



# Condor Gold plc

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

### Infill Drilling Programme Update

#### **Initial Drill Result: 9.6 m True Width at 3.98 g/t gold From Surface and Discovery of an Additional Vein of 2.27 m True Width at 3.0 g/t gold from 24.15 m drill depth in the footwall**

Condor Gold (AIM: CNR; TSX: COG) is pleased to announce that the first 26 drill holes for a combined 1,296 m of diamond drill core have been completed on the La India Starter Pit infill drilling programme (see RNS announcements dated the 7 December 2020 and 19 January 2021).

The primary objective of the drilling programme is to provide 25 m spaced drill sampling within the two shallow (up to 35 m deep), high-grade Starter Pits within the main La India Open Pit Mineral Reserve. Drilling on the Northern Starter Pit has been completed with 25 drill holes for 1,273 m, four of which have twinned existing RC drill holes. Drilling has now commenced on the Southern Starter Pit with two rigs drilling, the first three holes have already been completed (Figure 1). Initial drill results have now been received for the first two drill holes located at the northern end of the Northern Starter Pit.

#### Highlights

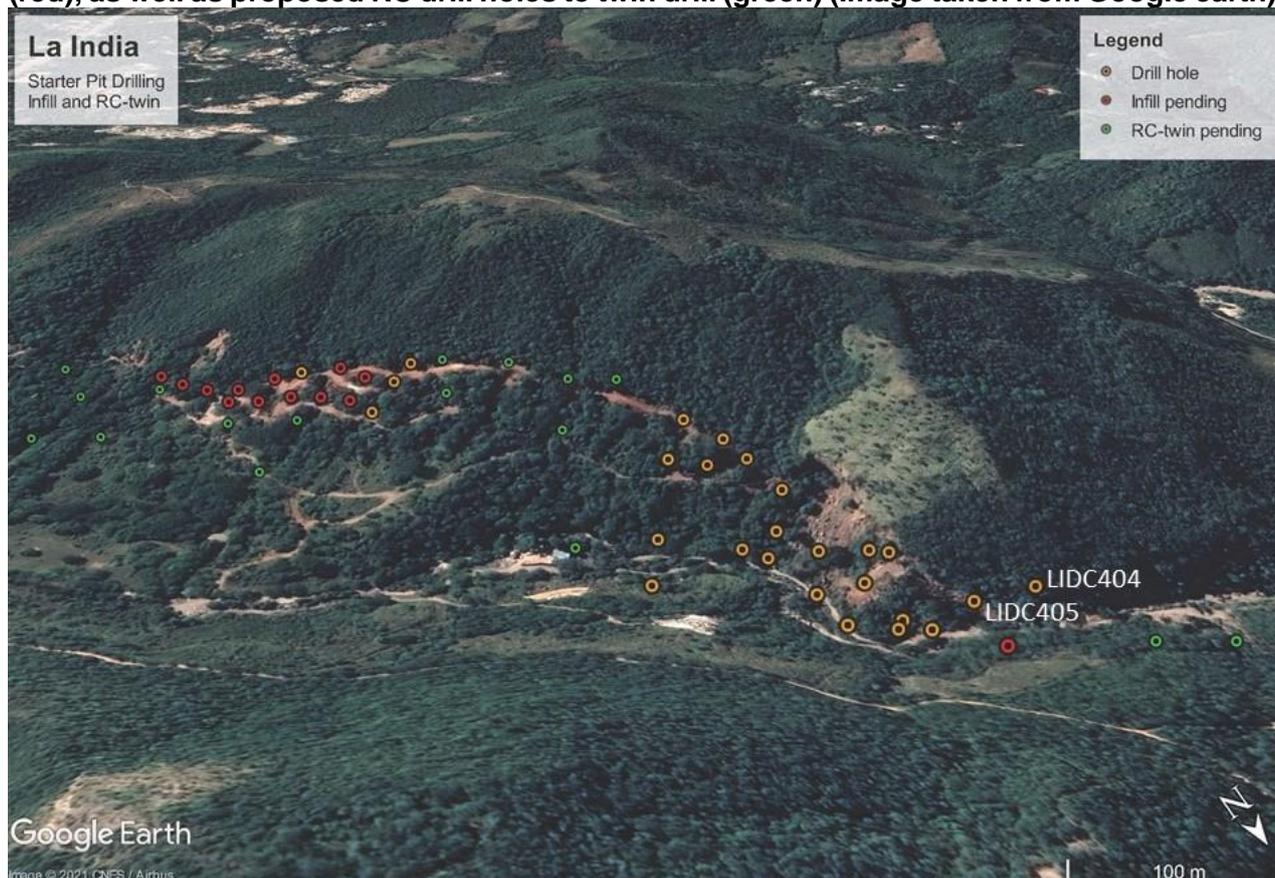
- LIDC404 drilled 9.6m true width at 3.98 g/t gold from surface
- Discovery of an additional vein of 2.9 m true width at 2.27 g/t gold from 24.15 m drill depth in the footwall in the same drill hole, LIDC404 is an exciting development and will be rapidly evaluated as potentially mineralised material available for inclusion in the mine schedule.
- LIDC404 has an amalgamated drill intercept from 1.20 m to 27.15 m drill depth of 24.15m (23.6 m true width) at 2.05 g/t gold, which includes a 1.8 m mine cavity
- 25 drill holes for a combined 1,273 m of infill and RC replacement drilling completed in the Northern Starter Pit
- Assay results from first two drill holes confirm the geological model for the Main Vein.
- Infill and RC replacement drilling in the Southern Starter Pit underway and expected to be completed by early April.

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

"I am delighted with the initial drill assay result of 9.6 m true width at 3.98 g/t gold from surface in drill hole LIDC404 as it confirms the geological model of a wide zone of high grade ore in the La

India Starter pit, which is within the fully permitted main La India open pit mineral reserve. The discovery of an additional vein of 2.9 m true width at 2.27 g/t gold from 24.15 m drill depth in the same drill hole is an added bonus and is likely to add mineralised material to the mine plan. LIDC404 has an amalgamated drill intercept from 1.20 m to 27.15 m drill depth of 24.15m (23.6 m true width) at 2.05 g/t gold, which includes a 1.8 m mine cavity. Mining this area is likely to focus on putting the high grade material through the future processing plant and stock piling or blending the lower grade material with higher grade material from elsewhere. Only 2 drill assay results have been received from 25 drill holes on the Northern Starter Pit for a combined 1,273 m of infill and RC replacement drilling completed so far in the La India Starter Pits. Approximately 2,200 m drilling remains to be completed of the current drill programme.”

**Figure 1. Image showing the La India Starter Pit infill drilling completed (yellow) and pending (red), as well as proposed RC drill holes to twin drill (green) (Image taken from Google earth).**



### Initial Assay Results

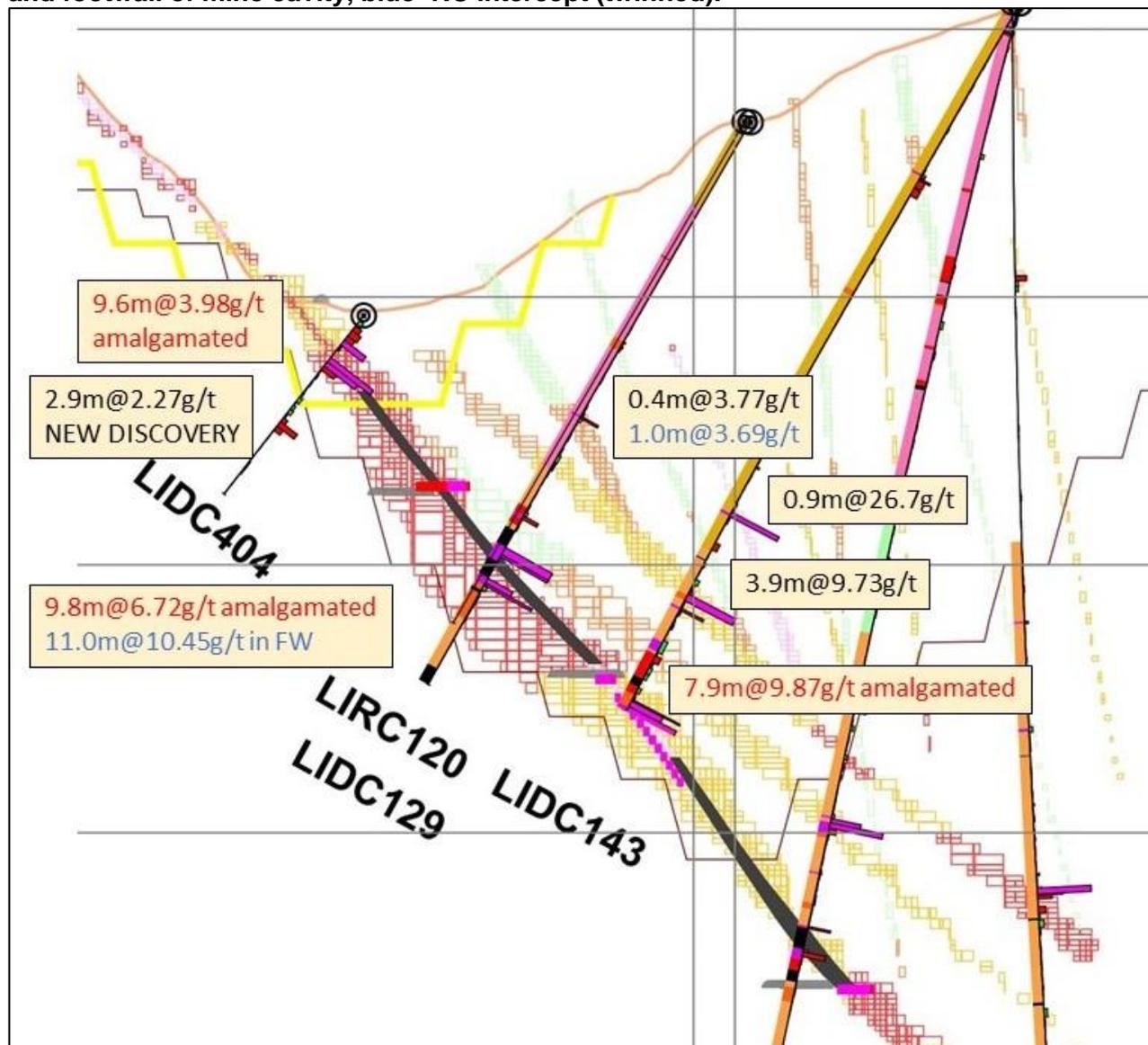
Results have been received for the first two drill holes which were located at the northern end of the Northern Starter Pit. Both drill holes were collared (started) within the surface expression of the main mineralised zone where it is covered by a few metres of alluvium, and drilled to test the footwall part of the main zone and explore the underlying host rock. The assay results confirmed the geological model and grade of the Main Zone, and discovered an additional vein in the footwall rock approximately 12 m below the Main Zone (Table 1; Figure 2). The footwall vein appears to be an

extension of a vein previously drilled some 50 m along strike to the southwest and was classified as inferred mineral resource in the 2019 Mineral Resource Estimate. Assay results pending from other infill drill holes will enable a more confident and accurate geological model of this vein and will be rapidly evaluated as potentially additional mineral resource and mineral reserve available for inclusion in the mine schedule.

**Table 1: Assay results from La India infill drilling, Northern Starter Pit**

Drill hole ID	Collar UTM WGS84-16N	Drill incl/azi	From (m)	To (m)	Drill width (m)	True width (m)	Gold (g/t)	Silver (g/t)	Comment
LIDC404	574849E 1409962N 346 mamsl	-52/360	1.20	12.80	9.80*	9.6*	3.98	13.8	Amalgamated hanging wall + footwall
			1.20	5.75	4.55	4.5	1.57	9.0	hanging wall colluvium
			5.75	8.05	2.30	2.2	2.84	13.7	Hanging wall vein
			8.05	9.85	1.80	1.7	-	-	Mine cavity
			9.85	12.80	2.95	2.9	8.60	21.3	Footwall vein
			24.15	27.15	3.00	2.9	2.27	3.0	Secondary vein
LIDC405	574808E 1409975N 345 mamsl	-52/360	0.80	3.70	2.90	2.8	2.58	5.8	Secondary vein

Figure 2. Cross-section showing the gold assay intercepts from drill hole LIDC404 and pre-existing drill holes. Thick yellow line = Northern Starter Pit Shell; Coloured blocks=current mineral resource block model; Gold intercepts: black=uninterrupted diamond core intercept, red=amalgamated weighted average diamond core intercept from hanging wall and footwall of mine cavity, blue=RC intercept (twinned).



### Drilling Programme - Looking Ahead

The drilling programme is constantly being assessed and adapted based on geological observations from core logging. Quartz veins and breccias have been identified within the footwall host rock, in some cases, 10 to 20 m below the Main Vein in both the Northern and Southern Starter Pits. Consequently, selected neighbouring infill drill holes are being extended beyond the originally planned depth to target the footwall quartz vein and breccias. The goal is to rapidly upgrade and potentially extend existing inferred mineral resources to the indicated mineral resource category, and their potential inclusion in the mine schedule.

To-date approximately 1,300 m of diamond core drilling has been completed. It is anticipated that another 800 m of drilling will be required to complete the 25 m-spaced infill and RC-drill replacement drilling within the two Starter Pits (for a total of approximately 2100 m drilling, including 6 RC-twin holes for approximately 413 m). Note that some drill holes have been removed from the programme which had originally been pencilled in to test zones marginal grade mineralisation, saving approximately 500 m from the programme.

Following completion of the drilling in the Southern Starter Pit, the next stage in the infill drilling programme is to twin drill an additional 17 RC drill holes (1392 m of drilling) that are located near to the starter pits. A decision to proceed with this stage will be made after analysing the variability in assay results between the RC and twin diamond core drill holes, and a review of the confidence in the geological model in these zones to decide if the twin drilling is required.

### **About the Drilling Techniques**

Drilling is being undertaken using heavy duty track-mounted drilling rigs. All of the drilling is being undertaken using diamond core drilling techniques employing large diameter PQ core barrels and triple tube in the mineralised zones to ensure good sample recovery. Drilling close to surface and in proximity to historical and artisanal mine workings can present challenges to the driller, however, the drilling programme is benefitting from employment of local geologists, field support staff and experienced drill contractors, all with a decade of experience of drilling at La India. Consequently, all target depths have been met and good sample recovery is being achieved.

### **About the Assaying**

Drill core is cut, and half core samples collected and bagged by Condor staff on-site. Samples are transported to Bureau Veritas accredited sample preparation laboratory in Managua every week in batches of two or three drill holes, generally being submitted to the lab within 5-10 days of completing the drill hole. Sub-samples of the pulverised rock samples are forwarded for assay to Bureau Veritas accredited analytical laboratory in Vancouver, Canada. As with many other operators delays in the return of assay results are being experienced due to industry demand and COVID-19 pandemic restrictions.

### **About the Starter Pits**

On 25 January 2019, SRK Consulting (UK) Limited completed an updated Mineral Resource Estimate (the "MRE"; see RNS dated 28 January 2019) 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 La India Vein Set hosts an open pit Mineral Resource of 8,377kt at 3.1g/t gold for 837Koz gold in the Indicated category and 887kt at 2.4 g/t gold for 69,000oz gold in the Inferred category. Beneath the La India open pit is an underground Mineral Resource estimate of 678kt at 4.9g/t gold for 107Koz gold in the Indicated category and 1,718kt at 5.6 g/t gold for 309,000 oz gold in the Inferred category.

The 25 January 2019 MRE update did not materially change the La India open pit Mineral Resource estimate and consequently the 2014 Pre-Feasibility Study ("PFS") remained unchanged. La India

open pit has an existing Probable Mineral Reserve of 6.9 million tonnes (“Mt”) at 3.01 g/t gold for 675,000 oz gold.

As announced on 4 March 2020 (see RNS), Condor completed internal studies on readily accessible high-grade material within the permitted La India open pit. The starter pits within La India open pit contain a diluted tonnage of 387Kt at 4.29g/t gold for 53,000 oz gold. Condor has subsequently further advanced these studies. Within a designed pit shell, the starter pits have two scenarios. At 0.75g/t gold cut-off grade, 635Kt at 3.32g/t gold for 67,800 oz gold with a 4.5 to 1 strip ratio. Using a 2.0g/t cut-off grade, 445Kt at 4.17g/t gold for 59,700 oz gold with a 6.8 to 1 strip ratio. See table 1 below:

**Table 2: Starter Pits within the Main Permitted La India Open Pit**

		<b>Cutoff 0.75g/t</b>	<b>Cutoff 2.00g/t (4)</b>
Ore Tonnes	dmt	634,540	444,600
Gold Grade	g/t Au	3.32	4.17
Silver Grade	g/t Ag	6.53	7.91
Gold Ounces	tr.ozs	67,801	59,672
Silver Ounces	tr.ozs	133,316	113,114
Waste Material	dmt	2,845,209	3,035,149
Total Matl	dmt	3,479,749	3,479,749
<i>Strip Ratio</i>		<i>4.5</i>	<i>6.8</i>

**Notes:**

- 1) Resources include indicated and inferred material within the 2019 resource model
- 2) Resource tabulation from internal Condor estimates, which may differ slightly from SRK totals
- 3) Resources are contained within the sub-pits Tajo 3,4,and 7
- 4) Cutoff at 2.0 g/t requires that 190kt at 1.33 g/t (8,100oz) be stockpiled for future processing

**- Ends -**

For further information please visit [www.condorgold.com](http://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. Condor Gold published a Pre-Feasibility Study (“**PFS**”) on the project in December 2014, summarised in the Technical Report, as defined below. 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 7 years. La India Project contains a Mineral Resource of 9,850 Kt at 3.6 g/t gold for 1.14 Moz gold in the Indicated category and 8,479 Kt at 4.3 g/t gold for 1.18 Moz gold in the Inferred category. The Indicated Mineral Resource is inclusive of the Mineral Reserve. 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 Moz gold open pit Mineral Resources permitted for extraction, inclusive of a Mineral Reserve of 6.9 Mt at 3.0 g/t gold for 675,000 oz gold.

### **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 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.

## Technical Information

Certain disclosure contained in this news release of a scientific or technical nature has been summarised or extracted from the technical report entitled "*Technical Report on the La India Gold Project, Nicaragua, December 2014*", dated November 13, 2017 with an effective date of December 21, 2014 (the "**Technical Report**"), prepared in accordance with NI 43-101. The Technical Report was prepared by or under the supervision of Tim Lucks, Principal Consultant (Geology & Project Management), Gabor Bacsfalusi, Principal Consultant (Mining), Benjamin Parsons, Principal Consultant (Resource Geology), each of SRK Consulting (UK) Limited, and Neil Lincoln of Lycopodium Minerals Canada Ltd., each of whom is an independent "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, 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, 2019 dated March 31, 2020 and available under the Company's SEDAR profile at [www.sedar.com](http://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

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.
Epithermal	Hydrothermal deposits formed at shallow depths below a boiling hot spring system are commonly referred to as <i>epithermal</i> , a term retained from an old system of classifying hydrothermal deposits based on the presumed temperature and depth of deposition.
Fault	The plane along which two rock masses have moved or slide against each other in opposing directions.
Felsic	Igneous rock relatively rich in the minerals feldspar and silica. It is a broad term including the common intrusive rocks granite and diorite, and the volcanic rocks rhyolite and dacite.
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
Hot springs	A spring of naturally hot water, typically heated by subterranean volcanic activity.

Hydrothermal	Hot water caused by heating of groundwater by near surface magmas and often occurring in association with volcanic activity. Hydrothermal waters can contain significant concentrations of dissolved minerals.
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,
Kt	Thousand tonnes
Mineral Resource	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
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).
Stockwork	Multiple connected veins with more than one orientation, typically consisting of millimetre to centimetre thick fracture-fill veins and veinlets.
Strike length	The longest horizontal dimension of an ore body or zone of mineralisation.
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.