



# CANDENTE COPPER CORP

**Candente Copper Corp.**

**Interim Condensed Consolidated Financial Statements**

**As at and for the three and nine month periods ended September 30, 2015 and 2014**

**(Expressed in United States dollars, unless otherwise noted)**

### **NOTICE**

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these interim condensed consolidated financial statements they must be accompanied by a notice indicating that the interim condensed consolidated financial statements have not been reviewed by an auditor.

The accompanying unaudited interim condensed consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

# Candente Copper Corp.

## Interim condensed consolidated statements of financial position

At September 30, 2015 and December 31, 2014 (unaudited)

(Expressed in United States dollars unless otherwise noted)

	Notes	September 30, 2015	December 31, 2014
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		\$ 350,611	\$ 30,126
Trade and other receivables	9a	597,378	727,983
Prepaid expenses and deposits		24,105	77,149
<b>Total current assets</b>		<b>972,094</b>	<b>835,258</b>
<b>Non-current assets</b>			
Investments	4	124,459	214,940
Mining properties	5	61,421,437	62,752,815
Equipment		269,418	319,656
<b>Total non-current assets</b>		<b>61,815,314</b>	<b>63,287,411</b>
<b>Total assets</b>		<b>\$ 62,787,408</b>	<b>\$ 64,122,669</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade payables and accrued liabilities		\$ 1,997,829	\$ 1,966,817
Loan payable	9b	38,256	-
<b>Total liabilities</b>		<b>2,036,085</b>	<b>1,966,817</b>
<b>Equity</b>			
Share capital	7	82,105,922	81,532,520
Reserves	7	8,885,628	10,208,322
Deficit		(30,240,227)	(29,584,990)
<b>Total equity</b>		<b>60,751,323</b>	<b>62,155,852</b>
<b>Total liabilities and equity</b>		<b>\$ 62,787,408</b>	<b>\$ 64,122,669</b>

General information and going concern (Note 1)

Commitments (Note 8)

Approved on behalf of the Board of Directors on November 13, 2015.

*(Signed) Andres Milla*

Director

*(Signed) George Elliott*

Director

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

# Candente Copper Corp.

## Interim condensed consolidated statements of comprehensive loss

For the three and nine months ended September 30, 2015 and 2014 (unaudited)

(Expressed in United States dollars unless otherwise noted)

	Notes	Three Months Ended September 30		Nine Months Ended September 30	
		2015	2014	2015	2014
Expenses					
General and administrative	10	\$ 106,805	\$ 300,107	\$ 597,023	\$ 1,035,034
Other loss (income)					
(Gain) loss on foreign exchange		168,967	146,315	76,869	85,046
Interest and other income		-	(35,484)	(18,655)	(259,300)
Net loss		(275,772)	(410,938)	(655,237)	(860,780)
Other comprehensive income (loss)					
Items that may be reclassified subsequently to net loss					
Unrealized (loss) gain on investments		(145,670)	(195,536)	(90,480)	(258,765)
Cumulative translation adjustment		(132,472)	(184,239)	(1,390,895)	(719,511)
		(278,142)	(379,775)	(1,481,375)	(978,276)
<b>Comprehensive loss</b>		<b>\$ (553,914)</b>	<b>\$ (790,713)</b>	<b>\$ (2,137,612)</b>	<b>\$ (1,839,056)</b>
<b>Loss per share attributable to shareholders</b>					
<b>Basic and diluted</b>		<b>\$ (0.00)</b>	<b>\$ (0.01)</b>	<b>\$ (0.00)</b>	<b>\$ (0.01)</b>
<b>Weighted average number of common shares outstanding: basic and diluted</b>		<b>151,718,310</b>	<b>143,384,980</b>	<b>147,631,554</b>	<b>138,617,792</b>

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

# Candente Copper Corp.

## Interim condensed consolidated statements of changes in equity

For the nine months ended September 30, 2015 and September 30, 2014 (unaudited)

(Expressed in United States dollars unless otherwise noted)

	Share Capital			Reserves				
	Total common shares	Share capital	Equity settled employee compensation and warrants	Available for sale assets	Foreign currency reserve	Total reserves	Deficit	Total
<b>Balance at January 1, 2015</b>	<b>143,384,980</b>	<b>\$81,532,520</b>	<b>\$12,816,453</b>	<b>\$ -</b>	<b>\$(2,608,131)</b>	<b>\$10,208,322</b>	<b>\$(29,584,990)</b>	<b>\$62,155,852</b>
Private placement, note 7(b)(i)(ii)	8,333,330	573,402	6,596	-	-	6,596	-	579,998
Share-based payment	-	-	152,085	-	-	152,085	-	152,085
Net loss	-	-	-	-	-	-	(655,237)	(655,237)
Unrealized loss on investments	-	-	-	(90,480)	-	(90,480)	-	(90,480)
Cumulative translation adjustment	-	-	-	-	(1,390,895)	(1,390,895)	-	(1,390,895)
<b>Balance as at September 30, 2015</b>	<b>151,718,310</b>	<b>\$82,105,922</b>	<b>\$12,975,134</b>	<b>\$(90,480)</b>	<b>\$(3,999,026)</b>	<b>\$8,885,628</b>	<b>\$(30,240,227)</b>	<b>\$60,751,323</b>

	Share Capital			Reserves				
	Total common shares	Share capital	Equity settled employee compensation and warrants	Available for sale assets	Foreign currency reserve	Total reserves	Deficit	Total
Balance at January 1, 2014	134,253,464	\$80,358,375	\$12,259,746	\$14,317	\$(1,388,612)	\$10,885,451	\$(28,020,265)	\$63,223,561
Private placement, note 7(b)(iii)	9,131,516	1,174,145	21,588	-	-	21,588	-	1,195,733
Share-based payment	-	-	422,275	-	-	422,275	-	422,275
Net loss	-	-	-	-	-	-	(860,780)	(860,780)
Unrealized loss on investments	-	-	-	(258,765)	-	(258,765)	-	(258,765)
Cumulative translation adjustment	-	-	-	-	(719,511)	(719,511)	-	(719,511)
<b>Balance as at September 30, 2014</b>	<b>143,384,980</b>	<b>\$81,532,520</b>	<b>\$12,703,609</b>	<b>\$(244,448)</b>	<b>\$(2,108,123)</b>	<b>\$10,351,038</b>	<b>\$(28,881,045)</b>	<b>\$63,002,513</b>

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

**Candente Copper Corp.**  
**Interim condensed consolidated statements of cash flows**  
For the nine months ended September 30, 2015 and 2014 (unaudited)  
(Expressed in United States dollars unless otherwise noted)

	Notes	Nine Months Ended September 30,	
		2015	2014
<b>Net inflows (outflows) of cash related to operating activities</b>			
Net income (loss)	\$	(655,237)	\$ (860,780)
Items not affecting cash:			
Depreciation		37,824	52,407
Share-based payment	7	152,085	422,275
Loss (gain) on foreign exchange		76,869	(217,771)
Changes in non-cash working capital:			
Trade and other receivables		130,605	5,622
Prepaid expenses and deposits		53,044	103,483
Accounts payable and accrued liabilities		31,012	(555,679)
<b>Cash provided by (used in) operating activities</b>		<b>(173,798)</b>	<b>(1,050,443)</b>
<b>Investing</b>			
Proceeds from sale of gold bullion		-	391,766
Expenditures on mining properties	5	(603,390)	(1,546,406)
Advance royalty payment	5	500,000	-
Change in value added tax paid		(155,343)	5,873
<b>Net cash used in investing activities</b>		<b>(258,733)</b>	<b>(1,148,767)</b>
<b>Financing</b>			
Private placement, net of share issue costs	7	579,998	1,195,733
Loan payable		38,256	-
<b>Net cash provided by financing activities</b>		<b>618,254</b>	<b>1,195,733</b>
<b>Net change in cash and cash equivalents</b>		<b>185,723</b>	<b>(1,003,477)</b>
<b>Effect of exchange rate changes on cash</b>		<b>134,762</b>	<b>231,209</b>
<b>Cash and cash equivalents at beginning of period</b>		<b>30,126</b>	<b>958,044</b>
<b>Cash and cash equivalents at end of period</b>	<b>\$</b>	<b>350,611</b>	<b>\$ 185,766</b>

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

# Candente Copper Corp.

## Notes to the interim condensed consolidated financial statements

### For the nine months ended September 30, 2015 and 2014 (unaudited)

(Expressed in United States dollars unless otherwise noted)

---

#### 1. General information and going concern

Candente Copper Corp. and its subsidiaries (the “Company” or “Candente Copper”) are engaged in the exploration of its mining properties located in Peru. Its principal property is the Cañariaco property in the District of Lambayaque. The Company was incorporated on May 1, 1997 under the Business Corporation Act of British Columbia and its principal office is located at Suite 1100 – 1111 Melville Street, Vancouver British Columbia, V6E 3V6.

The principal subsidiaries of the Company as at September 30, 2015 are as follows:

<b>Subsidiary</b>	<b>Interest</b>	<b>Functional Currency</b>
Cañariaco Copper Peru S.A.	100%	US Dollars
Cañariaco Copper (BVI) Corp.	100%	US Dollars
Inversiones Mineras Las Palmas S.A.	100%	US Dollars
Minera Candente Peru S.A.	100%	US Dollars
Cobrizo Metals Corp.	100%	CDN Dollars
Candente Resource (BVI) Corp.	100%	US Dollars
Cobrizo Metals Peru S.A.	100%	US Dollars

Candente Copper’s common shares are listed on the Toronto Stock Exchange (“TSX”) and the Lima Stock Exchange under the trading symbol “DNT”. The Company’s share options and warrants are not listed.

These interim condensed consolidated financial statements were authorized for issue by the Board of Directors on November 13, 2015.

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that the Company will continue operations for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due. For the nine months ended September 30, 2015, the Company incurred a loss of \$655,237, and as at September 30, 2015 the Company had \$30.2 million cumulative losses since inception. In addition, the Company is subject to sovereign risk, including political and economic instability, changes in existing government regulations relating to mining, as well as currency fluctuations and local inflation. The Company does not generate cash flows from operations and accordingly, Candente Copper will need to raise additional funds through the issuance of securities or resource secured debt. Although, Candente Copper has been successful in raising funds in the past there can be no assurance Candente Copper will be able to raise sufficient funds in the future, in which case the Company may be unable to meet its obligations as they come due in the normal course of business. These factors cast significant doubt regarding the Company’s ability to continue as a going concern. Should Candente Copper be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts on the statement of financial position.

# Candente Copper Corp.

## Notes to the interim condensed consolidated financial statements For the nine months ended September 30, 2015 and 2014 (unaudited)

(Expressed in United States dollars unless otherwise noted)

---

### 2. Statement of compliance and basis of presentation

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting standards Board (“IASB”) applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. These condensed consolidated interim financial statements should be read in conjunction with the Company’s audited consolidated financial statements for the year ended December 31, 2014 which have been prepared in accordance with IFRS issued by the IASB.

### 3. Significant accounting estimates and judgments

These interim condensed consolidated financial statements have been prepared using the same accounting policies and methods of computation as the annual consolidated financial statements of the Company for the year ended December 31, 2014. The disclosure contained in these interim condensed consolidated financial statements does not include all the requirements in IAS1 *Presentation of Financial Statements* (“IAS 1”). Accordingly these interim condensed consolidated financial statements should be read in conjunction with the Company’s consolidated financial statements for the year ended December 31, 2014.

### 4. Investments

Investments include the following as at September 30, 2015:

	Cost	As at September 30, 2015	As at December 31, 2014
		Fair Values	
Candente Gold Corp.	\$ 1,909,094	\$ 124,459	\$ 214,940
<b>Total investments</b>	<b>\$ 1,909,094</b>	<b>\$ 124,459</b>	<b>\$ 214,940</b>



# Candente Copper Corp.

## Notes to the interim condensed consolidated financial statements For the nine months ended September 30, 2015 and 2014 (unaudited)

(Expressed in United States dollars unless otherwise noted)

### 5. Mining properties

As of September 30, 2015, the Company's mineral properties consist of the following:

Cañariaco Property, located in Lambayeque, Peru	Balance as at January 1, 2015	Mining property expenditures	Balance as at September 30, 2015
Mineral rights acquisition and surface access	\$ 1,547,161	\$ 58,719	\$ 1,605,880
Community engagement and initiatives	4,164,632	331,662	4,496,294
Drilling	9,749,510	-	9,749,510
Environmental health and safety	1,312,650	93,584	1,406,234
Exchange differences	(2,163,816)	(1,590,111)	(3,753,927)
Exploration	9,419,129	-	9,488,448
Feasibility study	10,883,711	-	10,883,711
Project field support and administration	21,886,110	95,146	21,981,256
Advance royalty payment received	-	(500,000)	(500,000)
	56,799,087	(1,511,000)	55,288,087
<b>Cobrizo Metals Peruvian properties</b>			
Mineral rights acquisition and surface access – acquired on September 11, 2013	1,131,831	20,067	1,151,898
Concession and surface right acquisition costs	157,912	-	157,912
(Option payments received)	(50,000)	-	(50,000)
Community engagement and initiatives	977	-	977
Environmental health and safety	15,785	-	15,785
Exploration	115,440	-	115,440
Project management and field support	8,561	4,212	12,773
	1,380,506	24,279	1,404,785
Total mineral properties before value-added tax credit	58,179,593	(1,486,721)	56,692,872
Value-added tax credit (Note 6)	4,573,222	155,343	4,728,565
Total mineral properties	\$ 62,752,815	\$ (1,331,378)	\$ 61,421,437

During the period ended September 30, 2015, the Company completed Net Smelter Royalty Agreements between two of the Company's subsidiaries and Exploraciones Apolo Resources S.A.C., an affiliate of Entrée Gold Inc. Pursuant to these agreements, the Company has granted a royalty for a 0.5% net smelter return ("NSR") on its wholly-owned Cañariaco Copper Project in Peru, in exchange for the aggregate sum of \$500,000.

# Candente Copper Corp.

## Notes to the interim condensed consolidated financial statements For the nine months ended September 30, 2015 and 2014 (unaudited)

(Expressed in United States dollars unless otherwise noted)

### 5. Mining properties (continued)

	Balance as at January 1, 2014	Mining property expenditures	Balance as at December 31, 2014
Cañariaco Property, located in Lambayeque, Peru			
Mineral rights acquisition and surface access	\$ 1,426,461	\$ 120,700	\$ 1,547,161
Community engagement and initiatives	3,656,908	507,724	4,164,632
Drilling	9,742,187	7,323	9,749,510
Environmental health and safety	1,258,455	54,195	1,312,650
Exchange differences	(1,040,783)	(1,123,033)	(2,163,816)
Exploration	9,026,985	392,144	9,419,129
Feasibility study	10,805,769	77,942	10,883,711
Project field support and administration	21,220,745	665,365	21,886,110
	56,096,727	702,360	56,799,087
<hr/>			
Cobrizo Metals Peruvian properties			
Mineral rights acquisition and surface access – acquired on September 11, 2013	1,131,831	-	1,131,831
Concession and surface right acquisition costs	83,790	74,122	157,912
(Option payment received during the year)	(50,000)	-	(50,000)
Community relations and sustainable development	785	192	977
Environmental health and safety	15,785	-	15,785
Exploration	59,702	55,738	115,440
Project field support and administration	8,561	-	8,561
	1,250,454	130,052	1,380,506
Total mineral properties before value-added tax credit	57,347,181	832,412	58,179,593
Value-added tax credit (Note 6)	4,703,882	(130,660)	4,573,222
Total mineral properties	\$ 62,051,063	\$ 701,752	\$ 62,752,815

### 6. Value-added tax credit

Expenses incurred by the Company in Peru, including exploration expenses, are subject to Peruvian Value Added Tax (“VAT”). Given that the Company is in the exploration stage and has no sources of revenue, the VAT is not currently refundable to the Company, but can be used in the future to offset amounts due to the Peruvian taxation authorities by the company resulting from VAT charged to clients on future sales. The VAT has been included as part of mining properties (see Note 5).

# Candente Copper Corp.

## Notes to the interim condensed consolidated financial statements

### For the nine months ended September 30, 2015 and 2014 (unaudited)

(Expressed in United States dollars unless otherwise noted)

---

#### 7. Share capital

##### a. Shares authorized

The Company has an unlimited number of common shares with no par value.

##### b. Common share issues

- (i) On April 7 2015, the Company completed the second tranche of a non-brokered private placement by issuing 2,777,777 units (the "Units") at a price of CDN\$ 0.09 per Unit for gross proceeds of CDN\$250,000. Each Unit is comprised of one common share of the Company and one-half of a share purchase warrant, with each whole share purchase warrant being exercisable for 2 years to purchase an additional common share at a price of \$0.15 per share. All shares are subject to a four month hold period. Finder's fees totalling CDN\$6,966 were paid along with the issuance of 60,200 finder's warrants exercisable for two years to purchase a common share of the Company at a price of \$0.15 per share. The finders' warrants were valued at \$1,183 using the Black-Scholes model.
- (ii) On March 23, 2015, the Company completed the first tranche of a non-brokered private placement by issuing 5,555,553 units (the "Units") at a price of CDN\$ 0.09 per Unit for gross proceeds of CDN\$500,000. Each Unit is comprised of one common share of the Company and one-half of a share purchase warrant, with each whole share purchase warrant being exercisable for 2 years to purchase an additional common share at a price of \$0.15 per share. All shares are subject to a four month hold period. Finder's fees totalling CDN\$18,005 were paid along with the issuance of 214,760 finder's warrants exercisable for two years to purchase a common share of the Company at a price of \$0.15 per share. The finders' warrants were valued at \$5,413 using the Black-Scholes model.
- (iii) On May 23, 2014, the Company completed a non-brokered private placement issuing a total of 9,131,516 units at CDN\$0.15 per unit for total gross proceeds of \$1,260,149 (CDN\$1,369,727). Each unit is comprised of one common share of the Company and one half of one warrant, with each whole warrant exercisable at CDN\$0.25 until May 22, 2016. Finders' fees and share issue costs totalling \$64,416 (CDN\$ 70,017) were paid along with the issuance of 403,188 finders' warrants exercisable at CDN\$0.25 until May 22, 2016. The finders' warrants were valued at \$21,588 using the Black-Scholes model.

##### c. Share options

Candente Copper has an incentive share option plan (the "Plan"). Under the Plan a total of 10% of Candente Copper's outstanding common shares are reserved for the issuance of shares at the discretion of the Board of Directors. The terms of each option award, is fixed by the Board of Directors at the time of grant. Share option awards have a maximum term of five years.

# Candente Copper Corp.

## Notes to the interim condensed consolidated financial statements For the nine months ended September 30, 2015 and 2014 (unaudited)

(Expressed in United States dollars unless otherwise noted)

### 7. Share capital (continued)

The changes in stock options were as follows:

	Number of options	Weighted average exercise price (CDN\$)
Options outstanding, January 1, 2014	11,595,875	\$0.58
Options granted	3,334,500	\$0.30
Options forfeited	(775,000)	\$0.22
Options expired	(2,359,500)	\$0.41
Options outstanding, December 31, 2014	11,795,875	\$0.54
Options expired	(2,130,700)	\$0.42
<b>September 30, 2015</b>	<b>9,665,175</b>	<b>\$0.57</b>

Grant Date	Exercisable		Outstanding		Expiry Date
	Exercise Price	Number of Options	Exercise Price	Number of Options	
November 10, 2010	\$0.85	240,000	\$0.85	240,000	November 10, 2015(i)
December 13, 2010	\$1.43	150,000	\$1.43	150,000	December 13, 2015
January 24, 2011	\$2.15	625,000	\$2.15	625,000	January 24, 2016
May 20, 2011	\$1.62	125,000	\$1.62	125,000	May 20, 2016
September 30, 2011	\$1.03	500,000	\$1.03	500,000	September 30, 2016
January 4, 2012	\$0.95	100,000	\$0.95	100,000	January 4, 2017
June 25, 2012	\$0.60	200,000	\$0.60	200,000	June 25, 2017
January 7, 2013	\$0.60	925,000	\$0.60	925,000	January 7, 2018
September 5, 2013	\$0.30	2,870,000	\$0.30	2,870,000	September 5, 2018
September 11, 2013 (i)	\$0.50	595,675	\$0.50	595,675	(ii)
January 21, 2014	\$0.30	200,000	\$0.30	200,000	January 21, 2019
January 23, 2014	\$0.30	1,211,250	\$0.30	1,615,000	January 23, 2019
August 20, 2014	\$0.30	759,750	\$0.30	1,519,500	August 20, 2019
<b>Weighted Average</b>	<b>\$0.68</b>	<b>8,501,675</b>	<b>\$0.54</b>	<b>9,665,175</b>	

(i) Subsequently expired unexercised.

(ii) On September 11, 2013, Cobriza Metals Corp stock options were converted to 1,218,875 Candente Copper Corp. options as per the completion of the Arrangement between the Company and Cobriza Metals Corp. As at September 30, 2015, 595,675 options remain with expiration dates ranging from November 10, 2015 to February 27, 2017.

# Candente Copper Corp.

## Notes to the interim condensed consolidated financial statements For the nine months ended September 30, 2015 and 2014 (unaudited)

(Expressed in United States dollars unless otherwise noted)

### 7. Share capital (continued)

The Company used the Black-Scholes option-pricing model under the following weighted average assumptions and recorded total stock based compensation for the nine months period ended September 30, 2015 and 2014 of \$152,085 and \$422,275 respectively:

	Nine months ended	
	September 30, 2015	September 30, 2014
Dividend yield	0%	0%
Risk-free interest rate	1.32%	1.32%
Volatility range	78.82%	78.82%
Expected life	2.78 years	3.48 years
Forfeiture rate	2.28%	2.28%

#### d. Warrants

	Number of Warrants	Weighted Average Exercise Price
Warrants Outstanding, January 1, 2014	-	-
Issued (Note 7(b)(iii))	4,968,944	CDN\$0.25
Warrants Outstanding, December 31, 2014	4,968,944	CDN\$0.25
Issued (Note 7(b)(i) and 7(b)(ii))	4,441,622	CDN\$0.15
Warrants Outstanding, September 30, 2015	9,410,566	CDN\$0.20

### 8. Commitments

The Company entered into the agreements for Operating Leases and Finance Leases. The minimum annual payments required are as follows:

	2015	2016	2017	2018	2019
Facility leases (a)	\$ 25,300	\$ -	\$ -	\$ -	\$ -
Community engagement and initiatives (b)	243,000	286,000	43,000	-	-
<b>Total commitments</b>	<b>\$ 268,300</b>	<b>\$ 286,000</b>	<b>\$ 43,000</b>	<b>\$ -</b>	<b>\$ -</b>

#### a. Facility leases

The Company has entered into a lease of a warehouses in Peru with an unrelated corporations.

#### b. Community engagement and initiatives

In July 8, 2012, the Company signed a land use agreement with the community of San Juan de Cañaris, by which the community authorized the Company to use the land for exploration purposes. The Company has committed \$550,000 (approximately \$400,000 remaining) to fund sustainable development programs subject to specific project approval by the parties. The Company also committed to issue 1,000,000 shares of the Company to the community upon the earlier of the commencement of the construction phase of the Cañariaco project or the transfer of at least 51% of the Cañariaco project to a third party.

In April 2013, the Company entered into an agreement with Socodevi to support capacitation for association businesses in the Cañaris District in Northern Peru with the goal of improving the quality of life of rural families in the district of Cañaris through value chain development in coffee, quinoa and forestry. The Company has a commitment of \$172,000 remaining, over a period of three years, to fund sustainable development programs subject to approval by parties.

# Candente Copper Corp.

## Notes to the interim condensed consolidated financial statements

### For the nine months ended September 30, 2015 and 2014 (unaudited)

(Expressed in United States dollars unless otherwise noted)

#### 8. Commitments (continued)

Due to the complexity and nature of the Company's operations, various legal and tax matters arise in the ordinary course of business. The Company accrues for such items when a liability is both probable and the amount can be reasonably estimated. In the opinion of management, currently, these matters will not have a material effect on the Consolidated Financial Statements of the Company.

#### 9. Related party disclosures

The Company's related parties consist of companies owned by executive officers and directors and Companies with common officers and directors. The following is a list of the related parties that the Company enters into trading transactions with:

- Ridley Rocks Inc. – Management and exploration fees
- SW Project Management – President, project management and engineering fees
- Michael Thicke Geological Consulting Inc. – Exploration fees
- CJ Dong Consulting Inc. – CFO and management fees up to March 19, 2015
- Candente Gold Corp. – Shared expenses with a Company related by common directors and management

##### a. Related party transactions

The Company incurred the following fees and expenses and mineral property costs in the normal course of operations in connection with companies owned by key management and directors. Expenses have been measured at the exchange amount that is determined on a cost recovery basis.

	Three months period ended September 30	
	2015	2014
Salaries and fees	\$ 48,000	\$ 17,081
Share-based payments	17,281	86,706
	\$ 65,281	\$ 103,787

- Share-based payments are the fair value of options expensed to directors and key management personnel during the year.
- The Company does not remunerate the directors of the Company unless its market capitalization is greater than \$75 million. In 2015, the Company paid \$nil in directors fees (2014 - \$nil).

Amounts due to and from related parties are unsecured, non-interest bearing and due on demand. Trade payable at September 30, 2015 included approximately \$469,000 due to related parties (December 31, 2014 – \$295,000). Trade receivables at September 30, 2015 included approximately \$570,000 (December 31, 2014 - \$635,000) due from Candente Gold Corp., a Company with common officers and directors.

##### b. Loan payable

During the period ended September 30, 2015, certain directors of the Company loaned funds to the Company. The funds were advanced to assist in the operations of the Company. The amounts are unsecured and have no fixed terms of repayment.

# Candente Copper Corp.

## Notes to the interim condensed consolidated financial statements For the nine months ended September 30, 2015 and 2014 (unaudited)

(Expressed in United States dollars unless otherwise noted)

### 10. General and administrative expenses

Included in the general and administrative expenses are the following:

	Three months ended		Nine months ended	
	September 30, 2015	September 30, 2014	September 30, 2015	September 30, 2014
<b>General expenses</b>				
Management fees, office salaries and benefits	\$ 34,140	\$ 20,048	\$ 198,456	\$ 105,785
Share-based payment	32,193	119,064	152,085	422,275
Office, rent and miscellaneous	14,749	50,046	73,321	149,323
Consulting	9,370	40,467	43,062	63,703
Shareholder communications	1,174	14,453	12,820	56,852
Regulatory and filing fees	1,058	17,009	32,242	69,832
Legal	-	-	4,942	27,924
Travel and accommodations	1,883	1,681	11,574	11,387
Audit and tax advisory fees	-	3,925	27,306	63,688
Depreciation	11,696	32,407	37,824	52,407
Bank charges and interest	542	1,007	3,391	11,858
<b>Total general and administration expenses</b>	<b>\$ 106,805</b>	<b>\$ 300,107</b>	<b>\$ 597,023</b>	<b>\$ 1,035,034</b>

### 11. Segmented information

The Company operates in one segment being the exploration of mineral properties in Peru. The Company operates in two geographical areas, being Peru and Canada. The following is an analysis of the Company's assets by geographical area and reconciled to the Company's consolidated financial statements.

	September 30, 2015		
	Canada	Peru	Total
Value-added tax credit	\$ -	\$ 4,728,565	\$ 4,728,565
Mining properties	\$ -	\$ 56,692,872	\$ 56,692,872
Equipment	\$ -	\$ 269,418	\$ 269,418

	December 31, 2014		
	Canada	Peru	Total
Value-added tax credit	\$ -	\$ 4,573,222	\$ 4,573,222
Mining properties	\$ -	\$ 58,179,593	\$ 58,179,593
Equipment	\$ 2,847	\$ 316,809	\$ 319,656