Condor Gold PLC

MANAGEMENT'S DISCUSSION AND ANALYSIS

THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2022

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Background

This Management's Discussion and Analysis ("**MD&A**") of the financial position and results of operations is prepared as at November 11, 2022 and should be read in conjunction with the unaudited Condensed Consolidated Financial Statements of Condor Gold plc (the "**Company**" or "**Condor**") as at September 30, 2022, which have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") and International Accounting Standards as issued by the IASB.

Unless otherwise noted, all currency figures in the MD&A are presented in U.K. pounds sterling.

Condor is a publicly listed company, the ordinary shares (the "**Ordinary Shares**" or "**Shares**") of which have been listed since May 31, 2006 on the London Stock Exchange on the AIM market ("**AIM"**), under the symbol 'CNR'. Since January 15, 2018, the Ordinary Shares of the Company have also been listed on the Toronto Stock Exchange ("**TSX**") under the symbol "COG".

This MD&A contains forward-looking information, such as statements regarding the Company's future plans and objectives that are subject to various risks and uncertainties, and those set forth in "*Statement Regarding Forward-Looking Information*" and "*Risks and Uncertainties*" in this document. The Company cannot assure investors that such information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such information. The results for the periods presented are not necessarily indicative of the results that may be expected for any future periods. Investors are cautioned not to place undue reliance on this forward-looking information.

Technical Information

The technical information about the Company's mineral properties contained in this MD&A, other than information summarised or extracted from the Technical Report (as defined below), has been prepared under the supervision of Gerald D.Crawford P.E., Chief Technical Officer of the Company and Andrew Cheatle P.Geo., a non-executive director of the Company, each a "qualified person" within the meaning of NI 43-101. Messrs. Crawford and Cheatle have reviewed the contents of this MD&A and have consented to the inclusion in this MD&A of all technical statements, other than information summarised or extracted from the Technical Report, in the form and context in which they appear and confirm that such information fairly represents the underlying data and study results.

Company Overview and Discussion of Operations

Company Overview

The Company is registered and incorporated in the United Kingdom and is actively engaged in gold exploration and development in Nicaragua, with a focus on the Company's 100%-held La India Project (the "**La India Project**" or "**La India**"), for which it has filed a Technical Report (defined below) which includes a Preliminary Economic Assessement ("**PEA**"). The Technical Report was prepared in accordance with the Canadian Securities Administrators' National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("**NI 43-101**").

In October 2022, the Company issued a technical report on its wholly owned La India Gold Project (the "**Project**") and titled "Condor Gold Technical Report on the La India Gold Project, Nicaragua, 2022" , dated October 2022 (the "**Technical Report**"), which presents the most up to date Mineral Resource Estimate ("**MRE**"). The Technical Report was conducted in accordance with the terminology, definitions and guidelines and guidelines given in the Canadian Institute of Mining, Metallurgy and Petroleum Standards on Mineral Resources and Mineral Reserves.

Highlights: Feasibility Study La India Open Pit only

The 2022 FS demonstrates a robust and economically viable base case for the La India open pit:

- Probable Mineral Reserve of 7.3Mt at 2.56g/t gold for 602,000 oz gold

- Production averages 81,545 oz gold per annum for the first 6 years of an 8.4 year mine life

- An Internal Rate of Return ("IRR") of 23% and a post tax, post upfront capital cost NPV of US$86.9 million using a discount rate of 5% and price of US$1,600 oz gold (Mineral Reserve Case).

- An Internal Rate of Return ("IRR") of 43% and a post tax, post upfront capital cost NPV of US$205.2 million using a discount rate of 5% and price of US$2,000 oz gold.

- Low initial capital requirement of US$105.5 million (including contingency and EPCM contract) Low average Life of Mine All-in Sustaining cash costs US$1,039 per oz gold

Outside the main La India open pit Mineral Reserve (the subject of the 2022FS), there is a historical estimate, outlined in the 2021 PEA, of additional open pit Mineral Resources on four deposits (America, Mestiza, Central breccia and Cacao) which represent an aggregate 206 Kt at 9.9 g/t gold for 66,000 oz in the indicated Mineral Resource category and 2.1Mt at 3.3 g/t gold for 223,000 oz gold in the inferred Mineral Resource category. In addition, there is an aggregate underground Mineral Resource (La India, America, Mestiza, Central Breccia San Lucas, Cristalito-Tatescame, and Cacao) of 979Kt at 6.2 g/t for 194,000 oz gold in the indicated Mineral Resource category and 5.6Mt at 5.0 g/t gold for 898,000 oz gold in the inferred Mineral Resource category.

Condor's plan is to materially expand production with a stage 2 expansion and is working to convert existing Mineral Resources into Mineral Reserves and to develop an associated integrated mine plan. On 25 October 2021, the Company announced the results of a Preliminary Economic Assessment and filed on SEDAR a technical report entitled "Condor Gold Technical Report on the La India Gold Project, Nicaragua, 2021" (the "2021 PEA") detailing average annual production of 150,000 oz of gold over the initial 9 years of production from open pit and underground Mineral Resources and provides an indication of a potential production target (Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability).

Background and Reporting Standards

The 2022 FS has been coordinated and compiled by SRK Consulting (UK) Ltd ("SRK") and represents the next stage in development of the La India Project following publication of the 2021 PEA Technical Report on 9 September 2021. SRK also took responsibility for the following sections of the 2022 FS: Mineral Reserves and financial modelling, geology and Mineral Resources, open pit geotechnics, hydrology and hydrogeology, mining and waste dump schedules, metallurgical testing, geochemistry and acid rock drainage metal leaching ("ARDML") and SRK has reviewed the environment and social management approach. Hanlon Engineering and Associates Incorporated ("Hanlon") completed, and take responsibility for, the plant processing design of a 886ktpa (2,530 tpd) single stage SAG comminution and conventional carbon in pulp ("CIP") circuit and the associated project infrastructure; and Tierra Group International Limited ("Tierra Group") completed, and take responsibility for, the tailings waste management design and the La Simona water attenuation structure.

The reporting standard adopted for the reporting of the Mineral Resource Estimate and Mineral Reserve Estimate is the CIM Code as required by NI 43-101. The CIM Code is an internationally recognised reporting code which is aligned with the Combined Reserves International Reporting Standards Committee. The Qualified Persons responsible for this study and the reported Mineral Reserves are:

- On behalf of SRK: Dr Tim Lucks of SRK Consulting (UK) Limited, Mr Fernando Rodrigues, Mr

Eric Olin and Mr Ben Parsons of SRK Consulting (U.S.) Inc., Mr Parsons assumes responsibility for the Mineral Resource Estimate, Mr Fernando Rodrigues for the Mineral Reserve estimate and the open pit mining study and production schedule. Mr Eric Olin for the Processing testwork and associated processing recovery relationship, and Dr Lucks for the oversight of the remaining SRK technical disciplines.

- On behalf of Hanlon: Mike Rockandel for the Process design and Project Infrastructure

- On Behalf of Tierra Group: Justin Knudsen P.E. for the tailings waste management and La Simona water attenuation structure design.

The 2022 FS replaces the previously reported Preliminary Economic Assessment ("PEA") as presented in the Technical Report filed on SEDAR in October 2021.

Previous Mineral Resource Estimates

SRK has produced six Mineral Resource Estimates ("MRE") on the Project prior to the Mineral Resource Estimate authored in January 2019 which is reflected in this document, including: January 2011, April 2011, December 2011, September 2012, November 2013, and September 2014. In addition, a PEA for the Project was prepared by SRK in February 2013, and Pre-Feasibility study ("PFS") on the La India deposit and a PEA on the La India, America and Central Breccia deposit in September 2014.

A Mineral Reserve was previously declared for the Project as part of a Pre-Feasibility study completed in 2014 by SRK. The Mineral Reserve Estimate derived for the Project in 2014 was restricted to that portion of the La India deposit which could be realised through open pit mining methods. The scenario which supported the Mineral Reserve reflects the relocation of the La India village, and thus the pit limits extended further to the south than those envisioned within this strategic study. The Technical Report replaces the 2014 study and therefore the 2014 Mineral Reserves are considered a historical estimate.

The La India Project's Mineral Resource as disclosed in the Technical Report comprised an Indicated Mineral Resource of 9.6 million metric tonnes ("**Mt**") at 3.5 grams per tonne ("**g/t**") gold, for 1.08 million ounces ("**Moz**") gold (inclusive of Probable Mineral Reserves, as disclosed below) and an Inferred Mineral Resource of 8.5 Mt at 4.5 g/t gold, for 1.23 Moz gold. The PFS also defines a Probable Mineral Reserve of 6.9 Mt at 3.0 g/t gold for 675 thousand ounces ("**Koz**") gold and 5.3 g/t silver for 1.185 Moz silver, mined by open pit methods on the La India Vein, the principle vein of the La India Project. A gold price of $1,500/oz and a cut-off grade of 0.5g/t and 2.0 g/t gold were assumed for open pit and underground Mineral Resources respectively. A cut-off grade of 1.5 g/t gold was furthermore applied within a part of the Inferred Mineral Resource.

On January 28, 2019 the Company announced an updated Mineral Resource Estimate at La India ("**MRE**"). The MRE as at 25 January 2019 is 9.85 Mt at 3.6 g/t gold for 1.14 Moz gold in the Indicated category (inclusive of stated Mineral Reserves) and 8.48 Mt at 4.3 g/t gold for 1.179 Moz gold in the Inferred category. Further details regarding the MRE are contained within the Company's announcement of January 28, 2019, available on Sedar (www.sedar.com) and on the Company's website (www.condorgold.com). 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. The MRE did not show a material change in the number of ounces of gold reported in the Indicated Category or Inferred Category.

The following Mineral Resource estimations set out Condor's Mineral Resource Statement as at 25 January 2019 for the La India Project and is unchanged in the 2021 Technical Report.

Mineral Resource Statement prepared in accordance with CIM and Canadian NI 43-101 as at 25 February 2022 for the La India Project (SRK Consulting (UK) Ltd.).

SRK MINERAL RESOURCE STATEMENT as of 28 February 2022 (4), (5), (6)

Category	Area Name	Vein Name	Cut-Off	Gold			Silver	
				Tonnes (kt)	Au Grade (g/t)	Au (Koz)	Ag Grade (g/t)	Ag (Koz) (7)
Indicated	Grand total	All veins	0.5g/t (OP) (1)	206	9.9	66	11.4	75
			0.6 g/t (OP)	8,487	3.0	827	6.1	1,669
			2.0 g/t (UG) (2)	979	6.2	194	7.9	248
		Subtotal Indicated		9,672	3.5	1,088	6.4	1,992
Inferred	Grand total	All veins	0.5g/t (OP) (1)	1,939	3.3	208	3.5	217
			2.0 g/t (UG) (2)	1,087	2.4	84	4.7	134
			1.5 g/t (3)	5,616	5.0	898	9.5	841
		Subtotal Inferred		8,642	4.3	1,190	8.1	1,193

(1) The La India and Cacao open pit MREs are constrained within Whittle optimised pits, which SRK based on the following parameters: A Gold price of USD1,800 per ounce of gold . Slope angles defined by the Company Geotechnical study which range from angle 42 - 48°. Metallurgical recovery assumptions of 90.2% for gold, based on testwork conducted to date. Marginal costs of USD24.32/t for processing, USD7.50/t G&A and USD2.33/t for mining, with consideration for mining royalties, but without considering revenues from other metals.

(2) Underground Mineral Resources beneath the open pits are reported at a cut-off grade of 2.0 g/t Au over a minimum width of 1.0 m. Cut-off grades are based on a price of USD1,800 per ounce of gold and gold recoveries of 90.2%, costs of USD24.32/t for processing, USD7.5/t G&A and USD51.0/t for mining, with consideration for mining royalties, but without considering revenues from other metals.

(3) The America, Central Breccia, Mestiza open pit MREs are constrained within Whittle optimised pits. No new work has been completed on these MREs for these projects since the previous estimates (2019) which SRK based on the following parameters: A Gold price of USD1,500 per ounce of gold. Slope angles defined by the Company Geotechnical study which range from angle 40 - 48°. Metallurgical recovery assumptions of between 91-96% for gold, based on testwork conducted to date. Marginal costs of USD19.36/t for processing, USD5.69/t G&A and USD2.35/t for mining, a haul cost of USD1.25/t was added to the Mestiza ore tonnes to consider transportation to the processing plant, with consideration for mining royalties, but without considering revenues from other metals.

(4) Underground Mineral Resources beneath the America, Central Breccia, Mestiza open pits are reported at a cut-off grade of 2.0 g/t Au over a minimum width of 1.0 m. Cut-off grades are based on a price of USD1,500 per ounce of gold and gold recoveries of 91% for resources, costs of USD19.36/t for processing, USD4.55/t G&A and USD50.0/t for mining, without considering revenues from other metals.

(5) Mineral Resources as previously estimated by SRK (22 December 2011), cut-off grade updated to reflect current price and cost assumptions and using a 2.0 g/t Au, over a minimum width of 1.0 m. Cut-off grades are based on a price of USD1,800 per ounce of gold and gold recoveries of 90.2% , costs of USD24.32/t for processing, USD7.5/t G&A and USD51.0/t for mining, with consideration for mining royalties, but without considering revenues from other metals.

(6) The La India deposit MRE as reported considers the current maximum limits for potential extraction. The current operating permits consider a limitation from the current village boundaries, which have been applied to the Mineral Reserves. It is the QP's opinion there remains a reasonable prospect that this may be revisited at a future date once mining commences, and relocation of the La India village may be required. Further work will be required on the costs associated to such relocation efforts, along with the potential timelines to achieve the relocation. In order to achieve this outcome Condor will need to submit an updated EIA and receive environmental approval, where this will need to take account stakeholder interests and concerns and complete a resettlement process. Such exercises require careful stakeholder engagement.

(7) Back calculated Inferred silver grade based on a total tonnage of 4,555 Kt as no silver estimates for Teresa, Central Breccia, Arizona, Agua Caliente, Guapinol, San Lucas, Cristalito-Tatescame or El Cacao.

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

(9) The reported MRE is not informed by the 2022 Mestiza drilling programme completed and reported on March 10, 2022, as this post dates the effective date for the current study.

(10) The standard adopted for the reporting of the MRE is the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Standards on Mineral Resources and Mineral Reserves (May 2014) as required by NI 43-101.

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

SUMMARY OF RESOURCE WITH PERMITTED OPEN PITS – LA INDIA PROJECT[1]

Category	Area Name	Cut-Off	Gold		
			Tonnes (Kt)	Au Grade (g/t)	Au (Koz)
Indicated	La India	0.5 g/t (OP)	8,377	3.1	837
	America	0.5 g/t (OP)	114	8.1	30
	Mestiza	0.5 g/t (OP)	92	12.1	35
	Total		**8,583**	**3.3**	**902**
Inferred	La India	0.5 g/t (OP)	883	2.4	68
	America	0.5 g/t (OP)	667	3.1	67
	Mestiza	0.5 g/t (OP)	341	7.7	85
	Total		**1,901**	**3.6**	**220**

[1] See Company RNS dated 6 May, 2020

Permitted Open Pit Mineral Resources at La India Project contain 1.12 Moz gold. (8,583Kt @ 3.3 g/t for 902 Koz gold in the Indicated category and 1,901 Kt @ 3.6 g/t for 220 Koz in the Inferred Category).

The methods applied to conducting the geological modelling and estimation for the MRE have not changed from those described in the Technical Report. Given that there has been no material change to the MRE, the Mineral Resource Estimate as disclosed in the Technical Report was not materially impacted by this update. More information relating to the updated MRE is supported by the press release titled "Mineral Resource Update on La India Project, Nicaragua, including initial declaration of new open pit Mineral Resource at Mestiza" dated 28 January 2019 which is available on SEDAR under the Company's issuer profile. The MRE was prepared by SRK Consulting (UK) Limited ("SRK") and uses the terminology, definitions and guidelines given in the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Standards on Mineral Resources and Mineral Reserves (May 2014). The MRE update was reviewed and approved by Andrew Cheatle, P. Geo., a qualified person within the meaning of NI 43-101.

The PFS summarised in the 2014 Technical Report contemplated a 0.8 million tonnes per annum open pit mining operation at La India ("**La India Open Pit**"), producing 614,000 ounces ("**oz**") with average annual production of 79,300 oz of gold over the 7 years of production. With an initial capital requirement of U.S.$110 million, the project generated a Net Present Value at a discount rate of 5.0% of U.S.$92 million and an internal rate of return of 22%, both on an after-tax basis and assuming a gold price of U.S.$1,250 per oz.

Records exist for industrial-scale gold mining in the La India Gold District between 1938 and 1956 by Noranda Inc, a Canadian mining company, and centred on the La India deposit. Production records estimate a total production from 1.73 Mt at 13.4 g/t for 575,000 oz gold.

As of the date of this document, a total of 6,874.36 metres (comprising 3,504.41 metres at Cacao and 3,369.95 metres at La India which were drilled in the three months ended September 30, 2021) had been drilled by the Company at the La India Project. Condor has also completed 8,004.87 meters of infill drilling on the Mestiza property. A total of approximately 75,000 metres of drilling has been completed on La India Project by Condor and previous explorers, including meterage from the reported quarter.

Discussion of Operations

Since publication in December 2014 of the PFS for the La India Project, and as of the most recent filing of the technical report on the Project in October 2021, the principal operational activities of the Company have been:

(i) to advance the permitting framework at La India Open Pit, the La Mestiza Open Pit and the America Open Pit and secure the key environmental permit in order to then to construct and operate a processing plant of up to 2,800 tonnes per day ("**tpd**") and associated mine site infrastructure and,

(ii) to conduct further exploration within the La India Project to demonstrate potential for a 5M+ oz gold district.

In August 2018 the Company announced that the Ministry of the Environment and Natural Resources ("**MARENA**") had granted the Company the environmental permit for the development, construction and operation of a processing plant with capacity to process up to 2,800 tonnes per day at La India Project for the production of approximately 600,000 oz gold from La India open pit (the "**La India Environmental Permit**").

Subsequent to the 2018 granting by MARENA of the La India Environmental permit for development, construction and operation of a processing plant, the Company continues to successfully work towards fulfilling the requirements (of the permit). The Company's work has been supported by the Company's unwavering commitment to an Environmental and Social Action Plan ("**ESAP**") in accordance with the Performance Standards (the "**IFC Performance Standards**") of the International Finance Corporation ("**IFC**") for the Company's activities during the exploration and study phase. This required the development and implementation of an HSEC Policy and Environmental and Social Management System (ESMS) and associated documentation, appropriate to the Company's activities. Implementation of the relevant IFC Performance Standards helps Condor manage and improve its environmental and social performance through a risk-based approach and also provides a solid base from which the Company may enhance the sustainability of its business operations and provides benefits for its shareholders.

The Company's work in meeting the conditions of the La India Environmental Permit (as granted in August 2018), includes the completion of engineering and other technical studies and the acquisition of some or all of land for the mine site infrastructure (for further details, see "*Status, Plans and Expenditures at the La India Project*").

Further to completion in late 2019 of technical studies required for Environmental and Social Impact Assessments for the extraction of gold-mineralised material from the Mestiza and America satellite open pits ("**Satellite Pit ESIAs**"), and their submission to MARENA, environmental permits for these sites were duly awarded in April and May 2020, respectively.

The Mestiza satellite open pit ("**Mestiza**") hosts 92 thousand tonnes ("Kt") at a grade of 12.1 g/t gold (36,000 oz contained gold) in the Indicated Mineral Resource category and 341 Kt at a grade of 7.7 g/t gold (85,000 oz contained gold) in the Inferred Mineral Resource category. Mestiza is situated less than 4 kilometres from the location of the permitted processing plant for the La India open pit.

The America open pit ("**America**") hosts 114 Kt at a grade of 8.1 g/t gold (30,000 oz contained gold) in the Indicated Mineral Resource category and 677 Kt at a grade of 3.1 g/t gold (67,000 oz contained gold) in the Inferred Mineral Resource category. The America open pit is located less than 3km from the permitted processing plant and compliments Mestiza and the already permitted La India open pits.

Following the permitting of Mestiza and America, together with the La India open pit, Condor has 1.12M oz gold open pit Mineral Resources permitted for extraction (8,583 Kt at 3.3g/t gold for 903,000 oz gold in the Indicated category and 1,901 Kt at 3.6 g/t gold for 220,000 oz gold in the Inferred category), inclusive of a Mineral Reserve of 6.9 Mt at 3.0 g/t gold for 675,000 oz gold. The underground Mineral Resource of 1.2 M oz gold (1.27 Mt at a grade of 5.8 g/t gold, for 238,000 oz gold in the Indicated category and 5.47 Mt at a grade of 5.1 g/t gold, for 889,000 oz gold in the Inferred category) will be analysed and potentially converted to Mineral Reserves after production from the open pits has started.

In the fourth quarter of 2020 a diamond drilling programme was initiated at the La India open pit, with the three-fold objectives of: tightening the drill hole spacing within the planned starter pits in order to finalise pit designs and mine schedules; replacing all historical reverse circulation ('RC') drill holes within the overall La India open-pit Mineral Resource; and targeting near-by Inferred Mineral Resources for potential upgrade to an Indicated Mineral Resource and potential inclusion in the mine plan. It was completed in the three months ended June 20, 2021 (3,370 metres in total).

In February 2021 a circa 5,000 metre diamond drill exploration programme was initiated on the Cacao vein, located 4km from the planned processing plant at La India. This programme has three main objectives:

(i) to increase the Inferred Mineral Resource on the Cacao Vein;
(ii) to increase the strike length of the vein towards the Santa Barbara prospect, 3 km away; and,
(iii) to prove the structural geological model that Cacao represents a dilational opening between two major basement feeder zones (the La India and Andrea Corridors).

In March 2021 the Company announced that it had entered into an agreement to purchase a complete new Semi-autogenous grinding Mill ("SAG Mill") package from First Majestic Silver Corp ("First Majestic") (TSX: FR). The SAG Mill package represents a key item of the plant required to bring the Company's La India Project into production and is estimated by Metso Outotec's technical support group to have a throughput of up to 2,300 tonnes per day ("tpd") or 0.8 million tonnes per annum ("tpa") on a sustained basis using the existing motor, increasing to 2,800tpd or 1.0 million tpa installing a larger motor, based on the metallurgical characteristics of the ore and mineralised material at La India.

A 8,500 metre infill diamond drilling programme was initiated in June 2021 (circa 4,134 metres completed as of the date of this document) within the permitted Mestiza open pit and aimed at upgrading the current Mineral Resource at Mestiza to Indicated category such that it forms a basis for inclusion into future Pre-Feasibility Studies ("PFS") or Feasibility Studies ("FS").

In line with it's intent to develop La India Mine into a production unit, in June 2021 a 1,700 metre infill geotechnical drilling programme within the permitted La India Open Pit was initiated, with circa 1,400 metres completed as of the date of this document, and has been designed to a FS level of design and will complement other ongoing FS level work programmes already underway.

Hanlon Engineering & Associates of Tucson, Arizona ("Hanlon") were selected in June 2021 as the Lead Engineer to develop a FS-level of design for a new processing plant around the Company's recently acquired new SAG Mill. Hanlon will be responsible for the engineering designs, the capital cost and operating costs of the processing plant to a FS level of design.

Developments in the three and nine months ended September 30, 2022

- On 4 August 2022, Feasibility Study confirmatory metallurgical testwork demonstrated that gold recovery is independent of grade and a fixed gold recovery of 91% assuming a 75 micron grind size is being used in the project economics

- On 4 August 2022, gold extraction from the 11 variability composites averaged 92.6% at the 75 micron grind size, which is reduced by 2% to allow for gold being locked up in the processing plant.
- On 4 August 2022, at a finer grind size of 53 microns an average gold extraction of 94.7% was achieved, indicating a potential upside gold recovery of about 93%.
- On 17 August 2022. Updated Mineral Resource Estimate of 9,672 kt at 3.5g/t gold for 1,088,000 oz gold in the indicated mineral resource category and 8,642 kt at 4.3 g/t gold for 1,190,000 oz gold in the inferred mineral resource category.
- On 17 August 2022The open pit Mineral Resource Estimate is 8,693 kt at 3.2 g/t gold for 893,000 oz gold in the indicated mineral resource category and 3,026 kt at 3.0 g/t gold for 291,000 oz gold in the inferred mineral resource category.
- On 17 August 2022Total underground Mineral Resource Estimate is 979 kt at 6.2 g/t gold for 194,000 oz gold in the indicated mineral resource category and 5,615 kt at 5.0 g/t gold for 898,000 oz gold in the inferred mineral resource category.
- On 17 August 2022A Feasibility Study is being conducted on La India vein set Open Pit ("La India Open Pit"), which has a Mineral Resource Estimate of 8,487 kt at 3.0g/t gold in for 827,000 oz gold in the indicated mineral resource category and 893 Kt at 2.4 g/t gold for 69,000 oz gold in the inferred mineral resource category. There is a small silver content of 1,803,000 oz
- On 17 August 2022 The Cacao Mineral Resource has increased 69% to 1,164 kt at 2.5g/t gold for 101,000 oz gold in the inferred mineral resource category. The deposit remains 'open' on strike and at depth.
- On 17 August 2022. Updated geological interpretations and integrated litho-structural, weathering and mineralisation models are integrated in the MRE and reflect the higher degree of detail that is warranted for a Feasibility level of study on La India Open Pit. This is supported by closer-spaced diamond drilling within the upper portion of the main La India pit, along with additional detailed deposit-scale surface mapping.

On 12 September 2022, The 2022 Feasibility Study demonstrates a robust and economically viable base case for the La India open pit:

- Probable Mineral Reserve of 7.3Mt at 2.56g/t gold for 602,000 oz gold
- Production averages 81,545 oz gold per annum for the first 6 years of an 8.4 year mine life
- An Internal Rate of Return ("IRR") of 23% and a post tax, post upfront capital cost NPV of US$86.9 million using a discount rate of 5% and price of US$1,600 oz gold (Mineral Reserve Case).
- An Internal Rate of Return ("IRR") of 43% and a post tax, post upfront capital cost NPV of US$205.2 million using a discount rate of 5% and price of US$2,000 oz gold.
- Low initial capital requirement of US$105.5 million (including contingency and EPCM contract)
- Low average Life of Mine All-in Sustaining cash costs US$1,039 per oz gold

Events subsequent to September 30, 2022

Subsequent events after September 30, 2022 are as follows:

- 12 October 2022. Jim Mellon assumed the Chairmanship of Condor Gold
- 26 October 2022. Feasibility Study Technical Report filed on SEDAR

Status, Plans and Expenditures at the La India Project

As at the date hereof, from a NI 43-101 reporting perspective, the La India Project hosts an updated (2019) Mineral Resource of 9.85 Mt at 3.6 g/t gold for 1.14 Moz gold in the Indicated category (inclusive of a Mineral Reserve of 6.9 Mt at 3.0 g/t gold for 675 thousand ounces ("**Koz**") gold and 5.3 g/t silver for 1.185 Moz silver), and 8.48 Mt at 4.3 g/t gold for 1.179 Moz gold in the Inferred category. Key components of the Technical Report completed on the La India Open Pit to Pre-Feasibility Study level will be carried forward.

The environmental permit is considered to be the "master permit" in Nicaragua, and once granted, all permits for construction, electricity, water use, explosives etc. are expected to follow. As of the date of this document the design had been completed for the water and wastewater treatment systems for the processing plant, offices and accommodation blocks; development of final engineering designs for the tailings storage facility and the majority of the surface water management system for the mine is in progress. The Company had made offers to buy the surface rights from all landowners within the proposed area for mine site infrastructure, of which 97% had been accepted. In April 2021 the Company formally notified MARENA that it has started construction.

The Company had also prioritised the advancement of the permitting process for two satellite feeder pits at La India, including the Satellite Pit ESIAs and on April 29 and May 6, 2020 announced the award by MARENA of the Mestiza and America Environmental Permits respectively.

Subject to availability of funding, the Company has the option to continue with additional exploration drill programmes with two principal objectives:

- A Mineral Resource expansion drilling programme of approximately 20,000 metres and focusing on the Mestiza, America and La India vein sets. The target of this drilling is to expand and upgrade the Mineral Resource on these three vein sets. The cost of this programme, including incremental Company operating costs would amount to approximately U.S.$5 million. In the first instance the Company completed in the three months ended June 30, 2021 an initial diamond drill programme totalling circa 3,340 metres of infill drilling at La India and commenced a circa 5,000 metre diamond resource expansion and exploration drill programme at Cacao and which has been completed.

- An in-fill and exploration drilling programme of approximately 20,000 meters to be conducted on two to three potential feeder pits (e.g. Mestiza and America) with the intention of adding feeder pits into a mine plan early on in the mine life. A 8,500m infill drilling programme started in Mestiza open pit started in June 2021 – as of the date of this document 4,134 metres had been completed. The cost of this programme, including incremental Company operating costs would amount to approximately U.S. $5 million.

The cost of the technical studies required by MARENA is estimated to be in the order of U.S.$4 million, plus a further circa U.S.$1 million for land purchase.

The Company was able to shorten the anticipated delivery time for a processing plant through its agreement with First Majestic in March 2021 to purchase a SAG Mill with a throughput capacity of 2,300 tonnes per day, thereby setting the trajectory for detailed plant design and an accelerated path to production.

There have been no actual or anticipated changes which would adversely affect the financial condition or performance of the Company, nor industry or economic factors that would adversely affect the Company's performance.

Capitalised expenditure by the Company up to end-September 2022 on the La India Project amounted to circa £38 million on a cumulative basis.

Achievement of plans and milestones in 2022

Key activities for the first 9 months were:

- Review of La India Project's regional discovery potential with twenty-two exploration targets identified.

- Completion of the La India deposit resource model, resulting in an upcoming revision of the Mineral Resource Estimate and Mineral Reserve Estimate (MRE), incorporating the newest drilling results, new structural, weathering, mineralogical and lithological interpretations, as well as updated depletion models of artisanal mining impacts.

- Review of mining methods employed for selective open pit mining, and incorporation of the selective mining units to a diluted mining model suitable for mine planning.

- Finalization of the geotechnical model reflecting drilling and testwork during 2021, based upon new oriented core and televiewer logging.

- Multiple scenarios on plant throughput and recovery from 52 micron to 100 micron grind size, and potential processing plant modifications.

- Completion and costing of processing and support infrastructure optimized to take advantage of the compete new Semi-autogenous (SAG) mill package, including:

    - An updated design from Hanlon / GRES engineering to process up to 886,000 tpd through the plant with an upgraded 3.7 MW motor, with 48 hours of retention capacity for the Carbon-in-Pulp (CIP) plant

    - The tailings storage facility costing for the initial construction lift

    - Surface water management structures, including diversion channels, attenuation structures and stormwater pumping

    - Surface infrastructure for Administration, Warehouses, Plant and mine support, and a revised supervisor man-camp.

    - Access roads for the mine, waste dumps, stockpiles, and construction sites

    - Commitments from the local energy provider for power supply and specifications for connection to the national grid •

- Updated contractor quotes for mining, reagents and consumables, explosives, and contractorprovided facilities.

- Site staff generated cost estimates for the owner’s obligations and additional staffing requirements for EPCM controls on the owner’s side.

- Conducted third party reviews of critical FS Study inputs, for Geotechnical analysis for pit angles and Metallurgy.

- Updated and revised mine plans to provide stormwater management through the pit area, with optimized stockpiling strategies, ultimate pit designs and phase plans, in conformance with the recommendations from the SRK geotechnical analysis.

- Conducted additional metallurgical studies through Bureau Veritas laboratories in Vancouver BC as confirmation of earlier tests results and to extend recovery estimates into the lower grade ranges that are now economical at present gold prices.

Additional work has continued into the 4th quarter of 2022 to rationalize the infrastructure and plant area to reduce the required quantity of earthmoving, and delay expenditures into production years when such changes do not impact initial throughput and recovery ratings.

Risks and Uncertainties

In common with other companies operating in natural resources exploration, the Company is subject to ongoing risk factors and uncertainties, including, among others, political risks including the risk of operating in Nicaragua, title risks, commodity prices, liquidity and financing risks, exchange rate risks, permitting risks, operating and environmental hazards encountered in the exploration, development and mining business and changing laws and public policies, as well as the risks disclosed elsewhere in this MD&A.

The Company has been operating in Nicaragua for circa 15 years and closely monitored the social unrest between April and July 2018. The Government re-asserted control in July 2018; the country has subsequently been relatively calm. Condor continues to promote peaceful dialogue between all parties. In December 2018, the United States Congress passed into law the Nicaragua Human Rights and Anticorruption Act of 2018 (the “Nica Act”). This bill imposes restrictions and sanctions on institutions and individuals responsible for the Nicaraguan government's violence and infringement of the civil rights of protesters. There have been a number of “Dialogue Tables” between the Government and opposition parties. It is unclear what, if any, impact the Nica Act will have on the Company. More recently, in the run up to Presidential Elections in November 2021, several members of the political opposition have been placed under house arrest. The US Government has enacted sanctions on some prominent members of the Sandanista party.

Analysis of Financial and Operating Performance

Summary of Overall Financial Performance

The Company reports in U.K. pounds sterling. The functional currency of the La India Project is Nicaraguan Cordobas, which is pegged to the USD with a 5% annual depreciation to the USD. The presentational currency of the Company is U.K. pounds sterling. The financial statements of the Company for the three and nine months ended September 30, 2022 are prepared in accordance with IFRS as issued by the IASB.

	Three months ended September 30, 2022 (£)	Three months ended September 30, 2021 (£)	Nine months ended September 30, 2022 (£)	Nine months ended September 30, 2021 (£)
Total comprehensive income/(loss)	(536,751)	(591,827)	(1,909,141)	(1,605,687)
Cash and cash equivalents	570,638	554,449	570,638	554,449
Exploration assets	36,775,455	25,435,344	36,755,455	25,435,344
Net assets	46,264,104	34,838,281	46264,104	34,838,281

The total comprehensive income/(loss) for the Company of £(536,751) for the three months ended September 30, 2022 (three months ended September, 30 2021: £(591,827) and £(1,909,141) for the nine months ended September 30, 2022 (nine months ended September 30, 2021: £(1,605,687) was after the following principal items:

- General and Administrative (“**G&A**”) costs of £(472,856) for the three months ended September 30, 2022 (three months ended September 30, 2021: £(439,864) and £(1,557,925) for the nine months ended September 30, 2022 (nine months ended September 30, 2021: £(1,254,133)).
- In addition to G&A costs there is a non-cash charge for share options granted.

- Currency translation differences for the three months ended September 30, 2022 of £3,046,404 (three months ended September 30, 2021: £619,603) and £6,317,109 for the nine months ended September 30, 2022 (nine months ended September 30, 2021: £(5,025)), driven by movements in the United States Dollar and the Nicaraguan Cordoba relative to the U.K. pound sterling, resulting in unrealised currency translation differences.

- The Company has capital commitments of $300,000 due to First Majestic Silver.

Further analysis of total comprehensive income/(loss) is contained in the section *"Results from Operations".*

The cash levels of the Company as at September 30, 2022 and September 30, 2021 vary due to the timing and quantum of financing by the Company as well as the level of expenditures by the Company on exploration and administrative activities.

The movement in exploration assets between September 30, 2022 and September 30, 2021 is a function of exploration expenditure during the year, together with foreign exchange movements and any asset impairments or revaluations during the period. See *"Analysis of Intangible Assets".*

Net assets primarily comprise intangible assets, which are made up of the capitalised exploration and development costs attributed to the La India Project, current assets, which comprise cash and cash equivalents together with trade and other receivables and current liabilities, which comprise short term trade payables.

The financial statements for the Company for the three and nine months ended September 30, 2022 and 2021 were prepared in accordance with IFRS as issued by the IASB.

Comparison of Financial Condition

The financial condition of the Company is primarily measured by the reserves of cash and cash equivalents, and the level of net assets. As of September 30, 2022, the Company held cash and cash equivalents of £570,638 (September 30, 2021: £554,449). As of September 30, 2022, the Company had net assets of £46,264,104 (September 30, 2021: £34,838,281).

Summary of Cash Flows

	Nine months ended September 30, 2022 (£)	Nine months ended September 30, 2021 (£)
Net cash used in operating activities	(1,641,422)	(1,935,102)
Net cash used in investing activities	(3,316,179)	(8,851,269)
Net cash generated from financing activities	3,326,919	6,933,340
Net increase/(decrease) in cash and cash equivalents	(1,630,682	(3,853,032)

The net cash flows used in operating activities for the nine months ended September 30, 2022 and September 30, 2021 are driven by activities in the management of the La India Project. The change between September 30, 2022 and September 30, 2021 is primarily attributed to spend on corporate and administrative costs (see "*Results from Operations*"), together with variations arising from fluctuations in trade and other receivables and payables. Variations in trade and other receivables and payables totalled £(126,567) during the nine months ended September 30, 2022 (nine months ended September 30,2021: £(474,030)).

Cash used in investing activities increased to £(3,316,179) in the nine months ended September 30, 2022 as compared to £(8,851,269) in the nine months ended September 30, 2021. The higher spend in 2021 as compared to 2022 was principally driven by exploration activities and the purchase of the SAG Mill for La India

Cash flows from financing activities in the nine months ended September 30, 2022 arose from the June 2022 Placement (see "Outstanding Share Data") during the three and nine months ended September 30, 2022.

Quarterly Financial Information

The Company reports in U.K. pounds sterling. The functional currency of the La India Project is Nicaraguan Cordobas. The presentational currency of the Company is U.K. pounds sterling. The financial statements for the Company were prepared in accordance with IFRS as issued by the IASB.

Quarter Ended	September 30, 2022 (£)	June 30, 2022 (£)	March 31, 2022 (£)	December 31, 2021 (£)	September 30, 2021 (£)	June 30, 2021 (£)	March 31, 2021 (£)	December 31, 2020 (£)
Revenue	—	—	—	—	—	—	—	—
Profit/(loss) from continuing operations[(1)]	(539,191)	(705,841)	(667,879)	(724,316)	(591,827)	(501,342)	(512,518)	(577,287)
Total comprehensive income/(loss) attributable to owners of the parent	3,046,404	1,901,370	(3,055)	(839,228)	27,776	(703,578)	(2,241,589)	(1,651,426)
Profit/(loss) from continuing operations pence per share	(0.34)	(0.48)	(0.35)	(0.53)	(0.44)	(0.37)	(0.41)	(0.49)
Total comprehensive earnings/(loss) pence per share	1.92	1.29	(0.01)	(0.61)	0.02	(0.52)	(0.75)	(1.89)

Notes

(1) Disclosed in Condensed Consolidated Statement of Comprehensive Income as "Loss for the period"

Profit/(loss) from continuing operations in each of the periods disclosed is driven on an on-going basis by G&A costs, which include non-cash charges arising in connection with share options.

Total comprehensive earnings also reflect currency translation differences arising on foreign operations, as the functional currency for the La India project is the Nicaraguan Cordoba (see "Analysis of Intangible Assets").

For information regarding progress of the Company in achieving previously announced milestones, see "Discussion of Operations" and "Achievement of plans and milestones in 2022".

Results from Operations

	Three months ended September 30, 2022 (£)	Three months ended September 30, 2021 (£)	Nine months ended September 30, 2022 (£)	Nine months ended September 30, 2021 (£)
Analysis of Operating Loss:				
Share Based Payments / General and Administration Costs				
Share based payments	(66,335)	(151,963)	(355,241)	(351,554)
Wages and salaries	(48,853)	(68,832)	(209,905)	(186,176)
Travel/expenses	(44,850)	10,022	(91,023)	(58,123)
Exploration costs expensed	(40,098)	(53,488)	(121,688)	(153,710)
Professional Fees	(192,721)	(189,488)	(708,475)	(495,964)
Legal fees	(42,077)	(23,008)	(59,045)	(54,799)
Overheads/other	(104,257)	(115,070)	(367,789)	(305,361)
Total General and Administration Costs	(539,191)	(591,827)	(1,913,166)	(1,605,687)
Finance Income	2,440	-	4,025	-
Loss for the period	(536,751)	(591,827)	(1,909,141)	(1,605,687)
Currency translation differences	3,046,404	619,603	6,317,109	(5,025)
Total Comprehensive profit/(loss)	2,509,653	27,776	(4,407,968)	(1,610,712)

Cash expenditure on exploration activities comprises direct expenditure on the La India Project. This includes in-country operating, staff and permitting costs, as well as sampling, mapping and drilling programmes and studies, broken down as follows:

	Three months ended September 30, 2022 (£)	Three months ended September 30, 2021 (£)	Nine months ended September 2022 (£)	Nine months ended September 30, 2021 (£)
Payroll	(180,688)	(186,026)	(472,936)	(334,928)
Operating Costs	(131,128)	(54,685)	(195,678)	(110,124)
Permitting	(191,509)	(178,001)	(367,224)	(177,470)
Direct field expenditure (Drilling / Sampling / Studies)	(781,225)	(1,262,932)	(2,053,928)	(2,040,139)
Cash expenditure on Exploration activities	(1,284,550)	(1,681,644)	(3,089,766)	(2,662,661)

Cash expenditure levels vary according to the timing and nature of these activities undertaken as the Company advances the La India Project. Exploratory drilling recommenced in December 2020 and was on-going into the second half of 2021 – there was none on-going in the first three and nine months of 2020. A summary of the activities carried out in the year and how these relate to the development plans of the project are set out in "*Status, Plans and Expenditure at the La India Project* "and "*Achievement of Plans and Milestones in 2021*".

For analysis regarding how these expenditures related to relevant milestones for the La India Project and anticipated timing and costs to advance the La India Project to further stages, see "*Status, Plans and Expenditures at the La India Project"* and "*Achievement of Plans and Milestones in 2021".* For analysis of net movement in intangible assets and explanation of the Company's exploration activities, see *"Analysis of Intangible Assets."*

G&A costs have increased for the three months ended September 30, 2022 as compared to the prior period, to £(539,191) from £(591,827) and increased for the nine months ended September 30, 2022 as compared to the prior period to £(1,913,166) from £(1,605,687). The main drivers behind these changes are as follows:

Within General and Administration costs:

- Wages and salaries have decreased in the three months ended September 30, 2022 as compared to the prior period, from £(48,853) to £(68,832) and in the first nine months of 2022 as compared to the prior period, increased to £(209,905) from £(186,176) due to changes in personnel.

- Professional fees have increased in the three months ended September 30, 2022 as compared to the prior period, to £(192,721) from £(189,488) due to a increased level of advisory activity and have increased in the first nine months of 2022 as compared to the prior period, to £(708,475) in the first nine months of 2021 from £(495,964).

- Exploration costs expensed, which include expenditure on consultant services outside of Nicaragua and which are generally expensed by the Company, have decreased in the three months ended September 30, 2022 as compared to prior period, to £(40,098) from £(53,488) and for the nine months to £(121,688) from £(153,710) due to the timing and nature of the Company's exploration activities, coupled with realised foreign exchange movements in relation to funds remitted to and expensed by local operating subsidiaries, which incur costs in United States dollars and/or Nicaraguan Cordobas. Gains or losses between realised exchange rates on remittance and exchange rates on date of transaction can also result in volatility in this measure.

- Overheads have decreased in the three months ended September 30, 2022 versus prior year, to £(104,257) from £(115,070) and increased to £(367,789) from £(305,361) for the nine month period respectively due *inter alia* to realised foreign exchange movements in relation to funds remitted to and expensed by local operating subsidiaries, which incur costs in United States dollars and/or Nicaraguan Cordobas. Gains or losses between realised exchange rates on remittance and exchange rates on date of transaction can also result in volatility in this measure.

Additional movements:

Currency translation differences of £3,046,404 for the three months ended September 30, 2022 (three months ended September 30, 2021: £619,603) and £6,317,109 for the nine months ended September 30, 2022 (nine months ended September 30, 2021: £(5,025)) arose from the relative movements in U.K. pounds sterling in relation to the United States dollar, the Nicaraguan Cordoba and which impacted the values recorded in U.K pounds sterling of the Company's foreign assets and liabilities.

Analysis of Intangible Assets

	Exploration Costs (£)	Mineral Resources (£)	Total (£)
Net Book Value			
As at January 1, 2021	21,339,741	749,573	22,089,314
Additions	4,344,306	-	4,344,306
Disposals	-	-	-
Impairments	-	-	-
Exchange rate movements	(248,703)	-	(248,703)
At September 30, 2021	25,435,344	749,573	26,184,917
As at 1 January 2022	27,351,407	749,573	28,100,980
Additions	3,089,766	-	3,089,766
Disposals	-	-	-
Impairments	-	-	-
Exchange rate movements	5,584,709	-	5,584,709
Net book value at September 30, 2022	36,025,882	749,573	36,775,455

Exploration Costs within intangible assets comprise all costs directly attributable to the exploration of a project area and which are capitalised to that project. The accounting policies of the Company specify that exploration costs are to be denominated in the functional currency of the country in which the asset is located. The La India Project is located in Nicaragua and is thus denominated in Nicaraguan Cordobas.

Mineral Resources, as disclosed in the table above, comprise payments to third parties to acquire interests in existing projects.

Outstanding Share Data

	As of September 30, 2022 (000's)	As of September 30, 2022 (£)	As of September 30, 2021 (000's)	As of September 30, 2021 (£)
Issued and fully paid				
Ordinary Shares				
of 20 pence each				
At 1 January	118,663	23,732,526	118,663	23,732,526
Issue of Ordinary Shares	16,253	3,250,760	16,253	3,250,760
At September 30	134,916	26,983,286	134,916	26,983,286

Share issuances in the three and nine months ended September 30, 2022 were as follows:

Nature of issuance	Issuue price per Ordinary share	Date of share issuance	Number of shares issued	Total Cumulative number of ordinary shares issued
Opening		1 January 2022		146,630,715
Option exercise	20 pence	13 January 2022	300,000	146,930,715
Private placement	28 pence	17 June 2022	11,607,149	158,537,864
Warrant exercise	25 pence	18 July 2022	91,666	158,629,530

Stock Options and Warrants in the Company

The total share options outstanding as at the date hereof amount to 14,998,500 with an average exercise price of 42 pence, and which will be fully vested by August 31, 2023. There is no other share-based compensation paid by the Company.

The Company has relied on the exemption in Section 602.1 of the TSX Company Manual (the “Manual”) in respect of the requirements under Section 613(a) of the Manual, which would otherwise require the Company to obtain approval from the Company’s security holders for the granting of 75,000 and 30,000 standalone share options in June and July 2021 respectively to investor relations advisors in part consideration for services rendered. These 105,000 share options have an exercise price of £0.46 per ordinary share with an exercise period of 12 calendar months from date of grant and exercisable only if the ordinary shares in the capital of the Company trade above £0.70 on AIM for 10 consecutive trading days during the Exercise Period.

The Company recognises as an expense the cost of warrants and/or stock-based compensation based upon the estimated fair value of new stock options or warrants granted. The fair value of each stock option or warrant is estimated on the date of grant using the Black-Scholes option pricing model and is expensed over the vesting period.

5,803,570 warrants were issued as part of the June 2022 Placement (see “Outstanding Share Data”).

As the date hereof, there were 19,855,833 warrants outstanding. Should all warrants be exercised in full, the Company would receive £8,237,469.

A summary of outstanding warrants is set out below:

Date of issue	Date of expiry	Number	Exercise price £	Total amount raised if all exercised £
May 28, 2020	May 27, 2023	8,194,125	0.40	3,277,650
November 2, 2021	November 2, 2023	5,857,138	0.50	2,928,569
June 17, 2022	June 17, 2025	5,803,570	0.35	2,031,250
TOTAL		**19,854,833**	**0.42 (avg)**	**8,237,469**

The exercise period for 50 per cent of the warrants issued on May 28, 2020 (“**May 2020 Accelerated Warrants**”) shall be accelerated if the closing mid-market share price of the Company's Ordinary Shares on AIM is more than £0.55 for 10 consecutive trading days (an “Acceleration Trigger Date”), further to which a notice (an “Acceleration Notice”) shall be delivered by the Company to holders of warrants (“Warrant Holders”) informing them that an Acceleration Trigger Date has occurred. Warrant Holders who wish to exercise the rights attaching to the May 2020 Accelerated Warrants must do so by the later of the date falling 10 Business Days after receipt of the Acceleration Notice by the Warrant Holders; or the date falling 10 Business Days after the end of a Closed Period, which means the period of 30 calendar days before the announcement of an interim financial report or year-end report which the

Company is obliged to make public; or such other date (which is more than 10 Business Days after receipt of the Acceleration Notice) as the Company may notify the Warrant Holders in the Acceleration Notice ("Accelerated Warrants Expiry Date"). Any warrant rights relating to the Accelerated Warrants that are not exercised by the Accelerated Warrants Expiry Date shall lapse and shall no longer be exercisable.

For information regarding exercise of warrants during the three and nine months ended September 30, 2022, see "*Outstanding Share Data*".

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements.

Liquidity, Capital Resources and Financial Instruments

The Company is not in commercial production on any of its properties and accordingly it does not generate cash from operations and finances its activities by raising capital through equity issues.

As at September 30, 2022 the Company had £570,638 in cash at bank and on deposit. As at September 30, 2021, cash at bank and on deposit amounted to £554,449. The Company does not enter into lease arrangements or debt facilities to cover working capital requirements – see "*Contractual Obligations*."

The Company endeavours to hold all cash and cash equivalents in interest bearing accounts. The Company has not invested in any short-term commercial paper, asset-backed securities or other financial instruments. There are no known or expected trends or fluctuations in the Company's capital resources which would have a material impact on the capital resources of the Company. The Company mitigates risks associated with its cash holdings by reviewing the credit ratings of banks with which it places those holdings. Cash holdings kept in Nicaragua are limited to cover short term needs only.

In management's view the Company will be able to raise sufficient financial resources to fund currently planned development and land acquisition activities and ongoing operating expenditures over at least the next 12 months. Total expenditures will depend in part on the availability of working capital and will include settlement of the on-going contractual obligations of the Company. The plans for the Company through 2021 are to maintain its social and community programmes, to comply with the terms of the Environmental Permit and to continue with exploration activities as well as continuing to develop the La India Project. (see "*Status, Plans and Expenditures at the La India Project*").

In relation to compliance with the La India Environmental Permit, the Company's priority is also to complete the purchases of land for mine-site infrastructure and complete the additional technical studies required by MARENA prior to the commencement of construction of the processing plant of up to 2,800 tpd and associated mine site infrastructure - see "*Status, Plans and Expenditures at the La India Project*".

Subject to available capital, the Company also plans further resource expansion, in-fill and exploratory drilling programmes (see "*Status, Plans and Expenditures at the La India Project*"). It does not currently have the financial resources for all of this planned drilling and will be seeking additional external funding in order to carry out these activities. Sources of such funding are likely to include issuance of additional share capital in the Company.

The Company will need to seek additional sources of funding in order to initiate construction of a mine at the La India Project.

Expenditure plans are reviewed and adjusted on a regular basis as appropriate and in line with the financial resources of the Company. Financial commitments are not given to third parties where they would result in undue risk to the financial solvency of the Company going forwards. Payments will be required to maintain the Company's concessions in Nicaragua in good standing and the Company ensures that it holds sufficient financial reserves to meet those payments. The Company only commits to future payments and exploration programmes once it already has the required financial resources to do so.

There are no legal or practical restrictions on the repatriation out of Nicaragua of capital and profits.

As of the date of this document, the Company does not hold sufficient working capital to meet its obligations and carry out its planned activities over the following 12 months, as outlined above. It will continue to be dependent on raising equity capital as required until and unless it reaches the production stage and generates cash flow from operations and is confident that it will be able to do so: to date the Company has been successful in raising funding from investors and believes that it will continue to be able to attract financial capital as it progressively de-risks and advances the La India Project towards the Feasibility Study, construction and production stages.

Contractual Obligations

£				
	Total (£)	*Less than 1 year (£)*	*2-5 years (£)*	*Greater than 5 years (£)*
Operating leases on offices	68,193	35,731	32,462	-
Material creditors	88,000	88,000	-	-

The cost of maintaining the concession areas of the Company by payment of taxes has been included in the expenditure plans of the Company. As of the date of the MD&A, taxes on concessions had been fully paid up to the date of this document.

The Company is not in arrears or at risk of default with its suppliers or regarding its lease payments. It has no plans to pay dividends until it has commenced commercial production and holds no debt. There are no capital expenditure commitments and no sources of funding that the Company has arranged but not yet used.

Transactions with Related Parties

The balances recorded as at September 30, 2022, and the prior year balance are as follows and cancel out upon consolidation:

	September 30, 2022 (£)	September 30, 2021 (£)
Condor S.A.		
Brought forward loan balance from December 31	9,752,096	8,008,457
Additional loans during the period	616,831	1,131,163
Closing balance	10,368,927	9,139,620

	September 30, 2022 (£)	September 30, 2021 (£)
La India Gold S.A.		
Brought forward loan balance from December 31	25,927,102	20,942,844

La India Gold S.A.	September 30, 2022 (£)	September 30, 2021 (£)
Additional loans during the period	2,402,569	3,510,675
Closing balance	28,329,761	24,453,519

La India Inversiones SA	September 30, 2022 (£)	September 30, 2021 (£)
Brought forward loan balance from December 31	3,832,282	3,309,843
Additional loans during the period	237,040	446,336
Closing balance	4,069,322	3,756,179

The above related parties are subsidiaries of Condor. The purpose of the above loans, which are unsecured, is to meet the working capital requirements of the subsidiaries.

During the three months ended September 30, 2022 the Company received consultancy advice from the following related parties:

Entity	Related party	Three months ended September 30, 2022 (£)	Three months ended September 30, 2021 (£)
Burnbrae Limited	J Mellon	6,250	6,250
	M L Child	62,500	43,750
Axial Associates Limited	M L Child	-	-
Promaco Ltd	I Stalker	10,625	13,800
AMC Geological Advisory Group Inc.	A Cheatle	-	-

During the nine months ended September 30, 2022, the Company received consultancy advice from the following related parties:

Entity	Related party	Nine months ended September 30, 2022 Payments (£)	Nine months ended September 30, 2021 Payments (£)
Burnbrae Limited	J Mellon	18,750	18,750
	M L Child	149,999	131,250
Axial Associates Limited	M L Child	-	-
Promaco Ltd	I Stalker	35,375	50,381
AMC Geological Advisory Group Inc.	A Cheatle	8,092	-

Jim Mellon, Ian Stalker and Andrew Cheatle are Non-Executive Directors of the Company. Mr. Cheatle received additional remuneration of £NIL in the three months ended September 30, 2022 (£6,250 three months ended 30 September 2021) and £18,750 in the nine months ended September 30, 2022 (£18,750 nine months ended 30 September 2021). Mr. Stalker received additional remuneration of £NIL and £NIL in the three months ended September 30, 2021 and 2020 respectively and £NIL and £NIL in the nine months ended September 30, 2021 and 2020 respectively.

Mark Child is Chairman and Chief Executive Officer. All key management receive their remuneration from the subsidiary they work for. The remuneration of key management in the subsidiaries is capitalised within exploration costs.

Critical Accounting Policies and Estimates

The Company's accounting policies are described in detail in Note 1 of the Company's December 31, 2021 annual consolidated financial statements. The Company considers the following judgments and estimates to be most critical in understanding its financial results:

Significant accounting judgments and sources of estimation uncertainty

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts and the valuation of assets and liabilities at the date of the financial statements and the reported amounts of expenditures during the period reported. Management uses its best estimates for these purposes, based on assumptions that it believes reflect the most probable set of economic conditions and planned courses of action. While actual results could differ materially from these estimates, no specific sources of estimation uncertainty have been identified by management that are believed to have a significant risk of resulting in a material adjustment within the next financial year to the carrying amount of the Company's assets and liabilities as recorded as at September 30, 2022.

Significant items subject to such estimates include:

Valuation of Intangible Assets

Exploration expenditure comprises all costs which are directly attributable to the exploration of a project area. Licence costs are those incurred acquiring mineral rights and include the entry premiums paid to gain access to areas of interest. Mineral Resource costs are those paid to third parties to acquire interests in existing projects.

In accordance with IFRS 6, the Company capitalises as exploration costs within Intangible Assets all exploration and evaluation costs, including field exploration and analysis costs relating to specific properties until those properties are brought into production, at which time they will be amortised on a unit-of-production basis or until the properties are abandoned, sold or considered to be impaired in value, at which time an appropriate charge is made.

Intangible Assets are reviewed for impairment to determine if a write down of their carrying amount is required. Each exploration project is subject to an annual review by either a consultant or senior company geologist to determine if the exploration results returned to date warrant further exploration expenditure and have the potential to result in an economic discovery. This review takes into consideration long-term metal prices, anticipated resource volumes and grades, permitting and infrastructure. In the event that a project does not represent an economic exploration target and results indicate there is no additional upside, a decision will be made to discontinue exploration. The Directors of the Company have reviewed the estimated value of each project prepared by management and consider them to be reasonable.

Management has made various estimations regarding the fair value of exploration assets acquired in the absence of NI 43-101 compliant Mineral Resource data available at acquisition. The fair value of exploration assets acquired has been estimated based on a number of valuation techniques.

Where acquisitions represent transactions between knowledgeable and willing parties on an arm's length basis, the exploration assets acquired have been valued on the basis of the consideration transferred. Where acquisitions are not deemed to represent arm's length transactions, management compare them to similar transactions that are on an arm's length basis taking into account key factors such as certainty over the level of defined resource, processing technology and location infrastructure in order to arrive at a fair valuation.

See "*Results from operations*" and "*Analysis of Intangible Assets*" for further information regarding the valuation of and movements in intangible assets during the reporting period.

<u>Foreign currencies</u>

The foreign currency movements included in the consolidated financial statements of the Company arose from the relative movements in the U.K. pound sterling in relation to the United States Dollar and the Nicaraguan Cordoba. The Company has adopted accounting treatment of foreign operations upon consolidation following "International Accounting Standard 21 – *The Effects of Changes in Foreign Exchange Rates*" as regards application of exchange rates at balance sheet dates and/or exchange rates at the date of transaction as appropriate, in relation to monetary and non-monetary assets and liabilities.

Exploration costs, disclosed as part of Intangible Assets, are denominated in the functional currency of the country in which the asset is located. The La India Project is located in Nicaragua and is thus denominated in Nicaraguan Cordobas. All resulting unrealised exchange differences arising from variations in the exchange rate between the Nicaraguan Cordoba and U.K. pounds sterling are recognised in the profit and loss in "other comprehensive income" and accumulated in equity – see "*Results from operations.*"

<u>Changes in accounting policies</u>

The adoption of IFRS and IFRS Interpretation Committee interpretations did not result in any substantial changes to the accounting policies adopted by the Company.

Management's Report on Internal Controls and Procedures

<u>Disclosure controls and procedures</u>

Disclosure controls and procedures ("**DCP**") have been designed to provide reasonable assurance that all material information related to the Company is identified and communicated on a timely basis. Management of the Company, under supervision of the Chief Executive Officer, is responsible for the design and operation of disclosure controls and procedures and has evaluated the effectiveness of the Company's DCP and has concluded that they were effective as at September 30, 2022.

Internal control over financial reporting

The Company's internal control over financial reporting ("**ICFR**") is designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with IFRS. However, due to inherent limitations, internal control over financial reporting may not prevent or detect all misstatements or fraud.

As at September 30, 2022, an evaluation was carried out, under the supervision of the Chief Executive Officer, of the design and operating effectiveness of Condor's internal controls over financial reporting. Based on this evaluation, the Chief Executive Officer concluded that the internal controls over financial reporting were effective as at September 30, 2022, using the criteria, having taken account of the size and nature of Condor, put forward by the Financial Reporting Council in their revised guidance for Directors on internal controls for UK listed companies (issued 2005).

Changes in internal controls over financial reporting

There have been no changes in the Company's ICFR during the three and nine months ended September 30, 2022 that have materially affected, or are reasonably likely to materially affect, its ICFR.

Approval

The Board of the Company has approved the disclosure contained in this MD&A.

Additional Information

Additional information relating to the Company, including the AIF, is available under the Company's SEDAR profile at www.sedar.com.

Statement Regarding Forward-Looking Information

Certain statements contained in this MD&A constitute forward-looking information under applicable Canadian securities laws. These statements relate to future events or future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "objectives", "strategies", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in its document should not be unduly relied upon.

In particular, this MD&A contains forward-looking statements pertaining to the following:

- Mineral Resource and Mineral Reserve estimates;
- targeting additional Mineral Resources and expansion of deposits;
- the Company's expectations, strategies and plans for the La India Project, including the Company's planned exploration and development activities;
- the results of future exploration and drilling and estimated completion dates for certain milestones;
- successfully adding or upgrading Mineral Resources and successfully developing new deposits;
- the timing, receipt and satisfying the conditions of approvals, licences and permits from the Nicaraguan government and from any other applicable government, regulator or administrative body, including, but not limited to, the environmental permits;

- production and processing estimates;
- future financial or operating performance and condition of the Company and its business, operations and properties; and
- any other statement that may predict, forecast, indicate or imply future plans, intentions, levels of activity, results, performance or achievements.

The actual results could differ materially from those anticipated in these forward-looking statements or information as a result of the risk factors set forth below and elsewhere in this MD&A:

- mineral exploration, development and operating risks;
- estimation of mineralisation, mineral resources and mineral reserves;
- environmental, health and safety regulations of the resource industry;
- competitive conditions;
- permitting and licencing risks;
- operational risks;
- public health risks including risks associated with the on-going Covid-19 global pandemic
- negative cash flow;
- liquidity and financing risks;
- funding risk;
- material contract risks;
- exploration costs;
- uninsurable risks;
- conflicts of interest;
- exercise of statutory rights and remedies;
- risks of operating in Nicaragua;
- government policy changes;
- ownership risks;
- artisanal miners and community relations;
- difficulty in enforcement of judgments;
- 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;
- other factors discussed under *"Risks and Uncertainties"*; and
- other risks and uncertainties described under the heading "Risk Factors" in the Company's long form prospectus dated December 21, 2017, available under the Company's SEDAR profile at www.sedar.com.

Statements relating to “Mineral Reserves” or “Mineral Resources” are deemed to be forward-looking statements or information, as they involve the implied assessment, based on certain estimates and assumptions, that the mineral reserves and mineral resources described can be profitably produced in the future. Readers are cautioned that the foregoing lists of factors are not exhaustive. The forward-looking statements contained in this document are expressly qualified by this cautionary statement.

Although the forward-looking statements contained in this document are based upon assumptions which the Company believes to be reasonable, the Company cannot assure holders of Ordinary Shares that actual results will be consistent with these forward-looking statements. With respect to forward-looking statements contained in this document, the Company has made assumptions regarding: future commodity prices and royalty regimes; availability of skilled labour; timing and amount of capital expenditures; future currency exchange and interest rates; the impact of increasing competition; general conditions in economic and financial markets; availability of drilling and related equipment; effects of regulation by governmental agencies; the receipt of required permits; royalty rates; future tax rates; future operating costs; availability of future sources of funding; ability to obtain financing and assumptions underlying estimates related to adjusted funds from operations. The Company has included the above summary of assumptions and risks related to forward-looking information provided in this document in order to provide holders of Ordinary Shares with a more complete perspective on the Company’s future operations and such information may not be appropriate for other purposes. The Company’s actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits the Company will derive therefrom. These forward-looking statements are made as of the date of this document and the Company disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

CIM Definition Standards

The Mineral Resources and Mineral Reserves for the Company’s properties (including as used in the Technical Report) have been estimated in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum Definition Standards for Mineral Resources and Mineral Reserves adopted by the CIM Council on May 19, 2014 (the “**CIM Definition Standards**”).

The following definitions are reproduced from the CIM Definition Standards:

“**Mineral Resource**” means a concentration or occurrence of solid material of economic interest in or on the Earth’s crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade or quality, continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling.

“**Inferred Mineral Resource**” means that part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource (as defined herein) and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

“**Indicated Mineral Resource**” means that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors (as defined herein) as described below in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing and is sufficient to assume geological and grade or quality continuity between points of observation. An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource (as defined herein) and may only be converted to a Probable Mineral Reserve (as defined herein).

“**Measured Mineral Resource**” means that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing and is sufficient to confirm geological and grade or quality continuity between points of observation. A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proven Mineral Reserve (as defined herein) or to a Probable Mineral Reserve.

“**Mineral Reserve**” means the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at pre-feasibility or feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified. The reference point at which Mineral Reserves are defined, usually the point where the ore is delivered to the processing plant, must be stated. It is important that, in all situations where the reference point is different, such as for a saleable product, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported. The public disclosure of a Mineral Reserve must be demonstrated by a pre-feasibility study or feasibility study.

“**Probable Mineral Reserve**” means the economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. The confidence in the Modifying Factors applying to a Probable Mineral Reserve is lower than that applying to a Proven Mineral Reserve.

“**Proven Mineral Reserve**” means the economically mineable part of a Measured Mineral Resource. A Proven Mineral Reserve implies a high degree of confidence in the Modifying Factors.

“**Pre-Feasibility Study**” means a comprehensive study of a range of options for the technical and economic viability of a mineral project that has advanced to a stage where a preferred mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, is established and an effective method of mineral processing is determined. It includes a financial analysis based on reasonable assumptions on the Modifying Factors and the evaluation of any other relevant factors which are sufficient for a Qualified Person, acting reasonably, to determine if all or part of the Mineral Resource may be converted to a Mineral Reserve at the time of reporting. A Pre-Feasibility Study is at a lower confidence level than a Feasibility Study.

“**Feasibility Study**” means a comprehensive technical and economic study of the selected development option for a mineral project that includes appropriately detailed assessments of applicable Modifying Factors together with any other relevant operational factors and detailed financial analysis that are necessary to demonstrate, at the time of reporting, that extraction is reasonably justified (economically mineable). The results of the study may reasonably serve as the basis for a final decision by a proponent or financial institution to proceed with, or finance, the development of the project. The confidence level of the study will be higher than that of a Pre-Feasibility Study.

For the purposes of the CIM Definition Standards, “**Modifying Factors**” are considerations used to convert Mineral Resources to Mineral Reserves. These include, but are not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors.