Coeur Mining, Inc.
Form 10-K
February 20, 2015

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Form 10-K
(Mark One)

x ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2014

OR

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

Commission File Number 1-8641
COEUR MINING, INC.
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	82-0109423 (I.R.S. Employer Identification No.)
104 S. Michigan Ave. Suite 900 Chicago, IL (Address of principal executive offices)	60603 (Zip Code)

Registrant's telephone number, including area code: (312) 489-5800
Securities Registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, par value $0.01 per share	New York Stock Exchange
Warrants Exercisable for Common Stock (expiring April 16, 2017)	New York Stock Exchange/Toronto Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None
Indicate by check mark if the registrant is a well-known seasoned issuer as defined in Rule 405 of the Securities Act. Yes x 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 x
Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No ¨
Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No ¨
Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. x
Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):
Large accelerated filer x Accelerated filer o Non-accelerated filer o Smaller reporting company o

(Do not check if a smaller reporting company)

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

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter.
$945,619,031

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.
As of February 19, 2015, 103,342,296 shares of Common Stock, par value $0.01 per share

DOCUMENTS INCORPORATED BY REFERENCE

Certain information called for by Part III of the Form 10-K is incorporated by reference from the registrant's definitive proxy statement for the 2015 Annual Meeting of Stockholders which will be filed pursuant to Regulation 14A not later than 120 days after the end of the fiscal year covered by this report.

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COEUR MINING, INC.

FORM 10-K
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PART I
Item 1. Business
INTRODUCTION
Coeur Mining, Inc. (“Coeur”,“the Company”, or "we") is a large silver producer with significant gold production and mines located in the United States, Mexico, and Bolivia; a silver streaming interest in Australia; and exploration projects in Mexico and Argentina. The Company operates the Palmarejo mine, San Bartolomé mine, Kensington mine, and Rochester mine and also owns Coeur Capital, which is primarily comprised of the Endeavor silver stream, other precious metal royalties, and strategic investments. The Company’s principal sources of revenue are its operating mines and the Endeavor silver stream.
Coeur was incorporated as an Idaho corporation in 1928 under the name Coeur d'Alene Mines Corporation. On May 16, 2013, Coeur changed its state of incorporation from the State of Idaho to the State of Delaware and changed its name to Coeur Mining, Inc.
OVERVIEW OF MINING PROPERTIES AND INTERESTS
The Company’s operating properties and interests are described below:

- Coeur owns 100% of Coeur Mexicana S.A. de C.V. ("Coeur Mexicana"), which has operated the underground and surface Palmarejo silver and gold complex in Mexico since 2009. Palmarejo produced 6.6 million ounces of silver and 86,673 ounces of gold in 2014. The Company controls a large land position around its existing operations. In 2009, Coeur Mexicana entered into a gold production royalty with Franco-Nevada Corporation covering 50% of the Palmarejo life of mine gold production. In 2014, Coeur Mexicana terminated the gold production royalty effective upon completion of the minimum ounce delivery requirement and subsequently entered into a gold stream agreement with a subsidiary of Franco-Nevada Corporation. In December 2014, the Company announced the acquisition of Paramount Gold and Silver Corp. ("Paramount"), which owns the San Miguel project that is adjacent to Coeur's Palmarejo mine. The transaction is expected to close in the second quarter of 2015.
- Coeur owns 100% of Coeur Rochester, Inc. ("Coeur Rochester"), which has operated the Rochester mine, a silver and gold surface mining operation located in northwestern Nevada, since 1986. Rochester produced 4.2 million ounces of silver and 44,888 ounces of gold in 2014. Coeur Rochester is obligated to pay a 3.4% net smelter returns ("NSR") royalty on up to 39.4 million silver equivalent ounces produced and sold from a portion of the Rochester mine effective in 2014.
- Coeur owns 100% of Empresa Minera Manquiri S.A. ("Manquiri"), a Bolivian company that controls the mining rights for the San Bartolomé mine, which is a surface silver mine in Bolivia where Coeur commenced commercial production in 2008. San Bartolomé produced 5.9 million ounces of silver in 2014.
- Coeur owns 100% of Coeur Alaska, Inc. ("Coeur Alaska"), which owns the Kensington mine, an underground gold mine located north of Juneau, Alaska. The Kensington mine began commercial production in 2010. Kensington produced 117,823 ounces of gold in 2014.
- Coeur owns 100% of Coeur Capital, Inc. (“Coeur Capital”), which holds the Company's streaming and royalty interests, along with its portfolio of strategic equity investments. The Endeavor silver stream, acquired in 2005 for $44.0 million, consists of all silver production and reserves (up to 20.0 million payable ounces) at the Endeavor mine in New South Wales, Australia, which is owned and operated by Cobar Operations Pty. Limited, a wholly-owned subsidiary of CBH Resources Ltd. (“CBH”). The Endeavor mine is an underground zinc, lead and silver mine, which has been in production since 1983. Endeavor produced 0.6 million ounces of silver in 2014. At December 31, 2014, the Company has received a total of 5.4 million ounces under the streaming agreement.

Coeur Capital also holds a tiered royalty on McEwen Mining Inc.’s El Gallo/Magistral mine in Mexico, currently paying a 3.5% NSR royalty, a 1.5% NSR royalty on Dynasty Metals & Mining, Inc.’s Zaruma mine in Ecuador, a 2.0% NSR royalty on Mandalay Resources Corp.’s Cerro Bayo mine in Chile, and other non-producing royalties.

- Another Coeur subsidiary owns an 80% interest in a 2.5% royalty on Newmont Mining Corporation's Correnso mine in New Zealand.
- Coeur owns 100% of the La Preciosa silver-gold exploration project in Durango state, Mexico. In 2014, the Company announced results of a feasibility study for the project and has deferred construction activities based on its disciplined capital deployment philosophy and commitment to retaining a flexible, liquid balance sheet.
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Coeur owns 100% of the Joaquin silver and gold exploration project located in the Santa Cruz province of southern Argentina. The Company commenced exploration of this large property located north of the Company's Martha silver mine in 2007 and has since defined silver and gold mineralization in two deposits.

- In January 2015, the Company announced the acquisition of the Wharf gold mine located near Lead, South Dakota. The transaction is expected to close in the first quarter of 2015.
- Coeur owns 100% of Coeur Argentina S.R.L., which operated the Martha mine located in Argentina through 2012.

The Company also has interests in exploration stage properties located in the United States, Chile, Argentina, Bolivia, and Mexico with no mineable ore reserves.

SILVER AND GOLD PRICES

The Company's operating results are substantially dependent upon the market prices of silver and gold, which can fluctuate widely. The volatility of such prices is illustrated by the following table, which sets forth the high and low prices of silver (fixing price as reported by the London Bullion Market Association) and gold (PM fixing price as reported by London Gold Market Fixing Limited) per ounce during the periods indicated:

	Year Ended December 31,					
	2014		2013		2012	
	High	Low	High	Low	High	Low
Silver	$22.05	$15.28	$32.23	$18.61	$37.23	$26.67
Gold	$1,385	$1,142	$1,694	$1,192	$1,792	$1,540

MARKETING

All of the Company's mining operations produce silver and gold in doré form except the Kensington mine which produces a gold concentrate. The Endeavor mine, in which Coeur Capital holds a silver stream, produces lead and zinc concentrates with a high silver content, from which the Company recovers its payable silver ounces. The Company refines its precious metals doré and concentrates using a geographically diverse group of third party refiners and smelters in the United States, Switzerland, China, and Japan.

The Company's doré is refined into gold and silver bullion according to benchmark standards set by the London Bullion Market Association, which regulates the acceptable requirements for bullion traded in the London precious metals markets. The Company then sells its silver and gold bullion to multi-national banks, bullion trading houses, and refiners across the globe. The Company has seven trading counterparties and the sales of metals to these companies amounted to approximately 63%, 72%, and 91% of total metal sales for the years ended December 31, 2014, 2013, and 2012, respectively. Generally, the loss of a single bullion trading counterparty would not adversely affect the Company due to the liquidity of the markets and the availability of alternative trading counterparties.

The Company's concentrates are sold to smelters under purchase and sale agreements, and the smelters pay the Company for the gold or silver recovered from the concentrates. The Company currently has seven trading counterparties for its concentrates, and the sales to these companies amounted to approximately 37%, 28%, and 9% of total metal sales for the years ended December 31, 2014, 2013, and 2012, respectively. While the loss of any one smelter may have a material adverse effect if alternate smelters are not available, the Company believes that there is sufficient global capacity available to address the loss of a smelter.

HEDGING ACTIVITIES

The Company's strategy is to provide stockholders with exposure to silver and gold prices by selling silver and gold production at market prices. The Company has entered into derivative contracts to protect the selling price for certain anticipated silver and gold production and to manage risks associated with foreign currencies. For additional information see "Item 7A. Quantitative and Qualitative Disclosures About Market Risk" and Note 11 -- Derivative Financial Instruments in the notes to the consolidated financial statements.

GOVERNMENT REGULATION

General

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

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application or interpretation of these laws and regulations through judicial review or administrative action or the adoption of new laws could have a material adverse effect upon the Company and its results of operations.
Estimated future reclamation costs are based primarily on legal and regulatory requirements. At December 31, 2014, $67.2 million was accrued for reclamation costs relating to currently developed and producing properties. The Company is also involved in several matters concerning environmental obligations associated with former mining activities. Based upon the Company's best estimate of its liabilities for these items, $3.6 million was accrued at December 31, 2014. These amounts are included in reclamation and mine closure liabilities on the consolidated balance sheet.

Federal Environmental Laws

Certain mining wastes from extraction and beneficiation of ores would be considered hazardous waste under the Resource Conservation and Recovery Act ("RCRA") and state law equivalents, but are currently exempt from the extensive set of Environmental Protection Agency ("EPA") regulations governing hazardous waste. If the Company's mine wastes were treated as hazardous waste under RCRA or such wastes resulted in operations being designated as "Superfund" sites under the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA") or state law equivalents for cleanup, material expenditures could be required for the construction of additional waste disposal facilities, for other remediation expenditures, or for natural resource damages. Under CERCLA, any present or past owners or operators of a Superfund site generally may be held liable and may be forced to undertake remedial cleanup action or to pay for the government's cleanup efforts. Such owners or operators may also be liable to governmental entities for the cost of damages to natural resources, which may be substantial. Additional regulations or requirements may also be imposed upon the Company's operations and tailings and waste disposal areas in Alaska and Nevada under the Clean Water Act ("CWA") and state law equivalents. Air emissions are subject to the Clean Air Act and its state equivalents as well. The Company has reviewed and considered current federal legislation relating to climate change and does not believe it to have a material effect on its operations. Future changes in federal or state laws or regulations could have a material adverse effect upon the Company and its results of operations.

Proposed Mining Legislation

A portion of the Company's U.S. mining properties are on unpatented mining claims on federal lands. Legislation has been introduced regularly in the U.S. Congress over the last decade to change the Mining Law of 1872 as amended (the "Mining Law"), under which the Company holds these unpatented mining claims. It is possible that the Mining Law may be amended or replaced by less favorable legislation in the future. Previously proposed legislation contained a production royalty obligation, new environmental standards and conditions, additional reclamation requirements and extensive new procedural steps which would likely result in delays in permitting. The ultimate content of future proposed legislation, if enacted, is uncertain. If a royalty on unpatented mining claims were imposed, the profitability of the Company's U.S. operations could be materially adversely affected. In addition, the U.S. Forest Service and the U.S. Bureau of Land Management ("BLM") have considered revising regulations governing operations under the Mining Law on federal lands they administer, which, if implemented, may result in additional procedures and environmental conditions and standards on those lands. The majority of the Company's operations are either outside of the United States or on private patented lands and would be unaffected by potential legislation.
Any such reform of the Mining Law or BLM and U.S. Forest Service regulations thereunder could increase the costs of mining activities on unpatented mining claims, or could materially impair the ability of the Company to develop or continue operations which derive ore from federal lands, and as a result could have an adverse effect on the Company and its results of operations. Until such time, if any, as new reform legislation or regulations are enacted, the ultimate effects and costs of compliance on the Company cannot be estimated.

Foreign Government Regulations

Bolivia, where the San Bartolomé mine is located, and Mexico, where the Palmarejo mine and the La Preciosa exploration project are located, have both adopted laws and guidelines for environmental permitting that are similar to those in effect in the United States and other South American countries. The permitting process requires a thorough study to determine the baseline condition of the mining site and surrounding area, an environmental impact analysis, and proposed mitigation measures to minimize and offset the environmental impact of mining operations. The Company has received all permits required to operate the San Bartolomé and Palmarejo mines, and has received all permits necessary for its exploration activities at the La Preciosa exploration project.

The mining properties of the Company that are located in Argentina are subject to various government laws and regulations pertaining to the protection of the air, surface and ground water, and the environment in general, as well as the health of the work force, labor standards and the socio-economic impacts of mining facilities upon the communities. The Company believes it is in substantial compliance with all applicable laws and regulations to which it is subject in Argentina.

The Company does not directly hold any interest in mining properties in Australia. However, the Company owns a silver stream on CBH's Endeavor mine. CBH is responsible for the mining operation and compliance with laws and regulations, and the Company is not responsible for compliance. The Company is, however, at risk for any production stoppages resulting from non-compliance. CBH’s mining property is subject to a range of laws and regulations pertaining to the protection of the air, surface water, ground water, noise, site rehabilitation and the environment in general, as well as the occupational health and safety of the work force, labor standards and the socio-economic impacts of mining facilities among local communities. In addition, the various federal and state native title laws and regulations recognize and protect the rights and interests in Australia of Aboriginal and Torres Strait Islander people in land and waters and may restrict mining and exploration activity and/or result in additional costs. CBH is required to deal with a number of governmental departments in connection with the development and exploitation of its mining property. The Company is not aware of any substantial non-compliance with applicable laws and regulations to which CBH is subject in Australia.

Maintenance of Claims

United States

At mining properties in the United States, including the Rochester and Kensington mines, operations are conducted upon both patented and unpatented mining claims. Pursuant to applicable federal law it is necessary to pay to the Secretary of the Interior, on or before August 31 of each year, a claim maintenance fee of $140 per claim. This claim maintenance fee is in lieu of the assessment work requirement contained in applicable mining laws. In addition, Nevada holders of unpatented mining claims are required to pay the county recorder of the county in which the claim is situated an annual fee of $8.50 per claim. For unpatented claims in Alaska, the Company is required to pay a variable, annual rental fee based on the age of the claim and must perform annual labor or make an annual payment in lieu of annual labor. No maintenance fees are payable for federal patented claims. Patented claims are similar to land held by an owner who is entitled to the entire interest in the property with unconditional power of disposition and are subject to local ad valorem property taxes.

Mexico

In order to carry out mining activities in Mexico, the Company is required to obtain a mining concession from the General Bureau of Mining, which belongs to the Ministry of Economy of the Federal Government, or be assigned previously granted concession rights, and both must be recorded with the Public Registry of Mining. In addition, mining works may have to be authorized by other authorities when performed in certain areas, including ejidos (communal owners of land recognized by the federal laws in Mexico), villages, dams, channels, general communications ways, submarine shelves of islands, islets and reefs, marine beds and subsoil and federal maritime-terrestrial zones. Reports have to be filed with the General Bureau of Mining in May of each year, evidencing previous calendar year mining investment and works. Annual reports, detailing production results, must be submitted by January 30 for each concession bearing production and all concessions over six years of age. Bi-annual mining duties are payable in January and July of each year and, beginning in 2014, holders of mining concessions must pay annually and no later than the last business day of March a special mining fee based on 7.5% of the income before interest and certain other permitted deductions derived from the transfer or sale of minerals, plus 0.5% of gross revenues from sales of gold, silver and platinum. Failure to pay any of these duties and submit the required reports could lead to cancellation of the concessions. Upon expiration or cancellation of the concession, certain obligations remain, such as filing technical reports and ground support.

Bolivia

The Bolivian state owns the resources at San Bartolomé. The Bolivian state-owned mining organization, Corporación Minera de Bolivia (“COMIBOL”), is the underlying manager of all of the mining rights relating to the San Bartolomé mine. Bolivia’s ownership derives from the Supreme Decree 3196 issued in October 1952, when the government nationalized most of the mines in Potosí. COMIBOL has leased the mining rights for the surface silver and tin bearing sediment to several Potosí cooperatives. The cooperatives have subleased their mining rights to Coeur’s subsidiary, Manquiri, through a series of “joint venture” contracts. In addition to those agreements with the cooperatives, Manquiri holds additional mining rights under lease agreements directly with COMIBOL. All of Manquiri’s mining and surface rights collectively constitute the San Bartolomé project. For additional information regarding the maintenance of its claims to the San Bartolomé mine, see "Item 2. Properties -- Silver and Gold Mining Properties, Bolivia-San

Bartolomé."

Argentina

Minerals are owned by the provincial governments, which impose a maximum 3% mine-mouth royalty on mineral production. The first step in acquiring mining rights is filing an exploration permit ("Cateo"), which gives exclusive prospecting rights for the requested area for a period of time, generally up to three years. The maximum size of each Cateo is 10,000 hectares; a maximum of 20 Cateos, or 200,000 hectares, can be held by a single entity in any one province.

The holder of a Cateo has exclusive right to establish a discovery concession ("Manifestacion de Descubrimiento" or “MD”) on that Cateo, but MDs can also be set without a Cateo on any land not covered by another party's Cateo. MDs are filed

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as either a vein or disseminated discovery. A square protection zone can be declared around the discovery of up to 840 hectares for a vein MD, or up to 7,000 hectares for a disseminated MD. The protection zone grants the discoverer exclusive rights for an indefinite period, during which the discoverer must provide an annual report presenting a program of exploration work and investments related to the protection zone. An MD can be upgraded to an exploitation concession ("Concesion de Explotacion or "Mina"), which gives the holder the right to begin commercial extraction of minerals.

Australia

At the Endeavor mining property in Australia operated by CBH, operations are conducted on designated mining leases issued by the relevant state government mining department. Mining leases are issued for a specific term and include a range of environmental and other conditions including the payment of production royalties, annual lease fees and the use of cash or a bank guarantee as security for reclamation liabilities. The amounts required to be paid to secure reclamation liabilities are determined on a case by case basis. In addition, according to public sources, CBH holds a range of exploration titles and permits, which are also issued by the respective state government mining departments for specified terms and require payment of annual fees and completion of designated expenditure programs to maintain title. In Australia, minerals in the ground are owned by the state until severed from the ground through mining operations.

EMPLOYEES

The number of full-time employees of the Company at December 31, 2014 was:

U.S. Corporate and Other	69
Rochester Mine	295
Kensington Mine	322
San Bartolomé Mine[(1)]	361
Palmarejo Mine	821
Total	1,868

(1) The Company maintains a labor agreement in South America with Sindicato de Trabajadorés Mineras de la Empresa Manquiri S.A. at the San Bartolomé mine in Bolivia. The San Bartolomé mine labor agreement is in effect for 2015. At December 31, 2014, approximately 12% of the Company’s global labor force was covered by collective bargaining agreements.

BUSINESS STRATEGY AND COMPETITIVE STRENGTHS

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

Strong track record of developing and operating mines

The Company has successfully acquired, developed, and operated a portfolio of operating mines since its founding in 1928. In 2014, it produced 17.2 million ounces of silver and 249,384 ounces of gold at costs applicable to sales of $14.71 per silver equivalent ounce at its primary silver mines and $951 per ounce of gold at its Kensington mine.

Silver Production Gold Production

Operating and commodity diversity

The Company's silver and gold production comes from five operating mines located in four countries. The Company operates the Palmarejo silver and gold mine in Mexico, the San Bartolomé silver mine in Bolivia, the Kensington gold mine in Alaska, and the Rochester silver and gold mine in Nevada. In addition, the Company owns a silver stream on the Endeavor mine in Australia. The Company also owns the La Preciosa and Joaquin silver and gold exploration projects in Mexico and Argentina, respectively. In December 2014, the Company announced the acquisition of Paramount, which owns the San Miguel project that is adjacent to Coeur's Palmarejo mine. The transaction is expected to close in the second quarter of 2015. In January 2015, the

Company announced the acquisition of the Wharf gold mine located near Lead, South Dakota. The transaction is expected to close in the first quarter of 2015. The Company's metal sales breakdown by operating mine and metal is set out below:

2014 Silver Sales by Mine (millions of ounces)

2014 Gold Sales by Mine (ounces)

Experienced management team

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

Capitalizing on prior development program

The Company has spent significant capital in commissioning or expanding its four operating mines. The following table provides the percentage contribution to the Company's total revenues by mine during the past five years, excluding discontinued operations:

Mine/Location	Coeur Percentage Ownership at December 31, 2014	Percentage of Total Revenues For The Year Ended December 31, 2014		2013		2012		2011		2010	
Palmarejo Mine, Mexico	100%	38	%	43	%	49	%	50	%	45	%
San Bartolomé Mine, Bolivia	100%	19		19		20		26		28	
Kensington Mine, United States	100%	22		20		12		15		4	
Rochester Mine, United States	100%	20		16		15		6		11	
Martha Mine, Argentina	100%	—		—		2		1		10	
Coeur Capital(1)	100%	1		2		2		2		2	
		100	%	100	%	100	%	100	%	100	%

(1) Primarily revenue from the Endeavor silver stream (Australia).

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This report contains numerous forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act") relating to the Company's gold and silver mining business, including statements regarding potential acquisitions, mineral reserve and mineralized material estimates, exploration and development efforts, estimated production, costs, capital expenditures, expenses, metals prices, sufficiency of assets, ability to discharge liabilities, and initiatives to maximize net cash flow, enhance revenues, reduce operating and non-operating costs, future economic benefits generated by assets relative to current valuations (see p. 37 impairment discussion), manage working capital efficiently, liquidity management, financing needs, and environmental compliance expenditures. Such forward-looking statements are identified by the use of words such as "believes," "intends," "expects," "hopes," "may," "should," "plan," "projected," "contemplates," "anticipates" or similar words results could differ materially from those projected in the forward-looking statements. The factors that could cause actual results to differ materially from those projected in the forward-looking statements include (i) the risk factors set forth below under Item 1A and in Management's Discussion and Analysis of Financial Condition and Results of Operations under Item 7, (ii) the risk that regulatory and other approvals for pending acquisition transactions are not obtained on the proposed terms and on schedule and the risk that pending acquisition transactions will not be consummated, (iii) the risks and hazards inherent in the mining business (including risks inherent in developing large-scale mining projects, environmental hazards, industrial accidents, weather or geologically related conditions), (iv) changes in the market prices of gold and silver and a sustained lower price environment, (v) the uncertainties inherent in the Company's production, exploratory and developmental activities, including risks relating to permitting and regulatory delays, ground conditions and grade variability, (vi) any future labor disputes or work stoppages (involving the Company and its subsidiaries or third parties), (vii) the uncertainties inherent in the estimation of gold and silver

reserves and mineralized material, (viii) changes that could result from the Company's future acquisition of new mining properties or businesses, (ix) reliance on third parties to operate certain mines where the Company owns silver production and reserves, (x) the absence of control over mining operations in which the Company or any of its subsidiaries holds royalty or streaming interests and risks related to these mining operations (including results of mining and exploration activities, environmental, economic and political risks, and changes in mine plans and project parameters); (xi) the loss of access to any third-party smelter to which the Company markets silver and gold, (xii) the effects of environmental and other governmental regulations, (xiii) the risks inherent in the ownership or operation of or investment in mining properties or businesses in foreign countries, and (xiv) the Company's ability to raise additional financing necessary to conduct its business, make payments or refinance its debt. Readers are cautioned not to put undue reliance on forward-looking statements. The Company disclaims any intent or obligation to update publicly these forward-looking statements, whether as a result of new information, future events or otherwise.

CAUTIONARY NOTE REGARDING DISCLOSURE OF MINERAL PROPERTIES

Reserves, Resources and Mineralized Material

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

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

In this Annual Report on Form 10-K and in our other filings with the SEC, we modify our estimates made in compliance with NI 43-101 to conform to Guide 7 for reporting in the United States. In this Form 10-K, we use the term "mineralized material" to describe mineralization in mineral deposits that do not constitute "reserves" under U.S. standards. "Mineralized material" is substantially equivalent to measured and indicated mineral resources (exclusive of reserves) as disclosed for reporting purposes in Canada, except that the SEC only permits issuers to report "mineralized material" in tonnage and average grade without reference to contained ounces. We provide disclosure of mineralized material to allow a means of comparing our projects to those of other companies in the mining industry, many of which are Canadian and report pursuant to NI 43-101, and to comply with applicable disclosure requirements. We caution you not to assume that all or any part of mineralized material will ever be converted into Guide 7 compliant reserves.

Technical Reports and Qualified Persons

As required by Canadian securities laws, we hereby notify Canadian investors that the scientific and technical information concerning our mineral projects in this Form 10-K have been reviewed and approved by a “qualified person” under NI 43-101, namely our Vice President, Technical Services, W. David Tyler. For a description of the key assumptions, parameters and methods used to estimate mineral reserves included in this Form 10-K, as well as data verification procedures and a general discussion of the extent to which the estimates may be affected by any known environmental, permitting, legal, title, taxation, socio-political, marketing or other relevant factors, Canadian investors may view technical reports prepared for each of our properties as filed on SEDAR at http://www.sedar.com. Neither the technical reports nor the statements of any qualified person filed with the Canadian securities regulatory authorities are included in, or incorporated by reference in, this Form 10-K. Because the definitions and standards of NI 43-101 differ from those of Guide 7, investors are cautioned that information contained in reports prepared pursuant to NI 43-101, like the technical reports, may not be comparable to similar information that we can disclose in this Form 10-K or the other reports we file with the SEC.

AVAILABLE INFORMATION

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

Item 1A. Risk Factors

The Company's results of operations, cash flows and operating costs are highly dependent upon the market prices of silver and gold and other commodities, which are volatile and beyond the Company's control. The Company's use of derivative contracts to protect against such volatility exposes us to risk of opportunity loss, mark-to-market accounting adjustments and exposure to counterparty credit risk.

Silver and gold are exchange-traded commodities, and their prices are volatile. During the twelve months ended December 31, 2014, the price of silver ranged from a low of $15.28 per ounce to a high of $22.05 per ounce, and the price of gold ranged from a low of $1,142 per ounce to a high of $1,385 per ounce. The closing market prices of silver and gold on February 19, 2015 were $16.73 per ounce and $1,208 per ounce, respectively.

Silver and gold prices are affected by many factors beyond the Company’s control, including U.S. dollar strength or weakness, prevailing interest rates and returns on other asset classes, expectations regarding inflation, speculation, global currency values, governmental decisions regarding the disposal of precious metals stockpiles, global and regional demand and production, political and economic conditions and other factors. In addition, Exchange Traded Funds (“ETFs”), which have substantially facilitated the ability of large and small investors to buy and sell precious metals, have become significant holders of gold and silver. Factors that are generally understood to contribute to a decline in the prices of silver and gold include a strengthening of the U.S. dollar, net outflows from gold and silver ETFs, bullion sales by private and government holders and global economic conditions and/or fiscal policies that negatively impact large consumer markets.

Because the Company derives all of its revenues from sales of silver and gold, its results of operations and cash flows will fluctuate as the prices of these metals increase or decrease. A period of significant and sustained lower gold and silver prices would materially and adversely affect the results of operations and cash flows. Additionally, if market prices for silver and gold decline or remain at relatively low levels for a sustained period of time, the Company may have to revise its operating plans, including reducing operating costs and capital expenditures, terminating or suspending mining operations at one or more of its properties and discontinuing certain exploration and development plans. The Company may be unable to decrease its costs in an amount sufficient to offset reductions in revenues, and may incur losses.

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

The significant and sustained decline in gold and silver prices during 2013 and 2014 caused the Company to write down certain of its long-lived assets and, in the future, such declines could cause one or more of the Company's mining properties to become less profitable, which could require the Company to record additional write-downs of long-lived assets. Such write-downs may adversely affect the Company's results of operations and financial condition.

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

The Company’s assessment of the recoverability of its long-lived assets at December 31, 2014 and 2013 under ASC 360 indicated that write-downs of its long-lived assets of $1,472.7 million and $773.0 million, respectively, were required. These non-cash impairment charges resulted in write-downs in the Company's Statement of Comprehensive Income (Loss) and reduced the carrying value of Mining properties and Property, plant, and equipment on the Company’s balance sheet at December 31, 2014 and 2013. See Note 4 -- Write-Downs in the notes to the Consolidated Financial Statements for further detail.

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

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

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

Because mines have limited lives based on proven and probable ore reserves, an important element of the Company’s business strategy is the opportunistic acquisition of silver and gold mines, properties and businesses or interests therein. The Company’s ability to achieve significant additional growth in revenues and cash flows will depend upon success in further developing existing properties and developing or acquiring new mining properties. During 2011, the Company successfully constructed a new leach pad at the Company’s Rochester mine. Development of other major mining properties at Palmarejo, San Bartolomé and Kensington has been substantially completed. Since December 2012, the Company has owned 100% of the Joaquin silver-gold exploration project located in the Santa Cruz province of southern Argentina. As a result of its acquisition of Orko (now Coeur La Preciosa Silver Corp.) in April 2013, the Company also holds the La Preciosa silver-gold exploration project in the state of Durango, Mexico. In addition, the Company announced in December 2014 the acquisition of Paramount and in January 2015 the acquisition of the Wharf gold mine, both of which are expected to close in the first half of 2015. These strategies are inherently risky, and the Company cannot assure that it will be able to successfully develop existing or new mining properties or acquire additional mining properties on favorable economic terms or at all.

The Company may be unable to complete and successfully integrate an announced acquisition, including the recently announced Paramount and Wharf gold mine acquisitions.

The Company expects to continue to evaluate acquisition opportunities and pursue those opportunities it believes are in the Company’s long-term best interests. There can be no assurance that the anticipated benefits of any such acquisition will be realized. The success of any acquisition will depend upon the Company’s ability to effectively manage the integration and operations of entities or properties it acquires and to realize other anticipated benefits. The process of managing acquired businesses may involve unforeseen difficulties and may require a disproportionate amount of management resources, which may divert management’s focus and resources from other strategic opportunities and from operational matters during this process.

Any acquisition would be accompanied by risks, including:

- a significant change in commodity prices after the Company has committed to complete the transaction and established the purchase price or exchange ratio;

- a material orebody may prove to be below expectations;
- difficulties integrating and assimilating the operations and personnel of any acquired companies, realizing anticipated synergies and maximizing the financial and strategic position of the combined enterprise, and maintaining uniform standards, policies and controls across the organization; and
- the acquired business or assets may have unknown liabilities which may be significant.

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

The completion of the previously announced Paramount and Wharf gold mine acquisitions are subject to us obtaining all required third party regulatory and governmental approvals and the satisfaction or waiver of all other conditions to completion of the acquisitions, and, in the case of the Paramount acquisition, obtaining approval of the Company's stockholders. There can be no assurance that the Company or the acquisition counterparty will be able to satisfy these conditions on a timely basis or at all. In addition, the Company's systems, procedures and controls may be inadequate to support the expansion of our operations resulting from these acquisitions. The Company's future operating results could be affected by the ability of its officers and key employees to manage the changing business conditions and to integrate the Paramount assets and the Wharf gold mine operation into Coeur. There may also be liabilities, such as environmental liabilities, or significant capital expenditures that the Company failed to discover or have underestimated in connection with these announced acquisitions. Any such liabilities or capital expenditure requirements could have a material adverse effect on the Company's business, financial condition or future prospects.

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

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

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

The Company is an international company and is exposed to political and social risks in the countries in which it has significant operations or interests.

A majority of the Company's revenues are generated by operations outside the United States, and it is subject to significant risks inherent in mineral extraction by foreign companies and contracts with government owned entities. Exploration, development, production and closure activities in many countries are potentially subject to heightened political and social risks that are beyond the Company's control. These risks include the possible unilateral cancellation or forced renegotiation of contracts, unfavorable changes in foreign laws and regulations, royalty and tax increases, claims by governmental entities or indigenous communities, expropriation or nationalization of property and other risks arising out of foreign sovereignty over areas in which operations are conducted. The right to export silver and gold may depend on obtaining certain licenses and quotas, which could be delayed or denied at the discretion of the relevant regulatory authorities. In addition, the Company's rights under local law may be less secure in countries where judicial systems are susceptible to manipulation and intimidation by government agencies, non-governmental organizations or civic groups.

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

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

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

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

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

Silver and gold mining involves significant production and operational risks.

Silver and gold mining involves significant production and operational risks, including those related to uncertain mineral exploration success, unexpected geological or mining conditions, the difficulty of development of new deposits, unfavorable climate conditions, equipment or service failures, current unavailability of or delays in installing and commissioning plants and equipment, import or customs delays and other general operating risks.

Commencement of mining can reveal mineralization or geologic formations, including higher than expected content of other minerals that can be difficult to separate from silver, which can result in unexpectedly low recovery rates. Problems also may arise due to the quality or failure of locally obtained equipment or interruptions to services (such as power, water, fuel or transport or processing capacity) or technical support, which could result in the failure to achieve expected target dates for exploration, or could cause production activities to require greater capital expenditure to achieve expected recoveries. Many of these production and operational risks are beyond the Company’s control. Delays in commencing successful mining activities at new or expanded mines, disruptions in production and low recovery rates could have adverse effects on the Company’s financial condition, results of operations and cash flows.

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

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

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

The Company has in the past, and may in the future, provide estimates and projections of its future production, costs and financial results. Any such information is forward-looking. Such estimates are made by the Company’s management and technical personnel and depend on numerous assumptions, including assumptions about the availability, accessibility, sufficiency and quality of ore, the Company's costs of production, the market prices of silver and gold, the Company's ability to sustain and increase production levels, the sufficiency of its infrastructure, the performance of its personnel and equipment, its ability to maintain and obtain mining interests and permits and its compliance with existing and future laws and regulations. Actual results and experience may differ materially from these assumptions. Any such production, cost, or financial results estimates speak only as of the date on which they are made, and the Company disclaims any intent or obligation to update such estimates, whether as a result of new information, future events or otherwise.

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

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

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

As of December 31, 2014, the Company had approximately $478.4 million of outstanding indebtedness. In addition, the Company's total debt excludes $34.0 million for future minimum estimated gold production royalty payments due from Coeur Mexicana to Franco-Nevada. The liabilities associated with these gold production royalty payments increase as the price of gold increases. The Company’s ability to make scheduled debt payments on outstanding indebtedness will depend on future results of operations and cash flows. The Company’s results of operations and cash flows, in part, are subject to economic factors beyond its control, including the market prices of silver and gold. The Company may not be able to generate enough cash flow to meet obligations and commitments. If the Company cannot generate sufficient cash flow from operations to service debt, it may need to further refinance debt, dispose of assets or issue equity to obtain the necessary funds.

The Company cannot predict whether it would be able to refinance debt, issue equity or dispose of assets to raise funds on a timely basis or on satisfactory terms.

The Company might be unable to raise additional financing necessary to meet capital needs, conduct business, make payments when due or refinance debt.

The Company might need to raise additional funds in order to meet capital needs, implement its business plan, refinance debt or acquire complementary assets. Any required additional financing might not be available on commercially reasonable terms, or at all. If the Company raises additional funds by issuing equity securities or securities convertible into equity securities, holders of its common stock could experience significant dilution of their ownership interest, and these securities could have rights senior to those of the holders of common stock.

Any downgrade in the credit ratings assigned to the Company’s debt securities could increase future borrowing costs and adversely affect the availability of new financing.

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

The Company’s ability to recognize the benefits of deferred tax assets is dependent on future taxable income.

The Company recognizes the expected future tax benefit from deferred tax assets when the tax benefit is considered to be more likely than not of being realized, otherwise, a valuation allowance is applied against deferred tax assets. Assessing the recoverability of deferred tax assets requires management to make significant estimates related to expectations of future taxable income and the application of existing tax laws in each jurisdiction. To the extent that taxable income differs significantly from estimates, the Company's ability to realize the deferred tax assets could be impacted. Additionally, future changes in tax laws could limit the Company's ability to obtain the future tax benefits represented by our deferred tax assets. At December 31, 2014, the Company's current and long-term deferred tax assets were $7.4 million and $60.2 million, respectively.

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

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

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

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

Mineral exploration, particularly for silver and gold, involves many risks and is frequently unproductive. Even if mineral deposits are found, those deposits may be insufficient in quantity and quality to return a profit from production, or it may take a number of years until production is possible, during which time the economic viability of the project may change. Few properties that are explored are ultimately developed into producing mines. The commercial viability of a mineral deposit, once developed, depends on a number of factors, including: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; government regulations including taxes, royalties and land tenure; land use; importing and exporting of minerals; environmental protection; mineral prices; completion of favorable feasibility studies; issuance and maintenance of necessary permits; and receipt of adequate financing. Factors that affect adequacy of infrastructure include: reliability of roads, bridges, power sources and water supply; unusual or infrequent weather phenomena; sabotage; and government or other interference in the maintenance or provision of such infrastructure. All of these factors are highly cyclical. The exact effect of these factors cannot be accurately predicted, but the combination may result in not receiving an adequate return on invested capital.

In addition, exploration projects may have no operating history upon which to base estimates of future operating costs and capital requirements. Exploration project items such as estimates of reserves, metal recoveries and cash operating costs are to a large extent based upon the interpretation of geologic data, obtained from a limited number of drill holes and other sampling techniques, and feasibility studies. Estimates of cash operating costs are then derived based upon anticipated tonnage and grades of ore to be mined and processed, the configuration of the ore body, expected recovery rates of metals from the ore, comparable facility and equipment costs, anticipated climate conditions and other factors. As a result, actual operating costs and economic returns of any and all exploration projects may materially differ from the costs and returns estimated, and accordingly, the Company's financial condition, results of operations and cash flows may be negatively affected.

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

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

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

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

Insurance fully covering many environmental risks, including potential liability for pollution or other hazards as a result of disposal of waste products occurring from exploration and production, is not generally available. Any liabilities that the Company incurs for these risks and hazards could be significant and could adversely affect results of operations, cash flows and financial condition.

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

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

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

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

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

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

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

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

Airborne emissions are subject to controls under air pollution statutes implementing the Clean Air Act in Nevada and Alaska. In addition, there are numerous legislative and regulatory proposals related to climate change, including legislation pending in the U.S. Congress to require reductions in greenhouse gas emissions. Adoption of these proposals could have a material adverse effect on results of operations and cash flows.

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

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

The Company relies on third parties who own, maintain and operate the mines underlying its streaming and royalty assets.

The Endeavor mine is owned, maintained and operated by Cobar, a wholly owned subsidiary of CBH. However, pursuant to a silver sale and purchase agreement, the Company’s wholly owned subsidiary, CDE Australia Pty. Ltd. (“CDE Australia”), has acquired all silver production and reserves at the Endeavor mine, up to a total of 20.0 million payable ounces. CDE Australia has agreed to pay Cobar an operating cost contribution of $1.00 for each ounce of payable silver plus 50% of the amount by which the silver price exceeds $7.00 per ounce, subject to annual adjustments for inflation. In addition, the Company currently holds a tiered royalty on McEwen Mining Inc.’s El Gallo/Magistral mine in Mexico, currently paying a 3.5% NSR, a 1.5% NSR on Dynasty Metals & Mining, Inc.’s Zaruma mine in Ecuador, a 2.0% NSR on Mandalay Resources Corp.’s Cerro Bayo mine in Chile, and an 80% interest in a 2.5% royalty on Newmont Mining Corporation’s Correnso mine in New Zealand, as well as several royalties on mining assets that are not yet developed and plans to acquire additional streaming and royalty interests in the future.

The Company relies on third parties to own, maintain and operate the mining projects underlying its royalty and streaming interests, which exposes it to substantial counterparty risk. These third parties may fail to adequately or appropriately operate or maintain their respective projects or may be unable or unwilling to fulfill their obligations under their agreements with the Company.

The Company cannot ensure that each of these third parties will not suffer financial hardship, will continue as a going concern or will not enter bankruptcy or otherwise liquidate. Any such event could expose the Company to significant costs and could limit the amounts, if any, the Company could recover in any proceeding against any such third party for breach of their agreement with the Company. There can be no assurance that the production from any of these mining operations will meet forecasted production targets. At any time, any of the owners or operators of these mining operations may decide to suspend or discontinue operations. In addition, the owners or operators of projects that are not yet operational in which the Company may hold royalty or streaming interests may decide to delay or not to proceed with commencing commercial production. Any failure, inability or refusal of a counterparty to meet its obligations to the Company under these royalty or streaming arrangements could have a material adverse effect on the Company’s business, results of operations or financial condition.

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

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

Private parties such as environmental activists frequently attempt to intervene in the permitting process and to persuade regulators to deny necessary permits or seek to overturn permits that have been issued. Obtaining the necessary governmental permits is a complex and time-consuming process involving numerous jurisdictions and often involving public hearings and costly undertakings. These third party actions can materially increase the costs and cause delays in the permitting process and could cause the Company to not proceed with the development or expansion of a mine.

In June 2013, Coeur submitted a proposed amendment to the plan of operations for the Rochester mine (“POA 10”) to the BLM to expand leach pad capacity. Absent POA 10 approval, Coeur anticipates that the capacity under the existing leach pad will be insufficient after 2017. If POA 10 is not approved on a timely basis or at all, or if the permitting process is delayed for any reason, including to address public comments, the Company’s future growth plans at Rochester could be materially adversely affected which could have a material adverse effect on the Company’s financial condition and results of operations.

The Company’s exploration projects, La Preciosa and Joaquin, are subject to significant development, operational and regulatory risks.

As exploration projects, La Preciosa and Joaquin are subject to numerous risks. The economic feasibility of an exploration project is based on many factors such as: estimation of mineral reserves, anticipated metallurgical recoveries, environmental considerations and permitting, future metals prices, and anticipated capital and operating costs of these projects. For the La Preciosa project, the Company’s 2014 feasibility study derived estimates of costs and economic returns based upon anticipated tonnage and grades of reserves to be mined and processed, the configuration of the mineral body, expected recovery rates, estimated expenditures, anticipated climatic conditions and other factors. As a result, it is possible that actual costs and economic returns will differ significantly from those estimated for the project in the feasibility study. Further, when the Company ultimately determines to proceed with project construction, the Company may be unable to complete project and environmental permitting within an economically acceptable time frame.

As a result of these and related risks, future estimates of or actual costs and economic returns of the La Preciosa and Joaquin projects may materially differ from the estimated costs and returns for these projects.

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

In May 2014, the new Bolivian mining law was enacted. The Company has been assessing the potential effects of the legislation on its Bolivian operations but any effects remain uncertain until the regulations implementing the law are enacted. The law regulates royalties and provides for mining contracts with the government rather than concession holding. If the regulations promulgated under the new mining law mandate a renegotiation of the terms of our existing contracts with the Bolivian state-owned mining company, Corporacion Minera de Bolivia (“COMIBOL”) and the mining cooperatives, this could materially adversely affect the profitability and cash flow of our operations in Bolivia. It is also uncertain if any new mining or investment policies or shifts in political attitude may further affect mining in Bolivia.

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

On October 14, 2009, the Bolivian state-owned mining organization, COMIBOL, announced by resolution that it was temporarily suspending mining activities above the elevation of 4,400 meters above sea level while stability studies of Cerro Rico mountain are undertaken. The Company holds rights to mine above this elevation under valid contracts with COMIBOL as well as under authorized contracts with local mining cooperatives that hold their rights under contract themselves with COMIBOL. The Company temporarily adjusted its mine plan to confine mining activities to the ore deposits below 4,400 meters above sea level and timely notified COMIBOL of the need to lift the restriction. Mining in other areas above the 4,400 meter level continues to be suspended.

The suspension may reduce production until the Company is able to resume mining above 4,400 meters. It is uncertain at this time how long the suspension will remain in place. If COMIBOL decides to restrict access above the 4,400 meter level on a permanent basis, the Company may need to write down the carrying value of the asset. It is also uncertain if any new mining or investment policies or shifts in political attitude may affect mining in Bolivia.

Although the Company previously carried political risk insurance with respect to the San Bartolomé mine in Bolivia, it no longer does. In determining whether to renew the coverage, the Company based its assessment on the political risk environment and the likelihood of a timely and material claim payout against the cost of carrying political risk insurance, which was approximately $2.1 million per year as of the most recent period ended December 16, 2013.

The Company’s business depends on good relations with its employees.

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

At December 31, 2014, unions represented approximately 12% of the Company’s global workforce, all of which were comprised of workers at the San Bartolomé mine in Bolivia. The Company has a labor agreement at the San Bartolomé mine which is in effect for 2015. The Company cannot predict whether this agreement will be renewed on similar terms or at all, whether future labor disruptions will occur or, if disruptions do occur, how long they will last.

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

The validity of mining or exploration claims, concessions or rights, which constitute most of the Company’s property holdings, is often uncertain and may be contested. The Company has used commercially reasonable efforts, in accordance with industry standard, to investigate its title or claims to its various properties, however, no assurance can be given that applicable governments will not revoke or significantly alter the conditions of the applicable exploration and mining claims, concessions or rights or that such exploration and mining claims, concessions or rights will not be challenged by third parties. Although the Company has attempted to acquire satisfactory title to undeveloped properties, in accordance with mining industry practice it does not generally obtain title opinions until a decision is made to develop a property. As a result, some titles, particularly titles to undeveloped properties may be defective. Defective title to any of the Company’s exploration and mining claims, concessions or rights could result in litigation, insurance claims and potential losses affecting its business as a whole. There may be challenges to the title of any of the claims comprising the Company’s projects that, if successful, could impair development and operations. A defect could result in the Company losing all or a portion of its right, title, estate and interest in and to the properties to which the title defect relates.

In Mexico, while mineral rights are administered by the federal government through federally issued mining concessions, ejidos control surface or surface access rights to the land. An ejido may sell or lease lands directly to a private entity. While the Company has agreements or is in the process of negotiating agreements with the ejidos that impact all of its projects in Mexico, some of these agreements may be subject to renegotiation. In Bolivia, we obtain surface rights from cooperatives, through a series of “joint venture” contracts. Changes to the existing agreements or leases or failure to reach agreement in any negotiations may have a significant impact on operations at the Company’s projects and may, on occasion, lead to litigation. Further, the Bolivian government under Law No. 403 may have the ability to reverse our wholly-owned mining rights. Any such reversion decision could adversely impact our future mining plans.

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

In connection with the announcement of the Paramount acquisition, lawsuits have been filed and are pending as of the date hereof, seeking, among other things, to enjoin the transaction, and an adverse ruling in any of these lawsuits may prevent the transaction from being effective or from becoming effective within the expected time frame. While Paramount’s and Coeur’s respective directors and management teams believe that the allegations in the complaints are without merit and intend to defend vigorously against these allegations, the Company cannot make assurances as to the outcome of these, or any similar future lawsuits, including the costs associated with defending these claims or any other liabilities that may be incurred in connection with the litigation or settlement of these claims. If any plaintiffs are successful in obtaining an injunction with respect to the merger, such an injunction may prevent the completion of the transaction on the agreed upon terms, in the expected time frame or altogether. Whether the plaintiffs’ claims are successful, this type of litigation is often expensive and diverts management’s attention and resources, which could adversely affect the operation of Coeur’s business.

In addition, the Company is currently, and may in the future become, subject to other litigation, arbitration or proceedings with other parties. If decided adversely to the Company, these legal proceedings, or others that could be brought against the Company in the future, could have a material adverse effect on our financial position or prospects. For a more detailed discussion of pending litigation, see Note 20 to the Consolidated Financial Statements. In the event of a dispute arising at the Company’s foreign operations, the Company may be subject to the exclusive jurisdiction of foreign courts or arbitral panels, or may not be successful in subjecting foreign persons to the jurisdiction of courts or arbitral panels in the United States. The Company’s inability to enforce its rights and the enforcement of rights on a prejudicial basis by foreign courts or arbitral panels could have an adverse effect on the Company’s results of operations and financial position.

The Company has the ability to issue additional equity securities, which would lead to dilution of its issued and outstanding common stock and may materially and adversely affect the price of its common stock.

The issuance of additional equity securities or securities convertible into equity securities would result in dilution of the Company's existing stockholders' equity ownership. The Company is authorized to issue, without stockholder approval, 10,000,000 shares of preferred stock in one or more series, to establish the number of shares to be included in each series and to fix the designation, powers, preferences and relative participating, optional, conversion and other special rights of the shares of each series as well as the qualification, limitations or restrictions on each series. Any series of preferred stock could contain dividend rights, conversion rights, voting rights, terms of redemption, redemption prices, liquidation preferences or other rights superior to the rights of holders of its common stock. If the Company issues additional equity securities, the price of its common stock may be materially and adversely affected.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

SILVER AND GOLD MINING PROPERTIES

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

Mexico — Palmarejo

The Palmarejo surface and underground silver and gold mine, and associated milling operation, owned and operated by Coeur Mexicana, is located in the state of Chihuahua, Mexico. Access to the property is provided by air, rail, and all-weather paved and gravel roads from the state capitol of Chihuahua. Silver and gold production from Palmarejo was approximately 6.6 million ounces and 86,673 ounces in 2014, respectively. At December 31, 2014, we reported 30.7 million ounces of silver reserves and 487,710 ounces of gold reserves at Palmarejo.

The Company's large property position at Palmarejo consists of 36 contiguous mining concessions totaling approximately 30,350 acres (approximately 12,282 hectares) in size, located in the southwest part of the state of Chihuahua. Coeur Mexicana owns 100% of the legal and beneficial interests in and to these mining concessions, which cover over 47 square miles. All of the Company's ore reserves are located within these mining concessions. All mining concessions owned by Coeur Mexicana are valid until at least 2029. In addition to Palmarejo, the Company also owns 17 mining concessions, encompassing approximately 20,845 acres (approximately 8,436 hectares) at the Yécora exploration stage property, principally located in the state of Sonora, but which also extends into the state of Chihuahua, and two mining concessions covering approximately 17,717 acres (approximately 7,170 hectares) at the La Guitarra exploration stage property in Chihuahua, southeast of Palmarejo.

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

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

In 2009, Coeur Mexicana entered into a gold production royalty transaction with Franco-Nevada Corporation under which Franco-Nevada purchased a royalty covering 50% of the life of mine gold to be produced by Coeur from the Palmarejo mine. A total of 84,915 ounces of gold remain outstanding at December 31, 2014 under the minimum royalty obligation. On October 2, 2014, Coeur Mexicana terminated the Palmarejo gold production royalty effective upon completion of the minimum ounce delivery requirement. Subsequently, Coeur Mexicana entered into a gold stream agreement with a subsidiary of Franco-Nevada Corporation whereby Coeur Mexicana will sell 50% of Palmarejo gold production upon completion of the gold production royalty minimum ounce delivery requirement for the lesser of $800 or spot price per ounce.

Paramount owns the San Miguel project that is located immediately adjacent to Coeur's Palmarejo mine. San Miguel is expected to become a part of the Palmarejo mine if Coeur's acquisition of Paramount closes, which is expected to occur in the second quarter of 2015.

USA — Rochester

The Rochester mine, and associated heap leach facilities, is an open pit silver and gold mine located in Pershing County, Nevada, approximately 12 miles north of the city of Lovelock. The Company owns 100% of the Rochester Mine through Coeur Rochester. The mine consists of the main Rochester deposit and the adjacent Nevada Packard deposit, southwest of Rochester. The Rochester mine is fully supported with electricity, supplied by a local power company on their public grid, telephone and radio communications, production water wells, and processing, maintenance, warehouse, and office facilities. All of these facilities are in good operating condition with no major maintenance expected. Ore is mined using conventional open pit methods, with gold and silver recovered by heap leaching of crushed open-pit ore placed on pads located within the Rochester mining area. Based upon actual operating experience and metallurgical testing, the Company estimates ultimate recovery rates from the crushed ore of 61.0% for silver, depending on the ore being leached, and 92.0% for gold. Silver and gold production from Rochester was approximately 4.2 million ounces and 44,888 ounces in 2014, respectively. At December 31, 2014, we reported 80.2 million ounces of silver reserves and 518,000 ounces of gold reserves at Rochester.

Coeur Rochester lands consist of approximately 11,272 net acres, which encompasses 619 Federal unpatented lode claims, appropriating approximately 9,669 net acres of Public Land, 21 patented lode claims, consisting of approximately 357 acres, interests owned in approximately 1,420 gross acres of additional real property and certain rights in and to approximately 442 acres, held either through lease, letter agreement or license.

The Company acquired the Rochester property from ASARCO in 1983 and commenced mining in 1986. No mining or processing was conducted at Rochester by the prior owner. The Company acquired its initial interest in the adjacent Nevada Packard property in 1996, completed the full purchase in 1999 and commenced mining in 2003. However, mining of the Nevada Packard property has since ceased. The prior owner conducted very limited mining and processing at Nevada Packard. Collectively, the Rochester and Nevada Packard properties, together with other adjacent and contiguous lands subsequently acquired, comprise the Rochester silver and gold processing operation. The Federal unpatented lode claims are maintained via annual filings and timely payment of claim maintenance fees to the BLM, which acts as administrator of the claims.

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

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

Coeur Rochester is obligated to pay a 3.4% NSR royalty on up to 39.4 million silver equivalent ounces produced and sold from a portion of the Rochester mine (including stockpile ore, mineral processing facilities and mining claims located in the Sections set forth in the NSR royalty agreement) commencing January 1, 2014. For each calendar quarter, the royalty is payable on the actual sales prices received at the time of sale (exclusive of gains or losses associated with trading activities), less refining costs, of gold and silver produced and sold from the Rochester mine. At December 31, 2014, 35.5 million silver equivalent ounces remain subject to the 3.4% NSR royalty.

USA — Kensington

The Kensington underground gold mine and associated milling facilities are located on the east side of the Lynn Canal about 45 miles north-northwest of Juneau, Alaska. The Company controls 100% of the mine through Coeur Alaska. The mine is accessed by a horizontal tunnel and utilizes conventional and mechanized underground mining methods. Ore is processed in a flotation mill that produces a concentrate that is sold to third party smelters. Waste material is deposited in an impoundment facility on the property. Power is supplied to the site by on-site diesel generators. Access to the mine is by either a combination of road vehicles, boat, helicopter, floatplane, or by boat direct from Juneau. Gold production from Kensington was 117,823 ounces in 2014. At December 31, 2014, we reported 629,362 ounces of gold reserves at Kensington.

Coeur Alaska controls two contiguous property groups: the Kensington Group and Jualin Group. The Kensington Group, totaling approximately 3,969 net acres, consists of 51 patented lode and patented mill site claims comprising approximately 766 net acres, 284 Federal unpatented lode claims covering approximately 3,108 net acres, and 13 State of Alaska mining claims covering approximately 95 net acres. The Jualin Group, totaling approximately 8,399 net acres, is composed of 23 patented lode and patented mill site claims covering approximately 388 net acres, 471 Federal unpatented lode claims and 1 Federal unpatented mill Site claim appropriating approximately 7,916 net acres, and 30 State of Alaska mining claims comprising approximately 346 net acres. 14 of the 23 patented lode claims cover private surface estate only. The mineral estate, within the boundaries of these 14 patented lode claims is owned by the State of Alaska, the mineral rights to which are secured by State of Alaska mining claims. The Company controls properties comprising the Jualin Group, under a lease agreement with Hyak Mining Company, which is valid until August 5, 2035 and thereafter, provided mining and production are actively occurring within and from the leased premises.

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

The Kensington ore deposit consists of multiple gold bearing mesothermal, quartz, carbonate and pyrite vein swarms and discrete quartz-pyrite veins hosted in Cretaceous-aged Jualin diorite. Most of the gold is contained in calaverite ($AuTe_2$) that occurs in association with native gold as inclusions in and interstitial to pyrite grains and in microfractures in pyrite.

Bolivia — San Bartolomé

The San Bartolomé silver mine, and associated milling operation, operated by Manquiri, is located on the flanks of the Cerro Rico Mountain bordering the town of Potosí, in the department of Potosí, Bolivia. Access to the property and Manquiri’s processing facilities is by paved and all-weather gravel roads leading south-southwest from Potosí. Silver was first discovered in the area around 1545. Mining of silver and lesser amounts of tin and base metals has been conducted nearly continuously since that time from multiple underground mines driven into Cerro Rico. Silver production from San Bartolomé was approximately 5.9 million ounces in 2014. At December 31, 2014, we reported 46.0 million ounces of silver reserves at San Bartolomé.

The silver mineralization at San Bartolomé is hosted in unconsolidated sediments (pallacos), reworked sediments (sucus and troceras), and oxide stockpiles and dumps (desmontes) from past mining that occurred on Cerro Rico. Cerro Rico is a prominent mountain in the region that reaches an elevation of over 15,400 feet (over 4,700 meters). It is composed of Tertiary-aged volcanic and intrusive rocks that were emplaced into and over older sedimentary, and volcanic, basement rocks. Silver, along with tin and base metals, is located in multiple veins and vein swarms and stockworks that occur in a northeast trending belt, which transects Cerro Rico. The upper parts of the Cerro Rico mineralized system were subsequently eroded and re-deposited into the flanking gravel deposits. Silver is hosted in all portions of the pallacos, sucus, and troceras with the best grades segregated to the coarser-grained silicified fragments. These deposits lend themselves to simple, free digging surface mining techniques and can be extracted without drilling and blasting. Of the several pallaco deposits that are controlled by Manquiri and surround Cerro Rico, three are of primary importance and are known as Huacajchi, Diablo, and Santa Rita.

The mineral and mining rights for the San Bartolomé mine are held through a mixture of joint venture agreements, long-term lease agreements, and Autorizaciones Transitorias Especiales (similar to mining concessions) with seven independent mining cooperatives and the Bolivian state-owned mining organization COMIBOL. Manquiri controls 2.5 acres (1.01 hectares) of land at San Bartolomé, around Cerro Rico, through these agreements and Autorizaciones Transitorias Especiales and approximately 8,587 acres (3,475 hectares) of Autorizaciones Transitorias Especiales at the Rio Blanco property, a gold exploration target south of Potosí. The San Bartolomé agreements expire between 2021 and 2028 and are generally subject to a production royalty payable partially to the cooperatives and partially to COMIBOL. The royalty rate is 3% at silver prices below $4 per ounce and 6% at prices above $8 per ounce. The rate is a factor of 75% of the silver price between $4 and $8. The Company has additional mining rights, known as the Plahipo project, which include the mining rights to oxide dumps adjacent to the original property package. The oxide dumps included in the Plahipo project are subject to a sliding scale royalty payable to COMIBOL that is a function of silver price. Manquiri incurred royalty payment obligations to COMIBOL and the Cooperatives for these mining rights totaling $4.2 million and $5.3 million for the years ended 2014 and 2013, respectively.

STREAMING AND ROYALTY INTERESTS

Australia — Endeavor

The Endeavor mine and associated mill facility is an underground silver and base metal operation located in north-central New South Wales, Australia, about 447 miles (720 kilometers) from Sydney. Access to the mine is by paved roads 30 miles (18 kilometers) to the northwest from the community of Cobar. The ore reserves at Endeavor are covered by five consolidated mining leases issued by the state of New South Wales to Cobar Operations Pty. Limited (“Cobar”), a wholly owned subsidiary of CBH Resources Ltd. (“CBH”), which in turn is a wholly owned subsidiary of Toho Zinc Co. Ltd., a company listed on the Tokyo Stock Exchange. The leases form a contiguous block of 10,121 acres in size and expire between 2019 and 2027. The mine employs bulk mining methods and utilizes a conventional flotation mill to produce a concentrate that is sold to a third-party smelter. Power to the mine and processing facilities is provided by the grid servicing the local communities. The property and equipment are maintained in good working condition by CBH through a regular preventive maintenance program with periodic improvements as required. Silver production from Endeavor was approximately 0.6 million ounces in 2014. At December 31, 2014, we reported 4.9 million ounces of silver reserves at Endeavor.

The Endeavor mine has been in production since 1983 and is owned and operated by CBH. On May 23, 2005, CDE Australia Pty. Ltd. (“CDE Australia”), a wholly owned subsidiary of Coeur Capital, acquired all of the silver production and reserves, up to a maximum 17.7 million payable ounces, contained at the Endeavor Mine, for $44.0 million including transaction fees. Under the terms of the original agreement, CDE Australia paid Cobar $15.4 million of cash at the closing. In addition, CDE Australia agreed to pay Cobar approximately $26.5 million upon the receipt of a report confirming that the reserves at the Endeavor mine are equal to or greater than the reported ore reserves for 2004. CDE Australia originally committed to pay Cobar an operating cost contribution of $1.00 for each ounce of payable silver (indexed annually and currently $1.29 an ounce) plus a further increment when the silver price exceeds $5.23 per ounce. This further increment was to have begun on the second anniversary of this agreement and is 50% of the amount by which the silver price exceeds $5.23 per ounce. A cost contribution of $0.25 per ounce is also payable by CDE Australia in respect of new ounces of proven and probable silver reserves as they are discovered. During the first quarter of 2007, $2.1 million was paid for additional ounces of proven and probable silver reserves under the terms of the contract. The Company is not required to contribute to ongoing capital costs at the mine.

On March 28, 2006, CDE Australia reached an agreement with CBH to modify the terms of the original silver purchase agreement. Under the modified terms, CDE Australia owns all silver production and reserves up to a total of 20.0 million payable ounces, up from 17.7 million payable ounces in the original agreement. The silver price-sharing provision was deferred until such time as CDE Australia had received approximately two million cumulative ounces of silver from the mine or June 2007, whichever was later. In addition, the silver price-sharing threshold increased to $7.00 per ounce, from the previous level of $5.23 per ounce. The conditions relating to the second payment were also modified and tied to certain paste fill plant performance criteria and mill throughput tests. In January 2008, the mine met the criteria for payment of the additional $26.2 million. This amount was paid on April 1, 2008, plus accrued interest at the rate of 7.5% per annum from January 24, 2008. Expansion of the ore reserve will be required to achieve the maximum payable ounces of silver production as set forth in the modified contract. It is expected that future expansion to the ore reserve will occur as a result of the conversion of portions of the property's existing inventory of mineralized material and future exploration discoveries near the mine.

At Endeavor, silver, lead, zinc and lesser amounts of copper mineralization are contained within sulfide lenses hosted in fine-grained sedimentary rocks of the Paleozoic-aged Amphitheatre Group. Sulfide lenses are elliptically-shaped, steeply-dipping to the southwest and strike to the northwest. Principal ore minerals are galena, sphalerite and chalcopyrite. Silver occurs with both lead- and zinc-rich sulfide zones.

Mexico — El Gallo

The El Gallo/Magistral complex is operated by McEwen Mining and is located in Mexico's State of Sinaloa, along the foothills of the Sierra Madre Mountains. The complex includes the El Gallo and Palmarito silver deposits and the Magistral gold deposit, located within an eight mile (13 kilometer) radius. The Company, through its wholly-owned subsidiary Coeur Capital, owns a tiered royalty on the mine's production for the life of mine, currently paying a 3.5% NSR royalty.

Ecuador — Zaruma

The Zaruma gold mine is operated and developed by Dynasty Metals & Mining and is located in the cantons of Zaruma and Portovelo, Province of El Oro, Ecuador. The mine is in pre-commercial production, with processing of ore to doré occurring at a processing plant located in Zaruma, Ecuador. The Company, through its wholly-owned subsidiary Coeur Capital, owns a 1.5% NSR royalty on the mine's production for the life of mine.

Chile — Cerro Bayo

The Cerro Bayo underground silver-gold mine is operated by Mandalay Resources and is located in southern Chile, approximately 81 miles (130 kilometers) south of Coyhaique. The Company, through its wholly-owned subsidiary Coeur Capital, owns a 2.0% NSR royalty on the mine's production for the life of mine.

New Zealand — Correnso

The Correnso underground gold mine is operated by Newmont Mining Corporation and is located near the town of Waihi, New Zealand. The Company owns an 80% interest in a 2.5% royalty on the mine's production for the life of the mine.

Other Royalties

The Company also owns several royalties on non-producing properties.

EXPLORATION STAGE PROPERTIES

Mexico — La Preciosa Project

On April 16, 2013, the Company completed its acquisition of Orko Silver Corporation (since renamed Coeur La Preciosa Silver Corp.), which owns the mining concessions of the La Preciosa project. La Preciosa is an advanced-stage silver and gold exploration project located approximately 52 miles (84 kilometers) northeast of the city of Durango in Durango State, Mexico. The La Preciosa property comprises 14 mining concessions, covering an area of approximately 95,340 acres (approximately 38,583 hectares), located along the eastern flank of the Sierra Madre Occidental Mountain range. At December 31, 2014, we reported 118.7 million ounces of silver reserves and 202,079 ounces of gold reserves at La Preciosa The Company completed a feasibility study in 2014, and has deferred construction activities until expected returns improve.

The Tertiary age epithermal quartz veins containing economic levels of silver and gold mineralization are hosted in Cretaceous age conglomerate and Tertiary age andesitic volcanic rocks. The veins at the La Preciosa have been classified as low- to intermediate-sulfidation type. Two major vein and vein breccia systems are exposed on hills and ridges on either side of an approximately 800 meter wide valley. The dominant geological feature on the Property is the northwest-trending La Preciosa Ridge which hosts the north-striking and westward-dipping main vein system, which includes the Martha, Abundancia, Gloria, Pica, Luz Elena, Sur, and Nueva veins. These veins are crosscut by east-striking, south-dipping transversal veins. The major vein breccia system to the east of La Preciosa Ridge on the eastern side of the valley floor includes the northwest striking Zona Oriente and Zona Oriente Extension, which is believed to be the surface expression of the Martha vein.

Argentina — Joaquin Project

The Joaquin silver and gold exploration project is located in the Santa Cruz province of southern Argentina, approximately 43 miles (70 kilometers) north of the Company's now dormant Martha mine. The property is accessed by all-weather dirt roads, leading north-northeast from the town of Gobernador Gregores. The Joaquin property encompasses over 60,444 acres (24,461 hectares) of Cateos and MDs. On December 21, 2012, the Company completed its acquisition of the equity interests of Mirasol Argentina SRL. Coeur previously held a 51% interest in the project.

The geology of the Joaquin property consists dominantly of various volcanic rocks of the Jurassic-aged Chon Aike Formation, the host to most of the precious metal deposits discovered to date in the Santa Cruz province, with lesser amounts of intrusive rocks associated with the Chon Aike Formation. Collectively, the volcanic and intrusive rock units form a prominent geologic domain in the province termed the Deseado Massif. Silver and gold mineralization at Joaquin occurs in epithermal veins, breccia, stockwork veinlets and mantos within the favorable units of the Chon Aike Formation. Occurrences of lead and zinc mineralization have also been discovered. Locally, the rocks of the Deseado Massif are covered by Tertiary-aged basalt and younger unconsolidated sediments, that post-date silver and gold mineralization.

Argentina — Martha Mine

The Martha underground silver and gold mine is located in the Santa Cruz province of southern Argentina, owned by Coeur Argentina S.R.L., a wholly owned subsidiary of the Company. The Martha mine ceased active mining operations in September 2012. The mineral rights for the Martha property are fully owned by Coeur Argentina S.R.L. Surface rights covering the Martha deposit are controlled by the 138 square mile (35,705 hectare) Cerro Primero de Abril Estancia, which is owned by Coeur Argentina S.R.L.

EXPLORATION AND DEVELOPMENT ACTIVITY

Exploration expense was $21.7 million, $22.4 million, and $26.3 million in 2014, 2013 and 2012, respectively. Coeur's exploration program completed over 446,547 feet (136,108 meters) of combined core and reverse circulation drilling in 2014.

Mexico — Palmarejo

Exploration in 2014 was focused primarily around the Palmarejo surface and underground mines. A total of $6.9 million was spent in 2014 on mapping, sampling, drill target generation, and drilling to identify and define new silver and gold mineralization, for a total of 82,617 feet (25,182 meters). The Company expects to spend $4.7 million in 2015 to discover and expand silver and gold mineralization in the Guadalupe-Independencia corridor, and for new project reviews in Mexico.

USA — Kensington

Exploration in 2014 consisted of drilling 187,558 feet (57,168 meters) at Kensington. A total of $8.0 million was spent in 2014, primarily to expand and define mineralization in the main Kensington deposit, while discovery drilling was primarily focused on the high-grade Jualin area south of main Kensington. The Company expects to spend $2.2 million in 2015 for additional expansion at Jualin and South Kensington.

USA — Rochester

The Company spent $2.5 million on exploration at Rochester to conduct programs focused on expansion and definition drilling in 2014, which amounted to 164,417 feet (50,114 meters) for the year. The Company expects to spend $1.2 million in 2015 for additional target generation and drill testing around Rochester.

Bolivia — San Bartolomé

In 2014, the Company spent $0.1 million to complete trenching and sampling at several silver-bearing gravel deposits to expand and define known silver mineralization. The Company expects to spend $0.4 million in 2015 for follow-up trenching and sampling around San Bartolomé and for land holding costs.

Project Evaluation

The Company spent $2.5 million in 2014 to evaluate and explore several new project opportunities in the United States and Mexico with a total of 11,955 feet (3,656 meters) drilled at the Wonder Project in Nevada. The Company expects to spend $2.5 million in 2015 for additional drilling at the Wonder Project and several other projects.

OPERATING STATISTICS

	Palmarejo			Rochester		
	2014	2013	2012	2014	2013	2012
Ore tons milled	2,135,088	2,322,660	2,114,366	13,154,429	10,693,654	8,926,598
Ore grade silver (oz./ton)	3.97	4.21	4.70	0.57	0.55	0.51
Ore grade gold (oz./ton)	0.05	0.06	0.05	0.004	0.003	0.004
Recovery/Ag oz. (%)	77.5	77.7	83.0	50.0	41.1	51.7
Recovery/Au oz. (%)	80.5	84.2	94.4	85.7	89.4	80.8
Silver produced (oz.)	6,558,091	7,603,144	8,236,013	4,189,071	2,798,937	2,801,405
Gold produced (oz.)	86,673	116,536	106,038	44,888	30,860	38,066
Costs applicable to sales/oz.[1]	$15.40	$13.25	$13.19	$14.49	$15.54	$16.13

	San Bartolomé			Endeavor		
	2014	2013	2012	2014	2013	2012
Ore tons milled	1,749,423	1,679,839	1,477,271	792,694	791,116	791,209
Ore grade silver (oz./ton)	3.80	3.93	4.49	1.63	1.85	2.26
Recovery/Ag oz. (%)	88.1	90.0	89.5	45.6	41.3	37.2
Silver produced (oz.)	5,851,678	5,940,538	5,930,394	589,585	605,832	665,876
Costs applicable to sales/oz.[1]	$14.29	$14.28	$12.40	$7.17	$9.61	$13.48

	Kensington		
	2014	2013	2012
Ore tons milled	635,960	553,717	394,780
Ore grade gold (oz./ton)	0.20	0.22	0.22
Recovery/Au oz. (%)	94.0	94.2	93.2
Gold produced (oz.)	117,823	111,951	80,071
Costs applicable to sales/oz.[1]	$951	$901	$1,214

(1) See Non-GAAP Financial Performance Measures

PROVEN AND PROBABLE RESERVES

Silver Reserves at December 31, 2014[1][2][3]

	Proven Reserves			Probable Reserves			Proven and Probable Reserves			
	Tons (000s)	Grade (oz./ton)	Ounces (000s)	Tons (000s)	Grade (oz./ton)	Ounces (000s)	Tons (000s)	Grade (oz./ton)	Ounces (000s)	Metallurgical Recovery
Palmarejo[5]	1,089	3.37	3,670	5,627	4.80	27,007	6,716	4.57	30,677	