MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended December 31, 2018

GENERAL

This Management's Discussion and Analysis ("MD&A") supplements, but does not form part of, the audited consolidated financial statements of Cordoba Minerals Corp., (the "Company" or "Cordoba") for the year ended December 31, 2018. The following information, prepared as of March 27, 2019, should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2018. The Company reports its financial position, results of operations and cash flows in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All amounts are expressed in Canadian dollars unless otherwise indicated.

Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

FORWARD LOOKING STATEMENTS

This MD&A may contain "forward-looking statements" that reflect the Company's current expectations and projections about its future results. When used in this MD&A, words such as "will", "may", "should", "estimate", "intend", "expect", "anticipate" and similar expressions are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Company's future operational or financial performance.

Forward-looking statements are statements that are not historical facts and include but are not limited to:

a) Estimates and their underlying assumptions;
b) Statements regarding plans, objectives and expectations with respect to the effectiveness of the Company's business model, future operations, the impact of regulatory initiatives on the Company's operations and market opportunities;
c) General industry and macroeconomic growth rates;
d) Expectations related to possible joint or strategic ventures; and
e) Statements regarding future performance.

Forward-looking statements used in this MD&A are subject to various risks, uncertainties and other factors, most of which are difficult to predict and generally beyond the control of the Company. These risks, uncertainties and other factors may include, but are not limited to unavailability of financing, failure to identify commercially viable mineral reserves, fluctuations in the market valuation for commodities, difficulties in obtaining required approvals for the development of a mineral project, and other factors.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this MD&A or as of the date otherwise specifically indicated herein. Due to risks, uncertainties and other factors, including the risks, uncertainties and other factors identified above and elsewhere in this MD&A, actual events may differ materially from current expectations. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise except as required by securities law.

TECHNICAL INFORMATION AND QUALIFIED PERSON

The technical information in this MD&A has been reviewed and verified by Charles N. Forster, P.Geo., a Qualified Person for the purpose of National Instrument 43-101. Mr. Forster is the Vice President Exploration for High Power Exploration Inc., Cordoba Minerals' majority shareholder, and is not considered independent under National Instrument 43-101. Mr. Forster has more than 45 years of diversified mineral exploration experience in Canada, the United States, Sub-Saharan Africa, Portugal, China and Mongolia. From 2001 to mid-2008, he was the Senior Vice President of Exploration at Oyu Tolgoi in Mongolia for Ivanhoe Mines (now Turquoise Hill Resources). During this time, he led a team of multi-national and Mongolian geologists in the discovery and delineation of the world-class Oyu Tolgoi copper-gold porphyry deposit.

DESCRIPTION OF BUSINESS

Cordoba is a Canadian-based exploration and development company with exploration projects primarily located in Colombia. Cordoba also has a joint venture and earn-in agreement to explore the Perseverance coppery porphyry project located in Arizona, USA. The principal business of the Company is the acquisition, exploration and development of precious and base metal properties.

The Company's San Matias copper-gold project (the "San Matias Project" or "San Matias") is located in the Municipality of Puerto Libertador, in the Department of Cordoba, Colombia. The project comprises a 20,000-hectare land package on the interpreted northern extension of the richly-endowed Mid Cauca Belt underlain by volcano-sedimentary rocks that are intruded by multiple dioritic intrusives. San Matias contains several known areas of porphyry copper-gold, iron oxide copper-gold ("IOCG"), carbonate replacement, and gold vein mineralization.

The Alacran copper-gold deposit (the "Alacran Deposit" or "Alacran") is located within the San Matias Project in the Department of Cordoba, Colombia, approximately 200 kilometres north of Medellin. The Alacran Deposit is located on a topographic high in gently rolling countryside, optimal for potential open-pit mining. Site access and infrastructure are considered to be favourable. The updated, conceptual pit-constrained, Mineral Resource for the Alacran Deposit includes 36.1 million tonnes of Indicated Resources grading 0.57% copper and 0.26 g/t gold (0.72% copper equivalent; "CuEq"), and 31.8 million tonnes of Inferred Resources grading 0.52% copper and 0.24 g/t gold (0.65% CuEq) at a 0.28% CuEq cut-off (see news release dated February 26, 2018). Note that mineral resources that are not mineral reserves do not have demonstrated economic viability. Alacran mineralization remains open for resource expansion down-dip and along-strike to the northwest.

The copper-gold mineralization at Alacran is associated with stratabound replacement of a faulted calcareous marine volcano-sedimentary sequence. The deposit comprises moderately- to steeply-dipping stratigraphy that is mineralized as a series of sub-parallel replacement-style zones and associated disseminations. The mineralization comprises multiple overprinting hydrothermal events, and the main mineralizing phase comprises chalcopyrite-pyrrhotite-pyrite that appears to overprint an early magnetite metasomatic event.

The Company continues to explore and identify new regional copper and gold targets. Cordoba's geologists have identified a number of prospective targets within the San Matias District, including, Betesta, Caño Pepo, Mina Ra, Willian, El Guineo and Las Nieves areas. High-grade surface samples have been returned, with fieldwork and target identification currently ongoing. The current focus is advancing high priority exploration targets including a newly identified porphyry copper target located immediately west of the Alacran deposit.

Cordoba also has a joint venture and earn-in agreement with Bell Copper Corporation (TSXV: BCU) ("Bell Copper") to explore the Perseverance coppery porphyry project located in Arizona, USA. Exploration drilling is under way at Perseverance.

CORPORATE UPDATE

Private Placement

2019

On February 14, 2019, the Company announced that it proposed to complete a non-brokered private placement (the "Offering") of up to 20,000,000 units of the Company (the "Units") at a price of $0.10 per Unit, for gross proceeds of up to $2,000,000. Each Unit will consist of one common share ("Share") of the Company and one common share purchase warrant ("Warrant"). Each Warrant will entitle the holder, on exercise, to purchase one Share for a period of 24 months following the closing date of the initial tranche of the Offering at the exercise price of $0.12 per Share.

On February 19, 2019, the Company further announced that it proposed to increase the Offering by an additional 5,000,000 Units of the Company at a price of $0.10 per Unit. The Offering will be for up to 25,000,000 Units, for gross proceeds of up to $2,500,000.

On February 25, 2019, the Company announced that it completed the first tranche of the Offering. In connection with the closing of this tranche of the Offering, the Company issued an aggregate of 15,000,000 Units at a price of $0.10 per Unit for gross proceeds of $1,500,000. In connection with subscriptions received in the first tranche of the Offering, the Company expects to pay aggregate finder's fees of $4,550.

On March 1, 2019, the Company announced the completion of the second tranche of the Offering. In connection with the closing of the second tranche of the Offering, the Company issued an aggregate of 6,800,000 Units at a price of $0.10 per Unit for gross proceeds of $680,000. In connection with subscriptions received in the second tranche of the Offering, the Company expects to pay aggregate finder's fees of $37,100.

On March 11, 2019, the Company announced that it completed the third and final tranche of the Offering. In connection with the closing of this final tranche of the Offering, the Company has issued an aggregate of 1,000,000 Units of the Company at a price of $0.10 per Unit for gross proceeds of $100,000. A total of 22,800,000 Units have been placed in the Offering for total gross proceeds of $2,280,000. No finder's fees were paid in connection with subscriptions received in the third and final tranche of the Offering.

Net proceeds from the Offering will be used to advance exploration activities at the Perseverance Project in Arizona, USA, where recent drilling has indicated proximity to a Laramide porphyry copper system, and will include continuation of drilling activities and preparation and permitting for geophysical surveys, including HPX's Typhoon™ technology. Remaining funds will be used for general corporate purposes.

2018

On August 3, 2018, the Company closed a non-brokered private placement (the "August Placement") whereby the Company raised US$1.3 million (CDN$1.7 million) with its majority shareholder, High Power Exploration Inc. ("HPX").

Under the terms of the August Placement, Cordoba issued 16,289,619 common shares to HPX for gross proceeds to the Company totaling US$1.3 million (CDN$1.7 million). Cordoba will use the proceeds to advance exploration activities at the Company's 100%-owned San Matias Copper-Gold Project in the Department of Cordoba, Colombia, and for general working capital and other corporate purposes.

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

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

On October 19, 2018, the Company closed another non-brokered private placement (the "October Placement") with HPX whereby the Company raised US$2.0 million (CDN$2.6 million).

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

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

Extension of Alacran Option Payment with OMNI

Cordoba and Sociedad Ordinaria de Minas Omni ("OMNI") have agreed to a 3-month extension to the US$1,000,000 advance payment previously due to OMNI on February 27, 2019. The Company has an option agreement with OMNI to earn a 100% interest in the Alacran Copper-Gold Project, which is located within Cordoba's San Matias Project.

Bell Copper Joint Venture

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

Pursuant to the terms of the Joint Venture Agreement, and as part of the initial commitment to the project, Cordoba subscribed for 2,857,143 units of Bell Copper on a private placement basis at a price of $0.07 per unit. Each unit consists of 1 common share in the capital of Bell Copper and 1 common share purchase warrant, with each warrant exercisable at a price of $0.105 per share for a period ending 12 months from the date of issuance. The warrants are subject to a mandatory exercise in the event that, at any time prior to the expiry of the warrants, Bell Copper's common shares trade at or above $0.14 for 30 consecutive trading days.

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

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

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

EXPLORATION UPDATE - PERSEVERANCE

On January 21, 2019, the Company provided an update on diamond drilling activity in Arizona:

Highlights

- While assay results are pending, there is more copper and more evidence of hypogene enrichment in drill hole K-20, a 2.1 km step-out from prior drilling, than in any previous Perseverance drill hole. Hypogene enrichment is a process in which late, oxidized, acid, copper-bearing fluids convert early, low-grade, pyrite-chalcopyrite mineralization into higher- grade hematite-bornite-chalcocite mineralization. This was a key hydrothermal process in the formation of the giant, high-grade Resolution porphyry copper deposit in Arizona.

- Porphyry-type propylitic, potassic, sericitic and advanced argillic alteration are all present in K-20 drill core. While epidote-rich propylitic alteration is pervasive, the other alteration types follow high-angle fractures and commonly show overprinting relationships. These fractures channelled copper-bearing fluids from a nearby porphyry.

- K-20 is located northeast of any previously-acquired induced polarization ("IP") or magneto-telluric ("MT") geophysics. Cordoba is planning to deploy the High Power Exploration Inc. ("HPX") proprietary Typhoon™ deep-search IP technology to extend the geophysical coverage and better define the location of the 2 km by 3 km Perseverance porphyry target.

K-20 Diamond Drill Hole is the first drill hole drilled under the Perseverance Joint Venture Agreement between Cordoba and Bell Copper. The hole was pre-collared to a depth of approximately 300 metres before core drilling commenced in September 2018. At approximately 1,030 metres, the drill core became more potassically altered with disseminated pyrite and chalcopyrite on a 1:1 ratio, more frequent veins and quartz-molybdenite stringers. This was observed with an occurrence of hydrothermal magnetite filling fractures and veins and secondary biotite alteration. The appearance of potassic alteration with more frequent veins and quartz stringers suggests that K- 20 has approached the higher temperature region of the porphyry system, suggesting proximity to the porphyry copper target.

In January 2019, K-20 was halted at a depth of approximately 1,045 metres for further geophysical studies and a review of the geological model. After detailed discussions between geologists at Cordoba, Bell Copper and High Power Exploration Inc., the Company has decided to further extend K-20 to a target depth of approximately 1,250 to 1,400 metres. The drilling restarted in March 2019.

K-20 is believed to be located at the edge of the porphyry copper system, as indicated by a deep resistivity low located by a Magneto-Telluric ("MT") survey completed by a previous joint venture partner with Bell Copper in 2017. Deepening the hole may be able to explain the source of the low resistivity anomaly that appears to lie below and to the SE of the current bottom of K-20.

Figure 1*: Significant chalcopyrite veins encountered at approximately 814 metres (left) and 822 metres (right).

* Mineralization shown is from selected intervals, and not necessarily representative or indicative of the mineralization hosted on the Perseverance property.

Figure 2*: Hydrothermal magnetite with chalcopyrite-pyrite and pervasive potassic alteration at approximately1,032 metres.

* Mineralization shown is from selected intervals, and not necessarily representative or indicative of the mineralization hosted on the Perseverance property.

Figure 3*: Bornite and chalcopyrite mineralization along fracture plane at approximately 1,020 metres.

* Mineralization shown is from selected intervals, and not necessarily representative or indicative of the mineralization hosted on the Perseverance property.

Figure 4*: Bornite cutting and rimming chalcopyrite and subsequently replaced by chalcocite at approximately 1,029 metres.

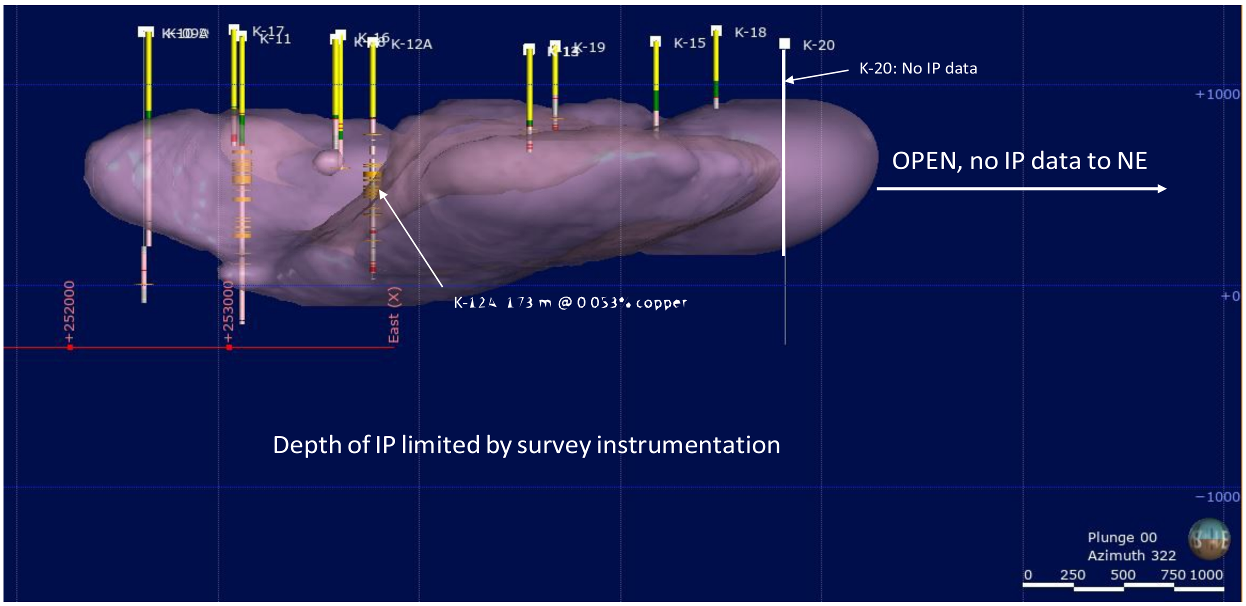
The sulphide paragenesis of bornite replaced or rimmed by chalcocite is characteristic of high- sulphidation, high-grade hypogene copper deposits like Resolution, Oyu Tolgoi, Butte and Chuquicamata.

* Mineralization shown is from selected intervals, and not necessarily representative or indicative of the mineralization hosted on the Perseverance property.

Next Steps: Typhoon™ Survey to Direct Future Drilling

Cordoba will bring the HPX proprietary Typhoon™ technology to site, to help extend geophysical coverage and image to greater depths than previous surveys.

Figure 5: Cross section looking northwest with previously-identified IP anomaly, K-20 and past drilling shown. Note that past drill holes K-13, 14, 18 and 19 were all stopped before penetrating the IP anomaly.



UPDATE ON COLOMBIAN ACTIVITIES

On June 26, 2018, the Company terminated the employment contract of Ms. Claudia Herrera, the former President of the Company's Colombian subsidiary, Minerales Cordoba S.A.S. ("Minerales"). Following her termination, new management of Minerales discovered a number of financial irregularities, and suspected misappropriated payments and other transactions in Colombia which were completed while Ms. Herrera was the President. Cordoba commenced a review of these transactions, and as a result, it was also discovered that other members of the former Colombian management of Minerales were involved in the transactions as well.

As a result of the ongoing review, Cordoba filed criminal law suits in late 2018 and in January 2019 with the Colombian prosecutors against nine members of former Colombian management alleging breach of fiduciary obligations, abuse of trust, theft and fraud. The Colombian prosecutor service will determine if any formal charges should be laid. The Company is also seeking civil damages against some of these individuals. The monetary amounts alleged to have been taken are not yet finally determined, but are currently expected to be in and around US$500,000.

The ongoing review has resulted in a write-off of US$55,000 (CDN$75,000) from prepaid expenses in the Company's balance sheet as at December 31, 2018 representing deposit paid on certain purchase agreements that the Company will not continue to pursue at this time and deposit cannot be recovered.

All of the Company's mining titles, applications and operations in Colombia remain in good standing.

SELECTED ANNUAL INFORMATION

The following table provides information for the years ended December 31, 2018, 2017 and 2016:

	December 31, 2018	December 31, 2017	December 31, 2016
Exploration and evaluation expenditures	**$ 7,448,172**	$ 76,425,509	$ 1,407,015
Other operating expenses	**2,433,082**	2,936,659	3,178,439
Net loss	**9,921,841**	79,341,234	4,566,023
Loss per share - basic and fully diluted	**0.04**	0.57	0.05
Total assets	**3,833,000**	5,476,457	2,469,774
Total liabilities	**817,821**	511,926	2,174,123
Shareholders' equity	**3,015,179**	4,964,531	295,651

- As the Company is in the exploration stage, it does not generate operating revenue.
- The exploration and evaluation ("E&E") expenditures for the year ended December 31, 2018 were lower than the E&E expenditures for 2017 mainly due to the consideration paid to High Power Exploration ("HPX") in 2017 to acquire HPX's 51% interest in the San Matias project. The fair value of the common shares issued as consideration was $62,096,464 on the transaction closing date and was expensed as E&E acquisition costs for the year ended December 31, 2017.

  The decrease in E&E expenditures in 2018 compared to 2017 was also due to in 2018, the Company's geological team in Colombia focused their effort on regional exploration and investigating the source of Alacran mineralization. The 2018 fieldwork consisted of soil sampling and trenching at a number of new copper and gold targets at San Matias. The team also performed surface mapping and drill core re-logging which helped in identifying the potential porphyry copper-gold source near the Alacran Deposit.

  In 2017, the Company carried out an aggressive drilling program in Colombia which aimed at expanding the size and scope of mineralization at Alacran, as well as testing other high priority targets at San Matias that have previously yielded large widths of high-grade copper-gold mineralization. The Company completed its last drilling campaign at San Matias in the fourth quarter of 2017. The results of the 2017 campaign were incorporated in the updated Mineral Resource estimate the Company released in February 2018.

  The decrease in 2018 E&E expenditures in Colombia was offset by a slight increase in the E&E expenditures incurred in Arizona. During the third quarter of 2018, the Company entered into a joint venture with Bell Copper Corporation to explore the Perseverance copper porphyry project located in northwestern Arizona, USA. In the fourth quarter of 2018, the Company started an initial 1,000-metre drilling program at Perseverance, which increased the E&E expenditures for the period.

  The E&E expenditures were lower for the year ended December 31, 2016 compared to the years ended December 31, 2018 and 2017 due to HPX began funding San Matias directly upon completion of the Initial Option Period in the first quarter of 2016. During 2016, Cordoba and HPX completed the Initial Option Period, Phase One and Phase Two of the JV Agreement where HPX earned a 51% interest in San Matias by meeting the milestone spending on the project. Since HPX funded Phase One and Two of the project directly, the Company did not incur any E&E expenditure during these phases. As a result, the Company reported lower E&E expenditures for the year ended December 31, 2016.
- Other operating expenses consist of corporate administration costs incurred by the corporate office in Toronto, the shared-service office in Vancouver, non-cash share-based payments and amortization.

Other operating expenses were lower for the year ended December 31, 2018 compared to the year ended December 31, 2017 mainly due to cost-cutting measures and reduced corporate activities which decreased corporate general administrative costs. Other operating expenses were slightly higher for the year ended December 31, 2016 mainly due to increase in non-cash shared based payments charged for the period.

- Total liabilities mainly consist of accounts payable, accrued liabilities and due to related parties. The Company's accounts payable and accrued liabilities have remained relatively consistent throughout the years presented in the table. The increase in total liabilities for the year ended December 31, 2016 is attributable to a balance of $1.57M due to related party. The amount owing was made up of a short-term loan of $450,000 to fund the Company's corporate administration costs and cash received from HPX yet to be spent on exploration and evaluation expenditures on San Matias in Colombia.
- Total assets for the year ended December 31, 2017 is higher than 2018 and 2016 mainly due to increase in cash from the July 2017 private placement. Changes in total assets and shareholders' equity are mainly attributable to the use of cash resources to fund the Company's E&E expenditures and administrative expenses and the injection of cash from fund raising activities.

SELECTED QUARTERLY INFORMATION

The following table provides information for the eight fiscal quarters ended December 31, 2018:

	31-Dec-2018	30-Sep-2018	30-Jun-2018	31-Mar-2018
Exploration and evaluation expenditures	$ 1,694,120	$ 1,341,343	$ 1,913,407	$ 2,499,302
Other operating expenses	562,520	629,060	797,657	443,845
Net loss	2,200,026	1,991,191	2,768,513	2,962,111
Loss per share - basic and fully diluted	0.01	0.01	0.01	0.01
Total assets	3,833,000	3,054,130	2,918,925	4,183,872
Total liabilities	817,821	513,620	3,013,080	1,890,398
Shareholders' equity	3,015,179	2,540,510	(94,155)	2,293,474

	31-Dec-2017	30-Sep-2017	30-Jun-2017	31-Mar-2017
Exploration and evaluation expenditures*	$ 2,810,439	$ 73,615,070	$ -	$ -
Other operating expenses	310,681	1,205,275	856,654	564,049
Net loss*	3,092,832	74,824,366	849,971	574,065
Loss per share - basic and fully diluted	0.02	0.45	0.01	0.01
Total assets*	5,476,457	8,935,100	3,016,957	5,144,635
Total liabilities	511,926	568,449	1,246,947	2,711,871
Shareholders' equity*	4,964,531	8,366,651	1,770,010	2,432,764

**Effective July 31, 2017, the Company changed its accounting policy from capitalizing exploration and evaluation acquisition costs to expensing such costs in the period the costs are incurred. The Company has applied the change in accounting policy on a retrospective basis and has therefore revised its prior periods comparatives.*

- The Company completed its last Colombian drilling campaign at the end of 2017; therefore, the E&E expenditures started to decrease in the first quarter of 2018 as the Company wound down drilling related activities at site. The E&E expenditures for the first and second quarter of 2018 were higher than the most recent two quarters mainly due to the Company incurred $717,000 and $562,000 respectively in Alacran option payments in accordance with the option agreement. In the fourth quarter of 2018, the

E&E expenditures increased as the Company started a 1,000-metre drilling campaign at the Perseverance project in Arizona to test the target identified by its joint venture partner Bell Copper.

- The E&E expenditures were higher for the quarter ended September 30, 2017 due to the consideration paid to acquire HPX's 51% interest in San Matias (the "Consideration") and the reimbursement (the "Reimbursement") made to HPX for the joint venture expenditures HPX incurred after the completion of the Phase Two exploration stage of San Matias. The Consideration of $62 million and the Reimbursement of $10 million were expensed in the third quarter of 2017, hence, increased the E&E expenditures for the period.
- From early-2016 to mid-2017, HPX funded San Matias E&E expenditures directly after HPX completed the Initial Option Period on San Matias. The funding received from HPX was recorded as a recovery, which offsets the E&E expenditures incurred on the Company's financial statements; therefore, the E&E expenditures were Nil in the first and second quarter of 2017.
- Other operating expenses decreased over the most recent quarters due to cost-cutting measures and reduced corporate activities which decreased corporate general administrative expenditures. Fluctuations in other operating expenses are also attributable to non-cash share-based payments which represent the expensing of Black Scholes fair value of stock options, RSUs and DSUs during the periods. Other operating expenses for the quarter ended September 30, 2017 were higher than other periods presented mainly due to a higher share-based compensation of $663,381 charged for that period.
- The variances in total assets and shareholders' equity are mainly attributable to equity placements, which increased cash resources, while funding the Company's exploration and evaluation expenditures and administrative expenses decreased cash resources. As the Company is in the exploration stage, it does not generate operating revenue.
- The increase in total liabilities for the three months ended March 31, 2018 and June 30, 2018 is mainly due to the draw of US$500,000 and US$1,000,000 respectively on the loan facility provided by HPX to fund the Company's corporate administration and exploration costs. Also, for the three months ended June 30, 2018, the Company accrued an option payment of US$425,850 due to HPX in relation to the purchase of the Alacran property. The balances owing have been settled on August 3, 2018 with issuance of the Company's common shares (see details above under "Private Placement").

RESULTS OF OPERATIONS

	Three months ended	December 31,	Twelve months ended	December 31,
	2018	**2017**	**2018**	**2017**
Exploration and evaluation expenditures	**$ 1,694,120**	$ 2,810,439	**$ 7,448,172**	$ 76,425,509
Corporate administration	**427,697**	570,652	**1,692,661**	2,174,425
Share-based payments (recovery)	**109,431**	(274,554)	**671,216**	687,092
Amortization	**25,392**	14,583	**69,205**	75,142
Interest and other expense (income)	**(15,405)**	(17,966)	**18,568**	(14,468)
Foreign exchange loss (gain)	**(41,209)**	(10,322)	**22,019**	2,124
Gain on disposition of property, plant and equipment	**-**	-	**-**	(8,590)
Net loss for the year	**$ 2,200,026**	$ 3,092,832	**$ 9,921,841**	$ 79,341,234

Exploration and Evaluation Expenditures

The exploration and evaluation expenditures were lower for the three and twelve months ended December 31, 2018 compared to the same periods in 2017 mainly due to reduced drilling program in 2018 and the Consideration paid to acquire HPX's 51% interest in San Matias during 2017.

For the three and twelve month periods ended December 31, 2018 and 2017, exploration and evaluation expenditure comprises:

	Three months ended December 31,		Twelve months ended December 31,	
	2018	**2017**	**2018**	**2017**
Direct exploration costs	**$ 551,965**	$ 1,372,335	**$ 1,804,006**	$ 6,858,232
Indirect exploration costs	**525,209**	690,332	**2,427,483**	5,184,758
Site general and administration costs	**616,946**	432,947	**1,937,379**	1,971,230
E&E acquisition costs	**-**	314,825	**1,279,304**	62,411,289
Exploration and evaluation expenditures	**$ 1,694,120**	$ 2,810,439	**$ 7,448,172**	$ 76,425,509

Direct and indirect exploration costs decreased for the three and twelve month periods ended December 31, 2018 compared to the same periods in 2017 mainly due to the extend of drilling and type of work carried out at site. In 2018, the Company's geological team in Colombia focused their effort on regional exploration and investigating the source of Alacran mineralization. The 2018 fieldwork consisted of soil sampling and trenching at a number of new copper and gold targets at San Matias. The team also performed surface mapping and drill core re-logging which helped identifying the potential porphyry copper-gold source near the Alacran Deposit. The decrease in 2018 E&E expenditures in Colombia was offset by a slight increase in the E&E expenditures incurred in Arizona. During the third quarter of 2018, the Company entered into a joint venture with Bell Copper Corporation to explore the Perseverance copper porphyry project located in northwestern Arizona, USA. In the fourth quarter of 2018, the Company started an initial 1,000-metre drilling program at Perseverance, which increased the E&E expenditures for the period.

In 2017, the Company carried out an aggressive drilling program of more than 10,000 meters in Colombia which aimed at expanding the size and scope of mineralization at Alacran, as well as testing other high priority targets at San Matias that have previously yielded large widths of high-grade copper-gold mineralization. The Company completed its last drilling campaign at San Matias in the fourth quarter of 2017. The results of the 2017 campaign were incorporated in the updated Mineral Resource estimate the Company released in February 2018.

Site general and administration costs for the three and twelve months ended December 31, 2018 remained relatively consistent compared to the same periods in 2017. The slight decrease from a reduced exploration program in 2018 was offset by an increase in professional fees incurred in Colombia due to ongoing matters as noted in the Company's news release dated January 30, 2019.

The exploration and evaluation acquisition costs for the year ended December 31, 2018 represent the scheduled option payments to OMNI and HPX in accordance with the Option Agreement to earn a 100% interest in the Alacran Deposit. In 2017, the Company paid $314,825 (US$250,000) to OMNI as option payment for the Alacran project in the fourth quarter of 2017, which increased the E&E acquisition cost for that period. In July 2017, the Company acquired HPX's 51% interest in the San Matias project by issuing 92,681,290 Cordoba common shares valued at $62 million. The Consideration was expensed, hence, increased the E&E acquisition costs for the twelve months ended December 31, 2017.

Corporate Administration

Corporate administration expenditures for the three and twelve months ended December 31, 2018 decreased from same periods last year mainly due to cost saving measures implemented and reduced corporate activities which decreased corporate general administrative expenditures.

Share-based Payments

For the three month period ended December 31, 2017, the Company reversed $405,350 share-based payments which were originally recorded in the third quarter of 2017, hence, decreased the share-based payment for the fourth quarter of 2017. Share-based payment has otherwise remained relatively consistent for the three and twelve months ended December 31, 2018 compared to the same periods in 2017.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

At December 31, 2018, the Company had cash and cash equivalents of $0.7 million (December 31, 2017 - $2.4 million) to apply against third-party short-term business requirements and current liabilities of $0.5 million (December 31, 2017 - $0.5 million).

On August 3, 2018, the Company closed a non-brokered private placement with HPX whereby Cordoba issued 16,289,619 common shares to HPX for gross proceeds totaling US$1.3 million (CDN$1.7 million).

On October 19, 2018, the Company closed another non-brokered private placement (the "October Placement") with HPX. Under the terms of the October Placement, Cordoba has issued 26,605,128 units ("Units") to its majority shareholder, High Power Exploration Inc., for gross proceeds to the Company totalling US$2.0 million (CDN$2.6 million). Each Unit consists of one common share ("Share") and one common share purchase warrant ("Warrant") of the Company. Each Warrant will entitle the holder to purchase one Share at an exercise price of $0.13 per Share for a period of 24 months.

The Company is in the exploration stage and therefore, has no cash flow from operations.

Funds raised from previous financing are being used towards advancing the San Matias project in Colombia, the Perseverance copper porphyry project in Arizona, USA, continued corporate development and general working capital purposes. The Company expects its capital resources and existing financing arrangements to be sufficient to cover its planned 2019 activities. Actual funding requirements may vary from those planned due to a number of factors, including the progress of the Company's business activities and current economic and financial market conditions. The Company will continue to pursue opportunities to raise additional capital through equity markets or obtain debt financing from its major shareholder to fund its future exploration and operating activities; however there can be no assurance that such financing will be available on a timely basis and under terms which are acceptable to the Company. For a discussion of the Company's working capital requirements, please see "Capital Management".

OFF-BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements to which the Company is committed.

PROPOSED TRANSACTIONS

There are no proposed transactions that have not been disclosed herein.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout the Company's consolidated financial statements accompanying this MD&A.

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

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

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

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

Credit Risk

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

		December 31, 2018		December 31, 2017
Cash held in bank accounts	**$**	**62,258**	$	1,298,477
Term deposits		**685,725**		1,115,958
	$	**747,983**	$	2,414,435

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company's approach to managing liquidity risk is to provide reasonable assurance that it will have sufficient funds to meet liabilities when due. The Company manages its liquidity risk by forecasting cash flows required by operations and anticipated investing and financing activities. At December 31, 2018, the Company had cash and cash equivalents of $0.7 million (December 31, 2017 - $2.4 million) to apply against third-party short-term business requirements and current liabilities of $0.5 million (December 31, 2017 - $0.5 million). Majority of the Company's financial liabilities have contractual maturities of less than 45 days and are subject to normal trade terms.

Market Risk

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

Currency Risk

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

As at December 31, 2018, the Company is exposed to currency risk through the following financial assets and liabilities denominated in currencies other than the Canadian dollar:

	December 31, 2018		December 31, 2017	
	US Dollars (CDN equivalent)	Colombian Pesos (CDN equivalent)	US Dollars (CDN equivalent)	Colombian Pesos (CDN equivalent)
Cash and cash equivalents	**$ 713,994**	**$ 9,467**	$ 6,945	$ 131,751
Other receivables	**-**	**8,581**	-	51,475
Accounts payable and accrued liabilities	**-**	**(189,653)**	-	(349,114)
Due to related parties	**(142,858)**	**-**	-	-
Finance lease	**(42,300)**	**-**	-	-
	$ 528,836	**$ (171,605)**	$ 6,945	$ (165,888)

Based on the above net exposures at December 31, 2018, a 10% depreciation or appreciation of the above currencies against the Canadian dollar would result in an increase or decrease of approximately $35,700 (December 31, 2017 - $15,900) in the Company's net loss and comprehensive loss for the year.

Determination of Fair Value

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

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

Fair Value Hierarchy

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

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

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

CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to advance its mineral properties. The Company defines its capital as all components of equity and short-term debt. The Company manages its capital structure and makes adjustments to it to effectively support the acquisition and exploration of mineral properties. The property in which the Company currently has an interest is in the exploration stage; as such, the Company is dependent on external financing to fund its activities.

The Company will spend its existing working capital and seek to raise additional amounts as needed by way of equity financing or debt to carry out its planned corporate development and general administrative costs. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company's investment policy is to hold cash in interest-bearing bank accounts or highly liquid short-term interest-bearing investments with maturities of one year or less and which can be liquidated at any time without penalties. The Company is not subject to externally imposed capital requirements and does not have exposure to asset-backed commercial paper or similar products. The Company expects its current capital resources and existing financing arrangements to be sufficient to cover its operating costs and to carry out its exploration activities through the next twelve months. As such, the Company will seek to raise additional capital and believes it will be able to do so, but recognizes the uncertainty attached thereto. There have been no changes to the Company's approach to capital management during the year ended December 31, 2018.

RELATED PARTY TRANSACTIONS

The Company had transactions during the years ended December 31, 2018 and 2017 with related parties consisted of directors, officers, company that is the controlling shareholder of Cordoba and company that is owned partially by Cordoba:

During the year ended December 31, 2018, the Company incurred $349,404 (December 31, 2017 - $2,267,979) in exploration and evaluation expenditures with HPX, a company that is the controlling shareholder of Cordoba. The costs incurred consist of technical and managerial services provided for the Company's exploration projects.

During the year ended December 31, 2018, the Company incurred $537,601 (December 31, 2017 - $225,292) in exploration and evaluation and corporate administration expenditures with Global Mining Management Corporation ("GMM"), a company that is owned equally by eight companies, one of which is Cordoba. The costs incurred consist of cost sharing, technical and managerial services provided to the Company under the "Shareholders' Corporate Management and Cost Sharing Agreement" between the Company and GMM. The investment in GMM is held at $Nil on the consolidated statements of financial position.

Amount due to related parties as of December 31, 2018 consists of $114,176 (December 31, 2017 - $43,626) net payable to GMM and $111,525 (December 31, 2017 - $Nil) net payable to HPX. The amounts owing are unsecured, non-interest-bearing and payable on demand.

In December 2018, an officer of the Company financed a vehicle on behalf of the Company for the operation in Arizona. The Company is leasing the vehicle back from the officer. The lease term is 72 months at an interest rate of 11.29%.

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

Key Management Compensation

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include certain directors and officers. For the years ended December 31, 2018 and 2017, key management compensation comprises:

	December 31, 2018	December 31, 2017
Salaries and benefits	**$ 855,819**	$ 1,077,117
Share-based payments*	**517,000**	320,000
	$ 1,372,819	$ 1,397,117

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

***As of December 31, 2018, the Company had 5 officers and 6 directors whose compensation were included in the table above.*

SHARE POSITION AND OUTSTANDING WARRANTS AND OPTIONS

The Company's outstanding share position as at March 27, 2019 is as follows:

	Number of shares
Common shares	300,019,388
Warrants	61,760,439
Broker compensation options	-
Stock options	9,667,500
Restricted share units	556,672
Deferred share units	300,000
Fully diluted share capital - March 11, 2019	**372,303,999**

Common Shares

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

Share Purchase Warrants

Details of share purchase warrants outstanding as of December 31, 2018 are:

Expiry date	Number of warrants	Weighted average exercise price
July 11, 2019	12,355,311	$1.08
October 19, 2020	26,605,128	$0.13
Balance - December 31, 2018	**38,960,439**	**$0.43**

Compensation Options

As of December 31, 2018, there are 370,380 compensation options outstanding (December 31, 2017 – 370,380). The compensation options were granted to the syndicate of underwriters in connection with the July 2017 Offering. Each compensation option can be exercised into one Cordoba common share and one-half of one Cordoba common share purchase warrant at an exercise price of $0.81 until January 11, 2019.

Stock Options

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

The following is a summary of share purchase options activity for the year ended December 31, 2018:

				During the year					
Grant date	**Expiry date**	**Exercise price**	**Opening balance**	**Granted**	**Exercised**	**Expired/ Cancelled/ Forfeited**	**Closing balance**	**Vested and exercisable**	**Unvested**
8-1-12	7-31-22	$1.00	37,500	-	-	-	37,500	37,500	-
3-28-14	3-20-18	$1.42	73,601	-	-	(73,601)	-	-	-
3-28-14	7-30-18	$1.42	17,524	-	-	(17,524)	-	-	-
6-27-14	6-26-24	$0.80	1,430,000	-	-	(375,000)	1,055,000	1,055,000	-
5-26-15	5-26-25	$0.21	1,112,500	-	(100,000)	(187,500)	825,000	825,000	-
10-24-15	10-24-25	$0.13	300,000	-	-	-	300,000	300,000	-
11-24-15	11-24-25	$0.12	1,437,500	-	(175,000)	(137,500)	1,125,000	1,125,000	-
4-19-16	4-19-26	$0.85	1,925,000	-	-	(200,000)	1,725,000	1,725,000	-
11-9-16	11-9-26	$0.74	100,000	-	-	-	100,000	100,000	-
7-31-17	7-31-22	$0.81	150,000	-	-	(150,000)	-	-	-
11-20-17	11-20-22	$0.58	75,000	-	-	-	75,000	37,500	37,500
3-13-18	3-13-23	$0.20	-	4,350,000	-	(325,000)	4,025,000	-	4,025,000
4-9-18	4-9-23	$0.17	-	400,000	-	-	400,000	-	400,000
			6,658,625	**4,750,000**	**(275,000)**	**(1,466,125)**	**9,667,500**	**5,205,000**	**4,462,500**
Weighted ave. exercise price			**$ 0.55**	**$ 0.20**	**$ 0.15**	**$ 0.57**	**$ 0.38**	**$ 0.54**	**$ 0.20**

Deferred Share Unit

Pursuant to the terms of the Company's Deferred Share Unit Plan, the Company may grant deferred share units ("DSUs") to the Company's directors. Upon participant's retirement, the Company may elect to settle the DSUs with cash or shares of the Company at the discretion of the Board. The fair value of a DSU is determined as the fair market value of a common share of the Company on grant date.

A summary of DSU activity for the year ended December 31, 2018 is as follows:

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

Other Equity-based Instruments

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

A summary of other equity-based instruments activity for the year ended December 31, 2018 is as follows:

	Number of RSUs
Balance - December 31, 2017	1,035,000
Granted	-
Forfeited	(195,000)
Redeemed	(283,328)
Balance - December 31, 2018	**556,672**

No PSUs were issued or outstanding during the year ended December 31, 2018.

COMMITMENTS

The Company has commitments relating to two office leases ending January and September 2020 respectively and a finance truck lease ending November 2024. The minimum annual payments for the next 6 years are as follows:

	Amount
2019	106,687
2020	47,187
2021	9,881
2022	9,881
2023	9,881
2024	9,057
Total	**$ 192,573**

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS

For the disclosure required under Section 5.3 of National Instrument 51-102 – *Continuous Disclosure Obligations*, please see "Exploration Update", "Selected Quarterly Information" and "Exploration and Evaluation Expenditures".

OTHER DATA

Additional information related to the Company is available for viewing under the Company's profile at www.sedar.com.

ADOPTION OF NEW AND AMENDED IFRS PRONOUNCEMENTS

The Company has consistently applied the accounting policies set out in Notes 2 and 3 of the Company's audited consolidated financial statements for the year ended December 31, 2018 to all the periods presented in this MD&A.

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

ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS ISSUED BUT NOT YET APPLIED

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

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

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

RISKS AND UNCERTAINTIES

The Company is engaged in mineral exploration and development activities which, by nature, are speculative. Due to the high-risk nature of the Company's business and the present stage of the Company's various projects, an investment in the Company's common shares should be considered a highly speculative investment that involves significant financial risks, and prospective investors should carefully consider all of the information disclosed in this MD&A and the Company's other public disclosures, including the risks described below, prior to making any investment in the Company's common shares.

The risks noted below do not necessarily comprise all of the risks faced by the Company. Additional risks not currently known to the Company, or that the Company currently considers immaterial, may also adversely impact the Company's business, results of operations, financial results and prospects.

Mineral Property Exploration and Mining Risks

The business of mineral deposit exploration and extraction involves a high degree of risk. Few properties that are explored ultimately become producing mines. At present, the Company's properties do not have a known commercial ore deposit. The main operating risks include: securing adequate funding to maintain and advance exploration properties; ensuring ownership of and access to mineral properties by confirmation that option agreements, claims and leases are in good standing; and obtaining permits for drilling and other exploration activities.

Title to Mineral Property Risks

Certain of the Company's rights to the Alacran Deposit are subject to the terms of an Option Agreement which requires the Company to make certain payments in order to obtain and secure a further interest in the property. If the Company may fail to, or may choose not to, make such payments, in which case it will forfeit its interest in the property. Any failure by the Company to obtain or secure title to the property could have an adverse effect on the Company and the value of the Company's common shares.

The Company does not maintain insurance against title. Title on mineral properties and mining rights involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance history of many mining properties. The Company has submitted concession applications to the Colombian authorities and the timing of granting such concessions is at the discretion of the Ministry of Mines and Energy. There is ongoing risk that such governmental processes will not be completed on a timely basis. The Company has diligently investigated and continues to diligently investigate and validate title to its mineral claims; however, this should not be construed as a guarantee of title. The Company cannot give any assurance that title to properties it acquired will not be challenged or impugned and cannot guarantee that the Company will have or acquire valid title to these mineral properties.

Commodity Price Risk

The Company is exposed to commodity price risk. Declines in the market price of gold, base metals and other minerals may adversely affect the Company's ability to raise capital in order to fund its ongoing operations. Commodity price declines could also reduce the amount the Company would receive on the disposition of its mineral property to a third party.

Financing and Share Price Fluctuation Risks

The Company has limited financial resources, has no source of operating cash flow and has no assurance that additional funding will be available to it for further exploration and development of its projects. Further exploration and development of the Company's project may be dependent upon the Company's ability to obtain financing through equity or debt financing or other means. Failure to obtain this financing could result in delay or indefinite postponement of further exploration and development of its project which could result in the loss of its property.

Securities markets have at times in the past experienced a high degree of price and volume volatility, and the market price of securities of many companies, particularly those considered to be exploration stage companies such as the Company, have experienced wide fluctuations in share prices which have not necessarily been related to their operating performance, underlying asset values or prospects. There can be no assurance that these kinds of share price fluctuations will not occur in the future, and if they do occur, how severe the impact may be on the Company's ability to raise additional funds through equity issues.

Political, Economic and Currency Risks

Although Colombia has a long-standing tradition respecting the rule of law, which has been bolstered in recent years by the present and former government's policies and programs, no assurances can be given that the Company's plans and operations will not be adversely affected by future developments in Colombia. The Company's property interests and proposed exploration activities in Colombia are subject to political, economic and other uncertainties, including the risk of expropriation, nationalization, renegotiation or nullification of existing contracts, mining licenses and permits or other agreements, changes in laws or taxation policies, currency exchange restrictions, and changing political conditions and international monetary fluctuations. Future government actions concerning the economy, taxation, or the operation and regulation of nationally important facilities such as mines, could have a significant effect on the Company.

The Company's equity financings are sourced in Canadian dollars but for the most part it incurs its expenditures in Colombian pesos and US dollars. At this time there are no currency hedges in place. Therefore a weakening of the Canadian dollar against the Colombian peso or US dollar could have an adverse impact on the amount of exploration conducted.

Regulatory Risks

The mining industry in Colombia is subject to extensive controls and regulations imposed by various levels of government. All current legislation is a matter of public record and the Company will be unable to predict what additional legislation or amendments may be enacted. Amendments to current laws, regulations and permits governing operations and activities of mining companies, including environmental laws and regulations which are evolving in Colombia, or more stringent implementation thereof, could cause increases in expenditures and costs, affect the Company's ability to expand or transfer existing operations or require the Company to abandon or delay the development of its properties.

Insured and Uninsured Risks

In the course of exploration, development and production of mineral properties, the Company is subject to a number of hazards and risks in general, including adverse environmental conditions, operational accidents, labor disputes, unusual or unexpected geological conditions, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods, and earthquakes. Such occurrences could result in damage to the Company's properties or facilities and equipment, personal injury or death, environmental damage to properties of the Company or others, delays, monetary losses and possible legal liability.

Although the Company may maintain insurance to protect against certain risks in such amounts as it considers reasonable, its insurance may not cover all the potential risks associated with its operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums or for other reasons. Should such liabilities arise, they could reduce or eliminate future profitability and result in increased costs, have a material adverse effect on the Company's results and a decline in the value of the securities of the Company.

Environmental and Social Risks

The activities of the Company are subject to environmental regulations issued and enforced by government agencies. Environmental legislation is evolving in a manner that will require stricter standards and enforcement and involve increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for companies and their officers, directors and employees. There can be no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on properties in which the Company holds interests which are unknown to the Company at present. Social risks are fairly significant in Colombia. Colombia is home to South America's largest and longest running insurgency. While the situation has improved dramatically in recent years, there can be no guarantee that it will not deteriorate in the future. Any increase in kidnapping, gang warfare, homicide and/or terrorist activity in Colombia generally may disrupt supply chains and discourage qualified individuals from being involved with the Company's operations.

Competition

The Company competes with many companies and individuals that have substantially greater financial and technical resources than the Company for the acquisition and development of its projects as well as for the recruitment and retention of qualified employees.

Joint Venture Risks

The Company is a party to the Joint Venture Agreement with Bell Copper Corporation. The existence or occurrence of one or more of the following circumstances and events could have a material adverse impact on the Company's profitability or the viability of the Company's interests held through the Joint Venture Agreement, which could have a material adverse impact on the Company's future cash flows, earnings, results of operations and financial condition:

- disagreements with partners on how to develop and operate mines efficiently;
- inability to exert influence over certain strategic decisions made in respect of properties;
- inability of partners to meet their obligations to the joint venture, joint operation or third parties; and
- litigation between partners regarding joint venture or joint operation matters.

To the extent that the Company is not the operator of a joint venture or joint operation properties, the success of any operations will be dependent on the operators for the timing of activities related to these properties and the Company will be largely unable to direct or control the activities of the operators. The Company is subject to the decisions made by the operator in the operation of the property, and will rely on the operators for accurate information about the properties. The Company can provide no assurance that all decisions of the operators will achieve the expected goals.

Litigation

From time to time, we may be involved in various claims, legal proceedings and complaints, including the criminal law suit filed by Cordoba in late 2018 and in January 2019 with the Colombian prosecutors against nine members or former Colombian management alleging breach of fiduciary obligations, abuse of trust, theft and fraud. As a result of the development of the business and our structure, we may also face historical claims. We cannot reasonably predict the likelihood or outcome of any such actions. If we are unable to resolve such disputes favourably, they may have a material adverse impact on our financial performance, cash flow and results of operations.