



# Condor Gold plc

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

14 June 2022

**Condor Gold plc**  
("Condor", "Condor Gold" or the "Company")

## **Condor Gold Raises £3.25 Million Via a Private Placement of New Ordinary Shares**

Condor Gold (AIM: CNR; TSX: COG) is pleased to announce a placing of 11,607,149 Units (as defined below) at a price of 28p per Unit (the "**Placing Price**") for aggregate gross proceeds of approximately £3.25 million before expenses (the "**Placing**"), including a Directors subscription of 1,833,573 Units ("**Directors Subscription**"). The Placing has been undertaken by the Company and its broker, SP Angel, with institutional and other investors. Completion of the Placing is conditional upon admission of the Units to trading on AIM, expected to be on or around 17 June 2022. The Company has received conditional approval from the Toronto Stock Exchange (the "**TSX**") for the Placing.

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

"Condor Gold has conducted a private placement, issuing new ordinary shares representing approximately 7.9% of the Company's existing issued share capital, to raise gross proceeds of approximately £3.25 million. The placement proceeds will be primarily used to complete a Feasibility Study at the La India Project (the "**Project**"), increasing the confidence of the Project, incorporating a Feasibility Level engineering design, and +/- 15% capital and operating costs. The Feasibility Study will be a key document as the Company seeks to secure Project financing ahead of Project construction".

### **Details of the Placing and Directors Subscription**

Each unit (a "**Unit**") is comprised of one ordinary share (an "**Ordinary Share**") in the Company with a nominal or par value of 20p each and one-half of one Ordinary Share purchase warrant (each whole Ordinary Share purchase warrant, a "**Warrant**"). Each Warrant, which is unlisted and fully transferable, will entitle the holder thereof to purchase one Ordinary Share at a price of 35p for a period of 36 months from the date on which the Units are issued pursuant to the Placing. All of the securities comprising the Units are subject to resale restrictions into Canada which will expire four months and one day from the date of issue.

A total of 11,607,149 Units have been placed with placees at the Placing Price to raise gross proceeds of approximately £3.25 million.

As part of the Placing, the Company advises that through the Directors Subscription three Directors of the Company, namely Mark Child, Andrew Cheadle and Jim Mellon, have subscribed for 30,000, 17,858 and 1,785,715 Units, respectively, for a total of 1,833,573 Units. The percentage shareholdings detailed below are calculated post admission of the new Ordinary Shares to AIM.

Jim Mellon has subscribed (the “**Mellon Subscription**”), through Galloway Limited, a limited company which is wholly owned by Burnbrae Group Limited, which is in turn wholly owned by Jim Mellon, for a total of 1,785,715 Units for a sum of £500,000. Following completion of the Mellon Subscription and after giving effect to the Placing, Jim Mellon shall beneficially own or control, directly and indirectly, 29,694,226 Ordinary Shares, representing approximately 18.7% of the issued Ordinary Shares (on a basic basis).

Mark Child has subscribed (the “**Child Subscription**”) for a total of 30,000 Units for a sum of £8,400. Following completion of the Child Subscription and after giving effect to the Placing, Mark Child shall beneficially own or control, directly and indirectly, 4,260,000 Ordinary Shares, representing approximately 2.7% of the issued Ordinary Shares (on a basic basis).

Andrew Cheadle has subscribed (the “**Cheadle Subscription**”) for a total of 17,858 Units for a sum of £5,000. Following completion of the Cheadle Subscription and after giving effect to the Placing, Andrew Cheadle shall beneficially own or control, directly and indirectly, 163,099 Ordinary Shares, representing approximately 0.1% of the issued Ordinary Shares (on a basic basis).

Application has been made for the new Ordinary Shares to be admitted to trading on AIM (“**Admission**”), with Admission of the new Ordinary Shares expected to occur on or around 17 June 2022.

The new Ordinary Shares will rank *pari passu* with the existing Ordinary Shares, including the right to receive all dividends and other distributions declared after the date of their issue.

Following Admission of the new Ordinary Shares the Company will have 158,537,864 Ordinary Shares with a nominal or par value of 20p each in issue with voting rights and admitted to trading on AIM and this figure may be used by shareholders in the Company as the denominator for the calculation by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the Financial Conduct Authority's Disclosure and Transparency Rules.

The placement proceeds will be primarily used to complete a Feasibility Study, increasing the confidence of the Project, incorporating a Feasibility Level engineering design, and +/- 15% capital and operating costs. This in turn will be a key document as the Company seeks to secure Project financing ahead of Project construction.

## Canadian Securities Law Matters

The Directors Subscription will constitute a related party transaction pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). The Company is exempt from the requirements to obtain a formal valuation and minority shareholder approval in connection with the Directors Subscription in reliance on sections 5.5(a) and 5.7(a), respectively, of MI 61-101, as neither the fair market value of the securities received by such parties nor the proceeds for such securities received by the Company exceeds 25% of the Company’s market capitalisation as calculated in accordance with MI 61-101. The board of directors of the Company has approved the Placing, with Jim Mellon abstaining from voting.

## TSX Matters

The Company is relying on the exemption provided for pursuant to Section 602.1 of the TSX Company Manual (the “**Manual**”) from the requirements of the Manual and the TSX related to the Placing, including the requirements of Section 604(a) of the Manual relating to obtaining shareholder approval of the Placing, as the Company is an “Eligible Interlisted Issuer” as defined in the Manual.

## Special note concerning the Market Abuse Regulation

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**MAR**”), and is disclosed in accordance with the Company's obligations under Article 17 of MAR. Market soundings, as defined in MAR, were taken in respect of the Placing, with the result that certain persons became aware of inside information, as permitted by MAR. That inside information is set out in this announcement. Therefore, those persons that received inside information in a market sounding are no longer in possession of inside information relating to the Company and its securities.

- Ends -

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

Condor Gold plc	Mark Child, Chairman and CEO +44 (0) 20 7493 2784
Beaumont Cornish Limited	Roland Cornish and James Biddle +44 (0) 20 7628 3396
SP Angel Corporate Finance LLP	Ewan Leggat +44 (0) 20 3470 0470

H&P Advisory Limited

Andrew Chubb and Nilesh Patel

+44 207 907 8500

BlytheRay

Tim Blythe and Megan Ray

+44 (0) 20 7138 3204

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

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

In August 2018, the Company announced that the Ministry of the Environment in Nicaragua had granted the 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.

La India Project contains a Mineral Resource of 9,850 Kt at 3.6 g/t gold for 1.14 M oz gold in the Indicated category and 8,479 Kt at 4.3 g/t gold for 1.18 M oz gold in the Inferred category. A gold price of \$1,500/oz and a cut-off grade of 0.5 g/t and 2.0 g/t gold were assumed for open pit and underground resources, respectively. A cut-off grade of 1.5 g/t gold was furthermore applied within a part of the Inferred Resource. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that any part of the Mineral Resources will be converted to Mineral Reserves.

Environmental Permits 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 Technical Report was prepared by or under the supervision of Tim Lucks, Principal Consultant (Geology & Project Management), Gabor Bacsfalusi, Principal Consultant (Mining), Benjamin Parsons, Principal Consultant (Resource Geology), each of SRK Consulting (UK) Limited, and Neil Lincoln of Lycopodium Minerals Canada Ltd., each of whom is an independent “qualified person” as defined by NI 43-101.

### **Forward Looking Statements**

*All statements in this press release, other than statements of historical fact, are ‘forward-looking information’ with respect to the Company within the meaning of applicable securities laws, including, but not limited to, statements with respect to: the use of proceeds of the Placing; the admission of the Units to trading on the AIM; the impact of a Feasibility Study on, including investor confidence in, the Project; and the ability of the Company to access future financing. 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 and resources; 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, 2021 dated March 29, 2022 and under the heading “Risks and Uncertainties” in the Company’s management discussion and analysis for the three months ended March 31, 2022, 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.

### Jim Mellon

- 1 Details of the person discharging managerial responsibilities / person closely associated

a)	Name	<i>Jim Mellon</i>
<b>2</b>	<b>Reason for notification</b>	
a)	Position / status	<i>Non-Executive Director</i>
b)	Initial notification /Amendment	<i>Initial</i>
<b>3</b>	<b>Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor</b>	
a)	Name	<i>Condor Gold plc</i>
b)	LEI	<i>213800PFKETQA86RHL82</i>
<b>4</b>	<b>Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted</b>	
a)	Description of the financial instrument, type of instrument  Identification code	<i>1,785,715 units of Condor Gold plc, each consisting of one ordinary share of 20p each in the Company (each, an “<b>Ordinary Share</b>”) and one-half of one Ordinary Share purchase warrant  ISIN GB00B8225591</i>
	Nature of the transaction	<i>Director’s participation in a Subscription</i>

c)	Price(s) and volumes(s)	
		Price(s)
		Volumes(s)
	28 pence	1,785,715
d)	Aggregated information	n/a
e)	Date of the transaction	14 June 2022
f)	Place of the transaction	London Stock Exchange, AIM (XLON)

### Andrew Cheatle

<b>1</b>	<b>Details of the person discharging managerial responsibilities / person closely associated</b>	
a)	Name	<i>Andrew Cheatle</i>
<b>2</b>	<b>Reason for notification</b>	
a)	Position / status	<i>Non-Executive Director</i>
b)	Initial notification /Amendment	<i>Initial</i>
<b>3</b>	<b>Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor</b>	
a)	Name	<i>Condor Gold plc</i>
b)	LEI	<i>213800PFKETQA86RHL82</i>
<b>4</b>	<b>Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted</b>	
a)	Description of the financial instrument, type of instrument  Identification code	<i>17,858 units of Condor Gold plc, each consisting of one ordinary share of 20p each in the Company (each, an "Ordinary Share") and one-half of one Ordinary Share purchase warrant</i>  <i>ISIN GB00B8225591</i>
	Nature of the transaction	Director's participation in a Subscription
c)	Price(s) and volumes(s)	
		Price(s)
		Volumes(s)
	28 pence	17,858
d)	Aggregated information	n/a

e)	Date of the transaction	14 June 2022
f)	Place of the transaction	London Stock Exchange, AIM (XLON)

## Mark Child

<b>1</b>	<b>Details of the person discharging managerial responsibilities / person closely associated</b>					
a)	Name	<i>Mark Child</i>				
<b>2</b>	<b>Reason for notification</b>					
a)	Position / status	<i>Executive Chairman</i>				
b)	Initial notification /Amendment	<i>Initial</i>				
<b>3</b>	<b>Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor</b>					
a)	Name	<i>Condor Gold plc</i>				
b)	LEI	<i>213800PFKETQA86RHL82</i>				
<b>4</b>	<b>Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted</b>					
a)	Description of the financial instrument, type of instrument  Identification code	<i>30,000 units of Condor Gold plc, each consisting of one ordinary share of 20p each in the Company (each, an "Ordinary Share") and one-half of one Ordinary Share purchase warrant</i>  <i>ISIN GB00B8225591</i>				
	Nature of the transaction	Director's participation in a Subscription				
c)	Price(s) and volumes(s)	<table border="1"> <thead> <tr> <th>Price(s)</th> <th>Volumes(s)</th> </tr> </thead> <tbody> <tr> <td>28 pence</td> <td>30,000</td> </tr> </tbody> </table>	Price(s)	Volumes(s)	28 pence	30,000
Price(s)	Volumes(s)					
28 pence	30,000					
d)	Aggregated information	n/a				
e)	Date of the transaction	14 June 2022				
f)	Place of the transaction	London Stock Exchange, AIM (XLON)				

