



Condor Gold plc

7/8 Innovation Place
Douglas Drive
Godalming
Surrey
GU7 1JX

Tel: +44 (0) 207 493 2784

16 December 2020

Condor Gold Plc ("Condor", "Condor Gold" or the "Company")

Driving Towards Production - Condor Gold Commences Initial Site Preparation at Mina La India

Condor Gold (AIM: CNR; TSX: COG) is pleased to announce that it has commenced initial site preparation at the location of the processing plant facility at Mina La India, Nicaragua. This includes the main plant access road from a regional paved highway to the processing plant, in-plant roads and a bypass road. All key areas for the plant layout from the stockpile area to the crushing and grinding machinery to the leach tanks, a laydown area and warehouse will be cleared. The total area being cleared is 11.26 hectares and is estimated to be completed in 3 to 4 months. It demonstrates Condor's commitment to developing a clear path to production.

Highlights:

- Site preparation commences in area of processing plant facility
- 11.26 hectares of land being cleared of scrub and trees with any disturbed topsoil being stockpiled separately for future reclamation use
- Main access road to plant facility, internal and bypass roads being prepared
- ROM Stockpile area, laydown area, warehouse areas to be cleared
- The Company has purchased 100% of the land to proceed with construction in this area
- Clearing activities will replace trees on a 10 to 1 basis supported by Condor's tree nursery, which has approximately 7,000 trees

Mark Child, Chairman and CEO comments:

"The initiation of site preparation at Mina La India marks a significant landmark in the Company's development as it transitions from a gold exploration and development company to a gold producer. Two viewing platforms over the plant area have already been constructed. 25 geotechnical test pits have been completed to aid with the design of the plant layout. The focus of the initial site preparation is clearing 11.26 hectares of scrub and trees which will host the key areas of the plant from the stockpile area to the comminution circuit, a laydown area, warehouses, main access road and internal roads."

Site Preparation at Mina La India:

The site preparation of the processing plant facility is in compliance with laws and regulations applicable in Nicaragua and in line with the conditions of the Environmental Permit to construct and

operate a processing plant with a capacity of up to 2,800 tonnes per day and associated mine site infrastructure (see RNSs dated 6 August 2018 and 28 January 2020). Over 25 geotechnical tests pits have been completed, which have aided in the arrangement of the processing plant layout.

The initial site preparation includes ground clearance of trees and scrubs, clearing 11.26 hectares of land, and 790 meters of roads are being constructed. The areas being cleared include the construction of a main plant access road from a regional paved highway to the processing plant facility, in-plant roads and a bypass road to minimise traffic through a nearby village. The initial site preparation includes a laydown area for the processing plant equipment, the location of the stockpile area, the processing plant location and warehouses. The site clearance and construction of two viewing areas over the plant location has been completed. The initial stage of site preparation will use local Nicaraguan firms and local labour thereby creating jobs in the local communities. Clearing activities will replace trees on a 10 to 1 basis supported by Condor's tree nursery, which has approximately 7,000 trees; useable wood will either be repurposed or distributed as cooking fuel for local families. Any topsoil will be stockpiled and retained for future use.

A second, more comprehensive stage of site preparation will follow, which will include geotechnical drilling on the location of the SAG or Ball Mill and key infrastructure. It will include deep foundation excavation for the location of the processing plant, offices, accommodation, warehouses etc and will be extended to the tailings storage facility, water retention dam, explosive magazine, offices, accommodation, internal roads and preparation of a berm. It will also include surface water diversion channels, drainage piping and placement of structural concrete. The majority of the designs and detailed engineering in the second stage will be conducted by reputable international firms to both local and international standards.

- Ends -

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

Condor Gold plc

Mark Child, Chairman and CEO
+44 (0) 20 7493 2784

Beaumont Cornish Limited

Roland Cornish and James Biddle
+44 (0) 20 7628 3396

SP Angel Corporate Finance
LLP

Ewan Leggat
+44 (0) 20 3470 0470

Blytheweigh

Tim Blythe, Camilla Horsfall and Megan Ray
+44 (0) 20 7138 3204

About Condor Gold plc:

Condor Gold plc was admitted to AIM in May 2006 and dual listed on the TSX in January 2018. The Company is a gold exploration and development company with a focus on Nicaragua.

In August 2018, the Company announced that the Ministry of the Environment in Nicaragua had granted the Company the Environmental Permit (“EP”) for the development, construction and operation of a processing plant with capacity to process up to 2,800 tonnes per day at its wholly-owned La India gold project (“La India Project”). The EP is considered to be the master permit for mining operations in Nicaragua. Condor Gold published a Pre-Feasibility Study (“PFS”) on the La India Project in December 2014, as summarised in the Technical Report, as defined below. The PFS details an open pit gold Mineral Reserve in the Probable category of 6.9 Mt at 3.0 g/t gold for 675,000 oz gold, producing 80,000 oz gold per annum for seven years. La India Project contains a Mineral Resource of 9,850Kt at 3.6 g/t gold for 1,140Koz gold in the Indicated category and 8,479Kt at 4.3g/t gold for 1,179Koz gold in the Inferred category. The Indicated Mineral Resource is inclusive of the Mineral Reserve. A gold price of \$1,500/oz and a cut-off grade of 0.5g/t and 2.0g/t gold were assumed for open pit and underground resources respectively. A cut-off grade of 1.5g/t gold was furthermore applied within a part of the Inferred Resource. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that any part of the Mineral Resources will be converted to Mineral Reserves.

Environmental Permits have also been granted in April and May 2020 in relation to the Mestiza and America open pits respectively, both located in the vicinity of the La India Project. The Mestiza open pit hosts 92Kt at a grade of 12.1 g/t gold (36,000 oz contained gold) in the Indicated Mineral Resource category and 341Kt at a grade of 7.7 g/t gold (85,000 oz contained gold) in the Inferred Mineral Resource category. The America open pit hosts 114 Kt at a grade of 8.1 g/t gold (30,000 oz contained gold) in the Indicated Mineral Resource category and 677Kt at a grade of 3.1 g/t gold (67,000 oz contained gold) in the Inferred Mineral Resource category. Following the permitting of the Mestiza and America open pits, together with the La India open pit Condor has 1.12M oz gold open pit Mineral Resources permitted for extraction, inclusive of a Mineral Reserve of 6.9Mt at 3.0g/t gold for 675,000 oz gold.

Disclaimer

Neither the contents of the Company's website nor the contents of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into, or forms part of, this announcement.

Qualified Persons

The Mineral Resource Estimate has been completed by Ben Parsons, a Principal Consultant (Resource Geology) with SRK Consulting (U.S.), Inc, who is a Member of the Australian Institute of Mining and Metallurgy, MAusIMM(CP). Ben Parsons has some nineteen years' experience in the exploration, definition and mining of precious and base metal Mineral Resources. Ben Parsons is a full-time employee of SRK Consulting (U.S.), Inc, an independent consultancy, and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the type of activity which he is undertaking to qualify as a “qualified person” as defined under National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“NI 43-101”) of the Canadian Securities Administrators and as required by the June 2009 Edition of the AIM Note for Mining and Oil & Gas Companies. Ben Parsons consents to the inclusion in the announcement of

the matters based on their information in the form and context in which it appears and confirms that this information is accurate and not false or misleading.

The technical and scientific information in this press release has been reviewed, verified and approved by Gerald D. Crawford, P.E., who is a “qualified person” as defined by NI 43-101 and is the Chief Technical Officer of Condor Gold plc.

Technical Information

Certain disclosure contained in this news release of a scientific or technical nature has been summarised or extracted from the technical report entitled “*Technical Report on the La India Gold Project, Nicaragua, December 2014*”, dated November 13, 2017 with an effective date of December 21, 2014 (the “**Technical Report**”), prepared in accordance with NI 43-101. The Technical Report was prepared by or under the supervision of Tim Lucks, Principal Consultant (Geology & Project Management), Gabor Bacsfalusi, Principal Consultant (Mining), Benjamin Parsons, Principal Consultant (Resource Geology), each of SRK Consulting (UK) Limited, and Neil Lincoln of Lycopodium Minerals Canada Ltd., each of whom is an independent “qualified person” as defined by NI 43-101.

Forward Looking Statements

All statements in this press release, other than statements of historical fact, are ‘forward-looking information’ with respect to the Company within the meaning of applicable securities laws, including statements with respect to: the ongoing mining dilution and pit optimisation studies, and the incorporation of same into any mining production schedule, future development and production plans at La India Project. Forward-looking information is often, but not always, identified by the use of words such as: “seek”, “anticipate”, “plan”, “continue”, “strategies”, “estimate”, “expect”, “project”, “predict”, “potential”, “targeting”, “intends”, “believe”, “potential”, “could”, “might”, “will” and similar expressions. Forward-looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions of management at the date the statements are made including, among others, assumptions regarding: future commodity prices and royalty regimes; availability of skilled labour; timing and amount of capital expenditures; future currency exchange and interest rates; the impact of increasing competition; general conditions in economic and financial markets; availability of drilling and related equipment; effects of regulation by governmental agencies; the receipt of required permits; royalty rates; future tax rates; future operating costs; availability of future sources of funding; ability to obtain financing and assumptions underlying estimates related to adjusted funds from operations. Many assumptions are based on factors and events that are not within the control of the Company and there is no assurance they will prove to be correct.

Such forward-looking information involves known and unknown risks, which may cause the actual results to be materially different from any future results expressed or implied by such forward-looking information, including, risks related to: mineral exploration, development and operating risks; estimation of mineralisation, resources and reserves; environmental, health and safety regulations of the resource industry; competitive conditions; operational risks; liquidity and financing risks; funding risk; exploration costs; uninsurable risks; conflicts of interest; risks of operating in Nicaragua; government policy changes; ownership risks; permitting and licencing risks; artisanal miners and community relations; difficulty in enforcement of judgments; market conditions; stress

in the global economy; current global financial condition; exchange rate and currency risks; commodity prices; reliance on key personnel; dilution risk; payment of dividends; as well as those factors discussed under the heading "Risk Factors" in the Company's annual information form for the fiscal year ended December 31, 2019 dated March 31, 2020 and available under the Company's SEDAR profile at www.sedar.com.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise unless required by law.