

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** *If you are in any doubt as to what action you should take, you are recommended to seek your own financial advice from your stockbroker or other independent adviser authorised under the Financial Services and Markets Act 2000 or, if you are resident outside the United Kingdom, another appropriately qualified financial advisor.*

*If you have sold or transferred all of your shares in Condor Gold Plc, please forward this document, together with the accompanying form of proxy and other documents, at once to the purchaser or transferee or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.*

## **CONDOR GOLD PLC**

**NOTICE OF MEETING**

**AND**

**MANAGEMENT INFORMATION CIRCULAR**

**WITH RESPECT TO**

**THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS**

**TO BE HELD ON 16 MAY 2019**

**AT**

**11:00 a.m. (LONDON TIME)**

**AT**

**Numis Securities Limited**

**The London Stock Exchange Building**

**10 Paternoster Square**

**London EC4M 7LT**

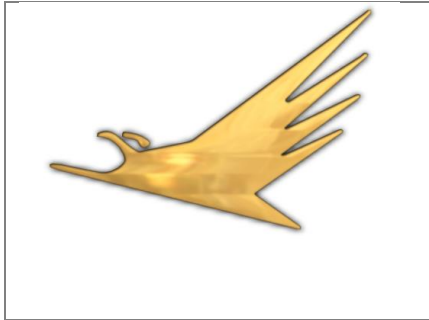
**UNITED KINGDOM**

**Dated 22 MARCH, 2019**

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## CHAIRMAN'S LETTER



# Condor Gold Plc

7/8 Innovatoin Place  
Douglas Drive  
Godalming, Surrey  
GU7 1JX  
United Kingdom

22 March, 2019

Dear Shareholders

### Annual General and Special Meeting

I am pleased to enclose the notice of the annual general and special meeting of Condor Gold Plc (the "**Company**") to be held at 11 a.m. (London time) at the offices of Numis Securities Limited, The London Stock Exchange Building, One Paternoster Square, London EC4M 7LT on 16 May 2019 (the "**Meeting**"). If you have elected to receive them, I also enclose a copy of the Annual Financial Statements as well as Management's Discussion and Analysis of the Company for the financial year ended 31 December 2018. This document also includes additional information that the Company as a "reporting issuer" in Canada is required to make available pursuant to the requirements of National Instrument 51-102 – *Continuous Disclosure Obligations* of the Canadian Securities Administrators.

The notice of the meeting sets out the ordinary business of the meeting at items 1 to 4, which includes the re-election of directors, and two additional items of special business.

The Company's articles of association require that at every general meeting, one third of eligible directors as at the date of the notice of meeting or, if their number is not a multiple of three, then the number nearest to and not exceeding one-third, shall retire from office, and that in any event each director shall retire from office at least once every three years. Accordingly, Kate Harcourt shall retire from office at this year's annual general and special meeting and, as permitted by the articles of association, shall stand for re-election by the shareholders.

Resolutions 5 and 6 (the items of special business) will allow your directors to allot relevant securities up to an aggregate amount of £20,000,000 without first offering them to shareholders. This proposal is made to allow the board the flexibility to raise further funds for the Company, whether by way of placing with new or existing shareholders and/or rights offerings to existing shareholders, to ensure the business can fulfil its obligations and for normal corporate purposes.

I do hope you will be able to join me at the annual general and special meeting.

### Recommendation

The directors of the Company consider that all the proposals to be considered at the annual general and special meeting are in the best interests of the Company and its members as a whole, and are most likely to promote the success of the Company for the benefit of its members as a whole. The directors unanimously recommend that you vote in favour of all the proposed resolutions as they intend to do in respect of their own beneficial holdings.

Yours faithfully,

**Mark Child**, Chairman

## NOTICE OF THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

Notice is hereby given that the annual general and special meeting (the “**Meeting**”) of the shareholders of Condor Gold Plc (the “**Company**”) will be held at 11 a.m. (London time), on 16 May 2019 at the offices of Numis Securities Limited, The London Stock Exchange Building, One Paternoster Square, London EC4M 7LT United Kingdom for the following purposes:

### Ordinary business

To consider and, if thought fit, to pass the below resolutions as ordinary resolutions:

1. To receive and adopt the Directors’ Report and financial statements for the year ended 31 December 2018, together with the Auditor’s Report thereon.
2. To re-elect Ms. Kate Harcourt as a director of the Company.
3. To appoint PKF Littlejohn LLP as auditor of the Company for the ensuing year.
4. To authorise the directors to set the auditor’s remuneration.

### Special business

To consider and if thought fit, to pass the following resolutions, which in the case of resolution 5 is to be proposed as an ordinary resolution and, as in the case of resolution 6 is to be proposed as a special resolution:

5. THAT the directors be generally and unconditionally authorised for the purpose of Section 551 of the Companies Act 2006 (the “**Act**”) to exercise all powers of the Company to allot shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company up to an aggregate nominal amount of £20,000,000 provided that this authority shall expire fifteen months from the date of passing this resolution, or if earlier, at the conclusion of the next annual general meeting of the Company held in the year 2020 save that the Company may before such expiry make an offer or agreement which would or might require shares in the Company to be allotted, or rights to subscribe for or to convert any security into shares in the Company to be granted, after such expiry and the directors may allot shares in the Company or grant rights to subscribe for, or convert any security into, shares in the Company in pursuance of such offer or agreement as if this authority had not expired and so that this authority is in substitution for and shall replace all existing authorities given to the directors pursuant to Section 80 of the Companies Act 1985 or Section 551 of the Act which, to the extent not exercised prior to the passing of this resolution, are hereby revoked.
6. THAT, subject to the passing of resolution 6 and in place of all existing powers, the directors be empowered pursuant to Sections 570 and 573 of the Act to allot equity securities (within the meaning of Section 560 of the Act) for cash pursuant to the authority conferred by resolution 6 as if Section 561(1) of the Act did not apply to such allotment provided that this power shall be limited to allotments of equity securities up to an aggregate nominal amount of £20,000,000, and shall expire fifteen months from the date of passing this resolution, or, if earlier, at the conclusion of the next annual general meeting of the Company held in the year 2020 save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such offer or agreement as if this power had not expired and so that this power is in substitution for and shall replace all existing powers given to the directors pursuant to Section 95 of the Companies Act 1985 or Sections 570 or 573 of the Act which to the extent not exercised prior to the passing of this resolution, are hereby revoked.

22 March, 2019

**By order of the Board of Directors**

**Mark Child**

Executive Chairman

Registered Office: 7/8 Innovation Place, Douglas Drive, Godalming, Surrey, GU7 1JX United Kingdom

## Notes to the Notice of Annual General and Special Meeting:

- 1 A management information circular, form of proxy, the financial statements for the year ended 31 December 2018 and the related management's discussion and analysis may accompany this Notice of Meeting if a shareholder has elected to receive such materials, or are available in electronic form and can be accessed at the Company's website [www.condorgold.com](http://www.condorgold.com) and on the Company's corporate profile on SEDAR at [www.sedar.com](http://www.sedar.com).
- 2 The management information circular contains additional information in relation to the Meeting, including on the appointment of proxies and voting by beneficial owners of ordinary shares of the Company ("**Ordinary Shares**").
- 3 Your vote is important to us. If you are a registered holder of Ordinary Shares and are unable to be present at the Meeting, please specify on the accompanying form of proxy the manner in which the Ordinary Shares represented thereby are to be voted, and sign, date and return the same in accordance with the instructions set out in the form of proxy and management information circular.
- 4 If you are a beneficial shareholder of Ordinary Shares in Canada and receive these materials through your broker or another intermediary, please complete and return the materials in accordance with the instructions, set out in the management information circular and provided to you by your broker or intermediary.
- 5 A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.
- 6 As at 6 p.m. (London time) on 22 March 2019, the Company's issued share capital comprised 74,471,002 Ordinary Shares of 20p each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 6 p.m. (London time) on 22 March 2019, is 74,471,002. The website referred to in note 1 will include information on the number of shares and voting rights.
- 7 Under Section 319A of the Companies Act 2006 (United Kingdom), the Company must answer any question you ask relating to the business being dealt with at the Meeting unless:
  - answering the question would interfere unduly with the preparation for the Meeting or involve the disclosure of confidential information;
  - the answer has already been given on a website in the form of an answer to a question; or
  - it is undesirable in the interests of the Company or the good order of the Meeting that the question be answered.

**CONDOR GOLD PLC**  
**MANAGEMENT INFORMATION CIRCULAR**  
**PROXY INSTRUCTIONS**

Unless otherwise stated, the information contained in this document is correct as of 22 March 2019.

**Solicitation of Proxies**

This management information circular (the “Circular”) is furnished in connection with the solicitation of proxies by the management of Condor Gold Plc (the “Company” or “Condor”) for use at the annual general and special meeting (the “Meeting”) to be held at 11 a.m. (London time), on 16 May 2019 at the offices of Numis Securities Limited, The London Stock Exchange Building, One Paternoster Square, London EC4M 7LT United Kingdom, for the purposes set out in the foregoing Notice of Meeting. While it is expected that the solicitation will be made primarily by mail, proxies may be solicited personally or by telephone by the Company’s directors, officers and employees. All costs of this solicitation will be borne by the Company.

In this Circular, references to “£” are to British pounds sterling.

**General**

A shareholder of the Company (each a “Shareholder”) may attend the Meeting in person or may be represented by one or more proxies provided each proxy is appointed to exercise rights attached to different shares. Completion and return of a form of proxy will not prevent a member from attending and voting at the Meeting in person should he/she wish to do so.

Shareholders who are unable to attend the Meeting or any adjournments or postponements thereof in person are requested to date, sign and return the accompanying form of proxy or VIF (as defined below), as applicable, for use at the Meeting or any adjournments or postponements thereof. The form of proxy must be signed by the Shareholder or each Shareholder’s duly appointed attorney or, in the case of a member which is a company under its common seal or signed on its behalf by an officer or attorney duly authorised. Persons signing as executors, administrators, trustees or in any other representative capacity should so indicate and give their full title as such. A partnership should sign in the partnership’s name and by an authorised person(s).

Members of the Company may not appoint more than one proxy to exercise rights attached to any one share. Should you wish to appoint more than one proxy to exercise rights attached to different shares please contact the registrar (within Canada) or Company Secretary (outside of Canada) in good time before the Meeting in order that the proxy forms are received in accordance with the times set out below. Please see the form of proxy which has more information in relation to the manner in which a proxy may be appointed.

A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

In the case of joint holders, the signature of only one of the joint holders is required on the form of proxy but the vote of the first named on the register of members of the Company will be accepted to the exclusion of the other joint holders.

The registrar and transfer agent in Canada is Computershare Investor Services Inc., Attention: Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1 Canada.

Outside of Canada, the relevant person is the Company Secretary, Condor Gold Plc, 7/8 Innovation Place, Douglas Drive, Godalming, Surrey, GU7 1JX .

To be effective, the form of proxy and original authority (if any) under which it is made must be deposited at the office of the Company's registrar and transfer agent (within Canada) or at the office of the Company Secretary (outside of Canada) by no later than 48 hours prior to the time set for the Meeting or any adjournments or postponements thereof. An appointment of a proxy which is not received in accordance with these requirements may be invalid.

### **Appointment of Proxies**

Unless otherwise indicated any proxy will be granted in favour of the Chairman of the Meeting who will be an officer of the Company. **A Shareholder desiring to appoint some other person, who need not be a Shareholder, to represent him or her at the Meeting, may do so by inserting such person's name in the blank space provided in the enclosed form of proxy** and delivering the completed and executed proxy to the registrar and transfer agent (within Canada) or Company Secretary (outside of Canada).

### **Revocation of Proxies**

A proxy given pursuant to this solicitation may be revoked at any time prior to its use. A Shareholder who has given a proxy may revoke the proxy by:

- (a) completing and signing a form of proxy bearing a later date and depositing it at the offices of the registrar and transfer agent (within Canada) or the Company Secretary (outside of Canada); or
- (b) depositing an instrument in writing executed by the Shareholder or by the Shareholder's attorney duly authorised in writing or, if the Shareholder is a body corporate, under its corporate seal or, by a duly authorised officer or attorney either at the offices of the registrar and transfer agent (within Canada) or the Company Secretary (outside of Canada) at any time up to and including the last business day preceding the day of the Meeting or any adjournments or postponements thereof or with the Chairman of the Meeting prior to the commencement of the Meeting on the day of the Meeting or any adjournments or postponements thereof; or
- (c) in any other manner permitted by law.

Such instrument will not be effective with respect to any matter on which a vote has already been cast pursuant to such proxy.

Beneficial Shareholders (as defined below) in Canada who wish to change their vote must, in sufficient time in advance of the Meeting, arrange for their respective intermediaries to change their vote and, if necessary, revoke their proxy in accordance with the applicable revocation procedures. See "*Voting By Non-Registered Shareholders In Canada*".

### **Voting of Proxies**

The shares represented by any form of proxy (if same is properly executed and is received in accordance with the instructions set out above), will be voted at the Meeting, and, where a choice is specified in respect of any matter to be acted upon, will be voted or withheld from voting in accordance with the specification made. In the absence of such specification, proxies in favour of the Chairman of the meeting will be voted in favour of all resolutions described below.

The enclosed form of proxy confers discretionary authority upon the person named therein with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting. At the time of printing of this Circular, management knows of no such amendments, variations or other matters to come before the Meeting. However, if any other

matters that are not now known to management should properly come before the Meeting, the form of proxy will be voted on such matters in accordance with the best judgment of the named proxy.

### **Documents available for inspection**

The following documents will be available for inspection at the registered office of the Company from the date of this notice until the time of the Meeting during normal business hours and at the place of the Meeting for at least 15 minutes prior to and during the Meeting until its conclusion:

- (a) copies of the executive directors' service contracts; and
- (b) copies of the letters of appointment of the non-executive directors.

### **Entitlement to attend and vote**

Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 and paragraph 18(c) of The Companies Act 2006 (Consequential Amendments) (Uncertificated Securities) Order 2009, the Company specifies that only those members registered on the Company's register of members 48 hours before the start of the Meeting or, if the Meeting is adjourned, Shareholders entered on the Company's register of members 48 hours before the time fixed for the adjourned meeting shall be entitled to attend and vote at the Meeting.

The record date for the determination of Shareholders within Canada entitled to receive notice of and to vote at the Meeting or any adjournments or postponements thereof is 25 March 2019 (the "**Canadian Record Date**"). Such Canadian shareholders whose names have been entered in the register of members at the close of business on the Canadian Record Date will be entitled to receive notice of and to vote at the Meeting or any adjournments or postponements thereof.

Any Shareholders who become holders of record of Ordinary Shares (as defined below) of the Company after the relevant record date outside of Canada or within Canada (as applicable) and who wish to vote at the Meeting must make arrangements with the person(s) from whom they acquired the Ordinary Shares to direct how such shares are to be voted at the Meeting.



## VOTING BY NON-REGISTERED SHAREHOLDERS IN CANADA

**The following information is of significant importance to Canadian shareholders who do not hold Ordinary Shares in their own name and whose holdings are held through the Company's Canadian share register.** Most Canadian Shareholders are "beneficial shareholders" who are non-registered shareholders. You are a beneficial shareholder (a "**Beneficial Shareholder**") if you beneficially own Ordinary Shares that are held in the name of an intermediary such as a bank, a trust company, a securities broker, a trustee or other nominee, and therefore do not have the Ordinary Shares registered in your own name.

Beneficial Shareholders should note that the only proxies that can be recognised and acted upon at the Meeting are those deposited by registered shareholders of the Company ("**Registered Shareholders**") or as set out in the following disclosure. If Ordinary Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Ordinary Shares will not be registered in the shareholder's name on the records of the Company.

Such Ordinary Shares will more likely be registered under the names of intermediaries. In Canada, the vast majority of such Ordinary Shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of meetings of shareholders. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

There are two kinds of Beneficial Shareholders - those who object to their name being made known to the issuers of securities which they own (called "**OBOs**" for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (called "**NOBOs**" for Non Objecting Beneficial Owners).

The Company is taking advantage of the provisions of the Canadian Securities Administrators' National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") that permit it to deliver proxy-related materials directly to its NOBOs. As a result NOBOs can expect to receive a scannable Voting Instruction Form ("**VIF**") from the Company's Canadian registrar and transfer agent, Computershare. The VIF is to be completed and returned to Computershare as set out in the instructions provided on the VIF. Computershare will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the Ordinary Shares represented by the VIFs they receive.

These securityholder materials are being sent to both registered and non-registered owners of the securities of the Company. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of securities, were obtained in accordance with applicable securities regulatory requirements from the intermediary holding securities on your behalf. By choosing to send these materials to you directly, the Company (and not the intermediary holding securities on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your VIF as specified in the request for voting instructions that was sent to you.

The Company does not intend to pay for intermediaries to forward to OBOs, under NI 54-101, the proxy related materials and Form 54-101F7, and in the case of an OBO, the OBO will not receive these materials unless the OBOs intermediary assumes the cost of delivery.

Beneficial Shareholders who are OBOs should follow the instructions of their intermediary carefully to ensure that their Ordinary Shares are voted at the Meeting. The proxy supplied to you by your broker will be similar to the proxy provided to Registered Shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote your Ordinary Shares on your behalf. Most brokers delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada. Broadridge mails a VIF in lieu of a proxy provided by

the Company. The VIF will name the same persons as the Company's Proxy to represent your Ordinary Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), other than any of the persons designated in the VIF, to represent your Ordinary Shares at the Meeting and that person may be you. To exercise this right, insert the name of the desired representative (which may be you) in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Ordinary Shares to be represented at the Meeting and the appointment of any shareholder's representative. If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have your Ordinary Shares voted or to have an alternate representative duly appointed to attend the Meeting and vote your Ordinary Shares at the Meeting.

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

As at the date hereof, the Company's issued share capital comprises 74,471,002 ordinary shares ("**Ordinary Shares**") of £0.20 each. Each Ordinary Share carries the right to one vote per share at all meetings of Shareholders.

To the knowledge of the directors and executive officers of the Company, no person other than Mr. Jim Mellon, a director of the Company, beneficially owns or exercises control or direction over, directly or indirectly, 10% or more of the outstanding Ordinary Shares as of the date of this Circular. Mr. Mellon beneficially owns or exercises control or direction over, directly or indirectly, 7,828,105 Ordinary Shares, representing 10.5% of the outstanding Ordinary Shares, as of the date of this Circular.

## PARTICULARS OF MATTERS TO BE ACTED UPON

### 1. Financial Statements

Copies of the annual audited consolidated financial statements (the “**Financial Statements**”) and related management’s discussion and analysis (“**MD&A**”) of the Company for the year ended 31 December 2018 have been made available to all Shareholders on the Company’s website at [www.condorgold.com](http://www.condorgold.com) or can be found on the Company’s corporate profile on SEDAR at [www.sedar.com](http://www.sedar.com), and will be presented to Shareholders at the Meeting for their review and approval.

Shareholders will be asked at the Meeting to consider and adopt the Financial Statements and the report of the auditors thereon.

Shareholders are able to request to receive hard copies of the Company’s annual financial statements and related MD&A upon written request, without charge to the Company Secretary at Condor Gold Plc, 7/8 Innovation Place, Douglas Drive, Godalming, Surrey, GU7 1JX United Kingdom.

**The Chairman of the Meeting intends to vote FOR the adoption of the Financial Statements unless otherwise instructed on a properly executed and validly deposited proxy.**

### 2. Election of Directors

The Company is an “Eligible International Interlisted Issuer” as such term is defined in the TSX Company Manual (the “**Manual**”). As an Eligible International Interlisted Issuer, the Company previously applied for and received an exemption, pursuant to section 401.1 of the Manual from sections 461.1, 461.2, 461.3 and 461.4 thereof, which relate, respectively, to annual election of directors, to voting on each individual director, to a majority voting policy and to the issuance of a news release disclosing voting results for the election of each director. The Company has provided notice to the TSX as required by section 401.1 of the Company manual advising it that the Company is relying this exemption for the current fiscal year. The Company expects that it will continue relying on this exemption in future years.

**The Chairman of the Meeting intends to vote FOR the election of Ms. Kate Harcourt unless otherwise instructed on a properly executed and validly deposited proxy.**

The following table, among other things, sets forth in bold, the name of all persons proposed to be nominated for re-election as directors, their place of residence, position and periods of service held with the Company, or any of its affiliates, their principal occupations and the approximate number of Ordinary Shares beneficially owned, controlled or directed, directly or indirectly by them.

Name, Municipality of Residence and Position with the Company	Director/Officer Since	Principal Occupation	Number of Ordinary Shares Beneficially Owned, Directly or Indirectly or Over Which Control or Direction is Exercised <sup>(1)</sup>
<b>Kate Harcourt</b> <sup>(2)(3)</sup> United Kingdom Director	2 March 2015	Mining Industry Consultant	nil

**Notes:**

- (1) The information as to Ordinary Shares beneficially owned or over which Kate Harcourt exercises control or direction (directly or indirectly) not being within the knowledge of the Company has been furnished by Kate Harcourt and is current as at the date hereof.
- (2) Member of the Audit Committee of the Company.

(3) Member of the Risk Committee.

The Company's articles of association require that at every general meeting, one third of eligible directors as at the date of the notice of meeting or, if their number is not a multiple of three, then the number nearest to and not exceeding one-third, shall retire from office, and that in any event each director shall retire from office at least once every three years. Accordingly, Kate Harcourt shall retire from office at this year's annual general and special meeting and, as permitted by the articles of association, shall stand for re-election by the shareholders.

As of the date hereof, the directors and executive officers and any associates and affiliates thereof, as a group, beneficially own, directly or indirectly, or exercise control or direction over, a total of 12,084,568 Ordinary Shares, representing approximately 16.2% of the issued fully paid and non-assessable outstanding Ordinary Shares.

The following is a brief biography of each of the directors and officers of the Company, including their principal occupations for the five preceding years and place of residence:

**Mark Child, Executive Chairman, United Kingdom** – Mr. Child was commissioned as an officer in the 2nd King Edward VII's Own Gurkha Rifles and served in the British Army for 4 years. He joined the Company's Board in May 2006 and became Executive Chairman in July 2011. He was responsible for initiating the Company's acquisition of the concessions that comprise the Company's La India Project and has raised the finance and developed the La India Project into what it is today.

Mr. Child has 20 years of equity capital markets experience, as an institutional stockbroker and in corporate finance/private equity, mainly in emerging markets. At board level Mr. Child has been an executive director of Hong Kong listed Regent Pacific Group, an emerging market fund manager and private equity group, which spun off Charlemagne Capital Limited. He has board level experience of AIM listed and private companies.

**Jim Mellon (MA, Fellow Oriel Oxford), Non-Executive Director, Isle of Man** – Mr. Mellon, based in the Isle of Man, is an investor, fund manager and author. He began his career with GT Management in the US and in Hong Kong and later became the co-founder and managing director of Thornton Management (Asia) Limited based in Hong Kong. He is co-founder of Regent Pacific Group and Charlemagne Capital Limited. Mr. Mellon is currently chairman of Manx Financial Group Plc and co-chairman of Regent Pacific Group Ltd and Emerging Metals Limited, a director of Charlemagne Capital Limited, Burnbrae Group Limited and various other investment companies. Mr. Mellon holds a Master's Degree in Philosophy, Politics and Economics from Oxford University.

**Kate Harcourt (CEnv, MSc), Non-Executive Director, United Kingdom** – Ms. Harcourt is an Environmental and Social Advisor and Chartered Environmentalist with over twenty five years' experience of the environmental and social aspects of both open pit and underground mining projects around the globe. She was nominated by the International Finance Corporation (the "IFC") to the Board of the Company following its initial equity investment in the Company (see "*Nomination Right*" below). She has worked as part of the Owner's Team for a number of companies and also on behalf of financial institutions, for example carrying out compliance performance monitoring during construction and operations. Ms. Harcourt has worked as a Director of Health, Safety, Environment, Communities and Security for MagIndustries, a natural resource company with assets in Republic of Congo. She has worked for the IFC on a geothermal project in Nicaragua since 2010. Ms. Harcourt has a Master of Science degree from Imperial College in Environmental Technology.

**Andrew Cheatle (P.Geo., MBA, FGC, ARSM.), Non-Executive Director, Ontario, Canada** – Mr. Cheatle is a mining industry executive, professional geoscientist and graduate of the Royal School of Mines at Imperial College, London. His 30-plus-year, international career has encompassed both the senior and junior mining sectors as an exploration geologist, mine geologist, General Manager, Vice-President, Director, President and Chief Executive Officer. Mr. Cheatle was Executive Director of Prospectors and Developers Association of Canada (PDAC) from February 2015 to November 2017. He has worked for both

large gold producers and junior exploration companies. Between 2000 and 2008 he worked as Chief Geologist at Goldcorp/Placer Dome Inc's Musselwhite Mine, Ontario, Canada. Between 2008 and 2009 he was Principal Geologist at AMEC plc based in Canada and in 2011 Vice-President Exploration at Treasury Metals. Between 2011 and 2015 he was President and CEO of Unigold Inc. and delivered a maiden 2 million ounce of gold mineral resource at the flagship property in the Dominican Republic. In his early career Mr. Cheatle worked for 10 years for Anglo American Corporation at the Vaal Reefs Gold Mine in South Africa as a mineral resource manager and senior geologist.

**Dave Crawford (BSc P.E. MBA), Chief Technical Officer, United States** – Mr. Crawford is a Mining Engineer / MBA with 36 years background in project studies, mine design, economic analysis and resource estimation in multiple commodities and multiple countries. He is a Registered Professional Engineer and a Qualified Person under Canadian National Instrument 43-101. Mr. Crawford has worked with Newmont Mining as a Study Director for Mergers and Acquisitions and Value Assurance in gold and copper projects, in-situ uranium projects in Kazakhstan, and Principal Mining Engineer with Pincock, Allen and Holt.

**Jeffrey L. Karoly (BSc, ACA), Chief Financial Officer, United Kingdom** – Mr. Karoly has degree in Geology from the University of Bristol and is a Chartered Accountant with over 20 years of experience in the mining industry. He was with Minorco/Anglo American for 11 years in a variety of finance/corporate finance functions in the UK, Brazil, South Africa and France and subsequently was Chief Financial Officer of South American Ferro Metals, which listed in 2010 on the ASX and subsequently he was the Chief Financial Officer and Company Secretary of AIM and TSX listed Horizonte Minerals Plc (AIM/TSX: HZM). He was CFO of Altus Strategies plc (AIM: ALS) at the time of its listing on AIM in 2017 and is also CFO of Rupert Resources (TSX-V: RUP). Mr. Karoly started his career at Coopers & Lybrand and speaks French and Portuguese.

### **Nomination Right**

Pursuant to the subscription agreement between the Company and the IFC dated October 24, 2014 (the "**IFC Subscription Agreement**"), IFC was granted the right to nominate a director to Condor's Board, subject to certain conditions (the "**IFC Appointment Right**"), including *inter alia* a holding of at least 7.5% of issued and outstanding Ordinary shares. Ms Harcourt, a consultant to the IFC, was the IFC's Board nominee. The IFC currently holds 3,425,000 Ordinary Shares, representing 4.6% of the issued and outstanding Ordinary Shares.

### **Cease Trade Orders, Bankruptcies, Penalties or Sanctions**

Except as disclosed below, no director or executive officer of the Company:

- (a) is, as at the date hereof, or has been within 10 years before the date hereof, a director, chief financial officer or chief executive officer of any company (including the Company) that was subject to:
  - (i) a cease trade or similar order or an order which denied the relevant company access to any exemption under securities legislation for a period of more than 30 days (an "**Order**") that was issued while the individual was acting in such capacity; or
  - (ii) an Order after the individual ceased to act in such capacity and which resulted from an event that occurred while the individual was acting in that capacity.
- (b) is or within the last 10 years has:
  - (i) been a director or executive officer of any company (including the Company) that, while the individual was acting in that capacity or within a year of such individual ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to

bankruptcy/insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

- (ii) within the last 10 years become bankrupt, made a proposal under any legislation relating to bankruptcy/insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his assets (either personally or via a personal holding company).

Mr. Jim Mellon was the non-executive chairman of two Isle of Man entities, Rivington Street Holdings Plc (“**Rivington Street**”) and Speymill Plc (“**Speymill**”), that entered into members’ voluntary liquidation in accordance with the laws of the Isle of Man. In the case of Rivington, a holding company, liquidators were appointed on 29 May 2014 and the company was dissolved on 20 October 2017. In the case of Speymill, a property management company, liquidators were appointed on 23 September 2015 and the company dissolved on 20 October 2017.

### **Penalties or Sanctions**

To the knowledge of the Company, no current director or executive officer of the Company or director proposed for re-election has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body, that would be likely to be considered important to a reasonable investor or to a reasonable Shareholder making a decision about whether to vote for the re-election of such director.

### **3. Appointment of Auditors**

PKF Littlejohn LLP, Certified Public Accountants have served as the Company’s auditors since August 2018. The Company proposes to appoint PKF Littlejohn LLP, with its offices in London, as its auditors until the next annual general and special meeting of Shareholders at such remuneration as the directors may determine.

**The Chairman of the Meeting intends to vote FOR the appointment of PKF Littlejohn LLP, as auditors of the Company, to hold office until the next annual meeting of Shareholders or until a successor is appointed and to authorise the Board to fix the remuneration of the auditors, unless otherwise instructed in a properly executed and validly deposited proxy.**

The disclosure required by National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”), including the text of the charter of the Company’s audit committee (the “**Audit Committee**”) and the fees paid to the Company’s external auditors, can be found in the “*Audit Committee*” section of the Company’s Annual Information Form dated 22 March 2019 as filed on SEDAR at [www.sedar.com](http://www.sedar.com).

### **4. Resolution Authorising the Directors to Allot Shares**

The Shareholders will be asked to consider and, if thought appropriate, to authorise and approve empowering the Board to allot Ordinary Shares in the Company and grant rights to subscribe for, or convert any security into shares in the Company (“**Share Allotment Resolution**”). Under the Companies Act 2006 (United Kingdom), the Board may only allot unissued shares if authorised to do so by the Shareholders in a general meeting. Resolution 5 (as set forth in the Notice of Meeting) updates the Board’s existing authority, granted at the general meeting of Shareholders held on 10 May 2018, to allot shares up to an

aggregate value of £10,000,000, equivalent to 50,000,000 Ordinary Shares representing at that time 74% of the current shares in issue. The authority will expire at the next annual general meeting of the Company.

The full text of the proposed resolution is:

*“THAT the directors be generally and unconditionally authorised for the purpose of Section 551 of the Companies Act 2006 (the “Act”) to exercise all powers of the Company to allot shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company up to an aggregate nominal amount of £20,000,000 provided that this authority shall expire fifteen months from the date of passing this resolution, or if earlier, at the conclusion of the next annual general meeting of the Company held in the year 2020 save that the Company may before such expiry make an offer or agreement which would or might require shares in the Company to be allotted, or rights to subscribe for or to convert any security into shares in the Company to be granted, after such expiry and the directors may allot shares in the Company or grant rights to subscribe for, or convert any security into, shares in the Company in pursuance of such offer or agreement as if this authority had not expired and so that this authority is in substitution for and shall replace all existing authorities given to the directors pursuant to Section 80 of the Companies Act 1985 or Section 551 of the Act which, to the extent not exercised prior to the passing of this resolution, are hereby revoked.”*

**The Chairman of the Meeting intends to vote FOR the Share Allotment Resolution unless otherwise instructed in a properly executed and validly deposited proxy.**

**5. Approval to allow Directors to Allot Equity Securities without reference to pre-emption rights:**

The Shareholders will be asked to consider and, if thought appropriate, to authorise and approve empowering the directors to allot equity securities in the capital of the Company without reference to pre-emption rights (“**Pre-emption Disapplication Resolution**”). The directors may only allot shares for cash on a non-pre-emptive basis to existing shareholders in the Company if authorised to do so by Shareholders in general meeting. Resolution 6 updates the Board’s existing authority, granted at the general meeting of Shareholders held on 10 May 2018, to allot shares up to an aggregate value of £10,000,000, equivalent to 50,000,000 Ordinary Shares representing at that time 74% of the current shares in issue. The authority will expire at the next annual general meeting of the Company.

The full text of the proposed resolution is:

*“THAT subject to the passing of resolution 6 and in place of all existing powers, the directors be empowered pursuant to Sections 570 and 573 of the Act to allot equity securities (within the meaning of Section 560 of the Act) for cash pursuant to the authority conferred by resolution 6 as if Section 561(1) of the Act did not apply to such allotment provided that this power shall be limited to allotments of equity securities up to an aggregate nominal amount of £20,000,000, and shall expire fifteen months from the date of passing this resolution, or, if earlier, at the conclusion of the next annual general meeting of the Company held in the year 2020 save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such offer or agreement as if this power had not expired and so that this power is in substitution for and shall replace all existing powers given to the directors pursuant to Section 95 of the Companies Act 1985 or Sections 570 or 573 of the Act which to the extent not exercised prior to the passing of this resolution, are hereby revoked.”*

**The Chairman of the Meeting intends to vote FOR the Pre-emption Disapplication Resolution unless otherwise instructed in a properly executed and validly deposited proxy.**



## **6. Other Matters**

Management of the Company knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting accompanying this Circular. However, if any other matter properly comes before the Meeting, the proxies or VIFs, as applicable, will be voted on such matters in accordance with the best judgment of the persons voting the proxy or form, as the case may be.

## STATEMENT OF EXECUTIVE COMPENSATION

### Compensation Discussion and Analysis

#### *Introduction*

The purpose of this Compensation Discussion and Analysis is to provide information about the Company's philosophy, objectives and processes regarding executive compensation. This disclosure is intended to communicate the compensation that is expected to be provided to the Company's Chief Executive Officer ("CEO"), the Chief Financial Officer ("CFO"), and the three other most highly compensated executive officers of the Company, if any, whose individual total compensation will be more than C\$150,000 for any financial year (collectively, the "Named Executive Officers" or "NEOs") and the directors of the Company. The only Named Executive Officers of the Company are Mr. Mark Child, the CEO of the Company, and Mr. Jeffrey Karoly, the CFO of the Company.

#### *Compensation Philosophy and Objectives*

The Company's executive compensation programme is designed to attract and retain qualified and experienced executives who will contribute to the success of the Company. The executive compensation programme attempts to ensure that the compensation of the senior executive officers provides a competitive base compensation package and a strong link between corporate performance and compensation. Executive officers are motivated through the programme to enhance long-term shareholder value and returns.

#### *Compensation Process and Remuneration Committee*

The Company has established a remuneration committee (the "Remuneration Committee"), whose mandate is to assist the Board of the Company in fulfilling its responsibilities with respect to remuneration. The policy of the Remuneration Committee is to remunerate senior executives fairly in such a manner as to facilitate the recruitment, retention and motivation of staff.

The Remuneration Committee adheres to the Remuneration Committee mandate. Pursuant to the Remuneration Committee mandate, to fulfil its responsibilities and duties, the Remuneration Committee, among other things: (a) reviews and approves corporate goals and objectives relevant to CEO compensation; (b) evaluates the CEO's performance in light of those corporate goals and objectives, and makes recommendations to the Board with respect to the CEO's compensation level based on its evaluation; and (c) reviews the CEO's recommendations to the Remuneration Committee respecting the appointment, compensation and other terms of employment of the CFO, all senior management reporting directly to the CEO and all other officers appointed by the Board and, if advisable, approves and recommends for Board approval, with or without modifications, any such appointment, compensation and other terms of employment.

The members of the Remuneration Committee are Mr. Jim Mellon (Chairman) and Mr. Andrew Cheatle. The Remuneration Committee is required to meet as many times as required to carry out its duties and responsibilities. The Remuneration Committee has met seven times since January 2014. The members of the Remuneration Committee are independent directors and have sufficient experience relevant to their responsibilities. For details in relation to the skills and experience of the members of the Remuneration Committee, please refer to the biography under the heading "Election of Directors" above.

No consultant or advisor has been retained to assist the Board or the Remuneration Committee in determining compensation for any directors or executive officers. The Company does not maintain a fixed comparator group, however the Remuneration Committee may from time to time review the compensation levels of a selection of AIM and/or TSX listed resource exploration companies with similar market capitalisation.

The remuneration of the non-executive directors is determined by the Board as a whole, who consider it essential, notwithstanding the small size of the Company and the fact that it is not yet revenue earning, to recruit and retain individuals of the highest calibre for that role. Consequently, the Company believes that it is in the interests of shareholders that non-executive directors should be provided with options to purchase Ordinary Shares (“**Options**”) in addition to the level of fees considered affordable and competitive.

The Remuneration Committee also administers the Company’s share option scheme (the “**Option Scheme**”). The Remuneration Committee considers market conditions and previous grants when recommending for approval of the Board the grant of Options under the Option Scheme to NEOs and non-executive directors of the Company. See “*Securities Authorised for Issuance under Equity Compensation Plans*” for additional information on the Company’s Option Scheme.

NEOs, directors and senior management of the Company are not permitted to purchase financial instruments (e.g., forward contracts, equity swaps, etc.) that are designed to hedge or offset a decrease in the market value of equity securities granted as compensation or held, directly or indirectly, by a Named Executive Officer, director or senior manager.

*Risk Management*

The Company expects that the Remuneration Committee will review the practices the Company uses to identify and mitigate compensation policies and practices that could create or incentivise any inappropriate or excessive risk taking by executive officers.

**Elements of Compensation**

Components (or compensation elements) that are linked to the Company’s compensation and corporate objectives are as follows:

<b>Compensation element</b>	<b>Link to compensation objectives</b>	<b>Link to corporate objectives</b>
Base salary	Attract and retain	Competitive pay ensures access to skilled employees necessary to achieve corporate objectives.
Options	Motivate	Options are offered to align officers’ objectives with shareholders of the Company.

(a) *Base Salary*

The Company provides a base salary to each NEO as compensation for the performance of the NEO’s day-to-day responsibilities. The base salaries for each NEO are reviewed regularly by the Remuneration Committee to ensure that the salary is appropriate for each officer’s expertise and performance and to ensure that the salary is in line with market practices.

(b) *Share Options/Equity Component*

In addition to each NEO’s base salary, the Company provides a form of equity compensation through the issuance of Options under its Option Scheme. Options are intended to motivate NEOs and to align each NEO’s incentives with those of shareholders of the Company. Option grants are determined by the Board on the recommendation of the Remuneration Committee. No Option granted under the Option Scheme are exercisable within the first 12 months from the grant date. 50% of the Options can be exercised between 12 months and 24 months of the grant date and the remaining 50% of the Options can be exercised 24

months after the grant date. See “Securities Authorised for Issuance under Equity Compensation Plans” for additional information on the Option Scheme.

## NAMED EXECUTIVE OFFICERS COMPENSATION

### Summary Compensation Table

The following table provides information for the three most recently completed financial years ended 31 December 2018, 2017 and 2016 regarding compensation earned by each of the following Named Executive Officers of the Company during the financial years indicated.

Name and Principal Position	Year	Fees/Salary (£)	Share-Based Awards (£)	Option-Based Awards (£)	Non-Equity Incentive Plan Compensation		Pension value (£)	All Other Compensation (£)	Total Compensation (£)
					Annual Incentive Plans (£)	Long-term Incentive Plans (£)			
Mark Child Chairman, Chief Executive Officer	2018	109,000 <sup>(1)</sup>	nil	32,449 <sup>(2)(3)</sup>	nil	nil	nil	69,451	210,900
	2017	100,000 <sup>(1)</sup>	nil	220,860 <sup>(2)</sup>	nil	nil	nil	58,333 <sup>(4)</sup>	379,193
	2016	100,000 <sup>(1)</sup>	nil	334,937 <sup>(2)</sup>	nil	nil	nil	53,318 <sup>(4)</sup>	488,215
Jeffrey Karoly Chief Financial Officer <sup>(6) (5)</sup>	2018	65,000	nil	5,238 <sup>(2)</sup>	nil	nil	nil	nil	70,238
	2017	15,000	nil	nil	nil	nil	nil	nil	15,000
	2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

#### Notes:

- (1) Amounts represent payments to Mr. Child for his role as a director of the Company pursuant to the Child Agreement (as defined below).
- (2) All option-based awards to Mr. Child are in connection with his role as a director of the Company.
- (3) The fair value of the Options granted was assigned using the Black-Scholes method with the following the key assumptions and estimates for the January and September 2018 option award calculations: expected dividend yield of 0%, expected stock price volatility 54% (January 2018) and 20% (September 2018), risk free interest rate of 0.5 % and expected life of options of 5.0 years. The Company chose this methodology because it provides a meaningful and reasonable estimate of the fair value of stock options and has been consistently applied by the Company for valuing option-based awards.
- (4) Amounts represent payments by the Company to Axial Associates Limited (“Axial”), a company owned and controlled by Mr. Child, pursuant to the Axial Agreement (as defined below). See “Description of NEO Agreements” below.
- (5) Mr. Karoly was appointed as the Company’s CFO on 14 November 2017. Beginning 1 January 2018, Mr. Karoly receives an annual salary of £65,000. The Company has no additional obligations to Mr. Karoly in the situation where there is a termination following an amalgamation, reconstruction or change of control. If Mr. Karoly’s employment is terminated by the Company without cause, the Company will pay Mr. Karoly three months of his then annual salary.
- (6) From 2015 to 14 November 2017, there was no CFO formally employed by the Company. Instead, Bradshaw Johnson Chartered Accountants was engaged to provide accounting, bookkeeping and administrative services to the Company. In respect of the 2016 and 2017 financial years, Bradshaw Johnson Chartered Accountants of Croft Chambers, 11 Bancroft, Hitchin, Herts, SG5 1JQ United Kingdom was paid £15,000 in fees per year. In addition, the Company paid Bradshaw Johnson Chartered Accountants £27,000 and £34,940 for 2016 and 2017 respectively, in respect of accounts preparation.

### Incentive Plan Awards - NEOs

The following table provides information regarding the incentive plan awards for each Named Executive Officer outstanding as of 31 December 2018. Further information on the significant terms of the incentive

share options is provided under the heading “*Securities Authorised for Issuance Under Equity Compensation Plans*”.

*Outstanding Share Awards and Option Awards*

Name	Option Awards				Share Awards		
	Number of securities underlying unexercised options	Option exercise price (pence)	Option expiry date	Value of unexercised in-the-money options (£) <sup>(1)(2)</sup>	Number of shares or units of shares that have not vested <sup>(2)</sup>	Market or payout value of share awards that have not vested (£) <sup>(2)</sup>	Market or payout value of vested share-based awards not paid out or distributed (£)
Mark Child	600,000	100	1 July 2018	Nil	Nil	Nil	Nil
	600,000	100	23 July 2019	Nil	Nil	Nil	Nil
	600,000	67	7 July 2020	Nil	Nil	Nil	Nil
	600,000	80	26 Sept 2021	Nil	Nil	Nil	Nil
	800,000	62	6 July 2022	Nil	Nil	Nil	Nil
	800,000	42	23 Sept 2023	Nil	Nil	Nil	Nil
Jeffrey Karoly	50,000	65	24 Jan 2023	Nil	Nil	Nil	Nil
	30,000	42	23 Sept 2023	Nil	Nil	Nil	Nil

**Notes:**

- (1) Based on the closing market price of the Company’s Ordinary Shares on the Alternative Investment Market of the London Stock Exchange (“AIM”) on 31 December 2018 of £0.310 per share.
- (2) The exercise price of Options is based on the closing price of the Company’s shares on the day prior to issue. The premium in the case of the options awarded in January and September 2018 was 11% and 22% respectively over the closing price of the Company’s shares on the day prior to issue. Options vest 50% 12 months after issue and 50% 24 months after issue and expire 5 years after issue.

*Value Vested or Earned During the Year*

The following table provides information regarding the value vested or earned pursuant to the incentive plan awards for the financial year ended 31 December 2018.

Name	Option awards – value vested during the year <sup>(1)(2)</sup> (£)	Share awards – value vested during the year (£)	Non-equity incentive plan compensation – value earned during the year (£)
Mark Child	Nil	Nil	Nil
Jeffrey Karoly	Nil	Nil	Nil

**Notes:**

- (1) Based on the closing price of the Company’s shares on AIM on 24 January 2018 of £0.585 per share and on 23 September 2018 of £0.345 per share.
- (2) The exercise price of Options is based on the closing price of the Company’s shares on the day prior to issue. Options vest 50% 12 months after issue and 50% 24 months after issue and expire 5 years after issue.

*Narrative Discussion*

The Company granted the following Options to its NEOs during the financial year ended 31 December 2018:

<u>NEO</u>	<u>Options</u>
Mark Child	800,000 Options (£0.42 exercise price per Ordinary Share, expiring 23 September 2023)
Jeffrey Karoly	50,000 Options (£0.65 exercise price per Ordinary Share, expiring 25 January 2023); and 30,000 Options (£0.42 exercise price per Ordinary Share, expiring 23 September 2023)

## Description of NEO Agreements

### *Child Agreement*

The Company and Mr. Mark Child, CEO and Chairman of the Company, are parties to a letter agreement dated 19 December 2011 (the “**Child Agreement**”). The Child Agreement provides that Mr. Child shall receive an annual director’s fee of £100,000 payable in monthly instalments, which amount will be reviewed at the absolute discretion of the Board. This was increased with effect from 1 September 2017 by agreement of the Remuneration Committee to £ 109,000 per annum.

The Child Agreement may be terminated by either Mr. Child or the Company upon not less than six months’ notice to the other party, provided that the Company may pay Mr. Child the applicable amount of Mr. Child’s director’s fee in lieu of any notice period. However, the Company may terminate Mr. Child’s appointment immediately (and without entitlement to notice, pay in lieu of notice or compensation) if Mr. Child:

- (a) is not reappointed as a director of the Company at the next annual meeting of shareholders of the Company, is removed as a director by a resolution passed by shareholders of the Company at an annual meeting, or ceases to be a director pursuant to any provision of the Company’s articles of association;
- (b) is found guilty of any dishonesty or other misconduct or commits any serious or persistent breach of any of his obligations to the Company (whether under the Child Agreement or otherwise) or refuses or neglects to comply with any lawful order or direction given to him by the Board; or
- (c) is or becomes incapacitated from efficiently performing his duties for 90 working days in any 12-month period, or becomes of unsound mind.

### *Axial Consulting Agreement*

The Company, Mr. Child and Axial Associates Limited (“**Axial**”) are parties to a consultancy agreement dated 24 May 2006, as amended by a deed of amendment dated 19 December 2011, and a deed of variation dated 27 September 2016 (as amended, the “**Axial Agreement**”). Pursuant to the Axial Agreement, the Company has engaged Axial to provide the services of Mr. Child, who provides certain services to the Company, including performing the duties normally carried out by the Chief Executive Officer of a company that trades on AIM. Axial is owned and controlled by Mr. Child.

Under the Axial Agreement, the Company pays Axial a fee of £4,166 per month, or such other monthly fee as may from time to time be agreed between the Company and Axial. The fees due to Axial were increased to £5,500, with effect from 1 September 2017 by agreement of the Remuneration Committee. The Axial Agreement is terminable by either party on six months’ written notice or the termination of the contract of employment with Mr. Child, whichever occurs first. In addition, the Axial Agreement is terminable by any party upon written notice to the other parties if:

- (a) any party to the Axial Agreement commits any serious breach or persistent breaches of any of the provisions of the Axial Agreement and, in the case of a breach which is capable of remedy, fails to remedy it after being given 30 days' written notice specifying the breach and requiring it to be remedied;
- (b) Mr. Child becomes incapable, by reason of mental disorder, of managing and administering his property and affairs, and a receiver or any other person is authorised to act on this behalf, or otherwise becomes permanently incapable of providing his services under the Axial Agreement; or
- (c) any party goes into liquidation receivership or administration or Mr. Child becomes bankrupt, applies for a receiving order or has a receiving order made against him, or he or it enters into any voluntary arrangement (within the meaning of the *Insolvency Act 1986* (United Kingdom)) with his or its creditors.

In such case, Axial would be entitled to any monthly fees payable in one lump sum for the period of its notice.

Under the Axial Agreement, Mr. Child shall receive a cash bonus (the "**Bonus**") in the event of a Takeover or Asset Sale (as such terms are defined below). The Bonus will be equal to the Appropriate Percentage of the Takeover Value or Asset Value (as such terms are defined below). The Bonus shall be paid within seven days of the last to occur of: (i) date on which the Takeover becomes unconditional in all respects (or, if implemented by a scheme of arrangement, the date on which such scheme of arrangement is approved by the court) or the Asset Sale is completed in accordance with its terms as appropriate; or (ii) the final agreement or determination of the Takeover Value or Asset Value is achieved. Mr. Child is entitled to the Bonus if the Bonus has accrued prior to or during any notice period given or received by him under the Axial Agreement, but not if the Bonus accrues after expiry of such notice.

For the purposes of the Axial Agreement:

- (a) a "**Takeover**" means an offer for the entire issued or to be issued share capital of the Company made pursuant to *The City Code on Takeovers and Mergers* or any other way;
- (b) an "**Asset Sale**" means the completion of the sale of any asset or assets of the Company in a single transaction representing at least 25% of the average market capitalisation of the Company in the four weeks prior to the announcement of such sale;
- (c) in the event of a Takeover, "**Takeover Value**" means: (i) the number of shares of the Company that are subject to the Takeover (including any shares arising from conversion of options, warrants or other securities that are also included in the Takeover); multiplied by (ii) the price paid per share payable pursuant to the Takeover; and
- (d) in the event of an Asset Sale, "**Asset Value**" means the price payable for the asset in question, including indebtedness assumed or repaid by or on behalf of the buyer (or any person connected with it), as well as any other sums payable to the Company or anyone connected with it which may be reasonably considered to form part of the price for the asset.

The Bonus shall be based on a percentage (the "**Appropriate Percentage**") of the Takeover Value or Asset Value, calculated in accordance with the following mechanism:

<b>Takeover Value or Asset Value</b>	Equivalent to or greater than 100 pence and less than 125 pence per share <sup>(1)</sup>	Equivalent to or greater than 125 pence and less than 150 pence per share <sup>(1)</sup>	Equivalent to or greater than 150 pence per share <sup>(1)</sup>
<b>Appropriate Percentage</b>	1.0%	1.5%	2.0%

**Notes:**

(1) Adjusted for any reorganisation of the share capital of the Company.

The following table sets forth the maximum Bonus amounts payable to Mr. Child assuming a Takeover or Asset Sale had occurred on 31 December 2018, and the Takeover Values and Asset Values set forth below. On 31 December 2018, the Company had 67,179,335 Ordinary Shares issued and outstanding.

<b>Takeover Value or Asset Value</b>	Equal to 100 pence per Ordinary Share	Equal to 125 pence per Ordinary Share	Equal to 150 pence per Ordinary Share
<b>Bonus Amount (£)</b>	671,793	1,259,613	2,015,380

**Termination and Change of Control Benefits**

Other than as described above, there are no agreements, compensation plans, contracts or arrangements whereby an NEO is entitled to receive payments from the Company in the event of the termination of the NEO's employment with the Company.

**Director Compensation**

*Director Compensation Table*

The following table provides information regarding compensation earned by each of the following directors of the Company for the year ended 31 December 2018.

<b>Name</b>	<b>Fees earned (£)</b>	<b>Share awards (£)</b>	<b>Option awards<sup>(1)</sup> (£)</b>	<b>Non-equity incentive plan compensation (£)</b>	<b>Pension value (£)</b>	<b>All other compensation (£)</b>	<b>Total (£)</b>
Jim Mellon	25,000	Nil	6,084	Nil	Nil	Nil	31,084
Roger Davey <sup>(2)</sup>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Peter Flindell <sup>(3)</sup>	12,500	Nil	Nil	Nil	Nil	Nil	12,500
Kate Harcourt	25,000	Nil	6,084	Nil	Nil	Nil	31,084
Andrew Cheatle <sup>(4)</sup>	28,333	Nil	15,104	Nil	Nil	Nil	43,437

**Notes:**



- (1) The fair value at the grant date was calculated using the Black-Scholes option pricing model as discussed in note 3 of the “Summary Compensation Table” above.
- (2) Mr. Davey retired from the Board on 18 January 2018.
- (3) Mr. Flindell retired from the Board on 11 June 2018.
- (4) Mr. Cheatle was appointed to the Board on 18 January 2018.

Non-executive directors of the Company receive an annual retainer fee and are eligible for Option grants. Non-executive directors are eligible to receive additional remuneration in their capacity as non-executive directors for providing additional services to the Company. The directors of the Company are not compensated for their role on any committee of the Board.

### Incentive Plan Awards - Directors

The following table provides information regarding the incentive plan awards for each non-executive director in office during the financial year ended 31 December 2018 and outstanding as at that date. Further information on the significant terms of the incentive share options is provided under the heading “Securities Authorised for Issuance Under Equity Compensation Plans”.

#### Outstanding Share Awards and Options Awards

Name	Option Awards				Share Awards		
	Number of securities underlying unexercised options	Exercise price (pence)	Option Expiry Date	Value of unexercised in-the-money options (£) <sup>(1)</sup>	Number of shares or units of shares that have not vested	Market / payout value of share awards that have not vested (£)	Market or payout value of vested share-based awards not paid out or distributed (£)
Jim Mellon	150,000	100	23 July 2019	Nil	Nil	Nil	Nil
	150,000	67	7 July 2020	Nil	Nil	Nil	Nil
	150,000	80	26 September 2021	Nil	Nil	Nil	Nil
	150,000	62	6 July 2022	Nil	Nil	Nil	Nil
	150,000	42	23 September 2023	Nil	Nil	Nil	Nil
Roger Davey <sup>(2)</sup>	150,000	100	23 July 2019	Nil	Nil	Nil	Nil
	150,000	67	18 January 2020	Nil	Nil	Nil	Nil
	150,000	80	18 January 2020	Nil	Nil	Nil	Nil
	150,000	62	18 January 2020	Nil	Nil	Nil	Nil
Peter Flindell <sup>(3)</sup>	150,000	100	23 July 2019	Nil	Nil	Nil	Nil
	150,000	67	10 June 2020	Nil	Nil	Nil	Nil
	150,000	80	10 June 2020	Nil	Nil	Nil	Nil
	150,000	62	10 June 2020	Nil	Nil	Nil	Nil
Kate Harcourt	50,000	67	7 July 2020	Nil	Nil	Nil	Nil
	150,000	80	26 September 2021	Nil	Nil	Nil	Nil
	150,000	62	6 July 2022	Nil	Nil	Nil	Nil
	150,000	42	23 September 2023	Nil	Nil	Nil	Nil
Andrew Cheatle <sup>(4)</sup>	150,000	65	24 January 2023	Nil	Nil	Nil	Nil
	75,000	42	23 September 2023	Nil	Nil	Nil	Nil

#### Notes:

- (1) Based on the closing market price of the Company's Ordinary Shares on AIM on 31 December 2018 of £0.3105 per share.
- (2) Mr. Davey retired from the Board on 18 January 2018.

- (3) Mr. Flindell retired from the Board on 11 June 2018.  
 (4) Mr. Cheatle was appointed to the Board on 18 January 2018.

*Value Vested or Earned During the Year*

The following table provides information regarding the value vested or earned pursuant to the incentive plan awards for each non-executive director in office during the financial year ended 31 December 2018.

Name	Option awards – Value vested during the year <sup>(1)(2)</sup> (£)	Share awards – Value vested during the year (£)	Non-equity incentive plan compensation – Value earned during the year (£)
Jim Mellon	Nil	Nil	Nil
Roger Davey <sup>(3)</sup>	Nil	Nil	Nil
Peter Flindell <sup>(4)</sup>	Nil	Nil	Nil
Kate Harcourt	Nil	Nil	Nil
Andrew Cheatle <sup>(5)</sup>	Nil	Nil	Nil

**Notes:**

- (1) Based on the closing price of the Company's shares on AIM on 24 January 2018 of £0.585 per share and on 23 September 2018 of £0.345 per share.  
 (2) The exercise price of share options is based on the closing price of the Company's shares on the day prior to issue, plus a premium of at least 10.0%. Share options vest within twenty four months from issue and expire 5 years after issue.  
 (3) Mr. Davey retired from the Board on 18 January 2018.  
 (4) Mr. Flindell retired from the Board on 11 June 2018.  
 (5) Mr. Cheatle was appointed to the Board on 18 January 2018.

*Narrative Discussion*

The Company granted the following Options to its non-executive directors during the fiscal year ended 31 December 2018:

<u>Director</u>	<u>Options</u>
Each of Jim Mellon and Kate Harcourt	150,000 Options (£0.42 exercise price per Ordinary Share, expiring 23 September 2023)
Andrew Cheatle	150,000 Options (£0.65 exercise price per Ordinary Share, expiring 25 January 2023); & 75,000 Options (£0.42 exercise price per Ordinary Share, expiring 23 September 2023)

Of the Options granted to the Company's non-executive directors during the financial year ended 31 December 2018, 50% of the Options vest on each of the 12 and 24 month anniversaries of the date of

grant. See “Securities Authorised for Issuance under Equity Compensation Plans” for a summary of the key terms of the Company’s Option Scheme.

### Securities Authorised for Issuance under Equity Compensation Plans

Set forth below is a summary of securities issued and issuable under all equity compensation plans of the Company as at 31 December 2018.

#### Equity Compensation Plan Information

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Current Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by securityholders	8,139,500	68 pence	1,937,400 <sup>(1)</sup>
Equity compensation plans not approved by securityholders	Nil	Nil	Nil

#### Notes:

- (1) The number of Options available for future issuance shall not, when added to the number of Options that have been granted and not lapsed, exceed such number of Ordinary Shares as represents 15% of the Ordinary Shares outstanding from time to time.

#### Summary of Option Scheme

An Option Scheme was approved by shareholders of the Company on 13 January 2006. The purpose of the Option Scheme is to provide for the granting of Options to purchase Ordinary Shares to directors, officers, employees and consultants of the Company and the Company’s subsidiaries, in accordance with the provisions set out below.

The Option Scheme is available to Executive Directors, Non-Executive Directors and Executives (as such terms are defined in the Option Scheme) of the Company and any of its subsidiaries (whether officers or employees) or consultants who shall be nominated by the Remuneration Committee in its absolute discretion or as delegated by the Remuneration Committee, the Chairman (each such person, a “**Nominated Person**”). The Remuneration Committee or, as applicable, the Chairman may, in their absolute discretion, make the Option Scheme available to persons who are not Executive Directors, Non-Executive Directors or Executives of the Company or any of its subsidiaries. The Option Scheme shall, in all respects, be administered under the direction of the Remuneration Committee which may make such rules for the conduct of the Option Scheme consistent with the terms and conditions therein contained as it deems advisable.

The total number of Ordinary Shares for which Options to subscribe may be granted under the Option Scheme, on any day shall not, when added to the number of Options that have been granted and have not lapsed, exceed such number of Ordinary Shares as represents 15% of the Ordinary Share capital of the Company in issue immediately prior to that day. As at 31 December 2018, 8,139,500 Options are issued and outstanding under the Option Scheme, and 1,937,400 Options remain available for issuance. The number of Options outstanding under the Option Scheme represents approximately 12.1% of the number

of Ordinary Shares issued and outstanding as of the date hereof. The number of Options that remain available for issuance under the Option Scheme represents approximately 2.9% of the number of Ordinary Shares issued and outstanding as of the date hereof.

The Remuneration Committee may, at any time and from time to time and subject to the approval of the Board, offer to grant Options to Nominated Persons to subscribe at the Exercise Price (as defined below) for Ordinary Shares. Each such offer shall specify the particulars of the grant and shall be subject to acceptance and payment of nominal consideration by the Nominated Person in accordance with such offer. No Options shall be granted to any Nominated Person otherwise than in compliance with the rules of AIM in force from time to time. The “**Exercise Price**” in relation to an Option shall be determined by the Remuneration Committee, but in any case shall not be less than: (i) the Market Price per share of the Ordinary Shares; and (ii) the nominal value for the Ordinary Shares. “**Market Price**” in relation to an Option means the greater of the par value of the Ordinary Shares (20 pence) or the Market Value per share of the Ordinary Shares. The “**Market Value**” is defined in the Option Scheme as the middle market quotation for an Ordinary Share on the last day of trading of the London Stock Exchange immediately preceding the date on which the Option is granted, or such value as may be determined by the Company’s auditors.

The rights of holders of Options shall be deemed personal and shall not be assignable in whole or in part except with the written authorisation of the Remuneration Committee.

No Options shall be exercisable within the first 12 months from the grant date. 50% of the Options can be exercised between 12 months and 24 months of the grant date and 100% of the Options can be exercised 24 months after the grant date. No Option shall be exercisable more than five years after the date upon which it was granted.

No Options shall be exercisable later than 30 days after the holder of the Options ceases to hold the office or employment by virtue of which he or she is eligible to participate in the Option Scheme, except in the case of death, in which event the terms outlined below shall apply, or such period as at the discretion of the Remuneration Committee or the Chairman, as the case may be.

If a holder of an Option dies at a time when an Option is still capable or has been deemed (by the Remuneration Committee) capable of being exercised, his or her legal personal representative or representatives, as the case may be, may exercise the Option in whole or in part within 12 calendar months from the date of death of such Option holder. No Option may be exercised later than 12 calendar months after the date of death of such Option holder and upon the expiration of such 12 calendar month period the Option shall expire to the extent that it has not been exercised. Options which lapse following termination of employment, retirement or death may be made available to future issuances.

If the holder of an Option ceases to hold the office or employment by virtue of which he or she is eligible to participate in the Option Scheme because he or she has retired, because of Health Reasons, or because of Dismissal for Redundancy (as such terms are defined in the Option Scheme), then in such case an Option held by such person which is capable of being exercised must be exercised within 30 days, unless agreed in writing by the Remuneration Committee or the Chairman.

The Company may at any time by resolution of the Board vary, amend or revoke any of the provisions of the Option Scheme in such manner as the Remuneration Committee may consider necessary provided that:

- (a) the purpose of the Option Scheme shall not be altered;
- (b) except with the sanction of the Company in general meeting, no alteration shall be made to the provisions of the Option Scheme which would have the effect of altering the definitions of “Market Value” and “Exercise Price” in the Option Scheme, or of altering certain provisions of the Option Scheme regarding participation eligibility, limitations on issue and participation, grants of Options,

determination of the Exercise Price, exercise or vesting periods, events of liquidation and alterations in capital, as well as the provisions relating to the alterations to the Option Scheme; and

- (c) no such variation, amendment or revocation shall increase the amount payable by any holder of Options or otherwise impose more onerous obligations on any holder of Options in respect of the exercise of an Option that has already been granted.

**'Burn Rate' for options awarded over the preceding three years**

Year ended	Number of securities granted under the arrangement during the applicable fiscal year (a)	Weighted average number of securities outstanding <sup>2</sup> for the applicable fiscal year (b)	Burn rate (=a/b)
31 December 2018	2,005,000	65,873,187	0.030
31 December 2017	2,085,000	59,994,972	0.035
31 December 2016	1,740,000	52,910,649	0.033

**STATEMENT OF CORPORATE GOVERNANCE**

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* of the Canadian Securities Administrators requires reporting issuers to disclose their corporate governance practices with reference to a series of guidelines for effective corporate governance set forth in National Policy 58-201 – *Corporate Governance Guidelines*.

See Schedule “A” to this Circular which contains a description of the Company’s corporate governance practices.

**INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

There is currently no outstanding indebtedness owing to either the Company or any of its subsidiaries, or to any other entity which is the subject of a guarantee, support agreement, letter of credit or similar arrangement provided by the Company or any of its subsidiaries, of (i) any director, executive officer or employee; (ii) any former director, executive officer or employee; or (iii) any associate of any current or former director or executive officer of the Company.

**INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

As at the date hereof, no director or executive officer of the Company who has held such position at any time since the beginning of the Company’s financial year ended 31 December 2018, proposed nominee for election as a director of the Company, or associate or affiliate of the foregoing has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than the election of directors.

**INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Since the commencement of the Company’s most recently completed financial year, no informed person or proposed director of the Company, nor any associate or affiliate thereof, has or had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or will materially affect the Company or any of its subsidiaries.

## **ADDITIONAL INFORMATION**

Additional information relating to the Company may be found under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com). Enquiries including requests for copies of the Company's financial statements and management's discussion and analysis for the year ended 31 December 2018 may be directed to Company Secretary at the Company's registered office at Condor Gold plc, 7/8 Innovation Place, Godalming, Surrey, GU7 1JX, United Kingdom.

Additional financial information is provided in the Company's comparative financial statements and management's discussion and analysis for the year ended 31 December 2018 which is also available on SEDAR.

## **APPROVAL**

The contents of this information circular and the sending thereof to the Shareholders of the Company have been approved by the Board of Directors.

Dated 22 March 2019

**By Order of the Board Of Directors**

**Mark Child**  
Executive Chairman

## SCHEDULE "A"

### CORPORATE GOVERNANCE DISCLOSURE

#### GUIDELINES

#### COMMENTARY

#### 1. Directors

- | (a)                     | Disclose the identity of directors who are independent.   | Mr. Jim Mellon, Mr. Andrew Cheatle and Ms. Kate Harcourt  |                         |  |                   |  |                |   |                    |  |  |
|-------------------------|---|---|-------------------------|--|-------------------|--|----------------|---|--------------------|--|--|
| (b)                     | Disclose the identity of directors who are not independent, and describe the basis for that determination.  | Mr. Mark Child, the Chairman and Chief Executive Officer of the Company, is not independent within the meaning of NI 52-110 .   |                         |  |                   |  |                |   |                    |  |  |
| (c)                     | Disclose whether or not a majority of directors are independent. If a majority of directors are not independent, describe what the Board does to facilitate its exercise of independent judgement in carrying out its responsibilities.   | Three of the four directors are independent within the meaning of NI 52-110 and accordingly, independent directors constitute a majority of directors of the Board.   |                         |  |                   |  |                |   |                    |  |  |
| (d)                     | If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.  | <table border="0"> <thead> <tr> <th style="text-align: left; padding-bottom: 5px;"><u>Name of Director</u></th> <th style="text-align: left; padding-bottom: 5px;"><u>Name of Other Reporting Issuer(s)</u></th> </tr> </thead> <tbody> <tr> <td style="padding-bottom: 10px;">Ms. Kate Harcourt</td> <td style="padding-bottom: 10px;">Roxgold Inc.<br/>Orezone Gold Corporation</td> </tr> <tr> <td style="padding-bottom: 10px;">Mr. Jim Mellon</td> <td style="padding-bottom: 10px;">Bradda Head Holdings Ltd<br/>West African Minerals Corporation<br/>Manx Financial Group Plc<br/>SalvaRx Group Plc<br/>Port Erin Biopharma Investments Limited<br/>Portage Biotech Inc.</td> </tr> <tr> <td style="padding-bottom: 10px;">Mr. Andrew Cheatle</td> <td style="padding-bottom: 10px;">QMX Gold Corp.<br/>QGold Resources Ltd.</td> </tr> </tbody> </table> | <u>Name of Director</u> | <u>Name of Other Reporting Issuer(s)</u> | Ms. Kate Harcourt | Roxgold Inc.<br>Orezone Gold Corporation | Mr. Jim Mellon | Bradda Head Holdings Ltd<br>West African Minerals Corporation<br>Manx Financial Group Plc<br>SalvaRx Group Plc<br>Port Erin Biopharma Investments Limited<br>Portage Biotech Inc. | Mr. Andrew Cheatle | QMX Gold Corp.<br>QGold Resources Ltd. |  |
| <u>Name of Director</u> | <u>Name of Other Reporting Issuer(s)</u>  |   |                         |  |                   |  |                |   |                    |  |  |
| Ms. Kate Harcourt       | Roxgold Inc.<br>Orezone Gold Corporation  |   |                         |  |                   |  |                |   |                    |  |  |
| Mr. Jim Mellon          | Bradda Head Holdings Ltd<br>West African Minerals Corporation<br>Manx Financial Group Plc<br>SalvaRx Group Plc<br>Port Erin Biopharma Investments Limited<br>Portage Biotech Inc.   |   |                         |  |                   |  |                |   |                    |  |  |
| Mr. Andrew Cheatle      | QMX Gold Corp.<br>QGold Resources Ltd.  |   |                         |  |                   |  |                |   |                    |  |  |
| (e)                     | Disclose whether or not the independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the beginning of the issuer's most recently completed financial year. If the independent directors do not hold such | The Board does not hold regularly scheduled meetings at which non-independent directors and management are not in attendance but may do so whenever they see fit. The Board has functioned and is of the view that it can continue to function independently of management. Board committees, in particular, the Remuneration Committee and the Audit Committee, do meet from time to time without members of management present. In addition, the independent directors are otherwise in direct contact with each other on an ad hoc basis.  |                         |  |                   |  |                |   |                    |  |  |

## GUIDELINES

meetings, describe what the Board does to facilitate open and candid discussion among its independent directors.

- (f) Disclose whether or not the chair of the Board is an independent director. If the Board has a chair or lead director who is an independent director, disclose the identity of the independent chair or lead director, and describe his or her role and responsibilities. If the Board has neither a chair that is independent nor a lead director that is independent, describe what the Board does to provide leadership for its independent directors.

- (g) Disclose the attendance record of each director for all board meetings held since the beginning of the issuer's most recently completed financial year.

2. **Board Mandate** – Disclose the text of the Board's written mandate. If the Board does not have a written mandate, describe how the Board delineates its role and responsibilities.

### 3. **Position Descriptions**

- (a) Disclose whether or not the Board has developed written position descriptions for the chair and the chair of each board committee. If the Board has not developed written

## COMMENTARY

Mr. Mark Child, the Chairman of the Board, is not an independent director. The Board has appointed Mr. Jim Mellon, an independent director, as Lead Director. The Lead Director is responsible for providing leadership to enhance the effectiveness and independence of the Board. The role of the Lead Director is to act as effective leader of the Board and to ensure that the Board's agenda will enable it to successfully carry out its duties.

	<u>Eligible to attend</u>	<u>Attended</u>
Mr. Mark Child:	6	5
Mr. Jim Mellon:	6	5
Ms. Kate Harcourt:	6	5
Mr. Andrew Cheatle:	6	6
Mr. Peter Flindell:	3	2

Mr. Davey and Mr. Flindell retired as directors of the Company on 18 January and 11 June 2018 respectively.

The Board has adopted a written mandate, the text of which is attached as Schedule "B".

The Board has not developed written position descriptions for the Chairman of the Board and chair of each Board committee. The Board does not expressly delineate the roles and responsibilities of these positions and relies upon the provisions of the articles of association of the Company and the statutory and common law to define such roles and



## GUIDELINES

position descriptions for the chair and/or the chair of each board committee, briefly describe how the Board delineates the role and responsibilities of each such position.

- (b) Disclose whether or not the Board and CEO have developed a written position description for the CEO. If the Board and CEO have not developed such a position description, briefly describe how the Board delineates the role and responsibilities of the CEO.

#### 4. **Orientation and Continuing Education**

- (a) Briefly describe what measures the Board takes to orient new directors regarding (i) the role of the Board, its committees and its directors, and (ii) the nature and operation of the issuer's business.

- (b) Briefly describe what measures, if any, the Board takes to provide continuing education for its directors. If the Board does not provide

## COMMENTARY

responsibilities. Given the size of the Company, the Board does not feel that it is necessary at this time to formalize such position descriptions, as it is currently the Board's view that the general mandates of committees on which such directors may sit are sufficient to delineate the role and responsibilities of the chair of each committee. Additional guidance is provided through reference to industry norms, past practice and discussions between the Board and the applicable director to delineate the role of such person. The chair of each Board committee is required to ensure the committee meets regularly and performs the duties as set forth in the committee mandate, and reports to the Board on the activities of the committee. The Chairman is principally responsible for overseeing the operations and affairs of the Board.

The Board and the CEO have not developed a written position description for the CEO. The Board meets annually to set objectives for the CEO, along with delineating the roles and responsibilities of the CEO. The Board reviews and approves the objectives of the CEO and evaluates the CEO's performance in connection with these objectives. The Board will also determine whether the roles and responsibilities of the CEO correspond with achieving these objectives. The Board believes that the CEO has the responsibility for all of the functions and operations of the Company on a day-to-day basis.

While the Company does not have formal orientation and training programs, new Board members are provided with: (i) information respecting the functioning of the Board and its committees; (ii) access to recent, publicly filed documents of the Company; and (iii) access to management.

Board members are encouraged to communicate with management, auditors and technical consultants; to keep themselves current with industry trends and developments and changes in legislation with management's assistance; and to attend related industry seminars and visit the Company's operations. Board members have full access to the Company's records.

Trips to where the Company's operations are located are arranged for directors from time to time so they have an opportunity to meet operational management and site personnel.

Directors are encouraged to participate in appropriate professional and personal development activities, courses and programs. As well, presentations are made to the Board from time to time to keep them informed of changes within the

## GUIDELINES

continuing education, describe how the Board ensures that its directors maintain the skill and knowledge necessary to meet their obligations as directors.

### 5. Ethical Business Conduct

- (a) Disclose whether or not the Board has adopted a written code for the directors, officers and employees. If the Board has adopted a written code:

- (i) disclose how a person or company may obtain a copy of the code;

- (ii) describe how the Board monitors compliance with its code, or if the Board does not monitor compliance, explain whether and how the Board satisfies itself regarding compliance with its code; and

- (iii) provide a cross-reference to any material change report filed since the beginning of the issuer's most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code.

- (b) Describe any steps the Board takes to ensure directors exercise independent judgement in considering transactions and agreements in respect of which a director or executive officer has a material interest.

## COMMENTARY

Company and in regulatory and industry requirements and standards.

The Board has not adopted a written code of conduct for the directors, officers and employees of the Company.

However, the Board has found that the fiduciary duties placed on individual directors pursuant to corporate legislation and the common law, and the conflict of interest provisions under corporate legislation which restricts an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of Condor.

Further, Condor has in 2018 adopted the principles of corporate governance as set out in the UK Corporate Governance Code.

N/A

N/A

N/A

The directors are instructed to declare any conflicts of interest in matters to be acted on by the Board, to ensure that such conflicts are handled in an appropriate manner, and to disclose any contracts or arrangements with the Company in which the director has an interest. Any director expressing a conflict of interest in a matter to be considered by the Board is asked to leave the meeting for the duration of the discussion related to the matter at hand, and to abstain from voting with respect to

## GUIDELINES

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- (c) Describe any other steps the Board takes to encourage and promote a culture of ethical business conduct.

### 6. Nominations of Directors

- (a) Describe the process by which the Board identifies new candidates for board nomination.
- (b) Disclose whether or not the Board has a nominating committee composed entirely of independent directors. If the Board does not have a nominating committee composed entirely of independent directors, describe what steps the Board takes to encourage an objective nomination process.
- (c) If the Board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.

### 7. Compensation

- (a) Describe the process by which the Board determines the compensation for the issuer's directors and officers.
- (b) Disclose whether or not the Board has a compensation committee composed entirely of independent directors. If the Board does not have a

## COMMENTARY

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such matter. The relevant director does not receive any segment of Board papers or other documents in which there is a reference to such matter.

The Risk Committee is responsible for assisting the Board in connection with the compliance by the Company and its directors, executives and employees with all applicable laws, regulations and policies adopted by the Company.

The Board does not currently have a formal nominating committee. Rather the Board as a whole is responsible for identifying and recommending candidates for the Board. The Board reviews and makes determinations with respect to: (i) the size and composition of the Board; (ii) the organisation and responsibilities of the appropriate committees of the Board; (iii) the evaluation process for the Board and committees of the Board and the Chairman of the Board and such committees; and (iv) creating a desirable balance of expertise and qualifications among members of the Board.

The Board does not currently have a formal nominating committee.

The Board does not take any formal steps to ensure that objectivity in the nomination process. In the nomination process, the Board assesses its current composition and requirements going forward in light of the stage of the Company and the skills required to ensure proper oversight of the Company and its operations. In addition, four out of five members (80%) of the Board are independent directors, which facilitates an objective nomination process.

N/A

The Board with the assistance of the Remuneration Committee, is responsible for approving compensation objectives and the specific compensation programs for policies and practices of the Company. For more information, see "*Statement of Executive Compensation*".

The members of the Remuneration Committee are Mr. Jim Mellon (Chairman) and Mr. Andrew Cheatle. The Remuneration Committee is therefore composed entirely of independent directors.

## GUIDELINES

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compensation committee composed entirely of independent directors, describe what steps the Board takes to ensure an objective process for determining such compensation.

- (c) If the Board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.

8. **Other Board Committees** – If the Board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.

9. **Assessments** – Disclose whether or not the Board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted,

## COMMENTARY

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The duties and responsibilities of the Remuneration Committee are as follows: (a) review and approve corporate goals and objectives relevant to CEO compensation; (b) evaluate the CEO's performance in light of those corporate goals and objectives, and make recommendations to the Board with respect to the CEO's compensation level based on its evaluation; (c) review the CEO's recommendations to the Committee respecting the appointment, compensation and other terms of employment of the Chief Financial Officer, all senior management reporting directly to the CEO and all other officers appointed by the Board and, if advisable, approve and recommend for Board approval, with or without modifications, any such appointment, compensation and other terms of employment; (d) review executive compensation disclosure before the issuer publicly discloses this information; (e) submit a report to the Board on human resources matters at least annually; (f) prepare an annual report for inclusion in the Company's management information circular to shareholders respecting the process undertaken by the Committee in its review and preparing a recommendation in respect of CEO compensation; and (g) review and assess the adequacy of this mandate at least annually to ensure compliance with any rules or regulations promulgated by any regulatory body, and recommend to the Board for its approval any modifications to this mandate as it considers advisable.

Other than the Audit and Remuneration Committees, the Company has a Risk Committee, comprising Ms. Kate Harcourt (Chairman) and Mr. Andrew Cheatle. The Risk Committee's primary responsibilities are to identify and review the risks that the Company faces and to review the safeguards in place to mitigate those risks. The Risk Committee aims to meet at least once in each year.

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board on a regular basis in order to satisfy itself that the Board, committees and individual directors are performing effectively.

## GUIDELINES

describe how the Board satisfies itself that the Board, its committees, and its individual directors are performing effectively.

10. **Director Term Limits and Other Mechanisms of Board Renewal** – Disclose whether or not the issuer has adopted term limits for the directors on its board or other mechanisms of board renewal and, if so, include a description of those director term limits or other mechanisms of board renewal. If the issuer has not adopted director term limits or other mechanisms of board renewal, disclose why it has not done so.

11. **Policies Regarding the Representation of Women on the Board** –

- (a) Disclose whether the issuer has adopted a written policy relating to the identification and nomination of women directors. If the issuer has not adopted such a policy, disclose why it has not done so.
- (b) If an issuer has adopted a policy referred to in (a), disclose the following in respect of the policy: (i) a short summary of its objectives and key provisions, (ii) the measures taken to ensure that the policy has been effectively implemented, (iii) annual and cumulative progress by the issuer in achieving the objectives of the policy, and (iv) whether and, if so, how the Board or its nominating committee measures the effectiveness of the policy.

## COMMENTARY

The Company believes that imposing term limits on directors would be unduly restrictive and not in the best interests of the Company, and could become an arbitrary mechanism for removing directors which could result in valuable and experienced directors being forced to leave the Board solely because of length of service. Therefore, the Company has decided not to adopt specific term limits for the directors on its Board.

Diversity is an important part of the Company's culture and its operations. Consequently, the Company seeks to recruit and invest in the best available talent and it is committed to increasing the representation of women throughout its workforce. However, the Company has not adopted a written policy relating to the identification and nomination of women directors or regarding the number of women in executive positions because it does not believe that a written policy is the best way to achieve the Company's diversity or business objectives.

N/A

## GUIDELINES

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12. **Consideration of the Representation of Women in the Director Identification and Selection Process –**

Disclose whether and, if so, how the Board or nominating committee considers the level of representation of women on the Board in identifying and nominating candidates for election or re-election to the Board. If the issuer does not consider the level of representation of women on the Board in identifying and nominating candidates for election or re-election to the Board, disclose the issuer's reasons for not doing so.

13. **Consideration Given to the Representation of Women in Executive Officer Appointments –**

Disclose whether and, if so, how the issuer considers the level of representation of women in executive officer positions when making executive officer appointments. If the issuer does not consider the level of representation of women in executive officer positions when making executive officer appointments, disclose the issuer's reasons for not doing so.

14. **Issuer's Targets Regarding the Representation of Women on the Board and in Executive Officer Positions –**

- (a) For purposes of this Item, a "target" means a number or percentage, or a range of numbers or percentages, adopted by the issuer of women on the issuer's board or in executive officer positions of the issuer by a specific date.

## COMMENTARY

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The Board has historically recognised the valuable contributions made to Board deliberations and management by people of different gender, experience and background. Board member selection is made as per the criteria described in this Circular (see Item 6 – *Nomination of Directors* above). However, the Board is mindful of the benefit of diversity in the Company's leadership positions and the need to maximize the effectiveness of the Board and management in their decision making abilities. Accordingly, in searches for new directors or officers, the Board considers the level of female representation and diversity within its leadership ranks and this is just one of several factors used in its search process

See Item 12.

## GUIDELINES

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(b) Disclose whether the issuer has adopted a target regarding women on the issuer's board. If the issuer has not adopted a target, disclose why it has not done so.

(c) Disclose whether the issuer has adopted a target regarding women in executive officer positions of the issuer. If the issuer has not adopted a target, disclose why it has not done so.

(d) If the issuer has adopted a target referred to in either (b) or (c), disclose: (i) the target, and (ii) the annual and cumulative progress of the issuer in achieving the target.

### 15. **Number of Women on the Board and in Executive Officer Positions –**

(a) Disclose the number and proportion (in percentage terms) of directors on the issuer's board who are women.

(b) Disclose the number and proportion (in percentage terms) of executive officers of the issuer, including all major subsidiaries of the issuer, who are women.

## COMMENTARY

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The Company has not adopted a target regarding the representation of women on the Board. The Company believes that candidates should be selected from the widest possible group of qualified individuals, and, accordingly, the level of representation of women may be considered but is not a major factor in identifying and appointing individuals to the Board, and adopting such a target may unduly restrict its ability to select the most appropriate candidates for Board positions.

Due to the limited number of employees of the Company, the Company has not adopted a target regarding women in executive officer positions.

N/A

1 (25%) member of the Board is a woman.

None of the executive officers of the Company are women.

**SCHEDULE “B”  
BOARD OF DIRECTORS MANDATE**

**CONDOR GOLD PLC  
(company number 05587987)**

**Board of Directors Mandate**

**As of November 2, 2017**

**1. Purpose**

The members of the Board of Directors (the “**Board**”) are responsible for setting the strategic direction and policies of Condor Gold Plc (“**Condor**” or the “**Company**”) and to oversee the business and affairs of the Company on behalf of the shareholders by whom they are elected and to whom they are accountable. The Board, directly and through its committees and the chairman of the Board (the “**Chairman**”) shall provide direction to senior management, generally through the Chief Executive Officer, to promote the success of the Company.

**2. Duties and Responsibilities**

The Board shall have the specific duties and responsibilities outlined below.

***Strategic Planning***

(a) *Strategic Plans*

At least annually, the Board shall review and, if advisable, approve the Company’s strategic planning process and the Company’s strategic plan. In discharging this responsibility, the Board shall review the plan in light of management’s assessment of emerging trends, the competitive environment, the opportunities for the business of the Company, risk issues, and significant business practices and products.

(b) *Business and Capital Plans*

At least annually, the Board shall review and, if advisable, approve the Company’s annual business and capital plans as well as policies and processes generated by management relating to the authorisation of major investments and significant allocation of capital.

(c) *Monitoring*

At least annually, the Board shall review management’s implementation of the Company’s strategic, business and capital plans. The Board shall review and, if advisable, approve any material amendments to, or variances from, these plans.

***Risk Management***

(d) *General*

At least annually, the Board shall, with the assistance of the Risk Committee, review reports provided by management of principal risks associated with Condor’s business and operations, review the implementation by management of appropriate systems to manage these risks, and review reports by management relating to the operation of, and any material deficiencies in, these systems.



(e) *Verification of Controls*

The Board shall verify that internal, financial, non-financial and business control and management information systems have been established by management.

**Human Resource Management**

(f) *General*

At least annually, the Board shall review a report of the Remuneration Committee concerning the Company's approach to human resource management and executive compensation.

(g) *Succession Review*

At least annually, the Board shall review the succession plans of the Company for the Chairman, Chief Executive Officer and other executive officers, including the appointment, training and monitoring of such persons.

(h) *Integrity of Senior Management*

The Board shall, to the extent feasible, satisfy itself as to the integrity of the Chief Executive Officer and other executive officers of the Company and that the Chief Executive Officer and other senior officers strive to create a culture of integrity throughout the Company.

**Corporate Governance**

(i) *General*

At least annually, the Board shall review the Company's approach to corporate governance.

(j) *Director Independence*

At least annually, the Board shall review the Board's ability to act independently from management in fulfilling its duties.

(k) *Ethics Reporting*

The Board as adopted the principles of good governance set out in the *UK Corporate Governance Code* as published by the Quoted Companies Alliance.

(l) *Board of Directors Mandate Review*

At least annually, the Board shall review and assess the adequacy of its Mandate to ensure compliance with any rules or regulations promulgated by any regulatory body and approve any modifications to this Mandate as considered advisable.

**Communications**

(m) *General*

The Board, in consultation with management, shall oversee and review the Company's public disclosure to ensure that communications with the public are timely, factual, accurate and broadly disseminated in accordance with all applicable legal and regulatory requirements. The Board shall adopt appropriate procedures designed to permit the Board to receive feedback from shareholders on material issues.

(n) *Shareholders*

The Company endeavors to keep its shareholders informed of its progress through an annual report, annual information form, quarterly interim reports and periodic press releases. Directors and management meet with the Company's shareholders at the annual meeting and are available to respond to questions at that time.

### **3. Composition**

#### ***General***

The composition and organisation of the Board, including: the number, qualifications and remuneration of directors; the number of Board meetings; quorum requirements; meeting procedures and notices of meetings, are required by applicable corporate and securities laws, applicable stock exchange rules and the Memorandum and Articles of Association of the Company, subject to any exemptions or relief that may be granted from such requirements.

Each director must have an understanding of the Company's principal operational and financial objectives, plans and strategies, and financial position and performance. Directors must have sufficient time to carry out their duties and not assume responsibilities that would materially interfere with, or be incompatible with, Board membership. Directors that experience a significant change in their personal circumstances, including a change in their principal occupation, are expected to advise the Chairman.

#### ***Independence***

A majority of the Board must be independent. "**Independent**" shall have the meaning, as the context requires, given to it in both the Code and National Policy 58-201 - *Corporate Governance Guidelines*, as they may be amended from time to time.

#### ***Chairman of the Board***

The Chairman of the Board shall be an independent director, unless the Board determines that it is inappropriate to require the Chairman to be independent. If the Board determines that it would be inappropriate to require the Chairman of the Board to be independent, then the independent directors shall select from among their number a director who will act as "**Lead Director**" and who will assume responsibility for providing leadership to enhance the effectiveness and independence of the Board. The Chairman, or if applicable, the Lead Director, shall act as the effective leader of the Board and ensure that the Board's agenda will enable it to successfully carry out its duties.

### **4. Committees of the Board**

The Board has established the following committees: the Remuneration Committee, the Audit Committee, and the Risk Committee. Subject to applicable law, the Board may establish other Board committees or merge or dispose of any Board committee.

#### ***Committee Mandates***

The Board has approved mandates for each Board committee and shall approve mandates for each new Board committee. At least annually, each mandate shall be reviewed by the Board and the Board shall consider and, if advisable, approve any amendments.

#### ***Delegation to Committees***

The Board has delegated to the applicable committee those duties and responsibilities set out in each Board committee's mandate.

### ***Consideration of Committee Recommendations***

As required by applicable law, by applicable committee Mandate or as the Board may consider advisable, the Board shall consider for approval the specific matters delegated for review to Board committees.

### ***Board/Committee Communication***

To facilitate communication between the Board and each Board committee, each committee chair shall provide a report to the Board on material matters considered by the committee at the first Board meeting after the committee's meeting.

## **5. Meetings**

The Board will meet at least once in each quarter, with additional meetings held as deemed advisable. The Chairman is primarily responsible for the agenda and for supervising the conduct of the meeting. Any director may propose the inclusion of items on the agenda, request the presence of, or a report by any member of senior management, or at any Board meeting raise subjects that are not on the agenda for that meeting.

Meetings of the Board shall be conducted in accordance with the Company's Articles of Association.

### ***Secretary and Minutes***

The Secretary of the Company, his or her designate or any other person the Board requests shall act as secretary of Board meetings. Minutes of Board meetings shall be recorded and maintained by the Secretary and subsequently presented to the Board for approval.

### ***Meetings Without Management***

The independent members of the Board shall hold regularly scheduled meetings, or portions of regularly scheduled meetings, at which non-independent directors and members of management are not present.

### ***Directors' Responsibilities***

Each director is expected to attend all meetings of the Board and any committee of which he or she is a member. Directors will be expected to have read and considered the materials sent to them in advance of each meeting and to actively participate in the meetings.

### ***Access to Management and Outside Advisors***

The Board shall have unrestricted access to management and employees of the Company. The Board shall have the authority to retain and terminate external legal counsel, consultants or other advisors to assist it in fulfilling its responsibilities and to set and pay the respective reasonable compensation of these advisors without consulting or obtaining the approval of any officer of the Company. The Company shall provide appropriate funding, as determined by the Board, for the services of these advisors.

### ***Service on Other Boards and Audit Committee***

Directors may serve on the boards of other public companies so long as these commitments do not materially interfere and are compatible with their ability to fulfill their duties as a member of the Board. Directors must advise the Chairman in advance of accepting an invitation to serve on the board of another public company.

## **6. Director development and evaluation**

Each new director shall participate in the Company's initial orientation program, which shall comprise briefings from the Chief Executive with regard to the Company and include a visit to the Company's offices and project sites.

## **7. No Rights Created**

This Mandate is a statement of broad policies and is intended as a component of the flexible governance framework within which the Board, assisted by its committees, directs the affairs of the Company. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Company's Memorandum and Articles of Association, it is not intended to establish any legally binding obligations.