



CORDOBA MINERALS CORP.

Condensed Interim Consolidated Financial Statements

September 30, 2021

(Unaudited)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Unaudited)

(Stated in thousands of Canadian dollars)

	Notes	September 30, 2021	December 31, 2020
ASSETS			
Current assets			
Cash and cash equivalents	3	\$ 11,696	\$ 5,477
Other receivables		165	50
Due from related parties	14	-	24
Prepaid expenses and deposits	4	850	997
Total current assets		12,711	6,548
Non-current assets			
Colombian value added tax receivable	5	2,788	1,908
Property, plant and equipment	6	1,543	1,278
Financial assets	7	386	971
TOTAL ASSETS		\$ 17,428	\$ 10,705
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		\$ 1,797	\$ 972
Due to related parties	14	172	90
Lease liability	8	172	130
Total current liabilities		2,141	1,192
Non-current liabilities			
Lease liability	8	130	23
TOTAL LIABILITIES		\$ 2,271	\$ 1,215
SHAREHOLDERS' EQUITY			
Share capital	9	\$ 207,859	\$ 187,076
Equity reserves	9,10	20,199	19,741
Accumulated other comprehensive income		205	554
Accumulated deficit		(212,356)	(197,239)
Shareholders' equity attributable the Company		15,907	10,132
Non-controlling interest	13	(750)	(642)
TOTAL SHAREHOLDERS' EQUITY		\$ 15,157	\$ 9,490
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		\$ 17,428	\$ 10,705

Description of business and going concern (Note 1)

Approved and authorized for issue on behalf of the Board on November 4, 2021:

/s/ William Orchow

William Orchow, Director

See accompanying notes to the condensed interim consolidated financial statements.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(Unaudited)

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

	Notes	Three months ended September 30,		Nine months ended September 30,	
		2021	2020	2021	2020
Operating expenses					
Exploration and evaluation expenditures	11	\$ 4,439	\$ 937	\$ 12,585	\$ 23,221
Corporate administration	12	712	488	1,932	1,555
Amortization	6	71	81	235	265
Loss from operations		5,222	1,506	14,752	25,041
Other expense (income)					
Other expense (income)		-	244	(6)	125
Interest expense		18	6	34	79
Foreign exchange (gain) loss		(63)	168	445	329
Loss before income taxes		5,177	1,924	15,225	25,574
Income taxes		-	-	-	-
Net loss for the period		\$ 5,177	\$ 1,924	\$ 15,225	\$ 25,574
Other comprehensive (income) loss					
Items that may be reclassified subsequently to loss:					
Currency translation adjustment		(343)	(210)	(236)	(438)
Items that will not be reclassified subsequently to loss:					
Change in fair value of marketable securities	7	185	(285)	585	(414)
Total other comprehensive (income) loss		(158)	(495)	349	(852)
Total comprehensive loss for the period		\$ 5,019	\$ 1,429	\$ 15,574	\$ 24,722
Net loss attributable to:					
Owners of Cordoba Minerals Corp.		\$ 5,136	\$ 1,886	\$ 15,117	\$ 25,221
Non-controlling interest	13	41	38	108	353
Net loss for the period		\$ 5,177	\$ 1,924	\$ 15,225	\$ 25,574
Total comprehensive loss attributable to:					
Owners of Cordoba Minerals Corp.		\$ 4,978	\$ 1,391	\$ 15,466	\$ 24,369
Non-controlling interest	13	41	38	108	353
Total comprehensive loss for the period		\$ 5,019	\$ 1,429	\$ 15,574	\$ 24,722
Loss per share attributable to common shareholders (basic and diluted)					
	2(b),9(a)	\$ 0.07	\$ 0.03	\$ 0.23	\$ 0.51
Weighted average number of basic and diluted common shares outstanding					
	2(b),9(a)	68,750,210	67,943,929	64,812,950	49,342,729

See accompanying notes to the condensed interim consolidated financial statements.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

(Stated in thousands of Canadian dollars)

		Nine months ended September 30,	
	Notes	2021	2020
Operating activities			
Net loss for the period		\$ (15,225)	\$ (25,574)
Adjustments for non-cash items:			
Share-based payments	11,12	787	147
Amortization	6	235	265
Interest expense		34	79
Other income		-	156
Loss on disposition of property, plant and equipment		2	1
Unrealized foreign exchange loss		384	702
Changes in non-cash working capital items:			
Receivables		(1,215)	(404)
Prepaid expenses and deposits		147	(261)
Accounts payable and accrued liabilities		825	(341)
Due to related parties		106	(178)
Cash used in operating activities		(13,920)	(25,408)
Investing activities			
Acquisition of property, plant and equipment	6	(148)	(60)
Cash used in investing activities		(148)	(60)
Financing activities			
Exercise of warrants	9(c)(ii)	1,644	-
Proceeds from rights offering, net of share issue costs	9(b)(iii)	14,899	21,284
Proceeds from private placements, net of share issue costs	9(b)	3,911	10,978
Proceeds from short-term loan from related party	14(c)(i)	1,453	251
Settlement of short-term loan from related party	14(c)(i)	(1,456)	(3,550)
Settlement of accrued interest on short-term loan from related party	14(c)(i)	(9)	(74)
Share issuance costs		-	(2)
Payment of lease liabilities	8(b)	(207)	(162)
Interest paid	8(b)	(26)	(27)
Cash from financing activities		20,209	28,698
Effect of changes in foreign exchange rates on cash and cash equivalents			
		78	(66)
Increase in cash and cash equivalents		6,219	3,164
Cash and cash equivalents, beginning of period	3	5,477	247
Cash and cash equivalents, end of period	3	\$ 11,696	\$ 3,411

Supplemental cash flow information (Note 15).

See accompanying notes to the condensed interim consolidated financial statements.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Unaudited)

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

	Number of common shares (Note 9(a))	Share capital	Equity reserves				Accumulated other comprehensive income (loss)	Accumulated deficit	Shareholders' equity attributable to owners of Cordoba Minerals Corp.	Non-controlling interest (Note 13)	Total
			Warrants reserve	Broker warrants reserve	Share-based payments reserve						
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 period	-	-	-	-	-	-	(15,117)	(15,117)	(108)	(15,225)	
Share-based payments (Notes 11 & 12)	-	-	-	-	787	-	-	787	-	787	
Shares and share purchase warrants issued to JCHX, net of share issue costs (Note 9(b)(i))	452,975	406	166	-	-	-	-	572	-	572	
Exercise of share purchase warrants (Note 9(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 9(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 9(b)(iii))	27,777,777	14,370	529	-	-	-	-	14,899	-	14,899	
Other comprehensive loss	-	-	-	-	-	(349)	-	(349)	-	(349)	
Balance at September 30, 2021	89,001,375	\$ 207,859	\$ 14,231	\$ 48	\$ 5,920	\$ 205	\$ (212,356)	\$ 15,907	\$ (750)	\$ 15,157	
Balance at December 31, 2019	21,499,917	\$ 151,886	\$ 12,186	\$ 48	\$ 4,952	\$ (254)	\$ (169,932)	\$ (1,114)	\$ (201)	\$ (1,315)	
Net loss for the period	-	-	-	-	-	-	(25,221)	(25,221)	(353)	(25,574)	
Settlement of restricted share units	15,588	178	-	-	(178)	-	-	-	-	-	
Share-based payments (Notes 11 & 12)	-	-	-	-	147	-	-	147	-	147	
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	123,142	139	-	-	-	-	-	139	-	139	
Shares and share purchase warrants issued pursuant to rights offering, net of share issue costs	25,294,118	20,260	1,024	-	-	-	-	21,284	-	21,284	
Other comprehensive income	-	-	-	-	-	852	-	852	-	852	
Balance at September 30, 2020	52,800,200	\$ 183,960	\$ 13,210	\$ 48	\$ 4,921	\$ 598	\$ (195,153)	\$ 7,584	\$ (554)	\$ 7,030	

The number of common shares outstanding have been updated retrospectively to reflect the 1 for 17 share consolidation which became effective on February 9, 2021 (Note 2(b)(i)).

See accompanying notes to the condensed interim consolidated financial statements.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

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

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.

At September 30, 2021, Ivanhoe Electric Inc. (“Ivanhoe Electric”), the Company’s privately owned parent, held 63.4% (December 31, 2020 – 58.4%) of the Company’s issued and outstanding common shares. The ultimate controlling entity is I-Pulse Inc. (“I-Pulse”), a privately owned company.

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. Accordingly, Ivanhoe Electric is now the majority shareholder of Cordoba Minerals Corp., and I-Pulse remains the ultimate controlling entity.

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 condensed interim 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 three and nine months ended September 30, 2021, the Company had no operating revenue and incurred net losses of \$5.18 million and \$15.23 million, respectively. At September 30 2021, the Company had consolidated cash of \$11.70 million (December 31, 2020 - \$5.48 million) to apply against current liabilities of \$2.14 million (December 31, 2020 - \$1.19 million).

At September 30, 2021, the Company believes that it has adequate resources to maintain its minimum obligations, including general corporate activities, based on its cash position and its ability to pursue additional sources of financing, including equity placements.

The Company currently has no source of operating cash flow, and has no assurance that additional funding will be available to it for additional exploration 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,

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there is a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of presentation

These condensed interim consolidated financial statements have been prepared in accordance with IAS 34, *Interim Financial Reporting*. These condensed interim consolidated financial statements do not include all of the information and footnotes required by IFRS for annual financial statements and should be read in conjunction with the Company's annual consolidated financial statements for the year ended December 31, 2020, which have been prepared in accordance with IFRS, as issued by the International Accounting Standards Board.

The accounting policies used in the preparation of these condensed interim consolidated financial statements are the same as those applied in the Company's most recent consolidated annual financial statements for the year ended December 31, 2020.

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

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

(b) Comparative figures

- i. A one (1) for seventeen (17) share consolidation was completed on February 9, 2021. As per IAS 33, *Earnings per share*, all historical share and per share data presented in the Company's consolidated financial statements have been retrospectively adjusted to reflect the share consolidation (Note 9(a)(i)).
- ii. On September 24, 2021, the Company announced the closing of a rights offering, which was open to all shareholders (Note 9(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 three and nine months ended September 30, 2020, have been multiplied by a factor of 1.0884.

(c) Adoption of new and revised accounting standards and interpretations

The Company has not adopted any new amendments to IFRS in the current period.

The Company has not applied the following amendments to standards that have been issued but are not yet effective:

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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Amendments to IAS 37, *Provisions, Contingent Liabilities and Contingent Assets* (effective January 1, 2022) clarify that the 'costs of fulfilling a contract' when assessing whether a contract is onerous comprise both the incremental costs and an allocation of other costs that relate directly to fulfilling the contract. The amendments apply to contracts existing at the date when the amendments are first applied. Management is currently assessing the impact of this amendment.

Amendments to IAS 1, *Presentation of Financial Statements* (effective January 1, 2023) clarifies the presentation of liabilities in the statement of financial position. The classification of liabilities as current or noncurrent is based on contractual rights that are in existence at the end of the reporting period and is unaffected by expectations about whether an entity will exercise its right to defer settlement. A liability not due over the next twelve months is classified as non-current even if management intends or expects to settle the liability within twelve months. The amendment also introduces a definition of 'settlement' to make clear that settlement refers to the transfer of cash, equity instruments, other assets, or services to the counterparty. Management is currently assessing the impact of this amendment.

Amendments to IAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors* (effective January 1, 2023) provide guidance to assist entities in distinguishing between policies and accounting estimates. The amendments replace the definition of a change in accounting estimates with the definition of accounting estimates. Under the new definition, accounting estimates are monetary amounts in financial statements that are subject to measurement uncertainty. The amendments also clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error. In addition, the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors. Management is currently assessing the impact of this amendment.

(d) Critical accounting estimates and judgments

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

The Company has consistently applied the significant accounting judgments, estimates and assumptions set out in Note 5 of the Company's audited consolidated financial statements for the year ended December 31, 2020 to all the periods presented in these condensed interim consolidated financial statements.

3. CASH AND CASH EQUIVALENTS

	September 30,	December 31,
	2021	2020
Cash held in bank accounts	\$ 11,696	\$ 5,177
Redeemable short term investments	-	300
Total cash and cash equivalents	\$ 11,696	\$ 5,477

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

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

4. PREPAID EXPENSES AND DEPOSITS

	September 30, 2021	December 31, 2020
Prepaid insurance	\$ 29	\$ 77
Deposits	513	706
Deposits with related parties (Note 14(b))	200	80
Other	108	134
Total prepaid expenses and deposits	\$ 850	\$ 997

5. COLOMBIAN VALUE-ADDED-TAX (“VAT”) RECEIVABLE

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

6. PROPERTY, PLANT AND EQUIPMENT

	Computer equipment	Furniture and equipment	Vehicles	Land	ROU assets (Note 8(a))	Total
Cost						
Balance - December 31, 2019	\$ 185	\$ 237	\$ 20	\$ 688	\$ 658	\$ 1,788
Additions	59	13	-	242	-	314
Write-offs and disposals	(1)	-	-	-	(124)	(125)
Other adjustments	-	-	-	-	9	9
Foreign exchange	(9)	(6)	(2)	(14)	(10)	(41)
Balance - December 31, 2020	234	244	18	916	533	1,945
Additions	47	101	-	-	263	411
Write-offs and disposals	(13)	(4)	-	-	(280)	(297)
Other adjustments	-	-	-	-	89	89
Foreign exchange	-	3	-	1	(2)	2
Balance - September 30, 2021	\$ 268	\$ 344	\$ 18	\$ 917	\$ 603	\$ 2,150
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 period	28	21	3	-	183	235
Write-offs and disposals	(12)	(3)	-	-	(279)	(294)
Foreign exchange	-	-	-	-	(1)	(1)
Balance - September 30, 2021	\$ 142	\$ 134	\$ 18	\$ -	\$ 313	\$ 607
Net book value						
Balance - December 31, 2020	\$ 108	\$ 128	\$ 3	\$ 916	\$ 123	\$ 1,278
Balance - September 30, 2021	\$ 126	\$ 210	\$ -	\$ 917	\$ 290	\$ 1,543

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

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

7. FINANCIAL ASSETS

Financial assets comprise the Company's investment in Bell Copper Corporation common shares, which had a fair value of \$386,000 on September 30, 2021 (December 31, 2020 – \$971,000).

8. LEASES

(a) Right-of-use ("ROU") assets

The Company's ROU assets include contracts for leasing vehicles, and office premises. At September 30, 2021, \$290,000 (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.

	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 period	(129)	(54)	-	(183)
Write-offs and disposals	-	(1)	-	(1)
Other adjustment	89	-	-	89
Foreign exchange	(1)	-	-	(1)
Net book value at September 30, 2021	\$ 162	\$ 128	\$ -	\$ 290

During the nine months ended September 30, 2021, leases relating to certain vehicles and an office lease with initial values totalling \$280,000 expired, resulting in the de-recognition of depreciated ROU assets.

(b) Lease liabilities

The leases of vehicles, office premises and equipment comprise only fixed payments over the lease terms. The Company recorded interest expense of \$8,000 and \$24,000 on lease liabilities for the three and nine months ended September 30, 2021 (September 30, 2020 - \$7,000 and \$28,000). During the three and nine months ended September 30, 2021, the Company recorded expenses of \$6,000 and \$59,000 (September 30, 2020 - \$11,000 and \$48,000) related to short-term leases and income of \$Nil and \$Nil (September 30, 2020 - \$Nil and \$9,000) from sub-leasing ROU assets.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

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

	September 30, 2021	December 31, 2020
Maturity analysis - contractual undiscounted cash flows		
Less than one year	\$ 199	\$ 138
One to two years	116	9
Two to three years	23	9
More than three years	1	8
Total undiscounted lease liabilities	339	164
Effect of discounting	(37)	(11)
Total lease liabilities	\$ 302	\$ 153
Current	\$ 172	\$ 130
Non-current	\$ 130	\$ 23

	Nine months ended September 30, 2021		2020
Lease liability continuity			
Balance at beginning of period	\$ 153	\$	414
Cash flows			
Principal payments	(207)		(162)
Interest payments	(26)		(27)
Non-cash changes			
Additions	326		-
Accretion	24		28
Change in foreign exchange and other	32		(26)
Total lease liabilities, end of period	\$ 302	\$	227

9. 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

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("DSUs") were adjusted on a 17 for 1 basis, consistent with the conversion ratio of the Consolidation.

All historical share and per share data presented in the Company's condensed interim consolidated financial statements have been retrospectively adjusted to reflect the Share Consolidation, unless otherwise noted.

ii. Authorized

The Company is authorized to issue an unlimited number of common shares without par value. At September 30, 2021, the Company had 89,001,375 common shares issued and outstanding (December 31, 2020 – 56,426,146 (959,244,498 pre-Consolidation)).

(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 9(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

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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 \$630,000 were incurred by the Company, including the approximate \$529,000 fair value of warrants issued to Ivanhoe Electric pursuant to its standby commitment (Note 9(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 9(c)(iv)). Upon completion,

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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 a 19.99% interest in the Company.

(c) Share Purchase Warrants

Share purchase warrants outstanding as of September 30, 2021 and December 31, 2020 are as follows:

Grant Date	Expiry date	September 30, 2021			December 31, 2020		
		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 9(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 9(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.

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10. 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 nine months ended September 30, 2021 and 2020:

	Nine months ended September 30, 2021		Nine months ended September 30, 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 period	1,492	\$ 2.81	506	\$ 6.29
Granted	120	1.08	74	1.36
Forfeited	(245)	1.62	(54)	7.48
Outstanding, end of period	1,367	\$ 2.31	526	\$ 5.44
Exercisable, end of period	239	\$ 5.91	385	\$ 6.80

The number of stock options and weighted average exercise price per share for the nine months ended September 30, 2020, have been adjusted on a 17 for 1 basis, consistent with the conversion ratio of the Share Consolidation (Note 9(a)(i)).

The weighted average fair value of the share purchase options granted during the nine months ended September 30, 2021, has been estimated to be \$0.72 (September 30, 2020 - \$1.02) using the Black-Scholes option-pricing model with the following weighted average assumptions:

	Nine months ended September 30,	
	2021	2020
Exercise price	\$1.08	\$1.36
Risk free interest rate	0.70%	0.40%
Expected life (years)	4.00	4.00
Annualized volatility	98.65%	107.09%
Dividend rate	0%	0%

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Exercise price (\$ per share)	Options outstanding		Options exercisable	
	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	4.88	-	-
1.11	27	2.89	18	2.89
1.20	87	4.56	-	-
1.36	74	3.55	25	3.55
1.62	929	4.18	-	-
1.70	22	4.10	-	-
2.04	29	4.15	29	4.15
2.21	9	4.07	9	4.07
3.40	69	1.45	69	1.45
3.57	18	3.65	18	3.65
9.86	4	1.14	4	1.14
12.58	6	5.11	6	5.11
13.60	21	2.74	21	2.74
14.45	40	4.55	40	4.55
	1,367	4.00	239	3.09

(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 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 nine months ended September 30, 2021 and 2020:

	Nine months ended September 30,	
	2021	2020
Outstanding, beginning of period	202,231	90,270
Granted	12,500	48,150
Outstanding, end of period	214,731	138,420

(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 shares of the Company at the discretion of the Board. The fair value of an RSU and PSU is determined as the fair market value of a common share of the Company on the grant date and recorded in equity reserves.

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The following is a summary of RSU activity for the nine months ended September 30, 2021 and 2020:

	Nine months ended September 30,	
	2021	2020
Outstanding, beginning of period	363,231	16,078
Granted	53,336	-
Redeemed	-	(15,588)
Forfeited	(28,676)	-
Outstanding, end of period	387,891	490

The total fair value of RSUs granted during the nine months ended September 30, 2021, was determined to be approximately \$48,000 (September 30, 2020 – \$Nil).

11. EXPLORATION AND EVALUATION EXPENDITURES

For the three and nine months ended September 30, 2021 and 2020, exploration and evaluation ("E&E") expenditure comprises:

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
Direct exploration costs	\$ 1,643	\$ 104	\$ 5,567	\$ 1,753
Indirect exploration costs	1,693	253	3,750	1,792
Site general and administration ("G&A") costs	1,000	577	2,969	1,890
E&E acquisition costs	-	-	-	17,764
Share-based payments	103	3	299	22
Total E&E expenditures	\$ 4,439	\$ 937	\$ 12,585	\$ 23,221

E&E expenditures are allocated to the following projects:

	Colombia		USA		Other		Total	
	Three months ended September 30,		Three months ended September 30,		Three months ended September 30,		Three months ended September 30,	
	2021	2020	2021	2020	2021	2020	2021	2020
Direct exploration costs	\$ 1,643	\$ 57	\$ -	\$ 47	\$ -	\$ -	\$ 1,643	\$ 104
Indirect exploration costs	1,578	225	115	28	-	-	1,693	253
Site G&A costs	981	563	19	14	-	-	1,000	577
Share-based payments	-	-	-	-	103	3	103	3
Total E&E expenditures	\$ 4,202	\$ 845	\$ 134	\$ 89	\$ 103	\$ 3	\$ 4,439	\$ 937

	Colombia		USA		Other		Total	
	Nine months ended September 30,		Nine months ended September 30,		Nine months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020	2021	2020	2021	2020
Direct exploration costs	\$ 5,567	\$ 1,417	\$ -	\$ 336	\$ -	\$ -	\$ 5,567	\$ 1,753
Indirect exploration costs	3,542	1,678	208	114	-	-	3,750	1,792
Site G&A costs	2,921	1,837	48	53	-	-	2,969	1,890
E&E acquisition costs	-	17,757	-	7	-	-	-	17,764
Share-based payments	-	-	-	-	299	22	299	22
Total E&E expenditures	\$ 12,030	\$ 22,689	\$ 256	\$ 510	\$ 299	\$ 22	\$ 12,585	\$ 23,221

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12. CORPORATE ADMINISTRATION

For the three and nine months ended September 30, 2021 and 2020, corporate administration comprises:

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
Salaries and benefits	\$ 219	\$ 248	\$ 527	\$ 693
Directors fees	25	-	108	59
Share-based payments	135	(4)	488	125
Office administration	39	25	150	82
Professional fees	72	104	266	298
Insurance	26	34	74	100
Travel	19	-	19	4
Investor relations	106	13	151	37
Compliance and regulatory	48	37	103	75
Other	23	31	46	82
Total corporate administration	\$ 712	\$ 488	\$ 1,932	\$ 1,555

13. NON-CONTROLLING INTEREST

The Company consolidates MMDEX LLC ("MMDEX") and recognizes a 75% non-controlling interest.

The carrying value of MMDEX's assets and liabilities was \$Nil as at September 30, 2021 (December 31, 2020 - \$Nil). MMDEX's revenue was \$Nil for both the three and nine months ended September 30, 2021 (September 30, 2020 - \$Nil and \$Nil). MMDEX's net loss for the three and nine months ended September 30, 2021 was \$54,000 and \$143,000 (September 30, 2020 - \$51,000 and \$471,000). The Company recognized \$41,000 and \$108,000 as non-controlling interest for the three and nine months ended September 30, 2021 (September 30, 2020 - \$38,000 and \$353,000).

14. RELATED PARTY TRANSACTIONS

The Company had transactions during the three and nine months ended September 30, 2021 and 2020 with related parties consisting of directors, officers, Ivanhoe Electric, HPX, JCHX, Global Mining Management Corporation ("GMM"), Computational Geosciences Inc. ("CGI") and Vagon Capital S.A.S. These related party transactions, which are described below and in Notes 9(b) and 9(c), are in the normal course of operations and are measured at the exchange amount of the services rendered.

(a) Expenses

On April 30, 2021, the Company's parent changed from HPX to Ivanhoe Electric (Note 1).

During the three and nine months ended September 30, 2021, the Company incurred \$32,000 and \$49,000 (September 30, 2020 - \$Nil and \$99,000) in E&E and corporate administration expenditures with its parent. The costs incurred consisted of technical and managerial services provided for the Company's exploration projects as well as corporate travel expenditures. Additionally, during the three and nine months ended September 30, 2021, the Company charged its parent approximately \$Nil and \$20,000 (September 30, 2020 - \$8,000 and \$54,000) relating to E&E salaries and expenses.

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During the three and nine months ended September 30, 2021, the Company incurred approximately \$338,000 and \$992,000 (September 30, 2020 - \$198,000 and \$712,000) in E&E and corporate administration expenditures with GMM, a private company based in Vancouver, Canada. The Company held 7.1% of GMM's common shares at September 30, 2021 (December 31, 2020 – 7.7%). The costs incurred consist of administrative, technical and managerial services provided to the Company on a pro-rata cost sharing basis under the provisions of the "Shareholders' Corporate Management and Cost Sharing Agreement" between the Company and GMM. The investment in GMM is held at \$Nil on the consolidated statement of financial position.

During the three and nine months ended September 30, 2021, the Company incurred approximately \$25,000 and \$108,000 (September 30, 2020 - \$Nil and \$59,000) in director's fees.

During the three and nine months ended September 30, 2021, the Company incurred \$Nil and \$Nil (September 30, 2020 - \$Nil and \$50,000) in technical E&E expenditures provided by CGI, a private company based in Vancouver, Canada, which is also a member of the Ivanhoe Electric group of companies.

During the three and nine months ended September 30, 2021, the Company incurred approximately \$52,000 and \$157,000 (September 30, 2020 - \$54,000 and \$138,000) in professional consulting services from Vagon Capital S.A.S, a company that is controlled by a close family member of one of the Company's non-independent directors.

(b) Deposits

At September 30, 2021, the Company had a deposit of \$200,000 (December 31, 2020 - \$80,000) with GMM recorded in prepaid expenses and deposits.

(c) Amounts due from / to related parties

	September 30, 2021	December 31, 2020
Due from related parties		
Due from HPX (i)	\$ -	\$ 24
Total due from related parties	\$ -	\$ 24
Due to related parties		
Due to GMM (ii)	\$ 140	\$ 72
Due to directors of the Company	-	18
Due to Ivanhoe Electric (i)	32	-
Total due to related parties	\$ 172	\$ 90

i. 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 9(b)(iii)). In September 2021, the Company repaid

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the \$1.45 million (US\$1.15 million) advanced on the loan plus interest of approximately \$9,000.

- ii. The payables and accrued liabilities owing to GMM are unsecured, non-interest-bearing and payable on demand.

(d) 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, and the Company is leasing this vehicle from the former CEO. At September 30, 2021, the lease liability for the vehicle was \$24,000 (December 31, 2020 - \$29,000) with a remaining lease term of 38 months and an interest rate of 11.29%.

(e) Key management compensation

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include certain directors and officers.

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
Salaries and benefits	\$ 248	\$ 127	\$ 593	\$ 417
Director fees	25	-	108	59
Share-based payments	81	-	315	137
Total key management compensation	\$ 354	\$ 127	\$ 1,016	\$ 613

15. SUPPLEMENTAL CASH FLOW INFORMATION

	Nine months ended September 30,	
	2021	2020
Operating activities		
Shares issued on settlement of other liability	\$ -	\$ 674,000

16. SEGMENTED INFORMATION

The Company has a head office in Vancouver, Canada, and operates in three geographically based industry segments: Canada, Colombia and the United States. The reported loss from operations for the three and nine months ended September 30, 2021 and 2020 for each segment is as follows:

	Colombia		USA		Canada		Total	
	Three months ended September 30,		Three months ended September 30,		Three months ended September 30,		Three months ended September 30,	
	2021	2020	2021	2020	2021	2020	2021	2020
E&E expenditures	\$ 4,202	\$ 845	\$ 134	\$ 89	\$ 103	\$ 3	\$ 4,439	\$ 937
Corporate administration	-	-	2	6	710	482	712	488
Amortization	69	78	2	2	-	1	71	81
Loss from operations	\$ 4,271	\$ 923	\$ 138	\$ 97	\$ 813	\$ 486	\$ 5,222	\$ 1,506

	Colombia		USA		Canada		Total	
	Nine months ended September 30,		Nine months ended September 30,		Nine months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020	2021	2020	2021	2020
E&E expenditures	\$ 12,030	\$ 22,689	\$ 256	\$ 510	\$ 299	\$ 22	\$ 12,585	\$ 23,221
Corporate administration	-	-	12	41	1,920	1,514	1,932	1,555
Amortization	229	250	6	6	-	9	235	265
Loss from operations	\$ 12,259	\$ 22,939	\$ 274	\$ 557	\$ 2,219	\$ 1,545	\$ 14,752	\$ 25,041

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The Company's non-current assets at September 30, 2021, and December 31, 2020, are located in Colombia, the United States and the head office in Canada as follows:

	Colombia		USA		Canada		Total	
	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020
Colombian VAT receivable	\$ 2,788	\$ 1,908	\$ -	\$ -	\$ -	\$ -	2,788	\$ 1,908
Property, plant and equipment	1,284	1,013	259	265	-	-	1,543	1,278
Financial assets	-	-	-	-	386	971	386	971
Non-current assets	\$ 4,072	\$ 2,921	\$ 259	\$ 265	\$ 386	\$ 971	\$ 4,717	\$ 4,157

17. FINANCIAL INSTRUMENTS

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

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

	September 30, 2021	December 31, 2020
Financial assets		
Financial assets measured at amortized cost		
Cash and cash equivalents	\$ 11,696	\$ 5,477
Other receivables	7	11
Deposits	713	786
Financial assets measured at FVTOCI		
Investments	386	971
Total financial assets	\$ 12,802	\$ 7,245
Financial liabilities measured at amortized cost		
Accounts payable and accrued liabilities	\$ 1,797	\$ 972
Due to related parties	172	90
Lease liabilities	302	153
Total financial liabilities	\$ 2,271	\$ 1,215

The carrying amounts for cash and cash equivalents, other receivables, deposits, accounts payable and accrued liabilities, and due to 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.