# Condor Gold plc

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**Condor Gold Plc**

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

**Condor Announces Details of Technical Report on its 100% La India Gold Project**

**Post-Tax NPV[5] US$418M, IRR 54%, Average 150,000 oz Gold p.a for 9 years, Payback 12 Months**

Condor Gold (AIM: CNR; TSX: COG) is pleased to announce the key findings of a technical report on its 100% owned La India Gold Project (the "Project") prepared by SRK Consulting (UK) Limited ("SRK"). This technical report (the "Technical Report") presents 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 PEA Technical Report will be issued within 45 days of the public disclosure to NI 43-101 standards.

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

- Internal Rate of Return ("IRR") of 54% and a post-tax Net Present Value ("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.

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

- IRR of 58% and a post-tax 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.

**Mark Child, Chairman and CEO commented:**

"I am delighted to announce robust economics for two mining scenarios in an updated technical study on Condor's 100% owned La India Project. 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".

**Background**

The 2021 PEA reflects the January 2019 Mineral Resource Estimate (as reported in the RNS dated 28 January 2019), incorporating advances in understanding and technical study detail relating to a number of areas of the Project (relative to the Pre-Feasibility Study ("PFS") and PEA scenarios presented in the "Technical Report on the La India Gold Project, Nicaragua, December 2014", reported in the RNS dated 21 December 2014, updates provided in final prospectus filed with the Ontario Securities Commission as announced on 27 December 2017), as well as the incorporation of the Mestiza open pit. The most significant area of advancement relates to the mining studies conducted for each of the open pits, where this has focused on producing optimised pit designs considering maximising access to mineralised material and the opportunity to maintain the grade profile through stockpiling, without requiring the relocation of the village. The other technical disciplines, namely open pit geotechnics, underground mining, hydrogeology, tailings management and infrastructure remain relatively unchanged compared to the 2014 PFS/PEA (accounting for the changes in production), with minor updates relating to mineral processing and hydrological. The environmental and social studies reflect Condor's achievement of being granted an Environmental Permit to construct and operate a processing plant with capacity of up to 2,800 tonnes per day ("tpd") and develop the associated mine site infrastructure for a new mine at the Project (the "Main Permit").

Condor has open pit Mineral Resources of 8,583Kt at 3.3g/t gold for 903,000 oz gold in the Indicated category and 1,901Kt at 3.6g/t gold for 220,000 oz gold in the Inferred category permitted for extraction.

The 2021 PEA is the first Technical Report update since the 2014 PFS and PEAs. While the MRE has not changed materially during this period there have been a number of changes to the infrastructure designs and layout, which will be reflected in the 2021 PEA. These include: no resettlement of the village of La Cruz de la India, the elimination of a southern waste rock dump, the relocation of the processing plant approximately 1.2Km to the East, no requirement to relocate the main road, the purchase of the vast majority of the surface rights and obtaining the Main Permit to construct and operate a mine. Condor has developed a detailed knowledge of the hydrology, the site wide water balance and surface water management, where the water management plans have been aligned with the updated pit designs, pit development, and incorporation of the underground workings for the 2021 PEA. Furthermore, a gold price of US$1,250 oz gold was used in the 2014 PFS and PEAs verses a base case of US$1,550 oz gold in the 2021 PEA.

Thus the 2021 PEA provides an update on the current status of the Project, while acknowledging a key part of Condor's strategy is to prove up a 5M oz Gold District at the Project.

The PEA has been conducted in parallel to the on-going field investigations being conducted by Condor inclusive of the recently completed 3,370 m resource drilling programme at the La India open pit, the resource infill drilling programme currently being conducted at the Mestiza open pit and resource expansion drilling being conducted on the Cacao deposit. Feasibility study level open pit geotechnical drilling and investigations, hydrological studies, metallurgical testwork, and tailings management and process plant design are on going relating to the permitted La India open pit.

It is Condor's intention that the new drilling data will be incorporated in a further MRE update and that this will support the development of a Feasibility Study, along with the other on-going multi-disciplinary studies on the La India deposit.

**PEA Inputs**

SRK followed industry standard practices to derive the January 2019 MRE update, which remains consistent with SRK's approach for the MREs previously completed. Table 3 presents the 2019 Mineral Resource Statement for the Project, inclusive of all veins. Different levels of geotechnical studies have been competed for the four potential open pits considered in both Scenario A and B, where these range from a detailed PFS investigation for La India, to scoping and benchmark values for Mestiza, America and Central Breccia. Scenario B considers the inclusion of underground mining at the La India, America and Mestiza deposits. To support the underground mining studies, SRK has reviewed and assessed the rock mass classification, and assessed the requirements for crown pillar design, sill pillar design and support at a PEA level. This study is based on the summarised geotechnical information from earlier studies including those referred to in the SRK 2014, 2017 NI 43-101 Technical Report, with no further drill core or logging data added subsequently.

**Table 1: Summarised Key Technical, Operational and Financial Parameters for Scenario A and B**

The key technical, operational, and financial parameters of the two scenarios are summarised in Table 1. Both scenarios return positive NPVs at the Company's base discount rate of 5%, of US$236M and US$313M for Scenarios A and B, respectively at a gold price of US$1,550/oz. Undiscounted payback is accomplished during operating year 1 for both Scenario A and Scenario B.

| Parameter | Units | Scenario A | Scenario B |
|---|---|---|---|
| **Production** | | | |
| Ore Mined | (kt) | 10,634 | 15,702 |
| Au Grade | (g/t) | 2.77 | 3.18 |
| Ag Grade | (g/t) | 4.39 | 4.75 |
| Recovered Metal | | | |
| Au | (koz) | 862 | 1,469 |
| Ag | (koz) | 1,031 | 1,662 |
| **Commodity Prices** | | | |
| Gold | (USD/oz) | 1,550 | 1,550 |
| Silver | (USD/oz) | 20 | 20 |
| **Revenue** | | | |
| Gold | (USDM) | 1,335.28 | 2,275.24 |
| Silver | (USDM) | 20.41 | 32.91 |
| **Gross Revenue** | **(USDM)** | 1,355.69 | 2,308.15 |
| Transportation Charges | (USDM) | (1.46) | (2.10) |
| Smelter Charges | (USDM) | (1.42) | (2.35) |
| **Net Revenue** | **(USDM)** | 1,352.81 | 2,303.70 |
| **Operating Costs** | | | |
| Mining | (USDM) | (336.17) | (637.91) |
| Water Management | (USDM) | (4.25) | (17.56) |
| Processing Plant | (USDM) | (208.09) | (299.94) |
| Tailings | (USDM) | (2.13) | (3.14) |
| G&A | (USDM) | (45.00) | (60.00) |
| EMP | (USDM) | (8.56) | (11.41) |
| **Sub-total** | **(USDM)** | (604.19) | (1,029.96) |
| Royalty | (USDM) | (81.17) | (138.22) |
| **Total Operating Costs** | **(USDM)** | (685.36) | (1,168.18) |
| | (USD/t RoM) | 64.45 | 74.40 |
| **EBITDA and Tax** | | | |
| EBITDA | (USDM) | 667.45 | 1,135.52 |
| Corporate Income Tax | (USDM) | (144.87) | (226.79) |
| **Cashflow from Operations** | **(USDM)** | 522.57 | 908.73 |
| **Capital Expenditure** | | | |
| Mining | (USDM) | (40.52) | (252.65) |
| Water Management | (USDM) | (8.08) | (19.16) |
| Processing Plant | (USDM) | (66.05) | (72.14) |
| TSF | (USDM) | (24.85) | (31.17) |
| Infrastructure | (USDM) | (10.85) | (10.85) |
| Closure | (USDM) | (13.69) | (14.83) |
| Other | (USDM) | (7.70) | (7.80) |
| Contingency | (USDM) | (15.00) | (19.68) |
| **Total Capital Expenditure** | **(USDM)** | (186.75) | (428.28) |
| **Results** | | | |
| Net Free Cashflow | (USDM) | 335.83 | 480.45 |
| NPV (5%) | (USDM) | 235.95 | 312.55 |
| IRR | (%) | 48.2% | 43.2% |
| Payback year (undiscounted) | (Prod year) | Year 1 | Year 1 |

| | | | |
|---|---|---|---|
| All-in Sustaining Costs | (USD/oz) | 813 | 958 |
| All-in Costs | (USD/oz) | 990 | 1,067 |

**Table 2: Sensitivity of Economic Outputs to Gold Price at 5% discount rate**

The NPV and IRR results at a 5% discount rate for the project for both scenarios are presented in Table 2 for gold selling prices between US$1,200 and US$2,200 per oz gold.

| Gold Price (US$/oz) | Scenario A | | Scenario B | |
|---|---|---|---|---|
| | NPV (US$M) | IRR (%) | NPV (US$M) | IRR (%) |
| 1,200 | 80.85 | 21.7% | 62.91 | 14.1% |
| 1,300 | 125.31 | 29.9% | 134.68 | 23.3% |
| 1,400 | 169.60 | 37.5% | 206.40 | 31.6% |
| 1,500 | 213.84 | 44.7% | 277.19 | 39.4% |
| 1,600 | 258.05 | 51.7% | 347.63 | 46.9% |
| 1,700 | 301.99 | 58.4% | 417.77 | 54.1% |
| 1,800 | 345.78 | 65.0% | 487.92 | 61.0% |
| 1,900 | 389.57 | 71.4% | 558.06 | 67.7% |
| 2,000 | 433.35 | 77.6% | 628.21 | 74.2% |
| 2,100 | 477.14 | 83.7% | 698.35 | 80.6% |
| 2,200 | 520.92 | 89.7% | 768.50 | 86.8% |

The NPV results at discount rates between 0 and 15% for the project for both scenarios are presented in Table 3 based on a gold selling price of 1550 US$/oz.

**Table 3: Sensitivity of NPV at range of Discount Rates at a gold selling price of 1550 US$/oz**

| Discount Rate | Scenario A NPV (US$M) | Scenario B NPV (US$M) |
|---|---|---|
| 0% | 335.83 | 480.45 |
| 5% | 235.95 | 312.55 |
| 8% | 191.61 | 243.06 |
| 10% | 166.91 | 205.86 |
| 15% | 118.13 | 135.99 |

**Table 4: Mineral Resource Estimate, Effective date 25 January 2019**

| SRK MINERAL RESOURCE STATEMENT as of January 2019 (4),(5),(6) | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Category | Area Name | Vein Name | Cut-Off | gold | | | silver | |
| | | | | Tonnes (kt) | Au Grade (g/t) | Au (koz) | Ag Grade (g/t) | Ag (koz) (7) |
| Indicated | Grand total | All veins | 0.5g/t (OP) (1) | 8,583 | 3.3 | 902 | 5.6 | 1,535 |
| | | | 2.0 g/t (UG) (2) | 1,267 | 5.8 | 238 | 8.5 | 345 |
| | | Subtotal Indicated | | 9,850 | 3.6 | 1,140 | 5.9 | 1,880 |
| Inferred | Grand total | All veins | 0.5g/t (OP) (1) | 3,014 | 3.0 | 290 | 6.0 | 341 |
| | | | 2.0 g/t (UG) (2) | 3,714 | 5.1 | 609 | 9.6 | 860 |
| | | | 1.5 g/t (3) | 1,751 | 5.0 | 280 | | |
| | | Subtotal Inferred | | 8,479 | 4.3 | 1,179 | 8.2 | 1,201 |

(1) The La India, America, Central Breccia, Mestiza and Cacao pits are amenable to open pit mining and the Mineral Resource Estimates are constrained within Whittle optimised pits, which SRK based on the following parameters: A gold price of USD1,500 per ounce of gold with no adjustments. Prices are based on experience gained from other SRK Projects. Metallurgical recovery assumptions are between 91-96% for gold, based on testwork conducted to date. Marginal costs of USD19.36/t for processing, USD5.69/t G&A and USD2.35/t for mining, slope angles defined by the Company Geotechnical study which range from angle 40 - 48°, a haul cost of USD1.25/t was added to the Mestiza ore tonnes to consider transportation to the processing plant.

(2) Underground Mineral Resources beneath the open pit are reported at a cut-off grade of 2.0 g/t Au over a minimum width of 1.0 m. Cut-off grades are based on a price of USD1,500 per ounce of gold and gold recoveries of 91% for resources, costs of USD19.36/t for processing, USD4.5/t G&A and USD50.0/t for mining, without considering revenues from other metals.

(3) Mineral Resources as previously quoted by SRK (22 December 2011) are reported at a cut-off grade of 1.5 g/t Au and have not been updated as part of the current study due to no further detailed exploration.

(4) Mineral Resources are not Ore Reserves and do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate and have been used to derive sub-totals, totals and weighted averages. Such calculations inherently involve a degree of rounding and consequently introduce a margin of error. Where these occur, SRK does not consider them to be material. All composites have been capped where appropriate. The Concession is wholly owned by and exploration is operated by Condor Gold plc

(5) The reporting standard adopted for the reporting of the MRE uses the terminology, definitions and guidelines given in the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Standards on Mineral Resources and Mineral Reserves (May 2014) as required by NI 43-101.

(6) SRK Completed a site inspection to the deposit by Mr Benjamin Parsons, MSc (MAusIMM(CP)), Membership Number 222568, an appropriate "independent qualified person" as this term is defined in National Instrument 43-101.

(7) Back calculated Inferred silver grade based on a total tonnage of 4569 Kt as no silver estimates for Teresa, Central Breccia, Arizona, Agua Caliente, Guapinol, San Lucas, Cristalito-Tatescame or El Cacao.

Both Scenario A and Scenario B consider open pit mining from the four deposits: La India, America, Mestiza, and CBZ, where Scenario B incorporates a greater milling capacity to accommodate feed from the envisaged underground ("UG") mining operations at La India, Mestiza and America.

The PEA open pit studies have incorporated optimised pit designs, including the 2014 PFS level geotechnical pit angles, haul roads and ramps (designed pits) that have focused on maximising access to mineralised material and the opportunity to maintain the grade profile and stockpiling.

The La India project site is expected to be run as a conventional drill, blast, load and haul operation. Table 4 presents the open pit mineral inventory that supports both Scenarios A and B.

**Table 5: Open Pit PEA Inventory**

| Deposit | Total (Mt) | Waste (Mt) | Mill Feed* (Mt) | Mill Feed Au (g/t) | Strip Ratio (t:t) |
|---|---|---|---|---|---|
| La India | 87.96 | 79.62 | 8.34 | 2.56 | 9.5 |
| Mestiza | 13.76 | 13.26 | 0.50 | 5.37 | 26.6 |
| America | 22.17 | 21.29 | 0.88 | 4.20 | 24.3 |
| CBZ | 5.09 | 4.17 | 0.92 | 1.89 | 4.5 |

| | | | | | |
|---|---|---|---|---|---|
| **Total** | **128.98** | **118.34** | **10.63** | **2.77** | **11.1** |

The main UG mining method selected for all deposits is mechanized cut and fill ("MCF") with unconsolidated rockfill. Where the vein is much narrower than the required operating width of the smallest available load, haul, dump machine ("LHD"), SRK has considered the application of using MCF with resuing. The scope of the UG mining assessment for the present study is limited to scoping level work to exploit the La India, Mestiza and America deposits, clipped below the open pit designs with appropriate considerations for the geotechnical design considerations. Table 5 presents the UG mineral inventory that is incorporated into Scenario B.

**Table 6: Underground PEA Inventory**

| Deposit | Mill Feed* (Mt) | Mill Feed Au (g/t) |
|---|---|---|
| La India | 2.76 | 4.30 |
| Mestiza | 1.03 | 3.88 |
| America | 1.28 | 3.57 |
| **Total** | **5.07** | **4.03** |

The open pit operating cost estimates have been developed based on two contractor quotes for the La India mine received from Esinsa and Explotec in January 2019 and November 2017, respectively. Additional mine owner costs have been developed by SRK based on SRK's internal cost database and the Infomine cost database. In order to match the level of selectivity required for the mining approach proposed for America and Mestiza an additional grade control cost element was included. SRK has updated the high-level benchmarking exercise completed in 2014 to compare the Project with existing UG operations of similar scale. A separate cost estimate has been benchmarked for each UG mine.

All open pit mining is to be undertaken by a mining contractor, and hence no capital expenditure is to be expected. Allowances for mobilisation and demobilisation have been incorporated. The UG capital cost estimate for each mine has been developed based on previous work, SRK's internal cost database and the Infomine cost database. Most of the capital cost for UG mining is the capital development consisting of ramps, levels, ventilation raises, and infrastructure.

The Project area is subject to intense rainfall events and a river currently flows through the proposed La India pit footprint. As such, mitigating the effects of the river is a significant consideration with respect to the viability of the Project. The PEA has considered the hydrology and surface water management, groundwater and dewatering requirements, and the site wide water balance. The water management plans and designs have been aligned with the updated pit designs, pit development, and incorporation of the UG workings in the case of Scenario B.

Metallurgical studies were originally conducted on master composites and variability composites in 2013, formulated from drill core from the La India and America, Mestiza and Central Breccia vein sets. During 2019, confirmatory metallurgical studies were conducted on test composites from La India, America and Mestiza vein sets. The 2019 metallurgical program included confirmatory comminution testwork and whole-ore cyanidation testwork using optimized process conditions.

An 805,000 tpa process plant was designed by Lycopodium as part of Condor's 2014 PFS for the La India stand-alone project. The process plant included conventional unit operations that are standard to the industry which include: primary crushing, semi-autogenous (SAG) mill grinding, carbon-in-leach (CIL) cyanidation, carbon elution, electrowinning, refining and final tailings detoxification. The process plant was designed on the basis of an ore that is clean, of high hardness, and extremely high abrasion.

This technical study update has considered two alternative process development scenarios. The process design criteria and flowsheets for each scenario are identical to those developed for the 2014 La India PFS. Scenario A includes the construction of a 1.225 Mtpa process plant and Scenario B includes the construction of a 1.400 Mtpa process plant.

Process operating costs have been developed according to industry standards applicable to a gold processing plant producing doré. The 2014 PFS Opex estimate was used as the Base-case for developing operating cost estimates for the two process development scenarios. SRK has estimated the process plant capital expenditure for Scenario A and Scenario B based on Lycopodium's 2014 capital estimate by first escalating to 2020 by applying the Mine Cost Services ("MCS") average mill capital expenditure indices. The escalated plant capital was then adjusted for the plant capacities in each scenario using a 0.6 exponent in a capacity versus capital expenditure relationship.

The proposed site of the Tailings Storage Facility ("TSF") remains the same as the previous studies 2014 PFS, to the east of the main highway, and is consistent with the location included in the latest ESIA documentation for the Project. The TSF includes dams at the western and eastern ends of the valley to form the impoundment void. The dams are constructed from waste rock derived from the mining operation, which are sequentially raised in a 'downstream' manor in-line with tailings production. The impoundment is proposed to be fully lined with HDPE to minimise seepage of contact water to the receiving environment. The scenarios reflect total tailings storage capacity of 7.6 $Mm^3$ and 11.2 $Mm^3$ for Scenario A and B, respectively.

Capital expenditure and operating costs have been derived on an individual discipline basis. Overall accuracy of the cost estimates is deemed to be ±40-50%, in line with expectations from a PEA level of study.

The Technical Report reflects a Preliminary Economic Assessment ("PEA") and partially utilises Inferred Mineral Resources. Inferred Mineral Resources are considered too speculative, geologically, to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves and there is no certainty that the PEA will be realized. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

**Reporting Standards**

The reporting standard adopted for the reporting of the Mineral Resource Estimate ("MRE") uses the terminology, definitions and guidelines given in the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Standards on Mineral Resources and Mineral Reserves (May 2014) as required by NI 43-101 ("The CIM Code"). The CIM Code is an internationally recognised reporting code as defined by the Combined Reserves International Reporting Standards Committee.

The 2021 PEA Technical Report will be issued within 45 days of the public disclosure in accordance with the public disclosure to NI 43-101 standards.

**- Ends -**

For further information please visit 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.

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 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). He has some nineteen years' experience in the exploration, definition and mining of precious and base metals. 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 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.

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.

The technical and scientific information in this press release has been reviewed, verified and approved by Andrew Cheatle, P.Geo., who 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: 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 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, 2020 dated March 31, 2021 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.*

**Technical Glossary**

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| Assay | The laboratory test conducted to determine the proportion of a mineral within a rock or other material. Usually reported as parts per million which is equivalent to grams of the mineral (i.e. gold) per tonne of rock |
| Ag | Silver |
| Au | Gold |
| Breccia | A fragmental rock, composed of rounded to angular broken rock fragments held together by a mineral cement or in a fine-grained matrix. They can be formed by igneous, tectonic, sedimentary or hydrothermal processes. |
| Down-dip | Further down towards the deepest parts of an ore body or zone of mineralisation. |
| Grade | The proportion of a mineral within a rock or other material. For gold mineralisation this is usually reported as grams of gold per tonne of rock (g/t) |
| g/t | grams per tonne |
| HDPE | High Density Polyethylene – a common industrial plastic used in piping and tailings pond lining material |
| Indicated Mineral Resource | That part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as |

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| | outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed. |
| Inferred Mineral Resource | That part of a Mineral Resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that may be limited, or of uncertain quality and reliability, |
| IRR | The Internal Rate of Return (IRR) is the discount rate that makes the net present value (NPV) of a project zero. In other words, it is the expected compound annual rate of return that will be earned on a project or investment |
| Kt | Thousand tonnes |
| LHD | Load-Haul-Dump – a front-end loader designed for underground operations |
| MCF | Mechanized Cut and Fill – An underground mining method employing heavy machinery for selective mining of vein-type deposits. Post-mining voids are backfilled with waste to improve ground stability. |
| MCS | Mining Cost Service – a publication of current mine equipment pricing and inflation indices |
| Mineral Resource Estimate | A concentration or occurrence of material of economic interest in or on the Earth's crust in such a form, quality, and quantity that there are reasonable and realistic prospects for eventual economic extraction. The location, quantity, grade, continuity and other geological characteristics of a Mineral Resource are known, estimated from specific geological knowledge, or interpreted from a well constrained and portrayed geological model. |
| NI 43-101 | Canadian National Instrument 43-101 a common standard for reporting of identified mineral resources and ore reserves |
| NPV | Net Present Value (NPV) is the value of all future cash flows (positive and negative) over the entire life of an investment discounted to the present. NPV analysis is a form of intrinsic valuation and is used extensively across finance and accounting for determining the value of a business, investment security, capital project, new venture, cost reduction program, and anything that involves cash flow. It is after deducting the upfront capital cost |
| Open pit mining | A method of extracting minerals from the earth by excavating downwards from the surface such that the ore is extracted in the open air (as opposed to underground mining). |
| Payback Period | The Payback Period shows how long it takes for a business to recoup an investment |
| Resuing | A selective mining technique that removes waste surrounding an ore zone prior to mining the ore to minimize dilution |
| Strike length | The longest horizontal dimension of an ore body or zone of mineralisation. |
| Strip Ratio | A common metric for open pit mining calculated as waste tonnes divided by ore tonnes. Higher stripping ratios indicate that more waste mining is required per tonne of ore. |
| Vein | A sheet-like body of crystallised minerals within a rock, generally forming in a discontinuity or crack between two rock masses. Economic concentrations of gold are often contained within vein minerals. |