



# CONDOR GOLD

Presentation  
**SHARES MAGAZINE**  
5<sup>th</sup> September 2018



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# Disclaimer

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- The disclosure contained in this presentation of a scientific or technical nature relating to the Company's La India Project has been summarized 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 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. The information contained herein is subject to all of the assumptions, qualifications and procedures set out in the Technical Report and reference should be made to the full details of the Technical Report which has been filed with the applicable regulatory authorities and is available on the Company's profile at [www.sedar.com](http://www.sedar.com).
- The scientific and technical information in this presentation has been read and approved by David Crawford, Chief Technical Officer of the Company, and Peter Flindell, a non-executive director of the Company, each of whom is a Qualified Person as defined by NI 43-101.
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# Company Overview

- Developing the La India Gold Project, in Nicaragua, into production
- High grade gold resource
  - Probable mineral reserves of 6.9Mt at 3.1 g/t for 675,000 oz gold
  - Indicated resource of 9.6Mt at 3.5 g/t gold for 1.08Moz gold (Includes mineral reserve)
  - Inferred resource of 8.5Mt at 4.5 g/t gold for 1.23Moz gold
- Key Environmental Permit granted August 2018 to construct and operate an open pit mine of 80,000 to 100,000 oz gold production per annum
- Goal of proving a major Gold District of 5M oz gold
- Nicaragua is a mining friendly jurisdiction. Gold is the 3<sup>rd</sup> biggest export
- Strong Board and Management with extensive experience
- TSX Dual Listing on 15<sup>th</sup> January 2018



# Strategy Statement

## Twin strategy

- To construct a base case of 2,800tpd processing plant, producing 100,000 oz gold per annum at Mina La India, Nicaragua. Materially expand annual production.
- Continue successful exploration strategy to expand mineral resources by 1M to 2M oz gold and prove a major Gold District of 5M oz gold



# Investment Case

- Undervalued compared to peer group on TSX (quarter Valuation)
- Serious backing from World Bank, Jim Mellon and Ross Beaty
- 0.17 times price to book ratio
- US\$14 per indicated + inferred resource oz gold in the ground.
- US\$700 all-in sustaining cash cost
- PFS base case 80,000 oz gold per annum over 7 years
- Upside scenarios available by adding feeder pits and underground operations.
- Potential to double annual production
- District scale potential of 5M oz of gold



# Nicaragua

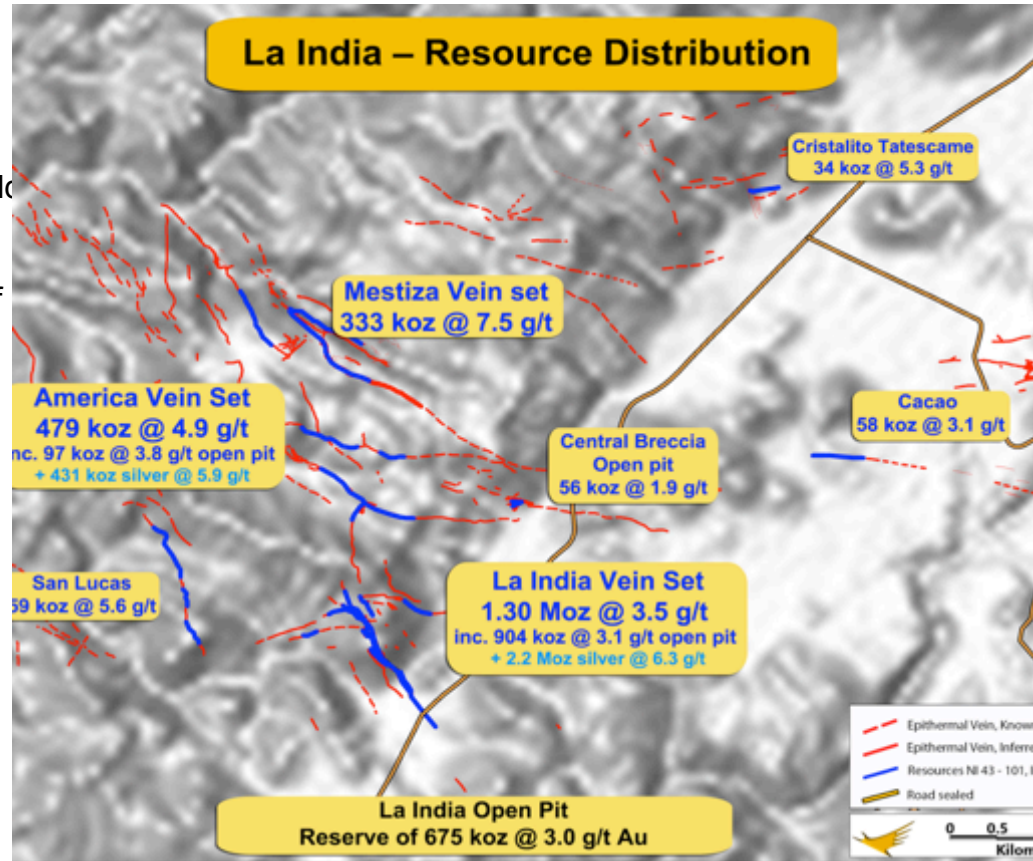
- Nicaragua is a good place to be:
  - Mining friendly jurisdiction
  - 6 Toronto listed companies operate successfully in Nicaragua
    - 3 open pit mines recently permitted in country for B2Gold and Golden Reign
  - Gold is the country's third biggest export

- Good Infrastructure in place
  - Pan American highway 15km away
  - Grid powerline following the road through licence area



# La India Project

- La India is a historical mining district
- Condor holds a 313km<sup>2</sup> concession package covering 98% of La India Gold Mining District
- Core Area 2.1M oz gold is made up of three vein sets
  - La India, America and Mestiza
  - Expand to 3M oz gold
- 80,000m drilled
- 28,000m trenching



PFS

Probable mineral reserve of 6.9Mt at 3.1g/t gold for 675koz gold producing 80koz p/a gold for seven years





# Pre-Feasibility Study - LA INDIA OPEN PIT

**0.8Mtpa PFS on La India open pit only.**

- 6.9Mt @ 3.0g/t and 91% recovery for 614k oz production over 8 years.
- 800,000 tpa ore feeding 2,300 tpd mill for 79,300 oz per year.
- US\$690/oz all-in sustaining costs; US\$110M CAPEX; 22% IRR; US\$92M NPV



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La India Vein Set:

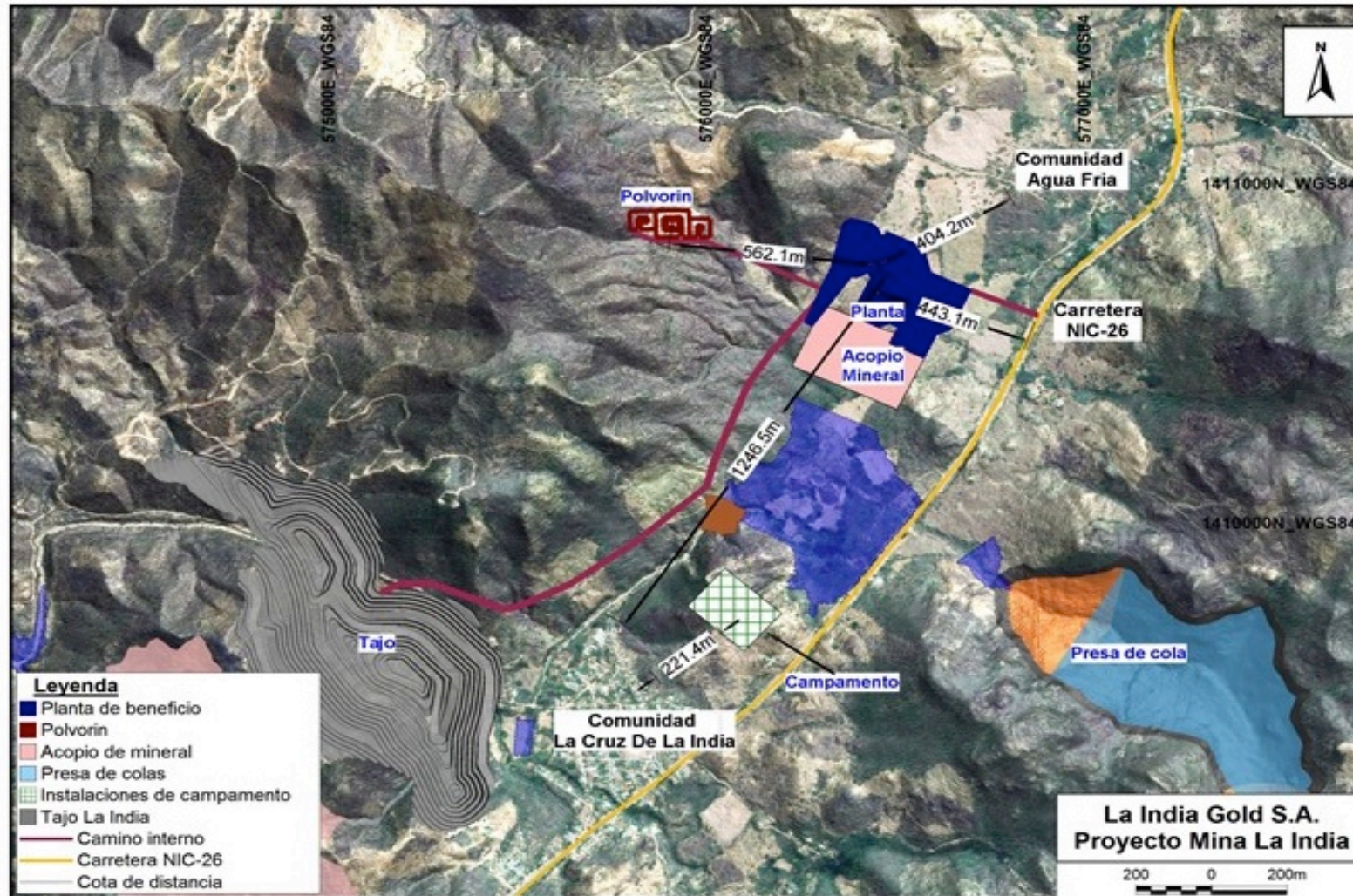
**1.30Moz Au @ 3.5g/t**  
inc. **904koz Au @ 3.1g/t open pit**  
inc. **400koz Au @ 5.4g/t underground**  
Open Pit Reserve **675koz Au @ 3.0g/t**

## Key Environmental Permit Granted

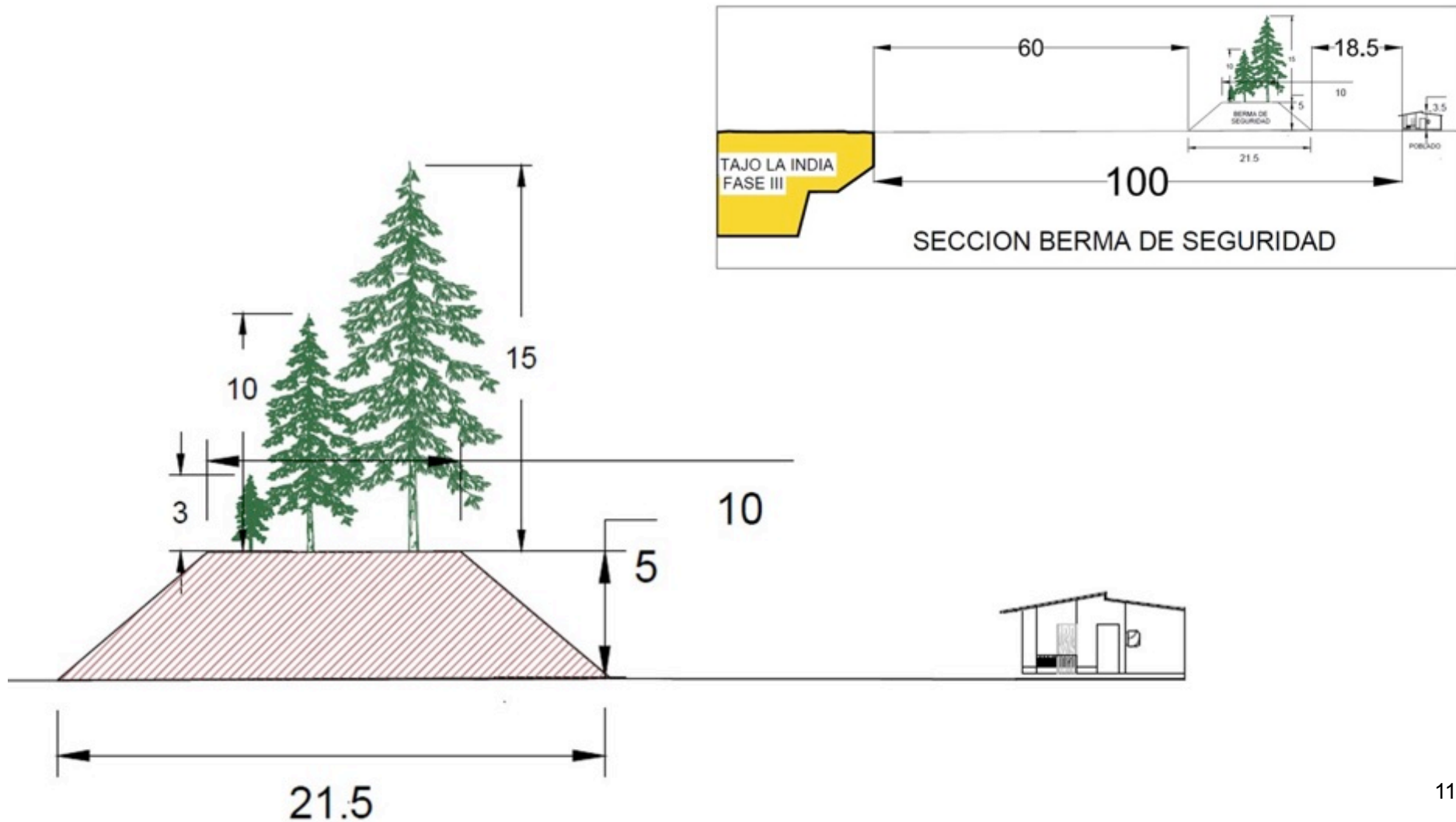
- **Re-designed open pit permitted**
- **Add feeder pits and underground mining later**
- No resettlement of houses or people
- Redesigned Open pit 20% smaller
- 600,000 oz recovered gold over life of mine
- 80,000 oz gold p.a. 7.5 years or possibly 100,000 oz gold p.a. 6 years
- 2,800tpd processing plant.
- Processing plant moved, now 1246 m from La India Village
- Mine site infrastructure 501.2 hectares, 37% smaller
- 1,000 jobs focused on the local communities



# New Infrastructure Layout: Permitted



# Open Pit and Plant Perimeter Protection



## Social benefits of no resettlement

- Uncertainty removed, no resettlement houses
- US\$1 million investment in existing village and wider community (to be agreed with local mayors). Examples:
  - 1) Health care center
  - 2) Drinking water improved
- 1,000 jobs and training of 500 people for new skills
- Average salary in mining in Nicaragua is US\$700pm vs US\$200pm nationally
- Artisanal miners: purchase ore and process through main mill
- Reduction in mercury contamination from rastras
- New strategic alliances between the Mine, Government, NGOs and community
- Aim of poverty reduction by 50% in La India Village



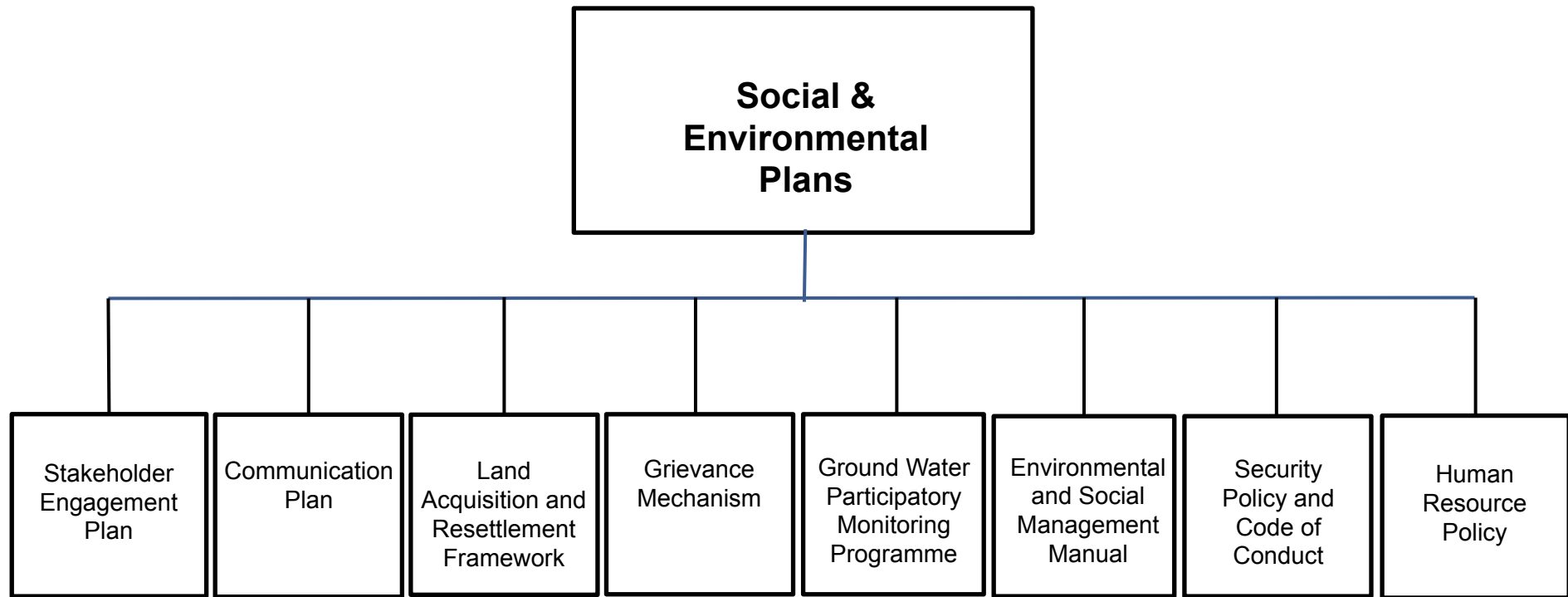
## Gaining a Social License to Operate

- US\$20,000 per month on social Projects in the community
- 40 people employed directly and indirectly in social team
- 6 “Involvement Groups” engaging “Elderly”, “Pro-Mining Committee”, “Youth” “Water”, “Small Businesses”, “Artisanal Miners”
- 359 households receive 5 gallon drinking water containers weekly, social team visit each house delivering water and engaging householders
- Artisanal miners engagement, our geologist inspect shafts, make safety recommendations, provide safety equipment, register for ID cards
- Healthcare and Education initiatives
- Youth training and workshops, sport sponsorship
- Catholic Church –major engagement program



# Environmental and Social

World Bank's IFC is a shareholder in Condor Gold



## Increase contained gold in core project area

**20,000 m Drilling required to add potentially 900,000 oz Gold in Resource**

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



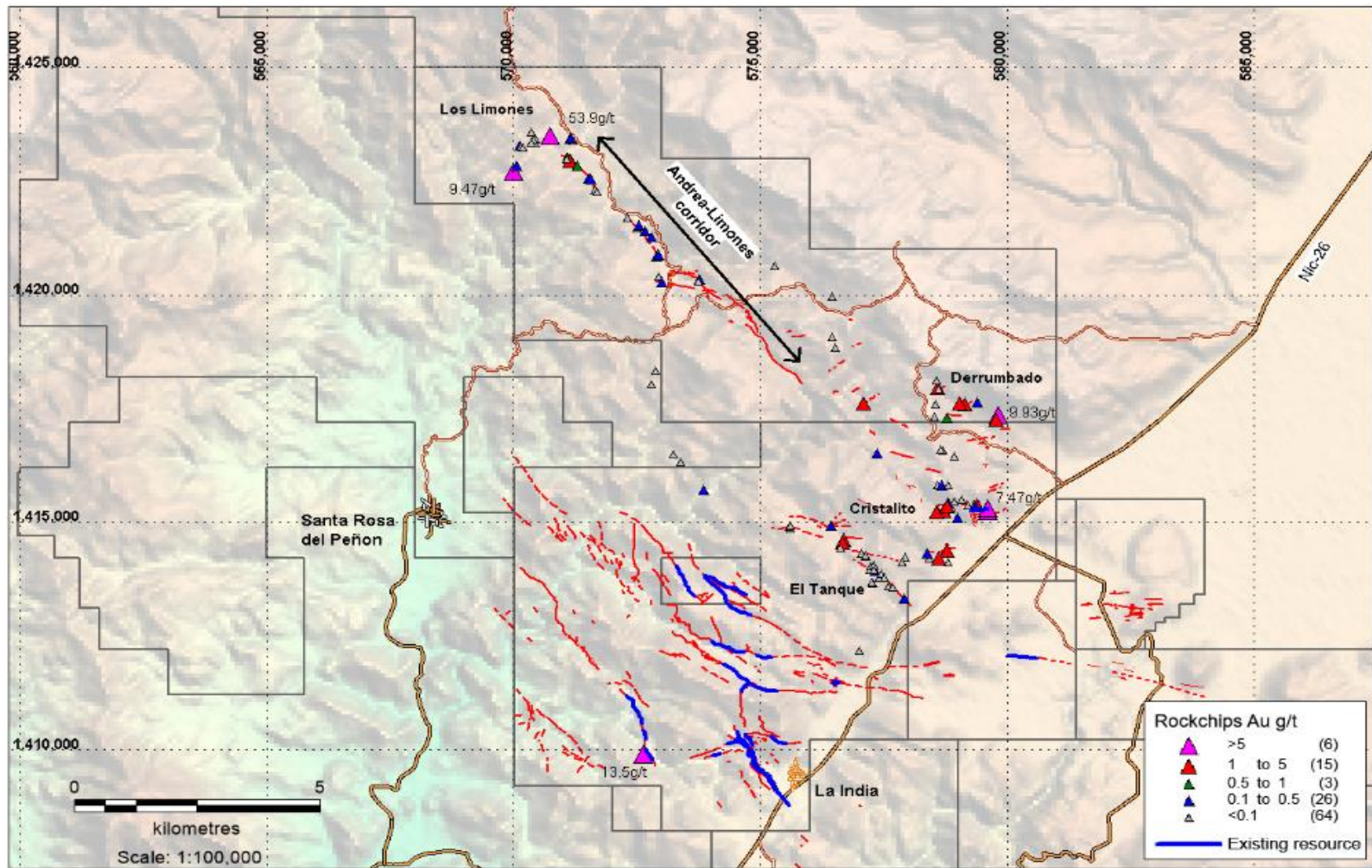


## Mestiza Vein Set Resource conversion

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



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



# Proving a 5M oz Gold District

## Multi-Discipline Approach

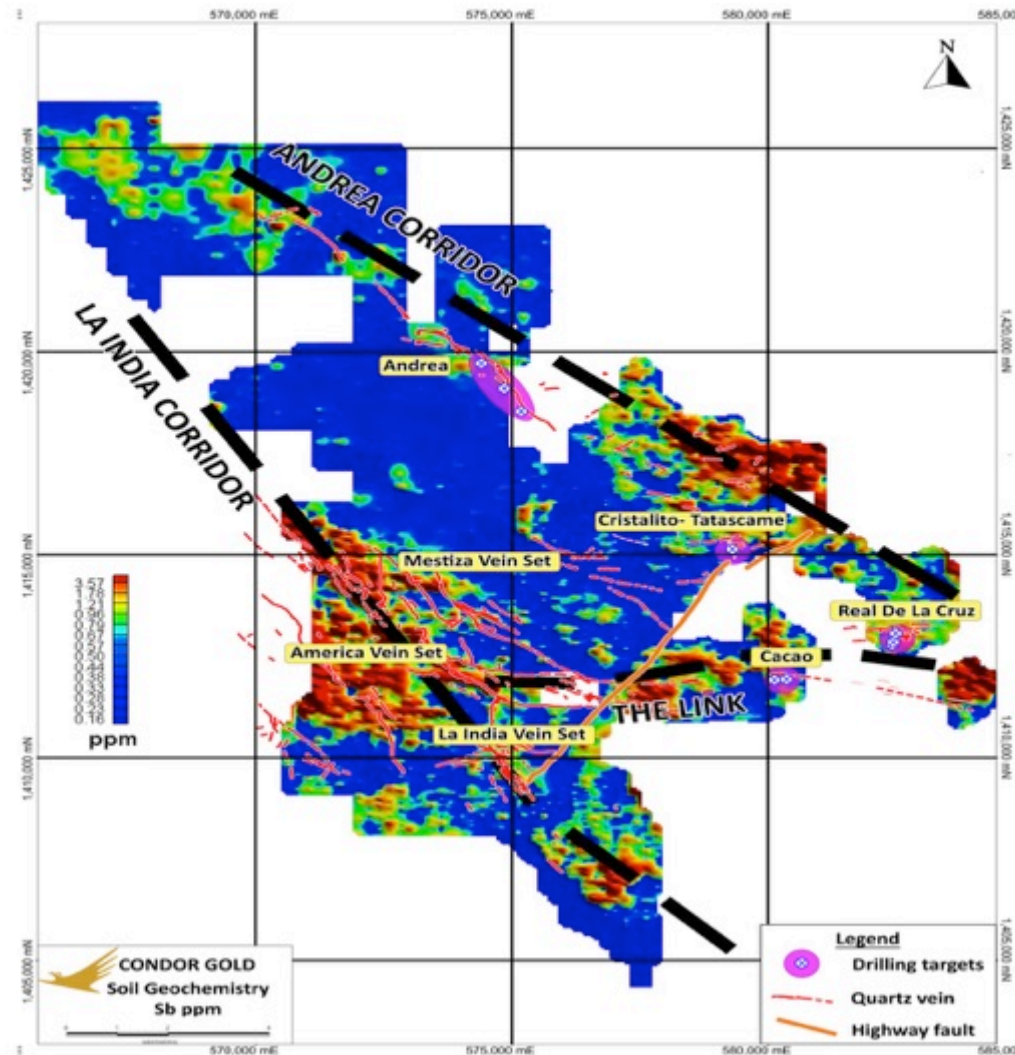
- Soil geochemistry
- Airborne geophysics
- Structural geological model
- Detailed geological mapping
- Trenching and Scout Drilling

## Andrea-Limonas corridor

- 12km long mineralised corridor discovered on the Andrea-Limonas strike
- Rock chips 142g/t, 52g/t gold
- 2,800m Scout drilling completed on 4 targets

## Cacao

- a wide dilutional opening has been discovered, 17m at 2.6g/t



# Share Capital Structure

## SHAREPRICE GRAPH



## CAPITAL STRUCTURE

|  |               |
|--|---------------|
| Ordinary shares in issue                 | <b>67.18M</b> |
| Options                                  | 7.6M          |
| Warrants ex price £1.44 (expiry 10/2018) | £5.1M         |
| Warrants ex price £0.93 (expiry 3/2019)  | £3.9M         |
| Warrants ex price £0.65 (expiry 3/2020)  | £1.9M         |
| Share Price:                             | £0.40         |
| Market Capitalisation                    | £27M (US33M)  |
| Net Cash 30 <sup>th</sup> June 2018      | £2.0M         |

## MAJOR SHAREHOLDERS

|                                   |  |                   |       |
|-----------------------------------|--|-------------------|-------|
| Ross Beaty                        |  | 5,316,903         | 7.91% |
| Cannaccord Genuity                |  | 4,506,639         | 6.71% |
| International Finance Corporation |  | 4,500,000         | 6.70% |
| Oracle Management                 |  | 4,077,038         | 6.07% |
| Mark Child (Director)             |  | 3,962,500         | 5.90% |
| Jim Mellon (Director)             |  | 3,750,725         | 5.58% |
| City Financial                    |  | 3,486,376         | 5.19% |
| others                            |  | 37,533,154        |       |
|                                   |  | <b>67,179,335</b> |       |



# What's Next at la India Project?

## Once permits granted

- 12-18 months of additional technical studies to BFS
- 80k to 100k gold production p.a. from a single pit
- 18 - 24 month construction period

## Add 50% Production ounces

- add 250k oz gold in feeder pits to PFS
- 20k to 40k oz gold p.a.

## Add 1m oz gold to the mineral resource

- 20,000m drilling planned to increase core area from 2.1M oz gold to 3M oz gold

## Demonstrate District Play 5M oz gold

- 5,000m scout drilling planned
- Follow up on targets generated by soil survey, structural study
- Rock chip sampling and trenching continuing in District
- Geological mapping continuing in District



# Dalradian Resources vs Condor Gold

## Current Takeover of Dalradian Resources by Orion

### Valuation Comparison

| Dalradian                  | EV US\$308M |        | Condor | Valuation                     | EV US\$33M  |             |
|----------------------------|-------------|--------|--------|-------------------------------|-------------|-------------|
|                            | Dalradian   | Condor |        |                               | US\$ per oz | US\$ per oz |
| reserves oz gold M         | 1.44        | 0.675  |        | US\$ per reserve oz gold only | 214         | 49          |
| total production oz gold M | 1.36        | 0.621  |        | US\$ per oz gold produced     | 226         | 53          |
| M&I oz gold M              | 3.066       | 1.1    |        | US\$ per M&I oz gold only     | 100         | 30          |
| M&I&I oz gold M            | 6.1         | 2.4    |        | US\$ per M, I &I oz gold      | 50          | 14          |
| NPV US\$M                  | 301         | 195    |        | price to book ratio           | 1           | 0.17        |

