



# Condor Gold plc

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29 March 2022

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

### Condor Gold Announces Its Audited Results For The Year Ended 31 December 2021 and Annual General Meeting of Shareholders

Condor Gold (AIM: CNR; TSX: COG) is pleased to announce its audited results for the year ended 31 December 2021 and provides notification that the Annual General Meeting of shareholders of the Company will be held at 3:00 p.m. on 12 May 2022 at 7/8 Innovation Place, Godalming, Surrey, GU7 1JX, United Kingdom.

The Company has published the formal notice of meeting (the "Notice") on its website ([www.condorgold.com](http://www.condorgold.com)) together with the related voting proxy form for use by shareholders. A copy of the Notice, together with the proxy voting form, the Annual Report for the year ended 31 December 2021 and the accompanying Management's Discussion and Analysis will be posted to all shareholders who have elected to receive them in hard copy.

#### **HIGHLIGHTS FOR THE YEAR ENDED 31 DECEMBER 2021**

- Key findings of a Preliminary Economic Assessment ("PEA") Technical Report on its 100% owned La India Project on 9 September. The open-pit plus underground scenario reports a post-tax NPV of \$418 million, an IRR of 54% with average annual production of 150,000 ounces of gold for nine years with a 12-month payback.
- Purchase of a brand new Semiautogenous Grinding Mill ("SAG Mill") package for total consideration of US\$6.5 million, including US\$3.0 million payable in shares of the Company. The SAG Mill package represents a key item of the plant required to bring the Company's La India Project into production.
- Completion of a 3,500m infill drilling program at the fully permitted La India "high grade" starter pits; Results include 22.05 m (21.6 m true width) at 6.48 g/t gold from 24.75 m drill depth including 15.35 m (15.0 m true width) at 8.68 g/t gold from 24.75 m drilled depth (drill hole LIDC413)
- Completion of 3,500m of resource expansion drilling on the Cacao prospect, interpreted as a fully preserved epithermal gold system. A 10m plus true width mineralised zone has been confirmed for a strike length of approximately 1,000m beneath and along strike of the Cacao mineral resource. Results include 14.9m true width at 3.94g/t gold (CCDC033)

- Completed the ground investigation of 23 geotechnical drill holes and 58 test pits in preparation for mine construction at the La India Project.
- Raised aggregate gross proceeds of £4,000,000 before expenses through a placing of 9,523,810 new ordinary shares at a price of 42p per placing share, including a directors and CFO subscription for 4,871,414 new ordinary shares.
- Selected Hanlon Engineering & Associates (“Hanlon”) of Tucson, Arizona, a wholly owned subsidiary company of GR Engineering Services Limited as the Lead Engineer to develop a Feasibility Study level of design for a new processing plant around Condor’s recently acquired new SAG Mill. Hanlon will be responsible for the engineering designs, the capital cost and operating costs of the processing plant.
- Provided an update on the Feasibility Study on the La India Project on 19 October.
- Appointed H&P Advisory Limited (Hannam & Partners) as joint broker to the Company, alongside SP Angel Corporate Finance LLP.
- Raised aggregate gross proceeds of £4.1 million before expenses through a placing of 11,714,286 Units (each Unit comprising of one Ordinary Share and one half of one Ordinary Share purchase warrant) at a price of 35p per Unit, including a directors & CFO subscription of 2,972,144 Units.
- Announced the completion of 2,511m of geotechnical drilling for its Feasibility Study for the La India Project.

## **POST PERIOD HIGHLIGHTS**

- On 10 March, 2022 the Company announced that all assay results had been received for 8.004m infill drilling at the La Mestiza open pit at the La India Project. The results of the infill drilling programme were consistent with previous drilling grades and widths, demonstrating good continuity in gold mineralization between adjacent drill holes in the high-grade zones and therefore adding confidence to the geological model. The drilling was designed to upgrade the existing open pit gold mineral resource to the indicated category for the potential inclusion in a future Feasibility Study of the Company’s fully permitted La India Project.

## **CONDOR GOLD PLC**

### **CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021**

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)) annual report for the 12-month financial year to 31 December 2021. It has been a transformational year for the Company with the completion of all technical studies at La India Project required for a Feasibility Level Study ("FS Study") on the La India open pit utilising the new SAG Mill package acquired by Condor in March 2021. The 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, SGS Lakefield Laboratories and SRK Consulting (UK and USA) have been diligently pursuing the supporting work for the study for over a year and have made substantial headway in completion of that work, such that all technical studies are complete save the final analysis, despite the challenges of logistics, market conditions, and of course, the impact of the coronavirus pandemic on the ability to travel.

The Company has fully permitted 3 open pits for extraction and has the master permit to construct and operate a mine. 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 gold per annum, significantly increasing this production capacity, and proving a major Gold District at the 588km<sup>2</sup> La India Project, in Nicaragua.

During 2021 the Company informed the Ministry of the Environment and Natural Resources ("MARENA") that it had commenced construction and fulfilled the conditions of an Environmental Permit granted for the development, construction, and operation of an open pit mine, a 2,800 tpd or 1.0 Mt per annum CIP processing plant and associated infrastructure at the La India Project, Nicaragua (the "EP").

Condor has 8,583Kt at 3.3g/t gold for 903,000 oz gold in the Indicated Mineral Resource category and 1,901Kt at 3.6g/t gold for 220,000 oz gold in the Inferred Mineral Resource category permitted for extraction from 3 open pits: La India, America and Mestiza. Production from permitted open pit material is estimated at 100,000 oz gold p.a. for 7 to 8 years.

The La India Project has a Mineral Resource totalling 9.85 Mt at 3.6 g/t gold for 1,140,000 oz gold in the Indicated category and 8.48 Mt at 4.3 g/t gold for 1,179,000 oz gold in the Inferred category. It was last updated in January 2019, 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 total open pit Mineral Resource is 8.58 Mt at a grade of 3.3 g/t gold, for 902,000 oz gold in the Indicated category and 3.01 Mt at a grade of 3.0 g/t gold, for 290,000 oz gold in the Inferred category. Total underground Mineral Resources are 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. The intention is to permit the underground Mineral Resource after open pit mining begins.

During 2021 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 EP. The following progress has been made:

- A new geological model to FS level has been completed. It includes a lithological, weathering and structural model. The updated model 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, of 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.
- The design of the site wide water balance (“SWWB”), including a surface water management plan was awarded during 2020 to 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 water 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. A hydrologist from SRK completed a 4 week site visit in early 2021. A SWWB to FS Study level has been completed.
- Hydrogeology / pit water management - Condor successfully intercepted the deepest level of the 1950s-era underground mine workings, providing confidence that the said workings are a suitable collection point 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 and additional boreholes were drilled to the south and are possible 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 March 2021. The processing plant designed has been laid out with the ability to double capacity from 2,300tpd.
- Site preparation and clearance of 11 hectares around the location of the processing plant has been completed.
- Metallurgical testwork to FS level has been completed.
- Pit Geotechnical – approximately 2,800 m of geotechnical drilling was completed in 2021. Pit angles to FS level have been received and designed by SRK. This involved oriented core drilling, followed by televiewer logging.

- 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 are underway.
- The power studies have been progressed and 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. The Nicaraguan 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.
- MARENA has written to the Company confirming that the final designs for the domestic wastewater treatment system for the offices and accommodation blocks at La India comply with MARENA's technical and environmental requirements and the final designs are approved.
- An updated forestry inventory has been completed. 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 6,200 trees.
- Under the terms of the EP, the Company has to purchase or have legal agreements in place for the land required for the mine site infrastructure. Offers have been made to all land owners. The Company has now purchased 98% of the land in and around the permitted La India open pit mine site area and is close to completing one of the main conditions of the EP and significantly de-risking the Project. The Company has purchased land totalling 822 hectares in and around the permitted La India open pit mine site infrastructure. In addition, the Company can also demonstrate physical possession for approximately 18 years on the land covering the Mestiza open pit, has purchased 98% of this land and has claimed ownership over 303 hectares in this area. The Company has ownership of 96 hectares of land in the area of the America open pit. The Company has spent approximately US\$4.3 million on buying land during the last 6 years.

In September 2021, Condor Gold announced the key findings of a technical report on the La India Gold Project prepared by SRK. This technical report (the "Technical Report") presented the results of a strategic mining study to Preliminary Economic Assessment ("PEA") standards completed on the Project in 2021. The strategic study covers two scenarios: Scenario A, in which the mining is undertaken from four open pits, termed La India, America, Mestiza and Central Breccia Zone ("CBZ"), which targets a plant feed rate of 1.225 million tonnes per annum ("Mtpa"); and Scenario B, where the mining is extended to include three underground operations at La India, America and Mestiza, in which the processing rate is increased to 1.4 Mtpa. The 2021 Technical Report was issued in October 2021 and filed on SEDAR and the Company's websites for public disclosure to NI 43-101 standards.

#### **Highlights 1.225 Mtpa PEA La India Open Pit + Feeder Pits:**

- Internal Rate of Return ("IRR") of 58% and a post-tax Net Present Value ("NPV") of US\$302 million, at a discount rate of 5% and gold price of US\$1,700/oz.
- Average annual production of ~120,000 oz of gold over the initial 6 years of production.
- 862,000 oz of gold produced over 9 year Life of Mine ("LOM").
- Initial capital requirement of US\$153 million (including contingency).
- Pay back period 12 months.

- All-in Sustaining Costs of US\$813 per oz gold. Robust Base Case presents an IRR of 48% and a post-tax NPV of US\$236 million at a discount rate of 5% and gold price of US\$1,550/oz.

### **Highlights: 1.4Mtpa PEA Open Pit + Underground Operations:**

- IRR of 54% and a post-tax NPV of US\$418 million, after deducting upfront capex, at a discount rate of 5% and gold price of US\$1,700/oz.
- Average annual production of ~150,000 oz of gold over the initial 9 years of production.
- 1,469,000 oz of gold produced over 12-year Life Of Mine (“LOM”).
- Initial capital requirement of US\$160 million (including contingency), where the underground development is funded through cash flow.
- Pay back period 12 months.
- All-in Sustaining Costs of US\$958 per oz gold over LOM.
- Robust Base Case presents an IRR of 43% and a post-tax NPV of US\$312 million at a discount rate of 5% and gold price of US\$1,550/oz.

The highlight of the 2021 Technical Report is a post-tax, post upfront capital expenditure NPV of US\$418 million, with an IRR of 54% and 12 month pay-back period, assuming a US\$1,700 per oz gold price, with average annual production of 150,000 oz gold per annum for the initial 9 years of gold production. The open pit mine schedules have been optimised from designed pits, bringing higher grade gold forward resulting in average annual production of 157,000 oz gold in the first 2 years from open pit material with underground mining funded out later out of cashflow.

Condor completed a 3,370 m infill drilling programme on La India starter pits by June 2021. The starter pits are designed pits containing 445Kt at 4.17g/t gold for 59,700 oz gold using a 2.0g/t gold cut-off. The starter pits have a maximum depth of 35m and have a relatively low strip ratio. The drill program within the La India starter pits closes-up the sample density to 25 metre by 25 metre spacing and is the final drilling ahead of extraction. Mining the higher grade pits early will bring forward cashflow, shorten the payback period and enhance project economics. Highlights from the infill drilling are:

- 22.05 m (21.6 m true width) at 6.48 g/t gold from 24.75 m drill depth including 15.35 m (15.0 m true width) at 8.68 g/t gold from 24.75 m drilled depth (drill hole LIDC413).
- 60.60 m (54.5 m true width) at 1.98 g/t gold from 4.15 m drill depth, including 5.75 m (5.2 m true width) at 16.88 g/t gold from 42.55 m drill depth in drill hole LIDC452 located between the two proposed starter pits.
- 16.00 m (15.7 m true width) at 5.30 g/t gold from 18.35 m drill depth, including 5.90 m (5.8 m true width) at 12.35 g/t gold from 22.10 m drilled depth (drill hole LIDC416).

Condor completed 8,004 m infill drilling on La Mestiza open pit by November 2021. 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 the indicated category for the potential inclusion in future pre-feasibility or feasibility studies. La Mestiza open pit has an open pit mineral resource of 92 kt at 12.1 g/t gold for 36,000 oz gold in the Indicated category and 341 kt at 7.7 g/t gold for 85,000 oz gold in the in the Inferred category. Highlights from the infill drill on Mestiza open pit are:



- 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.

Mineral resource expansion drilling during 2021 focused on the Cacao deposit were a 3,500m exploration drill programme has been a success. A 10 metre plus true width mineralised zone including the main Cacao vein has been confirmed for a strike length of approximately 1,000 m beneath and extending to the East of the current Cacao area, which contains a combined open pit and underground Mineral Resource of 662 Kt at 2.8 g/t gold for 60,000 oz gold. Drill hole CCDC033 intercepted 14.9 m true width at 3.94g/t gold beneath the existing mineral resource, and 700 m along strike of this intercept, drill hole CCDC028 intercepted 32.9 m true width at 0.38g/t gold. Cacao is interpreted as a fully preserved epithermal gold system due to the sinter on the surface and its preservation in a downthrown block. The current round of drilling has been interpreted to be clipping the top of the gold mineralising system with the gold grade increasing at depth. It is highly significant that a wide, greater than 10 m true width, mineralised zone for a strike length of 1,000 m, open along strike and down dip, has been identified with grades increasing at depth.

The Company remains convinced that the La India Project is a major gold district with the potential for significant future discoveries. Condor's geologists have identified two major north-northwest-striking mineralised basement feeder zones traversing the Project, the "La India Corridor", which hosts 90% of Condor's gold mineral resource and the "Andrea Los Limones Corridor". Numerous geophysics, soil geochemistry and surface rock chips indicate the possibility for further mineralisation along strike.

Another exciting target is Andrea East (about 8.0 km north of La India), which is now drill-ready and shows excellent grades at surface. It is a high priority for drilling. Trenches along it demonstrate significant width and grades. Best intercepts are observed at LICT15 (4.0 m at 1.79 g/t gold), LICT20 (5.6 m at 1.65 g/t gold) and LICT21 (3.0 m at 3.6 g/t gold). Grab samples give up to 9.7 g/t gold. Vein textures are very similar to La India and very encouraging.

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 programmes. The main local focus is the drinking water programme, implemented in April 2017. A total of 740 families are currently benefiting from the program and currently receive five-gallon water dispensers each week. In May 2021, the Company installed a water purification plant manufactured in Israel at a cost of approximately US\$200,000 to double the drinking water provided to the local communities.

In January 2018 Condor initiated 'Involvement Programmes', which now extend to 6 groups in the local village to benefit communities which may be affected by the mine. Taking the Elderly Group as an example, a committee of 6 people has been formed. The Company allocates monthly support to the Elderly Group, which decides how this money is spent to benefit the elderly in the Community.

Condor continues to have very constructive meetings with key Ministries that granted the EP for the La India, La Mestiza and America open pits. The Company has been operating in Nicaragua since 2006 and, as a responsible gold exploration and development company, continues to add value to the local communities and environment by generating sustainable socio-economic and environmental benefits. The new mine would potentially create approximately 1,000 jobs during the construction period, with priority to be given to the local community. The upfront capital cost of approximately US\$125 million will have a significant positive impact on the economy. The Government and local communities will benefit significantly from future royalties and taxes.

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

In October 2021 the Company announced it had raised £4.1 million by way of a private placement of new ordinary shares. (See RNS of 29 October 2021 for details).

Turning to the financial results for the year 2021, the Group's loss for the year was £2,330,003 (2020: £1,309,992). The Company raised a total of £11,459,817 million after expenses during the financial period (2020: £8,303,939). The net cash balance of the Group at 31 December 2021 was £2,072,046 (2020: £4,159,391).

The October 2021 Technical Report has demonstrated open pit production of 120,000 oz gold per annum for an initial 6 years or 150,000 oz gold per annum for 9 years from a combination of open pit and underground material. The pay-back period of 12 months for both production scenarios is highly attractive. The PEA open pit all-in sustaining costs of US\$813 per oz gold is very attractive in the context of the current gold price. The open pit scenario has robust economics and presents an IRR of 48% and a post-tax NPV of US\$236 million at a discount rate of 5% and gold price of US\$1,550/oz.

The primary purpose of the FS is to secure debt to finance the upfront capital cost of approximately US\$125M for stage 1 of construction. The FS Study has been conducted solely on La India open pit, however the plan is to mine from the 3 permitted pits to achieve a quick pay back and target 100,000 oz gold production per annum before expanding to 150,000 oz gold per annum by adding the underground material to the mine plan.

The outlook for 2022 remains bright. The La India Project is substantially de-risked and nearing a construction-ready status. A FS Study is due in the first half of 2022, the Project is fully permitted for construction and extraction with a target of 100,000 oz gold p.a. in stage 1. A new SAG Mill has been purchased and is in a warehouse in Managua. The Project economics are robust with low AISC, a high IRR and a payback period of 12 months.

M L Child  
Chairman & CEO

Date: 29 March 2022



**CONDOR GOLD PLC**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	Year Ended 31.12.21 £	Year Ended 31.12.20 £
Administrative expenses		(2,330,003)	(1,750,395)
Gain on disposal of project		-	439,228
Operating loss	5	<u>(2,330,003)</u>	<u>(1,311,167)</u>
Finance income	4	-	1,175
Loss before income tax		<u>(2,330,003)</u>	<u>(1,309,992)</u>
Income tax expense	6	-	-
<b>Loss for the year</b>		<b><u>(2,330,003)</u></b>	<b><u>(1,309,992)</u></b>
<b>Other comprehensive income:</b>			
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>			
Currency translation differences		(119,937)	(1,615,168)
<b>Other comprehensive (loss) / income for the year</b>		<b><u>(119,937)</u></b>	<b><u>(1,615,168)</u></b>
<b>Total comprehensive loss for the year</b>		<b><u>(2,449,940)</u></b>	<b><u>(2,925,160)</u></b>
<b>Loss attributable to:</b>			
Non-controlling interest		-	-
Owners of the parent		(2,330,003)	(1,309,992)
		<b><u>(2,330,003)</u></b>	<b><u>(1,309,992)</u></b>
<b>Total comprehensive loss attributable to:</b>			
Non-controlling interest		-	-
Owners of the parent		(2,449,940)	(2,925,160)
		<b><u>(2,449,940)</u></b>	<b><u>(2,925,160)</u></b>
<b>Earnings per share expressed in pence per share:</b>			
Basic and diluted (in pence)	8	<u>(1.70)</u>	<u>(1.21)</u>

**CONDOR GOLD PLC**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2021**

	Notes	31.12.21 £	31.12.20 £
<b>ASSETS:</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	7,473,433	3,067,397
Intangible assets	10	28,100,980	22,089,314
		<u>35,574,413</u>	<u>25,156,711</u>
<b>CURRENT ASSETS</b>			
Trade and other receivables	12	775,693	114,409
Cash and cash equivalents		2,072,046	4,159,391
		<u>2,847,739</u>	<u>4,273,800</u>
<b>TOTAL ASSETS</b>		<b><u>38,422,152</u></b>	<b><u>29,430,511</u></b>
<b>LIABILITIES:</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	14	248,176	266,412
<b>TOTAL LIABILITIES</b>		<b><u>248,176</u></b>	<b><u>266,412</u></b>
<b>NET CURRENT ASSETS</b>		<u>2,599,563</u>	<u>4,007,388</u>
<b>NET ASSETS</b>		<b><u>38,173,976</u></b>	<b><u>29,164,099</u></b>
<b>SHAREHOLDERS' EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT</b>			
Called up share capital	15	29,326,143	23,732,526
Share premium		42,528,627	37,175,626
Exchange difference reserve		(2,482,038)	(2,362,101)
Retained earnings		(31,198,756)	(29,381,952)
		<u>38,173,976</u>	<u>29,164,099</u>
Non-controlling interest		-	-
<b>TOTAL EQUITY</b>		<b><u>38,173,976</u></b>	<b><u>29,164,099</u></b>

The financial statements were approved and authorised for issue by the Board of directors on 29 March 2022 and were signed on its behalf by:

M L Child - Chairman  
Company No: 05587987

**CONDOR GOLD PLC**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**AS AT 31 DECEMBER 2021**

	Share Capital	Share premium	Exchange difference reserve	Retained earnings	Total	Non-Controlling Interest	Total Equity
	£	£	£	£	£	£	£
At 1 January 2020	18,932,704	33,953,693	(746,933)	(28,354,144)	23,785,320	-	23,785,320
Comprehensive income:							
Loss for the year	-	-	-	(1,309,992)	(1,309,992)	-	(1,309,992)
Other comprehensive income:							
Currency translation differences	-	-	(1,615,168)	-	(1,615,168)	-	(1,615,168)
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>(1,615,168)</b>	<b>(1,309,992)</b>	<b>(2,925,160)</b>	<b>-</b>	<b>(2,925,160)</b>
New shares issued	4,799,822	3,444,143	-	-	8,243,965	-	8,243,965
Issue costs	-	(222,210)	-	-	(222,210)	-	(222,210)
Share based payment	-	-	-	282,184	282,184	-	282,184
<b>Total transactions with owners, recognised directly in equity</b>	<b>4,799,822</b>	<b>3,221,933</b>	<b>-</b>	<b>282,184</b>	<b>8,303,939</b>	<b>-</b>	<b>8,303,939</b>
At 31 December 2020	23,732,526	37,175,626	(2,362,101)	(29,381,952)	29,164,099	-	29,164,099
Comprehensive income:							
Loss for the year	-	-	-	(2,330,003)	(2,330,003)	-	(2,330,003)
Other comprehensive income:							
Currency translation differences	-	-	(119,937)	-	(119,937)	-	(119,937)
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>(119,937)</b>	<b>(2,330,003)</b>	<b>(2,449,940)</b>	<b>-</b>	<b>(2,449,940)</b>
New shares issued	5,593,617	5,366,126	-	-	10,959,743	-	10,959,743
Issue costs	-	(13,125)	-	-	(13,125)	-	(13,125)
Share based payment	-	-	-	513,199	513,199	-	513,199
<b>Total transactions with owners, recognised directly in equity</b>	<b>5,593,617</b>	<b>5,353,001</b>	<b>-</b>	<b>513,199</b>	<b>11,459,817</b>	<b>-</b>	<b>11,459,817</b>
At 31 December 2021	29,326,143	42,528,627	(2,482,038)	(31,198,756)	38,173,976	-	38,178,976

Share premium reserve represents the amounts subscribed for share capital in excess of the nominal value of the shares issued, net of cost of issue.

The exchange difference reserve is a separate component of Shareholders' equity in which the exchange differences, arising from translation of the results and financial positions of foreign operations that are included in the Group's Consolidated Financial Statements, are reported.

Retained earnings represent the cumulative net gains and losses recognised in the consolidated income statement.

**CONDOR GOLD PLC**

**COMPANY STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2021**

	Notes	31.12.21 £	31.12.20 £
<b>ASSETS:</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	4,309,955	-
Investments	11	751,977	751,977
Other receivables	12	39,511,480	32,260,491
		<u>44,573,412</u>	<u>33,012,468</u>
<b>CURRENT ASSETS</b>			
Trade and other receivables	12	33,329	30,656
Cash and cash equivalents		1,956,467	4,045,574
		<u>1,989,796</u>	<u>4,076,230</u>
<b>TOTAL ASSETS</b>		<b><u>46,563,208</u></b>	<b><u>37,088,698</u></b>
<b>LIABILITIES:</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	14	169,456	183,786
<b>TOTAL LIABILITIES</b>		<b><u>169,456</u></b>	<b><u>183,786</u></b>
<b>NET CURRENT ASSETS</b>		<u>1,820,340</u>	<u>3,892,444</u>
<b>NET ASSETS</b>		<b><u>46,393,752</u></b>	<b><u>36,904,912</u></b>
<b>SHAREHOLDERS' EQUITY</b>			
Called up share capital	15	29,326,143	23,732,526
Share premium		42,528,627	37,175,626
Retained earnings		(25,461,018)	(24,003,240)
<b>TOTAL EQUITY</b>		<b><u>46,393,752</u></b>	<b><u>36,904,912</u></b>

The loss for the financial year dealt with in the financial statement of the parent company was £1,970,977 (2020: £1,347,955).

The financial statements were approved and authorised for issue by the Board of directors on March 2022 and were signed on its behalf by:

M L Child - Chairman  
Company No: 05587987

**CONDOR GOLD PLC**

**COMPANY STATEMENT OF CHANGES IN EQUITY**  
**AS AT 31 DECEMBER 2021**

	Share capital £	Share premium £	Retained earnings £	Total £
At 1 January 2020	18,932,704	33,953,693	(22,937,469)	29,948,928
Comprehensive income:				
Loss for the period	-	-	(1,347,955)	(1,347,955)
Total comprehensive income	-	-	(1,347,955)	(1,347,955)
New shares issued	4,799,822	3,444,143	-	8,243,965
Issue costs	-	(222,210)	-	(222,210)
Share based payment	-	-	282,184	282,184
Total transactions with owners recognised directly in equity	4,799,822	3,221,933	282,184	8,303,939
At 31 December 2020	23,732,526	37,175,626	(24,003,240)	36,904,912
Comprehensive income:				
Loss for the period	-	-	(1,970,977)	(1,970,977)
Total comprehensive income	-	-	(1,970,977)	(1,970,977)
New shares issued	5,593,617	5,366,126	-	10,959,743
Issue costs	-	(13,125)	-	(13,125)
Share based payment	-	-	513,199	513,199
Total transactions with owners recognised directly in equity	5,593,617	5,353,001	513,199	11,459,817
At 31 December 2021	29,326,143	42,528,627	(25,461,018)	46,393,752

Share premium reserve represents the amounts subscribed for share capital in excess of the nominal value of the shares issued, net of cost of issue.

Retained earnings represent the cumulative net gains and losses recognised in the Company's income statement.

**CONDOR GOLD PLC**

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Year Ended 31.12.21 £	Year-Ended 31.12.20 £
<b>Cash flows from operating activities</b>		
Loss before tax	(2,330,003)	(1,309,992)
Share based payment	513,199	282,184
Depreciation	88,264	53,699
Exchange differences	78,873	(287,276)
Finance income	-	(1,175)
	<u>(1,649,667)</u>	<u>(1,262,560)</u>
(Increase) / Decrease in trade and other receivables	(661,284)	28,870
Increase / (Decrease) in trade and other payables	(18,236)	(490,690)
	<u>(2,329,187)</u>	<u>(1,724,380)</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets <sup>(1)</sup>	(2,370,879)	(2,570,054)
Purchase of intangible fixed assets	(6,188,725)	(2,472,661)
Interest received	-	1,175
	<u>(8,559,604)</u>	<u>(5,041,540)</u>
<b>Cash flows from financing activities</b>		
Net proceeds from share issue	<u>8,801,446</u>	<u>8,021,755</u>
Net cash from financing activities	<u>8,801,446</u>	<u>8,021,755</u>
Increase / (Decrease) in cash and cash equivalents	<u>(2,087,345)</u>	<u>1,255,835</u>
Cash and cash equivalents at beginning of year	<u>4,159,391</u>	<u>2,903,556</u>
Cash and cash equivalents at end of year	<u>2,072,046</u>	<u>4,159,391</u>

(1) Includes the purchase of a SAG Mill, part of which was paid for by shares of the Company.



**CONDOR GOLD PLC**

**COMPANY STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Year Ended 31.12.21 £	Year Ended 31.12.20 £
<b>Cash flows from operating activities</b>		
Loss before tax	(1,970,977)	(1,347,955)
Share based payment	513,199	282,184
Depreciation	-	15
Finance income	-	(1,175)
	<u>(1,457,778)</u>	<u>(1,006,931)</u>
(Increase) / Decrease in trade and other receivables	(2,673)	(7,806)
Increase / (Decrease) in trade and other payables	(14,330)	3,712
	<u>(1,474,781)</u>	<u>(1,071,025)</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets <sup>(1)</sup>	(2,164,783)	-
Interest received	-	1,175
Loans to subsidiaries	(7,250,989)	(5,242,566)
	<u>(9,415,772)</u>	<u>(5,241,391)</u>
<b>Cash flows from financing activities</b>		
Proceeds from share issue	8,801,446	8,021,755
	<u>8,801,446</u>	<u>8,021,755</u>
Increase / (Decrease) in cash and cash equivalents	(2,089,107)	1,709,339
Cash and cash equivalents at beginning of year	4,045,574	2,336,235
	<u>1,956,467</u>	<u>4,045,574</u>

(1) Includes the purchase of a SAG Mill, part of which was paid for by shares of the Company.

**- Ends -**

For further information please visit [www.condorgold.com](http://www.condorgold.com) or contact:

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### **About Condor Gold plc:**

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

On 25 October 2021 Condor announced the filing of a Preliminary Economic Assessment Technical Report (“PEA”) for its La India Project, Nicaragua on SEDAR <https://www.sedar.com>. The highlight of the technical study is a post-tax, post upfront capital expenditure NPV of US\$418 million, with an IRR of 54% and 12 month pay-back period, assuming a US\$1,700 per oz gold price, with average annual production of 150,000 oz gold per annum for the initial 9 years of gold production. The open pit mine schedules have been optimised from designed pits, bringing higher grade gold forward resulting in average annual production of 157,000 oz gold in the first 2 years from open pit material and underground mining funded out of cashflow.

In August 2018, the Company announced that the Ministry of the Environment in Nicaragua had granted the Environmental Permit (“EP”) for the development, construction and operation of a processing plant with capacity to process up to 2,800 tonnes per day at its wholly-owned La India gold Project (“La India Project”). The EP is considered the master permit for mining operations in Nicaragua. Condor has purchased a new SAG Mill, which has mainly arrived in Nicaragua. Site clearance and preparation is at an advanced stage.

Environmental Permits were granted in April and May 2020 for the Mestiza and America open pits respectively, both located close to La India. The Mestiza open pit hosts 92 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. The America open pit hosts 114 Kt at a grade of 8.1 g/t gold (30,000 oz) in the Indicated Mineral Resource category and 677 Kt at a grade of 3.1 g/t gold (67,000 oz) in the Inferred Mineral Resource category. Following the permitting of the Mestiza and America open pits, together with the La India Open Pit Condor has 1.12 M oz gold open pit Mineral Resources permitted for extraction.

### **Disclaimer**

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

## Qualified Persons

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

## Technical Information

Certain disclosure contained in this news release of a scientific or technical nature has been summarised or extracted from the technical report entitled “Technical Report on the La India Gold Project, Nicaragua, October 2021”, dated October 22, 2021 with an effective date of September 9, 2021 (the “Technical Report”), prepared in accordance with NI 43-101. The Qualified Persons responsible for the Technical Report are Dr Tim Lucks of SRK Consulting (UK) Limited, and Mr Fernando Rodrigues, Mr Stephen Taylor and Mr Ben Parsons of SRK Consulting (U.S.) Inc. Mr Parsons assumes responsibility for the MRE, Mr Rodrigues the open pit mining aspects, Mr Taylor the underground mining aspects and Dr Lucks for the oversight of the remaining technical disciplines and compilation of the report.

## Forward Looking Statements

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

*Such forward-looking information involves known and unknown risks, which may cause the actual results to be materially different from any future results expressed or implied by such forward-looking information, including, risks related to: mineral exploration, development and operating risks; estimation of mineralisation, resources and reserves; environmental, health and safety regulations of the resource industry; competitive conditions; operational risks; liquidity and financing risks; funding risk; exploration costs; uninsurable risks; conflicts of interest; risks of operating in Nicaragua; government policy changes; ownership risks; permitting and licencing risks; artisanal miners and community relations; difficulty in enforcement of judgments; market conditions; stress in the global economy; current global financial condition; exchange rate and currency risks; commodity prices; reliance on key personnel; dilution risk; payment of dividends; as well as those factors discussed under the heading “Risk Factors” in the Company’s annual information form for*

*the fiscal year ended December 31, 2020 dated March 31, 2021, available under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com).*

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