



# CONDOR GOLD

Proactive Investors Evening

5<sup>th</sup> February 2015



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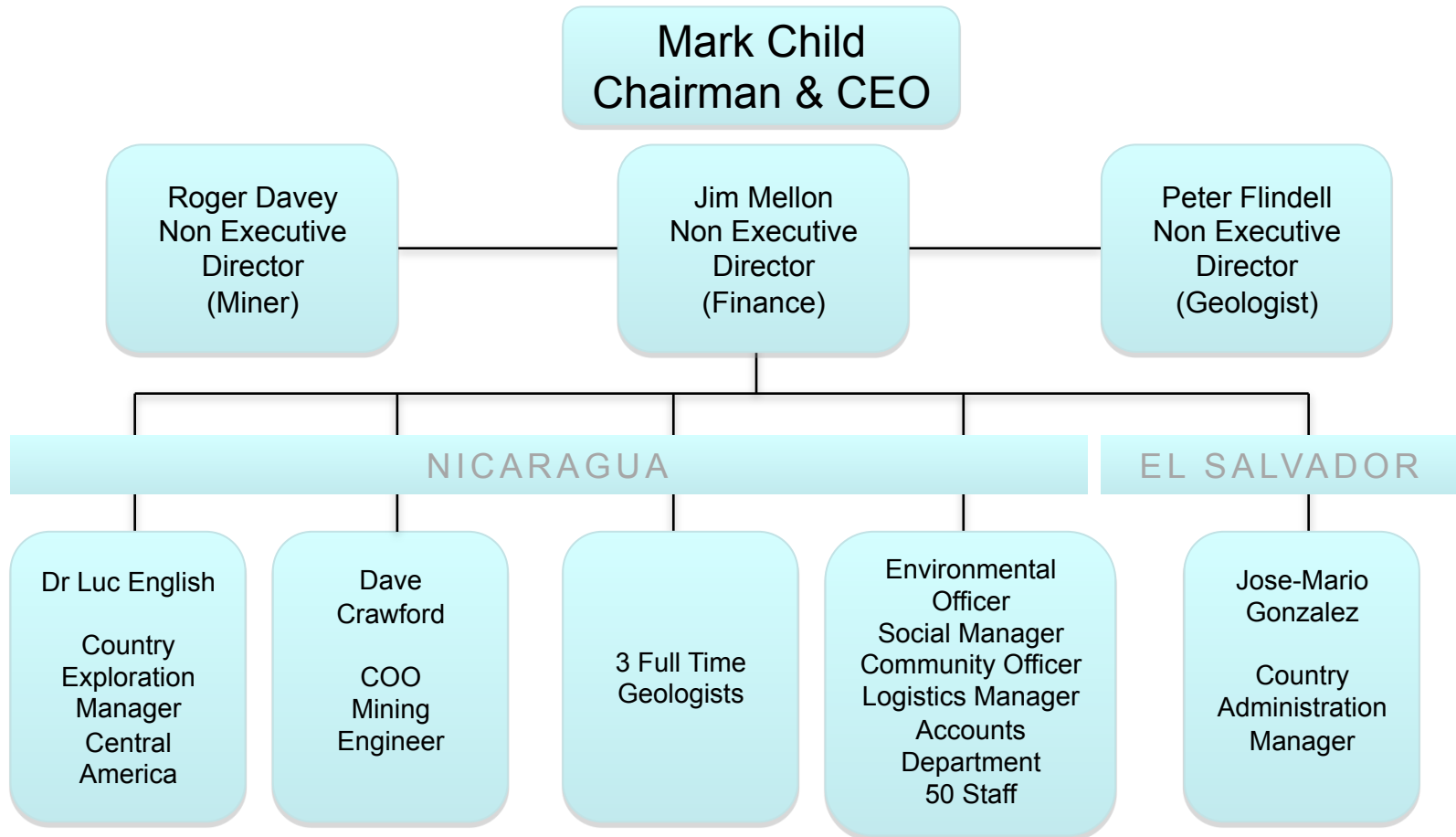


# Introduction to La India Project

- Historic production 576,000 oz gold @ 13.4g/t prior to closure in 1956. Circa 40,000 oz gold p.a. Noranda Mining
- 2.3M oz gold @ 4.0g/t to NI 43-101 CIM Code Mineral Resource– Sept 2014
- Including 1.1M oz high grade open pit @ 3.1g/t
- 675,000 oz gold @ 3.0g/t to NI 43-101 CIM Code Mineral Reserve- Nov 2014
- All-in sustaining cash cost under US\$700 per oz gold
- US\$110m low up front capital cost and less 4 year payback
- Resource confined to only 10% of District
- Excellent Infrastructure: Main tarmac road at southern end of project. Electricity pylons by road, with hydro electric dam 10km from concession
- Situated in a country with 25 years of stability with an established mining code and a pro-mining government



# Corporate Management Structure



# Strategy Statement

## Strategy:

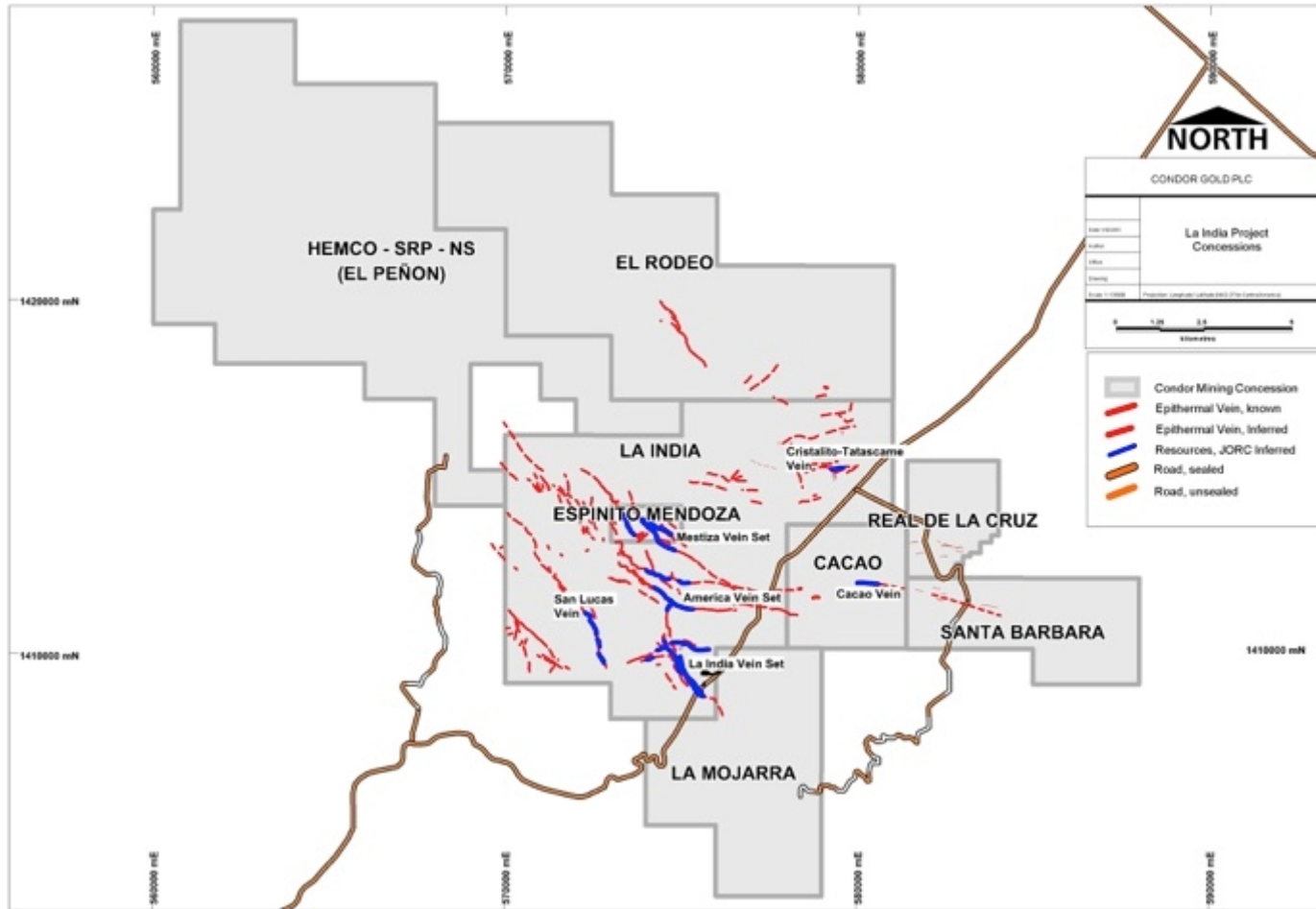
- Progress La India Open Pit from PFS to BFS for 80,000 oz gold p.a. increase to 100,000 oz gold p.a by adding feeder pits and 137,000 oz gold p.a. by adding underground potential
- Continue successful exploration strategy to determine significant upside of La India Project
- De-risk the project by 1) land acquisition and 2) permitting



# Nicaragua Concessions 380 sq km land holdings



# La India Mining District- Condor has 280 sq km



# NI 43-101 CIM Standard Resource- Sept 2014

La India Project

1.1M oz gold @ 3.5g/t in Indicated Category

1.2M oz gold @ 4.5g/t in Inferred Category

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2.3M oz gold @ 4.0g/t

Including Open pit:

862,000 oz gold @ 3.2g/t Indicated

139,000 oz gold @ 2.6g/t Inferred

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1,001,000 oz gold @ 3.1g/t

Rio Luna Project

87,000 oz gold @ 3.9g/t Inferred





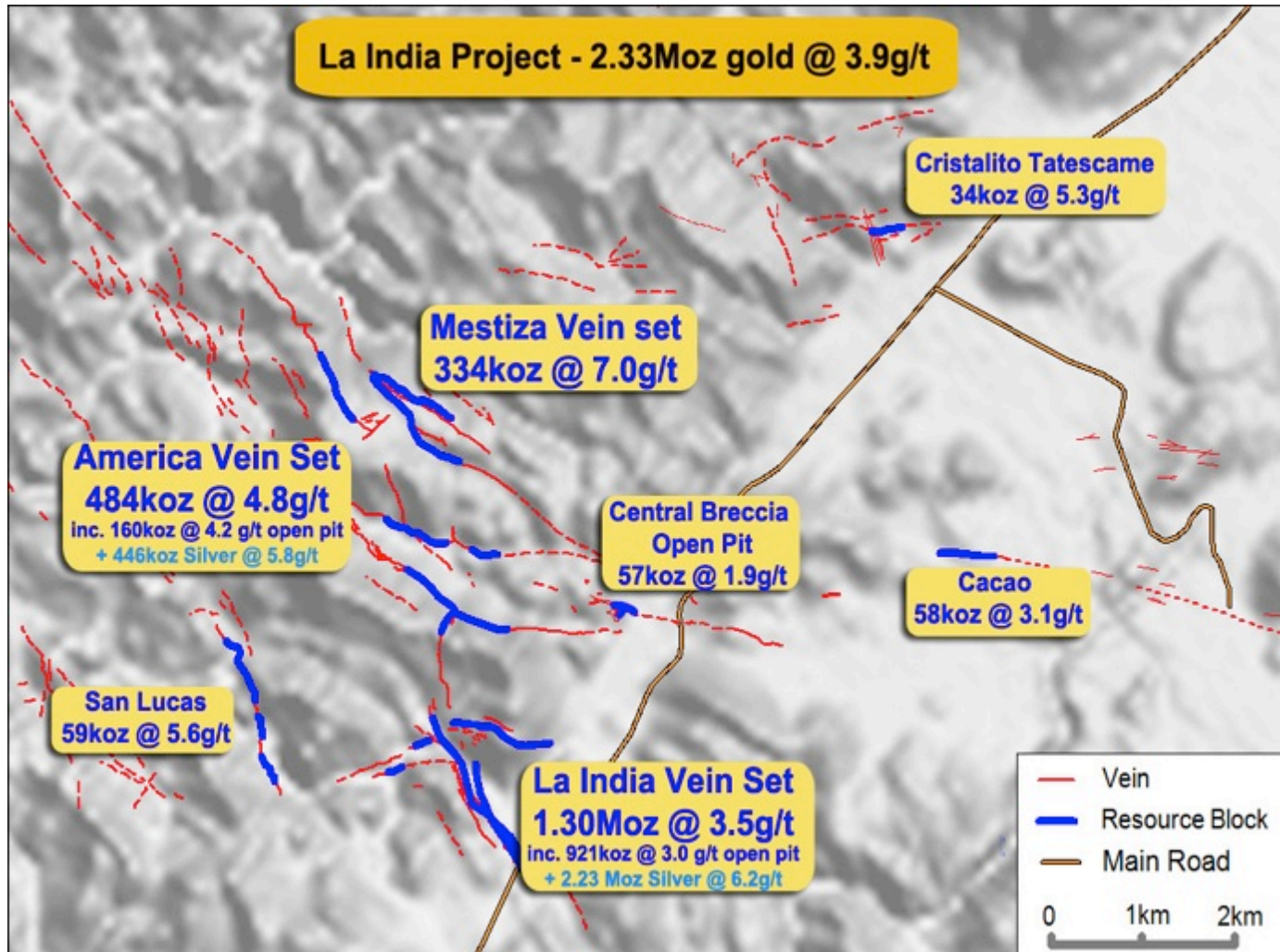
# Reserve Statement Nov 2014

Reserve Classification	Tonnage (Mt dry)	Au Grade (g/t)	Ag Grade (g/t)	Contained Au (koz)	Contained Ag (koz)
Probable	6.9	3.0	5.3	675	1,185

1. Based on a cut-off grade of 0.75 g/t Au and gold price of US\$1,250.
2. Average ore loss and dilution are estimated at 5% and 12%, respectively.
3. 91% Au and 69% Ag metallurgical recovery was used.
4. The reporting standard adopted for the reporting of the Mineral Reserve uses the terminology, definitions and guidelines given in the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Standards on Mineral Resources and Mineral Reserves (2014) as required by NI 43-101.
5. SRK completed a site inspection to the deposit by Mr Gabor Bacsfalusi, BEng (MAusIMM(CP), Membership Number 308303, an appropriate "independent qualified person" as this term is defined in National Instrument 43-101.



# La India Project – 2.33Moz gold



# Pre Feasibility Study La India Open Pit

- The PFS demonstrates a robust and economically viable base case for the project.
- Maiden Mineral Reserve of 6.9 Mt at 3.0 g/t gold for 675,000 oz.
- 614,000 oz of gold produced over 9 year Life of Mine (“LOM”).
- Average annual production of 79,300 oz of gold over the 7 years of maximum production.
- Low Average LOM All-in Sustaining Costs of US\$690 per oz gold.
- An Internal Rate of Return (“IRR”) of 22% and a post tax NPV of US \$92 million at a discount rate of 5% and gold price of US\$1,250/oz.
- Low initial capital requirement of US\$110 million (including contingency).
- Pay back 3.8 years



## PEA La India Open Pit +2 Feeder Pits

- This PEA scenario demonstrates that simply extending the open pit to extract the current Inferred La India open pit resources and adding in the feeder pits, has the potential to increase the PFS annual gold production by over 25% and significantly improve project economics.
- 9.5 Mt of production at 2.8 g/t gold for 850,000 oz.
- 774,000 oz of gold produced over an 8 year LOM at an average annual production of 96,800 oz.
- Low initial capital requirement of US\$127 million (including contingency).
- Average LOM All-in Sustaining Costs of US\$685 per oz gold.
- An IRR of 25% and a post tax NPV of US\$124 million at a discount rate of 5% and gold price of US\$1,250/oz.



## PEA La India Open Pit +2 Feeder Pits+ underground

- This PEA scenario demonstrates that accessing additional high-grade underground resources has the potential to increase gold production to over 1.2 Moz.
- 1.2 Moz gold produced over a 12 year LOM with average annual production of 137,500 oz gold for initial 8 years.
- LOM All-in Sustaining Costs of US\$697 per oz gold.
- Initial capital requirement of US\$169 million (including contingency).
- IRR of 24% and a post-tax NPV of US\$187 million at a discount rate of 5% and gold price of US\$1,250/oz.
- Additional 3.5 Mt at 4.3 g/t Au underground production for 486,000 oz gold.



# PFS & PEA Key Parameters

Parameter	Unit	PFS	PEA Scenario A	PEA Scenario B
Mill Feed	Mt	6.9	9.5	13.0
Gold Average Head Grade	g/t	3.0	2.8	3.2
Waste Mined	Mt	94.5	118.2	118.2
Strip ratio open pit	Waste:ore	13.6	12.4	12.4
Contained gold	koz	675	850	1,338
Contained silver	koz	1,185	1,376	1,965
Average gold recovery	%	91	91	92
Annual production years 1-8	oz gold	74,000	96,800	137,500
Annual production years 1-8	oz silver	99,200	120,300	153,300
Upfront capital cost	US\$ million	110	127	169
Undiscounted payback (years)	Production year	<4	<4	<4
Operating cash costs	US\$/oz	657	648	651
All-in sustaining costs	US\$/oz	690	685	697



# Geotechnical Engineering

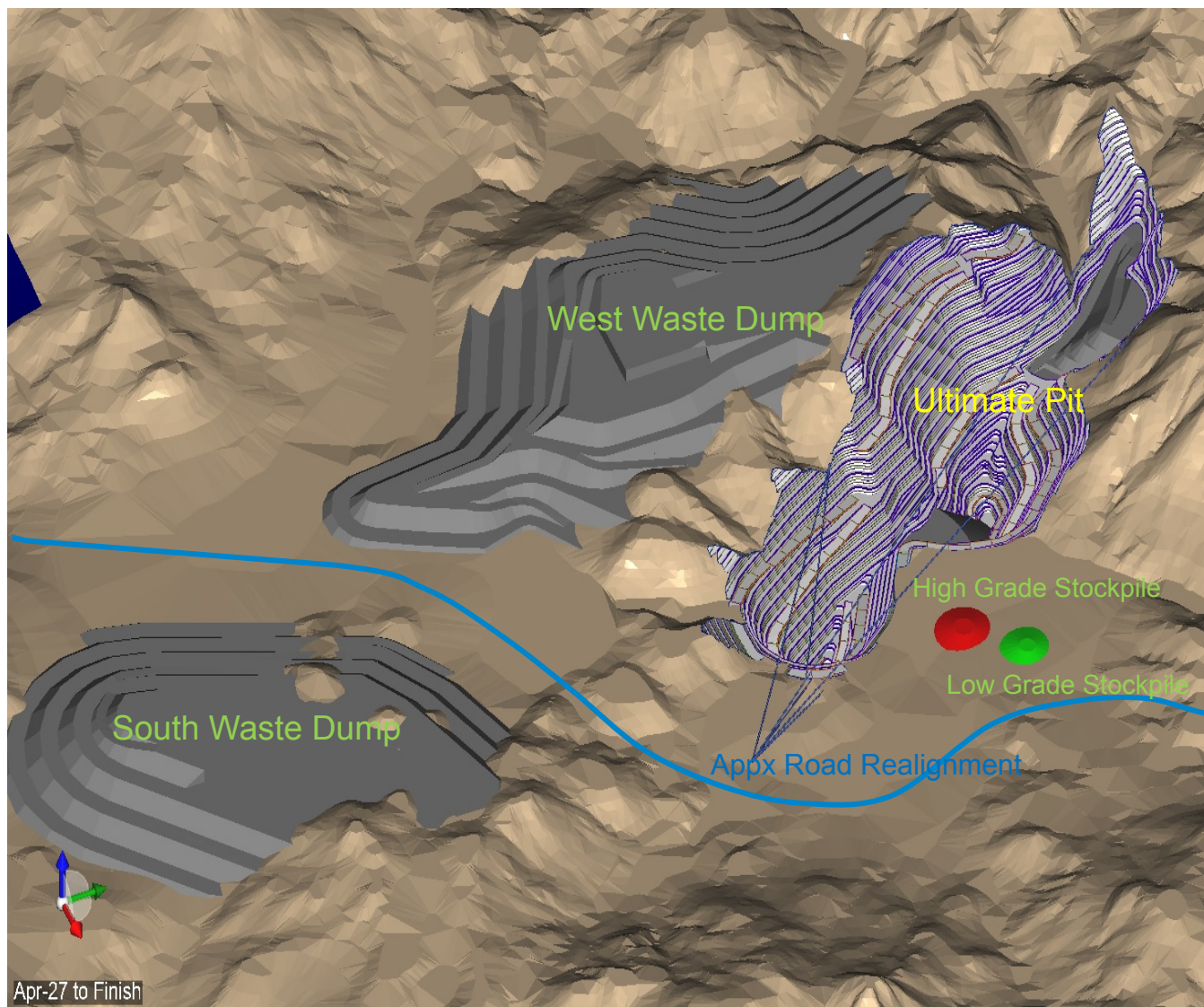
- Domains determined by rock type, joint structures
- Oriented core drilling completed in 2013 (10 holes, 1700 m)
- Overall dewatered slope in rock 48°
- Seismic loads anticipated to 3.2 m/s
  - SRK notes Seismic shaking has minimal effects on pit slopes

Pit Slope	Domain ID	Design Bench Face Angle (°)	Bench Height (m)	Bench Width (m)	Max Bench Stack Height (m)	GT Berm/Ramp Width (m)	Design IRA (°)	Indicative Overall Slope Angle (°)
Overburden	8-Jan	35	10	5	n/a	n/a	35	27
Footwall	1	75	20	8	100	30/20	56	47-49
	2	75	20	8	100	30/20	56	48-50
	3	75	20	8	100	30	56	47
	4	75	20	8	100	30	56	49
Hanging-wall	5	75	20	8	100	30	56	49
	6	75	20	8	100	30	56	46
	7	75	20	8	100	30	56	49
	8	75	20	8	100	30	56	48



# Ultimate Pit Design

- PFS Ultimate pit
- HG & LG Stockpiles
- South and West Waste dumps built for 3h:1v closure slopes
- Waste capacity is limited by topography and streams
- Waste is non-ARD forming







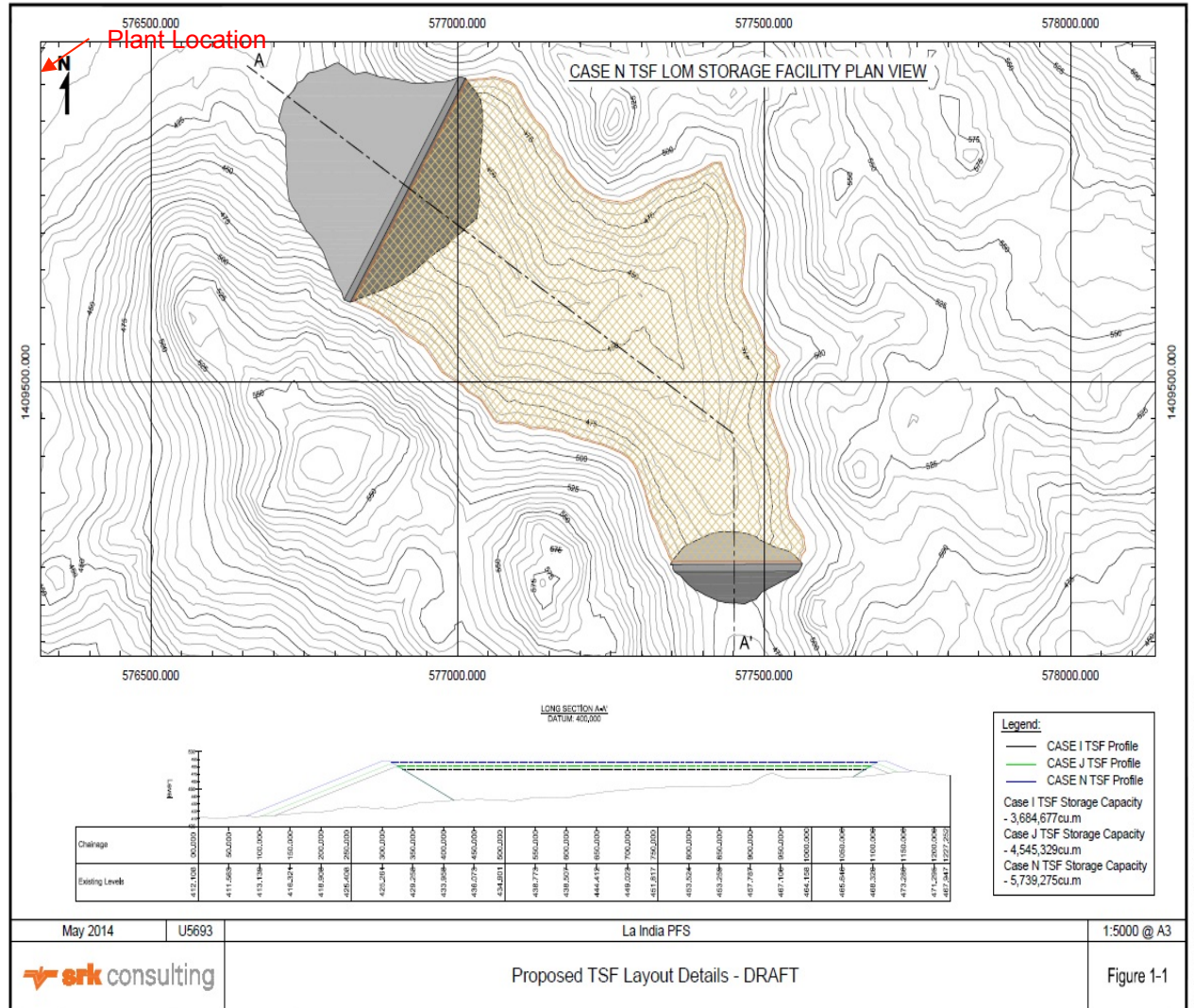
# Mineral Processing

- Metallurgical testing program managed by SRK-Denver
- Testwork conducted by Inspectorate Labs – Vancouver (Metallurgy)
  - Whole Ore cyanidation
  - Gravity Concentration
  - CIL vs CIP (Preg robbing test)
  - Solid-Liquid separation work conducted by Pocock
  - Heap Leach recovery poor (appx 30% est)
- Conceptual Flowsheet developed by SRK-Denver
- Lab-scale recoveries at 92 to 94% @ 75 micron grind (p80)
  - 91% recovery used in PFS Economics
- Lycopodium indicated better than average quality of work for PFS
  - Lycopodium report incorporated into PFS



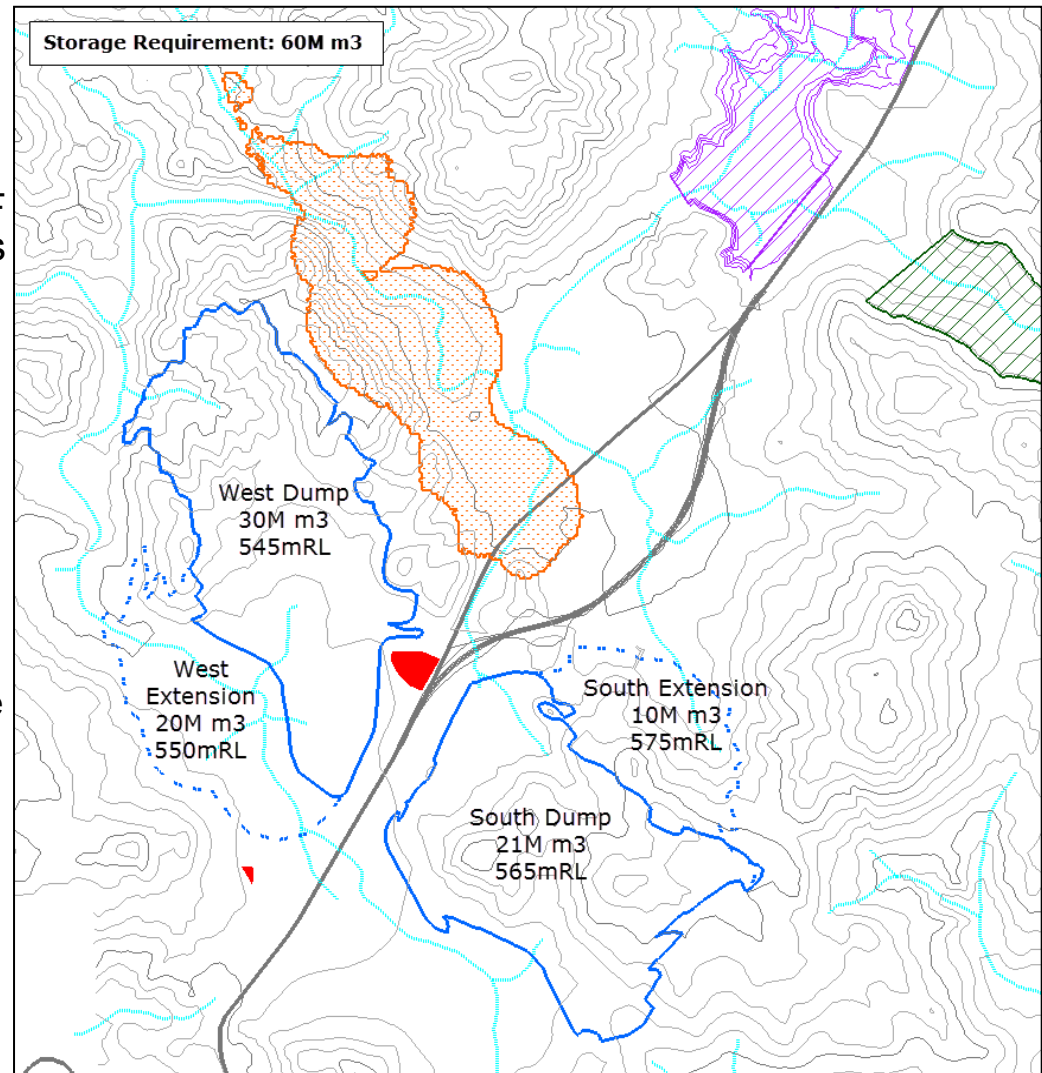
# Tailings Storage Facility

- Multiple sites reviewed
- Soil tests completed
- Capacity for 5.7m m<sup>3</sup>
- Appx 8mt Capacity
  - Can expand to 13mt
- Lined Facility Required
  - 50 ppm max CN conc
  - Will operate to 30ppm
- 3 Separate Lifts
- Designed as zero discharge
  - Assumes 1 in 100 year, 72-hour storm event
  - 3.2 m/s seismic event
  - 1.157 t/cu.m tailings density
  - Pond will capture basin rainwater for use in the mill



# Waste Rock Management

- PFS has analyzed and addressed waste material characteristics
- Capacity up to 100mt waste expected
- Some material will be used in TSF and water management structures
- Waste rock is net-neutralizing
  - No potential for mine acid drainage
  - Minor potential for arsenic leaching from porphyritic andesite lavas (VIA)
  - Non-leaching material used for tailings dam and water dam construction
  - Incapsulate VIA material in dump to simplify closure
  - VIA appx 20 to 25% of total waste
  - Mitigate by a combination of post closure practices and dilution
- Humidity cell tests scheduled for BFS Study and EISA



# Hydrology & Hydrogeology

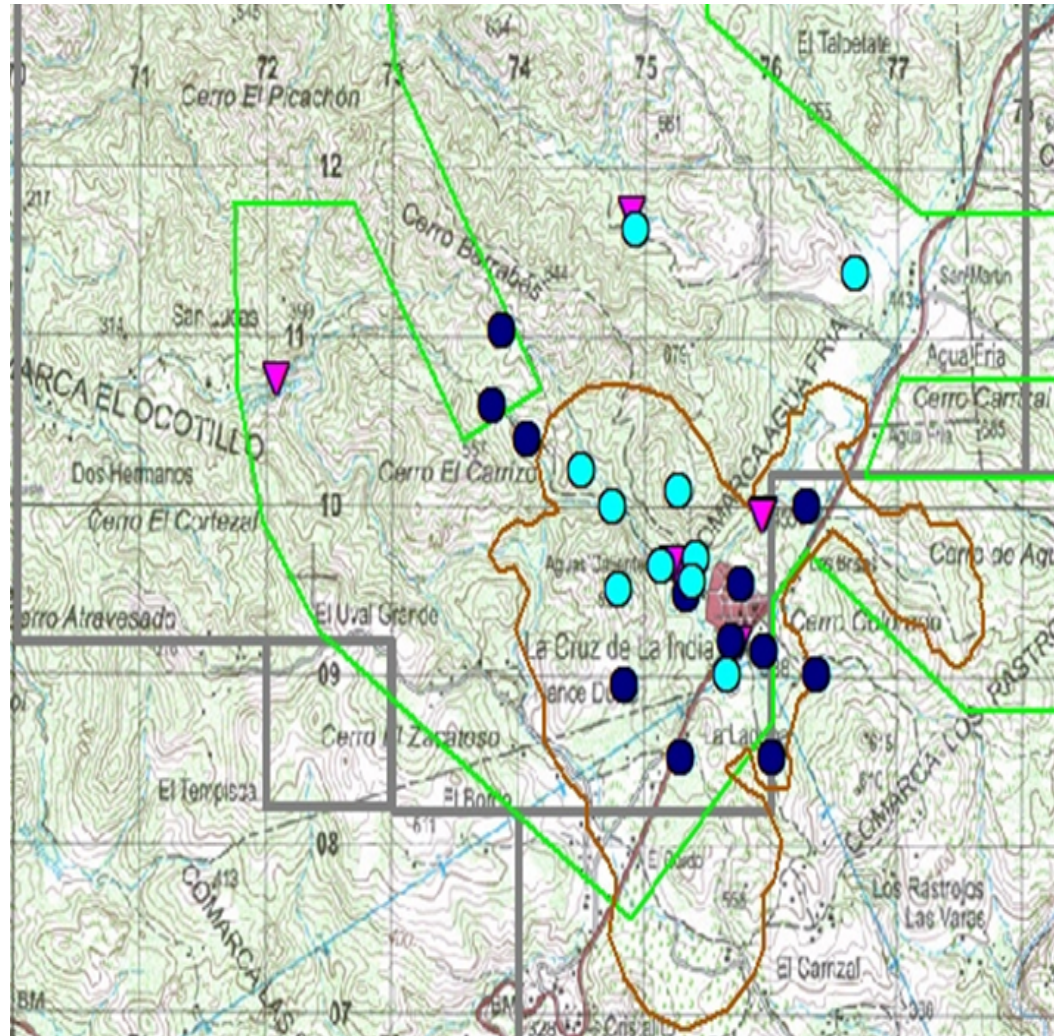
- Area is considered a 'brownfield site'
  - Water levels have not recovered from historical mining
- Pump test conducted March 23 to April 6, 2014
- Test results indicate dewatering is achievable by pumping from old workings
- Water balance is positive
  - 26 l/s make-up water needed
  - Less in wet season, more in dry season
- Surface water management designed to 1:10 year storm event
- Tailings dam designed to 1:100 year, 72 hour storm event
- No impact on existing private wells
  - 26 wells monitored monthly
  - Quarterly water quality monitoring
    - 10-16 wells
    - Independently collected (Laquisa)
    - Reported to MARENA, MEM and other govt agencies



# Hydrology and Hydrogeology Monitoring Sites

Surface water flow sites: 7  
Underground water level monitoring sites: 28

- 17 wells (including 4 new sites)
- 11 piezometers



# Land Requirements

- General layout and land parameters
  - 500m setback around the pit
  - 200m setback around dumps and plant
  - 100m setback around tailings and retention pond
  - 10m setback around passive structures
- Approximately 700 Hectares required for PFS case
  - Some landowners may want a total buy-out
  - Costs estimated on Capisa appraisal, will be updated January 2015
  - PEA cases will impact other areas and require about 500 Ha additional land
  - Requires replacement of roads, public buildings, power and water
- Highway NIC 26 and 132kva power line must be relocated



# Environmental

- ESIA status
  - Baseline data collected, 19 Individual studies have been completed to assemble the ESIA
    - Minor studies needed to complete ESIA process
  - Physical area identified in PFS larger than originally expected
    - Extension areas for baseline data to be identified, added to existing baseline information
  - Project Schedule will be governed by additional land needs
  - Closure – Preliminary plan and cost estimate complete
  - Environmental Risk discussion
    - Tailings Dam – designed to 1:100 storm event, cap and cover for closure
    - Waste dump
    - Bat Population – Relies on existing tunnels – Mining does not impact tunnels
    - No endangered species – minimal at-risk species may require relocation
    - Risk Identification and Mitigation will be expanded in BFS
- Water – Hydro study indicates mining will have no impact on surrounding wells (too shallow)





# Operating Costs

Category	Units	PFS	PEA Scenario A	PEA Scenario B
Mining - Open Pit	(US\$/t ore mined)	32.13	30.61	30.79
Mining- Underground	(US\$/t ore mined)	n/a	n/a	61.01
Processing	(US\$/t mill feed)	20.56	18.52	18.58
Refinery	(US\$/t mill feed)	0.35	0.27	0.3
G&A	(US\$/t mill feed)	5.46	3.8	3.88

- 31.1grams = 1 oz gold
- Gold price US\$1,250 per oz
- 1 tonne mineralised ore/rock = US\$40 (1,250/31.1)
- La india open pit reserve = 3g/t
- 1 tonne reserve contains US\$120 of gold
- Operating costs average US\$55 per tonne for open pit



# Capital Costs (Initial and Sustaining)

Capital Costs (US\$ million)	PFS	PEA Scenario A	PEA Scenario B
Processing Plant <sup>1</sup>	48.1	61.3	72.8
Infrastructure	9.8	10.4	10.4
Mining pre-production costs	18.7	16.8	16.8
Mining support operations/equipment <sup>2</sup>	8.1	8.2	30.8
Tailing Storage Facility	6	7.6	11
Land Acquisition	7	8	8
Owners Costs	4.6	4.6	4.6
<b>Upfront Capital Costs</b>	<b>102.2</b>	<b>117</b>	<b>154.5</b>
Contingency <sup>3</sup>	7.6	10.2	14.2
<b>Total Pre-Production Capital Costs</b>	<b>109.9</b>	<b>127.2</b>	<b>168.7</b>

1. Includes EPCM

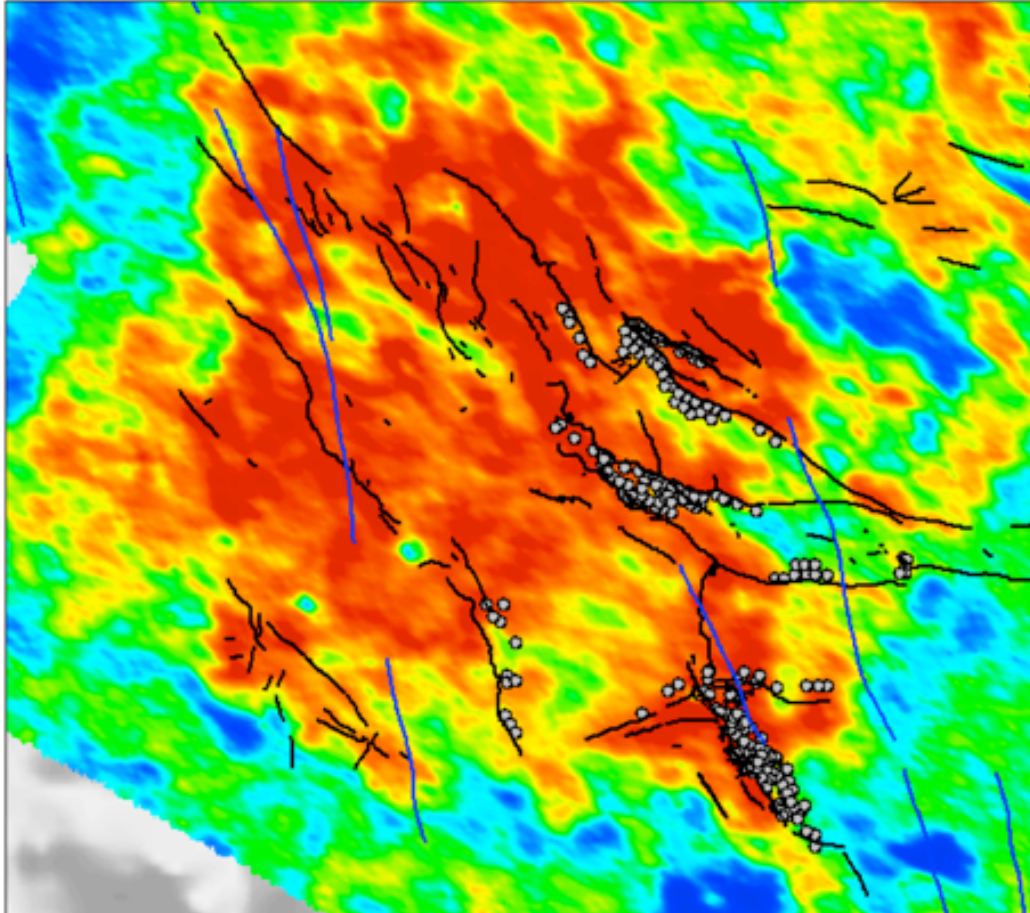
2. Assuming Contract Mining operations

3. A range of contingencies was used to calculate contingency depending on the confidence of the estimate of each contributing factor.

Sustaining and Deferred Capital Costs (US\$ million)	PFS	PEA Scenario A	PEA Scenario B
Processing Plant	0.1	0.1	0.1
Infrastructure	3.6	3.6	3.6
Mining Equipment	2.4	2.8	51.8
Tailings Storage Facility	9.1	13.6	19.1
Land Acquisition	0.2	0.2	0.2
Closure Costs	9	9.8	10
<b>Sustaining and Deferred Capital Costs</b>	<b>24.4</b>	<b>29.9</b>	<b>84.7</b>
Contingency	3.1	4.8	10.3
<b>Total Sustaining and Deferred Capital</b>	<b>27.5</b>	<b>34.8</b>	<b>95</b>

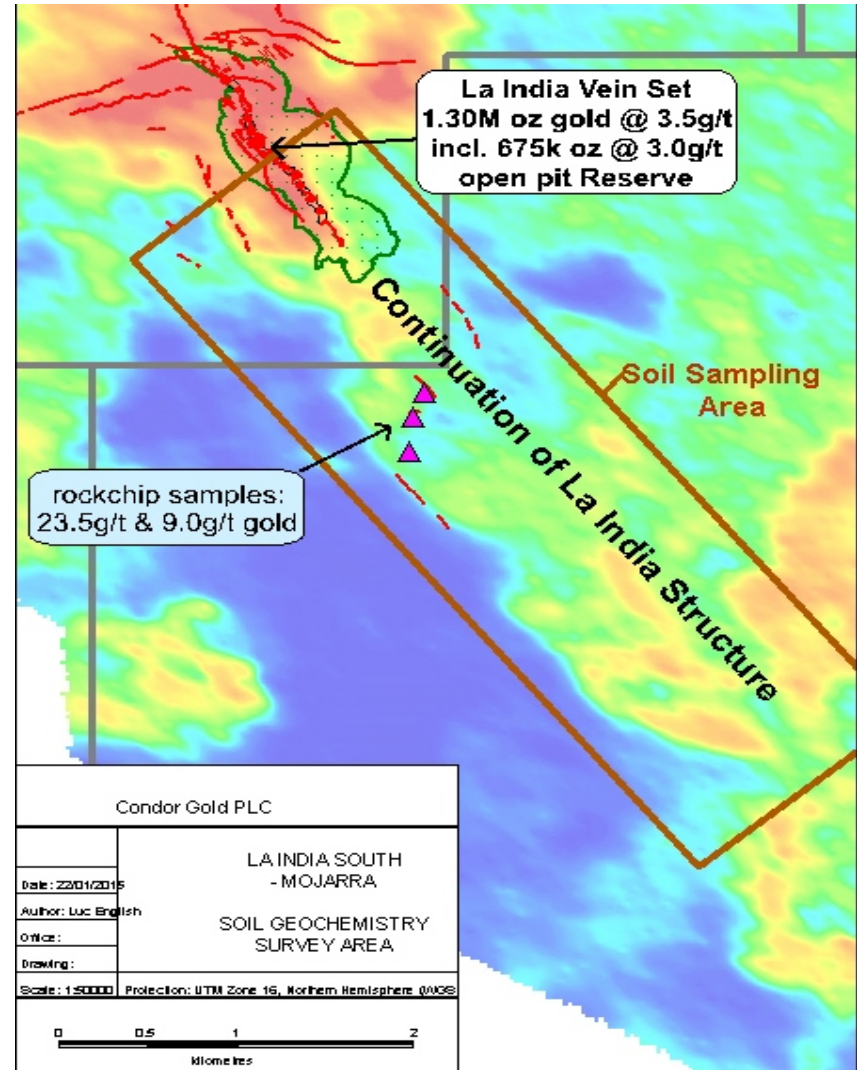


# Geophysics: potassium's strong correlation with gold



# What's Next?

- Progress to BFS
- Demonstrate upside
- 4,000m drilling started
- Extend resource to depth
- Extend resource to south
- 40 sq km soil sampling programme started
- Acquire freehold land
- Apply all permits



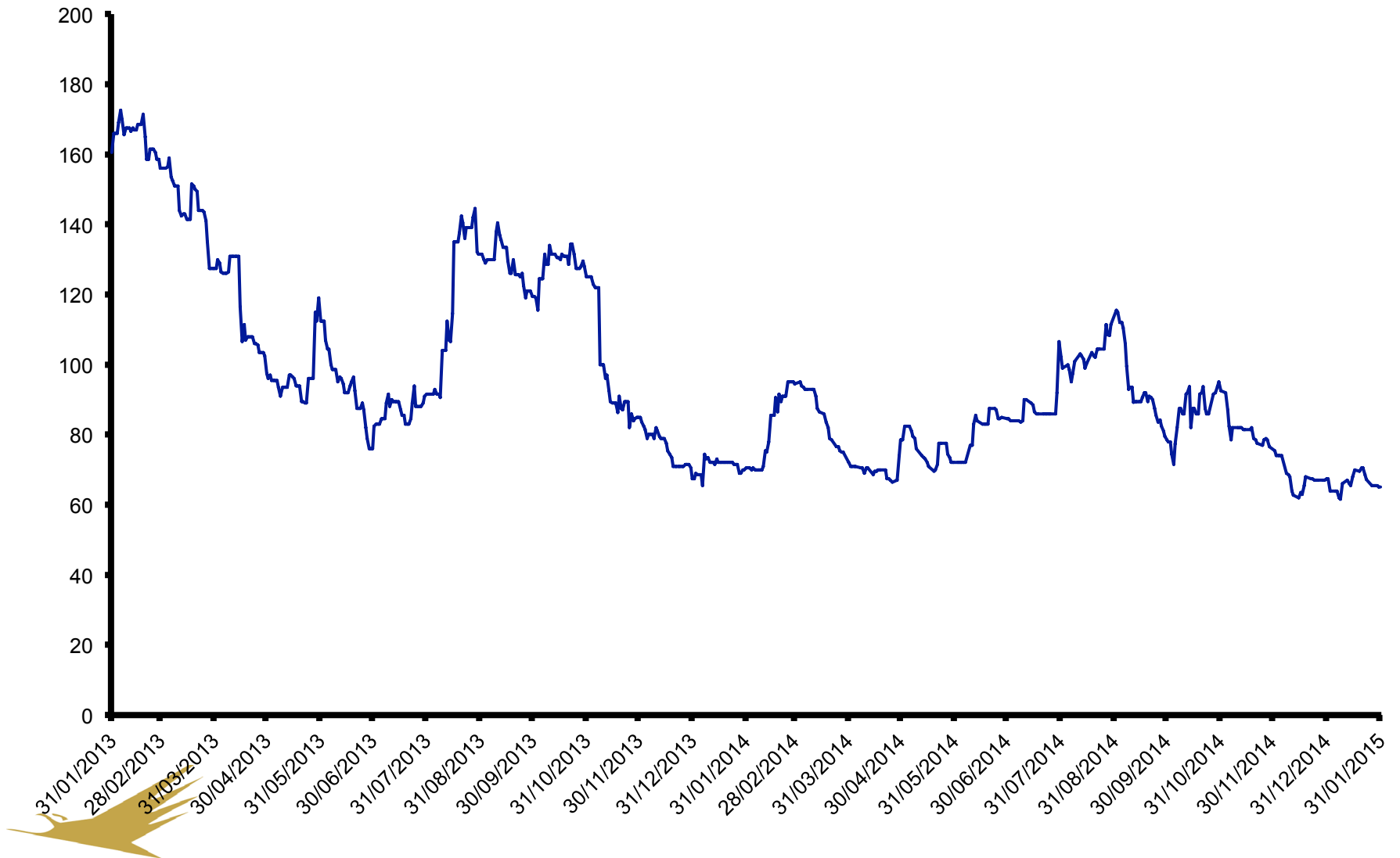
# Share Capital Structure

- Ordinary shares in issue: 45.73M
- Options: 2.83M
- Warrants ex price £2.20 1.45M
- Warrants ex price £1.44 3.56M
- Share Price: £0.65
- Market Capitalisation: £30M or US\$45M
- Cash Position at 31<sup>st</sup> Dec 2014 £5m or US\$7.5m
- The Company's significant shareholders are set out in the table below:

Shareholder	No. of shares	Percentage of issued share capital
Regent Pacific Group	3,977,274	8.7%
International Finance Corp	3,900,000	8.5%
Mark Child	3,887,500	8.5%
Oracle Investment Management	2,748,645	6.0%
Sentry Precious Metals Growth Fund	1,281,056	2.8%



# Chart of share price: 2 years



# Market Analysis

- Current mkt cap\* generates a value of US\$15 per oz in ground based on 2.5m oz gold resource in Nicaragua
- Current mkt cap\* generates a value of US\$11 per oz in ground based on 3.5m oz gold Group resource
- B2 Gold put a value equivalent to US\$125 per oz in ground in its offer for Papillion Resources and US\$263 per production oz in the ground
- Significant exploration potential to further grow Condor's resource base

\* As at 31<sup>st</sup> Dec 2014 net of cash



# Summary

- High grade NI 43-101 resource of 2.3M oz gold @ 4.0g/t
- High grade Ni 43-101 open pit reserve of 675,000 oz gold @ 3.0g/t
- All-in sustaining cash costs under US\$700 oz gold
- PFS shows 80,000 oz gold per annum open pit – base case
- PEA shows 100,000 oz gold per annum open pit –add feeder pits
- PEA show 137,500 oz gold per annum all open pits + some underground
- Artisan miners add 10,000 oz gold per annum to each scenario
- Low upfront capital costs
- Additional significant upside through numerous identified targets on a license where the existing resource is confined to 10% of the license area

