

HIGHLIGHTS FOR THE SIX MONTHS TO 30 JUNE 2015

[Condor Gold plc](#) ("Condor", the "Company" or the "Group") (AIM:CNR), an AIM listed company presents its interim financial report, highlights of which are below. A full set of accounts can be found on the Condor Gold website www.condorgold.com/news-media/regulatory-news.

Condor completed a Pre-Feasibility Study (PFS) and two Preliminary Economic Assessments (PEAs) on La India Project in Nicaragua in December 2014. The PFS details an open pit gold mineral reserve of 6.9M tonnes at 3.0g/t gold for 675,000 oz gold producing 80,000 oz gold p.a. for 7 years. The PEA for the open pit only scenario details 100,000 oz gold production p.a. for 8 years whereas the PEA for a combination of open pit and underground details 140,000 oz gold production p.a. for 8 years. La India Project contains a total attributable mineral resource of 18.1Mt at 4.0g/t for 2.32M oz gold and 2.66M oz silver at 6g/t to the CIM Code. Condor announces its interim results for the period ended 30th June 2015.

HIGHLIGHTS TO 30 JUNE 2015

Test work in support of the PFS has continued to advance in the first half of 2015:

- 1,952m drilling completed, excellent drill intercept of 7.6m at 10.2g/t gold outside the main pit extends a high-grade ore shoot to the south and to depth.
- Soil survey programme provides several additional exploration targets.
- Engaged Whittle Consulting to run Enterprise Optimisation software on the technical studies used within the PFS and PEAs.
- Applied for and received a Terms of Reference for an EIA Permit.
- Implementation of several of the IFC's ESAP (Environmental and Social Action Plan) items.
- £2,410,675 at 30th June 2015 is sufficient to execute the current strategy

POST PERIOD HIGHLIGHTS

- Announced results of a 55km² soil survey programme, which targeted 6 areas on the 313km² La India project, several gold anomalies revealed.
- Structural report commissioned and new structural model underway.
- On 4th September 2015, the Company announced a Strategic Review and commencement of an offer period.

CHAIRMAN'S STATEMENT FOR THE SIX MONTHS TO 30 JUNE 2015

Dear Shareholder,

I am pleased to present Condor's unaudited interim financial report for the 6 months ended 30th June 2015. An NI 43-101 technical report detailing a Pre-Feasibility Study ("PFS") and two Preliminary Economic Assessments ("PEAs") were posted on Condor's website on 21st December 2014. There have been no updates issued during the period to technical reports within the PFS or two PEAs on La India Project, Nicaragua.

The focus in the first half of 2015 has been on proving the exploration upside of La India Project through drilling and soil surveys, optimising the potential mining schedules, which will enhance NPVs and IRRs, and de-risking the Project from a permitting, land acquisition and social perspective.

On 4th September 2015, the Company announced a Strategic Review and commencement of an offer period. In the last 3 years the Company has operated in a chronic bear market. The gold price is down 41% from its all time high and the NYSE ARCA Gold Bugs Index (HUI), which represents junior gold companies, is down 72%. Investors have sold shares across the full spectrum of gold companies, irrespective of the fundamentals. Condor's share price has suffered accordingly even though La India Project, in the Board's view, is one of the most attractive resource/reserves due to the high average grade of 4.0g/t gold, low all in sustaining cash costs of under US\$700 per oz gold, low upfront capital costs, 100% ownership of the concessions and mining friendly jurisdiction.

Against this background and the lack of appetite for equity financing in the junior gold exploration sector, the Board has conducted an internal review of strategic options going forward. The Board has concluded that the equity required for the construction of a mine at La India Project, given the upfront capital cost of between US\$110M and US\$169M estimated in the PFS and PEAs would prove significantly dilutive to existing shareholders. Furthermore, there is no guarantee that either equity or debt financing for the construction of the mine and associated infrastructure can be secured on satisfactory terms. The Board's view is that the completion of a Definitive Feasibility Study ("DFS"), while adding value to the Project, would be unlikely to be fully recognised in the share price and in any case, in the event that the strategic review results in an eventual sale of the

Company's business or assets or of the Company itself, the DFS would be substantially reviewed by any acquirer. Condor will continue with its strategy of de-risking the La India Project by applying for an EIA Permit and securing the rural land, while continuing to show the upside of the Project through a soil survey programme, a detailed structural geology study and completing an enterprise optimisation study on the reserves and resources in the PFS and PEAs.

One of the options being considered would be a possible offer for the Company. Another option is for a joint venture or sale of one or more of the Company's assets, including the independent mineral resource estimate in El Salvador of 13.1M tonnes at 2.6g/t containing 1.1M oz gold equivalent.

As a reminder, the PFS and PEAs on La India Project are available on the Company's website.

During the period, the exploration upside was successfully demonstrated by 1,952m drilling and the commencement of a 55km² soil survey programme. A drill intercept of 7.55m (6.2m true width) at 10.2g/t gold to the south of the La India open pit reserve of 675,000 oz gold at 3.0g/t has been successful in indicating an extension of high grade gold mineralisation 100m outside the pit shell adjacent to La India underground resource. This high-grade intercept demonstrates that the underground mining potential at La India may currently be significantly underestimated. The 55km² soil survey programme tested 6 areas on the 313km² La India Project targeting underground mining deposits. It has been successful in defining several new gold anomalies. Additional drill programmes are on hold until market conditions improve and the number of staff employed in Nicaragua has been reduced in order to conserve cash.

To enhance the financial and economic model within the PFS and PEAs, Condor retained the services of Whittle Consulting to perform an Enterprise Optimization analysis using the resources/reserves within the PFS and PEAs. This is an integrated analysis that considers the design criteria that impact the complete range of economic drivers of the Project, including mine sequencing, cut-off grade strategy, mill grind/recovery/throughput assumptions, stockpile management, operating costs and initial capital.

Condor has signed an agreement with ProNicaragua, which in the Board's view materially de-risks the permitting process and construction of a mine at Mina La India. ProNicaragua is the official investment and export agency of the Government of Nicaragua. It was created as a project of the United Nations Development Program (www.pronicaragua.org). Condor has cultivated relations with ProNicaragua for over 3 years and has been instrumental in ProNicaragua presenting and supporting the mining industry at the Prospectors and Developers Association of Canada ("PDAC") annual conference in Toronto. The agreement with ProNicaragua allows for two lawyers working for ProNicaragua to be assigned to Condor on a full time basis to assist with permitting, land acquisition and other social areas.

In April, Condor submitted a 56 page report requesting the Terms of Reference ("TOR") for an Environmental Impact Assessment ("EIA") to the Ministry of Environment ("MARENA") as required for an Environmental Permit. The Environmental Permit is the key permit for mining in Nicaragua. Many other permits, e.g. a water permit, depend upon a positive EIA Report. It is really encouraging that MARENA issued the TOR for an EIA within 5 weeks. Under the local mining law Condor has to submit an application for EIA approval to MARENA within 6 months, by November 2015.

Condor has been working on a land acquisition programme for over 2 years and plans to acquire approximately 640 hectares of rural land for the production scenario in the PFS. ProNicaragua is assisting with a clean up of the land titles. Two independent valuations have been conducted and a strategy is being implemented to secure the rural land by paying 10% of the purchase price of the land to the landowners, who grant Condor an option to purchase the rural land. Securing freehold land over the project area will materially de-risk the Project.

The operating loss for the 6 month period was £1,454,872. The cash equivalents at 30th June 2015 were £2,410,675. There are currently 45,807,316 ordinary shares in issue.

The International Finance Corporation ("IFC"), the private sector investment body of the World Bank, is an 8.6% shareholder in the Company. Condor has to comply with the IFC Performance Standards, which are aimed at assuring the suitability of projects for direct financing. The IFC nominated Kate Harcourt to join the Board as a non-executive director in March 2015. A considerable amount of management time and money has been spent on implementing an Environmental and Social Action Plan. To give other shareholders a flavour of what is involved, Condor is committed to: 1) Develop an Environmental and Social Management System (ESMS) which includes the necessary management plans and standard operating procedures as part of the operational control of the Health Safety Environmental and Community Policy to address existing environmental, social and health and safety risks from current exploration activities. 2) Design and implement a surface and ground water participatory monitoring program to identify existing water quality and quantity conditions in the area to serve as baseline for the future ESIA, communicating these to the local population. 3) Update a Stakeholder Engagement Plan and Grievance Mechanism and develop a Communications Plan 4) Update the Land Use and Compensation Plan. 5) Develop/update a Human Resources Policy and develop a Security Policy and Code of Conduct for security personal. At the IFC's request, Condor has signed agreements, which cost the Company circa US\$100,000, with two Independent Environmental and Social Consultants ("IESC"), who will be conducting site visits in September 2015. The Company's implementation of the IFC's performance standards at La India Project is establishing an excellent base for the sustainability of a future mine and hopefully de-risks the Project for all shareholders.

On 24th August 2011, Condor announced the purchase of the 2km² Espinito Mendoza Concession for a consideration of

US\$1,625,000 spread over 4 years, payable in cash and shares. The transaction requires Condor to complete 5,000m drilling, which Condor has not completed and for the seller of the Concession to provide clean title of the freehold land, which they have not provided and are unable to provide. Condor has paid US\$1,125,000 to date and is withholding the balance of US\$500,000 until this dispute is settled. SRK Consulting (UK) Limited has estimated an independent inferred mineral resource of 980,000 tonnes at 6.7g/t gold for 209,000 oz gold on the Espinito Mendoza Concession.

A hearing was held in Vancouver, Canada on 27th to 29th May 2015 regarding an on-going dispute between [B2Gold Corp.](#), [Royal Gold Inc.](#) and [Condor Gold plc](#) over a 3% NSR on 65km² of La India Concession. The judge's ruling has recently been received. To quote the Judge: "In conclusion, I declare that La India Gold S.A. holds La India concession subject to the royalty originally made between Minera de Occidente S.A. (now Triton, owned by B2Gold) as payor and [Repadre Capital Corp.](#) (now Royal Gold) as the present holder. The La India concession, to the extent that it corresponds on the ground with the original concession subject of the royalty agreement, is, by clause 2.7 of the letter agreement, subject to the obligations of the royalty agreement." Condor is taking legal advice in Canada, Nicaragua and the UK on the implementation and enforceability of a Canadian ruling on a Nicaraguan incorporated company.

The Company has established a Risk Committee, which comprises of non executive directors Roger Davey and Kate Harcourt.

The moratorium on all mining and exploration continues in the Republic of El Salvador ("El Salvador") where the Company has 90% of a JORC Code Mineral resource of 13.15 Mt at 2.6g/t for 1,120,000 oz gold equivalent.

The strategy for 2015/2016 is to continue to demonstrate the significant exploration upside of La India project through geological mapping, soil geochemistry surveys and the production of a detailed structural model. The commissioning of Whittle Consulting to run its Enterprise Optimisation Software on the existing resources/reserves and technical studies used in the PFS and PEAs should be announced shortly. The strategy of securing the rural land, applying for an EIA permit and implementing the IFC performance standards will all materially de-risk the Project and pave the way for Mina La India to become the next large commercial mine in Nicaragua. Drilling is postponed until market conditions improve. The local employee payroll has recently been cut by 30% and the Board of directors has accepted reduced remuneration. The cash position of £2.4M at the end of June 2015 is sufficient for the Company to execute the current strategy.

Mark Child, Executive Chairman and CEO

8 September 2014

OPERATIONS REPORT AND PROJECT OVERVIEW FOR THE SIX MONTHS TO 30 JUNE 2015

NICARAGUA - OPERATIONS REPORT

LA INDIA PROJECT

Following completion of the PFS on 21st December 2014, the Company focus has shifted to the demonstration of the project upside, while removing or minimizing remaining risk elements. In addition to the soil geochemistry survey and drilling that took place during the period at La India, Condor has applied and received a terms of reference for an Environmental Impact Assessment Permit (EIA Permit), progressed a land acquisition program and enhanced the stakeholder engagement strategy and Communications Plan. The Company is also engaged in an Enterprise Optimization program in conjunction with Whittle Consulting of Australia.

Pre-Feasibility Study Update

There is no current plan to update the existing PFS in the near future, however, Condor has re-assessed the setback requirements, thus reducing the land needed for the base case PFS from 700 hectares to about 640 ha. In addition, the PFS identified a few locations where local features might have been affected. These have been corrected in the process of generating the supporting documents for the EIA. Taken in conjunction with the revised setbacks, the impact on project economics is expected to be neutral.

Enterprise Optimization

Condor has retained the services of Whittle Consulting to perform an Enterprise Optimization analysis of the PFS study and the PEA cases presented in the 43-101 Technical Report of December 2014. This is an integrated analysis that considers the design criteria that impact the complete range of economic drivers of the project, including mine sequencing, cutoff grade strategy, mill grind/recovery/throughput assumptions, stockpile management and initial capital. This work is underway at the time of writing this report.

Land Acquisition

Condor has embarked on the initial stages of acquiring the land needed for the La India open pit mine. Initial focus is on the rural lands that comprise the greatest portion of area. The Land Acquisition process starts with first contact with the landholders, a valuation of the properties, and negotiation of an Option to Purchase Agreement in order to lock down the area. Simultaneously the legal status of the land is investigated and any Titles that require clearance are cleared. The Company is currently preparing a formalised Land Acquisition and Resettlement Framework with an International Social Consultant.

Condor has made initial contact with all landholders in the area of interest with 98% of the landholders agreeing to a property valuation. All the valuation appraisals have been completed by a certified land valuer. Two experienced lawyers have been contracted through Nicaragua's internal investment agency ProNicaragua to investigate of the legal status of Land Titles and to manage the clearance of Titles through the Authorities.

EIA application

Condor has started work on an EIA Permit for the La India open pit mine in order to secure a mining permit from the Nicaraguan Government's Ministry of the Environment and Natural Resources (MARENA). The Company has already received the terms of reference for the EIA and is assembling the information based on the detailed work underpinning the PFS.

Once the EIA has been completed and revised by the Authorities it will be open to public consultation prior to any final revisions and approval. The Company is aiming to submit the EIA by November 2015.

Social work

Condor recognises the significant social impact that a new mine will have on the local community, and is committed to working with the local community to make sure that the change will be a positive one.

During the first half of 2015 the Company has restructured and increased the Community Relations activity. A new Community and Social Relations ("CSR") policy has been developed with guidance, and to the standards required by the IFC. The policy gives an emphasis to improved communication and transparency as the Company prepares for the public consultation period of the EIA. To achieve this the Company is in the process of constructing an Information Office located in La India Village to provide a focus for communication.

The policy identifies four main social areas to support: education, health, the Church and water. A Social Committee with the participation of relevant key stakeholders from the community has been set-up to ensure that the Community has an opportunity to have an input into how the social support budget is used. Moreover, Condor is working on creating alliances and promoting projects with higher impact and more beneficiaries.

Dave Crawford, Chief Technical Officer

Exploration Activity

Exploration activity has focussed on demonstrating the potential for expanding and extending future gold production beyond that envisaged in the La India Project PFS and PEA studies. The underground mining potential beneath the planned La India open pit has been tested, and exploration for evidence of undiscovered hidden deep-seated gold mineralisation beyond the core resource zone has advanced. During the first half of the year Condor completed exploration drilling to test the underground depth and strike extension potential of the flagship La India gold reserve, regional soil sampling over areas where the geological setting is prospective for the discovery of hidden deep-seated gold deposits, and follow-up drilling on the first two soil targets. In total the Company completed 7 diamond core drill holes for 1952m of drilling, and collected 5117 soil samples covering over 50km² area supplemented by 28 rock chip samples during the period.

Four diamond core drill holes for 1324m were drilled to test for significant extensions of gold mineralisation at depth beneath, and at depth along strike to the south of the La India open pit reserve of 675,000 oz gold at 3.0g/t. The drilling aimed to establish if there is potential to expand the current combined inferred and indicated underground mineral resource of 1.8Mt at 5.0g/t for 294,000 oz gold. One very successful intercept of 7.55m (6.2m true width) at 10.2g/t gold at a vertical depth of 260m below surface extended the known high-grade gold mineralisation at La India a further 50m along strike to the south and 60m deeper, confirming that high-grade gold mineralisation remains open along strike to the south at depth. This drill intercept was particularly significant as there is no evidence of gold mineralisation at surface above this intercept, demonstrating that hidden deep-seated high-grade gold mineralisation does occur at La India. This is encouraging for the Company's regional exploration programme which targets similar hidden gold deposits.

A regional soil geochemistry survey designed to look for high-level hydrothermal pathfinder elements above hidden deep-seated

epithermal gold mineralisation was initiated in January, and completed post-period in August. The fine-fraction B-horizon soil was analysed for 53 elements at ultra-trace detection limits using ACME Laboratories in Vancouver's standard ICP-MS method. This method was selected based on the results of a 214 sample orientation survey completed last year in which different soil horizons and different analytical methods were compared. Including orientation survey samples and samples collected post-period the B-horizon soil ultra-trace geochemistry survey database currently comprises 5767 samples over a 55km² area covering six exploration areas selected during a District-scale prospectivity exercise undertaken by Condor geologists in 2013 and refined in 2014. The soil survey areas were selected by integrating geophysics, surface geology and the existing exploration data. The selected areas have geological structural setting conducive to the transport and deposition of gold-bearing hydrothermal fluids, and surface geology characteristics of a high-level setting above the boiling zone where epithermal gold deposition is most likely to occur.

Interpretation of the soil geochemistry has improved the geological bedrock map through the definition of felsic, intermediate and mafic geochemical signatures, and identified alteration and mineralisation trends in areas where outcrop of mineralisation is sparse and field observations of structural trends inconclusive. For example dispersed and isolated gold outcrop occurrences at the Tatascame area, located 6km northeast of the La India open pit mineral reserve, show a clear linear soil anomaly with a northwest-southeast orientation which appears to be a strike continuation of the Andrea Vein, extending the Andrea hydrothermal conduit from a 2km long vein to a 4 to 7km long corridor. Similarly soil geochemistry demonstrates that hydrothermal activity on the structure that hosts the 400m long Cristalito Resource of 202kt at 5.27g/t for 34k oz gold actually extends for at least 1200m.

Follow-up exploration on the soil anomalies commenced. Two soil anomalies identified on the La Mojarrá area were drill-tested by three drill holes for 628m drilling. The drilling tested the El Carrizal and Cerro El Pilon soil anomalies, located approximately 1.7km to the south and south-east respectively of La India open pit mineral reserve. Both sites returned high-level epithermal alteration and barren calcite veining at depths of up to 200m below surface at both localities. This suggests that any gold mineralisation would be deeper and therefore beyond the target depth of the current exploration programme in these two targets.

New Concession Acquisition

On the 23rd June Condor was granted the Tierra Blanca 25 year exploration and mining Concession. This new concession adds an additional 32 km² to the western side of the La India Project concession package, increasing the La India Project to a 313km² area. The Tierra Blanca Concession is a greenfield exploration area with a highly prospective geological setting, covering a caldera complex within a broad epithermal gold mineralisation corridor that runs for 75km from the La India gold District to Nicaraguan producer B2Gold's Villa Nueva Project.

Luc English, Exploration Manager

El Salvador Operations Update

Condor has continued to maintain a presence in El Salvador whilst the Government continues the suspension of metallic mining and exploration activity that has been in effect since 2007. The Company recognises that resolution of the situation lies with the Central Government, and Condor has maintained a continuous active dialogue and played a leading role in lobbying the Government in favour of a resumption of mining activity.

The wholly-owned El Salvador-registered subsidiary company, Minerales Morazon SA de CV has been kept fully registered and legally solvent in order to protect Condor's claims over the suspended licences and also to be ready to benefit from other prospective areas that are likely to become available should the Government elect to support metallic mining in the future.

Anti-mining NGOs continue to call for a law that bans metallic mining despite the findings of a Government initiated "Strategic Environmental Evaluation on the Metallic Mining in El Salvador" which recommended that the Government either allow mining with strict government controls or pay indemnity to the companies who have invested in exploration. The previous and current Legislative Assemblies have opted to research more on mining and have not yet proposed a law banning mining.

Jose Mario Gonzalez Granados, Country Administration Manager, El Salvador

For further information please visit www.condorgold.com.

About Condor Gold plc:

[Condor Gold plc](http://www.condorgold.com) is an AIM listed exploration company focused on developing gold and silver resource projects in Central America. The Company was admitted to AIM on 31st May 2006 with the stated strategy to prove up CIM/JORC Resources in Nicaragua and El Salvador. Condor has eight 100% owned concessions in La India Mining District ("La India Project"); three 100% owned concessions in three other project areas and 20% in the Cerro Quiroz concession in Nicaragua. In El Salvador,

Condor has 90% ownership of four licences in two project areas.

Condor's La India Project in Nicaragua currently contains a total attributable mineral resource of 18.4Mt at 3.9g/t for 2.33M oz gold and 2.68M oz silver at 6.2g/t to the CIM Code. Total gold equivalent of 2.37M oz. Including: Indicated mineral resource of 9.6Mt at 3.5g/t for 1.08M oz gold, Inferred mineral resource of 8.8Mt at 4.4g/t for 1.25M oz gold. Total open pit mineral resources of 1.14M oz gold at 3.1g/t. In El Salvador, Condor has an attributable 1,004,000 oz gold equivalent at 2.6g/t JORC compliant resource. The resource calculations are compiled by independent geologists SRK Consulting (UK) Limited for Nicaragua and Ravensgate and Geosure for El Salvador.

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.

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