



# Condor Gold plc

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UNITED KINGDOM

11 August 2021

## **Condor Gold Plc** (“Condor” or “the Company”)

### **Interim Report and Accounts for the Three and Six Months Ended 30 June 2021**

Condor Gold plc (“Condor Gold”, “Condor”, the “Group” or the “Company”), (AIM: CNR; TSX: COG) presents its unaudited interim financial report together with Management’s Discussion and Analysis for the three- and six-month periods to 30 June 2021. Both of the above have been posted on the Company’s website [www.condorgold.com](http://www.condorgold.com) and are also available on SEDAR at [www.sedar.com](http://www.sedar.com).

#### **Highlights for three and six months to 30 June 2021**

- Mobilisation in January of a second diamond drill rig for the then on-going 3,300 m infill drilling campaign at La India Starter Pits was announced by the Company. The drilling is on 25m by 25m drill spacing.
- Completion of ground investigation of 23 geotechnical drill holes for the final designs of the Tailings Storage Facility and Water Retention Reservoir and 58 geotechnical test pits on these areas and at the location of the processing plant.
- Completion in February of a private placement of 9,523,810 new ordinary shares in the Company at a price of 42p per share, including a Directors & CFO subscription of 4,871,414 shares to raise in aggregate gross proceeds of £4,000,000 before expenses. The Placing was arranged directly by the Company with institutional and other investors.
- In February, the Company commenced drilling of a 5,000m exploration program on the Cacao prospect with the objective of demonstrating the depth of the main gold mineralisation level and extending it along strike for up to 3,000m. Cacao, located only 4km from the planned and permitted processing plant at La India, already hosts an Inferred Mineral Resource of 662 Kt at 2.8 g/t gold for 60,000 oz gold defined by Condor from 2,890m drilling in 2019. It is a highly prospective target, sitting on a major dilational opening between two major feeder zones (La India and Andrea Corridors). The Cacao vein is one of the widest in the district, comparable to the main La India Vein. Mineral textures are identical to La India.
- The results for the first 26 diamond drill holes for a combined 1,296m on the La India Starter Pit infill drilling programme were announced in March. The primary objective of the drilling programme is to provide 25m spaced drill sampling within the two shallow (up to 35m deep), high-grade Starter Pits within the main La India Open Pit Mineral Reserve. Results included LIDC404, which drilled 9.6m true width at 3.98 g/t gold from surface (announcement of 9 March, 2021 refers).
- On 15 March the Company agreed to purchase a complete new Semi Autogenous Mill (“SAG Mill”) package from First Majestic Silver Corp (“First Majestic”) (TSX:FR). The purchase consideration is approximately US\$6.5 million, including US\$3.0 million payable in shares of the Company at 50p per ordinary share (the “Consideration Shares”). The SAG Mill package represents a key item of the plant required to bring the Company’s La India Project into production. The SAG Mill is estimated by Metso Outotec’s technical support group to have a throughput of up to 2,300 tonnes per day (“tpd”) or 0.8 million tonnes per annum (“tpa”) on a sustained basis, based on the metallurgical characteristics of the ore and mineralised material at Condor’s La India Project. Based on internal technical studies and mining dilution studies conducted by SRK Consulting (UK) Limited, initial production is expected to be 80,000 – 100,000 oz gold per annum.

- On 30 March further drill results from the on-going diamond drill programme at La India Starter Pits were reported. LIDC406 of 17.90m (17.4m true width) at 3.27 g/t gold from 24.55m drill depth, including 2.1m @ 15.1 g/t gold is highly encouraging and adds considerable confidence to the geological model, the mineral resource and reserve calculation and mine plan. Announcement of 30 March refers.
- On 29 April Condor announced 44 drill holes for a combined 2,290m of infill and RC replacement drilling completed within La India Starter Pits. A drill intersect in LIDC413 of 22.05 m (21.6m true width) at 6.48 g/t gold including 15 m true width at 8.68 g/t gold from 24.75m drill depth in a starter pit is exceptional in terms of width and grade near surface. The drill intercept in LIDC416 of 16.00m (15.7m true width) at 5.30 g/t gold from 18.35m drill depth including 5.8m true width at 12.35 g/t is also very impressive. See announcement of 29 April for further details.
- Hannam and Partners were appointed as Joint Broker to the Company in June.
- Commencement of a 8,500 metre infill diamond drilling programme within the permitted La Mestiza Open Pit Mineral Resource was announced on 10 June As of the date of publication of the Company's Interim Report, 4,134 metres had been completed. The programme is anticipated to take a further 4 months to complete. Details regarding the updated preliminary mine schedules on La Mestiza Open Pits, based on the existing Mineral Resource and in support of the 8,500 metre drilling programme were also provided.
- In line with its intent to develop La India Mine into a production unit, on June 15 the Company announced that had commenced a 1,700 metre infill geotechnical drilling programme within the permitted La India Open Pit. As of the date of publication of the Company's Interim Report, 1,300 metres had been completed. Two diamond drill rigs were deployed to expedite progress, with the programme is anticipated to take 5-6 weeks to complete. The programme has been designed by SRK Consulting (UK) Limited to achieve a Feasibility Study ("FS") level of design and will complement other ongoing FS-level work programmes already underway.
- Hanlon Engineering & Associates of Tucson, Arizona ("Hanlon") was selected in June as the Lead Engineer to develop a FS-level of design for a new processing plant around the Company's recently acquired new SAG Mill. Hanlon will be responsible for the engineering designs, the capital cost and operating costs of the processing plant to a FS-level of design.
- A significant drill intercept of 25.93m (14.9m true width) at 3.94 g/t gold from 263.82m, including 4.58m (2.6m true width) at 7.76 g/t gold from 282.12m drill depth in drill hole CCDC033 at the Cacao Prospect was reported This is the best drilling intercept returned to-date from the Cacao Prospect ("Cacao"). This assay result supports the geological model that Cacao is a fully preserved, deep-seated epithermal gold mineralisation system, with the potential to host a significant gold deposit. Cacao is located approximately 4 km from the planned processing plant at Condor's fully permitted La India gold mine and is being assessed as a potential satellite deposit. See announcement of 28 June for further details.

### **Post Period Highlights**

- The Company received final assay results from the diamond drill programme at the Southern Starter Pit at La India and comprising forty five holes for 2345.95m in and just beneath the La India Starter Pits. The two planned high-grade Starter Pits (up to 35m deep), the Northern and Southern Starter Pits, have now been drill tested at 25m by 25m spacing. These results will be used to estimate an updated mineral resource and reserve. In summary, the infill drilling programme confirmed that the La India Starter Pits, which sit within the fully permitted La India Open Pit Mineral Reserve Estimate of 6.9Mt at 3.1 g/t gold for 675,000 oz gold, contain approximately 447Kt at 4.17g/t gold for 59,672 oz contained gold within 35m of surface will be targeted early for extraction. The drill assay results further derisk the project ahead of production. See announcement of 5 July for further details.
- An assay result of 60.60m (54.5 m true width) at 1.98 g/t gold from 4.15m drill depth, including 5.75m (5.2m true width) at 16.88 g/t gold from 42.55 m drill depth in drill hole LIDC452 located between the two proposed starter pits and a further eleven diamond core drill holes located between and along strike of the planned high-grade La India Starter Pits were announced on 21 July. The wide zone of gold mineralization near surface has the potential to reduce the strip ratio in this area due to the increase in

gold mineralized tonnage versus waste rock, thus improving Project economics. These results will be incorporated into a revised FS-level mine plan and are expected to have a positive impact on project economics.

**Mark Child, Chairman and Chief Executive of Condor Gold, commented:**

“Condor made significant advances during the 6 month period at the fully permitted La India Project. A state of the art new SAG Mill has been purchased, with capacity of between 2,300tpd to 2,800tpd capable of producing circa 100,000 oz gold per annum, the first shipments have already arrived in Nicaragua. A lead engineering firm has been appointed to produce FS-level designs for a new processing plant using the new SAG mill. Upfront capital costs and operating costs are currently being updated accordingly. The Project has been significantly de-risked by the purchase of 97% of the land and significant progress has been made with several engineering studies to an FS level. The completion during the Quarter of a further 1,242m (3,370 m in total) of a 25m x 25m infill drilling within the high grade La India Starter Pits has returned some excellent drill results, notably 21.6 m true width at 6.48 g/t gold including 15 m true width at 8.68 g/t gold from 24.75m drill depth and confirmed the geological model. The exploration drilling on Cacao has demonstrated a wide structure, 14.9m true width at 3.94 g/t gold. The Company has completed circa 4,100m of a 8,500m infill drilling programme on the high grade Mestiza open pit. The Company is on track with its strategic objective of constructing and operating a processing plant producing circa 100,000 oz gold per annum, then materially expanding the production capacity and demonstrating a 5M oz Gold District.”

Company number: 05587987

**CONDOR GOLD PLC**  
**Interim Report and Accounts**  
**For the Three and Six Months Ended 30 June 2021**

**CONDOR GOLD PLC**

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**FOR THE THREE AND SIX MONTHS TO 30 JUNE 2021**

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## CONDOR GOLD PLC

### HIGHLIGHTS FOR THE THREE AND SIX MONTHS TO 30 JUNE 2021

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## CONDOR GOLD PLC

### HIGHLIGHTS FOR THE THREE AND SIX MONTHS TO 30 JUNE 2021 (CONTD.)

- On 29 April Condor announced 44 drill holes for a combined 2,290m of infill and RC replacement drilling completed within La India Starter Pits. A drill intersect in LIDC413 of 22.05 m (21.6m true width) at 6.48 g/t gold including 15m true width at 8.68 g/t gold from 24.75 m drill depth in a starter pit is exceptional in terms of width and grade near surface. The drill intercept in LIDC416 of 16.00 m (15.7m true width) at 5.30 g/t gold from 18.35m drill depth including 5.8m true width at 12.35 g/t is also very impressive. See announcement of 29 April for further details.
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- In line with its intent to develop La India Mine into a production unit, on June 15 the Company announced that had commenced a 1,700 metre infill geotechnical drilling programme within the permitted La India Open Pit. As of the date of the Company's Interim Report, circa 1,300 metres had been completed. Two diamond drill rigs were deployed to expedite progress, with the programme is anticipated to take 5-6 weeks to complete. The programme has been designed by SRK Consulting (UK) Limited to achieve a Feasibility Study ("FS") level of design and will complement other ongoing Feasibility Study level work programmes already underway.
- Hanlon Engineering & Associates of Tucson, Arizona ("Hanlon") was selected in June as the Lead Engineer to develop a Feasibility Study level of design for a new processing plant around the Company's recently acquired new SAG Mill. Hanlon will be responsible for the engineering designs, the capital cost and operating costs of the processing plant to a FS level of design.
- A significant drill intercept of 25.93m (14.9m true width) at 3.94g/t gold from 263.82m, including 4.58m (2.6m true width) at 7.76g/t gold from 282.12m drill depth in drill hole CCDC033 at the Cacao Prospect was reported. This is the best drilling intercept returned to-date from the Cacao Prospect ("Cacao"). This assay result supports the geological model that Cacao is a fully preserved, deep-seated epithermal gold mineralisation system, with the potential to host a significant gold deposit. Cacao is located approximately 4 km from the planned processing plant at Condor's fully permitted La India gold mine and is being assessed as a potential satellite deposit. See announcement of 28 June for further details.

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## **CONDOR GOLD PLC**

### **CHAIRMAN'S STATEMENT** **FOR THE THREE AND SIX MONTHS TO 30 JUNE 2021**

Dear Shareholder,

I am pleased to present Condor Gold Plc's ("Condor", the "Company" or the "Group", [www.condorgold.com](http://www.condorgold.com) or if you are viewing from Canada [ca.condorgold.com](http://ca.condorgold.com)) unaudited interim financial report for the three and six months ended 30 June 2021.

It has been a significant 6 month period as the Company purchased a completed new SAG Mill package from First Majestic Silver Corp (TSX:FR) for the fully permitted La India Project and appointed Hanlon Engineering & Associates of Tucson, Arizona ("Hanlon"), a wholly owned subsidiary company of GR Engineering Services Limited (GRES) <https://www.gres.com.au> (ASX:GNG) as the Lead Engineer to develop a Feasibility Study ("FS") level of design for a new processing plant around the new SAG Mill package. Hanlon is responsible for the engineering designs, the capital cost and operating costs of the processing plant to an FS level of design. FS level designs are due by the end August 2021.

During the 6 month period, Condor completed 3,370 meters of infill drilling in the La India Starter Pits, commenced a 8,500m infill drilling programme on the high grade Mestiza open pit, with 4,134 metres completed as of the date of this document, conducted a further 1,833 meters of diamond drilling during the quarter (3,504 meters in total) of the mineral resource expansion and exploration drilling on the Cacao vein, significantly de-risked the Project with the acquisition of more land and significantly advanced all engineering studies to a Feasibility Level, for the fully permitted La India Project.

The Company's twin strategy remains the construction and operation of a base case processing plant with capacity of up to 2,800 tonnes per day ("tpd") capable of producing approximately 100,000 oz of gold per annum, to materially increasing this production capacity, and proving a major Gold District of 5 M oz gold potential at the 588km<sup>2</sup> La India Project, in Nicaragua.

The first shipments of the new SAG Mill package have already arrived in Nicaragua and are securely stored in a warehouse. All parts of the new SAG Mill are currently being shipped to Nicaragua and should be in the country within the next few months. The significance of the purchase of the new SAG Mill is that it sizes the production capacity of a "Stage 1" Mill. The state of the art, complete new SAG Mill package, with warranties, has been manufactured and is being supplied by Metso Outotec, the premier manufacturer of grinding mills and entire grinding systems for the global mining industry. Metso Outotec's technical support group has estimated a throughput of 2,300 tpd or 0.8Mtpa on a sustained basis using the existing motor. Increasing the motor size would increase throughput to 2,850 tpd or 1Mtpa. Initial gold production is expected to be between 80,000 to 100,000 oz gold per annum. The new SAG Mill forms Stage 1 of production, the aim is to materially expand production capacity after 2-3 years.

The purchase consideration for the complete new SAG Mill package was US\$6.5 million, including US\$3.0 million payable in shares of the Company at an issue price of 50 pence per ordinary share to First Majestic Silver. This is a vote of confidence in Condor's management team and endorses a new mine at the fully permitted La India Project. US\$6 million of the purchase consideration has been paid to date.

The Company's focus during the first 6 months of 2021 has also been on fulfilling the conditions of Environmental Permits granted in August 2018 by the Ministry of the Environment and Natural Resources ("MARENA") for the development, construction and operation of an open pit mine, a 2,800 tpd or 1.0 Mt per annum CIL processing plant and associated infrastructure at the La India Project, Nicaragua. The permitted La India open pit is estimated to produce between 80,000 oz to 100,000 oz gold per annum or a total of 600,000 oz gold over a 6 to 7-year period. By May 2020 the Company had been granted Environmental Permits to develop and extract ore from 2 additional high grade feeder pits, which provides additional mill feed to the already permitted processing plant and its associated mine site infrastructure at the La India open pit. Following the permitting of these feeder pits, which in aggregate have circa 232,000 oz gold at 5.5 g/t gold, Condor has 1.12M oz gold open pit Mineral Resources permitted for extraction (8,583 Kt at 3.3 g/t gold for 903,000 oz gold in the Indicated category and 1,901 Kt at 3.6 g/t gold for 220,000 oz gold in the Inferred category) inclusive of a Mineral Reserve of 6.9 Mt at 3.0 g/t gold for 675,000 oz gold. The PFS has lower quartile all-in-sustaining cash costs ("AISC") of US\$690 per oz gold. The higher-grade feeder pits have the potential to materially enhance the Project NPV, IRRs, reduce the payback period and maintain low AISC as detailed in the PFS.

La India Project has a Mineral Resource totalling 9.85 Mt at 3.6 g/t gold for 1,140,000 oz gold in the Indicated category and 8.48Mt at 4.3 g/t gold for 1,179,000 oz gold in the Inferred category. It was last updated in January



## **CONDOR GOLD PLC**

### **CHAIRMAN'S STATEMENT** **FOR THE THREE AND SIX MONTHS TO 30 JUNE 2021**

2019, was prepared by SRK Consulting (UK) Limited ("SRK") and uses the terminology, definitions and guidelines given in the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Standards on Mineral Resources and Mineral Reserves (May 2014). The total open pit Mineral Resource is 8.58 Mt at a grade of 3.3 g/t gold, for 902,000 oz gold in the Indicated category and 3.01 Mt at a grade of 3.0 g/t gold, for 290,000 oz gold in the Inferred category. Total underground Mineral Resources are 1.27 Mt at a grade of 5.8 g/t gold, for 238,000 oz gold in the Indicated category and 5.47 Mt at a grade of 5.1 g/t gold, for 889,000 oz gold in the Inferred category. The intention is to permit the underground Mineral Resource after open pit mining begins.

During the first 6 months of 2021 the Company has also been focused on de-risking La India Project by advancing and completing several technical and engineering studies, some of which are a condition of the Environmental Permit. In April 2021, the Company formally notified MARENA that construction has begun. The following progress has been made:

- Under the terms of the Environment Permit, the Company has to purchase or have legal agreements in place for the land required for the mine site infrastructure. Offers have been made to all landowners. The Company has now purchased 97% of the land in and around the permitted La India open pit mine site area thereby getting close to completing one of the main conditions of the Environmental Permit and significantly de-risking the Project. The Company has purchased land totalling 689 hectares in and around the permitted La India open pit mine site infrastructure. In addition, the Company can also demonstrate physical possession for approximately 18 years on the land covering the Mestiza open pit, has purchased the majority of this land and has claimed ownership over 303 hectares in this area. The Company has ownership of 96 hectares of land in the area of the America open pit. The Company has spent over US\$4 million on buying land during the last 5 years.
- The Tailings Storage Facility ("TSF") and 2 water retention ponds are being fully designed and engineered with drawings one step short of "issued for construction". Tierra Group Inc, Denver, Colorado has completed site visits and is conducting the engineering studies. 23 geotechnical drill holes and 55 geotechnical test pits have been completed. Good progress has been made, with 90% of the work completed. A Feasibility Study on the TSF is due to be completed in September 2021.
- The design of the site wide water balance ("SWWB"), including a surface water management plan was awarded during 2020 to SRK Consulting (UK) Limited ("SRK"). SRK's work includes the area of the permitted La India, America and Mestiza open pits. The ultimate objective of the exercise is to produce engineering plans for the installation of the physical components of a management system, including the piping, pumping and structural requirements that will satisfy Nicaraguan authorities and at the same time meet the design standards for a feasibility study. The SWWB will include consideration of the pit dewatering contributions i.e. subsurface hydrology. SRK's remit includes an emphasis on training and capacity building for the local Condor team to ensure full ownership and facilitate implementation and sustainability of the SWWB. In January 2021 a hydrologist from SRK completed a 4 week site visit. A FS-level study is due to be completed in September 2021.
- Preliminary designs for the layout of the mine site infrastructure have advanced materially. Hanlon conducted a site visit and has produced initial 3D designs of the processing plant. Site preparation for 11 hectares around the location of the processing plant commenced in December 2020; permits have been received for site clearance. A 700 metre long road has been completed.
- Mine and waste dump schedules for a number of mining scenarios have been completed to a level that can be submitted to MARENA. These are being re-run using the capacity of the new SAG Mill.
- The power studies have been progressed and are ongoing with the known power requirement for the Stage 1 production of between 2,300tpd to 2,800tpd. Several meetings have been held with the Ministry of Energy and Mines. National grid electricity pylons are located 700 meters from the processing plant. The Government is building a new electricity sub-station 12km from the processing plant; designs for supplying grid power via the new sub-station are underway.
- MARENA has written to the Company confirming that the final designs for the domestic wastewater treatment system for the offices and accommodation blocks at Mina La India

comply with MARENA's technical and environmental requirements and the final designs are approved.

## **CONDOR GOLD PLC**

### **CHAIRMAN'S STATEMENT** **FOR THE THREE AND SIX MONTHS TO 30 JUNE 2021**

- An updated forestry inventory has been completed. The compensation plan under the local law is to replace every tree removed with 10 new trees. Condor has a tree nursery which currently has approximately 5,800 trees.

Condor has run a number of internal mining scenarios ahead of construction. An open pit mining only scenario from the permitted La India, America and Mestiza open pits, would support a 4,000tpd processing plant producing approximately 120,000 oz gold per annum. A second scenario involves bringing in the underground Mineral Resource and potentially increasing production to circa 170,000 oz gold per annum. It is likely that Condor will take a 2-stage approach to production, with Stage 1 using the new SAG Mill with capacity ranging from 2,300tpd to 2,800tpd producing circa 100,000 oz gold per annum and Stage 2, after 2-3 years of operations, materially expanding production capacity to circa 4,000tpd.

During the 6 month period, Condor completed 3,370m infill drilling programme on La India Starter Pits. The starter pits are designed pits containing 445Kt at 4.17g/t gold for 59,700 oz gold using a 2.0g/t gold cut-off. The starter pits have a maximum depth of 35m and have a relatively low strip ratio. The drill program within the La India Starter Pits closes-up the sample density to 25 metre by 25 metre spacing and is the final drilling ahead of extraction. Mining the higher grade pits early will bring forward cashflow, shorten the payback period and enhance project economics. The results have been better than expected, a drill intersect in LIDC413 of 22.05 m (21.6 m true width) at 6.48 g/t gold including 15 m true width at 8.68 g/t gold from 24.75 m drill depth in a starter pit is exceptional in terms of width and grade near surface. The drill intercept in LIDC416 of 16.00 m (15.7m true width) at 5.30 g/t gold from 18.35 m drill depth including 5.8 m true width at 12.35g/t is also very impressive.

In February 2021, Condor announced it has commenced a 5,000m drilling programme on Cacao (about 4.0 km east of the permitted plant at La India). It has potential to add ounces to the global resource. Mapping and drilling demonstrate it has a long strike length (> 3.0 km) and that the entire epithermal system is preserved. The vein becomes more like La India vein at depth and is as thick, or thicker. 3,504m drilling has been completed. A significant drill intercept was reported of 25.93m (14.9m true width) at 3.94g/t gold from 263.82m, including 4.58m (2.6m true width) at 7.76g/t gold from 282.12m drill depth in drill hole CCDC033 at the Cacao Prospect.

Condor has completed approximately 1,300m of a 1,700m geotechnical drilling programme on La India open pit to produce FS level pit angles for this open pit. The Company has sent 1,000 kg of drill core to SGS Lakefield's laboratory in Canada to produce FS-level metallurgical test work for the processing plant design.

The Company continues to enhance its social engagement and activities in the community, thereby maintaining our social licence to operate. Condor has strengthened its community team and stepped up social activities and engagement. The main focus locally is the drinking water programme, implemented in April 2017. A total of 340 families are currently benefiting; they receive five-gallon water dispensers each week. The Company installed a water purification plant manufactured in Israel at a cost of approximately US\$200,000 to double the drinking water supply capacity to the local communities. It was operational in May 2021.

In January 2018 Condor initiated 'Involvement Programmes', which now extend to six groups in the local village to benefit communities which may be affected by the mine. Taking the Elderly Group as an example, a committee of six people has been formed. The Company allocates monthly support to the Elderly Group, which decides how this money is spent to benefit the elderly in the Community.

Condor continues to have very constructive meetings with key Ministries that granted the Environmental Permit for La India open pit and the Mestiza and America open pits. The Company has been operating in Nicaragua since 2006 and, as a responsible gold exploration and development company, continues to add value to the local communities and environment by generating sustainable socio-economic and environmental benefits. The new mine would potentially create approximately 1,000 jobs during the construction period, with priority to be given to members of the local community. The upfront capital cost of approximately US\$110 million would have a significant positive impact on the economy. The Government and local communities would benefit significantly from future royalties and taxes.

As of the date of this document, the ability of the Company to operate has not been materially affected by the ongoing Covid-19 pandemic. The situation is kept under close review by management and the Board; certain

measures have and will be taken as appropriate to ensure the health and safety of employees in this regard and to reduce the potential spread of the virus within the local community.

**CONDOR GOLD PLC**

**CHAIRMAN'S STATEMENT**  
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In February 2021 the Company announced it had raised £4.0 million by way of a private placement of new ordinary shares. (See RNS of 16 February 2021 for details). Through the exercise of warrants a further £0.8 million has been raised so far in 2021.

Turning to the financial results for the six months to end-June 2021, the Group's total comprehensive loss for the period was £(1,638,488) (six months to end-June 2020: £967,855). The Company raised a total of £6.9 million through share issuances (six months to end-June 2020: £7.5 million). The net cash balance of the Group at end-June 2021 was £3,005,389 (end-June 2020: £7,513,056).

To conclude, Condor made significant advances during the 6 month period at the fully permitted La India Project. A state of the art new SAG Mill has been purchased, with capacity of between 2,300tpd to 2,800tpd capable of producing circa 100,000 oz gold per annum, the first shipments have already arrived in Nicaragua. A lead engineering firm has been appointed to produce FS level designs for a new processing plant using the new SAG mill. Upfront capital costs and operating costs are currently being updated accordingly. The Project has been significantly de-risked by the purchase of 97% of the land and significant progress has been made with several engineering studies to an FS level. The completion of 3,370m of a 25m x 25m infill drilling within the high grade La India Starter Pits has returned some excellent drill results, notably 21.6m true width at 6.48 g/t gold including 15 m true width at 8.68 g/t gold from 24.75 m drill depth and confirmed the geological model. The exploration drilling on Cacao has demonstrated a wide structure, 14.9m true width at 3.94g/t gold. The Company has completed 3,500m of a 8,500m infill drilling programme on the high grade Mestiza open pit. The Company is on track with its strategic objective of constructing and operating a processing plant producing circa 100,000 oz gold per annum, then materially expanding the production capacity and demonstrating a 5M oz Gold District.

**M L Child**  
**Chairman & CEO**

Date: 11 August 2021

## CONDOR GOLD PLC

### REVIEW OF OPERATIONS AND PROJECT OVERVIEW FOR THE THREE AND SIX MONTHS TO 30 JUNE 2021

#### LA INDIA PROJECT

##### Mining Studies

Technical efforts during the early months of 2021 were heavily focused on assessment and purchase of a complete new SAG Mill package from First Majestic Silver Corp along with the on-going design efforts for the processing plant, surface water management system, the Tailings Storage Facility (TSF) and resource and reserve development for the initial production from La India Pit.

Condor announced the purchase of the complete new SAG Mill package in March. Selection and purchase of the mill catalyzed supporting engineering and technical work for construction financing has been the focus during the first half of 2021. This effort has included an infill drilling program (discussed under the geology section) to more accurately define the ore grades expected during the first year of operations. This work will lead to an updated resource and reserve model.

The mill selection and review established a clear throughput rate of circa 2,300 tpd at a 75 micron grind size. Subsequent efforts were focused on identification of engineering firms for the development of an FS Level (+/- 15%) estimate plant design and associated infrastructure. Condor compiled dossiers on 5 companies, distributed a request for proposal and interviewed the candidate firms. This effort led to the selection of Hanlon / GR Engineering Services for the plant design. Selection was based upon extensive gold plant experience, cost, schedule, familiarity with the SAG Mill and construction contacts within Central America.

A site visit for the Hanlon project manager was conducted in June 2021, along with a kickoff meeting. To date Hanlon has developed design criteria and is working on the revised flowsheet, which is envisaged as a Carbon-in-Pulp (CIP) plant, which is slightly different than the 2014 Carbon-in-Leach plant included within the 2014 Preliminary Feasibility Study. Hanlon will provide the appropriate inputs for the plant, including designs, operating and capital costs. SRK will continue to provide metallurgical consulting on behalf of Condor.

The TSF design proceeded during the first half with the completion of the geotechnical characterization under the proposed site, based upon drilling and test pits within the footprint. At Condor's request, Tierra Group International (TGI) also compiled a preliminary assessment of the geotechnical conditions in the plant location, which has been the basis for the on-going Hanlon site general arrangement. A preliminary design of the TSF has been completed and is under review by Condor staff. Current work by TGI is focusing on attenuation structures on the La Simona Drainage and safety assessments that are required by the government of Nicaragua and by international lending institutions.

The more demanding standards of financial institutions require that Condor revisit and refine the understanding of the rock mass behavior for the La India pit. Condor has retained the services of SRK-Cardiff to develop a program to achieve this greater understanding. Geotechnical drilling commenced in June of 2021, at the time of writing approximately 1,300m of a 1,700m geotechnical drill programme has been completed. A geotechnical engineer from SRK has conducted a site visit to ensure viability of the proposed work structure and ensure that appropriate logging is being conducted. Condor has also engaged a borehole televiwer to provide additional data on structures and lithologies, which has arrived in Nicaragua.

Surface water management work is continuing in conjunction with SRK in cooperation with Tierra Group. The Condor staff and consultants have analyzed a number of options to manage stormwater in and around the La India Pit, including options that would safely allow operation of an underground mine under the La India pit. This effort has also been integrated with the government-mandated sound berm to prevent flooding of the La India village in extreme storm events. This work requires integration with the plant design to manage contact and non-contact water, along with the waters within the TSF.

Additional hydrogeological testing is also underway and will be conducted early in the 2<sup>nd</sup> half of 2021. As with the geotechnical and hydrological disciplines, the metallurgical testing also requires additional analysis. During the 1<sup>st</sup> half, a metallurgical testing protocol was developed by SRK Metallurgists and implemented by Condor staff. The material has been received by SGS Labs in Toronto, and analysis is underway. None of the results to-date indicate any material changes in the expected flow sheet or metallurgical recovery.

Site Preparation work continued at the proposed plant location, including construction of project overlook locations and upgrades to the access road, including installation of culverts to allow unimpeded flow of the La

**CONDOR GOLD PLC**

**REVIEW OF OPERATIONS AND PROJECT OVERVIEW**  
**FOR THE THREE AND SIX MONTHS TO 30 JUNE 2021**

Simona creek to the eventual location of the La Simona attenuation structure. Permits are due shortly, ahead of further land clearing and preparation.

Electricity remains one of the major contributors to processing costs. Condor has continued to advance the design of the power supply for the plant, as well as the exploration of less expensive sources of power.

Mine designs are receiving similar treatment in the refinement of designs to better manage stripping requirements and ore release, as well as optimization of waste dump capacity. This work is being undertaken for all potential open pit production sources in addition to the more detailed work required for La India designs, reworking mine plans to increase the number of phases and improve ore delivery and waste stripping to improve project economics. The resulting designs will be used to generate contract mining bid packages and will be delivered to the local mine contractors in the second half of 2021.

Along with the considerable increase in the workload, Condor is in the process of hiring additional staff for the next phase of development. Condor has already added additional geologists, a hydrologist, a civil engineer and an architect for the infrastructure design work. A mining engineer is expected to join the staff early in the 2<sup>nd</sup> half.

**Dave Crawford**  
**Chief Technical Officer**

## CONDOR GOLD PLC

### REVIEW OF OPERATIONS AND PROJECT OVERVIEW FOR THE THREE AND SIX MONTHS TO 30 JUNE 2021

#### Geology: exploration, mineral resource development and geo-technical studies

Field operations were dominated by drilling during the first half of 2021; starting the year with two, and quickly increasing to four drilling rigs operating 24 hours a day, seven days a week. The drilling is being employed to advance a combination of exploration, mineral resource development and mine feasibility studies.

##### *La India Mineral Resource infill drilling*

A programme of infill diamond core drilling to 25m-spacing within the planned high-grade starter pits, as well as twinning of all reverse circulation ('RC') drill holes on the principal La India Vein was completed. The close-spaced drill grid within the starter pits provides the sample density and detailed geological information required to finalize pit designs and mine schedules ahead of production. The replacement of all historical reverse circulation drill holes within the overall La India open-pit Mineral Resource will improve the accuracy of the geological model.

A total of fifty-eight drill holes for 3,370m was drilled, including three drill holes for 141 m which were drilled prior to the reporting period in December 2020. Twenty-three of these (for 1,632 m) were replacing RC drill holes with diamond core drilling. The RC-twin drill holes included both those that formed part of the starter pit resource definition programme by intercepting mineralisation within and adjacent to the high-grade starter pits, as well as holes drilled in lower grade zones further along strike and beneath the high-grade starter pits.

The assay results support, and add considerable confidence to, the geological model used in the mineral resource and mineral reserve estimations and mine plan. The holes drilled in the starter pits have confirmed that the Noranda Mining in the 1940's and 1950's only extracted a very narrow high-grade core zone, leaving behind considerable widths of mineralisation in both the hangingwall and footwall zones, including some high grade veins. For example, in the Northern Starter Pit drill hole LIDC413 returned a combined and amalgamated 22.05 m (**21.6m true width**) at **6.48 g/t gold** from either side of a 4.3m wide mine void. At this location a significant amount of mineralisation has been left in the hangingwall of the mine which returned 15.35m (15.0m true width) at 8.68 g/t gold from 24.75m drilled depth. Similarly in the Southern Starter Pit an amalgamated 19.4m (18.7m true width) at 2.80 g/t gold from 28.45 m drill depth, including 8.20 m (7.9m true width) at 4.90 g/t gold in the hangingwall of a 4.3m thick historic mine working (drill hole LIDC433).

The twinning of RC drill holes with diamond core not only improved the quality of the geological model but returned higher than expected grades in some key locations. In particular, an intercept of 60.60m (**54.5m true width**) at **1.98 g/t gold** from 4.15m drill depth, including 5.75 m (5.2m true width) at 16.88 g/t gold from 42.55 m drill depth in drill hole LIDC452, located between the two proposed starter pits in an area previously interpreted as having lower grade gold mineralisation. These results will be incorporated into a revised feasibility-level mine plan and are expected to have a positive impact on the Project's economics.

##### *La Mestiza Mineral Resource infill drilling*

Infill diamond core drilling on the La Mestiza open pit area commenced on the 8<sup>th</sup> May 2021. The Mestiza area hosts an open pit mineral resource of 92kt at 12.1g/t gold for 36,000 oz gold in the Indicated category and 341kt at 7.7 g/t gold for 85,000 oz gold in the Inferred category, and an underground Mineral Resource of 118kt at 5.5 g/t gold in the Indicated category and 984kt at 5.3 g/t gold for 169,000 oz gold in the Inferred category. Situated only 3 km from the site of the proposed fully permitted La India processing plant. La Mestiza is expected to be developed as a satellite open pit. The 8,500 metres infill drilling programme is targeting the part of the Mineral Resource that is considered to have the potential to support open pit mining, focussing on the 85,000 oz gold that is currently categorised as Inferred. The drilling will 'tighten up' the drill spacing from the current mix of 50m to 100m spacing to a regular 2 m along strike and 50m down-dip. The objective of the drilling program is to improve the confidence of the geological model and future mine schedules, aiming to upgrade a significant proportion of the Inferred open pit Mineral Resource to the Indicated Mineral Resource category for use in future Pre-Feasibility or Feasibility level studies. As of the date of this document circa 4,134 metres of drilling had been completed at Mestiza.

## CONDOR GOLD PLC

### REVIEW OF OPERATIONS AND PROJECT OVERVIEW FOR THE THREE AND SIX MONTHS TO 30 JUNE 2021

#### *Cacao exploration and resource extension drilling*

In February a 5,000 metre exploration and resource extension diamond core drilling programme was initiated at Cacao, some 4 km from the site of the planned and fully permitted La India Project processing plant. The Cacao prospect is a 650m long low ridge with intermittently outcropping gold-bearing quartz vein, sinter and hydrothermally altered rocks, representing an ancient hydrothermal fluid vent at the top of a steep, East-West striking regional fault. Several campaigns of trenching and drilling by the Company since 2007 have discovered the top of an epithermal gold system at depth below the ridge, with progressively better grades and widths intercepted in the deeper drill holes. An Inferred Mineral Resource of 662 Kt at 2.8 g/t gold for 60,000 oz gold was estimated at Cacao in January 2019. The drilling undertaken during the first half of 2021 has been designed to (1) infill and extend the deeper levels of the resource at 50-100m spacing, (2) explore for an extension to the structure immediately along strike to the East where it is hidden beneath alluvial cover, and (3) test the vein beneath an isolated exposure of the Cacao structure some 2 km along strike to the East at the Twin Hills prospect where rock chip samples and artisanal miner activity demonstrates that the Cacao structure hosts gold mineralised along a considerable strike length.

Drilling was paused at the end of May after 15 drill holes for 3,504m had been completed; eight holes infilling and extending the Cacao mineral resource at depth, five holes testing a 500m strike extension to the east at 100m step-outs some 130-150m below surface, and two drill holes had tested beneath the rock chip anomalies and artisanal mine workings at the Twin Hills Prospect. The drilling was suspended to allow all assay results to be returned so that the final 1,500 m of drilling could be optimised to follow-up on the most promising zones. At time of writing assay results have been returned for the resource extension and strike step-out drilling. The Company is encouraged that the best intercept to-date was returned from the deepest drill hole (CCDC033). An intercept of 25.93m (**14.9m true width**) at **3.94g/t gold** from 263.82m, including 4.58m (**2.6m true width**) at **7.76g/t gold** from 282.12m drill depth, some 260 m below surface. This result supports the geological model the surface mineralisation at Cacao lies above a fully preserved epithermal system. This high-grade intercept has potentially found the top of the 'bonanza zone' that occurs in many epithermal gold mineralised systems.

The exploratory step-out drilling along strike to the East is at a shallower level. This drilling was designed to establish whether or not the Cacao structure extends along strike, but expected to return lower grades from the hydrothermal vent zone above any high-grade epithermal deposits and positive results can be used as a vector towards high-grade mineralisation at depth. The results have been positive with a best intercept of 3.05m (**2.5 m true width**) at **2.34 g/t gold** from 218.07 m in drill hole CCDC038 some 400 m along strike of the Cacao resource in a zone where there is no evidence of mineralisation at surface. The results of the drilling at the Twin hills Prospect are pending. These initial results already suggest that significant gold intercepts occur at depth below the main Cacao Resource and that mineralisation does continue at depth along strike to the East where the structure has been located but the epithermal zone has yet to be tested.

#### *La India geotechnical drilling*

A 1,700m geotechnical drilling programme commenced on the 14<sup>th</sup> June to characterise the geo-mechanical properties of the walls of the planned La India open pit. As at the date of this document, circa 1,300m had been completed. The drilling is being undertaken with orientated HQ-triple tube diamond drill core technique and will be supplemented by acoustic or optical televiewer survey. The core logging is being undertaken by consultant geotechnical geologists under the supervision of project consultants SRK Consulting (UK) Limited. The programme is designed to supplement the pre-existing pre-feasibility level geotechnical data to achieve full feasibility level design. The first three geotechnical drill holes for 336m had been completed at the end of the month, testing the hangingwall side of the open pit shell.

#### **Luc English**

Resident Geologist

## CONDOR GOLD PLC

### REVIEW OF OPERATIONS AND PROJECT OVERVIEW FOR THE THREE AND SIX MONTHS TO 30 JUNE 2021

#### Environmental

The nursery has 5,848 forestry plants with 37 species, with on-going maintenance thereof, as well as in 6 reforestation areas with the agreement of landowners and established this year, for a total of 5 hectares in La India concession, as well as 2 hectares in Real de la Cruz Concession. A total of 250 plants, both forestry and fruit trees, were also donated to government institutions and local mayors.

The company continues with the environmental monitoring processes to ensure compliance with environmental permits, on drilling platforms with a frequency of 4 times a week and in the same context it continues with remediation work on 20 platforms.

Treatment and management of non-hazardous solid waste have been carried out (general waste 420lbs, 210 organic and 280 of recyclable material).

INAFOR permits were obtained for the use of chainsaws and tree felling within Mina La India and authorization was received from MARENA for the installation of potable water treatment plant (Agua Fresca Project). Fire control activities also carried out due to grass burning by farmers at the beginning of the harvest, affecting an area of 11 Mz (7.7 hectares) of which 10 Mz are owned by the company.

Support continues to government institutions (INAFOR / MARENA), local mayors and zoo, this to maintain the social and business responsibility of the Company – this has included the supply of water for nurseries, water for control of fires, seeds and vitamins for animals at the zoo in Leon.

From January to July, the Agua Fresca project involved monitoring of quality and quantity of water at source, purchase and installation of the potable water plant, finalizing with its inauguration in June and obtaining of the water concession permit on July 2.

In April, water quality sampling was carried out across 15 monitoring sites. In June, sediment sampling was carried out at 6 representative sites from La India concession area.

During the rainy season, water samples are taken from the 6 reactors that make up the kinetic study on acid drainage so as to understand future runoff behavior of different lithologies at planned extraction sites. As in 2020 results are anticipated to be within acceptable norms.

Between June and August, as part of the dewatering study, a test well was drilled to the lowest anticipated level of the La India pit to determine the main hydraulic parameters of the existing aquifer by monitoring the reaction of the water levels in different piezometers, and enable design of the pumping station to enable operability in La India pit.

The company also continues to monitor surface water at 5 sites within the main basin of the Agua Fría river, in addition to monitoring groundwater levels at 38 sites - this as part of the hydrological and hydrogeological baseline studies. During this year, 8 new groundwater monitoring sites have been added through the cleaning and installation of piezometers in old (5) and new (3) boreholes.

As part of the Tailings Storage Facility and Water Dam areas studies, the monitoring of 11 piezometers located in the areas destined for this infrastructure continues, in addition to 3 piezometers located in the La Simona sector, where a flood control dam is planned.

As a long term requirement, precipitation and climate data are monitored by collecting information generated by the company's meteorological network, made up of a main meteorological station and 4 rain gauges.

**Heidi Vallecillo**  
**Environmental Manager**



## **CONDOR GOLD PLC**

### **REVIEW OF OPERATIONS AND PROJECT OVERVIEW** **FOR THE THREE AND SIX MONTHS TO 30 JUNE 2020**

#### **Social**

Condor Gold, through its social team, during the first six months of the year has focused its work on communication campaigns within villages and management of permits with property owners in order to facilitate drilling campaigns in the tailings dam, La India pit. and El Cacao areas.

The social team continued working to maintain the social licence to operate for La India mine project by consolidating the existing eight villager involvement groups through nine local programmes created by the Company and which encompass almost 80% of the local population: Agua Fresca, elderly, local businessmen, artisanal miners co-operative members, independent artisanal miners, APROSAIC (local association for development initiatives), water committee, “Youth in Action” and “Happy Childhood”. In addition to these programs, we continue to provide support to first four self-sustaining projects in Santa Cruz de la India, which are: Piñata project, Los Abuelos medicinal gardens, savings program (follow up on savings books with business owners), the Community Bank project for business owners and on May 5<sup>th</sup> the Community Rooms Project was launched to provide accommodation for service providers and consultants.

Since the beginning of the year, a permanent Covid prevention campaign has been maintained through social programs, social networks, and collaboration with the local health centre.

In May of this year, the water treatment plant was inaugurated, which represents the first stage of the project to improve the drinking water system for Santa Cruz de la India. Using this plant, the water delivered to families in Santa Cruz de la India will be purified locally. Through this the Agua Fresca program will be expanded to more families, with deliveries twice-weekly of a canister of water; consequent improvements in public health are anticipated.

In compliance with Condor’s HSEC policy and international standards, the Company also implemented quarterly communal assemblies with community leaders to disclose and explain the Company’s activities.

An awareness campaign began in April and in May a communication campaign began to promote the Community Training Program, the main goal of which was to enrol 112 students: this target was exceeded through the enrolment of 154 people, 32% of whom were women. The campaign was accompanied by 39 community leaders and was launched in 10 neighbouring villages.

**Levinia Sequira**  
**Community Relations Officer and Manager of Social Team**

**CONDOR GOLD PLC**

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**CURRENT CONCESSION HOLDINGS**

*Nicaragua Projects*

<b>Project</b>	<b>Concession</b>	<b>Ownership</b>	<b>Expiry Date</b>	<b>Area (km<sup>2</sup>)</b>
La India Project	La India	100% Owned	January 2027	68.50
	Espinito Mendoza	100% Owned	November 2026	2.00
	Cacao	100% Owned	January 2032	11.90
	Santa Barbara	100% Owned	April 2034	16.20
	Real de la Cruz	100% Owned	January 2035	7.66
	Rodeo	100% Owned	January 2035	60.40
	La Mojarra	100% Owned	June 2029	27.00
	La Cuchilla	100% Owned	August 2035	86.39
	El Zacatoso	100% Owned	October 2039	1.00
	Tierra Blanca	100% Owned	June 2040	32.21
	Las Cruces	100% Owned	December 2043	142.3
	Cerro Los Cerritos	100% Owned	June 2044	132.1
		<b><i>Subtotal</i></b>		
Boaco	Rio Luna	100% Owned	June 2035	43.00
RAAN	Estrella	100% Owned	April 2035	18.00
Nueva Segovia	Potrerrillos	100% Owned	December 2031	12.00
<b>TOTAL</b>				<b>660.66</b>

*All concessions in Nicaragua are combined exploration and exploitation concessions.*

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**CURRENT LA INDIA PROJECT CIM CODE & NI 43-101 MINERAL RESOURCE**

The following Mineral Resource estimations set out Condor's Mineral Resource Statement as at 25 January 2019 for the La India Project.

**Mineral Resource Statement prepared in accordance with CIM and Canadian NI 43-101 as at 25 January 2019 for the La India Project (SRK Consulting (UK) Ltd.).**

<b>SRK MINERAL RESOURCE STATEMENT as of 25 January 2019 (4), (5), (6)</b>								
Category	Area Name	Vein Name	Cut-Off	Gold			Silver	
				Tonnes (Kt)	Au Grade (g/t)	Au (Koz)	Ag Grade (g/t)	Ag (Koz) (7)
Indicated	Grand total	All veins	0.5g/t (OP) (1)	8,583	3.3	902	5.6	1,535
			2.0 g/t (UG) (2)	1,267	5.8	238	8.5	345
		Subtotal Indicated			9,850	3.6	1,140	5.9
Inferred	Grand total	All veins	0.5g/t (OP) (1)	3,014	3.0	290	6.0	341
			2.0 g/t (UG) (2)	3,714	5.1	609	9.6	860
		1.5 g/t (3)	1,751	5.0	280			
		Subtotal Inferred			8,479	4.3	1,179	8.2
<p>(1) The methods applied to conducting the geological modelling and estimation have not changed from those described in the Technical Report. The La India, America, Central Breccia, Mestiza and Cacao pits are amenable to open pit mining and the Mineral Resource Estimates are constrained within Whittle optimised pits, which SRK based on the following parameters: A gold price of USD1,500 per ounce of gold with no adjustments. Prices are based on experience gained from other SRK projects. Metallurgical recovery assumptions are between 91-96% for gold, based on testwork conducted to date. Marginal costs of USD19.36/t for processing, USD5.69/t G&amp;A and USD2.35/t for mining, slope angles defined by the Company Geotechnical study which range from angle 40 - 48°, a haul cost of USD1.25/t was added to the Mestiza ore tonnes to consider transportation to the processing plant.</p> <p>(2) Underground Mineral Resources beneath the open pit are reported at a cut-off grade of 2.0 g/t over a minimum width of 1.0m. Cut-off grades are based on a price of USD1,500 per ounce of gold and gold recoveries of 91 percent for resources, costs of USD19.36/t for processing, USD4.5/t G&amp;A and USD50.0/t for mining, without considering revenues from other metals.</p> <p>(3) Mineral Resources as previously quoted by SRK (22 December 2011) are reported at a cut-off grade of 1.5 g/t, and have not been updated as part of the current study due to no further detailed exploration.</p> <p>(4) Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate and have been used to derive sub-totals, totals and weighted averages. Such calculations inherently involve a degree of rounding and consequently introduce a margin of error. Where these occur, SRK does not consider them to be material. All composites have been capped where appropriate. The concession is wholly owned by and exploration is operated by Condor Gold plc.</p> <p>(5) The MRE uses the terminology, definitions and guidelines given in the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Standards on Mineral Resources and Mineral Reserves (May 2014) (the "CIM Standards").</p> <p>(6) SRK completed a site inspection to the deposit by Mr Benjamin Parsons, MSc (MAusIMM(CP), Membership Number 222568, a "qualified person" as defined by NI 43-101.</p> <p>(7) Back calculated Inferred silver grade based on a total tonnage of 4569 Kt as no silver estimates for Teresa, Central Breccia, Arizona, Auga Caliente, Guapinol, San Lucas, Cristalito-Tatescame or El Cacao.</p> <p>(8) The Mineral Resources are inclusive of the Mineral Reserves</p>								

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**Summary of La India Project Mineral Resource Statement as of 25 January 2019 for Indicated and Inferred Categories split per vein and prepared in accordance with CIM and Canadian NI 43-101 as at 25 January 2019 for the La India Project (SRK Consulting (UK) Ltd.).**

SRK MINERAL RESOURCE STATEMENT SPLIT PER VEIN as of 25 January 2019 (4), (5), (6)								
Category	Area Name	Vein Name	Cut-Off	Gold			Silver	
				Tonnes (Kt)	Au Grade (g/t)	Au (Koz)	Ag Grade (g/t)	Ag (Koz)
Indicated	La India veinset	La India/ California <sup>(1)</sup>	0.5 g/t (OP)	8,377	3.1	837	5.4	1,459
		La India/ California <sup>(2)</sup>	2.0 g/t (UG)	678	4.9	107	10.6	231
	America veinset	America Mine <sup>(1)</sup>	0.5 g/t (OP)	114	8.1	30	4.9	18
		America Mine <sup>(2)</sup>	2.0 g/t (UG)	470	7.3	110	4.7	71
	Mestiza veinset	Tatiana	0.5 g/t (OP)	92	12.1	36	19.5	57
		Tatiana	2.0 g/t (UG)	118	5.5	21	11.3	43
Inferred	La India veinset	La India/ California <sup>(1)</sup>	0.5 g/t (OP)	883	2.4	68	4.4	124
		Teresa <sup>(3)</sup>	0.5 g/t (OP)	3	6.5	1		
		La India/ California <sup>(2)</sup>	2.0 g/t (UG)	1,165	5.6	209	12.4	464
		Teresa <sup>(2)</sup>	2.0 g/t (UG)	82	11.0	29		
		Arizona <sup>(3)</sup>	1.5 g/t	430	4.2	58		
		Agua Caliente <sup>(3)</sup>	1.5 g/t	40	9.0	13		
	America veinset	America Mine <sup>(1)</sup>	0.5 g/t (OP)	677	3.1	67	5.5	120
		America Mine <sup>(2)</sup>	2.0 g/t (UG)	1,008	4.8	156	6.8	221
		Guapinol <sup>(3)</sup>	1.5 g/t	751	4.8	116		
	Mestiza veinset	Tatiana <sup>(1)</sup>	0.5 g/t (OP)	220	6.6	47	13.6	97
		Tatiana <sup>(2)</sup>	2.0 g/t (UG)	615	3.9	77	8.8	174
		Buenos Aires <sup>(1)</sup>	0.5 g/t (OP)	120	9.8	38		
		Buenos Aires <sup>(2)</sup>	2.0 g/t (UG)	188	7.1	43		
		Espenito <sup>(2)</sup>	2.0 g/t (UG)	181	8.4	49		
	Central Breccia	Central Breccia <sup>(1)</sup>	0.5 g/t (OP)	922	1.9	56		
	San Lucas	San Lucas <sup>(3)</sup>	1.5 g/t	330	5.6	59		
	Cristalito-Tatescame	Cristalito-Tatescame <sup>(3)</sup>	1.5 g/t	200	5.3	34		
El Cacao	El Cacao <sup>(1)</sup>	0.5 g/t (OP)	188	2.3	14			
	El Cacao <sup>(2)</sup>	2.0 g/t (UG)	474	3.0	46			

## CONDOR GOLD PLC

### REVIEW OF OPERATIONS AND PROJECT OVERVIEW FOR THE THREE AND SIX MONTHS TO 30 JUNE 2021

- (1) The methods applied to conducting the geological modelling and estimation have not changed from those described in the Technical Report. The La India, America, Central Breccia, Mestiza and Cacao pits are amenable to open pit mining and the Mineral Resource Estimates are constrained within Whittle optimised pits, which SRK based on the following parameters: A Gold price of USD1,500 per ounce of gold with no adjustments. Prices are based on experience gained from other SRK projects. Metallurgical recovery assumptions are between 91-96% for gold, based on testwork conducted to date. Marginal costs of USD19.36/t for processing, USD5.69/t G&A and USD2.35/t for mining, slope angles defined by the Company Geotechnical study which range from angle 40 - 48°, a haul cost of USD1.25/t was added to the Mestiza ore tonnes to consider transportation to the processing plant.
- (2) Underground Mineral Resources beneath the open pit are reported at a cut-off grade of 2.0 g/t over a minimum width of 1.0m. Cut-off grades are based on a price of USD1,500 per ounce of gold and gold recoveries of 91 percent for resources, costs of USD19.36/t for processing, USD4.55/t G&A and USD50.0/t for mining, without considering revenues from other metals.
- (3) Mineral Resources as previously quoted by SRK (22 December 2011) are reported at a cut-off grade of 1.5 g/t, and have not been updated as part of the current study due to no further detailed exploration.
- (4) Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate and have been used to derive sub-totals, totals and weighted averages. Such calculations inherently involve a degree of rounding and consequently introduce a margin of error. Where these occur, SRK does not consider them to be material. All composites have been capped where appropriate. The concession is wholly owned by and exploration is operated by Condor Gold plc.
- (5) The MRE uses the terminology, definitions and guidelines given in the CIM Standards.
- (6) SRK completed a site inspection to the deposit by Mr Benjamin Parsons, MSc (MAusIMM(CP), Membership Number 222568, a "qualified person" as defined by NI 43-101.
- (7) The Mineral Resource is inclusive of the Mineral Reserve

## CURRENT LA INDIA PROJECT CIM CODE MINERAL RESERVE

### La India Open Pit Mineral Reserve Estimate for La India Project Mineral Resource Statement as of 21 December 2014 (SRK Consulting (UK) Ltd.).

Mineral Reserve Class	Diluted Tonnes	Diluted Grade		Contained Metal	
	( Mt dry)	(g/t Au)	(g/t Ag)	(Koz Au)	(Koz Ag)
Proven	-	-	-	-	-
Probable	6.9	3.0	5.3	675	1,185
<b>Total</b>	<b>6.9</b>	<b>3.0</b>	<b>5.3</b>	<b>675</b>	<b>1,185</b>

#### Note

- (1) Open pit mineral reserves are reported at a cut-off grade of 0.75 g/t Au assuming: metal price of U.S.\$1,250 per ounce gold, processing cost of U.S.\$20.42 per tonne milled, G&A cost of U.S.\$5.63 per tonne milled, U.S.\$10/oz Au selling cost, 3% royalty on sales and a processing recovery of 91%.

**CONDOR GOLD PLC**

**REVIEW OF OPERATIONS AND PROJECT OVERVIEW**  
**FOR THE THREE AND SIX MONTHS TO 30 JUNE 2021**

**SUMMARY OF CURRENT PERMITTED OPEN PITS – LA INDIA PROJECT<sup>1</sup>**

Category	Area Name	Cut-Off	Gold		
			Tonnes (Kt)	Au Grade (g/t)	Au (Koz)
Indicated	La India	0.5 g/t (OP)	8,377	3.1	837
	America	0.5 g/t (OP)	114	8.1	30
	Mestiza	0.5 g/t (OP)	92	12.1	36
	<b>Total</b>		<b>8,583</b>	<b>3.3</b>	<b>903</b>
Inferred	La India	0.5 g/t (OP)	883	2.4	68
	America	0.5 g/t (OP)	667	3.1	67
	Mestiza	0.5 g/t (OP)	341	7.7	85
	<b>Total</b>		<b>1,901</b>	<b>3.6</b>	<b>220</b>
Total	La India	0.5 g/t (OP)	9,260	3.0	905
	America	0.5 g/t (OP)	791	3.8	97
	Mestiza	0.5 g/t (OP)	433	8.6	121
	<b>Total</b>		<b>10,484</b>	<b>3.3</b>	<b>1,123</b>

<sup>1</sup>See Company RNS dated 6 May, 2020

## CONDOR GOLD PLC

### STATEMENT REGARDING FORWARD-LOOKING AND TECHNICAL INFORMATION FOR THE THREE AND SIX MONTHS TO 30 JUNE 2021

Certain statements contained in this document constitute forward-looking information under applicable Canadian securities laws. These statements relate to future events or future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as “seek”, “anticipate”, “plan”, “continue”, “objectives”, “strategies”, “estimate”, “expect”, “may”, “will”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe” and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in its document should not be unduly relied upon.

In particular, this document contains forward-looking statements pertaining to the following:

- mineral resource and mineral reserve estimates;
- targeting additional mineral resources and expansion of deposits;
- the impact of the redesigned La India open pit on the technical viability, economic attractiveness and anticipated gold production of the La India Project;
- the Company’s expectations, strategies and plans for the La India Project, including the Company’s planned exploration and development activities;
- the results of future exploration and drilling and estimated completion dates for certain milestones;
- successfully adding or upgrading mineral resources and successfully developing new deposits;
- production and processing estimates;
- future financial or operating performance and condition of the Company and its business, operations and properties; and
- any other statement that may predict, forecast, indicate or imply future plans, intentions, levels of activity, results, performance or achievements.

The actual results could differ materially from those anticipated in these forward-looking statements or information as a result of the risk factors set forth below and elsewhere in this document:

- mineral exploration, development and operating risks;
- estimation of mineralisation, mineral resources and mineral reserves;
- environmental, health and safety regulations of the resource industry;
- competitive conditions;
- permitting and licencing risks;
- operational risks;
- negative cash flow;
- liquidity and financing risks;
- funding risk;
- risks in relation to the Covid-19 global pandemic
- material contract risks;
- exploration costs;
- uninsurable risks;
- conflicts of interest;
- exercise of statutory rights and remedies;
- risks of operating in Nicaragua;
- government policy changes;
- ownership risks;
- artisanal miners and community relations;
- difficulty in enforcement of judgments;
- the Company’s staggered board of directors;
- market conditions;
- stress in the global economy;
- current global financial condition;
- exchange rate and currency risks;
- commodity prices;
- reliance on key personnel;

## **CONDOR GOLD PLC**

### **STATEMENT REGARDING FORWARD-LOOKING AND TECHNICAL INFORMATION FOR THE THREE AND SIX MONTHS JUNE 30, 2021 (CONTD.)**

- dilution risk; and
- payment of dividends; and
- other risks and uncertainties described under the heading “*Risk Factors*” in the Company’s annual information form for the fiscal year ended December 31, 2020, dated March 31, 2021 and available under the Company’s profile at [www.sedar.com](http://www.sedar.com).

Statements relating to “mineral reserves” or “mineral resources” are deemed to be forward-looking statements or information, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves and resources described can be profitably produced in the future. Readers are cautioned that the foregoing lists of factors are not exhaustive. The forward-looking statements contained in this document are expressly qualified by this cautionary statement.

Although the forward-looking statements contained in this document are based upon assumptions which the Company believes to be reasonable, the Company cannot assure holders of ordinary shares of the Company that actual results will be consistent with these forward-looking statements. With respect to forward-looking statements contained in this document, the Company has made assumptions regarding: future commodity prices and royalty regimes; availability of skilled labour; timing and amount of capital expenditures; future currency exchange and interest rates; the impact of increasing competition; general conditions in economic and financial markets; availability of drilling and related equipment; effects of regulation by governmental agencies; the receipt of required permits; royalty rates; future tax rates; future operating costs; availability of future sources of funding; ability to obtain financing and assumptions underlying estimates related to adjusted funds from operations. The Company has included the above summary of assumptions and risks related to forward-looking information provided in this document in order to provide holders of ordinary shares of the Company with a more complete perspective on the Company’s future operations and such information may not be appropriate for other purposes. The Company’s actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits the Company will derive therefrom. These forward-looking statements are made as of the date of this document and the Company disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

### **TECHNICAL INFORMATION**

Certain disclosure contained in this document relating to the La India Project of a scientific or technical nature has been summarised or extracted from the technical report entitled “*Technical Report on the La India Gold Project, Nicaragua, December 2014*”, dated November 13, 2017 with an effective date of December 21, 2014 (the “*Technical Report*”), prepared in accordance with NI 43-101. The Technical Report was prepared by or under the supervision of Tim Lucks, Principal Consultant (Geology & Project Management), Gabor Bacsfalusi, Principal Consultant (Mining), Benjamin Parsons, Principal Consultant (Resource Geology), each of SRK Consulting (UK) Limited, and Neil Lincoln of Lycopodium Minerals Canada Ltd., each of whom is an independent Qualified Person as such term is defined in NI 43-101.

On January 28, 2019 the Company announced an updated mineral resource estimate at La India (“MRE”). The MRE as at 25 January 2019 is 9.85 million tonnes (“M tonnes” or “Mt”) at 3.6 g/t gold for 1,140,000 oz gold in the Indicated category and 8.48M tonnes at 4.3g/t gold for 1,179,000 oz gold in the Inferred category. The MRE did not show a material change in the number of ounces of gold reported in the Indicated Category or Inferred Category. The methods applied to conducting the geological modelling and estimation for the MRE have not changed from those described in the Technical Report. Given that there has been no material change to the MRE, the Mineral Resource Estimate as disclosed in the Technical Report was not materially impacted by this update. More information relating to the updated MRE is supported by the press release titled “*Mineral Resource Update on La India Project, Nicaragua, including initial declaration of new open pit mineral resource at Mestiza*” dated 28 January 2019 which is available on SEDAR under the Company’s issuer profile. The MRE was prepared by SRK Consulting (UK) Limited (“SRK”) and uses the terminology, definitions and guidelines given in the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Standards on Mineral Resources and Mineral Reserves (May 2014). The MRE update was reviewed and approved by Andrew Cheatle, P. Geo. a qualified person within the meaning of NI 43-101.



**CONDOR GOLD PLC**

**STATEMENT REGARDING FORWARD-LOOKING AND TECHNICAL INFORMATION  
FOR THE THREE AND SIX MONTHS JUNE 30, 2021 (CONTD.)**

Andrew Cheatle, a Non-Executive Director of the Company, and Dave Crawford, Chief Technical Officer of the Company and each a Qualified Person as defined by NI 43-101, have approved the written disclosure in this document.

Qualified Persons: Andrew Cheatle has supervised the preparation of the geoscientific information in this report. Mr. Cheatle is satisfied that the results are verified, based on an inspection of the results from activities carried out in 2017, including of drill core, a review of the sampling procedures, the credentials of the professionals completing the work and the visual nature of the geology within a district where he is familiar with the style and type of mineralization. Mr Cheatle, P.Geol., is a professional geoscientist and has more than 30 years of relevant experience in the mining industry, including in economic analysis and resource estimation. He is a registered Professional Geoscientist in Canada and Fellow of the Geological Society (London) and a Qualified Person under Canadian National Instrument 43-101. Dave Crawford has supervised the preparation of the technical information other than geoscientific information in this report. Mr Crawford has more than 30 years of relevant experience in project studies, mine design, economic analysis and resource estimation. He is a Registered Professional Engineer and a Qualified Person under Canadian National Instrument 43-101.

Quality Assurance and Control: Samples generated from soil sampling and drilling activities are shipped directly in security-sealed bags to Bureau Veritas preparation facility in Managua (ISO 9001). Samples shipped also include intermittent standards and blanks. Pulp samples are subsequently shipped to Bureau Veritas Acme Laboratories in Vancouver, Canada for analysis. For the drilling assays used for Mineral Resource estimations, five percent of pulp samples are prepared and analysed by ALS Minerals in Vancouver, Canada (ISO 17025:2017 and ISO 9001:2015) and Bureau Veritas Laboratories (ISO 17025:2005 and ISO 9001:2015). Metallurgical tests were done on quartered core samples for La India, America and Central Breccia. No systematic mineralogy analysis has been carried out.

**CONDOR GOLD PLC**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE THREE AND SIX MONTHS TO 30 JUNE 2021**

	Six months to 30.06.21 unaudited £	Six months to 30.06.20 unaudited £	Three months to 30.06.21 unaudited £	Three months to 30.06.20 unaudited £
Revenue	-	-	-	-
Share based payments	(199,591)	(98,534)	(111,320)	(61,932)
Administrative expenses	(814,269)	(735,676)	(390,022)	(385,964)
Gain on disposal of project	-	477,616	-	-
Operating loss	<u>(1,013,860)</u>	<u>(356,594)</u>	<u>(501,342)</u>	<u>(447,896)</u>
Finance income	-	1,175	-	-
Loss before income tax	<u>(1,013,860)</u>	<u>(355,419)</u>	<u>(501,342)</u>	<u>(447,896)</u>
Income tax expense	-	-	-	-
<b>Loss for the period</b>	<b><u>(1,013,860)</u></b>	<b><u>(355,419)</u></b>	<b><u>(501,342)</u></b>	<b><u>(447,896)</u></b>
<b>Other comprehensive income/(loss):</b>				
Currency translation differences	<u>(624,628)</u>	1,323,274	<u>(202,236)</u>	<u>(113,382)</u>
<b>Other comprehensive income/(loss) for the period</b>	<b><u>(624,628)</u></b>	<b><u>1,323,274</u></b>	<b><u>(202,236)</u></b>	<b><u>(113,382)</u></b>
<b>Total comprehensive income/(loss) for the period</b>	<b><u>(1,638,488)</u></b>	<b><u>967,855</u></b>	<b><u>(703,578)</u></b>	<b><u>(561,278)</u></b>
<b>Earnings per share expressed in pence per share:</b>				
Basic and diluted (in pence)	Note 7 <u>(0.78)</u>	<u>(0.36)</u>	<u>(0.37)</u>	<u>(0.43)</u>

**CONDOR GOLD PLC**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2021**

	30.06.21 unaudited £	31.12.20 audited £	30.06.20 unaudited £
<b>ASSETS:</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7,495,031	3,067,397	1,666,570
Intangible assets	24,096,294	22,089,314	23,179,856
	<u>31,591,325</u>	<u>25,156,711</u>	<u>24,846,426</u>
<b>CURRENT ASSETS</b>			
Trade and other receivables	390,128	114,409	207,730
Cash and cash equivalents	3,005,389	4,159,391	7,513,056
	<u>3,395,517</u>	<u>4,273,800</u>	<u>7,720,786</u>
<b>TOTAL ASSETS</b>	<b><u>34,986,842</u></b>	<b><u>29,430,511</u></b>	<b><u>32,567,212</u></b>
<b>LIABILITIES:</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	328,300	266,412	217,412
	<u>328,300</u>	<u>266,412</u>	<u>217,412</u>
<b>TOTAL LIABILITIES</b>	<b><u>328,300</u></b>	<b><u>266,412</u></b>	<b><u>217,412</u></b>
<b>NET CURRENT ASSETS</b>	<b><u>3,067,217</u></b>	<b><u>4,007,388</u></b>	<b><u>7,503,374</u></b>
<b>NET ASSETS</b>	<b><u>34,658,542</u></b>	<b><u>29,164,099</u></b>	<b><u>32,349,800</u></b>
<b>SHAREHOLDERS' EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT</b>			
Called up share capital	26,983,286	23,732,526	23,409,725
Share premium	40,858,206	37,175,626	36,974,763
Exchange difference reserve	(2,986,729)	(2,362,101)	576,341
Retained earnings	(30,196,221)	(29,381,952)	(28,611,029)
<b>TOTAL EQUITY</b>	<b><u>34,658,542</u></b>	<b><u>29,164,099</u></b>	<b><u>32,349,800</u></b>

**CONDOR GOLD PLC**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**AS AT 30 JUNE 2021**

	Share capital	Share premium	Exchange difference reserve	Retained earnings	Total equity
	£	£	£	£	£
At 1 January 2020	18,932,704	33,953,693	(746,933)	(28,354,144)	23,785,320
Loss for the period	-	-	-	(355,419)	(355,419)
Other comprehensive income:					
Currency translation differences	-	-	1,323,274	-	1,323,274
Total comprehensive income	-	-	1,323,274	(355,419)	967,855
New shares issued	4,477,021	3,243,280	-	-	7,720,301
Issue costs	-	(222,210)	-	-	(222,210)
Share based payment	-	-	-	98,534	98,534
Total contributions by & distributions to owners of the parent, recognised directly in equity	4,477,021	3,021,070	-	98,534	7,596,625
At 30 June 2020	23,409,725	36,974,763	576,341	(28,611,029)	32,349,800
At 1 January 2021	23,732,526	37,175,626	(2,362,101)	(29,381,952)	29,164,099
Loss for the period	-	-	-	(1,013,860)	(1,013,860)
Other comprehensive income:					
Currency translation differences	-	-	(624,628)	-	(624,628)
Total comprehensive income	-	-	(624,628)	(1,013,860)	(1,638,488)
New shares issued	3,250,760	3,682,580	-	-	6,933,340
Issue costs	-	-	-	-	-
Share based payment	-	-	-	199,591	199,591
Total contributions by & distributions to owners of the parent, recognised directly in equity	3,250,760	3,682,580	-	199,591	7,132,931
At 30 June 2021	26,983,286	40,858,206	(2,986,729)	(30,196,221)	34,658,542

**CONDOR GOLD PLC**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS TO 30 JUNE 2021**

	Six months to 30.06.21 unaudited £	Six months to 30.06.20 unaudited £
Loss before tax	(1,013,860)	(355,419)
Share based payment	199,591	98,534
Depreciation charges	-	16
Finance income	-	(1,175)
	<u>(814,269)</u>	<u>(258,044)</u>
Increase in trade and other receivables	(275,719)	(64,451)
(Decrease)/increase in trade and other payables	61,888	(539,690)
	<u>(1,028,100)</u>	<u>(862,185)</u>
<b>Cash flows from investing activities</b>		
Purchase of intangible fixed assets	(2,662,661)	(983,927)
Purchase of tangible fixed assets	(4,494,661)	(1,050,706)
Interest received	-	1,175
	<u>(7,157,586)</u>	<u>(2,033,458)</u>
Net cash used in investing activities	<u>(7,157,586)</u>	<u>(2,033,458)</u>
<b>Cash flows from financing activities</b>		
Net proceeds from share issue	6,933,340	7,498,091
	<u>6,933,340</u>	<u>7,498,091</u>
Net cash generated from financing activities	<u>6,933,340</u>	<u>7,498,091</u>
Increase/(decrease) in cash and cash equivalents	(1,252,346)	4,602,448
Cash and cash equivalents at beginning of period	4,159,391	2,903,556
Exchange gains on cash and bank	98,344	7,052
	<u>3,005,389</u>	<u>7,513,056</u>

## **CONDOR GOLD PLC**

### **NOTES TO THE CONDENSED FINANCIAL STATEMENTS** **FOR THE THREE AND SIX MONTHS TO 30 JUNE 2021**

#### **1. COMPLIANCE WITH ACCOUNTING STANDARDS**

##### **Basis of preparation**

This condensed set of financial statements has been prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board (“IASB”). It has been prepared in accordance with International Financial Reporting Standards (IFRS and IFRIC interpretations) (“IFRS”) in force at the reporting date, and their interpretations issued by the IASB. They should be read in conjunction with the annual financial statements for the year ended 31 December 2020 which have been prepared in accordance with IFRS their interpretations as issued by the IASB.

The interim results for the three and six months to 30 June 2021 are unaudited and the accounts in this interim report do not therefore constitute statutory accounts in accordance with Section 434 of the Companies Act 2006.

Statutory accounts for the year ended 31 December 2020 have been filed with the Registrar of Companies and the auditor's report was unqualified and did not contain any statement under Section 498(2) or 498(3) of the Companies Act 2006.

The interim financial information for the three and six months ended 30 June 2021 was approved by the Board for release on 11 August 2021.

The directors do not propose an interim dividend.

While it is noted that the Company will require further finance within 12 months of the date of release of these financial statements, the Directors consider the going concern basis to be appropriate based on cash flow forecasts and projections and current levels of commitments, cash and cash equivalents, together with the ability of the Company to raise finance. The comparative period presented is that of the six months ended 30 June 2020.

The Directors are of the opinion that due to the nature of the Group’s activities and the events during that period these are the most appropriate comparatives for the current period. Copies of these financial statements are available on the Company’s website and on [www.Sedar.com](http://www.Sedar.com).

#### **2. ACCOUNTING POLICIES**

The interim financial information for the three and six months ended 30 June 2021 has been prepared on the basis of the accounting policies set out in the most recently published financial statements for the Group for the year ended 31 December 2020, which are available on the Company’s website [www.condorgold.com](http://www.condorgold.com) and on [SEDAR at www.sedar.com](http://www.sedar.com), as the Company does not anticipate the addition of new standards to the Group’s results for the year ended 31 December 2021 would materially impact the results.

#### **3. REVENUE AND SEGMENTAL REPORTING**

The Group has not generated any revenue during the period. The Group’s operations are located in the United Kingdom and Nicaragua.

The following is an analysis of the carrying amount of segment assets, and additions to plant and equipment, analysed by geographical area in which the assets are located.

**CONDOR GOLD PLC**

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS**  
**FOR THE THREE AND SIX MONTHS TO 30 JUNE 2021**

**3. REVENUE AND SEGMENTAL REPORTING - continued**

The Group's results by reportable segment for the six-month period ended 30 June 2021 are as follows:

	<b>UK</b> <b>Six months to</b> <b>30.06.2021</b> <b>£</b>	<b>Nicaragua</b> <b>Six months to</b> <b>30.06.2021</b> <b>£</b>	<b>Consolidation</b> <b>Six months to</b> <b>30.06.2021</b> <b>£</b>
<b>RESULTS</b>			
Operating loss	(907,876)	(105,984)	(1,013,860)
Finance income	-	-	-
Income tax	-	-	-
Loss for period	<u>(907,876)</u>	<u>(105,984)</u>	<u>(1,013,860)</u>

The Group's results by reportable segment for the three-month period ended 30 June 2021 are as follows:

	<b>UK</b> <b>Three months</b> <b>to 30.06.2021</b> <b>£</b>	<b>Nicaragua</b> <b>Three months</b> <b>to 30.06.2021</b> <b>£</b>	<b>Consolidation</b> <b>Three months</b> <b>to 30.06.2021</b> <b>£</b>
<b>RESULTS</b>			
Operating loss	(461,202)	(40,140)	(501,342)
Interest income	-	-	-
Income tax	-	-	-
Loss for period	<u>(461,202)</u>	<u>(40,140)</u>	<u>(501,342)</u>

**Assets**

All transactions between each reportable segment are accounted for using the same accounting policies as the Group uses.

	<b>UK</b> <b>30.06.2021</b> <b>£</b>	<b>Nicaragua</b> <b>30.06.2021</b> <b>£</b>	<b>Consolidation</b> <b>30.06.2021</b> <b>£</b>
<b>ASSETS</b>			
Total assets	7,969,350	26,689,192	34,658,542

	<b>UK</b> <b>30.06.2021</b> <b>£</b>	<b>Nicaragua</b> <b>30.06.2021</b> <b>£</b>	<b>Consolidation</b> <b>30.06.2021</b> <b>£</b>
<b>LIABILITIES</b>			
Total liabilities	(94,896)	(233,404)	(328,300)

**CONDOR GOLD PLC**

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS**  
**FOR THE THREE AND SIX MONTHS TO 30 JUNE 2021**

**3. REVENUE AND SEGMENTAL REPORTING - continued**

The Group's results by reportable segment for the six-month period ended 30 June 2020 are as follows:

	<b>UK</b> <b>Six months to</b> <b>30.06.2020</b> <b>£</b>	<b>Nicaragua</b> <b>Six months to</b> <b>30.06.2020</b> <b>£</b>	<b>Consolidation</b> <b>Six months to</b> <b>30.06.2020</b> <b>£</b>
<b>RESULTS</b>			
Operating loss	(760,471)	403,877	(356,594)
Finance income	1,175	-	1,175
Income tax	-	-	-
Loss for period	<u>(759,296)</u>	<u>403,877</u>	<u>(355,419)</u>

The Group's results by reportable segment for the three-month period ended 30 June 2020 are as follows:

	<b>UK</b> <b>Three months</b> <b>to 30.06.2020</b> <b>£</b>	<b>Nicaragua</b> <b>Three months</b> <b>to 30.06.2020</b> <b>£</b>	<b>Consolidation</b> <b>Three months</b> <b>to 30.06.2020</b> <b>£</b>
<b>RESULTS</b>			
Operating loss	(412,496)	(35,400)	(447,896)
Interest income	-	-	-
Income tax	-	-	-
Loss for period	<u>(412,496)</u>	<u>(35,400)</u>	<u>(447,896)</u>

**Assets and liabilities**

All transactions between each reportable segment are accounted for using the same accounting policies as the Group uses.

	<b>UK</b> <b>30.06.2020</b> <b>£</b>	<b>Nicaragua</b> <b>30.06.2020</b> <b>£</b>	<b>Consolidation</b> <b>30.06.2020</b> <b>£</b>
<b>ASSETS</b>			
Total assets	7,803,704	24,763,508	32,567,212
	<b>UK</b> <b>30.06.2020</b> <b>£</b>	<b>Nicaragua</b> <b>30.06.2020</b> <b>£</b>	<b>Consolidation</b> <b>30.06.2020</b> <b>£</b>
<b>LIABILITIES</b>			
Total liabilities	(123,722)	(93,690)	(217,412)



## CONDOR GOLD PLC

### NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS TO 30 JUNE 2021

#### 4. TAXATION

There is no current tax charge/(credit) for the period. The condensed financial statements do not include a deferred tax asset in respect of unused tax losses as the Directors are unable to assess that there will be probable future taxable profits available against which the unused tax losses can be utilised.

#### 5. INTANGIBLE FIXED ASSETS

During the six months ended 30 June 2021, the Group acquired assets with a cost of £2,662,661 (six months ended 30 June 2020: £983,927).

During the three months ended 30 June 2021, the Group acquired assets with a cost of £1,729,641 (three months ended 30 June 2020: £413,757).

#### 6. EQUITY-SETTLED SHARE OPTION SCHEME AND WARRANTS

The estimated fair value of the options and warrants granted and charged to profit or loss in the period was;

	Six months to 30.06.2021 unaudited £	Six months to 30.06.2020 unaudited £	Three Months to 30.06.2021 unaudited £	Three Months to 30.06.2020 unaudited £
Share options charge	199,591	98,534	111,320	61,932

The fair value of options has been recognised within profit or loss, on a pro-rata basis over the vesting period. This fair value has been calculated using the Black-Scholes option pricing model. The latest inputs into the model were as follows:

	2021	2020
Share price	48p	42p
Exercise price	48p	42p
Expected volatility	35.6%	29.5%
Expected life (yrs.)	5	5
Risk free rate	0.5%	0.5%
Expected dividend yield	-	-

**CONDOR GOLD PLC**

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS**  
**FOR THE THREE AND SIX MONTHS TO 30 JUNE 2021**

**7. EARNINGS PER SHARE**

Basic earnings per share is calculated by dividing the loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

A reconciliation is set out below:

	Six months to 30.06.21	Six months to 30.06.20
<b>Basic EPS</b>		
Loss for the period	(1,013,860)	(355,419)
Weighted average number of shares	129,714,411	98,885,784
Earnings per share (in pence)	<u>(0.78)</u>	<u>(0.36)</u>
	Three months to 30.06.21	Three months to 30.06.20
<b>Basic EPS</b>		
Loss for the period	(501,342)	(447,896)
Weighted average number of shares	134,825,204	103,118,542
Earnings per share (in pence)	<u>(0.37)</u>	<u>(0.43)</u>

In accordance with IAS 33, as the Group has reported a loss for the period, diluted earnings per share are not included.

**8. CALLED-UP SHARE CAPITAL**

	30.06.21 £	30.06.20 £
<b>Allotted and fully paid</b>		
134,916,429 Ordinary shares of 20p each (30 June 2020: 117,048,627 ordinary shares of 20p each)	<u>26,983,286</u>	<u>23,409,725</u>

**CONDOR GOLD PLC**

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Share issuances in the six months ended 30 June 2021 were as follows:

Nature of issuance	Issue price per Ordinary share	Date of share issuance	Number of shares issued	Total Cumulative number of ordinary shares issued
Opening		1 January 2021		118,662,629
Warrant exercise	25 pence	13 January 2021	125,000	118,787,629
Warrant exercise	40 pence	13 January 2021	376,713	119,164,342
Warrant exercise	31 pence	13 January 2021	33,000	119,197,675
Warrant exercise	31 pence	18 January 2021	60,000	119,257,675
Warrant exercise	31 pence	25 January 2021	83,333	119,341,008
Warrant exercise	31 pence	27 January 2021	1,562,500	120,903,508
Warrant exercise	31 pence	7 February 2021	92,083	120,995,591
Private placement	42 pence	1 March 2021	9,523,810	130,519,401
Consideration San Dimas Mill	50 pence	15 March 2021	4,304,778	134,824,179
Exercise of Share Options	34 pence	29 June 2021	92,250	134,916,429

On 17 March 2020, 500,000 ordinary shares were issued at a price of 31 pence per share, further to exercise of warrants. On 28 May 2020, 18,082,192 ordinary shares were issued at a price of 36.5 pence further to a private placement. On 29 May 2020, 312,499 and 2,672,487 ordinary shares were issued at a price of 31 and 25 pence per share respectively, further to an exercise of warrants. On 1 June 2020, 817,927 ordinary shares were issued at a price of 25 pence per share, further to an exercise of warrants.

**9. RELATED PARTY TRANSACTIONS**

During the half year the Company received consultancy advice from the following related parties:

Company	Related party	Six months to 30.06.2021 £	Six months to 30.06.2020 £	Three months to 30.06.2021 £	Three months to 30.06.2020 £
Axial Associates Limited	Mark Child	-	31,500	-	15,750
Burnbrae Limited	Jim Mellon	12,500	12,500	6,250	6,250
Promaco Limited	Ian Stalker	27,225	25,500	14,550	17,550
AMC Geological Advisory	Andrew Cheatle	-	16,249	-	6,250

**10. SEASONALITY OF THE GROUPS OPERATIONS**

There are no seasonal factors which affect the trade of any company in the Group.

**11. POST BALANCE SHEET EVENTS**

There were no material post balance sheet events.