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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
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**FORM 10-K**  
**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)**  
**OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended **December 31, 2018**

Commission File Number: **333-182072**  
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**Hunt Mining Corp.**

*(Exact name of Registrant as specified in its charter)*

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**British Columbia**

*(State or other jurisdiction of incorporation or organization)*

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**1041**

*(Primary Standard Industrial Classification Code Number)*

**23800 East Appleway Ave.**  
**Liberty Lake, WA 99019**  
**(509)-290-5659**

*(Address of principal executive offices)*

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

Title of each class	Name on each exchange on which registered
None	None

Securities registered pursuant to Section 12(g) of the Act:

Title of each class	Name on each exchange on which registered
None	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 Exchange Act 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 website, 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 of this chapter) 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.

Check whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See 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  Smaller Reporting Company

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

## ADDITIONAL INFORMATION

Descriptions of agreements or other documents in this report are intended as summaries and are not necessarily complete. Please refer to the agreements or other documents filed or incorporated herein by reference as exhibits. Please see the Exhibit Index at the end of this report for a complete list of those exhibits.

### PART I

#### Item 1. Business

Hunt Mining Corp. (the “Company” or “Hunt”), is a mineral exploration company incorporated on January 10, 2006 under the laws of Alberta, Canada and, together with its subsidiaries, is engaged in the exploration of mineral properties in Santa Cruz Province, Argentina.

Effective November 6, 2013, the Company continued from the Province of Alberta to the Province of British Columbia. The Company’s registered office is located at 25th Floor, 700 West Georgia Street, Vancouver, B.C. V7Y 1B3. The Company’s head office is located at 23800 E Appleway Avenue, Liberty Lake, Washington, 99019 USA.

The consolidated financial statements include the accounts of the following subsidiaries after elimination of intercompany transactions and balances:

<u>Corporation</u>	<u>Incorporation</u>	<u>Percentage ownership</u>	<u>Business Purpose</u>
Cerro Cazador S.A. (“CCSA”)	Argentina	100%	Holder of Assets and Exploration Company
Ganadera Patagonia <sup>(1)</sup>	Argentina	40%	Land Holding Company
1494716 Alberta Ltd.	Alberta	100%	Nominee Shareholder
Hunt Gold USA LLC	Washington, USA	100%	Management Company

The Company’s activities include the exploration of mineral properties in Argentina. On the basis of information to date, the Company has not yet determined whether the exploration properties contain economically recoverable ore reserves. The underlying value of the mineral properties is entirely dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete development and upon future profitable production or a sale of these properties.

The Company has one reportable segment, consisting of evaluation, acquisition and exploration activities which are focused principally in Argentina. The Company evaluates, acquires, and explores for advanced silver and gold exploration and potential development projects, which may lead to silver and gold production or value adding strategic transactions. In 2018, the Company continued exploration activities at the Martha project and began metallurgical testing of minerals mined at the La Josefina property. These activities resulted in recoveries from sale of silver and gold concentrate and have been reported as “Silver and gold recovery, net of expenses” in the amount of \$397,135 for the year ended December 31, 2018. Geographic location of mineral properties and plant and equipment is provided in Item 2 – Properties and Notes 8 and 10 – Mineral Properties and Property and Equipment to the Consolidated Financial Statements under the section heading “Item 8. Financial Statements and Supplementary Data” below.

#### Competitive Business Conditions

The mineral exploration business is an extremely competitive industry. The Company is competing with other exploration companies for the capital necessary to sustain exploration and development programs. There is competition for the limited number of silver and gold acquisition and exploration opportunities. As a result, the Company may have difficulty acquiring attractive silver and gold projects at reasonable prices. The Company also competes for skilled labor and consultants for man hours and consulting time.

The year ended, 2017, was the first year of milling production for the refurbished Martha mill. The mill began limited trial operations in January of 2017, with regular milling activities of minerals from exploration activities commencing in April 2017. In addition to continued milling activities from the Martha project in 2018, the Company also expanded its exploration and milling activities to include mill pilot tests for floatation of gold and silver mineralized material from its La Josefina project. The risks associated exploration, mining and milling operations include risks typical of the mining industry. For example, the Company's operational effectiveness in the processing plan must be properly calibrated and managed to avoid lower recovery of the economic metals. Mechanical failure of equipment could increase costs, decrease efficacy or result in significant delays. The Company manages these risks with detailed mine planning and extraction processes, a maintenance program, and hiring experienced and technically proficient management.

Generally, the Company is subject to the risks inherent to the mining industry. The primary risk of mineral exploration is the low probability of finding a major deposit of minerals. The Company attempts to mitigate this risk by focusing its efforts in areas known to host significant mineral deposits, and by relying on its experienced management team to drive acquisitions of properties that have higher-than-average probabilities of success.

When considering acquisition of properties, not only are essentials such as cost, terms, timing, and market considerations evaluated but also careful screening based on geological, engineering, environmental, and metallurgical factors. In all its operations, the Company competes for skilled labor within the mining industry.

Another significant risk in the mining industry is the price of metals such as gold and silver. If the prices of these metals were to fall substantially, it could lead to a loss of investor interest in the mineral exploration sector, which would increase the difficulty to raise capital necessary to move exploration and development plans forward.

#### **Effect of Existing or Probable Government Regulation**

The Company's exploration and development activities and other property interests are subject to various national, state, provincial and local laws and regulations in the United States, Argentina, and other jurisdictions, which govern prospecting, development, mining, production, exports, taxes, labor standards, occupational health, waste disposal, protection of the environment, mine safety, hazardous substances and other matters. The Company has obtained or has pending applications for those licenses, permits or other authorizations currently required to conduct exploration and other programs. The Company believes that it complies in all material respects with applicable mining, health, safety and environmental statutes and regulations in all the jurisdictions in which it operates. The Company is not aware of any current orders or directions relating to us with respect to the foregoing laws and regulations.

#### **Environmental Regulation**

The Company's projects are subject to various federal, state and local laws and regulations governing protection of the environment. These laws are continually changing and, in general, are becoming more restrictive. The Company's policy is to conduct business in a way that safeguards public health and the environment. The Company believes that its operations are conducted in material compliance with applicable laws and regulations. Changes to current local, state or federal laws and regulations in the jurisdictions where it operates could require additional capital expenditures and increased operating and/or reclamation costs. The Company is unable to predict what additional legislation, if any, might be proposed or enacted, or what additional regulatory requirements could impact the economics of its projects. During 2018, none of the project sites had any material non-compliance occurrences with any applicable environmental regulations.

The Company generally will be required to mitigate long-term environmental impacts by stabilizing, contouring, re-sloping and revegetating various portions of a site after mining and mineral processing operations are completed. These reclamation efforts would be conducted in accordance with detailed plans, which must be reviewed and approved by the appropriate regulatory agencies.

## **Employees**

As at December 31, 2018, the Company had 31 full and part time employees and 10 individuals working on a consulting basis. Its operations are managed by officers with input from directors.

### **Item 1A. Risk Factors**

The Company is a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and is not required to provide the information under this item.

### **Item 1B. Unresolved Staff Comments**

None.

## **Item 2. Properties**

Ongoing production at the Martha project is being undertaken without established mineral resources or reserves. In addition to the Martha Project, the Company is processing minerals for testing from the La Josefina project for feasibility studies. The Company has not established the economic viability of the operations on these projects. As a result, there is increased uncertainty and economic risk of failure associated with these production activities. A NI 43-101 compliant technical report from 2010 does exist for the La Josefina project with measured, indicated and inferred resources. The Ailin vein is part of this resource estimate. The processing plant at the Martha project has an estimated remaining useful life of 7 years as it is anticipated that this plant will be used to process mineral from the Martha, La Josefina and other future projects.

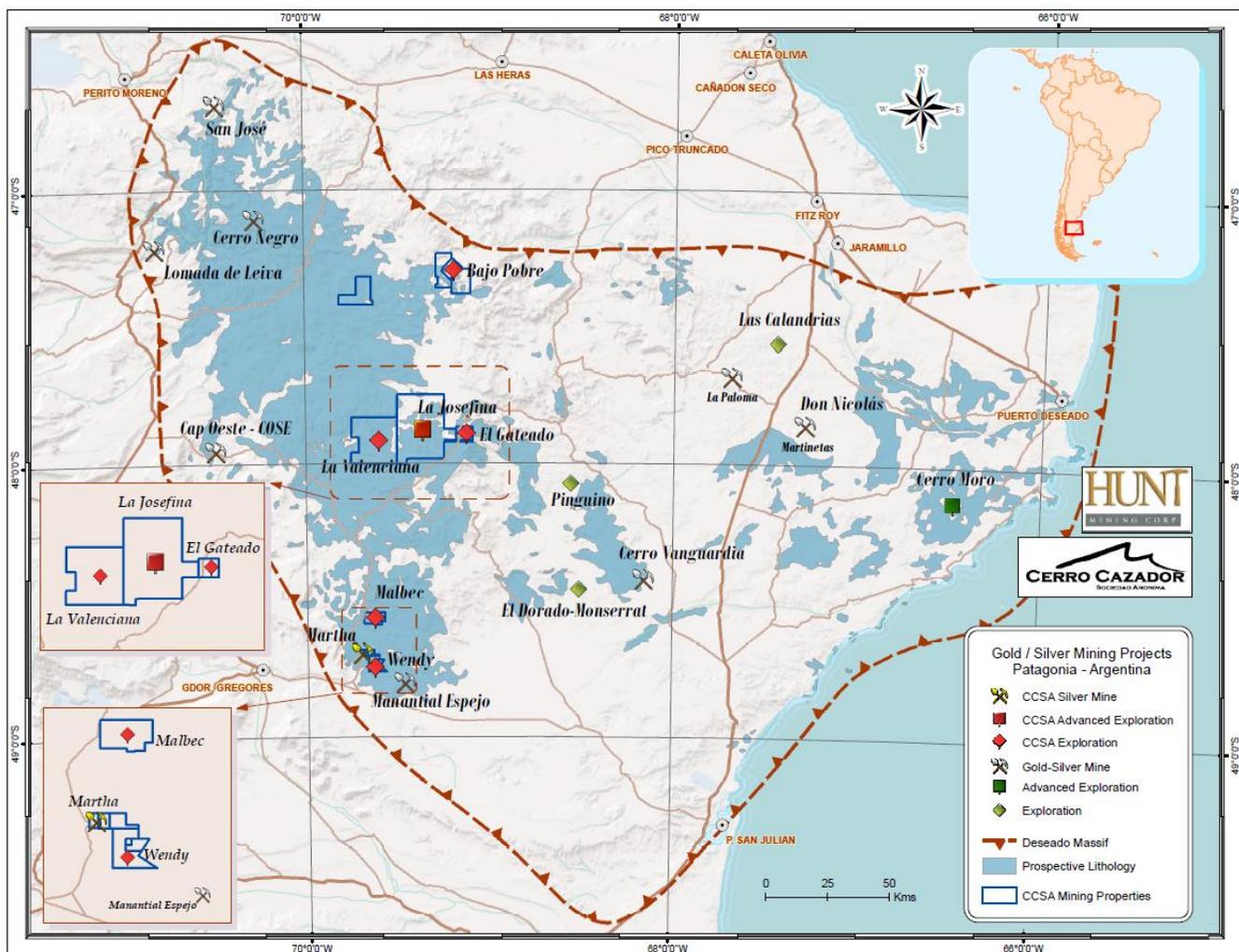
Donald J Birak, Hunt Mining's Senior Technical Advisor, is the qualified person under National Instrument 43-101 who has approved the technical and scientific aspects of this disclosure.

The majority of the Company's assets are located in Argentina. The Company's material mining properties consist of

- Approximately 52,776-hectare parcel on which the Company's La Josefina project is located
- Approximately 29,600-hectare parcel on which the Company's La Valenciana project is located
- Approximately 35,700-hectare parcel on which the Company's Martha project is located

The Company owns the surface rights for the Martha project and approximately 9,498 hectares of the La Josefina project. It also owns a processing plant, mobile and fixed housing units, trucks and additional mechanical equipment, all purchased within the last ten years and in good physical condition.

Geology of the land holdings is characterized by abundant middle-to-late Jurassic age volcanic and volcanoclastic rock units. All projects are within the Deseado Massif of the Santa Cruz province of Argentina, a prominent geomorphic and topographic feature, which is dominated by rhyolitic to rhyodacitic ignimbrite flows and lava domes together with scattered intrusive rocks, subordinate agglomerates, volcanic breccias and tuffs with minor basalts, andesites and volcanic agglomerates intercalated upward with mafic tuffs, conglomerates and sediments. Faults active during the period of intense Jurassic extension and volcanism generally trend NNW-SSE and form a series of graben, and horst blocks.



**Location of Hunt Mining Corporation’s mineral properties within the Deseado Massif of Santa Cruz, Argentina**

**General Geology of the Deseado Massif**

The geology of the Deseado Massif has been described and discussed in numerous papers and reports published during the last fifteen years. The geology has been mapped at various scales by government agencies, most recently covered by a series of 1:250,000 quadrangles published by the Instituto de Geología y Recursos Minerales and Servicio Geológico Minero Argentino.

The Deseado Massif is dominated by a few major regional lithologic sequences comprised of intrusive volcanic and volcanoclastic rocks emplaced and deposited during middle- to late-Jurassic time. The rocks are broken by a series of regional fractures that may represent reactivated pre-Mesozoic, “basement”, fracture zones. Faults that were active during the period of intense Jurassic extension and volcanism trend mostly NNW-SSE and form a series of grabens, half-grabens and horst blocks which are tilted slightly to the east. Since Jurassic time, the rocks have been cut by normal faults of several different orientations, mainly NW-SE and ENE-WSW, but have undergone very little compression. As a result, they remain relatively undeformed and generally flat-lying to gently dipping, except locally where close to faults, volcanic domes or similar features.

Exposures of rocks older than Jurassic are limited. The oldest “basement” rocks are represented by small outcrops of metamorphic rocks thought to be late Precambrian to early Paleozoic in age (about 540 million years ago -Ma). These rocks have been assigned to the La Modesta Formation in the western part of the area and to the Complejo Río Deseado in the eastern part. They consist of schists, phyllites, quartzites, gneisses and amphibolites and plutonic intrusions.

The Precambrian and older Paleozoic rocks are unconformably overlain by thick continental sedimentary sequences of late-Paleozoic to early-Mesozoic age, called La Golondrina Formation and El Tranquilo Group. La Golondrina Formation is Permian (299–251 Ma) and is up to 2,200m of arkosic to lithic sandstones, siltstones and conglomerates deposited in N-S to NW-SE rift basins along older reactivated basement structures. El Tranquilo Group is Triassic in age (251– 200 Ma) and consists of up to 650 meters of rhythmically-bedded arkosic sandstones and shales which grade upward into conglomerates and redbeds.

The Triassic sequence is intruded and overlain by the first indications of igneous activity related to the crustal separation and extension initiated in early Jurassic: La Leona and the Roca Blanca Formations. La Leona Formation, early Jurassic in age (175 – 200 Ma), is composed of calc-alkaline granitic intrusive bodies sparsely scattered throughout the northeastern part of the Deseado Massif. The Roca Blanca Formation is also early Jurassic age, and consists of up to 900m of a coarsening-upward fluvial to lacustrine mudstone and sandstone sequence deposited in grabens or other rift basins, mainly in the south-central part of the Deseado Massif. The upper third of the sequence is distinctly richer in volcanic tuffs and other pyroclastic materials.

The Jurassic volcanic rocks are divided into formal units but can be treated as a single bimodal (andesite-rhyolite) Jurassic volcanic complex. There are three units in this volcanic complex: the Cerro Leon and Bajo Pobre Formations and the Bahía Laura Group. The last two units make up the most extensive unit in the massif.

The Cerro Leon unit (lower to middle Jurassic in age) consists of hypabyssal mafic rocks composed of andesitic to basaltic dykes and shallow intrusions located in the south-central part of the massif. The Bajo Pobre Formation (middle to upper Jurassic in age) is typically 150 to 200m thick and is locally up to 600m thick. It is composed of andesites and volcanic agglomerates with minor basalts, which intercalate upwards with mafic tuffs, conglomerates and sediments. Olivine basalts, common in the lower part of the formation in the El Tranquilo anticline region are thought to be products of fissure eruptions from rifts related to the early stages of the Gondwana breakup and continental separation.

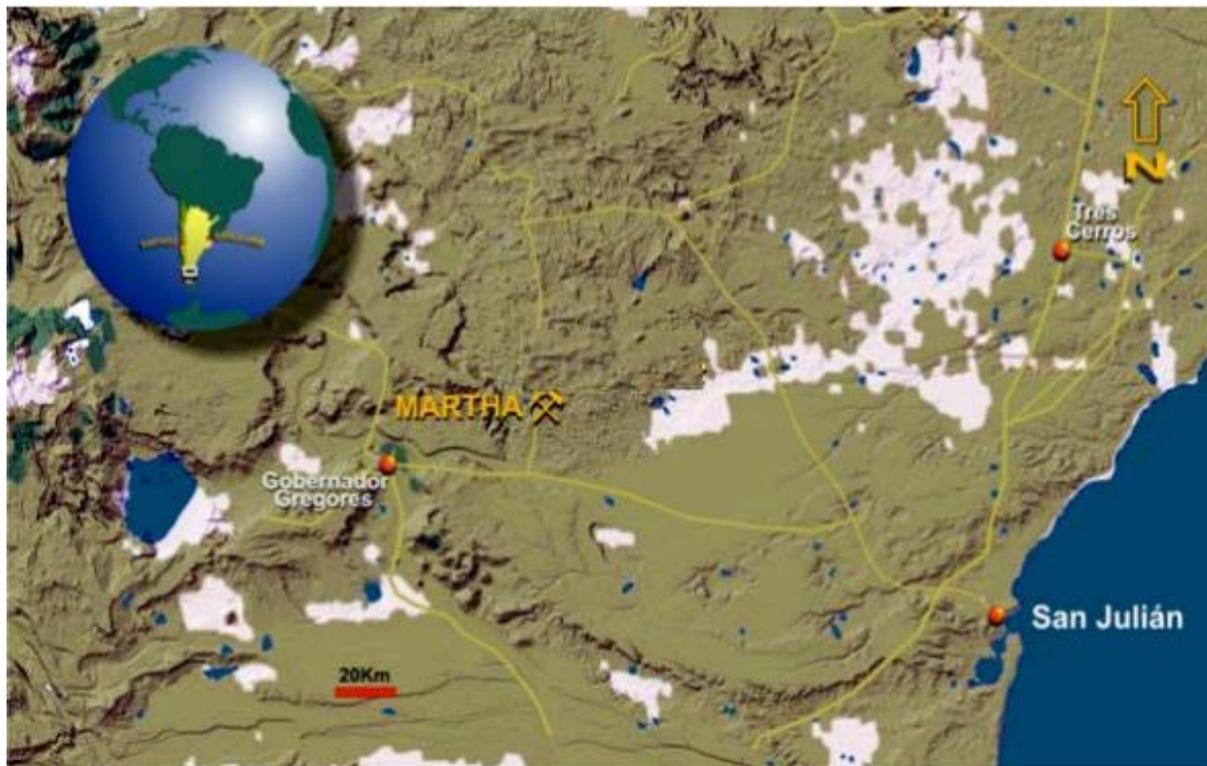
The Bahia Laura Group (middle to upper Jurassic in age) covers more than half the area of the massif and hosts more than 90 percent of the known gold-silver occurrences. It is a complex sequence of felsic volcanic-sedimentary rocks that has been divided into two formations according to whether there is a predominance of volcanic flows (Chon Aike Formation) vs. a predominance of volcanoclastic and sedimentary debris (La Matilde Formation). These two formations are complexly intercalated and have rapid lateral changes in facies and thickness which make it virtually impossible to define a coherent regional stratigraphy.

Non-marine sediments of late Jurassic to early Cretaceous age occur at various places throughout the Deseado Massif filling structural or erosional basins in the underlying Jurassic terrain. The presence of continental sediments in these basins, typically less than 150 meters thick, indicates that the massif remained as a positive geological feature throughout the Cretaceous. The most extensive cover rocks are a series of young basalt lava flows, Miocene to Quaternary in age, which blanket large parts of the region. The flows are typically only a few meters thick except where they fill paleo-valleys in the old land surface. In some cases, these thicker lava accumulations stand in relief above the surrounding landscape, providing classic examples of inverted topography caused by differential erosion. The youngest deposit consists of an extensive veneer of Quaternary gravels, especially in the eastern part of the massif.

## Martha Property (Martha)

### *Location*

Martha is located in the province of Santa Cruz, Argentina, at 48° 41', 33.94" south latitude and 69° 42', 00.79" west longitude (degrees, minutes, seconds) at approximately 350 meters elevation. The closest community is the town of Gobernador Gregores, situated approximately 50 road kilometers (km) to the west-southwest of Martha.



### **Location of Martha in the Santa Cruz province of Argentina**

#### *Property Description and Ownership*

The property was purchased in 2016 by Cerro Cazador SA (CCSA), an Argentine subsidiary of the Company, from an Argentine subsidiary of Coeur Mining Inc. (Coeur). The intent to purchase was announced February 10, 2016 and closed May 11, 2016 as disclosed by the Company on its website ([www.huntmining.com](http://www.huntmining.com)). See note 8 of the 2018 financial statements for details on the purchase of the Mina Martha property.

The Martha property consists of approximately 7,850 hectares of concessions, various buildings and facilities, surface and underground mining and support equipment, a 480 tonne per day (tpd - maximum) crushing, grinding and flotation plant, tailings facility, various stockpiles and waste dumps, employee living and cafeteria quarters, and miscellaneous physical materials. The Company restored and repaired the physical assets acquired in the purchase during the latter part of 2016 and the first quarter of 2017. In addition, the Company has access to surface ranch (“estancia”) lands surrounding the mine and mill site that are approximately 35,700 hectares in size.

RG Royalties LLC. holds a 2% Net Smelter Return (NSR) royalty on all production from the Martha property; the obligation for which transferred from Coeur to the Company ([www.royalgold.com](http://www.royalgold.com)). In addition, the provincial government holds a 3% pit-head royalty from future production.

## ***Geology and Mineralization***

Silver and gold mineralization at Martha is hosted in Jurassic-aged felsic volcanic rocks of the Chon Aike Formation of the Bahia Laura volcanic complex (BLVC). Host rocks are relatively shallowly dipping ignimbrites, locally inter-bedded with thin sections of sedimentary strata.

The oldest geological unit in the Martha area is a crystal rich, dacitic ignimbrite, which is overlain by a thin, tuffaceous unit. Further up in the Chon Aike sequence rocks change to crystal rich, rhyolitic ignimbrite followed again by a thin layer of tuffaceous sediments. The upper part of the sequence at Martha is comprised of lithic rich, rhyodacitic ignimbrite related to a caldera-forming, volcanic event.

Most of the historic mineral deposits were hosted in the crystal rich ignimbrites and tuffaceous units (Paéz et al, 2015) although, locally, upper lithic fragment tuffs and ignimbrites can host high-grades of vein-hosted silver and gold. An example of the latter is the mineralization in the Betty deposit at Martha.

Martha mineralization is epithermal, intermediate sulfidation in style, hosted in quartz veins, veinlets and vein breccias cutting the margins of a Jurassic-aged caldera (Primero de Abril Caldera; Paéz et al, 2015). Vein widths vary significantly on surface from a few centimeters up to several meters. Banded textures are common in the wider veins. Adularia is a common gangue mineral in the quartz veins.

## ***History***

Exploration and production at Martha have a relatively short history, commencing in the late 1990's with the activities of Yamana. On April 3, 2002, Coeur purchased Yamana's 100 percent interest in Polimet, a Yamana subsidiary. From that point in time to late 2007, Coeur mined and shipped ore to its Cerro Bayo mill in Chile. Beginning in January 2008, all mine production from Martha was processed at a new mill and flotation plant located at the Martha mine site with concentrate sold to third party smelters.

### **Yamana**

In 1997, Yamana conducted regional exploration reconnaissance work in Santa Cruz, Argentina. This program resulted in the discovery of a wide vein, up to 4.7 true width meters on surface, grading up to 6.9 grams/metric tonne (g/t) gold (Au) and 5,200 g/t silver (Ag). This discovery outcrop occurred on the vein subsequently named Martha. Surface work continued in the area in the spring of 1997.

Yamana initiated reconnaissance drilling on the property in January 1998 with shallow reverse circulation (RC) methods. Holes drilled during this phase returned samples with precious metals values of sufficient grade, in sulfidic and oxidized material along the Martha vein system, to justify additional drilling. Definition drilling used a combination of diamond drill core (DDH) and RC methods sited between (in-filling) the reconnaissance-phase drill holes. This work supported the completion of an initial Mineral Resource estimation in late 1999, followed by creation of the first mine plan for the property in February 2000.

The mineral rights were subsequently transferred to Compañía Minera Polimet S.A (Polimet); a wholly owned subsidiary of Yamana. Mine development started in October 2000 utilizing contractors. Mine production, from shallow surface pits, started late that year and the first direct shipping ore (DSO) was exported in February 2001. Mining activities lasted until October 2001 and the export of DSO continued to February 2002. Yamana produced nearly 2,300 gold ounces and 1.7 million silver ounces from approximately 4,000 tonnes of material (Coeur, Martha Mine Technical Report, 2006).

### **Coeur**

On April 3, 2002, Coeur purchased Yamana's 100 percent interest in Polimet for US\$2.5 million. From that point in time to late 2007, Coeur shipped Martha mined ore to its Cerro Bayo mill and concentrator facilities near the town of Chile Chico, Chile; a distance of nearly 900 kilometers by road. Beginning in January 2008, all mine production from Martha was processed at a new mill and flotation plant located at the Martha mine site.

### Exploration History

Since discovery of the Martha vein by Yamana, exploration proceeded at Martha annually until Coeur terminated activities in 2012. Typically, methods used in exploration included initial prospecting, sampling and mapping, followed by detailed sampling via trenching, geochemical analyses on the collected samples, air and ground geophysical surveying and, ultimately, drilling by RC and Core methods to evaluate anomalous geochemical results; in general, all of which are typical methods used within the minerals industry.

Yamana used RC drilling methods with track-mounted drills in the early days of the project. Coeur conducted some RC drilling in the province but shifted to diamond coring methods at Martha. Core drilling, completed from surface and underground platforms, consisted of IEW (25 mm), BQ (36 mm), NQ (47 mm) and HQ (64 mm) diameter drill holes. In addition, Coeur collected a significant amount of data from other exploration techniques, such as air and ground geophysics, Aster remote sensing data collection and interpretation and high-resolution topographic data collection.

### Mine and Mill Production

Mining began at Martha by Yamana and continued by Coeur until late 2012. Yamana's mine production yielded Direct Shipping Ore (DSO), from shallow pits and limited underground workings, which was sent to foreign smelters.

From 2002 through late 2007, Coeur shipped all of its Martha concentrates to its Cerro Bayo mill and flotation plant near the town of Chile Chico in Region XI of southern Chile. Concentrates were trucked east from Martha to San Julian then north to Comodoro Rivadavia then west to Chile Chico; a distance of over 900 km. The cutoff grade for Mineral Reserves was, as a result, high.

In 2006 and 2007, exploration and definition drilling were increased to define sufficient Mineral Reserves and additional Mineral Resources to justify the capital expense to build a mill and flotation concentrator on site at Martha. This program was successful and onsite processing commenced in December 2007.

During its years of production, Martha produced over 530,000 tonnes of material and over 24 million ounces of silver and 31 thousand ounces of gold.

### Martha Mineralized Zones

Silver and gold mineralization at Martha are located within a series of banded and brecciated, veins and veinlets. The style of mineralization has been interpreted to be intermediate-sulfidation in character. The main trend of the mineralized systems is WNW and EW and dip steeply to moderately to the S, SW. On surface, mineralized structures can be several meters wide but often are much less than a meter in true width but may expand in width in the subsurface.

### ***Present Status of Work Completed and Exploration Plans***

Exploration on this property by the Company began in 2017 and currently the mine and mill facilities at Martha are active and processing minerals from exploration activities. Exploration for the year was centered on extending Martha extraction by focusing on nearby structures. In 2017 the Martha West deposit, an extension of the Martha vein, was announced. In 2018 mining continued of the surface and underground resources.

The Martha operation produced 14,063 tons averaging 405g Ag and 1.04g Au. For the year ended December 31, 2018, 183,034 Ounces of Ag and 469 ounces of Au were produced from the Martha Plant. The principal source of ore was the remainder of the Martha crown pillar, which at year-end is nearing completion. The Company will obtain additional mineralized material in 2019 by opening the Nor-este deposit with surface mining.

During the year, approximately 75 m of underground development was completed at the 289 level of the Martha underground and surface mine.

The Martha plant operated the entire year on a part-time schedule, 2 weeks on and 2 weeks off.

Ongoing production at the Martha Project is being undertaken without established mineral resources or reserves and the Company has not established the economic viability of the operations on the Martha Project. As a result, there is increased uncertainty and economic risks of failure associated with these production activities.

### ***Royalties and Taxes***

The provincial governments in Argentina own the minerals. In October 2014, a new provincial law increased the mining royalty applicable to doré and concentrate to 3% of the pit-head (mine mouth) value, with certain allowable deductions. In addition, RG Royalties LLC holds a 2% Net Smelter Return royalty on Martha.

The Company is not aware of any other rights, encumbrances, or obligations attached to the Company's Martha property.

### ***Environmental Liabilities***

The Company has an asset retirement obligation for reclamation costs for the Martha property of \$821,810 as at December 31, 2018.

## **La Josefina Property**

### ***Location***

The La Josefina Project is situated about 450 km northwest of the city of Rio Gallegos, in the Santa Cruz province of Argentina within a scarcely populated steppe-like region known as Patagonia. The La Josefina property, situated about 110 kms north of Martha occupies 52,800 hectares and makes up approximately 90% of all meters drilled by the Company.

The La Josefina Project consists of mineral rights composed by an area of 528 square kilometers established in 1994 as a Mineral Reserve held by Fomicruz, an oil and mining company owned by the Santa Cruz provincial government. The La Josefina Project comprises 16 Manifestations of Discovery totaling 52,767 hectares which are partially covered by 399 pertenencias.

### ***Property Description and Ownership***

#### ***Exploration Agreement between Fomicruz and CCSA***

In March 2007, CCSA was awarded the exploration and development rights from Fomento Minero de Santa Cruz Sociedad del Estado ("Fomicruz") through a required public bidding process to explore the La Josefina Project. As Fomicruz is a government owned company in Santa Cruz province in Argentina, it cannot make individual agreements with a private company without first publishing the offer and giving other private companies the opportunity to submit bids, but the first company making an offer has the right to match any new offer.

The definitive agreement between CCSA and Fomicruz was finalized in July 2007. Pursuant to this agreement, CCSA was obligated to spend US\$6 million in exploration and complete pre-feasibility and feasibility studies during a 4-year exploration period (excluding three months each year for winter holiday) commencing in October 2007 at La Josefina in order to earn mining and production rights for a 40-year period in a joint venture partnership ("JV") with Fomicruz. CCSA may terminate this agreement at the end of each exploration stage if results are negative.

The 4-year exploration period was originally planned to proceed in the following three stages:

<b>Target Area</b>	<b>Year 1 To July 2008</b>	<b>Year 2 July 2008 to July 2009</b>	<b>Years 3 &amp; 4 July 2009 to July 2011</b>	<b>Totals</b>
Noreste Area	US\$300,000	US\$400,000	US\$500,000	US\$1,200,000
Veta Norte	500,000	800,000	800,000	2,100,000
Central Area	500,000	800,000	900,000	2,200,000
Piedra Labrada	200,000	100,000	200,000	500,000
<b>TOTAL US\$</b>	<b>US\$1,500,000</b>	<b>US\$2,100,000</b>	<b>US\$2,400,000</b>	<b>US\$6,000,000</b>

Other conditions of the agreement:

1. CCSA posted a US\$600,000 performance bond (equal to 10% of the total proposed exploration investment).
2. CCSA must maintain the La Josefina mining rights by paying the annual canons due the province on the project's 399 pertenencias.
3. CCSA must complete surface agreements (lease or buy) with the surface landowners, as required by the Federal mining law, to gain legal access to the ranches (estancias) that cover the project. Most of the project and all the current target areas lie within two large ranches that have been unoccupied for many years - Estancia La Josefina and Estancia Piedra Labrada. The major part of mineralization occurs on Estancia La Josefina, which CCSA purchased in 2007. CCSA rents Estancia Piedra Labrada, which it uses as an exploration field camp.

The Company is currently in negotiations with Fomicruz to develop a new joint venture that will have joint participating ownership.

Since CCSA fulfilled its exploration requirement mandated by the agreement with Fomicruz, the performance bond was no longer required to secure the La Josefina project. In June 2010, the Company used the bond to secure the La Valenciana project (discussed later in this document).

On November 15, 2012, the Company signed an amendment to the agreement with Fomicruz which extended the time to develop the La Josefina project by four years, from 2015 to 2019. Between the original agreement and the extension to 2019, the Company agreed to make a minimum investment of US\$18 million, of which it has invested approximately US\$20 million.

Metallurgic testing on the project began in 2018 and the Company is currently negotiating a new agreement with Fomicruz and Mining Authorities for continued testing, and future production of the minerals at this location.

The 2012 agreement provided a participating interest for Fomicruz over the minerals and metals extracted of 19% and the purchase option of up to a 49% participating interest in the incorporation of the future Company to be organized for the production and exploitation of the project, having Fomicruz contributing capital for the equivalent of such increase in percentage of participation. The Company has the right to buy back any increase in Fomicruz's ownership interest in the JV Corporation at a purchase price of USD\$200,000 per each percentage interest owned by Fomicruz down to its initial ownership interest of 19%; the Company can purchase 10% of the Fomicruz's initial 19% JV Corporation ownership interest by negotiating a purchase price with Fomicruz.

In December 2007, CCSA purchased the "La Josefina Estancia", a 92 square kilometer parcel of land within the La Josefina Project area. CCSA plans to use the La Josefina Estancia as a base of operations for Santa Cruz exploration. The purchase price for the La Josefina Estancia was US\$710,000.

Initially, the La Josefina property was excluded from an exploration agreement the Company had with Eldorado Gold. This property was made subject to this agreement with Eldorado Gold on May 7, 2013, but in July 2013 the agreement was terminated by Eldorado Gold.

### ***Present Status of Work Completed and Exploration Plans***

In 2014, the Company conducted a shallow diamond drilling campaign, including 12 holes totaling 651 meters in length completed on the Maria Belen target and 15 holes totaling 957 meters on the Sinter target. Detailed results of the La Josefina drilling program are included in the Company's website, [www.huntmining.com](http://www.huntmining.com).

By late 2015, when the options for test milling the material that would be mined at La Josefina under this bulk sampling program seemed very limited, the Company began talks and eventual negotiations with Coeur Mining Inc. to purchase the Martha project assets approximately 110 km (65 miles) to the south of La Josefina from Coeur's Argentine subsidiary, Coeur Argentina SRL.

The Company has been actively pursuing a new exploration partner for the La Josefina project, as of the date of this filing these discussions are still in process.

In 2017 the Company obtained permission from Fomicruz for extraction of mineral from the property for metallurgical test purposes and began doing so in early 2018. The material extracted were processed at the Company's Mina Martha facility.

***Much of the following information is derived from, and based upon the La Josefina 2010 Technical Report, which is available for Hunt Mining Corp. on the System for Electronic Document Analysis and Retrieval ("SEDAR") at [www.sedar.com](http://www.sedar.com). Thus, the comments are not in the present tense.***

### ***History***

Santa Cruz province - and indeed much of Patagonia - has only a short history of mineral prospecting and mining. Until the Cerro Vanguardia mine was commissioned in late 1989, only a few mineral occurrences had been identified within the 100,000 square kilometer area of the Deseado Massif. Notably, although Coeur Mining Inc. ceased active mining operations at its Martha Mine in September 2012, the Deseado Massif continues to host several producing mines: the Cerro Vanguardia Mine (AngloGold Ashanti Limited - Fomicruz), the San Jose – Huevos Verdes Mine (Hochschild Mining plc – Minera Andes Incorporated), the Manantial Espejo Mine (Pan American Silver Corp.) and the Cap Oeste and Loma de Leiva mines (Patagonia Gold). Additionally, several new mines are being readied for production, and many active exploration projects (including Goldcorp's Cerro Negro and Pan American's COSE and Joaquin) are in progress.

In 1975, the first occurrence of metals known in the La Josefina area was publicly mentioned by the Patagonian delegation of the National Ministry of Mining. They reported the presence of an old lead-zinc mine in veins very near Estancia La Josefina. The mineralization received no further attention until 1994 when a research project by the Institute of Mineral Resources of the Universidad Nacional de la Plata and the geology department of the University of Patagonia San Juan Bosco examined the occurrence. That investigation corroborated not only the presence of base metals, but also precious metals.

In 1994, immediately after the La Josefina gold-silver discovery, Fomicruz claimed the area as a Provincial Mineral Reserve and explored the project in collaboration with the Instituto de Recursos Minerales (INREMI) of La Plata University. The geology and alteration of the project area was mapped at a scale of 1:20,000. Mineralized structures and zones of sinter were mapped at 1:2,500, trenches across the structures were continuously sampled and mapped at scales of 1:100 and ground geophysical surveys consisting of 6,000 m of IP-resistivity and 5,750 meters of magnetic surveys were completed over sectors of greatest interest.

In 1998, after four years of exploring and advancing interest in the project, Fomicruz offered La Josefina for public bidding to international mining companies. In accordance with provincial law, the winner would continue exploring the project to earn the right to share production with Fomicruz of any commercial discoveries. The bid was awarded to Minamérica S. A. (“Minamérica”), a private Argentine mining company. Minamérica dug a limited number of new trenches, initiated a program of systematic surface geochemical sampling, completed several new IP-Resistivity geophysical survey lines and drilled the first exploration holes on the project – 12 diamond core holes totaling 1,320 meters in length. The results of this effort were relatively encouraging but Minamérica nevertheless abandoned the project a year later in 1999.

In 2000, Fomicruz resumed exploration of the project and continued their efforts until 2006. Pits were dug to bedrock over some of the target areas, 3,900 meters of new trenches were dug and sampled, more than 8,000 float, soil and outcrop samples were collected for geochemical analyses, some new IP-Resistivity surveys were completed under contract to Quantec Geophysical Co., and 59 diamond core holes (total 3,680 meters) were drilled to average shallow depth below surface of 55 meters. Of these holes, 37 were NQ-size core (47.6mm diameter) and 22 were HQ-size core (63.5mm).

Fomicruz reported spending more than US\$2.8 million in exploring and improving infrastructure on the La Josefina Project from 1994 to 2006. In late-2006, the La Josefina Project was again opened to international bidding and in May 2007, CCSA was awarded the right to explore the project. Throughout 2007 and 2008, CCSA was mainly focused on an intensive drill plan (37,605 meters), and in 2009 and the first quarter of 2010 reviewed all the data gathered in order to generate a geological model for the project and continued working on regional exploration to define new additional targets for next drilling stages.

The La Josefina project focused on the Bulk Metallurgical testing of the Ailin structure. The first two benches of the system were exposed, and material shipped to the Martha plant for bulk pilot testing.

Approximately 1500 tons averaging 26.5g Au and 137g Ag were processed utilizing standard flotation techniques. Three test shipments to two different European smelters were made in the fourth quarter. Contained in the shipments were 1034 ounces Au and 5,999 ounces Ag.

The Metallurgical testing will continue in 2019 with materials from the Sinter and the Amanda Cecilia structures.

### ***Royalties***

Mineral properties in Argentina carry no federal royalties but the provinces are entitled to collect up to 3% mine-mouth royalty (MMR).

In Santa Cruz, the province has opted to drop this MMR to 1% if the operation is a precious metal mine that produces doré bullion within the province. The agreement between CCSA and Fomicruz stipulates that any doré bullion resulting from future La Josefina operations must be produced in the province, so it is likely the project will carry the minimal 1% MMR unless it is processed at the Martha Mill which produces concentrate and not a doré. However, because La Josefina is a Mining Resource in which the mineral rights belong to Fomicruz, the project also carries an additional 5% MMR payable to the province. Therefore, the total MMR for any future gold/silver/base metal production at La Josefina under the current agreement could total 6%.

### ***Environmental Liabilities***

The Company has an asset retirement obligation for reclamation costs for the La Josefina property of \$486,589 as at December 31, 2018.

### ***Permits Required***

The Company has permit drafts submitted to Fomicruz and Mining Authorities for the metallurgical testing phases 1, 2 and 3, and is currently finalizing and updating these drafts for production phase.

## **La Valenciana Property**

### ***Location***

La Valenciana is located on the central-north area of the Santa Cruz Province, Argentina. The project encompasses an area of approximately 29,600 hectares and is contiguous to the Company's La Josefina property to the east. The La Valenciana project is comprised of 11 Manifestations of Discovery (MDs) covering segments of Estancia Cañadón Grande, Estancia Flecha Negra, Estancia Las Vallas, Estancia La Florentina, Estancia La Valenciana and Estancia La Modesta (inactive ranches).

### ***Property Description and Ownership***

The Company leases the surface rights to the approximate 29,600 hectares of land on which the La Valenciana is located and has a joint venture with Fomicruz for the mineral rights.

### ***Exploration Agreement between Fomicruz and CCSA***

In 2017 the La Valenciana Project was combined under the same agreement with Fomicruz as La Josefina and now operates under the terms of that contract.

The previous agreement for La Valenciana was the following:

In 2010, the right to develop and mine the property was opened up for bidding to private companies. Hunt Mining Corp, through CCSA, was awarded the prospects and mining rights. The Company entered into an agreement with Fomicruz effective as of November 15, 2012, for the right to explore and develop the La Valenciana property for a period of seven years. The agreement with Fomicruz requires the Company to spend USD \$5,000,000 in exploration on the project over 7 years.

Total costs incurred to date are approximately US\$5.1million.

Since CCSA fulfilled its exploration requirement mandated by the La Josefina agreement with Fomicruz, the performance bond was no longer required to secure the La Josefina project. In June 2010, the Company used the bond to secure the La Valenciana project.

If the Company elects to exercise its option to bring the La Valenciana project into production, it must grant Fomicruz a 9% ownership in a new JV Corporation to be created by the Company to manage the project. If Fomicruz elects to increase their ownership they can under the following formula up to a maximum of 49% interest.

- To purchase an additional 10% in the JV corporation, Fomicruz must reimburse the Company for 10% of the exploration expenses made by the Company during the exploration period;
- To purchase the next 10% interest in the JV corporation, Fomicruz must reimburse the Company for 20% of the exploration expenses made by the Company during the exploration period;
- To purchase a final additional 20% interest in the JV Corporation, Fomicruz must reimburse the Company for 25% of the exploration expenses made by the Company during the exploration period; bringing Fomicruz's total ownership interest in the JV Corporation to 49%.

At the Company's option it can purchase all but the 9% granted ownership interest in the JV Corporation from Fomicruz for USD \$200,000 per percentage point owned. The remaining 9% can be purchased for a mutually agreed amount, to be determined by negotiation between Fomicruz and the Company

## ***Geology and Mineralization***

Geology of La Valenciana Project, within the Deseado Massif, is characterized by abundant middle-to-late Jurassic Age volcanic and volcanoclastic rock units. The units are dominated by rhyolitic to rhyodacitic ignimbrite flows and lava domes together with subordinate agglomerates, volcanic breccias and tuffs with minor basalts, andesites and volcanic agglomerates intercalated upward with mafic tuffs, conglomerates and sediments. Faults active during the period of intense Jurassic extension and volcanism generally trend NNW-SSE and form a series of grabens, and horst blocks.

Since Jurassic time, the rocks have been cut by normal faults of several different orientations but have undergone only a moderate amount of compression. In general, the Jurassic rocks remain relatively undeformed and remain flat to gently dipping, except locally where close to faults, volcanic domes or similar features. Thin Quaternary Age basalt flows conceal about half of the Jurassic Age rocks on the La Valenciana project.

The type of mineralization and alteration styles present across the project area are classified as low sulfidation epithermal deposits. Gold and silver occur in fissure vein systems localized in structures, often a meter or wider and hundreds of meters long. They are comprised of quartz veins, stockworks and breccias, rich in adularia with some calcite, that carry gold, silver, electrum and some sulfides, primarily pyrite with small amounts of base metal sulfides.

The La Valenciana project does not yet contain current mineral resources or reserves as defined by NI 43-101 or US SEC standards.

Exploration targets consist of gold and silver mineralized quartz veins in volcanic host rocks. Current work is conducted on the La Josefina and La Valenciana claim blocks. La Josefina includes four major vein systems while La Valenciana harbors three. A total of more than 900 trenches and drill holes have been drilled with approximately 40,000 assayed samples. Higher gold values exceed 100 g/tonne and higher silver values are above 1,000 g/t. Veins are formed by upward fluid migration and are therefore typically open to depth.

The Company has collected a large amount of geochemistry data via sampling and analyses generated by commercial laboratory ICP methods (35+ elements). This data is used by the Company to identify possible gold and silver mineralized bodies and trends

## ***History***

Several historical exploration programs, consisting of trenching, mapping and drilling by Fomicruz carried out from 1994 to 2000 and air geophysics including gamma spectrometry from 1996 to 1998, have taken place to date at La Valenciana, with the most recent exploration being conducted by CCSA. Initially, the La Valenciana property was excluded from the exploration agreement with Eldorado Gold. This property was made subject to the exploration agreement with Eldorado Gold on May 7, 2013, an agreement later terminated by Eldorado in July 2013.

In 2014, CCSA conducted a shallow Diamond drilling campaign on the La Valenciana project. This was the first drill program undertaken by the Company at La Valenciana and consisted of 42 holes totaling 3,000 meters, designed to partially test four separate targets: Principal, 19 holes totaling 1,135 meters; Valenciana, 6 holes totaling 438 meters; Rosario, 7 holes totaling 521 meters; and Florentina, 10 holes totaling 726 meters. Detailed results of the La Valenciana drilling program are included in the Company's website, [www.huntmining.com](http://www.huntmining.com).

## ***Present Status of Work Completed and Exploration Plans***

The Company has been actively pursuing a new exploration partner for the La Valenciana project, as of the date of this filing these discussions are still in process.

There was no drilling activity during 2018 at La Valenciana.

### ***Royalties***

Mineral properties in Argentina carry no federal royalties but the provinces are entitled to collect up to 3% mine-mouth royalty.

In Santa Cruz, the province has opted to drop this MMR to 1% if the operation is a precious metal mine that produces doré bullion within the province. The agreement between CCSA and Fomicruz stipulates that any doré bullion resulting from future La Valenciana operations must be produced in the province, so it is likely the project will carry the minimal 1% MMR. However, because La Valenciana is a Mining Reserve in which the mineral rights belong to Fomicruz, the project also carries an additional 5% MMR payable to the province. Therefore, the total MMR for any future gold/silver/base metal production at La Josefina under the current agreement could total 6%.

### ***Environmental Liabilities***

There are no known environmental liabilities associated with the La Valenciana Property.

### ***Permits Required***

No permits are required at this time to conduct the proposed exploration.

### **Other Properties**

#### **Bajo Pobre Property**

The Bajo Pobre property, also in the Santa Cruz province, covers 3,190 hectares and is mainly on the Estancia Bajo Pobre and is owned 100% by the Company. The property is located 90 kilometers south of the town of Las Heras.

In January 2006, CCSA signed a letter of intent with FK Minera S.A., an arm's length party to CCSA and CCSA's former parent corporation, to acquire a 100% interest in the Bajo Pobre property, a gold exploration property located in Santa Cruz province, Argentina. On March 27, 2007 CCSA signed a definitive lease purchase agreement with FK Minera to acquire the Bajo Pobre property. Pursuant to this agreement, CCSA can earn up to a 100% equity interest in the Bajo Pobre property by making cash payments and exploration expenditures over a 5 year earn-in period.

The Company has completed all lease payments to FK Minera S.A., the owner of the Bajo Pobre property. The parties to the contract have finalized an amendment to the contract terms and therefore the Company's ability to retain rights to explore the Bajo Pobre property is affirmed. As part of the amendment, the Company's obligation of exploration expenditures has been waived by FK Minera S.A., thus affirming the Company's right to ownership.

### ***Geology and Mineralization***

The Bajo Pobre project comprises an extensive low sulphidation epithermal gold and silver vein and stock work system located in the north-central region of the Deseado Massif. The known extent of the Bajo Pobre mineral system encompasses more than 12 kilometers of exposed vein strike within a 5 square kilometer area of intense hydrothermal alteration. The main vein system generally trends northeast and is comprised of at least five outcropping sub-parallel structures, varying between 1 and 10 meters in width, with an average outcrop width of 3 meters. These sub parallel veins converge on a hill which shows extensive stockwork veining, strong silicification, acid leaching and argillic alteration. The mineralization is hosted within permeable dacitic- to andesitic-composition tuffaceous rocks of the Jurassic aged Bajo Pobre Formation.

The Company's Bajo Pobre project does not have any known reserves, and the property does not have any processing infrastructure or equipment on site. There are no power generation facilities on the property, and if it was to become a mine a power generation facility would have to be built or power lines would have to be run to the project. The property does have access to a good water supply that can be utilized for both drilling and processing should it become a mine.

The Company's Bajo Pobre project does not yet contain known mineral resources or reserves, as defined by NI 43-101 or US SEC standards, nor does it have any processing infrastructure or equipment on site. There are no power generation facilities on the property, and if it was to become a mine a power generation facility would have to be built or power lines would have to be run to the project. The property does have access to a good water supply that can be utilized for both drilling and processing should it become a mine.

### ***History***

The Bajo Pobre property was discovered in 1970 and has been worked intermittently by several government entities and private companies. However, serious exploration was not initiated until the mid- 90's with detailed geologic mapping and surface sampling. Assays from this sampling yielded up to 40 grams per ton gold. Drill targets identified from surface sampling were augmented in 2002 with additional targets derived from geophysical surveys. In 2003 and 2004, the property saw a limited amount of exploration drilling which tested a small portion of these targets. The specific work that was conducted from 1996 to 2004 included 62-line kilometers of IP/resistivity geophysical surveys, the emplacement and sampling of 40 trenches totaling 2,500 meters, more than 1000 surface chip and channel samples and 12 widely spaced shallow drill holes.

The Company has conducted cursory reconnaissance on the Bajo Pobre property. The Bajo Pobre property was included in the exploration agreement with Eldorado Gold, an agreement later terminated by Eldorado in July 2013.

### ***Mineral Exploration Activity***

The Company completed detailed geological mapping, surface soil sampling and advanced drill targeting during 2012 on the Bajo Pobre project. The Company did not carry out any exploration work on the Bajo Pobre project in 2013, 2014, 2015, 2016, 2017 or 2018.

Total costs incurred to date are approximately US\$1.5 million.

There are no current plans to conduct exploration on the property.

### ***Royalties***

If CCSA is able to commence commercial production on the Bajo Pobre property, CCSA shall pay FK Minera S.A. the greater of a 1% Net Smelter Royalty ("NSR") on commercial production or US\$100,000 per year. CCSA has the option to purchase the NSR for a lump sum payment of US\$1,000,000 less the sum of all royalty payments made to FK Minera S.A. to that point.

### ***Environmental Liabilities***

There are no known environmental liabilities associated with the Bajo Pobre Property.

## **El Gateado Property**

In March 2006, CCSA acquired the right to conduct exploration on the El Gateado property, located in the Santa Cruz province, through a claim staking process for a period of at least 1,000 days, commencing after the Government issues a formal claim notice, and retain 100% ownership of any mineral deposit found within.

The Company has not yet received a formal claim notice pertaining to the El Gateado property. Should a mineral deposit be discovered, CCSA has the exclusive option to file for mining rights on the property. The surface rights of the El Gateado claim are held by the following Ranches, Estancia Los Ventisqueros, Estancia La Primavera, Estancia La Virginia and Estancia Piedra Labrada. The El Gateado claims are filed with the government under file #406.776/DPS/06.

The El Gateado project is without known mineral resources or reserves as defined by NI 43-101 or US SEC standards.

El Gateado is a 10,000-hectare exploration concession filed with the Santa Cruz Provincial mining authority. The El Gateado property is located in the north-central part of Santa Cruz province, contiguous to La Josefina on the east.

### ***Environmental Liabilities***

There are no known environmental liabilities associated with the El Gateado Property.

### ***History***

No known exploration had taken place at El Gateado prior to the work completed by CCSA from 2006 to 2011. During that time CCSA conducted an exploration program consisting of surface channel outcrop sampling, trenching, geological mapping, topographic surveying and more than 3,500 meters of diamond core drilling.

### ***Mineral Exploration Activity - El Gateado***

CCSA began field reconnaissance work on the El Gateado property in 2006 with the completion of a topographic survey, base map generation, and a staked grid. In late 2006 and early 2007, CCSA drilled 13 holes on the El Gateado property. Results of this drilling program, based on assay results over 1 g/t Au, are included in the Company's Filing Statement dated November 30, 2009, as filed on SEDAR on December 3, 2009.

CCSA incurred approximately US\$706,000 in exploration expenses on the initial El Gateado drilling program. CCSA's management conducted all exploration processes except for drilling, which was conducted by an independent Argentine drilling contractor. All assay results above were based on assay work performed by an independent assay laboratory.

CCSA was encouraged by these drilling results. However, did not conduct any exploration activity on the El Gateado property in 2008, 2009 or 2010.

In the first quarter of 2011, CCSA prepared roads and drill pads at El Gateado. The Company has spent approximately \$50,000 on this infrastructure work. During 2011, the Company completed 2,358 meters of drilling on the El Gateado property.

The Company did not carry out any exploration work on the El Gateado project in 2012 through 2018.

Total costs incurred to date are approximately US\$1.5 million and no current detailed plans to conduct exploration on the property.

### **Item 3. Legal Proceedings**

The Company had no legal proceedings during the year ended December 31, 2018.

### **Item 4. Mine Safety Disclosures**

The Company has no outstanding mine safety violations or other regulatory safety matters to report, pursuant to Item 104 of Regulation S-K. Therefore, no Exhibit 95 is necessary to be included with this filing.

## **PART II**

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

The common stock is listed on the TSX Venture Exchange, also referred to as the "TSXV", and trades under the symbol "HMX.V". The following table sets forth the high and low sales prices per share expressed in Canadian dollars and volume traded on the TSXV from January 1, 2017 through December 31, 2018.

	High	Low	Volume
2018	\$ CAD	\$ CAD	(shares)
First Quarter	0.51	0.25	2,546,600
Second Quarter	0.36	0.21	367,900
Third Quarter	0.32	0.14	433,100
Fourth Quarter	0.23	0.10	637,300

	High	Low	Volume
2017	CAD\$	CAD\$	(shares)
First Quarter	0.34	0.21	416,000
Second Quarter	0.24	0.16	756,500
Third Quarter	0.28	0.13	778,800
Fourth Quarter	0.25	0.14	2,208,400

As of December 31, 2018, there were 1,413 registered holders of record of the Company's common shares and an undetermined number of beneficial holders.

### Exchange Rates

The Company maintains its books of account in United States dollars and references to dollar amounts herein are to the lawful currency of the United States except that it is traded on the TSX Venture Exchange (TSXV) and, accordingly, stock price quotes and sales of stock are conducted in Canadian dollars (C\$). The following table sets forth, for the periods indicated, certain exchange rates based on the noon rate provided by the Bank of Canada. Such rates are the number of Canadian dollars per one (1) U.S. dollar (US\$). The high and low exchange rates for each month during the previous six months were as follows:

Month	High	Low
Dec-18	1.3642	1.3191
Nov-18	1.3302	1.3088
Oct-18	1.3142	1.2803
Sep-18	1.3188	1.2803
Aug-18	1.3152	1.2917
Jul-18	1.3255	1.3017

The following table sets out the exchange rate (price of one U.S. dollar in Canadian dollars) information as at each of the years ended December 31, 2018 and 2017.

	Year Ended December 31	
	(Canadian \$ per U.S. \$)	
	2018	2017
Rate at end of Period	1.3642	1.2545
Low	1.2803	1.2128
High	1.3642	1.2982

### Dividends

The Company has not paid any cash dividends on common shares since inception and do not anticipate paying any cash dividends in the foreseeable future. The Company plans to retain earnings, if any, to provide funds for the expansion of business.

### Outstanding Share Data

The authorized share capital of the Company consists of an unlimited number of common shares and preferred shares without nominal or par value. As at December 31, 2018, the Company's outstanding equity and convertible securities were as follows:

Securities	Outstanding
Voting equity securities issued and outstanding <sup>(1)</sup>	63,588,798 common shares
Securities convertible or exercisable into voting equity securities – stock options	Stock options to acquire up to 4,160,000 common shares
Securities convertible or exercisable into voting equity securities – warrants	22,500,000 warrants to acquire 22,500,000 common shares at an exercise price of \$0.075 CAD per share before July 20, 2020 25,000,000 warrants to acquire 25,000,000 common shares at an exercise price of \$0.050 CAD per share before October 13, 2020

(1) On June 24, 2015, the Company's common shares were consolidated on the basis of one (1) post-consolidation common share for every ten (10) pre-consolidation common shares. All common share, share option, share purchase warrant and per share figures have been adjusted to reflect the 10:1 share consolidation.

## Holders

As of December 31, 2018, the Company had 1,413 stockholders of record.

## Dividends

The Company has never declared or paid cash dividends. There are currently no restrictions which limit the ability to pay dividends in the future.

## Securities authorized for issuance under equity compensation plans

Unlimited number of common shares without par value

Under the Company's share option plan, and in accordance with TSX Venture Exchange requirements, the number of common shares reserved for issuance under the option plan shall not exceed 10% of the issued and outstanding common shares of the Company. In connection with the foregoing, the number of common shares reserved for issuance to: (a) any individual director or officer will not exceed 5% of the issued and outstanding common shares; and (b) all consultants will not exceed 2% of the issued and outstanding common shares.

	December 31, 2017		December 31, 2018	
	Number of options	Weighted Average Price (CAD)	Number of options	Weighted Average Price (CAD)
Balance, beginning of period	4,225,000	\$ 0.24	4,380,000	\$ 0.21
Granted to officers and directors	200,000	\$ 0.20	-	\$ -
Expiration of stock options	(45,000)	\$ 3.00	(220,000)	\$ 0.23
Balance, end of period	4,380,000	\$ 0.21	4,160,000	\$ 0.21

## Equity Compensation Plan Information for the Incentive Stock Option Plan

Plan category	Number of securities issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights (CAD)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities issued upon exercise of outstanding options, warrants and rights)
Equity compensation plans approved by security holders	4,160,000	\$ 0.21	2,198,880
Equity compensation plans not approved by security holders	-	\$ -	-

### Recent Sales of Unregistered Securities

None.

### Purchases of Equity Securities by the Company and Affiliated Purchasers

None.

### Section 15(g) of the Securities Exchange Act of 1934

The company's shares are covered by Section 15(g) of the Securities Exchange Act of 1934, as amended, that imposes additional sales practice requirements on broker/dealers who sell such securities to persons other than established customers and accredited investors (generally institutions with assets in excess of \$5,000,000 or individuals with net worth in excess of \$1,000,000 or annual income exceeding \$200,000 or \$300,000 jointly with their spouses). For transactions covered by the Rule, the broker/dealer must make a special suitability determination for the purchase and have received the purchaser's written agreement to the transaction prior to the sale. Consequently, the Rule may affect the ability of broker/dealers to sell securities and may affect the ability to sell shares in the secondary market.

Section 15(g) also imposes additional sales practice requirements on broker/dealers who sell penny securities. These rules require a one-page summary of certain essential items. The items include the risk of investing in penny stocks in both public offerings and secondary marketing; terms important to in understanding of the function of the penny stock market, such as "bid" and "offer" quotes, a dealers "spread" and broker/dealer compensation; the broker/dealer compensation, the broker/dealers duties to its customers, including the disclosures required by any other penny stock disclosure rules; the customers rights and remedies in causes of fraud in penny stock transactions; and, the FINRA's toll free telephone number and the central number of the North American Administrators Association, for information on the disciplinary history of broker/dealers and their associated persons.

The application of the penny stock rules may affect your ability to resell your shares.

### ITEM 6: SELECTED CONSOLIDATED FINANCIAL DATA

The Company is a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information under this item.

## **ITEM 7: MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

### ***Special Note on Forward-Looking Statements***

Certain statements contained in this report (including information incorporated by reference) are "forward-looking statements." The Company's forward-looking statements include current expectations and projections about future production, results, performance, prospects and opportunities, including reserves and other mineralization. The Company has tried to identify these forward-looking statements by using words such as "may," "might," "will," "expect," "anticipate," "believe," "could," "intend," "plan," "estimate" and similar expressions. These forward-looking statements are based on information currently available and are expressed in good faith and believed to have a reasonable basis. However, the forward-looking statements are subject to risks, uncertainties and other factors that could cause actual production, results, performance, prospects or opportunities, including reserves and mineralization, to differ materially from those expressed in, or implied by, these forward-looking statements.

Given these risks and uncertainties, readers are cautioned not to place undue reliance on the forward-looking statements. Projections and other forward-looking statements included in this report have been prepared based on assumptions, which the Company believes to be reasonable, and in accordance with United States generally accepted accounting principles ("GAAP") or any guidelines of the Securities and Exchange Commission ("SEC"). Actual results may vary, perhaps materially. Readers are strongly cautioned not to place undue reliance on such projections and other forward-looking statements. All subsequent written and oral forward-looking statements attributable to Hunt Mining Corporation or to persons acting on the Company's behalf are expressly qualified in their entirety by these cautionary statements. Except as required by federal securities laws, the Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Users of these documents should read the following discussion and analysis of the Company's financial condition and results of operations together with its financial statements and related notes in this annual report on Form 10-K. This discussion and analysis contains forward-looking statements that involve risks, uncertainties and assumptions. Actual results may differ materially from those anticipated in these forward-looking statements as a result of many factors, including those set forth under "Risk Factors" in this annual report on Form 10-K.

### **The Company**

Hunt Mining Corp. is a mineral exploration company incorporated on January 10, 2006 under the laws of Alberta, Canada and, together with its subsidiaries, is engaged in the exploration of mineral properties in Santa Cruz Province, Argentina.

Effective November 6, 2013, the Company continued from the Province of Alberta to the Province of British Columbia. The Company's registered office is located at 25th Floor, 700 W Georgia Street, Vancouver, B.C. V7Y 1B3. The Company's head office is located at 23800 E Appleway Avenue, Liberty Lake, Washington, 99019 USA.

During the year ended December 31, 2018, the major sources of funding were from collection of 2017 silver-gold concentrate receivables, new sales of silver-gold concentrate and proceeds from loans. The Company incurred net operating losses of \$3,530,301 for the year ended December 31, 2018 but was profitable in 2017 by approximately \$1.66 million. The Company remains focused on evaluating its mining properties in Argentina, with near term prospects of mining the La Josefina gold property and the continuation of production of silver-gold concentrate from the Mina Martha property. The Company is also reviewing strategic opportunities, focusing primarily on development of mineral properties.

During the year ended December 31, 2018, the Company sold concentrate containing 1,360 ounces of gold at an average price of \$1,221 and 186,078 ounces of silver at an average price of \$15.24 for net proceeds of \$3,961,399. 148 tonnes of gold/silver concentrate were shipped during the year ended December 31, 2018 with average grades of Au 285.92 g/mt and Ag 39,113 g/mt. This concentrate was produced from the La Josefina project for testing and the Mina Martha project. Concentrate produced as a result of metallurgical testing on La Josefina was from approximately 1,700 tonnes of material with average grade of 26.52 Au g/mt. Concentrate produced from Mina Martha was from approximately 12,900 tonnes of material with average grade of 416.71 Ag/mt.

Ongoing production at the Martha Project is being undertaken without established mineral resources or reserves and the Company has not established the economic viability of the operations on the Martha Project. As a result, there is increased uncertainty and economic risks of failure associated with these production activities

## Results of Operations

### For the Years Ended December 31, 2018 compared to December 31, 2017

#### Liquidity and Capital Resources

For the year ended December 31, 2018 the Company had a net loss of \$3,564,180, or \$0.06 per basic share, compared to a net income of \$1,655,914 or \$0.03 per basic share, for the year ended December 31, 2017. The decrease was due to the Company following its strategic plan by focusing more of its resources on the advancement of the La Josefina project. Consequently, sales of silver and gold concentrate decreased.

Working capital decreased from 2017 to 2018 by \$2,308,144 due to the reduction in concentrate sales resulting in increases of short-term payables, accrued liabilities of approximately \$110,000 and an increase in loan payable and current portion of long-term debt of \$2.1M.

Total assets decreased from 2017 to 2018 by \$631,106. The significant factors attributing to this decrease were reduced trade receivables of \$670,000, a net reduction in value of property plant and equipment of \$447,000 and an increase in concentrate inventory of \$580,000. The trade receivable reduction stemmed from the lower sales levels in 2018. Property Plant and Equipment had additions of approximately \$500,000 in 2018 but depreciation for the year was approximately \$948,000.

Additions of \$486,589 to asset retirement obligations coupled with accretion of \$74,370 were the major contributors to non-current liabilities increasing from 2017. Long-term debt decreased by \$115,577. The net increase to non-current liabilities was \$419,386.

Total shareholder's equity decreased from 2017 to 2018 by the net loss and comprehensive income (loss) for the year of \$3.29M.

#### Summary of Results of Operations:

	<b>December 31, 2018</b>	<b>December 31, 2017</b>	<b>Change Favorable (Unfavorable)</b>
Net income (loss) for the year	(3,564,180)	1,655,914	(5,220,094)
Net income (loss) per share – basic:	(0.06)	0.03	(0.09)
Net income (loss) per share – diluted:	(0.06)	0.01	(0.07)
Working capital	(7,616,966)	(5,308,822)	(2,308,144)
Total assets	7,900,222	8,531,328	(631,106)
Total non-current liabilities	2,561,416	2,142,030	(419,386)
Total shareholders' equity	(4,839,422)	(1,544,661)	(3,294,761)

The Company is in exploration phase and has incurred losses since its inception up to 2018. In 2017 and it began selling silver and gold concentrate from Mina Martha and in 2018 began selling gold and silver concentrate as part of metallurgical testing at La Josefina. As shown in the accompanying consolidated financial statements, the Company has an accumulated loss of \$39,557,836 through December 31, 2018. The Company intends to fund operations for the next twelve months from the sale of material from the Mina Martha property and the Josefina property.

### ***Financial Position***

#### *Cash*

Cash increased marginally in 2018. Operating cash outflows were \$2,193,591, a decrease from 2017 of approximately \$5.6M from lower production and sales levels. There were cash outflows from the purchase of property and equipment of \$178,059. The company compensated for these cash outflows by increasing funds from financing activities. Net cash inflow from financing was approximately \$2.0MM, an increase over 2017 of approximately \$3.4M.

#### *Accounts Receivable*

The reduced sale of concentrate played a significant role in the Company's decreased accounts receivable balance in 2018. Receivables from the sale of concentrate decreased from 2017 by approximately \$700,000.

#### *Inventory*

There remained approximately \$913,000 of combined mineral inventory and supplies at December 31, 2018.

#### *Property, plant and equipment*

Property plant and equipment consists of office furniture, computer equipment, geological equipment, and the Mina Martha plant and equipment assets. The primary reason for the increase in asset costs was additions to the asset retirement obligation of approximately \$486,000 for work performed on La Josefina project. During the year, the plant and equipment, that had been repaired as part of the initial capitalization of the Martha facilities, functioned with fewer than anticipated repairs. Furthermore, in 2018 it was determined that the facilities at Martha would be adequate and successful in processing material from la Josefina and potentially other projects. For this reason, management revised its estimate of the useful life on the plant and buildings at the Martha site, extending the projected useful life for 87 months from December 31, 2018. Depreciation for the year was approximately \$948,000 (Note 10 of Consolidated Financial Statements).

#### *Accounts payable, accrued liabilities, bank indebtedness and taxes payable.*

There were overall increases to these current liabilities of only approximately \$110,000 primarily because the majority of continued mining and exploration activities with lower volumes of concentrate sold were funded with short term debt. Focus on exploration of La Josefina was furthered in 2018 with the aim to develop further mining plans with corresponding cost/benefit analysis.

#### *Loan Payable and Long-term Debt*

The Company increased net loans to related parties during the year by approximately \$1,429,000. Also, during 2018, the company acquired a loan of \$700,000 secured by concentrate sales which, during the course of the year, was repaid in full and then redrawn. This loan had an outstanding balance of \$591,280 at December 31, 2018. Subsequent to December 31, 2018 this loan was repaid in full and then redrawn again in the amount of \$600,000 (Note 23 of Consolidated Financial Statements)

### ***Off-balance sheet arrangements***

At December 31, 2018, the Company had no material off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to us.

### ***Contractual Obligations***

	Total	Payments due by period			
		< 1 year	1-3 years	3-5 years	> 5 years
Loan Payable	\$ 2,836,141	\$2,836,141	\$ -	\$ -	\$ -
Long-term Debt	1,615,445	362,428	770,100	482,917	-
<b>TOTAL</b>	<b>\$ 4,451,586</b>	<b>\$3,198,569</b>	<b>\$770,100</b>	<b>\$482,917</b>	<b>\$ -</b>

### **Going Concern**

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the realization of assets and the liquidation of liabilities in the normal course of business. During the year ended December 31, 2018, the Company had net loss of \$3,564,180. As at December 31, 2018, the Company had an accumulated deficit of \$39,557,836. The Company intends to continue funding operations through operation of the Martha mine, La Josefina project and equity financing arrangements, which may be insufficient to fund its capital expenditures, working capital and other cash requirements for the year ending December 31, 2019

These factors, among others, raise substantial doubt about the Company's ability to continue as a going concern. The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty.

### **Additional Information and Accounting Pronouncements**

Discussed below are the accounting policies that the Company believes are critical to its financial statements due to the degree of uncertainty regarding the estimates or assumptions involved and the magnitude of the asset, liability, revenue or expense reported.

The significant accounting policies used in the preparation of these consolidated financial statements are described below.

#### *(a) Basis of measurement*

The consolidated financial statements have been prepared under the historical cost convention, except for the revaluation of certain financial assets and financial liabilities to fair value.

#### *(b) Consolidation*

The Company's consolidated financial statements consolidate the accounts of the Company and its subsidiaries. All intercompany transactions, balances and unrealized gains or losses from intercompany transactions are eliminated on consolidation.

*(c) Foreign currency translation*

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rates of exchange prevailing at the reporting date. Non-monetary assets and liabilities are translated at the exchange rate prevailing at the transaction date. Revenues and expenses are translated at average exchange rates throughout the reporting period. Gains and losses on translation of foreign currencies are included in the consolidated statement of operations.

The Company's functional currency is the Canadian dollar. All of the Company's subsidiaries have a US dollar functional currency. Financial statements are translated to their US dollar equivalents using the current rate method. Under this method, the statements of operations and comprehensive loss and cash flows for each period have been translated using the average exchange rates prevailing during each period. All assets and liabilities have been translated using the exchange rate prevailing at the balance sheet date. Translation adjustments are recorded as income or losses in other comprehensive income or loss. Transaction gains and losses resulting from fluctuations in currency exchange rates on transactions denominated in currencies other than the functional currency are recognized as incurred in the accompanying consolidated statement of loss and comprehensive loss.

*(d) Financial instruments*

The Company measures the fair value of financial assets and liabilities based on US GAAP guidance, which defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements.

The Company classifies financial assets and liabilities as held-for-trading, available-for-sale, held-to-maturity, loans and receivables or other financial liabilities depending on their nature. Financial assets and financial liabilities are recognized at fair value on their initial recognition, except for those arising from certain related party transactions, which are accounted for at the transferor's carrying amount or exchange amount.

Financial assets and liabilities classified as held-for-trading are measured at fair value, with gains and losses recognized in net income. Financial assets classified as held-to-maturity, loans and receivables, and financial liabilities other than those classified as held-for-trading are measured at amortized cost, using the effective interest method of amortization. Financial assets classified as available-for-sale are measured at fair value, with unrealized gains and losses being recognized as other comprehensive income until realized, or if an unrealized loss is considered other than temporary, the unrealized loss is recorded in income.

See Note 17 to the Consolidated Financial Statements for fair value disclosures.

*(e) Cash and equivalents*

Cash and equivalents include cash on hand, deposits held with banks and other liquid short-term investments with original maturities of three months or less. The Company has no cash equivalents for all periods presented.

*(f) Property, plant and equipment*

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of an asset.

Repairs and maintenance costs are charged to the consolidated statement of operations and comprehensive loss during the period in which they are incurred.

Depreciation is calculated to amortize the cost of the property, plant and equipment over their estimated useful lives using the straight-line method. Plant, buildings, equipment and vehicles are stated at cost and depreciated straight line over an estimated useful life of three to eight years. Depreciation begins once the asset is in the state intended for use by management.

The Company allocates the amount initially recognized in respect of an item of property and equipment to its significant parts and depreciates separately each such part. Residual values, method of depreciation and useful lives of the assets are reviewed annually and adjusted if appropriate.

Gains and losses on disposals of property, plant and equipment are determined by comparing the proceeds with the carrying amount of the asset and are included as part of other gains or losses in the consolidated statement of operations and comprehensive loss.

*(g) Mineral properties and exploration and evaluation expenditures*

All exploration expenditures are expensed as incurred. Expenditures to acquire mineral rights, to develop new mines, to define further mineralization in mineral properties which are in the development or operating stage, and to expand the capacity of operating mines, are capitalized and amortized on a units-of-production basis over proven and probable reserves.

Should a property be abandoned, its capitalized costs are charged to the consolidated statement of loss and comprehensive loss. The Company charges to the consolidated statement of loss and comprehensive loss the allocable portion of capitalized costs attributable to properties sold. Capitalized costs are allocated to properties sold based on the proportion of claims sold to the claims remaining within the project area.

*(h) Long-lived assets*

Long-lived assets held and used by the Company are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. For purposes of evaluating the recoverability of long-lived assets, the recoverability test is performed using undiscounted net cash flows related to the long-lived assets. If such assets are considered to be impaired, the impairment recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of their carrying amount or fair value less costs to sell.

*(i) Asset retirement obligations*

The Company records the fair value of an asset retirement obligation as a liability in the period in which it incurs a legal constructive obligation associated with the retirement of tangible long-lived assets that result from the acquisition, construction, development, and/or normal use of the long-lived assets. The Company also records a corresponding asset, which is amortized over the life of the asset. Subsequent to the initial measurement of the asset retirement obligation, the obligation is adjusted at the end of each period to reflect the passage of time (accretion expense) and changes in the estimated future cash flows underlying the obligation (asset retirement cost).

*(j) Income taxes*

The Company accounts for income taxes under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Under the asset and liability method, the effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A valuation allowance is recognized if it is more likely than not that some portion or all of the deferred tax asset will not be recognized.

*(k) Share-based compensation*

The Company offers a share option plan for its directors, officers, employees and consultants. ASC 718 “Compensation – Stock Compensation” prescribes accounting and reporting standards for all share-based payment transactions in which employee services are acquired. Transactions include incurring liabilities, or issuing or offering to issue shares, options, and other equity instruments such as employee stock ownership plans and stock appreciation rights. Share-based payments to employees, including grants of employee stock options, are recognized as compensation expense in the financial statements based on their fair values. That expense is recognized over the period during which an employee is required to provide services in exchange for the award, known as the requisite service period (usually the vesting period).

The Company accounts for stock-based compensation issued to non-employees and consultants in accordance with the provisions of ASC 505-50, “Equity Based Payments to Non-Employees.” Measurement of share-based payment transactions with non-employees is based on the fair value of whichever is more reliably measurable: (a) the goods or services received; or (b) the equity instruments issued. The fair value of the share-based payment transaction is determined at the earlier of performance commitment date or performance completion date.

*(l) Earnings (loss) per share*

The calculation of earnings (loss) per share (“EPS”) is based on the weighted average number of shares outstanding for each period. The basic EPS is calculated by dividing the earnings or loss attributable to the equity owners of the Company by the weighted average number of common shares outstanding during the period.

The computation of diluted EPS assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on the earnings per share. The treasury stock method is used to determine the dilutive effect of the warrants and share options. When the Company reports a loss, the diluted net loss per common share is equal to the basic net loss per common share due to the anti-dilutive effect of the outstanding warrants and share options.

*(m) Silver and gold recovery (loss), net of expenses*

Recovery of concentrate and other income is recognized when title and the risks and rewards of ownership to deliver concentrate and commodities pass to the buyer and collection is reasonably assured. Sale of concentrate is classified as silver and gold recovery, net of expenses in profit and loss because the Company has not established proven or probable ore reserves and remains in the exploration stage as defined by Industry guide 7.

Not all overhead costs are applied against Silver and gold recovery. Since the Company has no resources or reserves, the Company is treated as an exploration company and as such, direct cost, portions of fixed costs and portions of variable costs are applied against Silver and gold recovery. Other administrative, office, professional fees, and travel are disclosed separately.

From time to time, some of the Company’s sales of concentrate are made under provisional pricing arrangements where the final sale prices are determined by quoted market prices in a period subsequent to the date of sale. In these circumstances, sales are recorded at period end based on latest information about prices and quantities available to management for the expected date of final settlement. Under such arrangements, the Company’s receivable changes as the underlying commodity market price varies, this component of the contract is an embedded derivative which is recognized at fair value with changes in fair value recognized in profit and loss and receivables. Subsequent variations in prices and metal quantities are recognized as they occur.

#### *(n) Inventories*

Mineral concentrate and mineralized material stockpiles are physically measured or estimated and valued at the lower of cost or net realizable value. Net realizable value is the estimated future sales price of the product the entity expects to realize when the product is processed and sold, less estimated costs to complete production and bring the product to sale. Where the time value of money is material, these future prices and costs to complete are discounted.

If the stockpile is not expected to be processed in 12 months after the reporting date, it is included in noncurrent assets and the net realizable value is calculated on a discounted cash flow basis.

Cost of silver concentrate and mineralized material stockpiles is determined by using the weighted average method and comprises direct costs and a portion of fixed and variable overhead costs incurred in converting materials into concentrate, based on the normal production capacity.

Materials and supplies are valued at the lower of cost or net realizable value. Any provision for obsolescence is determined by reference to specific items of stock. A regular review is undertaken to determine the extent of any provision for obsolescence.

### **Recent Accounting Pronouncements**

#### Restricted Cash

In November 2016, ASU No. 2016-18 was issued related to the inclusion of restricted cash in the statement of cash flows. This new guidance requires that a statement of cash flows explain the change during the period in the total of cash, cash equivalents and amounts generally described as restricted cash or restricted cash equivalents. This update is effective in fiscal years, including interim periods, beginning after December 15, 2017 and early adoption is permitted. The adoption of this guidance will result in the inclusion of the restricted cash balances within the overall cash balance and removal of the changes in restricted cash activities, which are currently recognized in other financing activities, on the Statements of Consolidated Cash Flows. Furthermore, an additional reconciliation will be required to reconcile cash and cash equivalents and restricted cash reported within the Consolidated Balance Sheets to sum to the total shown in the Statements of Consolidated Cash Flows. The adoption of this ASU had no material impact on the Company's consolidated financial statements.

#### Intra-Entity Transfers

In October 2016, ASU No. 2016-16 was issued related to the intra-entity transfers of assets other than inventory. This new guidance requires entities to recognize the income tax consequences of an intra-entity transfer of an asset other than inventory when the transfer occurs. This update is effective in fiscal years, including interim periods, beginning after December 15, 2017 and early adoption is permitted. The adoption of this ASU had no material impact on the Company's consolidated financial statements.

#### Statement of Cash Flows

In August 2016, ASU No. 2016-15 was issued related to the statement of cash flows. This new guidance addresses eight specific cash flow issues with the objective of reducing the existing diversity in practice in how certain cash receipts and cash payments are presented and classified in the statement of cash flows. This update is effective in fiscal years, including interim periods, beginning after December 15, 2017 and early adoption is permitted. The adoption of this ASU had no material impact on the Company's consolidated financial statements.

## Leases

In February 2016, ASU No. 2016-02 was issued related to leases. The new guidance modifies the classification criteria and requires lessees to recognize the assets and liabilities arising from most leases on the balance sheet. This update is effective in fiscal years, including interim periods, beginning after December 15, 2018 and early adoption is permitted. The Company has evaluated all contracts which could be classified as leases under the new standards and determined that any impact as a result of adoption would not be material.

## Investments

In January 2016, ASU No. 2016-01 was issued related to financial instruments. The new guidance 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. This update is effective in fiscal years, including interim periods, beginning after December 15, 2017 and early adoption is not permitted. The adoption of this ASU had no material impact on the Company's consolidated financial statements.

## Revenue recognition

In May 2014, ASU No. 2014-09 was issued related to revenue from contracts with customers. This ASU was further amended in August 2015, March 2016, April 2016, May 2016 and December 2016 by ASU No. 2015-14, No. 2016-08, No. 2016-10, No. 2016-12 and No. 2016-20, respectively. The new standard provides a five-step approach to be applied to all contracts with customers and also requires expanded disclosures about revenue recognition. In August 2015, the effective date was deferred to reporting periods, including interim periods, beginning after December 15, 2017 and will be applied retrospectively. Early adoption is not permitted. The adoption of this ASU had no material impact on the Company's consolidated financial statements.

## **ITEM 7A: QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

The Company is a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information under this item.

## **ITEM 8: FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA**

See audited financial statements previously filed with the SEC

The consolidated financial statements and supplementary information filed as part of this Item 8 are listed under Part IV, Item 15, "Exhibits, Financial Statement Schedules" and contained in this annual report on Form 10-K.

# Hunt Mining Corp.

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## Consolidated Financial Statements

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# Hunt Mining Corp.

Expressed in U.S. Dollars

## Consolidated Balance Sheets

	NOTE	December 31, 2018	December 31, 2017
<b>CURRENT ASSETS:</b>			
Cash	17	\$ 115,372	\$ 78,145
Accounts receivable	12,17,20	1,474,303	2,144,830
Prepaid expenses		57,672	13,750
Other deposit		-	55,092
Inventory	7	913,915	333,320
Total Current Assets		2,561,262	2,625,137
<b>NON-CURRENT ASSETS:</b>			
Mineral Properties	8	438,062	438,062
Property, plant and equipment	10	4,585,520	5,033,490
Performance bond	11,17	315,378	434,639
Total Non-Current Assets:		5,338,960	5,906,191
<b>TOTAL ASSETS:</b>		<b>\$ 7,900,222</b>	<b>\$ 8,531,328</b>
<b>CURRENT LIABILITIES:</b>			
Accounts payable and accrued liabilities	13,16,17	\$ 6,328,861	\$ 6,673,319
Bank indebtedness	21	330,000	-
Interest payable	16,17	320,669	151,024
Transaction taxes payable	17	129	47,188
Loan payable and current portion of long-term debt	14,16,17	3,198,569	1,062,428
Total Current Liabilities:		10,178,228	7,933,959
<b>NON-CURRENT LIABILITIES:</b>			
Long-term debt	14,16,17	1,253,017	1,368,594
Asset retirement obligation	9	1,308,399	773,436
Total Non-Current Liabilities:		2,561,416	2,142,030
<b>TOTAL LIABILITIES:</b>		<b>\$ 12,739,644</b>	<b>\$ 10,075,989</b>
<b>STOCKHOLDERS' DEFICIENCY:</b>			
Capital stock: Authorized- Unlimited No Par Value Issued and outstanding - 63,588,798 common shares (December 31, 2017 - 63,588,798 common shares)	15	\$ 24,695,186	\$ 24,695,186
Additional paid in capital		9,696,520	9,696,520
Deficit		(39,557,836)	(35,993,656)
Accumulated other comprehensive income		326,708	57,289
Total Stockholders' Deficiency:		(4,839,422)	(1,544,661)
<b>TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIENCY:</b>		<b>\$ 7,900,222</b>	<b>\$ 8,531,328</b>

Going Concern (Note 3)

Subsequent Events (Note 23)

Approved on behalf of the Board of Directors

Signed CEO "Tim Hunt"

Signed CFO "Ken Atwood"

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

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**Hunt Mining Corp.**Expressed in U.S. Dollars

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**Consolidated Statements of Operations and Comprehensive Income (Loss)**

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		Year ended December 31,	
	NOTE	2018	2017
<i>OPERATING EXPENSES:</i>			
Professional fees	16	736,380	887,198
Directors fees		3,119	3,934
Exploration expenses		484,695	752,341
Travel expenses		157,786	310,718
Administrative and office expenses	16	119,785	295,921
Payroll expenses	16	331,967	402,785
Share based compensation	15,16	-	34,528
Interest expense	16	522,968	462,127
Banking charges		64,002	104,227
Depreciation	10	948,118	1,165,592
Total operating expenses:		<u>\$ 3,368,820</u>	<u>\$ 4,419,371</u>
<i>OTHER INCOME/(EXPENSE):</i>			
Silver and gold recovery (loss), net of expenses	20	\$ 397,135	\$ 5,757,321
Interest income		18,869	16,292
Transaction taxes		(16,903)	(33,169)
Gain (loss) on foreign exchange		(520,091)	(11,910)
Contingent liability recovery		-	73,970
Accretion expense	9	(74,370)	(68,068)
Recovery of written-off value added tax		-	340,849
Total other income (expense):		<u>\$ (195,360)</u>	<u>\$ 6,075,285</u>
<i>NET INCOME (LOSS) FOR THE YEAR</i>		\$ (3,564,180)	\$ 1,655,914
<i>OTHER COMPREHENSIVE INCOME (LOSS), net of tax:</i>			
Change in value of performance bond	11	(119,261)	53,284
Foreign currency translation adjustment		388,680	33,331
<i>TOTAL NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS) FOR THE YEAR:</i>		<u>\$ (3,294,761)</u>	<u>\$ 1,742,529</u>
Weighted average shares outstanding - basic and diluted		63,588,798	63,588,798
Weighted average shares outstanding - diluted		-	115,163,798
<i>NET INCOME (LOSS) PER SHARE - BASIC</i>		\$ (0.06)	\$ 0.03
<i>NET INCOME (LOSS) PER SHARE - DILUTED:</i>		\$ (0.06)	\$ 0.01

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

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## Hunt Mining Corp.

Expressed in U.S. Dollars

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### Consolidated Statement of Changes in Stockholders' Deficiency

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	Capital Stock	Deficit	Accumulated Other Comprehensive Income (Loss)	Additional Paid in Capital	Total
Balance -January 1, 2017	\$ 24,695,186	\$ (37,649,570)	\$ (29,326)	\$ 9,661,992	\$ (3,321,718)
Net Income	-	1,655,914	-	-	1,655,914
Other comprehensive income	-	-	86,615	-	86,615
Share based compensation	-	-	-	34,528	34,528
Balance - December 31, 2017	<u>\$ 24,695,186</u>	<u>\$ (35,993,656)</u>	<u>\$ 57,289</u>	<u>\$ 9,696,520</u>	<u>\$ (1,544,661)</u>
Balance - January 1, 2018	\$ 24,695,186	\$ (35,993,656)	\$ 57,289	\$ 9,696,520	\$ (1,544,661)
Net Income (loss)	-	(3,564,180)	-	-	(3,564,180)
Other comprehensive income	-	-	269,419	-	269,419
Balance - December 31, 2018	<u>\$ 24,695,186</u>	<u>\$ (39,557,836)</u>	<u>\$ 326,708</u>	<u>\$ 9,696,520</u>	<u>\$ (4,839,422)</u>

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

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# Hunt Mining Corp.

Expressed in U.S. Dollars

## Consolidated Statements of Cash Flows

	NOTE	Year Ended December 31,	
		2018	2017
<i>CASH FLOWS FROM OPERATING ACTIVITIES:</i>			
Net income (loss)	\$	(3,564,180)	\$ 1,655,914
Items not affecting cash			
Depreciation	10	948,118	1,165,592
Contingent liability recovery		-	(73,970)
Loss on foreign exchange		(25,996)	(6,809)
Share based compensation		-	34,528
Accretion	9	74,370	68,068
Net change in non-cash working capital items			
Decrease (increase) in accounts receivable		670,527	(2,018,377)
Decrease (increase) in prepaid expenses		(44,570)	4,362
Increase in inventory		(580,595)	(333,320)
Increase in accounts payable and accrued liabilities		206,149	2,910,022
Increase in interest payable		169,645	97,731
Decrease in transaction taxes payable		(47,059)	(71,479)
		<u>(2,193,591)</u>	<u>3,432,262</u>
<i>CASH FLOWS FROM INVESTING ACTIVITIES:</i>			
Purchases of property and equipment	10	(178,059)	(2,599,799)
		<u>(178,059)</u>	<u>(2,599,799)</u>
<i>CASH FLOWS FROM FINANCING ACTIVITIES:</i>			
Change in bank line of credit (net)	21	330,000	-
Proceeds from loans	14,16	3,790,862	4,400,000
Repayment of loans	14,16	(1,770,298)	(5,440,289)
		<u>2,350,564</u>	<u>(1,040,289)</u>
<i>NET DECREASE IN CASH:</i>		(21,086)	(207,826)
<i>EFFECT OF FOREIGN EXCHANGE ON CASH</i>		58,313	177,699
<i>CASH, BEGINNING OF YEAR:</i>		78,145	108,272
<i>CASH, END OF YEAR:</i>		<u>\$ 115,372</u>	<u>\$ 78,145</u>
Taxes paid	\$	180,840	\$ 146,090
Interest paid	\$	98,492	\$ 143,695
<i>SUPPLEMENTAL NON-CASH INFORMATION</i>			
Increase in asset retirement obligation capitalized to Property Plant, and equipment	\$	486,589	\$ -
Reclassification of long-term debt from current	\$	-	\$ 1,368,594
Change in value of performance bond	\$	(119,261)	\$ 53,284
PP&E included in AP	\$	-	\$ 164,500
Reclassification of contingent liability to accrued liability	\$	-	\$ 176,030

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

## 1. Nature of Business

Hunt Mining Corp. (the “Company” or “Hunt Mining”), is a mineral exploration and processing company incorporated on January 10, 2006 under the laws of Alberta, Canada and, together with its subsidiaries, is engaged in the exploration of mineral properties in Santa Cruz Province, Argentina.

Effective November 6, 2013, the Company relocated from the Province of Alberta to the Province of British Columbia. The Company’s registered office is located at 25th Floor, 700 West Georgia Street, Vancouver, B.C. V7Y 1B3. The Company’s head office is located at 23800 E Appleyway Avenue, Liberty Lake, Washington, 99019 USA.

The consolidated financial statements include the accounts of the following subsidiaries after elimination of intercompany transactions and balances:

<b>Corporation</b>	<b>Incorporation</b>	<b>Percentage ownership</b>	<b>Business Purpose</b>
Cerro Cazador S.A. (“CCSA”)	Argentina	100%	Holder of Assets and Exploration Company
Ganadera Patagonia <sup>(1)</sup>	Argentina	40%	Land Holding Company
1494716 Alberta Ltd.	Alberta	100%	Nominee Shareholder
Hunt Gold USA LLC	Washington, USA	100%	Management Company

<sup>(1)</sup> The Company has determined that the subsidiary is a variable interest entity because the Company is the primary beneficiary of the land the subsidiary holds, and therefore consolidates the subsidiary in its financial statements.

The Company’s activities include the exploration and processing of minerals from properties in Argentina including the Mina Martha project (Note 8) and the La Josefina project on a metallurgical test basis. On the basis of information to date, the Company has not yet determined whether the Exploration properties contain economically recoverable ore reserves. The underlying value of the mineral properties is entirely dependent upon the existence of reserves, the ability of the Company to obtain the necessary financing to complete development and upon future profitable production or a sale of these properties. The Mina Martha project was purchased in the second quarter of 2016 and refurbishing activities began in late 2016. The Company finished all refurbishments to the Mina Martha project in the first quarter of 2017 and began selling concentrate in the second quarter of 2017. In 2018, the Company continued the sale of concentrate from Martha as well as began metallurgical tests on the La Josefina project. Concentrate produced as a byproduct of this testing was sold in 2018.

Ongoing production at the Martha Project is being undertaken without established mineral resources or reserves and the Company has not established the economic viability of the operations on the Martha Project. As a result, there is increased uncertainty and economic risks of failure associated with these production activities

Despite the sale of concentrate, the all projects remain in the exploration stage because management has not established proven or probable ore reserves required to be classified in either the development or production stage. As such, the sales of concentrate are classified as silver and gold recovery, net of expenses in profit and loss.

## 2. Basis of presentation

These consolidated financial statements have been prepared in conformity with generally accepted accounting principles of the United States of America (“US GAAP”).

These consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The Company's presentation currency is the US Dollar.

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Judgments made by management in the application of US GAAP that have a significant effect on the consolidated financial statements and estimates with significant risk of material adjustment in the current and following periods are discussed in Note 6.

### **3. Going Concern**

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the realization of assets and the liquidation of liabilities in the normal course of business. During the year ended December 31, 2018, the Company had net loss of \$3,564,180. As at December 31, 2018, the Company had an accumulated deficit of \$39,557,836. The Company intends to continue funding operations through operation of the Martha mine, La Josefina project and equity financing arrangements, which may be insufficient to fund its capital expenditures, working capital and other cash requirements for the year ending December 31, 2019.

These factors, among others, raise substantial doubt about the Company's ability to continue as a going concern. The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty.

### **4. Significant Accounting Policies**

The significant accounting policies used in the preparation of these consolidated financial statements are described below.

#### *(a) Basis of measurement*

The consolidated financial statements have been prepared under the historical cost convention, except for the revaluation of certain financial assets and financial liabilities to fair value.

#### *(b) Consolidation*

The Company's consolidated financial statements consolidate the accounts of the Company and its subsidiaries. All intercompany transactions, balances and unrealized gains or losses from intercompany transactions are eliminated on consolidation.

#### *(c) Foreign currency translation*

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rates of exchange prevailing at the reporting date. Non-monetary assets and liabilities are translated at the exchange rate prevailing at the transaction date. Revenues and expenses are translated at average exchange rates throughout the reporting period. Gains and losses on translation of foreign currencies are included in the consolidated statement of operations.

The Company's functional currency is the Canadian dollar. All of the Company's subsidiaries have a US dollar functional currency. Financial statements are translated to their US dollar equivalents using the current rate method. Under this method, the statements of operations and comprehensive loss and cash flows for each period have been translated using the average exchange rates prevailing during each period. All assets and liabilities have been translated using the exchange rate prevailing at the balance sheet date. Translation adjustments are recorded as income or losses in other comprehensive income or loss. Transaction gains and losses resulting from fluctuations in currency exchange rates on transactions denominated in currencies other than the functional currency are recognized as incurred in the accompanying consolidated statement of loss and comprehensive loss.

*(d) Financial instruments*

The Company measures the fair value of financial assets and liabilities based on US GAAP guidance, which defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements.

The Company classifies financial assets and liabilities as held-for-trading, available-for-sale, held-to-maturity, loans and receivables or other financial liabilities depending on their nature. Financial assets and financial liabilities are recognized at fair value on their initial recognition, except for those arising from certain related party transactions, which are accounted for at the transferor's carrying amount or exchange amount.

Financial assets and liabilities classified as held-for-trading are measured at fair value, with gains and losses recognized in net income. Financial assets classified as held-to-maturity, loans and receivables, and financial liabilities other than those classified as held-for-trading are measured at amortized cost, using the effective interest method of amortization. Financial assets classified as available-for-sale are measured at fair value, with unrealized gains and losses being recognized as other comprehensive income until realized, or if an unrealized loss is considered other than temporary, the unrealized loss is recorded in income.

See Note 17 to the Consolidated Financial Statements for fair value disclosures.

*(e) Cash and equivalents*

Cash and equivalents include cash on hand, deposits held with banks and other liquid short-term investments with original maturities of three months or less. The Company has no cash equivalents for all periods presented.

*(f) Property, plant and equipment*

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of an asset.

Repairs and maintenance costs are charged to the consolidated statement of operations and comprehensive loss during the period in which they are incurred.

Depreciation is calculated to amortize the cost of the property, plant and equipment over their estimated useful lives using the straight-line method. Plant, buildings, equipment and vehicles are stated at cost and depreciated straight line over an estimated useful life of three to eight years. Depreciation begins once the asset is in the state intended for use by management.

The Company allocates the amount initially recognized in respect of an item of property and equipment to its significant parts and depreciates separately each such part. Residual values, method of depreciation and useful lives of the assets are reviewed annually and adjusted if appropriate.

Gains and losses on disposals of property, plant and equipment are determined by comparing the proceeds with the carrying amount of the asset and are included as part of other gains or losses in the consolidated statement of operations and comprehensive loss.

*(g) Mineral properties and exploration and evaluation expenditures*

All exploration expenditures are expensed as incurred. Expenditures to acquire mineral rights, to develop new mines, to define further mineralization in mineral properties which are in the development or operating stage, and to expand the capacity of operating mines, are capitalized and amortized on a units-of-production basis over proven and probable reserves.

Should a property be abandoned, its capitalized costs are charged to the consolidated statement of loss and comprehensive loss. The Company charges to the consolidated statement of loss and comprehensive loss the allocable portion of capitalized costs attributable to properties sold. Capitalized costs are allocated to properties sold based on the proportion of claims sold to the claims remaining within the project area.

*(h) Long-lived assets*

Long-lived assets held and used by the Company are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. For purposes of evaluating the recoverability of long-lived assets, the recoverability test is performed using undiscounted net cash flows related to the long-lived assets. If such assets are considered to be impaired, the impairment recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of their carrying amount or fair value less costs to sell.

*(i) Asset retirement obligations*

The Company records the fair value of an asset retirement obligation as a liability in the period in which it incurs a legal constructive obligation associated with the retirement of tangible long-lived assets that result from the acquisition, construction, development, and/or normal use of the long-lived assets. The Company also records a corresponding asset, which is amortized over the life of the asset. Subsequent to the initial measurement of the asset retirement obligation, the obligation is adjusted at the end of each period to reflect the passage of time (accretion expense) and changes in the estimated future cash flows underlying the obligation (asset retirement cost).

*(j) Income taxes*

The Company accounts for income taxes under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Under the asset and liability method, the effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A valuation allowance is recognized if it is more likely than not that some portion or all of the deferred tax asset will not be recognized.

*(k) Share-based compensation*

The Company offers a share option plan for its directors, officers, employees and consultants. ASC 718 "Compensation – Stock Compensation" prescribes accounting and reporting standards for all share-based payment transactions in which employee services are acquired. Transactions include incurring liabilities, or issuing or offering to issue shares, options, and other equity instruments such as employee stock ownership plans and stock appreciation rights. Share-based payments to employees, including grants of employee stock options, are recognized as compensation expense in the financial statements based on their fair values. That expense is recognized over the period during which an employee is required to provide services in exchange for the award, known as the requisite service period (usually the vesting period).

The Company accounts for stock-based compensation issued to non-employees and consultants in accordance with the provisions of ASC 505-50, "Equity Based Payments to Non-Employees." Measurement of share-based payment transactions with non-employees is based on the fair value of whichever is more reliably measurable: (a) the goods or services received; or (b) the equity instruments issued. The fair value of the share-based payment transaction is determined at the earlier of performance commitment date or performance completion date.

*(l) Earnings (loss) per share*

The calculation of earnings (loss) per share (“EPS”) is based on the weighted average number of shares outstanding for each period. The basic EPS is calculated by dividing the earnings or loss attributable to the equity owners of the Company by the weighted average number of common shares outstanding during the period.

The computation of diluted EPS assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on the earnings per share. The treasury stock method is used to determine the dilutive effect of the warrants and share options. When the Company reports a loss, the diluted net loss per common share is equal to the basic net loss per common share due to the anti-dilutive effect of the outstanding warrants and share options.

*(m) Silver and gold recovery (loss), net of expenses*

Recovery of concentrate and other income is recognized when title and the risks and rewards of ownership to deliver concentrate and commodities pass to the buyer and collection is reasonably assured. Sale of concentrate is classified as silver and gold recovery, net of expenses in profit and loss because the Company has not established proven or probable ore reserves and remains in the exploration stage as defined by Industry guide 7.

Not all overhead costs are applied against Silver and gold recovery. Since the Company has no reserves, the Company is treated as an exploration company and as such, direct cost, portions of fixed costs and portions of variable costs are applied against Silver and gold recovery. Other administrative, office, professional fees, and travel are disclosed separately.

From time to time, some of the Company’s sales of concentrate are made under provisional pricing arrangements where the final sale prices are determined by quoted market prices in a period subsequent to the date of sale. In these circumstances, sales are recorded at period end based on latest information about prices and quantities available to management for the expected date of final settlement. Under such arrangements, the Company’s receivable changes as the underlying commodity market price varies, this component of the contract is an embedded derivative which is recognized at fair value with changes in fair value recognized in profit and loss and receivables. Subsequent variations in prices and metal quantities are recognized as they occur.

*(n) Inventories*

Mineral concentrate and mineralized material stockpiles are physically measured or estimated and valued at the lower of cost or net realizable value. Net realizable value is the estimated future sales price of the product the entity expects to realize when the product is processed and sold, less estimated costs to complete production and bring the product to sale. Where the time value of money is material, these future prices and costs to complete are discounted.

If the stockpile is not expected to be processed in 12 months after the reporting date, it is included in noncurrent assets and the net realizable value is calculated on a discounted cash flow basis.

Cost of silver concentrate and mineralized material stockpiles is determined by using the weighted average method and comprises direct costs and a portion of fixed and variable overhead costs incurred in converting materials into concentrate, based on the normal production capacity.

Materials and supplies are valued at the lower of cost or net realizable value. Any provision for obsolescence is determined by reference to specific items of stock. A regular review is undertaken to determine the extent of any provision for obsolescence.

## 5. Recently Issued Accounting Pronouncements

### Restricted Cash

In November 2016, ASU No. 2016-18 was issued related to the inclusion of restricted cash in the statement of cash flows. This new guidance requires that a statement of cash flows explain the change during the period in the total of cash, cash equivalents and amounts generally described as restricted cash or restricted cash equivalents. This update is effective in fiscal years, including interim periods, beginning after December 15, 2017 and early adoption is permitted. The adoption of this guidance will result in the inclusion of the restricted cash balances within the overall cash balance and removal of the changes in restricted cash activities, which are currently recognized in other financing activities, on the Statements of Consolidated Cash Flows. Furthermore, an additional reconciliation will be required to reconcile cash and cash equivalents and restricted cash reported within the Consolidated Balance Sheets to sum to the total shown in the Statements of Consolidated Cash Flows. The adoption of this ASU had no material impact on the Company's consolidated financial statements.

### Intra-Entity Transfers

In October 2016, ASU No. 2016-16 was issued related to the intra-entity transfers of assets other than inventory. This new guidance requires entities to recognize the income tax consequences of an intra-entity transfer of an asset other than inventory when the transfer occurs. This update is effective in fiscal years, including interim periods, beginning after December 15, 2017 and early adoption is permitted. The adoption of this ASU had no material impact on the Company's consolidated financial statements.

### Statement of Cash Flows

In August 2016, ASU No. 2016-15 was issued related to the statement of cash flows. This new guidance addresses eight specific cash flow issues with the objective of reducing the existing diversity in practice in how certain cash receipts and cash payments are presented and classified in the statement of cash flows. This update is effective in fiscal years, including interim periods, beginning after December 15, 2017 and early adoption is permitted. The adoption of this ASU had no material impact on the Company's consolidated financial statements.

### Leases

In February 2016, ASU No. 2016-02 was issued related to leases. The new guidance modifies the classification criteria and requires lessees to recognize the assets and liabilities arising from most leases on the balance sheet. This update is effective in fiscal years, including interim periods, beginning after December 15, 2018 and early adoption is permitted. The Company has evaluated all contracts which could be classified as leases under the new standards and determined that any impact as a result of adoption would not be material.

### Investments

In January 2016, ASU No. 2016-01 was issued related to financial instruments. The new guidance 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. This update is effective in fiscal years, including interim periods, beginning after December 15, 2017 and early adoption is not permitted. The adoption of this ASU had no material impact on the Company's consolidated financial statements.

## Revenue recognition

In May 2014, ASU No. 2014-09 was issued related to revenue from contracts with customers. This ASU was further amended in August 2015, March 2016, April 2016, May 2016 and December 2016 by ASU No. 2015-14, No. 2016-08, No. 2016-10, No. 2016-12 and No. 2016-20, respectively. The new standard provides a five-step approach to be applied to all contracts with customers and also requires expanded disclosures about revenue recognition. In August 2015, the effective date was deferred to reporting periods, including interim periods, beginning after December 15, 2017 and will be applied retrospectively. Early adoption is not permitted. The adoption of this ASU had no material impact on the Company's consolidated financial statements.

## 6. Critical accounting judgments and estimates

### *(a) Significant judgments*

Preparation of the consolidated financial statements requires management to make judgments in applying the Company's accounting policies. Judgments that have the most significant effect on the amounts recognized in these consolidated financial statements relate to functional currency; income taxes; provisions and reclamation and closure cost obligations. These judgments have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### *Functional Currency*

Management determines the functional currency for each entity. This requires that management assess the primary economic environment in which each of these entities operates. Management's determination of functional currencies affects how the Company translates foreign currency balances and transactions. Determination includes an assessment of various indicators. In determining the functional currency of the Company's operations in Canada (Canadian dollar) and Argentina (U.S. dollar), management considered the indicators of ASC 830.

#### *Income Taxes and value-added taxes receivable*

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain and subject to judgment. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of the tax law in the various jurisdictions in which it operates. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision. Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities.

The Company has receivables due from the Argentinean government for value-added taxes. Significant estimates and judgments are involved in the assessment of recoverability of these receivables. Changes in management's impairment assumptions may result in an additional impairment provision, or a reduction to any previously recorded impairment provision, with the impact recorded in profit and loss.

#### *Provisions*

Management makes judgments as to whether an obligation exists and whether an outflow of resources embodying economic benefits of a liability of uncertain timing or amount is probable, not probable or remote. Management considers all available information relevant to each specific matter.

### *Reclamation and closure costs obligations*

The Argentine mining regulations require that mine property be restored in accordance with specified standards and an approved reclamation plan. Significant reclamation activities include reclaiming refuse and slurry ponds, reclaiming the pit and support acreage at surface mines, and sealing portals at deep mines. The Company accrues for the cost of final mine closure reclamation over the estimated useful mining life of the property. At each period, the Company reviews the entire reclamation liability and makes necessary adjustments for revisions to cost estimates to reflect current experience.

The Company has adopted ASC 410, Asset Retirement and Environmental Obligations, which requires legal obligations associated with the retirement of long-lived assets to be recognized at their fair value at the time that the obligations are incurred. Upon initial recognition of a liability, that cost is capitalized as part of the related long-lived asset and allocated to expense over the useful life of the asset.

### *Title to Mineral Property Interests*

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

### *(b) Estimation uncertainty*

The preparation of the consolidated financial statements in conformity with US GAAP requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. The Company also makes estimates and assumptions concerning the future. The determination of estimates requires the exercise of judgment based on various assumptions and other factors such as historical experience and current and expected economic conditions. Actual results could differ from those estimates.

The more significant areas requiring the use of management estimates and assumptions relate to title to mineral property interests; asset retirement obligations and inventories. These estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The Company is also exposed to legal risk. The outcome of currently pending and future proceedings cannot be predicted with certainty. Thus, an adverse decision in a lawsuit could result in additional costs that are not covered, either wholly or partly, under insurance policies and that could significantly influence the business and results of operations.

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### *Asset retirement obligation*

Upon retirement of the Company's mineral properties, retirement costs will be incurred by the Company. Estimates of these costs are subject to uncertainty associated with the method, timing and extent of future decommissioning activities. The liability, the related asset and the expense are affected by estimates with respect to the costs and timing of retiring the assets.

### *Inventories*

Net realizable value tests are performed at each reporting date and represent the estimated future sales price of the product the Company expects to realize when the product is processed and sold, less estimated costs to complete production and bring the product to sale. Where the time value of money is material, these future prices and costs to complete are discounted.

Stockpiles are measured by estimating the number of tonnes added and removed from the stockpile, the number of contained mineral ounces is based on assay data, and the estimated recovery percentage is based on the expected processing method. Stockpile tonnages are verified by periodic surveys.

### *Silver and gold recovery (loss), net of expenses*

From time to time, some of the Company's sales of concentrate are made under provisional pricing arrangements where the final sale prices are determined by quoted market prices in a period subsequent to the date of sale. In these circumstances, sales are recorded at period end based on latest information about prices and quantities available to management for the expected date of final settlement.

*Change in estimates*

During the year, the Company conducted a review of its plant and buildings which resulted in changes in its expected use. It was determined that the renovation work performed in 2016 and 2017 on these assets was having greater success than originally anticipated in extending their useful life. Additionally, metallurgical studies performed throughout 2018 confirmed that the plant could be successfully used to process ore from other mineral properties of the Company. It is now expected that the useful life of these assets will be extended from an original estimate of 36 months in 2017 to 87 months from December 31, 2018.

**7. Inventory**

	<b>December 31, 2018</b>	December 31, 2017
Silver and gold concentrate	\$ 794,086	\$ 128,894
Ore stockpiles	-	98,210
Materials and supplies	<b>119,829</b>	106,216
	<b>\$ 913,915</b>	<b>\$ 333,320</b>

Inventory at December 31, 2018 includes \$616,253 of gold concentrate which resulted from the metallurgical testing on the La Josefina project. The Company is currently working with, the local state agency, Fomicruz to establish a formal agreement for full production rights on the project, and in good faith does not plan to sell the gold concentrate until those terms can be finalized. As this process is expected to be resolved within the year, the gold concentrate has been classified as a current asset within inventory. Fomicruz will have rights to a 5% net smelter royalty on the sale of this inventory under the current agreements in place.

**8. Mineral properties**

*(a) Acquisition of Mina Martha project*

On May 6, 2016, the Company acquired the assets of the Mina Martha project from Coeur Mining Inc. ("Coeur"). The Mina Martha project consists of land, mineral rights, a mine camp, offices, a warehouse, maintenance shop, mining facilities including a flotation mill and a tailings retention facility.

*(b) Acquisition of La Josefina project*

In March 2007, the Company acquired the exploration and development rights to the La Josefina project from Fomento Minero de Santa Cruz Sociedad del Estado ("Fomicruz").

In July 2007, the Company entered into an agreement (subsequently amended) with Fomicruz which provides that, in the event that a positive feasibility study is completed on the La Josefina property, a Joint Venture Corporation (“JV Corporation”) would be formed by the Company and Fomicruz. The Company would own 81% of the joint venture company and Fomicruz would own the remaining 19%. Fomicruz has the option to earn up to a 49% participating interest in the JV Corporation by reimbursing the Company an equivalent amount, up to 49%, of the exploration investment made by the Company. The Company has the right to buy back any increase in Fomicruz’s ownership interest in the JV Corporation at a purchase price of USD\$200,000 per each percentage interest owned by Fomicruz down to its initial ownership interest of 19%; the Company can also purchase 10% of the Fomicruz’s initial 19% JV Corporation ownership interest by negotiating a purchase price with Fomicruz. Under the agreement, the Company has until the end of 2019 to complete cumulative exploration expenditures of \$18 million and determine if it will enter into production on the property. At December 31, 2018, the Company had incurred approximately \$20 million and is in current discussions with Fomicruz to develop a plan for production in early to mid-2019.

As at December 31, 2018 this project has a carrying amount of \$Nil (2017 - \$Nil) on the consolidated balance sheet.

*(c) Acquisition of La Valenciana project*

On November 1, 2012, the Company entered into an agreement for the exploration of the La Valenciana project in Santa Cruz province, Argentina. The agreement is for a total of 7 years, expiring on October 31, 2019. The agreement requires the Company to spend \$5,000,000 in exploration on the project over 7 years. If the Company elects to exercise its option to bring the La Valenciana project into production, it must grant Fomicruz a 9% ownership in a new JV Corporation to be created by the Company to manage the project and the Company will have a 91% ownership interest in the JV Corporation.

As at December 31, 2018 this project has a carrying amount of \$Nil (2017 - \$Nil) on the consolidated balance sheet

**9. Asset retirement obligation**

On May 6, 2016, the Company purchased the Mina Martha project (Note 8). The Company is legally required to perform reclamation on the site to restore it to its original condition at the end of its useful life. In accordance with FASB ASC 410-20, Asset Retirement Obligations, the Company recognized the fair value of that liability as an asset retirement obligation. During the year ended December 31, 2018, the company recognized additions to its asset retirement obligation related to work performed on the La Josefina property in the amount of \$486,589. The total amount of undiscounted cash flows required to settle the estimated obligation is \$1,438,898 which has been discounted using a credit-adjusted rate of 10% (2017 – 10%) and an inflation rate of 2% (2017 – 2%).

The following table describes all of the changes to the Company's asset retirement obligation liability:

	<b>December 31, 2018</b>	December 31, 2017
Asset retirement obligation at beginning of year	\$ 773,436	\$ 721,695
Additions	486,589	-
Foreign exchange	(25,996)	(16,327)
Accretion expense	74,370	68,068
Asset retirement obligation at end of period	<u>\$ 1,308,399</u>	<u>\$ 773,436</u>

## 10. Property, Plant and Equipment

	Land	Plant	Buildings	Vehicles and Equipment	Total
<b>Cost</b>					
Balance at December 31, 2016	\$ 1,035,397	\$ 2,631,646	\$ 117,500	\$ 2,352,222	\$ 6,136,765
Additions	-	792,055	-	472,244	1,264,299
Balance at December 31, 2017	1,035,397	3,423,701	117,500	2,824,466	7,401,064
Additions	-	486,589	-	13,559	500,148
<b>Balance at December 31, 2018</b>	<b>\$ 1,035,397</b>	<b>\$ 3,910,290</b>	<b>\$ 117,500</b>	<b>\$ 2,838,025</b>	<b>\$ 7,901,212</b>
<b>Accumulated depreciation</b>					
Balance at December 31, 2016	\$ -	\$ -	\$ -	\$ 1,201,982	\$ 1,201,982
Depreciation for the year	-	753,391	29,375	382,826	1,165,592
Balance at December 31, 2017	-	753,391	29,375	1,584,808	2,367,574
Depreciation for the year	-	368,319	12,155	567,644	948,118
<b>Balance at December 31, 2018</b>	<b>\$ -</b>	<b>\$ 1,121,710</b>	<b>\$ 41,530</b>	<b>\$ 2,152,452</b>	<b>\$ 3,315,692</b>
<b>Net book value</b>					
At December 31, 2017	\$ 1,035,397	\$ 2,670,310	\$ 88,125	\$ 1,239,658	\$ 5,033,490
<b>At December 31, 2018</b>	<b>\$ 1,035,397</b>	<b>\$ 2,788,580</b>	<b>\$ 75,970</b>	<b>\$ 685,573</b>	<b>\$ 4,585,520</b>

## 11. Performance bond

The performance bond, originally required to secure the Company's rights to explore the La Josefina property, is a step-up US dollar denominated 2.5% coupon bond, paying quarterly, issued by the Government of Argentina with a face value of \$600,000 and a maturity date of 2035. The bond trades in the secondary market in Argentina. The bond was originally purchased for \$247,487. As of the year ended December 31, 2018, the value of the bond decreased to \$315,378 (December 31, 2017 - \$434,639). The change in the face value of the performance bond of \$119,261 for the year ended December 31, 2018 (December 31, 2017- \$53,284) is recorded as other comprehensive loss in the Company's consolidated statement of operations and comprehensive loss.

Since Cerro Cazador S.A. ("CCSA") fulfilled its exploration expenditure requirement mandated by the agreement with Fomento Minero de Santa Cruz Sociedad del Estado ("Fomicruz"), the performance bond was no longer required to secure the La Josefina project. Therefore, in September 2010 the Company used the bond to secure the La Valenciana project, an additional Fomicruz exploration project.

## 12. Accounts receivable

	December 31, 2018	December 31, 2017
Receivable from sale of concentrate	\$ 438,042	\$ 1,144,710
Value added tax ("VAT") recoverable	986,014	1,000,120
Other receivables	50,247	-
<b>Total accounts receivable</b>	<b>\$ 1,474,303</b>	<b>\$ 2,144,830</b>

### 13. Accounts payable

	Note	December 31, 2018	December 31, 2017
Accounts payables due to related parties	16	\$ 4,416,555	\$ 4,410,894
Trade accounts payable and accrued liabilities		<u>1,912,306</u>	<u>2,262,425</u>
<b>Total accounts payable and accrued liabilities</b>		<b><u>\$ 6,328,861</u></b>	<b><u>\$ 6,673,319</u></b>

### 14. Loan Payable and long-term debt

The Following is a summary of all loans.

	December 31, 2018	December 31, 2017
Unsecured loan payable to related party at 8% interest per annum, due 2022 <sup>1</sup> (Note 16)	\$ 1,615,445	\$ 1,731,022
Unsecured loan payable to related party at 8% interest per annum, due on demand (Note 16)	994,861	700,000
Unsecured loan payable to related party at 7% interest per annum, due on demand (Note 16)	1,250,000	-
Loan payable, repayable in monthly installments ranging between \$3,000 and \$15,000 per dry metric ton of concentrate, with interest at 6% per annum, secured by concentrate, due 2018 <sup>2</sup>	591,280	-
	<u>\$ 4,451,586</u>	<u>\$ 2,431,022</u>
Less current portion	(3,198,569)	(1,062,428)
Long-term debt	<b><u>\$ 1,253,017</u></b>	<b><u>\$ 1,368,594</u></b>

Principal payments on long-term debt are due as follows.

Year ending December 31,	
2019	\$ 362,428
2020	\$ 375,510
2021	\$ 394,590
2022	\$ 414,910
2023	\$ 68,007

<sup>1</sup>During the year ended December 31, 2017, the maturity date of the loan payable was extended to May 9, 2022. The modification of the loan payable did not result in an extinguishment in accordance with ASC 470-50. During the year ended December 31, 2017 loan payable was re-classified as long-term debt.

<sup>2</sup>Subsequent to December 31, 2018, loan was repaid in full (Note 23).

## 15. Capital Stock

### Authorized:

Unlimited number of common shares without par value  
 Unlimited number of preferred shares without par value

### Issued:

Common Shares	Year ended December 31, 2018		Year ended December 31, 2017	
	Number	Amount	Number	Amount
Balance, beginning of year	63,588,798	\$ 24,695,186	63,588,798	\$ 24,695,186
Balance, end of year	63,588,798	\$ 24,695,186	63,588,798	\$ 24,695,186

### Common share issuances:

No common shares were issued during the year ended December 31, 2018 (December 31, 2017 – None).

### Stock options

Under the Company's share option plan, and in accordance with TSX Venture Exchange requirements, the number of common shares reserved for issuance under the option plan shall not exceed 10% of the issued and outstanding common shares of the Company, have a maximum term of 5 years and vest at the discretion of the Board of Directors. In connection with the foregoing, the number of common shares reserved for issuance to: (a) any individual director or officer will not exceed 5% of the issued and outstanding common shares; and (b) all consultants will not exceed 2% of the issued and outstanding common shares.

	Range of Exercise prices (CAD)	Number outstanding	Weighted average life (years)	Weighted average exercise price (CAD)	Number exercisable on December 31, 2018
Stock options	\$0.15 - \$1.00	4,160,000	2.29	\$0.21	4,160,000

	December 31, 2018		December 31, 2017	
	Number of options	Weighted Average Price (CAD)	Number of options	Weighted Average Price (CAD)
Balance, beginning of year	4,380,000	\$0.21	4,225,000	\$0.24
Granted	-	\$0.00	200,000	\$0.20
Expiration of stock options	(220,000)	\$0.23	(45,000)	\$3.00
Balance, end of year	4,160,000	\$0.21	4,380,000	\$0.21

No options were granted during the year ended December 31, 2018.

On June 14, 2017, 200,000 stock options were granted to the Company's controller with an exercise price of \$CAD 0.20 and expiry date of June 14, 2022. The \$34,528 fair value of the options granted were calculated using the Black-Scholes option pricing model and using the following assumptions:

	<b>Year ended December 31, 2017 2017</b>
<b>Expected volatility</b>	<b>235.10%</b>
<b>Expected life (years)</b>	<b>5</b>
<b>Expected dividend y</b>	<b>0%</b>
<b>Forfeiture rate</b>	<b>0%</b>
<b>Stock price</b>	<b>\$CAD 0.23</b>

On February 27, 2017, 45,000 options with an exercise price of CAD \$3.00 expired.

On April 23, 2018, 20,000 options with an exercise price of CAD \$1.00 expired.

On April 26, 2018 200,000 stock options expired/cancelled as a result of an employee resigning from the Company.

As at December 31, 2018, the Company's outstanding and exercisable stock options had an aggregate intrinsic value of \$Nil (December 31, 2017 - \$316,717).

**Warrants:**

	<b>Range of Exercise prices (CAD)</b>	<b>Number outstanding</b>	<b>Weighted average life (years)</b>	<b>Weighted average exercise price (CAD)</b>
<b>Warrants</b>	0.05 - 0.075	47,500,000	1.68	\$0.06

	<b>December 31, 2018</b>		<b>December 31, 2017</b>	
	<b>Number of warrants</b>	<b>Weighted Average Price (CAD)</b>	<b>Number of warrants</b>	<b>Weighted Average Price (CAD)</b>
<b>Balance, beginning of year</b>	48,862,500	\$0.07	48,862,500	\$0.07
<b>Expiration of Warrants</b>	(1,362,500)	\$0.40	-	-
<b>Balance, end of year</b>	47,500,000	\$0.06	48,862,500	\$0.07

On November 25, 2018, 1,362,500 warrants with an exercise price of CAD \$0.40 expired.

## 16. Related Party Transactions

Key management personnel include the members of the Board of Directors and executive officers of the Company. Related party transactions and balances not disclosed elsewhere in the Financial Statements are as follows:

Name and Principal Position		Remunera-	Loans or	Remunera-	Loan	Included in Accounts Payable	Included in Loan Payable and Long-term debt
		tion, fees, or interest expense	Advances	tion, fees, or interest payments	payments		
Year ended December 31						As at December 31, 2018 and December 31, 2017	
A company controlled by a director	2018	165,270	-	-	-	3,972,693	-
- admin, office, and interest expenses	2017	463,938	1,659,963	-	-	3,807,423	-
Key executive person	2018	135,000	-	135,000	-	-	-
- salaries and wages	2017	-	-	-	-	-	-
Former Key Executive person - professional fees	2017	114,222	-	66,630	-	98,549	-
Key executive person	2018	135,000	-	135,000	-	-	-
- salaries and wages	2017	124,977	-	124,977	-	-	-
Director	2018	254,868	2,390,862	46,030	961,577	443,862	3,860,306 <sup>1,2</sup>
-loans	2017	186,676	2,900,000	35,652	2,441,070	235,024	2,431,022

<sup>1</sup>The Company has two unsecured loans payable to related party at 8% interest per annum, with one loan of \$994,861 due on demand and the other loan of \$1,615,445 due 2022. The Company has another unsecured loan payable of \$1,250,000 to a related party at 7% interest per annum (Note 14).

<sup>2</sup>Subsequent to December 31, 2018 the Company was loaned funds from a related party of in the amount of \$1,275,080. (Note 23).

## 17. Financial Instruments

The Company's financial instruments consist of cash, accounts receivable, performance bond, accounts payable and accrued liabilities, bank indebtedness, loan payable, interest payable, and long-term debt.

The Company characterizes inputs used in determining fair value using a hierarchy that prioritizes inputs depending on the degree to which they are observable. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. The three levels of the fair value hierarchy are as follows:

- Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis.
- Level 2: inputs, other than quoted prices, that are observable, either directly or indirectly. Level 2 valuations are based on inputs, including quoted forward prices for commodities, market interest rates, and volatility factors, which can be observed or corroborated in the market place.
- Level 3: inputs are less observable, unavoidable or where the observable data does not support the majority of the instruments' fair value.

## Fair value

As at December 31, 2018, there were no changes in the levels in comparison to December 31, 2017. The fair values of financial instruments are summarized as follows:

	December 31, 2018		December 31, 2017	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$	\$	\$	\$
<b>Financial Assets</b>				
<i>FVTPL</i>				
Cash (Level 1)	115,372	115,372	78,145	78,145
<i>Available for sale</i>				
Performance bond (Level 1)	315,378	315,378	434,639	434,639
<i>Loans and receivables</i>				
Accounts receivable	1,474,303	1,474,303	2,144,830	2,144,830
<b>Financial Liabilities</b>				
<i>Other financial liabilities</i>				
Bank indebtedness	330,000	330,000	-	-
Accounts payable and accrued liabilities	6,328,861	6,328,861	6,673,319	6,673,319
Transaction taxes payable	129	129	47,188	47,188
Interest payable	320,669	320,669	151,024	151,024
Loan payable	3,198,569	3,198,569	1,062,428	1,062,428
Long-term debt	1,253,017	1,253,017	1,731,022	1,731,022

Cash and performance bond are measured based on Level 1 inputs of the fair value hierarchy on a recurring basis.

The carrying value of accounts receivable, accounts payable and accrued liabilities, bank indebtedness, loan payable, interest payable, and long-term debt approximate their fair value because of the short-term nature of these instruments and because long-term debt approximates a market rate of interest. The Company assessed that there were no indicators of impairment for these financial instruments.

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and accounts receivable. The Company places its cash with high quality financial institutions and limits the amount of credit exposure with any one institution. Accounts receivable consist of trade receivables and VAT recoverable and are not considered subject to significant risk, because the amounts are due from a government and a customer who is considered credit worthy.

The Company has concentrations of credit risk with respect to its trade receivables, the majority of which are concentrated geographically in Argentina amongst a small number of customers. As at December 31, 2018, the Company had one customer whose trade receivable of \$438,042 (December 31, 2017 – \$1,144,710) accounted for greater than 10% of the total trade receivables. The Company controls credit risk through monitoring procedures, and by performing credit evaluations of its customers, but generally does not require collateral to secure accounts receivable.

The Company has concentrations in the volume of sales it made to customers. For the year ended December 31, 2018, the Company made sales of \$3,961,399 to one customer which accounted for greater than 10% of the total silver and gold recovery, net of expenses (2017 - \$8,740,854).

The Company currently maintains a substantial portion of its day-to-day operating cash balances at financial institutions. At December 31, 2018, the Company had total cash balances of \$115,372 (December 31, 2017- \$78,145) at financial institutions, where \$Nil (December 31, 2017- \$Nil) is in excess of federally insured limits.

## 18. Segmented Information

All of the Company's operations are in the mineral properties exploration industry with its principal business activity in mineral exploration. The Company conducts its activities primarily in Argentina. All of the Company's long-lived assets are located in Argentina. All of the Company's silver and gold recovery arose from sales made in Argentina.

## 19. Commitments and Provision

On October 31, 2011, the Company signed an agreement with the owners of the Piedra Labrada Ranch for the use and lease of facilities on the same premises as the Company's La Josefina facilities. The initial term was for three years beginning November 1, 2011 and ended on October 31, 2014, including annual commitments of \$60,000. The Company extended this agreement on April 30, 2015 for three years with an option to renew for a second three-year term.

## 20. Silver and Gold Recovery

Silver and gold recovery include the sales from concentrate sold during the year ended December 31, 2018 from mining projects of \$3,961,399 (2017 - \$8,740,854) Silver and gold recovery revenues have been reported net of direct operating expenses of \$3,564,264 for the year ended December 31, 2018 (2017 -\$3,498,512). Accounts receivable include \$438,042 (December 31, 2017 -\$1,144,710) for the sales of concentrate.

## 21. Bank Indebtedness

The Company has a variable rate line of credit available for \$330,000 with interest charged at the lender's Index Rate plus 1.0%, with a floor of 4.25%. As at December 31, 2018, the balance of bank indebtedness was \$330,000 (December 31, 2017- \$Nil). Subsequent to December 31, 2018, the Company paid off the balance of \$330,000 (Note 23).

## 22. Income Taxes

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	<b>2018</b>	<b>2017</b>
Net income for the year	\$ (3,564,180)	\$ 1,655,914
Expected income tax (recovery)	\$ (962,000)	\$ 431,000
Change in statutory, foreign tax, foreign exchange rates and Permanent differences	69,000	1,240,000
Adjustment to prior years provision versus statutory tax return	307,000	404,000
Change in unrecognized deductible temporary differences	304,000	73,000
<b>Total income tax expense (recovery)</b>	<b>\$ -</b>	<b>\$ (2,148,000)</b>
<b>Current income tax</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Deferred tax recovery</b>	<b>\$ -</b>	<b>\$ -</b>

The valuation allowance for deferred tax assets as of December 31, 2018 was \$(2,982,000) and (December 31, 2017- \$(2,700,000) respectively.

The tax effects of temporary differences that give rise to significant deferred tax assets and deferred tax liabilities are presented below:

	<b>2018</b>	<b>2017</b>
Deferred tax assets (liabilities)		
Property and equipment	14,000	-
Non-capital losses available for future period	2,968,000	2,700,000
	2,982,000	2,700,000
Valuation allowance	(2,982,000)	(2,700,000)
<b>Net deferred tax assets</b>	<b>\$ -</b>	<b>\$ -</b>

### 23. Subsequent Events

Subsequent to December 31, 2018, the Company had sales of silver concentrate of approximately \$332,000. Funds from this shipment were used to repay \$75,000 of loan payable (Note 14)

Subsequent to December 31, 2018, the Company repaid \$591,280 of debt to a third party.

Subsequent to December 31, 2018, the Company acquired a new short-term loan from a third party in the amount of \$600,000.

Subsequent to December 31, 2018 the Company was loaned funds from a related party of in the amount of \$1,275,080.

Subsequent to December 31, 2018, the Company repaid \$330,000 on its line of credit.

## **ITEM 9: CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE**

None.

### **ITEM 9A: CONTROLS AND PROCEDURES Disclosure Controls and Procedures**

The management of Hunt Mining Company has evaluated, with the participation of the Principal Executive Officer and Principal Financial Officer, the effectiveness of disclosure controls and as defined in the Securities Exchange Act of 1934 Rules 13a-15(e) and 15d-15(e) as of the end of the period covered by this Annual Report on Form 10-K. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In additions, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply its judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Based on management's evaluation, the Principal Executive Officer and Principal Financial Officer determined that internal controls over financial reporting disclosure and procedures were effective as of December 31, 2018.

#### **Management's Annual Report on Internal Control over Financial Reporting**

Management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended. Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. generally accepted accounting principles.

Internal control over financial reporting includes those policies and procedures that: (i) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of assets, (ii) 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 are being made only in accordance with the authorization of management and directors, and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets that could have a material effect on our 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.

Management, including the Principal Executive Officer and Principal Financial Officer, assessed the effectiveness of internal control over financial reporting as of December 31, 2018. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control over Financial Reporting – Guidance for Smaller Public Companies. Based on management's assessment, and in consideration of the COSO criteria, management concluded that, internal controls over financial reporting were effective as of December 31, 2018.

It should be noted that any system of controls, however well designed and operated, can provide only reasonable, and not absolute, assurance that the objectives of the system are met. In addition, the design of any control system is based in part upon certain assumptions about the likelihood of future events. Because of these and other inherent limitations of control system, there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

Management regularly reviews system of internal control over financial reporting to ensure the Company maintains an effective internal control environment. There were no changes in internal controls over financial reporting during the year ended December 31, 2018 that have materially affected, or are reasonably likely to materially affect, internal control over financial reporting.

#### **Changes in Internal Control over Financial Reporting**

There have been no changes in the Company’s internal control over financial reporting that occurred during the year ended December 31, 2018 that have materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting.

**ITEM 9B: OTHER INFORMATION**

None.

**PART III**

**ITEM 10: DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE**

The following table sets forth the names and positions of officers and directors:

<b>Name</b>	<b>Age</b>	<b>Position</b>	<b>Position Held Since</b>
Tim Hunt	66	Director, President, CEO	April 2010
Robert Little	62	Chief Administration Officer	June 2016
Ken Atwood	39	Chief Financial Officer	May 2018
Leon Hardy	65	Chief Operating Officer	May 2016
Darrick Hunt	41	Director	Dec. 2009
Alan Chan	68	Director	Aug. 2006
Alastair Summers	82	Director	April 2014

All officers identified above serve at the discretion of the Board and have consented to act as officers of the Company.

Set forth below is a brief description of the background and business experience of the executive officers and directors:

**Tim Hunt** (Chairman of the Board/CEO)

Mr. Hunt is the founder and president of Huntwood Industries, one of the largest building products manufacturers in the Western United States. Tim Hunt has led the development of Huntwood Industries for the past 29 years, taking the business from a start-up venture to a significant middle-market enterprise; responsible for over 2 billion dollars in sales. He has significant investment experience raising capital and negotiating private equity placements for numerous companies. During a period as a licensed securities broker, Mr. Hunt also cultivated and developed lasting alliances in the mining and investment communities. He has been recognized for his leadership in the financial services sector and served on the board of directors for a regional bank. He has been involved in the mining sector for over 30 years, including the period as an investment broker.

**Robert Little** (Chief Administrative Officer, Secretary, Treasurer and former Financial Officer and Secretary)

Mr. Little served as CFO, Secretary and Treasurer from January 2014 until June 2016, and was then appointed Chief Administration Officer, retaining his roles as Secretary and Treasurer. Mr. Little has years of international business and financial experience. Mr. Little has had an intimate involvement in all aspects of Hunt Mining, since the Corporation’s inception, serving as the direct assistant to President/CEO Tim Hunt. As the company continues transitioning in to a producer of gold and silver, Mr. Little will be instrumental in the development of such future activities.

**Ken Atwood** (Chief Financial Officer)

Mr. Atwood, CPA,CA, B.mgt joined Hunt Mining Corp. in March 2017. He holds a Bachelor of Management from the University of Lethbridge in Alberta, Canada, and CPA,CA designation from the Chartered Accountant School of Business. Mr. Atwood worked as a manager with BDO Canada in the fields of auditing, assurance, corporate planning and taxation. From 2010 to 2017, Mr. Atwood served as Chief Financial Officer for SEM Resort Limited Partnership in the casino gaming, hospitality and golf resort industries. Ken has an extensive background in full cycle accounting, financial management, forecasting, budgeting, financial reporting and debt financing procurement.

**Leon Hardy** (Chief Operations Officer and Director of Mining)

Mr. Hardy is the former COO and Senior Vice-President for Coeur Mining Inc. (CDE:NYSE), and has over 40 years of technical and operational experience which includes 12 years in Latin America. Mr. Hardy holds a Bachelor of Science in Geological Engineering from the University of Arizona and is a registered professional engineer. Mr. Hardy resided in Argentina for 5 years, while being the general manager of the Martha Mine and was instrumental from the initial startup thru the 240 TPD Mill construction and subsequent full-scale operations. Mr. Hardy has operational, cost control, due diligence, strategic mine planning, and feasibility studies experience, and maintains strong political relationships with regional emphasis in Argentina.

**Darrick Hunt** (Director)

Darrick Hunt is the Chief Financial Officer of Huntwood Industries, one of the largest building products manufacturers in the Western United States. He has significant experience in international financing and over the years has secured debt and equity financings and is also well versed in establishing international business operations. Mr. Hunt is the managing member of a privately held mining company in Mexico. And, Mr. Hunt holds a license as a Certified Public Accountant under the Board of Accountancy of Washington State and has a Bachelor's in Business Administration from Gonzaga University.

**Alastair H. Summers** (Director)

Mr. Summers, also known as Al, has more than 40 years in mine development and production in both North and South America, including over 10 years as an executive for Hecla Mining Company. Al Summers was Vice President and General Manager for Minera Hecla de Mexico, responsible for the design, construction, and reclamation of the La Choya open pit/heap leach gold mine. Mr. Summers also served as President and General Manager of Minera Hecla Venezuela, initiating improvements to Hecla's La Camorra operation, which resulted in production increases from 85,000 to 250,000 ounces of gold per year. Mr. Summers' distinguished career includes the development, design and operation of several successful mines for The Bunker Hill Company, Western Nuclear, and American Mine Services. He is a registered Professional Geologist and Professional Engineer in Colorado.

**Alan Chan** (Director)

Alan Chan is a professional engineer and an entrepreneur. He graduated from University of Saskatchewan with a Bachelor of Science Degree in 1973. Since graduation, he worked in a number of industries and held various senior technical and management positions. In 1994, he founded China Pacific Industrial Corp. to pursue joint venture projects in China. Since the mid-1990s, Mr. Chan has been involved in the establishment of a number of public companies and assisted them in completing a number of financings, mergers and acquisitions. Until August 2006, he was the President and Chief Executive Officer of IVG Enterprises, listed on the TSX Venture Exchange. He was also a director of IVG Enterprises until August 30, 2007. He is a director, Chief Financial Officer and Secretary of Grand Power Logistics Group Inc., listed on the TSX Venture Exchange, and is a director of Ginger Beef Corporation, listed on the TSX Venture Exchange.

## COMMITTEES OF THE BOARD OF DIRECTORS

The Company has a separately-designated audit committee of the board. The audit committee is responsible for: (1) selection and oversight of the independent accountant; (2) establishing procedures for the receipt, retention and treatment of complaints regarding accounting, internal controls and auditing matters; (3) establishing procedures for the confidential, anonymous submission by employees of concerns regarding accounting and auditing matters; (4) engaging outside advisors; and, (5) funding for the outside auditor and any outside advisors engagement by the audit committee. A copy of the Company's audit committee charter is filed as an exhibit to this report. The Audit Committee for Hunt Mining Corporation consists of Mr. Darrick Hunt, Mr. Alan Chan and Mr. Alastair Summers.

This committee acts on behalf of the board of directors to approve compensation arrangements for management and review the compensation paid to the board of directors. A copy of the Company's compensation committee charter is filed with this report as Exhibit. The Compensation Committee for Hunt Mining Corporation consists of Mr. Alan Chan.

### Corporate Governance Guidelines

All the Company's employees, including executive officers, are required to comply with the Company's Code of Conduct. Additionally, the Chief Executive Officer, Chief Financial Officer, and senior officers must comply with the Company's Code of Business Conduct and Ethics for Senior Officers. The purpose of these corporate policies is to ensure to the greatest possible extent that business is conducted in a consistently legal and ethical manner. The text of the Code of Conduct and the Code of Business Conduct and Ethics for Senior Officers is available on the Company's website ([www.Huntmining.com](http://www.Huntmining.com)). The Company intends to disclose on its website any amendment to, or waiver from, a provision of policies as required by law.

## ITEM 11: EXECUTIVE COMPENSATION

### COMPENSATION DISCUSSION AND ANALYSIS

The Compensation Committee of the Corporation's Board of Directors (the "**Compensation Committee**") is responsible for ensuring that the Corporation has in place an appropriate plan for executive compensation and for making recommendations to the Board of Directors with respect to the compensation of the Corporation's executive officers. The Compensation Committee consists of the following board member: Alan Chan. Alan Chan is independent as defined in applicable securities legislation. The Compensation Committee has not yet had the opportunity to adopt a formalized process with formal objectives, criteria and analysis used in the determination of executive compensation. The Compensation Committee meets as frequently as is necessary to carry out its responsibilities. Executive compensation is based on informal discussions of the Compensation Committee on a case by case basis, which are then recommended to the Corporation's Board of Directors.

Mr. Chan has been involved with public companies for the past 20 years and, as such, the member of the Compensation Committee has experience relevant to the performance of their responsibilities in executive compensation.

### *Compensation Risk*

The Board considers that the Corporation's compensation philosophy is aligned with prudent risk management and does not encourage NEOs to take inappropriate or excessive risks.

The Corporation does not prohibit named executive officers or directors from purchasing financial instruments such as variable forward contracts or equity swaps, collars, or units of exchange funds, or other financial instruments designed to hedge or offset a decrease in market value of securities granted as compensation held, directly or indirectly, by a NEO or director. However, neither the Board nor executive management is aware that any such individual has in the past bought or currently holds such instruments.

During the year ended December 31, 2018, the Corporation had four "Named Executive Officers" or "NEOs", Mr. Tim Hunt, the Corporation's Executive Chairman of the Board of Directors, President and Chief Executive Officer, Mr. Ken Atwood, the Corporation's Chief Financial Officer, Mr. Robert Little, the Corporation's Chief Administrative Officer, Secretary and Treasurer, and Mr. Leon Hardy, the Corporation's Chief Operating Officer,

## **Elements of the Compensation Program**

The three elements of the Corporation's compensation program during the financial years ended December 31, 2018 are (i) base salary and benefits, and (ii) an incentive stock option plan and (iii) incentive cash bonus. Each item of the compensation program is discussed below.

### ***Base Salaries and Benefits***

Salaries of executive officers are based on informal discussions and analysis by the Board of Directors. The Board of Directors has not used any formula in the determination of executive salaries. Base salaries are paid at levels that reward executive officers for ongoing performance and that enable the Corporation to attract and retain qualified executives with a demonstrated ability to maximize shareholder value. Base pay is a critical element of compensation program because it motivates the NEOs with stability and predictability, which allows the Named NEOs to focus their attention on maximizing shareholder value and other business initiatives. Although the Corporation has no specific formula for determining base salary, the Corporation may consider the following factors, among others: the executive's current base salary, qualifications and experience, industry knowledge, scope of responsibilities, past performance and length of service with the Corporation. The Corporation does not apply a specific weighting to any of the above factors. The Compensation Committee has not established formal periodic compensation review procedures; however, salaries and other elements of executive compensation will be reviewed periodically by the Compensation Committee and the Board of Directors.

The Corporation terminated health insurance premiums for executives and their families as of January 2014.

The Corporation does not provide pension or retirement benefits to any of its executive officers.

### ***Incentive Stock Option Plan***

The Corporation has in place the Stock Option Plan which provides that the Board may from time to time, in its discretion, and in accordance with TSXV requirements, grant to directors, officers, employees and technical consultants to the Corporation, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Corporation.

The number of stock options allocated to executive officers and directors will be determined by the Compensation Committee on a case by case basis. The Corporation has not adopted formal formula or formal procedures to determine stock option allocation to executives and directors. Previous grants of stock options are taken into consideration when new option grants are contemplated. The grant of stock options is used to, among other things, attract, motivate, and retain qualified executive officers and directors by providing them with long-term incentives that will encourage them to add value to the Corporation. Stock options also serve to align executives' and directors' long-term interests with those of shareholders.

### ***Incentive Cash Bonus***

Incentive cash bonuses of executive officers are based on informal discussions and analysis by the Compensation Committee, which are then recommended to the Board of Directors for approval. The Board of Directors has not used any formula in the determination of Incentive cash bonuses. Bonuses are paid at levels that reward executive officers for ongoing performance and that enable the Corporation to retain qualified executives with a demonstrated ability to maximize shareholder value.

In 2018, in order to conserve limited financial resources, no incentive cash bonuses were paid based on management meeting objectives set by the Board of Directors.

## SUMMARY COMPENSATION TABLE

The following table sets forth all annual and long-term compensation in US dollars for services in all capacities to the Corporation for each of the years ended December 31, 2018 and 2017 in respect of the Named Executive Officers expressed in US dollars:

Officers Compensation Table		Salary	Bonus	Stock Awards	Option Awards	Non-Equity Incentive Plan Compensation	Non-qualified Deferred Compensation Earnings	All Other Compensation	Total
Name and Principal Position	Year	(US\$)	(US\$)	(US\$)	(US\$)	(US\$)	(US\$)	(US\$)	(US\$)
Robert Little <i>Chief Administration Officer and Secretary</i>	2018	135,000	-	-	-	-	-	-	135,000
	2017	124,977	-	-	-	-	-	-	124,977
Ken Atwood <i>Chief Administration Officer, appointed 05-11-2018</i>	2018	135,000	-	-	-	-	-	-	135,000
	2017	125,000	-	-	34,528	-	-	-	159,528
Leon Hardy <i>Chief Operating Officer, appointed 05-17-2016</i>	2018	52,407	-	-	-	-	-	-	52,407
	2017	81,020	-	-	-	-	-	-	81,020
Tim Hunt(2) <i>Executive Chairman, President and Chief Executive Officer</i>	2018	-	-	-	-	-	-	-	-
	2017	-	-	-	-	-	-	-	-

- (1) Mr. Hunt was appointed Executive Chairman of the Corporation's board of directors on April 26, 2010. Mr. Hunt was formerly Chief Executive Officer of the Corporation until April 26, 2010. Mr. Hunt was appointed to the Corporation's board of directors on December 23, 2009. Mr. Hunt was appointed Chief Executive Officer and has served as the President of the Company since January 1, 2014.

### Director's Compensation Table

Director's Compensation Table		Fees Earned or Paid in Cash	Stock Awards	Option Awards	Non-Equity Incentive Plan Compensation	Non-qualified Deferred Compensation Earnings	All Other Compensation	Total
Name	Year	(US\$)	(US\$)	(US\$)	(US\$)	(US\$)	(US\$)	(US\$)
Chan, Alan	2018	3,121	-	-	-	-	-	3,121
Hunt, Darrick	2018	-	-	-	-	-	-	-
Hunt, Tim	2018	-	-	-	-	-	-	-
Summers, Al	2018	-	-	-	-	-	-	-

## INCENTIVE PLAN AWARDS

### Outstanding Option-based Awards and Share-based Awards

The following table shows all option-based awards and share-based awards outstanding to be exercised in Canadian dollars to each Named Executive Officer as of December 31, 2018:

Name	Optio-based Awards					Share-based Awards		
	Number of securities underlying unexercised options (#) exercisable.	Number of securities underlying unexercised options (#) exercisable.	Equity incentive plan awards: Number of securities underlying unexercised unearned options (#)	Option exercise price (\$)	Option expiration date	Number of shares or units that have not vested (#)	Market value of shares of units of stock that have not vested (\$)	Equity incentive plan awards: Market or payout value of unearned shares, units or other rights that have not vested (\$)
Chan, Alan	50,000	-	-	\$0.74	4/4/2019	-	-	-
	250,000	-	-	\$0.11	5/20/2021	-	-	-
Hunt, Darrick	75,000	-	-	\$0.74	4/4/2019	-	-	-
	350,000	-	-	\$0.11	5/20/2021	-	-	-
Hunt, Tim	100,000	-	-	\$0.74	4/4/2019	-	-	-
	1,000,000	-	-	\$0.11	5/20/2021	-	-	-
Summers, Al	25,000	-	-	\$0.74	4/4/2019	-	-	-
	250,000	-	-	\$0.11	5/20/2021	-	-	-
Hardy, Leon	500,000	-	-	\$0.11	5/20/2021	-	-	-
Atwood, Ken	200,000	-	-	\$0.20	6/14/2022	-	-	-
Little, Bob	35,000	-	-	\$0.74	4/4/2019	-	-	-
	300,000	-	-	\$0.11	5/20/2021	-	-	-
<b>TOTAL</b>	<b>3,135,000</b>	-	-	<b>\$0.17</b>		-	-	-

### Incentive Plan Awards – Value Vested or Earned

No incentive plan awards were issued to directors in 2018.

### Compliance with Section 16(a) Of the Securities Exchange Act of 1934

The Company is not required to comply with Section 16(a) of the Securities Exchange Act of 1934, as amended, (the “Exchange Act”) since the Company does not have any securities registered with the SEC under Section 12 of the Exchange Act.

### ITEM 12: SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The following table sets forth certain information regarding the beneficial ownership of common stock as of the date of this Report by (i) each director, (ii) each officer named in the Summary Compensation Table, (iii) each person who is known by us to be the beneficial owner of more than five percent of the Company’s outstanding common stock, and (iv) all directors and executive officers as a group. Except as otherwise indicated below, each person named has sole voting and investment power with respect to the shares indicated. The percentage of ownership set forth below reflects each holder's ownership interest in the 63,588,798 shares of the common stock outstanding as of December 31, 2018.

#### Amount and Nature of Beneficial Ownership

Name and Address of Beneficial Owner <sup>(1)</sup>	Shares	Options/Warrants	Total	Percent
Tim Hunt	54,046,915	48,600,000	102,646,915	89.07%

(1) These shares are owned as to 51,334,031 by Hunt Family Limited Partnership, an entity controlled by Mr. Tim Hunt and 2,712,884 shares by Mr. Hunt directly.

LIST OFFICERS AND DIRECTORS.

Name and Address of Beneficial Owner	Shares	Options/ Warrants	Total	Percent
Tim Hunt	54,046,915	48,600,000	102,646,915	89.07%
Alan Chan	16,500	300,000	316,500	0.27%
Darrick Hunt	200,743	425,000	625,743	0.54%
Alistar Summers	1,229	275,000	276,229	0.24%
Robert Little	1,282,024	335,000	1,617,024	1.40%
Leon Hardy	135,000	500,000	635,000	0.55%
Ken Atwood	-	200,000	200,000	0.17%
<b>Total</b>	<b>55,682,411</b>	<b>50,635,000</b>	<b>106,317,411</b>	<b>92.25%</b>

**ITEM 13: CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE**

Key management personnel include the members of the Board of Directors and executive officers of the Company. Related party transactions and balances not disclosed elsewhere in the Financial Statements are as follows:

Name and Principal Position		Remuneration, fees, or interest expense	Loans or Advances	Remuneration, fees, or interest payments	Loan payments	Included in Accounts Payable and Loan Payable and Long-term debt	
						As at December 31, 2018	and December 31, 2017
Year ended December 31							
A company controlled by a director	2018	165,270	-	-	-	3,972,693	-
- admin, office, and interest expenses	2017	463,938	1,659,963	-	-	3,807,423	-
Key executive person	2018	135,000	-	135,000	-	-	-
- salaries and wages	2017	-	-	-	-	-	-
Former Key Executive person - professional fees	2017	114,222	-	66,630	-	98,549	-
Key executive person	2018	135,000	-	135,000	-	-	-
- salaries and wages	2017	124,977	-	124,977	-	-	-
Director	2018	254,868	2,390,862	46,030	961,577	443,862	3,860,306 <sup>1,2</sup>
-loans	2017	186,676	2,900,000	35,652	2,441,070	235,024	2,431,022

<sup>1</sup>The Company has two unsecured loans payable to related party at 8% interest per annum, with one loan of \$994,861 due on demand and the other loan of \$1,615,445 due 2022. The Company has another unsecured loan payable of \$1,250,000 to a related party at 7% interest per annum (Note 14).

<sup>2</sup>Subsequent to December 31, 2018 the Company was loaned funds from a related party of in the amount of \$1,275,080. (Note 23).

**ITEM 14: PRINCIPAL ACCOUNTING FEES AND SERVICES**

*Audit Fees*

The following table sets forth the aggregate fees billed to us by Davidson & Company LLP, Abelovich, Polano & Asociados S.R.L GHP Horwath, P.C. in the 2017 and 2018 fiscal years.

	<b>Year ended December 31,</b>	
	<b>2018</b>	<b>2017</b>
Audit fees	\$87,803	\$156,700
Tax fees <sup>(1)</sup>	26,850	18,750
All other fees <sup>(2)</sup>	25,704	22,500
<b>Total</b>	<b>\$140,357</b>	<b>\$197,950</b>

*Notes:*

- (1) Fees for the preparation and completion of the Corporation's tax returns.*
- (2) Fees related to the quarterly review of financial statements and non-audit professional services.*

The percentage of hours expended on the audit of the Company's financial statements for the most recent fiscal year that performed by persons other than the principal accountant or the principal accountant's full time, permanent employees was 60%.

**PART IV**

**ITEM 15: EXHIBITS, FINANCIAL STATEMENT SCHEDULES THE TABLES ARE EXAMPLES. THE TABLE IS DUPLICATED BY RULE IMMEDIATELY FOLLOWING THE SIGNATURE PAGE.**

The following is a complete list of exhibits filed as part of this annual report:

**SIGNATURES**

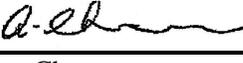
In accordance with Section 13 or 15(d) of the Securities and Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on this 28<sup>th</sup> day of March 2019.

**HUNT MINING CORPORATION**

BY:   
\_\_\_\_\_  
Timothy Hunt  
Principal Executive Officer and President

BY: \_\_\_\_\_  
Ken Atwood  
Principal Financial Officer and Principal Accounting Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<b>Signature</b>	<b>Title</b>	<b>Date</b>
 _____ Timothy Hunt	Director	28-Mar-19
 _____ Darrick Hunt	Director	28-Mar-19
 _____ Alan Chan	Director	28-Mar-19
 _____ Alastair Summers	Director	28-Mar-19