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## NEWS RELEASE

### **BEAR CREEK ANNOUNCES PAYMENT EXTENSION ON CORANI SILVER DEPOSIT 100% ACQUISITION; RENEGOTIATION OF PAYMENT SCHEDULE STRENGTHENS BEAR CREEK'S FINANCIAL POSITION**

Vancouver, B.C. - Bear Creek Mining (TSX Venture: BCM) ("Bear Creek" or the "Company") is very pleased to announce that it has entered into an amendment agreement (the "Amendment Agreement") with Rio Tinto Mining and Exploration Ltd. ("Rio Tinto") in respect of its purchase of Rio Tinto's remaining 30% interest in the Corani silver and base-metals deposit as disclosed in its news releases dated March 7, June 11, and July 17, 2008.

Under the Amendment Agreement, Rio Tinto has agreed to restructure the final two cash payments of US\$15 million previously due September 30<sup>th</sup> 2009 and US\$25 million previously due December 31<sup>st</sup>, 2009. In consideration for deferring the majority of these payments out several years, the purchase price is increased by US\$2.2 million to US\$77.2 million, of which US\$35 million has been paid. The restructured remaining payments are described below:

- US\$5 million due December 31<sup>st</sup>, 2009
- US\$10 million due December 31<sup>st</sup>, 2010
- US\$10 million due September 30<sup>th</sup>, 2011
- US\$15 million due June 30, 2012

Bear Creek has agreed to make the following additional payments (payable in cash or in shares (issuable at a 15% discount from then current market prices) at the option of Bear Creek) in consideration for the restructuring:

- US\$1.1 million upon signing of the amended agreement or as soon thereafter as stock exchange acceptance is received; and
- US\$1.1 million due on January 10, 2011

The issuance of any such shares is subject to acceptance of the TSX Venture Exchange and shares issued will be subject to applicable statutory hold periods. Subject to stock exchange acceptance, Bear Creek intends to make the first \$1.1 million payment by the issue of 1,021,266 shares of Bear Creek. Additionally, the Amendment Agreement removes the accelerated payment condition upon change of control of Bear Creek and provides for the reduction of the security for the balance of the price to security charging only the Corani property once Bear Creek completes the next three payments totaling US\$16.1 million. A copy of the Amendment Agreement will be filed on SEDAR under Bear Creek's profile at [www.sedar.com](http://www.sedar.com).

Andrew Swarthout, CEO and President, stated "We are very pleased to have been able to renegotiate these terms with Rio Tinto. The new terms allow Bear Creek to focus on advancing its two major silver discoveries, Corani and Santa Ana, through prefeasibility and scoping studies respectively without the need for additional financing through the end of 2010. This will position Bear Creek very favorably as

precious metals prices increase and the completion of ongoing feasibility work confirms the value of its two large silver deposits. Importantly, the new payment structure also allows Bear Creek to continue its exploration for additional precious metals discoveries. ”

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.

- End -

Andrew Swarthout - President and CEO, or Patrick De Witt - Investor Relations

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**Regulatory footnotes:**

Certain disclosure in this release, including management's assessment of Bear Creek's plans and projects, constitutes forward-looking statements that are subject to numerous risks, uncertainties and other factors relating to Bear Creek's operation as a mineral exploration company that may cause future results to differ materially from those expressed or implied in such forward-looking statements. \*Any reference to the potential quantity & grade of mineralization at Corani is conceptual in nature, there has been insufficient exploration to define a mineral resource on the property and it is uncertain if further exploration will result in discovery of a mineral resource on the property. Readers are cautioned not to place undue reliance on forward-looking statements. Bear Creek expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise. Note: Bear Creek will likely need to obtain further financing prior to year-end '08 to be able to pay the balance of the purchase price in cash.