

Company number: 05587987

**CONDOR GOLD PLC**  
**Interim Accounts**  
**For the Three and Nine Months Ended 30 September 2018**

**CONDOR GOLD PLC**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE THREE AND NINE MONTHS TO 30 SEPTEMBER 2018**

		Nine months to 30.09.18 unaudited £	Nine months to 30.09.17 unaudited £	Three months to 30.09.18 unaudited £	Three months to 30.09.17 unaudited £
Revenue		-	-	-	-
Share based payments		(501,530)	(1,849,568)	(35,225)	(194,171)
Administrative expenses		(1,112,147)	(2,034,384)	(289,963)	(344,302)
Operating loss	Note 3	<u>(1,613,677)</u>	<u>(3,883,952)</u>	<u>(325,188)</u>	<u>(538,473)</u>
Finance income		1,797	-	839	-
Loss before income tax		<u>(1,611,880)</u>	<u>(3,883,952)</u>	<u>(324,349)</u>	<u>(538,473)</u>
Income tax expense	Note 4	-	-	-	-
<b>Loss for the period</b>		<b><u>(1,611,880)</u></b>	<b><u>(3,883,952)</u></b>	<b><u>(324,349)</u></b>	<b><u>(538,473)</u></b>
<b>Other comprehensive income/(loss):</b>					
Currency translation differences		<u>182,041</u>	<u>735,189</u>	<u>(10,370)</u>	<u>(786,028)</u>
<b>Other comprehensive income/(loss) for the period</b>		<b><u>182,041</u></b>	<b><u>735,189</u></b>	<b><u>(10,370)</u></b>	<b><u>(786,028)</u></b>
<b>Total comprehensive loss for the period</b>		<b><u>(1,429,839)</u></b>	<b><u>(3,148,763)</u></b>	<b><u>(334,719)</u></b>	<b><u>(1,324,501)</u></b>
<b>Loss attributable to:</b>					
Non-controlling interest		-	-	-	-
Owners of the parent		<u>(1,611,880)</u>	<u>(3,883,952)</u>	<u>(324,349)</u>	<u>(538,473)</u>
		<b><u>(1,611,880)</u></b>	<b><u>(3,883,952)</u></b>	<b><u>(324,349)</u></b>	<b><u>(538,473)</u></b>
<b>Total comprehensive loss attributable to:</b>					
Non-controlling interest		-	(6,946)	-	(2,809)
Owners of the parent		<u>(1,429,839)</u>	<u>(3,141,817)</u>	<u>(334,719)</u>	<u>(1,327,310)</u>
		<b><u>(1,429,839)</u></b>	<b><u>(3,148,763)</u></b>	<b><u>(334,719)</u></b>	<b><u>(1,324,501)</u></b>
<b>Loss per share expressed in pence per share:</b>					
Basic and diluted (in pence)	Note 7	<u>(2.46)</u>	<u>(6.52)</u>	<u>(0.48)</u>	<u>(0.88)</u>

**CONDOR GOLD PLC**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2018**

	30.09.18 unaudited £	31.12.17 audited £	30.09.17 unaudited £
<b>ASSETS:</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	191,881	271,319	275,766
Intangible assets	20,431,673	18,927,968	18,355,741
	<u>20,623,554</u>	<u>19,199,287</u>	<u>18,631,507</u>
<b>CURRENT ASSETS</b>			
Trade and other receivables	312,626	320,974	580,942
Cash and cash equivalents	878,272	946,261	2,020,493
	<u>1,190,898</u>	<u>1,267,235</u>	<u>2,601,435</u>
<b>TOTAL ASSETS</b>	<b><u>21,814,452</u></b>	<b><u>20,466,522</u></b>	<b><u>21,232,942</u></b>
<b>LIABILITIES:</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	322,218	445,030	354,019
<b>TOTAL LIABILITIES</b>	<b><u>322,218</u></b>	<b><u>445,030</u></b>	<b><u>354,019</u></b>
<b>NET CURRENT ASSETS</b>	<u>868,680</u>	<u>822,205</u>	<u>2,247,416</u>
<b>NET ASSETS</b>	<b><u>21,492,234</u></b>	<b><u>20,021,492</u></b>	<b><u>20,878,923</u></b>
<b>SHAREHOLDERS' EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT</b>			
Called up share capital	13,435,868	12,273,077	12,273,076
Share premium	33,662,309	32,426,049	32,426,047
Exchange difference reserve	763,616	581,575	1,374,661
Retained earnings	(26,369,559)	(25,174,153)	(25,109,211)
	<u>21,492,234</u>	<u>20,106,548</u>	<u>20,964,573</u>
<b>TOTAL EQUITY ATTRIBUTABLE TO:</b>			
Non-controlling interest	-	(85,056)	(85,650)
	<u>21,492,234</u>	<u>20,021,492</u>	<u>20,878,923</u>

**CONDOR GOLD PLC**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**AS AT 30 SEPTEMBER 2018**

	Share capital	Share premium	Exchange difference reserve	Retained earnings	Total	Non controlling interest	Total equity
	£	£	£	£	£	£	£
At 1 January 2017	10,582,129	28,875,061	632,526	(23,075,118)	17,014,598	(78,704)	16,935,894
Comprehensive income:							
Loss for the period	-	-	-	(3,883,952)	(3,883,952)	-	(3,883,952)
Other comprehensive income:							
Currency translation differences	-	-	742,135	-	742,135	(6,946)	735,189
<b>Total comprehensive income</b>	-	-	742,135	(3,883,952)	(3,141,817)	(6,946)	(3,148,763)
New shares issued	1,690,947	3,550,986	-	-	5,241,933	-	5,241,933
Share based payment	-	-	-	1,849,859	1,849,859	-	1,849,859
<b>At 30 September 2017</b>	<b>12,273,076</b>	<b>32,426,047</b>	<b>1,374,661</b>	<b>(25,109,211)</b>	<b>20,964,573</b>	<b>(85,650)</b>	<b>20,878,923</b>
At 1 January 2018	12,273,077	32,426,049	581,575	(25,174,153)	20,106,548	(85,056)	20,021,492
Comprehensive income:							
Loss for the period	-	-	-	(1,611,880)	(1,611,880)	-	(1,611,880)
Other comprehensive income:							
Transactions with non-controlling interest	-	-	-	(85,056)	(85,056)	85,056	-
Currency translation differences	-	-	182,041	-	182,041	-	182,041
<b>Total comprehensive income</b>			182,041	(1,696,936)	(1,514,895)	85,056	(1,429,839)
New shares issued	1,162,791	1,337,210	-	-	2,500,001	-	2,500,001
Issue costs	-	(100,950)	-	-	(100,950)	-	(100,950)
Share based payment	-	-	-	501,530	501,530	-	501,530
<b>At 30 September 2018</b>	<b>13,435,868</b>	<b>33,662,309</b>	<b>763,616</b>	<b>(26,369,559)</b>	<b>21,492,234</b>	<b>-</b>	<b>21,492,234</b>

**CONDOR GOLD PLC**

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**AS AT 30 SEPTEMBER 2018**

	Nine months to 30.09.18 unaudited £	Nine months to 30.09.17 unaudited £
<b>Cash flows from operating activities</b>		
Loss before tax	(1,611,880)	(3,883,952)
Share based payment	501,530	1,849,859
Depreciation charges	91,350	75,601
Impairment charge of intangible fixed assets	-	-
Finance income	(1,797)	-
	<u>(1,020,797)</u>	<u>(1,958,492)</u>
(Increase)/decrease in trade and other receivables	8,351	(35,691)
Increase/(decrease) in trade and other payables	(122,813)	2,468
	<u>(1,135,259)</u>	<u>(1,991,715)</u>
<b>Cash flows from investing activities</b>		
Purchase of intangible fixed assets	(1,314,117)	(2,506,191)
Purchase of tangible fixed assets	(13,571)	(118,216)
Interest received	1,797	-
	<u>(1,325,891)</u>	<u>(2,624,407)</u>
<b>Cash flows from financing activities</b>		
Net proceeds from share issue	2,399,051	5,241,933
	<u>2,399,051</u>	<u>5,241,933</u>
Net cash generated in financing activities	<u>2,399,051</u>	<u>5,241,933</u>
Increase / (decrease) in cash and cash equivalents	(62,099)	625,811
Cash and cash equivalents at beginning of period	946,261	583,610
Exchange losses on cash and bank	(5,890)	811,072
	<u>878,272</u>	<u>2,020,493</u>
Cash and cash equivalents at end of period	878,272	2,020,493

## CONDOR GOLD PLC

### NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS TO 30 SEPTEMBER 2018

#### **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 2017 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 2018 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 2017 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 2018 was approved by the Board on 13 November 2018.

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 March 2018. The comparative period presented is that of the three and nine months ended 30 September 2017.

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 2018 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 2017, which are available on the Company's website [www.condorgold.com](http://www.condorgold.com) and on SEDAR at, as the Company does not anticipate the addition of new standards to the Group's results for the year ended 31 December 2018 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 2018**

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

The Group's results by reportable segment for the nine month period ended 30 September 2018 are as follows:

	<b>UK</b> <b>Nine months</b> <b>to 30.09.2018</b> <b>£</b>	<b>El Salvador</b> <b>Nine months</b> <b>to 30.09.2018</b> <b>£</b>	<b>Nicaragua</b> <b>Nine months</b> <b>to 30.09.2018</b> <b>£</b>	<b>Consolidation</b> <b>Nine months</b> <b>to 30.09.2018</b> <b>£</b>
<b>RESULTS</b>				
Operating (loss)	(1,582,038)	-	(31,639)	(1,613,677)
Finance income	1,797	-	-	1,797
Income tax	-	-	-	-
<b>Loss for period</b>	<b>(1,580,241)</b>	<b>-</b>	<b>(31,639)</b>	<b>(1,611,880)</b>

The Group's results by reportable segment for the three month period ended 30 September 2018 are as follows:

	<b>UK</b> <b>Three months</b> <b>to 30.09.2018</b> <b>£</b>	<b>El Salvador</b> <b>Three months</b> <b>to 30.09.2018</b> <b>£</b>	<b>Nicaragua</b> <b>Three months</b> <b>to 30.09.2018</b> <b>£</b>	<b>Consolidation</b> <b>Three months</b> <b>to 30.09.2018</b> <b>£</b>
<b>RESULTS</b>				
Operating (loss)	(316,429)	-	(8,759)	(325,188)
Finance income	839	-	-	839
Income tax	-	-	-	-
<b>Loss for period</b>	<b>(315,590)</b>	<b>-</b>	<b>(8,759)</b>	<b>(324,349)</b>

**Assets**

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

	<b>UK</b> <b>30.09.2018</b> <b>£</b>	<b>El Salvador</b> <b>30.09.2018</b> <b>£</b>	<b>Nicaragua</b> <b>30.09.2018</b> <b>£</b>	<b>Consolidation</b> <b>30.09.2018</b> <b>£</b>
<b>ASSETS</b>				
Total assets	<u>1,605,394</u>	<u>-</u>	<u>20,209,058</u>	<u>21,814,452</u>
<b>LIABILITIES</b>				
Total liabilities	<u>(127,127)</u>	<u>-</u>	<u>(195,091)</u>	<u>(322,218)</u>

**CONDOR GOLD PLC**

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS TO 30 SEPTEMBER 2018**

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

The Group's results by reportable segment for the nine month period ended 30 September 2017 are as follows:

	<b>UK Nine months to 30.09.2017 £</b>	<b>El Salvador Nine months to 30.09.2017 £</b>	<b>Nicaragua Nine months to 30.09.2017 £</b>	<b>Consolidation Nine months to 30.09.2017 £</b>
<b>RESULTS</b>				
Operating (loss)	(3,167,647)	-	(716,305)	(3,883,952)
Interest income				

The Group's results by reportable segment for the three month period ended 30 September 2017 are as follows:

	<b>UK Three months to 30.09.2017 £</b>	<b>El Salvador Three months to 30.09.2017 £</b>	<b>Nicaragua Three months to 30.09.2017 £</b>	<b>Consolidation Three months to 30.09.2017 £</b>
<b>RESULTS</b>				
Operating (loss)	(249,451)	-	(10,163)	(239,288)

**Assets**

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

	<b>UK 30.09.2017 £</b>	<b>El Salvador 30.09.2017 £</b>	<b>Nicaragua 30.09.2017 £</b>	<b>Consolidation 30.09.2017 £</b>
<b>ASSETS</b>				
Total assets	<u>2,512,069</u>	<u>-</u>	<u>18,720,873</u>	<u>21,232,942</u>
<b>LIABILITIES</b>				
Total liabilities	<u>(138,853)</u>	<u>-</u>	<u>(215,166)</u>	<u>(354,019)</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 2018**

**5. INTANGIBLE FIXED ASSETS**

During the nine months ended 30 September 2018, the Group acquired intangible assets with a cost of £1,314,117 (nine months ended 30 September 2017: £2,506,191).

During the three months ended 30 September 2018, the Group acquired intangible assets with a cost of £469,055 (three months ended 30 September 2017: £899,565).

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

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

	Nine months to 30.09.18 unaudited £	Nine months to 30.09.17 unaudited £	Three months to 30.09.18 unaudited £	Three Months to 30.09.17 unaudited £
Warrants and options charge	(501,530)	(1,849,859)	(35,225)	(194,171)

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:

	2018	2017
Share price	43p	93p
Exercise price	36p	63p
Expected volatility	54.3%	39.9%
Expected life (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 30.09.18	Nine months to 30.09.17
<b>Basic EPS</b>		
(Loss) for the period	(1,611,880)	(3,883,952)
Weighted average number of shares	65,426,599	59,531,450
(Loss) per share (in pence)	<u>(2.46)</u>	<u>(6.52)</u>

**CONDOR GOLD PLC**

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS TO 30 SEPTEMBER 2018**

	Three months to 30.09.18	Three months to 30.09.17
<b>Basic EPS</b>		
(Loss) for the period	(324,349)	(538,473)
Weighted average number of shares	67,179,335	61,365,682
Loss per share (in pence)	<u>(0.48)</u>	<u>(0.88)</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**

	30.09.18 £	30.09.17 £
<b>Allotted and fully paid</b>		
Ordinary shares 67,179,335 of 20p each (30.09.17: 61,365,380 of 20p each)	<u>13,435,868</u>	<u>12,273,076</u>

On 23 March 2018, 5,813,953 ordinary shares were issued at a price of 43p per share.

**9. RELATED PARTY TRANSACTIONS**

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

Company	Related party	Nine months to 30.09.2018 £	Nine months to 30.09.2017 £	Three months to 30.09.2018 £	Three months to 30.09.2017 £
Axial Associates Limited	Mark Child	57,750	33,333	26,250	8,333
Burnbrae Limited	Jim Mellon	18,750	16,667	6,250	4,167
	Peter Flindell	12,500	38,627	-	9,833
AMC Geological Advisory	Andrew Cheatle	26,833	-	14,583	-

No amounts were outstanding at the period end date (30 September 2017: £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**

There were no material events after the balance sheet date.