



**NOTICE AND MANAGEMENT INFORMATION CIRCULAR  
FOR THE  
SPECIAL MEETING OF SHAREHOLDERS  
TO BE HELD ON WEDNESDAY, FEBRUARY 8, 2023  
AT 11:00 A.M. (PACIFIC TIME)**

**TAKE ACTION AND VOTE TODAY**

The special meeting will be held at 11:00 a.m. (Pacific Time) on Wednesday, February 8, 2023 at the offices of Cassels Brock & Blackwell LLP, Suite 2200, 885 West Georgia Street, Vancouver, BC V6C 3E8

Please read this document and the accompanying materials carefully. These materials are important and require your immediate attention. If you have any questions about these materials or the matters to which they refer, please contact us by telephone at 1-604-689-8765 or by email at [info@cordobamineralscorp.com](mailto:info@cordobamineralscorp.com).

**DATED JANUARY 3, 2023**



## LETTER TO SHAREHOLDERS

January 3, 2023

Dear shareholders of Cordoba Minerals Corp.,

On behalf of Cordoba Minerals Corp. ("**Cordoba**" or the "**Company**") Board of Directors, we are pleased to invite you to join us at our Special Meeting, which will be held Wednesday, February 8, 2023 at 11:00 a.m. (Pacific Time), at the offices of Cassels Brock & Blackwell LLP, Suite 2200, 885 West Georgia Street, Vancouver, BC V6C 3E8.

On December 8, 2022, the Company announced that it had entered into a strategic arrangement (the "**Transaction**") with JCHX Mining Management Co., Ltd ("**JCHX**"). whereby:

- JCHX, through a wholly-owned subsidiary, will purchase a 50% ownership interest in CMH Colombia S.A.S. ("**CMH**"), a company existing under the laws of Colombia, for an aggregate consideration of US\$100 million (approximately C\$136 million); and
- CMH will own 100% of the Alacran copper-gold-silver project in Colombia (the "**Project**") and as a result, be the joint venture vehicle for Cordoba and JCHX in this strategic project level partnership.

JCHX will satisfy the purchase price of US\$100 million as follows:

- At closing of the Transaction, a first installment of US\$40 million will be payable in cash and is expected to occur before the end of Q1 2023.
- A second installment of US\$40 million is payable in cash upon completion of a Cordoba board approved Feasibility Study of the Project, and the submission of the Environmental Impact Assessment ("**EIA**") to the relevant Colombian government authority.
- A third and final installment of US\$20 million is payable in cash once the approval of the EIA is obtained, which must be within two years of the Transaction's closing date. Should the EIA not be approved by the second anniversary of the closing date, JCHX will have the option to elect not to complete this third and final installment, which will result in JCHX being diluted to 40% and Cordoba increasing to a majority 60% shareholding in CMH.
- On January 3, 2023, JCHX advanced a bridge loan of US\$10 million in cash to Cordoba. Upon closing of the Transaction, the entire balance owing under the bridge loan and accrued interest will be applied towards the first installment payment as a payment in kind.

Closing of the Transaction is subject to (among other customary conditions):

- FOR CORDOBA: Approval from the TSXV and approval of shareholders (excluding JCHX and Ivanhoe Electric Inc. ("**Ivanhoe**")).
- FOR JCHX: Approval from the Board of Directors, shareholders, China's State Administration of Foreign Exchange, and Beijing Municipal Bureau of Commerce.

At the meeting, we will be seeking your approval for the Transaction. The Transaction requires minority shareholder approval pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). Under MI 61-101, related party transactions require minority shareholder approval. A "related party" pursuant to MI 61-101 includes a control person of the entity, directors, executive officers and shareholders holding over 10% of the voting rights attached to the voting securities of the issuer. JCHX owns or controls approximately 19.9% of the issued and outstanding common shares in the capital of Cordoba (the “**Common Shares**”), and accordingly, JCHX is a related party of Cordoba for the purposes of MI 61-101.

Ivanhoe is also a “related party” for the purposes of MI 61-101 because it is a shareholder of the Company holding more than 10% of the Common Shares. Ivanhoe owns or controls approximately 63.2% of the issued and outstanding Common Shares. Ivanhoe stands to benefit from the Transaction because part of the proceeds from the Transaction will be used to repay certain debt owed by the Company to Ivanhoe.

Given that JCHX, Ivanhoe, and their respective affiliates are “related parties”, they constitute “excluded shareholders” for the purposes of MI 61-101 and will not be entitled to vote to approve the Transaction.

This management information circular and the accompanying materials outlines the business to be conducted at the meeting in further details. We strongly encourage you to read this material in advance of the meeting and take the opportunity to participate in the approval process for the Transaction, in person or by proxy.

We appreciate your participation in this important process and look forward to seeing you at the meeting.

Sincerely,

*"William (Bill) Orchow"*

William (Bill) Orchow, Lead  
Independent Director  
Cordoba Minerals Corp.

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606 – 999 Canada Place  
Vancouver, British Columbia  
V6C 3E1

## NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that a special meeting of the shareholders (the "**Meeting**") of Cordoba Minerals Corp. (the "**Company**") will be held on Wednesday, February 8, 2023 at 11:00 a.m. (Pacific Time), in person at the offices of Cassels Brock & Blackwell LLP, Suite 2200, 885 West Georgia Street, Vancouver, BC, V6C 3E8, for the following purposes:

1. to consider, and if thought advisable, pass an ordinary resolution by holders of the Company's common shares entitled to vote on such resolution in accordance with the requirements of the TSX Venture Exchange ("**TSXV**"), the full text of which is set forth on Schedule A in the management information circular accompanying this Notice (the "**Circular**"), which TSXV requirements incorporate the requirements of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"), to approve the Transaction, as such term is defined in the Circular, and all as more particularly described, therein; and
2. to transact such other business as may properly be put before the Meeting.

The Transaction requires minority shareholder approval pursuant to the rules of the TSXV and MI 61-101 because it is a "related party transaction". Under MI 61-101, related party transactions require minority shareholder approval. A "related party" pursuant to MI 61-101 includes a control person of the entity, directors, executive officers and shareholders holding over 10% of the voting rights attached to the voting securities of the issuer. JCHX owns or controls approximately 19.9% of the issued and outstanding common shares in the capital of Cordoba (the "**Common Shares**"), and accordingly, JCHX is a related party of Cordoba for the purposes of MI 61-101.

In addition, Ivanhoe Electric Inc. ("**Ivanhoe**"), a controlling shareholder of the Company holding more than 10% of the Common Shares, will be benefitting from the Transaction because certain proceeds from the Transaction will be used to repay certain debt owed by the Company to Ivanhoe. Ivanhoe owns or controls approximately 63.2% of the issued and outstanding Common Shares. Accordingly, Ivanhoe is also a "related party" for the purposes of MI 61-101.

Given that JCHX and Ivanhoe and their respective affiliates are "related parties", they constitute "excluded shareholders" for the purposes of MI 61-101 and will not be entitled to vote to approve the Transaction.

The Board of Directors has fixed the close of business on Thursday, December 29, 2022 as the record date for the determination of shareholders entitled to notice of, and to vote at, the Meeting or any adjournment or postponement thereof (the "**Record Date**"). Only shareholders whose names have been entered in the register of shareholders as of the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting.

The Circular and form of proxy (the "**Meeting Materials**") accompany this notice of meeting and form part of this notice.

To ensure a smooth functioning meeting, we kindly ask shareholders planning to attend the meeting to notify the Company's Corporate Secretary by calling toll-free within North America at 1-888-571-4545 or direct, from outside of North America at 1-604-331-9816 (not a toll-free number) or by email at [info@cordobamineralscorp.com](mailto:info@cordobamineralscorp.com).

A registered shareholder who is unable to attend the Meeting and who wishes to ensure that such shareholder's Common Shares will be voted at the Meeting is requested to complete, date and execute the enclosed form of proxy and deliver it to Computershare Investor Services Inc. ("**Computershare**") in accordance with the instructions set out in the Meeting Materials. Additionally, Shareholders may submit their vote over the internet, by fax or telephone by following the instructions found on the form of proxy. If a shareholder does not deliver a proxy to Computershare by 11:00 a.m. (Pacific Time) on Monday, February 6, 2023 or 48 hours (excluding Saturdays, Sundays and holidays) before any adjournment or postponement of the Meeting at which the proxy is to be used, then the shareholder will not be entitled to vote at the Meeting by proxy. Late proxies may be accepted or rejected by the Chairman of the Meeting by waiving the deadline in his sole discretion.

Non-registered shareholders (beneficial owners) should complete and return the voting instruction form or proxy provided to them by their broker or other intermediary in accordance with the specific instructions, and by the deadline specified therein. If you are a non-registered shareholder and do not complete and return the materials in accordance with such instructions, you may lose the right to vote at the Meeting.

The circular will be available on SEDAR at [www.sedar.com](http://www.sedar.com) and can also be found on the Company's website at [cordobaminerals.com](http://cordobaminerals.com). If you have any questions or require assistance with voting, please contact us at 1-604-689-8765 or by email at [info@cordobamineralscorp.com](mailto:info@cordobamineralscorp.com).

DATED at Vancouver, British Columbia, the 3<sup>rd</sup> day of January, 2023.

**ON BEHALF OF THE BOARD**

***"William (Bill) Orchow"***

**William (Bill) Orchow, Lead Independent Director**

## QUESTIONS AND ANSWERS

### **Questions and Answers About the Transaction**

*The following are some of the questions that you, as a Shareholder, may have in respect of the Transaction and answers to those questions. These questions are provided for convenience only and should be read in conjunction with the remainder of this Circular.*

#### **What is the Transaction?**

On December 8, 2022, the Company announced that it had entered into a Transaction with JCHX whereby:

- JCHX, through a wholly-owned subsidiary, will purchase a 50% ownership interest in CMH, a company existing under the laws of Colombia, for an aggregate consideration of US\$100 million (approximately C\$136 million); and
- CMH will own 100% of the Project and as a result, be the joint venture vehicle for Cordoba and JCHX in this strategic project level partnership.

JCHX will satisfy the purchase price of US\$100 million as follows:

- At closing of the Transaction, a first installment US\$40 million will be payable in cash and is expected to occur before the end of Q1 2023.
- A second installment of US\$40 million is payable in cash upon completion of a Cordoba board approved Feasibility Study of the Project, and the submission of the EIA to the relevant Colombian government authority.
- A third and final installment of US\$20 million is payable in cash once the approval of the EIA is obtained, which must be within two years of the Transaction's closing date. Should the EIA not be approved by the second anniversary of the closing date, JCHX will have the option to elect not to complete this third and final installment, which will result in JCHX being diluted to 40% and Cordoba increasing to a majority 60% shareholding in CMH.
- On January 3, 2023, JCHX advanced a bridge loan of US\$10 million in cash to Cordoba. Upon closing of the Transaction, the entire balance owing under the bridge loan and accrued interest will be applied towards the first installment payment as a payment in kind.

For a more detailed summary of the Framework Agreement, see *Approval of Transaction – Framework Agreement*.

#### **What was the existing relationship with JCHX?**

Cordoba first publicized an initial strategic relationship with JCHX on November 18, 2019, announcing a C\$11 million investment by JCHX in Cordoba for a 19.9% stake. This transaction successfully closed on January 17, 2020, which marked the commencement of JCHX's partnership with Cordoba. Immediately following this investment, the Company welcomed Dr. Huaisheng Peng, President of JCHX Group Co., Ltd., to the Cordoba board.

#### **How will decisions be made in accordance with the joint venture?**

The JV SHA will govern the strategic relationship between Cordoba and JCHX, and will set forth the general responsibility and authority of the CMH board, in addition to the entitlements of each

shareholder. The JV SHA, which will be entered at closing of the Transaction, provides for, among other things:

- The CMH board will comprise of four individuals, of which two directors will be nominated by Cordoba and the other two directors will be nominated by JCHX; and for so long as the shareholdings in CMH remain 50%-50%, a Cordoba representative will serve as the Chairperson of the CMH board, and will possess a casting vote on all matters subject to a list of reserved matters.
- Minerales will be appointed as the operator and manager of the Project pursuant to a Management Services Agreement and will be responsible for setting the annual programs and budgets for the CMH board's approval.
- JCHX (or its affiliate) has right of first offer to bid on the Engineering, Procurement and Construction (EPC) and Detailed Design Agreement contracts, provided that Cordoba has the right to open the process out to competitive tender; with JCHX having the right to match any competitive bid.
- JCHX (or its affiliate) shall be entitled to up to 100% of the offtake from production under the current Feasibility Study of the Project, provided that they are paying fair market value and they are the most competitive offer (including a matching right for other third-party proposals).

### **What is the current status of the Project?**

Cordoba continues to steadily advance the Feasibility Study for the Project, and throughout the course of the 2022 conducted an in-fill drilling program. There is a current Pre-Feasibility Study on the Project which was issued in January 2022 and entitled "NI 43-101 Technical Report and Prefeasibility Study, San Matias Copper-Gold-Silver Project, Colombia", effective January 11, 2022 (available on SEDAR at [www.sedar.com](http://www.sedar.com)).

### **What is this document?**

This document is a management information circular that is being sent in advance of the Meeting. This Circular provides information regarding the business of the Meeting. For ease of reference, a glossary of capitalized terms used in this Circular can be found on Schedule C of this Circular. References in this Circular to the Meeting include any adjournment or postponement thereof.

### **Why is the Meeting being held?**

The Meeting is being held to permit the Required Shareholder Approval to be obtained for the Transaction. It is a condition of the Transaction that the Required Shareholder Approval be obtained at the Meeting.

### **Why are JCHX and Ivanhoe not permitted to vote?**

JCHX is a "related party" of the Company within the meaning of applicable securities laws. In addition, Ivanhoe is also considered a "related party" because part of the proceeds from the Transaction will be used to repay certain debt owed by the Company to Ivanhoe. As such, the Transaction constitutes a "related party transaction" for Cordoba, and completion of the Transaction is subject to, among other things, the requirement to obtain approval of a "majority of the minority" of Shareholders.



### **Why should I vote in favour of the Transaction?**

The Special Committee overseeing the Transaction, having received the Fairness Opinion from Haywood Securities Inc. ("**Haywood**") and an independent legal opinion from Osler, Hoskin & Harcourt LLP, and having undertaken a thorough review of, and carefully considered the terms of the Transaction and the Framework Agreement, has unanimously (i) determined that the Transaction and the entering into of the Framework Agreement are in the best interests of Cordoba and fair to the Shareholders (excluding JCHX and its affiliates), (ii) recommended that the Board approve the Transaction and the Framework Agreement, and (iii) recommended that the Board recommend to Shareholders that they vote in favour of the Transaction Resolution.

In making its recommendation to the Board, the Special Committee considered a variety of factors, benefits and risks. See "*Information Relating to The Transaction – Reasons for the Recommendation*".

The Board, having carefully considered the terms of the Transaction and the Framework Agreement, and after having verbally received the Fairness Opinion and the unanimous recommendation of the Special Committee, has unanimously determined (with Dr. Huaisheng Peng and Govind Friedland having recused themselves) that the Transaction is in the best interests of Cordoba and fair to the Shareholders (other than JCHX, Ivanhoe and their respective affiliates).

The Board recommends that Shareholders vote FOR the Transaction Resolution.

### **Who is entitled to vote?**

Shareholders at the close of business on the Record Date of December 29, 2022 or, in each case, their duly appointed representatives are entitled to vote at the Meeting. See below for a description of Shareholders who are entitled to vote for the Transaction Resolution.

### **What if I acquire ownership of Common Shares after the Record Date?**

Only persons on the list of registered Shareholders prepared by the Company as of the Record Date of December 29, 2022 are entitled to vote at the Meeting.

### **What Shareholder approvals are required for the Transaction Resolution?**

In order to become effective, the Transaction Resolution must receive a simple majority of the votes cast by the Shareholders present in person or represented by proxy at the Meeting and entitled to vote at the Meeting, excluding the votes cast by such Shareholders that are required to be excluded pursuant to MI 61-101 and, to the extent applicable, the requirements of the TSXV (the "**Required Shareholder Approval**"). To the knowledge of the Company, only the votes attached to the Common Shares owned directly or indirectly by JCHX, representing in the aggregate approximately 19.9% of the outstanding Common Shares, and the Common Shares owned directly or indirectly by Ivanhoe, representing in the aggregate approximately 63.2% of the outstanding Common Shares, will be excluded from the required "majority of the minority" vote.

### **When does the Company expect the Transaction to be completed?**

As of the date of this Circular, the Company anticipates that the Transaction will be completed around the end of February 2023, upon the satisfaction or waiver of all conditions to completion of the Transaction. However, it is not possible to state with certainty when or if the Transaction will be completed.

### **Has the Company received a fairness opinion in connection with the Transaction?**

The Special Committee retained Haywood to provide a formal opinion to the Special Committee as to the fairness, from a financial point of view, of the terms of the Transaction to the Company. Haywood rendered the Fairness Opinion, to the effect that, as of December 7, 2022, and subject to the scope of review, assumptions, limitations and qualifications set forth in the Fairness Opinion, that the terms of the Transaction are fair, from a financial point of view, to the Shareholders (other than JCHX and its affiliates). The full text of the Fairness Opinion can be found at Schedule B to this Circular. See "*Fairness Opinion*".

### **What other conditions must be satisfied to complete the Transaction?**

In addition to the Required Shareholder Approval, completion of the Transaction is conditional upon, among other things, approval from the TSXV, approval of the shareholders of JCHX, approval from the JCHX Board, approval from China's State Administration of Foreign Exchange, approval from Beijing Municipal Bureau of Commerce, as well as the satisfaction of certain other customary closing conditions. See "*The Framework Agreement – Conditions to Closing*".

### **How will the Transaction affect my ownership and voting rights as a Shareholder?**

In connection with the Transaction, Subco will acquire existing and newly issued shares in CMH. No shares of Cordoba are proposed to be issued. Accordingly, the Transaction will not affect your ownership and voting rights as a Shareholder.

### **What happens if the Transaction is not completed?**

If the Transaction is not completed by the time of the maturity of the Bridge Loan (which is 18 months from the date of funding of the Bridge Loan), pursuant to the terms of the Bridge Loan, the outstanding amount will immediately become due and repayable by Minerale to the lender of the Bridge Loan. In the event these funds are not repaid, Cordoba has granted JCHX a pledge and a call option, either of which, if exercised, would require Cordoba to transfer 20% of the shares of CMH to JCHX.

Furthermore, Cordoba would need to find an alternative funding source to push forward with the development of the Project.

### **Are there risks I should consider in connection with the Transaction?**

Yes. A number of risk factors that you should consider in connection with the Transaction are described in the section of this Circular entitled "*Risk Factors*", such risks include but are not limited to: completion of the Transaction is subject to the satisfaction or waiver of several conditions, risk of installment payments, the Framework Agreement is not effective until the approval of the JCHX Board and shareholders, the Framework Agreement may be terminated, failure to complete the Transaction could negatively impact the Company's relationship with JCHX, required Cordoba Shareholder approval, The Transaction may divert the attention of the Company's management, interests of certain persons in the Transaction, risk of dispute, deadlock, impasse, additional funding requirements, fluctuations in the price of copper, permits and licenses, political, economic and other risks, availability of infrastructure, energy and other commodities, exploration and mining risks, environmental risks, community relations and action, reliance on operators and key employees, conflict of interest of management, availability of equipment and access restrictions, competition, uninsured or uninsurable risks, volatility of current global financial conditions, litigation risk, potential volatility of market price of Common Shares.

## **Questions and Answers About Voting Procedures**

*The following are some of the general questions that you, as a Shareholder, may have in respect of voting at the Meeting and answers to those questions. These questions are for convenience only and should be read in conjunction with the Circular.*

### **How do I vote?/Voting Procedures**

A holder of record of one or more Common Shares on the Record Date who either attends the Meeting personally or deposits a proxy in the manner and subject to the provisions described herein will be entitled to vote or to have such Common Share or Common Shares voted at the Meeting except to the extent that:

- (a) the shareholder has transferred the ownership of any such Common Shares after the Record Date; and
- (b) the transferee produces a properly endorsed share certificate for, or otherwise establishes ownership of, any of the transferred Common Shares and makes a demand to Computershare no later than 10 days before the Meeting that the transferee's name be included in the list of shareholders in respect thereof.

For more information on how to vote at the Meeting, please see the discussion under "*Voting Information*" below.

### **What constitutes a quorum at the Meeting?**

At the Meeting, a quorum for the transaction of business at any meeting of Shareholders exists if, at the commencement of the meeting, there are two (2) persons present who are, or who represent by proxy, Shareholders who, in the aggregate, hold at least 1/20<sup>th</sup> of the issued Cordoba Shares entitled to vote at the meeting.

### **How many Common Shares are entitled to vote?**

The Company's issued and outstanding voting securities as at the Record Date consist of 89,237,671 Common Shares. Excluding Common Shares held by each of Ivanhoe, JCHX, and their affiliates, there are 15,051,645 Common Shares entitled to vote on the Transaction.

## GENERAL INFORMATION

This Circular is furnished in connection with the solicitation by management of Cordoba of proxies to be used at the Meeting and any adjournment thereof, to be held on Wednesday, February 8, 2023 at 11:00 a.m. (Pacific Time), at the offices of Cassels Brock & Blackwell LLP, Suite 2200, 885 West Georgia Street, Vancouver, BC V6C 3E8, for the purposes set forth in the enclosed notice of meeting (the "**Notice of Meeting**").

### **Date of Information**

This Circular is dated January 3, 2023.

### **Currency**

All dollar amounts are expressed in United States dollars unless otherwise indicated.

This Circular is being mailed with a Proxy or voting instruction form, in accordance with applicable laws.

### **Share Capital**

The Board of Directors has fixed the close of business on December 29, 2022 as the Record Date, being the date for the determination of shareholders entitled to notice of, and to vote at, the Meeting or any adjournment or postponement thereof.

The Company's authorized capital consists of an unlimited number of Common Shares without par value. As of the Record Date, the Company had issued 89,237,671 fully paid and non-assessable Common Shares issued and outstanding, each carrying the right to one vote.

### **Who Can Vote**

A holder of record of one or more Common Shares on the Record Date who either attends the Meeting in person, or deposits a proxy in the manner and subject to the provisions described above will be entitled to vote or to have such Common Share or Common Shares voted at the Meeting except to the extent that:

- (a) the shareholder has transferred the ownership of any such Common Shares after the Record Date; and
- (b) the transferee produces a properly endorsed share certificate for, or otherwise establishes ownership of, any of the transferred Common Shares and makes a demand to Computershare no later than 10 days before the Meeting that the transferee's name be included in the list of shareholders in respect thereof.

As interested parties, both JCHX and Ivanhoe will not be entitled to vote at the Meeting.

Pursuant to the Articles, a quorum for the transaction of business at any meeting of Shareholders exists if, at the commencement of the meeting, there are two persons present who are, or who represent by proxy, Shareholders who, in the aggregate, hold at least 1/20<sup>th</sup> of the issued Common Shares entitled to vote at the meeting. If such a quorum is not present in person or by proxy, we will reschedule the Meeting.

## Principal Holders of Voting Securities

To the knowledge of the directors and executive officers of the Company as of the Record Date, no person beneficially owns, controls, or directs, directly or indirectly, 10% or more of the voting rights attached to the Common Shares, other than as set forth below:

Name	Number of Cordoba Shares Beneficially Owned, Controlled or Directed (Directly or Indirectly) <sup>(1)</sup>	Percentage of Issued and Outstanding Cordoba Shares
Ivanhoe Electric Inc. <sup>(2)</sup>	56,390,193 <sup>(3)</sup>	63.2% <sup>(3)</sup>
Intera Mining Investment Limited <sup>(4)</sup>	17,795,833 <sup>(5)</sup>	19.9% <sup>(5)</sup>

### Notes:

- (1) The information as to the number and percentage of Common Shares beneficially owned, controlled or directed, not being within the knowledge of the Company, has been obtained from such Shareholder directly.
- (2) Ivanhoe is majority owned and controlled by I-Pulse Inc.
- (3) Ivanhoe also has the right to acquire 1,465,235 Common Shares that are issuable upon the exercise of outstanding share purchase warrants. 1,465,235 share purchase warrants are currently exercisable into 1,465,235 Common Shares at a price of \$0.77 until September 24, 2026. These share purchase warrants may therefore be deemed outstanding for certain purposes under securities laws, and are in addition to the Common Shares reported in the table above.
- (4) Intera is wholly-owned and controlled by JCHX.
- (5) JCHX also has the right to acquire 491,435 Common Shares that are issuable upon the exercise of outstanding share purchase warrants. 452,975 share purchase warrants are currently exercisable into 491,435 Common Shares at a per Common Share price of \$1.802 until February 18, 2023. These share purchase warrants may therefore be deemed outstanding for certain purposes under securities laws, and are in addition to the Cordoba Shares reported in the table above.

## Notice and Access

The Company is not relying on the notice-and-access delivery procedures outlined in National Instrument 54-101 *Communications with Beneficial Owners of Securities of a Reporting Issuer* ("NI 54-101") to distribute copies of the Meeting Materials.

## Interest of Certain Persons in Matters to be Acted Upon

Other than as described in *Items of Business – Approval of the Transaction – Background – Background to the Transaction* in this Circular, none of the directors or executive officers of the Company, none of the persons who have been directors or executive officers of the Company since the commencement of the Company's last completed financial year, and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter of special business to be acted upon at the Meeting.

## Interest of Informed Persons in Material Transactions

Except with respect to JCHX's and Ivanhoe's involvement with the Transaction, and other than as described in *Items of Business – Approval of the Transaction – Background – Background to the Transaction* with respect to the Board, no person who has been a director or executive officer of the Company, nor any person or company who beneficially owns, directly or indirectly, or who exercises control or direction over (or a combination of both) more than 10% of the issued and

outstanding Common Shares, nor any associate or affiliate of those persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction since the beginning of the Company's last completed financial year which has materially affected or would materially affect the Company or its subsidiaries.

### **Management Contracts**

No management functions of the Company or its subsidiaries are to any substantial degree performed by a person or company other than the directors and officers of the Company or its subsidiaries.

### **Other Matters**

It is not known whether any other matters will come before the Meeting other than those set forth in this Circular and in the Notice of Meeting, but if any other matters do arise, the person named in the Proxy intends to vote on any poll, in accordance with his or her best judgement, exercising discretionary authority with respect to amendments or variations of matters set forth in the Notice of Meeting and other matters which may properly come before the Meeting or any adjournment of the Meeting.

### **Additional Information**

Copies of the Company's Annual Information Form, Annual Financial Statements and Management's Discussion and Analysis for its most recently completed financial year filed pursuant to applicable Canadian provincial securities laws are available through the System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com). Information concerning the Company may be obtained by any shareholder free of charge by contacting the Company at 1 604-689-8765.

## VOTING INFORMATION

### Solicitation of Proxies

Management's solicitation of proxies will be conducted by mail and proxies may also be solicited personally or by telephone or any form of electronic communication by the employees, directors and/or officers of the Company, as applicable, at nominal cost.

The Company may also pay any reasonable costs incurred by persons who are the registered but not beneficial owners of the Common Shares (such as brokers, dealers, other registrants under applicable securities laws, nominees and/or custodians) in sending or delivering copies of the Meeting Materials to the beneficial owners of such Common Shares. The Company will provide, without cost to such persons, upon request to the Chief Financial Officer of the Company, additional copies of the foregoing documents required for this purpose. The cost of solicitation will be borne by the Company.

No person is authorized to give any information or to make any representation concerning the Meeting other than those contained in this Circular and, if given or made, such information or representation should not be relied upon as having been authorized.

### Registered Voting and Appointment of Proxyholders

A Registered Shareholder whose name appears on the certificate(s) representing the Common Shares are entitled to notice of, and to vote, at the Meeting. If you are a Registered Shareholder of the Company and are unable to attend the Meeting in person, please complete, date and sign the accompanying form of proxy and deposit it with Computershare, attention: Proxy Tabulation Unit, 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, by fax to **1-866-249-7775** (toll-free) or **1-416-263-9524** (outside Canada and the US), by telephone at **1-866-732-8683** or **online via: [www.investorvote.com](http://www.investorvote.com)**, by 11:00 a.m. (Pacific Time) on Monday, February 6, 2023 or at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time that the Meeting is to be reconvened after any adjournment of the Meeting or 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the commencement of any postponed Meeting.

A Registered Shareholder is entitled to one vote for each Common Share that such Shareholder held on the Record Date on the resolutions to be voted upon at the Meeting, and any other matter to properly come before the Meeting.

The Designated Persons are directors and/or officers of the Company.

**A SHAREHOLDER HAS THE RIGHT TO DESIGNATE A PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER), OTHER THAN THE DESIGNATED PERSONS, TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING.**

**SUCH RIGHT MAY BE EXERCISED BY STRIKING OUT THE PRINTED NAMES AND INSERTING THE NAME OF SUCH OTHER PERSON AND, IF DESIRED, AN ALTERNATE TO SUCH PERSON, IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE'S CONSENT TO ACT AS PROXY AND SHOULD PROVIDE INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER'S CORDOBA SHARES SHOULD BE VOTED. THE NOMINEE SHOULD BRING PERSONAL IDENTIFICATION TO THE MEETING. IF THE NOMINEE IS A COMPANY, THE COMPANY MUST PROVIDE THE INSTRUMENT APPOINTING THE OFFICER OR ATTORNEY WHO CAN VOTE ON BEHALF OF THE**

## **COMPANY AS PROXYHOLDER, AS THE CASE MAY BE, OR A NOTARIZED OR CERTIFIED COPY THEREOF.**

In order to be voted, the completed form of proxy must be received by Computershare at their offices located at Proxy Tabulation Unit, 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, Canada, M5J 2Y1, by mail or fax, or **online via: [www.investorvote.com](http://www.investorvote.com)**, by 11:00 a.m. (Pacific Time) on Monday, February 6, 2023 or at least 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of British Columbia) prior to the scheduled time of the Meeting, or any adjournment(s) or postponement(s) thereof.

A proxy is not valid unless it is dated and signed by the shareholder who is giving it or by that shareholder's attorney duly authorized in writing or, in the case of a corporation, dated and executed by a duly authorized officer or attorney for the corporation. If a form of proxy is executed by an attorney for an individual shareholder or joint shareholders, or by an officer or attorney for a corporate shareholder, the instrument so empowering the officer or attorney, as the case may be, or a notarized certified copy thereof, must accompany the form of proxy.

If not dated, the proxy will be deemed to have been dated the date it is mailed to shareholders.

### **Non-Registered Shareholders**

Only Registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are "Non-Registered" shareholders because the Common Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Common Shares. More particularly, a person is not a Registered Shareholder in respect of Common Shares which are held on behalf of the person (the "**Non-Registered Shareholder**") but which are registered either:

- (a) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Shareholder deals with in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or
- (b) in the name of a clearing agency (such as the CDS) of which the Intermediary is a participant. In accordance with the requirements of NI 54-101, the Company has distributed copies of the Meeting Materials to the clearing agencies and Intermediaries for onward distribution to Non-Registered Shareholders.

Non-Registered Holders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Company are referred to as non-objecting beneficial owners "**NOBOs**". Those Non-Registered Shareholders who have objected to their Intermediary disclosing ownership information about themselves to the Company are referred to as objecting beneficial owners "**OBOs**".

Intermediaries are required to forward the Meeting Materials to Non-Registered Shareholders unless a Non-Registered Shareholder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Shareholders. The Company does intend to send copies of the Meeting Materials directly to NOBOs. The Company does intend to pay for Intermediaries to forward Meeting Materials to OBOs.



Generally, Non-Registered Shareholders who have not waived the right to receive Meeting Materials will have received as part of the Meeting Materials a voting instruction form which must be completed, signed and delivered by the Non-Registered Shareholder in accordance with the directions on the voting instruction form. Voting instruction forms sent by Computershare permit the completion of the voting instruction form by telephone or through the Internet at [www.investorvote.com](http://www.investorvote.com).

The purpose of this procedure is to permit Non-Registered Shareholders to direct the voting of the Common Shares that they beneficially own. Should a Non-Registered Shareholder who receives one of the above forms wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should follow the instructions on the voting form to indicate that it (or such other person) will attend and vote at the Meeting. **Non-Registered Shareholders should carefully follow the instructions contained in the voting instruction form of their Intermediaries and their service companies and contact them directly with any questions regarding the voting of Common Shares owned by them.**

### **Revocation of Registered Proxies**

A Registered Shareholder who has given a Proxy may revoke it insofar as it has not been exercised. A Proxy may be revoked by instrument in writing executed by the Registered Shareholder, or by his attorney authorized in writing, or if the Registered Shareholder is a company, under its corporate seal by an officer or authorized attorney thereof, indicating the capacity under which such officer or attorney is signing and deposited at the registered office of the Company at Suite 606 – 999 Canada Place, Vancouver, BC, V6C 3E1, at any time not less than 48 hours (excluding Saturdays, Sundays and holidays) preceding the time of the Meeting at which the Proxy is to be used, or, if adjourned, any reconvening thereof. A Proxy may also be revoked in any other manner permitted by law. A revocation of a Proxy does not affect any matter on which a vote has been taken prior to the time of the revocation. A shareholder attending the Meeting has the right to vote in person and, if he or she does so, his or her Proxy is nullified with respect to the matters such person votes upon and any subsequent matters thereafter to be voted upon at the Meeting. **Only Registered Shareholders have the right to revoke a Proxy. Non-Registered Shareholders who wish to change their vote must, at least seven days before the Meeting, arrange for their respective Intermediaries to change their vote and if necessary change their decision to attend and vote at the Meeting. A revocation of a Proxy does not affect any matter on which a vote has been taken prior to the revocation.**

### **Exercise of Discretion**

Common Shares represented by properly executed Proxies given in favour of the persons designated in the printed portion of the accompanying Proxy at the Meeting will be voted or withheld from voting in accordance with the instructions contained therein on any ballot that may be called for and, if a shareholder specifies a choice with respect to any matter to be acted upon at the Meeting, the Common Shares represented by the Proxy shall be voted accordingly. **Where no choice is specified, the Proxy will confer discretionary authority and will be voted in favour of each matter for which no choice has been specified.**

**The enclosed Proxy when properly completed and delivered and not revoked also confers discretionary authority upon the person appointed proxy thereunder to vote with respect to any amendments or variations of matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting.** At the time of printing this Circular, management of the Company knows of no such amendments, variations or other

matters to come before the Meeting. However, if any other matters which are not known to the management of the Company should properly come before the Meeting, the Common Shares represented by proxies given in favour of management nominees will be voted in accordance with the best judgment of the nominee.

## **ITEMS OF BUSINESS – APPROVAL OF THE TRANSACTION**

### **Background**

#### *Background Regarding JCHX's Existing Shareholding*

JCHX originally engaged with Cordoba in 2019 and the ensuing negotiations resulted in the Initial Investment, being the strategic investment in January 2020 by JCHX (through Intera) in the form of a subscription for 91,372,536 Common Shares, representing 19.9% of the then issued and outstanding Common Shares, at a price of \$0.12 per Common Share. In connection with the Initial Investment, JCHX entered into an investor rights agreement with Cordoba which provided for, among other things, JCHX's Anti-Dilution Right, being its right to acquire additional Common Shares in the future in order to maintain its 19.9% interest in the Company. JCHX has since exercised its Anti-Dilution Right on numerous occasions and has maintained its 19.9% interest in Cordoba.

#### *Background to the Transaction*

The Board of Directors, with the assistance of the management of Cordoba, has continually reviewed the strategic options and opportunities available to Cordoba to seek to maximize Shareholder value. These opportunities include the possibility of strategic transactions with various industry participants. The Board of Directors and the management of Cordoba review and consider such opportunities as they arise to determine whether pursuing them would be in the best interests of Shareholders.

One such opportunity presented itself in December, 2021 when JCHX informally expressed interest in increasing its investment in the Project following a site visit in Colombia and meetings between Dr. Huaisheng Peng, the President of JCHX Group Co., Ltd. and a member of the Board of Directors, and Cordoba's chief executive officer, Sarah Armstrong-Montoya.

During that visit and in the ensuing months, Dr. Peng and Ms. Armstrong-Montoya discussed JCHX's interest in expanding its involvement in the development of the Project by way of a direct investment in the Project.

Discussions continued and it was agreed that a corporate joint venture at the Project level was the appropriate structure for a potential transaction. Potential commercial terms were proposed as between the parties over the next few months and various versions of a term sheet went back and forth between the parties. However, no definitive term sheet was settled and no agreement was reached regarding the valuation of the Project and the related quantum of the investment.

Dr. Peng and Ms. Armstrong-Montoya met again in Colombia in April 2022 and travelled to Peru to conduct a site visit at a mine that JCHX had previously constructed. During this trip, Cordoba and JCHX both expressed their desire to move forward, however, the parties were unable to reach an agreement on valuation.

During the spring and summer months of 2022, the management teams of JCHX and Cordoba continued discussions concerning the proposed joint venture transaction with respect to the

Project. In late September 2022, the parties confirmed the outline of a potential high-level Transaction structure, consisting of a US\$100 million investment by JCHX to earn up to a 50% interest in the Project, although no term sheet was settled or signed.

On October 10, 2022, the Board of Directors met to discuss the Transaction, as well as the implications of JCHX's representation on the Board of Directors and JCHX's status as a "related party" of Cordoba for the purposes of MI 61-101. The Board of Directors concluded that it would be appropriate to establish the Special Committee to consider the Transaction and any alternatives thereto.

By written consent resolution dated October 13, 2022, the Board of Directors formally approved: (i) the formation of the Special Committee comprised of two independent directors: William Orchow (Chair) and Dr. Diane Nicolson; and (ii) the Special Committee's mandate (the "**Special Committee Mandate**"). The Special Committee Mandate provided that the Special Committee was responsible for, without limitation, reviewing, considering and evaluating the Transaction and any alternatives (including maintaining the status quo), overseeing the preparation of any valuations or other opinions as to the fairness of the Transaction or any alternatives, directly conducting the negotiation and/or supervising the negotiation of the definitive agreements required to implement the Transaction, coordinating any required public disclosure filings by Cordoba and reporting and making recommendations to the Board of Directors with respect the Transaction or any alternatives. The Special Committee was also authorized to engage its own independent advisors.

On October 14, 2022, the Special Committee convened to consider the independent legal counsel and financial advisors to be retained by the Special Committee. Following discussions, and having regard to its independence and qualifications, the Special Committee engaged Osler as its legal counsel.

The Special Committee met with Osler and legal counsel to the Company, Cassels, on October 17, 2022, to discuss the preliminary commercial terms of the Transaction, the discussions with JCHX to date, the status of the draft Transaction documentation and the engagement of an independent financial advisor.

At that meeting the Special Committee received the advice of Osler regarding, among other things, the duties and responsibilities of the Special Committee in carrying out the Special Committee Mandate and the fairness opinion that would be required if Cordoba were to proceed with the Transaction. Accordingly, the Special Committee determined to obtain engagement proposals from two qualified independent financial advisors in respect the required fairness opinion.

After receiving two formal proposals from independent financial advisors with mining industry expertise for: (i) the preparation of an opinion on the fairness of the Transaction from a financial perspective to the Shareholders, other than JCHX and its affiliates; and (ii) related advisory services, the Special Committee convened on November 1, 2022 to consider such proposals.

In light of its mining industry expertise, independence, mergers & acquisitions experience and proposed fee structure, the Special Committee determined to retain Haywood as financial advisor to the Special Committee, subject to the negotiation of satisfactory fee arrangements. On November 9, 2022, the Special Committee negotiated satisfactory fee arrangements with Haywood and entered into a formal engagement letter with Haywood to prepare and present the Fairness Opinion to the Special Committee and provide ancillary advisory services.

The Special Committee received preliminary drafts of the Framework Agreement, the JV SHA, the Management Services Agreement, and the EPC Agreement and Design Agreement (collectively, the “**Transaction Agreements**”) on November 7, 2022. The Special Committee received a draft term sheet on November 14, 2022 that contemplated the Bridge Loan.

On November 15, 2022, a meeting of the Special Committee, Osler and Haywood was convened to discuss issues and risks with the Transaction Agreements and the terms and timing of the Bridge Loan. The Special Committee provided its preliminary comments on the Transaction Agreements to Cassels on November 17, 2022.

On November 17, 2022, the Special Committee and Osler were advised that Cordoba and JCHX had mutually agreed to dispense with the draft term sheet and proceed directly with the Transaction Agreements, which now included an agreement documenting the Bridge Loan (the “**Bridge Loan Agreement**” and hereinafter included in the definition of **Transaction Agreements**). Following which, the parties worked on the draft Transaction Documents, and from November 23, 2022 until December 7, 2022, members of Cordoba management, Cassels and Cordoba’s local counsel attended various drafting meetings with JCHX and their counsel and advisors, to negotiate and settle the Transaction Documents.

On November 26, 2022, the Special Committee, Osler and Haywood were provided with advanced drafts of the Transaction Agreements.

On the evening of November 27, 2022, the Special Committee convened a meeting with Ms. Armstrong-Montoya, Cassels, Haywood and Osler to discuss the status of the negotiations with JCHX, anticipated timing for announcement of the Transaction, Cordoba’s current and future cash needs and material changes reflected in the advanced drafts of the Transaction Agreements. The Special Committee provided incremental comments on the Transaction Agreements to Cassels on November 29, 2022.

The Special Committee, Osler and Haywood received further advanced drafts of the Transaction Agreements on December 1, 2022 and met with Cassels on December 2, 2022 to discuss the outstanding legal and commercial issues contained in the Transaction Agreements. The Special Committee then provided additional comments on the Transaction Agreements to Cassels later that day.

The Special Committee received near final versions of the Transaction Agreements on December 4, 2022 and met with Haywood and Osler the following day to discuss. Following that discussion, the Special Committee provided final comments to Cassels on December 5, 2022.

The Special Committee, Osler and Haywood received the proposed execution versions of the Transaction Agreements on December 6, 2022 and independently reviewed the same. Haywood circulated the written presentation materials in support of the Fairness Opinion to the Special Committee the evening of December 6, 2022.

The Special Committee convened on December 7, 2022 to review the proposed execution versions of the Transaction Agreements, a draft of the press release announcing the Transaction and to receive the Fairness Opinion from Haywood. At the meeting, Osler summarized the material changes reflected in the execution versions of the Transaction Agreements with the Special Committee. The Special Committee then received the oral Fairness Opinion from Haywood. Following discussion, the Special Committee considered whether the Transaction was

in the best interests of Cordoba and the Shareholders and whether the consideration that would be paid to Cordoba was fair. After careful consideration of the terms and conditions of the Transaction Agreements, the advice of the Special Committee's financial and legal advisors, the Fairness Opinion and a number of other factors, the Special Committee determined that the Transaction is in the best interests of Cordoba and the consideration to be received thereunder is fair to Shareholders (other than JCHX and its affiliates) and recommended that the Board of Directors: (i) approve the Transaction; and (ii) recommend that Shareholders vote in favour of the Transaction.

Later in the evening of December 7, 2022, the Board of Directors convened. Dr. Huaisheng Peng, who also serves on the board of directors of JCHX, was asked to leave the meeting and he recused himself from the meeting and abstained from voting in respect of the resolution. The Special Committee provided an overview of the Transaction, the details of the Fairness Opinion they had received, and their recommendation that the Board of Directors proceed with the Transaction. Cassels then provided the Board of Directors with a detailed oral summary of the Transaction Agreements and negotiations. Following discussion, the Board of Directors also received legal advice from Cassels on the duties and responsibilities of Cordoba's directors in the context of the proposed Transaction. After the Board of Directors had considered, among other things, the terms and conditions of the Transaction, the advice and summaries of Cassels, the oral Fairness Opinion, the report and recommendation by the Special Committee and a number of other factors, the Board of Directors determined that the Transaction was in the best interests of Cordoba and fair to Shareholders (other than JCHX, Ivanhoe, and their respective affiliates). Accordingly, the Board of Directors approved the Transaction and the entering into by Cordoba of the Transaction Agreements and recommended that Shareholders vote for the Transaction. Govind Friedland also abstained from voting in respect of the resolution because he also serves as a director of Ivanhoe, an interested party for the purposes of MI 61-101 on the basis that a prescribed use of the proceeds of the Transaction is repayment of certain debt owed by Cordoba to Ivanhoe.

Following the Board of Directors' meeting in the early morning of December 8, 2022, Cordoba and JCHX executed the Transaction Documents and the Transaction was publicly announced prior to the opening of trading on the TSXV on December 8, 2022.

### **Recommendation of the Special Committee**

The Special Committee, having undertaken a thorough review of, and having carefully considered the terms of the Transaction and the Transaction Agreements, and after consulting with Haywood and Osler and receiving the Fairness Opinion, has unanimously recommended that: (i) the Board approve the Transaction, and (ii) the Board recommend that Shareholders vote in favour of the Transaction Resolution.

### **Recommendation of the Board**

The Board, having undertaken a thorough review of, and having carefully considered the terms of the Transaction and the Framework Agreement, and after having received the unanimous recommendation of the Special Committee, including the details of the Fairness Opinion to such Special Committee, has unanimously determined (with Dr. Huaisheng Peng and Govind Friedland having recused themselves) that the Transaction is in the best interests of the Company and fair to the Shareholders (other than JCHX, Ivanhoe, and their respective affiliates).

## Reasons for the Recommendation

The following includes forward-looking information and readers are cautioned that actual results may vary. See "*Risk Factors*".

The Special Committee's recommendations are based on the totality of the information presented and considered by it. The following summary of the information and factors considered by the Special Committee is not intended to be exhaustive but includes a summary of the material information and factors considered by the Special Committee in its consideration of the transaction. In view of the variety of factors and the amount of information considered in connection with the Special Committee's review and evaluation of the Transaction, the Special Committee did not find it practicable to, and did not, quantify or otherwise attempt to assign any relative weight to each of the specific factors considered in reaching its recommendations. The recommendations of the Special Committee were made after consideration of the factors noted below, other factors, and in light of the Special Committee's knowledge of the business, financial condition and prospects of the Company, and taking into account the advice of the Special Committee's legal and financial advisors. Individual members of the Special Committee may have assigned different weights to different factors.

In making its recommendations, the Special Committee considered various factors, including those set out below:

- ***Fairness Opinion.*** The Special Committee engaged Haywood as its independent financial advisor and received a fairness opinion to the effect that, subject to the assumptions, limitations and qualifications contained in the fairness opinion, as of the date of the fairness opinion, the consideration to be paid by JCHX in respect of its proposed Transaction is fair, from a financial point of view, to the Shareholders (excluding JCHX and its affiliates).
- ***Fully Funded Project.*** The Transaction results in the Project continuing to be fully funded until a construction decision is made.
- ***De-Risking of Project.*** Any potential future funding risk to the Project is substantially mitigated by the significant cash injection to be received by CMH from Subco. Cordoba will be in a stronger financial position as a result of having to incur significantly less debt to fund the Project through CMH and Minerales, and JCHX, through Subco, will have a larger investment in the Project to protect. In this regard, the changes to the ownership and governance structure of CMH and Minerales will allocate Project risk in a manner generally consistent with joint ventures of this nature.
- ***Reputation and Resources of Strategic Partner.*** The Special Committee considered the business reputation, experience, capabilities and financial strength of JCHX, and concluded that JCHX is a valuable strategic joint venture partner and has the resources needed to complete the transaction. In particular, JCHX has proven capabilities in mine construction, and has in the past completed other projects ahead of schedule and under budget.
- ***Strategic Collaborative Partnership.*** As a result of the transaction, Cordoba's strategic collaborative partnership with JCHX with respect to the Project is

expected to continue to evolve. In this regard, Cordoba and JCHX have agreed that:

- The CMH board will comprise of four individuals, of which two directors will be nominated by Cordoba and the other two directors will be nominated by JCHX; and for so long as the shareholdings in CMH remain 50%-50%, a Cordoba representative will serve as the Chairperson of the CMH board, and will possess a casting vote on all matters subject to a list of reserved matters.
  - Minerales will be appointed as the operator and manager of the Project pursuant to a Management Services Agreement and will be responsible for setting the annual programs and budgets for the CMH board's approval.
  - JCHX (or its affiliate) has right of first offer to bid on the Engineering, Procurement and Construction (EPC) and Detailed Design Agreement contracts, provided that Cordoba has the right to open the process out to competitive tender; with JCHX having the right to match any competitive bid.
  - JCHX (or its affiliate) shall be entitled to up to 100% of the offtake from production under the current Feasibility Study of the Project, provided that they are paying fair market value and they are the most competitive offer (including a matching right for other third-party proposals).
- **Project Management.** The transaction provides for the continuation of the Project's highly skilled management team, including joint representation on the management committee that oversees the Project.
  - **Strategic Alternatives.** The Special Committee reviewed and considered the risks and uncertainties arising from possible strategic alternatives to the transaction (including preservation of the status quo, replacement joint venture partners, alternative debt and equity financing sources and structures, and a sale of control of the Project) and the timing and likelihood of achieving such alternatives in light of Cordoba's existing contractual rights and restrictions. The Special Committee concluded that this transaction is the best alternative reasonably available.
  - **Negotiations with JCHX.** The transaction follows extensive negotiations between Cordoba and JCHX which were supervised by the Special Committee and its independent legal and financial advisors. Cordoba was able to obtain significant benefits during this negotiation, including the Bridge Loan which is not linked to the success of the Framework Agreement, a staged payment approach which injects capital into the Company at critical times, and continued control over the development of the Project through the JV SHA and Management Services Agreement. Furthermore, the Special Committee concluded that it had obtained the best purchase price in the circumstances for JCHX's 50% interest in CMH.
  - **Framework Agreement.** The Special Committee considered the terms and conditions of the Framework Agreement, including:

- the representations, warranties and covenants of the parties, the conditions to the parties' obligations to complete the transaction, and their ability to terminate the Framework Agreement; and
  - that in no circumstance is Cordoba required to pay a termination fee in the event the Framework Agreement is terminated for any reason.
- **Likelihood of Consummation.** The Special Committee considered the likelihood that the transaction would be completed in light of, among other things, the conditions to the transaction and the absence of a financing condition, the relative likelihood of obtaining required regulatory approvals, and the remedies available to Cordoba under the Framework Agreement in the event of certain breaches by JCHX.
  - **Minority Shareholder Approval.** The transaction is subject to the approval of a majority of Cordoba's minority shareholders, and therefore Cordoba's minority shareholders are being provided with an opportunity to determine whether Cordoba will proceed with the completion of the transaction.

In the course of its deliberations and making its recommendation, the Special Committee also considered a variety of risks and other potentially negative aspects, including the following:

- **Reduced Equity Interest.** Cordoba's equity ownership in the Project will be reduced, resulting in the reduction of Cordoba's overall control. As a result, Cordoba may be expected to have less influence over the business and affairs of the Project than previously existed.
- **Regulatory Risk.** The Special Committee considered the risk that the necessary Chinese regulatory approvals may be delayed, conditioned or denied, including the fact that no termination fee would be payable by JCHX if such regulatory approval conditions are not satisfied and the Transaction is not completed.
- **Financing Risk.** The Special Committee considered the risk that, while the Framework Agreement is not, by its terms, subject to a financing condition, if JCHX fails to obtain sufficient financing, the transaction may not be consummated.
- **Enforcement Risk.** JCHX's status as a foreign entity without substantial assets in Canada, by its nature, makes enforcement of Cordoba's rights under the Framework Agreement and the agreements contemplated therein against JCHX more difficult than against an entity located in Canada.
- **Risks of Non-Completion.** If the transaction is not completed, Cordoba will have incurred significant risk and transaction and opportunity costs, including the possibility of disruption to Cordoba's and CMH's operations, diversion of management and employee attention, and a potentially negative effect on its business and stakeholder relationships. Depending on the circumstances that caused the transaction not to be completed, it is likely that the price of the Common Shares will decline significantly, and the market's perception of Cordoba's prospects could be materially affected.



While the Special Committee considered potentially positive and potentially negative factors, the Special Committee concluded that, overall, the potentially positive factors outweighed the potentially negative factors. Accordingly, the Special Committee unanimously determined that the Framework Agreement is in the best interests of Cordoba and fair to Shareholders (other than JCHX and its respective affiliates).

### **The Framework Agreement**

On December 8, 2022, the Company, JCHX and certain of their affiliates entered into the Framework Agreement. The Framework Agreement provides for agreements of the parties to complete the Transaction.

#### *Bridge Loan*

JCHX, through its wholly-owned subsidiary, Subco, advanced the Bridge Loan to Minerales. Minerales will use the Bridge Loan funds as follows (i) to repay up to \$2,500,000 of debt of Cordoba; (ii) use up to \$2,000,000 for general and administrative costs of Cordoba; and (iii) contribute the remaining proceeds, if any, to CMH (unless otherwise agreed by JCHX in writing and in advance in respect of alternative use for development of the Project without injection of all or part of such proceeds to CMH) to be used for the development of the Project.

#### *Contribution*

JCHX has agreed to, through Subco, (i) make the Contribution, being a capital contribution of \$53,500,000 to the Company's wholly-owned subsidiary CMH, in exchange for 735 common shares in the capital of CMH to be issued by CMH. The Contribution, together with the Acquisition, will result in JCHX owning, indirectly through Subco, 50% of the equity interest in the shares of CMH. CMH owns the Project and accordingly, this transaction will result in JCHX owning, indirectly through Subco and CMH, a 50% equity interest in the Project.

The Contribution consideration will be made in three installments. The first installment will be in the amount of \$13,500,000 (the "**First Installment**") and will be made on the Closing Date. The second installment will be in the amount of \$40,000,000 (the "**Second Installment**"), and will be made within 10 business days following receipt of written notice from CMH (the "**Second Installment Deadline**") confirming the completion of both of (i) the Board of Directors of Cordoba approving the final report of the current Feasibility Study, and (ii) the filing of the EIA for the Project with ANLA no later than the second anniversary of the Closing Date.

As security for the Second Installment, Subco agrees to grant the Cordoba Parties a call option or a pledge of 400 common shares in CMH held by Subco. If Subco fails to pay the Second Installment by the Second Installment Deadline, then the Cordoba Parties shall have the option to either enforce the share pledge or exercise the call option.

If the EIA for the Project is approved by ANLA on or before the second anniversary of the Closing Date, Subco shall subscribe for 1 additional common share in the capital of CMH (the "**Additional Subscription**") for consideration of \$20,000,000 (the "**Third Installment**").

If the EIA for the Project is not approved by ANLA on or before the second anniversary of the Closing Date, then Subco shall have the option to complete the Third Installment and the Additional Subscription, or, if it chooses not to, then Minerales shall have the right to subscribe for a set amount of common shares of CMH at par value as necessary, such that the shareholdings of CMH for the Cordoba Parties will increase to 60% of all issued and outstanding shares of CMH, and the shareholdings of CMH for Subco will decrease to 40% of all issued and outstanding shares of CMH.

The proceeds from the First Installment and Third Installment will be exclusively used for the development of the Project. The proceeds from the Second Installment will be used to repay any funding or debt advanced pursuant to the JV SHA, which will be signed as a condition of Closing, with the balance used exclusively for development of the Project.

#### *Acquisition*

JCHX has agreed to, through Subco, complete the Acquisition, being an acquisition of 265 common shares in the capital of CMH from the Company's wholly-owned subsidiary, Minerale, for consideration of the Purchase Price, being \$26,500,000.

The consideration for the Acquisition will be paid as follows: (i) the outstanding principal amount of the Bridge Loan and the then accrued interest thereupon will be deducted from the Purchase Price and credited as a payment in kind of the Bridge Loan at Closing, and (ii) the remaining amount of the Purchase Price to be paid in cash to Minerale on the Closing Date. Minerale shall use the proceeds from the Acquisition to pay up income tax and/or capital gains tax, repay up to \$16,000,000 of debt of Cordoba, and use any remaining funds to fund the Project.

#### *Joint Venture*

Concurrently with the Contribution and Acquisition, the shareholders of CMH, being Minerale, Subco and Exploradora Cordoba S.A.S., will enter into the Joint Venture.

#### ***Closing Date of the Transaction***

The Framework Agreement provides that, unless otherwise agreed, the Closing Date will be the tenth (10<sup>th</sup>) business day after the date on which the conditions precedent have either been fulfilled or waived by the Parties.

The Closing Date could be earlier than anticipated or could be delayed for a number of reasons, including the failure to obtain any of the necessary regulatory or other approvals in connection with the Transaction.

#### ***Representations and Warranties***

The Framework Agreement contains certain representations and warranties of each of the Cordoba Parties (as defined therein), CMH, and JCHX and Subco that are customary for transactions of this nature. The representations and warranties are, in some cases, subject to specified exceptions and qualifications.

#### ***Covenants***

The Framework Agreement contains covenants relating to the Transaction that are customary for transactions of this nature, including, among others, covenants on the part of each party to undertake certain actions to seek to obtain certain shareholder and regulatory approvals.

#### ***Conditions to Closing***

##### *Conditions in Favour of Cordoba Parties*

The obligation of the Cordoba Parties and CMH to complete the Transaction is subject to the satisfaction of or compliance with, at, or before the closing, each of the following conditions precedent (each of which may be waived by the Cordoba Parties and CMH):

- (a) *Representations and Warranties.* The representations and warranties of JCHX and Subco set forth in the Framework Agreement as to materiality shall be true and correct, and the representations and warranties not so qualified shall be true and correct in all material respects as of the date of the Framework Agreement and on the Closing Date as if made on the Closing Date, except for such representations and warranties made expressly as of a specified date which shall be true and correct in all material respects as of such date; and the Cordoba Parties and CMH shall have received a certificate signed on behalf of each of JCHX and Subco by an executive officer thereof to such effect dated as of the Closing Date.
- (b) *Performance of Obligations.* Each of JCHX and Subco shall have performed and complied in all material respects with all covenants and agreements required by the Framework Agreement to be performed or complied with by it prior to or on the Closing Date and the Cordoba Parties and CMH shall have received a certificate signed on behalf of each of JCHX and Subco by an executive officer thereof to such effect dated as of the Closing Date.
- (c) *Operational Agreements.* The Management Services Agreement and Joint Venture Shareholders Agreement shall have been entered into.
- (d) *Bridge Loan.* The Bridge Loan shall have been paid to Minerales.
- (e) *Shareholder Approval.* The Cordoba Shareholders shall have approved the Transaction Resolutions.

*Conditions in Favour of JCHX and Subco*

The obligation of JCHX and Subco to complete the Transaction is subject to the satisfaction of or compliance with, at or before the closing, each of the following conditions precedent (each of which may be waived by JCHX and Subco):

- (a) *Representations and Warranties.* The representations and warranties of the Cordoba Parties and CMH set forth in the Framework Agreement as to materiality shall be true and correct, and the representations and warranties not so qualified shall be true and correct in all material respects as of the date of the Framework Agreement and on the Closing Date as if made on the Closing Date, except for such representations and warranties made expressly as of a specified date which shall be true and correct in all material respects as of such date; and JCHX and Subco shall have received a certificate signed on behalf of each of the Cordoba Parties and CMH by an executive officer thereof to such effect dated as of the Closing Date.
- (b) *Performance of Obligations.* Each of the Cordoba Parties and CMH shall have performed and complied in all material respects with all covenants and agreements required by the Framework Agreement to be performed or complied with by it prior to or on the Closing Date and JCHX and Subco shall have received a certificate signed on behalf of each of the Cordoba Parties and CMH by an executive officer thereof to such effect dated as of the Closing Date.
- (c) *Operational Agreements.* The Management Services Agreement and Joint Venture Shareholders Agreement shall have been entered into.

- (d) *Material Adverse Change.* There shall not have occurred any Material Adverse Change (as defined in the Framework Agreement) in the Cordoba Subsidiaries or the Project since the date of the Framework Agreement.
- (e) *Financial Statements.* The Cordoba Parties shall have provided to JCHX a copy of the CMH Financial Statements.
- (f) *Registration on Title.* The Cordoba Parties and CMH shall have taken or cause to be taken all necessary actions to file the public deed before the competent Colombian Registration Office (*Oficina de Registro de Instrumentos Publicos*) and complete the registration of the transfer of the titles of the Related Land Parcels from Minerales or its affiliates to the Cordoba Subsidiaries.
- (g) *Title Pledge Agreement.* If on the Closing Date the Project is not registered under the name and benefit of CMH, then Minerales will grant CMH a guarantee in the form of a mining pledge to guarantee that the assignment is completed.

### *Mutual Conditions*

The obligations of the Cordoba Parties, CMH, JCHX and Subco to complete the Transaction is subject to, among others, the satisfaction of or compliance with, at or before the closing, each of the following conditions precedent (each of which may be waived only with the consent in writing of all parties to the Framework Agreement):

- (a) *Consents.* All consents, waivers, permits, exemptions, orders and approvals required to permit the completion of the Contribution, Acquisition and related transactions, the failure of which to obtain could reasonably be expected to have a Material Adverse Change (as defined in the Framework Agreement) on any of the Parties or materially impede the completion of the Contribution, Acquisition and related transactions, shall have been obtained.
- (b) *Restructuring.* The Restructuring shall have been completed.
- (c) *No Orders.* No temporary restraining order, preliminary injunction, permanent injunction or other order preventing the consummation of the Contribution, Acquisition and related transactions shall have been issued by any federal, state, or provincial court (whether domestic or foreign) having jurisdiction and remain in effect.
- (d) *No Actions.* There shall not be pending or threatened any suit, action or proceeding by any government authority, before any court or government authority, agency or tribunal, domestic or foreign, that has a significant likelihood of success, seeking to restrain or prohibit the consummation of the Contribution, Acquisition and related transactions or any of the other transactions contemplated by the Framework Agreement or seeking to obtain from any of the Parties any damages that are material in relation to the Parties taken as a whole.
- (e) *TSXV Approval.* The TSXV shall have conditionally approved the Contribution, Acquisition and related transactions, subject to standard conditions as required by the policies of the TSXV.
- (f) *Government Approvals.* JCHX and Subco shall have obtained all necessary approvals from the applicable government authorities the PRC and completed all necessary filings and registrations with applicable Government Authorities of the

PRC required under the applicable laws (including but not limited to the outbound investment regulations of the PRC) in connection with the Contribution, Acquisition and other transactions contemplated by the Framework Agreement.

- (g) *No Termination.* The Framework Agreement shall not have been terminated in accordance with its terms.

### **Termination of the Framework Agreement**

The Framework Agreement may be terminated at any time prior to Closing as follows:

- (a) By mutual written consent of the Parties;
- (b) By the Cordoba Parties and CMH if the Bridge Loan had not been received by Minerales within 30 days of the date the Framework Agreement was signed.
- (c) By the Cordoba Parties and CMH, on the one hand, or JCHX and Subco, on the other hand, if a condition in their favour or a mutual condition is not satisfied by the Closing (or any earlier date by which such condition is required to be satisfied) except where such failure is the result of a breach of the Framework Agreement by such Party;
- (d) By the Cordoba Parties and CMH, on the one hand, or JCHX and Subco, on the other hand, if there has been a breach of any of the representations, warranties, covenants and agreements on the part of the other Party (the “**Breaching Party**”) set forth in the Framework Agreement, which breach has or is likely to result in the failure of the conditions precedent in the Framework Agreement, as the case may, be to be satisfied and in each case has not been cured within ten (10) business days following receipt by the Breaching Party of written notice of such breach from the non-breaching Party;
- (e) By any Party if any permanent order, decree, ruling or other action of a court or other competent authority restraining, enjoining or otherwise preventing the consummation of the Contribution, the Acquisition and transactions contemplated by the Framework Agreement shall have become final and non-appealable;
- (f) By any Party if the Transaction Resolutions are not approved by the Cordoba Shareholders; or
- (g) By the Cordoba Parties and CMH, on the one hand, or JCHX and Subco, on the other hand, if the Contribution and Acquisition are not completed by nine (9) months following the date of funding of the Bridge Loan, provided that the Party then seeking to terminate this Agreement is not then in default of any of its obligations hereunder.

### **Shareholder Approval of the Project**

At the Meeting, Shareholders will be asked to approve the Transaction Resolution.

In order for the Transaction to proceed, the Transaction Resolution, the full text of which is set forth on Schedule A to this Circular, must be approved by a simple majority of the votes cast by the Shareholders present in person or represented by proxy at the Meeting and entitled to vote thereat, excluding the votes cast by such Shareholders required to be excluded pursuant to Policy 5.9 of the TSXV Policies, which adopts the requirements of MI 61-101. To the knowledge of the

Company, only the Common Shares held by JCHX, Ivanhoe and their respective affiliates will be excluded from the required "majority of the minority" vote. See "*Information Relating to The Transaction – Canadian Securities Law Matters – Minority Approval Requirements*".

The Transaction Resolution must receive the Required Shareholder Approval in order for the Transaction to be completed.

The enclosed form of proxy or voting instruction form permits Shareholders to vote FOR or AGAINST the Transaction Resolution. If you do not specify how you want your Common Shares voted, the persons named as proxyholders in the enclosed form of proxy or voting instruction form intend to cast the votes represented by proxy at the Meeting FOR the ordinary resolution approving the Transaction.

### **Interests of Certain Persons in the Transaction**

Except as otherwise disclosed in this Circular, none of the directors or officers of the Company, or to the knowledge of the directors and executive officers of the Company, any of their respective associates or affiliates, has any material interest, direct or indirect, in any matter to be acted upon in connection with the Transaction or that would materially affect the Transaction, except an interest arising from the ownership of the Common Shares where such person will receive no extra or special benefit or advantage not shared on a pro rata basis by all Shareholders.

### **Common Shares Held by Directors and Executive Officers**

As of January 3, 2023, the directors and executive officers of the Company beneficially owned, directly or indirectly, or exercised control or direction over, an aggregate of 242,516 Common Shares, representing approximately 0.3% of the issued and outstanding Common Shares on an undiluted basis.

### **Canadian Securities Laws Matters**

#### ***TSXV and MI 61-101***

TSXV Policy 5.9 incorporates the requirements of MI 61-101. MI 61-101 regulates significant conflict of interest transactions such as related party transactions where a related party could have an advantage by virtue of voting power, board representation or preferential access to information. MI 61-101 provides that where an issuer borrows from a related party or sells, transfers or disposes of an asset to a related party, those transactions may be considered "related party transactions" for the purposes of MI 61-101. MI 61-101 provides minority shareholders with certain procedural protections intended to ensure procedural fairness to minority shareholders.

Under MI 61-101, a "**related party**" includes a control person of the entity, directors, executive officers and shareholders holding over 10% of the voting rights attached to the voting securities of the issuer. JCHX owns or controls approximately 19.9% of the issued and outstanding Common Shares. As a result, JCHX is a related party of Cordoba for the purposes of MI 61-101.

MI 61-101 provides that certain "related party transactions" between an issuer and a "related party" are subject to the formal valuation and minority approval requirements set forth in MI 61-101.

The Transaction constitutes a "related party transaction" within the meaning of MI 61-101 because it involves a transaction between the Company and JCHX that results in a dilution of the Company's interest in CMH (and an increase in JCHX's interest in the same). Specifically,

pursuant to the terms and conditions of the Framework Agreement under the Contribution and the Acquisition, a wholly-owned subsidiary of JCHX will acquire a 50% interest in the Project.

In addition, the Transaction constitutes a "related party transaction" within the meaning of MI 61-101 because it involves another "related party", Ivanhoe, who will benefit from the Transaction. In particular, up to \$2,500,000 from the proceeds of the Transaction will be used to repay debt of Cordoba owed to Ivanhoe.

### ***Minority Approval Requirements***

As the Transaction is a related party transaction, the minority shareholder approval requirements of MI 61-101 apply. The Required Shareholder Approval as required by this Circular is intended to satisfy the minority shareholder approval requirements of MI 61-101.

MI 61-101 provides that, in addition to any other required securityholder approval, a related party transaction is subject to "minority approval" (as defined in MI 61-101, being a simple majority of the votes (50% + 1) cast by "minority" shareholders of each class of affected securities (as defined in MI 61-101)), unless an exemption is available or discretionary relief is granted by applicable securities regulatory authorities. In relation to approval of the Transaction, "minority approval" requires the approval of a simple majority (50% + 1) of the holders of Common Shares, other than Common Shares beneficially owned, or over which control or direction is exercised by: (a) the issuer; (b) an "interested party" (as defined in MI 61-101); (c) a "related party" to such interested party within the meaning of MI 61-101 (subject to certain exceptions); and (d) any person that is a joint actor with any party referred to in (b) or (c) (collectively, the "**Excluded Shareholders**").

JCHX, Ivanhoe, and their respective affiliates constitute Excluded Shareholders for the purposes of MI 61-101. To the knowledge of the Company, the Excluded Shareholders hold an aggregate of 74,186,026 Common Shares, representing approximately 83.1% of the issued and outstanding Common Shares. As a result, Common Shares held by the Excluded Shareholders will be excluded for purposes of calculating the requisite approvals of the Transaction Resolution.

### ***Formal Valuation***

The Company is exempt from obtaining a formal valuation because the only exchange that its securities are listed or quoted on is the TSXV, pursuant to Section 5.5(b) of MI 61-101.

### ***Fairness Opinion***

In connection with the evaluation of the Transaction, the Special Committee received and considered the Fairness Opinion.

Haywood was formally retained by the Special Committee pursuant to an engagement agreement dated November 9, 2022 (the "**Engagement Agreement**"). Pursuant to the Engagement Agreement, Haywood agreed to provide an opinion as to the fairness of the terms of the Transaction to the Shareholders.

The terms of the Engagement Agreement provide for the payment to Haywood of fixed fees for its services and such fees are not contingent on the completion of the Transaction or any other transaction of the Company or on the conclusions reached in the Fairness Opinion. In addition, Haywood is to be reimbursed for its reasonable out-of-pocket expenses and is to be indemnified by the Company in certain circumstances.

Neither Haywood, nor any of its affiliates, is an insider, associate, or affiliate (as those terms are defined in the *Securities Act* (British Columbia) or the rules made thereunder): (i) is an associated or

affiliated entity or issuer insider (as such terms are defined for the purposes of MI 61-101) of the Cordoba Parties, JCHX or any of its respective associates or affiliates (collectively, the "**Interested Parties**"); (ii) is an advisor to any of the Interested Parties in connection with the Transaction (other than its engagement for the Special Committee); (iii) is a manager, co-manager or member of a soliciting dealer group formed in respect of the Transaction; (iv) is the external auditor of any Interested Party; or (v) has a material financial interest in the completion of the Transaction. During the 24 months before Haywood was first contacted for the purpose of providing the Fairness Opinion, neither Haywood nor any of its affiliated entities (i) had a material involvement in an evaluation, appraisal or review of the financial condition of any Interested Party, or an associated or affiliated entity of any Interested Party, (ii) acted as a lead or co-lead underwriter of a distribution of securities by any Interested Party, or (iii) had a material financial interest in a transaction involving any Interested Party. There are no understandings, agreements or commitments between Haywood and any Interested Party with respect to any future business dealings Haywood may, in the future, in the ordinary course of its business, perform financial advisory or investment banking services for the Interested Parties.

At a meeting of the Special Committee held to evaluate the Transaction, Haywood rendered an oral opinion, confirmed by delivery of a written opinion, confirming Haywood's opinion that, subject to the scope of review, assumptions, limitations and qualifications set forth in the Fairness Opinion, as of December 7, 2022, the terms of the Transaction are fair, from a financial point of view, to the shareholders of the Company, with the exception of JCHX and its affiliates.

**The full text of the Fairness Opinion dated December 7, 2022, which sets forth assumptions made, procedures followed, information reviewed, matters considered, and limitations on the scope of review undertaken by Haywood is attached as Schedule B to this Circular. This summary is qualified in its entirety by reference to the full text of the Fairness Opinion. The Fairness Opinion is not a recommendation as to how any Shareholder should vote or act on any matter relating to the Transaction or any other matter.**

In evaluating the Transaction, the Board considered, among other things, the advice and financial analyses provided by Haywood referred to above as well as the Fairness Opinion. As described under the heading "*Reasons for the Recommendation*" above, the Fairness Opinion was only one of many factors considered by the Board in evaluating the Transaction and should not be viewed as determinative of the views of the Board with respect to the Transaction.

The Fairness Opinion represents the opinion of Haywood and the form and content of such opinion has been approved for release by a committee of its principals, each of whom is experienced in mergers and acquisitions, divestitures, restructurings, minority investments, capital markets, fairness opinions and valuation matters.

### ***Prior Valuations***

To the knowledge of the Company or any of the directors and officers of the Company, after reasonable inquiry, there have been no "prior valuations" (as defined in MI 61-101) prepared in respect of the Company or the Project within the 24 months before the date of this Circular.

### **Risk Factors**

Shareholders should carefully consider the following risks related to the Transaction. Additional risks and uncertainties, including those currently unknown to or considered immaterial by the Company, may also adversely affect the Transaction. The following risk factors are not a definitive list of all risk factors associated with the Transaction.



## ***Risks Related to the Transaction***

### ***Completion of the Transaction is Subject to the Satisfaction or Waiver of Several Conditions***

The completion of the Transaction is subject to a number of conditions precedent, some of which are outside of the control of the parties to the Framework Agreement, including obtaining the Required Shareholder Approval, and the satisfaction of customary closing conditions. There can be no certainty, nor can the parties to the Framework Agreement provide any assurance, that all conditions precedent to the Transaction will be satisfied or waived, nor can there be any certainty of the timing of their satisfaction or waiver. If the Transaction is not completed for any reason, there are risks that the announcement of the Transaction and the dedication of substantial resources of the Company to the completion thereof could have a negative impact on the Company and its affiliates' current business relationships (including with future and prospective employees, joint venture partners and other third parties) and could have a material adverse effect on the current and future operations, financial condition and prospects of the Company. Furthermore, if the Transaction is not completed, the market price of the Common Shares may be declined to the extent that such price reflects a market assumption that the Transaction will be completed. As a result, the business of Cordoba may suffer, and the Company will remain liable for significant consulting, accounting, and legal costs related to the Transaction.

### ***Risk of Installment Payments***

Other than the Bridge Loan, none of the installment payments have been received to date. There is risk of JCHX or Subco failing to fund the installment payments. In particular, there are conditions outside of Cordoba's control with respect to the Third Installment, including that if the EIA for the Project is not approved by ANLA on or before the second anniversary of the Closing Date, then Subco shall have the option not to complete the Third Installment. If any of the installment payments are not made, this may have an adverse impact on Cordoba as there may be shortfalls in cash to continue on with planned operations and activities.

### ***The Framework Agreement is not effective until the approval of the JCHX Board and Shareholders***

The Bridge Loan came into effect immediately after approval from the JCHX board of directors and shareholders and was funded to Minerale on January 3, 2023. The remainder of the transaction agreements do not become effective until JCHX obtains shareholder approval, which is expected to be completed in mid-January 2023. There is no guarantee on the time it will take for JCHX to obtain shareholder approval, or that JCHX will be able to obtain shareholder approval.

### ***The Framework Agreement may be Terminated***

The Framework Agreement may be terminated by the Cordoba Parties, CMH, JCHX and Subco in certain circumstances, including as a result of a failure to satisfy all necessary closing conditions. Accordingly, there is no certainty, nor can the Company provide any assurance, that the Framework Agreement will not be terminated by the Cordoba Parties, CMH, JCHX or Subco before the completion of the Transaction. Failure to complete the Transaction could materially negatively impact the market price of the Common Shares or otherwise adversely affect the business of the Company. If the Transaction is not completed, the market price of the Common Shares may decline.

### *Failure to Complete the Transaction Could Negatively Impact the Company's relationship with JCHX*

If the Transaction is not completed, this could have a negative impact on the current business relationship between the Company and JCHX and could affect the ability of the Cordoba Parties to further advance the development of the Project. To the extent alternative financing is required in respect of the Project, such alternative financing may not be available when needed and on terms acceptable to the Cordoba Parties. Failure of such parties to secure such financing on reasonable terms could have a material and adverse effect on the business, financial condition, results of operations or prospects of the Company.

### *Required Cordoba Shareholder Approval*

The Transaction Resolution requires that the Transaction be approved by a simple majority of the votes cast by the Shareholders present in person or represented by proxy at the Meeting and entitled to vote thereat, excluding the votes cast by such Shareholders that are required to be excluded pursuant to MI 61-101 and Policy 5.9 of the TSXV Policies. There can be no certainty, nor can the Company provide any assurance, that the Required Shareholder Approval will be obtained. If the Required Shareholder Approval is not obtained, the Company will not be able to complete the Transaction.

### *The Transaction May Divert the Attention of the Company's Management*

The pendency of the Transaction could cause the attention of the Company's management to be diverted from the day-to-day operations of the Company. These disruptions could be exacerbated by a delay in the completion of the Transaction and could have an adverse effect on the business, operating results or prospects of the Company, which could have a material and adverse effect on the business, financial condition, results of operations or prospects of the Company.

### *Interests of Certain Persons in the Transaction*

Certain directors and senior officers of the Company may have interests in the Transaction that may be different from, or in addition to, the interests of Shareholders generally including, but not limited to, those interests discussed under the heading "*Information Relating to The Transaction – Interests of Certain Persons in the Transaction*". In considering the recommendation of the Board to vote in favour of the Transaction Resolution, Shareholders should consider these interests.

### *Risk of Dispute, Deadlock, Impasse*

The parties will be operating the Joint Venture in accordance with the terms of the JV SHA. It is possible that through the course of operating the Joint Venture, the parties may come to a dispute that will result in a deadlock or impasse. A deadlock or impasse may cause delay or other material adverse effect on the Company's business and operations. Pursuant to the JV SHA, it is expected that the parties will use reasonable efforts to resolve such disputes, however, there can be no guarantee on how long it will take to solve a dispute, or if a dispute will be solved at all.

### *Foreign Entity Risks*

JCHX's status as a foreign entity without substantial assets in Canada, by its nature, makes enforcement of Cordoba's rights under the Framework Agreement and the agreements contemplated therein against JCHX more difficult than against an entity located in Canada.

## ***Risks Relating to the Company***

### ***Additional Funding Requirements***

From time to time, the Company may require additional financing in order to carry out its acquisition, exploration and development activities. Failure to obtain such financing on a timely basis could cause the Company to forfeit its interest in certain properties, miss certain acquisition opportunities, delay or indefinite postponement of further exploration and development of its projects with the possible loss of such properties, and reduce or terminate its operations. If the Company's future revenues decrease as a result of lower commodity prices or otherwise, it will affect the Company's ability to expend the necessary capital to maintain any production. If the Company's cash flow from operations is not sufficient to satisfy its capital expenditure requirements, there can be no assurance that additional debt or equity financing will be available to meet these requirements or be available on favourable terms. The Company may issue securities on less than favourable terms to raise sufficient capital to fund its business plan. Any transaction involving the issuance of equity securities or securities convertible into common shares would result in dilution, possibly substantial, to present and prospective holders of Common Shares.

### ***Fluctuations in the Price of Copper***

Copper is a commodity whose price is determined based on world demand, supply and other factors, all of which are beyond the control of the Company. World prices for copper have fluctuated widely in recent years. The volatility of mineral prices represents a substantial risk which no amount of planning or technical expertise can fully eliminate. Metal prices are affected by numerous factors beyond the control of the Company, including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods. The supply of and demand for metals are affected by various factors, including political events, economic conditions and production costs in major producing regions. There can be no assurance that the price of any commodities will be such that any of the properties in which the Company has, or has the right to acquire, an interest may be mined at a profit.

Current and future price declines could cause commercial production or the development of new mines to be impracticable. If copper prices decline significantly, or decline for an extended period of time, the Company might not be able to continue its operations, develop its properties, or fulfill its obligations under certain permits and licenses. This could result in the Company losing its interest in some or all of its properties, or being forced to cease operations or development activities or to abandon or sell properties, which could have a negative effect on the Company's profitability and cash flow.

### ***Permits and Licenses***

The operations of the Company will require licenses and permits from various governmental authorities. There can be no assurance that the Company will be able to obtain and/or maintain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects, on reasonable terms or at all. Delays or a failure to obtain such licenses and permits, or a failure to comply with the terms of any such licenses and permits that the Company does obtain, could have a material adverse effect on the Company.

### *Political, Economic and Other Risks*

The Company's exploration, development and production activities are conducted in Colombia and, as such, the Company's operations are exposed to various levels of political, economic and other risks and uncertainties. These risks and uncertainties include, but are not limited to, the existence or possibility of terrorism; hostage taking; military repression; extreme fluctuations in currency exchange rates; high rates of inflation; labour unrest; the risks of war or civil unrest; expropriation and nationalization; uncertainty as to the outcome of any litigation in foreign jurisdictions; uncertainty as to enforcement of local laws; environmental controls and permitting; restrictions on the use of land and natural resources; renegotiation or nullification of existing concessions; licenses; permits and contracts; illegal mining; changes in taxation policies; restrictions on foreign exchange and repatriation; corruption; unstable legal systems; changing political conditions; changes in mining and social policies; currency controls and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction or require equity participation by local citizens; and other risks arising out of foreign sovereignty issues.

Colombia is a developing country and the Company's mineral exploration and mining activities may be affected in varying degrees by political instability and governmental legislation and regulations relating to foreign investment and the mining industry. Changes, if any, in mining or investment policies or shifts in political attitude in Colombia, may adversely affect our operations or profitability. Operations may be affected in varying degrees by: government regulations with respect to, but not limited to, restrictions on production, price controls, exchange controls, export controls, currency remittance, income or other taxes, expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, local content and ownership, water use and mine safety; and the lack of certainty with respect to foreign legal systems, which may not be immune from the influence of political pressure, corruption or other factors that are inconsistent with the rule of law.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on our business, financial condition and results of operations. Furthermore, in the event of a dispute arising from our activities, we may be subject to the exclusive jurisdiction of courts or arbitral proceedings outside of North America which could unexpectedly and adversely affect the outcome of a dispute.

### *Availability of Infrastructure, Energy and Other Commodities*

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs. The Company's inability to secure adequate water and power resources, as well as other events outside of our control, such as unusual or infrequent weather phenomena, sabotage, community, or government or other interference in the maintenance or provision of such infrastructure, could adversely affect our operations, financial condition and results of operations. Profitability is affected by the market prices and availability of commodities that we use or consume for our operations and planned development projects.

Prices for commodities like diesel fuel, electricity, steel, concrete, and chemicals can be volatile, and changes can be material, occur over short periods of time and be affected by factors beyond our control. The Company's operations depend on suppliers to meet those needs. Higher costs for construction materials like steel and concrete could affect the timing and cost of our planned development projects. Higher worldwide demand for critical resources like input commodities, drilling equipment, tires and skilled labour could affect our ability to acquire them and lead to delays in delivery and unanticipated cost increases, which could have an effect on our operating costs, capital expenditures and production schedules.

Additionally, the Company will be relying on certain key third-party suppliers and contractors for equipment, raw materials and services used in, and the provision of services necessary for, the development, construction and operations at the Project. As a result, the Company's operations will be subject to a number of risks, some of which are outside of our control, including negotiating agreements with suppliers and contractors on acceptable terms, the inability to replace a supplier or contractor and its equipment, raw materials or services in the event that either party terminates the agreement, interruption of operations or increased costs in the event that a supplier or contractor ceases its business due to insolvency or other unforeseen events and failure of a supplier or contractor to perform under its agreement with the Company. The occurrence of one or more of these risks could have a material adverse effect on the Company's business, results of operations and financial condition.

#### *Exploration and Mining Risks*

Mining operations generally involve a high degree of risk. The Company's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of copper, including: unusual and unexpected geologic formations; seismic activity; rock bursts; cave-ins or slides; flooding; pit wall failure; periodic interruption due to inclement or hazardous weather conditions; and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, personal injury or death, damage to property, environmental damage and possible legal liability. Milling operations are subject to hazards such as fire, equipment failure or failure of retaining dams around tailings disposal areas, which may result in environmental pollution and consequent liability. The economics of developing mineral properties is affected by many factors including the cost of operations, variations of the grade of ore mined, fluctuations in the price of copper or other minerals produced, costs of processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. In addition, the grade of mineralization ultimately mined may differ from that indicated by drilling results and such differences could be material. Short-term factors, such as the need for orderly development of ore bodies or the processing of new or different grades, may have an adverse effect on mining operations and on the results of operations. There can be no assurance that minerals recovered in small scale laboratory tests will be duplicated in large scale tests under on-site conditions or in production scale operations. Material changes in geological resources, grades, stripping ratios or recovery rates may affect the economic viability of projects.

#### *Environmental Risks*

All phases of the natural resources business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and state and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in

association with operations. The legislation also requires that facility sites and mines be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities.

Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs. The discharge of tailings or other pollutants into the air, soil or water may give rise to liabilities to foreign governments and third parties and may require us to incur costs to remedy such discharge.

No assurance can be given that environmental laws will not result in a curtailment of production or a material increase in the costs of production, development or exploration activities or otherwise adversely affect our financial condition, results of operations or prospects. Companies engaged in the exploration and development of mineral properties generally experience increased costs, and delays as a result of the need to comply with applicable laws, regulations and permits. The Company believes it is in substantial compliance with all material laws and regulations which currently apply to its activities.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in natural resource exploration and development activities may be required to compensate those suffering loss or damage by reason of its activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws. Amendments to current laws, regulations and permits governing operations and activities of natural resources companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in developments of new properties.

### *Community Relations and Action*

In future, as a mining business we may come under pressure to demonstrate that other stakeholders (including employees and communities surrounding our operations) benefit and will continue to benefit from the Company's commercial activities, and/or that the Company operates in a manner that will minimize any potential damage or disruption to the interests of those stakeholders. The Company may face opposition with respect to future development and exploration projects which could materially adversely affect the Company's business, results of operations and financial condition.

Further, certain NGOs, some of which oppose globalization and resource development, are often vocal critics of the mining industry and its practices, including the use of hazardous substances in processing activities. Adverse publicity generated by such NGOs or others related to extractive industries generally, or the Company's operations specifically, could have an adverse effect on our reputation and financial condition and may impact the Company's relationship with the communities in which it operates. They may install road blockades, apply for injunctions for work stoppage and file lawsuits for damages. These actions can relate not only to current activities but also historic mining activities by prior owners and could have a material, adverse effect on the Company's operations. They may also file complaints with regulators in respect of the Company, and its directors' and insiders', regulatory filings, either in respect of the Company or other

companies. Such complaints, regardless of whether they have any substance or basis in fact or law, may have the effect of undermining the confidence of the public or a regulator in the Company or such directors or insiders and may adversely affect the price of the Company's securities or its prospects of obtaining the regulatory approvals necessary for advancement of some or all of its exploration and development plans or operations. The Company strive to operate in a socially responsible manner. However, there can be no guarantee that the Company's efforts in this respect will address these risks.

#### *Reliance on Operators and Key Employees*

The success of the Company's operations will be largely dependent upon the performance of its key officers, employees and consultants. Locating and developing mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration, development and production personnel involved. Failure to retain key personnel or to attract or retain additional key individuals with necessary skills could have a materially adverse impact upon the Company's success.

In assessing the risk of an investment in the Common Shares, potential investors should realize that they are relying on the experience, judgment, discretion, integrity and good faith of the management of the Company. An investment in Common Shares is suitable only for those investors who are willing to risk a loss of their entire investment and who can afford to lose their entire investment.

#### *Conflict of Interest of Management*

Certain of the Company's directors and officers also serve as directors, officers and/or advisors of and to other companies involved in natural resource exploration and development. Consequently, there exists the possibility for such directors and officers to be in a position of conflict. The Company expects that any decision made by any of such directors and officers relating to the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and its shareholders, but there can be no assurance in this regard. In addition, each of the directors is required to declare and refrain from voting on any matter in which such directors may have a conflict of interest.

#### *Availability of Equipment and Access Restrictions*

Natural resource exploration and development activities are dependent on the availability of drilling and related equipment in the particular areas where such activities will be conducted. Demand for such limited equipment or access restrictions may affect the availability of such equipment to the Company and may delay exploration and development activities.

#### *Competition*

The mining industry is intensely competitive in all of its phases and the Company competes with many companies possessing greater financial and technical resources. Competition in the mining industry is primarily for the following: mineral-rich properties which can be developed and produced economically; technical expertise to find, develop, and manage such properties; labour to operate the properties; and capital for the purpose of funding such properties. Many competitors not only explore for and mine precious metals, but also conduct refining and marketing operations on a world-wide basis. Such competition may result in the Company being unable to: acquire desired properties; recruit or retain qualified employees; or obtain the capital

necessary to fund its operations and develop its properties. Existing or future competition in the mining industry could materially adversely affect the Company's prospects for mineral exploration and success in the future. Furthermore, increased competition could result in increased costs and lower prices for metal and minerals produced which, in turn, could reduce profitability. Consequently, the Company's revenues, operations and financial condition could be materially adversely affected.

#### *Uninsured or Uninsurable Risks*

Exploration, development and mining operations involve various hazards, including environmental hazards, industrial accidents, labour disputes, metallurgical and other processing problems, unusual or unexpected rock formations, structural cave-ins, ground or slope failures, flooding, fires, metal losses and periodic interruptions due to inclement or hazardous weather conditions. These risks could result in damage to or destruction of mineral properties, facilities or other property, personal injury, environmental damage, delays in operations, increased cost of operations, monetary losses and possible legal liability. Although the Company maintains insurance to protect against certain risks in such amounts as it considers to be reasonable, insurance will not cover all the potential risks associated with the Company's operations and insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. It is not always possible to obtain insurance against all risks and the Company may decide not to insure against certain risks because of high premiums or other reasons. Moreover, insurance against risks such as loss of title to mineral property, environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

#### *Volatility of Current Global Financial Conditions*

Current global financial conditions have been subject to continued volatility. Government debt and the risk of sovereign defaults in many countries have been causing significant uncertainties in the markets. High levels of volatility and market turmoil could adversely impact commodity prices, exchange rates and interest rates and have a detrimental effect on the Company's business.

#### *Litigation Risk*

All industries, including the mining industry, are subject to legal claims, with and without merit. We may be, from time to time, involved in various claims, legal proceedings and complaints arising in the ordinary course of business. In addition, companies like Cordoba that have experienced volatility in their share price have been subjected to class action securities litigation by shareholders. Defense and settlement costs can be substantial, even for claims that are without merit. Due to the inherent uncertainty of the litigation process, the litigation process could take away from management time and effort and the resolution of any particular legal proceeding to which we may become subject could have a material adverse effect on the Company's business, results of operations and financial position.

#### *Potential Volatility of Market Price of Common Shares*

Securities traded on the TSXV have, from time to time, experienced significant price and volume fluctuations unrelated to the operating performance of particular companies. These broad market fluctuations may adversely affect the market price of the Common Shares. In addition, the market



price of the Common Shares is likely to be highly volatile. Factors such as metals prices, the average volume of shares traded, announcements by competitors, variations in the operating results of the Company, divergence in financial results from analysts' expectations, changes in earnings estimates by stock market analysts, changes in the business prospects for the Company, general economic conditions, changes in mineral resource estimates, results of exploration, changes in results of mining operations, legislative changes, and other events and factors outside of the Company's control. The Company is unable to predict whether substantial amounts of Common Shares will be sold in the open market. Any sales of substantial amounts of Common Shares in the public market, or the perception that such sales might occur, could materially and adversely affect the market price of the Common Shares.

**SCHEDULE "A"**  
**TRANSACTION RESOLUTION**

**BE IT RESOLVED** as an ordinary resolution of disinterested shareholders that:

1. Cordoba is hereby authorized to carry out such transactions as specified in the Framework Agreement and other agreements attached thereto, as the same may be amended, supplemented or modified in accordance with their terms (collectively, the "**Transaction Agreements**") including, but not limited to, the Contribution whereby Cordoba shall cause CMH to issue 735 common shares in its capital to an indirect wholly-owned subsidiary of JCHX, and the Acquisition whereby Cordoba shall cause Minerales to sell 265 common shares in the capital of CMH to an indirect wholly-owned subsidiary of JCHX, together resulting in JCHX indirectly holding a 50% interest in CMH and the performance by the Company of all of its obligations under Transaction Agreements, all as more particularly described in the Management Information Circular dated January 3, 2023 of the Company accompanying the notice of meeting, as it may be amended, modified or supplemented.
2. The Transaction Agreements and transactions contemplated thereby, actions of the directors of the Company in approving the Transaction Agreements, and actions of the directors and officers of the Company in executing and delivering the Transaction Agreements, and any amendments, modifications or supplements thereto, and all transactions contemplated thereby, are hereby ratified, authorized and approved.
3. If the transactions contemplated by the Transaction Agreements are not completed by the time of the maturity of the Bridge Loan (which is 18 months from the date of funding of the Bridge Loan) pursuant to the terms of the Bridge Loan, the outstanding amount will immediately become due and repayable by Minerales to the lender of the Bridge Loan and in the event these funds are not repaid, Cordoba is hereby authorized to carry out such transactions as specified in the Bridge Loan such that the pledge granted thereunder to JCHX or call option, either of which, can be exercised, such that Cordoba will transfer 20% of the shares of CMH to JCHX.
4. Any officer or director (each an "**Authorized Signatory**") be and is hereby authorized and directed for and on behalf of the Company to execute or cause to be executed, under the corporate seal of the Company or otherwise, and to deliver or cause to be delivered all such other documents and instruments and to perform or cause to be performed all such other acts and things as such Authorized Signatories determine may be necessary or desirable to give full effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or instrument or the doing of any such act or thing.
5. Subject to the terms and conditions of the Transaction Agreements, notwithstanding the foregoing approvals, the directors of the Company be and are hereby authorized to exercise their discretion as directors to proceed or not to proceed with the Transaction and the transactions contemplated by the Transaction Agreements.

**SCHEDULE "B"  
FAIRNESS OPINION**



**HAYWOOD**

December 7, 2022

The Special Committee of the Board of Directors  
Cordoba Minerals Corp.  
Suite 606 – 999 Canada Place  
Vancouver, BC V6C 3E1

To the Special Committee of the Board of Directors:

Haywood Securities Inc. (the “**Advisor**” or “**Haywood**”) understands that Cordoba Minerals Corp. (the “**Corporation**” and which term shall, to the extent required or appropriate in the context, include the affiliates of the Corporation) proposes to enter into a series of definitive agreements (the “**Agreements**” and which term shall include the schedules attached thereto and other ancillary documents) with JCHX Mining Management Co., Ltd. (“**JCHX**” and which term shall, to the extent required or appropriate in the context, include the affiliates of the Corporation) dated December 8, 2022, pursuant to which the Corporation and JCHX have agreed to a strategic arrangement for the joint-development of the Corporation’s Alacran project (“**Alacran**” or the “**Project**”) located in Colombia.

Under the terms of the Agreements, JCHX, through a wholly owned subsidiary, will purchase a 50% ownership interest in CMH Colombia S.A.S. (“**CMH**”), an indirect subsidiary of the Corporation that indirectly holds the Project, for US\$100 million in total (the “**Consideration**”), comprised of (i) a US\$26.5 million purchase of shares of CMH from a wholly owned subsidiary of the Corporation (the “**Acquisition**”), and (ii) a US\$53.5 million capital contribution to CMH (with US\$13.5 million payable at closing and US\$40 million payable upon completion of a feasibility study and filing of an Environmental Impact Assessment for Alacran), plus an additional US\$20 million capital contribution to CMH to be made if the Alacran Environmental Impact Assessment is approved on or before the second anniversary of closing (together, the “**Contribution**”). A US\$10 million bridge loan (the “**Bridge Loan**”) will be provided to the Corporation upon the receipt of JCHX board and shareholder approval, to be netted out of the proceeds payable to the Corporation at closing. Concurrently, the parties have agreed to enter into a joint venture agreement with respect to the forward management and co-development of the Project, along with certain other ancillary agreements (together with the Acquisition, the Contribution, and the Bridge Loan, the “**Transaction**”). The Transaction will be described in greater detail in a management information circular (the “**Circular**”) to be prepared by the Corporation in compliance with applicable laws, regulations, policies and rules, which Circular will be mailed to the shareholders of the Corporation.

The Special Committee of the Board of Directors of the Corporation (the “**Special Committee**”) has retained Haywood to prepare and render an opinion (this “**Fairness Opinion**”) to the Special

Committee as to the fairness, from a financial point of view, of the consideration to be received by the Corporation in connection with the Transaction. Haywood has not prepared a valuation of either the Corporation, JCHX, or any of their respective securities or assets (including the Project) and this Fairness Opinion should not be construed as such.

### ***Engagement***

The Special Committee and Haywood were first in contact regarding a potential Fairness Opinion mandate on October 25, 2022 and Haywood was formally engaged by the Special Committee pursuant to an agreement dated November 9, 2022 between Haywood and the Corporation, on behalf of the Special Committee (the “**Advisory Agreement**”). Under the terms of the Advisory Agreement, Haywood has agreed to render an opinion to the Special Committee with respect to the fairness, from a financial point of view, of the consideration to be received by the Corporation in connection with the Transaction. Following review of the terms of the Transaction, Haywood rendered its oral opinion to the Special Committee on December 7, 2022. This Fairness Opinion confirms such oral opinion rendered by Haywood to the Special Committee.

The terms of the Advisory Agreement provide that Haywood is to be paid a fixed fee for the delivery of this Fairness Opinion. No part of the fee payable to Haywood is contingent on the successful completion of the Transaction. The Corporation has also agreed to reimburse Haywood for its reasonable out-of-pocket expenses and to indemnify Haywood, its subsidiaries and affiliates, and their respective officers, directors, and employees, against certain expenses, losses, actions, claims, damages and liabilities which may arise directly or indirectly from services performed by Haywood in connection with the Advisory Agreement. The payment of expenses is not dependent on the completion of the Transaction.

### ***Independence of Haywood***

Neither Haywood, nor any of our affiliates, is an insider, associate, or affiliate (as those terms are defined in the Securities Act (British Columbia) or the rules made thereunder) of the Corporation, JCHX, or any of their respective associates or affiliates. As of the date hereof, Haywood has not entered into any other agreements or arrangements with the Corporation or JCHX or any of their affiliates with respect to any future dealings.

Haywood acts as a trader and dealer, both as principal and agent, in major financial markets and, as such, may have had and may in the future have positions in the securities of the Corporation and/or JCHX or any of their respective associates or affiliates and, from time to time, may have executed or may execute transactions on behalf of such companies or clients for which it received or may receive compensation. In the ordinary course of trading and brokerage activities, Haywood, the associates and affiliates thereof and the officers, directors and employees of any of them at any time may hold long or short positions, may trade or otherwise effect transactions, for their own account, for managed accounts or for the accounts of customers, in debt or equity securities of the Corporation, JCHX, or related assets or derivative securities. As an investment dealer, Haywood conducts research on securities and may, in the ordinary course of its business, provide research reports and investment advice to its clients on investment matters, including with respect to the Corporation or JCHX or the Transaction.

During the 24-month period preceding the date that Haywood was first contacted by the Corporation in respect of the Transaction, Haywood has not participated in any equity financings by the Corporation nor has Haywood provided any additional financial advisory services outside of the scope of the Advisory Agreement for which Haywood received compensation.

### ***Credentials of Haywood***

Haywood is one of Canada's leading independent investment dealers with operations in corporate finance, equity sales and trading and investment research. Haywood has been a financial advisor in a significant number of transactions throughout North America involving public and private companies in various industry sectors and has extensive experience in preparing fairness opinions. The opinion expressed herein is the opinion of Haywood, and the individuals primarily responsible for preparing this opinion are professionals of Haywood experienced in merger, acquisition, divestiture, and fairness opinion matters.

This Fairness Opinion represents the opinion of Haywood, the form and content of which have been approved for release by a committee of senior Haywood personnel who are collectively experienced in merger and acquisition, divestiture, restructuring, valuation, fairness opinion and capital markets matters.

### ***Scope of Review and Approach to Analysis***

In connection with rendering this Fairness Opinion, Haywood has reviewed and relied upon, or carried out, among other things, the following:

- (a) reviewed the Agreements between the Corporation and JCHX, and the respective affiliates of each of them, received December 7, 2022;
- (b) reviewed the audited consolidated financial statements of the Corporation for the financial years ended December 31, 2021 and 2020;
- (c) reviewed the management's discussion and analysis of the Corporation for the financial years ended December 31, 2021 and 2020;
- (d) reviewed the unaudited consolidated financial statements of the Corporation for the financial quarters ended September 30, 2022, June 30, 2022, and March 31, 2022;
- (e) reviewed the management's discussion and analysis of the Corporation for the financial quarters ended September 30, 2022, June 30, 2022, and March 31, 2022;
- (f) reviewed the management information circular of the Corporation dated August 10, 2022;
- (g) reviewed certain press releases and other publicly available information relating to the business, financial condition and trading history of the Corporation and other select public companies considered relevant;
- (h) reviewed applicable National Instrument 43-101 technical reports of the Corporation;
- (i) reviewed the corporate presentation of the Corporation;
- (j) reviewed certain historical financial information and operating data concerning the Corporation;

- (k) reviewed certain projected financial information, including without limitation, budgets and financial forecasts, which were prepared and provided by the Corporation;
- (l) reviewed certain internal documents which were prepared and provided by the Corporation;
- (m) reviewed historical market prices and valuation multiples for the common shares of the Corporation and compared such prices and multiples with those of certain publicly traded companies that were deemed relevant for the purposes of our analysis;
- (n) reviewed publicly available financial data for precedent transactions that were deemed comparable for the purposes of our analysis;
- (o) reviewed certain industry and analyst reports and statistics that were deemed relevant for the purposes of our analysis; and
- (p) reviewed and considered such other financial, market, technical and industry information, and conducted such other investigations, analyses and discussions (including discussions with management of the Corporation) as was considered relevant and appropriate in the circumstances.

In addition, Haywood has participated in discussions with members of the Corporation's management team regarding the Corporation, past and current business operations, and the Corporation's financial condition and prospects.

Haywood did not complete a detailed technical due diligence review, and has relied upon management of the Corporation for all technical due diligence matters, without independent verification. No physical due diligence of any of the assets of the Corporation was undertaken by Haywood. Haywood has not, to the best of its knowledge, been denied access by the Corporation to any other information under its control requested by Haywood.

Haywood did not meet with the auditors of the Corporation and has assumed the accuracy and fair presentation of and relied upon the audited consolidated financial statements of the Corporation and the reports of the auditors thereon.

In our assessment, we considered several techniques and used a blended approach to determine our opinion on the Transaction. We based this Fairness Opinion upon a number of quantitative and qualitative factors and upon a selection of methodologies deemed appropriate in the circumstances by Haywood.

### ***Assumptions and Limitations***

With the approval and agreement of the Special Committee, we have relied upon and assumed, without assuming responsibility or liability for independent verification, the completeness, accuracy and fair presentation of all financial information, business plans, financial analyses, forecasts and other information, data, advice, opinions and representations obtained by us from public sources, or provided to us by the Corporation, their respective subsidiaries, directors, officers, associates, affiliates, consultants, advisors and representatives relating to the Corporation, JCHX, their respective subsidiaries, associates and affiliates, and to the Transaction. This Fairness Opinion is conditional upon such completeness, accuracy and fair presentation. We

have not been requested to or, subject to the exercise of professional judgment, attempted to verify independently the completeness, accuracy or fair presentation of any such information, data, advice, opinions and representations and assume no responsibility or liability in connection therewith. We have not conducted any valuation or appraisal of any assets or liabilities of the Corporation, nor have we evaluated the solvency of the Corporation under any provincial or federal laws relating to bankruptcy, insolvency or similar matters. In addition, we have not assumed any obligation to conduct any physical inspection of the properties or the facilities of the Corporation. Haywood expresses no opinion as to the results of any future updated economic studies or other third-party analyses with respect to the Project that may be released prior to or following completion of the Transaction, or the market reaction to such results. The technical due diligence investigations conducted by Haywood were limited in scope and relied heavily on the experience of management of the Corporation.

With respect to any financial analyses, forecasts, projections, estimates and/or budgets provided to Haywood and used in its analyses, we note that projecting future results of any company is inherently subject to uncertainty. Haywood has assumed, however, that such financial analyses, forecasts, projections, estimates and/or budgets were prepared using the assumptions identified therein and that such assumptions reflect the best currently available estimates and judgments by management as to the expected future results of operations and financial condition of the Corporation. We express no view as to such financial analyses, forecasts, projections, estimates and/or budgets or the assumptions on which they were based.

Haywood was not engaged to review any legal, tax or regulatory aspects of the Transaction and this Fairness Opinion does not address such matters. In preparing this Fairness Opinion, we have made several assumptions, including that all of the conditions required to complete the Transaction will be met and that the disclosure provided in the Circular with respect to the Corporation, JCHX and their respective subsidiaries and affiliates and the Transaction will be accurate in all material respects.

We have relied as to all legal matters relevant to rendering our Fairness Opinion upon the advice of counsel. We have further assumed that all material governmental, regulatory or other consents and approvals necessary for the consummation of the Transaction will be obtained without any adverse effect on the Corporation or JCHX or on the contemplated benefits of the Transaction.

This Fairness Opinion is rendered as at the date hereof and on the basis of securities markets, economic and general business and financial conditions prevailing as at the date hereof and the conditions and prospects, financial and otherwise, of the Corporation and JCHX as they are reflected in the information provided by the Corporation and as they were represented to us in our discussions with the management of the Corporation. It should be understood that subsequent developments may affect this Fairness Opinion and that we do not have any obligation to update, revise, or reaffirm this opinion. We are expressing no opinion herein as to the price at which the common shares of the Corporation will trade at any future time. In our analyses and in connection with the preparation of this Fairness Opinion, we made numerous assumptions with respect to industry performance, general business, market and economic conditions and other matters, many of which are beyond the control of Haywood and any party involved in the Transaction.

We have not been asked to prepare and have not prepared a valuation of the Project, the Corporation, or any of the securities or assets thereof and our opinion should not be construed as a "formal valuation" (within the meaning of Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions). Certain senior officers of the Corporation have represented to Haywood that, to the best of their knowledge, there have been no prior valuations

(as that term is defined in Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions) or appraisals of the Corporation or any material property of the Corporation or any of its subsidiaries or affiliates, made in the preceding 24 months and in the possession or control or knowledge of the Corporation, which have not been provided to Haywood.

This Fairness Opinion is provided for the use of the Special Committee only and may not be disclosed, referred or communicated to, or relied upon by, any third-party without our prior written consent. Haywood consents to the inclusion of this Fairness Opinion in the Circular. This Fairness Opinion is given as of the date hereof and Haywood disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting this Fairness Opinion which may come or be brought to the attention of Haywood after the date hereof. Without limiting the foregoing, in the event that there is any material change in any fact or matter affecting this Fairness Opinion after the date hereof, Haywood reserves the right to change, modify or withdraw this Fairness Opinion.

Haywood believes that its analyses must be considered as a whole and that selecting portions of the analyses or the factors considered by it, without considering all factors and analyses together, could create a misleading view of the process underlying this Fairness Opinion. The preparation of an opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.

***Fairness Conclusion***

Based on and subject to the foregoing and such other factors as Haywood considered relevant, Haywood is of the opinion that, as of the date hereof, the consideration to be received by the Corporation pursuant to the Transaction is fair, from a financial point of view, to the shareholders of the Corporation, other than JCHX and its affiliates.

Yours truly,

**HAYWOOD SECURITIES INC.**



## SCHEDULE "C" GLOSSARY

**"Acquisition"** means JCHX's acquisition of 265 common shares in the capital of CMH from the Company's wholly-owned subsidiary, Minerale, for consideration of \$26,500,000, in accordance with the Framework Agreement.

**"Additional Subscription"** has the meaning set forth on page A-12.

**"ANLA"** means the *Autoridad Nacional de Licencias Ambientales*,

**"Anti-Dilution Right"** means JCHX's right to maintain its 19.9% interest in the capital of the Company.

**"Articles"** means the Articles of the Company.

**"Board of Directors"** or **"Board"** means the board of directors of Cordoba.

**"Breaching Party"** has the meaning set forth on page A-1.

**"Bridge Loan"** means the \$10,000,000 advanced by Subco to Minerale in accordance with the Framework Agreement.

**"C\$"** means Canadian dollars.

**"Cassels"** means Cassels Brock & Blackwell LLP.

**"CDS"** means Canadian Depository for Securities Limited.

**"Chairman"** means the chair of the Meeting.

**"Circular"** means this management's information circular.

**"Closing"** means the closing of the Transaction.

**"Closing Date"** means the tenth (10<sup>th</sup>) business day after the date on which the conditions precedent to the Framework Agreement have either been fulfilled or waived by the parties to the Framework Agreement.

**"CMH"** means CMH Colombia S.A.S.

**"CMH board"** means CMH board of directors.

**"CMH Financial Statements"** means the audited financial statements of the Cordoba Subsidiaries for the period from January 1, 2022 to November 30, 2022 prepared on a consolidated basis and in accordance with IFRS, which shall reflect CMH's financial position following the completion of the Restructuring.

**"Common Shares"** or **"Cordoba Shares"** means the common shares in the capital of Cordoba.

**"Company"** or **"Cordoba"** means Cordoba Minerals Corp.

**"Computershare"** means Computershare Investor Services Inc.

**"Contribution"** means a capital contribution of \$53,500,000 by JCHX to CMH in accordance with the Framework Agreement.

**“Cordoba Parties”** means Cordoba, Minerales and Exploradora.

**“Cordoba Subsidiaries”** means CMH and Cobre Minerals S.A.S.

**“Designated Persons”** means the persons named as proxyholders in the form of proxy.

**“EIA”** means Environmental Impact Assessment.

**“Engagement Agreement”** has the meaning set forth on page A-18.

**“Excluded Shareholders”** has the meaning set forth on page A-18.

**“Exploradora”** means Exploradora Cordoba S.A.S.

**“Fairness Opinion”** means the fairness opinion prepared by Haywood and appended to this Circular at Schedule “B”.

**“Feasibility Study”** has the meaning ascribed thereto in NI 43-101.

**“First Installment”** has the meaning set forth on page A-11.

**“Framework Agreement”** means the transaction agreement between Cordoba, Minerales, Exploradora, CMH, JCHX and Subco dated December 8, 2022, as the same may be amended, supplemented or otherwise modified in accordance with the terms therein.

**“Haywood”** means Haywood Securities Inc.

**“Initial Investment”** means the strategic investment in January 2020 by JCHX (through Intera) in the form of a subscription for 91,372,536 Common Shares, representing 19.9% of the then issued and outstanding Common Shares, at a price of \$0.12 per Common Share.

**“Interested Parties”** has the meaning set forth on page A-19.

**“Intermediary”** has the meaning set forth on page A-5.

**“Ivanhoe”** means Ivanhoe Electric Inc.

**“JCHX”** means JCHX Mining Management Co., Ltd.

**“JCHX Board”** means the board of directors of JCHX.

**“Joint Venture”** means the joint venture pertaining to the ownership of CMH and the development of the Project, in accordance with the Framework Agreement.

**“JV SHA”** means the agreement governing the development of the Project, the corporate governance of CMH, the principles that will govern their relation regarding the CMH’s administration and management, as well as the relation between CMH and its shareholders, as further described in the Framework Agreement.

**“Management Services Agreement”** means the agreement providing for the appointment of Minerales as operator and establishing the terms by which Minerales will manage the Project, as further described in the Framework Agreement.

**“Meeting”** means the special meeting of Cordoba.

**“Meeting Materials”** has the meaning set forth on page 1 of the Notice of Meeting.

"**MI 61-101**" means Multilateral Instrument: "MI 61-101 - Protection of Minority Security Holders in Special Transactions".

"**Minerales**" means Minerales Cordoba S.A.S.

"**minority approval**" has the meaning ascribed thereto in MI 61-101.

"**NGO**" means Non-Governmental Organization.

"**NI 43-101**" means National Instrument: "NI 43-101 - Standards of Disclosure for Mineral Projects".

"**NI 54-101**" means National Instrument: "54-101 - Communication with Beneficial Owners of Securities of a Reporting Issuer".

"**NOBOs**" has the meaning set forth on page A-5.

"**Non-Registered Shareholder**" has the meaning set forth on page A-5.

"**Notice of Meeting**" has the meaning set forth on page A-1.

"**OBOs**" has the meaning set forth on page A-5.

"**Osler**" means Osler, Hoskin & Harcourt LLP.

"**Parties**" means Cordoba, Minerales, Exploradora, CMH, JCHX and Subco.

"**PRC**" means the People's Republic of China but solely for purposes of the Framework Agreement, does not include Hong Kong, Macau and Taiwan

"**Pre-Feasibility Study**" has the meaning ascribed thereto in NI 43-101.

"**Project**" means the Alacran copper-gold-silver deposit.

"**Proxy**" means form of proxy.

"**Purchase Price**" means \$26,500,000, to be paid as consideration for the Acquisition.

"**Record Date**" means December 29, 2022, being the date for the determination of shareholders entitled to notice of, and to vote at, the Meeting or any adjournment or postponement thereof.

"**Registered Shareholder**" means a Shareholder registered in the records of the transfer agent of the Company.

"**Related Land Parcels**" means the following real estate properties of Minerales: (i) La Palestina 3, identified with *matrícula inmobiliaria* 142-36236; (ii) La Palestina 1, identified with *matrícula inmobiliaria* 142-36235; (iii) La Palestina 2, identified with *matrícula inmobiliaria* 142-35920; (iv) La Paz, identified with *matrícula inmobiliaria* 142-35918; (v) La Esperanza, identified with *matrícula inmobiliaria* 142-43377, (vi) La Paz 2, identified with *matrícula inmobiliaria* 142-44423 and the easement of Minerales over Villa Delicia 3, identified with *matrícula inmobiliaria* 142-32946.

"**Required Shareholder Approval**" has the meaning set forth on page A-2.

"**Restructuring**" means the restructuring steps to be undertaken by Cordoba prior to Closing, as described in the Framework Agreement.

**"Second Installment"** has the meaning set forth on page A-12.

**"Second Installment Deadline"** has the meaning set forth on page A-12.

**"Shareholders"** or **"Cordoba Shareholders"** means the holders of Common Shares.

**"Special Committee"** means the special committee of the Board of Directors.

**"Subco"** or **"Intera"** means Intera Mining Investment Limited.

**"Third Installment"** has the meaning set forth on page A-12.

**"Transaction"** means the transactions contemplated by the Framework Agreement, including the Bridge Loan, Contribution, Acquisition, and Joint Venture.

**"Transaction Resolution"** means the resolution appended to this Circular at Schedule "A".

**"TSXV"** means the TSX Venture Exchange.

**"TSXV Policies"** means the policies of the TSXV.

**"U.S. Exchange Act"** means the United States Securities Exchange Act of 1934, as amended.