



# Condor Gold plc

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29 May 2020

## Condor Gold Plc ("Condor Gold", "Condor" or the "Company")

### Exercise of Warrants and Receipt of £764,997

Condor Gold (AIM: CNR; TSX: COG) announces that pursuant to receipt of notices for the exercise of warrants, it is issuing 2,984,986 new Ordinary Shares with a nominal value of 20p each in the capital of the Company, comprising 312,499 at a subscription price of 31p per new Ordinary Share and 2,672,487 at a subscription price of 25p per new Ordinary Share, for which the Company has respectively received gross proceeds of £96,875 and £668,122, or £764,997 in total.

Application has been made for the New Ordinary Shares to be admitted to trading on AIM ("**Admission**"), with Admission expected to occur on or around 4 June 2020.

The New Ordinary Shares will rank *pari passu* with the existing Ordinary Shares, including the right to receive all dividends and other distributions declared after the date of their issue.

Following Admission of the New Ordinary Shares, the Company will have 116,230,700 ordinary shares with a nominal value of 20p each in issue with voting rights and admitted to trading on AIM and the TSX. This figure may then be used by shareholders in the Company as the denominator for the calculation by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the Financial Conduct Authority's Disclosure and Transparency Rules and National Instrument 62-103 – *The Early Warning System and Related Take-Over Bid and Insider Reporting Rules* of the Canadian securities administrators.

### Details of the Directors' & CFO Subscription

As part of the exercise of warrants, the Company advises that Mark Child, Executive Chairman of the Company and Andrew Cheatle and Jim Mellon, each a non-Executive Director of the Company, along with Jeffrey Karoly, Chief Financial Officer of the Company, have exercised warrants for 8,333, 4,166, 1,041,666 and 4,166 new, Ordinary shares for a total subscription value of £264,583 (together: the "**Directors' & CFO Subscription**").

Mark Child has exercised warrants (the "**Child Subscription**") for a total of 8,333 new Ordinary Shares. Following completion of the Child Subscription, Mark Child now owns directly and indirectly a shareholding of 4,179,897 Ordinary shares of the Company, representing 3.6% of the resultant issued share capital.

Andrew Cheatle has exercised warrants (the “**Cheatle Subscription**”) for a total of 4,166 new Ordinary Shares. Following completion of the Cheatle Subscription, Andrew Cheatle now owns directly and indirectly a shareholding of 104,050 Ordinary shares of the Company, representing 0.1% of the resultant issued share capital.

Jim Mellon has exercised warrants (the “**Mellon Subscription**”), through Galloway Limited, a limited company which is wholly owned by Burnbrae Group Limited, which is in turn wholly owned by Jim Mellon, for a total of 1,041,666 Units Following completion of the Mellon Subscription, Jim Mellon shall own a direct and indirect aggregate shareholding of 18,026,963 Ordinary Shares or 15.5% of the Company. His direct interest will be in 2,889,883 Ordinary Shares and the indirect interest will be in 15,136,580 Ordinary Shares held through Galloway Limited.

Jeffrey Karoly has exercised warrants (the “**Karoly Subscription**”) for a total of 4,166 new Ordinary Shares Following completion of the Karoly Subscription, Jeffrey Karoly now owns directly and indirectly a shareholding of 126,578 Ordinary shares of the Company, representing 0.1% of the resultant issued share capital.

### **Canadian Securities Law Matters**

The Directors’ Subscription will constitute a related party transaction pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”). The Company is exempt from the requirements to obtain a formal valuation and minority shareholder approval in connection with the Director’s Subscription in reliance on sections 5.5(a) and 5.7(a), respectively, of MI 61-101, as neither the fair market value of the securities received by such parties nor the proceeds for such securities received by the Company exceeds 25% of the Company’s market capitalisation as calculated in accordance with MI 61-101. The board of directors of the Company has approved the Placing.

A material change report with respect to the Placing is expected to be filed less than 21 days prior to the closing of the transaction. This time period is reasonable and necessary in the circumstances as the Company wishes to complete the transaction on an expedited basis for sound business reasons.

### **Special note concerning the Market Abuse Regulation**

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) No 596/2014 (“MAR”). Market soundings, as defined in MAR, were taken in respect of the Placing, with the result that certain persons became aware of inside information, as permitted by MAR. That inside information is set out in this announcement. Therefore, those persons that received inside information in a market sounding are no longer in possession of inside information relating to the Company and its securities.

**- Ends -**

For further information please visit [www.condorgold.com](http://www.condorgold.com) or contact:

Condor Gold plc	Mark Child, Chairman and CEO +44 (0) 20 7493 2784
Beaumont Cornish Limited	Roland Cornish and James Biddle +44 (0) 20 7628 3396
SP Angel Corporate Finance LLP	Ewan Leggat +44 (0) 20 3470 0470
Blytheweigh	Tim Blythe, Camilla Horsfall and Megan Ray +44 (0) 20 7138 3204

### **About Condor Gold plc:**

Condor Gold plc was admitted to AIM in May 2006 and dual listed on the TSX in January 2018. The Company is a gold exploration and development company with a focus on Nicaragua.

In August 2018, the Company announced that the Ministry of the Environment in Nicaragua had granted the Company an Environmental Permit for the development, construction and operation of a processing plant with capacity to process up to 2,800 tonnes per day at its wholly-owned La India gold project ("**La India Project**"). The Environmental Permit is considered to be the master permit for mining operations in Nicaragua. Condor Gold published a Pre-Feasibility Study ("**PFS**") on the La India Project in December 2014, as summarised in the Technical Report as defined below. The PFS details an open pit gold Mineral Reserve in the Probable category of 6.9 Mt at 3.0 g/t gold for 675,000 oz gold, producing 80,000 oz gold per annum for seven years. La India Project contains a Mineral Resource of 9,850Kt at 3.6 g/t gold for 1,140Koz gold in the Indicated category and 8,479Kt at 4.3g/t gold for 1,179Koz gold in the Inferred category. The Indicated Mineral Resource is inclusive of the Mineral Reserve.

Environmental Permits have also been granted in April and May 2020 in relation to the Mestiza and America open pits respectively, both located in the vicinity of the La India Project. The Mestiza open pit hosts 92Kt at a grade of 12.1 g/t gold (36,000 oz contained gold) in the Indicated Mineral Resource category and 341Kt at a grade of 7.7 g/t gold (85,000 oz contained gold) in the Inferred Mineral Resource category. The America open pit hosts 114 Kt at a grade of 8.1 g/t gold (30,000 oz contained gold) in the Indicated Mineral Resource category and 677Kt at a grade of 3.1 g/t gold (67,000 oz contained gold) in the Inferred Mineral Resource category. Following the permitting of the Mestiza and America open pits, together with the La India open pit Condor has 1.12M oz gold open pit Mineral Resources permitted for extraction, inclusive of a Mineral Reserve of 6.9Mt at 3.0g/t gold for 675,000 oz gold.

### **Disclaimer**

Neither the contents of the Company's website nor the contents of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into, or forms part of, this announcement.

## Qualified Persons

The technical and scientific information in this press release has been reviewed, verified and approved by Andrew Cheate, P.Geol., who is a “qualified person” as defined by NI 43-101.

## Technical Information

Certain disclosure contained in this news release 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 defined by NI 43-101.

## Forward Looking Statements

*All statements in this press release, other than statements of historical fact, are ‘forward-looking information’ with respect to the Company within the meaning of applicable securities laws, including statements with respect to: Mineral Reserves and Resources at La India Project. Forward-looking information is often, but not always, identified by the use of words such as: “seek”, “anticipate”, “plan”, “continue”, “strategies”, “estimate”, “expect”, “project”, “predict”, “potential”, “targeting”, “intends”, “believe”, “potential”, “could”, “might”, “will” and similar expressions. Forward-looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions of management at the date the statements are made including, among others, 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. Many assumptions are based on factors and events that are not within the control of the Company and there is no assurance they will prove to be correct.*

*Such forward-looking information involves known and unknown risks, which may cause the actual results to be materially different from any future results expressed or implied by such forward-looking information, including, risks related to: mineral exploration, development and operating risks; estimation of mineralisation, resources and reserves; environmental, health and safety regulations of the resource industry; competitive conditions; operational risks; liquidity and financing risks; funding risk; exploration costs; uninsurable risks; conflicts of interest; risks of operating in Nicaragua; government policy changes; ownership risks; permitting and licencing risks; artisanal miners and community relations; difficulty in enforcement of judgments; market conditions; stress in the global economy; current global financial condition; exchange rate and currency risks; commodity prices; reliance on key personnel; dilution risk; payment of dividends; as well as those factors discussed under the heading “Risk Factors” in the Company’s annual*

information form for the fiscal year ended December 31, 2019 dated March 31, 2020, available under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com).

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise unless required by law.

## Jim Mellon

1 Details of the person discharging managerial responsibilities / person closely associated

a)	Name	<i>Jim Mellon</i>	
<b>2</b>	<b>Reason for notification</b>		
a)	Position / status	<i>Non-Executive Director</i>	
b)	Initial notification /Amendment	<i>Initial</i>	
<b>3</b>	<b>Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor</b>		
a)	Name	<i>Condor Gold plc</i>	
b)	LEI	<i>213800PFKETQA86RHL82</i>	
<b>4</b>	<b>Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted</b>		
a)	Description of the financial instrument, type of instrument	<i>1,041,666 Ordinary shares of 20 pence each in Condor Gold plc</i>	
	Identification code	<i>ISIN GB00B8225591</i>	
	Nature of the transaction	<i>Director's participation in a Subscription</i>	
c)	Price(s) and volumes(s)		
		Price(s)	Volumes(s)
		<i>25 pence</i>	<i>1,041,666</i>

d)	Aggregated information	n/a
e)	Date of the transaction	29 May 2020
f)	Place of the transaction	London Stock Exchange, AIM (XLON)

### Andrew Cheatle

<b>1</b>	<b>Details of the person discharging managerial responsibilities / person closely associated</b>					
a)	Name	<i>Andrew Cheatle</i>				
<b>2</b>	<b>Reason for notification</b>					
a)	Position / status	<i>Non-Executive Director</i>				
b)	Initial notification /Amendment	<i>Initial</i>				
<b>3</b>	<b>Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor</b>					
a)	Name	<i>Condor Gold plc</i>				
b)	LEI	<i>213800PFKETQA86RHL82</i>				
<b>4</b>	<b>Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted</b>					
a)	Description of the financial instrument, type of instrument	<i>4,166 Ordinary shares of 20 pence each in Condor Gold plc</i>				
	Identification code	<i>ISIN GB00B8225591</i>				
	Nature of the transaction	Director's participation in a Subscription				
c)	Price(s) and volumes(s)	<table border="1"> <thead> <tr> <th>Price(s)</th> <th>Volumes(s)</th> </tr> </thead> <tbody> <tr> <td>25 pence</td> <td>4,166</td> </tr> </tbody> </table>	Price(s)	Volumes(s)	25 pence	4,166
Price(s)	Volumes(s)					
25 pence	4,166					
d)	Aggregated information	n/a				
e)	Date of the transaction	29 May 2020				
f)	Place of the transaction	London Stock Exchange, AIM (XLON)				

### Mark Child

<b>1</b>	<b>Details of the person discharging managerial responsibilities / person closely associated</b>	
a)	Name	<i>Mark Child</i>

<b>2</b>	<b>Reason for notification</b>					
a)	Position / status	<i>Executive Chairman</i>				
b)	Initial notification /Amendment	<i>Initial</i>				
<b>3</b>	<b>Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor</b>					
a)	Name	<i>Condor Gold plc</i>				
b)	LEI	<i>213800PFKETQA86RHL82</i>				
<b>4</b>	<b>Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted</b>					
a)	Description of the financial instrument, type of instrument	<i>8,333 Ordinary shares of 20 pence each in Condor Gold plc</i>				
	Identification code	<i>ISIN GB00B8225591</i>				
	Nature of the transaction	<i>Director's participation in a Subscription</i>				
c)	Price(s) and volumes(s)	<table border="1"> <thead> <tr> <th>Price(s)</th> <th>Volumes(s)</th> </tr> </thead> <tbody> <tr> <td><i>25 pence</i></td> <td><i>8,333</i></td> </tr> </tbody> </table>	Price(s)	Volumes(s)	<i>25 pence</i>	<i>8,333</i>
Price(s)	Volumes(s)					
<i>25 pence</i>	<i>8,333</i>					
d)	Aggregated information	<i>n/a</i>				
e)	Date of the transaction	<i>29 May 2020</i>				
f)	Place of the transaction	<i>London Stock Exchange, AIM (XLON)</i>				

### Jeffrey Karoly

<b>1</b>	<b>Details of the person discharging managerial responsibilities / person closely associated</b>	
a)	Name	<i>Jeffrey Karoly</i>
<b>2</b>	<b>Reason for notification</b>	
a)	Position / status	<i>Chief Financial Officer</i>
b)	Initial notification /Amendment	<i>Initial</i>
<b>3</b>	<b>Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor</b>	
a)	Name	<i>Condor Gold plc</i>
b)	LEI	<i>213800PFKETQA86RHL82</i>

<b>4</b>	<b>Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted</b>					
a)	Description of the financial instrument, type of instrument  Identification code	<i>4,166 Ordinary shares of 20 pence each in Condor Gold plc</i>  <i>ISIN GB00B8225591</i>				
	Nature of the transaction	Participation in a Subscription				
c)	Price(s) and volumes(s)	<table border="1"> <thead> <tr> <th>Price(s)</th> <th>Volumes(s)</th> </tr> </thead> <tbody> <tr> <td>25 pence</td> <td>4,166</td> </tr> </tbody> </table>	Price(s)	Volumes(s)	25 pence	4,166
Price(s)	Volumes(s)					
25 pence	4,166					
d)	Aggregated information	n/a				
e)	Date of the transaction	29 May 2020				
f)	Place of the transaction	<i>London Stock Exchange, AIM (XLON)</i>				