CORDOBA MINERALS CORP.

Consolidated Financial Statements

December 31, 2021

Deloitte.

Independent Auditor's Report

To the Shareholders and the Board of Directors of
Cordoba Minerals Corp.

Opinion

We have audited the consolidated financial statements of Cordoba Minerals Corp. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2021 and 2020, and the consolidated statements of loss and comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company had no operating revenues and incurred a net loss of $21.07 million during the year ended December 31, 2021. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor’s report is David Macdonald.

/s/ Deloitte LLP

Chartered Professional Accountants
Vancouver, British Columbia
March 17, 2022

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Stated in thousands of Canadian dollars)

	Notes		**December 31, 2021**		December 31, 2020
ASSETS					
Current assets					
Cash and cash equivalents	6	**$**	**4,951**	$	5,477
Other receivables			**88**		50
Due from related parties	18		**-**		24
Prepaid expenses and deposits	7		**1,139**		997
Total current assets			**6,178**		6,548
Non-current assets					
Colombian value added tax receivable	8		**2,902**		1,908
Property, plant and equipment	9		**1,505**		1,278
Financial assets	10		**486**		971
TOTAL ASSETS		**$**	**11,071**	$	10,705
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities		**$**	**872**	$	972
Due to related parties	18		**402**		90
Lease liability	11(b)		**161**		130
Total current liabilities			**1,435**		1,192
Non-current liabilities					
Lease liability	11(b)		**70**		23
TOTAL LIABILITIES		**$**	**1,505**	$	1,215
SHAREHOLDERS' EQUITY					
Share capital	12	**$**	**208,034**	$	187,076
Equity reserves	12,13		**20,189**		19,741
Accumulated other comprehensive income			**290**		554
Deficit			**(217,710)**		(197,239)
Shareholders' equity attributable the Company			**10,803**		10,132
Non-controlling interest	16		**(1,237)**		(642)
TOTAL SHAREHOLDERS' EQUITY		**$**	**9,566**	$	9,490
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**$**	**11,071**	$	10,705

Description of business and going concern (Note 1)
Subsequent events (Note 16)

Approved and authorized for issue on behalf of the Board on March 17, 2022:

/s/ William Orchow
William Orchow, Director

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(Stated in thousands of Canadian dollars)

	Notes		Year ended December 31, 2021		2020
Operating expenses					
Exploration and evaluation expenditures	14	**$**	**17,396**	$	25,227
Corporate administration	15		**2,623**		2,119
Amortization	9		**310**		343
Loss from operations			**20,329**		27,689
Other expense (income)					
Other expense			**42**		87
Interest expense			**43**		85
Foreign exchange loss (gain)			**652**		(114)
Loss before income taxes			**21,066**		27,747
Income taxes			**-**		-
Net loss for the year		**$**	**21,066**	$	27,747
Other comprehensive (income) loss					
Items that may be reclassified subsequently to loss:					
Currency translation adjustment			**(221)**		(22)
Items that will not be reclassified subsequently to loss:					
Change in fair value of marketable securities	10		**485**		(786)
Total other comprehensive loss (income)			**264**		(808)
Total comprehensive loss for the year		**$**	**21,330**	$	26,939
Net loss attributable to:					
Owners of Cordoba Minerals Corp.		**$**	**20,471**	$	27,306
Non-controlling interest	16		**595**		441
Net loss for the year		**$**	**21,066**	$	27,747
Total comprehensive loss attributable to:					
Owners of Cordoba Minerals Corp.		**$**	**20,735**	$	26,498
Non-controlling interest	16		**595**		441
Total comprehensive loss for the year		**$**	**21,330**	$	26,939
Loss per share attributable to common shareholders (basic and diluted)	3(r),12(a)	**$**	**0.28**	$	0.50
Weighted average number of basic and diluted common shares outstanding	3(r),12(a)		**72,279,056**		54,134,044

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(Stated in thousands of Canadian dollars)

	Notes	Year ended December 31, 2021	2020
Operating activities			
Net loss for the year		**$ (21,066)**	$ (27,747)
Adjustments for non-cash items:			
Share-based payments	14,15	**982**	359
Amortization	9	**310**	343
Interest expense		**43**	85
Other income		**-**	127
Loss on disposition of property, plant and equipment		**2**	1
Unrealized foreign exchange loss		**598**	274
Changes in non-cash working capital items:			
Receivables		**(1,436)**	(547)
Prepaid expenses and deposits		**(142)**	(429)
Accounts payable and accrued liabilities		**(100)**	271
Due to related parties		**336**	(170)
Cash used in operating activities		**$ (20,473)**	(27,433)
Investing activities			
Acquisition of property, plant and equipment	9	**(174)**	(313)
Cash used in investing activites		**$ (174)**	(313)
Financing activities			
Exercise of warrants	12(c)(ii)	**1,644**	-
Proceeds from rights offering, net of share issue costs	12(b)(iii)	**14,884**	21,284
Proceeds from private placements, net of share issue costs	12(b)	**3,911**	15,443
Proceeds from short-term loan from related party	18(a)(ii)	**1,453**	251
Settlement of short-term loan from related party	18(a)(ii)	**(1,456)**	(3,625)
Interest paid on short-term loan from related party	18(a)(ii)	**(9)**	-
Share issuance costs		**-**	(2)
Settlement of restricted and deferred share units	13	**(15)**	-
Payments of lease liabilities	11(b)	**(257)**	(218)
Interest paid	11(b)	**(35)**	(33)
Cash from financing activities		**$ 20,120**	**33,100**
Effect of changes in foreign exchange rates on cash and cash equivalents		**1**	(124)
(Decrease) increase in cash and cash equivalents		**(526)**	5,230
Cash and cash equivalents, beginning of year	6	**5,477**	247
Cash and cash equivalents, end of year	6	**$ 4,951**	$ 5,477

Supplemental cash flow information (Note 17)

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Stated in thousands of Canadian dollars, except share amounts)

			Equity reserves							
	Number of common shares (Note 12(a))	Share capital	Warrants reserve	Broker warrants reserve	Share-based payments reserve	Accumulated other comprehensive income (loss)	Deficit	Shareholders' equity attributable to owners of Cordoba Minerals Corp.	Non-controlling interest (Note 16)	Total
Balance at December 31, 2020	**56,426,146**	**$ 187,076**	**$ 14,560**	**$ 48**	**$ 5,133**	**$ 554**	**$ (197,239)**	**$ 10,132**	**$ (642)**	**$ 9,490**
Net loss for the year	-	-	-	-	-	-	**(20,471)**	**(20,471)**	**(595)**	**(21,066)**
Settlement of Deferred Share Units (Note 13(b))	-	-	-	-	**(2)**	-	-	**(2)**	-	**(2)**
Settlement of Restricted Share Units (Note 13(c))	**119,333**	**190**	-	-	**(203)**	-	-	**(13)**	-	**(13)**
Share-based payments (Notes 14 & 15)	-	-	-	-	**982**	-	-	**982**	-	**982**
Shares and share purchase warrants issued to JCHX, net of share issue costs (Note 12(b)(i))	**452,975**	**406**	**166**	-	-	-	-	**572**	-	**572**
Exercise of share purchase warrants (Note 12(c)(ii))	**1,288,830**	**2,668**	**(1,024)**	-	-	-	-	**1,644**	-	**1,644**
Shares issued pursuant to private placement, net of share issue costs (Note 12(b)(ii))	**3,055,647**	**3,339**	-	-	-	-	-	**3,339**	-	**3,339**
Shares and share purchase warrants issued pursuant to rights offering, net of share issue costs (Note 12(b)(iii))	**27,777,777**	**14,355**	**529**	-	-	-	-	**14,884**	-	**14,884**
Other comprehensive loss	-	-	-	-	-	**(264)**	-	**(264)**	-	**(264)**
Balance at December 31, 2021	**89,120,708**	**$ 208,034**	**$ 14,231**	**$ 48**	**$ 5,910**	**$ 290**	**$ (217,710)**	**$ 10,803**	**$ (1,237)**	**$ 9,566**
Balance at December 31, 2019	21,499,917	$ 151,886	$ 12,186	$ 48	$ 4,952	$ (254)	$ (169,933)	$ (1,115)	$ (201)	$ (1,316)
Net loss for the year	-	-	-	-	-	-	(27,306)	(27,306)	(441)	(27,747)
Settlement of restricted share units	16,079	178	-	-	(178)	-	-	-	-	-
Share-based payments (Notes 14 & 15)	-	-	-	-	359	-	-	359	-	359
Shares issued in private placement to JCHX, net of share issue costs	5,374,855	10,839	-	-	-	-	-	10,839	-	10,839
Shares issued pursuant to subscription agreements	492,580	658	-	-	-	-	-	658	-	658
Shares issued to JCHX, net of share issue costs	123,141	139	-	-	-	-	-	139	-	139
Shares and share purchase warrants issued pursuant to rights offering, net of share issue costs	25,294,118	20,260	1,025	-	-	-	-	21,285	-	21,285
Shares and share purchase warrants issued pursuant to Private Placement, net of share issue costs	3,625,456	3,116	1,349	-	-	-	-	4,465	-	4,465
Other comprehensive income	-	-	-	-	-	808	-	808	-	808
Balance at December 31, 2020	56,426,146	$ 187,076	$ 14,560	$ 48	$ 5,133	$ 554	$ (197,239)	$ 10,132	$ (642)	$ 9,490

See accompanying notes to the consolidated financial statements.

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 606-999 Canada Place, Vancouver, British Columbia, Canada, V6C 3E1.

On April 30, 2021, High Power Exploration Inc. ("HPX"), under a contribution agreement, transferred its rights and assets, including its majority interest in Cordoba, to its affiliate company, Ivanhoe Electric Inc. ("Ivanhoe Electric"). Accordingly, Ivanhoe Electric is now the majority shareholder of Cordoba Minerals Corp., and I-Pulse remains the ultimate controlling entity.

At December 31, 2021, Ivanhoe Electric, the Company's privately owned parent, held 63.3% of the Company's issued and outstanding common shares (December 31, 2020 – 58.4% held by HPX).

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

The Company's consolidated financial statements are prepared on a going concern basis, 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 year ended December 31, 2021, the Company had no operating revenue and incurred a net loss of $21.07 million (December 31, 2020 - $27.75 million). At December 31, 2021, the Company had consolidated cash of $4.95 million (December 31, 2020 - $5.48 million) to apply against current liabilities of $1.44 million (December 31, 2020 - $1.19 million).

At December 31, 2021, 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 it has no assurance that additional funding will be available to it for additional exploration and development 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 Ivanhoe Electric, the Company's controlling shareholder, for providing ongoing financing to the Company. Failure of Ivanhoe Electric to provide or participate in financing, or the inability of Ivanhoe Electric to provide or participate in financing, would likely result in difficulty for Cordoba to attract separate third-party investment. In addition, the spread of COVID-19 globally has caused and continues to cause considerable disruptions to the world economy, including financial markets, and could adversely impact the Company's ability to carry out plans to obtain additional financing. The ability to raise additional financing for future activities may be impaired, or such financing may not be available on favourable terms, due to conditions beyond the Company's control, such as uncertainty in the capital markets, depressed commodity prices or country risk factors. As such, there is a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

These 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.

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS"), effective as of December 31, 2021.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of measurement

These consolidated financial statements have been prepared on the historical cost basis except as disclosed in these accounting policies.

(b) Functional and presentation currency

These consolidated financial statements are presented in Canadian dollars, which is also the Company's functional currency (the currency of the primary economic environment in which the entity operates). Each subsidiary of the Company determines its own functional currency, and items included in the financial statements of each subsidiary are measured using that functional currency. The functional currency of Cordoba's foreign exploration subsidiaries is the US dollar.

The presentation currency of the group is the Canadian dollar. All financial information has been presented in Canadian dollars in these consolidated financial statements, except when otherwise indicated.

References to "$" are to Canadian dollars.

(c) Basis of consolidation

These consolidated financial statements include the accounts of the Company and its subsidiaries, which are entities controlled by the Company. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from the entity's activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Where the Company's interest in a subsidiary is less than 100%, the interest attributable to non-controlling shareholders is recognized as non-controlling interest.

Non-controlling interest represents 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. Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are recorded as equity transactions. The carrying amounts of the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

(Stated in Canadian dollars unless otherwise noted; tabular amounts in thousands)

When necessary, adjustments are made to the financial statements of subsidiaries to align their accounting policies with those of the Company.

At December 31, 2021 and 2020, the Company's significant subsidiaries are as follows:

Name of signficiant subsisidiaries	Place of incorporation or registration	Method of Accounting at December 31, 2021	2020	Effective ownership interest at December 31, 2021	2020	Principal Activity
Cordoba Minerals USA Corp.	USA	Consolidation	Consolidation	100%	100%	Exploration company
MMDEX LLC	USA	Consolidation	Consolidation	25%	25%	Exploration company
Minerales Cordoba S.A.S.	Colombia	Consolidation	Consolidation	100%	100%	Exploration company
Exploradora Cordoba S.A.S.	Colombia	Consolidation	Consolidation	100%	100%	Exploration company

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated on consolidation. Unrealized losses are eliminated in the same way as unrealized gains but only to the extent that there is no evidence of impairment.

(d) Business combinations

Acquisitions of subsidiaries which represent business combinations are accounted for using the acquisition method. The consideration transferred is measured at the aggregate of the fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Company in exchange for control of the acquiree. The acquiree's identifiable assets and liabilities that meet the conditions for recognition are recognized at their fair values at the acquisition date, except for certain assets and liabilities which are recognized and measured in accordance with the applicable IFRS guidance.

Goodwill arising on acquisition is recognized as an asset and initially measured at cost, being the excess of the cost of the business combination over the Company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognized. If, after reassessment, the Company's interest in the net fair value of the acquiree's identifiable assets and liabilities exceeds the cost of the business combination, the excess is recognized immediately in profit or loss.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another IFRS.

Transaction costs, other than those associated with the issuance of debt or equity securities that the Company incurs in connection with a business combination, are expensed as incurred.

(e) Foreign currency

(i) Foreign currency transactions

Foreign currency transactions are translated into the relevant functional currency using the exchange rates prevailing on the dates of the transactions. At each statement of financial position date, monetary items denominated in foreign currencies are translated into the functional currency at the exchange rate on the statement of financial position date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated into the functional currency at the exchange rate on the date when the fair value was measured. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognized in profit or loss.

(ii) Foreign operations

The assets and liabilities of foreign operations are translated into Canadian dollars at the exchange rates at the date of the statement of financial position. The income and expenses of foreign operations are translated into Canadian dollars at the exchange rates prevailing on the transaction dates.

Foreign currency differences are recognized in other comprehensive income and accumulated in other reserves within equity, except to the extent that the translation difference is allocated to non-controlling interests. On the disposal of a foreign operation, such exchange differences are reclassified from other reserves to profit or loss.

(f) Cash and cash equivalents

Cash and cash equivalents comprise demand deposits held with banks and short-term highly liquid investments that are readily convertible into known amounts of cash with original terms of three months or less.

(g) Financial instruments

Financial instruments are recognized in the statement of financial position when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, all financial instruments are measured at fair value, net of directly attributable transaction costs, except for financial instruments classified as fair value through profit or loss (“FVTPL”), where transaction costs are expensed in the period in which they are incurred. Financial instruments are subsequently classified and measured at: (i) amortized cost; (ii) fair value through profit or loss; (iii) or fair value through other comprehensive income, as appropriate.

The Company considers whether a contract contains an embedded derivative when the entity first becomes a party to it. The embedded derivatives are separated from the host contract if the host contract is not measured at fair value through profit or loss and when the economic characteristics and risks are not closely related to those of the host contract. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required.

Financial assets

(i) Financial assets at FVTPL

Financial assets at FVTPL include financial assets held for trading and financial assets not designated upon initial recognition as amortized cost or fair value through other comprehensive income ("FVTOCI"). A financial asset is classified in this category principally for the purpose of selling in the short term, or if so designated by management. Transaction costs are expensed as incurred. On initial recognition, a financial asset that otherwise meets the requirements to be measured at amortized cost or FVTOCI may be irrevocably designated as FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. Financial assets measured at FVTPL are measured at fair value with changes in fair value recognized in the consolidated statements of loss.

(ii) Financial assets at FVTOCI

On initial recognition of an equity investment that is not held for trading, an irrevocable election is available to measure the investment at fair value upon initial recognition plus directly attributable transaction costs and at each period end, changes in fair value are recognized in other comprehensive income with no reclassification to the consolidated statements of loss. The election is available on an investment-by-investment basis. Investments in Bell Copper Corporation common shares are designated as financial assets at FVTOCI.

(iii) Financial assets at amortized cost

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, and is not designated as FVTPL. Financial assets classified as amortized cost are measured subsequent to initial recognition at amortized cost using the effective interest method. Cash, other receivables and deposits are classified as and measured at amortized cost.

Financial liabilities

Financial liabilities, including accounts payable and accrued liabilities, due to related parties, lease liability and other liability are recognized initially at fair value, net of transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in the consolidated statements of loss when the liabilities are derecognized as well as through the amortization process. Borrowing liabilities are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date. Accounts payable and accrued liabilities, due to related parties, lease liability and other liability are classified as and measured at amortized cost.

Derivative instruments

Derivative instruments, including embedded derivatives, are measured at fair value on initial recognition and at each subsequent reporting period. Any gains or losses arising from changes in fair value on derivatives are recorded in the consolidated statements of loss.

Fair values

The fair value of quoted investments is determined by reference to market prices at the close of business on the statement of financial position date. Where there is no active market, fair value is determined using valuation techniques. These include using recent arm's length market transactions; reference to the current market value of another instrument, which is substantially the same; discounted cash flow analysis; and pricing models.

Financial instruments that are measured at fair value subsequent to initial recognition are grouped into a hierarchy based on the degree to which the fair value is observable as follows:

- Level 1 fair value measurements are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within 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 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Impairment of financial assets

A loss allowance for expected credit losses is recognized for financial assets measured at amortized cost. At each balance sheet date, on a forward-looking basis, the Company assesses the expected credit losses associated with its financial assets carried at amortized cost and FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The impairment model does not apply to investment in equity instruments.

The expected credit losses are required to be measured through a loss allowance at an amount equal to the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date) or full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument). A loss allowance for full lifetime expected credit losses is required for a financial instrument if the credit risk of that financial instrument has increased significantly since initial recognition.

Derecognition of financial assets and liabilities

A financial asset is derecognised when either the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party. If neither the rights to receive cash flows from the asset have expired nor the Company has transferred its rights to receive cash flows from the asset, the Company will assess whether it has relinquished control of the asset or not. If the Company does not control the asset then derecognition is appropriate.

A financial liability is derecognised when the associated obligation is discharged, canceled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in net loss.

(h) Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and any provision for impairment. Cost includes the purchase price, any directly attributable costs of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, and the present value of the estimated costs of decommissioning and restoration, if applicable. Costs relating to major upgrades are included in property, plant and equipment if it is probable that future economic benefits associated with the expenditure will flow to the Company.

Depreciation on property, plant and equipment is recognized on a declining balance basis to write down the cost or valuation less estimated residual value of equipment. The rates generally applicable are:

● Computer equipment	30% declining-balance
● Furniture and equipment	20%-50% declining-balance
● Vehicles	20% declining balance
● Leasehold improvements	straight-line over the term of lease
● Right-of-use assets	straight-line over the shorter of the lease term or the useful life of the underlying asset

The useful lives, residual values and depreciation method are reviewed annually, with the effect of any changes in estimate accounted for on a prospective basis.

Gains or losses arising on the disposal of equipment are determined as the difference between the disposal proceeds and the carrying amount of the equipment and are recognized in profit or loss within 'other income' or 'other expenses', respectively.

(i) Leases

The Company assesses whether a contract is or contains a lease, at inception of a contract. 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.

The Company recognizes a right-of-use (“ROU”) asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, at the commencement of the lease, with the following exceptions: (i) the Company has elected not to recognize ROU assets and liabilities for leases where the total lease term is less than or equal to 12 months, or (ii) for leases of low value. The payments for such leases are recognized in the consolidated statements of loss and comprehensive loss on a straight-line basis over the lease term.

The lease liability is initially measured at the present value of lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate. Lease payments include fixed payments less any lease incentives, and any variable lease payments where variability depends on an index or rate.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

The Company re-measures the lease liability and makes a corresponding adjustment to the related ROU asset whenever:

- the lease term has changed;
- the lease payments change due to changes in an index;
- a lease contract is modified and the lease modification is not accounted for as a separate lease.

The ROU asset is initially measured based on the present value of lease payments, lease payments made at or before the commencement day, and any initial direct costs. They are subsequently measured at cost less accumulated amortization and impairment losses. The ROU asset is depreciated over the shorter of the lease term or the useful life of the underlying asset. The ROU asset is subject to testing for impairment if there is an indicator of impairment.

ROU assets are included in property, plant and equipment, and the lease liability is presented separately in the consolidated statements of financial position.

Variable lease payments that do not depend on an index or rate are not included in the measurement of the ROU asset and lease liability. The related payments are recognized as an expense in the period in which the triggering event occurs and are included in the consolidated statements of loss and comprehensive loss.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not separated out non-lease components.

As a practical expedient, IFRS 16 allows lessees not to account for rent concessions as lease modifications if they arise as a direct consequence of COVID-19. The Company has applied this practical expedient to all rent concessions that meet the conditions.

(j) Exploration and evaluation costs

Acquisition costs for exploration and evaluation assets and exploration expenditures, net of recoveries, are charged to operations as incurred. Acquisition costs may include cash consideration, the value of common shares issued based on fair values, and the fair value of share purchase warrants and options issued based on amounts determined using the Black-Scholes option pricing model, for mineral property interests pursuant to the terms of the agreement.

After a property is determined by management to be commercially feasible, development expenditures on the property are capitalized.

The costs related to a property from which there is production, together with the costs of production equipment, will be depleted and amortized using the unit-of-production method.

Exploration and evaluation assets acquired under an option agreement where payments are made at the sole discretion of the Company are charged to operations at the time of payment. Property interests granted to others under an option agreement where payments to be made to the Company are at the sole discretion of the optionee, are recorded as recoveries at the time of receipt. Where recoveries exceed costs, such amounts are recognized in profit or loss.

Environmental expenditures that relate to current operations are expensed or capitalized as appropriate. Expenditures that relate to an existing condition caused by past operations and which do not contribute to current or future revenue generation are expensed. Liabilities are recorded when environmental assessments and/or remedial efforts are probable, and the costs can be reasonably estimated. Generally, the timing of these accruals coincides with the earlier of completion of a feasibility study or the Company's commitment to a plan of action based on the then known facts.

(k) Impairment of non-financial assets

Impairment tests on non-financial assets are performed whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to dispose, the asset is written down accordingly. This is determined on an asset-by-asset basis, unless the asset does not generate cash flows that are largely independent of those from other assets or groups of assets. If this is the case, individual assets are grouped together into a cash-generating unit ("CGU") and the impairment test is carried out on the asset's CGU, which is the lowest group of assets in which the asset belongs for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets.

An impairment loss is charged to profit or loss. An assessment is made at each reporting date as to whether there is any indication of impairment or a change in events or circumstances relating to a previously recognized impairment. If such indication exists, the Company makes an estimate of the recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's or CGU's recoverable amount since the last impairment loss was recognized. If this is the case, the carrying amount of the asset or CGU is increased to its newly determined recoverable amount. The increased amount cannot exceed the carrying amount that would have been determined, net of depreciation and amortization, had no impairment loss been recognized for the asset or CGU in prior years.

(l) Provisions

(i) Rehabilitation Provision

The Company recognizes constructive, statutory, contractual or other legal obligations related to the retirement of tangible long-lived assets when such obligations are incurred, if a reliable estimate of fair value can be made. These obligations are measured initially at fair value and the resulting costs capitalized to the carrying value of the related asset. In subsequent periods, the liability is adjusted for any changes in the amount or timing and for the discounting of the underlying future cash flows. The capitalized asset retirement cost is amortized to operations over the life of the asset.

As at December 31, 2021 and 2020, the Company has not recognized an exploration and evaluation rehabilitation provision.

(ii) Other Provisions

Provisions are recognized where a legal or constructive obligation has been incurred as a result of past events, it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. If material, provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in any provision due to passage of time is recognized as accretion expense.

(m) Share capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, share warrants and options are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds.

Warrants issued by the Company typically accompany an issuance of shares in the Company (a "unit"), and entitle the warrant holder to exercise the warrants for a stated price for a stated number of common shares in the Company. The fair value of the components of the units sold are measured using the relative fair value approach, based on the calculated fair value of the stand-alone shares through reference to the quoted market price at the completion of the financing and the fair value of the stand-alone warrant, using the Black-Scholes option pricing model.

(n) Share-based payments

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to employees or others providing similar services, they are recorded at the fair value of the equity instrument granted at the grant date. The grant date fair value is recognized in profit or loss over the vesting period, described as the period during which all the vesting conditions are to be satisfied.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received or at the fair value of the equity instruments issued (if it is determined the fair value of goods or services cannot be reliably measured), and are recorded at the date the goods or services are received.

All equity-settled share-based payments are reflected in other equity reserve, until exercised. Upon exercise, shares are issued and the amount reflected in other equity reserve is credited to share capital, adjusted for any consideration paid.

Where a grant of options is cancelled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest, except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

(o) Operating segments

An operating segment is a component of an entity (i) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), (ii) whose operating results are regularly reviewed by the entity's management, and (iii) for which discrete financial information is available. The Company has three operating segments being the acquisition, exploration and development of mineral properties in Colombia and the United States and the Company’s head office, which is located in Vancouver, Canada.

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of operating segments, has been identified as the Chief Executive Officer of the Company.

(p) Loss per share

Basic loss per share is calculated by dividing the net loss available to common shareholders by the weighted average number of common shares outstanding during the year. Diluted earnings per share reflect the potential dilution of securities that could share in earnings of an entity. In a loss year, potentially dilutive equity instruments are excluded from the loss per share calculation, as the effect would be anti-dilutive. Basic and diluted loss per share is the same for the years presented.

Shares held in escrow, other than where their release is subject to the passage of time, are not included in the calculation of the weighted average number of common shares outstanding.

(q) Income taxes

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit or other current tax activities, which differs from profit or loss in the consolidated financial statements. Calculation of current tax expense is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in subsidiaries is not provided if reversal of these temporary differences can be controlled by the Company and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are always provided for in full.

Deferred tax assets are recognized to the extent that it is probable that they will be able to be utilized against future taxable income. To the extent that the Company does not consider it probable that a future tax asset will be recovered, it is not recognized in the consolidated financial statements.

Deferred tax assets and liabilities are offset only when the Company has a right and intention to offset current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognized as a component of taxable income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

(r) Comparative figures

On September 24, 2021, the Company announced the closing of a rights offering, which was open to all shareholders (Note 12(b)(iii)). As the subscription price of the rights offering was less than the fair value of a common share of the Company at the time, the rights offering contained a bonus element. In order to provide a comparable basis for the current period, the basic and diluted loss per share for all periods prior to the rights offering have been adjusted retroactively for the bonus element contained in the rights offering. Specifically, the weighted average number of common shares outstanding used to compute basic and diluted loss per share for the year ended December 31, 2020, has been multiplied by a factor of 1.0884.

4. ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

During the year ended December 31, 2021, the Company did not adopt any new amendments to IFRS that had a significant impact on the Company’s consolidated financial statements.

Several new accounting standards, and amendments to standards and interpretations, have been issued but are not yet effective for the year ended December 31, 2021. None of these changes have been early adopted nor are they considered by management to be significant or likely to have a material impact on the Company's consolidated financial statements.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

In the process of applying the Company's accounting policies, which are described in Note 3 to the consolidated financial statements, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

In March 2020, the World Health Organization declared a global pandemic due to the novel coronavirus (COVID-19). The COVID-19 outbreak and related mitigation measures have had an adverse impact on global economic conditions resulting in global supply chains disruptions, government response actions, business closures and disruptions and the availability of financing. The areas of judgement and estimation uncertainty, which may be impacted, include estimates used to determine the recoverable amounts of long-lived assets, estimates used to determine the recognition of tax assets and the assessment of the Company's ability to continue as a going concern. The duration of the pandemic and its impact on the Company's financial performance is an area of estimation uncertainty and judgement, which is continuously monitored and reflected in management's estimates.

The most significant areas of judgments made by management are as follows:

(a) Going concern

The assessment of the Company's ability to continue as a going concern, to raise sufficient funds to pay for its ongoing operating expenditures and to meet its liabilities for the ensuing year as they fall due, involves judgement based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances (Note 1).

(b) Determining whether a contract contains a lease

In accordance with IFRS 16, the Company has to assess whether or not a contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(c) Determination of control of subsidiaries and joint arrangements

Judgement is required to determine when the Company has control of subsidiaries or joint control of joint arrangements. This requires an assessment of the relevant activities of the investee, being those that significantly affect the investee's returns, including operating and capital expenditure decision-making, financing of the investee, and the appointment, remuneration and termination of key management personnel; and when the decisions in relation to those activities are under the control of the Company or require unanimous consent from the investors. Judgement is also required when determining the classification of a joint arrangement as a joint venture or a joint operation through an evaluation of the rights and obligations arising from the arrangement. Changes to the Company's access to those rights and obligations may change the classification of that joint arrangement.

(d) Determination of functional currency

In accordance with IAS 21, *The Effects of Changes in Foreign Exchange Rates*, the Company has determined that its functional currency is the Canadian dollar (Note 3(b)).

The functional currency of each of the Company's subsidiaries is the currency of the primary economic environment in which the entity operates.

(e) Impairment of property, plant and equipment and other non-financial assets

Assets and cash generating units ("CGU's") are evaluated at each reporting date to determine whether there are any indications of impairment. Both internal and external sources of information are considered when making the assessment of whether there are indications of impairment for property, plant and equipment and other non-financial assets. External sources of information considered are changes in the Company's economic, legal and regulatory environment that it does not control but affect the recoverability of its assets. Internal sources of information considered include the manner in which mineral properties and property, plant and equipment are being used or are expected to be used and indications of economic performance of those assets.

If any indication of impairment exists, a formal estimate of recoverable amount is performed and an impairment loss recognized to the extent that carrying amount exceeds recoverable amount. The recoverable amount of an asset or CGU is measured at the higher of fair value less costs to sell and value in use. At December 31, 2021, the Company determined there were no indicators of impairment.

The most significant estimates made by management are as follows:

(a) Valuation of share-based payments and share purchase warrants

The Company applies the Black-Scholes option pricing model to determine the fair value of equity-settled share-based payments and share purchase warrants. Option pricing models require the input of subjective assumptions, including the expected share price volatility and expected life of the options (Notes 12(c) and 13(a)). Changes in these assumptions can materially affect the fair value estimate, so the existing models do not necessarily provide a reliable measure of the fair value, which may impact the Company's net loss and equity reserves.

(b) Determination of useful lives of property, plant and equipment and the related depreciation

Depreciation expenses are allocated based on estimated lives. Should the asset life or depreciation rates differ from the initial estimate, an adjustment would be made in the consolidated statement of loss and comprehensive loss on a prospective basis.

(c) Discount rate used to determine lease liabilities

Significant assumptions are required to be made when management determines Company's incremental borrowing rate. If the rate implicit in a lease cannot be readily determined, the incremental borrowing rate is used to present value the future lease payments, and any changes in the estimated rate would have an impact on the lease liability, ROU assets, depreciation expense and interest expense.

(Stated in Canadian dollars unless otherwise noted; tabular amounts in thousands)

(d) Recognition of tax assets

The Company incurs indirect taxes, including value-added tax, on purchases of goods and services. Indirect tax balances are recorded at their estimated recoverable amounts within current or long-term assets, net of provisions, and reflect the Company's best estimate of their recoverability under existing tax rules in the respective jurisdictions in which they arise.

6. CASH AND CASH EQUIVALENTS

		December 31, 2021		December 31, 2020
Cash held in bank accounts	**$**	**4,951**	$	5,177
Redeemable short-term investments		**-**		300
Total cash and cash equivalents	**$**	**4,951**	$	5,477

7. PREPAID EXPENSES AND DEPOSITS

		December 31, 2021		December 31, 2020
Prepaid insurance	**$**	**107**	$	77
Deposits		**744**		706
Deposits with related parties (Note 18(a)(i))		**200**		80
Other		**88**		134
Total prepaid expenses and deposits	**$**	**1,139**	$	997

8. 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. Since the actual timing of receipt is uncertain as VAT is refundable only upon commercial operations, VAT receivable has been classified as a non-current asset.

(Stated in Canadian dollars unless otherwise noted; tabular amounts in thousands)

9. PROPERTY, PLANT AND EQUIPMENT

	Computer equipment	Furniture and equipment	Vehicles	Land	ROU assets (Note 11(a))	Total
Cost						
Balance - December 31, 2019	$ 185	$ 237	$ 20	$ 688	$ 658	$ 1,788
Additions	59	12	-	242	-	313
Write-offs and disposals	(1)	-	-	-	(124)	(125)
Other adjustments	-	-	-	-	9	9
Foreign exchange	(9)	(5)	(2)	(14)	(10)	(40)
Balance - December 31, 2020	**234**	**244**	**18**	**916**	**533**	**1,945**
Additions	**71**	**103**	**-**	**-**	**263**	**437**
Write-offs and disposals	**(13)**	**(4)**	**-**	**-**	**(280)**	**(297)**
Other adjustments	**-**	**-**	**40**	**-**	**68**	**108**
Foreign exchange	**(1)**	**1**	**-**	**(4)**	**(5)**	**(9)**
Balance - December 31, 2021	**$ 291**	**$ 344**	**$ 58**	**$ 912**	**$ 579**	**$ 2,184**
Accumulated amortization						
Balance - December 31, 2019	$ 96	$ 89	$ 8	$ -	$ 278	$ 471
Charge for the year	36	24	11	-	272	343
Write-offs and disposals	-	-	-	-	(124)	(124)
Foreign exchange	(6)	3	(4)	-	(16)	(23)
Balance - December 31, 2020	**126**	**116**	**15**	**-**	**410**	**667**
Charge for the year	**39**	**29**	**4**	**-**	**238**	**310**
Write-offs and disposals	**(12)**	**(3)**	**-**	**-**	**(279)**	**(294)**
Other adjustments	**-**	**-**	**23**	**-**	**(23)**	**-**
Foreign exchange	**(1)**	**(1)**	**-**	**-**	**(2)**	**(4)**
Balance - December 31, 2021	**$ 152**	**$ 141**	**$ 42**	**$ -**	**$ 344**	**$ 679**
Net book value						
Balance - December 31, 2020	$ 108	$ 128	$ 3	$ 916	$ 123	$ 1,278
Balance - December 31, 2021	**$ 139**	**$ 203**	**$ 16**	**$ 912**	**$ 235**	**$ 1,505**

10. FINANCIAL ASSETS

Financial assets comprise the Company's investment in Bell Copper Corporation's ("Bell Copper") common shares, which had a fair value of $486,000 on December 31, 2021 (December 31, 2020 – $971,000).

11. LEASES

(a) Right-of-use-assets

The Company's ROU assets include contracts for leasing vehicles and office premises**.** At December 31, 2021, $235,000 (December 31, 2020 - $123,000) of ROU assets are recorded as part of property, plant and equipment. ROU assets are depreciated on a straight-line basis over the shorter of the lease term or the useful life of the underlying assets.

(Stated in Canadian dollars unless otherwise noted; tabular amounts in thousands)

	Vehicles	Office	Equipment	Total
Right of use assets				
Net book value at January 1, 2020	$ 345	$ 30	$ 5	$ 380
Amortization charge for the year	(234)	(35)	(3)	(272)
Other adjustment	-	11	(2)	9
Foreign exchange	5	1	-	6
Net book value at December 31, 2020	**$ 116**	**$ 7**	**$ -**	**$ 123**
Additions	**87**	**176**	**-**	**263**
Amortization charge for the year	**(162)**	**(76)**	**-**	**(238)**
Write-offs and disposals	**-**	**(1)**	**-**	**(1)**
Other adjustment	**91**	**-**	**-**	**91**
Foreign exchange	**(2)**	**(1)**	**-**	**(3)**
Net book value at December 31, 2021	**$ 130**	**$ 105**	**$ -**	**$ 235**

During the year ended December 31, 2021, leases relating to certain vehicles and an office lease with initial values totalling $280,000 expired (December 31, 2020 - $124,000), resulting in the de-recognition of depreciated ROU assets.

(b) Lease liabilities

The leases of vehicles and office premises comprise only fixed payments over the lease terms. During the year ended December 31, 2021, the Company recorded interest expense of $33,000 on lease liabilities (December 31, 2020 - $33,000), expenses of $71,000 (December 31, 2020 - $61,000) related to short-term leases and income of $Nil (December 31, 2020 - $9,000) from sub-leasing ROU assets.

	December 31, 2021	December 31, 2020
Maturity analysis - contractual undiscounted cash flows		
Less than one year	**$ 180**	$ 138
One to two years	**69**	9
Two to three years	**5**	9
More than three years	**-**	8
Total undiscounted lease liabilities	**254**	164
Effect of discounting	**(23)**	(11)
Total lease liabilities	**$ 231**	$ 153
Current	**$ 161**	$ 130
Non-current	**$ 70**	$ 23

(Stated in Canadian dollars unless otherwise noted; tabular amounts in thousands)

		Year ended December 31, 2021		2020
Lease liability continuity				
Balance at beginning of year	**$**	**153**	$	414
Cash flows				
Principal payments		**(257)**		(218)
Interest payments		**(35)**		(33)
Non-cash changes				
Additions		**263**		-
Accretion		**33**		33
Change in foreign exchange and other		**74**		(43)
Total lease liabilities, end of year	**$**	**231**	$	153

12. SHARE CAPITAL

(a) Common Shares

i. Share consolidation

On September 25, 2020, the shareholders of the Company voted in favour of the special resolution at the Company's Annual General and Special Meeting to approve a consolidation of its shares on the basis of one (1) post-Consolidation share for up to every thirty (30) pre-Consolidation shares, as may be determined by the Board of Directors of the Company in its sole discretion.

Cordoba's Board determined to proceed with a share consolidation, and approved a ratio of one (1) post-Consolidation share for every seventeen (17) pre-Consolidation shares held effective at the opening of the market on February 9, 2021 (the "Consolidation" or "Share Consolidation"). The Company's name and trading symbol for the Company's shares on the TSX Venture Exchange remained unchanged, and no fractional shares were issued under the Consolidation.

The Company's 959,244,498 shares issued and outstanding were adjusted to 56,426,146 shares as of the effective date of the Consolidation. The shares reserved under the Company's issued and outstanding convertible securities comprising of share purchase warrants, share purchase options, restricted share units ("RSUs") and deferred share units ("DSUs") were adjusted on a 17 for 1 basis, consistent with the conversion ratio of the Consolidation.

ii. Authorized

The Company is authorized to issue an unlimited number of common shares without par value. At December 31, 2021, the Company had 89,120,708 common shares issued and outstanding (December 31, 2020 – 56,426,146).

(b) Share issuances

i. *February 2021*

On December 23, 2020, the Company closed the first tranche of its non-brokered private placement announced on December 4, 2020 (the "Q1 Private Placement"). In connection with the closing of this tranche, the Company issued an aggregate of 61,632,749 pre-Consolidation units of the Company (the "Units") at a price of $0.075 per Unit for gross proceeds of $4.62 million. Each Unit consisted of one pre-Consolidation common share of the Company and one share purchase warrant. At issuance, prior to the Share Consolidation, each warrant entitled the holder, on exercise, to purchase one pre-Consolidation common share of the Company anytime on or before December 23, 2022 at a price of $0.115 per share.

The second and final tranche of the Q1 Private Placement (the "JCHX Tranche") was subscribed to by JCHX Mining Management Co., Ltd. ("JCHX") in December 2020, as JCHX agreed to purchase 7,700,584 Units at a price of $0.075 per Unit for gross proceeds of approximately $578,000 to maintain a 19.99% interest in the Company on a partially diluted basis. The closing of the JCHX Tranche was subject to JCHX receiving customary approvals and registration with Chinese regulatory agencies. These approvals were received in February 2021, and the JCHX Tranche closed on February 18, 2021. As the JCHX Tranche closed subsequent to the effective date of the Company's 17 for 1 Share Consolidation (Note 12(a)(i)), the subscription was adjusted to account for the impact of the Consolidation, and JCHX was issued 452,975 Units at a price of $1.275 per Unit to maintain their 19.99% interest in the Company on a partially diluted basis. The Units consisted of one common share and one share purchase warrant, which allows JCHX to purchase one common share at any time on or before February 18, 2023, at a price of $1.955 per share.

The net proceeds from the JCHX Tranche have been bifurcated using the relative fair value method, resulting in $406,000 recorded in share capital and $166,000 recorded in warrants reserve; these amounts are net of share issue costs of approximately $6,000.

ii. *June 2021*

On May 20, 2021, the Company announced a non-brokered private placement with Ivanhoe Electric and JCHX, which closed in two separate tranches in June 2021 (the "Q2 Private Placement"). In connection with the closing of the first tranche of the Q2 Private Placement on June 2, 2021, the Company issued an aggregate of 1,823,685 common shares of the Company to Ivanhoe Electric at a price of $1.10 per common share, for gross proceeds of approximately $2.0 million.

On June 21, 2021, the Company closed the second tranche the Q2 Private Placement after issuing an aggregate of 1,231,962 common shares of the Company to JCHX at a price of $1.10 per common share, for gross proceeds of approximately $1.36 million, increasing JCHX's shareholding in Cordoba to 19.99% on an undiluted basis.

The Company received total gross proceeds of approximately $3.36 million and incurred approximately $21,000 in share issue costs in connection with the Q2 Private Placement.

iii. *September 2021*

On September 24, 2021, the Company announced the closing of its rights offering (the "Rights Offering") which raised gross proceeds of $15.0 million upon the issuance of 27,777,777 common shares, representing 100% of the maximum number of common shares issuable under the Rights Offering. Share issuance costs associated with the Rights Offering totaling approximately $645,000 were incurred by the Company, including the approximate $529,000 fair value of warrants issued to Ivanhoe Electric pursuant to its standby commitment (Note 12(c)(iv)).

Pursuant to the Rights Offering, each eligible shareholder holding common shares on August 30, 2021, received 0.4537102997 of a transferable right for every one common share held (each whole right, a “Right”). Each Right entitled the holder to subscribe for one common share at a subscription price of $0.54 per common share (the “Basic Subscription Privilege”). The Rights commenced trading on the TSX Venture Exchange under the symbol “CDB.RT” on August 27, 2021, and expired on September 23, 2021. Shareholders who fully exercised their Rights under the Basic Subscription Privilege were also entitled to subscribe for additional common shares, on a pro rata basis, if available as a result of unexercised Rights.

In connection with the Rights Offering, the Company entered into a standby commitment agreement (the “Standby Commitment Agreement”) with Ivanhoe Electric. Ivanhoe Electric agreed, subject to certain terms and conditions, to exercise its Basic Subscription Privilege in respect of any Rights it held, and, in addition thereto, to acquire any additional common shares available as a result of any unexercised Rights under the Rights Offering, excluding those falling within JCHX’s commitment as noted below, such that the Company was, subject to the terms of the Standby Commitment Agreement and completion of the Basic Subscription Privilege of JCHX, guaranteed to issue 27,777,777 common shares in connection with the Rights Offering for aggregate gross proceeds of $15.0 million.

Under the Rights Offering, 23,814,389 common shares were issued to shareholders upon exercise of their subscription right under the offering. This included exercise of the full basic subscription by each of Ivanhoe Electric and JCHX, who retained its 19.99% interest. The remaining balance of 3,963,388 common shares issuable under the Rights Offering was acquired by Ivanhoe Electric pursuant to its standby commitment. In consideration for the standby commitment, Ivanhoe Electric received 1,465,234 5-year warrants with an exercise price equal to $0.77 per common share (Note 12(c)(iv)). Upon completion, Ivanhoe Electric held 56,390,193 common shares, representing 63.36% of the Company’s issued and outstanding common shares.

JCHX, an insider of the Company, fulfilled its commitment to exercise its Basic Subscription Privilege by acquiring 5,554,169 common shares for gross proceeds of approximately $3.0 million, retaining is 19.99% interest in the Company.

(Stated in Canadian dollars unless otherwise noted; tabular amounts in thousands)

(c) Share Purchase Warrants

Share purchase warrants outstanding as of December 31, 2021, and December 31, 2020, are as follows:

		December 31, 2021			December 31, 2020		
Grant Date	**Expiry date**	**Number of warrants (000's)**	**Number of shares issuable upon exercise of warrants (000's)**	**Weighted average exercise price per share**	Number of warrants (000's)	Number of shares issuable upon exercise of warrants (000's)	Weighted average exercise price per share
February 25, 2019 *(i)*	February 25, 2021	-	-	-	22,800	1,829	$1.496
June 26, 2020 *(ii)*	June 26, 2025	-	-	-	21,910	1,289	$1.275
December 23, 2020	December 23, 2022	**61,633**	**3,933**	**$1.802**	61,633	3,625	$1.955
February 18, 2021 *(iii)*	February 18, 2023	**453**	**491**	**$1.802**	-	-	-
September 24, 2021 *(iv)*	September 24, 2026	**1,465**	**1,465**	**$0.770**	-	-	-
		63,551	**5,889**	**$1.545**	106,343	6,743	$1.701

i. On February 25, 2021, all 22,800,000 warrants held by HPX expired unexercised.

ii. On April 12, 2021, HPX exercised 21,910,113 warrants into 1,288,830 common shares of the Company at an exercise price of $1.275 per share, raising gross proceeds of $1.64 million.

A total of $2.67 million was recorded in share capital, consisting of the fair value of the cash received upon exercise of the warrants, and a transfer of the $1.02 million fair value of the exercised warrants from warrants reserve.

iii. Upon closing of the JCHX Tranche on February 18, 2021 (Note 12(b)(i)), the Company issued 452,975 share purchase warrants. The fair value of each warrant was estimated to be approximately $0.48 on the date of the issuance using the Black-Scholes option-pricing model with the following assumptions: risk free interest rate of 0.22%, expected life of 1.5 years, annualized volatility of 116.86% and dividend yield of 0%.

iv. Pursuant to the terms of the Standby Commitment Agreement, upon closing the Rights Offering and fulfillment of the standby commitment by Ivanhoe Electric, the Company issued Ivanhoe Electric 1,465,234 5-year warrants with an exercise price of $0.77 per common share (Note 12(b)(iii)). The fair value of each warrant was estimated to be approximately $0.36 on the date of issuance using the Black-Scholes option-pricing model with the following assumptions: risk free interest rate of 0.66%, expected life of 3.0 years, annualized volatility of 101.50% and dividend yield of 0%. The aggregate fair value of approximately $529,000 was debited to share capital as a cost of conducting the Rights Offering.

(Stated in Canadian dollars unless otherwise noted; tabular amounts in thousands)

13. 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 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 shall not have an exercise price less than the market price of the Company's shares on the day prior to the grant date and may have a maximum term of ten years. Additionally, they may be subject to vesting terms if imposed by the Board of Directors or required by the TSX Venture Exchange.

The following is a summary of share purchase options activity for the years ended December 31, 2021 and 2020:

	Year ended December 31, 2021		Year ended December 31, 2020	
	Number of stock options (000's)	**Weighted average exercise price ($ per share)**	Number of stock options (000's)	Weighted average exercise price ($ per share)
Outstanding, beginning of year	**1,492**	**$ 2.81**	506	$ 6.29
Granted	**120**	**1.08**	1,101	1.60
Forfeited	**(338)**	**3.90**	(115)	6.60
Outstanding, end of year	**1,274**	**$ 2.36**	1,492	$ 2.81
Exercisable, end of year	**557**	**$ 3.41**	324	$ 6.90

The weighted average fair value of the share purchase options granted during the year ended December 31, 2021, has been estimated to be $0.72 (December 31, 2020 - $1.10) using the Black-Scholes option-pricing model with the following weighted average assumptions:

	Year ended December 31, 2021	2020
Exercise price	**$1.08**	$1.60
Risk free interest rate	**0.70%**	0.37%
Expected life (years)	**4.00**	4.00
Annualized volatility	**98.65%**	103.57%
Dividend rate	**0%**	0%

(Stated in Canadian dollars unless otherwise noted; tabular amounts in thousands)

	Options outstanding		Options exercisable	
Exercise price ($ per share)	Number of stock options (000's)	Weighted average remaining contractual life (years)	Number of stock options (000's)	Weighted average remaining contractual life (years)
0.77	32	0.40	32	0.40
1.11	27	2.64	18	2.64
1.20	87	4.31	-	-
1.36	74	3.29	25	3.29
1.62	836	3.93	279	3.93
1.70	22	3.85	7	3.85
2.04	29	3.90	29	3.90
2.21	9	3.82	9	3.82
3.40	69	1.20	69	1.20
3.57	18	3.40	18	3.40
9.86	4	0.89	4	0.89
12.58	6	4.86	6	4.86
13.60	21	2.49	21	2.49
14.45	40	4.30	40	4.30
	1,274	3.62	557	3.26

(b) Deferred Share Units

Pursuant to the terms of the Company’s Deferred Share Unit Plan, the Company may grant DSUs to the Company’s directors. Upon a participant’s retirement, the DSUs may be settled with cash or common 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.

The following is a summary of DSU activity for the years ended December 31, 2021 and 2020:

	Year ended December 31,	
	2021 (000's)	2020 (000's)
Outstanding, beginning of year	**202**	90
Granted	**13**	112
Redeemed	**(3)**	-
Outstanding, end of year	**212**	202

(c) Other Equity-based Instruments

Pursuant to the terms of the Company’s Long Term Incentive Plan, the Company may grant 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 common shares of the Company at the discretion of the Board. The fair values of an RSU and PSU are determined as the fair market value of a common share of the Company on the grant date and recorded in equity reserves.

(Stated in Canadian dollars unless otherwise noted; tabular amounts in thousands)

The following is a summary of RSU activity for the years ended December 31, 2021 and 2020:

	Year ended December 31, 2021 (000's)	2020 (000's)
Outstanding, beginning of year	**363**	16
Granted	**53**	363
Redeemed	**(144)**	(16)
Forfeited	**(28)**	-
Outstanding, end of year	**244**	363

The total fair value of RSUs granted during the year ended December 31, 2021, was determined to be approximately $48,000 (December 31, 2020 – $587,000).

During the years ended December 31, 2021, and 2020, no PSUs were issued and outstanding.

14. EXPLORATION AND EVALUATION EXPENDITURES

For the years ended December 31, 2021 and 2020, exploration and evaluation ("E&E") expenditures comprise:

	Year ended December 31, 2021	2020
Direct exploration costs	**$ 7,293**	$ 2,330
Indirect exploration costs	**5,441**	2,473
Site general and administration ("G&A") costs	**4,307**	2,609
E&E acquisition costs	**-**	17,758
Share-based payments	**355**	57
Total E&E expenditures	**$ 17,396**	$ 25,227

E&E expenditures are allocated to the following projects:

	Colombia		USA		Other		Total	
	Year ended December 31, 2021	2020	Year ended December 31, 2021	2020	Year ended December 31, 2021	2020	Year ended December 31, 2021	2020
Direct exploration costs	**$ 6,939**	$ 1,967	**$ 354**	$ 363	**$ -**	$ -	**$ 7,293**	$ 2,330
Indirect exploration costs	**4,920**	2,225	**521**	248	**-**	-	**5,441**	2,473
Site G&A costs	**4,252**	2,538	**55**	71	**-**	-	**4,307**	2,609
E&E acquisition costs	**-**	17,758	**-**	-	**-**	-	**-**	17,758
Share-based payments	**-**	-	**-**	-	**355**	57	**355**	57
Total E&E expenditures	**$ 16,111**	$ 24,488	**$ 930**	$ 682	**$ 355**	$ 57	**$ 17,396**	$ 25,227

(Stated in Canadian dollars unless otherwise noted; tabular amounts in thousands)

15. CORPORATE ADMINISTRATION

For the years ended December 31, 2021 and 2020, corporate administration comprises:

	Year ended December 31, 2021	2020
Salaries and benefits	**$ 780**	$ 835
Directors fees	**140**	77
Share-based payments	**627**	302
Office administration	**219**	111
Professional fees	**383**	447
Insurance	**107**	125
Travel	**6**	4
Investor relations	**206**	50
Compliance and regulatory	**100**	75
Other	**55**	93
Total corporate administration	**$ 2,623**	$ 2,119

16. NON-CONTROLLING INTEREST

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 and certain of its wholly-owned subsidiaries to explore the Perseverance porphyry copper project located in northwestern Arizona, USA (the "Perseverance Project").

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 LLC ("MMDEX"), a subsidiary of Bell Copper, by completing certain phased project expenditures over a 7.5 year period as follows:

- Phase 1 - $1 million by April 24, 2020, to earn a 25% interest (completed)
- Phase 2 - Additional $3 million by April 24, 2022, for a total 51% interest (completed)
- Phase 3 - Additional $3 million by April 24, 2024, for a total 70% interest (in progress)
- Phase 4 - Additional $10 million by April 24, 2026, for a total 80% interest

In May 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*. Management's assessment at the time of acquisition concluded that Cordoba controls MMDEX. Accordingly, the Company has consolidated MMDEX, recognizing a 75% non-controlling interest from May 2019 onwards.

The carrying value of MMDEX's assets and liabilities was $Nil as at December 31, 2021 (December 31, 2020 - $Nil). For the year ended December 31, 2021, MMDEX's revenue was $Nil (December 31, 2020 - $Nil) and net loss was $793,000 (December 31, 2020 - $588,000). The Company recognized $595,000 as non-controlling interest for the year ended December 31, 2021 (December 31, 2020 - $441,000).

In March, 2022, the Company achieved the minimum project expenditure requirement for the Phase 2 earn-in, and now has vested a 51% interest in the project.

(Stated in Canadian dollars unless otherwise noted; tabular amounts in thousands)

17. SUPPLEMENTAL CASH FLOW INFORMATION

The non-cash financing activities not already disclosed in the consolidated statements of cash flows were as follows:

	Year ended December 31, 2021	2020
Operating activities		
Shares issued on settlement of other liability	**$ -**	$ 674

18. RELATED PARTY TRANSACTIONS

Transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Company and other related parties are disclosed below.

(a) Transactions and balances with related parties

The Company incurred the following exploration and administrative expenses with related parties:

	Year ended December 31, 2021	2020
Salaries and benefits	**$ 707**	$ 453
Corporate administration	**242**	148
Exploration	**791**	18,323
Total related party expenses	**$ 1,740**	$ 18,924

The breakdown of expenses (income) by related party is as follows:

	Year ended December 31, 2021	2020
GMM *(i)*	**$ 1,330**	$ 939
Ivanhoe Electric *(ii)*	**212**	-
HPX *(ii)*	**(19)**	15
Vagon Capital S.A.S. *(iii)*	**208**	191
Kaizen Discovery Inc. *(iv)*	**9**	-
OMNI Parties	**-**	17,729
CGI	**-**	50
Total related party expenses	**$ 1,740**	$ 18,924

(Stated in Canadian dollars unless otherwise noted; tabular amounts in thousands)

The breakdown of amount due from and to related parties is as follows:

		December 31, 2021		December 31, 2020
Due from related parties				
Due from HPX *(ii)*	**$**	**-**	$	24
Total due from related parties	**$**	**-**	$	24
Due to related parties				
Due to GMM *(i)*	**$**	**166**	$	72
Due to directors of the Company		**32**		18
Due to Ivanhoe Electric *(ii)*		**195**		-
Due to Kaizen Discovery Inc. *(iv)*		**9**		-
Total due to related parties	**$**	**402**	$	90

i. Global Mining Management Corporation ('GMM"), a private company based in Vancouver, provides administration, accounting and other office services to the Company on a cost-recovery basis. The Company held 7.1% of GMM's common shares at December 31, 2021, (December 31, 2020 – 7.7%). The investment in GMM is held at $Nil on the consolidated statement of financial position.

At December 31, 2021, prepaid expenses and deposits included a deposit of $200,000 (December 31, 2020 – $80,000) held by GMM (Note 7).

ii. Ivanhoe Electric held 63.3% of the Company's issued and outstanding common shares at December 31, 2021 (December 31, 2020 – 58.4% held by HPX). Costs incurred by Ivanhoe Electric on behalf of the Company are reimbursed on a cost-recovery basis.

On April 30, 2021, the balance due to HPX was transferred to Ivanhoe Electric (Note 1).

In August 2021, Ivanhoe Electric provided the Company with a short-term loan of US$1.5 million bearing interest at 10% per annum, with the interest rate increasing to 12% per annum in the event that the amount owing was not repaid upon the maturity date, which was the earlier of demand by Ivanhoe Electric or the second business day following completion of the rights offering (Note 12(b)(iii)). In September 2021, the Company repaid the $1.45 million (US$1.15 million) advanced on the loan plus interest of approximately $9,000.

iii. Vagon Capital S.A.S., a company that is controlled by a close family member of one of the Company's directors, provides the Company professional consulting services.

iv. Kaizen Discovery Inc. ("Kaizen Discovery") is a subsidiary of Ivanhoe Electric. Costs incurred by Kaizen Discovery on behalf of the Company are reimbursed on a cost-recovery basis.

(b) Leases

In December 2018, a former CEO of the Company financed a vehicle on behalf of the Company for operations at the Perseverance Project, located in the United States. In November 2021, the leasing arrangement with the former CEO for this vehicle ended when the Company purchased it for approximately $23,000. Accordingly, at December 31, 2021, the lease liability for the vehicle was $Nil (December 31, 2020 - $29,000).

(Stated in Canadian dollars unless otherwise noted; tabular amounts in thousands)

(c) Compensation of key management personnel

Key management personnel are persons responsible for planning, directing and controlling the activities of the Company, including directors and officers.

	Year ended December 31,	
	2021	2020
Salaries and benefits	**$ 970**	$ 647
Director fees	**140**	77
Share-based payments	**441**	271
Total key management compensation	**$ 1,551**	$ 995

19. SEGMENTED INFORMATION

The Company has a head office in Vancouver, Canada, and operates in three geographically based segments: Canada, Colombia and the United States. The reported loss from operations for the years ended December 31, 2021 and 2020 for each segment is as follows:

	Colombia		USA		Canada		Total	
	Year ended December 31,		Year ended December 31,		Year ended December 31,		Year ended December 31,	
	2021	2020	**2021**	2020	**2021**	2020	**2021**	2020
E&E expenditures	**$ 16,111**	$ 24,488	**$ 930**	$ 682	**$ 355**	$ 57	**$ 17,396**	$ 25,227
Corporate administration	**-**	-	**15**	47	**2,608**	2,072	**2,623**	2,119
Amortization	**302**	326	**8**	8	**-**	9	**310**	343
Loss from operations	**$ 16,413**	$ 24,814	**$ 953**	$ 737	**$ 2,963**	$ 2,138	**$ 20,329**	$ 27,689

The Company's non-current assets at December 31, 2021 and December 31, 2020 are located in Colombia, the United States and the head office in Canada as follows:

	Colombia		USA		Canada		Total	
	December 31, 2021	December 31, 2020	**December 31, 2021**	December 31, 2020	**December 31, 2021**	December 31, 2020	**December 31, 2021**	December 31, 2020
Colombian VAT receivable	**$ 2,902**	$ 1,908	**$ -**	$ -	**$ -**	$ -	**2,902**	$ 1,908
Property, plant and equipme	**1,249**	1,013	**256**	265	**-**	-	**1,505**	1,278
Financial assets	**-**	-	**-**	-	**486**	971	**486**	971
Non-current assets	**$ 4,151**	$ 2,921	**$ 256**	$ 265	**$ 486**	$ 971	**$ 4,893**	$ 4,157

20. 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 FVTPL or FVTOCI.

(Stated in Canadian dollars unless otherwise noted; tabular amounts in thousands)

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

		December 31, 2021		December 31, 2020
Financial assets				
Financial assets measured at amortized cost				
Cash and cash equivalents	**$**	**4,951**	$	5,477
Other receivables		**7**		11
Due from related parties		**-**		24
Deposits		**944**		786
Financial assets measured at FVTOCI				
Financial assets		**486**		971
Total financial assets	**$**	**6,388**	$	7,269
Financial liabilities measured at amortized cost				
Accounts payable and accrued liabilities	**$**	**872**	$	972
Due to related parties		**402**		90
Lease liability		**231**		153
Total financial liabilities	**$**	**1,505**	$	1,215

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

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.

The risks associated with financial instruments and the policies on how to mitigate these risks are set out below:

(a) Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk with respect to its cash and cash equivalents, receivables and deposits. Its maximum exposure to credit risk is the carrying value of these assets at December 31, 2021.

Cash and cash equivalents are deposited with high-quality financial institutions as determined by a primary ratings agency.

(Stated in Canadian dollars unless otherwise noted; tabular amounts in thousands)

(b) Interest rate risk

Interest rate risk is the risk that the fair values and future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on its bank deposits, which is insignificant due to their short-term nature.

The Company has not entered into any derivative instruments to manage interest rate fluctuations. However, management monitors interest rate exposure closely.

(c) Currency risk

The Company reports its financial results in Canadian dollars but also undertakes transactions in various foreign currencies, mainly the U.S. dollar and Colombian peso. As the exchange rates between the Canadian dollar and these foreign currencies fluctuate, the Company experiences foreign exchange gains and losses. The Company has cash; receivables; accounts payable and accrued liabilities; due to related parties and lease liabilities that are denominated in foreign currencies and subject to currency risk.

The carrying amounts of the Company's foreign currency denominated monetary assets and liabilities at the respective statement of financial position dates are as follows:

	December 31, 2021		December 31, 2020	
	U.S. Dollars	**Colombian Peso**	U.S. Dollars	Colombian Peso
Cash and cash equivalents	**$ 2,882**	**$ 124**	$ 2,186	$ 39
Other receivables	**-**	**7**	-	11
Accounts payable and accrued liabilities	**(122)**	**(659)**	(31)	(699)
Due to related parties	**(245)**	**-**	(9)	-
Current and non-current lease obligation	**-**	**(231)**	(29)	(124)
	$ 2,515	**$ (759)**	$ 2,117	$ (773)

As at December 31, 2021, a 10% depreciation or appreciation of applicable foreign currencies against the Canadian dollar would result in an approximate $176,000 decrease or increase in the Company's comprehensive loss (December 31, 2020 - $134,000).

The Company does not enter into any financial instruments to hedge currency risk, but the Company monitors its foreign exchange exposure.

(d) Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash to meet its financial obligations as they come due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when they come due.

As the Company is a mineral-property exploration and development company, its ability to manage liquidity risk and continue to operate and fund cash flow requirements is dependent on its ability to continue to obtain funding, including financing through equity placements, debt and joint venture agreements. Failure to obtain such additional financing could result in a delay or indefinite postponement of further exploration or development of the Company's properties and the possible loss of title to such properties.

(Stated in Canadian dollars unless otherwise noted; tabular amounts in thousands)

The Company believes that based on a combination of its cash position and the ability to pursue additional sources of financing, including equity placements, it has adequate resources as at December 31, 2021, to maintain its minimum obligations, including general corporate activities, through to December 31, 2022 (Note 1).

21. CAPITAL MANAGEMENT

The Company's objectives in managing its capital structure, which comprises all components of equity and debt, are to safeguard its ability to continue as a going concern and to provide financial capacity to meet is strategic objectives.

The Company is dependent on external financing to fund its operating activities, since the mineral properties in which it has an interest are in the exploration or development stage. Capital structure is managed and adjusted to effectively support the acquisition, exploration and development of mineral property interests.

At December 31, 2021, the Company does not have any debt nor is it subject to any externally imposed capital requirements.

During the year ended December 31, 2021, there were no significant changes to the Company's objectives or approach to capital management.

22. INCOME TAXES

		December 31, 2021		December 31, 2020
Net loss for the year	**$**	**21,066**	$	27,747
Canadian statutory tax rate		**27.0%**		27.0%
Tax at statutory Canadian rate		**5,688**		7,492
Tax at foreign tax rate		**1,059**		1,042
Items not deductible for income tax purposes		**(1,319)**		(1,468)
Tax effect of tax losses and temporary differences not recognized		**(5,428)**		(7,066)
Total income taxes	**$**	**-**	$	-

		December 31, 2021		December 31, 2020
Canadian tax losses expiring 2037-2041	**$**	**8,922**	$	6,592
US tax losses expiring 2036-2037		**375**		377
US tax losses carried forward indefinitely		**454**		294
Colombian tax losses		**189**		143
Exploration and evaluation assets		**40,365**		29,065
Share issue costs		**478**		762
Unrecognized deferred tax assets	**$**	**50,783**	$	37,233