Condor Gold PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS

THREE MONTHS ENDED MARCH 31, 2022

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Background

This Management's Discussion and Analysis ("**MD&A**") of the financial position and results of operations is prepared as at May 13, 2022 and should be read in conjunction with the unaudited Condensed Consolidated Financial Statements of Condor Gold plc (the "**Company**" or "**Condor**") as at 31 March 2022, which have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") and International Accounting Standards as issued by the IASB.

Unless otherwise noted, all currency figures in the MD&A are presented in U.K. pounds sterling. In this MD&A, references to "£" are to U.K. pounds sterling and to "pense" or "p" are to U.K. pence, references to "C$" are to Canadian dollars and references to "US$" or "USD" are the United States dollars.

Condor is a publicly listed company, the ordinary shares (the "**Ordinary Shares**" or "**Shares**") of which have been listed since May 31, 2006 on the London Stock Exchange on the AIM market ("**AIM"**), under the symbol 'CNR'. Since January 15, 2018, the Ordinary Shares of the Company have also been listed on the Toronto Stock Exchange ("**TSX**") under the symbol "COG".

This MD&A contains forward-looking information, such as statements regarding the Company's future plans and objectives that are subject to various risks and uncertainties, and those set forth in "*Statement Regarding Forward-Looking Information*" and "*Risks and Uncertainties*" in this document. The Company cannot assure investors that such information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such information. The results for the periods presented are not necessarily indicative of the results that may be expected for any future periods. Investors are cautioned not to place undue reliance on this forward-looking information.

Technical Information

The scientific and technical information contained in this MD&A, other than information summarised or extracted from the Technical Reports (as defined below), has been prepared under the supervision of Gerald D.Crawford P.E., Chief Technical Officer of the Company and Andrew Cheatle P.Geo., a non-executive director of the Company, each a "qualified person" within the meaning of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("**NI 43-101**"). Mr. Crawford P.E. and Mr. Cheatle, P.Geo. have reviewed the contents of this MD&A and have consented to the inclusion in this MD&A of all technical statements, other than information summarised or extracted from the Technical Reports, in the form and context in which they appear and confirm that such information fairly represents the underlying data and study results.

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, which includes a Pre-Feasibility Study (the "**PFS**"), was prepared in accordance with NI 43-101 by or under the supervision of Dr. Tim Lucks, Principal Consultant (Geology & Project Management), Gabor Bacsfalusi, Senior Consultant (Mining), and Benjamin Parsons, Principal Consultant (Resource Geology), each of SRK Consulting (UK) Limited ("**SRK**"), and Neil Lincoln, P.Eng. of Lycopodium Minerals Canada Ltd., each of whom is an independent "qualified person" within the meaning of NI 43-101 (the "**2017 Technical Report**").

The technical report entitled "*Condor Gold Technical Report on the La India Gold Project, Nicaragua, 2021*" dated October, 2021, with an effective date of September, 2021, which includes a Preliminary Economic Assessment (the "**PEA**"), was prepared in accordance with NI 43-101 by or under the supervision of Dr. Tim Lucks, Principal Consultant (Geology & Project Management), Benjamin Parsons, Principal Consultant (Resource Geology), Fernando Rodrigues, Principal Consultant (Mining), and Stephen Taylor, Principal Consultant (Mining), each of SRK and each of whom is an independent "qualified person" within the meaning of NI 43-101 (the "**2021 Technical Report**", and together with the 2017 Technical Report, the "**Technical Reports**").

The Technical Reports are preliminary in nature and include Inferred Mineral Resources that are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as Mineral Reserves. There is no certainty that the results and conclusions of the PFS and PEA will be realized. Mineral Resources that are not Mineral Reserves have no demonstrated economic or technical viability.

Reference should be made to the full text of the Technical Reports, each of which is available for review on the Company's website www.condorgold.com and under the Company's issuer profile on SEDAR at www.sedar.com.

Company Overview and Discussion of Operations

Company Overview

The Company is registered and incorporated in the United Kingdom and is actively engaged in gold exploration and development in Nicaragua, with a focus on the Company's 100%-held La India Project (the "**La India Project**" or "**La India**"). The La India Project is comprised of twelve contiguous and adjacent concessions that total 588 square kilometres held by wholly owned subsidiaries of the Company and located in northeastern Nicaragua. A concession in Nicaragua is awarded by the Ministerio De Energia y Minas (Ministry of Energy and Mines or **MEM**). A concession is valid for 25 years and confers upon the holder exclusive rights of exploration and exploitation. Condor published the PFS for its wholly owned La India Project in Nicaragua in December 2014.

The La India Project is located in the Department of Leon, approximately 70 kilometres ("**km**") to the north of Managua, the capital city of Nicaragua. On January 28, 2019, the Company announced an updated Mineral Resource Estimate at La India ("**MRE**"). The MRE as at January 25, 2019, is 9.85 million metric tonnes ("**Mt**") at 3.6 grams per tonne ("**g/t**") gold for 1.14 million ounces ("**Moz**") gold in the Indicated category and 8.48 Mt at 4.3 g/t gold for 1.179 Moz gold in the Inferred category. Further details regarding the MRE are contained within the Company's announcement of January 28, 2019, available on SEDAR (www.sedar.com) and on the Company's website (www.condorgold.com). Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that any part of the Mineral Resources will be converted to Mineral Reserves (see "*Cautionary Statement Regarding Mineral Resources and Mineral Reserves*"). The MRE did not show a material change in the number of ounces of gold reported in the Indicated Category or Inferred Category.

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

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

SRK MINERAL RESOURCE STATEMENT 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) (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	1,880
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	1,201

(1) The methods applied to conducting the geological modelling and estimation have not changed from those described in the 2021 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, USD4.5/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 Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Standards on Mineral Resources and Mineral Reserves (May 2014) (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) 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.

SUMMARY OF CURRENT PERMITTED OPEN PITS – LA INDIA PROJECT[1]

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	35
	Total		**8,583**	**3.3**	**902**
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
	Total		**1,901**	**3.6**	**220**

[1] See Company RNS dated May 6, 2020

Permitted Mineral Resources at La India contain 8,583Kt @ 3.3 g/t for 902 Koz gold in the Indicated category and 1,901 Kt @ 3.6 g/t for 220 Koz in the Inferred Category.

2014 Historical Mineral Resource Estimate

A historical Mineral Reserve estimate was previously stated for the La India Project as part of the PFS and 2017 Technical Report. This historical Mineral Reserve estimate has not been revisited or updated. A qualified person within the meaning of NI 43-101 has not done sufficient work to classify the historical Mineral Reserve estimate as current. The Company is not treating the historical Mineral Reserve estimate as current Mineral Resources or Mineral Reserves, and the reader is cautioned to not rely upon this data as such. The Company believes that the historical Mineral Reserve estimate is relevant to the continuing development of the La India Project. There is no more recent Mineral Reserve estimate.

The scenario which supports the historical Mineral Reserve reflects the relocation of the La India village, and thus the pit limits extended further to the south than those envisioned in the 2021 Technical Report. Readers are directed to the 2017 Technical Report for further detail on this historical Mineral Reserve.

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
Total	**6.9**	**3.0**	**5.3**	**675**	**1,185**

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

(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 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.

(6) The historical Mineral Reserve Estimate relates specifically to the PFS conducted and described in the 2017 Technical Report, and represents a different scenario to the mine design and schedule presented as part of the 2021 Technical Report.

The methods applied to conducting the geological modelling and estimation for the MRE have not changed from those described in the 2017 Technical Report. Given that there has been no material change to the MRE, the Mineral Resource Estimate as disclosed in the 2017 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 January 28, 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. The MRE update was reviewed and approved by Andrew Cheatle, P. Geo., a qualified person within the meaning of NI 43-101.

The PFS summarised in the 2017 Technical Report contemplated a 0.8 million tonnes per annum open pit mining operation at La India ("**La India Open Pit**"), producing 614,000 ounces ("**oz**") with average annual production of 79,300 oz of gold over the 7 years of production. With an initial capital requirement of U.S.$110 million, the project generated a Net Present Value at a discount rate of 5.0% of $92 million and an internal rate of return of 22%, both on an after-tax basis and assuming a gold price of U.S.$1,250 per oz.

Records exist for industrial-scale gold mining in the La India Gold District between 1938 and 1956 by Noranda Inc, a Canadian mining company, and centred on the La India deposit. Production records estimate a total production from 1.73 Mt at 13.4 g/t for 575,000 oz gold.

As of the date of this document, a total of 78,997 metres had been drilled by the Company at the La India Project. A total of approximately 96,691 metres of drilling has been completed on La India Project by the Company and previous explorers.

2021 Technical Report Preliminary Economic Assessment of the District Mining Potential

The 2021 Technical Report covers two scenarios: Scenario A, in which the mining is undertaken from four open pits, termed La India, America, Mestiza and Central Breccia Zone, which targets a plant feed rate of 1.225 million tonnes per annum ("**Mtpa**"); and Scenario B, where the mining is extended to include three underground operations at La India, America and Mestiza, in which the processing rate is increased to 1.4 Mtpa. Key findings of the study were:

Scenario A: 1.225 Mtpa PEA La India Open Pit + Feeder Pits

- Internal Rate of Return ("**IRR**") of 58% and a post-tax Net Present Value ("**NPV**") of US$302 million, at a discount rate of 5% and gold price of US$1,700/oz.
- Average annual production of ~125,000 oz of gold over the initial 5 years of production, and total gold production of 862,000 oz of gold produced over 9-year Life of Mine ("**LOM**").
- Initial capital requirement of approximately US$153 million (including contingency).
- Payback period 12 months.
- All-in Sustaining Costs of US$813 per oz gold.
- Robust base case presents an IRR of 48% and a post-tax NPV of US$236 million at a discount rate of 5% and gold price of US$1,550/oz.

Scenario B: 1.4Mtpa PEA Open Pit + Underground Operations

- IRR of 54% and a post-tax Net Present Value NPV of US$418 million, after deducting upfront capex, at a discount rate of 5% and gold price of US$1,700/oz.
- Average annual production of ~155,000 oz of gold over the initial 5 years of production, and total gold production of 1,469,000 oz over the LOM.
- Initial capital requirement of approximately US$160 million (including contingency), where the underground development is funded through cash flow.
- Payback period 12 months.
- All-in Sustaining Costs of US$958 per oz gold over LOM.
- Robust base case presents an IRR of 43% and a post-tax NPV of US$312 million at a discount rate of 5% and gold price of US$1,550/oz.

<u>Discussion of Operations</u>

Since receiving the environmental permit for the La India Project in 2018, the principal operational activities of the Company have been:

(i) to advance the permitting framework at La India Open Pit and secure the key environmental permit in order to then to construct and operate a processing plant of up to 2,800 tonnes per day ("**tpd**") and associated mine site infrastructure;

(ii) to conduct further exploration within the La India Project to demonstrate potential for a 5M+ oz gold district; and

(iii) to complete a Feasibility Study on La India open pit to support Project Financing and putting the project into production.

In August 2018 the Company announced that the Ministry of the Environment and Natural Resources ("**MARENA**") had granted the Company the environmental permit for the development, construction and operation of a processing plant with capacity to process up to 2,800 tonnes per day at La India Project for the production of approximately 600,000 oz gold from La India open pit (the "**La India Environmental Permit**").

Subsequent to the granting of the La India Environmental Permit, the Company began, and continues, to work towards fulling the requirements of such permit and the development, construction and operation of a processing plant at the La India Project. The Company's work has been supported by its unwavering commitment to an Environmental and Social Action Plan ("**ESAP**") established in accordance with the Performance Standards (the "**IFC Performance Standards**") of the International Finance Corporation, for the Company's activities during the exploration and study phase. This ESAP required the development and implementation of an HSEC Policy and Environmental and Social Management System and associated documentation, appropriate to the Company's activities. Implementation of the relevant IFC Performance Standards helps the Company manage and improve its environmental and social performance through a risk-based approach, while providing a solid base from which the Company may enhance the sustainability of its business operations and provide benefits for its shareholders.

The Company's work in meeting the conditions of the La India Environmental Permit, includes the completion of engineering and other technical studies and the acquisition of some or all of land for certain mine site infrastructure (for further details, see "*Status, Plans and Expenditures at the La India Project*"). During 2021 the Company informed the Ministry of the Environment and Natural Resources ("MARENA") that it had commenced construction and fulfilled the conditions of an environmental permit granted for the development, construction, and operation of an open pit mine, a 2,800 tpd or 1.0 Mt per annum carbon in pulp (**"CIP"**) processing plant and associated infrastructure at the La India Project, Nicaragua

The Mestiza open pit hosts 92 thousand tonnes ("**Kt**") at a grade of 12.1g/t gold (36,000oz contained gold) in the Indicated Mineral Resource category and 341Kt at a grade of 7.7g/t gold (85,000oz contained gold) in the Inferred Mineral Resource category. The Mestiza open pit is situated less than 4 kilometres from the location of the permitted processing plant for the La India open pit.

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. The America open pit is located less than 3km from the permitted processing plant and compliments the already permitted La India and Mestiza open pits.

Following the permitting of the Mestiza and America open pits, together with the La India open pit, Condor has 8,583Kt at 3.3g/t gold for 902,000 oz gold in the Indicated Mineral Resource category and 1,901Kt at 3.6g/t gold for 220,000 oz gold in the Inferred Mineral Resource category permitted for extraction.

In March 2021, the Company announced that it had entered into an agreement to purchase a complete new Semiautogenenuous Grinding Mill ("**SAG Mill**") package. The SAG Mill package represents a key item of the plant required to bring the Company's La India Project into production and 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 La India.

Developments in the three months ended March 31, 2022

On March 10, 2022, the Company announced that all assay results have been received for an 8,004 m infill drilling programme on the fully permitted high-grade La Mestiza Open Pit Mineral Resource at La India Project, Nicaragua.

Status, Plans and Expenditures at the La India Project

As at the date hereof, from a NI 43-101 reporting perspective, the La India Project hosts an updated (2019) Mineral Resource of 9.85 Mt at 3.6 g/t gold for 1.14 Moz gold in the Indicated category, and 8.48 Mt at 4.3 g/t gold for 1.179 Moz gold in the Inferred category. Key components of the 2017 Technical Report completed on the La India Open Pit to Pre-Feasibility Study level will be carried forward.

The environmental permit is considered to be the "master permit" in Nicaragua, and once granted, all permits for construction, electricity, water use, explosives etc. are expected to follow. As of the date of this document the design has been completed for the water and wastewater treatment systems for the processing plant, offices and accommodation blocks; development of final engineering designs for the tailings storage facility and the majority of the surface water management system for the mine is in progress. The Company has made offers to buy the surface rights from all landowners within the proposed area for mine site infrastructure, of which 98% have been accepted. During 2021 the Company informed MARENA that it had commenced construction and fulfilled the conditions of an environmental permit granted for the development, construction, and operation of an open pit mine, a 2,800 tpd or 1.0 Mt per annum CIP processing plant and associated infrastructure at the La India Project, Nicaragua.

The Company had also prioritised the advancement of the permitting process for two satellite feeder pits at La India, including the Satellite Pit ESIAs and on April 29 and May 6, 2020 announced the award by MARENA of the Mestiza and America environmental permits respectively. See "*Company Overview and Discussion of Operations – Discussion of Operations"*.

Subject to availability of funding, the Company has the option to resume additional exploration drill programmes with two principal objectives:

- A Mineral Resource expansion drilling programme of approximately 30,000 metres and focusing on the Mestiza, America and La India vein sets and Cacao. The target of this drilling is to expand and upgrade the Mineral Resource on these four vein sets. The cost of this programme, including incremental Company operating costs would amount to approximately US$7 million. The Company completed 15 diamond core drill holes for 3,504m of resource expansion drilling at Cacao during 2021.

- An in-fill drilling programme of approximately 20,000 meters to be conducted on two to three potential feeder pits (e.g. America, Cacao and Central Breccia) with the intention of adding feeder pits into a mine plan early on in the mine life. The cost of this programme, including incremental Company operating costs would amount to approximately US$5 million.

There have been no actual or anticipated changes which would adversely affect the financial condition or performance of the Company, nor industry or economic factors that would adversely affect the Company's performance. Indeed, the Company believes that current gold prices are likely to make it easier to finance the construction of the Project.

Capitalised expenditure by the Company up to March 31, 2022 on the La India Project amounted to circa £37 million on a cumulative basis.

Achievement of plans and milestones in 2021 and 2022

The principal plans of the Company in the three months ended March 31, 2022 have been:

- To complete the technical studies needed for the completion of a Definitive Feasibility Study covering the La India open pit, the processing plant location, tailings storage facility, waste dump locations, explosive magazine, power supply, surface hydrology, hydrogeology (dewatering the pit) and metallurgy.

- To continue with acquisitions of land at the La India Project, including that required for mine site infrastructure. 99.6% of the core areas have been purchased.

- To further advance compliance with the terms of the La India Environmental Permit, including completion of additional technical and engineering studies (see "*Company Overview and Discussion of Operations – Discussion of Operations*" and "*Status, Plans and Expenditures at the La India Project*").

The development of the La India Project in 2021 and continuing into 2022 was consistent with these plans of the Company. In particular, 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 land owners. The Company has now purchased 98% 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 822 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 approximately US$4 million on buying land during the last 5 years.

- The Tailings Storage Facility ("TSF") and two water retention ponds have been fully designed and engineered with drawings one step short of "issued for construction". Tierra Group Inc, of Denver, Colorado has completed site visits and is conducting the engineering studies. The results have been summarized in the TGI TSF design report, and the designs have been provided to Hanlon Engineering for capital cost estimates.

- An updated resource model has been completed, integrating the 2021 infill drilling program.

- SRK has designed and Condor has implemented a geotechnical study incorporating 2,600m of geotechnical drilling, core and televiewer logging, and analytical support work to define the slope design parameters for the mine.

- Additional metallurgical studies have been conducted to confirm previous recovery and reagent consumption estimates in support of the plant design. This work included four new master composites and 11 variability tests to confirm the parameters applied in studies to date.

- The design of the site wide water balance ("SWWB"), including a surface water management plan was awarded during 2020 to SRK. SRK's work includes the area of the permitted La India, America and Mestiza open pits. The design effort has produced engineering plans for the installation of the physical components of a water management system, including the piping, pumping and structural requirements needed to control water incursions into the open pit areas that will satisfy Nicaraguan authorities, and at the same time, meets the design standards for a feasibility study. The SWWB includes consideration of the pit dewatering contributions (i.e. subsurface hydrology). SRK's has conducted training exercises and capacity building for the local Condor team to ensure full ownership and facilitate implementation and sustainability of the SWWB. The resulting designs are being incorporated into a report for inclusion into the Definitive Feasbility Study,

- Feasibility study level design of the infrastructure required for the support of the mine and plant has been completed, including offices, shops, site grading, stockpile locations, and warehouses, along with connections into the power supply and water sources.

- Mine and waste dump schedules for a number of mining scenarios have been completed to a Feasibility Level of accuracy, commensurate with the requirements of the processing plant.

- The processing plant designs have been finalized to the Feasibility Study standard, along with the corresponding operating and capital costs.

- As part of the Feasibility Study design, Condor has obtained operating quotes for power and the required power line and substation for the mine and plant.
- Condor staff, in conjuction with Hanlon Engineering, has obtained up-to-date estimates for the major inputs into the project economics, such as contract mining, site preparation / earthworks, piping, electrical, structural steel, concrete and steel platework. The results of this effort also are incorporated into the FS.
- Condor is planning for an additional round of metallurgical testwork in the second quarter of 2022 to better understand the behavior of the ore at lower grades.

For further discussion of the above, see also "*Company Overview and Discussion of Operations – Developments in the three months ended March 31, 2022*" and "*Status, Plans and Expenditures at the La India Project*".

Risks and Uncertainties

In common with other companies operating in natural resource exploration and development, the Company is subject to ongoing risk factors and uncertainties, including, among others, political risks including the risk of operating in Nicaragua, title risks, commodity prices, liquidity and financing risks, exchange rate risks, permitting risks, operating and environmental hazards encountered in the exploration, development and mining business and changing laws and public policies, as well as the risks disclosed elsewhere in this MD&A as well as in the Copmany's annual information form for the year ended December 31, 2021 (the "**AIF**") and other publicly filed disclosure regarding the Company available nder the Company's issuer profile at www.sedar.com.

The Company has been operating in Nicaragua for circa 15 years and closely monitored the social unrest between April and July 2018. The Government re-asserted control in July 2018; the country has subsequently been relatively calm. Condor continues to promote peaceful dialogue between all parties. In December 2018, the United States Congress passed into law the Nicaragua Human Rights and Anticorruption Act of 2018 (the "Nica Act"). This bill imposes restrictions and sanctions on institutions and individuals responsible for the Nicaraguan government's violence and infringement of the civil rights of protesters. The President of Nicaragua was inaugurated for a fourth consecutive term in January 2022. This led to additional sanctions by the US and EU. The RENACER Act was passed into law October 2022 in the US.

As of the date of this document, the ability of the Company to operate has not been materially affected by the on-going Covid-19 pandemic as the Company is in a study and land acquisition phase, pre-construction. 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.

Analysis of Financial and Operating Performance

Summary of Overall Financial Performance

The Company reports in U.K. pounds sterling. The functional currency of the La India Project is Nicaraguan Cordobas, which is pegged to the USD with a 5% annual depreciation to the USD. The presentational currency of the Company is U.K. pounds sterling. The financial statements of the Company for the three months ended March 31, 2022 are prepared in accordance with IFRS as issued by the IASB.

	Three months ended March 31, 2022	Three months ended March 31, 2021
	(£)	(£)
Total comprehensive income/(loss)	(3,055)	(934,910)
Cash and cash equivalents	408,028	6,278,947
Exploration assets	29,634,986	22,623,998
Net assets	38,399,080	33,074,583

The total comprehensive income/(loss) for the Company of £(3,055) for the three months ended March 31, 2022 (three months ended March 31, 2021 £(934,912)) was after the following principal items:

- General and Administrative ("**G&A**") costs of £(505,975) for the three months ended March 31, 2022 (three months ended March 31, 2021: £(424,249)).
- In addition to G&A costs there is a non-cash charge for share options granted.
- Currency translation differences of £664,824 for the three months ended March 31, 2022 (three months ended March 31, 2021: £(422,392)), driven by movements in the United States Dollar and the Nicaraguan Cordoba relative to the U.K. pound sterling, resulting in unrealised currency translation differences.

Further analysis of total comprehensive income/(loss) is contained in the section *"Results from Operations".*

The cash levels of the Company as at March 31, 2022 and March 31, 2021 vary due to the timing and quantum of financing by the Company as well as the level of expenditures by the Company on exploration and administrative activities.

The movement in exploration assets between March 31, 2022 and March 31, 2021 is a function of exploration expenditure during the year, together with foreign exchange movements and any asset impairments or revaluations during the period. See *"Analysis of Intangible Assets".*

Net assets primarily comprise intangible assets, which are made up of the capitalised exploration and development costs attributed to the La India Project, current assets, which comprise cash and cash equivalents together with trade and other receivables and current liabilities, which comprise short term trade payables.

Comparison of Financial Condition

The financial condition of the Company is primarily measured by the reserves of cash and cash equivalents, and the level of net assets. As of March 31, 2022, the Company held cash and cash equivalents of £408,028 (March 31, 2021: £6,278,947). As of March 31, 2022, the Company had net assets of £38,399,080 (March 31, 2021: £33,074,583).

Summary of Cash Flows

	Three months ended March 31, 2022 (£)	Three months ended March 31, 2021 (£)
Net cash used in operating activities	(678,738)	(642,668)
Net cash used in investing activities	(1,068,480)	(1,994,899)
Net cash generated from financing activities	66,000	4,757,123
Net increase/(decrease) in cash and cash equivalents	(1,739,939)	2,119,556

The net cash flows used in operating activities for the three months ended March 31, 2022 and March 31, 2021 are driven by activities in the management of the La India Project. The change between March 31, 2022 and March 31, 2021 is primarily attributed to spend on corporate and administrative costs (see "*Results from Operations*"), together with variations arising from fluctuations in trade and other receivables and payables. Variations in trade and other receivables and payables totalled £(248,683) during the three months ended March 31, 2022 (three months ended March 31, 2021: £(241,680)).

Cash used in investing activities decreased to £(1,068,480) in the three months ended March 31, 2022 as compared to £(1,994,899) in the three months ended March 31, 2021. The higher spend in 2021 as compared to 2022 was principally driven by activities associated with purchase of the SAG Mill and land at La India (see *"Developments in the Three months ended March 31, 2021")*.

Cash flows from financing activities in the three months ended March 31, 2021 arose from the February 2021 Placement and from exercises of warrants (see "*Outstanding Share Data"* and *"Developments in the Three months ended March 31, 2021")* and due to warrant exercises during the three months ended March 31, 2021 (see "*Outstanding Share Data").*

Quarterly Financial Information

The following table presents selected financial information for each of the most recent eight quarters. Tabular amounts are presented in U.K. pounds sterling.

Quarter Ended	March 31, 2022 (£)	December 31, 2021 (£)	September 30, 2021 (£)	June 30, 2021 (£)	March 31, 2021 (£)	December 31, 2020 (£)	September 30, 2020 (£)	June 30, 2020 (£)
Revenue	—	—	—	—	—	—	—	—
Profit/(loss) from continuing operations[(1)]	(667,879)	(591,827)	(591,827)	(501,342)	(512,520)	(577,287)	(377,286)	(477,896)
Total comprehensive income/(loss) attributable to owners of the parent	(3,055)	(839,228)	27,776	(703,578)	(934,912)	(2,241,589)	(1,651,426)	(561,278)
Profit/(loss) from continuing operations pence per share	(0.35)	(0.53)	(0.44)	(0.37)	(0.41)	(0.49)	(0.32)	(0.43)
Total comprehensive	0.11	(0.61)	0.02	(0.52)	(0.75)	(1.89)	(1.41)	(0.54)

Quarter Ended	March 31, 2022 (£)	December 31, 2021 (£)	September 30, 2021 (£)	June 30, 2021 (£)	March 31, 2021 (£)	December 31, 2020 (£)	September 30, 2020 (£)	June 30, 2020 (£)
earnings/(loss) pence per share								

Notes

(1) Disclosed in Condensed Consolidated Statement of Comprehensive Income as "Loss for the period"

Profit/(loss) from continuing operations in each of the periods disclosed is driven on an on-going basis by G&A costs, which include non-cash charges arising in connection with share options.

Total comprehensive earnings also reflect currency translation differences arising on foreign operations, as the functional currency for the La India project is the Nicaraguan Cordoba (see "Analysis of Intangible Assets").

For information regarding progress of the Company in achieving previously announced milestones, see "*Discussion of Operations"* and *"Achievement of plans and milestones in 2021 and 2022*"*).*

Results from Operations

	Three months ended March 31, 2022 £	Three months ended March 31, 2021 £
Analysis of Operating Loss:		
General and Administration Costs (including Share-based Payments)		
Wages and salaries	(84,285)	(51,619)
Unwinding / (Charge) for share options granted (non-cash)	(162,159)	(88,271)
Travel / expenses	(34,458)	(32,903)
Exploration costs expensed	(22,309)	(60,699)
Professional fees	(207,332)	(151,639)
Legal fees	(4,690)	(21,789)
Overheads/Other	(152,901)	(105,598)
General and Administration Costs	(668,134)	(512,518)
Operating Loss		
Finance income	255	-
Income / (Loss) for the period	(667,879)	(512,518)
Currency translation differences	664,824	(422,392)
Total comprehensive loss	(3,055)	(934,910)

Cash expenditure on exploration activities comprises direct expenditure on the La India Project. This includes in-country operating, staff and permitting costs, as well as sampling, mapping and drilling programmes and studies, broken down as follows:

	Three months ended March 31, 2022 (£)	Three months ended March 31, 2021 (£)
Payroll	136,716	150,167
Operating Costs	34,028	65,033
Permitting	177,659	173,415
Direct field expenditure (Drilling / Sampling / Studies)	658,545	544,405
Cash expenditure on Exploration activities	1,006,948	933,020

Cash expenditure levels vary according to the timing and nature of these activities undertaken as the Company advances the La India Project. A summary of the activities carried out in the year and how these relate to the development plans of the project are set out in "*Status, Plans and Expenditure at the La India Project* "and "***Achievement of Plans and Milestones in 2021 and 2022***".

For analysis regarding how these expenditures related to relevant milestones for the La India Project and anticipated timing and costs to advance the La India Project to further stages, see "*Status, Plans and Expenditures at the La India Project"* and "***Achievement of Plans and Milestones in 2021 and 2022".*** For analysis of net movement in intangible assets and explanation of the Company's exploration activities, see *"Analysis of Intangible Assets."*

G&A costs have decreased for the three months ended March 31, 2022 as compared to the prior year period, from £(512,518) to £(668,134). The main drivers behind these changes are as follows:

- Wages and salaries have increased from £(51,619) to £(84,285) due to timing of payments and adjustment in payment method while the unwinding charge for share-based payments has increased from £88,271 to £162,159.
- Professional fees have increased in 2022 versus the prior year, rising from £(151,528) in to £(207,332) due primarily to technical studies on the La india Project.

Additional movements:

Currency translation differences of £664,824 for the three months ended March 31, 2022 (three months ended March 31, 2021: £(422,392)) arose from the relative movements in U.K. pounds sterling in relation to the United States dollar, the Nicaraguan Cordoba and which impacted the values recorded in U.K pounds sterling of the Company's foreign assets and liabilities.

Analysis of Intangible Assets

	Exploration Costs (£)	Mineral Resources (£)	Total (£)
Net Book Value			
As at January 1, 2021	21,339,741	749,573	22,089,314
Additions	933,020	-	933,020
Disposals	-	-	-
Impairments	-	-	-
Exchange rate movements	(398,336)	-	(398,336)

	Exploration Costs (£)	Mineral Resources (£)	Total (£)
At March 31, 2021	21,874,425	749,573	22,623,998
As at 1 January 2022	27,351,407	749,573	28,100,980
Additions	1,006,948	-	1,006,948
Disposals	-	-	-
Impairments	-	-	-
Exchange rate movements	527,058	-	527,058
At March 31, 2022	28,885,413	749,573	29,634,986

Exploration Costs within intangible assets comprise all costs directly attributable to the exploration of a project area and which are capitalised to that project. The accounting policies of the Company specify that exploration costs are to be denominated in the functional currency of the country in which the asset is located. The La India Project is located in Nicaragua and is thus denominated in Nicaraguan Cordobas.

Mineral Resources, as disclosed in the table above, comprise payments to third parties to acquire interests in existing projects.

Outstanding Share Data

	As of March 31, 2022 (000's)	As of March 31, 2022 (£)	As of March 31, 2021 (000's)	As of March 31, 2021 (£)
Issued and fully paid				
Ordinary Shares of 20 pence each				
At 1 January	146,631	29,326,143	118,663	23,732,526
Issue of Ordinary Shares	300	60,000	16,161	3,232,310
At March 31	146,931	29,386,143	134,824	26,964,836

Share issuances in the three months ended 31 March 2022 were as follows:

Nature of issuance	Issuue price per Ordinary share	Date of share issuance	Number of shares issued	Total Cumulative number of ordinary shares issued
Opening		1 January 2022		146,630,715
Options exercise	22 pence	13 January 2022	300,000	146,930,715

Stock Options and Warrants in the Company

The total Options outstanding as at the date hereof amount to 14,948,500 with an average exercise price of 42 pence, and which will be fully vested by May 31, 2022. There is no other share-based compensation paid by the Company.

The Company recognises as an expense the cost of warrants and/or stock-based compensation based upon the estimated fair value of new stock options or warrants granted. The fair value of each stock option or warrant is estimated on the date of grant using the Black-Scholes option pricing model and is expensed over the vesting period.

As of the date hereof, there were 17,125,017 Warrants outstanding. Should all Warrants be exercised in full, the Company would receive £6,974,658.

A summary of outstanding warrants is set out below:

Date of issue	Date of expiry	Number	Exercise price £	Total amount raised if all exercised £
July 15, 2019	July 15, 2022	3,073,754	0.25	768,439
May 28, 2020	May 28, 2023	8,194,125	0.40	3,277,650
November 2, 2021	November 2, 2023	5,857,138	0.50	2,928,569
TOTAL		**17,125,017**	**0.38 (avg)**	**6,974,658**

The exercise period for 50 per cent of the warrants issued on July 15, 2019 ("**July 2019 Accelerated Warrants**") 50 per cent of the warrants issued on May 28, 2020 ("**May 2020 Accelerated Warrants**") and 50 per cent of the warrants issued on November 2, 2021 (**"November 2021 Accelerated Warrants")** shall be accelerated if the closing mid-market share price of the Company's Ordinary Shares on AIM is more than £0.30, £0.55 or £0.60, respectively for 10 consecutive trading days (an "**Acceleration Trigger Date**"), further to which a notice (an "**Acceleration Notice**") shall be delivered by the Company to holders of warrants ("**Warrant Holders**") informing them that an Acceleration Trigger Date has occurred. Warrant Holders who wish to exercise the rights attaching to the Accelerated Warrants must do so by the later of the date falling 10 Business Days after receipt of the Acceleration Notice by the Warrant Holders; or the date falling 10 Business Days after the end of a Closed Period, which means the period of 30 calendar days before the announcement of an interim financial report or year-end report (which includes preliminary financial results) which the Company is obliged to make public, as defined in Article 19(11) of the Market Abuse Regulation (regulation No 596/2014 of the European Parliament and of the Council); or such other date (which is more than 10 Business Days after receipt of the Acceleration Notice) as the Company may notify the Warrant Holders in the Acceleration Notice ("**Accelerated Warrants Expiry Date**"). Any warrant rights relating to the Accelerated Warrants that are not exercised by the Accelerated Warrants Expiry Date shall lapse and shall no longer be exercisable.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements.

Liquidity, Capital Resources and Financial Instruments

The Company is not in commercial production on any of its properties and accordingly it does not generate cash from operations and finances its activities by raising capital through equity issues.

As at March 31, 2022 the Company had £408,028 in cash at bank and on deposit. As at March 31, 2021, cash at bank and on deposit amounted to £6,278,947. The Company does not enter into lease arrangements or debt facilities to cover working capital requirements – see "*Contractual Obligations*."

The Company endeavours to hold all cash and cash equivalents in interest bearing accounts. The Company has not invested in any short-term commercial paper, asset-backed securities or other financial instruments. There are no known or expected trends or fluctuations in the Company's capital resources which would have a material impact on the capital resources of the Company. The Company mitigates risks associated with its cash holdings by reviewing the credit ratings of banks with which it places those holdings. Cash holdings kept in Nicaragua are limited to cover short term needs only.

In management's view the Company will be able to raise sufficient financial resources to fund currently planned development and land acquisition activities and ongoing operating expenditures over at least the next 12 months. Total expenditures will depend in part on the availability of working capital and will include settlement of the on-going contractual obligations of the Company. The plans for the Company through 2022 are to maintain its social and community programmes, to comply with the terms of the La India Environmental Permit and to continue to develop the La India Project. (see "*Status, Plans and Expenditures at the La India Project*").

In relation to compliance with the La India Environmental Permit, the Company's priority is also to complete the purchases of land for mine-site infrastructure and complete the additional technical studies required by MARENA prior to the commencement of construction of the processing plant of up to 2,800 tpd and associated mine site infrastructure - see "*Status, Plans and Expenditures at the La India Project*".

The Company will need to seek additional sources of funding in order to initiate construction of a mine at the La India Project.

Expenditure plans are reviewed and adjusted on a regular basis as appropriate and in line with the financial resources of the Company. Financial commitments are not given to third parties where they would result in undue risk to the financial solvency of the Company going forwards. Payments will be required to maintain the Company's concessions in Nicaragua in good standing and the Company ensures that it holds sufficient financial reserves to meet those payments. The Company only commits to future payments and exploration programmes once it already has the required financial resources to do so.

There are no legal or practical restrictions on the repatriation out of Nicaragua of capital and profits.

As of the date of this document, the Company does not hold sufficient working capital to meet its obligations and carry out its planned activities over the following 12 months, as outlined above. It will continue to be dependent on raising equity capital as required until and unless it reaches the production stage and generates cash flow from operations and is confident that it will be able to do so: to date the Company has been successful in raising funding from investors and believes that it will continue to be able to attract financial capital as it progressively de-risks and advances the La India Project towards the Feasibility Study, construction and production stages.

Contractual Obligations

£				
	Total (£)	*Less than 1 year (£)*	*2-5 years (£)*	*Greater than 5 years (£)*
Operating leases on offices	68,193	35,731	32,462	-
Material creditors	88,000	88,000	-	-

The cost of maintaining the concession areas of the Company by payment of taxes has been included in the expenditure plans of the Company. As of the date of the MD&A, taxes on concessions had been fully paid up to the date of this document.

The Company is not in arrears or at risk of default with its suppliers or regarding its lease payments. It has no plans to pay dividends until it has commenced commercial production and holds no debt. There are no capital expenditure commitments and no sources of funding that the Company has arranged but not yet used.

Transactions with Related Parties

The balances recorded as at March 31, 2022, and the prior year balance are as follows and cancel out upon consolidation:

	March 31, 2022 (£)	March 31, 2021 (£)
Condor S.A.		
Brought forward loan balance from December 31	9,752,096	8,008,457
Additional loans during the period	217,920	243,091
Management charges	30,950	30,950
Closing balance	10,000,948	8,282,498

La India Gold S.A.	March 31, 2022 (£)	March 31, 2021 (£)
Brought forward loan balance from December 31	25,927,102	20,942,844
Additional loans during the period	736,100	807,008
Management Charges	30,950	30,950
Closing balance	26,694,152	21,780,802

	March 31, 2022 (£)	March 31, 2021 (£)
La India Inversiones SA		
Brought forward loan balance from December 31	3,832,282	3,309,843
Additional loans during the period	117,929	228,531
Management Charges	-	-
Closing balance	3,950,211	3,538,374

The above related parties are subsidiaries of Condor. The purpose of the above loans, which are unsecured, is to meet the working capital requirements of the subsidiaries.

During the Three months ended March 31, 2022 the Company received consultancy advice from the following related parties:

Company	Related party	March 31, 2022 £	March 31, 2021 £
Burnbrae Limited	J Mellon	6,250	6,250
Promaco	I Stalker	11,700	7,575

Jim Mellon and Ian Stalker are Non-Executive Directors of the Company. Mr. Stalker received additional remuneration of £5,450 in the three months ended March 31, 2022 and £1,325 in the thee months ended March 31, 2021.

Critical Accounting Policies and Estimates

The Company's accounting policies are described in detail in Note 1 of the Company's December 31, 2021 annual consolidated financial statements. The Company considers the following judgments and estimates to be most critical in understanding its financial results:

Significant accounting judgments and sources of estimation uncertainty

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts and the valuation of assets and liabilities at the date of the financial statements and the reported amounts of expenditures during the period reported. Management uses its best estimates for these purposes, based on assumptions that it believes reflect the most probable set of economic conditions and planned courses of action. While actual results could differ materially from these estimates, no specific sources of estimation uncertainty have been identified by management that are believed to have a significant risk of resulting in a material adjustment within the next financial year to the carrying amount of the Company's assets and liabilities as recorded as at March 31, 2022.

Significant items subject to such estimates include:

Valuation of Intangible Assets

Exploration expenditure comprises all costs which are directly attributable to the exploration of a project area. Licence costs are those incurred acquiring mineral rights and include the entry premiums paid to gain access to areas of interest. Mineral Resource costs are those paid to third parties to acquire interests in existing projects.

In accordance with IFRS 6, the Company capitalises as exploration costs within Intangible Assets all exploration and evaluation costs, including field exploration and analysis costs relating to specific properties until those properties are brought into production, at which time they will be amortised on a unit-of-production basis or until the properties are abandoned, sold or considered to be impaired in value, at which time an appropriate charge is made.

Intangible Assets are reviewed for impairment to determine if a write down of their carrying amount is required. Each exploration project is subject to an annual review by either a consultant or senior company geologist to determine if the exploration results returned to date warrant further exploration expenditure and have the potential to result in an economic discovery. This review takes into consideration long-term metal prices, anticipated resource volumes and grades, permitting and infrastructure. In the event that a project does not represent an economic exploration target and results indicate there is no additional upside, a decision will be made to discontinue exploration. The Directors of the Company have reviewed the estimated value of each project prepared by management and consider them to be reasonable.

Management has made various estimations regarding the fair value of exploration assets acquired in the absence of NI 43-101 compliant Mineral Resource data available at acquisition. The fair value of exploration assets acquired has been estimated based on a number of valuation techniques.

Where acquisitions represent transactions between knowledgeable and willing parties on an arm’s length basis, the exploration assets acquired have been valued on the basis of the consideration transferred. Where acquisitions are not deemed to represent arm’s length transactions, management compare them to similar transactions that are on an arm’s length basis taking into account key factors such as certainty over the level of defined resource, processing technology and location infrastructure in order to arrive at a fair valuation.

See “*Results from operations*” and “*Analysis of Intangible Assets*” for further information regarding the valuation of and movements in intangible assets during the reporting period.

Foreign currencies

The foreign currency movements included in the consolidated financial statements of the Company arose from the relative movements in the U.K. pound sterling in relation to the United States Dollar and the Nicaraguan Cordoba. The Company has adopted accounting treatment of foreign operations upon consolidation following “International Accounting Standard 21 – *The Effects of Changes in Foreign Exchange Rates*” as regards application of exchange rates at balance sheet dates and/or exchange rates at the date of transaction as appropriate, in relation to monetary and non-monetary assets and liabilities.

Exploration costs, disclosed as part of Intangible Assets, are denominated in the functional currency of the country in which the asset is located. The La India Project is located in Nicaragua and is thus denominated in Nicaraguan Cordobas. All resulting unrealised exchange differences arising from variations in the exchange rate between the Nicaraguan Cordoba and U.K. pounds sterling are recognised in the profit and loss in “other comprehensive income” and accumulated in equity – see “*Results from operations.*”

Changes in accounting policies

The adoption of IFRS and IFRS Interpretation Committee interpretations did not result in any substantial changes to the accounting policies adopted by the Company.

Management’s Report on Internal Controls and Procedures

Disclosure controls and procedures

Disclosure controls and procedures (“**DCP**”) have been designed to provide reasonable assurance that all material information related to the Company is identified and communicated on a timely basis. Management of the Company, under supervision of the Chief Executive Officer and the Chief Financial Officer, is responsible for the design and operation of disclosure controls and procedures and has evaluated the effectiveness of the Company’s DCP and has concluded that they were effective as at March 31, 2021.

Internal control over financial reporting

The Company's internal control over financial reporting ("**ICFR**") is designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with IFRS. However, due to inherent limitations, internal control over financial reporting may not prevent or detect all misstatements or fraud.

As at March 31, 2021, an evaluation was carried out, under the supervision of the Chief Executive Officer and the Chief Financial Officer, of the design and operating effectiveness of Condor's internal controls over financial reporting. Based on this evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that the internal controls over financial reporting were effective as at March 31, 2021, using the criteria, having taken account of the size and nature of Condor, put forward by the Financial Reporting Council in their revised guidance for Directors on internal controls for UK listed companies (issued 2005).

Changes in internal controls over financial reporting

There have been no changes in the Company's ICFR during the three months ended March 31, 2021 that have materially affected, or are reasonably likely to materially affect, its ICFR.

Approval

The Board of the Company has approved the disclosure contained in this MD&A.

Additional Information

Additional information relating to the Company, including the AIF, is available under the Company's SEDAR profile at www.sedar.com.

Statement Regarding Forward-Looking Information

Certain statements contained in this MD&A 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 information. Forward-looking information is 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 information. The Company believes the expectations reflected in the forward-looking information are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking information included in its document should not be unduly relied upon.

In particular, the forward-looking information contained in this MD&A includes, but is not limited to, the following:

- Mineral Resource and Mineral Reserve estimates;
- targeting additional Mineral Resources and expansion of deposits;
- 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;
- the timing, receipt and satisfying the conditions of approvals, licences and permits from the Nicaraguan government and from any other applicable government, regulator or administrative body, including, but not limited to, the environmental permits;

- 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.

Forward-looking information is subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual results, events, conditions, performance or achievements to differ materially from those expressed or implied in the forward-looking information in this MD&A as a result of the risk factors set forth below, elsewhere in this MD&A and the AIF:

- 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;
- public health risks including risks associated with the on-going Covid-19 global pandemic
- negative cash flow;
- liquidity and financing risks;
- funding risk;
- 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;
- 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;
- other factors discussed under *"Risks and Uncertainties"*; and

- other risks and uncertainties described 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.

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

The forward-looking information and statements contained in this MD&A are based on assumptions, beliefs, expectations and opinions of management as of the date such statements are made. Although the forward-looking information contained in this document are based upon assumptions which the Company believes to be reasonable, the Company cannot assure holders or potential holders of Ordinary Shares that actual results will be consistent with these forward-looking information. With respect to forward-looking information 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 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, the forward-looking information and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur, or if any of them do so, what benefits the Company will derive therefrom. These forward-looking information are made as of the date of this document and the Company disclaims any intent or obligation to update publicly any forward-looking informaiton, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

CIM Definition Standards

In accordance with applicable Canadian securities laws, the Company’s Mineral Resources and Mineral Reserves disclosed in this MD&A have been estimated in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum Definition Standards for Mineral Resources and Mineral Reserves adopted by the CIM Council on May 19, 2014 (the “**CIM Definition Standards**”). NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of a scientific and technical nature concerning mineral projects, such standards differ significantly from disclosure requirements in the United Kingdom and of the AIM. The Mineral Resources and Mineral Reserves for the Company’s properties (including as used in the Technical Reports) have been estimated in accordance with the CIM Definition Standards. Accordingly, information contained in this MD&A may not be comparable to similar information made public by United Kingdom companies reporting pursuant AIM disclosure requirements.

The following definitions are reproduced from the CIM Definition Standards:

“**Mineral Resource**” means a concentration or occurrence of solid material of economic interest in or on the Earth’s crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade or quality, continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling.

“**Inferred Mineral Resource**” means that part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource (as defined herein) and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

"**Indicated Mineral Resource**" means that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors (as defined herein) as described below in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing and is sufficient to assume geological and grade or quality continuity between points of observation. An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource (as defined herein) and may only be converted to a Probable Mineral Reserve (as defined herein).

"**Measured Mineral Resource**" means that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing and is sufficient to confirm geological and grade or quality continuity between points of observation. A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proven Mineral Reserve (as defined herein) or to a Probable Mineral Reserve.

"**Mineral Reserve**" means the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at pre-feasibility or feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified. The reference point at which Mineral Reserves are defined, usually the point where the ore is delivered to the processing plant, must be stated. It is important that, in all situations where the reference point is different, such as for a saleable product, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported. The public disclosure of a Mineral Reserve must be demonstrated by a pre-feasibility study or feasibility study.

"**Probable Mineral Reserve**" means the economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. The confidence in the Modifying Factors applying to a Probable Mineral Reserve is lower than that applying to a Proven Mineral Reserve.

"**Proven Mineral Reserve**" means the economically mineable part of a Measured Mineral Resource. A Proven Mineral Reserve implies a high degree of confidence in the Modifying Factors.

"**Pre-Feasibility Study**" means a comprehensive study of a range of options for the technical and economic viability of a mineral project that has advanced to a stage where a preferred mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, is established and an effective method of mineral processing is determined. It includes a financial analysis based on reasonable assumptions on the Modifying Factors and the evaluation of any other relevant factors which are sufficient for a Qualified Person, acting reasonably, to determine if all or part of the Mineral Resource may be converted to a Mineral Reserve at the time of reporting. A Pre-Feasibility Study is at a lower confidence level than a Feasibility Study.

"**Feasibility Study**" means a comprehensive technical and economic study of the selected development option for a mineral project that includes appropriately detailed assessments of applicable Modifying Factors together with any other relevant operational factors and detailed financial analysis that are necessary to demonstrate, at the time of reporting, that extraction is reasonably justified (economically mineable). The results of the study may reasonably serve as the basis for a final decision by a proponent or financial institution to proceed with, or finance, the development of the project. The confidence level of the study will be higher than that of a Pre-Feasibility Study.

For the purposes of the CIM Definition Standards, "**Modifying Factors**" are considerations used to convert Mineral Resources to Mineral Reserves. These include, but are not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors.