



(the “Company”)

**MANAGEMENT’S DISCUSSION AND ANALYSIS**  
**For the period ended December 31, 2014**

**GENERAL**

This Management’s Discussion and Analysis (“MD&A”) supplements, but does not form part of, the audited consolidated financial statements of the Company for the period ended December 31, 2014. The following information, prepared as of April 13, 2015, should be read in conjunction with the Company’s audited consolidated financial statements for the period ended December 31, 2014. 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](http://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.

## **DESCRIPTION OF BUSINESS**

Cordoba Minerals Corp. (the “Company” or “Cordoba”) is a Toronto-based mineral exploration company focused on the acquisition and exploration of gold and copper projects in Colombia.

The Company’s 100% owned San Matias Project is located in the Municipality of Puerto Libertador, in the Department of Cordoba, Colombia, and consists of various mining concessions and concession applications covering approximately 20,000 hectares underlain by volcano-sedimentary rocks that are intruded by multiple dioritic intrusives with excellent potential to host porphyry copper-gold deposits.

Exploration programs conducted on the San Matias Project included airborne magnetic and radiometric surveys, a ground based magnetic survey, regional prospecting, stream sediment and soil sampling, local geological mapping, trenching and rock sampling. These programs resulted in defined copper-gold targets at the Montiel West, Montiel East and Costa Azul areas.

To date, the diamond drilling has located high grade zones of copper-gold mineralization at all of the tested targets in the northernmost 3 km of the San Matias Copper-Gold Project. Surface sampling of the remaining 10 km of strike length has identified numerous additional targets for potential drilling in 2015.

## **CORPORATE UPDATE**

Effective May 22, 2014, the Company completed a share consolidation so that every two previous common shares of the Company were exchanged for one new common share of the Company, resulting in a resulting issued capital of 58,812,103 shares. The Company’s name and trading symbol remain the same; only the CUSIP number of the common shares has changed.

Effective May 1, 2014, the Company has changed its financial year-end from April 30 to December 31. The Company has made this change in order to align its financial year-end with the financial year-end of its operating subsidiaries, thereby facilitating the consolidation of its financial statements.

On August 28, 2014, Ms. Cybill Tsung was appointed the Chief Financial Officer of the Company. Prior to joining Cordoba Minerals, Cybill served as the acting Chief Financial Officer for Sabre Metals Inc.

On October 23, 2014, Mr. Simon Ridgway resigned as a director of the Company.

On November 12, 2014, Minerales Córdoba, the Company’s 100% owned Colombian subsidiary, received two awards from The Fundación Siembra Colombia with its participating project “Transforming Communities”. The Company received the Silver Seal for Environmental Management and the Silver Seal for Social Responsibility. Other prominent companies that were considered for the award included Cerrejon, Mineros S.A., Argos and Pacific Rubiales. The Fundación Siembra Colombia is a non-profit organization that generates awareness of and designs programs for responsible mining.

In February 2015, the Company was granted Mining Titles on an additional 3,200 hectares covering the southern 8km of the San Matias copper gold porphyry trend where recent drilling in the northernmost area along the porphyry trend returned 101 metres of 1.0% Cu and 0.65 gpt Au at Montiel and 87 metres of 0.62% Cu and 0.52 gpt Au at Costa Azul. With these titles, advanced exploration on additional targets can begin at the Company’s San Matias Copper-Gold Project.

## **EXPLORATION UPDATE**

### **The San Matias Project**

The Company has completed its 2014 diamond drilling program at the San Matias Copper-Gold Project. The results from the drilling program have shown large widths of copper-gold mineralization in the newly identified southern extension of the Montiel East target. Additionally, the interpretation of over 250 stream sediment samples collected over the main north-south structural trends, located from airborne magnetics data, has shown numerous and extensive copper-gold and gold anomalous drainages over the entire 13 kilometres of strike of the project area, with at least three parallel north-south structural trends that host mineralization, located to date.

A preliminary diamond drilling program has also defined broad zones of porphyry copper-gold mineralization at the Costa Azul prospect and porphyry-associated copper-gold mineralization at the Montiel West prospect.

### **Montiel East Prospect**

Final drilling results at the Montiel East target have returned large mineralized intervals at the southern extensions of the copper-gold porphyry that shows the mineralization remains open to the south and south-east where much larger volumes of mineralized porphyry have been located, greatly increasing the size of the target due to it dipping to the south and south-east under mafic volcanic country rocks. The porphyry copper-gold mineralized phase is associated with a series of porphyry dyke and sill-like intrusives of varying phases and incorporates both sheeted and stockwork quartz-magnetite-chalcopyrite-bornite veins within strongly potassic altered diorite porphyry. Minor copper-gold mineralization is also hosted within the mafic and intermediate volcanic hostrocks as multi-directional quartz-magnetite-chalcopyrite-bornite veins which are adjacent to porphyry margins. The mineralized zone was partially terminated where the diorite porphyry phase was intruded by a post-mineral quartz-feldspar porphyry phase. However, numerous smaller mineralized intervals until the end of hole indicate that the mineralized diorite phase is continuous to the south and south-east. The high magnetite content associated with the copper-gold mineralization in the diorite porphyry phase is expected to respond well to a magnetic survey based on magnetic susceptibility tests carried out on drill core to date and a detailed ground magnetics program covering the entire Montiel target has commenced to better define the extensions.

RAB drilling to the south of the previously defined limits of known copper-gold mineralization at Montiel East was successful at locating a zone of mineralized porphyry that is interpreted to be the southern extension (and detailed above).

### **Costa Azul Prospect**

Preliminary diamond drilling at the Costa Azul target has successfully intersected large widths of copper-gold mineralization associated with diorite porphyry intrusions that occur as a series of sub-parallel dykes and intrusive bodies within mafic volcanic country rocks. Copper-gold mineralization at Costa Azul is associated with quartz-magnetite-chalcopyrite-pyrite-bornite sheeted and stockwork veining, both within diorite porphyry and mafic volcanic wallrocks. The mineralization remains open to the west and north, where an E-W fault appears to truncate the mineralization but potentially remains open at depth. A follow-up ground magnetic survey will be conducted over the known extensions to better define the depth extensions and fault offset porphyry mineralization prior to deeper drilling.

### **Montiel West Prospect**

Preliminary diamond drilling at the Montiel West target has intersected zones of multi-directional sheeted quartz-magnetite-chalcopyrite-bornite veins that are hosted in both mafic and intermediate volcanic rocks. This style of copper-gold mineralization is interpreted to be porphyry-related, as seen at both the Montiel

East and Costa Azul prospects, where it occurs immediately adjacent to the mineralized porphyry intrusives. Drilling however has yet to locate the associated porphyry intrusive and the defined mineralization remains open to the west where planned diamond drilling will test this extension. A follow-up detailed ground magnetic survey will be conducted over the known mineralization and defined extensions to locate any associated porphyry intrusives.

### **Ongoing Surface Sampling Exploration Program**

A detailed +250 stream sediment sampling program that has covered the entire 13 kilometres of strike of the main north-south trending structural corridor has indicated that there are multiple trends of adjacent drainages that contain numerous copper-gold and gold anomalies over significant strike lengths of over 2 kilometres. The three structural trends, each of an approximate strike length of 13 kilometres entirely within tenure of the San Matias project, have previously been defined by the airborne magnetics program. On completion of the extensive preliminary stream sediment sampling program, all three structural trends have confirmed to being host to significant zones of copper-gold and gold anomalism of adjacent drainages in multiple areas. The three structural trends, from east to west, are the Main Porphyry, Skarn, and Valdes trends.

#### **Main Porphyry Trend**

Defined by a 13 kilometre long linear north-south trending structural corridor, the Main Porphyry trend hosts multiple intrusive porphyry centres (Montiel and Costa Azul) as defined by the airborne magnetics and displays extensive zones of surface gold-copper-silver anomalism. Additionally, skarn/replacement style mineralization and alteration has also been located at the Buenos Aires target where a large gossan is associated with massive magnetite-chalcopryrite-bornite replacement of volcanic units associated with widespread phyllic alteration and associated apatite-tourmaline alteration. Furthermore, immediately east of the Main Porphyry trend high-grade gold, targets associated with quartz-pyrrhotite-chalcopryrite veining over significant strike lengths of +500 metres are associated with zones of artisanal open-pit and underground mining at the Mina Ra, Mina Escondida and Mina Loca targets that also host porphyry style alteration halos in adjacent host rocks. The Main Porphyry trend contains a number of significant stream sediment anomalous trends that include:

***Costa Azul – Buenos Aires Trend:*** major 3.4 kilometre trend that extends from the Costa Azul porphyry target, that has returned 112 metres @ 0.36% Copper and 0.32 g/t Gold (CADDH001) and 87 metres @ 0.62% Copper and 0.51 g/t Gold (CADDH003) from previous diamond drilling, to Buenos Aires where previous channel sampling of a large gossan has returned an average of 4% Copper in 38 samples over significant widths with elevated levels of LREE's (light rare earth elements) and Uranium. The Copper-Gold stream sediment anomaly has been consistently located in every drainage that is formed on the western side of the north-south trending topographic high along 3.4 kilometres of strike and is also associated with a prominent magnetic high. Copper and gold stream sediment anomalies surpass 1% copper and 1 g/t gold in sampling along this trend. The size and magnitude of this anomalous trend indicates a highly prospective terrain.

***Pepita Trend:*** north-east trending stream sediment copper-gold anomalous trend that appears to be related to a major NW lineament that cuts the north-south trending Main Porphyry trend. Associated with a distinctive magnetic low signature and hosted in intensely sodic-calcic (albite-actinolite-chlorite) and potassic (secondary biotite +/- magnetite) altered volcanic rocks.

***Caño Pepo Trend:*** north-west trending linear trend of 2 kilometres that emanates from the Main Porphyry trend and terminates at a series of artisanal hardrock quartz-pyrrhotite-chalcopryrite vein mineralized zones of +500 m strike length associated with porphyry style alteration halos in adjacent host rocks. Gold anomalous stream sediment samples include numerous samples assaying + 1 g/t gold to a maximum value of +5 g/t gold.

***Betesta Trend:*** located immediately east of the Main Porphyry trend and associated with 2 kilometres of anomalous gold rich stream sediment samples to 4.7 g/t gold associated with a north-south trending incised valley where extensive artisanal alluvial gold mining has previously taken place in the central waterway (not sampled due to contamination from alluvial mining). This trend is associated with the Betesta target where a pronounced gold-in-soil anomaly has been located over considerable dimensions approximately 1 kilometre to the south, and potentially extends to this zone.

### **Skarn Trend**

Defined by a 13 kilometre long linear north-south trending structural corridor that hosts major artisanal skarn/replacement style copper-gold workings in the north and a large zone of significant gold-copper stream sediment anomalous zones in the south referred to as the Nieves trend. The entire trend is defined by a continuous linear pronounced magnetic high and topographic high interpreted as being a major structural lineament.

***Nieves Trend:*** pronounced 2 kilometre trend of intermittent gold and lesser copper stream sediment anomalies and artisanal alluvial and hardrock mining associated with mineralized breccias and veining in volcanic and sedimentary rocks which are intruded by porphyry centres in numerous locations.

### **Valdes Trend**

Defined by a 13 kilometre long linear north-south trending structural corridor that hosts at its northern end a high tenor copper-gold stream sediment anomalous trend of 2.5 kilometres length. Almost all drainages on the western flank of a prominent north-south trending ridge line, coincident with a prominent magnetic high signature, contain high concentrations of coincident copper and gold anomalism.

### **Ground Magnetism Program**

A preliminary 300 line kilometre ground magnetism program has been commenced and will cover all of the generated prospects in the northern 6 kilometres of strike of the San Matias project. The program is designed to cover all of the defined prospects with 50 metre spaced lines and 100 metre spaced lines in all other areas. Ground magnetism has been chosen given the large amounts of magnetite that is associated with the copper-gold mineralization in both the porphyry style mineralization and replacement/skarn-style mineralization located within the San Matias project to date. The major north-south mineralized trends that have been defined by the previous airborne magnetism survey have been shown to host the vast majority of mineralized areas and the ground magnetism program will allow the surface anomalies to be better defined at a scale that can lead to drill testing in a rapid time scale. On completion of the preliminary ground magnetism program a follow-up program over the multiple targets in the southern part of the San Matias project will be defined in the southern-most parts of the project area where numerous stream sediment anomalies have been generated.

### **Guadalajara Project, Colombia**

Management has determined that based on the results of exploration activity completed during the eight month period ended December 31, 2014, the carrying value of capitalized exploration expenditure attributed to the Guadalajara project in the amount of US\$50,000 (CDN\$54,945) was impaired as substantive expenditure or further exploration and evaluation activities in the area is neither budgeted nor planned and that work performed to date indicates that the carrying amount of the expenditure carried forward as an asset will not be fully recoverable.

Qualified Person: Christian J. Grainger, PhD, a Qualified Person for the purpose of NI 43-101, has approved the disclosure of the technical information in this MD&A. Dr. Grainger is a geologist with +15 years in the minerals mining, consulting, exploration and research industries. He is a Member of the Australian Institute of Geoscientists and Australian Institute of Mining and Metallurgy.

## SELECTED ANNUAL INFORMATION

The following table provides information for the eight months ended December 31, 2014 and the years ended April 30, 2014 and 2013:

	December 31, 2014	April 30, 2014	April 30, 2013
Exploration and evaluation expenditures	\$ 3,699,463	\$ 1,699,320	\$ 1,276,024
Other operating expenses	2,521,554	693,620	931,315
Net loss	6,205,959	3,840,823	2,180,113
Loss per share - basic and fully diluted	0.11	0.21	0.21
Total assets	49,623,371	55,379,952	7,904,341
Total liabilities	346,409	1,091,563	66,128
Shareholders' equity	49,276,962	54,288,389	7,838,213

- Exploration and evaluation expenditures for the periods presented were all incurred in Colombia, mainly on the San Matias Project. Exploration and evaluation expenditures increased during the eight month period ended December 31, 2014 due to the execution of the Company's 2014 exploration program, which incorporates trenching, sampling, as well as RAB and diamond drilling on previously identified targets.
- Other operating expenses for the eight month period ended December 31, 2014 increased mainly due to a share-based payment charge of \$1,383,750 during the period, as well as the increase in corporate administrative costs resulted from increased corporate activities since the March 28, 2014 Acquisition (the "Acquisition").
- The increase in total assets from 2013 to 2014 is primarily the result of the Acquisition. The decrease in total assets and shareholders' equity from April 30, 2014 to December 31, 2014 is mainly attributable to the use of cash resources to fund the Company's exploration and evaluation expenditures and administrative expenses for the period. As the Company is in the exploration stage, it does not generate operating revenue. The Company's sole source of revenue is the interest earned on cash balances.

## SELECTED QUARTERLY INFORMATION

The following table provides information for the two months ended December 31, 2014 and seven quarters since April 30, 2013:

	<b>31-Dec-2014</b>	<b>31-Oct-2014</b>	<b>31-Jul-2014</b>	<b>30-Apr-2014</b>
Exploration and evaluation expenditures	\$ 853,124	\$ 1,607,453	\$ 1,238,886	\$ 547,244
Other operating expenses	290,274	487,318	1,743,962	243,132
Net loss	1,155,648	1,887,240	3,163,071	2,271,028
Loss per share - basic and fully diluted	0.02	0.03	0.05	0.07
Total assets	49,623,371	50,808,784	53,032,020	55,379,952
Total liabilities	346,409	330,776	456,043	1,091,563
Shareholders' equity	49,276,962	50,478,008	52,575,977	54,288,389

	<b>31-Jan-2014</b>	<b>31-Oct-2013</b>	<b>31-Jul-2013</b>	<b>30-Apr-2013</b>
Exploration and evaluation expenditures	\$ 369,662	\$ 310,361	\$ 472,053	\$ 314,604
Other operating expenses	184,479	129,215	136,794	178,004
Net loss	538,994	430,621	600,180	469,287
Loss per share - basic and fully diluted	0.05	0.04	0.05	0.03
Total assets	9,172,310	9,787,101	7,374,112	7,904,341
Total liabilities	73,123	176,420	136,079	66,128
Shareholders' equity	9,099,187	9,610,681	7,238,033	7,838,213

- The exploration and evaluation expenditures decreased for the two month period ended December 31, 2014 due to a shorter period and the conclusion of the Company's 2014 drilling program. Exploration and evaluation expenditures increased during the quarters ended July 31 and October 31, 2014 due to the execution of the Company's 2014 exploration program, which incorporates trenching, sampling, as well as RAB and diamond drilling on previously identified targets.
- The increase in other operating expenses for the four most recent quarters is mainly due to increased corporate activities since the Acquisition. For the quarter ended July 31, 2014, there was a share-based payment charge of \$1,383,750 representing the fair value of stock options granted during the quarter.
- The decrease in total assets for the two most recent quarters is due to cash used in funding of the Company's exploration and administrative expenses. Total assets, along with total liabilities and shareholders' equity, increased significantly in the quarter ended April 30, 2014 due to the Acquisition.
- Total assets increased in the quarters ended January 31, 2013 and October 31, 2013 due to approximately \$3.64 million in gross proceeds raised from private placements and \$2.8 million from the exercise of share purchase warrants, respectively.



## RESULTS OF OPERATIONS

	Two months ended December 31, 2014	Three months ended April 30, 2014
Exploration and evaluation expenditures	\$ 853,124	\$ 547,244
Corporate administration	279,527	234,520
Amortization	10,747	8,612
Interest and other income	(14,377)	(30,874)
Foreign exchange loss (gain)	(28,318)	(268,246)
Write-off of exploration and evaluation assets	54,945	1,779,772
<b>Net loss for the period</b>	<b>\$ 1,155,648</b>	<b>\$ 2,271,028</b>

	Eight months ended December 31, 2014	Twelve months ended April 30, 2014
Exploration and evaluation expenditures	\$ 3,699,463	\$ 1,699,320
Corporate administration	1,091,238	681,430
Share-based payments	1,383,750	0
Amortization	46,566	12,190
Interest and other income	(67,985)	(41,655)
Foreign exchange loss (gain)	(142,343)	(290,234)
Write-off of property, plant and equipment	22,131	-
Write-off of exploration and evaluation assets	54,945	1,779,772
Write-off of due from related party	118,194	-
<b>Net loss for the period</b>	<b>\$ 6,205,959</b>	<b>\$ 3,840,823</b>

- Exploration and evaluation expenditures increased for the two and eight months ended December 31, 2014 compared to the comparable periods ended April 30, 2014 mainly due to the execution of the 2014 exploration program which incorporates trenching, sampling, as well as RAB and diamond drilling on previously identified targets. The most significant exploration costs for the eight month period ended December 31, 2014 were \$1,266,000 for drilling, \$413,000 for sampling, \$466,000 for field costs, and \$744,000 for salaries and benefits.
- Corporate administration for the two and eight month periods ended December 31, 2014 increased compared to the comparable periods ended April 30, 2014 mainly due to the Acquisition. Salaries and benefits increased due to higher number of officers and employees following the completion of the Acquisition. Professional fees increased due to higher activities associated with the Acquisition. Shareholder communication expenses increased due to an increase in investor relations and promotional activities following the Acquisition.
- Share-based payment for the eight months ended December 31, 2014 represents the fair value calculated using the Black-Scholes model for stock options granted during the period. No options were granted in the year ended April 30, 2014.
- Interest income is a function of the cash balance on hand. For the two months ended December 31, 2014, interest income decreased compared to the comparable quarter ended April 30, 2014 due to a shorter period and a lower average cash balance. For the eight month period ended December 31,

2014, interest income increased compared to the year ended April 30, 2014 due to a higher average cash balance for the period.

- Write-off of property, plant and equipment for the eight months ended December 31, 2014 represents the write-off of the net book value of shared property, plant and equipment allocated by Gold Group Management Inc. (“Gold Group”) to the Company. The Company has moved its corporate office to Toronto, hence, no longer sharing the facilities with Gold Group.
- For the eight month period ended December 31, 2014, the Company recorded an impairment charge of \$54,945 representing the carrying value of capitalized exploration expenditure attributed to the Guadalajara project in Colombia. Management determined that based on the results of exploration activity completed during the period, the carrying amount of the expenditure carried forward as an asset will not be fully recoverable and that further exploration and evaluation activities in the area is neither budgeted nor planned. For the year ended April 30, 2014, the Company recorded a \$1,779,772 write-down of exploration and evaluation asset costs relating to the Company’s 11% interest in the San Matias Project held prior to the Acquisition.
- During the eight months ended December 31, 2014, the Company wrote off the amount due from Thunderbolt Resources Inc. \$118,194 as the amount is deemed unrecoverable from the related party.

#### **FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES**

As at December 31, 2014, the Company had current assets totaling \$4.2 million (including cash and cash equivalents of \$3.7 million) and current liabilities totaling \$0.3 million, resulting in a working capital of \$3.9 million. The Company is in the exploration stage and therefore, has no cash flow from operations.

Funds raised during the year ended April 30, 2014 are being used towards continued exploration of the San Matias Project and for general working capital purposes. The Company expects its current capital resources to be sufficient to cover its planned 2015 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 to fund its 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.

#### **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**

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

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

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

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

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

### **Credit Risk**

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

<b>As of</b>	<b>December 31, 2014</b>	<b>April 30, 2014</b>
Cash held in bank accounts	\$ 308,517	\$ 731,621
Term deposits	3,370,637	8,513,397
	<b>\$ 3,679,154</b>	<b>\$ 9,245,018</b>

### **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, 2014, the Company had cash and cash equivalents of \$3,679,154 (April 30, 2014: \$9,245,018) available to apply against short-term business requirements and current liabilities of \$346,409 (April 30, 2014: \$1,091,563). All of the Company's financial liabilities have contractual maturities of less than 45 days and are subject to normal trade terms.

### **Market Risk**

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

### *Currency Risk*

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

As at December 31, 2014, the Company is exposed to currency risk through the following financial assets and liabilities denominated in currencies other than the Canadian dollar:

	December 31, 2014		April 30, 2014	
	US Dollars (CDN equivalent)	Colombian Pesos (CDN equivalent)	US Dollars (CDN equivalent)	Colombian Pesos (CDN equivalent)
Cash	\$ 148	\$ 271,444	\$ 7,011	\$ 49,828
Other receivables	-	189,169	-	73,999
Due from related parties	-	103,033	-	-
Accounts payable and accrued liabilities	-	(156,841)	(74,617)	(379,479)
	<b>\$ 148</b>	<b>\$ 406,805</b>	<b>\$ (67,606)</b>	<b>\$ (255,652)</b>

Based on the above net exposures at December 31, 2014, a 10% depreciation or appreciation of the above currencies against the Canadian dollar would result in an increase or decrease of approximately \$40,700 (April 30, 2014: \$32,300) in the Company's net loss and comprehensive loss for the year.

#### *Interest Rate Risk*

Interest rate risk consists of two components:

- To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk.
- To the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

The Company considers interest rate risk to not be significant.

#### *Other Price Risk*

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or currency risk. The Company is not exposed to any other price risk.

#### **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 December 31, 2014 and April 30, 2014, the Company's financial instruments are comprised of cash and cash equivalents, due from related parties, 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.

## **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. In order to carry out the planned exploration and to pay for general administrative costs, the Company will spend its existing working capital and seek to raise additional amounts as needed by way of equity financing or debt. 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 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 period ended December 31, 2014.

## **RELATED PARTY TRANSACTIONS**

The Company had transactions during the eight month period ended December 31, 2014 and the year ended April 30, 2014 with related parties who consisted of directors, officers and the following companies with common directors and/or officers:

During the eight months ended December 31, 2014, the Company incurred \$211,000 (year ended April 30, 2014 - \$308,763) in corporate administration costs to Gold Group Management Inc. ("Gold Group"), a company controlled by a former director of the Company, consisting of salaries and benefits, office, other general administrative costs and a one-time service termination fee. Gold Group was reimbursed by the Company for these shared costs and other business related expenses paid by Gold Group on behalf of the Company. The service agreement was terminated on August 31, 2014.

During the period ended December 31, 2014, the Company wrote off \$118,194 due from Thunderbolt Resources Inc., a company with common directors and officers, as the amount is deemed unrecoverable from the related party.

Amount due from related parties of \$103,033 as of December 31, 2014 represents canon payments the Company made on behalf of Proyecto Coco Hondo S.A.S, a company controlled by a director of the Company.

Amount due to related parties as of December 31, 2014 consists of \$30,886 (April 30, 2014 - \$15,229) due to Continental Gold Limited, a company with a common director. The amount owing is unsecured, non-interest-bearing and payable on demand.

These transactions are in the normal course of operations and are measured at the fair value 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 December 31, 2014 and April 30, 2014, key management compensation comprises:

<b>For the periods</b>	<b>From May 1, 2014 to December 31, 2014</b>	<b>From May 1, 2013 to April 30, 2014</b>
Salaries and benefits	358,333	296,985
Share-based payments	1,143,750	-
	<b>\$ 1,502,083</b>	<b>\$ 296,985</b>

### SHARE POSITION AND OUTSTANDING WARRANTS AND OPTIONS

The Company's outstanding share position as at April 13, 2015 is as follows:

	<b>Number of shares</b>
Common shares	58,812,103
Warrants	17,170,069
Broker compensation options (including underlying warrants if options are exercised)	1,312,800
Stock options	2,124,412
<b>Fully diluted share capital - April 13, 2015</b>	<b>79,419,384</b>

### Common Shares

The Company is authorized to issue an unlimited number of common shares without par value. In May 2014, the shareholders of the Company approved a consolidation of the issued shares, stock options, warrants and compensation options outstanding at May 22, 2014 on a one new for two old basis. As a result, the Company's issued shares were reduced to 58,812,103.

### Share Purchase Warrants

Details of share purchase warrants outstanding as of December 31, 2014 are:

<b>Expiry date</b>	<b>Number of warrants</b>	<b>Exercise price</b>
April 10, 2015	588,369	\$2.00
March 28, 2016	1,997,107	\$0.60
March 28, 2016	122,668	\$1.42
February 7, 2017	15,000,000	\$1.50
January 20, 2019	50,294	\$0.86
<b>Balance, April 30, 2014 and December 31, 2014</b>	<b>17,758,438</b>	

### **Broker Compensation Options**

Details of compensation options outstanding as of December 31, 2014 are:

<b>Expiry date</b>	<b>Number of compensation options</b>	<b>Exercise price</b>
September 28, 2015	656,400	\$1.00

### **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 eight month period ended December 31, 2014:

<b>Grant date</b>	<b>Expiry date</b>	<b>Exercise price</b>	<b>Opening balance</b>	<b>During the period</b>			<b>Closing balance</b>	<b>Vested and exercisable</b>
				<b>Granted</b>	<b>Exercised</b>	<b>Expired</b>		
3-1-11	2-28-21	\$0.74	193,000	-	-	(193,000)	-	-
8-1-12	7-31-22	\$1.00	365,000	-	-	(177,500)	187,500	187,500
3-28-14	6-26-14	\$2.00	78,441	-	-	(78,441)	-	-
3-28-14	3-17-16	\$2.00	78,441	-	-	-	78,441	78,441
3-28-14	1-14-17	\$0.72	175,240	-	-	(175,240)	-	-
3-28-14	1-14-17	\$1.06	35,048	-	-	-	35,048	35,048
3-28-14	10-9-17	\$1.06	175,240	-	-	-	175,240	175,240
3-28-14	3-20-18	\$1.42	105,145	-	-	-	105,145	105,145
3-28-14	7-30-18	\$1.42	35,048	-	-	-	35,048	35,048
6-27-14	6-26-24	\$0.80	-	1,845,000	-	(25,000)	1,820,000	1,820,000
			<b>1,240,603</b>	<b>1,845,000</b>	<b>-</b>	<b>(649,181)</b>	<b>2,436,422</b>	<b>2,436,422</b>
<b>Weighted ave. exercise price</b>		<b>\$ 1.10</b>	<b>\$ 0.80</b>	<b>\$ -</b>	<b>\$ 0.96</b>	<b>\$ 0.91</b>	<b>\$ 0.91</b>	<b>\$ 0.91</b>

## OTHER DATA

Additional information related to the Company is available for viewing at [www.sedar.com](http://www.sedar.com).

## ADOPTION OF NEW AND AMENDED IFRS PRONOUCEMENTS

Except for the changes noted below, the Company has consistently applied the accounting policies set out in Notes 3 to all the periods presented in these audited consolidated financial statements.

The Company has adopted the following new and revised standards, along with any consequential amendments, effective May 1, 2014. These changes were made in accordance with the applicable transitional provisions. The nature and effect of the changes are explained below:

- i) IAS 32, *Financial Instruments: Presentation* ("IAS 32") has adopted amendments to IAS 32, effective January 1, 2014, which clarifies some of the requirements for offsetting financial assets and financial liabilities on the consolidated statement of financial position.

The changes to IAS 32 did not result in any adjustments to the Company's financial statements on May 1, 2014.

- ii) IFRIC 21, *Levies* sets out the accounting for an obligation to pay a levy that is not income tax. The interpretation addresses what the obligating event is that gives rise to pay a levy and when should a liability be recognized.

The Company adopted IFRIC 21 on May 1, 2014. The change did not result in any adjustments to the Company's financial statements on May 1, 2014.

## ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS NOT YET EFFECTIVE

The following revised standards and amendments, unless otherwise stated, are effective on or after January 1, 2015 with early adoption permitted and have not been applied in preparing these unaudited condensed interim consolidated financial statements. Management has not yet considered the potential impact of their adoption and does not plan to adopt these standards early.

- i) 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.

- ii) 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, 2017 with early adoption permitted.



- iii) Amendments to IAS 16, *Property, Plant and Equipment* (“IAS 16”) and IAS 38, *Intangible Assets* (“IAS 38”) – Clarification of Acceptable Methods of Depreciation and Amortization.

The amendments to IAS 16 and IAS 38 are effective for annual periods beginning on or after January 1, 2016 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.

## **RISKS AND UNCERTAINTIES**

### *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 Guadalajara Project 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.