118	(4,154)
Reclassification adjustments for impairment of equity securities, net of tax	2,346	2,346	—	(2,346)	2,346
Reclassification adjustments for realized loss on sale of equity securities, net of tax	894	894	—	(894)	894
Other comprehensive income (loss)	(914)	122	—	(122)	(914)
COMPREHENSIVE INCOME (LOSS)	\$(368,097)	\$ 1,307	\$ (325,874)	\$ 324,567	\$(368,097)

Coeur Mining, Inc. and Subsidiaries
Notes to Consolidated Financial Statements

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2017

In thousands	Coeur Mining, Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash provided by (used in) activities of continuing operations	\$(8,470)	\$ 118,667	\$ 130,491	\$ (43,528)	197,160
Cash provided by (used in) activities of discontinued operations	—	—	11,296	—	11,296
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(8,470)	118,667	141,787	(43,528)	208,456
CASH FLOWS FROM INVESTING ACTIVITIES					
Capital expenditures	(1,941)	(85,967)	(48,826)	—	(136,734)
Proceeds from the sale of assets	8,917	6,902	886	—	16,705
Purchase of investments	(15,057)	(1)	—	—	(15,058)
Sales of investments	9,157	2,164	—	—	11,321
Acquisitions, net of cash acquired	(156,248)	—	52,577	—	(156,248)
Other	(3,020)	—	2,803	—	(217)
Investments in consolidated subsidiaries	(34,419)	12,911	(881)	22,389	—
Cash provided by (used in) activities of continuing operations	(192,611)	(63,991)	(46,018)	22,389	(280,231)
Cash provided by (used in) activities of discontinued operations	—	—	(1,392)	—	(1,392)
CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	(192,611)	(63,991)	(47,410)	22,389	(281,623)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Issuance of notes and bank borrowings	342,620	—	52,577	—	342,620
Payments on debt, capital leases, and associated costs	(185,538)	(7,926)	(9,581)	—	(203,045)
Net intercompany financing activity	34,359	(44,540)	9,801	380	—
Other	(3,746)	—	—	—	(3,746)
Cash provided by (used in) activities of continuing operations	187,695	(52,466)	220	380	135,829
Cash provided by (used in) activities of discontinued operations	—	—	(20,843)	20,759	(84)
CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	187,695	(52,466)	(20,623)	21,139	135,745
Effect of exchange rate changes on cash and cash equivalents	—	6	197	—	203
Less net cash provided by (used in) discontinued operations	—	—	(10,939)	—	(10,939)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(13,386)	2,216	84,890	—	73,720

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Cash and cash equivalents at beginning of period	58,048	50,023	10,241	—	118,312
Cash and cash equivalents at end of period	\$44,662	\$ 52,239	\$ 95,131	\$ —	\$ 192,032

Coeur Mining, Inc. and Subsidiaries
Notes to Consolidated Financial Statements

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2016

In thousands	Coeur Mining, Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash provided by (used in) activities of continuing operations	\$ 62,207	\$ 134,892	\$ 26,331	\$ (126,969)	96,461
Cash provided by (used in) activities of discontinued operations	—	—	29,356	—	29,356
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	62,207	134,892	55,687	(126,969)	125,817
CASH FLOWS FROM INVESTING ACTIVITIES					
Capital expenditures	(246)	(58,084)	(36,052)	—	(94,382)
Proceeds from the sale of assets	—	4,800	11,496	—	16,296
Purchase of investments	(178)	—	—	—	(178)
Sales of investments	501	6,576	—	—	7,077
Acquisitions, net of cash acquired	—	—	(1,417)	—	(1,417)
Other	(4,396)	368	(180)	—	(4,208)
Investments in consolidated subsidiaries	(107,855)	25,047	—	82,808	—
Cash provided by (used in) activities of continuing operations	(112,174)	(21,293)	(26,153)	82,808	(76,812)
Cash provided by (used in) activities of discontinued operations	—	—	(6,631)	—	(6,631)
CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	(112,174)	(21,293)	(32,784)	82,808	(83,443)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Payments on debt, capital leases, and associated costs	(303,686)	(10,894)	(3,573)	—	(318,153)
Gold production royalty payments	—	—	(27,155)	—	(27,155)
Net intercompany financing activity	45,850	(86,914)	13,404	27,660	—
Issuance of common stock	269,556	—	—	—	269,556
Other	172	—	—	—	172
Cash provided by (used in) activities of continuing operations	11,892	(97,808)	(17,324)	27,660	(75,580)
Cash provided by (used in) activities of discontinued operations	—	—	(21,149)	16,501	(4,648)
CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	11,892	(97,808)	(38,473)	44,161	(80,228)
Effect of exchange rate changes on cash and cash equivalents	—	4	(682)	—	(678)
Less net cash provided by (used in) discontinued operations	—	—	1,576	—	1,576
	(38,075)	15,795	(17,828)	—	(40,108)

NET CHANGE IN CASH AND CASH
EQUIVALENTS

Cash and cash equivalents at beginning of period	96,123	34,228	28,069	—	158,420
Cash and cash equivalents at end of period	\$58,048	\$ 50,023	\$ 10,241	\$—	\$ 118,312

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Coeur Mining, Inc. and Subsidiaries
Notes to Consolidated Financial Statements

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2015

In thousands	Coeur Mining, Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash provided by (used in) activities of continuing operations	\$(377,091)	\$ 86,486	\$ 53,328	\$ 324,689	87,412
Cash provided by (used in) activities of discontinued operations	—	—	26,130	—	26,130
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(377,091)	86,486	79,458	324,689	113,542
CASH FLOWS FROM INVESTING ACTIVITIES					
Capital expenditures	(514)	(52,376)	(36,083)	—	(88,973)
Proceeds from the sale of assets	—	289	318	—	607
Purchase of investments	(1,880)	—	—	—	(1,880)
Sales of investments	2	532	71	—	605
Acquisitions, net of cash acquired	(110,846)	—	—	—	(110,846)
Other	(4,710)	234	(110)	—	(4,586)
Investments in consolidated subsidiaries	282,041	20,239	120	(302,400)	—
Cash provided by (used in) activities of continuing operations	164,093	(31,082)	(35,684)	(302,400)	(205,073)
Cash provided by (used in) activities of discontinued operations	—	—	(6,220)	—	(6,220)
CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	164,093	(31,082)	(41,904)	(302,400)	(211,293)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Issuance of notes and bank borrowings	150,000	—	—	—	150,000
Payments on debt, capital leases, and associated costs	(62,930)	(7,428)	(245)	—	(70,603)
Gold production royalty payments	—	—	(39,235)	—	(39,235)
Net intercompany financing activity	12,232	(19,518)	27,321	(20,035)	—
Other	(542)	—	—	—	(542)
Cash provided by (used in) activities of continuing operations	98,760	(26,946)	(12,159)	(20,035)	39,620
Cash provided by (used in) activities of discontinued operations	—	—	(8,358)	(2,254)	(10,612)
CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	98,760	(26,946)	(20,517)	(22,289)	29,008
Effect of exchange rate changes on cash and cash equivalents	—	(11)	(1,393)	—	(1,404)
Less net cash provided by (used in) discontinued operations	—	—	11,552	—	11,552

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NET CHANGE IN CASH AND CASH EQUIVALENTS	(114,238)	28,447	4,092	—	(81,699)
Cash and cash equivalents at beginning of period	210,361	5,781	23,977	—	240,119
Cash and cash equivalents at end of period	\$96,123	\$ 34,228	\$ 28,069	\$ —	\$ 158,420

Coeur Mining, Inc. and Subsidiaries
Notes to Consolidated Financial Statements

CONDENSED CONSOLIDATING BALANCE SHEET
DECEMBER 31, 2017

In thousands	Coeur Mining, Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	\$44,662	\$ 52,239	\$ 95,131	\$—	\$ 192,032
Receivables	137	7,922	11,010	—	19,069
Ore on leach pads	—	73,752	—	—	73,752
Inventory	—	29,769	28,461	—	58,230
Prepaid expenses and other	7,824	2,816	4,413	—	15,053
Assets held for sale	—	—	91,421	—	91,421
	52,623	166,498	230,436	—	449,557
NON-CURRENT ASSETS					
Property, plant and equipment, net	4,007	161,487	89,243	—	254,737
Mining properties, net	—	216,281	613,288	—	829,569
Ore on leach pads	—	65,393	—	—	65,393
Restricted assets	13,251	227	7,369	—	20,847
Equity and debt securities	33,569	1,268	—	—	34,837
Receivables	—	—	28,750	—	28,750
Net investment in subsidiaries	422,074	223	(18	) (422,279) —
Other	320,335	11,040	2,854	(316,744	) 17,485
TOTAL ASSETS	\$845,859	\$ 622,417	\$ 971,922	\$(739,023)	) \$ 1,701,175
LIABILITIES AND STOCKHOLDERS' EQUITY					
EQUITY					
CURRENT LIABILITIES					
Accounts payable	\$3,607	\$ 24,534	\$ 20,451	\$—	\$ 48,592
Other accrued liabilities	13,205	19,262	62,463	—	94,930
Debt	—	9,215	21,538	—	30,753
Royalty obligations	—	—	—	—	—
Reclamation	—	2,313	1,464	—	3,777
Liabilities held for sale	—	—	50,677	—	50,677
	16,812	55,324	156,593	—	228,729
NON-CURRENT LIABILITIES					
Debt	345,088	28,313	323,912	(316,744	) 380,569
Reclamation	—	82,021	35,034	—	117,055
Deferred tax liabilities	4,110	5,127	95,911	—	105,148
Other long-term liabilities	2,311	3,063	49,323	—	54,697
Intercompany payable (receivable)	(337,439	) 317,759	19,680	—	—
	14,070	436,283	523,860	(316,744	) 657,469
STOCKHOLDERS' EQUITY					