



# Condor Gold plc

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

15 August 2022

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

### Interim Report and Accounts for the Three and Six Months Ended 30 June 2022

Condor Gold plc ("Condor Gold", "Condor", the "Group" or the "Company"), (AIM: CNR; TSX: COG) presents its unaudited interim financial report together with Management's Discussion and Analysis for the three- and six-month periods to 30 June 2022. Both of the above have been posted on the Company's website [www.condorgold.com](http://www.condorgold.com) and are also available on SEDAR at [www.sedar.com](http://www.sedar.com).

#### Highlights for three and six months to 30 June 2022:

- On March 10, 2022, the Company announced that all assay results have been received for an 8,004 m infill drilling programme on the fully permitted high-grade La Mestiza Open Pit Mineral Resource at La India Project.
  - **6.3 m true width at 6.84 g/t gold** from 31.45 m (drill hole LIDC568), approximately 50 m below surface outcrop (which occurs on a rise).
  - **4.1 m true width at 15.23 g/t gold** from 47.80 m (drill hole LIDC514) approximately 40 m below surface.
  - **3.6 m true width at 29.1 g/t gold** from 105.70 m (drill hole LIDC471) approximately 85 m below surface.
- A significant new drill intercept within the La India Open Pit of **34.1 m true width at 2.56 g/t gold** amalgamated from 2.80 m drill depth including 6.0 m at 4.3 g/t gold, 2.0 m at 5.3 g/t gold and 3.65m at 8.75g/t gold (drill hole LIGT536). **28.7 m true width at 2.62 g/t gold** in the hanging-wall of historic mine workings (drill hole LIGT528).
- Completed the technical studies needed for a Definitive Feasibility Study covering the La India open pit, the processing plant facility and location, tailings storage facility, waste dump locations, explosive magazine, power supply, surface hydrology, hydrogeology (dewatering the pit), geochemistry, metallurgy, environmental and social.
- Continued with acquisitions of land at the La India open pit and associated mine site infrastructure. To date, 99.6% of the core areas have been purchased.
- Site clearance of 14 hectares has been completed for the processing plant location, including areas for offices, warehouses, a stockpile and a buffer zone.
- Completion in June of a private placement of 11,607,149 units of the Company at a price of 28p per unit, including a Directors' subscription of 1,833,573 units to raise in aggregate gross proceeds of £3,250,000 before expenses. Each unit was comprised of one new ordinary share with a nominal or par value of 20p per share and one-half of one ordinary share purchase warrant. Each whole warrant, which is unlisted and fully transferable, entitles the holder thereof to purchase one ordinary share at a price of 35p for a period of 36 months. The Placing was arranged directly by the Company with institutional and other investors and its broker SP Angel.

**Post Period Highlights:**

- On 4 August 2022, announced final results of metallurgical tests for a Feasibility Study (FS) being conducted on the La India Open Pit.
  - The confirmatory testwork demonstrated that gold recovery is independent of grade and a fixed gold recovery of 91% assuming a 75 micron grind size will be used in the project economics of the forthcoming Feasibility Study.
  - 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.
  - Gold extraction from the four low grade composites averaged 93.8% at the 75 micron target grind, indicating a gold recovery of 91.8% after a 2% reduction to allow for gold being locked up in the processing plant.

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

“Condor made significant advances during the 6 month period de-risking the fully permitted La India Project to a near construction ready status and completing all technical studies for a Feasibility Study on La India open pit. 99.6% of the land for the key areas has been purchased and 14 hectares of land have been cleared in the location of the processing plant facility. Drill results from infill drilling on Mestiza open pit of 6.3 m true width at 6.84 g/t gold from 31.45 m and 3.6 m true width at 29.1 g/t gold are both reassuring of the high-grade nature of the deposit and continuity of grade. The wide zones of mineralisation within the La India open pit, near surface of 34.1 m true width at 2.56 g/t gold amalgamated from 2.80 m drill depth are confirmatory in nature. The Company is on track with its strategic objective of constructing and operating a processing plant producing circa 100,000 oz gold per annum, then materially expanding the production capacity while demonstrating a 5M oz Gold District”.

Company number: 05587987

**CONDOR GOLD PLC**  
**Interim Report and Accounts**  
**For the Three and Six Months Ended 30 June 2022**

**CONDOR GOLD PLC**

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**FOR THE THREE AND SIX MONTHS TO 30 JUNE 2022**

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## CONDOR GOLD PLC

### HIGHLIGHTS FOR THE THREE AND SIX MONTHS TO 30 JUNE 2022

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  - **3.6 m true width at 29.1 g/t gold** from 105.70 m (drill hole LIDC471) approximately 85 m below surface.
- Advanced the technical studies needed for a Definitive Feasibility Study covering the La India open pit, the processing plant facility and location, tailings storage facility, waste dump locations, explosive magazine, power supply, surface hydrology, hydrogeology (dewatering the pit), geochemistry, metallurgy, environmental and social.
- A significant new drill intercept within the La India Open Pit of **34.1 m true width at 2.56 g/t gold** amalgamated from 2.80 m drill depth including 6.0 m at 4.3 g/t gold, 2.0 m at 5.3 g/t gold and 3.65m at 8.75g/t gold (drill hole LIGT536). **28.7 m true width at 2.62 g/t gold** in the hanging-wall of historic mine workings (drill hole LIGT528).
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Completion in June of a private placement of 11,607,149 units of the Company at a price of 28p per unit, including a Directors’ subscription of 1,833,573 units to raise in aggregate gross proceeds of £3,250,000 before expenses. Each unit was comprised of one new ordinary share with a nominal or par value of 20p per share and one-half of one ordinary share purchase warrant. Each whole warrant, which is unlisted and fully transferable, entitles the holder thereof to purchase one ordinary share at a price of 35p for a period of 36 months. The Placing was arranged directly by the Company with institutional and other investors and its broker SP Angel.

## CONDOR GOLD PLC

### HIGHLIGHTS FOR THE THREE AND SIX MONTHS TO 30 JUNE 2022 (CONTD.)

#### **Post Period Highlights**

- On 4 August 2022, announced final results of metallurgical tests for a Feasibility Study (FS) being conducted on the La India Open Pit.
  - The confirmatory testwork demonstrated that gold recovery is independent of grade and a fixed gold recovery of 91% assuming a 75 micron grind size will be used in the project economics of the forthcoming Feasibility Study.
  - 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.
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## **CONDOR GOLD PLC**

### **CHAIRMAN'S STATEMENT** **FOR THE THREE AND SIX MONTHS TO 30 JUNE 2022**

Dear Shareholder,

I am pleased to present Condor Gold Plc's ("Condor", the "Company" or the "Group", [www.condorgold.com](http://www.condorgold.com) or if you are viewing from Canada [ca.condorgold.com](http://ca.condorgold.com)) unaudited interim financial report for the three and six months ended 30 June 2022.

The focus during the 6 month period has been the finalisation of the technical studies at La India Project required for a Feasibility Level Study ("FS Study" or "Feasibility Study") on the La India open pit utilising the new SAG Mill package acquired by Condor in February 2021. La India Project has been materially de-risked and is nearing a construction ready status. A FS Study increases the confidence of the Project, incorporating a Feasibility Level engineering design, and +/- 15% capital and operating costs. This in turn will facilitate Project financing ahead of Project construction. Condor staff and our contractors at Hanlon Engineering, Tierra Group International and SRK Consulting (UK and USA) have been diligently pursuing the supporting work for the study for over 18 months and have made substantial headway in completion of that work, such that all technical studies are complete save the final analysis. There has been a slight delay in the delivery of the FS Study due to the requirement to undertake additional metallurgical testwork and finalise the designs on the processing plant.

On 4<sup>th</sup> August 2022, the Company announced the confirmatory metallurgical testwork demonstrated that gold recovery is independent of grade and a fixed gold recovery of 91% assuming a 75 micron grind size will be used in the project economics of the forthcoming Feasibility Study. 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, which is sometimes referred to as inherent plant inefficiencies. Gold extraction from the four low grade composites averaged 93.8% at the 75 micron target grind, indicating a gold recovery of 91.8% after a 2% reduction to allow for gold being locked up in the processing plant. 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%. The selection of the composites by both grade and approximate year of production provides confirmation that the mill recovery will not be materially affected over the life of the La India Mine.

During the first half of 2022, the Company has been focused on de-risking La India Project by advancing and completing several technical and engineering studies for the FS Study, some of which are a condition of the Environmental Permit. The current status of the FS Study is:

- A new geological model to FS level has been completed. It includes a lithological, weathering and structure model. It incorporates approximately 3,500 m of infill drilling completed in 2021.
- The Tailings Storage Facility ("TSF") and 2 water retention ponds have been fully designed and engineered with drawings one step short of "issued for construction", which is beyond a FS level detail of design. Tierra Group Inc, Denver, Colorado has completed site visits and is conducting the engineering studies. 23 geotechnical drill holes and 55 geotechnical test pits have been completed.
- The stormwater attenuation structure at La Simona has been designed to FS level.
- Completion of the design of the site wide water balance ("SWWB"), including a surface water management plan by SRK Consulting (UK) Limited ("SRK"). SRK's work includes the area of the permitted La India, America and Mestiza open pits. The ultimate objective of the exercise is to produce engineering plans for the installation of the physical components of a management system, including the piping, pumping and structural requirements that will satisfy Nicaraguan authorities and at the same time meet the design standards for a feasibility study. The SWWB will include consideration of the pit dewatering contributions (i.e. subsurface hydrology). SRK's remit includes an emphasis on training and capacity building for the local Condor team to ensure full ownership and facilitate implementation and sustainability of the SWWB.
- Hydrogeology / pit water management - Condor successfully intercepted the deepest level of the 1950s-era underground mine workings, providing confidence that the said workings are suitable to tap in to, in order to draw down ground water levels and support depressurization of the pit slopes. A test borehole close to the historical mineshaft was drilled in November 2021 and additional boreholes were drilled to the south and are locations for the long-term pumping station.
- The processing plant designs to FS level have been completed by Hanlon Engineering (owned by GR Engineering Services in Australia) using the new SAG Mill packaged purchased by

Condor in February 2021. The processing plant designed has been laid out with the ability to double capacity from 2,800tpd.

- Site preparation and clearance of 14 hectares around the location of the processing plant has been completed.
- Pit Geotechnical – approximately 2,800 m of geotechnical drilling was completed by December 2021. Pit angles to FS level have been received and designed by SRK. This involved oriented core drilling, followed by televiwer logging. SRK's geotechnical report is currently subject to a third party review.
- Mine and waste dump schedules for a number of mining scenarios have been completed to a level that can be submitted to MARENA. The FS level mine and waste dump schedules have been completed.
- The power studies completed to FS level. Several meetings have been held with the Ministry of Energy and Mines. National grid electricity pylons are located 700 meters from the processing plant. Government is building a new electricity sub-station 12km from the processing plant; designs for supplying grid power via the new sub-station are underway.
- The compensation plan under the local law is to replace every tree removed with 10 new trees. Condor has a tree nursery which currently has approximately 8,000 trees.

The Company's twin strategy remains the construction and operation of a base case processing plant with capacity of up to 2,800 tonnes per day ("tpd") capable of producing approximately 100,000 oz of gold per annum using the complete new SAG Mill package already purchased, to materially increasing this production capacity, and proving a major Gold District of 5 M oz gold potential at the 588km<sup>2</sup> La India Project, in Nicaragua.

The Company continues to enhance its social engagement and activities in the community, thereby maintaining our social licence to operate. Condor has strengthened its community team and stepped up social activities and engagement. The main focus locally is the drinking water programme, implemented in April 2017. A total of 340 families are currently benefiting; they receive five-gallon water dispensers each week. The Company installed a water purification plant manufactured in Israel at a cost of approximately US\$200,000 to double the drinking water supply capacity to the local communities. It was operational in May 2021.

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

In June 2022 the Company announced it had raised £3.25 million by way of a private placement of new ordinary shares. (See RNSfor details).

Turning to the financial results for the six months to end-June 2022, the Group's total comprehensive profit/(loss) for the period was £1,898,315 (six months to end-June 2021: £(1,638,488)). The Company raised a total of £3.25 million through share issuances. The net cash balance of the Group at end-June 2022 was £2,453,607

To conclude, Condor made significant advances during the 6 month period de-risking the fully permitted La India Project to a near construction ready status and completing all technical studies for a Feasibility Study. 99.6% of the land for the key areas has been purchased and 14 hectares of land have been cleared in the location of the processing plant facility. Drill results from infill drilling on Mestiza open pit of 6.3 m true width at 6.84 g/t gold from 31.45 m and 3.6 m true width at 29.1 g/t gold are both reassuring of the high grade nature of the deposit and continuity of grade. The wide zones of mineralisation within the La India open pit, near surface of 34.1 m true width at 2.56 g/t gold amalgamated from 2.80 m drill depth are confirmatory in nature. The Company is on track with its strategic objective of constructing and operating a processing plant producing circa 100,000 oz gold per annum, then materially expanding the production capacity while demonstrating a 5M oz Gold District.

**Mark Child**  
**Chairman and CEO**

## CONDOR GOLD PLC

### REVIEW OF OPERATIONS AND PROJECT OVERVIEW FOR THE THREE AND SIX MONTHS TO 30 JUNE 2022

#### LA INDIA PROJECT

##### Mining Studies

Technical work for the 1<sup>st</sup> half of 2022 has been heavily focused on compiling the requisite data, studies and designs in support of the Feasibility Study (FS) on La India Open Pit. A decision was taken to delay the FS until the 3<sup>rd</sup> Quarter 2022 to allow for additional analytical studies, confirmation analyses and to review and refine projected capital expenditure and operating costs as outlined below.

Condor completed a survey of all artisanal mining activity on the La India deposit which will be used to update the artisanal and historic mine depletion model. The mine depletion is the final 3-D model required for the upcoming revision of the mineral resource estimate. It will be integrated into the updated geological model, which includes a completely new structural, weathering, lithological and mineralization model based on new mapping, the 2021 infill drilling data and re-logging of previous drill core.

Mining methods were reviewed and refined to reflect the use of selective mining techniques that are typical of other nearby industrial mining operations. Local operations employ small equipment, typically 30 tonne highway trucks and 40 tonne articulated trucks with a 4 cubic meter backhoe operated by contract miners. In addition to the low unit costs of production, the small equipment permits more careful mining to minimize dilution and improve mining recovery. Lessons from these nearby operations have been incorporated into a diluted mining model suitable for mine planning in the FS.

Early in the year, SRK delivered the final geotechnical model reflecting drilling and testwork from late 2021, based upon new oriented core and televiewer logging. The structural and lithological models developed for the resource model were also used to specify updated slope parameters for bench heights, catch bench widths and inter-ramp slope angles that formed the basis for the design of the ultimate pit and scheduling phases. Condor has commissioned reviews of the SRK results from a third party to confirm these design parameters in the 2<sup>nd</sup> half of 2022.

The geotechnical reports and design parameters are specified under depressurized conditions, i.e. the water level in the mine area must remove pre-existing water which would otherwise lower the strength of the surrounding rock and require shallower pit slopes. At SRK's request Condor tested a number of locations that would intersect old mine workings, successfully intercepting the lowest levels of the mine near the deepest developments in the South-Central zone. Pressurization tests with local piezometers verified the hydraulic connection with the other old workings thus providing an effective dewatering location that will also provide mill feed water for the first few years of operation.

Following the availability of the slope design parameters, Condor staff compiled a series of Lerchs-Grossman (LG) mine optimization runs to provide guidance for the ultimate pit design. These designs also incorporated the most recent metallurgical results, operating cost estimates and throughput limitations. Intermediate LG runs established likely phase geometries for mine scheduling. Once completed, the ultimate pit plans and phases were designed to take advantage of the geotechnical specifications. The final designs were then used to provide the inputs for an optimizing scheduler for the development of stockpile and mill feed schedules. The results of this effort will form the inputs for the economic model to be included in the FS.

One design element for the pits required incorporation of surface stormwater management features into the schedule. SRK hydrological models were used to provide expected flow rates for these designs and for the pumping systems needed to maintain operations under normal rainfall conditions. Tierra Group International provided the FS level designs for the La Simona attenuation structure, while SRK provided the overall water management arrangement. Costing of the system was developed from SRK material take-offs and compiled by Hanlon / GRES engineering.

Metallurgical testwork was largely completed in late 2021, however, initial results were inconsistent with the testwork previously undertaken for the pre-feasibility study (PFS) and did not adequately cover the lower grade portions of the orebody. Confirmation runs on the original sample set, as well as additional low grade composites were conducted by Bureau Veritas of Vancouver. The results were consistent with previous studies returning lab-scale recoveries of circa 93% and plant scale recoveries estimated at 91% of the contained gold. These results were factored into the pit designs.

Development of the plant operating and capital cost estimates continues to be purveyance of Hanlon Engineering / GRES of Tucson, Arizona, and remains a major component of the 2022 technical efforts. Multiple reviews and discussions of throughput options have been considered this year around maximizing the throughput potential of the new Semi-Autogenous (SAG) mill package acquired by Condor in 2021. Contributions from SRK, Metso / Outotec and GRES metallurgists in Australia have factored into these discussions.

This work has resulted in a designed throughput rate of 886,000 tonnes per annum through the plant, grinding to a 75 micron target size employing both the new SAG mill and a pebble crusher to manage the critical oversize material. This throughput requires an upgraded mill motor of 3.7 megawatts (up from 3.3) and 48 hours of combined retention time.

Hanlon has developed FS-level drawings for this design, including general arrangements, process and flow diagrams, single-line power line diagrams and support structure drawings.

In addition to the design of the plant, Hanlon has been tasked with developing the operating cost estimate for the plant as well as the capital cost estimate for the project as a whole. Costs of consumables have been solicited through multiple quotes from local vendors and incorporated into the estimate. Construction costs have been developed from specific equipment costs where appropriate, and by bulk costs for site preparation, concrete, tanks, structural steel, cabling, piping, and erection costs from Nicaraguan and other Central American vendors doing business in the country. Condor staff has been instrumental in soliciting costs and communications with these vendors.

A key component of the operating cost was obtained by letter from Enatrel (the local power supplier) providing the options available to feed power from the national grid. Two options are available, either a high voltage (138KV) option or a medium voltage (29KV) system, each with different average power costs. Due to the capital cost of upgrading the high voltage line, Condor has selected the medium voltage option, which also simplifies connection to the internal power at site.

Hanlon is also tasked with developing the capital cost of the other construction components, using the bulk cost estimates solicited for the plant. In these cases the material takeoffs are provided by the designers (SRK, Tierra Group, or Condor), including:

- The tailings storage facility costing for the initial construction lift and the La Simona Attenuation structure developed by Tierra Group.
- Surface water management structures, including diversion channels, attenuation structures and stormwater pumping, based on SRK designs
- Surface infrastructure for Administration, Warehouses, Plant and mine support, and a revised supervisor man-camp, provided by Condor.
- Condor-designed access roads for the mine, waste dumps, stockpiles, and construction sites

While Condor staff has been instrumental in identifying vendors and soliciting bids for contractor quotes for mining, reagents and consumables, explosives, and contractor-provided facilities, ultimate responsibility for organization and costing of the various components falls to Hanlon.

In addition to the coordination of vendor responses, Condor site staff generated cost estimates for the owner's obligations and additional staffing requirements for EPCM controls on the owner's side. This work is typically divided into the Owners Costs, i.e. additional personnel needed to monitor and confirm construction progress, and into General and Admin costs (G&A) which cover the costs of the existing staff and maintenance of the all-important social programs and environmental commitments of the company during the 18-month construction phase.

Additional work has continued into the 2<sup>nd</sup> half of 2022 to rationalize the infrastructure and plant area to reduce the required quantity of earthmoving, and delay expenditures into production years in those cases where such changes do not impact initial throughput and recovery. This work is expected to continue until completion of the FS.

**Dave Crawford**  
**Chief Technical Officer**

## CONDOR GOLD PLC

### REVIEW OF OPERATIONS AND PROJECT OVERVIEW FOR THE THREE AND SIX MONTHS TO 30 JUNE 2022

#### Geology: exploration and mineral resource development

Exploration and geological studies during the first half of 2022 were limited to completing the geological model to feed into the upcoming La India mineral resource estimation and the mineral reserve updates and a review of the regional exploration upside and discovery potential of the entire 588 sq km La India Project to prioritise and guide future exploration activity.

*Additional infill drilling on La India open pit mineral resource – assay results received.* Sampling of geotechnical drill core made available after completion of the geotechnical test-work returned a significant amalgamated hangingwall and footwall mineralisation intercept of 50.70 m (**34.1 m true width**) at **2.56 g/t gold** from 2.80 m drill depth on either side of 3 metre wide historic mine cavity within the planned Northern Starter Pit. Although these assay results were received after the cut-off date for inclusion in the upcoming mineral resource estimation, this particular result was better than expected and highlights the amount of gold mineralisation left behind by historic miners.

*Infill drilling on La Mestiza open pit mineral resource – assay results received.* After extensive laboratory assay delays attributed to Covid-related supply chain disruption and other issues, all assay results were finally received for the 8,004 m infill drilling completed on the fully permitted high-grade La Mestiza Open Pit Mineral Resource in 2021. The results of the infill drilling continue to be consistent with previous drilling grades and widths, demonstrating good continuity in gold mineralization between adjacent drill holes in the high-grade zones and adding confidence to the geological model. The latest results include an intercept of 6.90 m (**6.3 m true width**) at **6.84 g/t gold** from 31.45 m drill depth in drill hole LIDC568; only 50 m below surface outcrop (which occurs on a rise), and several metres outside of the current pit shell. This intercept supports and expands upon the best drill intercept to-date at La Mestiza of **3.90 m (3.6 m true width) at 29.09 g/t gold** from 105.70 m drill depth (drill hole LIDC471), located approximately 85 m below surface at the base of the current open pit shell (reported in the 2021 Annual Report). The drilling programme has tightened drill spacing to 25 m along strike and 50 m down-dip in the zones that have the potential to support open pit mine development. The drilling is expected to upgrade the existing open pit gold mineral resource to Indicated Category for the potential inclusion in future Pre-Feasibility or Feasibility Studies of the Company's fully permitted La India Gold Mine Development Project.

#### *Regional exploration of La India Project*

The Company's geological team completed a review of the exploration upside potential of the Company's 588 km<sup>2</sup> La India Project. Twenty-two exploration targets have been identified, ranging from conceptual targets in areas where little work has been done but the geological setting is recognised as favourable for the discovery of new mineral deposits, to existing mineral resources that have demonstrated potential to be expanded with further drilling. It is expected that some of these targets will develop into mineral resources, and that more targets will be revealed with further exploration. Whilst most of the identified exploration targets are for similar low sulphidation epithermal gold-silver vein mineralisation, the potential for copper mineralisation has also been considered. The geological team estimate La India Project has the potential to host a 5 to 10M oz gold deposit.

#### **Luc English**

Resident Geologist

## CONDOR GOLD PLC

### REVIEW OF OPERATIONS AND PROJECT OVERVIEW FOR THE THREE AND SIX MONTHS TO 30 JUNE 2022

#### **Environmental / Hydrology**

The plant nursery has 8,888 forest plants of 37 species, to which continuous maintenance is given, carrying out pest control, irrigation, follow up of plants for their development. A total of 2,288 plants (forestry and ornamental species) were propagated, a total of 415 plants (forestry and fruit trees) were given to government and community institutions.

There are 6 reforestation areas in La India concession established by agreements with owners for a total of 7.5 hectares, as well as 2 reforestation areas in Real de la Cruz Concession for a total of 2.5 hectares. 653 new plants were planted and 394 plants were replaced, constant maintenance has been given to all areas by applying foliar spray, fertilizer, pest control and weed cleaning. Currently there are a total of 4,000 trees planted in all areas.

The company continues with the environmental monitoring processes to ensure compliance with environmental permits, through monitoring of waste management, preparation and delivery of environmental and technical reports of the concessions to MEM and MARENA, carrying out environmental education activities (participation in recycling activities and cleaning within the communities and company camps), soil management (cleaning company areas) among others.

Treatment and management of non-hazardous solid waste (rubbish) has been carried out during the first semester period, the following were collected: General waste 2,160 lbs, 3,620 lbs of organic waste and 340 lbs of recyclable material.

Permits were obtained from INAFOR (Ministry of Forestry) for the use of chainsaws and license plates for the same issued by the Santa Rosa del Mayor's Office of Peñón, certificates of compliance and Concessions' Freedom of encumbrance were also obtained and issued by MEM, this was done in coordination with the legal department, since, to extend it, the MEM (Ministry of Energy and Mines) has as a requirement the fulfillment of the delivery of quarterly and annual technical reports.

Fire control activities were also carried out due to the burning of grass by farmers and unknown agents (smokers or extremely hot areas that were lit by glass debris), affecting an area of 222 mz (155 hectares) of the Company's properties.

Support continues to be given to government institutions (INAFOR / MARENA (Ministry of the Environment), city halls, communities and Leon's zoo in order to maintain the Company's social and business responsibility; this has included the purchase of water to supply the nursery, water for fire control, purchase of plants for donation (in compliance with the 200,000 proposals in the Mina La India project - EIS), seeds and vitamins for animals in the zoo.

Condor participated in a National mining fair, a presentation was made on the actions carried out by Condor on Good Practices in the management of Environmental Sustainability.

#### **Hydrology**

- Two leachate samples have been collected from the Acid Rock Drainage kinetic tests, one corresponding to the volume of April and May, and the second accumulated in June and July, shipped to the SGS Canada laboratory for analysis.
- Physical inspection of the reactors is carried out, and fortnightly the measurement of physical parameters of water quality and volumes of accumulated leachate is carried out.
- Drilling and connection tests to the old mine completed, studies and results will be presented in FS prepared by SRK.
- Groundwater level monitoring network was completed for the project areas with 44 piezometers: La India (23), Espinito Mendoza (5) and Mojarra (16); monitoring and records of static levels are carried out on a weekly basis.
- A meteorological network is working normally, precipitation data is collected and processed daily from the three conventional stations (rain gauges) and data is downloaded and processed with records every minute of the main meteorological variables from Condor's digital station.



## **CONDOR GOLD PLC**

### **REVIEW OF OPERATIONS AND PROJECT OVERVIEW FOR THE THREE AND SIX MONTHS TO 30 JUNE 2022**

#### **Social Management**

Condor Gold continues to work on maintaining and strengthening the social license to operate at the Mina La India Project and works promoting the economic and social development with the participation of leaders and organized communities to contribute in this way to achieve of the objectives of sustainable development from a model of shared responsibilities and communication for change.

During this first half of 2022, the company's social team continues to work with communities nearby to La India, Tatiana and América projects. 3 out of 10 communities within a 10 kilometre radius are directly involved in the Mina la India project and the rest are communities of Indirect impact on the projects. In these 10 communities there are 1,064 homes and 4,700 inhabitants.

The company also has 9 social programs and 7 self-sustaining projects. Social programs cover 100% of the population segments, such as: business owners, older adults, miners, children and young people, of the total population at least 80% participate actively in one of these social programs. The 7 self-sustaining projects directly impact 100 people, including men, women and older adults.

Condor Gold has wide social acceptance for the construction and operation of the new gold mine in Nicaragua. The Company's open and transparent communication strategy allows effective two-way communication that allows the population to learn about the project and feel comfortable with this. The company also has a community service office, where residents can consult, make complaints, requests, among others. Quarterly community assemblies are held, local actors are visited and a printed magazine The Voice of India is published, all of which aim to share the company's work with the population. In addition to these forms of communication, the company has a website in Spanish [www.minalaindia.com.ni](http://www.minalaindia.com.ni) and a Facebook account where it shares information about the Project.

Some of the initiatives and impacts generated during the semester by the Company in Nicaragua are mentioned below:

- The local businesses of Santa Cruz de La India have the first “Communal Bank” a micro finance initiative, born to create and develop a culture of savings and the inclusion of private banking, this self-sustaining project has the participation of 23 business owners who in a year they have managed to double their initial capital, with this project we contribute to objective of sustainable development.
- 453 families in two communities have access to quality drinking water through the Agua Fresca program, which contributes to the improvement of basic health indicators and improves quality of life. With this program we contribute to clean water and sanitation.
- During 2022, one hundred contributions and donations have been delivered to low-income families in the following areas: health, education, sports, infrastructure and community mourning.
- Los Abuelos Medicinal Garden, the first medicinal garden in the area, aims to recover the natural medicine tradition that is widely known by Seniors as a legacy and contribution to society by Seniors in their community.
- Access by 150 artisanal miners to the Company properties to give continuity to artisanal extraction work is permitted outside the permitted open pits. Condor has an active Artisanal Mining program aimed at helping the health and safety of artisanal miners and household income.
- Community training program – for the future workforce of the mine - the program has the highest impact in the education of men and women and aims to improve their livelihoods in the future. In 2021, 97 students graduated and this year 60 students are being trained, 36 of the participants are women.

**Aiser Sarria Sirrias**

General Manager Mina La India

**CONDOR GOLD PLC**

**REVIEW OF OPERATIONS AND PROJECT OVERVIEW**  
**FOR THE THREE AND SIX MONTHS TO 30 JUNE 2022**

**CURRENT CONCESSION HOLDINGS**

*Nicaragua Projects*

<b>Project</b>	<b>Concession</b>	<b>Ownership</b>	<b>Expiry Date</b>	<b>Area (km<sup>2</sup>)</b>
La India Project	La India	100% Owned	January 2027	68.50
	Espinito Mendoza	100% Owned	November 2026	2.00
	Cacao	100% Owned	January 2032	11.90
	Santa Barbara	100% Owned	April 2034	16.20
	Real de la Cruz	100% Owned	January 2035	7.66
	Rodeo	100% Owned	January 2035	60.40
	La Mojarra	100% Owned	June 2029	27.00
	La Cuchilla	100% Owned	August 2035	86.39
	El Zacatoso	100% Owned	October 2039	1.00
	Tierra Blanca	100% Owned	June 2040	32.21
	Las Cruces	100% Owned	December 2043	142.3
	Cerro Los Cerritos	100% Owned	June 2044	132.1
		<b><i>Subtotal</i></b>		
Boaco	Rio Luna	100% Owned	June 2035	43.00
RAAN	Estrella	100% Owned	April 2035	18.00
Nueva Segovia	Potrerrillos	100% Owned	December 2031	12.00
<b>TOTAL</b>				<b>660.66</b>

*All concessions in Nicaragua are combined exploration and exploitation concessions.*

**CONDOR GOLD PLC**

**REVIEW OF OPERATIONS AND PROJECT OVERVIEW**  
**FOR THE THREE AND SIX MONTHS TO 30 JUNE 2022**

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

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

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

<b>SRK MINERAL RESOURCE STATEMENT as of 25 January 2019 (4), (5), (6)</b>								
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)	8,583	3.3	902	5.6	1,535
			2.0 g/t (UG) (2)	1,267	5.8	238	8.5	345
		Subtotal Indicated			9,850	3.6	1,140	5.9
Inferred	Grand total	All veins	0.5g/t (OP) (1)	3,014	3.0	290	6.0	341
			2.0 g/t (UG) (2)	3,714	5.1	609	9.6	860
		1.5 g/t (3)	1,751	5.0	280			
		Subtotal Inferred			8,479	4.3	1,179	8.2
<p>(1) The methods applied to conducting the geological modelling and estimation have not changed from those described in the Technical Report. The La India, America, Central Breccia, Mestiza and Cacao pits are amenable to open pit mining and the Mineral Resource Estimates are constrained within Whittle optimised pits, which SRK based on the following parameters: A gold price of USD1,500 per ounce of gold with no adjustments. Prices are based on experience gained from other SRK projects. Metallurgical recovery assumptions are between 91-96% for gold, based on testwork conducted to date. Marginal costs of USD19.36/t for processing, USD5.69/t G&amp;A and USD2.35/t for mining, slope angles defined by the Company Geotechnical study which range from angle 40 - 48°, a haul cost of USD1.25/t was added to the Mestiza ore tonnes to consider transportation to the processing plant.</p> <p>(2) Underground Mineral Resources beneath the open pit are reported at a cut-off grade of 2.0 g/t over a minimum width of 1.0m. Cut-off grades are based on a price of USD1,500 per ounce of gold and gold recoveries of 91 percent for resources, costs of USD19.36/t for processing, USD4.5/t G&amp;A and USD50.0/t for mining, without considering revenues from other metals.</p> <p>(3) Mineral Resources as previously quoted by SRK (22 December 2011) are reported at a cut-off grade of 1.5 g/t, and have not been updated as part of the current study due to no further detailed exploration.</p> <p>(4) Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate and have been used to derive sub-totals, totals and weighted averages. Such calculations inherently involve a degree of rounding and consequently introduce a margin of error. Where these occur, SRK does not consider them to be material. All composites have been capped where appropriate. The concession is wholly owned by and exploration is operated by Condor Gold plc.</p> <p>(5) The MRE uses the terminology, definitions and guidelines given in the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Standards on Mineral Resources and Mineral Reserves (May 2014) (the "CIM Standards").</p> <p>(6) SRK completed a site inspection to the deposit by Mr Benjamin Parsons, MSc (MAusIMM(CP), Membership Number 222568, a "qualified person" as defined by NI 43-101.</p> <p>(7) Back calculated Inferred silver grade based on a total tonnage of 4569 Kt as no silver estimates for Teresa, Central Breccia, Arizona, Auga Caliente, Guapinol, San Lucas, Cristalito-Tatescame or El Cacao.</p> <p>(8) The Mineral Resources are inclusive of the Mineral Reserves</p>								

**CONDOR GOLD PLC**

**REVIEW OF OPERATIONS AND PROJECT OVERVIEW**  
**FOR THE THREE AND SIX MONTHS TO 30 JUNE 2022**

**Summary of La India Project Mineral Resource Statement as of 25 January 2019 for Indicated and Inferred Categories split per vein and prepared in accordance with CIM and Canadian NI 43-101 as at 25 January 2019 for the La India Project (SRK Consulting (UK) Ltd.).**

SRK MINERAL RESOURCE STATEMENT SPLIT PER VEIN as of 25 January 2019 (4), (5), (6)								
Category	Area Name	Vein Name	Cut-Off	Gold			Silver	
				Tonnes (Kt)	Au Grade (g/t)	Au (Koz)	Ag Grade (g/t)	Ag (Koz)
Indicated	La India veinset	La India/ California <sup>(1)</sup>	0.5 g/t (OP)	8,377	3.1	837	5.4	1,459
		La India/ California <sup>(2)</sup>	2.0 g/t (UG)	678	4.9	107	10.6	231
	America veinset	America Mine <sup>(1)</sup>	0.5 g/t (OP)	114	8.1	30	4.9	18
		America Mine <sup>(2)</sup>	2.0 g/t (UG)	470	7.3	110	4.7	71
	Mestiza veinset	Tatiana	0.5 g/t (OP)	92	12.1	36	19.5	57
		Tatiana	2.0 g/t (UG)	118	5.5	21	11.3	43
Inferred	La India veinset	La India/ California <sup>(1)</sup>	0.5 g/t (OP)	883	2.4	68	4.4	124
		Teresa <sup>(3)</sup>	0.5 g/t (OP)	3	6.5	1		
		La India/ California <sup>(2)</sup>	2.0 g/t (UG)	1,165	5.6	209	12.4	464
		Teresa <sup>(2)</sup>	2.0 g/t (UG)	82	11.0	29		
		Arizona <sup>(3)</sup>	1.5 g/t	430	4.2	58		
	America veinset	Agua Caliente <sup>(3)</sup>	1.5 g/t	40	9.0	13		
		America Mine <sup>(1)</sup>	0.5 g/t (OP)	677	3.1	67	5.5	120
		America Mine <sup>(2)</sup>	2.0 g/t (UG)	1,008	4.8	156	6.8	221
	Mestiza veinset	Guapinol <sup>(3)</sup>	1.5 g/t	751	4.8	116		
		Tatiana <sup>(1)</sup>	0.5 g/t (OP)	220	6.6	47	13.6	97
		Tatiana <sup>(2)</sup>	2.0 g/t (UG)	615	3.9	77	8.8	174
		Buenos Aires <sup>(1)</sup>	0.5 g/t (OP)	120	9.8	38		
		Buenos Aires <sup>(2)</sup>	2.0 g/t (UG)	188	7.1	43		
		Espenito <sup>(2)</sup>	2.0 g/t (UG)	181	8.4	49		
	Central Breccia	Central Breccia <sup>(1)</sup>	0.5 g/t (OP)	922	1.9	56		
	San Lucas	San Lucas <sup>(3)</sup>	1.5 g/t	330	5.6	59		
	Cristalito-Tatescame	Cristalito-Tatescame <sup>(3)</sup>	1.5 g/t	200	5.3	34		
El Cacao	El Cacao <sup>(1)</sup>	0.5 g/t (OP)	188	2.3	14			
	El Cacao <sup>(2)</sup>	2.0 g/t (UG)	474	3.0	46			

## CONDOR GOLD PLC

### REVIEW OF OPERATIONS AND PROJECT OVERVIEW FOR THE THREE AND SIX MONTHS TO 30 JUNE 2022

- (1) The methods applied to conducting the geological modelling and estimation have not changed from those described in the Technical Report. The La India, America, Central Breccia, Mestiza and Cacao pits are amenable to open pit mining and the Mineral Resource Estimates are constrained within Whittle optimised pits, which SRK based on the following parameters: A Gold price of USD1,500 per ounce of gold with no adjustments. Prices are based on experience gained from other SRK projects. Metallurgical recovery assumptions are between 91-96% for gold, based on testwork conducted to date. Marginal costs of USD19.36/t for processing, USD5.69/t G&A and USD2.35/t for mining, slope angles defined by the Company Geotechnical study which range from angle 40 - 48°, a haul cost of USD1.25/t was added to the Mestiza ore tonnes to consider transportation to the processing plant.
- (2) Underground Mineral Resources beneath the open pit are reported at a cut-off grade of 2.0 g/t over a minimum width of 1.0m. Cut-off grades are based on a price of USD1,500 per ounce of gold and gold recoveries of 91 percent for resources, costs of USD19.36/t for processing, USD4.55/t G&A and USD50.0/t for mining, without considering revenues from other metals.
- (3) Mineral Resources as previously quoted by SRK (22 December 2011) are reported at a cut-off grade of 1.5 g/t, and have not been updated as part of the current study due to no further detailed exploration.
- (4) Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate and have been used to derive sub-totals, totals and weighted averages. Such calculations inherently involve a degree of rounding and consequently introduce a margin of error. Where these occur, SRK does not consider them to be material. All composites have been capped where appropriate. The concession is wholly owned by and exploration is operated by Condor Gold plc.
- (5) The MRE uses the terminology, definitions and guidelines given in the CIM Standards.
- (6) SRK completed a site inspection to the deposit by Mr Benjamin Parsons, MSc (MAusIMM(CP), Membership Number 222568, a “qualified person” as defined by NI 43-101.
- (7) The Mineral Resource is inclusive of the Mineral Reserve

### **CURRENT LA INDIA PROJECT CIM CODE MINERAL RESERVE**

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

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

#### **Note**

- (1) Open pit mineral reserves are reported at a cut-off grade of 0.75 g/t Au assuming: metal price of U.S.\$1,250 per ounce gold, processing cost of U.S.\$20.42 per tonne milled, G&A cost of U.S.\$5.63 per tonne milled, U.S.\$10/oz Au selling cost, 3% royalty on sales and a processing recovery of 91%.

**CONDOR GOLD PLC**

**REVIEW OF OPERATIONS AND PROJECT OVERVIEW**  
**FOR THE THREE AND SIX MONTHS TO 30 JUNE 2022**

**SUMMARY OF CURRENT PERMITTED OPEN PITS – LA INDIA PROJECT<sup>1</sup>**

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	36
	<b>Total</b>		<b>8,583</b>	<b>3.3</b>	<b>903</b>
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
	<b>Total</b>		<b>1,901</b>	<b>3.6</b>	<b>220</b>
Total	La India	0.5 g/t (OP)	9,260	3.0	905
	America	0.5 g/t (OP)	791	3.8	97
	Mestiza	0.5 g/t (OP)	433	8.6	121
	<b>Total</b>		<b>10,484</b>	<b>3.3</b>	<b>1,123</b>

<sup>1</sup>See Company RNS dated 6 May, 2020

## CONDOR GOLD PLC

### STATEMENT REGARDING FORWARD-LOOKING AND TECHNICAL INFORMATION FOR THE THREE AND SIX MONTHS TO 30 JUNE 2022

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

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

- mineral resource and mineral reserve estimates;
- targeting additional mineral resources and expansion of deposits;
- the impact of the redesigned La India open pit on the technical viability, economic attractiveness and anticipated gold production of the La India Project;
- the Company’s expectations, strategies and plans for the La India Project, including the Company’s planned exploration and development activities;
- the results of future exploration and drilling and estimated completion dates for certain milestones;
- successfully adding or upgrading mineral resources and successfully developing new deposits;
- production and processing estimates;
- future financial or operating performance and condition of the Company and its business, operations and properties; and
- any other statement that may predict, forecast, indicate or imply future plans, intentions, levels of activity, results, performance or achievements.

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

- mineral exploration, development and operating risks;
- estimation of mineralisation, mineral resources and mineral reserves;
- environmental, health and safety regulations of the resource industry;
- competitive conditions;
- permitting and licencing risks;
- operational risks;
- negative cash flow;
- liquidity and financing risks;
- funding risk;
- risks in relation to the Covid-19 global pandemic
- material contract risks;
- exploration costs;
- uninsurable risks;
- conflicts of interest;
- exercise of statutory rights and remedies;
- risks of operating in Nicaragua;
- government policy changes;
- ownership risks;
- artisanal miners and community relations;
- difficulty in enforcement of judgments;
- the Company’s staggered board of directors;
- market conditions;
- stress in the global economy;
- current global financial condition;
- exchange rate and currency risks;
- commodity prices;
- reliance on key personnel;

## **CONDOR GOLD PLC**

### **STATEMENT REGARDING FORWARD-LOOKING AND TECHNICAL INFORMATION FOR THE THREE AND SIX MONTHS JUNE 30, 2022 (CONTD.)**

- dilution risk; and
- payment of dividends; and
- other risks and uncertainties described under the heading “*Risk Factors*” in the Company’s annual information form for the fiscal year ended December 31, 2021, dated March 31, 2022 and available under the Company’s profile at [www.sedar.com](http://www.sedar.com).

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

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

### **TECHNICAL INFORMATION**

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

On January 28, 2019 the Company announced an updated mineral resource estimate at La India (“MRE”). The MRE as at 25 January 2019 is 9.85 million tonnes (“M tonnes” or “Mt”) at 3.6 g/t gold for 1,140,000 oz gold in the Indicated category and 8.48M tonnes at 4.3g/t gold for 1,179,000 oz gold in the Inferred category. The MRE did not show a material change in the number of ounces of gold reported in the Indicated Category or Inferred Category. The methods applied to conducting the geological modelling and estimation for the MRE have not changed from those described in the Technical Report. Given that there has been no material change to the MRE, the Mineral Resource Estimate as disclosed in the Technical Report was not materially impacted by this update. More information relating to the updated MRE is supported by the press release titled “*Mineral Resource Update on La India Project, Nicaragua, including initial declaration of new open pit mineral resource at Mestiza*” dated 28 January 2019 which is available on SEDAR under the Company’s issuer profile. The MRE was prepared by SRK Consulting (UK) Limited (“SRK”) and uses the terminology, definitions and guidelines given in the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Standards on Mineral Resources and Mineral Reserves (May 2014). The MRE update was reviewed and approved by Andrew Cheatle, P. Geo. a qualified person within the meaning of NI 43-101.

## **CONDOR GOLD PLC**

### **STATEMENT REGARDING FORWARD-LOOKING AND TECHNICAL INFORMATION FOR THE THREE AND SIX MONTHS JUNE 30, 2022 (CONTD.)**

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

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

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

**CONDOR GOLD PLC**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE THREE AND SIX MONTHS TO 30 JUNE 2022**

	Six months to 30.06.22 unaudited £	Six months to 30.06.21 unaudited £	Three months to 30.06.22 unaudited £	Three months to 30.06.21 unaudited £
Revenue	-	-	-	-
Share based payments	(288,906)	(199,591)	(126,747)	(111,320)
Administrative expenses	(1,085,069)	(814,269)	(579,094)	(390,022)
Operating loss	<u>(1,373,975)</u>	<u>(1,013,860)</u>	<u>(705,841)</u>	<u>(501,342)</u>
Finance income	1,585	-	1,330	-
Loss before income tax	<u>(1,372,390)</u>	<u>(1,013,860)</u>	<u>(704,511)</u>	<u>(501,342)</u>
Income tax expense	-	-	-	-
<b>Loss for the period</b>	<b><u>(1,372,390)</u></b>	<b><u>(1,013,860)</u></b>	<b><u>(704,511)</u></b>	<b><u>(501,342)</u></b>
<b>Other comprehensive income/(loss):</b>				
Currency translation differences	<u>3,270,705</u>	<u>(624,628)</u>	<u>2,605,881</u>	<u>(202,236)</u>
<b>Other comprehensive income/(loss) for the period</b>	<b><u>3,270,705</u></b>	<b><u>(624,628)</u></b>	<b><u>2,605,881</u></b>	<b><u>(202,236)</u></b>
<b>Total comprehensive income/(loss) for the period</b>	<b><u>1,898,315</u></b>	<b><u>(1,638,488)</u></b>	<b><u>1,901,370</u></b>	<b><u>(703,578)</u></b>
<b>Earnings per share expressed in pence per share:</b>				
Basic and diluted (in pence)	Note 7 <u>(0.92)</u>	<u>(0.78)</u>	<u>(0.48)</u>	<u>(0.37)</u>

**CONDOR GOLD PLC**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2022**

	30.06.22 unaudited £	31.12.21 audited £	30.06.21 unaudited £
<b>ASSETS:</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7,818,025	7,473,433	7,495,031
Intangible assets	<u>32,752,758</u>	<u>28,100,980</u>	<u>24,096,294</u>
	<u>40,570,783</u>	<u>35,574,413</u>	<u>31,591,325</u>
<b>CURRENT ASSETS</b>			
Trade and other receivables	862,775	775,693	196,347
Cash and cash equivalents	<u>2,453,607</u>	<u>2,072,046</u>	<u>3,005,389</u>
	<u>3,316,382</u>	<u>2,847,739</u>	<u>3,201,736</u>
<b>TOTAL ASSETS</b>	<b><u>43,887,165</u></b>	<b><u>38,422,152</u></b>	<b><u>34,793,061</u></b>
<b>LIABILITIES:</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	<u>221,966</u>	<u>248,176</u>	<u>134,519</u>
<b>TOTAL LIABILITIES</b>	<b><u>221,966</u></b>	<b><u>248,176</u></b>	<b><u>134,519</u></b>
<b>NET CURRENT ASSETS</b>	<u>3,094,416</u>	<u>2,599,563</u>	<u>3,067,217</u>
<b>NET ASSETS</b>	<b><u>43,665,199</u></b>	<b><u>38,173,976</u></b>	<b><u>34,658,542</u></b>
<b>SHAREHOLDERS' EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT</b>			
Called up share capital	31,707,573	29,326,143	26,983,286
Share premium	43,451,199	42,528,627	40,858,206
Exchange difference reserve	788,667	(2,482,038)	(2,986,729)
Retained earnings	<u>(32,282,240)</u>	<u>(31,198,756)</u>	<u>(30,196,221)</u>
<b>TOTAL EQUITY</b>	<b><u>43,665,199</u></b>	<b><u>38,173,976</u></b>	<b><u>38,658,542</u></b>

**CONDOR GOLD PLC**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**AS AT 30 JUNE 2022**

	Share capital	Share premium	Exchange difference reserve	Retained earnings	Total equity
	£	£	£	£	£
At 1 January 2021	23,732,526	37,175,626	(2,362,101)	(29,381,952)	29,164,099
Loss for the period	-	-	-	(1,013,860)	(1,013,860)
Other comprehensive income:	-	-	-	-	-
Currency translation differences	-	-	(624,628)	-	(624,628)
Total comprehensive income	-	-	(624,628)	(1,013,860)	(1,638,488)
New shares issued	3,250,760	3,682,580	-	-	6,933,340
Issue costs	-	-	-	-	-
Share based payment	-	-	-	199,591	199,591
Total contributions by & distributions to owners of the parent, recognised directly in equity	3,250,760	3,682,580	-	199,591	7,132,931
At 30 June 2021	26,983,286	40,858,206	(2,986,729)	(30,196,221)	34,658,542
At 1 January 2022	29,326,143	42,528,627	(2,482,038)	(31,199,756)	38,173,976
Loss for the period	-	-	-	(1,372,390)	(1,372,390)
Other comprehensive income:	-	-	-	-	-
Currency translation differences	-	-	3,270,705	-	3,270,705
Total comprehensive income	-	-	3,270,705	(1,372,390)	1,898,315
New shares issued	2,381,430	922,572	-	-	3,304,002
Issue costs	-	-	-	-	-
Share based payment	-	-	-	288,906	288,906
Total contributions by & distributions to owners of the parent, recognised directly in equity	2,381,430	922,572	-	288,906	3,592,908
At 30 June 2022	31,707,573	43,451,199	788,607	(32,282,240)	43,665,199

**CONDOR GOLD PLC**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS TO 30 JUNE 2022**

	Six months to 30.06.22 unaudited £	Six months to 30.06.21 unaudited £
Loss before tax	(1,372,390)	(1,013,860)
Share based payment	288,906	199,591
Depreciation charges	34,301	-
Finance income	(1,585)	-
	<u>(1,050,768)</u>	<u>(814,269)</u>
Increase in trade and other receivables	(87,082)	(81,938)
(Decrease)/increase in trade and other payables	(26,210)	(131,893)
	<u>(1,164,060)</u>	<u>(1,028,100)</u>
<b>Cash flows from investing activities</b>		
Purchase of intangible fixed assets	(1,805,216)	(2,662,661)
Purchase of tangible fixed assets	(62,363)	(4,494,661)
Interest received	1,585	-
	<u>(1,865,994)</u>	<u>(7,157,586)</u>
Net cash used in investing activities	<u>(1,865,994)</u>	<u>(7,157,586)</u>
<b>Cash flows from financing activities</b>		
Net proceeds from share issue	3,304,002	6,933,340
	<u>3,304,002</u>	<u>6,933,340</u>
Net cash generated from financing activities	<u>3,304,002</u>	<u>6,933,340</u>
Increase/(decrease) in cash and cash equivalents	273,948	(1,252,346)
Cash and cash equivalents at beginning of period	2,072,046	4,159,391
Exchange gains on cash and bank	107,613	98,344
	<u>2,453,607</u>	<u>3,005,389</u>
Cash and cash equivalents at end of period	<u>2,453,607</u>	<u>3,005,389</u>

## **CONDOR GOLD PLC**

### **NOTES TO THE CONDENSED FINANCIAL STATEMENTS** **FOR THE THREE AND SIX MONTHS TO 30 JUNE 2022**

#### **1. COMPLIANCE WITH ACCOUNTING STANDARDS**

##### **Basis of preparation**

This condensed set of financial statements has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union and also as issued by the International Accounting Standards Board (“IASB”). It has been prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”) and should be read in conjunction with the annual financial statements for the year ended 31 December 2021 which have been prepared in accordance with IFRS as adopted by the EU and as issued by the IASB.

The interim results for the three and six months to 30 June 2022 are unaudited and the accounts in this interim report do not therefore constitute statutory accounts in accordance with Section 434 of the Companies Act 2006.

Statutory accounts for the year ended 31 December 2021 have been filed with the Registrar of Companies and the auditor's report was unqualified and did not contain any statement under Section 498(2) or 498(3) of the Companies Act 2006. The statutory accounts contained a material uncertainty in respect of going concern which referred to the Group’s need to raise further funding in order to progress exploration activity. There were no other matters drawn to the attention of the users of the financial statements in the auditor’s report.

The interim financial information for the three and six months ended 30 June 2022 was approved by the Board on 15 August 2021.

The directors do not propose an interim dividend.

While it is noted that the Company will require further finance within 12 months of the date of release of these financial statements, the Directors consider the going concern basis to be appropriate based on cash flow forecasts and projections and current levels of commitments, cash and cash equivalents, together with the ability of the Company to raise finance in May 2022. The comparative period presented is that of the six months ended 30 June 2021.

The Directors are of the opinion that due to the nature of the Group’s activities and the events during that period these are the most appropriate comparatives for the current period. Copies of these financial statements are available on the Company’s website and on [www.Sedar.com](http://www.Sedar.com).

#### **2. ACCOUNTING POLICIES**

The interim financial information for the three and six months ended 30 June 2022 has been prepared on the basis of the accounting policies set out in the most recently published financial statements for the Group for the year ended 31 December 2021, which are available on the Company’s website [www.condorgold.com](http://www.condorgold.com) and on SEDAR at [www.sedar.com](http://www.sedar.com), as the Company does not anticipate the addition of new standards to the Group’s results for the year ended 31 December 2021 would materially impact the results.

#### **3. REVENUE AND SEGMENTAL REPORTING**

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

The following is an analysis of the carrying amount of segment assets, and additions to plant and equipment, analysed by geographical area in which the assets are located.

**CONDOR GOLD PLC**

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS**  
**FOR THE THREE AND SIX MONTHS TO 30 JUNE 2022**

**3. REVENUE AND SEGMENTAL REPORTING - continued**

The Group's results by reportable segment for the six-month period ended 30 June 2022 are as follows:

	<b>UK</b> <b>Six months to</b> <b>30.06.2022</b> <b>£</b>	<b>Nicaragua</b> <b>Six months to</b> <b>30.06.2022</b> <b>£</b>	<b>Consolidation</b> <b>Six months to</b> <b>30.06.2022</b> <b>£</b>
<b>RESULTS</b>			
Operating loss	(1,288,746)	(85,229)	(1,373,975)
Finance income	1,585	-	1,585
Income tax	-	-	-
Loss for period	(1,287,161)	(85,229)	(1,372,390)

The Group's results by reportable segment for the three-month period ended 30 June 2022 are as follows:

	<b>UK</b> <b>Three months</b> <b>to 30.06.2022</b> <b>£</b>	<b>Nicaragua</b> <b>Three months</b> <b>to 30.06.2022</b> <b>£</b>	<b>Consolidation</b> <b>Three months</b> <b>to 30.06.2022</b> <b>£</b>
<b>RESULTS</b>			
Operating loss	(646,250)	(59,591)	(705,841)
Interest income	1,330	-	1,330
Income tax	-	-	-
Loss for period	(644,920)	(59,591)	(704,511)

**Assets**

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

	<b>UK</b> <b>30.06.2022</b> <b>£</b>	<b>Nicaragua</b> <b>30.06.2022</b> <b>£</b>	<b>Consolidation</b> <b>30.06.2022</b> <b>£</b>
<b>ASSETS</b>			
Total assets	7,531,696	37,025,917	44,557,613

	<b>UK</b> <b>30.06.2022</b> <b>£</b>	<b>Nicaragua</b> <b>30.06.2022</b> <b>£</b>	<b>Consolidation</b> <b>30.06.2022</b> <b>£</b>
<b>LIABILITIES</b>			
Total liabilities	(343,663)	121,697	(221,966)

**CONDOR GOLD PLC**

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS**  
**FOR THE THREE AND SIX MONTHS TO 30 JUNE 2022**

**3. REVENUE AND SEGMENTAL REPORTING - continued**

The Group's results by reportable segment for the six-month period ended 30 June 2021 are as follows:

	<b>UK</b> <b>Six months to</b> <b>30.06.2021</b> <b>£</b>	<b>Nicaragua</b> <b>Six months to</b> <b>30.06.2021</b> <b>£</b>	<b>Consolidation</b> <b>Six months to</b> <b>30.06.2021</b> <b>£</b>
<b>RESULTS</b>			
Operating loss	(907,876)	(105,984)	(1,013,860)
Finance income	-	-	-
Income tax	-	-	-
Loss for period	<u>(907,876)</u>	<u>(105,984)</u>	<u>(1,013,860)</u>

The Group's results by reportable segment for the three-month period ended 30 June 2021 are as follows:

	<b>UK</b> <b>Three months</b> <b>to 30.06.2021</b> <b>£</b>	<b>Nicaragua</b> <b>Three months</b> <b>to 30.06.2021</b> <b>£</b>	<b>Consolidation</b> <b>Three months</b> <b>to 30.06.2021</b> <b>£</b>
<b>RESULTS</b>			
Operating loss	(461,202)	(40,140)	(501,342)
Interest income	-	-	-
Income tax	-	-	-
Loss for period	<u>(461,202)</u>	<u>(40,140)</u>	<u>(510,342)</u>

**Assets and liabilities**

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

	<b>UK</b> <b>30.06.2021</b> <b>£</b>	<b>Nicaragua</b> <b>30.06.2021</b> <b>£</b>	<b>Consolidation</b> <b>30.06.2021</b> <b>£</b>
<b>ASSETS</b>			
Total assets	7,969,350	26,689,192	34,658,542
	<b>UK</b> <b>30.06.2021</b> <b>£</b>	<b>Nicaragua</b> <b>30.06.2021</b> <b>£</b>	<b>Consolidation</b> <b>30.06.2021</b> <b>£</b>
<b>LIABILITIES</b>			
Total liabilities	(94,896)	(233,404)	(328,300)

## CONDOR GOLD PLC

### NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS TO 30 JUNE 2022

#### 4. TAXATION

There is no current tax charge/(credit) for the period. The condensed financial statements do not include a deferred tax asset in respect of unused tax losses as the Directors are unable to assess that there will be probable future taxable profits available against which the unused tax losses can be utilised.

#### 5. INTANGIBLE FIXED ASSETS

During the six months ended 30 June 2022, the Group acquired assets with a cost of £1,805,216 (six months ended 30 June 2021: £2,662,661).

During the three months ended 30 June 2022, the Group acquired assets with a cost of £798,268 (three months ended 30 June 2021: £1,729,641).

#### 6. EQUITY-SETTLED SHARE OPTION SCHEME AND WARRANTS

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

	Six months to 30.06.2022 unaudited £	Six months to 30.06.2021 unaudited £	Three Months to 30.06.2022 unaudited £	Three Months to 30.06.2021 unaudited £
Share options charge	288,906	199,591	126,747	111,320

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

	2022	2021
Share price	25.5	48p
Exercise price	33p	48p
Expected volatility	35.6%	35.6%
Expected life (yrs.)	5	5
Risk free rate	0.5%	0.5%
Expected dividend yield	-	-

**CONDOR GOLD PLC**

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS**  
**FOR THE THREE AND SIX MONTHS TO 30 JUNE 2022**

**7. EARNINGS PER SHARE**

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

A reconciliation is set out below:

	Six months to 30.06.22	Six months to 30.06.21
<b>Basic EPS</b>		
Loss for the period	(1,372,390)	(1,013,860)
Weighted average number of shares	147,667,937	129,714,411
Earnings per share (in pence)	<u>(0.92)</u>	<u>(0.78)</u>
	Three months to 30.06.22	Three months to 30.06.21
<b>Basic EPS</b>		
Loss for the period	(704,511)	(501,342)
Weighted average number of shares	147,757,526	134,825,204
Earnings per share (in pence)	<u>(0.48)</u>	<u>(0.37)</u>

In accordance with IAS 33, as the Group has reported a loss for the period, diluted earnings per share are not included.

**8. CALLED-UP SHARE CAPITAL**

	30.06.22 £	30.06.21 £
<b>Allotted and fully paid</b>		
158,916,429 Ordinary shares of 20p each (30 June 2021: 134,916,429 ordinary shares of 20p each)	<u>31,707,573</u>	<u>26,983,286</u>

## CONDOR GOLD PLC

### NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS TO 30 JUNE 2022

Share issuances in the six months ended 30 June 2021 were as follows:

Nature of issuance	Issue 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

On 1 January 2022, 300,000 ordinary shares were issued at a price of 20 pence per share, further to exercise of employee share options. On 17 June 2022, 11,607,149 ordinary shares were issued at a price of 28 pence further to a private placement. On 18 July 2022, 91,666 ordinary shares were issued at a price of 25 pence per share further to an exercise of warrants.

#### **9. RELATED PARTY TRANSACTIONS**

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

Company	Related party	Six months to 30.06.2022 £	Six months to 30.06.2021 £	Three months to 30.06.2022 £	Three months to 30.06.2021 £
Axial Associates Limited	Mark Child	-	-	-	-
Burnbrae Limited	Jim Mellon	12,500	12,500	6,250	6,250
Promaco Limited	Ian Stalker	20,400	23,156	8,700	25,500
AMC Geological Advisory	Andrew Cheatle	4,167	-	4,167	-

#### **10. SEASONALITY OF THE GROUPS OPERATIONS**

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