

Interim Report and Accounts for the Three and Six Months Ended 30 June 2020

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LONDON, August 14, 2020 - [Condor Gold plc](#) ("Condor Gold", "Condor", the "Group" or the "Company"), (AIM:CNR)(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 2020. 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 three and six months to 30 June 2020

- ? On January 10, 2020, the Company announced the appointment of SP Angel Corporate Finance LLP as broker to the Company.
- ? The Company provided an update on January 28, 2020 on permitting for the La India Project. This included an extension granted until 27 July 2021 to complete the conditions of the key La India Environmental Permit.
- ? On February 28, 2020, the Company held Public Consultations in the local community as part of the environmental permitting process for the development and extraction of gold from the Mestiza and America open pits.
- ? On March 4, 2020, the Company announced a high-grade open pit mining scenario of total diluted mill feed of 1,637 thousand tonnes ("Kt") at a 4.65g/t gold diluted head grade containing 245,000 oz gold from 3 open pits while leaving the bulk of the La India open pit intact.
- ? The award of the environmental permit for the Mestiza open pit was announced by the Company on April 29, 2020. The Mestiza open pit hosts 92Kt at a grade of 12.1g/t gold (36,000oz contained gold) in the Indicated Mineral Resource category and 341Kt at a grade of 7.7g/t gold (85,000oz contained gold) in the Inferred Mineral Resource category. The Mestiza open pit is situated less than 4 kilometres from the location of the permitted processing plant for the La India open pit.
- ? The award of the environmental permit for the America open pit was announced by the Company on May 6, 2020. The America open pit hosts 114Kt at a grade of 8.1 g/t gold (30,000 oz contained gold) in the Indicated Mineral Resource category and 677Kt at a grade of 3.1 g/t gold (67,000 oz contained gold) in the Inferred Mineral Resource category. The America open pit compliments the already permitted La India and Mestiza open pits.
- ? Following the permitting of the Mestiza and America open pits, together with the La India open pit Condor has 1.12M oz gold open pit Mineral Resources permitted for extraction (8,583Kt at 3.3g/t gold for 903,000 oz gold in the Indicated category and 1,901Kt at 3.6g/t gold for 220,000 oz gold in the Inferred category), inclusive of a Mineral Reserve of 6.9Mt at 3.0g/t gold for 675,000 oz gold.
- ? On May 28, 2020 the Company announced a placing of 18,082,192 units, comprising an equivalent number of ordinary shares at a price of 36.5p per share, and 9,041,090 warrants with an exercise price of 40p, to raise in aggregate gross proceeds of £6,600,000 before expenses.
- ? On May 29, 2020 the Company announced that pursuant to receipt of notices for the exercise of warrants, it issued 2,984,986 new, ordinary shares with a nominal value of 20p each in the capital of the Company, comprising 312,499 at a subscription price of 31p per and 2,672,487 at a subscription price of 25p for which the Company received gross proceeds of £764,997 in total.
- ? On June 1 the Company announced that pursuant to receipt of notices for the exercise of warrants with an exercise price of 25p per warrant, it issued 817,927 new, ordinary shares with a nominal value of 20p each in the capital of the Company. The Company received gross proceeds of £204,482.

Post Period Highlights

- ? On July 10, 2020 the Company announced the purchase by Jim Mellon, a Director, of 400,000 ordinary shares in the Company at a price of 38p per ordinary share.
- ? On August 13, 2020 the Company announced that it had made significant progress in de-risking La India project through purchase of land in and around the permitted La India open pit mine site area and provided an update on key elements in advancing the project:
- ? Acquired 85% of the land within the permitted La India open pit mine site infrastructure, including the areas of the location of the processing plant, tailings storage facility, open pit, waste dump area, exploration magazine.
- ? Tailings Storage Facility and 2 water retention ponds are being fully designed by Tierra Group Inc. - 4 the engineering designs are completed.
- ? The design of the site wide water balance including a surface water management plan is underway and has been awarded to SRK Consulting (UK) Ltd.
- ? Preliminary designs for the layout of the mine site infrastructure including, in some detail, the design and location of the processing plant have been completed.
- ? Mine and waste dump schedules for a number of mining scenarios have been completed
- ? The power studies have been progressed and several meetings held with the Ministry of Energy and

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

"Condor currently has 1.12M oz gold open pit Mineral Resources permitted for extraction (8,583Kt at 3.3g/t gold for 903,000 oz gold in the Indicated category and 1,901Kt at 3.6g/t gold for 220,000 oz gold in the Inferred category) inclusive of a Mineral Reserve of 6.9Mt at 3.0g/t gold for 675,000 oz gold following the grant in May 2020 of Environmental Permits to extract gold from 2 high grade satellite feeder pits, which in aggregate have circa 232,000 oz gold at 5.5 g/t gold. The Company is targeting production of 120,000 oz gold per annum from open pit material for 7 years, which compares to the PFS of 79,300 oz gold p.a. for the same period. The significant underground Mineral Resource of 1.2M oz gold (1.27Mt at a grade of 5.8 g/t gold, for 238,000 oz gold in the Indicated category and 5.47Mt at a grade of 5.1 g/t gold, for 889,000 oz gold in the Inferred category)

will be analysed and potentially converted to Mineral Reserves after production from the open pits has started. Condor continues to de-risk the Project by fulfilling conditions of the Environmental Permit to construct and operate a new mine at La India by making significant progress with land acquisition, engineering and other technical studies. The objective remains to commence site preparation by end 2020."

Company number: 05587987

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Interim Report and Accounts

For the Three and Six Months Ended 30 June 2020

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HIGHLIGHTS

FOR THE THREE AND SIX MONTHS TO 30 JUNE 2020

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FOR THE THREE AND SIX MONTHS TO 30 JUNE 2020 (CONTD.)

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- ? On July 10, 2020 the Company announced the purchase by Jim Mellon, a Director, of 400,000 ordinary shares in the Company at a price of 38p per ordinary share.
- ? On August 13, 2020 the Company announced that it had made significant progress in de-risking La India project through purchase of land in and around the permitted La India open pit mine site area and provided an update on key elements in advancing the project:
- ? Acquired 85% of the land within the permitted La India open pit mine site infrastructure, including the areas of the location of the processing plant, tailings storage facility, open pit, waste dump area, exploration magazine.
- ? Tailings Storage Facility and 2 water retention ponds are being fully designed by Tierra Group Inc. - 4 the engineering designs are completed.
- ? The design of the site wide water balance including a surface water management plan is underway and has been awarded to SRK Consulting (UK) Ltd.
- ? Preliminary designs for the layout of the mine site infrastructure including, in some detail, the design and location of the processing plant have been completed.
- ? Mine and waste dump schedules for a number of mining scenarios have been completed
- ? The power studies have been progressed and several meetings held with the Ministry of Energy and

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CHAIRMAN'S STATEMENT

FOR THE THREE AND SIX MONTHS TO 30 JUNE 2020

Dear Shareholder,

I am pleased to present [Condor Gold plc's](http://www.condorgold.com) ("Condor Gold", "Condor", the "Group" or the "Company" www.condorgold.com) unaudited interim financial report for the three and six months ended 30 June 2019. The Company's main focus during the first 6 months of 2020 has been two-fold. Firstly, on fulfilling the conditions of an Environmental Permit granted in August 2018 by the Ministry of the Environment and Natural Resources ("MARENA") for the development, construction and operation of a single open pit mine, a 2,800 tpd or 1.0 Mt per annum CIL processing plant and associated infrastructure at the La India Project, Nicaragua. The permitted La India open pit is estimated to produce between 80,000 oz to 100,000 oz gold per annum or a total of 600,000 oz gold over a 6 to 7-year period. Secondly, successfully holding two Public Consultations and being granted Environmental Permits to develop and extract ore from 2 high grade feeder pits, which provides additional mill feed to the already permitted processing plant and its associated mine site infrastructure. Following the permitting of the 2 high grade feeder pits in May 2020, which in aggregate have circa 232,000 oz gold at 5.5 g/t gold, Condor has 1.12M oz gold open pit Mineral Resources permitted for extraction (8,583Kt at 3.3g/t gold for 903,000 oz gold in the Indicated category and 1,901Kt at 3.6g/t gold for 220,000 oz gold in the Inferred category) inclusive of a Mineral Reserve of 6.9Mt at 3.0g/t gold for 675,000 oz gold.

During the period the Company has been focused on de-risking La India Project by advancing and completing several technical and engineering studies, some of which are a condition of the Environmental Permit. The following progress has been made:

- ? Under the terms of the Environment Permit, the Company has to purchase or have legal agreements for the land required for the mine site infrastructure. Offers have been made to all land owners. The Company has now purchased 85% of the land in and around the permitted La India open pit mine site thereby getting close to completing one of the main conditions of the Environmental Permit and significantly de-risking the Project. The Company has purchased 64 plots of land totalling 659 hectares in and around the permitted La India open pit mine site infrastructure, of which 479 hectares has been purchased this year at the time of writing. In addition, the Company can also demonstrate physical possession for approximately 3 years on the land covering the Mestiza open pit, has purchased the majority of this land and has claimed ownership over 303 hectares in this area. The Company has ownership of 96 hectares of land in the America open pit.
- ? The Tailings Storage Facility and 2 water retention ponds are being fully designed and engineered with drawings one step short of "issued for construction". Tierra Group Inc, Denver, Colorado has completed site visits and is conducting the engineering studies. Good progress has been made, with 40% of the work completed.
- ? The design of the site wide water balance (SWWB), including a surface water management plan, has been awarded to SRK Consulting (UK) Limited ("SRK"). SRK's work includes the area of La India, America open pit and Mestiza open pits. The ultimate objective of the exercise is to produce engineering plans for the installation of the physical components of a management system, including the piping, pumping and structural requirements that will satisfy Nicaraguan authorities and at the same time meet the design standards for a feasibility study. The SWWB will include consideration of the pit dewatering contributions i.e. subsurface hydrology. SRK's remit includes an emphasis on training and capacity building for the local Condor team to ensure full ownership and facilitate implementation and sustainability of the SWWB.
- ? Preliminary designs for the layout of the mine site infrastructure including, in some detail, the design and location of the processing plant have been completed.
- ? Mine and waste dump schedules for a number of mining scenarios have been completed to a level that can be submitted to MARENA, once the capacity of the processing plant is finalised.
- ? The processing plant designs will be finalised following the purchase of a second hand or new processing plant.

- ? The power studies have been progressed as far as possible but final designs are only possible once the processing plant size has been finalised and the power requirement known. Several meetings have been held with the Ministry of Energy and Mines. A new electricity sub-station is being built closer to Mina La India.
- ? MARENA has written to the Company confirming that the final designs for the domestic wastewater treatment system for the offices and accommodation blocks at Mina La India comply with MARENA's technical and environmental requirements and the final designs are approved.

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CHAIRMAN'S STATEMENT

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I am delighted with the preliminary results of the mining dilution studies by SRK on the permitted America and Mestiza satellite feeder pits, which demonstrate that with a selective mining approach the feeder pits could contribute a diluted tonnage of 1,249Kt for a diluted head grade of 4.76 g/t gold containing 191,000 ounces to the mine plan. When these feeder pits are added to the high grade material within a series of "mini pits" containing 387Kt at 4.29g/t gold for 53,300 oz gold within the permitted La India open pit, the total diluted mill feed is 1,637Kt at a 4.65g/t gold diluted head grade containing 245,000 oz gold. This would support a 1,000 tpd production feed to either a small plant constructed by Condor or a toll milling agreement with nearby processing plants for approximately five years, while leaving the bulk of the La India open pit intact, along with the potential for underground production for a long-range development potential (See RNS 4 March 2020).

Condor has run a number of internal mining scenarios ahead of a construction. The primary scenario is an open pit mining scenario from the permitted La India, America and Mestiza open pits, which would support a 4,000tpd processing plant producing approximately 120,000 oz gold per annum. A secondary scenario involves a 2 stage approach, commencing with a high grade open pit mining scenario of 1,000tpd producing approximately 50,000 oz gold per annum, increasing capacity to 4,500tpd in year 3 or 4 and bring in the underground Mineral Resource and potentially increasing production to circa 170,000 oz gold per annum.

On February 28, 2020, the Company successfully held two Public Consultations in the local community as part of the environmental permitting process for the development and extraction of gold from the high grade Mestiza and America open pits. The key Environmental Permits have been granted for the 2 feeder pits. The America open pit hosts 114 thousand tonnes ("Kt") at a grade of 8.1 g/t gold (30,000 oz contained gold) in the Indicated Mineral Resource category and 677Kt at a grade of 3.1 g/t gold (67,000 oz contained gold) in the Inferred Mineral Resource category. The Mestiza open pit hosts 92Kt at a grade of 12.1 g/t gold (36,000 oz contained gold) in the Indicated Mineral Resource category and 341Kt at a grade of 7.7 g/t gold (85,000 oz contained gold) in the Inferred Mineral Resource category. Once added to the La India open pit, which hosts 8,377Kt at a grade of 3.1 g/t gold (837,000 oz contained gold) in the Indicated Mineral Resource category and 883Kt at grade of 2.4 g/t gold (68,000 oz contained gold) in the Inferred Mineral Resource category (La India open pit has a robust, economically viable Pre-Feasibility Study ("PFS") with Mineral Reserves of 6.9 million tonnes ("Mt") at 3.0 g/t for 675,000 oz gold), Condor has 1.12M oz gold open pit Mineral Resources (8,583Kt at 3.3g/t gold for 903,000 oz gold in the Indicated category and 1,901Kt at 3.6g/t gold for 220,000 oz gold in the Inferred category) inclusive of the Mineral Reserve permitted for extraction, which supports an open pit production scenario of 120,000 oz gold per annum.

The intention is to permit the underground Mineral Resource after open pit mining begins. Total underground Mineral Resources are 1.27 Mt at 5.8 g/t gold, for 238,000 oz gold in the Indicated category and 5.47 Mt at 5.1 g/t gold, for 889,000 oz gold in the Inferred category.

The Company continues to enhance its social engagement and activities in the community, thereby maintaining our social licence to operate. Condor has strengthened its community team and stepped up social activities and engagement. The main local focus is the drinking water programme, implemented in April 2017. A total of 340 families are currently benefiting; they receive five-gallon water dispensers each week. In January 2018 Condor initiated 'Involvement Programmes', which now extend to six groups in the local village to benefit communities which may be affected by 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.

A new mine will create approximately 1,000 jobs during construction and several hundred in the operational phase, with priority given to the local community given appropriate skills, as well as use of local goods and services. The upfront capital cost of approximately US\$120 million will have a significant positive impact on the economy. Government and local communities will benefit significantly from royalties and taxes.

As of the date of this document, the ability of the Company to operate has not been materially affected by the on-going Covid-19 pandemic. The situation is kept under close review by management and the Board; certain measures have and will be taken as appropriate to ensure the health and safety of employees in this regard and to reduce the potential spread of the virus within the local community.

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CHAIRMAN'S STATEMENT

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In June 2020 the Company announced it had raised £6.6 million by way of a private placement of new ordinary shares. (See RNS of 28 May 2020 for details). A further £1.1 million has been raised in the first half via exercises of warrants.

Turning to the financial results for the six months to 30 June 2020, the profit for the six-month period was £968 thousand, after currency translation differences of £1.3 million. Gross proceeds of £7.7 million were raised during the period via a private placement and exercises of warrants: 18,082,192 ordinary shares were issued through the private placement at a price of 36.5 pence per share, through which also the Company issued 9,041,090 warrants to shareholders. All of these warrants have an exercise price of 40 pence per share and are exercisable for three years from grant date. There are currently 117,326,945 ordinary shares in issue. The cash and cash equivalents as at 30 June 2020 totalled £7,513,056. Post period, in July 2020, the Company raised £88 thousand by way of further exercises of warrants (See RNS for details).

To conclude, the Company has made good progress in the six-month period and continues to de-risk the Project by fulfilling conditions of the permit to construct and operate a new mine at La India. Gold production at the Project has been materially expanded by the grant of Environmental Permits to extract gold from two high-grade

satellite feeder pits. The result is Condor has 1.12M oz gold open pit Mineral Resources permitted for extraction (8,583Kt at 3.3g/t gold for 903,000 oz gold in the Indicated category and 1,901Kt at 3.6g/t gold for 220,000 oz gold in the Inferred category) inclusive of a Mineral Reserve of 6.9Mt at 3.0g/t gold for 675,000 oz gold. The Company is targeting production of 120,000 oz gold per annum from open pit material for 7 years, which compares to the PFS of 79,300 oz gold p.a. for 7 years. The significant underground Mineral Resource of 1.2M oz gold (1.27Mt at a grade of 5.8 g/t gold, for 238,000 oz gold in the Indicated category and 5.47Mt at a grade of 5.1 g/t gold, for 889,000 oz gold in the Inferred category) will be analysed and potentially converted to Mineral Reserves after production from the open pits has started. The Company has purchased 85% of the land within the permitted La India open pit mine site infrastructure thus significantly de-risking the Project and is closer to completing a major objective of purchasing all the land and commencing site preparation. Simultaneously, the Company is completing the majority of the technical and engineering studies, which are a condition of the Environmental Permit and intends to place a deposit on a processing plant by year end.

Mark Child

Chairman and CEO

[Condor Gold plc](#)

REVIEW OF OPERATIONS AND PROJECT OVERVIEW

FOR THE THREE AND SIX MONTHS TO 30 JUNE 2020

LA INDIA PROJECT

Mining Studies

Condor technical staff continues to expand the level of design needed to support eventual operations for La India, Mestiza and America open pits.

Technical investigations in support of the EIA permit conditions continued during the 1st half of the year. The initial work contracted to Tierra Group International was expanded to include designs for the La Laguna retention pond as well as consideration of alternate locations for the TSF. Design criteria and preliminary designs for the TSF have been completed. Required geotechnical work will be conducted following the completion of land negotiations.

Engineering support for a toll milling opportunity is underway, including commercially robust sampling techniques and negotiation models for assessment of the impact of various commercial terms have been compiled. Sampling issues for toll milling represent one of the larger risks for any agreement. Example agreements were collected as well as discussions with industry contacts.

Work has commenced on a site wide water balance that will provide key design criteria for surface and subsurface water management system structure designs and construction plans. This work will be an extension to previous work conducted during the PFS study and will be undertaken by SRK.

Samuel Engineering was retained to perform a more detailed review of the available processing plant at the former Marlin Mine in Guatemala. The preliminary review identified suitable components and will be bolstered with on-site inspections and designs if mutually acceptable terms can be reached with the owners.

Condor staff commissioned a power study as a basis for operating cost development, identifying sourcing options, costs and risk profiles. Power costs remain a significant component of processing costs, prompting Condor to actively seek less expensive alternatives.

Staff has been researching the operating and capital cost of metallurgical laboratory facilities for La India for eventual use in operations.

Work on improved dilution models was completed early in the half, as set out in the Company's news release of 4 March 2020. These models applied dilution techniques employed at other similar operations and apply detailed 3D modeling methods to accurately estimate dilution rather than relying upon simplistic dilution factors.

Dave Crawford

Chief Technical Officer

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REVIEW OF OPERATIONS AND PROJECT OVERVIEW

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Permitting

In compliance with Nicaraguan law, the Company presented the first Quarterly Reports 2020 per concession to government institutions.

On 17 January, Condor received an 18-month extension to complete the conditions of the environmental permit for La India open pit, originally awarded on 27 July 2018.

From the start of the year the Company followed up on its application for two environmental permits for the America and Mestiza open pits. Both were approved to go forward to Public Consultations on 28 February and on 24 and 29 of April, the environmental permits for Mestiza and America were respectively awarded.

The major focus and effort of the local team has been acquiring land for the permitted mine site infrastructure for La India open pit. The Company has purchased 85% of the land in and around the permitted La India open pit mine site area comprising 64 plots of land totalling 659 hectares of which 479 hectares has been purchased this year, at the time of writing.

In compliance with the environmental permit for America, Condor submitted updated versions of the transmission line study and the surface water management study and on 15 June the latter was approved.

On 24 June, a Condor team comprising social, legal, health & safety and environmental areas participated as speakers on a MARENA online workshop: "The use of mercury and cyanide in artisanal mining activities", which was addressed to technicians of the 17 MARENA offices in Nicaragua.

Aiser Sarria Sirrias

General Manager Mina La India

Exploration Activity - 6 months to end-June 2020

During the reporting period Condor has carried out magnetic susceptibility measurements of drill core from several prospects in La India project area (see Figure 1 below). Magnetic susceptibility is a measure of how much a material can become magnetised in an applied magnetic field, which is directly related to the content of ferromagnetic material. In volcanic rocks, such as in the La India project, ferromagnetic materials are strongly related to rock type. Basalts and andesites have a higher concentration of ferromagnesian minerals than dacites and rhyolites and will therefore have a higher magnetic susceptibility.

Hydrothermal alteration processes may transform and even destroy ferrimagnetic minerals, reducing the magnetic susceptibility of a rock and epithermal vein systems like La India may show zonations that are indicative of ore deposits. The objective of the magnetic susceptibility measurements in La India is to improve rock type identification and observe potential alteration halos that could serve to better understand known ore bodies. A total of 11,868 metres of core have been measured from 72 drill holes in seven different prospects (Table 1).

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Figure 1. Map showing drill holes (in blue) with magnetic susceptibility measurements.

Table 1: Number of drill holes with magnetic susceptibility measurements

Prospect	No. drill holes measured
America	2
Andrea	6
Central Breccia	3
La India	49
La Mojarra	3
Mestiza	2
Tatascame	3

Carlos Pullinger

Chief Geologist

Environmental

The tree nursery at La India concession currently holds 7,338 trees including new seedlings planted out, to be used in future reforestation campaigns. During the semester, 230 plants were donated to government institutions and villagers to promote an arboretum and reforestation campaigns. Maintenance of five areas for reforestation located in the villages of Los Rastrojos, and Nance Dulce in La India concession and the village of Soledad de la Cruz in Real de la Cruz concession; maintenance includes watering, fertilising, pest control and replacement of tree losses.

In February and March presentation of the results of the water sampling carried out in November 2019, as part of the Participatory Water Monitoring Programme, took place. The meetings were held in seven villages:

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Carrizal, Santa Cruz de La India, El Bordo, Los Rastrojos, Nance Dulce, Ocotillo and Agua Fría. They were also used to promote environmental awareness and share communication materials related to water protection, fire prevention and a calendar for the 2020 environmental celebrations.

Other environmental activities were conducted in collaboration with the social team, the land acquisition team and co-workers to promote environmental awareness. Environmental awareness workshops were provided through the Niñez Feliz programme, including to 20 children, as well as a workshop on water use to 60 villagers from Talpetate and El Tanque villages. Waste Management talks were given to artisanal miners and three cleaning activities were organised with workers and artisanal miners collecting a total of 24 bags of plastic bottles and 441 bags of general waste.

During the first half of the year, a total of 140 lbs of plastic bottles were donated to the "Los Pipitos" recycling programme, a not-for-profit organisation which works with children with learning disabilities.

Since 18 March, when the first confirmed case of Covid-19 in Nicaragua was announced, activities were modified to avoid spreading of the virus, while continuing the implementation of environmental activities.

Condor continues to monitor surface water flow at five sites and groundwater levels at 26 sites, as part of its hydrology and hydrogeology baseline studies. A new site was added, located in Nance Dulce village. Weather data is also monitored daily using three rain gauges and a digital weather station.

Irene Chow

Environmental Manager

Social

During the first quarter of the year, the Company focussed its social activities on securing the social license for Mestiza and America projects through a wide-open communication campaign reaching some 800 villagers from the communities in the directly and indirectly affected areas. During the public consultation on February 28th, both projects were fully presented and explained to 450 attendees, who actively participated and expressed their comments supporting the projects approval.

As result of extensive communications with villagers from the three communities in the vicinity of Mestiza and America projects, Condor built 40 latrines to improve the public health and hygiene of the inhabitants of this area, as well as the repair of more damaged areas of the road which provides access to El Tanque village.

The Company continued executing the involvement programs with committees representing key sectors of the community such as cooperative and independent artisanal miners, the elderly, local business owners, APROSAIC (local association for development initiatives) and water. These communal organisations encompass almost 85% of La India population. The Company has been working very closely with these local organizations holding planned activities every month to address the needs of villagers and improve their quality of life, although some interactions were modified and others suspended due to Covid-19.

Nonetheless the Company continues implementing the potable water program to alleviate water scarcity in the community by distributing purified water weekly to some 390 families, although the dynamics of delivery were adjusted through establishing a central water distribution point.

The Company has prioritized its social budget for support to public health centres by providing decontamination and sanitation equipment and safety masks, among other contributions to further their ability to respond to Covid-19.

Victor Martinez

Community Relations Officer and Manager of Social Team

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REVIEW OF OPERATIONS AND PROJECT OVERVIEW

FOR THE THREE AND SIX MONTHS TO 30 JUNE 2020

CURRENT CONCESSION HOLDINGS

Nicaragua Projects

Project	Concession	Ownership	Expiry Date	Area (km ² ;))
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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 Mojarrá	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
	Las Cruces	100% Owned	December 2043	142.3
	Cerro Los Cerritos	100% Owned	June 2044	132.1
	Subtotal			587.66
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				660.66

All concessions in Nicaragua are combined exploration and exploitation concessions.

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REVIEW OF OPERATIONS AND PROJECT OVERVIEW

FOR THE THREE AND SIX MONTHS TO 30 JUNE 2020

CURRENT LA INDIA PROJECT CIM CODE & NI 43-101 MINERAL RESOURCE

The following Mineral Resource estimations set out Condor's Mineral Resource Statement as at 25 January 2019 for the La India Project.

Mineral Resource Statement prepared in accordance with CIM and Canadian NI 43-101 as at 25 January 2019 for the La India Project (SRK Consulting (UK) Ltd.).

SRK MINERAL RESOURCE STATEMENT as of 25 January 2019 (4), (5), (6)

Category	Area Name	Vein Name	Cut-Off	Gold Tonnes (Kt)	Silver
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Au Grade (g/t)

Au (Koz)

Ag Grade (g/t)

2019 for the La India Project (SRK Consulting (UK) Ltd.).

SRK MINERAL RESOURCE STATEMENT SPLIT PER VEIN as of 25 January 2019 (4), (5), (6)

Category	Area Name	Vein Name	Cut-Off	Gold		Silver
				Tonnes (Kt)	Au Grade (g/t)	
Indicated	La India veinset	La India/ California (1)	0.5	0.0000	0.00	0.00
	America veinset	America/ Mile (2)	0.0000	0.0000	0.00	0.00
	Mestiza veinset	La India/ California (1)	0.0000	0.0000	0.00	0.00
		La India/ California (2)	0.0000	0.0000	0.00	0.00
		Ayerza/ Mile (3)	0.0000	0.0000	0.00	0.00
		Argentina/ Mile (2)	0.0000	0.0000	0.00	0.00
		Buenos Aires (1)	0.0000	0.0000	0.00	0.00
		Central/ Fatescane (1)	0.0000	0.0000	0.00	0.00
		Cristiano/ Fatescane (3)	0.0000	0.0000	0.00	0.00
		El Cacao (2)	0.0000	0.0000	0.00	0.00
	La India veinset					
	El Cacao					
	Mestiza veinset					
Inferred						

REVIEW OF OPERATIONS AND PROJECT OVERVIEW

FOR THE THREE AND SIX MONTHS TO 30 JUNE 2020

(1) The methods applied to conducting the geological modelling and estimation have not changed from those described in the Technical Report. The La India, America, Central Breccia, Mestiza and Cacao 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 USD1,500 per ounce of gold with no adjustments. Prices are based on experience gained from other SRK projects. Metallurgical recovery assumptions are between 91-96% for gold, based on testwork conducted to date. Marginal costs of USD19.36/t for processing, USD5.69/t G&A and USD2.35/t for mining, slope angles defined by the Company Geotechnical study which range from angle 40 - 48°, a haul cost of USD1.25/t was added to the Mestiza ore tonnes to consider transportation to the processing plant.

(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 1.0m. Cut-off grades are based on a price of USD1,500 per ounce of gold and gold recoveries of 91 percent for resources, costs of USD19.36/t for processing, USD4.55/t G&A and USD50.0/t for mining, without considering revenues from other metals.

(3) Mineral Resources as previously quoted by SRK (22 December 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 MRE uses the terminology, definitions and guidelines given in the CIM Standards.

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

(7) The Mineral Resource is inclusive of the Mineral Reserve

CURRENT LA INDIA PROJECT CIM CODE MINERAL RESERVE

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	Diluted Tonnes		Diluted Grade		Contained Metal	
	(Mt dry)	(g/t Au)	(g/t Ag)	(Koz Au)	(Koz Ag)	
Proven	-	-	-	-	-	
Probable	6.9	3.0	5.3	675	1,185	
Total	6.9	3.0	5.3	675	1,185	

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 gold, processing cost of U.S.\$20.42 per tonne milled, G&A cost of U.S.\$5.63 per tonne milled, U.S.\$10/oz Au selling cost, 3% royalty on sales and a processing recovery of 91%.

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REVIEW OF OPERATIONS AND PROJECT OVERVIEW

FOR THE THREE AND SIX MONTHS TO 30 JUNE 2020

SUMMARY OF CURRENT PERMITTED OPEN PITS - LA INDIA PROJECT¹

Category	Area Name	Cut-Off	Gold		
			Tonnes (Kt)	Au Grade (g/t)	Au (Koz)
Indicated	La India	(0)	8,377	10.2	853
	Project 2a	(0)	8,863	10.2	903
Inferred	La India	(0)	9,261	10.2	946
	Project 2a	(0)	7,210	10.2	736
Total	La India	(0)	17,638	10.2	1,800
	Project 2a	(0)	16,044	10.2	1,639
Total	La India	(0)	17,638	10.2	1,800
	Project 2a	(0)	16,044	10.2	1,639

¹See Company RNS dated 6 May, 2020

[Condor Gold plc](#)

STATEMENT REGARDING FORWARD-LOOKING AND TECHNICAL INFORMATION

FOR THE THREE AND SIX MONTHS TO 30 JUNE 2020

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;
- ? risks in relation to the Covid-19 global pandemic
- ? 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, 2020 (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, 2019, dated March 31, 2020 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.

On January 28, 2019 the Company announced an updated mineral resource estimate at La India ("MRE"). The MRE as at 25 January 2019 is 9.85 million tonnes ("M tonnes" or "Mt") at 3.6 g/t gold for 1,140,000 oz gold in the Indicated category and 8.48M tonnes at 4.3g/t gold for 1,179,000 oz gold in the Inferred category. The MRE did not show a material change in the number of ounces of gold reported in the Indicated Category or Inferred Category. The methods applied to conducting the geological modelling and estimation for the MRE have not changed from those described in the Technical Report. Given that there has been no material change to the MRE, the Mineral Resource Estimate as disclosed in the Technical Report was not materially impacted by this update. More information relating to the updated MRE is supported by the press release titled "Mineral Resource Update on La India Project, Nicaragua, including initial declaration of new open pit mineral resource at Mestiza" dated 28 January 2019 which is available on SEDAR under the Company's issuer profile. The MRE was prepared by SRK Consulting (UK) Limited ("SRK") and 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). The MRE update was reviewed and approved by Andrew Cheatle, P. Geo. a qualified person within the meaning of NI 43-101.

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STATEMENT REGARDING FORWARD-LOOKING AND TECHNICAL INFORMATION

FOR THE THREE AND SIX MONTHS JUNE 30, 2020 (CONTD.)

Andrew Cheatle, a Non-Executive Director of the Company, and Dave Crawford, Chief Technical Officer of the Company and each a Qualified Person as defined by NI 43-101, have approved the written disclosure in this document.

Qualified Persons: Andrew Cheatle has supervised the preparation of the geoscientific information in this report. Mr. Cheatle is satisfied that the results are verified, based on an inspection of the results from activities carried out in 2017, including of drill core, a review of the sampling procedures, the credentials of the professionals completing the work and the visual nature of the geology within a district where he is familiar with the style and type of mineralization. Mr Cheatle, P.Ge, is a professional geoscientist and has more than 30 years of relevant experience in the mining industry, including in economic analysis and resource estimation. He is a registered Professional Geoscientist in Canada and Fellow of the Geological Society (London) and a Qualified Person under Canadian National Instrument 43-101. Dave Crawford has supervised the preparation of the technical information other than geoscientific 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 percent 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 2020

	Six months to 30.06.20	Six months to 30.06.19 unaudited £	Three months to 30.06.20 unaudited £	Three months to 30.06.19 unaudited £
Revenue unaudited	-	-	-	-
Share based payments	(8,534)	(100,608)	(61,932)	(52,582)
Administrative expenses	(735,676)	(552,584)	(385,964)	(247,621)
Gain on disposal of project	477,616	-	-	-
Operating loss	(356,594)	(653,192)	(447,896)	(300,203)
Finance income	1,175	734	-	298
Loss before income tax	(355,419)	(652,458)	(447,896)	(299,905)
Income tax expense	-	-	-	-
Loss for the period	(355,419)	(652,458)	(447,896)	(299,905)
Other comprehensive income/(loss):				
Currency translation differences	1,323,274	(445,605)	(113,382)	229,455
Other comprehensive income/(loss) for the period	1,323,274	(445,605)	(113,382)	229,455

Total comprehensive income/(loss) for the period

Earnings per share expressed in pence per share:

Basic and diluted (in pence)

Note 7

967,855	(1,098,063)	(561,278)	(70,450)
(0.36)	(0.90)	(0.43)	(0.40)

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2020

	30.06.20	31.12.19	30.06.19
	unaudited	audited	unaudited
ASSETS:			
NON-CURRENT ASSETS	£	£	£
Property, plant and equipment	666,570	585,950	177,742
Intangible assets	23,179,856	20,909,637	20,981,575
	24,846,426	21,495,587	21,159,317
CURRENT ASSETS			
Trade and other receivables	207,730	143,279	283,371
Cash and cash equivalents	7,513,056	2,903,556	494,929
	7,720,786	3,046,835	778,300
TOTAL ASSETS	32,567,212	24,542,422	21,937,617
LIABILITIES:			
CURRENT LIABILITIES			

Trade and other payables	217,412	757,102	173,581
TOTAL LIABILITIES	217,412	757,102	173,581
NET CURRENT ASSETS	756,874	2,289,733	604,719
NET ASSETS	32,349,800	23,785,320	21,764,036
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT			
Called up share capital	23,409,725	18,932,704	14,894,200
Share premium	36,974,763	33,953,693	33,921,425
Exchange difference reserve	576,644	(746,933)	514,186
Retained earnings	(28,611,029)	(28,354,144)	(27,565,775)
TOTAL EQUITY	32,349,800	23,785,320	21,764,036

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

AS AT 30 JUNE 2020

Attributable to owners of the Parent						Non controlling
Share capital	Share premium	Exchange difference reserve	Retained earnings	Total		
£	£	£	£	£	£	£
At 1 January 2019	13,435,868	33,662,309	959,791	(27,013,925)	21,044,043	-
Loss for the period	-	-	-	(652,458)	(652,458)	-
Other comprehensive income:						
Currency translation differences	-	(445,605)	-	-	(445,605)	-

Total comprehensive income	-	(445,605	)	(652,458	)	(1,098,063)	-
New shares issued	1,458,332	291,668	-	-	-	1,750,000	-	-
Issue costs	(32,552	)	-	-	-	(32,552)	-
Share based payment	-	-	-	100,608	-	100,608	-	-
Total contributions by & distributions to owners of the parent, recognised directly in equity	1,458,332	259,116	-	100,608	-	1,818,056	-	-
At 30 June 2019	14,894,200	33,921,425	514,186	(27,565,775	)	21,764,036	-	-
At 1 January 2020	18,932,704	33,953,693	(746,933	)	(28,354,144	)	23,785,320	-
Loss for the period	-	-	(355,419	)	(355,419	)	(355,419)
Other comprehensive income:	-	-	-	-	-	-	-	-
Currency translation differences	-	1,323,274	-	1,323,274	-	1,323,274	-	-
Total comprehensive income	-	1,323,274	(355,419	)	967,855	-	967,855	-
New shares issued	1,457,021	3,243,280	-	-	-	7,720,301	-	7,720,301
Issue costs	(222,210	)	-	(222,210	)	(222,210)	-
Share based payment	-	-	98,534	98,534	-	98,534	-	-

Total contributions by & distributions to owners of the parent, recognised directly in equity	4,477,021	3,021,070	-	98,534	7,596,625	-	7,596,625
At 30 June 2020	23,409,725	36,974,763	576,341	(28,611,029)	32,349,800	-	32,349,800

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS TO 30 JUNE 2020

Six months to 30.06.20 unaudited £	Six months to 30.06.19 unaudited £
Loss before tax	(652,458)
Share based payment	100,608
Depreciation charges	35,075
Finance income	(734)
	(517,509)
Increase in trade and other receivables	(64,294)
(Decrease)/increase in trade and other payables	(77,735)

Net cash used in operating activities	(862,185)	(659,538)
Cash flows from investing activities		
Purchase of intangible fixed assets	(203,127)	(771,347)
Purchase of tangible fixed assets	(1,050,706)	(6,145)
Interest received	1,775	734
Net cash used in investing activities	(2,033,458)	(776,758)
Cash flows from financing activities		
Net proceeds from share issue	7,498,091	1,717,448
Net cash generated from financing activities	7,498,091	1,717,448
Increase in cash and cash equivalents	4,602,448	281,152
Cash and cash equivalents at beginning of period	2,903,556	220,975

Exchange gains on cash and bank	7,052	(7,198)
Cash and cash equivalents at end of period	7,513,056	494,929

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NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTHS TO 30 JUNE 2020

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 2019 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 2020 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 2019 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 2020 was approved by the Board on 13 August 2020.

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 May 2020. The comparative period presented is that of the six months ended 30 June 2019.

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 2020 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 2019, which are available on the Company's website www.condorgold.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 2019 would materially impact the results.

3. REVENUE AND SEGMENTAL REPORTING

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. The Group has not generated any revenue during the period. The Group's operations are located in the United Kingdom and Nicaragua.

Condor Gold plc

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTHS TO 30 JUNE 2020

3. REVENUE AND SEGMENTAL REPORTING - continued

The Group's results by reportable segment for the six-month period ended 30 June 2020 are as follows:

UK Six months to 30.06.2020 £	Nicaragua Six months to 30.06.2020 £	Consolidation Six months to 30.06.2020 £
RESULTS		
Operating loss (760,471)	403,877	(356,594)
Finance income 1,175	-	1,175
Income tax -	-	-
Loss for period (759,296)	403,877	(355,419)

The Group's results by reportable segment for the three-month period ended 30 June 2020 are as follows:

UK Three months to 30.06.2020 £	Nicaragua Three months to 30.06.2020 £	Consolidation Three months to 30.06.2020 £
RESULTS		
Operating loss (412,496)	(35,400)	(447,896)

Interest income	-	-
Income tax	-	-
Loss for period	(412,496)	(35,400) (447,896)

Assets

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

	UK 30.06.2020	Nicaragua 30.06.2020	Consolidation 30.06.2020
	£	£	£
ASSETS			
Total assets	7,803,704	24,831,101	32,634,805
	UK 30.06.2020	Nicaragua 30.06.2020	Consolidation 30.06.2020
	£	£	£
LIABILITIES			
Total liabilities	(123,722)	(93,690)	(217,412)

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NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTHS TO 30 JUNE 2020

3. REVENUE AND SEGMENTAL REPORTING - continued

The Group's results by reportable segment for the six-month period ended 30 June 2019 are as follows:

	UK Six months to 30.06.2019	Nicaragua Six months to 30.06.2019	Consolidation Six months to 30.06.2019
	£	£	£
RESULTS			
Operating loss	(638,449)	(14,743)	(653,192)
Finance income	734	-	734
Income tax	-	-	-
Loss for period	(637,715)	(14,743)	(652,458)

The Group's results by reportable segment for the three-month period ended 30 June 2019 are as follows:

UK Three months to 30.06.2019 £	Nicaragua Three months to 30.06.2019 £	Consolidation Three months to 30.06.2019 £
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RESULTS

Operating loss (286,654) (13,549) (300,203)

Interest income - 298

Income tax - -

Loss for period (286,356) (13,549) (299,905)

Assets and liabilities

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

UK 30.06.2019 £	Nicaragua 30.06.2019 £	Consolidation 30.06.2019 £
-----------------------	------------------------------	----------------------------------

ASSETS

Total assets 262,801 20,674,816 21,937,617

UK 30.06.2019 £	Nicaragua 30.06.2019 £	Consolidation 30.06.2019 £
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LIABILITIES

Total liabilities (92,659) (80,922) (173,581)

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NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTHS TO 30 JUNE 2020

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 2020, the Group acquired assets with a cost of £983,927 (six months ended 30 June 2019: £771,347).

During the three months ended 30 June 2020, the Group acquired assets with a cost of £413,757 (three months ended 30 June 2019: £351,592).

6. EQUITY-SETTLED SHARE OPTION SCHEME AND WARRANTS

On 28 May 2020, the Company issued 9,041,090 warrants to shareholders as part of a placement to raise gross proceeds of £6.60 million. All of these warrants have an exercise price of 40 pence per share and are exercisable for three 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 30.06.2020	Six months to 30.06.2019	Three Months to 30.06.2020	Three Months to 30.06.2019
£	£	£	£
90,534	100,608	61,932	52,582
Share option charge			

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:

2020	2019
Share price 42 p	20 p
Exercise price 42 p	22 p
Expected volatility 29.5 %	31.2 %
Expected life 5 (yrs.)	5
Risk free rate 1.5 %	0.5 %
Expected dividend yield -	-

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NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTHS TO 30 JUNE 2020

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 30.06.20	Six months to 30.06.19
------------------------	------------------------

Basic
EPS

Loss
for
the
period
(355,419) (652,458)

Weighted
average
number
of
shares
98,85,784 72,02,483

Earnings
per
share
(in
pence)
(0.36) (0.90)

Three months to 30.06.20 Three months to 30.06.19

Basic
EPS

Loss
for
the
period
(447,896) (299,905)

Weighted
average
number
of
shares
103,18,542 74,471,002

Earnings
per
share
(in
pence)
(0.43) (0.40)

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

30.06.20
£

30.06.19
£

Allotted
and
fully
paid

117,048,627

Ordinary

shares

of

20p

each

(30

June 23,409,725

14,894,200

2019:

74,471,002

ordinary

shares

of

20p

each)

On 17 March 2020, 500,000 ordinary shares were issued at a price of 31 pence per share, further to exercise of warrants. On 28 May 2020, 18,082,192 ordinary shares were issued at a price of 36.5 pence further to a private placement. On 29 May 2020, 312,499 and 2,672,487 ordinary shares were issued at a price of 31 and 25 pence per share respectively, further to an exercise of warrants. On 1 June 2020, 817,927 ordinary shares were issued at a price of 25 pence per share, further to an exercise of warrants. On February 6, 2019, 4,166,667 ordinary shares were issued at a price of 24 pence per share further to a private placement. On February 25, 2019, 3,125,000 ordinary shares were issued at a price of 24 pence further to a private placement.

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NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTHS TO 30 JUNE 2020

9. RELATED PARTY TRANSACTIONS

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

Company	Related party	Six	Six	£
		months to 30.06.2020	Three months to 30.06.2020	
		£	£	
Axial Associates Limited	Mark Child	31,500	31,500	15,750
Burnbrae Limited	Jim Mellon	12,500	12,500	6,250
Promaco Limited	Ian Stalker	25,500	n/a	17,550
AMC Geological Advisory	Andrew Cheatle	16,249	15,125	6,250

10. SEASONALITY OF THE GROUP'S BUSINESS OPERATIONSThere are no seasonal factors which affect the trade of any company in the Group.

11. POST BALANCE SHEET EVENTS

? On July 10, 2020 the Company announced the purchase by Jim Mellon, a Director, of 400,000 ordinary shares in the Company at a price of 38p per ordinary share.

? On July 29, 2020 the Company announced that pursuant to receipt of notices for the exercise of warrants with an exercise price of 31p per warrant, it issued 260,416 new, ordinary Shares with a nominal value of 20p each in the capital of the Company. The Company has received gross proceeds of £80,730.

? On August 3, 2020 the Company announced that pursuant to receipt of notices for the exercise of warrants with an exercise price of 40p per warrant, it issued 17,902 new, ordinary Shares with a nominal value of 20p each in the capital of the Company. The Company has received gross proceeds of £7,161.

? On August 13, 2020 the Company announced that it had acquired circa 85% of the land in and around the permitted La India open pit mine site area thereby getting close to completing one of the main conditions of the Environmental Permit, and furthermore provided an update on various engineering studies.

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14 August 2020

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