



# Condor Gold plc

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**Condor Gold plc**  
(**"Condor"**, **"Condor Gold"** or the **"Company"**)

**PERMITTING UPDATE MINA LA INDIA**

Condor Gold (AIM: CNR; OTCQX: CNFGF; TSX: COG) is pleased to announce that it has formally submitted 450 pages of additional technical studies to the Ministry of Environment and Natural Resources in Nicaragua ("MARENA") in reply to formal questions from MARENA following a site visit inspection to the re-designed mine site infrastructure on 13 March 2018. As announced on 26 February 2018 with further information disclosed on 15 May 2018 in the unaudited results for the three months ended 31 March 2018, Condor submitted an amendment to the Environmental and Social Impact Assessment ("ESIA") to MARENA, which is part of an application for an Environmental Permit, to construct and operate a processing plant with capacity to process up to 2,800 tonnes per day ("tpd") or one million tonnes per annum ("tpa"), without the need to resettle approximately 330 houses or 1,000 people.

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

"Last week I was in Nicaragua and held a very constructive meeting with the Minister of Energy and Mines. The re-designed mine site infrastructure has been well received and a potential obstacle to permitting has been removed. A final inspection of the re-designed mine site infrastructure by three Ministries and related parties took place in March. The site visit inspection prompted several technical questions, which have been formally answered. I remain confident that Condor is close to receiving permitting approval for Mina La India, which is expected to produce approximately 80,000 oz gold per annum from a single open pit."

**Background**

An amendment to the ESIA to progress the La India Project without the need for resettlement of the village of La Cruz de La India (the "Village") has been submitted to MARENA (See RNS 28<sup>th</sup> February 2018). The main changes are a redesigned open pit, the relocation of the processing plant 1,200 meters from the Village, the possible elimination of the southern waste dump, the elimination of the road diversion in year three of production and the relocation of the explosives magazine. A five metre high berm is

planned between the re-designed open pit and the Village to further reduce noise and dust pollution and provide a physical barrier. The mine site infrastructure requirements will be reduced by over 30% to approximately 500 hectares.

The La India open pit disclosed in the Pre-Feasibility Study (“PFS”) has an existing probable mineral reserve of 6.9 million tonnes (“Mt”) at 3.01 grams per tonne (“g/t”) gold for 675,000 oz gold, as set forth in the Technical Report (as defined below) that was prepared in accordance with Canadian National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“NI 43-101”). Revised mine scheduling studies have been significantly advanced in recent months. Gold production is expected to be approximately 80,000 oz gold per annum. The Company does not expect that the changes to the La India Project as detailed in the amended ESIA will materially change the mineral reserves, mineral resources and the production rate disclosed in the Technical Report.

The amended ESIA describes a processing plant that will have a capacity of up to 2,800tpd (1.0mtpa). The amended ESIA continues to include processing of an additional 10,000 oz of gold p.a. sourced from artisanal miners through the main processing plant.

### **The Current Situation in Nicaragua**

As a British company, Condor Gold believes in, and promotes, constructive dialogue for a peaceful resolution of the current political upheaval in Nicaragua. The Company's focus is to support its 70 direct and indirect employees, and their families, who have confirmed their desire to continue to work and maintain stability within their communities as much as possible. Condor 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. Despite the current political upheaval and civil disobedience in Nicaragua, Condor has held very constructive meetings in recent months with the key Ministries who are progressing Condor's application for an Environmental Permit for a new mine at Mina La India.

The new mine would create approximately 1,000 jobs during the construction period with priority given to the local community. The upfront capital cost of approximately US\$120M would have a significant positive impact on the economy. The Government and local communities would benefit significantly from future royalties and taxes.

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

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

Condor Gold plc was admitted to AIM on 31 May 2006. The Company is a gold exploration and development company with a focus on Central America.

Condor published a Pre-Feasibility Study ("PFS") on its wholly owned La India Project in Nicaragua in December 2014, as summarized 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 in the Indicated category of 9.6 Mt at 3.5 g/t for 1.08 million oz gold and a total mineral resource in the Inferred category of 8.5 Mt at 4.5 g/t for 1.23 million oz gold. The Indicated mineral resource is inclusive of the mineral reserve.

### **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.

### **Technical Information**

Certain disclosure contained in this news release of a scientific or technical nature has been summarized 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.

David Crawford, Chief Technical Officer of the Company and a Qualified Person as defined by NI 43-101, has approved the written disclosure in this press release.

### **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: the technical viability and economic attractiveness of the redesigned open pit, the impact of the redesigned open pit on the Company's mineral reserve, mineral resources, production rate and total ounces of gold recoverable by the Company, the Company's intention to provide further details on mine scheduling, and estimates of mineral resources and mineral reserves. 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 long-form prospectus dated December 21, 2017, 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.*