

**Company number: 05587987**

**CONDOR GOLD PLC**  
**Interim Accounts**  
**For the Three and Nine Months Ended 30 September 2020**

## CONDOR GOLD PLC

### Highlights for the third quarter of 2020

- Strong cash balance: £5.5M as of end-September
- Significant progress in de-risking La India project announced on 13 August, through purchase of land in and around the permitted La India open pit mine site area and provided an update on key elements in advancing the project:
  - Acquired 85% of the land within the permitted La India open pit mine site infrastructure, including the key areas of the location of the processing plant, tailings storage facility, open pit, waste dump area, explosives magazine.
  - Tailings Storage Facility and 2 water retention ponds are being fully designed by Tierra Group Inc. - 40% of the engineering designs are completed.
  - The design of the site wide water balance including a surface water management plan has been awarded to SRK Consulting (UK) Ltd and is underway.
  - Preliminary designs for the layout of the mine site infrastructure including, in some detail, the designs for the location of the processing plant have been completed.
  - Mine and waste dump schedules for a number of mining scenarios have been completed
  - The power studies have been progressed and several meetings held with the Ministry of Energy and Mines.
- On 10 July the Company announced the purchase by Jim Mellon, a Director, of 400,000 ordinary shares in the Company at a price of 38p per ordinary share.
- Further purchases of shares by Jim Mellon, as announced on 25 August and 24 September, of 75,000 and 100,000 shares respectively.

### Post Period Highlights

- 93% of the land within the permitted La India open pit mine site infrastructure area has been purchased
- Commencement on 27 October of a ground investigation program consisting of 20 geotechnical drill holes and 58 test pits on the Tailings Storage Facility (“TSF”), Water Retention Reservoir and Processing Plant site at La India, accelerating the project from a Pre-Feasibility level of design to Final Engineering Designs on key infrastructure in preparation for construction on the fully-permitted project. In particular:
  - Final TSF design will be fully compliant with internal and external legislation.
  - Geotechnical drilling program comprises 20 drill holes and 58 test pits on the Tailings Storage Facility (TSF), La Simona water retention reservoir and processing plant site.
  - Geotechnical drilling and test pits on La Simona dam and reservoir - the purpose is to develop the design criteria for a retention dam and diversion water facility.

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

“During the third quarter 2020 Condor Gold continued to de-risk La India Project, advancing the Project to a shovel-ready status. The Company has purchased the vast majority, over 93%, of the surface rights within the permitted La India open pit mine site infrastructure area. The Project is proceeding as if the Company owns 100% of the land as the Company is confident of securing the balance. Geotechnical drilling is currently underway on the embankment locations for the tailings storage facility and water retention reservoir together with some 58 test pits including a dozen on the location of the processing plant. Several engineering studies are being taken beyond that of a feasibility study to a final design for construction. In summary, the Project is being fast tracked to production. In-filling drilling programmes in the open pits have been designed, drilling is expected to commence in the near future.”

**CONDOR GOLD PLC**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE THREE AND NINE MONTHS TO 30 SEPTEMBER 2020**

		Nine months to 30.09.20 unaudited £	Nine months to 30.09.19 unaudited £	Three months to 30.09.20 unaudited £	Three months to 30.09.19 unaudited £
Revenue		-	-	-	-
Share based payments		(193,048)	(147,479)	(94,514)	(46,871)
Administrative expenses		(1,018,448)	(823,867)	(282,772)	(271,283)
Gain on disposal of concession		477,616	-	-	-
Operating loss	Note 3	<u>(733,880)</u>	<u>(971,346)</u>	<u>(377,286)</u>	<u>(318,154)</u>
Finance income		1,175	2,763	-	2,029
Loss before income tax		<u>(732,705)</u>	<u>(968,583)</u>	<u>(377,286)</u>	<u>(316,125)</u>
Income tax expense	Note 4	-	-	-	-
<b>Loss for the period</b>		<b><u>(732,705)</u></b>	<b><u>(968,583)</u></b>	<b><u>(377,286)</u></b>	<b><u>(316,125)</u></b>
<b>Other comprehensive income/(loss):</b>					
Currency translation differences		49,134	(24,470)	(1,274,140)	421,135
<b>Other comprehensive income/(loss) for the period</b>		<b><u>49,134</u></b>	<b><u>(24,470)</u></b>	<b><u>(1,274,140)</u></b>	<b><u>421,135</u></b>
<b>Total comprehensive loss for the period</b>		<b><u>(683,571)</u></b>	<b><u>(993,053)</u></b>	<b><u>(1,651,426)</u></b>	<b><u>105,010</u></b>
<b>Loss per share expressed in pence per share:</b>					
Basic and diluted (in pence)	Note 7	<u>(0.70)</u>	<u>(1.24)</u>	<u>(0.32)</u>	<u>(0.35)</u>

**CONDOR GOLD PLC**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2020**

	30.09.20 unaudited £	31.12.19 audited £	30.09.19 unaudited £
<b>ASSETS:</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	2,849,055	585,950	219,197
Intangible assets	<u>22,739,013</u>	<u>20,909,637</u>	<u>21,917,014</u>
	<u>25,588,068</u>	<u>21,495,587</u>	<u>22,136,211</u>
<b>CURRENT ASSETS</b>			
Trade and other receivables	197,713	143,279	368,789
Cash and cash equivalents	<u>5,530,533</u>	<u>2,903,556</u>	<u>3,637,425</u>
	<u>5,728,246</u>	<u>3,046,835</u>	<u>4,006,214</u>
<b>TOTAL ASSETS</b>	<b><u>31,316,314</u></b>	<b><u>24,542,422</u></b>	<b><u>26,142,425</u></b>
<b>LIABILITIES:</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	<u>219,992</u>	<u>757,102</u>	<u>155,736</u>
<b>TOTAL LIABILITIES</b>	<b><u>219,992</u></b>	<b><u>757,102</u></b>	<b><u>155,736</u></b>
<b>NET CURRENT ASSETS</b>	<u>5,508,254</u>	<u>2,289,733</u>	<u>3,850,478</u>
<b>NET ASSETS</b>	<b><u>31,096,322</u></b>	<b><u>23,785,320</u></b>	<b><u>25,986,689</u></b>
<b>SHAREHOLDERS' EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT</b>			
Called up share capital	Note 8 23,582,161	18,932,704	18,932,704
Share premium	37,105,761	33,953,693	33,953,693
Exchange difference reserve	(697,799)	(746,933)	935,321
Retained earnings	<u>(28,893,801)</u>	<u>(28,354,144)</u>	<u>(27,835,029)</u>
	<b><u>31,096,322</u></b>	<b><u>23,785,320</u></b>	<b><u>25,986,689</u></b>

**CONDOR GOLD PLC**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**AS AT 30 SEPTEMBER 2020**

	Share capital	Share premium	Exchange difference reserve	Retained earnings	Total	Non controlling interest	Total equity
	£	£	£	£	£	£	£
At 1 January 2019	13,435,868	33,662,309	959,791	(27,013,925)	21,044,043	-	21,044,043
Comprehensive income:	-	-	-	-	-	-	-
Loss for the period	-	-	-	(968,583)	(968,583)	-	(968,583)
Other comprehensive income:	-	-	-	-	-	-	-
Transactions with non-controlling interest	-	-	-	-	-	-	-
Currency translation differences	-	-	(24,470)	-	(24,470)	-	(24,470)
<b>Total comprehensive income</b>	-	-	(24,470)	(968,583)	(993,053)	-	(993,053)
New shares issued	5,496,836	291,384	-	-	5,788,220	-	5,788,220
Issue costs	-	-	-	-	-	-	-
Share based payment	-	-	-	147,479	147,479	-	147,479
<b>At 30 September 2019</b>	<b>18,932,704</b>	<b>33,953,693</b>	<b>935,321</b>	<b>(27,835,029)</b>	<b>25,986,689</b>	<b>-</b>	<b>25,986,689</b>
At 1 January 2020	18,932,704	33,953,693	(746,933)	(28,354,144)	23,785,320	-	23,785,320
Comprehensive income:	-	-	-	-	-	-	-
Loss for the period	-	-	-	(732,705)	(732,705)	-	(732,705)
Other comprehensive income:	-	-	-	-	-	-	-
Transactions with non-controlling interest	-	-	-	-	-	-	-
Currency translation differences	-	-	49,134	-	49,134	-	49,134
<b>Total comprehensive income</b>	-	-	49,134	(732,705)	(781,839)	-	(781,839)
New shares issued	4,649,457	3,152,068	-	-	7,801,525	-	7,801,525
Issue costs	-	-	-	-	-	-	-
Share based payment	-	-	-	193,048	193,048	-	193,048
<b>At 30 September 2020</b>	<b>23,582,161</b>	<b>37,105,761</b>	<b>(697,799)</b>	<b>(28,893,801)</b>	<b>31,096,322</b>	<b>-</b>	<b>31,096,322</b>

**CONDOR GOLD PLC**

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**AS AT 30 SEPTEMBER 2020**

	Nine months to 30.09.20 unaudited £	Nine months to 30.09.19 unaudited £
<b>Cash flows from operating activities</b>		
Loss before tax	(732,705)	(968,583)
Share based payment	193,048	147,479
Depreciation charges	16	35,130
Impairment charge of intangible fixed assets	-	-
Finance income	(1,175)	(2,763)
	<u>(540,816)</u>	<u>(788,737)</u>
(Increase)/decrease in trade and other receivables	(54,434)	(149,712)
Increase/(decrease) in trade and other payables	(537,110)	(95,580)
	<u>(1,132,360)</u>	<u>(1,034,029)</u>
<b>Cash flows from investing activities</b>		
Purchase of intangible fixed assets	(1,712,055)	(1,275,263)
Purchase of tangible fixed assets	(2,317,848)	(44,015)
Interest received	1,175	2,763
	<u>(4,028,728)</u>	<u>(1,316,515)</u>
Net cash absorbed in investing activities	<u>(4,028,728)</u>	<u>(1,316,515)</u>
<b>Cash flows from financing activities</b>		
Net proceeds from share issue	7,801,525	5,788,220
	<u>7,801,525</u>	<u>5,788,220</u>
Net cash generated in financing activities	<u>7,801,525</u>	<u>5,788,220</u>
Increase / (decrease) in cash and cash equivalents	2,640,437	3,437,676
Cash and cash equivalents at beginning of period	2,903,556	220,975
Exchange losses on cash and bank	(13,460)	(21,226)
	<u>5,530,533</u>	<u>3,637,425</u>

## **CONDOR GOLD PLC**

### **NOTES TO THE CONDENSED FINANCIAL STATEMENTS** **FOR THE NINE MONTHS TO 30 SEPTEMBER 2020**

#### **1. COMPLIANCE WITH ACCOUNTING STANDARDS**

##### **Basis of preparation**

This condensed set of financial statements has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union and also as issued by the International Accounting Standards Board (“IASB”). It has been prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”) and should be read in conjunction with the annual financial statements for the year ended 31 December 2019 which have been prepared in accordance with IFRS as adopted by the EU and as issued by the IASB.

The interim results for the three and nine months to 30 September 2020 are unaudited and the accounts in this interim report do not therefore constitute statutory accounts in accordance with Section 434 of the Companies Act 2006.

Statutory accounts for the year ended 31 December 2019 have been filed with the Registrar of Companies and the auditor's report was unqualified and did not contain any statement under Section 498(2) or 498(3) of the Companies Act 2006. The statutory accounts contained a material uncertainty in respect of going concern which referred to the Group’s need to raise further funding in order to progress exploration activity. There were no other matters drawn to the attention of the users of the financial statements in the auditor’s report.

The interim financial information for the three and nine months ended 30 September 2020 was approved by the Board on 11 November 2020.

The directors do not propose an interim dividend.

While it is noted that the Company will require further finance within 12 months of the date of release of these financial statements, the Directors consider the going concern basis to be appropriate based on cash flow forecasts and projections and current levels of commitments, cash and cash equivalents, together with the ability of the Company to raise finance in May 2020. The comparative period presented is that of the three and nine months ended 30 September 2019.

The Directors are of the opinion that due to the nature of the Group’s activities and the events during that period these are the most appropriate comparatives for the current period. Copies of these financial statements are available on the Company’s website and on [www.Sedar.com](http://www.Sedar.com).

#### **2. ACCOUNTING POLICIES**

The interim financial information for the three and nine months ended 30 September 2020 has been prepared on the basis of the accounting policies set out in the most recently published financial statements for the Group for the year ended 31 December 2019, which are available on the Company’s website [www.condorgold.com](http://www.condorgold.com) and on SEDAR at [www.sedar.com](http://www.sedar.com), as the Company does not anticipate the addition of new standards to the Group’s results for the year ended 31 December 2019 would materially impact the results.

#### **3. REVENUE AND SEGMENTAL REPORTING**

The Group has not generated any revenue during the period. The Group’s operations are located in England and Nicaragua.

The following is an analysis of the carrying amount of segment assets, and additions to plant and equipment, analysed by geographical area in which the assets are located.

**CONDOR GOLD PLC**

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS TO 30 SEPTEMBER 2020**

**3. REVENUE AND SEGMENTAL REPORTING - continued**

The Group's results by reportable segment for the nine month period ended 30 September 2020 are as follows:

	<b>UK</b> <b>Nine months to</b> <b>30.09.2020</b> <b>£</b>	<b>Nicaragua</b> <b>Nine months</b> <b>to 30.09.2020</b> <b>£</b>	<b>Consolidation</b> <b>Nine months</b> <b>to 30.09.2020</b> <b>£</b>
<b>RESULTS</b>			
Operating (loss)	(1,100,703)	366,823	(733,880)
Finance income	1,175	-	1,175
Income tax	-	-	-
<b>Loss for period</b>	<b>(1,099,528)</b>	<b>366,823</b>	<b>(732,705)</b>

The Group's results by reportable segment for the three month period ended 30 September 2020 are as follows:

	<b>UK</b> <b>Three months</b> <b>to 30.09.2020</b> <b>£</b>	<b>Nicaragua</b> <b>Three months</b> <b>to 30.09.2020</b> <b>£</b>	<b>Consolidation</b> <b>Three months</b> <b>to 30.09.2020</b> <b>£</b>
<b>RESULTS</b>			
Operating (loss)	(340,232)	(37,054)	(377,286)
Finance income	-	-	-
Income tax	-	-	-
<b>Loss for period</b>	<b>(340,232)</b>	<b>(37,054)</b>	<b>(377,286)</b>

**Assets**

All transactions between each reportable segment are accounted for using the same accounting policies as the Group uses.

	<b>UK</b> <b>30.09.2020</b> <b>£</b>	<b>Nicaragua</b> <b>30.09.2020</b> <b>£</b>	<b>Consolidation</b> <b>30.09.2020</b> <b>£</b>
<b>ASSETS</b>			
Total assets	<u>5,965,035</u>	<u>25,351,279</u>	<u>31,316,314</u>
<b>LIABILITIES</b>			
Total liabilities	<u>(146,978)</u>	<u>(73,014)</u>	<u>(219,992)</u>



**CONDOR GOLD PLC**

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS TO 30 SEPTEMBER 2020**

**3. REVENUE AND SEGMENTAL REPORTING - continued**

The Group's results by reportable segment for the nine month period ended 30 September 2019 are as follows:

	<b>UK</b> <b>Nine months to</b> <b>30.09.2019</b> <b>£</b>	<b>Nicaragua</b> <b>Nine months</b> <b>to 30.09.2019</b> <b>£</b>	<b>Consolidation</b> <b>Nine months</b> <b>to 30.09.2019</b> <b>£</b>
<b>RESULTS</b>			
Operating (loss)	(931,538)	(39,808)	(971,346)
Finance income	2,763	-	2,763
Income tax	-	-	-
<b>Loss for period</b>	<b>(928,775)</b>	<b>(39,808)</b>	<b>(968,583)</b>

The Group's results by reportable segment for the three month period ended 30 September 2019 are as follows:

	<b>UK</b> <b>Three months to</b> <b>30.09.2019</b> <b>£</b>	<b>Nicaragua</b> <b>Three months</b> <b>to 30.09.2019</b> <b>£</b>	<b>Consolidation</b> <b>Three months</b> <b>to 30.09.2019</b> <b>£</b>
<b>RESULTS</b>			
Operating (loss)	(293,089)	(25,065)	(318,154)
Finance income	2,029	-	2,029
Income tax	-	-	-
<b>Loss for period</b>	<b>(291,060)</b>	<b>(25,065)</b>	<b>(316,125)</b>

**Assets**

All transactions between each reportable segment are accounted for using the same accounting policies as the Group uses.

	<b>UK</b> <b>30.09.2019</b> <b>£</b>	<b>Nicaragua</b> <b>30.09.2019</b> <b>£</b>	<b>Consolidation</b> <b>30.09.2019</b> <b>£</b>
<b>ASSETS</b>			
Total assets	<u>4,200,161</u>	<u>21,942,264</u>	<u>26,142,425</u>

	<b>UK</b> <b>30.09.2019</b> <b>£</b>	<b>Nicaragua</b> <b>30.09.2019</b> <b>£</b>	<b>Consolidation</b> <b>30.09.2019</b> <b>£</b>
<b>LIABILITIES</b>			
Total liabilities	<u>(88,522)</u>	<u>(67,214)</u>	<u>(155,736)</u>

**4. TAXATION**

There is no current tax charge for the period. The accounts do not include a deferred tax asset in respect of carry forward unused tax losses as the Directors are unable to assess that there will be probable future taxable profits available against which the unused tax losses can be utilised.

## CONDOR GOLD PLC

### NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS TO 30 SEPTEMBER 2020

#### 5. INTANGIBLE FIXED ASSETS

During the nine months ended 30 September 2020, the Group acquired intangible assets with a cost of £1,712,055 (nine months ended 30 September 2019: £1,275,263).

During the three months ended 30 September 2020, the Group acquired intangible assets with a cost of £728,128 (three months ended 30 September 2019: £571,376).

#### 6. EQUITY-SETTLED SHARE OPTION SCHEME AND WARRANTS

The estimated fair value of the options and warrants granted was;

	Nine months to 30.09.20 unaudited £	Nine months to 30.09.19 unaudited £	Three months to 30.09.20 unaudited £	Three Months to 30.09.19 unaudited £
Warrants and options charge	(193,048)	(147,479)	(94,514)	(46,871)

The fair value has been fully recognised within administration expenses, on a pro-rata basis over the vesting period. This fair value has been calculated using the Black-Scholes option pricing model. The latest inputs into the model were as follows:

	2020	2019
Share price	42p	20p
Exercise price	42p	22p
Expected volatility	29.5%	31.2%
Vesting period (yrs.)	2	2
Risk free rate	0.5%	0.5%
Expected dividend yield	-	-

#### 7. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

A reconciliation is set out below:

	Nine months to 30.09.20	Nine months to 30.09.19
<b>Basic EPS</b>		
(Loss) for the period	(732,705)	(968,583)
Weighted average number of shares	105,134,986	77,869,432
(Loss) per share (in pence)	<u>(0.70)</u>	<u>(1.24)</u>

**CONDOR GOLD PLC**

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS TO 30 SEPTEMBER 2020**

	Three months to 30.09.20	Three months to 30.09.19
<b>Basic EPS</b>		
(Loss) for the period	(377,286)	(316,125)
Weighted average number of shares	117,492,995	89,116,126
Loss per share (in pence)	<u>(0.32)</u>	<u>(0.35)</u>

In accordance with IAS 33, as the Group has reported a loss for the period, diluted earnings per share are not included.

**8. CALLED-UP SHARE CAPITAL**

	30.09.20 £	30.09.19 £
<b>Allotted and fully paid</b>		
Ordinary shares 117,910,803 of 20p each (30.09.19: 94,663,522 of 20p each)	<u>23,582,161</u>	<u>18,932,704</u>

The following shares were issued pursuant to exercise of warrants in the 9 months ending 30 September 2020:

Date of Issue	Number of shares issued through warrant subscription	Warrant exercise price
17 March 2020	500,000	31p
29 May 2020	312,499	31p
29 May 2020	2,672,487	25p
1 June 2020	817,927	25p
29 July 2020	260,416	31p
3 August 2020	17,902	40p
18 August 2020	20,548	40p
21 August 2020	120,891	40p
25 August 2020	54,794	40p
4 September 2020	75,342	40p
21 September 2020	112,283	40p
25 September 2020	200,000	31p

On February 6, 2019, 4,166,667 ordinary shares were issued at a price of 24 pence per share further to a private placement. On February 25, 2019, 3,125,000 ordinary shares were issued at a price of 24 pence further to a private placement.

## 9. RELATED PARTY TRANSACTIONS

During the reporting period the Company received consultancy advice from the following related parties:

Company	Related party	Nine months to 30.09.2020 £	Nine months to 30.09.2019 £	Three months to 30.09.2020 £	Three months to 30.09.2019 £
Axial Associates Limited	Mark Child	36,750	47,250	5,250	15,750
	Mark Child	29,167	nil	29,167	nil
Burnbrae Limited	Jim Mellon	18,750	18,750	6,250	6,250
Promaco	Ian Stalker	37,888	n/a	12,388	n/a
AMC Geological Advisory	Andrew Cheatle	20,416	21,375	6,250	7,375
	Kate Harcourt	4,500	nil	1,125	nil

No amounts were outstanding at the period end date (30 September 2019: £NIL).

## 10. SEASONALITY OF THE GROUP'S BUSINESS OPERATIONS

There are no seasonal factors which affect the trade of any company in the Group.

## 11. EVENTS AFTER THE BALANCE SHEET DATE

On 27th October 2020 the commencement of a ground investigation programme on the tailings storage facility (TSF), water retention reservoir and plant location was announced by the Company. This comprises 20 geotechnical drill holes and 58 test pits and is a component of the MARENA permit conditions for La India Open Pit.