CORDOBA MINERALS CORP.

Condensed Interim Consolidated Financial Statements
As at and for the three and six months ended

June 30, 2016

(Unaudited)

TSX-V: CDB

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at June 30, 2016 and December 31, 2015
(Unaudited and expressed in Canadian Dollars)

As at:		**June 30, 2016**		**December 31, 2015**
ASSETS				
Current assets				
Cash and cash equivalents (Note 5)	**$**	**1,402,838**	$	1,871,192
Other receivables		**56,061**		33,651
Due from related party (Note 11)		**488,664**		-
Prepaid expenses and deposits		**559,811**		229,835
		2,507,374		2,134,678
Non-current assets				
Value added tax receivable		**420,570**		241,749
Property, plant and equipment (Note 6)		**136,989**		172,146
Exploration and evaluation assets (Note 7)		**45,557,647**		45,519,647
		46,115,206		45,933,542
TOTAL ASSETS	**$**	**48,622,580**	$	48,068,220
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities				
Accounts payable and accrued liabilities	**$**	**444,188**	$	452,726
Due to related parties (Note 11)		**1,509,736**		383,469
		1,953,924		836,195
Shareholders' equity				
Share capital (Note 8)		**58,555,502**		56,664,991
Other equity reserves (Note 8)		**11,555,925**		10,959,587
Accumulated other comprehensive loss		**(259,529)**		(236,962)
Deficit		**(23,183,242)**		(20,155,591)
		46,668,656		47,232,025
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$**	**48,622,580**	$	48,068,220

Nature of operations and going concern (Note 1)
Commitments (Note 14)

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS:

(signed) "Peter Meredith", Director
Peter Meredith

(signed) "Ignacio Rosado", Director
Ignacio Rosado

See accompanying notes to the consolidated financial statements

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

For the three and six month periods ended June 30, 2016 and 2015
(Unaudited and expressed in Canadian Dollars)

	Three months ended		Six months ended	
	June 30, 2016	June 30, 2015	**June 30, 2016**	June 30, 2015
Operating expenses				
Exploration and evaluation expenditures (Note 10)	**$ (628,547)**	$ 610,615	**$ 1,383,178**	$ 1,139,231
Corporate administration	**402,952**	319,699	**658,516**	599,783
Share-based payments (Note 9)	**976,474**	150,833	**976,474**	150,833
Amortization	**14,880**	17,931	**31,248**	35,907
	765,759	1,099,078	**3,049,416**	1,925,754
Other income (expense)				
Interest and other income	**12,097**	7,469	**21,785**	15,760
Foreign exchange gain	**3,234**	2,142	**1,975**	9,455
Write-off of property, plant and equipment	**-**	-	**(1,995)**	-
	15,331	9,611	**21,765**	25,215
Net loss for the period	**$ (750,428)**	$ (1,089,467)	**$ (3,027,651)**	$ (1,900,539)
Other comprehensive gain (loss)				
Items that may be reclassified subsequently to profit or loss:				
Unrealized gain (loss) on foreign exchange translation	**(7,319)**	(27,477)	**(22,567)**	14,250
Comprehensive loss for the period	**$ (757,747)**	$ (1,116,944)	**$ (3,050,218)**	$ (1,886,289)
Loss per share, basic and diluted	**$ (0.01)**	$ (0.02)	**$ (0.04)**	$ (0.03)
Weighted average number of common shares outstanding	**86,770,161**	59,935,180	**84,297,646**	59,376,744

See accompanying notes to the consolidated financial statements

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

For the three and six month periods ended June 30, 2016 and 2015
(Unaudited and expressed in Canadian Dollars)

	Three months ended		Six months ended	
	June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015
Operating activities				
Loss for the period	**$ (750,428)**	$ (1,089,467)	**$ (3,027,651)**	$ (1,900,539)
Items not affecting cash:				
Share-based payments	**976,474**	150,833	**976,474**	150,833
Amortization	**14,880**	17,931	**31,248**	35,907
Write-off of property, plant and equipment	**-**	-	**1,995**	-
Unrealized foreign exchange gain (loss)	**20,308**	(27,855)	**(18,080)**	1,812
Changes in non-cash working capital balances:				
Other receivables	**(97,445)**	(13,937)	**(203,294)**	(34,641)
Due from related party (Note 10 and 11)	**(488,664)**	-	**(488,664)**	-
Prepaid expenses and deposits	**(369,004)**	17,512	**(329,976)**	26,066
Accounts payable and accrued liabilities	**(248,990)**	107,177	**(8,538)**	(55,225)
Due to related parties (Note 10 and 11)	**791,329**	-	**1,128,134**	(5,791)
	(151,540)	(837,806)	**(1,938,352)**	(1,781,578)
Financing activities				
Issuance of shares and warrants for cash, net	**-**	941,945	**-**	941,945
Exercise of warrants	**-**	-	**1,460,000**	-
Exercise of stock options	**12,375**	-	**12,375**	-
	12,375	941,945	**1,472,375**	941,945
Investing activities				
Acquisition of property, plant and equipment	**-**	(11,786)	**(8,032)**	(13,455)
	-	(11,786)	**(8,032)**	(13,455)
Increase (decrease) in cash and cash equivalents	**(139,165)**	92,353	**(474,009)**	(853,088)
Effect of changes in exchange rates on cash	**2,259**	4,161	**5,655**	457
Cash and cash equivalents, beginning of period	**1,539,744**	2,730,009	**1,871,192**	3,679,154
Cash and cash equivalents, end of period	**$ 1,402,838**	$ 2,826,523	**$ 1,402,838**	$ 2,826,523

See accompanying notes to the consolidated financial statement

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the six month periods ended June 30, 2016 and 2015
(Unaudited and expressed in Canadian Dollars)

			Other equity reserves				
	Number of common shares	Share capital	Warrants reserve	Share-based payments reserve	Accumulated other comprehensive gain (loss)	Deficit	Total
Balance, December 31, 2015	**79,445,436**	**$ 56,664,991**	**$ 8,673,851**	**$ 2,285,736**	**$ (236,962)**	**$ (20,155,591)**	**$ 47,232,025**
Net loss for the period	-	-	-	-	-	**(3,027,651)**	**(3,027,651)**
Exercise of warrants - cash proceeds	**7,300,000**	**1,460,000**	-	-	-	-	**1,460,000**
Fair value of warrants exercised	-	**405,761**	**(405,761)**	-	-	-	-
Exercise of stock options - cash proceeds	**75,000**	**12,375**	-	-	-	-	**12,375**
Fair value of stock options exercised	-	**12,375**	-	**(12,375)**	-	-	-
Warrants issued for asset acquisition	-	-	**38,000**	-	-	-	**38,000**
Share-based payments	-	-	-	**976,474**	-	-	**976,474**
Unrealized foreign exchange loss	-	-	-	-	**(22,567)**	-	**(22,567)**
Balance, June 30, 2016	**86,820,436**	**$ 58,555,502**	**$ 8,306,090**	**$ 3,249,835**	**$ (259,529)**	**$ (23,183,242)**	**$ 46,668,656**
Balance, December 31, 2014	58,812,103	$ 54,557,123	$ 8,268,090	$ 1,916,882	$ (227,577)	$ (15,237,556)	$ 49,276,962
Net loss for the period	-	-	-	-	-	(1,900,539)	(1,900,539)
Shares issued for private placement	7,300,000	581,754	-	-	-	-	581,754
Warrants issued for private placement	-	-	440,246	-	-	-	440,246
Share issuance costs	-	(45,570)	(34,485)	-	-	-	(80,055)
Share-based payments	-	-	-	150,833	-	-	150,833
Unrealized foreign exchange gain	-	-	-	-	14,250	-	14,250
Balance, June 30, 2015	66,112,103	$ 55,093,307	$ 8,673,851	$ 2,067,715	$ (213,327)	$ (17,138,095)	$ 48,483,451

See accompanying notes to the condensed interim consolidated financial statements

1. NATURE OF OPERATIONS AND GOING CONCERN

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

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

The Company's condensed interim consolidated financial statements are prepared using International Financial Reporting Standards applicable to a going concern, which assumes that the Company will continue in operations for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. For the six month period ended June 30, 2016, the Company incurred a net loss of $3,027,651 (June 30, 2015 - $1,900,539), a negative operating cash flow of $1,938,352 (June 30, 2015 - $1,781,578), had a working capital balance of $553,450 as at June 30, 2016 (December 31, 2015 - $1,298,483), and an accumulated deficit of $23,183,242 as at June 30, 2016 (December 31, 2015 - $20,155,591). These circumstances may cast significant doubt as to the ability of the Company to meet its obligations as they come due and, accordingly, the ultimate appropriateness of the use of accounting principles applicable to a going concern.

The Company's San Matias Project is a joint venture between Cordoba and High Power Exploration Inc. ("HPX"). As of June 30, 2016, Phase One of the Joint Venture Agreement (the "JV Agreement") has been completed, where HPX earned a 25% interest in the Joint Venture Company (the "JV Company" or "JV") by spending $6 million. The Company and HPX are currently in Phase Two of the JV Agreement, whereby HPX can earn a 51% interest in the JV Company by spending an additional $10.5 million. In Phase Three of the Agreement, HPX can earn up to a 65% interest in the JV by carrying the San Matias Project to feasibility. The Company cannot co-fund during Phase 1, 2, and 3. Following Phases 1 to 3, each party will contribute to all JV Company expenditures in proportion to its then ownership interest in the JV.

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

2. BASIS OF PREPARATION

Statement of Compliance

These condensed interim consolidated financial statements of the Company as at and for the three and six month periods ended June 30, 2016, with comparative information as at December 31, 2015 and for the three and six month periods ended June 30, 2015, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") which the Canadian Accounting Standards Board has approved for incorporation into Part 1 of the Handbook of Canadian Institute of Chartered Accountants, as applicable to the preparation of interim financial statements including IAS 34. These unaudited interim financial statements do not include all of the disclosures required for annual financial statements and hence should be read in conjunction with the Company's annual consolidated financial statements for the year ended December 31, 2015. These unaudited condensed interim consolidated financial statements follow the same significant accounting policies as those included in the Company's most recent annual consolidated financial statements, except as described in Note 3 herein.

These unaudited condensed interim consolidated financial statements were approved by the board of directors on August 24, 2016.

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

The Company has consistently applied the accounting policies set out in Notes 2 and 3 of the Company's audited consolidated financial statements for the year ended December 31, 2015 to all the periods presented in these unaudited condensed interim consolidated financial statements.

Standards, Amendments and Interpretations Not Yet Effective

The following revised standards and amendments, unless otherwise stated, are effective on or after January 1, 2017 with early adoption permitted and have not been applied in preparing these condensed interim consolidated financial statements. Management has not yet considered the potential impact of their adoption and does not plan to adopt these standards early.

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

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

ii) IFRS 15, *Revenue from Contracts with Customers* ('IFRS 15") replaces IAS 11, *Construction Contracts* ("IAS 11"), IAS 18, *Revenue* ("IAS 18") and some revenue-related interpretations.

The objective of IFRS 15 is to provide a single comprehensive revenue recognition model that applies to contracts with customers using two approaches to recognizing revenue – at one point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized. New estimates and judgmental thresholds have been introduced, which may affect the amount and/or timing of the revenue recognized.

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

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

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

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

4. SIGNIFICANT ACCOUNTING JUDGMENTS

The Company has consistently applied the significant accounting judgments, estimates and assumptions set out in Note 5 of the Company's audited consolidated financial statements for the year ended December 31, 2015 to all the periods presented in these unaudited condensed interim consolidated financial statements.

In addition to the significant accounting judgments, estimates and assumptions disclosed in Note 5 of the Company's audited consolidated financial statements for the year ended December 31, 2015, at the end of the current reporting period, management has re-assessed the basis of consolidation for the Company's two Colombian subsidiaries. Management has determined that, although HPX has earned a 25% interest in the Company's Colombian subsidiaries during the second quarter of 2016, as of June 30, 2016, control of the subsidiaries remains with Cordoba under IFRS; therefore, the Company continues to consolidate the Colombian subsidiaries as of and for the three and six month periods ended June 30, 2016. Management will continue to evaluate the circumstances at the end of each reporting period and determine the appropriate accounting treatment in accordance with the status of the earn-in by HPX and the assessment of control over the subsidiaries.

(Unaudited and expressed in Canadian Dollars)

5. CASH AND CASH EQUIVALENTS

As of	June 30, 2016	December 31, 2015
Cash held in bank accounts	**$ 1,402,838**	$ 319,275
Term deposits	**-**	1,551,917
	$ 1,402,838	$ 1,871,192

6. PROPERTY, PLANT AND EQUIPMENT

	Computer equipment	Furniture and equipment	Vehicles	Leasehold improvements	Total
Cost					
Balance - December 31, 2014	46,892	69,566	134,975	14,427	265,860
Additions	4,361	28,378	-	-	32,739
Write-offs and disposals	(6,133)	(13,516)	(22,912)	-	(42,561)
Foreign exchange	7,370	8,344	24,174	-	39,888
Balance - December 31, 2015	**52,490**	**92,772**	**136,237**	**14,427**	**295,926**
Additions	**1,186**	**6,846**	**-**	**-**	**8,032**
Write-offs and disposals	**-**	**(4,429)**	**-**	**-**	**(4,429)**
Foreign exchange	**(3,107)**	**(4,888)**	**(9,100)**	**-**	**(17,095)**
Balance - June 30, 2016	**$ 50,569**	**$ 90,301**	**$127,137**	**$ 14,427**	**$282,434**
Accumulated amortization					
Balance - December 31, 2014	10,447	12,643	25,833	6,414	55,337
Charge for the period	13,595	12,803	39,074	7,798	73,270
Write-offs and disposals	(3,864)	(3,755)	(8,775)	-	(16,394)
Foreign exchange	2,132	1,949	7,486	-	11,567
Balance - December 31, 2015	**22,310**	**23,640**	**63,618**	**14,212**	**123,780**
Charge for the period	**6,386**	**6,516**	**18,131**	**215**	**31,248**
Write-offs and disposals	**-**	**(2,434)**	**-**	**-**	**(2,434)**
Foreign exchange	**(1,308)**	**(1,074)**	**(4,767)**	**-**	**(7,149)**
Balance - June 30, 2016	**$ 27,388**	**$ 26,648**	**$ 76,982**	**$ 14,427**	**$145,445**
Net book value					
As of December 31, 2015	$ 30,180	$ 69,132	$ 72,619	$ 215	$172,146
As of June 30, 2016	**$ 23,181**	**$ 63,653**	**$ 50,155**	**$ -**	**$136,989**

(Unaudited and expressed in Canadian Dollars)

7. EXPLORATION AND EVALUATION ASSETS

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

	San Matias Project	Alacran Project	Total
Balance, December 31, 2014	$ 45,193,847	$ -	$ 45,193,847
Acquisition of exploration and evaluation assets	-	325,800	325,800
Balance, December 31, 2015	**45,193,847**	**325,800**	**45,519,647**
Acquisition of exploration and evaluation assets	**-**	**38,000**	**38,000**
Balance, June 30, 2016	**$ 45,193,847**	**$ 363,800**	**$ 45,557,647**

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

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

8. SHARE CAPITAL

(a) Common Shares

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

As at June 30, 2016, there were 4,619,033 common shares (December 31, 2015 - 6,928,542) and Nil share purchase warrants (December 31, 2015 - 657,957) held in escrow.

(b) Share Purchase Warrants

A summary of share purchase warrants activity for the period ended June 30, 2016 is as follows:

	Number of warrants	Exercise price
Balance, December 31, 2015	24,470,069	$1.04
Exercised	(7,300,000)	$0.20
Expired	(2,119,775)	$0.65
Issued	100,000	$0.21
Balance, June 30, 2016	**15,150,294**	

(Unaudited and expressed in Canadian Dollars)

In April 2016, the Company issued 100,000 fully-vested, two-year Cordoba common share purchase warrants (each a “Warrant”) to OMNI in connection to the Alacran Option agreement. Each Warrant has an exercise price of $0.21 per share. The fair value of each Warrant issued was estimated as of the date of issuance using the Black-Scholes option pricing model with the following assumptions: risk-free interest rate of 0.54%, dividend yield of 0%, volatility of 133% and expected life of two years. The fair value of the Warrants has been capitalized as acquisition cost of exploration and evaluation assets for the period (Note 5).

Details of share purchase warrants outstanding as of June 30, 2016 and December 31, 2015 are:

Expiry date	**Number of warrants**	**Weighted average exercise price**
February 7, 2017	15,000,000	$1.50
January 20, 2019	50,294	$0.86
April 1, 2018	100,000	$0.21
Balance, June 30, 2016	**15,150,294**	1.49

Expiry date	**Number of warrants**	**Weighted average exercise price**
March 28, 2016	1,997,107	$0.60
March 28, 2016	122,668	$1.42
February 7, 2017	15,000,000	$1.50
June 16, 2018	7,300,000	$0.20
January 20, 2019	50,294	$0.86
Balance, December 31, 2015	**24,470,069**	1.04

9. SHARE-BASED PAYMENTS

Share Purchase Options

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

(Unaudited and expressed in Canadian Dollars)

The following is a summary of share purchase options activity for the period ended June 30, 2016:

				During the period					
Grant date	Expiry date	Exercise price	Opening balance	Granted	Exercised	Expired / Cancelled	Closing balance	Vested and exercisable	Unvested
8-1-12	7-31-22	$1.00	62,500	-	-	-	62,500	62,500	-
3-28-14	3-17-16	$2.00	78,441	-	-	(78,441)	-	-	-
3-28-14	1-14-17	$1.06	-	-	-	-	-	-	-
3-28-14	10-9-17	$1.06	175,240	-	-	-	175,240	175,240	-
3-28-14	3-20-18	$1.42	73,601	-	-	-	73,601	73,601	-
3-28-14	7-30-18	$1.42	17,524	-	-	-	17,524	17,524	-
6-27-14	6-26-24	$0.80	1,530,000	-	-	-	1,530,000	1,530,000	-
5-26-15	5-26-25	$0.21	1,400,000	-	(37,500)	-	1,362,500	1,012,500	350,000
10-24-15	10-24-25	$0.13	450,000	-	-	(112,500)	337,500	187,500	150,000
11-24-15	11-24-25	$0.12	1,650,000	-	(37,500)	-	1,612,500	787,500	825,000
4-19-16	4-19-26	$0.85	-	1,925,000	-	-	1,925,000	481,250	1,443,750
			5,437,306	**1,925,000**	**(75,000)**	**(190,941)**	**7,096,365**	**4,327,615**	**2,768,750**
Weighted ave. exercise price			**$ 0.42**	**$ 0.85**	**$ 0.17**	**$ 0.90**	**$ 0.53**	**$ 0.54**	**$ 0.51**

As at June 30, 2016, the unamortized stock option value was $872,797 (December 31, 2015 - $189,146).

The weighted average remaining contractual life of the options outstanding at June 30, 2016 is 8.78 years (December 31, 2015 – 8.81 years).

10. EXPLORATION AND EVALUATION EXPENDITURES

For the three and six month periods ended June 30, 2016 and 2015, exploration and evaluation expenditure comprises:

	Three months ended		Six months ended	
	June 30, 2016	**June 30, 2015**	**June 30, 2016**	**June 30, 2015**
Direct exploration costs	**$ 945,099**	$ 114,898	**$ 2,270,251**	$ 197,651
Indirect exploration costs	**310,614**	328,847	**632,691**	638,827
Site general and administration costs	**519,829**	166,870	**884,325**	302,753
Recovery from HPX	**(2,404,089)**	-	**(2,404,089)**	-
Exploration and evaluation expenditures (recovery)	**$ (628,547)**	$ 610,615	**$ 1,383,178**	$ 1,139,231

During the first half of 2016, Cordoba and its joint venture partner HPX have completed the Initial Option Period and Phase One of the Joint Venture Agreement. During the Initial Option Period, Cordoba's exploration spending on the San Matias Project exceeded the funding provided by HPX through private placements and exercise of warrants. HPX reimbursed Cordoba for the Initial Option Period funding shortfall during the second quarter of 2016, resulting in an exploration and evaluation expenditure recovery for the three months ended June 30, 2016.

Phase Two of the JV Agreement has now commenced, whereby HPX can earn a 51% interest in San Matias by spending an additional $10.5 million. Since HPX is funding Phase One, Two and

(Unaudited and expressed in Canadian Dollars)

Three of the JV directly, the Company will not incur any exploration and evaluation expenditure during these three phases. As a result, minimal exploration and evaluation expenditures will be reported on the Company's financial statements until the Company co-funds the San Matias Project again following the completion of Phase Three of the JV Agreement.

11. RELATED PARTY TRANSACTIONS

The Company had transactions during the three and six month periods ended June 30, 2016 and 2015 with related parties consisted of directors, officers and the following companies with common directors and/or officers:

During the three and six month periods ended June 30, 2016, the Company incurred $414,890 and $751,365 respectively (for the three and six months ended June 30, 2015 - $Nil) in exploration and evaluation expenditures due to HPX, a company that has significant influence over Cordoba. The costs incurred consist of technical and managerial services provided for the Company's exploration projects in Colombia.

Amount due from related parties as of June 30, 2016 consists of $488,664 (December 31, 2015 - $Nil) due from HPX representing exploration and evaluation expenditures the Company has spent on the San Matias project on behalf of HPX. The amount owing is unsecured, non-interest-bearing and payable on demand.

Amount due to related parties as of June 30, 2016 includes $28,412 (December 31, 2015 - $30,279) due to Continental Gold Limited, a company with a former common director. The amount owing is unsecured, non-interest-bearing and payable on demand.

Amount due to related parties as of June 30, 2016 also includes $1,481,324 (December 31, 2015 - $353,190) due to HPX. The amount due to HPX represents the cash calls received from HPX yet to be spent on certain exploration and evaluation expenditures on the Company's projects in Colombia.

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

Key Management Compensation

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include certain directors and officers. For the periods ended June 30, 2016 and 2015, key management compensation comprises:

	Three months ended		Six months ended	
	June 30, 2016	**June 30, 2015**	**June 30, 2016**	**June 30, 2015**
Salaries and benefits	**$ 205,625**	$ 181,250	**$ 386,875**	$ 362,500
Share-based payments	**1,370,250**	275,000	**1,370,250**	275,000
	$ 1,575,875	$ 456,250	**$ 1,757,125**	$ 637,500

(Unaudited and expressed in Canadian Dollars)

12. SEGMENTED INFORMATION

The Company operates in a single reportable operating segment, being the exploration and development of mineral properties. The mineral property interests as of June 30, 2016 and December 31, 2015 are located in Colombia and all of the exploration expenditures for the three and six month periods ended June 30, 2016 and 2015 were incurred in Colombia. Substantially all of the Company's other assets are located, and expenditures were incurred, in Canada.

13. FINANCIAL INSTRUMENTS

As at June 30, 2016 and December 31, 2015, the Company's financial instruments are comprised of cash and cash equivalents, other receivables, due from related party, value added tax receivable, accounts payable and accrued liabilities, and due to related parties. With the exception of cash and cash equivalents, all financial instruments held by the Company are measured at amortized cost.

Determination of Fair Value

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

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

Fair Value Hierarchy

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

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

(Unaudited and expressed in Canadian Dollars)

14. COMMITMENTS

The Company has commitments relating to an office lease ending February 2020. The minimum annual payments for the next 6 years are as follows:

	Amount
2016	26,474
2017	52,948
2018	52,948
2019	52,948
2020	4,412
Total	**$ 189,730**