Condor Gold plc

22a St James's Square
London
SW1Y 4JH

Tel: +44 (0) 207 493 2784

4 March 2020

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

High Grade Open Pit Mining Scenario, La India Project, Nicaragua

Condor Gold (AIM: CNR; TSX: COG) is pleased to present a high grade open pit mining scenario for the La India Project, Nicaragua, (the "Project") which has been developed as part of ongoing mining dilution studies being undertaken by SRK Consulting (UK) Limited ("SRK"). The high grade open pit scenario is one of three main scenarios being considered by the Company. The principal option is to proceed with the construction and development of the main, permitted La India open pit, with a target of 80,000 oz gold to 100,000 oz gold per annum. The second option is to add the high grade feeder pits of Mestiza and America, which are currently being permitted, to the La India open pit, which would increase production to approximately 120,000 oz gold per annum for 7 years (See RNSs dated 5 March 2019 and 22 November 2019)

Highlights:

- High grade open pit mining scenario delivers a robust diluted tonnage of 1,637Kt at 4.65g/t gold for diluted head grade of 245,000 oz gold derived from the previously reported Indicated and Inferred Mineral Resources
- Supports high grade option of smaller 1,000tpd plant for five years
- Stockpiling may improve initial head grades
- Allows Condor to consider a lower initial capex start up scenario
- Demonstrates significant open pit mill feed for a toll milling scenario

Mark Child, Chairman and CEO commented:
"Condor is running a number of mining scenarios ahead of a construction decision, one of which is based on the construction of a smaller plant which minimises capex and maximises cashflow in the earlier years of production. I am delighted with the preliminary results of the mining dilution studies by SRK on the America and Mestiza satellite feeder pits, which demonstrate that with a selective mining approach the feeder pits could contribute a diluted tonnage of 1,249Kt for a diluted head grade of 4.76 g/t gold containing 191,000 ounces to the mine plan. When these feeder pits are added to the high grade material within a series of "mini pits" containing 387Kt at 4.29g/t gold for 53,300 oz gold within the permitted La India open pit, the total diluted mill feed is 1,637Kt at a 4.65g/t gold diluted head grade containing 245,000 oz gold. This would support a 1,000 tpd production feed to either a small plant constructed by Condor or a toll milling agreement with nearby processing plants for approximately five years, while leaving the bulk of the La India open pit intact, along with the potential for underground production for a long-range development potential."

Background

On 25 January 2019, SRK completed an updated Mineral Resource Estimate (the "MRE"; see RNS dated 28 January 2019 for further details of the MRE) on Condor's 100% owned La India Project in Nicaragua comprising 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 led the Company to recognize the potential for a readily available high grade open pit resource at the Mestiza and America deposits (the "Satellite Pits") adjacent to the already permitted La India open pit. Condor then commenced the Environmental and Social Impact Assessment ("ESIA") study required to apply for mining permits for the development and extraction of ore from the Satellite Pits. Condor submitted the ESIAs to Nicaragua's Ministry of Environment and Natural Resources on 21 November 2019 (see RNS dated 22 November 2019 for further details).

The MRE on the Mestiza satellite deposit also reported potential material exploitable by open pit mining methods of 92Kt at a grade of 12.1 g/t gold for 36,000 oz contained gold in the Indicated category and 341Kt at a grade of 7.7 g/t gold for 85,000 oz contained gold in the Inferred category. The MRE on the America deposit also reported potential material exploitable by open pit mining methods of 114Kt at a grade of 8.1g/t gold for 30,000 oz gold in the Indicated category and 677Kt at 3.1g/t gold for 67,000 oz gold in the Inferred category.

It should be noted that these mining scenarios are part of ongoing work being done by Condor to optimize the Project which has not yet been finalized and so do not replace the 2019 MRE or the technical report entitled "Technical Report on the La India Gold Project, Nicaragua, December 2014" dated 13 November 2017 with an effective date of 21 December 2014 (the "Technical Report"), both of which remain current.

Mining Dilution Studies

Recognizing the narrow-vein but high-grade nature of the Satellite Pits, Condor felt that conventional methods (such as block regularization) would not reflect the mining dilution and recovery that would be encountered at the Satellite Pits based on benchmarked operations in Nicaragua. SRK was therefore engaged to analyze variations on a 'dilution skin' and selective mining approach, applicable when a vein is well-behaved and visually distinct from the surrounding gangue (or barren) rock.

SRK considered several dilution scenarios to reflect the level of selectivity that may be applicable. A 'skin' of waste around the vein was added to the mineralized zone along with a minimum mining width in order to reflect the mining selectivity of the expected mining equipment (typically small 2 to 3 cubic meter backhoes) loading 25 to 30 tonne haul trucks employed by the local contract mining companies. This equipment routinely achieves 40 cm selectivity on vein structures, which was then coupled with a minimum mining width of 1.5 meters and a base case cut-off grade of 0.75g/t, which formed the basis of the SRK results.

The recommended case for the Mestiza deposit considered a cut-off grade of 0.75g/t gold. The diluted and modified mining model reported a total diluted tonnage of 600Kt at 5.76 g/t gold for 111,100 oz gold within the 1500 USD/toz optimized pit shell used in the 2019 MRE update.

The recommended case for the America deposit considered a cut-off grade of 1.5g/t gold. The diluted and modified mining model reported a total diluted tonnage of 649Kt at 3.8g/t gold for 80,000 oz gold within the 1500 USD/toz optimized pit shell used in the 2019 MRE update.

Condor has completed internal studies on readily accessible high grade within the permitted La India open pit, which hosts an economic Mineral Reserve of 6.9Mt at 3.0g/t gold for 675,000 oz gold. The “mini pits” within the La India open pit contain diluted tonnage of 387Kt at 4.29g/t gold for 53,300 oz gold.

The results of the above high-grade scenario are tabulated below. The tonnages, grades and contained gold estimates included in this are based on the mining of the existing, and previously reported Indicated and Inferred Mineral Resources which have been factored to include mining losses and dilution.

Diluted Tonnage and Grade Scenario			
	000-dmt	g/t	000 troy.oz
Mestiza open pit*	600	5.76	111
America open pit**	649	3.83	80
Mini pits with La India open pit	387	4.29	53
Total	**1,637**	**4.65**	**245**

*0.75 g/t Au Cut-off grade applied within the Mesiza MRE USD1500USD/toz
**1.5 g/t Au cut-off grade applied within the America MRE USD1500USD/toz pit shell
*** 0.75 g/t Au cut-off grade applied within La India mini pits within Pit 3 (83Kt @4.03g/t and 10,800 ounces) and Pit 4 (41Kt @ 3.33 g/t and 4,400 ounces). Pit 7 applies a cutoff of 3.0 g/t (263Kt @ 4.52g/t and 38,200 ounces).

Condor notes that the material potentially recoverable via an open pit mining method for the satellite deposits combined with high grading the La India open pit, demonstrate that the Company could sustain a 1,000 tpd production feed to either a small plant constructed by Condor or a toll milling agreement for approximately five years, while leaving the bulk of the La India open pit intact, along with the potential for underground production for a long-range development potential.

Looking forward, Condor intends to complete the ongoing mining dilution studies and pit optimisation studies, which are underway, and incorporate the results of those studies in a mine production schedule.

- Ends -

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

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

Beaumont Cornish Limited	Roland Cornish and James Biddle +44 (0) 20 7628 3396
SP Angel Corporate Finance LLP	Ewan Leggat +44 (0) 20 3470 0470
Blytheweigh	Tim Blythe, Camilla Horsfall and Megan Ray +44 (0) 20 7138 3204

About Condor Gold plc:

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

In August 2018, the Company announced that the Ministry of the Environment in Nicaragua had granted the Company the Environmental Permit ("EP") for the development, construction and operation of a processing plant with capacity to process up to 2,800 tonnes per day at its wholly-owned La India gold project ("La India Project"). The EP is considered to be the master permit for mining operations in Nicaragua. Condor Gold published a PFS on the La India Project in December 2014, as summarised in the Technical Report. The PFS details an open pit gold Mineral Reserve in the Probable category of 6.9 Mt at 3.0 g/t gold for 675,000 oz gold, producing 80,000 oz gold per annum for seven years. La India Project contains a Mineral Resource of 9,850Kt at 3.6 g/t gold for 1,140Koz gold in the Indicated category and 8,479Kt at 4.3g/t gold for 1,179Koz gold in the Inferred category. The Indicated Mineral Resource is inclusive of the Mineral Reserve.

Disclaimer

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

Qualified Persons

The Mineral Resource Estimate has been completed by Ben Parsons, a Principal Consultant (Resource Geology) with SRK Consulting (U.S.), Inc, who is a Member of the Australian Institute of Mining and Metallurgy, MAusIMM(CP). Ben Parsons has some eighteen years' experience in the exploration, definition and mining of precious and base metal Mineral Resources. Ben Parsons is a full-time employee of SRK Consulting (U.S.), Inc, an independent consultancy, and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the type of activity which he is undertaking to qualify as a "qualified person" as defined under National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101") of the Canadian Securities Administrators and as required by the June 2009 Edition of the AIM Note for Mining and Oil & Gas Companies. Ben Parsons consents to the inclusion in the announcement of the matters based on their information in the form and context in which it appears and confirms that this information is accurate and not false or misleading.

The mining dilution studies reported for the Mestiza and America deposits have been performed under the supervision of Dr Tim Lucks, Principal Consultant (Geology & Project Management), of SRK Consulting (UK) Limited, who is a Member of the Australian Institute of Mining and Metallurgy, MAusIMM(CP). Tim Lucks is an independent "qualified person" as such term is defined in NI 43-101. Tim Lucks consents to the inclusion in the announcement that material that relates to the America and Mestiza dilution studies, in the form and context in which it appears and confirms that this information is accurate and not false or misleading

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

Technical Information

Forward Looking Statements

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

Such forward-looking information involves known and unknown risks, which may cause the actual results to be materially different from any future results expressed or implied by such forward-looking information, including, risks related to: mineral exploration, development and operating risks; estimation of mineralisation, resources and reserves; environmental, health and safety regulations of the resource industry; competitive conditions; operational risks; liquidity and financing risks; funding risk; exploration costs; uninsurable risks; conflicts of interest; risks of operating in Nicaragua; government policy changes; ownership risks; permitting and licencing risks; artisanal miners and community relations; difficulty in enforcement of judgments; market conditions; stress in the global economy; current global financial condition; exchange rate and currency risks; commodity prices; reliance on key personnel; dilution risk; payment of dividends; as well as those factors discussed under the heading "Risk Factors" in the Company's annual information form for the fiscal year ended December 31, 2018 dated March 22, 2019, available under the Company's SEDAR profile at www.sedar.com.

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

Technical Glossary

Mineral Resource
Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories. An Inferred Mineral Resource has a lower level of confidence than that applied to an Indicated Mineral Resource. An Indicated Mineral Resource has a higher level of confidence than an Inferred Mineral Resource but has a lower level of confidence than a Measured Mineral Resource.

A Mineral Resource is a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction.

The location, quantity, grade or quality, continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling.

Material of economic interest refers to diamonds, natural solid inorganic material, or natural solid fossilized organic material including base and precious metals, coal, and industrial minerals.

The term Mineral Resource covers mineralization and natural material of intrinsic economic interest which has been identified and estimated through exploration and sampling and within which Mineral Reserves may subsequently be defined by the consideration and application of Modifying Factors. The phrase 'reasonable prospects for eventual economic extraction' implies a judgment by the Qualified Person in respect of the technical and economic factors likely to influence the prospect of economic extraction. The Qualified Person should consider and clearly state the basis for determining that the material has reasonable prospects for eventual economic extraction. Assumptions should include estimates of cutoff grade and geological continuity at the selected cut-off, metallurgical recovery, smelter payments, commodity price or product value, mining and processing method and mining, processing and general and administrative costs. The Qualified Person should state if the assessment is based on any direct evidence and testing.
Interpretation of the word 'eventual' in this context may vary depending on the commodity or mineral involved. For example, for some coal, iron, potash deposits and other bulk minerals or commodities, it may be reasonable to envisage 'eventual economic extraction' as covering time periods in excess of 50 years. However, for many gold deposits, application of the concept would normally be restricted to perhaps 10 to 15 years, and frequently to much shorter periods of time.

Inferred Mineral Resource

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

An Inferred Mineral Resource is based on limited information and sampling gathered through appropriate sampling techniques from locations such as outcrops, trenches, pits, workings and drill holes. Inferred Mineral Resources must not be included in the economic analysis, production schedules, or estimated mine life in publicly disclosed Pre-Feasibility or Feasibility Studies, or in the Life of Mine plans and cash flow models of developed mines. Inferred Mineral Resources can only be used in economic studies as provided under NI 43-101.

There may be circumstances, where appropriate sampling, testing, and other measurements are sufficient to demonstrate data integrity, geological and grade/quality continuity of a Measured or Indicated Mineral Resource, however, quality assurance and quality control, or other information may not meet all industry norms for the disclosure of an Indicated or Measured Mineral Resource. Under these circumstances, it may be reasonable for the Qualified Person to report an Inferred Mineral Resource if the Qualified Person has taken steps to verify the information meets the requirements of an Inferred Mineral Resource.

Indicated Mineral Resource
An Indicated Mineral Resource is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit.

Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing and is sufficient to assume geological and grade or quality continuity between points of observation.

An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource and may only be converted to a Probable Mineral Reserve.

Mineralization may be classified as an Indicated Mineral Resource by the Qualified Person when the nature, quality, quantity and distribution of data are such as to allow confident interpretation of the geological framework and to reasonably assume the continuity of mineralization. The Qualified Person must recognize the importance of the Indicated Mineral Resource category to the advancement of the feasibility of the project. An Indicated Mineral Resource estimate is of sufficient quality to support a Pre-Feasibility Study which can serve as the basis for major development decisions.

Mineral Reserve
Mineral Reserves are sub-divided in order of increasing confidence into Probable Mineral Reserves and Proven Mineral Reserves. A Probable Mineral Reserve has a lower level of confidence than a Proven Mineral Reserve.

A Mineral Reserve is the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at Pre-Feasibility or Feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified.

The reference point at which Mineral Reserves are defined, usually the point where the ore is delivered to the processing plant, must be stated. It is important that, in all situations where the reference point is different, such as for a saleable product, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported.

The public disclosure of a Mineral Reserve must be demonstrated by a Pre-Feasibility Study or Feasibility Study.

Mineral Reserves are those parts of Mineral Resources which, after the application of all mining factors, result in an estimated tonnage and grade which, in the opinion of the Qualified Person(s) making the estimates, is the basis of an economically viable project after taking account of all relevant Modifying Factors. Mineral Reserves are inclusive of diluting material that will be mined in conjunction with the Mineral Reserves and delivered to the treatment plant or equivalent facility. The term 'Mineral Reserve' need not necessarily signify that extraction facilities are in place or operative or that all governmental approvals have been received. It does signify that there are reasonable expectations of such approvals.

'Reference point' refers to the mining or process point at which the Qualified Person prepares a Mineral Reserve. For example, most metal deposits disclose mineral reserves with a "mill feed" reference point. In these cases, reserves are reported as mined ore delivered to the plant and do not include reductions attributed to anticipated plant losses. In contrast, coal reserves have traditionally been reported as tonnes of "clean coal". In this coal example, reserves are reported as a "saleable product" reference point and include reductions for plant yield (recovery). The Qualified Person must clearly state the 'reference point' used in the Mineral Reserve estimate.

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

The Qualified Person(s) may elect, to convert Measured Mineral Resources to Probable Mineral Reserves if the confidence in the Modifying Factors is lower than that applied to a Proven Mineral Reserve. Probable Mineral Reserve estimates must be demonstrated to be economic, at the time of reporting, by at least a Pre-Feasibility Study.

Pre-Feasibility Study (Preliminary Feasibility Study)
The CIM Definition Standards requires the completion of a Pre-Feasibility Study as the minimum prerequisite for the conversion of Mineral Resources to Mineral Reserves.
A Pre-Feasibility Study is a comprehensive study of a range of options for the technical and economic viability of a mineral project that has advanced to a stage where a preferred mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, is established and an effective method of mineral processing is determined. It includes a financial analysis based on reasonable assumptions on the Modifying Factors and the evaluation of any other relevant factors which are sufficient for a Qualified Person, acting reasonably, to determine

if all or part of the Mineral Resource may be converted to a Mineral Reserve at the time of reporting. A Pre-Feasibility Study is at a lower confidence level than a Feasibility Study.