



# Condor Gold plc

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## Condor Gold Plc ("Condor", "Condor Gold" or the "Company")

### **14.9m True Width at 3.94g/t Gold (including 2.6m at 7.76g/t Gold) at Cacao Vein.**

Condor Gold (AIM: CNR; TSX: COG) is pleased to announce a significant drill intercept of 25.93m (**14.9m true width**) at **3.94g/t gold** from 263.82m, including 4.58m (**2.6m true width**) at **7.76g/t gold** from 282.12m drill depth in drill hole CCDC033 at the Cacao Prospect. This is the best drilling intercept returned to-date from the Cacao Prospect ("Cacao"). This assay result supports the geological model that Cacao is a fully preserved, deep-seated epithermal gold mineralisation system, with the potential to host a significant gold deposit. Cacao is located approximately 4 km from the planned processing plant at Condor's fully permitted La India gold mine and is being assessed as a potential satellite deposit.

### Highlights

- Condor has completed 3,500m of a 5,000m diamond drilling programme to explore the potential of the Cacao prospect to host a significant gold deposit.
- Best gold intercept returned to date at Cacao: 25.93m (14.9m true width) at 3.94g/t gold from 263.82m, including 4.58m (2.6m true width) at 7.76g/t gold from 282.12m drill depth.
- Supports the geological model that Cacao is a fully preserved, deep-seated epithermal gold mineralisation system.
- The high-grade mineralisation is open to depth beneath the Cacao Mineral Resource.
- Cacao has an existing Inferred Mineral Resource of 662 Kt at 2.8 g/t gold for 60,000 oz gold on a strike length of only 600 meters.
- The existing Mineral Resource is partially an open pit mineral resource, which the Company seeks to expand.
- The drill programme is designed to demonstrate the Cacao vein has a strike length of an additional 2,500 meters, test the depth extension and increase the Mineral Resource.

### Mark Child, Chairman and CEO commented:

"The drill intercept CCDC033 of 25.93m (14.9m true width) at 3.94g/t gold, including 4.58m (2.6m true width) at 7.76g/t gold on the Cacao vein is significant as it demonstrates: 1) support for the geological model that Cacao is a fully preserved, deep-seated epithermal gold mineralisation system. 2) the structural model that Cacao is a major dilational vein, e.g. the width is greater than 10.0m. 3) gold mineralisation occurs at the deepest level drill-tested to-date and the gold grade demonstrated is increasing with depth. The potential to add further gold mineral resource ounces from Cacao may have a significant impact of the overall value of our existing La India Project".

## Background

The Cacao Prospect hosts an Inferred Mineral Resource of 662 Kt at 2.8 g/t gold for 60,000 oz gold based on 2,890m of drilling completed prior to 2018. Cacao at surface is an east-west-striking ridge of chalcedonic phreatic breccia, 10 to 50 m wide, approximately 600 m of strike length has been demonstrated to date. Cacao is open at depth and along strike in both directions. The vein width is comparable to the best intersections at La India vein. Structurally controlled ore shoots, as at La India, are to be expected in this major dilational vein. The Cacao to Santa Barbara gold mineralised structure has an interpreted strike length of approximately 4,000m.

The objective of the current 5,000m drill programme is to test a strike length of an additional 2,500m, test the depth extension and increase the Mineral Resource.

The aim is to test the interpretation that Cacao hosts a concealed, fully preserved epithermal system.

**Table 1. Drill Assay Results for Drill Hole CCDC033.**

Drill hole ID	Collar UTM WGS84-16N	Drill incl/azi	From	To	Drill Width (m)	True Width (m)	Gold (ppm)	Silver (ppm)	Comment
CCDC033 X-sect 80-150	580148E 1411886N 448mamsl	-65/360	263.82	289.75	25.93	<b>14.9</b>	<b>3.94</b>	26	Cacao composite
Incl.			266.87	268.40	1.53	0.9	6.51	19	
Incl.			274.50	277.55	3.05	1.7	6.29	41	
Incl.			282.12	286.70	4.58	<b>2.6</b>	<b>7.76</b>	52	

\*Note: Bureau Veritas Mineral Laboratories, Canada. [www.bureauveritas.com/um](http://www.bureauveritas.com/um) was used for the drill assay results.

The significant gold intercept in drill hole CCDC033 is located directly below (down-dip) from one of two higher-grade gold mineralised zones identified at surface in previous shallow depth drilling campaigns. The transition from near surface sinters to well developed banded quartz veins, and the associated increase in gold grade that is observed with increased depth fully supports the model that the surface mineralisation at Cacao lies above a fully preserved epithermal system. The interpreted hydrothermal boiling-related 'bonanza' gold grades at Cacao have been interpreted to only occur at depth, typically a minimum of a hundred meters below the sinter. The high-grade gold intercept returned from drill hole CCRD033 at approximately 260 m below surface is potentially the top of the 'bonanza zone' that occurs in many epithermal gold mineralised systems.

Further details on drill hole CCDC033 are that it intercepted three distinct higher-grade intervals within a wide tectonically brecciated mineralised zone. The high grade occurs where the matrix of the original fault brecciated quartz vein has been filled by secondary banded quartz, rather than fault gouge clay and sand which infills the breccia in the lower grade parts of the structure. The gold mineralisation in CCDC033 occurs at the deepest level drill-tested to-date; approximately 260 m below surface which represents a 50 m down-dip extension of the gold mineralisation.

## Cacao Drilling Programme Update

Fifteen drill holes for approximately 3,500 m of diamond core have been completed out of a 5,000 m drilling programme. The drilling has tested:

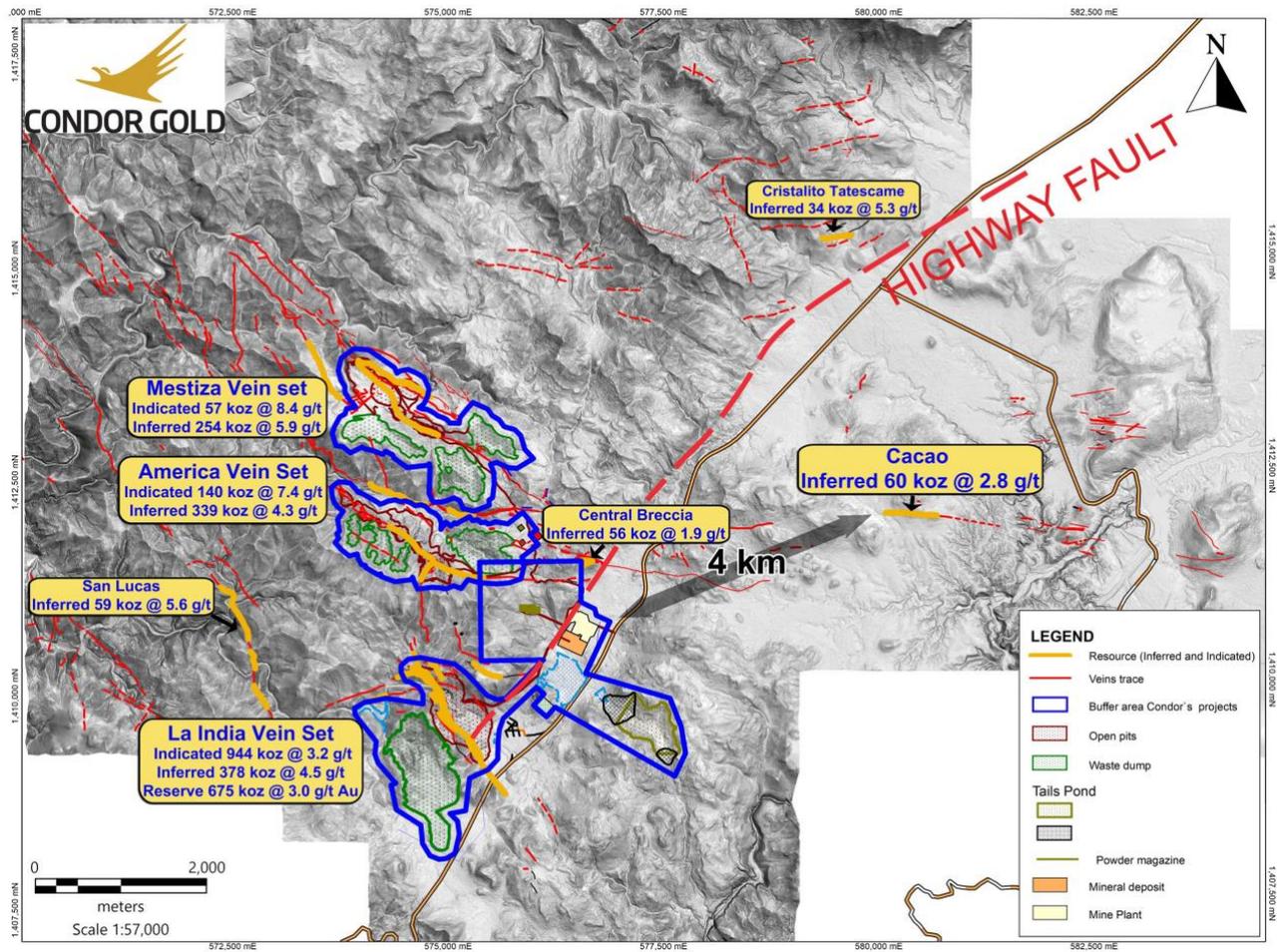
1. the potential to expand the current mineral resource to depth, and
2. explored for extensions or repetitions of mineralisation beneath alluvial cover up to 1.5 km along strike to the east below isolated exposures of quartz veins in bedrock and colluvium.

Mid-level intercepts of up to 7.85 m (3.9 m true thickness) at 3.75 g/t gold at approximately 150 m below surface (CCDC023) were returned in the 2016 drilling programme. These have now been improved upon with the latest deep-level intercept of 25.93m (14.9m true thickness) at 3.94g/t Au at approximately 260 m below surface (CCDC033).

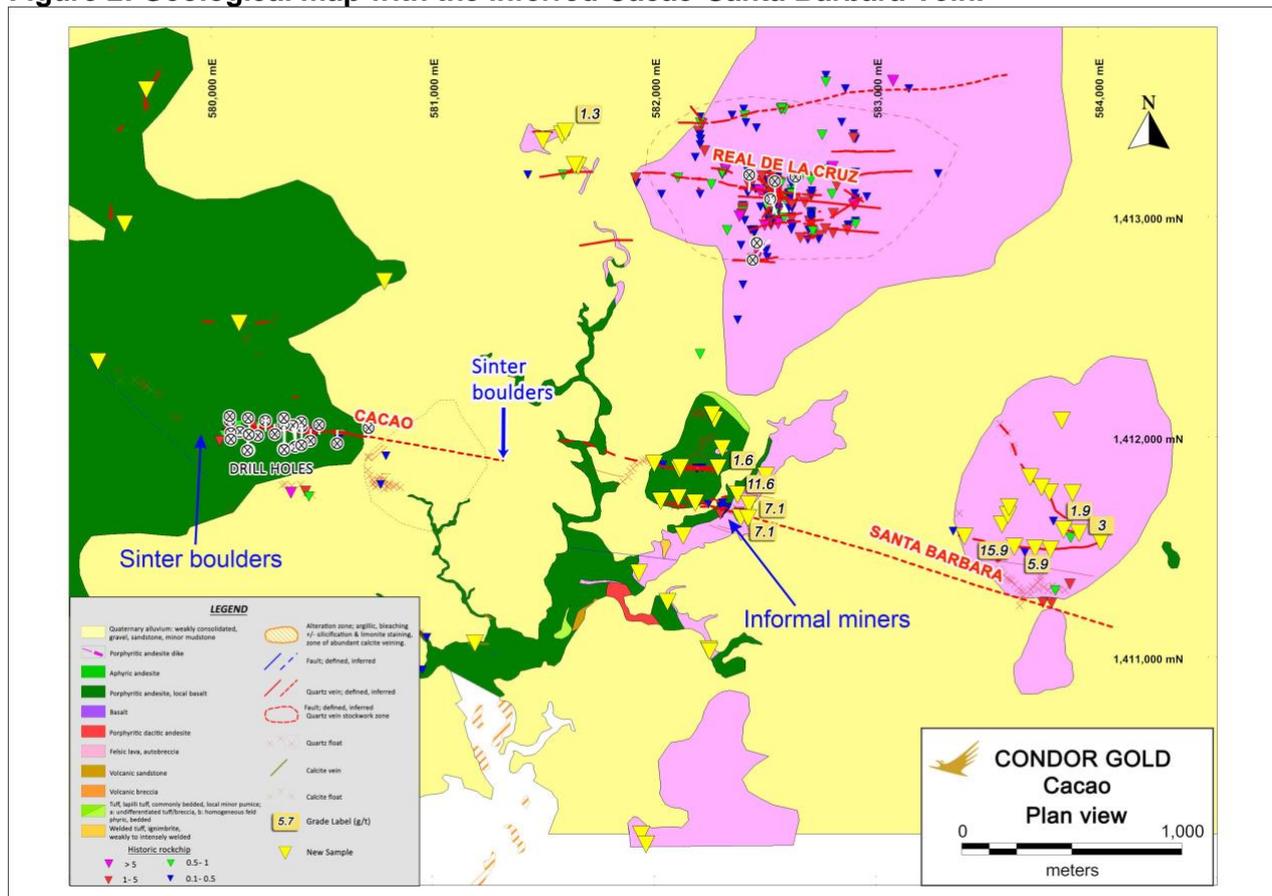
As well as testing beneath the current mineral resource the drilling programme is also testing the strike potential. Along strike to the east of the Cacao mineral resource the mineralisation 'dives' beneath an alluvial fan (about 20 m thickness). Deeply eroded streams in the fan contain large boulders of silicified rock and sinter directly along strike; this implies the vein continues. The Cacao Vein outcrops in a river valley about 1.6 km east of Cacao where several parallel veins are exploited by informal miners. Grab samples assay up to 11.6 g/t gold. The latest drilling has now tested approximately 500 m of strike extension immediately to the east of the Cacao Mineral Resource with 100 m spaced drillholes to look for indications of a mineralised structure beneath the alluvial cover. Two drill holes near to the river valley outcrops have tested the structures exploited by the informal miners. Assay results are pending for the strike extension drilling.

Drilling has been paused awaiting all assay results to be returned and the data interpreted before designing the final drilling phase. Additional drilling to depth and along strike to the east will be considered when the remaining assay results have been received.

**Figure 1: Location of Cacao Relative to Permitted Mine Site Infrastructure**



**Figure 2: Geological map with the inferred Cacao-Santa Barbara Vein.**



**- Ends -**

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

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## About Condor Gold plc:

Condor Gold plc was admitted to AIM in May 2006 and dual listed on the TSX in January 2018. The Company is a gold exploration and development company with a focus on Nicaragua.

In August 2018, the Company announced that the Ministry of the Environment in Nicaragua had granted the Environmental Permit (“**EP**”) for the development, construction and operation of a processing plant with capacity to process up to 2,800 tonnes per day at its wholly-owned La India gold project (“La India Project”). The EP is considered the master permit for mining operations in Nicaragua. Condor Gold published a Pre-Feasibility Study (“**PFS**”) on the project in December 2014, summarised in the Technical Report, as defined below. The PFS details an open pit gold Mineral Reserve in the Probable category of 6.9 Mt at 3.0 g/t gold for 675,000 oz gold, producing 80,000 oz gold per annum for 7 years. La India Project contains a Mineral Resource of 9,850 Kt at 3.6 g/t gold for 1.14 Moz gold in the Indicated category and 8,479 Kt at 4.3 g/t gold for 1.18 Moz gold in the Inferred category. The Indicated Mineral Resource is inclusive of the Mineral Reserve. A gold price of \$1,500/oz and a cut-off grade of 0.5 g/t and 2.0 g/t gold were assumed for open pit and underground resources, respectively. A cut-off grade of 1.5 g/t gold was furthermore applied within a part of the Inferred Resource. 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.

Environmental Permits were granted in April and May 2020 for the Mestiza and America open pits respectively, both located close to La India. The Mestiza open pit hosts 92 Kt at a grade of 12.1 g/t gold (36,000 oz contained gold) in the Indicated Mineral Resource category and 341 Kt at a grade of 7.7 g/t gold (85,000 oz contained gold) in the Inferred Mineral Resource category. The America open pit hosts 114 Kt at a grade of 8.1 g/t gold (30,000 oz) in the Indicated Mineral Resource category and 677 Kt at a grade of 3.1 g/t gold (67,000 oz) in the Inferred Mineral Resource category. Following the permitting of the Mestiza and America open pits, together with the La India open pit Condor has 1.12 Moz gold open pit Mineral Resources permitted for extraction, inclusive of a Mineral Reserve of 6.9 Mt at 3.0 g/t gold for 675,000 oz gold.

## 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.

## Qualified Persons

The Mineral Resource Estimate has been completed by Ben Parsons, a Principal Consultant (Resource Geology) with SRK Consulting (U.S.), Inc, who is a Member of the Australian Institute of Mining and Metallurgy, MAusIMM(CP). He has some nineteen years' experience in the exploration, definition and mining of precious and base metals. Ben Parsons is a full-time employee of SRK Consulting (U.S.), Inc, an independent consultancy, and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the type of activity which he is undertaking to qualify as a “qualified person” as defined under National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“NI 43-101”) of the Canadian Securities Administrators and as required by the June 2009 Edition of the AIM Note for Mining and Oil & Gas

Companies. Ben Parsons consents to the inclusion in the announcement of the matters based on their information in the form and context in which it appears and confirms that this information is accurate and not false or misleading.

The technical and scientific information in this press release has been reviewed, verified and approved by Gerald D. Crawford, P.E., who is a “qualified person” as defined by NI 43-101 and is the Chief Technical Officer of Condor Gold plc.

The technical and scientific information in this press release has been reviewed, verified and approved by Andrew Cheatle, P.Geo., who is a “qualified person” as defined by NI 43-101.

## **Technical Information**

Certain disclosure contained in this news release of a scientific or technical nature has been summarised or extracted from the technical report entitled “*Technical Report on the La India Gold Project, Nicaragua, December 2014*”, dated November 13, 2017 with an effective date of December 21, 2014 (the “**Technical Report**”), prepared in accordance with NI 43-101. The Technical Report was prepared by or under the supervision of Tim Lucks, Principal Consultant (Geology & Project Management), Gabor Bacsfalusi, Principal Consultant (Mining), Benjamin Parsons, Principal Consultant (Resource Geology), each of SRK Consulting (UK) Limited, and Neil Lincoln of Lycopodium Minerals Canada Ltd., each of whom is an independent “qualified person” as defined by NI 43-101.

## **Forward Looking Statements**

*All statements in this press release, other than statements of historical fact, are ‘forward-looking information’ with respect to the Company within the meaning of applicable securities laws, including statements with respect to: the ongoing mining dilution and pit optimisation studies, and the incorporation of same into any mining production schedule, future development and production plans at La India Project. Forward-looking information is often, but not always, identified by the use of words such as: “seek”, “anticipate”, “plan”, “continue”, “strategies”, “estimate”, “expect”, “project”, “predict”, “potential”, “targeting”, “intends”, “believe”, “potential”, “could”, “might”, “will” and similar expressions. Forward-looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions of management at the date the statements are made including, among others, assumptions regarding: future commodity prices and royalty regimes; availability of skilled labour; timing and amount of capital expenditures; future currency exchange and interest rates; the impact of increasing competition; general conditions in economic and financial markets; availability of drilling and related equipment; effects of regulation by governmental agencies; the receipt of required permits; royalty rates; future tax rates; future operating costs; availability of future sources of funding; ability to obtain financing and assumptions underlying estimates related to adjusted funds from operations. Many assumptions are based on factors and events that are not within the control of the Company and there is no assurance they will prove to be correct.*

*Such forward-looking information involves known and unknown risks, which may cause the actual results to be materially different from any future results expressed or implied by such forward-looking information, including, risks related to: mineral exploration, development and operating risks; estimation of mineralisation, resources and reserves; environmental, health and safety regulations of the resource industry; competitive conditions; operational risks; liquidity and financing*

risks; funding risk; exploration costs; uninsurable risks; conflicts of interest; risks of operating in Nicaragua; government policy changes; ownership risks; permitting and licencing risks; artisanal miners and community relations; difficulty in enforcement of judgments; market conditions; stress in the global economy; current global financial condition; exchange rate and currency risks; commodity prices; reliance on key personnel; dilution risk; payment of dividends; as well as those factors discussed under the heading “Risk Factors” in the Company’s annual information form for the fiscal year ended December 31, 2020 dated March 31, 2021 and available under the Company’s SEDAR profile at [www.sedar.com](http://www.sedar.com).

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise unless required by law.

## Technical Glossary

Assay	The laboratory test conducted to determine the proportion of a mineral within a rock or other material. Usually reported as parts per million which is equivalent to grams of the mineral (i.e. gold) per tonne of rock
Ag	Silver
Au	Gold
Boiling zone	Used to refer to zones in the Earth’s crust where hydrothermal fluids change to vaporise (boil). This can happen where there is a drop in confining pressure, either when the fluids rise to the lower pressure surface or near surface, or when tectonic force-induced movements along fault planes result in localised dilational openings. The vaporisation of the hydrothermal fluid can result in the deposition minerals held in solution including gold
Bonanza grade gold	Rock, generally quartz veins, with extremely high concentrations (grade) of gold, typically used when the grade exceeds 31 grams per tonne (1 oz per tonne).
Breccia	A fragmental rock, composed of rounded to angular broken rock fragments held together by a mineral cement or in a fine-grained matrix. They can be formed by igneous, tectonic, sedimentary or hydrothermal processes.
Chalcedonic	A variety of quartz formed by microscopic or submicroscopic crystals. In an epithermal environment, chalcedony is formed in low temperature and pressure conditions high in the system.
Down-dip	Further down towards the deepest parts of an ore body or zone of mineralisation.
Epithermal	Hydrothermal deposits formed at shallow depths below a boiling hot spring system are commonly referred to as <i>epithermal</i> , a term retained from an old system of classifying hydrothermal deposits based on the presumed temperature and depth of deposition.
Grade	The proportion of a mineral within a rock or other material. For gold mineralisation this is usually reported as grams of gold per tonne of rock (g/t)
g/t	grams per tonne
Hot springs	A spring of naturally hot water, typically heated by subterranean volcanic activity.
Hydrothermal	Hot water caused by heating of groundwater by near surface magmas and often occurring in association with volcanic activity. Hydrothermal waters can contain significant concentrations of dissolved minerals.
Indicated Mineral Resource	That part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed.

Inferred Mineral Resource	That part of a Mineral Resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that may be limited, or of uncertain quality and reliability,
Kt	Thousand tonnes
Low sulfidation	Hydrothermal deposits formed at shallow depths below a boiling hot spring system which are dominated by reduced, neutral-pH conditions.
Mineral Resource	A concentration or occurrence of material of economic interest in or on the Earth's crust in such a form, quality, and quantity that there are reasonable and realistic prospects for eventual economic extraction. The location, quantity, grade, continuity and other geological characteristics of a Mineral Resource are known, estimated from specific geological knowledge, or interpreted from a well constrained and portrayed geological model.
NI 43-101	Canadian National Instrument 43-101 a common standard for reporting of identified mineral resources and ore reserves
Open pit mining	A method of extracting minerals from the earth by excavating downwards from the surface such that the ore is extracted in the open air (as opposed to underground mining).
Rock chip	A sample of rock collected for analysis, from one or several close spaced sample points at a location. Unless otherwise stated, this type of sample is not representative of the variation in grade across the width of an ore or mineralised body and the assay results cannot be used in a Mineral Resource Estimation
Sinter	A mineral deposit that presents a porous or vesicular texture; its structure shows small cavities. These may be siliceous deposits or calcareous deposits.
Strike length	The longest horizontal dimension of an ore body or zone of mineralisation.
Vein	A sheet-like body of crystallised minerals within a rock, generally forming in a discontinuity or crack between two rock masses. Economic concentrations of gold are often contained within vein minerals.