CORDOBA MINERALS CORP.

Condensed Interim Consolidated Financial Statements
As at and for the period ended

June 30, 2017

TSX-V: CDB

CORDOBA MINERALS CORP.

NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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

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

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

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at June 30, 2017 and December 31, 2016
(Unaudited and expressed in Canadian Dollars)

As at		**June 30, 2017**		**December 31, 2016**
ASSETS				
Current assets				
Cash and cash equivalents (Note 5)	$	**548,362**	$	1,027,240
Other receivables		**95,120**		27,742
Prepaid expenses and deposits		**1,245,678**		447,954
		1,889,160		1,502,936
Non-current assets				
Colombian Value added tax receivable		**1,060,166**		854,713
Property, plant and equipment (Note 6)		**67,631**		112,125
Exploration and evaluation assets (Note 7)		**45,557,647**		45,557,647
		46,685,444		46,524,485
TOTAL ASSETS	$	**48,574,604**	$	48,027,421
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities				
Accounts payable and accrued liabilities	$	**968,914**	$	574,565
Due to related parties (Note 11)		**278,033**		1,599,558
		1,246,947		2,174,123
Shareholders' equity				
Share capital (Note 8)		**61,947,352**		58,574,252
Other equity reserves (Note 8 and 9)		**11,673,832**		12,126,785
Accumulated other comprehensive loss		**(185,877)**		(164,125)
Deficit		**(26,107,650)**		(24,683,614)
		47,327,657		45,853,298
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$	**48,574,604**	$	48,027,421

Nature of operations and going concern (Note 1)

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS:

(signed) "Peter Meredith", Director
Peter Meredith

(signed) "Ignacio Rosado", Director
Ignacio Rosado

See accompanying notes to the consolidated financial statements

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

For the three and six month periods ended June 30, 2017 and 2016

(Unaudited and expressed in Canadian Dollars)

For the period ended	Three months ended June 30, 2017	Three months ended June 30, 2016	Six months ended June 30, 2017	Six months ended June 30, 2016
Operating expenses				
Exploration and evaluation expenditures (Note 9)	**$ -**	$ (628,547)	**$ -**	$ 1,383,178
Corporate administration	**546,978**	402,952	**1,096,344**	658,516
Share-based payments (Note 10)	**298,265**	976,474	**298,265**	976,474
Amortization	**11,411**	14,880	**26,094**	31,248
	856,654	765,759	**1,420,703**	3,049,416
Other income (expense)				
Interest and other income (expense)	**1,404**	12,097	**(3,900)**	21,785
Foreign exchange gain (loss)	**(3,311)**	3,234	**(8,023)**	1,975
Gain on disposition of property, plant and equipment	**8,590**	-	**8,590**	-
Write-off of property, plant and equipment	**-**	-	**-**	(1,995)
	6,683	15,331	**(3,333)**	21,765
Net loss for the period	**$ (849,971)**	$ (750,428)	**$(1,424,036)**	$(3,027,651)
Other comprehensive gain (loss)				
Items that may be reclassified subsequently to profit or loss:				
Unrealized loss on foreign exchange translation	**53,077**	(7,319)	**(21,752)**	(22,567)
Comprehensive loss for the period	**$ (796,894)**	$ (757,747)	**$(1,445,788)**	$(3,050,218)
Loss per share, basic and diluted	**$ (0.01)**	$ (0.01)	**$ (0.02)**	$ (0.04)
Weighted average number of common shares outstanding	**89,046,730**	86,770,161	**88,562,213**	84,297,646

See accompanying notes to the consolidated financial statements

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

For the three and six month periods ended June 30, 2017 and 2016
(Unaudited and expressed in Canadian Dollars)

For the period ended	Three months ended June 30, 2017	Three months ended June 30, 2016	Six months ended June 30, 2017	Six months ended June 30, 2016
Operating activities				
Loss for the period	**$ (849,971)**	$ (750,428)	**$(1,424,036)**	$(3,027,651)
Items not affecting cash:				
Share-based payments	**298,265**	976,474	**298,265**	976,474
Amortization	**11,411**	14,880	**26,094**	31,248
Write-off of property, plant and equipment	**-**	-	**-**	1,995
Gain on disposition of property, plant and equipment	**(8,590)**	-	**(8,590)**	-
Unrealized foreign exchange gain (loss)	**(129,612)**	20,308	**(47,742)**	(18,080)
Changes in non-cash working capital balances:				
Other receivables	**(50,870)**	(97,445)	**(236,757)**	(203,294)
Prepaid expenses and deposits	**(75,322)**	(369,004)	**(797,724)**	(329,976)
Accounts payable and accrued liabilities	**593,727**	(248,990)	**394,349**	(8,538)
Due to related party (Note 9 and 11)	**(2,057,917)**	302,665	**(1,320,534)**	639,470
	(2,268,879)	(151,540)	**(3,116,675)**	(1,938,352)
Financing activities				
Exercise of warrants	**-**	-	**2,455,382**	1,460,000
Exercise of stock options	**-**	12,375	**166,500**	12,375
	-	12,375	**2,621,882**	1,472,375
Investing activities				
Disposition of property, plant and equipment	**24,457**	-	**24,457**	-
Acquisition of property, plant and equipment	**-**	-	**-**	(8,032)
	24,457	-	**24,457**	(8,032)
Increase (decrease) in cash and cash equivalents	**(2,244,422)**	(139,165)	**(470,336)**	(474,009)
Effect of changes in exchange rates on cash	**(43,504)**	2,259	**(8,542)**	5,655
Cash and cash equivalents, beginning of period	**2,836,288**	1,539,744	**1,027,240**	1,871,192
Cash and cash equivalents, end of period	**$ 548,362**	$ 1,402,838	**$ 548,362**	$ 1,402,838

See accompanying notes to the consolidated financial statement

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the six month periods ended June 30, 2017 and 2016

(Unaudited and expressed in Canadian Dollars)

			Other equity reserves				
	Number of common shares	Share capital	Warrants reserve	Share-based payments reserve	Accumulated other comprehensive gain (loss)	Deficit	Total
Balance, December 31, 2016	**86,895,436**	**$ 58,574,252**	**$ 8,306,090**	**$ 3,820,695**	**$ (164,125)**	**$ (24,683,614)**	**$ 45,853,298**
Net loss for the period	-	-	-	-	-	(1,424,036)	(1,424,036)
Exercise of warrants - cash proceeds	1,701,294	2,455,382	-	-	-	-	2,455,382
Fair value of warrants exercised	-	599,328	(599,328)	-	-	-	-
Exercise of stock options - cash proceeds	450,000	166,500	-	-	-	-	166,500
Fair value of stock options exercised	-	151,890	-	(151,890)	-	-	-
Share-based payments	-	-	-	298,265	-	-	298,265
Unrealized foreign exchange loss	-	-	-	-	(21,752)	-	(21,752)
Balance, June 30, 2017	**89,046,730**	**$ 61,947,352**	**$ 7,706,762**	**$ 3,967,070**	**$ (185,877)**	**$ (26,107,650)**	**$ 47,327,657**
Balance, December 31, 2015	79,445,436	$ 56,664,991	$ 8,673,851	$ 2,285,736	$ (236,962)	$ (20,155,591)	$ 47,232,025
Net loss for the period	-	-	-	-	-	(3,027,651)	(3,027,651)
Exercise of warrants - cash proceeds	7,300,000	1,460,000	-	-	-	-	1,460,000
Fair value of warrants exercised	-	405,761	(405,761)	-	-	-	-
Exercise of stock options - cash proceeds	75,000	12,375	-	-	-	-	12,375
Fair value of stock options exercised	-	12,375	-	(12,375)	-	-	-
Warrants issued for asset acquisition	-	-	38,000	-	-	-	38,000
Share-based payments	-	-	-	976,474	-	-	976,474
Unrealized foreign exchange loss	-	-	-	-	(22,567)	-	(22,567)
Balance, June 30, 2016	86,820,436	$ 58,555,502	$ 8,306,090	$ 3,249,835	$ (259,529)	$ (23,183,242)	$ 46,668,656

See accompanying notes to the condensed interim consolidated financial statements

1. NATURE OF OPERATIONS AND GOING CONCERN

Cordoba Minerals Corp. (the “Company” or “Cordoba”) is a Canadian based exploration and development company with exploration projects in Colombia. The principal business of the Company is the acquisition, exploration and development of precious and base metal properties. The Company was incorporated under the *Business Corporations Act* of British Columbia on October 20, 2009. The address of the Company’s corporate office and principal place of business is 181 University Avenue, Suite 1413, Toronto, ON, M5H 3M7. The Company’s registered address is 2200 HSBC Building, 885 West Georgia Street, Vancouver, BC, V6C 3E8.

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

The Company's condensed interim consolidated financial statements are prepared using International Financial Reporting Standards applicable to a going concern, which assumes that the Company will continue in operations for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. For the six month period ended June 30, 2017, the Company incurred a net loss of $1,424,036 (June 30, 2016 - $3,027,651), a negative operating cash flow of $3,116,675 (June 30, 2016 - $1,938,352), had an adjusted negative working capital balance of $325,432 as at June 30, 2017 calculated as total of cash and cash equivalent and other receivable minus accounts payable and accrued liabilities (December 31, 2016 - $480,417), and an accumulated deficit of $26,107,650 as at June 30, 2017 (December 31, 2016 - $24,683,614). These circumstances may cast significant doubt as to the ability of the Company to meet its obligations as they come due and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

The Company’s San Matias Project is a joint venture between Cordoba and High Power Exploration Inc. (“HPX”). As previously reported and as of June 30, 2017, Phase Two of the Joint Venture Agreement (the “JV Agreement”) has been completed, where HPX earned a 51% interest in the Joint Venture Company (the “JV Company” or “JV”). The Company and HPX are currently in Phase Three of the JV Agreement, whereby HPX can earn a 65% interest in the JV Company by carrying the San Matias Project to feasibility. The Company cannot co-fund during Phase One, Two, and Three. Following the completion of Phase Three, each party will contribute to all JV Company expenditures in proportion to its then ownership interest in the JV.

The Company expects its current capital resources to be sufficient to cover its planned 2017 activities. The Company will continue to pursue opportunities to raise additional capital through equity markets to fund its future exploration and operating activities; however there can be no assurance that such financing will be available on a timely basis and under terms which are acceptable to the Company. These financial statements do not reflect the adjustments to the carrying value of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustment could be material.

2. BASIS OF PREPARATION

Statement of Compliance

These condensed interim consolidated financial statements of the Company as at and for the three and six month periods ended June 30, 2017, with comparative information as at December 31, 2016 and for the three and six month periods ended June 30, 2016, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") which the Canadian Accounting Standards Board has approved for incorporation into Part 1 of the Handbook of Canadian Institute of Chartered Accountants, as applicable to the preparation of interim financial statements including IAS 34. These unaudited interim financial statements do not include all of the disclosures required for annual financial statements and hence should be read in conjunction with the Company's annual consolidated financial statements for the year ended December 31, 2016. These unaudited condensed interim consolidated financial statements follow the same significant accounting policies as those included in the Company's most recent annual consolidated financial statements, except as described in Note 3 herein.

These unaudited condensed interim consolidated financial statements were approved by the board of directors on August 10, 2017.

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

The Company has consistently applied the accounting policies set out in Notes 2 and 3 of the Company's audited consolidated financial statements for the year ended December 31, 2016 to all the periods presented in these unaudited condensed interim consolidated financial statements.

Standards, amendments and interpretations issued but not yet applied

The following revised standards and amendments, unless otherwise stated, are effective on or after January 1, 2018, with early adoption permitted, and have not been applied in preparing these unaudited interim consolidated financial statements. Management is considering the impact of these standards.

IFRS 9, Financial Instruments ("IFRS 9") replaces IAS 39, Financial Instruments – Recognition and Measurement ("IAS 39") and some of the requirements of IFRS 7, Financial Instruments: Disclosures ("IFRS 7"). The objective of IFRS 9 is to establish principles for reporting of financial assets and financial liabilities in respect of the assessment of the amounts, timing and uncertainty of an entity's future cash flows.

IFRS 9 is effective for annual periods beginning on or after January 1, 2018 with early adoption permitted.

IFRS 15, Revenue from Contracts with Customers (‘IFRS 15”) replaces IAS 11, Construction Contracts (“IAS 11”), IAS 18, Revenue (“IAS 18”) and some revenue- related interpretations. The objective of IFRS 15 is to provide a single comprehensive revenue recognition model that applies to contracts with customers using two approaches to recognizing revenue – at one point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized. New estimates and judgmental thresholds have been introduced, which may affect the amount and/or timing of the revenue recognized.

IFRS 15 is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted.

IFRS 16, Leases (‘IFRS 16”) replaces IAS 17, Leases (“IAS 17”). The new model requires the recognition of almost all 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.

IFRS 16 is effective for annual periods beginning on or after January 1, 2019, with early adoption permitted.

There are no other IFRS or IFRS Interpretations Committee (“IFRIC”) interpretations that are not yet effective that would be expected to have a material impact on the Company.

4. SIGNIFICANT ACCOUNTING JUDGMENTS

The Company has consistently applied the significant accounting judgments, estimates and assumptions set out in Note 5 of the Company’s audited consolidated financial statements for the year ended December 31, 2016 to all the periods presented in these unaudited condensed interim consolidated financial statements.

(Expressed in Canadian Dollars)

5. CASH AND CASH EQUIVALENTS

As of		June 30, 2017		December 31, 2016
Cash held in bank accounts	$	**548,362**	$	1,027,240
Term deposits		**-**		-
	$	**548,362**	$	1,027,240

6. PROPERTY, PLANT AND EQUIPMENT

	Computer equipment	Furniture and equipment	Vehicles	Leasehold improvements	Total
Cost					
Balance - December 31, 2015	52,490	92,772	136,237	14,427	295,926
Additions	1,186	6,846	-	-	8,032
Write-offs and disposals	-	(4,429)	-	-	(4,429)
Foreign exchange	(1,349)	(1,944)	(4,081)	-	(7,374)
Balance - December 31, 2016	**52,327**	**93,245**	**132,156**	**14,427**	**292,155**
Additions	**-**	**-**	**-**	**-**	**-**
Write-offs and disposals	**-**	**-**	**(102,211)**	**-**	**(102,211)**
Foreign exchange	**(1,548)**	**(2,596)**	**(1,639)**	**-**	**(5,783)**
Balance - June 30, 2017	**$ 50,779**	**$ 90,649**	**$ 28,306**	**$ 14,427**	**$184,161**
Accumulated amortization					
Balance - December 31, 2015	22,310	23,640	63,618	14,212	123,780
Charge for the period	11,814	12,635	36,121	215	60,785
Write-offs and disposals	-	(2,434)	-	-	(2,434)
Foreign exchange	(370)	(320)	(1,411)	-	(2,101)
Balance - December 31, 2016	**33,754**	**33,521**	**98,328**	**14,427**	**180,030**
Charge for the period	**5,268**	**6,042**	**14,784**	**-**	**26,094**
Write-offs and disposals	**-**	**-**	**(86,344)**	**-**	**(86,344)**
Foreign exchange	**(1,069)**	**(840)**	**(1,341)**	**-**	**(3,250)**
Balance - June 30, 2017	**$ 37,953**	**$ 38,723**	**$ 25,427**	**$ 14,427**	**$116,530**
Net book value					
As of December 31, 2016	$ 18,573	$ 59,724	$ 33,828	$ -	$112,125
Balance - June 30, 2017	**$ 12,826**	**$ 51,926**	**$ 2,879**	**$ -**	**$ 67,631**

(Expressed in Canadian Dollars)

7. EXPLORATION AND EVALUATION ASSETS

The Company has capitalized the following acquisition costs of its mineral property interests:

	San Matias Project	Alacran Project	Total
Balance - December 31, 2015 and June 30, 2016	$ 45,193,847	$ 325,800	$ 45,519,647
Acquisition of exploration and evaluation assets	-	38,000	38,000
Balance - December 31, 2016 and June 30, 2017	**45,193,847**	**363,800**	**45,557,647**

The Company has an option agreement (the “Option”) with Sociedad Ordinaria de Minas Omni (“OMNI”) to earn a 100% interest in the Alacran Copper-Gold Project (“Alacran” or the “Alacran Project”), which is located within Cordoba’s San Matias Project, by completing the commitments set out in the option agreement. The Company can drop the Option at anytime without penalty.

The Alacran property falls within the joint venture area of interest and forms part of the joint venture.

8. SHARE CAPITAL

(a) Common Shares

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

As at June 30, 2017, there were no common shares (December 31, 2016 - 2,309,524) held in escrow.

(b) Share Purchase Warrants

A summary of share purchase warrants activity for the period ended June 30, 2017 is as follows:

	Number of warrants	Exercise price
Balance - December 31, 2016	15,150,294	$1.49
Exercised	(1,701,294)	$1.44
Expired	(13,398,900)	$1.50
Balance - June 30, 2017	**50,100**	

(Expressed in Canadian Dollars)

Details of share purchase warrants outstanding as of June 30, 2017 and December 31, 2016 are:

Expiry date	Number of warrants	Weighted average exercise price
April 1, 2018	50,100	$0.21
Balance - June 30, 2017	**50,100**	0.21

Expiry date	Number of warrants	Weighted average exercise price
March 31, 2017	15,000,000	$1.50
April 1, 2018	100,000	$0.21
January 20, 2019	50,294	$0.86
Balance - December 31, 2016	**15,150,294**	1.49

9. EXPLORATION AND EVALUATION EXPENDITURES

For the three and six month periods ended June 30, 2017 and 2016, exploration and evaluation expenditure comprises:

	Three months ended		Six months ended	
For the period ended	**June 30, 2017**	**June 30, 2016**	**June 30, 2017**	**June 30, 2016**
Direct exploration costs	**$2,014,982**	$ 945,099	**$3,886,455**	$2,270,251
Indirect exploration costs	**2,608,157**	310,614	**3,306,921**	632,691
Site general and administration costs	**434,614**	519,829	**947,152**	884,325
Recovery from HPX	**(5,057,753)**	(2,404,089)	**(8,140,528)**	(2,404,089)
Exploration and evaluation expenditures	**$ -**	$ (628,547)	**$ -**	$ 1,383,178

During 2016, Cordoba and its joint venture partner HPX completed the Initial Option Period, Phase One and Phase Two of the Joint Venture Agreement where HPX earned a 51% interest in the Joint Venture Company. Since HPX is funding Phase One, Two and Three of the JV directly, the Company will not incur any exploration and evaluation expenditure during these three phases. As a result, minimal exploration and evaluation expenditures will be reported on the Company's financial statements until the Company co-funds the San Matias Project again following the completion of Phase Three of the JV Agreement.

(Expressed in Canadian Dollars)

10. SHARE-BASED PAYMENTS

Share Purchase Options

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

The following is a summary of share purchase options activity for the period ended June 30, 2017:

				During the period					
Grant date	Expiry date	Exercise price	Opening balance	Granted	Exercised	Expired / Cancelled	Closing balance	Vested and exercisable	Unvested
8-1-12	7-31-22	$1.00	62,500	-	(25,000)	-	37,500	37,500	-
3-28-14	10-9-17	$1.06	175,240	-	-	-	175,240	175,240	-
3-28-14	3-20-18	$1.42	73,601	-	-	-	73,601	73,601	-
3-28-14	7-30-18	$1.42	17,524	-	-	-	17,524	17,524	-
6-27-14	6-26-24	$0.80	1,530,000	-	(100,000)	-	1,430,000	1,430,000	-
5-26-15	5-26-25	$0.21	1,362,500	-	(250,000)	-	1,112,500	1,112,500	-
10-24-15	10-24-25	$0.13	300,000	-	-	-	300,000	300,000	-
11-24-15	11-24-25	$0.12	1,512,500	-	(75,000)	-	1,437,500	1,437,500	-
4-19-16	4-19-26	$0.85	1,925,000	-	-	-	1,925,000	1,443,750	481,250
11-9-16	11-9-26	$0.74	200,000	-	-	-	200,000	100,000	100,000
			7,158,865	-	**(450,000)**	-	**6,708,865**	**6,127,615**	**581,250**
Weighted ave. exercise price			**$ 0.54**	**$ -**	**$ 0.37**	**$ -**	**$ 0.56**	**$ 0.53**	**$ 0.83**

As at June 30, 2017, the unamortized stock option value was $134,672 (December 31, 2016 - $432,938).

The weighted average remaining contractual life of the options outstanding at June 30, 2017 is 7.83 years (December 31, 2016 – 8.31 years).

(Expressed in Canadian Dollars)

11. RELATED PARTY TRANSACTIONS

The Company had transactions during the three and six month periods ended June 30, 2017 and 2016 with related parties consisted of directors, officers and companies with common directors and/or officers:

During the three and six month periods ended June 30, 2017, the Company incurred $29,141 and $41,478 respectively (June 30, 2016 - $Nil) in consulting fees to one of the Company's directors. The costs incurred consist of technical consulting services provided for the Company's exploration projects in Colombia.

During the three and six month periods ended June 30, 2017, the Company incurred $1,962,603 and $2,225,338 respectively (June 30, 2016 - $414,890 and $751,365) in exploration and evaluation expenditures to HPX, a company that has significant influence over Cordoba. The costs incurred consist of technical and managerial services provided for the Company's exploration projects in Colombia.

Amount due to related parties as of June 30, 2017 includes $29,000 (December 31, 2016 - $29,500) due to Continental Gold Limited, a company with a former common director. The amount owing is unsecured, non-interest-bearing and payable on demand.

Amount due to related parties as of June 30, 2017 also includes $249,510 (December 31, 2016 - $1,570,000) due to HPX. The balance represents cash received from HPX yet to be recognized as exploration and evaluation expenditures on the San Matias project in Colombia.

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 periods ended June 30, 2017 and 2016, key management compensation comprises:

	Three months ended		Six months ended	
For the period ended	**June 30, 2017**	**June 30, 2016**	**June 30, 2017**	**June 30, 2016**
Salaries and benefits	$ **260,625**	$ 205,625	$ **521,250**	$ 386,875
Share-based payments	**-**	1,370,250	**-**	1,370,250
	$ **260,625**	$ 1,575,875	$ **521,250**	$ 1,757,125

12. SEGMENTED INFORMATION

The Company operates in a single reportable operating segment, being the exploration and development of mineral properties. The mineral property interests as of June 30, 2017 and December 31, 2016 are located in Colombia and all of the exploration expenditures for the periods ended June 30, 2017 and 2016 respectively were incurred in Colombia. Substantially all of the Company's other assets are located, and expenditures were incurred, in Canada.

(Expressed in Canadian Dollars)

13. FINANCIAL INSTRUMENTS

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 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).

As at June 30, 2017 and December 31, 2016, the Company's financial instruments are comprised of cash and cash equivalents, other receivables, value added tax receivable, accounts payable and accrued liabilities, and due to related parties. With the exception of cash and cash equivalents, all financial instruments held by the Company are measured at amortized cost.

14. COMMITMENTS

The Company has commitments relating to an office lease ending February 2020. The minimum annual payments for the next 4 years are as follows:

	Amount
2017	26,474
2018	52,948
2019	52,948
2020	4,412
Total	**$ 136,782**

15. SUBSEQUENT EVENT

On July 27, 2017, the Company obtained its shareholders approval to acquire (the "Transaction") HPX's 51% interest in the San Matias Joint Venture ("San Matias") through the acquisition of HPX Colombia Ventures Ltd. ("Ventures"), a wholly-owned subsidiary of HPX, for consideration of 92,681,290 Cordoba common shares (the "Consideration"). The Company announced the completion of the Transaction on July 31, 2017.

Transaction Overview

The Consideration paid to HPX on closing of the Transaction consisted of the issuance by Cordoba of 92,681,290 Cordoba common shares, such that HPX converted its existing 51% direct economic interest in San Matias to a 51% direct economic interest in Cordoba. Combined with HPX's existing 36% ownership interest in Cordoba, HPX now holds a combined 69% ownership interest in Cordoba prior to the Concurrent Financing. In addition, Cordoba issued 12,364,623 Units, with each Unit consisting of one Cordoba common share and one-half of one Cordoba common share purchase warrant to HPX at a deemed price of C$0.81 per Unit, that being the same price as the Offering (as described below), to compensate HPX for approximately C$10 million of HPX joint venture expenditures incurred by HPX in connection with the San Matias property since November 10, 2016, when HPX earned a 51% interest in San Matias.

Concurrent Financing

On July 11, 2017, the Company completed a bought deal private placement offering (the "Offering") of 12,346,000 subscription receipts (the "Subscription Receipts"). BMO Capital Markets acted as the lead underwriter for a syndicate of underwriters including Sprott Private Wealth LP and Haywood Securities Inc. Each Subscription Receipt was sold at a price of C$0.81, for aggregate gross proceeds of approximately C$10 million, and entitled the holder thereof to receive one common share in the capital of the Company (each, a "Common Share") and one-half of one common share purchase warrant (each whole common share purchase warrant, a "Warrant") upon closing of the Transaction. Each Warrant will be exercisable to acquire one common share of the Company (each, a "Warrant Share") at a price of C$1.08 per Warrant Share, until July 11, 2019, subject to adjustment in certain events.

All securities issued pursuant to the Offering are subject to a statutory hold period of four months from July 11, 2017.

Investment Agreement

Upon closing of the Transaction, subject to certain conditions set out in an investment agreement (the "Investment Agreement") to be entered into between Cordoba and HPX, HPX will have certain Cordoba board nomination rights (described below) and the right to participate in any future equity offerings completed by Cordoba in order to maintain its pro rata ownership in Cordoba.

Following completion of the Transaction, the Board is to be comprised of seven directors with HPX being entitled to nominate four of those directors, with at least one of such nominees being independent. The Investment Agreement provides for HPX's nominees to the Board to be reduced to less than a majority of the directors if HPX's ownership interest in Cordoba is diluted to below 50%, with further proportional reductions thereafter.

HPX has also agreed to not sell or transfer any of the Consideration or the securities comprising its Units for a period of at least 180 days following the closing of the Transaction.

HPX's entitlements under the Investment Agreement will remain in place as long as HPX's ownership interest in Cordoba remains at or above 10% of the issued and outstanding shares of Cordoba.

Grant of Restricted Share Units, Deferred Share Units and Stock Options

On July 31, 2017, the Company granted an aggregate of 990,000 restricted share units, 350,000 deferred share units, and 150,000 stock options exercisable at a price of C$0.81 per share to non-executive directors and certain officers, employees, and consultants pursuant to the Company's Long Term Incentive Plan and its Stock Option Plan.

The options will vest as to 25% on the date of grant, with an additional 25% vesting on each yearly anniversary of the date of grant thereafter. The options expire on July 31, 2022.

Credit Facility

The Company had a credit facility with HPX of up to $1.5 million of which the Company had drawn $723K as of June 30, 2017 (December 31, 2016 - $0) for project spending. The facility was created in connection to the HPX Transaction whereby the amount drawn would be allocated to Phase 3 expenditures if the Transaction were not approved at the Company's shareholders' meeting. The amount would be repayable to HPX if the Transaction closed as planned. On July 27, 2017, the Company's shareholders approved the Transaction at the Annual General and Special Meeting, as a result, the company repaid $723K to HPX in accordance with the agreement.