



(the “Company”)

**AMENDED**

**MANAGEMENT’S DISCUSSION AND ANALYSIS  
For the three and nine month periods ended September 30, 2018**

**GENERAL**

This Management’s Discussion and Analysis (“MD&A”) supplements, but does not form part of, the condensed interim consolidated financial statements of the Company for the three and nine month periods ended September 30, 2018. The following information, prepared as of November 14, 2018, should be read in conjunction with the Company’s unaudited condensed interim consolidated financial statements for the three and nine month periods ended September 30, 2018 and the audited consolidated financial statements for the year ended December 31, 2017. 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 Canadian-based exploration and development company with exploration projects primarily located in Colombia. Cordoba has also entered into a joint venture and earn-in agreement to explore the Perseverance copper porphyry project located in Arizona, USA. The principal business of the Company is the acquisition, exploration and development of precious and base metal properties.

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

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

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

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

Cordoba has also entered into a joint venture and earn-in agreement with Bell Copper Corporation (TSXV: BCU) (“Bell Copper”) to explore the Perseverance copper porphyry project (“Perseverance”) located in Arizona, USA. Exploration drilling has commenced in October at Perseverance.

## **CORPORATE UPDATE**

### **Private Placement**

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

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

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

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

The common shares issued in connection with the Placement, Debt Conversion and Omni Settlement are subject to a statutory four-month hold period.

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

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

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

The Shares and Warrants issued in connection with the Placement are subject to a statutory four month hold period.

With the completion of the transactions, HPX holds 207,589,163 common shares of Cordoba, representing an approximate 74.9% interest.

### **Bell Copper Joint Venture**

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

Pursuant to the terms of the Joint Venture Agreement, and as part of the initial commitment to the project, Cordoba subscribed for 2,857,143 units of Bell Copper on a private placement basis at a price of \$0.07 per unit. Each unit consists of 1 common share in the capital of Bell Copper and 1 common share purchase warrant, with each warrant exercisable at a price of \$0.105 per share for a period ending 12 months from the date of issuance. The warrants are subject to a mandatory exercise in the event that, at any time prior to the expiry of the warrants, Bell Copper's common shares trade at or above \$0.14 for 30 consecutive trading days. Following the completion of the unit private placement, but prior to the exercise of any warrants, Cordoba owns approximately 4% of Bell Copper on a non-diluted basis.

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

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

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

The initial drilling has commenced at Perseverance at the writing of this report. On November 12, 2018, Cordoba provided informal notification to Bell Copper of its intention to initiate the Phase 1 earn-in under the Joint Venture Agreement.

### **Change in Management**

On October 30, 2018, the Company announced the transitioning of Eugene Schmidt to a consultant role within the Company. Eugene Schmidt was instrumental in identifying new prospective targets at Alacran and in the greater San Matias District. Having completed this objective, he will advise the Company during exploration and drilling at Alacran as well as at Perseverance in Arizona, USA. Although no longer acting as Vice President, Exploration, he will continue to generate new ideas and potential projects for Cordoba.

### **SAN MATIAS EXPLORATION UPDATE**

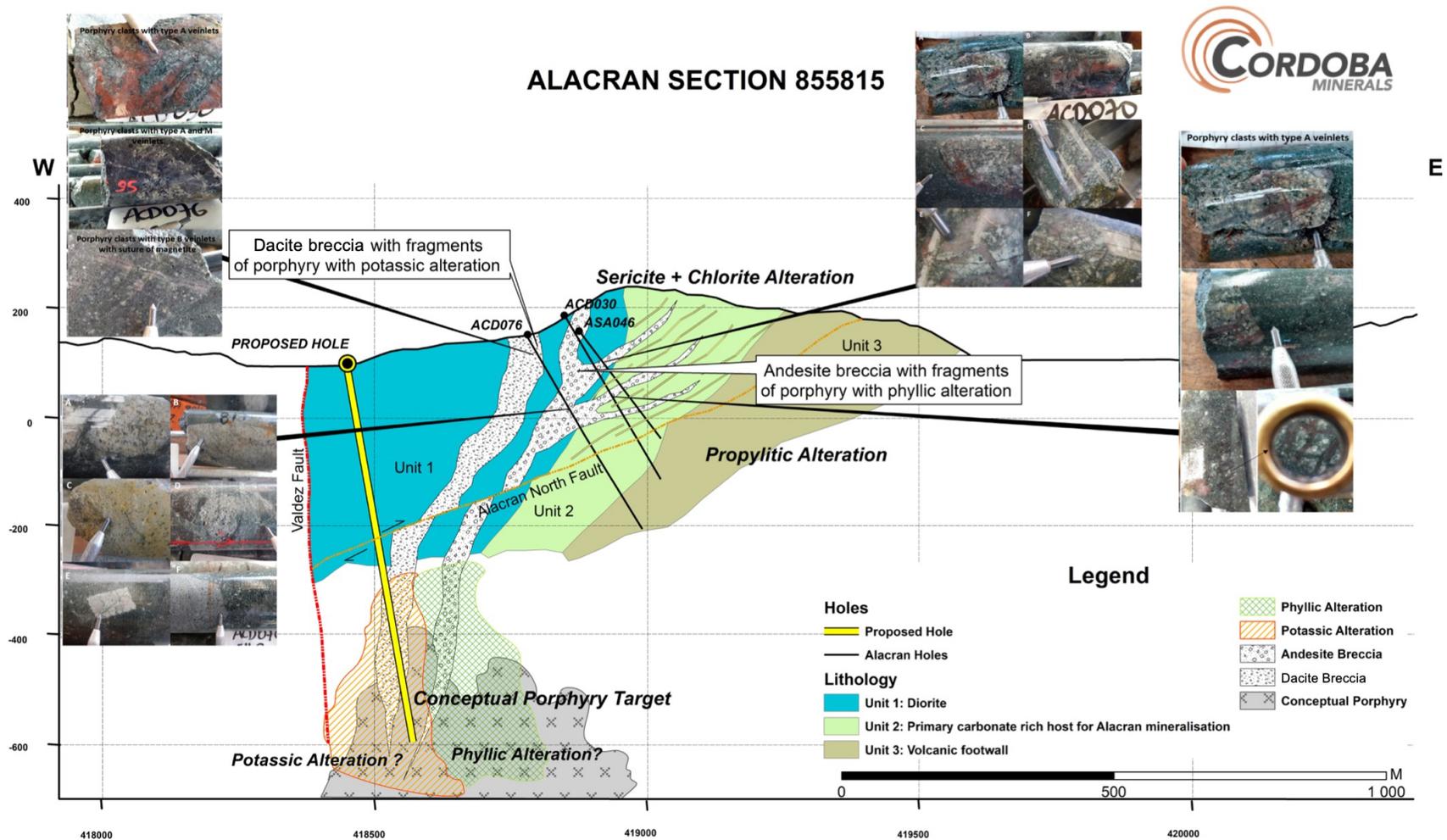
Exploration at the San Matias project continued with surface mapping and re-studying of historical diamond drill core. This detailed investigation into the source of Alacran mineralization has led to the identification of a potential porphyry copper-gold source located immediately west of the Alacran Deposit. Drill targets are being finalized ahead of a planned 1,500 metre diamond drill program.

#### **Highlights**

- Two distinct styles of mineralization have been identified at Alacran: 1. Replacement (or manto) copper-gold mineralization accounting for the bulk of the Alacran Deposit's Mineral Resources (Indicated: 36.1 million tonnes grading 0.57% copper and 0.26 g/t gold - Inferred: 31.8 million tonnes grading 0.52% copper and 0.24 g/t gold - refer to Cordoba's February 26, 2018 news release); and 2. Carbonate-base metal ("CBM") feeder zones. New evidence from surface mapping and drill hole re-logging suggests that both mineralization types are truncated to the west by late-mineral intrusive breccias.

- Two distinct types of intrusive breccia have been identified: andesitic and dacitic composition. Both are interpreted to have been emplaced along the same structures that earlier introduced the Alacran mineralizing fluids.
- While both breccia types contain rock fragments with replacement and CBM styles of mineralization, the dacitic breccia also contains clasts of porphyry-style mineralization with potassic alteration, which may be an indication of a nearby source of porphyry copper-gold mineralization.

Figure 1: Schematic image showing conceptual porphyry copper-gold target at Alacran.



Mineralization Styles Identified at Alacran

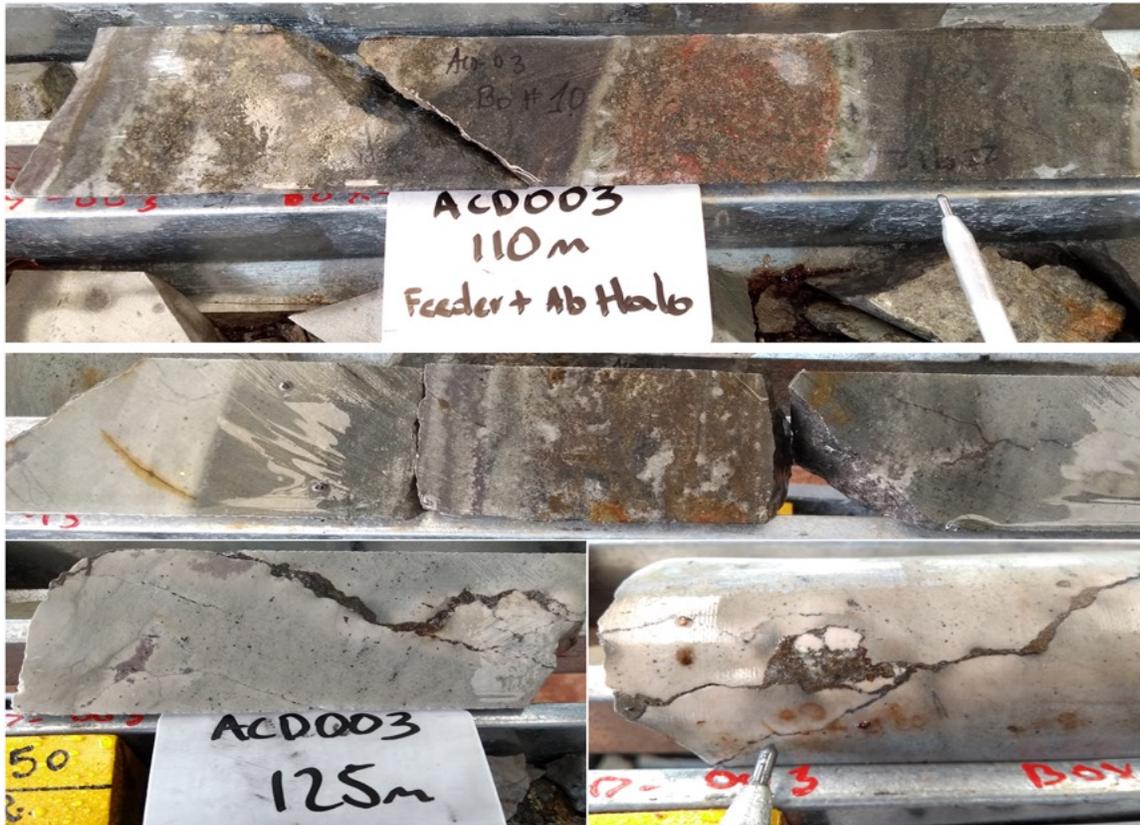
Previously, the focus of exploration at Alacran was to identify massive magnetite and sulphide mantos that replace the Unit 2 carbonate-rich mudstone. This style of mineralization extends over approximately 900 metres from South to Central Alacran and can have a true thickness of up to 40 metres (refer to Figure 2 below). In the north of the Deposit, the manto mineralization transitions to CBM feeder-style mineralization.

**Figure 2:** Alacran manto with massive magnetite and sulphides.



The CBM feeder zones consist of carbonate, sericite and albite containing pyrite, chalcopyrite and sphalerite. Hydrothermal fluids are interpreted to have moved along the bedding of the volcano-sedimentary host rocks by exploiting fractures and porosity.

**Figure 3:** Feeder mineralization hosted in fine tuff and siltstone.



### Intrusive Breccias Are Key to Understanding Alacran Mineralization

During recent “boots on the ground” fieldwork, Cordoba’s geologists noted that current artisanal mining located near the town of Alacran had exposed a body of intrusive breccia. Through subsequent mapping and drill core re-logging, Cordoba’s geologists have been able to identify two distinct types of breccia, each containing clasts with porphyry-style alteration and mineralization.

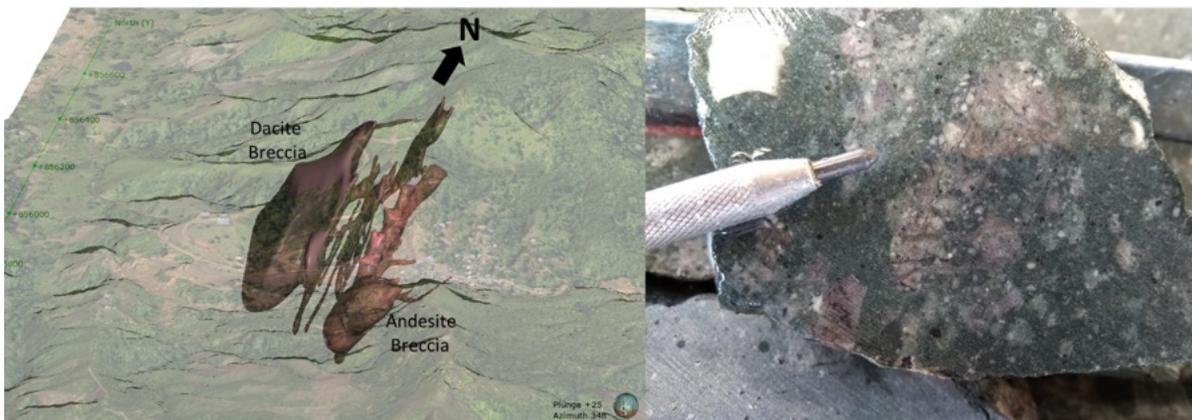
The andesitic breccia has a porphyritic andesite matrix altered to sericite and albite. It contains clasts of fine, equigranular to porphyritic diorite showing phyllic alteration. Mineralized clasts are principally manto-style massive sulphide, but some zones also contain CBM fragments.

**Figure 4:** Andesite breccia.



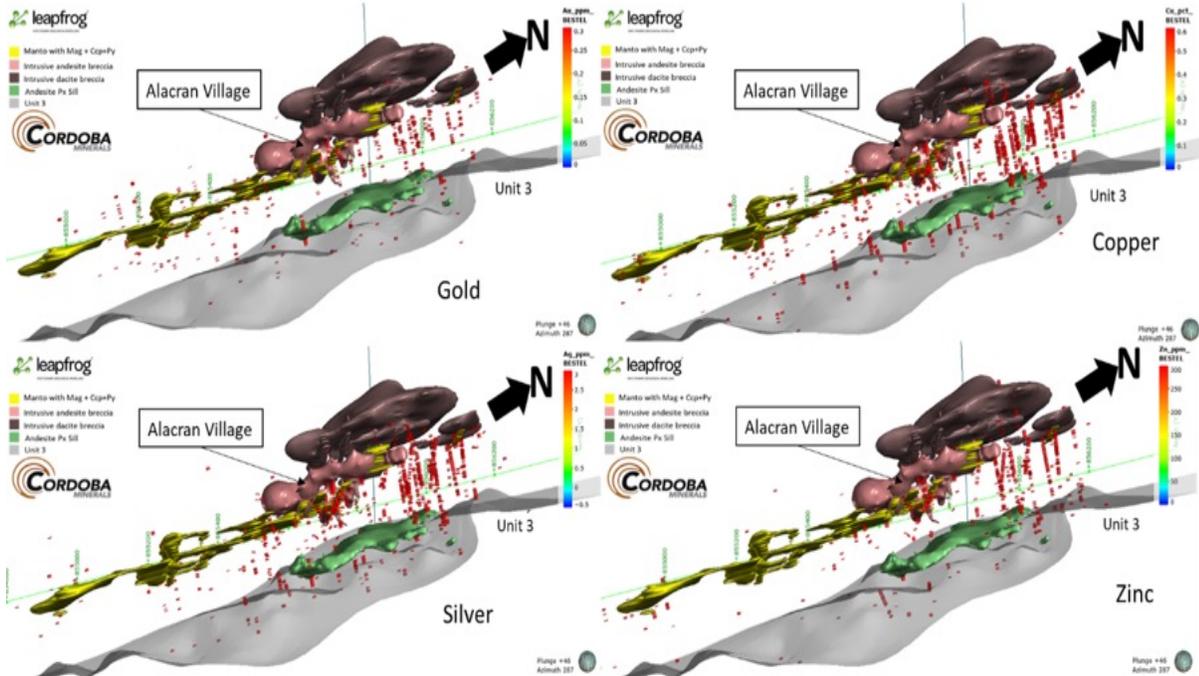
The dacitic breccia is particularly interesting because it has a porphyritic dacite matrix and contains angular clasts of hornblende porphyry with both potassic and phyllic alteration. Importantly, the clasts with potassic alteration also contain porphyry-style A veins.

**Figure 5:** Dacite breccia.



Previously identified internal metal zoning patterns within the Alacran Deposit (refer to Cordoba’s August 8, 2018 news release), which show increased gold, copper, silver and zinc values in the Central and Northern portion of the Deposit, are now believed to be spatially related to the breccias.

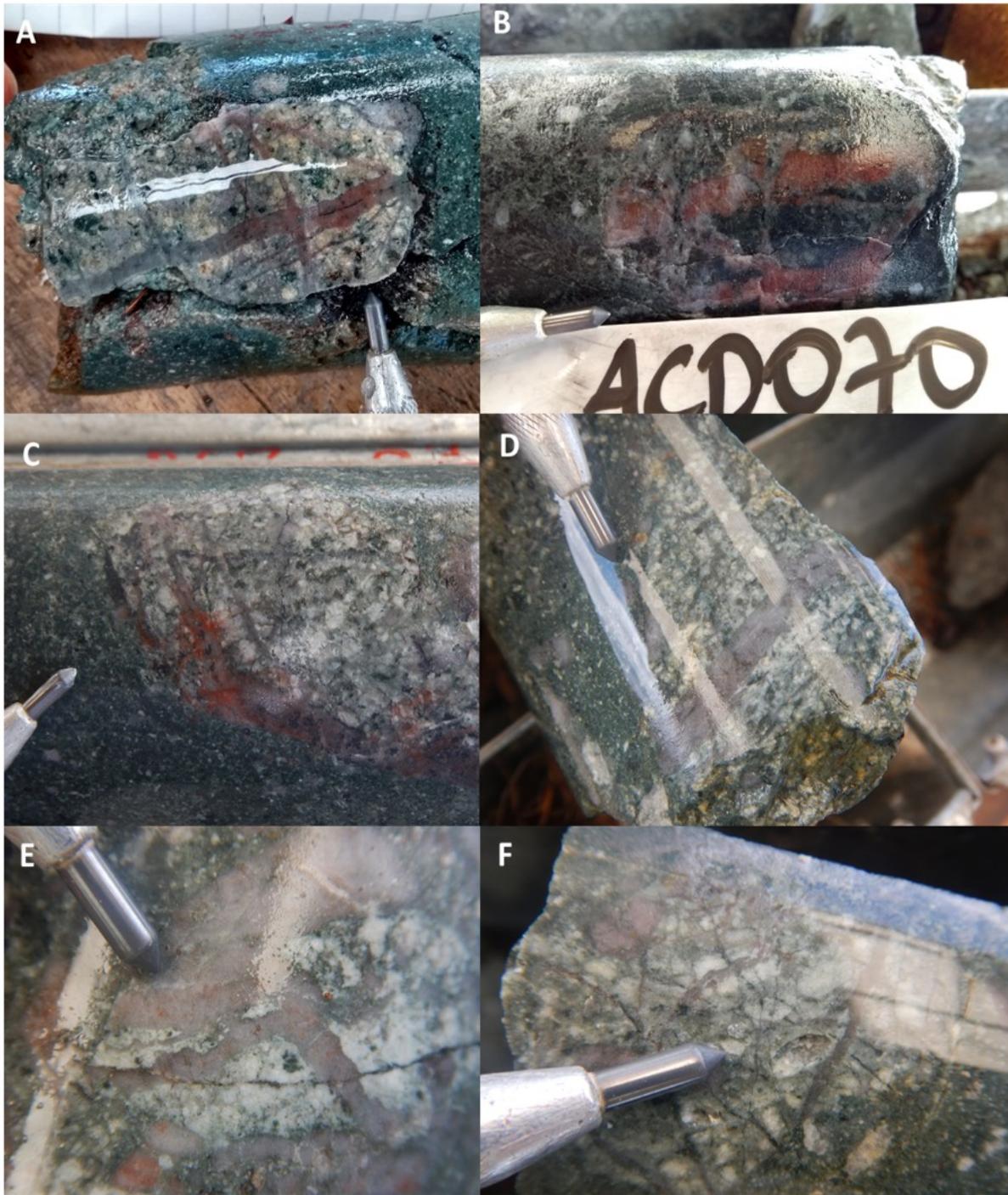
**Figure 6:** Breccias related to mineralized zones in the Alacran Deposit.



Evidence of a Nearby Mineralized Porphyry Deposit

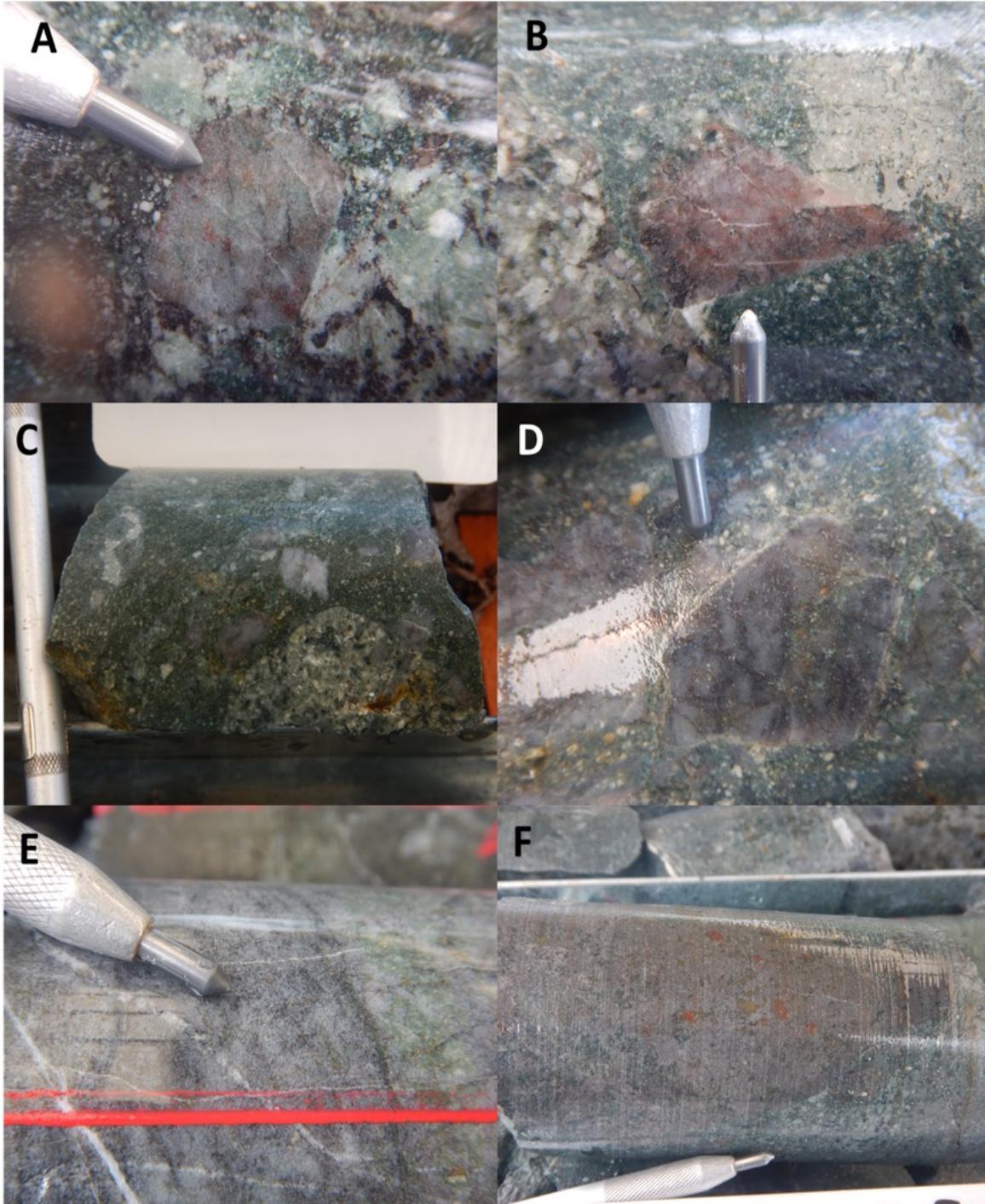
Altered porphyry clasts are present in both the dacitic and andesitic breccias; however, only in the dacitic breccia are clasts with potassic alteration observed. These fragments have disseminated magnetite and feature sinuous Type A veinlets of saccharoidal quartz containing magnetite and chalcopyrite.

**Figure 7:** Porphyritic fragments with Type A veinlets.



Silicified country rock fragments containing quartz veins and disseminated magnetite, chalcopyrite, pyrite and molybdenite have also been identified. Quartz clasts in the breccia are also thought to be “vein clasts” that consist entirely of mineralized vein material.

**Figure 8:** “Vein clasts” as well as silicified country rock fragments containing chalcopyrite, pyrite, disseminated magnetite and quartz veining.



Unidirectional Solidification Textures (“USTs”) contained within the porphyry clasts are often seen in porphyry deposits at the top or “apical” portions of the intrusive stock in association with potassic alteration and Type A veining.

**Figure 9:** Unidirectional Solidification Textures.



Given the potential impact of these recent observations, the Company has decided to delay the Alacran Preliminary Economic Assessment until the area of interest has been explored with drilling.

#### **Technical Information & Qualified Person**

The scientific and technical information in this release has been reviewed and verified by Dale A. Sketchley, M.Sc., P.Geo., a Qualified Person for the purpose of National Instrument 43-101. Mr. Sketchley is a consultant to Cordoba Minerals and is considered independent under National Instrument 43-101. Mr. Sketchley is a geologist with over 40 years in the mineral exploration, mining and consulting industry. He is a Member of the Association of Professional Engineers and Geoscientists of British Columbia (APEGBC) and the Canadian Institute of Mining and Metallurgy (CIMM).

## SELECTED QUARTERLY INFORMATION

The following table provides information for the eight fiscal quarters ended September 30, 2018:

	30-Sep-2018	30-Jun-2018	31-Mar-2018	31-Dec-2017
Exploration and evaluation expenditures	\$ 1,341,343	\$ 1,913,407	\$ 2,499,302	\$ 2,810,439
Other operating expenses	629,060	797,657	443,845	310,681
Net loss	1,991,191	2,768,513	2,962,111	3,092,832
Loss per share - basic and fully diluted	0.01	0.01	0.01	0.02
Total assets	3,054,130	2,918,925	4,183,872	5,476,457
Total liabilities	513,620	3,013,080	1,890,398	511,926
Shareholders' equity	2,540,510	(94,155)	2,293,474	4,964,531

	30-Sep-2017	30-Jun-2017	31-Mar-2017	31-Dec-2016
Exploration and evaluation expenditures*	\$ 73,615,070	\$ -	\$ -	\$ 38,000
Other operating expenses	1,205,275	856,654	564,049	1,030,836
Net loss*	74,824,366	849,971	574,065	1,071,368
Loss per share - basic and fully diluted	0.45	0.01	0.01	0.01
Total assets*	8,935,100	3,016,957	5,144,635	2,469,774
Total liabilities	568,449	1,246,947	2,711,871	2,174,123
Shareholders' equity*	8,366,651	1,770,010	2,432,764	295,651

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

- The Company completed its last drilling campaign at the end of 2017. The results of the 2017 campaign were incorporated in the updated Mineral Resource estimate the Company released in February 2018. Exploration and evaluation (“E&E”) expenditures decreased in 2018 as the Company’s geological team focused their effort on regional exploration and investigating the source of Alacran mineralization. The fieldwork consisted of soil sampling and trenching at a number of new copper and gold targets at San Matias. The team also performed surface mapping and drill core re-logging to help identify a potential porphyry copper-gold source near the Alacran Deposit.
- The exploration and evaluation expenditures were higher for the quarter ended September 30, 2017 due to the amount paid to acquire HPX’s 51% interest in San Matias (the “Consideration”) and the reimbursement (the “Reimbursement”) made to HPX for the joint venture (“JV”) expenditures HPX incurred after the completion of the “phase two” exploration stage of San Matias. Both the Consideration and the Reimbursement were expensed in the third quarter of 2017, hence, increased the exploration and evaluation expenditures for the period.
- Since HPX completed the Initial Option Period in early 2016, HPX began funding San Matias directly. The funding received from HPX was recorded as a recovery, which offsets the exploration and evaluation expenditures on the Company’s financial statements; therefore, the exploration and evaluation expenditures were minimal from April 2016 to June 2017.
- Other operating expenses consist of corporate administration costs incurred by the corporate office in Toronto, non-cash share-based payments and amortization. The increase in other operating expenses for the periods ended September 30, 2018, June 30, 2018, September 30, 2017, June 30, 2017, and December 31, 2016 is mainly due to share-based payments of \$153,534, \$408,251, \$663,381, \$298,265, and \$580,610 charged respectively, representing the expensing of Black Scholes fair value of stock options and fair values of DSUs and RSUs during those periods.

Besides the share-based payments charge, other operating expenses have remained relatively consistent over the periods presented.

- The variances in total assets and shareholders' equity are mainly attributable to equity placements, which increased cash resources, while funding the Company's exploration and evaluation expenditures and administrative expenses decreased cash resources. As the Company is in the exploration stage, it does not generate operating revenue.
- The increase in total liabilities for the three months ended March 31, 2018 and June 30, 2018 is mainly due to the draw of US\$500,000 and US\$1,000,000 respectively on the loan facility provided by HPX to fund the Company's corporate administration and exploration costs. Also, for the three months ended June 30, 2018, the Company accrued an option payment of US\$425,850 due to HPX in relation to the purchase of the Alacran property. The balances owing have been settled on August 3, 2018 with issuance of the Company's common shares (see details above under "Private Placement").

## RESULTS OF OPERATIONS

	Three months ended		Nine months ended	
	September 30,	September 30,	September 30,	September 30,
	2018	2017	2018	2017
Exploration and evaluation expenditures	\$ 1,341,343	\$ 73,615,070	\$ 5,754,052	\$ 73,615,070
Corporate administration	461,240	507,429	1,264,964	1,603,773
Share-based payments	153,534	663,381	561,785	961,646
Amortization	14,286	34,465	43,813	60,559
Interest and other income	10,413	(402)	33,973	3,498
Foreign exchange loss	10,375	4,423	63,228	12,446
Gain on disposition of property, plant and equipment	-	-	-	(8,590)
<b>Net loss for the period</b>	<b>\$ 1,991,191</b>	<b>\$ 74,824,366</b>	<b>\$ 7,721,815</b>	<b>\$ 76,248,402</b>

### *Exploration and Evaluation Expenditures*

The exploration and evaluation expenditures were higher for the three and nine months ended September 30, 2017 due to the amount paid to acquire HPX's 51% interest in San Matias and the reimbursement made to HPX for the joint venture expenditures HPX incurred after the completion of the "phase two" exploration stage of San Matias. Both the Consideration and the Reimbursement were expensed in the third quarter of 2017, hence, increased the exploration and evaluation expenditures for the period.

For the three and nine month periods ended September 30, 2018 and 2017, exploration and evaluation expenditure comprises:

	Three months ended		Nine months ended	
	September 30,	September 30,	September 30,	September 30,
	2018	2017	2018	2017
Direct exploration costs	\$ 453,311	\$ 1,599,442	\$ 1,252,041	\$ 5,485,897
Indirect exploration costs	341,261	1,187,505	1,902,274	4,494,426
Site general and administration costs	546,771	591,131	1,320,433	1,538,283
E&E acquisition costs	-	62,096,464	1,279,304	62,096,464
Reimbursement to HPX	-	8,140,528	-	-
<b>Exploration and evaluation expenditures</b>	<b>\$ 1,341,343</b>	<b>\$ 73,615,070</b>	<b>\$ 5,754,052</b>	<b>\$ 73,615,070</b>

Direct and indirect exploration costs decreased for the three and nine month periods ended September 30, 2018 compared to the same periods in 2017 mainly due to timing of the execution of exploration programs

and the type of work carried out at site. The Company's last drilling campaign, which consisted of a 10-hole drill program aimed at extending the Alacran resource in the immediate vicinity of an internally modeled pit shell, began in September 2017 and was completed in the fourth quarter of 2017. The results have been incorporated into the Company's updated resource released in February 2018. For the three and nine months ended September 30, 2018, the Company's exploration program focused on regional exploration and investigating the source of Alacran mineralization. The fieldwork consisted of soil sampling and trenching at a number of new copper and gold targets at San Matias. The team also performed surface mapping and drill core re-logging to help identify a potential porphyry copper-gold source near the Alacran Deposit.

Site general and administration costs for the three and nine months ended September 30, 2018 remained relatively consistent compared to the same periods in 2017. The slight decrease is mainly due to the Company undertaking a reduced exploration program in 2018.

The exploration and evaluation acquisition costs for the nine months ended September 30, 2018 represent the scheduled option payments to OMNI and HPX in accordance with the Option Agreement to earn a 100% interest in the Alacran Deposit. The exploration and evaluation acquisition costs for the three and nine months ended September 30, 2017 represent the fair value of the Company's common shares issued to acquire HPX's 51% interest in San Matias.

In the first half of 2017, HPX was funding San Matias directly under the original JV Agreement. The funding received from HPX was recorded as a recovery, which offsets the exploration and evaluation expenditures on the Company's financial statements. Upon the acquisition of HPX's interest in San Matias, the Company reimbursed HPX for all post-Phase Two project expenditure, hence resulted in a reversal of recovery in the three months ended September 30, 2017.

#### *Corporate Administration*

Corporate administration expenditures for the three and nine months ended September 30, 2018 decreased from same periods last year mainly due to cost saving measures implemented and reduced professional, travel and corporate activity related costs.

#### *Share-based Payments*

For the three and nine month periods ended September 30, 2018, share-based payments decreased compared to the same periods in 2017 due to the timing of the graded expensing of the Company's stock options and RSUs as well as the expensing of the Company's DSUs granted in the third quarter of 2017.

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

At September 30, 2018, the Company had cash and cash equivalents of \$0.2 million (December 31, 2017 - \$2.4 million) and a loan agreement with HPX to draw additional funds to apply against third-party short-term business requirements and current liabilities of \$0.4 million (December 31, 2017 - \$0.5 million).

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

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

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

Funds raised from previous financing are being used towards advancing the San Matias project, drilling activities at the Perseverance copper porphyry project in Arizona, USA, continued corporate development and general working capital purposes. The Company expects its capital resources and existing financing arrangements to be sufficient to cover its planned 2018 activities. Actual funding requirements may vary from those planned due to a number of factors, including the progress of the Company's business activities and current economic and financial market conditions. The Company will continue to pursue opportunities to raise additional capital through equity markets or obtain debt financing from its major shareholder to fund its future exploration and operating activities; however there can be no assurance that such financing will be available on a timely basis and under terms which are acceptable to the Company. For a discussion of the Company's working capital requirements, please see "Capital Management".

#### **OFF-BALANCE SHEET ARRANGEMENTS**

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

#### **PROPOSED TRANSACTIONS**

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

#### **FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

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.

As at	September 30, 2018	December 31, 2017
Cash held in bank accounts	\$ 167,748	\$ 1,298,477
Term deposits	-	1,115,958
	\$ 167,748	\$ 2,414,435

#### **Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company's approach to managing liquidity risk is to provide reasonable assurance that it

will have sufficient funds to meet liabilities when due. The Company manages its liquidity risk by forecasting cash flows required by operations and anticipated investing and financing activities. At September 30, 2018, the Company had cash and cash equivalents of \$0.2 million (December 31, 2017 - \$2.4 million) and a loan agreement with HPX to draw additional funds to apply against third-party short-term business requirements and current liabilities of \$0.4 million (December 31, 2017 - \$0.5 million). 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 and cash and borrowings in USD. The Company monitors this exposure, but has no hedge positions.

As at September 30, 2018, the Company is exposed to currency risk through the following financial assets and liabilities denominated in currencies other than the Canadian dollar:

	September 30, 2018		December 31, 2017	
	US Dollars (CDN equivalent)	Colombian Pesos (CDN equivalent)	US Dollars (CDN equivalent)	Colombian Pesos (CDN equivalent)
Cash	\$ 30,319	\$ 25,550	\$ 6,945	\$ 131,751
Other receivables	-	7,623	-	51,475
Accounts payable and accrued liabilities	-	(156,895)	-	(349,114)
Due to related parties	(159,051)	-	-	-
	<b>\$ (128,732)</b>	<b>\$ (123,722)</b>	<b>\$ 6,945</b>	<b>\$ (165,888)</b>

Based on the above net exposures at September 30, 2018, a 10% depreciation or appreciation of the above currencies against the Canadian dollar would result in an increase or decrease of approximately \$25,200 (December 31, 2017 - \$15,900) in the Company's net loss and comprehensive loss for the year.

## Determination of Fair Value

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

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

## Fair Value Hierarchy

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

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

## **CAPITAL MANAGEMENT**

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

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

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company's investment policy is to hold cash in interest-bearing bank accounts or highly liquid short-term interest-bearing investments with maturities of one year or less and which can be liquidated at any time without penalties. The Company is not subject to externally imposed capital requirements and does not have exposure to asset-backed commercial paper or similar products. The Company expects its current capital resources and existing financing arrangements to be sufficient to cover its operating costs and to carry out its exploration activities through the next twelve months. As such, the Company will seek to raise additional capital and believes it will be able to do so, but recognizes the uncertainty attached thereto. There have been no changes to the Company's approach to capital management during the period ended September 30, 2018.

## **RELATED PARTY TRANSACTIONS**

The Company had transactions during the three and nine month periods ended September 30, 2018 and 2017 with related parties consisted of directors, officers, company that is the controlling shareholder of Cordoba and company that is owned partially by Cordoba:

During the three and nine month periods ended September 30, 2018, the Company incurred \$159,051 and \$209,207 respectively (September 30, 2017 - \$30,151 and \$2,255,489) in exploration and evaluation expenditures with HPX, a company that is the controlling shareholder of Cordoba. The costs incurred consist of technical and managerial services provided for the Company's exploration projects in Colombia.

During the three and nine month periods ended September 30, 2018, the Company incurred \$59,802 and \$332,023 respectively (September 30, 2017 - \$72,523 and \$114,394) in exploration and evaluation and corporate administration expenditures with Global Mining Management Corporation ("GMM"), a company that is owned equally by eight companies, one of which is Cordoba. The costs incurred consist of cost sharing, technical and managerial services provided to the Company under the "Shareholders' Corporate Management and Cost Sharing Agreement" between the Company and GMM. The investment in GMM is held at \$Nil on the consolidated statements of financial position.

Amount due to related parties as of September 30, 2018 consists of \$34,431 (December 31, 2017 - \$43,626) net payable to GMM and \$113,658 (December 31, 2017 - \$Nil) net payable to HPX. The amounts owing are unsecured, non-interest-bearing and payable on demand.

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

### Key Management Compensation

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include certain directors and officers. For the three and nine month periods ended September 30, 2018 and 2017, key management compensation comprises:

	Three months ended		Nine months ended	
	September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017
Salaries and benefits	\$ 246,972	\$ 278,525	\$ 656,405	\$ 823,592
Share-based payments*	-	809,100	517,000	809,100
	<b>\$ 246,972</b>	<b>\$ 1,087,625</b>	<b>\$ 1,173,405</b>	<b>\$ 1,632,692</b>

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

\*\*As of September 30, 2018, the Company had 6 officers and 6 directors whose compensation were included in the table above.

### SHARE POSITION AND OUTSTANDING WARRANTS AND OPTIONS

The Company's outstanding share position as at November 14, 2018 is as follows:

	Number of shares
Common shares	277,211,055
Warrants	38,960,439
Broker compensation options	370,380
Stock options	9,717,500
Restricted share units	575,005
Deferred share units	300,000
<b>Fully diluted share capital - November 14, 2018</b>	<b>327,134,379</b>

#### Common Shares

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

#### Share Purchase Warrants

Details of share purchase warrants outstanding as of September 30, 2018 are:

Expiry date	Number of warrants	Weighted average exercise price
July 11, 2019	12,355,311	\$1.08

#### Compensation Options

As of September 30, 2018, the Company has 370,380 compensation options outstanding (December 31, 2017 – 370,380). The compensation options were granted to the syndicate of underwriters in connection with the July 2017 Offering. Each compensation option can be exercised into one Cordoba common share and one-

half of one Cordoba common share purchase warrant at an exercise price of \$0.81 until January 11, 2019. Each common share purchase warrant will be exercisable to acquire one common share of the Company at a price of \$1.08 until July 11, 2019.

### Stock Options

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

The following is a summary of share purchase options activity for the period ended September 30, 2018:

Grant date	Expiry date	Exercise price	Opening balance	During the period			Closing balance	Vested and exercisable	Unvested
				Granted	Exercised	Expired/ Cancelled/ Forfeited			
8-1-12	7-31-22	\$1.00	37,500	-	-	-	37,500	37,500	-
3-28-14	3-20-18	\$1.42	73,601	-	-	(73,601)	-	-	-
3-28-14	7-30-18	\$1.42	17,524	-	-	(17,524)	-	-	-
6-27-14	6-26-24	\$0.80	1,430,000	-	-	(250,000)	1,180,000	1,180,000	-
5-26-15	5-26-25	\$0.21	1,112,500	-	(100,000)	(112,500)	900,000	900,000	-
10-24-15	10-24-25	\$0.13	300,000	-	-	-	300,000	300,000	-
11-24-15	11-24-25	\$0.12	1,437,500	-	(175,000)	(137,500)	1,125,000	1,125,000	-
4-19-16	4-19-26	\$0.85	1,925,000	-	-	(200,000)	1,725,000	1,725,000	-
11-9-16	11-9-26	\$0.74	100,000	-	-	-	100,000	100,000	-
7-31-17	7-31-22	\$0.81	150,000	-	-	(150,000)	-	-	-
11-20-17	11-20-22	\$0.58	75,000	-	-	-	75,000	18,750	56,250
3-13-18	3-13-23	\$0.20	-	4,350,000	-	(275,000)	4,075,000	-	4,075,000
4-9-18	4-9-23	\$0.17	-	400,000	-	-	400,000	-	400,000
			<b>6,658,625</b>	<b>4,750,000</b>	<b>(275,000)</b>	<b>(1,216,125)</b>	<b>9,917,500</b>	<b>5,386,250</b>	<b>4,531,250</b>
<b>Weighted ave. exercise price</b>			<b>\$ 0.55</b>	<b>\$ 0.20</b>	<b>\$ 0.15</b>	<b>\$ -</b>	<b>\$ 0.38</b>	<b>\$ 0.54</b>	<b>\$ 0.20</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 participant’s retirement, the Company may elect to settle the DSUs with cash or shares of the Company at the discretion of the Board. The fair value of a DSU is determined as the fair market value of a common share of the Company on grant date.

A summary of DSU activity for the period ended September 30, 2018 is as follows:

	Number of DSUs
Balance - December 31, 2017	350,000
Granted	-
Cancelled	-
Redeemed	(50,000)
<b>Balance - September 30, 2018</b>	<b>300,000</b>

### **Other Equity-based Instruments**

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

A summary of other equity-based instruments activity for the period ended September 30, 2018 is as follows:

	<b>Number of RSUs</b>
Balance - December 31, 2017	1,035,000
Granted	-
Cancelled	(185,000)
Redeemed	(274,995)
<b>Balance - September 30, 2018</b>	<b>575,005</b>

No PSUs were issued or outstanding during the period ended September 30, 2018.

### **COMMITMENTS**

The Company has commitments relating to an office lease ending February 2020. The minimum annual payments for the next 3 years are as follows:

	<b>Amount</b>
2018	13,237
2019	52,948
2020	4,412
<b>Total</b>	<b>\$ 70,597</b>

### **ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS**

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

### **OTHER DATA**

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

### **ADOPTION OF NEW AND AMENDED IFRS PRONOUNCEMENTS**

The Company has consistently applied the accounting policies set out in Notes 2 and 3 of the Company's audited consolidated financial statements for the year ended December 31, 2017 to all the periods presented in these unaudited condensed interim consolidated financial statements.

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

## **ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS ISSUED BUT NOT YET APPLIED**

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

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

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

## **RISKS AND UNCERTAINTIES**

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

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

### *Mineral Property Exploration and Mining Risks*

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

### *Title to Mineral Property Risks*

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

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

to these mineral properties.

#### *Commodity Price Risk*

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

#### *Financing and Share Price Fluctuation Risks*

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

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

#### *Political, Economic and Currency Risks*

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

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

#### *Regulatory Risks*

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

### *Insured and Uninsured Risks*

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

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

### *Environmental and Social Risks*

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

### *Competition*

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