

LONDON, ENGLAND--(Marketwired - Nov 10, 2016) - Condor Gold (AIM:CNR), the AIM-listed gold exploration company, is pleased to announce scout drilling has commenced on its flagship La India Project in Nicaragua, which hosts a high grade mineral resource of 18.08 Mtonnes at 4.0 g/t for 2.31 Moz gold. The Company has started a 4,000 m scout drilling programme to demonstrate the upside of the entire District, which contains approximately 104.5 km strike length of veins of which only 54.8 km have been trenched or mapped in any detail and only 13.2 km have been drill tested. Many veins have never been drill tested. As at 9th November, a drill rig has completed 87 m at the El Cacao target. The programme has been designed by Dr Warren Pratt, who joined Condor as a geological consultant in June 2016. Dr Pratt helped with due diligence on the La India Project on behalf of Ross Beaty, a successful mining entrepreneur who subsequently became a 7.1% shareholder in April 2016.

The first 2,000 m of drilling has three objectives. Firstly, to expand mineralisation and identify ore- shoots at El Cacao. Secondly, to expand mineralisation at the Cristalito-Tatescame target. Thirdly, to test for mineralisation on the Andrea Vein, which has never been drilled. The location of the remaining 2,000 m of drilling will depend on initial drilling results and may also be used to test other targets.

Soil sampling began again in June 2016 and has now covered over half of the district. It aims to identify new epithermal targets suitable for drilling.

Highlights:

- Condor initiates 4,000 m of drilling to demonstrate District-scale gold potential.
- Drilling to identify a boiling level at El Cacao, current resource of 590 kt at 3.0 g/t gold for 58 koz gold. Previous shallow drilling including intercepts of 14.05 m at 6.1 g/t gold and 2.6 m at 88.7g/t gold.
- Drilling to test strike extension at Cristalito-Tatescame, current resource of 200 kt at 5.3 g/t gold for 34 koz gold. Precious shallow drilling included an intercept of 5.3 m at 9.4 g/t gold.
- Drilling to test the Andrea Vein, never drill-tested, but has been trenched for 2,300 m by Condor, has sheeted veins and vein breccias of 20 m width in places and rock chips up to 30 g/t gold

Mark Child, CEO comments:

"Condor's twin strategy remains to: 1) fully permit and construct a base case 1 Mtpa, 2,800 tpd processing plant with capacity to produce 100,000 oz gold pa from a single open pit on the La India Project. 2) demonstrate District-scale gold mineralisation. The existing resource of 18.08 Mtonnes at 4.0 g/t for 2.31 Moz gold occurs within seven areas (see Figure 1). Four of the smaller resources were excluded from the previous PFS and PEAs;?? it now makes sense to consolidate and expand them. Over the last 3 years, Condor has steadily conducted fieldwork to demonstrate that La India Project is a true gold District as evidenced by 104.5 km strike length of veins of which only 13.2 km have been drill tested. This work includes aerial geophysics, a detailed structural model, mapping, rock-chip sampling and trenching. I am delighted that we have now prioritised several highly promising targets and are commencing scout drilling at El Cacao and Cristalito- Tatescame. Although each is currently relatively small, we believe that both have excellent potential to host much larger gold resources."

Drilling to test El Cacao

The resource is 590 kt at 3.0 g/t gold for 58 koz gold. It is open along strike in both directions and at depth. The vein strikes almost east-west and has a strike length of at least 600 m (Figure 1 and 2). Trenching every 20 m resulted in a total of 1,121 m tested. Between July 2007 and February 2008, Condor completed 2,170 m drilling on fences spaced at 40 m. These tested the vein to a maximum depth of 150 m.

Recent re-logging and mapping by Dr Pratt demonstrates that the vein shows many features of the top of an epithermal system. There is widespread phreatic breccia, abundant chalcedony, siliceous spirit levels (geopetal structures) and, in the West, sinter float. There is widespread kaolinite at surface, probably due to an acid sulfate ('steam- heated') overprint. All this suggests there is a good chance that the main boiling level, with higher grades, is deeper and has not been drilled yet.

The drill results below are from Condor's drilling on El Cacao concession in 2007 and are detailed in an RNS dated 8th November 2007:

- CCRD002 14.05 m at 6.05g/t gold from 87 m
- CCRD004 5.55 m at 6.10g/t gold from 123.35 m
- CCRC006 13.83 m at 2.25g/t from 93.12 m
- CCRD006 2.60 m at 88.72g/t gold from 132.90 m

Drilling to test Cristalito-Tatescame

The Cristalito-Tatescame mineral resource is 200 kt at 5.3 g/t gold for 34 koz gold. It is open along strike in both directions and to

depth (Figure 1 and 2). However, the Company feels the best potential is to the west. The vein was drill tested by [Gold-Ore Resources Ltd.](#) in 2004-2005, through a joint venture with Glencairn. They drilled 10 holes for 1,063 m. Underground sampling of the 570 m level returned a weighted average of 1.6 m at 21.7 g/t gold. The drilling confirmed mineralisation over a 200 m strike length to a depth of 150 m. The best intersection was 5.3 m at 9.43 g/t gold from 94.6 m in drillhole DDT-09.

Recent geological mapping shows that felsic lava flows, a densely welded ignimbrite, and a microdiorite have potential to host good grades towards the west. In the drilling, gold grades improve markedly towards the west, with visible adularia and grey silver sulphides in drill core. These features are all considered very positive.

Drilling to test Andrea

The Andrea Vein has never been drill tested and is an excellent opportunity to contribute to the District gold resource. The vein zone is about 2.3 km long and has been trenched by Condor and lies within the 8 km Los Limones-Andrea mineralized corridor (Figure 2). It is arcuate, with a main north-northwest-striking portion, which dips west at about 50-60o, and east-southeast-striking tails at each end. The vein zone also anastomoses and splits. The geometry of these splits suggests there is a dextral strike slip component on an overall extensional vein (as at the La India Vein). Creek exposures indicate that the zone of sheeted veins and vein breccias exceeds 20 m width in places. Good sheeted vein swarms occur in both foot- and hanging wall. Rock chip samples from the Andrea Vein zone are very encouraging, with grades up to 30 g/t gold.

To view Figure 1: La India Project comprises 7 gold mineral resources, visit the following link:
http://media3.marketwire.com/docs/1075934_Figure1.pdf

To view Figure 2 showing an 8 km Andrea-Limones mineralised corridor, visit the following link:
http://media3.marketwire.com/docs/1075934_Figure2.pdf

Competent Person's Declaration

The information in this announcement that relates to the mineral potential, geology, exploration results and database is based on information compiled, and reviewed, by Dr Warren Pratt, Chartered Geologist (1994), Fellow of the Geological Society of London and Fellow of the Society of Economic Geologists. Dr Pratt is a geologist with over twenty years of experience in the exploration and definition of precious metal mineral resources. Dr Pratt consults to [Condor Gold plc](#) on an *ad hoc* basis and has considerable experience in epithermal mineralization, the type of deposit under consideration, and sufficient experience in the type of activity that he is undertaking to qualify as a 'Competent Person' as defined in the June 2009 Edition of the AIM Note for Mining and Oil & Gas Companies. Dr Pratt 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.

Technical Glossary

'chalcedony' = a cryptocrystalline form of silica composed partly of quartz. It has a waxy luster and may be transparent or translucent. It can be a wide variety of colours, but is commonly white to grey.

'adularia' = a low temperature form of potassic feldspar, common in low temperature hydrothermal (epithermal) deposits

'epithermal system' = mineral deposits formed from warm water at shallow depth.

'felsic lava flows' = lava flows containing a high content of siliceous minerals (quartz + feldspar).

'microdiorite' = a medium grained intrusive igneous rock of intermediate composition.

'phreatic breccia' = a fragmental rock formed by interaction of hot water and cold rock and consequent explosive activity.

'siliceous spirit levels' = open cavities within the vein that are filled by horizontally bedded and banded minerals and sand.

'sinter float' = loose boulders on the surface of finely banded chalcedony and quartz, formed from an ancient hot spring.

'welded ignimbrite' = a dense, compact volcanic rock formed by the welding of hot ash and pumice, commonly the result of a violent explosive eruption.

About Condor Gold plc:

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

Condor completed a Pre-Feasibility Study (PFS) and two Preliminary Economic Assessments (PEA) on La India Project in Nicaragua in December 2014. The PFS details an open pit gold mineral reserve of 6.9 Mtonnes at 3.0 g/t gold for 675,000 oz gold, producing 80,000 oz gold pa for 7 years. The PEA for the open pit only scenario details 100,000 oz gold production pa for 8 years whereas the PEA for a combination of open pit and underground details 140,000 oz gold production pa for 8 years. La India Project contains a total attributable mineral resource of 18.08 Mtonnes at 4.0 g/t for 2.31 Moz gold and 2.68 Moz silver at 6.2 g/t to the CIM Code.

In El Salvador, Condor has an attributable 1,004,000 oz gold equivalent at 2.6 g/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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