



Condor Gold plc

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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF REGULATION (EU) 596/2014 AS IT FORMS PART OF DOMESTIC LAW IN THE UNITED KINGDOM BY VIRTUE OF THE EU (WITHDRAWAL) ACT 2018 (“MAR”).

5 December 2023

Condor Gold Plc (“Condor” or the “Company”)

Condor Gold Provides an Update on the Sale of Assets

On 22 November 2022, Condor Gold (AIM: CNR; TSX: COG) announced that following a robust and economically attractive Bankable Feasibility Study, also known as a Feasibility Study, on the La India open pit, it appointed H&P Advisory Limited (Hannam and Partners) to seek a buyer for the assets of the Company. The last update on the sale of the Company’s assets was via an RNS on 31 July 2023 and in the interims accounts on 7 September 2023. The current status is that the Company remains in receipt of five non-binding offers, with three site visits having been completed. Although none of the non-binding offers have progressed to firm proposals to date, the Company is in advanced discussions with 2 gold producers. There are currently eight companies under Non-Disclosure Agreements (NDAs).

£1M Raise Via The Exercise of Warrants

The Company also announces that Galloway Limited, a company wholly owned by Burnbrae Group Limited which is, in turn, wholly owned by Jim Mellon, Condor’s Chairman, has sent the Company a signed notice for the exercise of warrants which will result in the issue of 6,666,667 New Ordinary Shares at an issue price of £0.15 per new ordinary share, for a total consideration of £1M, which has now been received.

Application has been made for the New Ordinary Shares to be admitted to trading on AIM. Admission of the New Ordinary Shares is expected to take place on 15 December 2023. The Company has prior approval for the Shares to be listed on the Toronto Stock Exchange (“TSX”).

The Company is in discussions with other shareholders who have expressed interest in investing alongside the Chariman and largest shareholder on the same terms, notably, via a small placement of new ordinary shares at £0.15 per new ordinary share. An update will be provided shortly.

Director/PDMR Shareholding

Galloway Limited will hold 49,769,148 Ordinary Shares representing 25.63% of the Company's issued ordinary shares post exercise of the warrants. Galloway Limited is wholly owned by Burnbrae Group Limited which is, in turn, wholly owned by Jim Mellon, Condor's Chairman. Denham Eke, a Non-Executive Director, is also a director of the Burnbrae Group Limited and Galloway Limited.

Total Voting Rights

Following the issue of the 6,666,667 New Ordinary Shares to Galloway Limited, Condor's total issued share capital will comprise 194,194,158 New Ordinary Shares, each with voting rights (the "Enlarged Issued Share Capital"). This figure may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, securities of the Company under the Financial Conduct Authority's Disclosure and Transparency Rules.

Jim Mellon, Chairman of Condor Gold, commented:

"I continue to be impressed with the asset sale process. We are very aware of the value of our assets and will maximise value for all shareholders. My investment of a further £1M is designed to ensure sufficient financial runway during the sales process until a desired price is achieved."

Mark Child, CEO of Condor Gold Commented:

"Wholly owned, fully permitted, construction ready gold mines with potential production of 150,000 oz gold per annum, in major Gold Districts, with the land and a new SAG Mill package purchased and a construction period of only 18 months are rare. To date there are eight companies under NDAs, five non-binding offers received and three site visits completed. Companies under NDAs have access to a virtual data room, which includes all drill data, technical studies to Feasibility Study level, details of permits to construct and operate a mine and financial models. Although none of the non-binding offers have progressed to firm proposals to date, the Company is in advanced discussions with 2 gold producers. The sales process is taking longer than anticipated, but the Board is anticipating that further progress will be made in the New Year. Investors will be updated in due course."

Cautionary Statement: Investors should note that, whilst the Board is encouraged by the process to date, there can be no guarantee that the Company will complete the sale of its assets.

- Ends -

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

Condor Gold plc

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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.

The Company's principal asset is La India Project, Nicaragua, which comprises of a large, highly prospective land package of 588 sq km comprising of 12 contiguous and adjacent concessions. The Company has filed a feasibility study technical report dated 25 October 2022 and entitled "Condor Gold Technical Report on the La India Gold Project, Nicaragua, 2022" (the "**2022 FS**") which is available on the Company's SEDAR profile at www.sedar.com and was prepared in accordance with the requirements of NI 43-101. The 2022 FS indicated that La India Project hosts a high grade Mineral Resource Estimate ("MRE") of 9,672 kt at 3.5g/t gold for 1,088,000 oz gold in the indicated mineral resource category and 8,642 kt at 4.3 g/t gold for 1,190,000 oz gold in the inferred mineral resource category. The open pit MRE is 8,693 kt at 3.2 g/t gold for 893,000 oz gold in the indicated mineral resource category and 3,026 kt at 3.0 g/t gold for 291,000 oz gold in the inferred mineral resource category. Total underground MRE is 979 kt at 6.2 g/t gold for 94,000 oz gold in the indicated mineral resource category and 5,615 kt at 5.0 g/t gold for 98,000 oz gold in the inferred mineral resource category.

The 2022 FS replaces the previously reported Preliminary Economic Assessment ("**PEA**") as presented in the Technical Report filed on SEDAR in October 2021 as the current technical report for the La India project.

The 2021 PEA considered the expanded Project inclusive of the exploitation of the Mineral Resources associated to the La India, Mestiza, America and Central Breccia deposits. 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 PEA Scenario B presented 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 were 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. The 2021 PEA Scenario A presented a post-tax, post upfront capital expenditure NPV of US\$302 million, with

an IRR of 58% and 12 month pay-back period, assuming a US\$1,700 per oz gold price, with average annual production of approximately 120,000 oz gold per annum for the initial 6 years of gold production. The Mineral Resource estimate and associated Preliminary Economic Assessment contained in the 2021 PEA are considered a historical estimate within the meaning of NI 43-101, a qualified person has not done sufficient work to classify such historical estimate as current, and the Company is not treating the historical Mineral Resource estimate and associated studies as current, and the reader is cautioned not to rely upon this data as such. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. The Company believes that the historical Mineral Resource estimate and Preliminary Economic assessment is relevant to the continuing development of the La India Project.

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.

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 relating to the issue of New Shares Ordinary, including the requirements of Section 613 of the Manual, as the Company is an “Eligible Interlisted Issuer” as defined in the Manual.

Qualified Persons

The technical and scientific information in this press release has been reviewed, verified and approved by Andrew Cheatle, P.Geo., a director of Condor Gold plc, and Gerald D. Crawford, P.E., the Chief Technical Officer of Condor Gold plc, each of whom is a “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 statements with respect to: future development and production plans, projected capital and operating costs, mine life and production rates, metal or mineral recovery estimates, Mineral Resource, Mineral Reserve estimates at the La India Project, the potential to convert Mineral Resources into Mineral Reserves. the Company's plans to sell the assets of the Company or seek alternatives to an asset sale and the construction timeline of the La India project upon receipt of 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 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.