Condor Gold raises £5.242 million. Lead Investor Ross Beaty

Condor Gold {AIM: CNR} announced a placing of 8,293,443 Units at a price of 62p per Unit together with a proposed Director's subscription of 161,290 Units to raise in aggregate gross proceeds of approximately £5.242 million.

Lead investor Ross Beaty invested £1 million.

20th February 2017
Condor Gold plc

Condor Gold raises £5.242 million. Lead Investor Ross Beaty

Condor {AIM:CNR}, is pleased to announce a placing ("the Placing") of 8,293,443 Units at a price of 62p per Unit (the "Placing Price") together with a proposed Director's subscription of 161,290 Units ("Director's Subscription") to raise in aggregate gross proceeds of approximately £5.242 million.

The Placing has been undertaken by the Company with institutional
and other investors. The completion of the Placing and proposed Director's Subscription is conditional, inter alia, upon admission of the Placing Shares to trading on AIM.
Each Unit comprises one ordinary share of 20p each in the

Company (“Placing Share”) and half of one share purchase warrant of the Company (a “Warrant”). Each Warrant, which is unlisted and fully transferable, will entitle the holder thereof to purchase one ordinary share at a price of 93p (which is at a 50% premium to the Placing Price) for a period of 24 months from the date on which the shares issued pursuant to the Placing are admitted to trading on AIM (the “Closing Date”).

The Company is pleased to announce that Ross Beaty has subscribed for £1 million worth of Units and will increase his shareholding to 8.74% in the Company’s share capital on a post placement undiluted basis. Mr Beaty is a Canadian mining entrepreneur with a successful track record of both building mining companies and developing mineral deposits for sale.

Background to and reasons for the Placing

The net proceeds of the Placing and proposed Director’s Subscription amounts to approximately £4.9 million. It will be used for general working capital purposes and to continue with the strategy to fully permit Mina La India in Nicaragua for a 2,800 tpd processing plant with capacity to produce 100,000 oz gold p.a., secure the surface rights for the rural land that host and surround the future mine infrastructure and continue work to demonstrate the significant exploration upside of the 2.4
million oz gold resource at 4.0 g/t gold at La India Project via scout drilling on new exploration targets that have never been drilled and expand some of the existing resource areas.

Details of the Placing and proposed Director’s Subscription

The Company has conducted the Placing as principal. A total of 8,454,733 Units (comprising of 8,454,733 ordinary shares and 4,227,364 Warrants) have been placed with placees and are proposed to be subscribed at the Placing Price to raise gross proceeds of GBP 5,241,934.46.

The completion of the Placing is conditional, inter alia, upon admission of the Placing Shares to trading on AIM. The Placing Price of 62 pence per share represents a discount of 4.6% percent to the closing price of 65 pence per share on 17th

February 2017.
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In addition, the Company advises that one director of the Company, namely Jim Mellon, intends to subscribe for a total of 161,290 shares on the same terms (the "Director's Shares") for a further sum of £99,999.80 following the announcement of the Placing.

Application is being made for the Placing Shares and Director's Shares, to be admitted to trading on AIM ("Admission"), such Admission is expected to occur on or around 28th February 2017.

On Admission the Placing Shares and Director's Shares will rank pari passu in all respects with the existing ordinary shares of the Company, including the right to receive all dividends and other distributions declared after the date of their issue.
Following Admission of the Placing Shares and Director's Shares, the Company will then have 61,365,382 ordinary shares of 20p each in issue with voting rights and admitted to trading on AIM.
This figure may then be used by shareholders in the Company as the denominator for the calculation by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the Financial Conduct Authority's Disclosure and Transparency Rules.
Special note concerning the Market Abuse Regulation
This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) No 596/2014 ("MAR"). Market soundings, as defined in MAR, were taken

in respect of the Placing, with the result that certain persons became aware of inside information, as permitted by MAR. That inside information is set out in this announcement. Therefore, those persons that received inside information in a market sounding are no longer in possession of inside information relating to the Company and its securities.
A further announcement will be made shortly.
– Ends –

For further information please visit **www.condorgold.com**

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About Condor Gold plc:
Condor Gold plc was admitted to AIM on 31st May 2006. The Company is a gold exploration and development company with a focus on Central America.

Condor completed a Pre-Feasibility Study (PFS) and two Preliminary Economic Assessments (PEA) on La India Project in Nicaragua in December 2014. The PFS details an open pit gold mineral reserve of 6.9 Mt at 3.0 g/t gold for 675,000 oz gold producing 80,000 oz gold p.a. for 7 years. The PEA for the open pit only scenario details 100,000 oz gold production p.a. for 8 years whereas the PEA for a combination of open pit and underground details 140,000 oz gold production p.a. for 8 years. La India Project contains a total attributable mineral resource of 18.08 Mt at 4.0 g/t for 2.31 M
oz gold and 2.68 M oz silver at 6.2 g/t to the CIM Code.

In El Salvador, Condor has an attributable 1,004,000 oz gold equivalent at 2.6 g/t JORC compliant resource. The resource calculations are compiled by independent geologists SRK Consulting (UK) Limited for Nicaragua and Ravensgate and Geosure for El Salvador.
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.