



CORDOBA MINERALS CORP.

Condensed Interim Consolidated Financial Statements

June 30, 2019

(Unaudited)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Unaudited and expressed in Canadian Dollars)

	Notes	June 30, 2019	December 31, 2018
ASSETS			
Current assets			
Cash and cash equivalents	3	\$ 618,460	\$ 747,983
Other receivables		35,235	24,832
Prepaid expenses and deposits		384,966	468,787
Total current assets		1,038,661	1,241,602
Non-current assets			
Colombian value added tax receivable	4	1,428,227	1,311,004
Property, plant and equipment	5	1,161,523	1,080,394
Financial assets	6	249,143	200,000
TOTAL ASSETS		\$ 3,877,554	\$ 3,833,000
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		\$ 778,255	\$ 549,821
Due to related parties	12	3,270,093	225,701
Lease liability	7	144,916	5,377
Total current liabilities		4,193,264	780,899
Non-current liabilities			
Lease liability	7	66,130	36,922
TOTAL LIABILITIES		4,259,394	817,821
SHAREHOLDERS' (DEFICIT) EQUITY			
Share capital	8	147,753,578	146,258,230
Equity reserves	8, 9	17,230,774	16,369,286
Accumulated other comprehensive loss		(196,660)	(108,001)
Accumulated deficit		(165,108,775)	(159,504,336)
Shareholders' (deficit) equity attributable to Cordoba Minerals Corp.		(321,083)	3,015,179
Non-controlling interest	11	(60,757)	-
TOTAL SHAREHOLDERS' (DEFICIT) EQUITY		(381,840)	3,015,179
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		\$ 3,877,554	\$ 3,833,000

Description of business and going concern (Note 1)

Subsequent event (Note 8(b))

Approved and authorized for issue on behalf of the Board on August 19, 2019:

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS:/s/ Eric Finlayson

Eric Finlayson, Director

/s/ William Orchow

William Orchow, Director

See accompanying notes to the condensed interim consolidated financial statements

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Unaudited and expressed in Canadian Dollars)

	Notes	Three months ended June 30,		Six months ended June 30,	
		2019	2018	2019	2018
Operating expenses					
Exploration and evaluation expenditures	10	\$ 2,981,210	\$ 1,913,407	\$ 4,582,204	\$ 4,412,709
Corporate administration		387,620	375,185	845,718	803,724
Share-based payments	9	56,997	408,251	164,104	408,251
Amortization	5	64,985	14,221	134,037	29,527
Loss from operations		3,490,812	2,711,064	5,726,063	5,654,211
Other expense (income)					
Other expense (income)		16,935	(16,716)	(43,291)	(23,092)
Interest expense		25,388	35,914	33,079	46,652
Foreign exchange (gain) loss		(90,273)	38,251	(50,655)	52,853
Net loss for the period		\$ 3,442,862	\$ 2,768,513	\$ 5,665,196	\$ 5,730,624
Other comprehensive loss (income)					
Items that may be reclassified subsequently to loss:					
Currency translation adjustment		73,530	30,367	131,516	(211,654)
Items that will not be reclassified subsequently to loss:					
Change in fair value of marketable securities	6	42,857	-	(42,857)	-
Total other comprehensive loss (income)		116,387	30,367	88,659	(211,654)
Total comprehensive loss for the period		\$ 3,559,249	\$ 2,798,880	\$ 5,753,855	\$ 5,518,970
Net loss attributable to:					
Owners of Cordoba Minerals Corp.		\$ 3,382,105	\$ 2,768,513	\$ 5,604,439	\$ 5,730,624
Non-controlling interest	11	60,757	-	60,757	-
Net loss for the period		\$ 3,442,862	\$ 2,768,513	\$ 5,665,196	\$ 5,730,624
Total comprehensive loss attributable to:					
Owners of Cordoba Minerals Corp.		\$ 3,498,492	\$ 2,798,880	\$ 5,693,098	\$ 5,518,970
Non-controlling interest	11	60,757	-	60,757	-
Total comprehensive loss for the period		\$ 3,559,249	\$ 2,798,880	\$ 5,753,855	\$ 5,518,970
Loss per share (basic and diluted)		\$ 0.01	\$ 0.01	\$ 0.02	\$ 0.03
Weighted average number of basic and diluted					
common shares outstanding		300,039,718	206,760,072	292,747,841	206,721,240

See accompanying notes to the condensed interim consolidated financial statements

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

For the six months ended June 30, 2019 and 2018

(Unaudited and expressed in Canadian Dollars)

		Six months ended June 30,	
	Notes	2019	2018
Operating activities			
Net loss for the period		\$ (5,665,196)	\$ (5,730,624)
Adjustments for non-cash items:			
Share-based payments		164,104	408,251
Amortization		134,037	29,527
Interest expense		33,079	-
Other income		(6,286)	-
Unrealized foreign exchange (gain) loss		(189,106)	228,371
Changes in non-cash working capital items:			
Receivables		(87,412)	(184,808)
Prepaid expenses and deposits		83,821	451,648
Accounts payable and accrued liabilities		228,434	(41,384)
Due to related parties		598,070	659,325
Cash used in operating activities		(4,706,455)	(4,179,694)
Investing activities			
Acquisition of property, plant and equipment		(1,573)	(13,218)
Cash used in investing activities		(1,573)	(13,218)
Financing activities			
Issuance of shares and warrants, net of issue costs		2,192,732	-
Payment of lease liabilities	7	(84,642)	-
Interest paid	7	(14,065)	-
Exercise of stock options		-	42,000
Recovery of share issuance cost		-	10,033
Proceeds from short-term loan from related party		2,479,326	1,969,200
Cash from financing activities		4,573,351	2,021,233
Effect of changes in foreign exchange rates on cash and cash equivalents		5,154	655
Decrease in cash and cash equivalents		(129,523)	(2,171,024)
Cash and cash equivalents, beginning of period		747,983	2,414,435
Cash and cash equivalents, end of period		\$ 618,460	\$ 243,411

See accompanying notes to the condensed interim consolidated financial statements

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' (DEFICIT) EQUITY

For the six months ended June 30, 2019 and 2018

(Unaudited and expressed in Canadian Dollars)

	Number of common shares	Share capital	Equity reserves				Accumulated other comprehensive (loss) income	Accumulated deficit	Shareholders' (deficit) equity attributable to owners of Cordoba Minerals Corp.	Non- controlling interest	Total
			Warrants reserve	Broker warrants reserve	Share-based payments reserve						
Balance at December 31, 2018	277,219,388	\$ 146,258,230	\$ 11,455,565	\$ 48,149	\$ 4,865,572	\$ (108,001)	\$ (159,504,336)	\$ 3,015,179	\$ -	\$ 3,015,179	
Net loss for the period	-	-	-	-	-	-	(5,604,439)	(5,604,439)	(60,757)	(5,665,196)	
Settlement of Deferred Share Units (DSU)	50,000	33,500	-	-	(33,500)	-	-	-	-	-	
Share-based payments	-	-	-	-	164,104	-	-	164,104	-	164,104	
Shares issued for private placement (Note 8)	22,800,000	1,520,029	759,971	-	-	-	-	2,280,000	-	2,280,000	
Share issuance costs	-	(58,181)	(29,087)	-	-	-	-	(87,268)	-	(87,268)	
Other comprehensive loss	-	-	-	-	-	(88,659)	-	(88,659)	-	(88,659)	
Balance at June 30, 2019	300,069,388	\$ 147,753,578	\$ 12,186,449	\$ 48,149	\$ 4,996,176	\$ (196,660)	\$ (165,108,775)	\$ (321,083)	\$ (60,757)	\$ (381,840)	
Balance at December 31, 2017	206,438,643	\$ 139,615,465	\$ 10,683,695	\$ 48,149	\$ 4,459,603	\$ (259,886)	\$ (149,582,495)	\$ 4,964,531	\$ -	\$ 4,964,531	
Net loss for the period	-	-	-	-	-	-	(5,730,624)	(5,730,624)	-	(5,730,624)	
Settlement of Deferred Share Units	50,000	33,500	-	-	(33,500)	-	-	-	-	-	
Exercise of stock options - cash proceeds	275,000	42,000	-	-	-	-	-	42,000	-	42,000	
Fair value of stock options exercised	-	42,750	-	-	(42,750)	-	-	-	-	-	
Share-based payments	-	-	-	-	408,251	-	-	408,251	-	408,251	
Share issuance cost - refund	-	10,033	-	-	-	-	-	10,033	-	10,033	
Other comprehensive income	-	-	-	-	-	211,654	-	211,654	-	211,654	
Balance at June 30, 2018	206,763,643	\$ 139,743,748	\$ 10,683,695	\$ 48,149	\$ 4,791,604	\$ (48,232)	\$ (155,313,119)	\$ (94,155)	\$ -	\$ (94,155)	

See accompanying notes to the condensed interim consolidated financial statements

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited and expressed in Canadian Dollars)

1. DESCRIPTION OF BUSINESS AND GOING CONCERN

Cordoba Minerals Corp. (the “Company” or “Cordoba”) is a publicly listed company incorporated under the laws of British Columbia, Canada. Its shares are listed on the TSX Venture Exchange under the symbol CDB. The Company’s head office and registered office are located at Suite 654-999 Canada Place, Vancouver, British Columbia, Canada, V6C 3E1.

At June 30, 2019, High Power Exploration Inc. (“HPX”), the Company’s privately owned parent, held 70% of the Company’s issued and outstanding common shares. The ultimate controlling entity is I-Pulse Inc., a privately owned company.

The Company, together with its subsidiaries, is a mineral exploration group focused on projects located in Arizona, USA and Colombia. The principal business of the Company is the acquisition, exploration and development of precious and base metal properties.

The Company’s condensed interim consolidated financial statements have been prepared using International Financial Reporting Standards (“IFRS”) applicable to a going concern, which presumes that the Company will continue in operations for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

For the three and six months ended June 30, 2019, the Company had no operating revenue and incurred a net loss of \$3.4 million and \$5.7 million, respectively. At June 30, 2019, the Company had consolidated cash of approximately \$618,000 (December 31, 2018 - \$748,000).

At June 30, 2019, the Company believes that it has adequate resources to maintain its minimum obligations, including general corporate activities, based on its cash position and ability to pursue additional sources of financing, including equity placements.

The Company currently has no source of operating cash flow, and has no assurance that additional funding will be available to it for additional exploration programs at its properties, or to enable the Company to fulfill its obligations under any applicable agreements. The Company’s ability to continue as a going concern is dependent on its ability to obtain additional sources of financing to successfully explore and evaluate its mineral properties and, ultimately, to achieve profitable operations. Significant reliance is placed on HPX, the Company’s controlling shareholder, for providing ongoing financing to the Company. Failure of HPX to provide or participate in financing, or the inability of HPX to provide or participate in financing, would likely result in difficulty for Cordoba to attract separate third party investment. As such, there is a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern.

These condensed interim consolidated financial statements do not reflect adjustments to the carrying values and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern, and such adjustments could be material.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited and expressed in Canadian Dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of presentation

These condensed interim consolidated financial statements have been prepared in accordance with IAS 34, *Interim Financial Reporting*. These condensed interim consolidated financial statements do not include all of the information and footnotes required by IFRS for full annual financial statements and should be read in conjunction with the Company's annual consolidated financial statements for the year ended December 31, 2018, which have been prepared in accordance with IFRS.

The accounting policies used in the preparation of these condensed interim consolidated financial statements are the same as those applied in the Company's most recent consolidated annual financial statements for the year ended December 31, 2018 (with the exception of IFRS 16, *Leases* ("IFRS 16")), and reflect all the adjustments necessary for fair presentation in accordance with IFRS for the interim periods presented. The application of IFRS 16 is effective for annual periods beginning on or after January 1, 2019, and the impact of the application of IFRS 16 is discussed in Note 2(b).

These condensed interim consolidated financial statements have been prepared on the historical costs basis except for certain financial instruments, which are measured at fair value.

These condensed interim consolidated financial statements are expressed in Canadian dollars.

(b) Change in accounting policy

Effective January 1, 2019, the Company adopted IFRS 16 using the modified retrospective application method, where the 2018 comparatives have not been restated.

IFRS 16 introduces significant changes to the lessee accounting by removing the distinction between operating and finance leases and requiring the recognition of a right-of-use asset ("ROU asset") and a lease liability at the lease commencement for all leases, except for short-term leases (lease terms of 12 months or less) and leases of low value assets. At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company assesses whether the contract involves the use of an identified asset, whether the Company has the right to obtain substantially all of the economic benefits from use of the asset during the term of the arrangement and if the Company has the right to direct the use of the asset.

In applying IFRS 16 for all leases, except as noted above, the Company (i) recognizes the ROU asset and lease liabilities in the statements of financial position, initially measured at the present value of future lease payments; (ii) recognizes the depreciation of ROU assets and interest on lease liabilities in the consolidated statements of loss and comprehensive loss; and (iii) separates the total amount of cash paid into a principal portion and an interest portion in the consolidated statements of cash flows. For short-term leases and leases of low value assets, the Company has opted to recognize a lease expense on a straight-line basis, and this expense is presented within operating expenses in the condensed interim consolidated statements of loss and comprehensive loss.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited and expressed in Canadian Dollars)

The Company has made use of the following practical expedients available on transition to IFRS 16:

- Recognize ROU assets at the amount of the lease liability for each lease at the date of initial application;
- Apply the recognition exemptions for low value leases and leases that end within 12 months of the date of initial application;
- Accounting for non-lease components and lease components as a single lease component.

In transitioning to IFRS 16, the Company analyzed its contracts to identify whether they are or contain a lease arrangement. This analysis identified contracts containing leases that resulted in the recognition of an increase of \$182,184 to both the Company's ROU assets and lease liabilities on initial application of IFRS 16. The incremental borrowing rate for lease liabilities initially recognized on adoption of IFRS 16 was 14%.

The operating lease obligations as at December 31, 2018 are reconciled as follows to the recognized lease liabilities as at January 1, 2019:

	January 1, 2019
Operating lease obligation as at December 31, 2018	\$ 192,573
Other	6,254
Leases identified as a result of IFRS 16 adoption	198,827
Effect of discounting at the incremental borrowing rate	(16,643)
Lease liabilities arising on initial adoption of IFRS 16	182,184
Lease liabilities from finance leases previously recorded	42,299
Total lease liability at January 1, 2019	\$ 224,483

(c) New accounting standards and interpretations

There are no other new or revised IFRS standards and interpretations, not yet effective, that would be expected to have a material impact on the Company.

(d) Critical accounting estimates and judgments

The preparation of the condensed interim consolidated financial statements in conformity with IAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The Company has consistently applied the significant accounting judgments, estimates and assumptions set out in Note 5 of the Company's audited consolidated financial statements for the year ended December 31, 2018 to all the periods presented in these unaudited condensed interim consolidated financial statements.

In addition to the significant accounting judgments, estimates and assumptions set out in the Company's audited consolidated financial statements for the year ended December 31, 2018,

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited and expressed in Canadian Dollars)

the Company has also applied judgment when determining whether the Company has control of subsidiaries. This requires an assessment of the relevant activities of the investee, being those that significantly affect the investee's returns, including operating and capital decision-making, appointment, remuneration and termination of key management personnel; and when the decisions in relation to those activities are under the control of the Company.

During the three months ended June 30, 2019, the Company acquired a 25% interest in MMDEX LLC ("MMDEX"), and it was determined that the Company had control of the entity. The assessment of the relevant facts and circumstances leading to that conclusion is disclosed in Note 11.

3. CASH AND CASH EQUIVALENTS

	June 30, 2019	December 31, 2018
Cash held in bank accounts	\$ 618,460	\$ 62,258
Term deposits	-	685,725
	\$ 618,460	\$ 747,983

4. COLOMBIAN VALUE-ADDED-TAX ("VAT") RECEIVABLE

Non-current VAT receivable arises from VAT paid to the Government of Colombia in respect of the Company's exploration and development activities. Under the VAT regime in Colombia, VAT paid during a company's development stage forms a credit which is available to offset VAT collected during future commercial operations. The actual timing of receipt is uncertain as VAT is refundable only upon commercial operations; therefore, VAT receivable has been classified as a non-current asset.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited and expressed in Canadian Dollars)

5. PROPERTY, PLANT AND EQUIPMENT

	Computer equipment	Furniture and equipment	Vehicles	Land	Right of use assets (Note 7)	Total
Cost						
Balance - December 31, 2017	\$ 109,019	\$ 205,261	\$ 67,961	\$ 664,560	\$ -	\$ 1,046,801
Additions	40,217	53,805	42,721	-	-	136,743
Write-offs and disposals	(6,090)	(1,239)	-	-	-	(7,329)
Foreign exchange	11,259	17,759	10,494	57,663	-	97,175
Balance - December 31, 2018	154,405	275,586	121,176	722,223	-	1,273,390
Impact of IFRS 16 adoption (Note 2(b))	-	-	(42,721)	-	224,905	182,184
Additions	1,573	-	-	-	77,002	78,575
Foreign exchange	(6,580)	(10,664)	(5,272)	(28,993)	(5,649)	(57,158)
Balance - June 30, 2019	\$ 149,398	\$ 264,922	\$ 73,183	\$ 693,230	\$ 296,258	\$ 1,476,991
Accumulated amortization						
Balance - December 31, 2017	\$ 52,991	\$ 58,727	\$ (2,801)	\$ -	\$ -	\$ 108,917
Charge for the period	23,926	23,297	21,982	-	-	69,205
Write-offs and disposals	(2,506)	(640)	-	-	-	(3,146)
Foreign exchange	6,506	5,987	5,527	-	-	18,020
Balance - December 31, 2018	80,917	87,371	24,708	-	-	192,996
Impact of IFRS 16 adoption (Note 2(b))	-	-	(712)	-	712	-
Charge for the period	17,751	14,296	11,485	-	90,505	134,037
Foreign exchange	(3,935)	(3,550)	(3,295)	-	(785)	(11,565)
Balance - June 30, 2019	\$ 94,733	\$ 98,117	\$ 32,186	\$ -	\$ 90,432	\$ 315,468
Net book value						
Balance - December 31, 2018	\$ 73,488	\$ 188,215	\$ 96,468	\$ 722,223	\$ -	\$ 1,080,394
Balance - June 30, 2019	\$ 54,665	\$ 166,805	\$ 40,997	\$ 693,230	\$ 205,826	\$ 1,161,523

6. FINANCIAL ASSETS

On August 27, 2018, the Company, through its wholly-owned subsidiary Cordoba Minerals USA Corp., entered into a joint venture and earn-in agreement (the "Joint Venture Agreement") with Bell Copper Corporation (TSXV: BCU) ("Bell Copper") and certain of its wholly-owned subsidiaries, to explore the Perseverance porphyry copper project located in northwestern Arizona, USA (the "Perseverance Project").

Pursuant to the terms of the Joint Venture Agreement, and as part of the initial commitment to the project, Cordoba subscribed for 2,857,143 units of Bell Copper on a private placement basis at a price of \$0.07 per unit. Each unit consists of one common share of Bell Copper and one common share purchase warrant, with each warrant exercisable at a price of \$0.105 per share for a period ending 12 months from the date of issuance.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited and expressed in Canadian Dollars)

At June 30, 2019 and December 31, 2018, the investment in Bell Copper is valued as follows:

	June 30, 2019	December 31, 2018
Bell Copper common shares	\$ 214,286	\$ 171,429
Bell Copper warrants	34,857	28,571
	\$ 249,143	\$ 200,000

In addition to the unit subscription, Cordoba also funded \$300,000 in cash for initial drilling expenditures at the Perseverance Project.

Following completion of the unit subscription and expenditure of the \$300,000, Cordoba has the option to earn up to an 80% interest in the Perseverance Project through the acquisition of an equity interest in the joint venture company MMDEX, a wholly-owned indirect subsidiary of Bell Copper, by completing certain phased project expenditures over a 7.5 year period as follows:

- Phase 1 - \$1 million within 18 months to earn 25% interest (completed)
- Phase 2 - Additional \$3 million within subsequent 2 years for a total of 51% interest
- Phase 3 - Additional \$3 million within subsequent 2 years for a total of 70% interest
- Phase 4 - Additional \$10 million within subsequent 2 years for a total of 80% interest

On March 31, 2019, Cordoba's Phase 1 project expenditures surpassed \$1 million and the Company then had the right and option to a 25% shareholding in the joint venture company, MMDEX. Cordoba had 90 days from March 31, 2019 to provide notice to Bell Copper and MMDEX that it wished to subscribe for this 25% interest. During the three months ended June 30, 2019, this notice was provided. At June 30, 2019, the Company owns 25% of MMDEX (Note 11).

7. LEASES

(a) Right-of-use-assets

The Company's ROU assets include contracts for leasing vehicles, office premises and equipment. At June 30, 2019, \$205,826 of ROU assets are recorded as part of property, plant and equipment. ROU assets are depreciated straight-line over the shorter of the lease term or the useful life of the underlying assets. Other than one of the vehicles that is depreciated straight-line over 5 years, the ROU assets are depreciated over the term of the lease.

	Vehicles	Office	Equipment	Total
Right of use assets				
Net book value at January 1, 2019	\$ -	\$ -	\$ -	\$ -
IFRS 16 adoption (Note 2(b))	42,009	163,873	18,311	224,193
Additions	77,002	-	-	77,002
Depreciation charge for the period	(17,104)	(67,083)	(6,318)	(90,505)
Foreign exchange	(2,313)	(1,931)	(620)	(4,864)
Net book value at June 30, 2019	\$ 99,594	\$ 94,859	\$ 11,373	\$ 205,826

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited and expressed in Canadian Dollars)

(b) Lease liabilities

The leases of office premises, vehicles and equipment comprise only fixed payments over the lease terms. The Company recorded interest expense of \$7,818 and \$15,509 on lease liabilities for the three and six months ended June 30, 2019. The Company also recorded expenses of \$19,124 and \$69,975 related to short term leases and income of \$19,284 and \$36,564 from sub-leasing ROU assets during the three and six months ended June 30, 2019, respectively.

	June 30, 2019
Maturity analysis - contractual undiscounted cash flows	
Less than one year	\$ 162,106
One to two years	43,275
Two to three years	9,484
More than three years	22,542
Total undiscounted lease liabilities at June 30, 2019	237,407
Effect of discounting	(26,361)
Total lease liabilities at June 30, 2019	\$ 211,046
Current	\$ 144,916
Non-current	\$ 66,130

	Six months ended June 30, 2019
Lease liability continuity	
As at December 31, 2018	\$ 42,299
IFRS 16 adoption	182,184
Cash flows	
Principal payments	(84,642)
Interest payments	(14,065)
Non-cash changes	
Additions	77,002
Accretion	15,509
Change in foreign exchange and other	(7,241)
Total lease liabilities as at June 30, 2019	\$ 211,046

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited and expressed in Canadian Dollars)

8. SHARE CAPITAL

(a) Common Shares

The Company is authorized to issue an unlimited number of common shares without par value. At June 30, 2019, the Company had 300,069,388 common shares issued and outstanding (December 31, 2018 – 277,219,388).

Between February 25, 2019 and March 11, 2019 the Company completed non-brokered private placements (the "Offering") of an aggregate of 22,800,000 units ("Units") of the Company at a price of \$0.10 per Unit for gross proceeds of \$2,280,000. Each Unit consists of one common share ("Share") of the Company and one common share purchase warrant ("Warrant"). Each Warrant entitles the holder to purchase one Share for a period of 24 months following the closing date of the initial tranche of the offering at the exercise price of \$0.12 per Share. In connection with the Offering, the Company paid aggregate finder's fees of \$41,650.

The Offering included subscriptions from related parties: 2,500,000 Units for gross proceeds of \$250,000 from HPX; and subscriptions for 1,650,000 Units for gross proceeds of \$165,000 from certain directors and officers of the Company.

(b) Share Purchase Warrants

A summary of share purchase warrants activity for the six months ended June 30, 2019 is as follows:

	Number of warrants	Weighted average exercise price
Balance - December 31, 2018	38,960,439	\$0.43
Granted	22,800,000	\$0.12
Balance - June 30, 2019	61,760,439	\$0.32

The net proceeds of the Offering of \$2,192,732 have been bifurcated using the relative fair value method resulting in \$1,461,848 recorded in share capital and \$730,884 recorded in warrant reserve. The fair value of each Warrant issued in the Offering has been estimated to be \$0.06 as of the date of the issuance using the Black-Scholes option pricing model with the following assumptions: risk-free interest rate of 1.77%, expected life of 2 years, annualized volatility of 95.8% and dividend yield of 0%.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited and expressed in Canadian Dollars)

Details of share purchase warrants outstanding as of June 30, 2019 are:

Expiry date	Number of warrants	Weighted average exercise price
July 11, 2019 <i>(i)</i>	12,355,311	\$1.08
October 19, 2020	26,605,128	\$0.13
February 25, 2021	22,800,000	\$0.12
Balance - June 30, 2019	61,760,439	\$0.32

- i.* On July 11, 2019, 12,335,311 share purchase warrants, with a weighted average exercise price of \$1.08 expired unexercised.

(c) Compensation Options

In July 2017, 370,380 compensation options were granted to a syndicate of underwriters in connection with a July 2017 private placement. The compensation options expired unexercised on January 11, 2019. Each compensation option was exercisable into one Cordoba common share and one-half of one Cordoba common share purchase warrant at an exercise price of \$0.81 until January 11, 2019. Each common share purchase warrant was exercisable to acquire one common share of the Company at a price of \$1.08 until July 11, 2019.

9. SHARE-BASED PAYMENTS

(a) Share Purchase Options

The Company has in place a stock option plan (the "Plan"), which allows the Company to issue options to certain directors, officers, employees and consultants of the Company. The aggregate number of securities reserved for issuance will be not more than 10% of the number of common shares issued and outstanding from time to time. The Plan provides that the number of stock options held by any one individual may not exceed 5% of the number of issued and outstanding common shares. Options granted under the Plan may have a maximum term of ten years. The exercise price of options granted under the Plan will not be less than the market price of the Company's shares on the day prior to the grant date. Stock options granted under the Plan may be subject to vesting terms if imposed by the Board of Directors or required by the TSX Venture Exchange.

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(Unaudited and expressed in Canadian Dollars)

The following is a summary of share purchase options activity for the six months ended June 30, 2019:

	Six months ended June 30, 2019		Six months ended June 30, 2018	
	Number of stock options	Weighted average exercise price (\$ per share)	Number of stock options	Weighted average exercise price (\$ per share)
Outstanding, beginning of period	9,667,500	\$ 0.38	6,658,625	\$ 0.55
Granted	-	-	4,750,000	0.20
Exercised	-	-	(275,000)	0.15
Expired/cancelled/forfeited	(1,116,666)	0.24	(586,101)	0.68
Outstanding, end of period	8,550,834	\$ 0.40	10,547,524	\$ 0.39
Exercisable, end of period	6,230,000	\$ 0.47	5,941,274	\$ 0.54

Exercise price (\$ per share)	Options outstanding		Options exercisable	
	Number of stock options	Weighted average remaining contractual life (years)	Number of stock options	Weighted average remaining contractual life (years)
0.12	1,125,000	6.41	1,125,000	6.41
0.13	150,000	6.32	150,000	6.32
0.20	3,558,334	3.57	1,275,000	3.34
0.21	825,000	5.91	825,000	5.91
0.58	75,000	3.39	37,500	3.39
0.74	100,000	7.37	100,000	7.37
0.80	1,055,000	4.99	1,055,000	4.99
0.85	1,625,000	6.81	1,625,000	6.81
1.00	37,500	3.09	37,500	3.09
	8,550,834	5.05	6,230,000	5.55

(b) Deferred Share Unit

Pursuant to the terms of the Company's Deferred Share Unit Plan, the Company may grant deferred share units ("DSUs") to the Company's directors. Upon a participant's retirement, the DSUs may be settled with cash or shares of the Company, at the sole discretion of the Board. The fair value of a DSU is determined as the fair market value of a common share of the Company on grant date and recorded in equity reserves. On May 24, 2019, 50,000 DSU's were redeemed and settled with issuance of 50,000 common shares of the Company. At June 30, 2019 there were 250,000 DSUs outstanding (December 31, 2018 – 300,000).

(c) Other Equity-based Instruments

Pursuant to the terms of the Company's Long Term Incentive Plan, the Company may grant restricted share units ("RSUs") as well as performance share units ("PSUs") to eligible participants. On entitlement date, the Company may elect to settle the RSUs with cash or shares of the Company at the discretion of the Board. The fair value of an RSU and PSU is

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determined as the fair market value of a common share of the Company on the grant date and recorded in equity reserves. At June 30, 2019 there were 556,672 RSUs outstanding (December 31, 2018 – 556,672).

10. EXPLORATION AND EVALUATION EXPENDITURES

For the three and six months ended June 30, 2019 and 2018, exploration and evaluation (“E&E”) expenditure comprises:

	Three months ended June 30,		Six months ended June 30,	
	2019	2018	2019	2018
Direct exploration costs	\$ 689,788	\$ 364,226	\$ 1,378,133	\$ 798,730
Indirect exploration costs	368,729	615,772	744,797	1,561,013
Site general and administration costs	536,853	371,453	1,047,965	773,662
E&E acquisition costs (i)	1,385,840	561,956	1,411,309	1,279,304
Exploration and evaluation expenditures	\$ 2,981,210	\$ 1,913,407	\$ 4,582,204	\$ 4,412,709

i. E&E acquisition costs are comprised primarily of option payments relating to the Company’s project in Colombia.

11. ACQUISITION OF MMDEX LLC

During the three months ended June 30, 2019, the Company acquired 25% of MMDEX. The acquisition was accounted for as an asset acquisition as the activities of MMDEX did not meet the definition of a business under IFRS 3, *Business Combinations*.

The Company incurred \$1 million in earn-in expenditures to acquire the 25% interest in MMDEX. These expenditures during the earn-in period were expensed in the statement of loss and no additional consideration was paid. At the date of acquisition, the fair value of the net assets of MMDEX was \$Nil.

Management has performed an assessment of its 25% interest in MMDEX and has concluded that Cordoba controls MMDEX as Cordoba holds a majority of the board seats of MMDEX and therefore has decision making power over its relevant activities. These relevant activities include establishing objectives, policies and strategies, as well as reviewing and approving ongoing and proposed exploration programs and budgets at the Perseverance Project. Accordingly, Cordoba has consolidated MMDEX in these condensed interim consolidated financial statements in accordance with the provisions of IFRS 10, *Consolidated Financial Statements*.

The 75% interest held by Bell Copper is recognized as non-controlling interests, as the Company’s interest in MMDEX is less than 100%. Non-controlling interests represent the equity in a subsidiary not attributable, directly and indirectly, to the Company and is presented as a separate component of equity. Subsequent to the acquisition date, adjustments are made to the carrying amount of non-controlling interests for the non-controlling interests’ share of changes to the subsidiary’s equity. Losses within a subsidiary continue to be attributed to non-controlling interests even if that results in a deficit balance.

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12. RELATED PARTY TRANSACTIONS

The Company had transactions during the three and six months ended June 30, 2019 and 2018 with related parties consisting of officers, HPX and a company that is owned partially by Cordoba. These transactions are in the normal course of operations and are measured at the exchange amount of the services rendered.

(a) Expenses

During the three and six months ended June 30, 2019, the Company incurred \$32,235 and \$36,018, respectively (2018 - \$18,638 and \$50,156) in E&E expenditures with HPX. The costs incurred consist of technical and managerial services provided for the Company's exploration projects. Additionally, during the three and six months ended June 30, 2019, the Company charged HPX \$20,059 and \$45,059, respectively (2018 - \$57,652 and \$128,703), relating to E&E salaries & expenses.

During the three and six months ended June 30, 2019, the Company incurred \$248,251 and \$404,251, respectively (2018 - \$145,976 and \$272,221) in exploration and evaluation and corporate administration expenditures with Global Mining Management Corporation ("GMM"), a private company based in Vancouver. Cordoba held 8.3% of GMM's common shares at June 30, 2019 (December 31, 2018 – 8.3%). The costs incurred consist of administrative, technical and managerial services provided to the Company on a pro-rata cost sharing basis under the provisions of the "Shareholders' Corporate Management and Cost Sharing Agreement" between the Company and GMM. The investment in GMM is held at \$Nil on the condensed interim consolidated statements of financial position.

(b) Amounts due to related parties

	June 30, 2019	December 31, 2018
GMM payables and accrued liabilities (i)	\$ 117,265	\$ 114,176
HPX payables and accrued liabilities (i)	706,506	111,525
HPX short-term loan (ii)	2,446,322	-
Total due to related parties	\$ 3,270,093	\$ 225,701

- i.* The payables and accrued liabilities owing to GMM and HPX are unsecured, non-interest-bearing and payable on demand.
- ii.* In June 2019, the Company arranged short-term loan financing of US\$2.4 million from HPX under the terms of an Unsecured Promissory Note Agreement, which has been provided in the form of a grid promissory note ("Promissory Note"). The Promissory Note has a maturity date of December 31, 2019, and an interest rate of 10% per annum, with interest accruing daily and all interest compounding only at maturity. The interest rate will increase to 12% per annum in the event that the Company does not repay the amount owing upon the maturity date. At June 30, 2019, the carrying value of the Promissory Note including accrued interest was US\$1.87 million (\$2.45

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million). Interest expense of \$17,570 was accrued on the Promissory Note for both the three and six months ended June 30, 2019.

(c) Leases

In December 2018, a former officer of the Company financed a vehicle on behalf of the Company for operations at the Perseverance Project. The Company is leasing this vehicle back from the former officer. At June 30, 2019, the lease liability for the vehicle was \$38,094 with a remaining lease term of 65 months and an interest rate of 11.29%.

(d) Key Management Compensation

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include certain directors and officers. For the three and six months ended June 30, 2019 and 2018, key management compensation includes:

	Three months ended June 30,		Six months ended June 30,	
	2019	2018	2019	2018
Salaries and benefits	\$ 135,638	\$ 224,214	\$ 381,232	\$ 409,433
Share-based payments*	-	48,000	-	517,000
Total key management compensation	\$ 135,638	\$ 272,214	\$ 381,232	\$ 926,433

*Share-based payments represent fair value of stock options granted during the reporting period estimated on the date of grant using the Black-Scholes option pricing model.

13. SEGMENTED INFORMATION

The Company operates in two geographically based industry segments, Colombia and the USA. The Company's head office was located in Toronto, Canada until March 31, 2019. On April 1, 2019, the Company announced a corporate reorganization that resulted in the re-location of its head office to Vancouver, Canada. The exploration expenditures for the three and six months ended June 30, 2019 and 2018 respectively were incurred in Colombia and the USA as follows:

	Three months ended June 30,		Three months ended June 30,		Three months ended June 30,	
	2019	2018	2019	2018	2019	2018
	Colombia		USA		Total	
Direct exploration costs	\$ 662,707	\$ 364,226	\$ 27,081	\$ -	\$ 689,788	\$ 364,226
Indirect exploration costs	352,769	615,772	15,960	-	368,729	615,772
Site general and administration costs	517,119	371,453	19,734	-	536,853	371,453
E&E acquisition costs	1,367,606	561,956	18,234	-	1,385,840	561,956
Exploration and evaluation expenditures	\$ 2,900,201	\$ 1,913,407	\$ 81,009	\$ -	\$ 2,981,210	\$ 1,913,407

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	Six months ended June 30,		Six months ended June 30,		Six months ended June 30,			
	2019		2018		2019		2018	
	Colombia		USA		Total			
Direct exploration costs	\$ 924,265	\$ 798,730	\$ 453,868	\$ -	\$ 1,378,133	\$ 798,730		
Indirect exploration costs	655,995	1,561,013	88,802	-	744,797	1,561,013		
Site general and administration costs	998,039	773,662	49,926	-	1,047,965	773,662		
E&E acquisition costs	1,381,027	1,279,304	30,282	-	1,411,309	1,279,304		
Exploration and evaluation expenditures	\$ 3,959,326	\$ 4,412,709	\$ 622,878	\$ -	\$ 4,582,204	\$ 4,412,709		

The Company's non-current assets at June 30, 2019 and December 31, 2018 are located in Colombia, USA and at the corporate office in Canada as follows:

	Colombia		USA		Canada		Total	
	June 30, December 31,		June 30, December 31,		June 30, December 31,		June 30, December 31,	
	2019	2018	2019	2018	2019	2018	2019	2018
Colombian VAT receivable	\$ 1,428,227	\$ 1,311,004	\$ -	\$ -	\$ -	\$ -	\$ 1,428,227	\$ 1,311,004
Property, plant and equipment	1,061,969	1,038,385	36,223	42,009	63,331	-	1,161,523	1,080,394
Financial assets	-	-	-	-	249,143	200,000	249,143	200,000
Non-current assets	\$ 2,490,196	\$ 2,349,389	\$ 36,223	\$ 42,009	\$ 312,474	\$ 200,000	\$ 2,838,893	\$ 2,591,398

14. FINANCIAL INSTRUMENTS

Financial assets and liabilities have been classified into categories that determine their basis of measurement and, for items measured at fair value on a recurring basis, whether changes in fair value are recognized at fair value through profit or loss ("FVTPL") or fair value through other comprehensive income ("FVTOCI").

The Company's financial assets and financial liabilities are classified as follows:

	June 30, 2019	December 31, 2018
Financial assets		
Financial assets measured at amortized cost		
Cash and cash equivalents	\$ 618,460	\$ 747,983
Other receivables	17,836	7,981
Financial assets measured at FVTOCI		
Investments	214,286	171,429
Financial assets measured at FVTPL		
Warrants	34,857	28,571
Total financial assets	\$ 885,439	\$ 955,964
Financial liabilities measured at amortized cost		
Accounts payable and accrued liabilities	\$ 778,255	\$ 549,821
Due to related parties	3,270,093	225,701
Lease liabilities	211,046	42,299
Total financial liabilities	\$ 4,259,394	\$ 817,821

The carrying amounts for cash and cash equivalents, other receivables, accounts payable and accrued liabilities, and due to related parties approximate fair values due to their short-term nature.

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Financial instruments measured at fair value are classified into one of the three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values.

The three levels of the fair value hierarchy are:

- Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3 Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Investments in traded equity securities are valued using level one inputs. Investments in warrants are valued using level two inputs.

15. CONTINGENCIES

Cordoba filed criminal lawsuits in late 2018 and in January 2019 with the Colombian prosecutors against nine members of former Colombian management alleging breach of fiduciary obligations, abuse of trust, theft and fraud. The Colombian prosecutor service will determine if any formal charges should be laid. The Company is also seeking civil damages against some of these individuals. We cannot reasonably predict the likelihood or outcome of the lawsuits.