Condor Gold report extension of high grade gold mineralisation at La India

AIM listed **Condor Gold {AIM: CNR}** has completed a 1952 metre drill program at their La India project in Nicaragua, extending the known mineralisation 50 metres along strike and 60 metres down dip.

The best drill Intercept was an impressive 7.55 metres at 10.2 g/t gold.

Condor Gold (AIM: CNR) is pleased to announce completion of 1,952 m drilling on the flagship La India Project. The initial drilling has successfully indicated the extension of high-grade gold mineralisation 50m along strike and 60m deeper to the south of the current underground gold resource on La India Vein through a series of drill results, one of which has an intercept of 7.55m (6.2m true width) at 10.2g/t gold. Accordingly, the gold mineralisation would appear to remain open at depth and along strike.

Highlights:

• Condor completes 1,952m of up to 4,000m drilling programme.
• Drill intercept of 7.55m (6.2m true width) at 10.2g/t gold.
• Drilling to test southern strike extent of La India open pit reserve and underground gold resource successfully extends high-grade mineralisation 50m along strike and 60m down-dip.
• Assay results for 1,324m drilling received, assay results for 638m drilling pending
• 11km² soil survey area has been extended to a total of 60km² covering 6 target areas

Mark Child CEO comments:*"A drill intercept of 7.55 m (6.22 m true width) at 10.2 g/t to the south of the La India open pit reserve of 675,000 oz gold at 3.0g/t has been successful in*

indicating an extension of high grade gold mineralisation 100 m outside the pit shell adjacent to La India underground resource. This high-grade intercept demonstrates that the underground mining potential at La India may currently be significantly underestimated.

Separately, the soil sampling results from an area extending from La India open pit to the south for 5 km has produced 2 drill targets that have been drilled, assay results are pending. Condor has increased its soil survey area from 11 km² to a total of 60 km² covering 6 new target areas in order to demonstrate that La India Project hosts a substantial gold district."

Drilling Programme Rationale

A portion of the drilling is to test the depth extent of gold mineralisation beneath, and at depth along strike to the south, of the La India Pre-Feasibility Study ("PFS") open pit reserve of 675,000 oz gold at 3.0g/t. The drilling is also designed to establish if there is potential to expand the current underground combined Indicated and Inferred Mineral Resource of 1.8Mt at 5.0g/t for 294,000 oz gold deeper or further along strike. On the La India structure, most of the mineral resource is concentrated in three main high-grade zones defined along a 1.5km strike length. The two principal high-grade shoots within the open pit reserve crop-out at surface and have already been defined as high-grade resources down to a maximum of 350m down-dip from surface using a combination of historic mine records and drilling intercepts. A less well defined high-grade shoot, along strike to the south of the PFS open pit shell, hidden beneath surface and un-depleted by historic mining, has an underground mineral resource defined by drilling intercepts of up to 21.08

m (16.1 m true width) at 10.2 g/t gold from 193.80 m drill depth (see press release dated 29th August 2012).

Drilling Results

Drilling completed since February 2015 has tested the depth extent of the central high-grade shoot and the depth and strike extent of the southern high-grade shoot, drilling up to 400m below surface. A drill hole completed in the central high-grade shoot supports the current mineral resource model in which high-grade material, at grades and widths considered amenable to open pit and, below the pit, to underground mining, extend from surface to a maximum down-dip extent of 350m. Whilst there remains some scope for further resource definition at depth with some closer spaced step-down drilling, one of the exploratory drill holes completed in the current programme returned, as expected, a narrow low-grade intercept which limits the down-dip extent of high-grade mineralisation to less than 400m from surface.

It is recognised that gold mineralisation in the Central Zone reaches surface and therefore has been subject to some loss of the upper levels through natural erosion. The less well defined southern high-grade shoot along strike to the south of the PFS open pit shell is un-depleted by historic mining and hidden beneath surface, completely preserved below the modern day level of erosion. Three drill holes have been completed to test the depth and strike extent of this high-grade shoot. The drilling has successfully extended the high-grade a further 50m along strike to the south and 60m deeper with an intercept of 7.55m (6.2m true width) at 10.2g/t gold at a vertical depth of 260m below surface (Figure 1 below). Low-grade intercepts in the other two drill holes, one testing the upper levels of the high-grade shoot and the other testing the lower levels at the northern end of the shoot, support a general plunge of mineralisation to the south; the top of the high-grade material is approximately 130m below surface at the southern end.

The southern shoot remains open to depth and along strike at depth, confirming it as a highly prospective underground

target. Previous shallow drilling up to 100m further along strike to the south returned wide low-grade and narrow higher grade gold intercepts. The lower grade intercepts in the upper 130m are interpreted as gold mineralisation above the main high-grade boiling events.

True width is an interpretation based on the current interpretation of the veins and may be revised in the future. HW = Hangingwall; FW = Footwall.

La Mojarra Soil sampling results generate two drilling targets that have been drilled.
Soil sampling has been completed over an 11km² area covering a 5km strike extension to the southeast of La India open pit resource. This was the first area identified as prospective for hidden deep-seated gold mineralisation. 1,383 B-horizon soil samples have been collected on a 200m by 50m grid spacing, with infill sampling at 100m by 50m in areas of interest, and analysed for 53 elements to ultra-trace detection limits using a standard ICP-MS package offered by Acme Labs in Vancouver.

Analysis of the multi-element data, within the framework of the bedrock geology and geophysical parameters, has identified a number of pathfinder elements indicative of hydrothermal alteration and mineralisation, including gold, arsenic, antimony, mercury, tellurium and molybdenum. Seven geochemical anomalies have been identified with pathfinder geochemistry indicative of venting of hydrothermal fluids and vapours at the top of an epithermal gold mineralisation system, see Figure 1 below. Of these, two targets, which are up to 1.7km to the south of La India open pit, have been drilled. El Carrizal (Locality 3 on Figure 2 below) and Cerro El Pilon (Locality 5 on Figure 2 below). Assay results are pending.

The original 11km² soil survey area has been extended to a total of 60km² covering 6 new target areas identified in the district-scale gold mineralisation model developed by Condor

geologists as having the potential for the discovery of hidden deep-seated gold mineralised structures with underground mining potential. This is part of a longer term exploration initiative that will expand to the entire district over the coming years.

The next phase of drilling is planned on the Real de La Cruz Concession to test beneath an area that displays both wide low-grade gold mineralised stockwork quartz zones of up to 63.6m at 1.01g/t gold in trench sampling, and also high-grade mineralisation in a cross-cutting 4m true width quartz breccia grading at up to 16.4g/t gold exposed in an artisanal pit wall (see RNS dated 19th August 2014). This drilling has been temporarily delayed whilst drilling permitting processes are completed.

Figure 1. Vertical long-section of the La India Vein southern high-grade shoot. New drill intercept of 7.55m (6.2m true width) at 10.2g/t gold extends the high-grade shoot a further 50m along strike and 60m to depth. Gold mineralisation remains open along strike and to depth
Figure 2. Soil geochemistry anomalies identified on the 11km² La India South – Mojarra soil survey. Six exploration targets identified in addition to the La India Vein soil anomaly. Drilling locations on two of the targets shown; El Carrizal and Cerro El Pilon.

Competent Person's Declaration

The information in this announcement that relates to the mineral potential, geology, Exploration Results and database is based on information compiled by and reviewed by Dr Luc English, the Country Exploration Manager, who is a Chartered Geologist and Fellow of the Geological Society of London, and a geologist with twenty years of experience in the exploration and definition of precious and base metal mineral resources. Luc English is a full-time employee of Condor Gold plc and has sufficient experience which is relevant to the style of

mineralization and type of deposit under consideration, and to the type of activity which he is undertaking to qualify as a Competent Person as defined in the June 2009 Edition of the AIM Note for Mining and Oil & Gas Companies. Luc English consents to the inclusion in the announcement of the matters based on the information in the form and context in which it appears and confirms that this information is accurate and not false or misleading.

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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 6.9M tonnes at 3.0g/t gold for 675,000 oz gold producing 79,300 oz gold p.a. for 7 years. The PEA for the open pit only scenario details 96,800 oz gold production p.a. for 8 years whereas the PEA for a combination of open pit and underground details 137,500 oz gold production p.a. for 8 years. La India Project contains a total attributable mineral resource of 18.4Mt at 3.9g/t for 2.33M oz gold and 2.68M oz silver at 6.2g/t to the CIM Code.

In El Salvador, Condor has an attributable 1,004,000 oz gold equivalent at 2.6g/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.

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