



CORDOBA MINERALS CORP.
Condensed Interim Consolidated Financial Statements
For the period ended
September 30, 2018

TSX-V: CDB

CORDOBA MINERALS CORP.

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company.

The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at September 30, 2018 and December 31, 2017

(Unaudited and expressed in Canadian Dollars)

	September 30, 2018	December 31, 2017
ASSETS		
Current assets		
Cash and cash equivalents (Note 5)	\$ 167,748	\$ 2,414,435
Other receivables	29,778	66,855
Due from related parties (Note 12)	-	61,777
Prepaid expenses and deposits	375,127	824,219
	572,653	3,367,286
Non-current assets		
Colombian value added tax receivable (Note 6)	1,324,734	1,171,287
Property, plant and equipment (Note 7)	956,743	937,884
Investment (Note 8)	200,000	-
	2,481,477	2,109,171
TOTAL ASSETS	\$ 3,054,130	\$ 5,476,457
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	\$ 365,531	\$ 466,005
Due to related parties (Note 12)	148,089	45,921
	513,620	511,926
Shareholders' equity		
Share capital (Note 9)	144,452,449	139,615,465
Equity reserves (Note 9 and 10)	15,492,735	15,191,447
Accumulated other comprehensive loss	(100,364)	(259,886)
Deficit	(157,304,310)	(149,582,495)
	2,540,510	4,964,531
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 3,054,130	\$ 5,476,457

Nature of operations and going concern (Note 1)

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS:

(signed) "Peter Meredith", Director
Peter Meredith

(signed) "Ignacio Rosado", Director
Ignacio Rosado

See accompanying notes to the condensed interim consolidated financial statements

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

For the three and nine month periods ended September 30, 2018 and 2017

(Unaudited and expressed in Canadian Dollars)

	Three months ended		Nine months ended	
	September 30,	September 30,	September 30,	September 30,
	2018	2017	2018	2017
Operating expenses				
Exploration and evaluation expenditures (Note 11)	\$ 1,341,343	\$ 73,615,070	\$ 5,754,052	\$ 73,615,070
Corporate administration	461,240	507,429	1,264,964	1,603,773
Share-based payments (Note 10)	153,534	663,381	561,785	961,646
Amortization	14,286	34,465	43,813	60,559
	1,970,403	74,820,345	7,624,614	76,241,048
Other income (expense)				
Interest and other income (expense)	(10,413)	402	(33,973)	(3,498)
Foreign exchange loss	(10,375)	(4,423)	(63,228)	(12,446)
Gain on disposition of property, plant and equipment	-	-	-	8,590
	(20,788)	(4,021)	(97,201)	(7,354)
Net loss for the period	\$ (1,991,191)	\$ (74,824,366)	\$ (7,721,815)	\$(76,248,402)
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss:				
Unrealized gain (loss) on foreign exchange translation	(52,132)	(39,275)	159,522	(61,027)
Comprehensive loss for the period	\$ (2,043,323)	\$ (74,863,641)	\$ (7,562,293)	\$(76,309,429)
Loss per share, basic and diluted	\$ (0.01)	\$ (0.45)	\$ (0.04)	\$ (0.66)
Weighted average number of common shares outstanding	234,412,311	166,882,672	216,053,029	114,958,393

See accompanying notes to the condensed interim consolidated financial statements

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

For the three and nine month periods ended September 30, 2018 and 2017

(Unaudited and expressed in Canadian Dollars)

	Three months ended		Nine months ended	
	September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017
Operating activities				
Loss for the period	\$ (1,991,191)	\$ (74,824,366)	\$ (7,721,815)	\$ (76,248,402)
Items not affecting cash:				
Share-based payments	153,534	663,381	561,785	961,646
Amortization	14,286	34,465	43,813	60,559
Exploration expenditure paid with shares	560,292	71,376,307	560,292	71,376,307
Interest expense paid with shares	67,174	-	67,174	-
Gain on disposition of property, plant and equipment	-	-	-	(8,590)
Unrealized foreign exchange (loss) gain	(50,490)	(61,536)	177,881	(109,278)
Changes in non-cash working capital balances:				
Other receivables	25,487	(5,751)	(159,321)	(242,508)
Prepaid expenses and deposits	(2,556)	215,916	449,092	(581,808)
Accounts payable and accrued liabilities	(59,091)	(474,926)	(100,475)	(80,577)
Due to and from related party	(495,380)	(288,056)	163,945	(1,608,590)
	(1,777,935)	(3,364,566)	(5,957,629)	(6,481,241)
Financing activities				
Issuance of shares and warrants for cash, net of issue cost	1,710,410	8,685,093	1,710,410	8,685,093
Exercise of warrants	-	-	-	2,455,382
Exercise of stock options	-	-	42,000	166,500
Share issuance cost	(50,111)	-	(40,078)	-
Proceeds from short-term loan from related party	267,490	-	2,236,690	-
	1,927,789	8,685,093	3,949,022	11,306,975
Investing activities				
Disposition of property, plant and equipment	-	5,747	-	30,204
Acquisition of property, plant and equipment	(24,653)	(35,393)	(37,871)	(35,393)
Other investment	(200,000)	-	(200,000)	-
	(224,653)	(29,646)	(237,871)	(5,189)
Decrease in cash and cash equivalents	(74,799)	5,290,881	(2,246,478)	4,820,545
Effect of changes in foreign exchange rates on cash	(864)	13,248	(209)	4,706
Cash and cash equivalents, beginning of period	243,411	548,362	2,414,435	1,027,240
Cash and cash equivalents, end of period	\$ 167,748	\$ 5,852,491	\$ 167,748	\$ 5,852,491

See accompanying notes to the condensed interim consolidated financial statement

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the six month periods ended June 30, 2018 and 2017

(Unaudited and expressed in Canadian Dollars)

	Number of common shares	Share capital	Equity reserves			Accumulated other comprehensiv e gain (loss)	Deficit	Total
			Warrants reserve	Broker warrants reserve	Share-based payments reserve			
Balance, 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
Net loss for the period	-	-	-	-	-	-	(7,721,815)	(7,721,815)
Settlement of Deferred Share Units (DSU)	50,000	33,500	-	-	(33,500)	-	-	-
Settlement of Restricted Share Units (RSU)	274,995	184,247	-	-	(184,247)	-	-	-
Exercise of stock options - cash proceeds	275,000	42,000	-	-	-	-	-	42,000
Fair value of stock options exercised	-	42,750	-	-	(42,750)	-	-	-
Share-based payments	-	-	-	-	561,785	-	-	561,785
Shares issued for private placement	16,289,619	1,710,410	-	-	-	-	-	1,710,410
Shares issued for loan and interest settlement	21,941,567	2,303,863	-	-	-	-	-	2,303,863
Shares issued for option payment settlement	5,336,103	560,292	-	-	-	-	-	560,292
Share issuance cost (recovery)	-	(40,078)	-	-	-	-	-	(40,078)
Unrealized foreign exchange gain	-	-	-	-	-	159,522	-	159,522
Balance, September 30, 2018	250,605,927	\$144,452,449	\$10,683,695	\$ 48,149	\$ 4,760,891	\$ (100,364)	\$(157,304,310)	\$ 2,540,510
Balance, December 31, 2016	86,895,436	\$ 58,574,252	\$ 8,306,090	\$ -	\$ 3,820,695	\$ (164,125)	\$(70,241,261)	\$ 295,651
Net loss for the period	-	-	-	-	-	-	(76,248,402)	(76,248,402)
Exercise of warrants - cash proceeds	1,701,294	2,455,382	-	-	-	-	-	2,455,382
Fair value of warrants exercised	-	599,328	(599,328)	-	-	-	-	-
Exercise of stock options - cash proceeds	450,000	166,500	-	-	-	-	-	166,500
Fair value of stock options exercised	-	151,890	-	-	(151,890)	-	-	-
Share-based payments	-	-	-	-	961,646	-	-	961,646
Shares issued for acquisition of Ventures	92,681,290	62,096,464	-	-	-	-	-	62,096,464
Shares issued for HPX Phase III spending and management fees	12,364,623	8,407,944	1,607,401	-	-	-	-	10,015,345
Shares issued for private placement	12,346,000	8,395,280	1,604,980	-	-	-	-	10,000,260
Share issuance cost	-	(1,231,575)	(235,448)	-	-	-	-	(1,467,023)
Underwriter's compensation options issued	-	-	-	48,149	103,706	-	-	151,855
Unrealized foreign exchange loss	-	-	-	-	-	(61,027)	-	(61,027)
Balance, September 30, 2017	206,438,643	\$139,615,465	\$10,683,695	\$ 48,149	\$ 4,734,157	\$ (225,152)	\$(146,489,663)	\$ 8,366,651

See accompanying notes to the condensed interim consolidated financial statements

NOTES TO THE CONDENSED INTERIM CONSOLIDATED STATEMENTS

For the three and nine month periods ended September 30, 2018 and 2017

(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Cordoba Minerals Corp. (the "Company" or "Cordoba") is a Canadian based exploration and development company with exploration projects primarily located in Colombia. Cordoba has also entered into a joint venture and earn-in agreement to explore the Perseverance copper porphyry project located in Arizona, USA. The principal business of the Company is the acquisition, exploration and development of precious and base metal properties. The Company was incorporated under the Business Corporations Act of British Columbia on October 20, 2009. The address of the Company's corporate office and principal place of business is 181 University Avenue, Suite 1413, Toronto, ON, M5H 3M7. The Company's registered address is 2200 HSBC Building, 885 West Georgia Street, Vancouver, BC, V6C 3E8. As at September 30, 2018, High Power Exploration Inc. ("HPX"), the Company's privately owned parent, held 72% of the Company's issued and outstanding common shares. The ultimate controlling entity is Ivanhoe Industries LLC, a privately owned company.

The Company has interests in resource properties which it is in the process of exploring and has not yet determined whether these properties contain reserves that are economically recoverable. The recoverability of resource properties is dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain necessary financing to complete the exploration and development of the resource properties, and upon future profitable production or proceeds from the disposition thereof.

The Company's condensed interim consolidated financial statements are prepared using International Accounting Standard 34 ("IAS 34") applicable to a going concern, which assumes 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 nine month period ended September 30, 2018, the Company incurred a net loss of \$7,721,815 (September 30, 2017 - \$76,248,402), an operating cash outflow of \$5,957,629 (September 30, 2017 - \$6,481,241), and an accumulated deficit of \$157,304,310 as at September 30, 2018 (December 31, 2017 - \$149,582,495). These circumstances may cast significant doubt as to the ability of the Company to meet its obligations as they come due and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

The Company will continue to pursue opportunities to raise additional capital through equity markets to fund its future exploration and operating activities; however, there can be no assurance that such financing will be available on a timely basis and under terms which are acceptable to the Company. These financial statements do not reflect the adjustments to the carrying value of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustment could be material.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED STATEMENTS

For the three and nine month periods ended September 30, 2018 and 2017

(Expressed in Canadian Dollars)

2. BASIS OF PREPARATION

Statement of Compliance

These condensed interim consolidated financial statements of the Company as at and for the three and nine month periods ended September 30, 2018, with comparative information as at December 31, 2017 and for the three and nine month periods ended September 30, 2017, have been prepared in accordance with IAS 34. These condensed interim consolidated financial statements do not include all of the disclosures required for annual financial statements and hence should be read in conjunction with the Company's annual consolidated financial statements for the year ended December 31, 2017. These unaudited condensed interim consolidated financial statements follow the same significant accounting policies as those included in the Company's most recent annual consolidated financial statements.

These condensed interim consolidated financial statements were approved by the Board of Directors on November 8, 2018.

3. CHANGES IN ACCOUNTING POLICIES AND NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

The Company has consistently applied the accounting policies set out in Notes 2 and 3 of the Company's audited consolidated financial statements for the year ended December 31, 2017 to all the periods presented in these unaudited condensed interim consolidated financial statements.

On January 1, 2018, the Company adopted IFRS 9 – Financial Instruments ("IFRS 9") which replaced IAS 39 – Financial Instruments: Recognition and Measurement. IFRS 9 provides a revised model for recognition and measurement of financial instruments and a single, forward-looking 'expected loss' impairment model. IFRS 9 also includes significant changes to hedge accounting. The standard is effective for annual periods beginning on or after January 1, 2018. The Company adopted IFRS 9 on a retrospective basis. IFRS 9 did not impact the Company's classification and measurement of financial assets and liabilities. The standard also had no impact on the carrying amounts of our financial instruments at the transition date.

Standards, amendments and interpretations issued but not yet applied

The following standard is effective on or after January 1, 2019, with early adoption permitted, and has not been applied in preparing these condensed interim consolidated financial statements. Management is considering the impact of this standard.

IFRS 16, Leases ("IFRS 16") replaces IAS 17, Leases ("IAS 17"). The new model requires the recognition of lease contracts on a lessee's statement of financial position as a lease liability reflecting future lease payments and a 'right-of-use asset' with exceptions for certain short-term leases and leases of low-value assets. In addition, the lease payments are required to be presented on the statement of cash flow within operating and financing activities for the interest and principal portions, respectively.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED STATEMENTS

For the three and nine month periods ended September 30, 2018 and 2017

(Expressed in Canadian Dollars)

There are no other IFRS that are not yet effective that would be expected to have a material impact on the Company.

4. SIGNIFICANT ACCOUNTING JUDGMENTS

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, 2017 to all the periods presented in these unaudited condensed interim consolidated financial statements.

5. CASH AND CASH EQUIVALENTS

	September 30, 2018	December 31, 2017
Cash held in bank accounts	\$ 167,748	\$ 1,298,477
Term deposits	-	1,115,958
	\$ 167,748	\$ 2,414,435

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

Non-current VAT receivable arises from the government of Colombia and is in respect of the Company's exploration and development activities. 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 STATEMENTS

For the three and nine month periods ended September 30, 2018 and 2017

(Expressed in Canadian Dollars)

7. PROPERTY, PLANT AND EQUIPMENT

	Computer equipment	Furniture and equipment	Vehicles	Land	Leasehold improvements	Total
Cost						
Balance - December 31, 2016	52,327	93,245	132,156	-	14,427	292,155
Additions	56,120	110,927	85,560	661,400	-	914,007
Write-offs and disposals	-	-	(150,477)	-	-	(150,477)
Foreign exchange	572	1,089	722	3,160	-	5,543
Balance - December 31, 2017	109,019	205,261	67,961	664,560	14,427	1,061,228
Additions	25,126	12,745	-	-	-	37,871
Write-offs and disposals	(6,090)	(1,239)	-	-	-	(7,329)
Foreign exchange	3,687	6,273	3,773	20,731	-	34,464
Balance - September 30, 2018	\$ 131,742	\$ 223,040	\$ 71,734	\$ 685,291	\$ 14,427	\$ 1,126,234
Accumulated amortization						
Balance - December 31, 2016	33,754	33,521	98,328	-	14,427	180,030
Charge for the period	19,607	25,689	29,846	-	-	75,142
Write-offs and disposals	-	-	(130,148)	-	-	(130,148)
Foreign exchange	(370)	(483)	(827)	-	-	(1,680)
Balance - December 31, 2017	52,991	58,727	(2,801)	-	14,427	123,344
Charge for the period	11,886	15,935	15,992	-	-	43,813
Write-offs and disposals	(2,506)	(640)	-	-	-	(3,146)
Foreign exchange	1,999	1,824	1,657	-	-	5,480
Balance - September 30, 2018	\$ 64,370	\$ 75,846	\$ 14,848	\$ -	\$ 14,427	\$ 169,491
Net book value						
As of December 31, 2017	\$ 56,028	\$ 146,534	\$ 70,762	\$ 664,560	\$ -	\$ 937,884
Balance - September 30, 2018	\$ 67,372	\$ 147,194	\$ 56,886	\$ 685,291	\$ -	\$ 956,743

8. INVESTMENT

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 copper porphyry project located in northwestern Arizona, USA (the "Arizona Copper 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 1 common share in the capital of Bell Copper and 1 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. The warrants are subject to a mandatory exercise in the event that, at any time prior to the expiry of the warrants, Bell Copper's common shares trade at or above \$0.14 for 30 consecutive trading days. Following the completion of the unit private placement, but prior to the exercise of any warrants, Cordoba owns approximately 4% of Bell Copper on a non-diluted basis.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED STATEMENTS

For the three and nine month periods ended September 30, 2018 and 2017

(Expressed in Canadian Dollars)

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

Following the completion of the initial drilling program, Cordoba will have the option to earn up to an 80% interest in the Arizona Copper Project (by way of acquisition of membership interests in the joint venture company MMDEX LLC, a wholly-owned indirect subsidiary of Bell Copper) by completing certain phased project expenditures over a 7.5 year period as follows:

- Phase 1 - \$1M within 18 months to earn 25% interest
- Phase 2 - Additional \$3M within subsequent 2 years for 51% interest
- Phase 3 - Additional \$3M within subsequent 2 years for 70% interest
- Phase 4 - Additional \$10M within subsequent 2 years for 80% interest

9. SHARE CAPITAL

(a) Common Shares

The Company is authorized to issue an unlimited number of common shares without par value.

On August 3, 2018, the Company closed a non-brokered private placement (the "Placement") with High Power Exploration. Under the terms of the Placement, Cordoba issued 16,289,619 common shares to HPX for gross proceeds to the Company totalling US\$1.3 million (CDN\$1.7 million).

On August 3, 2018, Cordoba also converted the principal and interest owed to HPX under the short-term loans that it previously advanced to the Company (the "Loans") into common shares (the "Debt Conversion") at a price per share that is equal to the issue price under the Placement. Accordingly, HPX has received an additional 21,941,567 common shares in connection with converting the approximately US\$1.75 million (CDN\$2.3 million) owed under the Loans.

On August 3, 2018, Cordoba also issued 5,336,103 shares to HPX at the same price per share as under the Placement to satisfy a deferred payment owed to HPX totalling US\$425,850 (CDN\$560,290) relating to Cordoba's acquisition of the Alacran Project (the "Omni Settlement").

The common shares issued in connection with the Placement, Debt Conversion and Omni Settlement are subject to a statutory four month hold period.

With the completion of the transactions, HPX holds 180,984,035 common shares of Cordoba, representing an approximate 72% interest.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED STATEMENTS

For the three and nine month periods ended September 30, 2018 and 2017

(Expressed in Canadian Dollars)

(b) Share Purchase Warrants

A summary of share purchase warrants activity for the period ended September 30, 2018 is as follows:

	Number of warrants	Exercise price
Balance - December 31, 2017	12,405,411	\$1.08
Expired	(50,100)	\$0.21
Balance - September 30, 2018	12,355,311	\$1.08

Details of share purchase warrants outstanding as of September 30, 2018 are:

Expiry date	Number of warrants	Weighted average exercise price
July 11, 2019	12,355,311	\$1.08

(c) Compensation Options

As of September 30, 2018, there are 370,380 compensation options outstanding (December 31, 2017 – 370,380). The compensation options were granted to the syndicate of underwriters in connection with the July 2017 Offering. Each compensation option can be exercised 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 will be exercisable to acquire one common share of the Company at a price of \$1.08 until July 11, 2019.

10. SHARE-BASED COMPENSATION

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.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED STATEMENTS

For the three and nine month periods ended September 30, 2018 and 2017

(Expressed in Canadian Dollars)

The following is a summary of share purchase options activity for the period ended September 30, 2018:

Grant date	Expiry date	Exercise price	Opening balance	During the period			Closing balance	Vested and exercisable	Unvested
				Granted	Exercised	Expired/Cancelled/Forfeited			
8-1-12	7-31-22	\$1.00	37,500	-	-	-	37,500	37,500	-
3-28-14	3-20-18	\$1.42	73,601	-	-	(73,601)	-	-	-
3-28-14	7-30-18	\$1.42	17,524	-	-	(17,524)	-	-	-
6-27-14	6-26-24	\$0.80	1,430,000	-	-	(250,000)	1,180,000	1,180,000	-
5-26-15	5-26-25	\$0.21	1,112,500	-	(100,000)	(112,500)	900,000	900,000	-
10-24-15	10-24-25	\$0.13	300,000	-	-	-	300,000	300,000	-
11-24-15	11-24-25	\$0.12	1,437,500	-	(175,000)	(137,500)	1,125,000	1,125,000	-
4-19-16	4-19-26	\$0.85	1,925,000	-	-	(200,000)	1,725,000	1,725,000	-
11-9-16	11-9-26	\$0.74	100,000	-	-	-	100,000	100,000	-
7-31-17	7-31-22	\$0.81	150,000	-	-	(150,000)	-	-	-
11-20-17	11-20-22	\$0.58	75,000	-	-	-	75,000	18,750	56,250
3-13-18	3-13-23	\$0.20	-	4,350,000	-	(275,000)	4,075,000	-	4,075,000
4-9-18	4-9-23	\$0.17	-	400,000	-	-	400,000	-	400,000
			6,658,625	4,750,000	(275,000)	(1,216,125)	9,917,500	5,386,250	4,531,250
Weighted ave. exercise price			\$ 0.55	\$ 0.20	\$ 0.15	\$ -	\$ 0.38	\$ 0.54	\$ 0.20

As at September 30, 2018, the unrecognized stock option value was \$423,310 (December 31, 2017 - \$59,844).

The weighted average remaining contractual life of the options outstanding at September 30, 2018 is 5.77 years (December 31, 2017 – 7.41 years).

For purposes of the options granted, the fair value of each option was estimated on the date of grant using the Black-Scholes option pricing model, with the following assumptions and a forfeiture rate of 0%:

Current year grant	Black-Scholes Option Pricing Parameters					
	Number of options	Exercise price	Dividend yield	Risk-free interest rate	Expected life (years)	Volatility factor
13-Mar-18	4,350,000	\$ 0.20	0%	2.03%	5	90.97%
09-Apr-18	400,000	\$ 0.165	0%	2.00%	5	91.14%

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 participant's retirement, the Company may elect to settle the DSUs with cash or shares of the Company at the 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.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED STATEMENTS

For the three and nine month periods ended September 30, 2018 and 2017

(Expressed in Canadian Dollars)

A summary of DSU activity for the period ended September 30, 2018 is as follows:

	Number of DSUs
Balance - December 31, 2017	350,000
Granted	-
Cancelled	-
Redeemed	(50,000)
Balance - September 30, 2018	300,000

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 determined as the fair market value of a common share of the Company on grant date.

A summary of other equity-based instruments activity for the period ended September 30, 2018 is as follows:

	Number of RSUs
Balance - December 31, 2017	1,035,000
Granted	-
Cancelled	(185,000)
Redeemed	(274,995)
Balance - September 30, 2018	575,005

11. EXPLORATION AND EVALUATION EXPENDITURES

For the three and nine month periods ended September 30, 2018 and 2017, exploration and evaluation ("E&E") expenditure comprises:

	Three months ended		Nine months ended	
	September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017
Direct exploration costs	\$ 453,311	\$ 1,599,442	\$ 1,252,041	\$ 5,485,897
Indirect exploration costs	341,261	1,187,505	1,902,274	4,494,426
Site general and administration costs	546,771	591,131	1,320,433	1,538,283
E&E acquisition costs	-	62,096,464	1,279,304	62,096,464
Reimbursement to HPX	-	8,140,528	-	-
Exploration and evaluation expenditures	\$ 1,341,343	\$ 73,615,070	\$ 5,754,052	\$ 73,615,070

12. RELATED PARTY TRANSACTIONS

The Company had transactions during the three and nine month periods ended September 30, 2018 and 2017 with related parties consisted of directors, officers, company that is the controlling shareholder of Cordoba and company that is owned partially by Cordoba:

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For the three and nine month periods ended September 30, 2018 and 2017

(Expressed in Canadian Dollars)

During the three and nine month periods ended September 30, 2018, the Company incurred \$159,051 and \$209,207 respectively (September 30, 2017 - \$30,151 and \$2,255,489) in exploration and evaluation expenditures with HPX, a company that is the controlling shareholder of Cordoba. The costs incurred consist of technical and managerial services provided for the Company's exploration projects in Colombia.

During the three and nine month periods ended September 30, 2018, the Company incurred \$59,802 and \$332,023 respectively (September 30, 2017 - \$72,523 and \$114,394) in exploration and evaluation and corporate administration expenditures with Global Mining Management Corporation ("GMM"), a company that is owned equally by eight companies, one of which is Cordoba. The costs incurred consist of cost sharing, technical and managerial services provided to the Company under the "Shareholders' Corporate Management and Cost Sharing Agreement" between the Company and GMM. The investment in GMM is held at \$Nil on the consolidated statements of financial position.

Amount due to related parties as of September 30, 2018 consists of \$34,431 (December 31, 2017 - \$43,626) net payable to GMM and \$113,658 (December 31, 2017 - \$Nil) net payable to HPX. The amounts owing are unsecured, non-interest-bearing and payable on demand.

These transactions are in the normal course of operations and are measured at the exchange amount of the services rendered.

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 nine month periods ended September 30, 2018 and 2017, key management compensation comprises:

	Three months ended		Nine months ended	
	September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017
Salaries and benefits	\$ 246,972	\$ 278,525	\$ 656,405	\$ 823,592
Share-based payments*	-	809,100	517,000	809,100
	\$ 246,972	\$ 1,087,625	\$ 1,173,405	\$ 1,632,692

*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.

**As of September 30, 2018, the Company had 6 officers and 6 directors whose compensation were included in the table above.

13. SEGMENTED INFORMATION

The Company operates in a single reportable operating segment, being the exploration and development of mineral properties. The mineral property interests as of September 30, 2018 and December 31, 2017 are primarily located in Colombia. In the third quarter of 2018, Cordoba has also entered into a joint venture and earn-in agreement to explore the Perseverance copper porphyry project located in Arizona, USA.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED STATEMENTS

For the three and nine month periods ended September 30, 2018 and 2017

(Expressed in Canadian Dollars)

The majority of the exploration expenditures for the periods ended September 30, 2018 and 2017 respectively were incurred in Colombia. Substantially all of the Company's other assets are located, and expenditures were incurred, in Canada.

14. FINANCIAL INSTRUMENTS

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these condensed interim consolidated financial statements.

The Company is exposed to the following financial risks: credit risk, liquidity risk and market risk.

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's management.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility.

The Company's risk exposure and the impact on the Company's financial instruments are summarized below:

Credit Risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its cash and cash equivalents. The Company limits exposure to credit risk by maintaining its cash and cash equivalents with large financial institutions.

As at	September 30, 2018	December 31, 2017
Cash held in bank accounts	\$ 167,748	\$ 1,298,477
Term deposits	-	1,115,958
	\$ 167,748	\$ 2,414,435

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company's approach to managing liquidity risk is to provide reasonable assurance that it will have sufficient funds to meet liabilities when due. The Company manages its liquidity risk by forecasting cash flows required by operations and anticipated investing and financing activities. At September 30, 2018, the Company had cash and cash equivalents of \$0.2 million (December 31, 2017 - \$2.4 million) and a loan agreement with HPX to draw additional funds to apply against third-party short-term business requirements and current liabilities of \$0.4

NOTES TO THE CONDENSED INTERIM CONSOLIDATED STATEMENTS

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million (December 31, 2017 - \$0.5 million). All of the Company's financial liabilities have contractual maturities of less than 45 days and are subject to normal trade terms.

Market Risk

Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate due to changes in market prices. The value of financial instruments can be affected by changes in interest rates, foreign exchange rates and other market prices. Management closely monitors commodity prices, individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to fluctuations in foreign currencies through its operations in Colombia and cash and borrowings in USD. The Company monitors this exposure, but has no hedge positions.

As at September 30, 2018, the Company is exposed to currency risk through the following financial assets and liabilities denominated in currencies other than the Canadian dollar:

	September 30, 2018		December 31, 2017	
	US Dollars (CDN equivalent)	Colombian Pesos (CDN equivalent)	US Dollars (CDN equivalent)	Colombian Pesos (CDN equivalent)
Cash	\$ 30,319	\$ 25,550	\$ 6,945	\$ 131,751
Other receivables	-	7,623	-	51,475
Accounts payable and accrued liabilities	-	(156,895)	-	(349,114)
Due to related parties	(159,051)	-	-	-
	\$ (128,732)	\$ (123,722)	\$ 6,945	\$ (165,888)

Based on the above net exposures at September 30, 2018, a 10% depreciation or appreciation of the above currencies against the Canadian dollar would result in an increase or decrease of approximately \$25,200 (December 31, 2017 - \$15,900) in the Company's net loss and comprehensive loss for the year.

Determination of Fair Value

Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The carrying amounts for cash and cash equivalents, other receivables, due from related parties, accounts payable and accrued liabilities and due to related parties approximate fair values due to their short-term nature. Due to the use of subjective judgments and uncertainties in the determination of fair values these values should not be interpreted as being realizable in an immediate settlement of the financial instruments.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED STATEMENTS

For the three and nine month periods ended September 30, 2018 and 2017

(Expressed in Canadian Dollars)

Fair Value Hierarchy

Financial instruments that are measured subsequent to initial recognition at fair value are grouped in Levels 1 to 3 based on the degree to which the fair value is observable:

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).

15. COMMITMENTS

The Company has commitments relating to an office lease ending February 2020. The minimum annual payments for the next 3 years are as follows:

	Amount
2018	13,237
2019	52,948
2020	4,412
Total	\$ 70,597

16. SUBSEQUENT EVENT

On October 19, 2018, the Company closed a non-brokered private placement (the "October Placement") with HPX.

Under the terms of the October Placement, Cordoba has issued 26,605,128 units ("Units") to HPX for gross proceeds to the Company totalling US\$2.0 million (CDN\$2.6 million). Each Unit consists of one common share ("Share") and one common share purchase warrant ("Warrant") of the Company. Each Warrant will entitle the holder to purchase one Share at an exercise price of \$0.13 per Share for a period of 24 months.

Cordoba will use the proceeds to advance regional exploration at Cordoba's 100%-owned San Matias Copper-Gold Project in Colombia, to fund ongoing drilling activities at the Perseverance copper porphyry project in Arizona, USA, and for general working capital purposes.

The Shares and Warrants issued in connection with the Placement are subject to a statutory four month hold period.

With the completion of the October Placement, HPX holds 207,589,163 common shares of Cordoba, representing an approximate 74.9% interest.