



CORDOBA MINERALS CORP.

Condensed Interim Consolidated Financial Statements

June 30, 2020

(Unaudited)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Unaudited and expressed in Canadian Dollars)

	Notes	June 30, 2020	December 31, 2019
ASSETS			
Current assets			
Cash and cash equivalents	3	\$ 12,642,044	\$ 247,160
Other receivables		64,068	44,393
Prepaid expenses and deposits	4	937,033	567,593
Total current assets		13,643,145	859,146
Non-current assets			
Colombian value added tax receivable	5	1,841,405	1,629,508
Property, plant and equipment	6	1,247,806	1,316,945
Financial assets	7	314,286	185,714
Other asset	9(i), 14	-	16,898,700
TOTAL ASSETS		\$ 17,046,642	\$ 20,890,013
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		\$ 542,195	\$ 676,007
Due to related parties	16	7,938,265	3,567,090
Lease liability	8	206,677	281,151
Other liability	9, 16	341,125	17,548,200
Total current liabilities		9,028,262	22,072,448
Non-current liabilities			
Lease liability	8	61,589	132,456
TOTAL LIABILITIES		9,089,851	22,204,904
SHAREHOLDERS' EQUITY (DEFICIT)			
Share capital	10	183,278,259	151,885,933
Equity reserves	10, 11	18,359,113	17,186,491
Accumulated other comprehensive loss (income)		103,029	(253,648)
Accumulated deficit		(193,267,195)	(169,932,318)
Shareholders' equity (deficit) attributable to Cordoba Minerals Corp.		8,473,206	(1,113,542)
Non-controlling interest	15	(516,415)	(201,349)
TOTAL SHAREHOLDERS' EQUITY (DEFICIT)		7,956,791	(1,314,891)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		\$ 17,046,642	\$ 20,890,013

Description of business and going concern (Note 1)

Subsequent events (Notes 10(a)(ii))

Approved and authorized for issue on behalf of the Board on August 13, 2020:

/s/ Eric Finlayson

Eric Finlayson, Director

/s/ William Orchow

William Orchow, Director

See accompanying notes to the condensed interim consolidated financial statements.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Unaudited and expressed in Canadian Dollars)

	Notes	Three months ended June		Six months ended June 30,	
		2020	2019	2020	2019
Operating expenses					
Exploration and evaluation expenditures	12	\$ 19,224,174	\$ 3,003,002	\$ 22,283,954	\$ 4,630,382
Corporate administration	13	609,098	422,825	1,067,288	961,644
Amortization	6	89,740	64,985	184,246	134,037
Loss from operations		19,923,012	3,490,812	23,535,488	5,726,063
Other expense (income)					
Other (income) expense		(97,651)	16,935	(119,032)	(43,291)
Interest expense		38,141	25,388	72,721	33,079
Foreign exchange (gain) loss		(20,235)	(90,273)	160,766	(50,655)
Loss before income taxes		19,843,267	3,442,862	23,649,943	5,665,196
Income taxes		-	-	-	-
Net loss for the period		\$ 19,843,267	\$ 3,442,862	\$ 23,649,943	\$ 5,665,196
Other comprehensive loss (income)					
Items that may be reclassified subsequently to loss:					
Currency translation adjustment		59,379	73,530	(228,105)	131,516
Items that will not be reclassified subsequently to loss:					
Change in fair value of marketable securities	7	(57,143)	42,857	(128,572)	(42,857)
Total other comprehensive loss (income)		2,236	116,387	(356,677)	88,659
Total comprehensive loss for the period		\$ 19,845,503	\$ 3,559,249	\$ 23,293,266	\$ 5,753,855
Net loss attributable to:					
Owners of Cordoba Minerals Corp.		\$ 19,754,647	\$ 3,382,105	\$ 23,334,877	\$ 5,604,439
Non-controlling interest	15	88,620	60,757	315,066	60,757
Net loss for the period		\$ 19,843,267	\$ 3,442,862	\$ 23,649,943	\$ 5,665,196
Total comprehensive loss attributable to:					
Owners of Cordoba Minerals Corp.		\$ 19,756,883	\$ 3,498,492	\$ 22,978,200	\$ 5,693,098
Non-controlling interest	15	88,620	60,757	315,066	60,757
Total comprehensive loss for the period		\$ 19,845,503	\$ 3,559,249	\$ 23,293,266	\$ 5,753,855
Loss per share (basic and diluted)	2(b)(ii)	\$ 0.03	\$ 0.01	\$ 0.04	\$ 0.01
Weighted average number of basic and diluted					
common shares outstanding	2(b)(ii)	639,526,027	407,157,534	623,050,781	397,262,369

See accompanying notes to the condensed interim consolidated financial statements.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited and expressed in Canadian Dollars)

		Six months ended June 30,	
	Notes	2020	2019
Operating activities			
Net loss for the period		\$ (23,649,943)	\$ (5,665,196)
Adjustments for non-cash items:			
Share-based payments	12,13	148,160	164,104
Amortization	6	184,246	134,037
E&E acquisition costs	14	7,544,529	-
Interest expense		72,721	33,079
Other income		(90,985)	(6,286)
Loss on disposition of property, plant and equipment		654	-
Unrealized foreign exchange loss (gain)		339,597	(189,106)
Changes in non-cash working capital items:			
Receivables		(368,299)	(87,412)
Prepaid expenses and deposits		(369,440)	83,821
Accounts payable and accrued liabilities		(162,812)	228,434
Due to related parties		7,702,105	598,070
Other liability	16(c)(iii)	(7,544,529)	-
Cash used in operating activities		(16,193,996)	(4,706,455)
Investing activities			
Acquisition of property, plant and equipment	6	(58,400)	(1,573)
Cash used in investing activities		(58,400)	(1,573)
Financing activities			
Net proceeds from rights offering	10	21,293,053	-
Net proceeds from private placements with JCHX	10	10,882,345	-
Proceeds from short-term loan from related party	16	250,579	2,479,326
Settlement of short-term loan from related party	16	(3,550,304)	-
Settlement of accrued interest on short-term loan from related party	16	(74,196)	-
Net proceeds from private placement		-	2,192,732
Payment of lease liabilities	8	(118,651)	(84,642)
Interest paid		(20,784)	(14,065)
Cash from financing activities		28,662,042	4,573,351
Effect of changes in foreign exchange rates on cash and cash equivalents		(14,762)	5,154
Increase in cash and cash equivalents		12,394,884	(129,523)
Cash and cash equivalents, beginning of period	3	247,160	747,983
Cash and cash equivalents, end of period	3	\$ 12,642,044	\$ 618,460

See accompanying notes to the condensed interim consolidated financial statements.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIT)

(Unaudited and expressed in Canadian Dollars)

	Number of common shares	Share capital	Equity reserves				Accumulated other comprehensive (loss) income	Accumulated deficit	Shareholders' equity (deficit) attributable to owners of Cordoba Minerals Corp.	Non-controlling interest (Note 15)	Total
			Warrants reserve	Broker warrants reserve	Share-based payments reserve						
Balance at December 31, 2019	365,498,594	\$ 151,885,933	\$ 12,186,449	\$ 48,149	\$ 4,951,893	\$ (253,648)	\$ (169,932,318)	\$ (1,113,542)	\$ (201,349)	\$ (1,314,891)	
Net loss for the period	-	-	-	-	-	-	(23,334,877)	(23,334,877)	(315,066)	(23,649,943)	
Share-based payments (Notes 12 & 13)	-	-	-	-	148,160	-	-	148,160	-	148,160	
Shares issued in private placement to JCHX, net of share issue costs (Note 10(a)(i))	91,372,536	10,838,793	-	-	-	-	-	10,838,793	-	10,838,793	
Shares issued pursuant to subscription agreements (Note 10(a)(ii))	3,713,687	241,390	-	-	-	-	-	241,390	-	241,390	
Shares issued for JCHX, net of share issue costs (Note 10(a)(ii))	928,401	43,552	-	-	-	-	-	43,552	-	43,552	
Shares and share purchase warrants issued pursuant to Rights Offering, net of share issue costs (Note 10(a)(iii))	430,000,000	20,268,591	1,024,462	-	-	-	-	21,293,053	-	21,293,053	
Other comprehensive income	-	-	-	-	-	356,677	-	356,677	-	356,677	
Balance at June 30, 2020	891,513,218	\$ 183,278,259	\$ 13,210,911	\$ 48,149	\$ 5,100,053	\$ 103,029	\$ (193,267,195)	\$ 8,473,206	\$ (516,415)	\$ 7,956,791	
Balance at December 31, 2018	277,219,388	\$ 146,258,230	\$ 11,455,565	\$ 48,149	\$ 4,865,572	\$ (108,001)	\$ (159,504,336)	\$ 3,015,179	\$ -	\$ 3,015,179	
Net loss for the period	-	-	-	-	-	-	(5,604,439)	(5,604,439)	(60,757)	(5,665,196)	
Settlement of Deferred Share Units	50,000	33,500	-	-	(33,500)	-	-	-	-	-	
Share-based payments	-	-	-	-	164,104	-	-	164,104	-	164,104	
Shares issued for private placement	22,800,000	1,520,029	759,971	-	-	-	-	2,280,000	-	2,280,000	
Share issuance costs	-	(58,181)	(29,087)	-	-	-	-	(87,268)	-	(87,268)	
Other comprehensive income	-	-	-	-	-	(88,659)	-	(88,659)	-	(88,659)	
Balance at June 30, 2019	300,069,388	\$ 147,753,578	\$ 12,186,449	\$ 48,149	\$ 4,996,176	\$ (196,660)	\$ (165,108,775)	\$ (321,083)	\$ (60,757)	\$ (381,840)	

See accompanying notes to the condensed interim consolidated financial statements.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited and expressed in Canadian Dollars)

1. DESCRIPTION OF BUSINESS AND GOING CONCERN

Cordoba Minerals Corp. (the “Company” or “Cordoba”) is a publicly listed company incorporated under the laws of British Columbia, Canada. Its shares are listed on the TSX Venture Exchange under the symbol CDB. The Company’s head office and registered office are located at Suite 654-999 Canada Place, Vancouver, British Columbia, Canada, V6C 3E1.

At June 30, 2020, High Power Exploration Inc. (“HPX”), the Company’s privately owned parent, held 59.6% (December 31, 2019 – 75.3%) of the Company’s issued and outstanding common shares. The ultimate controlling entity is I-Pulse Inc., a privately owned company.

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

The Company’s condensed interim consolidated financial statements are prepared using International Financial Reporting Standards (“IFRS”) 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 three and six months ended June 30, 2020, the Company had no operating revenue and incurred a net loss of \$19.84 million and \$23.65 million, respectively. At June 30, 2020, the Company had consolidated cash of \$12.64 million (December 31, 2019 - \$247,160) to apply against current liabilities of \$9.03 million (December 31, 2019 - \$22.07 million).

At June 30, 2020, the Company believes that it has adequate resources to maintain its minimum obligations, including general corporate activities, based on its cash position and its ability to pursue additional sources of financing, including equity placements.

The Company currently has no source of operating cash flow, and has no assurance that additional funding will be available to it for additional exploration and development programs at its properties, or to enable the Company to fulfill its obligations under any applicable agreements. The Company’s ability to continue as a going concern is dependent on its ability to obtain additional sources of financing to successfully explore and evaluate its mineral properties and, ultimately, to achieve profitable operations. Significant reliance is placed on HPX, the Company’s controlling shareholder, for providing ongoing financing to the Company. Failure of HPX to provide or participate in financing, or the inability of HPX to provide or participate in financing, would likely result in difficulty for Cordoba to attract separate third-party investment. As such, there is a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of presentation

These condensed interim consolidated financial statements have been prepared in accordance with IAS 34, *Interim Financial Reporting*. These condensed interim consolidated

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

financial statements do not include all of the information and footnotes required by IFRS for full annual financial statements and should be read in conjunction with the Company's annual consolidated financial statements for the year ended December 31, 2019, which have been prepared in accordance with IFRS, as issued by the International Accounting Standards Board.

The accounting policies used in the preparation of these condensed interim consolidated financial statements are the same as those applied in the Company's most recent consolidated annual financial statements for the year ended December 31, 2019 with the exception of amendments listed in 2(c).

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

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

(b) Comparative figures

- i. Certain of the figures in the comparative financial statements have been reclassified to conform with the current year's presentation.
- ii. On June 26, 2020, the Company announced the closing of a rights offering, which was open to all shareholders (Note 10(a)(iii)). As the subscription price of the rights offering was less than the fair value of a common share of the Company at the time, the rights offering contained a bonus element. In order to provide a comparable basis for the current period, the basic and diluted loss per share for all periods prior to the rights offering have been adjusted retroactively for the bonus element contained in the rights offering. Specifically, the weighted average number of common shares outstanding used to compute basic and diluted loss per share for the three and six months ended June 30, 2019 have been multiplied by a factor of 1.357012121.

(c) New accounting standards and interpretations

- i. The Company has adopted the following amendments to IFRS:

Amendments to IFRS 3, *Business Combinations* (effective January 1, 2020) assist in determining whether a transaction should be accounted for as a business combination or an asset acquisition. The definition of a business has been amended to include an input and a substantive process that together significantly contribute to the ability to create goods and services provided to customers, generating investment and other income, and to exclude returns in the form of lower costs and other economic benefits. The amendment includes an optional test that makes it easier to conclude that a company has acquired a group of assets, rather than a business, if the value of the assets acquired is substantially all concentrated in a single asset or group of similar assets. These amendments did not impact the Company's consolidated financial statements or disclosures at the time of adoption.

Amendments to IAS 1, *Presentation of Financial Statements* and IAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors* (effective January 1, 2020) were made to refine the definition of material in IAS 1 and align the definitions used across IFRS Standards and other publications. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition and the threshold for materiality influencing users has been changed from

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

‘could influence’ to ‘could reasonably be expected to influence’. These amendments did not impact the Company’s consolidated financial statements or disclosures at the time of adoption.

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

Amendments to IFRS 16, *Leases* (effective for annual reporting periods beginning on or after June 1, 2020) allows lessees not to account for rent concessions as lease modifications if they arise as a direct consequence of COVID-19. Lessees applying the practical expedient will be required to disclose whether it has been applied to all eligible contracts, or, if not, information about the nature of the contracts to which the practical expedient has been applied. Furthermore, the lessees will be required to apply the practical expedient retrospectively, recognizing the cumulative effect of applying the amendment as an adjustment to the opening retained earnings (or other component of equity, as appropriate) at the beginning of the annual reporting period in which the lessee first applies the amendment. Management is currently assessing the impact of this amendment.

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

(d) Critical accounting estimates and judgments

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

In March 2020, the World Health Organization declared a global pandemic, which has had an adverse impact on the global economy, impacting global supply chains, international trade, movement of people and the availability of financing. Such conditions may have an adverse impact on the Company. The duration of the pandemic is currently unknown and it is not possible to reliably estimate the severity of the impact on the Company. The global pandemic has not impacted the Company’s critical accounting estimates and judgments during the six months ended June 30, 2020.

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, 2019 to all the periods presented in these condensed interim consolidated financial statements.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

3. CASH AND CASH EQUIVALENTS

	June 30, 2020	December 31, 2019
Cash held in bank accounts	\$ 11,251,804	\$ 247,160
Redeemable short term investments	1,390,240	-
Total cash and cash equivalents	\$ 12,642,044	\$ 247,160

The Company's redeemable short term investments earn interest and are redeemable at any time prior to maturity without penalty upon early redemption.

4. PREPAID EXPENSES AND DEPOSITS

	June 30, 2020	December 31, 2019
Prepaid insurance	\$ 38,113	\$ 102,968
Deposits	669,626	116,101
Deposits with related parties (Note 16(b))	80,000	80,000
Deferred financing expenses	-	99,318
Other	149,294	169,206
Total prepaid expenses and deposits	\$ 937,033	\$ 567,593

5. COLOMBIAN VALUE-ADDED-TAX ("VAT") RECEIVABLE

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

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

6. PROPERTY, PLANT AND EQUIPMENT

	Computer equipment	Furniture and equipment	Vehicles	Land	Right-of-use assets (Note 8(a))	Total
Cost						
Balance - December 31, 2018	\$ 154,405	\$ 275,586	\$ 121,176	\$ 722,223	\$ -	\$ 1,273,390
Impact of IFRS 16 adoption	-	-	(42,721)	-	224,905	182,184
Additions	49,555	3,233	-	-	445,140	497,928
Write-offs and disposals	(10,905)	(28,714)	(52,912)	-	-	(92,531)
Other adjustments	-	-	-	-	3,051	3,051
Foreign exchange	(8,359)	(12,625)	(5,452)	(34,547)	(14,679)	(75,662)
Balance - December 31, 2019	184,696	237,480	20,091	687,676	658,417	1,788,360
Additions	45,744	12,656	-	-	-	58,400
Write-offs and disposals	(654)	-	-	-	(123,762)	(124,416)
Other adjustments	-	-	-	-	(2,653)	(2,653)
Foreign exchange	8,207	11,953	3,589	33,775	27,243	84,767
Balance - June 30, 2020	\$ 237,993	\$ 262,089	\$ 23,680	\$ 721,451	\$ 559,245	\$ 1,804,458
Accumulated amortization						
Balance - December 31, 2018	\$ 80,917	\$ 87,371	\$ 24,708	\$ -	\$ -	\$ 192,996
Impact of IFRS 16 adoption	-	-	(712)	-	712	-
Charge for the year	30,070	26,607	19,477	-	281,157	357,311
Write-offs and disposals	(10,432)	(20,427)	(31,538)	-	-	(62,397)
Foreign exchange	(4,893)	(4,443)	(3,609)	-	(3,550)	(16,495)
Balance - December 31, 2019	95,662	89,108	8,326	-	278,319	471,415
Charge for the period	17,596	12,162	5,529	-	148,959	184,246
Write-offs and disposals	-	-	-	-	(123,762)	(123,762)
Foreign exchange	3,276	11,582	1,096	-	8,799	24,753
Balance - June 30, 2020	\$ 116,534	\$ 112,852	\$ 14,951	\$ -	\$ 312,315	\$ 556,652
Net book value						
Balance - December 31, 2019	\$ 89,034	\$ 148,372	\$ 11,765	\$ 687,676	\$ 380,098	\$ 1,316,945
Balance - June 30, 2020	\$ 121,459	\$ 149,237	\$ 8,729	\$ 721,451	\$ 246,930	\$ 1,247,806

7. FINANCIAL ASSETS

Financial assets comprise the Company's investment in Bell Copper Corporation ("Bell Copper") common shares, which had a fair value of \$314,286 on June 30, 2020 (December 31, 2019 – \$185,714).

8. LEASES

(a) Right-of-use-assets

The Company's ROU assets include contracts for leasing vehicles, office premises and equipment. At June 30, 2020, \$246,930 of ROU assets are recorded as part of property, plant and equipment. ROU assets are depreciated on a straight-line basis over the shorter of the lease term or the useful life of the underlying assets.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

	Vehicles	Office	Equipment	Total
Right of use assets				
Net book value at January 1, 2019	\$ -	\$ -	\$ -	\$ -
IFRS 16 adoption	42,009	163,873	18,311	224,193
Additions	445,140	-	-	445,140
Amortization charge for the year	(133,662)	(134,923)	(12,572)	(281,157)
Other adjustment	-	3,051	-	3,051
Foreign exchange	(8,513)	(2,005)	(611)	(11,129)
Net book value at December 31, 2019	\$ 344,974	\$ 29,996	\$ 5,128	\$ 380,098
Additions	-	-	-	-
Amortization charge for the period	(118,854)	(27,430)	(2,675)	(148,959)
Other adjustment	-	-	(2,653)	(2,653)
Foreign exchange	17,145	1,099	200	18,444
Net book value at June 30, 2020	\$ 243,265	\$ 3,665	\$ -	\$ 246,930

(b) Lease liabilities

The leases of vehicles, office premises and equipment comprise only fixed payments over the lease terms. The Company recorded interest expense of \$9,143 and \$20,842 on lease liabilities for the three and six months ended June 30, 2020 (June 30, 2019 - \$7,818 and \$15,509). During the three and six months ended June 30, 2020, the Company also recorded expenses of \$23,867 and \$36,899 (June 30, 2019 - \$19,124 and \$69,975) related to short-term leases and income of \$Nil and \$8,891 (June 30, 2019 - \$19,284 and \$36,564) from sub-leasing ROU assets.

	June 30, 2020	December 31, 2019
Maturity analysis - contractual undiscounted cash flows		
Less than one year	\$ 250,987	\$ 315,112
One to two years	100,218	117,272
Two to three years	9,870	9,408
More than three years	13,589	17,657
Total undiscounted lease liabilities	374,664	459,449
Effect of discounting	(106,398)	(45,842)
Total lease liabilities	\$ 268,266	\$ 413,607
Current	\$ 206,677	\$ 281,151
Non-current	\$ 61,589	\$ 132,456
Six months ended June 30,		
	2020	2019
Balance at beginning of period	\$ 413,607	\$ 42,299
IFRS 16 adoption	-	182,184
Cash flows		
Principal payments	(118,651)	(84,642)
Interest payments	(20,784)	(14,065)
Non-cash changes		
Additions	-	77,002
Accretion	20,842	15,509
Change in foreign exchange and other	(26,748)	(7,241)
Total lease liabilities, end of period	\$ 268,266	\$ 211,046

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

9. OTHER LIABILITY

The Company's other liabilities are as follows:

	June 30, 2020	December 31, 2019
OMNI Liability (i)	\$ -	\$ 16,898,700
Other (ii)	341,125	649,500
	\$ 341,125	\$ 17,548,200

- i. The Company was party to an option agreement, originally signed in February 2016, with Sociedad Ordinaria de Minas Omni ("OMNI"), Compañía Minera El Alacran S.A.S., CMH Colombia S.A.S. ("CMH"), and Cobre Minerales ("Cobre"), together the "OMNI Parties", to acquire a 100% interest in the Alacran copper-gold-silver deposit ("Alacran Deposit") (the "Option Agreement"). Under the terms of the Option Agreement, the Company agreed to undertake certain exploration commitments and to make certain scheduled cash payments during the exploration phase. On August 30, 2019, the Company advised the OMNI Parties of its intention to exercise its option to acquire a 100% interest in the Alacran Deposit pursuant to the Option Agreement, and was contractually obligated to make the fifth and final option payment of US\$13 million ("OMNI Liability") to the OMNI Parties on or before June 30, 2020. On June 30, 2020, the Company settled the OMNI Liability and completed the acquisition of the 100% interest in the Alacran Deposit. The corresponding non-current asset for the right to exercise the option of US\$13 million (\$17.73 million) was expensed to E&E acquisition costs (Note 14).
- ii. The other liability relates to subscription agreements entered into with two arm's length parties associated with the acquisition of the Alacran Deposit (Note 10(a)(ii)).

10. SHARE CAPITAL

(a) Common Shares

The Company is authorized to issue an unlimited number of common shares without par value. At June 30, 2020, the Company had 891,513,218 common shares issued and outstanding (December 31, 2019 – 365,498,594).

i. Strategic equity investment by JCHX

On January 17, 2020, Cordoba completed a strategic equity investment totaling gross proceeds of approximately \$10.96 million by JCHX Mining Management Co., Ltd. ("JCHX"). Cordoba issued 91,372,536 common shares to JCHX through a private placement at a price of \$0.12 per share (the "Private Placement"). On closing, JCHX acquired approximately 19.9% of Cordoba's issued and outstanding common shares, and HPX's ownership reduced to approximately 60.2%. In connection with the private placement, the Company incurred share issuance costs of \$125,911.

Upon closing of the Private Placement, Cordoba and JCHX entered into an investor rights agreement, which provides for certain key provisions:

- JCHX will be entitled to nominate representatives to Cordoba's Board of Directors in proportion to its shareholding (up to a maximum of 20% of the board seats), with one nominee to be added based on JCHX's 19.9% interest;

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- JCHX will be granted anti-dilution rights to enable it to maintain its ownership interest;
- JCHX will have a right of first offer to be appointed as the Engineering Procurement Construction contractor in connection with any future mining development on the San Matias Project; and
- JCHX will have a right of first offer in respect of any sale of an equity interest in the San Matias Project.

ii. Subscription Agreements

On April 28, 2020, Cordoba issued an aggregate of 3,713,687 common shares (the “First Tranche Shares”) at a price of \$0.0895 per share representing an aggregate value of \$332,375 (US\$250,000 on the conversion date) to two arm’s length parties (the “Subscribers”) pursuant to the terms of subscription agreements between the Company and each of the Subscribers (the “Subscription Agreements”). The Subscription Agreements were entered into in connection with Cordoba obtaining an extension on certain obligations due under the Option Agreement and in consideration for work and services provided by the parties for the Company. On the date of settlement, the closing market price of the Company’s common shares were higher than the agreed upon amount, and the resulting difference of approximately \$90,985 was recorded in other income.

Concurrent with the issuance of the First Tranche Shares, on April 28, 2020, Cordoba issued 928,401 common shares to JCHX at a price of \$0.0516 per JCHX Share for gross proceeds of \$47,905, pursuant to the terms of a subscription agreement between the Company and JCHX. In connection with the issuance, the Company incurred share issuance costs of \$4,353.

On July 16, 2020, Cordoba issued an aggregate of 4,660,176 common shares (the “Second Tranche Shares”) at a price of \$0.0732 per share representing an aggregate value of \$341,125 (US\$250,000 on the conversion date) to the Subscribers, pursuant to the terms of the Subscription Agreements.

In connection with the issuance of the Second Tranche Shares, on July 30, 2020, Cordoba issued 1,165,017 common shares to JCHX at a price of \$0.0869 per share for gross proceeds of \$101,240, pursuant to the terms of a subscription agreement between the Company and JCHX. On closing, JCHX retained its 19.99% interest in Cordoba’s issued and outstanding common shares.

iii. Rights Offering

On June 29, 2020, the Company announced the closing of its rights offering (the “Rights Offering”), which raised gross proceeds of \$21.5 million. Upon the closing of the Rights Offering, the Company issued a total of 430,000,000 new common shares, which represents 100% of the maximum number of common shares that were available under the offering. The Company incurred \$206,947 of share issuance costs associated with the Rights Offering.

Pursuant to the Rights Offering, eligible shareholders of record on June 1, 2020 received 0.93171762634 of one right for every one common share held (each whole right, a “Right”). Each Right entitled the holder to subscribe for one common share at a

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subscription price of \$0.05 per common share (the “Basic Subscription Privilege”). The Rights traded on the TSX Venture Exchange under the symbol “CDB.RT” from May 29, 2020 to June 25, 2020.

In connection with the Rights Offering, the Company entered into a standby commitment agreement (the “Standby Commitment Agreement”) with HPX, the Company’s controlling shareholder. HPX agreed, subject to certain terms and conditions, to exercise its Basic Subscription Privilege in respect of any Rights it held, and, in addition thereto, to acquire any additional common shares available as a result of any unexercised Rights under the Rights Offering, excluding those falling within JCHX’s commitment to complete its Basic Subscription Privilege. The Rights Offering was fully subscribed and consequently, HPX did not acquire any new shares under its standby commitment.

In consideration for the Standby Commitment Agreement, upon completion of the rights offering and fulfillment of the standby commitment, the Company issued 21,910,113 warrants to HPX. Each warrant entitles HPX to acquire one common share of the Company at an exercise price equal to \$0.075 per common share at any time on or before June 26, 2025 (Note 10(b)).

JCHX, an insider of the Company fulfilled its commitment by fully exercising its Basic Subscription Privilege and acquired 85,998,410 common shares for gross proceeds of \$4.30 million, retaining its 19.99% interest.

(b) Share Purchase Warrants

Share purchase warrants outstanding as of June 30, 2020 and December 31, 2019 are as follows:

Expiry date	June 30, 2020		December 31, 2019	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
October 19, 2020 (ii)	26,605,128	\$0.096	26,605,128	\$0.13
February 25, 2021 (ii)	22,800,000	\$0.088	22,800,000	\$0.12
June 26, 2025 (i)	21,910,113	\$0.075	-	-
	71,315,241	\$0.088	49,405,128	\$0.13

- i. Pursuant to the terms of the Standby Commitment Agreement, upon closing of the Rights Offering (Note 10(a)(iii)) and fulfillment of the standby commitment by HPX, the Company issued 21,910,113 share purchase warrants to HPX.

The fair value of the each warrant was estimated to be approximately \$0.0468 on the date of issuance using the Black-Scholes option-pricing model with the following assumptions: risk free interest rate of 0.305%, expected life of 3 years, annualized volatility of 114.28% and dividend yield of 0%. The aggregate fair value of \$1.02 million was debited to share capital as a cost of conducting the rights offering.

- ii. As a result of the Rights Offering (Note 10(a)(iii)), pursuant to the terms of the warrant certificates, the following adjustments were made to the warrants that expire on October 19, 2020 and February 25, 2021.

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The exercise price of the warrants expiring October 19, 2020 was adjusted from \$0.13 to \$0.096 and the number of shares subject to the right of purchase upon exercise of the warrant was adjusted by multiplying the original number of shares by a ratio of 1.35417.

The exercise price of the warrants expiring February 25, 2021 was adjusted from \$0.12 to \$0.088 and the number of shares subject to the right of purchase upon exercise of the warrants was adjusted by multiplying the original number of shares by a ratio of 1.36364.

11. SHARE-BASED PAYMENTS

(a) Share Purchase Options

The Company has in place a stock option plan (the "Plan"), which allows the Company to issue options to 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 six months ended June 30, 2020 and 2019:

	Six months ended June 30, 2020		Six months ended June 30, 2019	
	Number of stock options	Weighted average exercise price (\$ per share)	Number of stock options	Weighted average exercise price (\$ per share)
Outstanding, beginning of period	8,604,038	\$ 0.37	9,667,500	\$ 0.38
Granted	1,250,000	0.08	-	-
Exercised	-	-	-	-
Expired/cancelled/forfeited	(58,333)	0.20	(1,116,666)	0.24
Outstanding, end of period	9,795,705	\$ 0.33	8,550,834	\$ 0.40
Exercisable, end of period	6,982,084	\$ 0.42	6,230,000	\$ 0.47

The weighted average fair value of the share purchase options granted during the six months ended June 30, 2020, has been estimated to be \$0.06 using the Black-Scholes option pricing model with the following assumptions: risk-free interest rate of 0.395%, expected life of 4 years, annualized volatility of 107.09% and dividend yield of 0%.

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Exercise price (\$ per share)	Options outstanding			Options exercisable	
	Number of stock options	Weighted average remaining contractual life (years)		Number of stock options	Weighted average remaining contractual life (years)
0.065	461,538	4.14		-	-
0.08	1,250,000	4.80		-	-
0.12	1,125,000	5.41		1,125,000	5.41
0.13	150,000	5.32		150,000	5.32
0.20	3,366,667	2.70		2,283,334	2.70
0.21	825,000	4.91		825,000	4.91
0.58	75,000	2.39		56,250	2.39
0.74	100,000	6.36		100,000	6.36
0.80	1,055,000	3.99		1,055,000	3.99
0.85	1,350,000	5.81		1,350,000	5.81
1.00	37,500	2.08		37,500	2.08
	9,795,705	4.13		6,982,084	4.24

(b) 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 a participant's retirement, the DSUs may be settled with cash or shares of the Company, at the sole discretion of the Board. The fair value of a DSU is determined as the fair market value of a common share of the Company on grant date and recorded in equity reserves. On April 16, 2020, a total of 818,552 DSUs were granted to non-executive directors of the Company and the total fair value was determined to be approximately \$65,000. At June 30, 2020, there were 2,353,166 DSUs outstanding (December 31, 2019 – 1,534,614).

(c) 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 the grant date and recorded in equity reserves. At June 30, 2020, 273,338 RSUs were outstanding (December 31, 2019 – 273,338).

12. EXPLORATION AND EVALUATION EXPENDITURES

For the three and six months ended June 30, 2020 and 2019, exploration and evaluation ("E&E") expenditure comprises:

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Direct exploration costs	\$ 340,122	\$ 689,788	\$ 1,648,999	\$ 1,378,133
Indirect exploration costs	532,939	368,729	1,538,967	744,797
Site general and administration ("G&A") costs	579,051	536,853	1,312,649	1,047,965
E&E acquisition costs	17,764,242	1,385,840	17,764,242	1,411,309
Share-based payments	7,820	21,792	19,097	48,178
Total exploration and evaluation ("E&E") expenditures	\$ 19,224,174	\$ 3,003,002	\$ 22,283,954	\$ 4,630,382

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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E&E expenditures are allocated to the following projects:

	Colombia		USA		Other		Total	
	Three months ended June 30,		Three months ended June 30,		Three months ended June 30,		Three months ended June 30,	
	2020	2019	2020	2019	2020	2019	2020	2019
Direct exploration costs	\$ 294,717	\$ 662,707	\$ 45,405	\$ 27,081	\$ -	\$ -	\$ 340,122	\$ 689,788
Indirect exploration costs	489,465	352,769	43,474	15,960	-	-	532,939	368,729
Site G&A costs	556,695	517,119	22,356	19,734	-	-	579,051	536,853
E&E acquisition costs (i)	17,757,315	1,367,606	6,927	18,234	-	-	17,764,242	1,385,840
Share-based payments	-	-	-	-	7,820	21,792	7,820	21,792
Total E&E expenditures	\$ 19,098,192	\$ 2,900,201	\$ 118,162	\$ 81,009	\$ 7,820	\$ 21,792	\$ 19,224,174	\$ 3,003,002

	Colombia		USA		Other		Total	
	Six months ended June 30,		Six months ended June 30,		Six months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019	2020	2019	2020	2019
Direct exploration costs	\$ 1,360,409	\$ 924,265	\$ 288,590	\$ 453,868	\$ -	\$ -	\$ 1,648,999	\$ 1,378,133
Indirect exploration costs	1,453,182	655,995	85,785	88,802	-	-	1,538,967	744,797
Site G&A costs	1,273,862	998,039	38,787	49,926	-	-	1,312,649	1,047,965
E&E acquisition costs (i)	17,757,314	1,381,027	6,928	30,282	-	-	17,764,242	1,411,309
Share-based payments	-	-	-	-	19,097	48,178	19,097	48,178
Total E&E expenditures	\$ 21,844,767	\$ 3,959,326	\$ 420,090	\$ 622,878	\$ 19,097	\$ 48,178	\$ 22,283,954	\$ 4,630,382

(i) E&E acquisition costs in Colombia of approximately \$17.76 million for the three and six months ended June 30, 2020 relate to the Company's acquisition of the Alacran Deposit (Note 14).

13. CORPORATE ADMINISTRATION

For the three and six months ended June 30, 2020 and 2019, corporate administration comprises:

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Salaries and benefits	\$ 260,301	\$ 237,882	\$ 504,371	\$ 496,055
Share-based payments	92,222	35,205	129,063	115,926
Office admin	28,121	31,497	57,019	55,691
Professional Fees	151,144	79,403	194,483	151,628
Insurance	33,051	9,897	66,102	19,808
Travel	1,428	6,101	3,548	36,866
Investor relations	13,576	2,150	23,720	37,345
Compliance and regulatory	3,195	5,066	37,865	18,295
Other	26,060	15,624	51,117	30,030
Total corporate administration	\$ 609,098	\$ 422,825	\$ 1,067,288	\$ 961,644

14. ACQUISITION OF ALACRAN DEPOSIT

On June 30, 2020, the Company acquired 100% ownership of the Alacran Deposit, through the acquisition of 100% of the outstanding common shares of CMH Colombia S.A.S. ("CMH"), and its wholly-owned subsidiary, Cobre Minerals S.A.S. ("Cobre"), which holds the Alacran Deposit. The Alacran Deposit, an exploration and evaluation asset under the provisions of IFRS 6, is Cobre's principal asset, and the acquisition was accounted for as an asset acquisition as substantially all of the fair value of the gross assets acquired was concentrated in a single identifiable asset, the Alacran Deposit, and therefore, did not meet the definition of a business under IFRS 3, *Business Combinations*.

The Company settled the fifth and final option payment of US\$13 million (\$17.73 million) (Note 9) to acquire the 100% interest in CMH through cash payments of US\$7.5 million (\$10.18 million), and an agreement to defer HPX's US\$5.5 million (\$7.54 million) portion of the option payment (Note 16(c)(iii)). Upon settlement of all outstanding obligations pursuant to the Option Agreement

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on June 30, 2020, all shares of CMH were transferred to Cordoba, free of any encumbrance or other conditions. The consideration of US\$13 million, which was originally capitalized on August 30, 2019 as a non-current asset represents the cost to acquire the Alacran Deposit.

The net assets acquired by the Company were estimated at a fair value of \$17.76 million as follows:

Consideration	
Cash payments	\$ 10,184,560
Deferred cash payments	7,544,529
Transaction costs	30,095
	<u>\$ 17,759,184</u>

The fair value of the net assets acquired was allocated as follows:

Alacran Deposit	17,757,314
Receivables	1,870
Net assets acquired	<u>\$ 17,759,184</u>

In accordance with Cordoba's accounting policy, the fair value allocated to the Alacran Deposit was expensed as an E&E acquisition cost within exploration and evaluation expenditures in the three and six months ended June 30, 2020.

Compañía Minera El Alacran S.A.S. ("CMA") one of the OMNI Parties, will retain a 2% net smelter royalty with an advanced royalty payment of US\$500,000 commencing at the earlier of three years after the receipt of approvals to commence construction at Alacran, or six years after filing for approval to commence construction at Alacran.

15. NON-CONTROLLING INTEREST

In May 2019, the Company acquired 25% of MMDEX LLC ("MMDEX"). The acquisition was accounted for as an asset acquisition as the activities of MMDEX did not meet the definition of a business under IFRS 3, *Business Combinations*. Management's assessment at the time of acquisition concluded that Cordoba controls MMDEX. The Company has consolidated MMDEX, recognizing a 75% non-controlling interest from May 2019 onwards.

The carrying value of MMDEX's assets and liabilities was \$Nil as at June 30, 2020 (December 31, 2019 - \$Nil). MMDEX's revenue was \$Nil for both the three and six months ended June 30, 2020. MMDEX's net loss for the three and six months ended June 30, 2020 \$118,161 and \$420,088, respectively. The Company recognized \$88,620 and \$315,066 as non-controlling interest, for the three and six months ended June 30, 2020 (June 30, 2019 - \$60,757 and \$60,757).

16. RELATED PARTY TRANSACTIONS

The Company had transactions during the three and six months ended June 30, 2020 and 2019 with related parties consisting of directors, officers, HPX, the OMNI Parties and Computational Geosciences Inc. ("CGI"), which are both members of the same HPX group, a company that is owned partially by Cordoba, and a company that is controlled by a closely related family member of one of Cordoba's non-independent directors. These related party transactions, which are described below, are in the normal course of operations and are measured at the exchange amount of the services rendered.

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(a) Expenses

During the three and six months ended June 30, 2020, the Company incurred approximately \$48,000 and \$99,000 (June 30, 2019 - \$32,000 and \$36,000) in E&E and corporate administration expenditures with HPX. The costs incurred consist of technical and managerial services provided for the Company's exploration projects, as well as corporate travel expenditures. Additionally, during the three and six months ended June 30, 2020, the Company charged HPX approximately \$23,000 and \$46,000 (June 30, 2019 - \$20,000 and \$45,000), relating to E&E salaries and expenses.

During the three and six months ended June 30, 2020, the Company incurred approximately \$238,000 and \$514,000 (June 30, 2019 - \$248,000 and \$404,000) in E&E and corporate administration expenditures with Global Mining Management Corporation ("GMM"), a private company based in Vancouver, Canada. Cordoba held 7.7% of GMM's common shares at June 30, 2020 (December 31, 2019 - 9.1%). The costs incurred consist of administrative, technical and managerial services provided to the Company on a pro-rata cost sharing basis under the provisions of the "Shareholders' Corporate Management and Cost Sharing Agreement" between the Company and GMM. The investment in GMM is held at \$Nil on the consolidated statement of financial position.

During the three and six months ended June 30, 2020, the Company incurred approximately \$41,000 and \$59,000 (June 30, 2019 - \$Nil and \$Nil) in directors fees.

During the three and six months ended June 30, 2020, the Company incurred approximately \$Nil and \$50,000 (June 30, 2019 - \$Nil and \$Nil) in technical E&E expenditures provided by CGI, a private company based in Vancouver, Canada, which is also a member of the same HPX group.

During the three and six months ended June 30, 2020, the Company incurred approximately \$54,000 and \$84,000 (June 30, 2019 - \$Nil and \$Nil) in professional consulting services from Vagon Capital SAS, a company that is controlled by a close family member of one of the Company's non-independent directors.

During the three and six months ended June 30, 2020, the Company incurred approximately \$17.73 million and \$17.73 million (June 30, 2019 - \$1.34 million and \$1.34 million) in E&E acquisition costs related to the OMNI Parties.

(b) Deposits

At June 30, 2020, the Company had a deposit of \$80,000 (December 31, 2019 - \$80,000) held by GMM. This deposit is recorded in prepaid expenses and deposits.

(c) Amounts due to related parties

	June 30, 2020	December 31, 2019
GMM payables and accrued liabilities (i)	\$ 68,803	\$ 134,582
HPX payables and accrued liabilities (i)(iii)	7,819,462	101,578
CGI payables and accrued liabilities	50,000	-
HPX short-term loan (ii)	-	3,330,930
Total due to related parties	\$ 7,938,265	\$ 3,567,090

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- i.* The payables and accrued liabilities owing to GMM and HPX are unsecured, non-interest-bearing and payable on demand.
- ii.* On September 25, 2019 the Company arranged short-term loan financing from HPX under the terms of an Unsecured Promissory Note Agreement, which has been provided in the form of a grid promissory note (“Promissory Note”). The Promissory Note had a maturity date of December 31, 2019, and an interest rate of 10% per annum, with interest accruing daily and all interest compounding only at maturity. The interest rate increased to 12% per annum as the Company did not repay the amount owing upon the maturity date. In January 2020, the Company completed a final draw-down on the Promissory Note of approximately US\$192,000 (\$251,000). Upon closing of the Private Placement with JCHX in January 2020 (Note 10(a)(i)), the Company repaid the total amount owing on the Promissory Note, which consisted of principal and interest of approximately US\$2.77 million (\$3.62 million). Aggregate interest expense on the Promissory Note of \$Nil and \$22,879 was recorded in the statements of loss and comprehensive loss for the three and six months ended June 30, 2020 (June 30, 2019 - \$Nil and \$Nil). Interest expense of \$17,570 was recorded for both the three and six months ended June 30, 2019 in relation to the short-term loan financing arranged in June 2019 and subsequently converted to equity in September 2019.
- iii.* On June 30, 2020, the Company completed the acquisition of a 100% interest in the Alacran Deposit and the OMNI Liability was settled through cash payments of US\$7.5 million (\$10.18 million), and a deferral agreement with HPX, one of the shareholders of the OMNI Parties, for their US\$5.5 million (\$7.54 million) portion of the final payment. The balance of US\$5.5 million (\$7.54 million) was reclassified from other liability to due to related parties at June 30, 2020. At June 30, 2020, the other liability includes \$Nil (December 31, 2019 - \$16.90 million) payable to the OMNI Parties (Note 9).

(d) Leases

In December 2018, the former CEO of the Company financed a vehicle on behalf of the Company for operations at the Perseverance Project, in the USA. The Company is leasing this vehicle from the former CEO. At June 30, 2020, the lease liability for the vehicle was \$33,964 (December 31, 2019 - \$35,158) with a remaining lease term of 53 months and an interest rate of 11.29%.

(e) Key management compensation

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

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Salaries and benefits	\$ 172,767	\$ 135,638	\$ 348,830	\$ 381,232
Share-based payments (i)	136,734	-	136,734	-
Total key management compensation	\$ 309,501	\$ 135,638	\$ 485,564	\$ 381,232

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

17. SUPPLEMENTAL CASH FLOW INFORMATION

	Notes	Six months ended June 30, 2020	2019
Operating activities			
Shares issued on settlement of other liability	10(a)(ii)	\$ 332,375	\$ -

18. SEGMENTED INFORMATION

The Company operates in three geographically based industry segments, Canada, Colombia and the United States. The reported loss from operations for the three and six months ended June 30, 2020 and 2019, respectively, in each segment is as follows:

	Colombia		USA		Canada		Total	
	Three months ended June 30,		Three months ended June 30,		Three months ended June 30,		Three months ended June 30,	
	2020	2019	2020	2019	2020	2019	2020	2019
E&E expenditures	\$ 19,098,191	\$ 2,900,201	\$ 118,163	\$ 81,009	\$ 7,820	\$ 21,792	\$ 19,224,174	\$ 3,003,002
Corporate administration	-	-	31,439	-	577,659	422,825	609,098	422,825
Amortization	87,571	64,985	2,169	-	-	-	89,740	64,985
Loss from operations	\$ 19,185,762	\$ 2,965,186	\$ 151,771	\$ 81,009	\$ 585,479	\$ 444,617	\$ 19,923,012	\$ 3,490,812

	Colombia		USA		Canada		Total	
	Six months ended June 30,		Six months ended June 30,		Six months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019	2020	2019	2020	2019
E&E expenditures	\$ 21,844,767	\$ 3,959,326	\$ 420,090	\$ 622,878	\$ 19,097	\$ 48,178	\$ 22,283,954	\$ 4,630,382
Corporate administration	-	-	35,189	8,823	1,032,099	952,821	1,067,288	961,644
Amortization	171,670	106,724	4,275	2,082	8,301	25,231	184,246	134,037
Loss from operations	\$ 22,016,437	\$ 4,066,050	\$ 459,554	\$ 633,783	\$ 1,059,497	\$ 1,026,230	\$ 23,535,488	\$ 5,726,063

The Company's non-current assets at June 30, 2020 and December 31, 2019 are located in Colombia, the United States and at the corporate office in Canada, as follows:

	Colombia		USA		Canada		Total	
	June 30,	December 31,	June 30,	December 31,	June 30,	December 31,	June 30,	December 31,
	2020	2019	2020	2019	2020	2019	2020	2019
Colombian VAT receivable	\$ 1,841,405	\$ 1,629,508	\$ -	\$ -	\$ -	\$ -	\$ 1,841,405	\$ 1,629,508
Property, plant and equipment	1,218,645	1,276,780	29,161	31,864	-	8,301	1,247,806	1,316,945
Financial assets	-	-	-	-	314,286	185,714	314,286	185,714
Other asset	-	16,898,700	-	-	-	-	-	16,898,700
Non-current assets	\$ 3,060,050	\$ 19,804,988	\$ 29,161	\$ 31,864	\$ 314,286	\$ 194,015	\$ 3,403,497	\$ 20,030,867

19. FINANCIAL INSTRUMENTS

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

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

	June 30, 2020	December 31, 2019
Financial assets		
Financial assets measured at amortized cost		
Cash and cash equivalents	\$ 12,642,044	\$ 247,160
Other receivables	13,416	19,334
Deposits	749,625	196,101
Financial assets measured at FVTOCI		
Investments	314,286	185,714
Total financial assets	\$ 13,719,371	\$ 648,309
Financial liabilities measured at amortized cost		
Accounts payable and accrued liabilities	\$ 542,195	\$ 676,007
Due to related parties	7,938,265	3,567,090
Lease liability	268,266	413,607
Other liability	341,125	17,548,200
Total financial liabilities	\$ 9,089,851	\$ 22,204,904

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

Financial instruments measured at fair value are classified into one of the three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values.

The three levels of the fair value hierarchy are:

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

Investments in traded equity securities are valued using level one inputs.

20. CONTINGENCIES

Cordoba filed criminal lawsuits 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. We cannot reasonably predict the likelihood or outcome of the lawsuits.