

Condor Gold plc - Interim Report and Accounts for the Three and Six Months Ended 30 June 2018

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LONDON, August 14, 2018 - Condor Gold "Condor Gold", "Condor", the "Group" or the "Company"), (AIM: CNR; OTCQX: CNFGF; TSX: COG) presents its unaudited interim financial report together with Management's Discussion and Analysis for the three and six month periods to 30 June 2018. Both of the above have been posted on the Company's website www.condorgold.com and are also available on SEDAR at www.sedar.com.

Highlights for six months to 30 June 2018

- Successful secondary listing on the Toronto Stock Exchange;
- Amendment of Environmental and Social Impact Assessment ("ESIA") involving a re-designed mine infrastructure to avoid resettlement was submitted to the Nicaraguan Ministry of the Environment and Natural Resources ("MARENA") in application for the Environmental Permit to construct and operate a 2,800 tonnes per day ("tpd") processing plant with capacity to produce 100,000 oz gold per annum;
- Final site visit inspection completed by the "Inter-Institutional Committee" which comprises of three Ministries and representatives from the local Mayors' offices;
- Additional technical studies completed and submitted to MARENA following the site visit inspection;
- £2.5 million raised through a private placement;
- Positive rock chip assay results and detailed geological mapping progress the plan to define a major gold district around La India Project;
- Appointment of Andrew Cheadle as a Non-Executive Director based in Canada with 30 years industry experience, strengthens the Board.

Post Period Highlights

MARENA completed a positive review of the ESIA, including amendments, and formally notified the Company to proceed to a Public Consultation on July 13, 2018. The turn out was high; a total of 499 people registered and attended the Public Consultation at which the technical, environment and social aspects of a new mine were presented and discussed in a transparent manner. During presentations of the Project to community groups and house-to-house visits the Company received over 600 expressions of interest in/applications for new jobs.

On August 6, 2018, the Company announced that MARENA had granted the Company the key Environmental Permit for the development, construction and operation of a processing plant with capacity to process up to 2,800 tpd. Gold production is expected to be approximately 80,000 ounce ("oz") gold per annum from a single open pit, with the La India project representing a US\$120 million investment and creating an estimated 1,000 new jobs.

Mark Child, Chairman and Chief Executive of Condor Gold, commented:

"This has been a very encouraging first half year period for the Company. A re-designed mine site infrastructure to avoid community resettlement and amended ESIA were submitted to MARENA in January 2018. We subsequently held several encouraging meetings with key Ministries. A final site visit inspection was completed in March 2018 by the 'Inter-Institutional Committee', which is comprised of three Ministries and representatives from the local Mayors' offices. Further technical studies were subsequently submitted to MARENA. MARENA then completed a positive review of the ESIA, including amendments, and formally notified the Company to proceed to a Public Consultation on July 13, 2018.

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Environmental Permit for the development, construction and operation of a processing plant with capacity to process up to 2,800 tpd. Gold production is expected to be approximately 80,000 oz gold per annum from a single open pit, with the La India project representing a US\$120 million investment and creating approximately 1,000 new jobs."

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

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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 summarised 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 grams per tonne ("g/t") gold for 675,000 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

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 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

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: to the Company's plans, mineral resources and mineral reserves, production rates and the economic impact on the 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, 2017 and dated March 29, 2018, available under the Company's SEDAR profile at 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.

Condor Gold plc HIGHLIGHTS

FOR THE THREE AND SIX MONTHS TO 30 JUNE 2018

Condor Gold plc ("Condor Gold", "Condor", the "Group" or the "Company"), (AIM: CNR; OTCQX: CNFGF; TSX: COG) presents its unaudited interim financial report together with Management's Discussion and Analysis for the three and six month periods to 30 June 2018. Both of the above have been posted on the Company's website www.condorgold.com and are also available on SEDAR at www.sedar.com.

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[Condor Gold plc](#)
CHAIRMAN'S STATEMENT
FOR THE THREE AND SIX MONTHS TO 30 JUNE 2018

Dear Shareholder,

I am pleased to present [Condor Gold plc's](#) ("Condor Gold", "Condor", the "Group" or the "Company" www.condorgold.com) unaudited interim financial report for the three and six months ended 30 June 2018.

On January 15, 2018, Condor announced that the Company's ordinary shares commenced trading on the Toronto Stock Exchange (the "TSX") under the symbol COG, via a non-offering, long form prospectus. The listing constitutes an important milestone for Condor Gold, providing a local trading platform for existing and new Canadian shareholders and investors. The vast majority of mining and exploration companies operating in South America are TSX/TSX-V listed and, in my opinion, Canadian investors will find Condor a compelling investment that is undervalued compared to its TSX/TSX-V listed peer group. The Company's shares are now dual listed on the TSX and on the AIM market of the London Stock Exchange; its shares also trade on the OTCQX. In order to facilitate the settlement process for a dual listed company, the management of the share register of the Company was changed to Computershare both in the UK and Canada.

In January 2018, Condor formally submitted an amendment to an Environmental and Social Impact Assessment ("ESIA") to the Ministry of Environment and Natural Resources in Nicaragua ("MARENA"), which is part of an application for an Environmental Permit, to develop, construct and operate a processing plant with capacity to process up to 2,800 tonnes per day ("tpd") or one million tonnes per annum ("tpa"), without the need to resettle approximately 330 houses or 1,000 people. The main changes are a redesigned open pit, the relocation of the processing plant 1,200 meters from the village, the possible elimination of the southern waste dump, the elimination of the road relocation in year three of production and the relocation of the explosives magazine. A five metre high berm is planned between the redesigned open pit and the village to reduce noise and dust pollution. The mine site surface area requirements will be reduced by over 30% to approximately 500 hectares. Revised mine scheduling studies have been significantly advanced during the period. Gold production is expected to be approximately 80,000 oz gold per annum. The Company does not expect that the changes to the La India Project as detailed in the amended ESIA will materially change the mineral reserves, mineral resources and the production rate disclosed in the Technical Report.

On March 13, 2018 the Inter-Institutional Committee comprising of 10 technicians from three Ministries (MARENA, the Ministry of Energy & Mines and the Ministry of Forestry), and representatives from the local Mayors' offices conducted a final site visit inspection of the re-designed mine site infrastructure, which avoids resettlement. The Inter-Institutional Committee submitted a letter to Condor in mid-April 2018 asking further questions, which were all technical in nature. The Company spent approximately US\$50,000 on additional

mining and engineering studies to support the amended ESIA previously submitted to MARENA, and in order to reply to the questions asked by the Inter-Institutional Committee following the site visit inspection. The formal reply was submitted by end-June 2018.

The Company's primary focus during the period has been to improve and enhance its social work and activities in the local communities, thereby gaining a social licence to operate. To achieve this goal Condor strengthened its social team and stepped up social activities and engagement. The main local community focus is the drinking water programme, which was implemented in April 2017. A total of 347 families are currently benefiting from this programme and receive five gallon water dispensers on a weekly basis. In January, Condor initiated 'Involvement Programmes' with three groups in the local village to gain support for the mine. Taking the Elderly Group as an example, a committee of six people has been formed. The Company allocates monthly support to the Elderly Group, which decides how this money is spent to benefit the elderly in the Community.

Condor is re-permitting a historical mine area, adjacent to a former mining community, in which 40.5% of households can be categorised as being in poverty. Noranda Mining produced an estimated 576,000 oz of gold with a grade of 13.4 g/t gold over an 18-year period prior to the closure of the La India Mine in 1956. Since the closure of the mine, the village of La Cruz de La India has hit hard economic times. The site is located in a hilly, dry corridor of Nicaragua with no alternative form of employment. An independent economic report produced in October 2017 by FUNIDES, a local economic study group, estimates the former mining town of La Cruz de La India has a 40.5% Multi-Dimensional Poverty Index (the index used by Santo et al. (2015) was used to measure the poverty of 17 Latin American countries and measures five wellbeing dimensions: living conditions, basic services, income, education and employment). The construction and operation of a new gold mine will significantly reduce poverty, as it will create approximately 1,000 jobs; for every job in the mine there are an additional three to five indirect jobs providing services to the mine.

CONDOR GOLD PLC
CHAIRMAN'S STATEMENT (CONTD.)
FOR THE THREE AND SIX MONTHS TO 30 JUNE 2018

On 23 March 2018, the Company announced it had raised gross proceeds of £2.5 million by way of a private placement of new ordinary shares representing 9.5% of the Company's existing issued share capital. The overwhelming majority of the placement consideration was from existing shareholders; I thank them for their continued support, (See RNS for details). The stated use of the placement proceeds is to see the Company through the final stages of permitting a 2,800tpd processing plant with capacity to produce 80-100,000 oz gold per annum at La India Project, Nicaragua and the placing has therefore succeeded in its objective.

During the six-month period the primary focus of the Company was to obtain the Environmental Permit. However, within the confines of a limited exploration budget, exploration activity continued with a focus on proving a major gold district at La India Project via the relatively inexpensive methods of geological mapping, rock chip sampling and trenching. A re-logging of the diamond drill core of the main vein sets was also completed, aimed at improving the integrity of the geological model, especially in the area of historical mining.

Condor has a dual exploration strategy. Firstly, to expand the mineral resource at La India Project by one million ounces of gold. La India Project currently contains a mineral resource in the Indicated category of 9.6 million tonnes ("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 mineral resource includes a mineral reserve. La India open pit disclosed in the Pre-Feasibility Study ("PFS") has an existing probable mineral reserve of 6.9 Mt at 3.01 g/t gold for 675,000 oz gold. Secondly, to demonstrate a major gold district of four to five million ounces of gold within the 313 km² La India Project.

The geological team, led by Dr Warren Pratt, has developed a multi-disciplined approach combining detailed geological mapping, a soil geochemistry survey, a helicopter-borne geophysics survey and continued updating of the structural geology model to generate exploration targets and prove a major gold district. The structural geology model and soil geochemistry survey concluded that there are two major mineralised basement feeder zones: the La India Corridor and the Andrea Corridor which are parallel to each other, running north-north-west to south-south-east through the La India Project, cut by the Highway Fault, (which down-throws the south-eastern part of the District, and is in turn cut by a west-west link structure). The structural setting is complex; La India Project has approximately 105 kilometre ("km") strike length of

identified to date veins, of which 55 km have been trenched or mapped in any detail; only 13.2 km have been drill-tested (see RNS dated 1st August 2017). There is no shortage of exploration targets, which are constantly being prioritised and re-prioritised as geological work continues. Once prioritised, exploration targets are initially followed up with trenching and scout drilling.

During the period, Condor's geologists completed detailed geological mapping of prioritised vein targets. The main focus was on the north-west extension of the Mestiza Vein Set. This follows on from the discovery of a high grade ore shoot "the Big Bend" on the Tatiana Vein during the second half 2017 and after the analysis of 44 drill holes (5,922 metres) completed in 2017. A combined total of circa 78,500 metres of previous drilling by Condor and other exploration companies has now been completed in the area. Company studies indicated there is the potential for an open pit mineral resource on the Mestiza Vein Set. Together, with the America and Central Breccia open pits, Mestiza would mark a potential third feeder pit to compliment the main La India open pit mineral reserve.

The Cacao vein remains a high priority target as exploration results indicate it is at the top of an epithermal boiling zone and therefore the gold system beneath it should theoretically be preserved. A major programme of drilling (5,000 metres) has been planned for Cacao and its eastern extension - a mineralised structure that has been identified over a 3.0 km strike length. High grade gold was intersected in drilling at Cacao in late 2016/early 2017 and this vein is, therefore, a priority target to increase the district mineral resource.

Condor is committed to complying with the IFC Performance Standards, which are an international benchmark for identifying and managing environmental and social risk. Condor has put considerable time and effort into fulfilling the requirements of an Environmental Social Action Plan ("ESAP"), which was agreed to with IFC as part of their investment process.

La India Project has now met the conditions of the agreed ESAP. The Company's fulfilment of the ESAP items, to the satisfaction of the IFC, is establishing an excellent base for the sustainability of a future mine at the La India Project. Implementation of the IFC Performance Standards help Condor manage and improve our environmental and social performance through an outcomes-based approach and also provide a solid base from which the Company may increase the sustainability of its business operations and provides benefits for all shareholders.

Turning to the financial results for the six months to 30 June 2018, the loss for the six month period was £1,287,531. Gross proceeds of £2.5 million were raised during the period: 5,813,953 ordinary shares were issued at a price of 43 pence per share, while the Company issued 2,906,975 warrants to shareholders as part of a placement. All of these warrants have an exercise price of 65 pence per share and are exercisable for two years from grant date. There are currently 67,179,335 ordinary shares in issue. The cash equivalents at 30 June 2018 were £1,567,492.

Mark Child
Chairman and CEO

[Condor Gold plc](#)

REVIEW OF OPERATIONS AND PROJECT OVERVIEW FOR THE THREE AND SIXMONTHS TO 30 JUNE 2018

LA INDIA PROJECT

In January 2018, Condor formally submitted an amendment to an Environmental and Social Impact Assessment ("ESIA") to the Ministry of Environment and Natural Resources in Nicaragua ("MARENA"), which is part of an application for an Environmental Permit, to construct and operate a processing plant with capacity to process up to 2,800 tonnes per day ("tpd") or one million tonnes per annum ("tpa"), without the need to resettle approximately 330 houses or 1,000 people. The main changes are a redesigned open pit, the relocation of the processing plant 1,200 meters from the Village, the possible elimination of the southern waste dump, the elimination of the road relocation in year three of production and the relocation of the explosives magazine. A five-metre-high berm is planned between the redesigned open pit and the Village to reduce noise and dust pollution. The mine site surface area requirements will be reduced by over 30% to approximately 500 hectares. Exploration activity continued with a focus on proving a major gold district at La India Project via geological mapping, rock chip sampling and trenching. A re-logging of the diamond drill core

of the main vein sets was completed, improving the integrity of the geological model, especially in the areas of historical stoping.

Exploration Activity

During the period, Condor's geologists completed detailed geological mapping of prioritised vein targets. The main focus was on the northwest extension of the Mestiza Vein Set. This follows on from the discovery of a high grade ore shoot "the Big Bend" on the Tatiana Vein during the second half 2017 and follows on from the analysis of 44 drill holes (5,922.30 metres).

Evaluation of drilling results and new geological modelling (wireframing) of the Tatiana Vein demonstrated the need to do the same exercise for the America Vein set, with the goal of identifying potential high-grade shoots where exploration drilling could subsequently be focused. In November 2017 it was decided to extend detailed mapping and sampling of veins to the America vein set. Parallel to this effort, a complete relogging of the existing diamond drill core was planned to improve the geological knowledge, including stratigraphy, lithological code consistency, structural features, veins and clarify the logging of mine voids.

A relogging exercise was also undertaken for the La India Vein Set. To enhance the database integrity, intervals where sampling contained no recovery data, sampling of redrilled material or colluvium, were identified and the database modified accordingly. In cases of doubt assays were appropriately removed from the database and recorded as such.

To further enhance geological data integrity possible mine voids intersected by both diamond and reverse circulatory drilling were re-examined in detail to discriminate between true voids and zones of bad or no recovery. Criteria used were length of drill interval, geotech and daily drilling report comments, and evaluation of lithology above and below intervals. Core boxes and original photographs were compared.

Geological modelling of stratigraphy, mineralised veins and faults began for both the America and La India veins using the new data from the relogging campaign. This work aimed to identify new high grade zones and create 3D wireframes to aid in the layout of exploration drill programmes to 'correctly' intersect veins. A number of promising structures were successfully modelled:

1. At La India, modelling has been completed for the following stratigraphy and structures (Figure 1):
 - a. base of the Andesite
 - b. top of the Mestiza Tuff (lithology code WTUF)
 - c. top of the xenolithic felsic flow (XPDA)
 - d. top of the felsic flow (FELS)
 - e. top of the bedded tuff (TUF) and accretionary lapilli tuff (ATUF);
2. The Highway Fault, an important post-mineral fault, comprising several strands;
3. A NE-striking fault south of the Highway Fault that drops down the TUF and ATUF to the west (Figures 2 and 3).

An alignment of fault breccias is observed at the north end of La India. This may be the extension of the main La India structure, but is not mineralised at this location.

[Condor Gold plc](#)
REVIEW OF OPERATIONS AND PROJECT OVERVIEW
FOR THE THREE AND SIX MONTHS TO 30 JUNE 2018

Image: <https://www.accesswire.com/users/newswire/images/509846/condorgold1.png>

Figure 1. Screen capture of a long section of the La India vein from SE (left) to NW (right) showing wireframes of stratigraphic units and structures. La India vein (pink), base of andesites (green), top of XPDA (maroon, top of WTUF (brown), top of ATUF (cyan) and top of FELS (pink); red represents the Highway Fault.

Image: <https://www.accesswire.com/users/newswire/images/509846/condorgold2.png>

Figure 2. Screen capture of a plan view of La India vein from NW (left) to SE (right) showing model for the Highway Fault (in red). Red dots show tectonic breccias that clearly align themselves in areas of major faults. Black lines indicate potential faults that need to be modelled; fault breccias and stratigraphic offsets are apparent.

Image: <https://www.accesswire.com/users/newswire/images/509846/condorgold3.png>

Figure 3. Screen capture of a long section view of La India vein from SE (left) to NW (right) showing potential fault (black line) displacing ATUF unit (cyan) to the west.

At the America target, geological modelling has been completed for the base of the andesites and base of a major welded tuff (Mestiza Tuff); future work will include modelling the volcanic breccias and tuffs.. The America, Constanica, Escondido, Natalia and Guapinol are individually wireframed (Figure 4).

With the new relogging data, a complete revision and interpretation of the La India Vein cross sections was completed by Dr. Warren Pratt, who has proposed a new 5,000 metre drill programme to test lateral and downdip extensions of known, and postulated, high grade zones.

Image: <https://www.accesswire.com/users/newswire/images/509846/condorgold4.png>

Figure 4. Screen capture of an oblique view up the America valley from SE (left) to NW (right) showing stratigraphic wireframes: base of andesite (green); base of volcanic breccia (gold) and base of welded tuff (brown). Veins are America (cyan), Constanica (pink), Escondido (lime green), Guapinol (grey) and Natalia (orange).

Encouraging drill results from the easternmost drill hole at Andrea (LIDC 341, completed February 2017), the eastern extension of the Andrea vein led to a focus for mapping and surface sampling. Similarly, good drill results from Cacao were followed up with mapping and sampling. A total of 67 rock chips were collected from these areas.

At the Andrea east extension, a series of eight channel samples was taken (see Figure 5). Significant mineralisation was observed at LICT15 (4.0 metre at 1.79 g/t Au), LICT20 (5.6 metre at 1.65 g/t Au) and LICT21 (3.0 metre at 3.6 g/t Au). The variety of epithermal vein textures, including bladed calcite replaced by quartz, chalcedony, hydrothermal breccias and amethyst, is very encouraging. Informal miners are currently exploiting the shallow extent of the mineralisation. This area is now a priority drill target and an exploration programme has been designed to test the extent of mineralisation to NI 43-101 standards.

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REVIEW OF OPERATIONS AND PROJECT OVERVIEW
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Image: <https://www.accesswire.com/users/newswire/images/509846/condorgold5.jpg>

Figure 5. Channel sample results from Andrea East, El Rodeo concession.

At the Cacao target a channel sample of quartz vein stockwork along the eastern extension of the main Cacao structure, and next to artisanal mine workings - all with significant gold mineralisation - returned values of <0.1 g/t Au. The vein has been interpreted as having a pinch and swell character, consequently additional sampling is planned. It is noted that assays of nearby rock samples have been encouraging. A significant programme of exploration drilling (5,000 metres) has been planned for Cacao and its eastern extension. As noted previously, high grade gold was intersected in late 2016/early 2017. the Cacao Vein is a

priority target to identify additional mineral resources.

Reconnaissance mapping and prospecting were completed in the northern part of La Cuchilla concession; soil sampling defined anomalies along a trend northwest of Los Limones and Andrea in 2017. Soil anomalies of Te, As, Sb, Ag, Cu, Tl and Mo and some rock chip samples with gold grades indicate that this as an area of potential. New prospecting identified abundant sulphides and argillic alteration. Furthermore, 49 rock chip samples were taken and assayed returning anomalous gold values. The abundance of quartz vein material and rock chips with anomalous gold values is beginning to emphasise a north-west trend (Figure 6) which will be further explored. Most samples obtained to date were from high ridges; future prospecting and mapping will target lower elevations to investigate if there are higher gold values in these areas.

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Image: <https://www.accesswire.com/users/newswire/images/509846/condorgold6.jpg>

Figure 6. Rock chip assay results above 0.1 g/t Au. Black arrow identifies new anomalous Au rock chips along a NW striking trend in the northern part of La Cuchilla concession.

Reconnaissance mapping was also completed in the Tierra Blanca concession, where silicified fossil reeds were identified during soil sampling in 2017. A silica sinter deposit has now been discovered. (Sinters are the product of hot springs and commonly found close to, or directly above, epithermal gold/silver veins e.g. McLaughlin (California), Cerro Blanco (Bluestone Resources, Guatemala)).

Rock exposures north of San Pedro (Figure 7) are typical of the area. There is a bed up to 0.5 metre thick with massive and banded chalcedony, fossilized reeds, pisoliths and gastropods. This sinter is interbedded with sub horizontal felsic pumice lapilli tuffs, basalt and andesite flows. Additional mapping required to identify additional areas of sinter to the west and east. Epithermal veins in this region may be concealed and more closely spaced soil sampling could be required to generate additional exploration targets.

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Image: <https://www.accesswire.com/users/newswire/images/509846/condorgold7.jpg>

Figure 7. Location of silica sinter deposit in south Tierra Blanca concession.

Finally, Condor has submitted of an application to the Ministry of Energy and Mines for the Las Cruces concession (174.2 km²) and the Los Cerritos concession (132.7 km²) to the northwest (Figure 8). If granted, Condor's total land holdings in the La India project would be 619 km².

Image: <https://www.accesswire.com/users/newswire/images/509846/condorgold8.jpg>

Figure 8. Concessions under application.

Dr. Warren Pratt
Senior Geological Consultant

Carlos Pullinger
Consultant Geologist

[Condor Gold plc](#)

REVIEW OF OPERATIONS AND PROJECT OVERVIEW
FOR THE THREE AND SIX MONTHS TO 30 JUNE 2018

Mining Studies

Mining and engineering activity for the first six months of 2018 has focused on support and clarification of technical issues surrounding the amended EIA submission described in the Condor press release of February 28, 2018. In addition, Condor regularly conducts additional studies for improvements for safety, strategic planning and economic improvements to the project.

Requests from the permitting agencies in Nicaragua for the Amended EIA required that additional engineering detail be provided to describe the changes to the original PFS study, namely:

- The mine footprint was reduced to avoid village relocation and maintain a 100 metre minimum distance
- A safety berm was designed to reduce noise and dust from operations
- The tailings storage facility ("TSF") - additional detail drawing of the dam and liner. The TSF has not been moved
- Explosives storage - the explosive storage location has been moved to a location north of the highway to reduce land requirements and eliminate a highway crossing
- Information on blasting practices
- Surface water management - pumping and routing diagrams
- Plant relocation - the processing plant was moved 1.5km to the northeast to reduce noise impacts. Plant capacity has not been changed
- Elimination of the NIC-26 highway relocation

The majority of this work was performed by local engineering vendor familiar with the permitting process in Nicaragua.

The decision to reduce the size of the open pit to exclude the La India village prompted an analysis to demonstrate material impact, if any, on mineral resources and mineral reserves. This work included a revised pit design conforming to the PFS pit slopes, which included fully designed pits, phases and production schedules. Initial results and subsequent design refinements indicate that the revised pit design will not materially affect either metal production oreconomics from PFS expectations, or the Project's mineral reserves and mineral resources.

Condor notes that the mineral resources excluded in the revised mine plan remains an underground development target for future study.

In addition to the mine redesign, Condor requested that the vendor conduct a review of the geotechnical pit slope parameters defined within the PFS. This analysis resulted in no changes to the SRK geotechnical recommendations that were contained within the PFS.

Condor has also undertaken a number of studies to determine and support contract mining estimates from the PFS and update those estimates with quotes from local contract mining vendors. These vendors have provided estimates that support the contract mining estimates included with the 2014 PFS study.

Several entities have requested consideration of dewatered tailings as an alternative to the conventional TSF envisioned in the PFS. Considerations of such an option is standard practice for developing operations. A conceptual study has been solicited and is awaiting completion during the third quarter of 2018.

Dave Crawford
Consultant Mining Engineer

[Condor Gold plc](#)
REVIEW OF OPERATIONS AND PROJECT OVERVIEW
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Social work

Condor continues working with La India village and communities into the directly impacted area to improve social engagement and explain the economic and social benefits of the Project.

Condor strengthened the social team by hiring a specialist in social investment and communal development for leading the social contributions and developing training programmes and small business projects when the project moves to next stage. This new enrolment was combined with the two hiring's at the end of 2017, one expert in alliances with experience in fundraising for social projects in rural areas in Nicaragua and a geologist specialised in geomechanics to strengthen the artisanal mining team.

In December 2017, Condor started an involvement programme with communal organisations which represent key sectors of community such as elderly, local businessman, APROSAIC (local association for development initiatives) and water committee. These communal organisations cover almost 40% of La India population. The Company worked very closely with these local organisations and planned social activities every month with villagers.

Condor Gold continues implementing the purified water programme to alleviate a water scarcity suffered in the community by giving purified water weekly to each family in the community; a total of 357 families are enrolled in this programme which began in April 2017.

Condor continued promoting stakeholder engagement communication processes, providing information about the Project to villagers and stakeholders. In the first semester the information office located in La India received more than 800 visits from villagers. A grievance mechanism continued to be implemented.

The social and environmental team also continued implementing the Participatory Water Monitoring Programme which has a participatory water sample process and then a disclosure process of the results of the monitoring in each community involved.

Condor changed its Nicaraguan PR agency to implement a new PR strategy to focus on national opinion influencers and decision makers in the private sector such as the national media and business chambers. A new strategy for social media was implemented to improve the interaction and information flow of La India Mine project and social benefit to the communities. Likewise, a new website was launched for local audience and a public YouTube channel was created to upload videos from the Company.

Aiser Sarria
General Manager Mina La India

[Condor Gold plc](#)

REVIEW OF OPERATIONS AND PROJECT OVERVIEW FOR THE THREE AND SIX MONTHS TO 30 JUNE 2018

Environmental Work

Implementation of the Environmental and Social Management System continues with the implementation of programmes and procedures in the areas of Environment, Social and Community, Health and Safety, Human Resources and Administration. In addition, Environmental Awareness activities have been implemented with the villagers and Condor's workers. In compliance with IFC commitments, Condor presented on 2 March its AMR 2017 report and has presented all Quarterly Reports during this period. Furthermore, Condor submitted and received comments on its modified Communication Plan.

During the period, Condor focused on the implementation and follow-up of its reforestation plans in Espinito-Mendoza and Real de la Cruz concessions; completing a total of 1080 trees planted in Espinito-Mendoza and 1,400 trees in Real de la Cruz. Condor completed the reforestation commitment for the Real de la Cruz concession as stated in its Exploration Permit; maintenance and compensation areas will follow. Revegetation of areas affected by the previous exploration campaign in La India and Espinito-Mendoza concession were completed. Condor also created a tree nursery in its La India concession, which holds 3980 trees and plants to be used in the reforestation plans and campaigns. On 2

May, Condor conducted water sampling at 12 sites with the participation of representatives from seven communities, government institutions and Condor's environment team, as part of its Participatory Water Monitoring Programme.

In January, Condor submitted to MARENA a modified proposal of its EIA on La India project, which included a 130-pages document detailing the reduction of the open pit, elimination of the waste rock dump south, elimination of the road deviation and relocation of proposed sites for the plant, powder magazine and camp facilities. This proposal eliminated the need for the resettlement of La India village. A technical inspection by the Interinstitutional Commission was undertaken on 13 March.

On 16 April, MARENA requested further information related to the EIA on La India project, including several studies on hydrology, hydrogeology, geotechnical, fuel station design, powder magazine design, preliminary water management studies, updated forestry inventory and compensation, as well as information related to artisanal mining in the area. Condor submitted a 450-pages document with all required studies on 27 June. Several meetings with MARENA and MEM have been held as follow up on the permitting process.

During this period, Condor requested to MARENA the extension and renovation of its special permit for Los Limones in Rodeo concession, and its Exploration Permit for Real de la Cruz concession. MARENA requested a special report for the Real de la Cruz concession, which was submitted on 21 June.

Condor continues monitoring surface water flow at five sites and groundwater level at 17 sites as part of its hydrology and hydrogeology baseline studies.

Irene Chow
Environmental Manager

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CURRENT CONCESSION HOLDINGS

Nicaragua Projects

Project	Concession	Ownership	Expiry Date	Area (km ²)
La India Project	La India	100% Owned	January 2027	68.50
	Espinito Mendoza	100% Owned	November 2026	2.00
	Cacao	100% Owned	January 2032	11.90
	Santa Barbara	100% Owned	April 2034	16.20
	Real de la Cruz	100% Owned	January 2035	7.66
	Rodeo	100% Owned	January 2035	60.40
	La Mojarra	100% Owned	June 2029	27.00
	La Cuchilla	100% Owned	August 2035	86.39
	El Zacatoso	100% Owned	October 2039	1.00
	Tierra Blanca	100% Owned	June 2040	32.21

	<i>Subtotal</i>			313.26
Boaco	Rio Luna	100% Owned	June 2035	43.00
RAAN	Estrella	100% Owned	April 2035	18.00
Nueva Segovia	Potrerrillos	100% Owned	December 2031	12.00
TOTAL				386.26

All concessions in Nicaragua are combined exploration and exploitation concessions.

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CURRENT LA INDIA PROJECT CIM CODE MINERAL RESOURCE

The following Mineral Resource estimations set out Condor's Mineral Resource Statement as at 30 September 2014 for the La India Project, as disclosed in the Technical Report.

Table 1. CIM Compliant Mineral Resource Statement as at 30 September 2014 for the La India Project (SRK Consulting (UK) Ltd.).

SRK MINERAL RESOURCE STATEMENT SPLIT PER VEIN as of 30 September 2014 ^{(4),(5),(6), (7)}

Category	Area Name	Vein Name	Cut-Off	gold			silver	
				Tonnes (Kt)	Au Grade (g/t)	Au (Koz)	Ag Grade (g/t)	Ag (Koz)
Indicated	La India veinset	La India/California ⁽¹⁾	0.5 g/t (OP)	8,267	3.1	832	5.5	1,462
		La India/California ⁽²⁾	2.0 g/t (UG)	706	4.9	111	10.6	240
	America veinset	America Mine	0.5 g/t (OP)	114	8.1	30	4.9	18
		America Mine	2.0 g/t (UG)	470	7.3	110	4.7	71

		La India/ California ⁽¹⁾	0.5 g/t (OP)	895	2.4	70	4.3	122
		Teresa ⁽³⁾	0.5 g/t (OP)	4	6.6	1		
	La India veinset	La India/ California ⁽²⁾	2.0 g/t (UG)	1,107	5.1	182	11.3	401
		Teresa ⁽²⁾	2.0 g/t (UG)	82	11.0	29		
		Arizona ⁽³⁾	1.5 g/t	430	4.2	58		
		Agua Caliente ⁽³⁾	1.5 g/t	40	9.0	13		
		America Mine	0.5 g/t (OP)	677	3.1	67	5.5	120
	America veinset	America Mine	2.0 g/t (UG)	1,008	4.8	156	6.8	221
Inferred		Guapinol ⁽³⁾	1.5 g/t	751	4.8	116		
		Tatiana ⁽³⁾	1.5 g/t	1,080	6.7	230		
	Mestiza veinset	Buenos Aires ⁽³⁾	1.5 g/t	210	8.0	53		
		Espinito ⁽³⁾	1.5 g/t	200	7.7	50		
	Central Breccia	Central Breccia ⁽¹⁾	0.5 g/t (OP)	922	1.9	56		
	San Lucas	San Lucas ⁽³⁾	1.5 g/t	330	5.6	59		
	Cristalito-Tatescama	Cristalito-Tatescama ⁽³⁾	1.5 g/t	200	5.3	34		
	El Cacao	El Cacao ⁽³⁾	1.5 g/t	590	3.0	58		

Notes

(1) The La India, America and Central Breccia pits are amenable to open pit mining and the Mineral Resource Estimates are constrained within Whittle optimised pits, which SRK based on the following parameters: a gold price of U.S.\$1,500 per ounce of gold with no adjustments; prices are based on experience gained from other SRK projects; metallurgical recovery assumptions of 91% for gold, based on assumptions provided by the Company, marginal costs of U.S.\$19.2/t for processing, U.S.\$5.63/t G&A and U.S.\$2.47/t for mining; and slope angles defined by the Company geotechnical study which range from angle 46 - 48°.

(2) Underground Mineral Resources beneath the open pit are reported at a cut-off grade of 2.0 g/t over a minimum width of 1.0 m. Cut-off grades are based on a price of U.S.\$1,500 per ounce of gold and gold recoveries of 91% for resources, costs of U.S.\$19.00/t for processing, U.S.\$10.0/t G&A and U.S.\$50.0/t for mining, without considering revenues from other metals.

(3) Mineral Resources as previously quoted by SRK (December 22, 2011) are reported at a cut-off grade of 1.5 g/t, and have not been updated as part of the current study due to no further detailed exploration.

(4) Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate and have been used to derive sub-totals, totals and weighted averages. Such calculations inherently involve a degree of rounding and consequently introduce a margin of error. Where these occur, SRK does not consider them to be material. All composites have been capped where appropriate. The Concession is wholly owned by and exploration is operated by [Condor Gold plc](#)

(5) The reporting standard adopted for the reporting of the MRE uses the terminology, definitions and guidelines given in the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Standards on Mineral Resources and Mineral Reserves (May 2014) as required by NI 43-101.

(6) SRK completed a site inspection to the deposit by Mr. Benjamin Parsons, MSc (MAusIMM(CP), Membership Number 222568), an appropriate "independent qualified person" as this term is defined in NI 43-101.

(7) The Mineral Resources are inclusive of the Mineral Reserves.

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Table 2. Summary of La India Project Mineral Resource Statement as of 30 September 2014 (SRK Consulting (UK) Ltd.).

				<i>Tonnes (Kt)</i>	<i>Au Grade (g/t)</i>	<i>Au (Koz)</i>	<i>Ag Grade (g/t)</i>	<i>Ag (Koz)</i>
SRK MINERAL RESOURCE STATEMENT SPLIT PER VEINSET as of 30 September 2014 (4),(5),(6),(9)								
						<i>gold</i>		<i>silver</i>
<i>Category</i>	<i>Area Name</i>	<i>La India Veinset Name</i>	<i>Cut-off Grade</i>					
			0.5 g/t (OP) ⁽¹⁾	8,267	3.1	832	5.5	1,462
Indicated	Subtotal Areas		2.0 g/t (UG) ⁽²⁾	706	4.9	111	10.6	240
		America veinset	0.5 g/t (OP) ⁽¹⁾	114	8.1	30	4.9	18
			2.0 g/t (UG) ⁽²⁾	470	7.3	110	4.7	71
			0.5 g/t (OP) ⁽¹⁾	899	2.5	71	4.3	122
		La India veinset	2.0 g/t (UG) ⁽²⁾	1,189	5.5	211	11.3	401
Inferred	Subtotal Areas		1.5 g/t ⁽³⁾	470	4.7	71		
			0.5 g/t (OP) ⁽¹⁾	677	3.1	67	5.5	120
		America veinset	2.0 g/t (UG) ⁽²⁾	1,008	4.8	156	6.8	221
			1.5 g/t ⁽³⁾	751	4.8	116		
		Mestiza veinset	1.5 g/t ⁽³⁾	1,490	7.0	333		
		Central Breccia	0.5 g/t (OP) ⁽¹⁾	922	1.9	56		
	Other veins							

1.5 g/t⁽³⁾

1,120

Tonnes (Kt) Au Grade (g/t) Au (Koz) Ag Grade (g/t) Ag (Koz)

Notes

(1) The La India, America and Central Breccia pits are amenable to open pit mining and the Mineral Resource Estimates are constrained within Whittle optimised pits, which SRK based on the following parameters: a gold price of U.S.\$1,500 per ounce of gold with no adjustments; prices are based on experience gained from other SRK projects; metallurgical recovery assumptions of 91% for gold, based on assumptions provided by the Company, marginal costs of U.S.\$19.2/t for processing, U.S.\$5.63/t G&A and U.S.\$2.47/t for mining; and slope angles defined by the Company geotechnical study which range from angle 46 - 48.

(2) Underground Mineral Resources beneath the open pit are reported at a cut-off grade of 2.0 g/t over a minimum width of 1.0 m. Cut-off grades are based on a price of U.S.\$1,500 per ounce of gold and gold recoveries of 93% for resources, costs of U.S.\$19.0/t for processing, U.S.\$10.0/t G&A and U.S.\$50.0/t for mining, without considering revenues from other metals.

(3) Mineral Resources as previously quoted by SRK (December 22, 2011) are reported at a cut-off grade of 1.5 g/t, and have not been updated as part of the current study due to no further detailed exploration.

(4) Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate and have been used to derive sub-totals, totals and weighted averages. Such calculations inherently involve a degree of rounding and consequently introduce a margin of error. Where these occur, SRK does not consider them to be material. All composites have been capped where appropriate. The Concession is wholly owned by and exploration is operated by [Condor Gold plc](#)

(5) The reporting standard adopted for the reporting of the MRE uses the terminology, definitions and guidelines given in the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Standards on Mineral Resources and Mineral Reserves (May 2014) as required by NI 43-101.

(6) SRK completed a site inspection to the deposit by Mr. Benjamin Parsons, MSc (MAusIMM(CP), Membership Number 222568), an appropriate "independent qualified person" as this term is defined in National Instrument 43-101.

(7) Back calculated silver grade based on a total tonnage of 1,576 Kt as no silver estimates for Central Breccia (922 Kt).

(8) Back calculated silver grade based on total tonnage of material estimated for silver of 3,7731 Kt, for veins where silver assays have been recorded in the database.

(9) The Mineral Resources are inclusive of the Mineral Reserves.

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Table 3. Summary of La India Project Mineral Resource Statement as of 30 September 2014 (SRK Consulting (UK) Ltd.)

SRK MINERAL RESOURCE STATEMENT as of 30 September 2014 (4),(5),(6),(9)

Category	Area Name	Vein Name	Cut-Off	gold			silver	
				Tonnes (Kt)	Au Grade (g/t)	Au (Koz)	Ag Grade (g/t)	Ag (Koz)
Indicated		All veins	0.5 g/t (OP) ⁽¹⁾	8,382	3.2	862	5.5	1,480
	Grand total		2.0 g/t (UG) ⁽²⁾	1,176	5.9	221	8.2	312
	Subtotal Indicated			9,557	3.5	1,083	5.8	1,792
Inferred		All veins	0.5 g/t (OP) ⁽¹⁾	2,498	2.4	194	4.8 ⁽⁷⁾	242
			2.0 g/t (UG) ⁽²⁾	2,197	5.2	366	8.8	622
	Grand total		1.5 g/t ⁽³⁾	3,831	5.4	671		
	Subtotal Inferred			8,526	4.5	1,231	7.1 ⁽⁸⁾	865

Notes

(1) The La India, America and Central Breccia pits are amenable to open pit mining and the Mineral Resource Estimates are constrained within Whittle optimised pits, which SRK based on the following parameters: a gold price of U.S.\$1,500 per ounce of gold with no adjustments; prices are based on experience gained from other SRK projects; metallurgical recovery assumptions of 91% for gold, based on assumptions provided by the Company, marginal costs of U.S.\$19.2/t for processing, U.S.\$5.63/t G&A and U.S.\$2.47/t for mining; and slope angles defined by the Company geotechnical study which range from angle 46 - 48.

(2) Underground Mineral Resources beneath the open pit are reported at a cut-off grade of 2.0 g/t over a minimum width of 1.0 m. Cut-off grades are based on a price of U.S.\$1,500 per ounce of gold and gold recoveries of 93% for resources, costs of U.S.\$19.0/t for processing, U.S.\$10.0/t G&A and U.S.\$50.0/t for mining, without considering revenues from other metals.

(3) Mineral Resources as previously quoted by SRK (December 22, 2011) are reported at a cut-off grade of 1.5 g/t, and have not been updated as part of the current study due to no further detailed exploration.

(4) Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate and have been used to derive sub-totals, totals and weighted averages. Such calculations inherently involve a degree of rounding and consequently introduce a margin of error. Where these occur, SRK does not consider them to be material. All composites have been capped where appropriate. The Concession is wholly owned by and exploration is operated by [Condor Gold plc](#)

(5) The reporting standard adopted for the reporting of the MRE uses the terminology, definitions and guidelines given in the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Standards on Mineral Resources and Mineral Reserves (May 2014) as required by NI 43-101.

(6) SRK completed a site inspection to the deposit by Mr. Benjamin Parsons, MSc (MAusIMM(CP), Membership Number 222568), an appropriate "independent qualified person" as this term is defined in National Instrument 43-101.

(7) Back calculated silver grade based on a total tonnage of 1,576 Kt as no silver estimates for Central Breccia (922 Kt).

(8) Back calculated silver grade based on total tonnage of material estimated for silver of 3,7731 Kt, for veins where silver assays have been recorded in the database.

(9) The Mineral Resources are inclusive of the Mineral Reserves.

CURRENT LA INDIA PROJECT CIM CODE MINERAL RESERVE

Table 4. La India Open Pit Mineral Reserve Estimate for La India Project Mineral Resource Statement as of 21 December 2014 (SRK Consulting (UK) Ltd.).

Mineral Reserve Class

Proven

Probable

Total

Note

1. Open pit mineral reserves are reported at a cut-off grade of 0.75 g/t Au assuming: metal price of U.S.\$1,250 per ounce.

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STATEMENT REGARDING FORWARD-LOOKING AND TECHNICAL INFORMATION FOR THE THREE AND SIX MONTHS TO 30 JUNE 2018

Certain statements contained in this document 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 its document should not be unduly relied upon.

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

- mineral resource and mineral reserve estimates;
- targeting additional mineral resources and expansion of deposits;
- the impact of the redesigned La India open pit on the technical viability, economic attractiveness and anticipated gold production of the La India Project;
- the Company's expectations, strategies and plans for the La India Project, 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;
- 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 this document:

- mineral exploration, development and operating risks;
- estimation of mineralisation, mineral resources and mineral 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;
- material contract 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 of directors;
- market conditions;
- stress in the global economy;
- current global financial condition;
- exchange rate and currency risks;
- commodity prices;
- reliance on key personnel;

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STATEMENT REGARDING FORWARD-LOOKING AND TECHNICAL INFORMATION
FOR THE THREE AND SIX MONTHS JUNE 30,2018 (CONTD.)

- dilution risk; and
- payment of dividends; and
- other risks and uncertainties described under the heading "*Risk Factors*" in the Company's annual information form for the fiscal year ended December 31, 2017, dated March 29, 2018 and available under the Company's profile at www.sedar.com.

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 document are expressly qualified by this cautionary statement.

Although the forward-looking statements contained in this document are based upon assumptions which the Company believes to be reasonable, the Company cannot assure holders of ordinary shares of the Company that actual results will be consistent with these forward-looking statements. With respect to forward-looking statements contained in this document, 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 document in order to provide holders of ordinary shares of the Company 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 of this document 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.

TECHNICAL INFORMATION

Certain disclosure contained in this document relating to the La India Project 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 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 document.

Qualified Person: Mr Crawford has supervised the preparation of the geological technical information in this report. Mr Crawford has more than 30 years of relevant experience in project studies, mine design, economic analysis and resource estimation. He is a Registered Professional Engineer and a Qualified Person under Canadian National Instrument 43-101.

Quality Assurance and Control: Samples generated from soil sampling and drilling activities are shipped directly in security-sealed bags to Bureau Veritas preparation facility in Managua (ISO 9001). Samples shipped also include intermittent standards and blanks. Pulp samples are subsequently shipped to Bureau Veritas Acme Laboratories in Vancouver, Canada for analysis. For the drilling assays used for Mineral Resource estimations, five per cent of pulp samples are prepared and analysed by ALS Minerals in Vancouver, Canada (ISO 17025:2017 and ISO 9001:2015) and Bureau Veritas Laboratories (ISO 17025:2005 and ISO 9001:2015). Metallurgical tests were done on quartered core samples for La India, America and Central Breccia. No systematic mineralogy analysis has been carried out.

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE AND SIX MONTHS TO 30 JUNE 2018

	Six months to 30.06.18 unaudited £	Six months to 30.06.17 unaudited £	Three Months to 30.06.18 unaudited £	Three Months to 30.06.17 unaudited £
Revenue	-	-	-	
Share based payments	(466,305)	(1,655,688)	(240,562)	(1,988,900)
Administrative expenses	(822,184)	(1,689,791)	(445,012)	(403,200)
Operating loss	(1,288,489)	(3,345,479)	(685,574)	(2,392,200)
Finance income	958	-	721	
Loss before income tax	(1,287,531)	(3,345,479)	(684,853)	(2,392,200)
Income tax expense				

-

-

-

Loss for the period		(1,287,531)	(3,345,479)	(684,853)	(2,392,2
Other comprehensive income/(loss):					
Currency translation differences		192,411	1,521,217	902,966	2,053,2
Other comprehensive income/(loss) for the period		192,411	1,521,217	902,966	2,053,2
Total comprehensive income/(loss) for the period		(1,095,120)	(1,824,262)	218,113	(339,0
Earnings per share expressed in pence per share:					
Basic and diluted (in pence)	Note 7	(2.00)	(5.68)	(1.02)	(3.

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018

	30.06.18	31.12.17	30.06.17
	unaudited	audited	unaudited
	£	£	£
ASSETS:			
NON-CURRENT ASSETS			
Property, plant and equipment	230,195	271,319	304,792
Intangible assets	19,961,949	18,927,968	18,265,630
	20,192,144	19,199,287	18,570,422
CURRENT ASSETS			
Trade and other receivables	372,914	320,974	623,959
Cash and cash equivalents	1,567,492	946,261	3,168,265
	1,940,406	1,267,235	3,792,224
TOTAL ASSETS	22,132,550	20,466,522	22,362,646
LIABILITIES:			
CURRENT LIABILITIES			
Trade and other payables	340,822	445,030	353,392
TOTAL LIABILITIES	340,822	445,030	353,392

NET CURRENT ASSETS	1,599,584	822,205	3,438,832
NET ASSETS	21,791,728	20,021,492	22,009,254
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT			
Called up share capital	13,435,868	12,273,077	12,273,077
Share premium	33,662,309	32,426,049	32,426,047
Exchange difference reserve	773,986	581,575	2,163,498
Retained earnings	(26,080,435)	(25,174,153)	(24,764,909)
	21,791,728	20,106,548	22,097,713
Non-controlling interest	-	(85,056)	(88,459)
TOTAL EQUITY	21,791,728	20,021,492	22,009,254

[Condor Gold plc](#)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE 2018

	Attributable to owners of the Parent						Non controlling interest	Total equity
	Share capital	Share premium	Exchange difference reserve	Retained earnings	Total			
	£	£	£	£	£	£		
At 1 January 2017	10,582,129	28,875,061	632,526	(23,075,118)	17,014,598	(78,704)	16,935,894	
Loss for the period	-	-	-	(3,345,479)	(3,345,479)	-	(3,345,479)	
Other comprehensive income:								
Currency translation differences	-	-	1,530,972	-	1,530,972	(9,755)	1,521,217	
Total comprehensive income	-	-	1,530,972	(3,345,479)	(1,814,507)	(9,755)	(1,824,262)	
New shares issued	1,690,948	3,550,986	-	-	5,241,934	-	5,241,934	
Share based payment	-	-	-	1,655,688	1,655,688	-	1,655,688	

Total contributions by & distributions to owners of the parent, recognised directly in equity	1,690,948	3,550,986	-	1,655,688	6,897,622	-	6,897,622
At 30 June 2017	12,273,077	32,426,047	2,163,498	(24,764,909)	22,097,713	(88,459)	22,009,254
At 1 January 2018	12,273,077	32,426,049	581,575	(25,174,153)	20,106,548	(85,056)	20,021,492
Loss for the period	-	-	-	(1,287,531)	(1,287,531)	-	(1,287,531)
Other comprehensive income:							
Transactions with non-controlling interest	-	-	-	(85,056)	(85,056)	85,056	-
Currency translation differences	-	-	192,411	-	192,411	-	192,411
Total comprehensive income	-	-	192,411	(1,372,587)	(1,180,176)	85,056	(1,095,120)
New shares issued	1,162,791	1,337,210	-	-	2,500,001	-	2,500,001
Issue costs	-	(100,950)	-	-	(100,950)	-	(100,950)
Share based payment	-	-	-	466,305	466,305	-	466,305
Total contributions by & distributions to owners of the parent, recognised directly in equity	1,162,791	1,236,260	-	466,305	2,865,356	-	2,865,356
At 30 June 2018	13,435,868	33,662,309	773,986	(26,080,435)	21,791,728	-	21,791,728

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS TO 30 JUNE 2018

Cash flows from operating activities

Loss before tax

Share based payment

Depreciation charges

Finance income

Increase in trade and other receivables

(Decrease)/increase in trade and other payables

Net cash used in operating activities

Cash flows from investing activities

Purchase of intangible fixed assets

Purchase of tangible fixed assets

Interest received

Net cash used in investing activities

Cash flows from financing activities

Net proceeds from share issue

Net cash generated from financing activities

Increase in cash and cash equivalents

Cash and cash equivalents at beginning of period

Exchange gains on cash and bank

Cash and cash equivalents at end of period

[Condor Gold plc](#)

NOTES TO THE CONDENSED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS TO 30 JUNE 2018

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 adopted by the European Union and also as issued by the International Accounting Standards Board ("IASB"). It has been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") and should be read in conjunction with the annual financial statements for the year ended 31 December 2017 which have been prepared in accordance with IFRS as adopted by the EU and as issued by the IASB.

The interim results for the three and six months to 30 June 2018 are unaudited and the accounts in this interim report do not therefore constitute statutory accounts in accordance with Section 434 of the Companies Act 2006.

Statutory accounts for the year ended 31 December 2017 have been filed with the Registrar of Companies and the auditor's report was unqualified and did not contain any statement under Section 498(2) or 498(3) of the Companies Act 2006. The statutory accounts contained a material uncertainty in respect of going concern which referred to the Group's need to raise further funding in order to progress exploration activity. There were no other matters drawn to the attention of the users of the financial statements in the auditor's report.

The interim financial information for the three and six months ended 30 June 2018 was approved by the Board on 14 August 2018.

The directors do not propose an interim dividend.

While it is noted that the Company will require further finance within 12 months of the date of release of these financial statements, 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, together with the ability of the Company to raise finance in March 2018. The comparative period presented is that of the six months ended 30 June 2017.

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 and on www.Sedar.com.

2 . ACCOUNTING POLICIES

The interim financial information for the three and six months ended 30 June 2018 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 2017, which are available on the Company's website www.condorgoldplc.com and on SEDAR at www.sedar.com, as the Company does not anticipate the addition of new standards to the Group's results for the year ended 31 December 2018 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 the United Kingdom 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.

[Condor Gold plc](#)
NOTES TO THE CONDENSED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS TO 30 JUNE 2018

3. REVENUE AND SEGMENTAL REPORTING - continued

The Group's results by reportable segment for the six-month period ended 30 June 2018 are as follows:

	UK Six months to 30.06.2018 £	El Salvador Six months to 30.06.2018 £	Nicaragua Six months to 30.06.2018 £	Consolidation Six months to 30.06.2018 £
RESULTS				
Operating loss	(1,265,609)	-	(22,880)	(1,288,489)

Finance income	958	-	-	958
Income tax	-	-	-	-
Loss for period	(1,264,651)	-	(22,880)	(1,287,531)

The Group's results by reportable segment for the three-month period ended 30 June 2018 are as follows:

	UK Three months to 30.06.2018 £	El Salvador Three months to 30.06.2018 £	Nicaragua Three months to 30.06.2018 £	Consolidation Three months to 30.06.2018 £
RESULTS				
Operating loss	(672,264)	-	(13,310)	(685,574)
Interest income	721	-	-	721
Income tax	-	-	-	-
Loss for period	(671,543)	-	(13,310)	(684,853)

Assets

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

	UK 30.06.2018 £	El Salvador 30.06.2018 £	Nicaragua 30.06.2018 £	Consolidation 30.06.2018 £
ASSETS				
Total assets	2,333,466	-	19,799,084	22,132,550

	UK 30.06.2018 £	El Salvador 30.06.2018 £	Nicaragua 30.06.2018 £	Consolidation 30.06.2018 £
LIABILITIES				
Total liabilities	(126,841)	-	(213,981)	(340,822)

[Condor Gold plc](#)

NOTES TO THE CONDENSED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS TO 30 JUNE 2018

3. REVENUE AND SEGMENTAL REPORTING - continued

The Group's results by reportable segment for the restated six-month period ended 30 June 2017 are as follows:

	UK Six months to 30.06.2017 £	El Salvador Six months to 30.06.2017 £	Nicaragua Six months to 30.06.2017 £	Consolidation Six months to 30.06.2017 £
RESULTS				
Operating loss	(2,639,337)	-	(706,142)	(3,345,479)
Interest income	-	-	-	-
Income tax	-	-	-	-
Loss for period	(2,639,337)	-	(706,142)	(3,345,479)

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

	UK Three months to 30.06.2017 £	El Salvador Three months to 30.06.2017 £	Nicaragua Three months to 30.06.2017 £	Consolidation Three months to 30.06.2017 £
RESULTS				
Operating loss	(2,472,533)	-	80,314	(2,392,219)
Interest income	-	-	-	-
Income tax	-	-	-	-
Loss for period	(2,472,533)	-	80,314	(2,392,219)

Assets

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

	UK 30.06.2017 £	El Salvador 30.06.2017 £	Nicaragua 30.06.2017 £	Consolidation 30.06.2017 £
ASSETS				
Total assets	3,669,927	-	18,692,719	22,362,646

	UK 30.06.2017 £	El Salvador 30.06.2017 £	Nicaragua 30.06.2017 £	Consolidation 30.06.2017 £
LIABILITIES				
Total liabilities	(214,958)	-	(138,434)	(353,392)

[Condor Gold plc](#)NOTES TO THE CONDENSED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS TO 30 JUNE 2018

4. TAXATION

There is no current tax charge/(credit) for the period. The condensed financial statements do not include a deferred tax asset in respect of 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 six months ended 30 June 2018, the Group acquired assets with a cost of £845,062 (six months ended 30 June 2017: £1,606,526).

During the three months ended 30 June 2018, the Group acquired assets with a cost of £343,939 (three months ended 30 June 2017: £1,259,736).

6. EQUITY-SETTLED SHARE OPTION SCHEME AND WARRANTS

On 25 January 2018, the Company awarded 200,000 share options to Directors and senior management. All of these share options have an exercise price of 65 pence per share. No share options are exercisable for 12 months from the grant date and only up to 50% can be exercised in the following 12 months and therefore 100% are exercisable provided that the grantee remains with the Company.

On 28 March 2018, the Company issued 2,906,975 warrants to shareholders as part of a placement to raise gross proceeds of £2.5 million. All of these warrants have an exercise price of 65 pence per share and are exercisable for two years from grant date.

The estimated fair value of the options and warrants granted and charged to profit or loss in the period was;

	Six months to 30.06.18 unaudited £	Six months to 30.06.17 unaudited £	Three Months to 30.06.18 unaudited £	Three Months to 30.06.17 unaudited £
Share options charge	466,305	1,655,688	240,562	1,988,989

The fair value of options has been recognised within profit or loss, on a pro-rata basis over the vesting period. This fair value has been calculated using the Black-Scholes option pricing model. The latest inputs into the model were as follows:

	2018	2017
Share price	43p	63p
Exercise price	62p	93p
Expected volatility	54.2%	39.9%
Expected life (yrs.)	5	5
Risk free rate	0.5%	0.23%
Expected dividend yield	-	-

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NOTES TO THE CONDENSED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS TO 30 JUNE 2018

7. EARNINGS PER SHARE

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

A reconciliation is set out below:

	Six months to 30.06.18	Six months to 30.06.17
Basic EPS		
Loss for the period	(1,287,531)	(3,345,479)
Weighted average number of shares	64,530,756	58,933,199
Earnings per share (in pence)	(2.00)	(5.68)
	Three months to 30.06.18	Three months to 30.06.17
Basic EPS		
Loss for the period	(684,853)	(2,392,219)
Weighted average number of shares	67,179,335	58,933,199
Earnings per share (in pence)	(1.02)	(3.90)

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

Allotted and fully paid

Ordinary shares 67,179,335 of 20p each (30.06.17: 61,365,380 of 20p each)

On 23 March 2018, 5,813,953 ordinary shares were issued at a price of 43p per share.

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NOTES TO THE CONDENSED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS TO 30 JUNE 2018

9. RELATED PARTY TRANSACTIONS

During the half year the Company received consultancy advice from the following related parties:

Company	Related party
Axial Associates Limited	Mark Child
Burnbrae Limited	Jim Mellon
AMC Geological Advisory	Peter Flindell Andrew Cheath

10. SEASONALITY OF THE GROUP'S BUSINESS OPERATIONS

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

11. POST BALANCE SHEET EVENTS

The Company announced on 6 August 2018 that it had received the Environmental Permit from the Nicaraguan Minister

SOURCE: [Condor Gold plc](#)

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