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27 December 2017

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

CONDOR FILES FINAL PROSPECTUS AND BECOMES REPORTING ISSUER IN ONTARIO

Condor Gold (AIM: CNR; OTCQX: CNFGF) is pleased to announce that it has received a receipt from the Ontario Securities Commission for its final non-offering prospectus (the "**Prospectus**") and has, accordingly, become a reporting issuer in the Province of Ontario.

As previously announced, Condor has received the conditional approval for the listing of its ordinary shares (the "**Ordinary Shares**") on the Toronto Stock Exchange ("**TSX**"). The Company expects that its Ordinary Shares will begin trading on the TSX in January 2018 under the symbol "COG".

The Company has also filed a revised technical report ("**Technical Report**") titled "*Technical Report on the La India Gold Project, Nicaragua, December 2014*" dated November 13, 2017 with an effective date of December 21, 2014, which was prepared in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects (" **NI-43-101**").The Technical Report was issued to support the filing of the Prospectus. It differs from the "*Technical Report on the La India Gold Project, Nicaragua, December 2014*" dated December 21 2014 with an effective date of December 21, 2014, in that the Preliminary Economic Assessments have been removed. High level discussion of expansion scenarios is included instead.

Copies of the Prospectus and the Technical Report are available under Condor's profile on SEDAR at www.sedar.com and on the Company's website www.condorgold.com. The Prospectus contains certain additional information on the Company, including the quarterly report for the three months ended 30 September 2017 which, along with certain other updates, are extracted in Appendix A below.

The Company will remain listed on the AIM market of the London Stock Exchange and its shares trade on the OTCQX. Shareholders/Investors who wish to buy additional shares or sell existing holdings acquired through AIM can continue to do so in the normal manner. Once the Ordinary Shares begin trading on the TSX, shareholders who wish to trade on the TSX must have a Canadian broker. Shareholders who wish to sell existing shareholdings on the TSX must first transfer their holdings from Computershare's UK Share Register to Computershare's Canadian Share Register. Further information on this process will be provided on Condor's website.

- Ends -

For further information please visit www.condorgold.com or contact:

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Appendix A

Refer to following pages.

About Condor Gold plc:

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

Condor published a Pre-Feasibility Study ("**PFS**") on its wholly owned La India Project in Nicaragua in December 2014, as summarized in the Technical Report (as defined below). The PFS details an open pit gold mineral reserve in the Probable category of 6.9 million tonnes ("Mt") at 3.0 grammes per tonne ("g/t") gold for 675,000 ounces ("oz") gold, producing 80,000 oz gold per annum for seven years. La India Project contains a mineral resource in the Indicated category of 9.6 Mt at 3.5 g/t for 1.08 million oz gold and a total mineral resource in the Inferred category of 8.5 Mt at 4.5 g/t for 1.23 million oz gold. The Indicated mineral resource is inclusive of the mineral reserve.

Disclaimer

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

Technical Information

The disclosure contained in this news release of a scientific or technical nature has been summarized or extracted from the Technical Report titled "*Technical Report on the La India Gold Project, Nicaragua, December 2014*", dated November 13, 2017 with an effective date of December 21, 2014 (the "Technical Report"), prepared in accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101"). The Technical Report was prepared by or under the supervision of Tim Lucks, Principal Consultant (Geology & Project Management), Gabor Bacsfalusi, Principal Consultant (Mining), Benjamin Parsons, Principal Consultant (Resource Geology), each of SRK Consulting (UK) Limited, and Neil Lincoln of Lycopodium Minerals Canada Ltd., each of whom is an independent Qualified Person as such term is defined in NI 43-101.

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

Forward Looking Statements

Certain statements in this news release constitute forward-looking information under applicable Canadian securities laws. These statements relate to future events or future performance and include, but are not limited to, estimates of mineral resources and mineral reserves, the listing of Ordinary Shares on the TSX and benefits thereof, the date on which the Ordinary Shares will begin trading on the TSX, the ability of shareholders to trade their shares on the TSX, future gold production at the La India Project and the continued listing of the Company on AIM. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are 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 statements. The Company believes the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this news release should not be unduly relied upon. The Company does not undertake any obligation to update forward-looking statements except as required by applicable securities laws.

Appendix A
Extracts from the Prospectus

The extracts from the Prospectus below are provided as a guide and are not intended to be exhaustive. Please refer to the Prospectus for further details. See “Glossary” in the Prospectus for a list of certain defined terms.

FORWARD-LOOKING INFORMATION

Certain statements contained in this Appendix 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 statements. Forward-looking statements are 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 statements. The Company believes the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this Appendix should not be unduly relied upon.

In particular, this Appendix contains forward-looking statements pertaining to the following:

- Mineral Resource estimates;
- targeting additional Mineral Resources and expansion of deposits;
- the Company’s expectations, strategies and plans for its Nicaraguan projects, 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 maintenance 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 Permit;
- 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.

The actual results could differ materially from those anticipated in these forward-looking statements or information as a result of the risk factors set forth below and elsewhere in the Prospectus:

- mineral exploration, development and operating risks;
- estimation of mineralisation, resources and reserves;
- environmental, health and safety regulations of the resource industry;
- competitive conditions;
- permitting and licencing risks;
- operational risks;
- negative cash flow;
- liquidity and financing risks;
- funding risk;
- A&R NSR Agreement 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;
- the Company's staggered Board;
- 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 *"Risk Factors"* in the Prospectus; and
- other risks and uncertainties described elsewhere in the Prospectus.

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

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

THE MINING INDUSTRY IN NICARAGUA

Overview

Nicaragua is the largest country in Central America, with a land area of 130,375 km^2 and having a population of circa 6.3 million people. It is bordered by Honduras to the north and Costa Rica to the south. The capital city is Managua. Nicaragua has been an independent country since 1821 and has a democratically elected government. The President is the head of state and of a multi-party system. The judiciary in Nicaragua is independent of the legislative and executive arms of the government. Spanish is the main official language.

The Company has encountered a favourable political and economic climate over the time in which it has been engaged in operations in Nicaragua.

The industrial mining sector formally employed approximately 5,000 people in 2016, the workforce having increased by 120% over the prior 10 year period. There are in addition several thousand people engaged in artisanal and small scale mining. Foreign direct investment into the mining sector totalled U.S.$850 million over the period 2007-2016, 40% of which originated from Canada and 48% from the United States.

Mining of metals is focussed on precious metals: 241,000 ounces of gold were produced in the country in 2016, and 601,000 ounces of silver from the three industrial mines. The average annual output for each metal over the years 2012 to 2016 was 253,000 ounces of gold and 480,000 ounces of silver. Gold is one of Nicaragua's top three export products.

Monetary Framework

The Banco Central de Nicaragua (the Central Bank of Nicaragua) was created in 1960 under an Article of the Constitution of Nicaragua. In 2010 it was defined through Law 732 as an autonomous, decentralised institution of the State of Nicaragua (the "**State**"), of technical character, indefinite duration, legal identity, independent funding and complete capacity to enter into legal contracts.

There are a variety of commercial banks operating in Nicaragua.

Energy and Transport Infrastructure

Installed generation capacity has expanded from 819 MW in 2007 to 1,396 MW in 2016, of which 49% is from renewable resources. The electrical grid covers 90% of the territory of the country, up from 52% in 2007.

There are around 19,000 kilometres of highways in Nicaragua, of which 2,000 kilometres are paved. The country has six principal ports: three on the Pacific coast and three on the Atlantic coast.

Regulatory Framework: Key Legislation and Permits

The legal system in Nicaragua is based upon the Napoleonic Code. Minimum investment guarantees are contemplated in the Constitution of the country. Article 5, "Principles of Nation", recognises private ownership, while Article 27 stipulates that all persons are equal before the law and have the right to equal protection. It specifically establishes that foreigners have the same duties and rights, with the exception of the political rights, granted to Nicaraguans.

There are three key laws impacting on the mining industry in Nicaragua as set forth below.

Law 344 for the Promotion of Foreign Investments Promotion Law ("Law 344")

Promulgated in 2000, Law 344 establishes equal treatment of foreign and domestic investment, eliminates restrictions on the way in which foreign capital can enter the country and recognises foreign investors' rights to own and use property without limitation.

Article 5 of Law 344 recognises fundamental guarantees for the foreign investor, such as equal treatment with domestic investors, and permits among other things:

- Unrestricted currency convertibility;
- Freedom of expatriation of capital and profits;
- Full international ownership, with no requirement for domestic partners, with the exception of social media platforms.

Article 7 of Law 344 stipulates that double taxation is subject to international conventions to which Nicaragua is a signatory. Similarly, Articles 8 and Article 24 recognise the right to submit disputes to international arbitration, without prejudice to the application of national legislation.

Application of Law 344 is primarily the responsibility of the Ministry of Development, Industry and Trade in conjunction with other institutions such as Ministry of Finance and Public Credit and the Central Bank of Nicaragua, among others.

Special Law for the Exploration and Exploitation of Mines (Law 387) and its bylaws in Decree 119-2001 ("Law 387")

The Constitution of Nicaragua enshrines state ownership of natural resources in the country and consequently the principal legal framework for the mining sector in Nicaragua is set out in Law 387, promulgated in 2001. Law 387 establishes that the mineral resources and subsoil are under absolute ownership of the State, with rights to explore for and extract and process minerals, both metallic and non-metallic, granted to holders of Concessions awarded by the Ministerio De Energia y Minas (Ministry of Energy and Mines) ("**MEM**").

A Concession is valid for 25 years and confers upon holders exclusive rights of exploitation, exploration and the establishment of facilities for collection and processing of minerals found in the area granted. A Concession can have a maximum area of 50,000 hectares and exploration must commence within four years of a Concession being awarded.

Exploration programmes are also agreed in advance with both MEM and MARENA for a three year period from award when an application for a Concession is lodged, with agreement in principle also required from municipal authorities. These generally comprise mapping in the first year, soil sampling/trenching in the second and drilling in the third. However the Concession holder is not obliged to carry out exploration activities in accordance with the programme as agreed with MEM and MARENA, although if no exploration activity is carried on a Concession over a four year period, that Concession may be forfeited. Separate environmental permits are required from MARENA for each of soil sampling/trenching, as well as drilling.

Under Nicaraguan law, 1% of any Concession area can be mined by artisanal miners, who cannot use a back hoe or mechanised mining techniques. "Industrial" miners are obliged to recognise and work with the artisanal miners, although in reality the 1% of the Concession area available to artisanal miners is seldom clearly defined. Artisanal miners cannot under the law prevent construction or operation of an industrial-scale mine due to the rights held by the Concession holder, who is also responsible for paying any surface area taxes (see *"The Mining Industry in Nicaragua – Fiscal Framework – Surface Area Tax"*).

Law 953 – Incorporation of ENIMINAS

Empresa Nicaragüense de Minas ("**ENIMINAS**"), the National Mining Company of Nicaragua, is a state-owned commercial company that was created on July 6, 2017 through Law 953, *Ley Creadora de la Empressa Nicargüense de Minas (ENIMINAS)*. The purpose of ENIMINAS is developing and executing the exploration and exploitation of mineral resources in Nicaragua. Through reserved areas (the "**Reserved Areas**"), the State, as represented by ENIMINAS, may commercialise its Concession holdings. Reserved Areas in Nicaragua comprise Concessions already held by the State.

Third parties interested in obtaining mining Concessions from the State in Reserved Areas must do so in participation with ENIMINAS. The participation of ENIMINAS is not required in other areas.

None of the Company's Concessions are in Reserved Areas and the Company is not impacted by the creation of ENIMINAS.

Other Permits Relevant to the Mining Sector in Nicaragua

A Concession holder has to apply for an environmental permit for soil sampling, rock chip sampling and trenching. A further environmental permit is required for drilling.

In order to carry out extractive activities, Concession holders are required to submit an EIA, which forms part of the application for an Environmental Permit to extract. Environmental Permits are awarded by the MARENA.

The EIA draws on environmental and social baseline studies relating to the mine site infrastructure, surrounding area and mine schedule over the life of mine and must contain detailed environmental and social action plans for dealing with the impact of a mining operation. Public consultation forms a key part of the process of awarding an Environmental Permit.

Various other permits such as for water extraction, electricity, explosives are conditional on holding an Environmental Permit.

In addition to the above, prior to extractive activities, Concession holders must also secure surface rights, whether through ownership or agreements with owners of surface rights.

The Company has formally submitted an application for an Environmental Permit to MARENA. See "*The Company's Operations in Nicaragua – Environmental Permit*" and "*Business of the Company*" in the Prospectus. For an overview of the Company's surface rights acquisition activities, see "*The Company's Operations in Nicaragua – Surface Rights*" and "*Management's Discussion and Analysis*" in the Prospectus.

Other than as described herein, there are no additional material permits, licenses or other regulatory approvals necessary for the Company to be able to carry out business operations in Nicaragua. The Company has consulted with its local counsel to ensure that it has the required permits, licenses and other regulatory approvals necessary. Certain members of the Board and executive officers of the Company also have a breadth of experience operating in Nicaragua and South America. However, there are risks associated with operating in Nicaragua. See "*Risk Factors – Risks Related to the Business*" and "*Risk Factors – Risks Related to Operating In Nicaragua*" in the Prospectus.

Fiscal Framework

Corporate taxes

The rate of corporate tax in Nicaragua is currently 30%.

Indirect taxes

Value added tax is imposed at 15% on sales of goods and services and on imported goods.

Mining-specific taxes

Under Law 387, a revenue-based royalty payment of 3% of the value of extracted substances is payable to MEM. A federal tax on surface rights is also levied.

Mine-specific tax benefits

Law 387 also makes available various exemptions from import tariffs for exploration companies and commercial producers. Certain upfront capital costs incurred in the construction of a mine are tax deductible.

Surface area tax

Surface area tax is payable upon the grant of the Concession by MEM and is due bi-annually in January and July. There is no indexation and the amounts are fixed for the 25 year life of the concession.

Surface area tax is paid by the Concession holder as follows, in the local currency equivalent of the following:

Year	Per hectare
1	U.S.$0.25
2	U.S.$0.75
3 and 4	U.S.$1.50
5 and 6	U.S.$3.00
7 and 8	U.S.$4.00
9 and 10	U.S.$8.00
11+	U.S.$12.00

Environmental Permit

As disclosed above under "*The Mining Industry in Nicaragua – Other Permits Relevant to the Mining Sector in Nicaragua*", the Company will require an Environmental Permit in order to carry out extractive activities on its Concessions. The Environmental Permit is the "master permit" in Nicaragua, and, once granted, all other permits for construction, electricity, water use, explosives, etc., are expected to follow. The timing for the advancement of the Environmental Permit application will depend on input from third parties (including MEM, MARENA and the local mayor's office representing the local council (or "alcaldia")).

The Company was advised by MARENA in 2016 that it had passed the technical studies contained within the EIA. The technical studies were submitted as part of the Environmental Permit application process for the open pit at the La India Project.

During the first quarter of 2017, the Company met with several Government Ministers in Nicaragua to discuss permitting for the La India Project. As disclosed in the PFS, it is envisaged that approximately 300 dwellings are required to be relocated over the life of the mine as part of the development of 800 hectares of mine site infrastructure. MARENA has requested a detailed resettlement action plan, which has been prepared and is ready to be presented to the Nicaraguan Government. The Nicaraguan Government will require the inhabitants of the dwellings to agree to the terms of the resettlement as part of the permitting process. In April 2017, the Company hired an additional ten employees to work in the Company's social department to add depth to the team communicating with key stakeholders. As of the date hereof, the Company is awaiting further comment from the Nicaraguan Government regarding the resettlement action plan prior to negotiating with the inhabitants of the dwellings and commencing the public consultation process. See "*Risk Factors – Risks Related to Operating In Nicaragua*" in the Prospectus.

The Company expects that the terms of resettlement will be approved. 41% of the Project's local population lives beneath the United Nations poverty level and the Company believes these individuals will want to see the mine re-opened due to the 500 jobs that are anticipated to be created by the mine and their related impact on economic prosperity in the local community. Additional economic development would also offer better access to drinking water, sewage services and better housing. The Company's surveys show less than 10% of the local population are against the mine and that 70% of the local population currently works as artisanal miners. Accordingly, the Company believes that the area is a pro-mining community that will be supportive of the potential direct and indirect benefits, including employment, which the Project will bring.

Certain of the Company's future plans are dependent on receipt of the Environmental Permit. These plans include an in-fill drilling programme aimed at taking existing mineral reserves from the Pre-Feasibility Study level of confidence to the Feasibility Study level of confidence. See "*Management's Discussion and Analysis – MD&A for the Three and Nine Months Ended September 30, 2017 – Status Plans and Expenditures at the La India Project*" in the Prospectus. If the Company is not able to have the resettlement approved, it expects to proceed with an underground mining option or a smaller open pit for the Project. However, as disclosed above, the Company believes that it is unlikely that the resettlement will not be approved. See "*Risk Factors – Risks Related to the Business*" in the Prospectus.

Extract from Management's Discussion and Analysis – MD&A For the Three and Nine Months Ended September 30, 2017: *Status, Plans and Expenditures at the La India Project*

Status, Plans and Expenditures at the La India Project

As at the date hereof, the La India Project is at the Pre-Feasibility Study stage. The Company has applied for and is awaiting approval of the application for the EP by the Nicaraguan authorities. Upon receipt of the EP, the Company intends to proceed with additional drilling and a Feasibility Study. The Company has been awaiting approval of the EP application prior to proceeding with the resource in-fill drilling programmes as recommended in Section 26 of the Technical Report and as summarised below. The Company's plans for 2018 are to continue to advance the La India Project towards the Feasibility Study stage and in particular:

- to secure the approval of the application for the EP for the La India Open Pit, submitted late in 2015; and
- concurrent with the above, to continue exploration activities aimed at identifying gold mineralisation outside of the current Mineral Resource / Mineral Reserve areas through geological mapping and trenching surveys over the entire La India Project area. In addition, conduct relogging of drill core to improve understanding of lithological and geological aspects of gold mineralisation at the Project.

The Company expects that the costs for carrying out the above, together with the those of operating and administering the Company through to the end of calendar year 2018 would amount to approximately £1.5 million, including approximately U.S.$200,000 to maintain the Company's Concessions in Nicaragua through payment of land surface taxes. A breakdown of the expenditures planned for the 15 months through to the end of 2018 is as follows:

	Pounds Sterling (000s)
Securing approval of the Environmental Permit	105
Exploration aimed at identifying gold mineralisation outside of the current Mineral Resource / Mineral Reserve areas at the La India Project	643

Payment of land surface taxes	144
In-country operating costs	83
Costs of administering the Company	606
Total	**1,581**

See "*Forward-Looking Information*" and "*Risk Factors*" in the Prospectus.

The above amounts exclude the cost of purchasing land under the Option Agreements (as defined below) or from any of the surface rights holders that have not entered into Option Agreements with the Company. The above amounts do include the cost of rolling over 9 of the 23 the land purchase Option Agreements expiring in 2018, estimated to be approximately U.S.$8,000. The Company does not intend to purchase the surface rights under the Option Agreements or from any other landowners under its land acquisition program until it has secured the Environmental Permit. See "*Management's Discussion and Analysis – MD&A for the Twelve Months Ended December 31, 2016 – Management Company Overview and Discussion of Operations – Discussion of Operations*" and "*The Company's Operations in Nicaragua – Surface Rights*" in the Prospectus for additional information.

The Company spent approximately £2.0 million at the La India Project in the nine months ended September 30, 2017, including payment of land surface taxes and in country operating costs, and £1.9 million over the 12 months ended December 31, 2016 (12 months ended December 31, 2015: £2.2 million). The planned spending through to end-2018 is lower than in these previous periods primarily as it does not include drilling programmes, which significantly reduces operating costs. As discussed below, the Company intends to commence additional drilling programs following receipt of the Environmental Permit.

It should be noted that the Company was advised by MARENA in 2016 that it had passed the technical studies contained within the EIA, which was submitted as part of the EP application process for La India Open Pit. Securing approval for the EP application is a key future milestone in the de-risking and development of the La India Project. The timing for the advancement of the EP application will depend on input from third parties, including inter alia, MARENA, together with the outcome of a planned public consultation, required as part of the approval process. The timing for approval of the EP application cannot therefore currently be forecast. See "*The Company's Operations In Nicaragua – Environmental Permit*" and "*Risk Factors*" in the Prospectus.

Upon approval of the EP application, the Company plans to resume additional exploration drill programmes with two principal objectives:

- a resource in-fill drilling programme of approximately 11-13,000 meters to be conducted with the aim of taking the existing mineral reserves from the Pre-Feasibility Study level of confidence to the Feasibility Study level of confidence. The total cost for the drill programme would amount to approximately U.S.$3 million, including incremental Company operating costs that would arise during these programmes.

- a resource expansion drilling programme of approximately 20,000 metres and focussing on the Mestiza and La India vein sets in order to expand total contained gold in the Mineral Resource within these two vein sets by approximately 40 percent. The cost of this programme, including incremental Company operating costs would amount to approximately U.S$5 million.

The Company does not hold sufficient financial resources to carry out the above planned drilling to be conducted following receipt of the EP, and will need to seek external funding in order to do so. Sources of such funding are likely to include issuance of additional share capital in the Company. See "*Risk Factors – Risks Related to the Business*" in the Prospectus.

Upon completion of the above drill programmes, the Company intends to proceed with a Feasibility Study on the La India Project, the cost of which is estimated to be in the order of U.S.$5 million and for which the Company will also need to seek external funding. The Company intends to complete an Environmental and Social Impact Assessment concurrently with the Feasibility Study. The estimated cost of this assessment is included in the U.S.$5 million cost of the Feasibility Study as set out in the recommendations in the Technical Report.

Although the exact timing cannot be accurately forecast, the Company expects the Environmental Permit to be granted during 2018. Pending receipt of additional funds, the Company expects to commence the in-fill drilling and resources expansion programs within six months of the grant of the Environmental Permit. Within 12 to 18 months of the grant of the Environmental Permit, the Company intends to complete the 11-13,000 meter in-fill drilling programme and the technical studies required for a Feasibility Study. It is the Company's intention to complete the resource expansion programme within 18 months of the grant of the Environmental Permit. See "*Risk Factors*" and "*Forward-Looking Information*" in the Prospectus.

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 affect the Company's performance.

Expenditure by the Company up to September 30, 2017 on the La India Project amounted to £35.6 million on a cumulative basis.

Extract from Management's Discussion and Analysis – MD&A For the Three and Nine Months Ended September 30, 2017: *Achievement of plans and milestones in 2017*

Achievement of plans and milestones in 2017

The Company has been endeavouring in 2017 to secure approval of the EP application. Pending this, the plans of the Company have been

- to conduct detailed geological mapping and resource expansion drill programmes specifically aimed at the Mestiza vein set and exploration drilling programmes targeting the smaller resource areas and prospects that have not been drilled and which are located within the La India Project area; and

- following on from soil surveys and a study of the structural geology within the La India Project, to continue exploration activities for gold mineralisation outside of the existing Mineral Resource/Mineral Reserve areas.

The development of the La India Project in the first nine months of 2017 has been consistent with these plans of the Company. In particular:

- The Company completed scout drilling carried out at the Andrea, Real de la Cruz and Tatescame targets.

- The Company completed a geochemistry survey in June on the entire 313 km^2 La India Project.

- A 5,922 metre drill campaign at Mestiza was completed by the Company on August 30, 2017. The objective of the drill campaign at Mestiza is to convert an historic Soviet-era resource to NI 43-101 standard.

For further discussion of the above, see "*Management's Discussion and Analysis – MD&A For the Three and Nine Months Ended September 30, 2017 – Discussion of Operations*" and "*Management's Discussion and Analysis – MD&A For the Three and Nine Months Ended September 30, 2017 – Other developments in the three and nine months ended September 30, 2017*" in the Prospectus.

Extract from Management's Discussion and Analysis – MD&A For the Three and Nine Months Ended September 30, 2017: *Liquidity, Capital Resources and Financial Instruments*

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 September 30, 2017, the Company had £2,020,493 in cash at bank and on deposit. As at September 30, 2016, cash at bank and on deposit amounted to £1,629,3922. The Company does not enter into lease arrangements or debt facilities to cover working capital requirements – see "*Management's Discussion and Analysis – MD&A For the Three and Nine Months Ended September 30, 2017 – Contractual Obligations*" in the Prospectus.

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 and 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 has sufficient financial resources to fund currently planned exploration programmes and ongoing operating expenditures over at least the next 12 months. Total expenditures over the 15 months through to end-2018 are expected to total approximately £1.5 million and include settlement of the contractual obligations of the Company. The plans for the company in the final quarter of 2017 and for calendar year 2018 are to secure approval of the EP and continue with exploration activities including geological mapping, trenching and analysis of drill core. (see "*Management's Discussion and Analysis – MD&A For the Three and Nine Months Ended September 30, 2017 – Status, Plans and Expenditures at the La India Project*" in the Prospectus).

Upon receipt of the EP, the Company plans to resume resource in-fill and resource expansion drilling activities at the La India Project, the total cost for which is anticipated to amount to US$8 million (comprising U.S$3 million for the resource in-fill drilling programme and U.S$5 million for the resource expansion programme) and subsequently to carry out a Feasibility Study, the cost of which is currently estimated to be in the order of U.S.$5 million - see "*Management's Discussion and Analysis – MD&A For the Three and Nine Months Ended September 30, 2017 – Status, Plans and Expenditures at the La India Project*" in the Prospectus). The Company does not currently have the financial resources for the planned drilling and Feasibility Study and will need to seek additional funding for external funding in order to carry out these activities. Sources of such funding are likely to include issuance of additional share capital in the Company. See "*Risk Factors – Risks Associated with the Company*" in the Prospectus.

Subsequent to the completion of a Feasibility Study and subject to the results thereof, 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 holds sufficient working capital to meet its contractual obligations and carry out its planned activities at least through to end-2018 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. 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.

Extract from Management's Discussion and Analysis – MD&A For the Three and Nine Months Ended September 30, 2017: *Contractual Obligations*

Contractual Obligations

£	*Payments Due by Period*				
	Total *(£)*	*Less than 1 year (£)*	*1-3 years* *(£)*	*4-5 years* *(£)*	*Greater than 5 years (£)*
Operating leases on offices	16,670	8,335	8,335	-	-
Material creditors(1)	89,538	89,538	-	-	-

Notes

(1) The material creditors figure above is in relation to a contractual agreement between the Company and Mendoza S.A. to acquire the Espinito Mendoza Concession entered into in March 2016. The contract states that $200,000 will be paid over 20 equal installments. The above figure has been included within creditors in the financial statements of the Company.

The cost of maintaining the concession areas of the Company through to end-2018 by payment of taxes is expected to total approximately U.S.$200,000 and has been included in the expenditure plans of the Company.

The Company is not in arrears or at risk of default with its suppliers and 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.

The Company holds options pursuant to Option Agreements to purchase surface rights covering approximately 30% of 800 hectares required for the Project area. Of the total 23 Option Agreements signed, 14 expire in 2017. Of these 14, 13 have been rolled over for a further two years at a total cost to the Company of approximately U.S.$10,000. The Company is in discussions with the holder of the last remaining Option Agreement that expires in 2017.

Permitting and Licensing Risks

In addition to Concessions, the Company will require some or all of the following permits, licences or other regulatory licences/permits to be able to carry out business operations in Nicaragua as it advances the La India Project including, but not limited to: (i) the Environmental Permit; (ii) construction; (iii) electricity; (iv) water; and (v) explosives. In particular, the Environmental Permit is the key permit for the development of the Project, as various other permits are conditional on holding the Environmental Permit. The Company formally submitted an EIA to MARENA to apply for an Environmental Permit in November 2015. See "*Business of the Company*" and "*The Company's Operations in Nicaragua – Environmental Permit*".

There can be no guarantee that the Company will be able to obtain and maintain, at all times, all the necessary licences and permits required to undertake the proposed exploration and development or to place its properties into commercial production and to operate mining facilities thereon. In the event of commercial production, the cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations or preclude the economic development of a particular property.

Risks Related to the Business: A&R NSR Agreement Risks

As described under the heading "*Material Contracts – A&R NSR Agreement*" in the Prospectus, under the A&R NSR Agreement, La India SA has granted a number of rights and provided certain covenants regarding its future operations to IRC in respect of the NSR Property (as defined below). These rights and covenants could have an adverse consequence on the Company's business, including: limiting the Company's ability to obtain project financing for the development of the La India Project and limiting the Company's ability to dispose of a Concession forming part of the NSR Property, which would require IRC's consent. Further, the A&R NSR Agreement provides IRC with a right of first refusal over additional royalties granted on the NSR Property. IRC's interests in the A&R NSR Agreement are secured pursuant to the terms of security agreements. Accordingly, if the Company defaults on its obligations under the A&R NSR Agreement, the Company may suffer adverse effects on its operations, business or financial condition.

Risks Related to the Business: *Risks Related to Operating In Nicaragua*

Risks of Operating in Nicaragua

The La India Project and the Company's other projects are located in Nicaragua, and are subject to the risks of operating in foreign countries, including political and economic considerations such as civil and tribal unrest, war (including in neighbouring countries), terrorist actions, criminal activity, nationalization, invalidation of governmental orders, failure to enforce existing laws, labour disputes, corruption, sovereign risk, political instability, the failure of foreign parties, courts or governments to honour or enforce contractual relations or uphold property rights, changing government regulations with respect to mining (including royalties, environmental requirements, labour, taxation, land tenure, foreign investments, income repatriation and capital recovery), fluctuations in currency exchange and inflation rates, import and export restrictions, challenges to the title to properties or mineral rights in which the Company has interests, problems or delays renewing licenses and permits, opposition to mining from local, environmental or other non-governmental organizations, increased financing costs, instability due to economic under-development, inadequate infrastructure, and the expropriation of property interests, as well as by laws and policies of the United Kingdom affecting foreign trade, investment and taxation.

Furthermore, the Company requires consultants and employees to work in Nicaragua to carry out its planned exploration and development programs. It may be difficult from time to time to find or hire qualified people in the mineral exploration industry who are situated in Nicaragua, or to obtain all of the necessary services or expertise in Nicaragua, or to conduct operations on its projects at reasonable rates. If qualified people and services or expertise cannot be obtained in Nicaragua, the Company may need to seek and obtain those services from service providers located outside of Nicaragua which could result in delays and higher costs to the Company.

Mineral resource companies face increasing public scrutiny of their activities, and are under pressure to demonstrate that their operations have potential to generate satisfactory returns not only to their shareholders, but also to benefit local governments and the communities surrounding its properties where it operates. The potential consequences of these pressures include reputational damage, lawsuits, increasing social investment obligations and pressure to increase taxes and future royalties payable to local governments and surrounding communities. As a result of these considerations, the Company may incur increased costs and delays in permitting and other operational matters with respect to its property interests in Nicaragua.

Any of the above events could delay or prevent the Company from exploring or developing its properties even if economic quantities of minerals are found, and could have a material adverse impact upon the Company's foreign operations.

In addition, in May 2017, the Company was subject to a demonstration by an anti-mining group called Movimiento Comunal Santa Cruz de la India ("**Movimiento**"). On February 15, 2017, Condor had signed an agreement with an artisanal miners' cooperative to drill on the cooperatives' property. This agreement was the 24th agreement signed between the cooperative and Condor since 2011. On February 26, 2017, Movimento stated that the agreement signed with the cooperative was illegal since the local village was not consulted. On February 27, 2017, individuals from Movimiento entered into the cooperative's private property and destroyed a drilling pad prepared by Condor's employees. Members of Movimiento then announced their intention to steal the drilling rig once it arrived. On May 15, 2017, seven members of Movimiento were notified that Condor had started a legal process for the damages suffered by the Company during the February 27, 2017 incident. On May 27, 2017, Movimiento held a public demonstration to coincide with the first hearing of the legal process. This public demonstration was conducted by friends and family of the seven accused members of Movimiento to support the individuals on their way to the courtroom. Condor estimates that there were 80 or so people participating in the demonstration. Given the village's population of 1,085 inhabitants, Condor does not believe that this indicates general support of these individuals from the community. However, the risk remains that the Company's business and financial condition may be adversely affected by further actions or demonstrations against the Project. On June 23, 2017, Condor reached an out of court agreement with the accused members of Movimiento. No legal document was signed in respect of this agreement, but the accused and Movimiento verbally agreed that they would not block or obstruct a drilling site on private property if Condor had a legal agreement with the landowner.

In August 2017, the Company moved a drill rig to a location within La India open pit, adjacent to the village. An agreement was reached with the landowner to drill. Following this, certain members of Movimento held a protest that lasted for four days, which involved throwing stones at the Company's drill rig. Police were deployed but there were no arrests and no injuries. The Company has subsequent removed the drill rig from this location.

Government Policy Changes

The mineral exploration activities undertaken by the Company are subject to laws and regulations governing health and worker safety, employment standards, exports, taxation, waste disposal, management and use of toxic substances and explosives, protection of the environment, mine development and production, protection of endangered and protected species, reclamation, historic and cultural preservation and other matters. Exploration activities may also be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on future exploration and production, price controls, royalties, export controls, currency availability, foreign exchange controls, income taxes, delays in obtaining or the inability to obtain necessary permits, opposition to mining from environmental and other non-governmental organizations, limitations on foreign ownership, expropriation of property, ownership of assets, environmental legislation, labour relations, limitations on repatriation of income and return of capital, limitations on mineral exports, high rates of inflation, increased financing costs, and site safety.

The Company's exploration programs with respect to the Company's projects in Nicaragua will, in general, be subject to approval by the MEM and other governmental agencies. Development of any of the Company's properties will be dependent on the La India Project meeting social and environmental guidelines set by MARENA.

Failure to comply with applicable laws, regulations and permits, even if inadvertent, may result in enforcement actions thereunder, including the forfeiture of claims, orders by regulatory or judicial authorities requiring operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or costly remedial actions, which could have a material adverse impact upon the Company. The Company may be required to compensate those claiming to suffer loss or damage by reason of its activities and may have civil or criminal fines or penalties imposed for violations of such laws, regulations and permits, which could have a material adverse impact upon the Company.

In addition, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail development or future potential production. Adverse changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities of the Company. It is possible that the current system of exploration and mine permitting in Nicaragua may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation.

Ownership Risks

The Company holds its interests in the La India Project through Concessions awarded by MEM. Concessions awarded by MEM provide sub-surface mineral rights only. In order to gain access to the land determined by the Concession, the Concession holder must either separately acquire the surface rights or secure an agreement with the surface rights holder.

The Constitution of Nicaragua vests title in every mineral in its natural state to the State of Nicaragua. The exercise of any mineral right in the form of reconnaissance, exploration or exploitation of any mineral in Nicaragua requires a Concession to be issued by the Government of Nicaragua acting through the MEM. There is no assurance that title to the properties in which the Company has interests will not be challenged. The acquisition of title to mineral exploration properties is a very detailed and time-consuming process. Title to and the area of mineral properties may be disputed. The properties in which the Company has an interest may be subject to prior unregistered agreements or transfers or indigenous land claims and title many be affected by undetected defects. Consequently, the boundaries may be disputed.

There can be no assurance that there are no prior unregistered agreements, claims or defects that may result in the Company's title to the Concessions being challenged. Further, the Company's interests in the Concessions are subject to the risks that counterparties will fail to honour their contractual commitments, that courts will not enforce such contractual obligations and that required governmental approvals will not be obtained. A successful challenge to the precise area and location of the Concessions comprising the La India Project, or the failure of counterparties to honour or of courts to enforce such contractual obligations could result in the Company being unable to operate on its Concessions as anticipated or being unable to enforce its rights with respect to its Concessions which could have a material adverse impact upon the Company.

The Company is also required to acquire surface rights in order to gain access to the land determined by a Concession. As discussed above under "*The Company's Operations in Nicaragua – Surface Rights*" in the Prospectus, the Company has an active land acquisition program. The Company's plan for the La India Project could be adversely affected by an inability to obtain surface rights, or by challenges, regardless of merit, to existing surface rights agreements.

Artisanal Miners and Community Relations

The Company's property interests are held in areas of Nicaragua that have historically been mined by artisanal miners. Under the laws of Nicaragua, 1% of any Concession area can be mined by artisanal miners. As the Company further explores and advances the La India Project, it may be required to request the removal of any artisanal miners operating on its properties. There is a risk that such artisanal miners may oppose the Company's operations, which may result in a disruption to any planned development and/or mining and processing operations. In addition, artisanal miners have historically used chemicals that are harmful to the environment to separate the precious metals from the ore. There can be no assurance that the Company will not be subject to environmental liabilities resulting from such operations in the future, which could have a material adverse impact on the Company. In addition, artisanal work practices are often unsafe and accidents and/or incidents may occur on the Company's property, and there is an added reputational risk that third parties may wish to link the activities of the artisanal miners to that of the Company in the event of accidents or incidents, which could have a material adverse impact on the Company.

The goodwill and cooperation from the communities in which the Company operates are also required in order for the Company to operate. State entities such as MEM and MARENA will not approve exploration or production activities without the agreement and acceptance of local communities and stakeholders.

As disclosed in the PFS, it is envisaged that approximately 300 dwellings are required to be relocated as part of the development of 800 hectares of the La India Project's mine site infrastructure. The extraction of minerals from the open pit at the La India Project requires the relocation of these dwellings over the life of the mine. The Nicaraguan Government will require the inhabitants of the dwellings to agree to the terms of the resettlement as part of the permitting process.

The Company's negotiation of the terms of resettlement with the inhabitants of the dwellings is subject to various risks, including risks related to community opposition to such resettlement. If the Company is delayed in negotiating the final terms of resettlement, the Company's receipt of the Environmental Permit will be delayed. If the Company is unable to reach agreements with such inhabitants at any point, the Company expects that it will pursue an underground option or a smaller open pit for the Project. If the Company is delayed or unable to negotiate the terms of resettlement with the inhabitants, the business and financial condition of the Company may be materially affected.

Difficulty in Enforcement of Judgements

All of the subsidiaries of the Company and the majority of its assets are located outside of Canada. Accordingly, it may be difficult for investors to enforce within Canada any judgments obtained against the Company, including judgments predicated upon the civil liability provisions of applicable Canadian securities laws. Consequently, investors may be effectively prevented from pursuing remedies against the Company under Canadian securities laws or otherwise.

A&R NSR Agreement

The Company's subsidiary, La India Gold S.A. ("**La India SA**"), and International Royalty Company ("**IRC**"), a subsidiary of Royal Gold, Inc., are parties to an amended and restated net smelter return royalty dated effective September 21, 2016 (the "**A&R NSR Agreement**"). Under the A&R NSR Agreement, La India SA and IRC agreed to amend and restate the terms and conditions of an existing royalty agreement that had been under dispute in Canada and Nicaragua. As a result, La India SA confirmed that it had granted a 3% NSR in favour IRC on the NSR Property, as calculated in accordance with the A&R NSR Agreement. Under the A&R NSR Agreement, La India SA also granted a number of rights and provided certain covenants regarding its future operations to IRC, as further described below.

La India SA has granted IRC a right of first refusal over any new royalty or other participation rights in respect of any minerals or profits from the NSR Property, other than as may be required to be granted to a governmental authority in Nicaragua. In addition, if La India SA is entitled to acquire from a third party any royalty or other participation in respect of minerals or profits from the NSR Property (a "**Third Party Royalty**") and La India SA does not intend to acquire such Third Party Royalty, La India SA shall, subject to confidentiality or other legal requirements, (i) notify IRC of all such Third Party Royalties and, (ii) at IRC's request within 10 days of such notification, assign to IRC its right to acquire such Third Party Royalty.

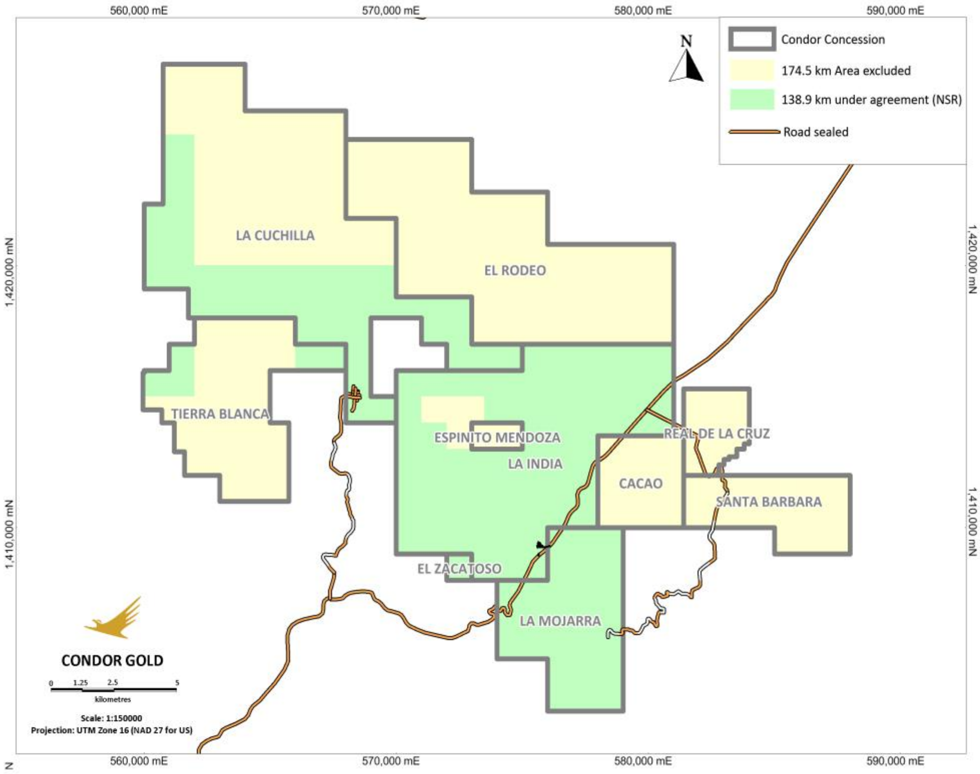
La India SA has also agreed with IRC to do all things and make all payments necessary or appropriate to maintain the right, title and interest of La India SA and IRC in the NSR Property and to maintain the NSR Property in good standing. Further, La India SA has agreed to not abandon or surrender or allow to lapse or expire any part of any remaining mining claims or leases relating to or comprising the NSR Property without the prior consent of IRC, such consent to not be unreasonably withheld.

La India SA has agreed with IRC to not sell or transfer, or permit any encumbrance, other than permitted encumbrances, to exist on any or all of the NSR Property, the minerals from the NSR Property, the receivables derived from the sale or other disposition of such minerals, or the income of La India SA, without the prior consent of IRC. La India SA retains all decision making with respect to the conduct of operations on the NSR Property, including all decisions with respect to the sale or other deposition of minerals, provided it acts reasonably and in accordance with good mining and engineering practice in the circumstance. Although La India SA is prohibited from encumbering the NSR Property, the definition of permitted encumbrances in the A&R NSR Agreement includes, among others, any encumbrances in, to or over the NSR Property to any project lenders as security for the payment or performance of any project financing, provided that such project lenders enter into an inter-creditor agreement with IRC on such customary terms and conditions as IRC may reasonably require. Accordingly, the Company does not currently expect that the A&R NSR Agreement will materially impact any project financing related to the La India Project.

Finally, La India SA and IRC have also entered into security agreements to protect IRC's interests in the A&R NSR Agreement. The security was created by means of two public deeds dated December 7, 2016, between IRC and La India SA, which were registered at the General Department of Mines of the Ministry of Energy and Mines in Nicaragua. In addition, mortgages were registered with the Public Registry in Nicaragua and annotations of the mortgages were made for each of the Company's individual Concessions comprising the NSR Property. These security interests will remain valid and effective during such Concessions' term and will continue in the event that such Concessions' term is extended.

The A&R NSR Agreement was entered into in conjunction with an Assignment, Assumption, Novation and Consent Agreement among the Company, La India SA, IRC, B2Gold and a subsidiary of B2Gold, Triton Minera S.A. (the "**Settlement Agreement**"). This Settlement Agreement was entered into to settle an ongoing dispute between B2Gold and Condor regarding the 3% NSR, as discussed above. Under the Settlement Agreement, La India SA agreed to assume the 3% NSR in favour of IRC within Concessions covering certain portions of the La India Project (the "**NSR Property**"). In addition, the parties agreed to certain covenants to not sue and a number of mutual releases were granted.

Four concessions totalling 96 km² and acquired by the Company prior to September 2010 were excluded from the 3% NSR under the A&R NSR Agreement, while a total of 138.9 km² of the La India Project is within in the NSR Property. Consequently approximately 90% of the Company's current Indicated and Inferred Resources on La India Project are subject to a 3% NSR under the A&R NSR Agreement, with 174.5 km² of the La India Project (totaling 313.4 km²) excluded. The map below provides an overview of the NSR Property.



In connection with the A&R NSR Agreement and the Settlement Agreement, the Company exchanged certain land surface rights covering approximately 3,508 hectares with B2Gold in return for the Company's 20% shareholding in Cerro Quiroz S.A.. Cerro Quiroz S.A. owns the Cerro Quiroz Concession adjacent to La Libertad Concession, on which a subsidiary of B2Gold operates the Libertad mine.

Company number: 05587987

CONDOR GOLD PLC
Interim Accounts
For the Three and Nine Months Ended 30 September 2017

CONDOR GOLD PLC

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE THREE AND NINE MONTHS TO 30 SEPTEMBER 2017

		Nine months to 30.09.17 unaudited £	Nine months to 30.09.16 unaudited £	Three months to 30.09.17 unaudited £	Three months to 30.09.16 unaudited £
Revenue		-	-	-	-
Administrative expenses		(3,883,952)	(3,929,201)	(538,473)	(630,993)
Operating loss	Note 3	(3,883,952)	(3,929,201)	(538,473)	(630,993)
Finance income		-	1,361	-	-
Loss before income tax		(3,883,952)	(3,927,840)	(538,473)	(630,993)
Income tax expense	Note 4	-	-	-	-
Loss for the period		**(3,883,952)**	**(3,927,840)**	**(538,473)**	**(630,993)**
Other comprehensive income/(loss):					
Currency translation differences		735,189	2,479,955	(786,028)	458,705
Other comprehensive income/(loss) for the period		**735,189**	**2,479,955**	**(786,028)**	**458,705**
Total comprehensive loss for the period		**(3,148,763)**	**(1,447,885)**	**(1,324,501)**	**(172,288)**
Loss attributable to:					
Non-controlling interest		-	(683)	-	(297)
Owners of the parent		(3,883,952)	(3,927,157)	(538,473)	(630,696)
		(3,883,952)	**(3,927,840)**	**(538,473)**	**(630,993)**
Total comprehensive loss attributable to:					
Non-controlling interest		(6,946)	(11,019)	2,809	(2,091)
Owners of the parent		(3,141,817)	(1,436,866)	(1,327,310)	(170,197)
		(3,148,763)	**(1,447,885)**	**(1,324,501)**	**(172,288)**
Loss per share expressed in pence per share:					
Basic and diluted (in pence)	Note 7	(6.52)	(7.81)	(0.88)	(1.19)

CONDOR GOLD PLC

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2017

		30.09.17 unaudited £	31.12.16 audited £	30.09.16 unaudited £
ASSETS:				
NON-CURRENT ASSETS				
Property, plant and equipment		275,766	234,390	325,729
Intangible assets		18,355,741	15,924,194	20,822,675
		18,631,507	16,158,584	21,148,404
CURRENT ASSETS				
Trade and other receivables		580,942	545,251	1,118,815
Cash and cash equivalents		2,020,493	583,610	1,629,392
		2,601,435	1,128,861	2,748,207
TOTAL ASSETS		**21,232,942**	**17,287,445**	**23,896,611**
LIABILITIES:				
CURRENT LIABILITIES				
Trade and other payables		354,019	351,551	115,535
TOTAL LIABILITIES		**354,019**	**351,551**	**115,535**
NET CURRENT ASSETS		2,247,416	777,310	2,632,672
NET ASSETS		**20,878,923**	**16,935,894**	**23,781,076**
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT				
Called up share capital	Note 8	12,273,076	10,582,129	10,582,129
Share premium		32,426,047	28,875,061	28,875,061
Legal reserves		-	-	71
Exchange difference reserve		1,374,661	632,526	4,039,892
Retained earnings		(25,109,211)	(23,075,118)	(19,628,045)
		20,964,573	**17,014,598**	**23,869,108**
TOTAL EQUITY ATTRIBUTABLE TO:				
Non-controlling interest		(85,650)	(78,704)	(88,032)
		20,878,923	**16,935,894**	**23,781,076**

CONDOR GOLD PLC

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 30 SEPTEMBER 2017

	Share capital	Share premium	Legal reserve	Exchange difference reserve	Retained earnings	Total	Non controlling interest	Total equity
	£	£	£	£	£	£	£	£
At 1 January 2016	9,161,463	27,442,728	71	1,549,601	(17,893,453)	20,260,410	(77,012)	20,183,398
Comprehensive income:								
Loss for the period	-	-	-	-	(3,927,157)	(3,927,157)	(683)	(3,927,840)
Other comprehensive income:								
Currency translation differences	-	-	-	2,490,291	-	2,490,291	(10,336)	2,479,955
Total comprehensive income	-	-	-	2,490,291	(3,927,157)	(1,436,866)	(11,019)	(1,447,885)
New shares issued	1,420,666	1,432,333	-	-	-	2,852,999	-	2,852,999
Share based payment	-	-			2,192,565	2,192,565	-	2,192,565
At 30 September 2016	10,582,129	28,875,061	71	4,039,892	(19,628,045)	23,869,108	(88,032)	23,781,076

	Share capital	Share premium	Legal reserve	Exchange difference reserve	Retained earnings	Total	Non controlling interest	Total equity
At 1 January 2017	10,582,129	28,875,061	-	632,526	(23,075,118)	17,014,598	(78,704)	16,935,894
Comprehensive income:								
Loss for the period	-	-	-	-	(3,883,952)	(3,883,952)	-	(3,883,952)
Other comprehensive income:								
Currency translation differences	-	-	-	742,135	-	742,135	(6,946)	735,189
Total comprehensive income	-	-	-	742,135	(3,883,952)	(3,141,817)	(6,946)	(3,148,763)
New shares issued	1,690,947	3,550,986	-	-	-	5,241,933	-	5,241,933
Share based payment	-	-	-	-	1,849,859	1,849,859	-	1,849,859
At 30 September 2017	12,273,076	32,426,047	-	1,374,661	(25,109,211)	20,964,573	(85,650)	20,878,923

CONDOR GOLD PLC

CONDENSED CONSOLIDATED CASH FLOW STATEMENT
AS AT 30 SEPTEMBER 2017

	Nine months to 30.09.17 unaudited £	Nine months to 30.09.16 unaudited £
Cash flows from operating activities		
Loss before tax	(3,883,952)	(3,927,840)
Share based payment	1,849,859	2,192,563
Depreciation charges	75,601	25,460
Impairment charge of intangible fixed assets	-	18,045
Finance income	-	(1,361)
	(1,958,492)	(1,693,133)
(Increase) in trade and other receivables	(35,691)	(173,488)
Increase/(decrease) in trade and other payables	2,468	(444,449)
Net cash absorbed in operating activities	(1,991,715)	(2,311,070)
Cash flows from investing activities		
Purchase of intangible fixed assets	(2,506,191)	(1,353,553)
Purchase of tangible fixed assets	(118,216)	(12,528)
Interest received	-	1,361
Net cash absorbed in investing activities	(2,624,407)	(1,364,720)
Cash flows from financing activities		
Net proceeds from share issue	5,241,933	2,853,000
Net cash generated in financing activities	5,241,933	2,853,000
Increase / (decrease) in cash and cash equivalents	625,811	(822,790)
Cash and cash equivalents at beginning of period	583,610	1,105,457
Exchange losses on cash and bank	811,073	1,346,725
Cash and cash equivalents at end of period	2,020,493	1,629,392

CONDOR GOLD PLC

NOTES TO THE CONDENSED FINANCIAL STATEMENTS
FOR THE NINE MONTHS TO 30 SEPTEMBER 2017

1. COMPLIANCE WITH ACCOUNTING STANDARDS

Basis of preparation

This condensed set of financial statements has been prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board (IASB) and as adopted by the EU.

The annual financial statements of the group are prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the IASB and as adopted by the EU. This condensed set of financial statements has been prepared applying the accounting policies and presentation that are to be applied in the preparation of the group's consolidated financial statements for the year. IFRS is subject to ongoing review and endorsement by the EU or possible amendment by interpretative guidance and the issuance of new standards by the IASB.

The statutory accounts for the year ended 31 December 2016, which have been filed with the Registrar of Companies. The auditors reported on those accounts; their Audit Report was unqualified and did not contain a statement under either Section 237(2) or Section 237(3) of the Companies Act 2006.

These condensed financial statements are unaudited and does not constitute statutory financial statements as defined in section 434 of the Companies Act 2006. The condensed financial statements for the three and nine months ended 30 September 2017 was approved by the Directors on 20 December 2017.

The Directors consider the going concern basis to be appropriate based on cash flow forecasts and projections and current levels of commitments, cash and cash equivalents. The comparative period presented is that of the three and nine months ended 30 September 2016.

The Directors are of the opinion that due to the nature of the Group's activities and the events during that period these are the most appropriate comparatives for the current period. Copies of these financial statements are available on the Company's website.

2. ACCOUNTING POLICIES

The interim financial information for the months ended 30 September 2017 has been prepared on the basis of the accounting policies set out in the most recently published financial statements for the Group for the year ended 31 December 2016, which are available on the Company's website www.condorgoldplc.com, as the Company does not anticipate the addition of new standards to the Group's results for the year ended 31 December 2017 which would materially impact the results.

3. REVENUE AND SEGMENTAL REPORTING

The Group has not generated any revenue during the period. The Group's operations are located in England, El Salvador and Nicaragua.

The following is an analysis of the carrying amount of segment assets, and additions to plant and equipment, analysed by geographical area in which the assets are located.

3. REVENUE AND SEGMENTAL REPORTING - continued

The Group's results by reportable segment for the nine month period ended 30 September 2017 are as follows:

	UK Nine months to 30.09.2017 £	El Salvador Nine months to 30.09.2017 £	Nicaragua Nine months to 30.09.2017 £	Consolidation Nine months to 30.09.2017 £
RESULTS				
Operating (loss)	(3,167,647)	-	(716,305)	(3,883,952)

The Group's results by reportable segment for the three month period ended 30 September 2017 are as follows:

	UK Three months to 30.09.2017 £	El Salvador Three months to 30.09.2017 £	Nicaragua Three months to 30.09.2017 £	Consolidation Three months to 30.09.2017 £
RESULTS				
Operating (loss)	(528,310)	-	(10,163)	(538,473)

Assets

All transactions between each reportable segment are accounted for using the same accounting policies as the Group uses.

	UK 30.09.2017 £	El Salvador 30.09.2017 £	Nicaragua 30.09.2017 £	Consolidation 30.09.2017 £
ASSETS				
Total assets	2,512,069	-	18,720,873	21,232,942

	UK 30.09.2017 £	El Salvador 30.09.2017 £	Nicaragua 30.09.2017 £	Consolidation 30.09.2017 £
LIABILITIES				
Total liabilities	(138,853)	-	(215,166)	(354,019)

3. REVENUE AND SEGMENTAL REPORTING - continued

The Group's results by reportable segment for the nine month period ended 30 September 2016 are as follows:

	UK Nine months to 30.09.2016 £	El Salvador Nine months to 30.09.2016 £	Nicaragua Nine months to 30.09.2016 £	Consolidation Nine months to 30.09.2016 £
RESULTS				
Operating (loss)	(3,000,776)	(56,703)	(871,722)	(3,929,201)
Interest income	1,347	14	-	1,361

The Group's results by reportable segment for the three month period ended 30 September 2016 are as follows:

	UK Three months to 30.09.2016 £	El Salvador Three months to 30.09.2016 £	Nicaragua Three months to 30.09.2016 £	Consolidation Three months to 30.09.2016 £
RESULTS				
Operating (loss)	(627,354)	-	(3,639)	(630,993)

Assets

All transactions between each reportable segment are accounted for using the same accounting policies as the Group uses.

	UK 30.09.2016 £	El Salvador 30.09.2016 £	Nicaragua 30.09.2016 £	Consolidation 30.09.2016 £
ASSETS				
Total assets	4,280,916	-	19,615,695	23,896,611

	UK 30.09.2016 £	El Salvador 30.09.2016 £	Nicaragua 30.09.2016 £	Consolidation 30.09.2016 £
LIABILITIES				
Total liabilities	(3,487)	-	(112,048)	(115,535)

4. TAXATION

There is no current tax charge for the period. The accounts do not include a deferred tax asset in respect of carry forward unused tax losses as the Directors are unable to assess that there will be probable future taxable profits available against which the unused tax losses can be utilised.

5. INTANGIBLE FIXED ASSETS

During the nine months ended 30 September 2017, the Group acquired intangible assets with a cost of £2,506,091 (nine months ended 30 September 2016: £ 1,353,553).

During the three months ended 30 September 2017, the Group acquired intangible assets with a cost of £899,565 (three months ended 30 September 2016: £ 484,442).

6. EQUITY-SETTLED SHARE OPTION SCHEME AND WARRANTS

The estimated fair value of the options and warrants granted was;

	Nine months to 30.09.17 unaudited £	Nine months to 30.09.16 unaudited £	Three months to 30.09.17 unaudited £	Three Months to 30.09.16 unaudited £
Warrants and options charge	(1,849,859)	(2,192,565)	(194,171)	(64,654)

The fair value has been fully recognised within administration expenses, on a pro-rata basis over the vesting period. This fair value has been calculated using the Black-Scholes option pricing model. The

	2017	2016
Share price	63p	63p
Exercise price	93p	80p
Expected volatility	39.9%	149.5%
Expected life (yrs.)	2	5
Risk free rate	0.23%	0.23%
Expected dividend yield	-	-

latest inputs into the model were as follows:

7. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

A reconciliation is set out below:

	Nine months to 30.09.17	Nine months to 30.09.16
Basic EPS		
(Loss) for the period	(3,883,952)	(3,927,157)
Weighted average number of shares	59,531,450	50,310,588
(Loss) per share (in pence)	(6.52)	(7.81)

	Three months to 30.09.17	Three months to 30.09.16
Basic EPS		
(Loss) for the period	(538,473)	(630,696)
Weighted average number of shares	61,365,682	52,858,726
Loss per share (in pence)	(0.88)	(1.19)

In accordance with IAS 33, as the Group has reported a loss for the period, diluted earnings per share are not included.

8. CALLED-UP SHARE CAPITAL

	30.09.17 £	30.09.16 £
Allotted and fully paid		
Ordinary shares 61,365,380 of 20p each (30.09.16: 52,910,647 of 20p each)	12,273,076	10,582,129

On 20 February 2017, 8,454,733 ordinary shares were issued at a price of 62p per share.

9. RELATED PARTY TRANSACTIONS

During the reporting period the Company received consultancy advice from the following related parties:

Company	Related party	Nine months to 30.09.2017 £	Nine months to 30.09.2016 £	Three months to 30.09.2017 £	Three months to 30.09.2016 £
Axial Associates Limited	Mark Child	33,333	37,500	8,333	12500
Burnbrae Limited	Jim Mellon	16,667	18,748	4,167	6,250
	Peter Flindell	38,627	28,322	9,833	7,753

No amounts were outstanding at the period end date (30 September 2016: £NIL).

10. SEASONALITY OF THE GROUP'S BUSINESS OPERATIONS

There are no seasonal factors which affect the trade of any company in the Group.

- Ends -