



# **CONDOR GOLD**

**Precious Metals Summit**

**Beaver Creek**

**18<sup>th</sup> to 20<sup>th</sup> September 2017**



CONDOR GOLD PLC

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# Strategy Statement

## Twin strategy

- Permit and construct a base case of 2,800tpd processing plant, producing 100,000 oz gold per annum at Mina La India, Nicaragua.
- Continue successful exploration strategy to expand mineral resources by 1m to 2m oz gold and prove a major Gold District



## Why Invest in Condor Gold?

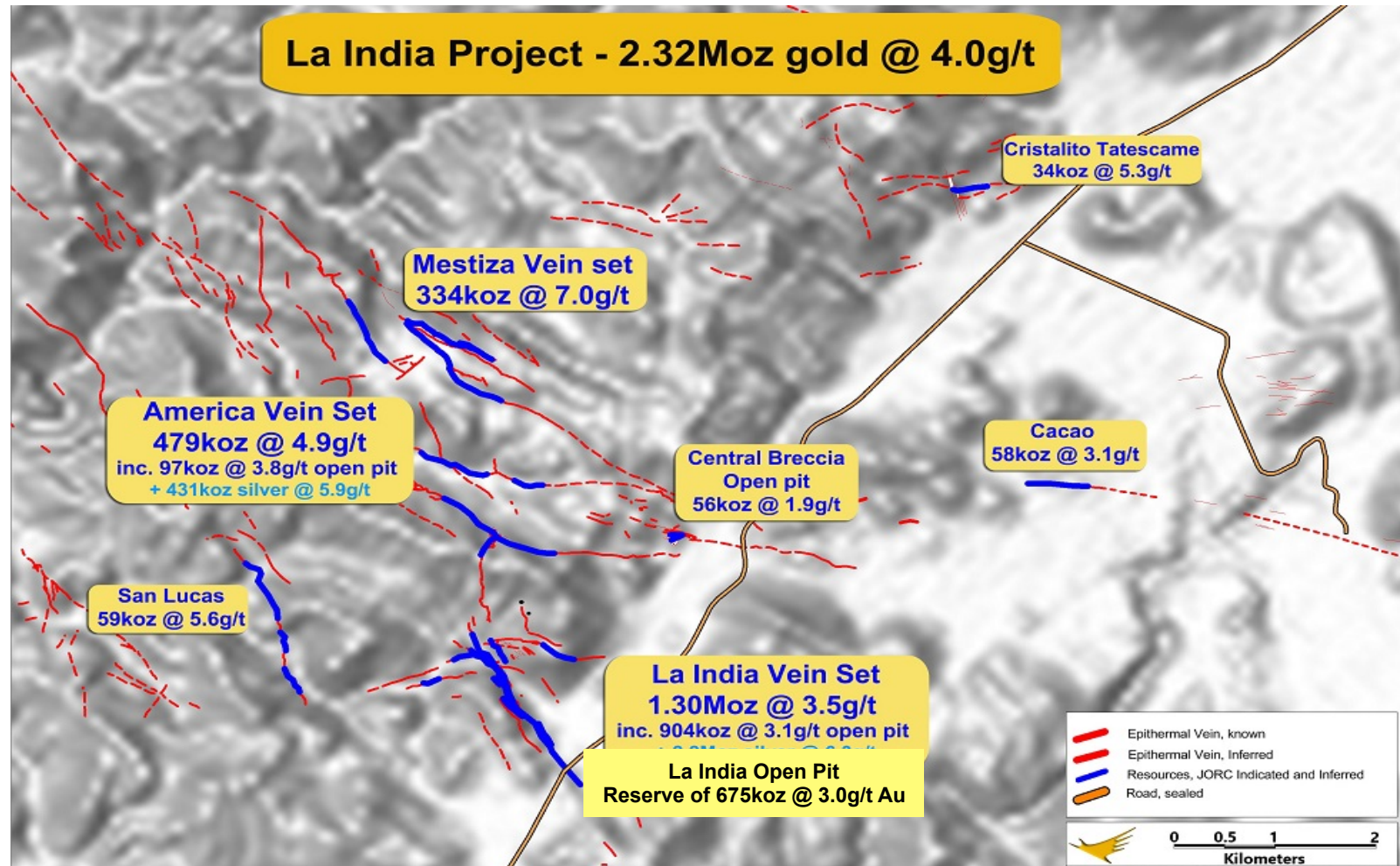
- High grade 18 Mt @ 4.0 g/t for 2.31 M oz gold
- US\$18 per resource oz gold in the ground
- 0.24 times price to book ratio
- RBC Capital Markets: US\$100 per resource oz gold and price to book ratio 0.84 times
- Mineral reserves: US\$700 all-in-sustaining cash costs
- Base case 100,000 oz gold p.a. open pit close to permitting
- 165,000 oz gold p.a. adding feeder pits and underground
- District scale potential of 5M oz gold
- Serious backers: World Bank/IFC, Jim Mellon and Ross Beaty
- Undervalued compared to peer group on TSX. A quarter of the valuation
- OTCQX trading on 24<sup>th</sup> April 2017



# Nicaragua Concessions 408 sq km land holdings



# La India Project – 2.33Moz gold



## La India Open Pit: Permits at Advanced Stage

### Ministry of Environment

Processing plant capacity

Processing plant capacity

Contained gold in pit shells

Recovered gold

Annual production 1<sup>st</sup> 5 years

Up front capital cost

### Passed Technical Reviews of EIA

2,800 tonnes per day

1M tonnes per annum

955,000 oz (866,000 Indicated + 89,000 Inferred)

822,000 oz

101,000 oz

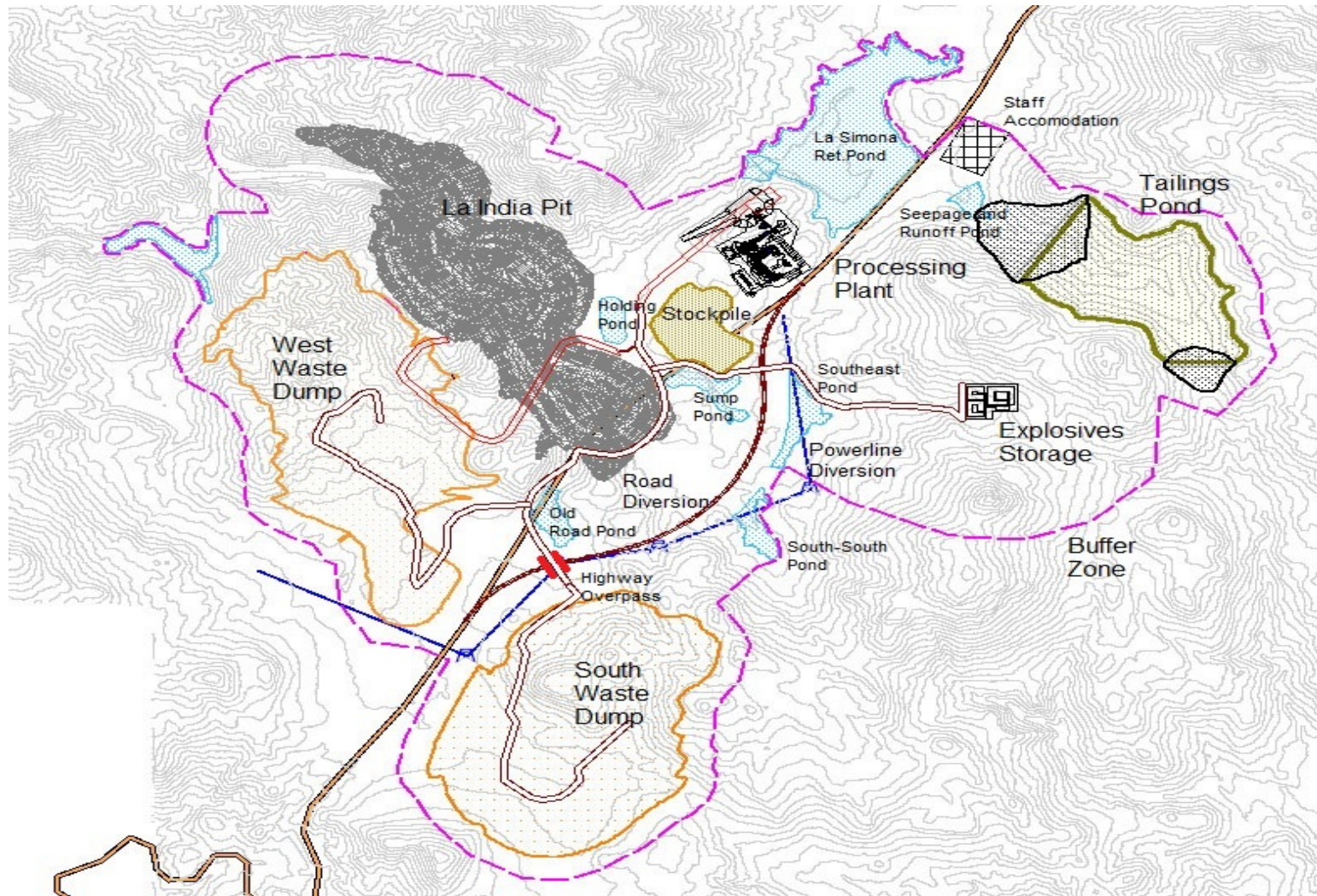
US\$120M

- Whittle Enterprise optimisation study to NPV
- NPV averages US\$195M and 31% IRRs across 4 production scenarios
- Artisanal miner ore of 10,000 oz per annum can be added
- **Re-permitting a former mine. 576,000 oz gold at 13g/t produced over LOM, closed in 1956**





# Mine Site Arrangement & Infrastructure





## Whittle Enterprise Optimisation.....4 scenarios

	La India - PFS		La India	All Open Pits		All Open Pits + UG	
	Open Pit - PFS		Open Pit	PEA-A		PEA-B	
	IND Only		IND+INF	IND+INF		IND+INF	
	PFS	Whittle EO	Whittle EO	PEA A	Whittle EO	PEA A	Whittle EO
Nominal Processing Plant capacity tpd	2,200		2,800	3,300		4,400	
Nom. Capacity in M-tpa	0.8		1.0	1.2		1.6	
Contained gold koz	674	866	955	827	1,066	1,313	1,554
Recovered gold koz	614	796	882	752	985	1,203	1,437
1 <sup>st</sup> 5 years avg. production gold p.a. koz	76	91	101	94	118	138	165
Production improvement 1 <sup>st</sup> 5 years		20%	n/a		25%		20%

- +30% increase in gold within a pit shell as pits push deeper
- +20% to 25% increase in annual production
- Capex remains the same in each scenario
- **NPV averages US\$195M and 31% IRRs**
- AISC under US\$700 oz gold in all scenarios
- Artisanal miner ore of 10,000 oz per annum can be added to each scenario



# Environmental and Social

World Bank's IFC is an 7.3% shareholder in Condor Gold

Condor has appointed Social and Environmental consultants and developed

- Stakeholder Engagement Plan
- Communications Plan
- Land Acquisition and Resettlement Framework
- Grievance Mechanism
  
- Ground Water Participatory Monitoring Program
- Environmental and Social Management Manual
- Security Policy and Code of Conduct
- Human Resource Policy



## Benefits to Nicaragua and the local Community

### To Nicaragua

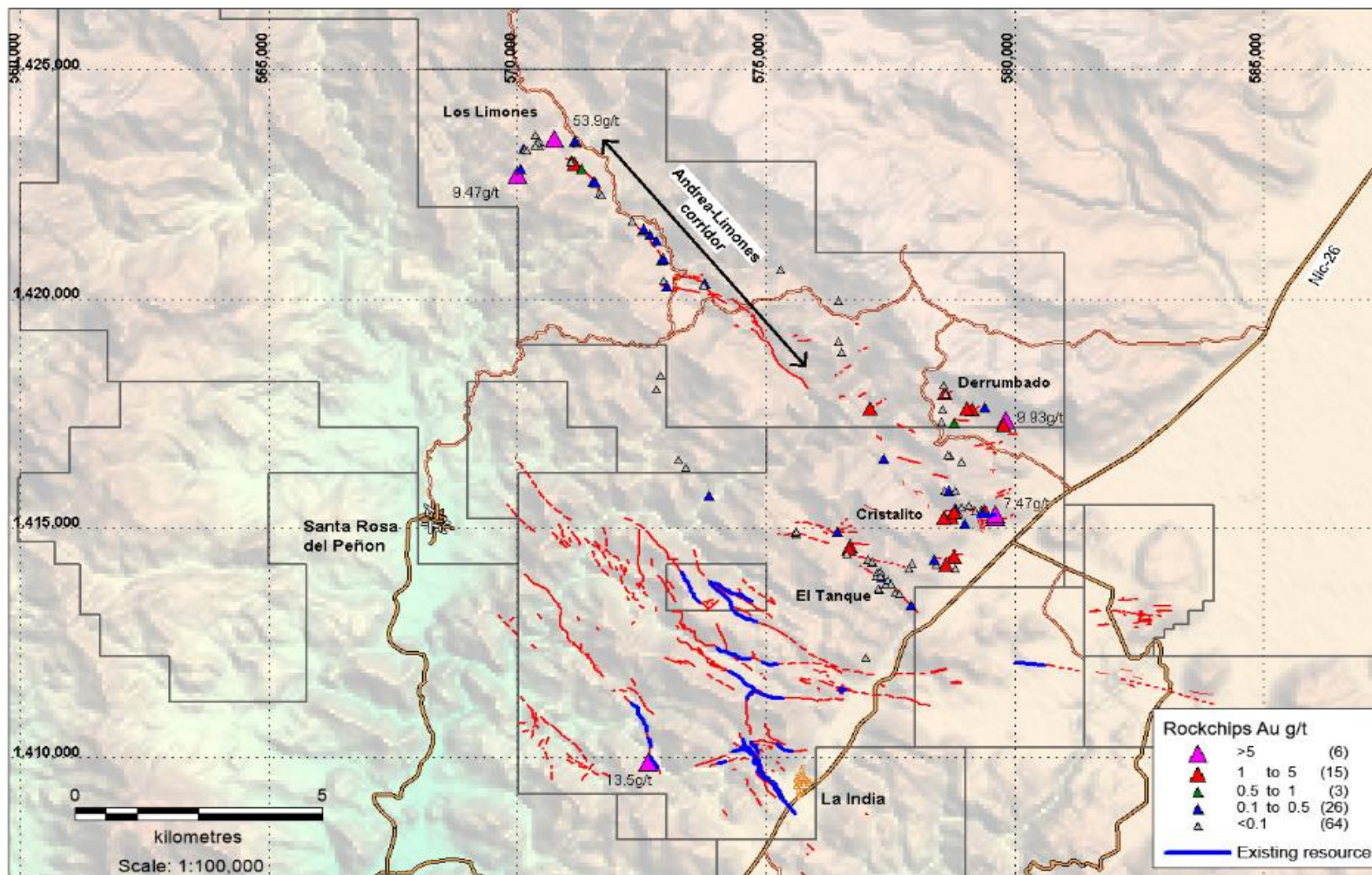
- US\$120m foreign direct investment from a British Company
- Show case state of the art mine in Central America with best possible environmental practices
- 3% royalty on sales
- 30% corporation tax

### To the Community

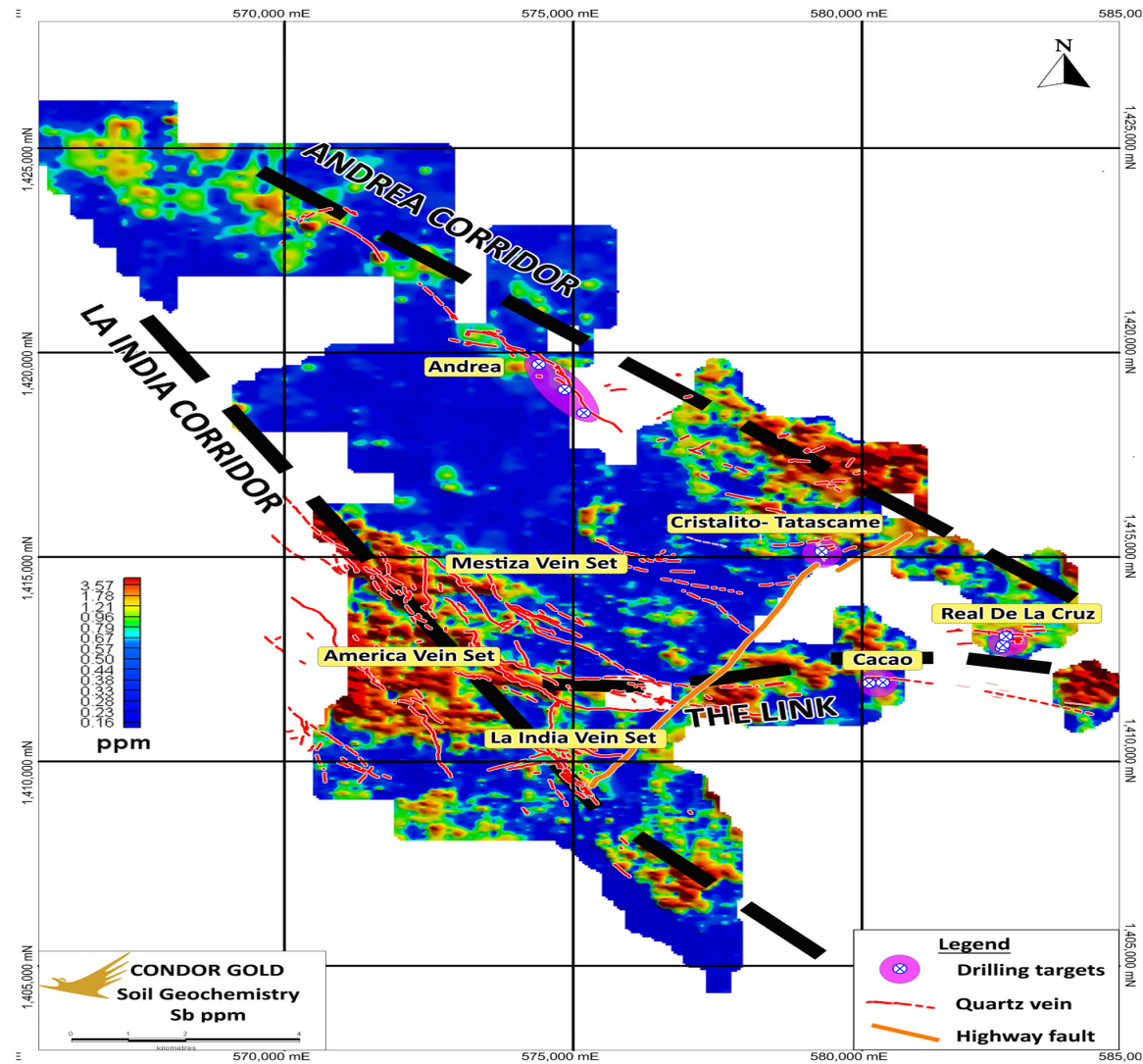
- United Nations poverty index at 41% in local community
- Reduces 75% to a poverty index of 11% with a new mine
- 500 jobs during the construction period
- 300 jobs during the operations
- Average salary in mining in Nicaragua is US\$700pm vs US\$200pm nationally
- Training courses to improve skills and salaries
- For every 1 job in a mine 5 jobs supplying the mine
- New healthcare center and school
- Water 24/7 not 1 hour in 48 hours



# 142g/t gold rock chip: 12 km long mineralised corridor



# 2,800m Scout Drilling Completed





## Increase Core Area from 2.1 M oz to 3 M oz Gold

**20,000 m Drilling required to add 900,000 oz Gold**  
**6,000 m Drilling Completed on Mestiza in 2017**

<b>Vein Set</b>	<b>Current Resoruce</b>	<b>Target</b>	<b>Increase</b>
La India	1300k oz	1600k oz	
America	479k oz	630k oz	
Mestiza	333k oz	780k oz	
<b>TOTAL</b>	<b>2112k oz</b>	<b>3010k oz</b>	<b>43%</b>
Cacao	58k oz	?	
Central Breccia	56k oz	?	
San Lucas	59k oz	?	
Tatascame	34k oz	?	
Blue sky		?	



## Mestiza Vein Set Resource conversion

- 6,000m resource conversion drilling completed since March 2017.
- 2.4 Mt @ 10.2 g/t for 786,000 oz gold of Soviet style resource in 1991
- 1.5 Mt @ 7.5 g/t for 333,000 oz gold Inferred to NI 43-101 in 2014
- **Mestiza Resource excluded from current PFS and PEA**
- Drill results 3.3m at 28.3g/t gold and 2.6m at 23.3g/t gold
- New Discovery. High Grade ore shoot of circa 10g/t gold likely to contain 150,000 oz to 200,000 oz gold. 450m strike x 200m depth x 2.2m average width
- Strong potential to add to future mine plan



## Share Capital Structure

- Ordinary shares in issue: 61.37M
- Options: 7.6M
- Warrants ex price £1.44 expiry 10/2018 £3.6M
- Warrants ex price £0.93 expiry 3/2019 £4.2M
- Warrants ex price £0.60 expiry 4/2018 £4.3M
- Share Price: £0.51
- Market Capitalisation: £31M or US41M
- Net cash 30<sup>th</sup> June 2017 US\$4M

Shareholder	No. of shares	Percentage of issued share capital
Ross Beaty	5,362,903	8.74%
IFC	4,500,000	7.33%
Oracle Investment Management	4,054,645	6.61%
Mark Child	3,954,645	6.46%
Hargreave Hale Limited	3,111,290	5.10%
Jim Mellon	3,019,330	5.08%



# What's Next at la India Project?

## **Once permits granted,**

- 12 months of additional technical studies to BFS
- 18 - 24 month construction period

## **Expand Gold Resources**

- 10,000m drilling in 2017
- Increase core area from 2.1 M oz to 3 M oz gold

## **Demonstrate District Play by:**

- 2,800m scout drilling completed in 2017
- Follow up on targets generated by soil survey, structural study
- Rock chip sampling continuing in District
- Geological mapping continuing in District

