

CONDOR GOLD PLC
Interim Report and Accounts
For the Six Months Ended 30 June 2016

CONDOR GOLD PLC

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FOR THE SIX MONTHS TO 30 JUNE 2016

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CONDOR GOLD PLC
HIGHLIGHTS
FOR THE SIX MONTHS TO 30 JUNE 2016

Condor Gold PLC (“Condor”, the “Company” or the “Group”), an AIM listed company presents its unaudited interim financial report for the 6 month period to 30th June 2016.

Condor completed a Pre-Feasibility Study (PFS) and two Preliminary Economic Assessments (PEAs) on La India Project in Nicaragua in December 2014. Whittle Consulting Limited produced a mining optimisation study in January 2016, which produced an average NPV US\$196million and average 30% across four production scenarios. Production ranges from 101,000 oz gold per annum from a single open pit to 165,000 oz gold per annum once feeder pits and underground production is included. Condor has applied to permit a base case with a processing plant of 2,800 tonnes per day capable of producing 100,000 oz gold per annum for the first 5 years of production from a single open pit.

Highlights to June 2016

- Whittle Consulting mining optimization study showed an average NPV US\$196million and average IRR of 30% across 4 production scenarios on La India Project.
- Production ranges from 91,000 oz gold per annum from a single open pit to 165,000 oz gold per annum once feeder pits and underground production is included.
- Recovered gold ranges from 796,000 oz gold to 1.437million oz gold over life of mine
- £2.818million raised by way of a private placement of new ordinary shares in May 2016, lead by Ross Beaty, a well known Canadian mining entrepreneur.
- 242 km² soil survey commenced in June 2016 over remainder of 313 km² La India Project aimed at demonstrating a District Play.
- Successfully renegotiated terms for the final payments for the purchase of the Espinito-Mendoza Concession at the heart of La India Project. Allows conversion of a Soviet classified resource on the Mestiza Vein Set of 2,392kt at 10.21g/t gold for 785,684 oz gold to western standards. The Mestiza Vein Set is excluded from the PFS and PEAs.
- Ministry of Environment has confirmed an Environmental Impact Assessment for a 2,800tpd processing plant with capacity to produce approximately 100,000 oz gold per annum has passed a technical review.

Post Period Highlights

- Rock chip of 53.8g/t gold at the Los Limones prospect and geological mapping has identify a quartz vein of 500m strike length. Los Limones prospect is at the northern end of the 12.5km “Los Limones–Andrea” mineralise corridor, identified by Condor’s geological mapping, soil surveys, rock chip sampling, trenching, geophysics and structural interpretations. It highlights a potential new discovery on La India Project some 9km north of the main La India open pit.

CONDOR GOLD PLC
CHAIRMAN'S STATEMENT
FOR THE SIX MONTHS TO 30 JUNE 2016

Dear Shareholder,

I am pleased to present Condor Gold PLC's ("Condor" or "the Company" or "the Group", www.condorgold.com) unaudited interim financial report for the 6 months ended 30th June 2016.

In December 2014 the Company released a robust, economically attractive NI 43-101 technical report detailing a Pre-Feasibility Study ("PFS") and two Preliminary Economic Assessments ("PEAs"). The Company spent 2015 and the first half of 2016 executing a twin strategy of de-risking the La India Project, Nicaragua, by preparing and submitting an Environmental Impact Assessment ("EIA") to the Ministry of the Environment and Natural Resources ("MARENA") and developing and implementing a land acquisition policy to acquire approximately 800 hectares of rural land for the site infrastructure, while demonstrating a District scale gold deposit at La India Project through low cost exploration and enhancing the economics of the PFS and PEAs by releasing details of Whittle Consulting Limited's ("WCL") enterprise optimisation study of the mine schedules in the PFS and PEAs to maximum Net Present Value.

In June 2016, Condor received notification from MARENA that it had passed the technical review of a 700-page EIA document submitted in November 2015, which is part of the Company's application for an Environmental Permit for the construction and operation of an open pit mine which includes a 2,800 tonne per day CIL processing plant and associated infrastructure and is capable of producing approximately 100,000 oz gold per annum. The Environmental Permit application process remains ongoing, as further set out below.

The EIA document considers the environmental and social impacts of gold production from the La India Open Pit mine plan, which is a single pit, detailed in the PFS and the Whittle Enterprise Optimisation study as announced on 20 October 2015 and 22nd January 2016 ("Whittle Optimisation"). The EIA draws on data from 15 different environmental and social baseline studies, some of which commenced in 2013. In addition to describing the potential impacts of a future commercial mine on the environment, the EIA also contains detailed environmental management plans and social management plans to mitigate and monitor any such impacts.

The EIA describes a processing plant that will have a capacity of up to 2,800 tonnes per day ("tpd") (1.0 million tonnes per annum ("tpa")) with an upfront capital cost of approximately US\$120M. Using the Whittle Optimisation Study, production during the first 5 years averages 91,000 oz gold p.a. based on Indicated Ounces only. The Whittle Optimisation estimates 101,000 oz gold production p.a. once the Inferred Material within the pit is included with an all-in-sustaining-cash-cost of circa US\$700 per oz gold. The EIA includes the processing of an additional 10,000 oz of gold p.a. from artisanal miners through the main processing plant, but the artisanal miners ore is excluded from the PFS, PEAs and Optimisation Studies.

The Company is currently preparing the local community and key stakeholders for a full public consultation, expected to be after the Presidential Elections, which are due to be held on 6th November 2016. The Government of Nicaragua remains supportive of the new operations at Mina La India.

As previously reported, Condor signed an agreement with ProNicaragua in December 2014, which in the Board's view materially de-risks the permitting process and construction of a mine at Mina La India. ProNicaragua is the official investment and export agency of the Government of Nicaragua, has Ministerial status and reports directly to the President. It was created as a project of the United Nations Development Program www.pronicaragua.org. Condor has cultivated relations with ProNicaragua for over 4 years and has been instrumental in ProNicaragua presenting and supporting the mining industry at the Prospectors and Developers Association of Canada ("PDAC") annual conference in Toronto in 2016 and previous years. The agreement with ProNicaragua allows for two lawyers working for ProNicaragua to be assigned to Condor on a full time basis to assist with permitting, land acquisition and other social areas.

Condor has been working on a land acquisition programme for over 3 years and plans to acquire approximately 800 hectares of rural land for the production scenario in the PFS. ProNicaragua is assisting with a clean up of the land titles. Two independent valuations have been conducted and a strategy is being implemented to secure the rural land by paying 10% of the purchase price of the land to the landowners, who grant Condor an option to purchase the rural land for a two-year period. Offers to purchase the land have been made to all landowners; at the time of writing approximately 30% have accepted.

CONDOR GOLD PLC
CHAIRMAN'S STATEMENT
FOR THE SIX MONTHS TO 30 JUNE 2016

In January 2016, Condor announced the economic details of an independent mining optimisation study, which was commissioned in 2015, to investigate strategic options to improve project economics. Whittle's Enterprise Optimisation is an integrated approach to maximising the NPV of a mining business by simultaneously optimising 10 different mechanisms across the mining value chain. The Study is a strategic planning tool and is not NI 43-101 compliant. However, Whittle is the recognised world leader in a specialist field of maximising the economics of a mine and has completed work for major mining companies (<http://www.whittleconsulting.com.au>)

Four production scenarios were assessed, based on the study methodology employed by SRK and Condor.

- The PFS case includes measured and indicated material only from the La India open pit, with a processing capacity of 0.8 million tonnes per annum (mtpa) or 2,200 tonnes per day (tpd).
- The PEA 1.0 case also includes the La India open pit inferred material, with a process capacity of 1.0 mtpa or 2,800tpd.
- The PEA 1.2 case includes all of the La India open pit material, and also includes material from two nearby smaller pits, America and Central Breccia. The processing capacity for this case is 1.2 mtpa or 3,300tpd. This is known as scenario "A" in the SRK technical reports.
- The PEA 1.6 case adds underground mining from La India and America, over and above the material in PEA 1.2. The processing capacity for this case is 1.6 mtpa or 4,400tpd. This is known as scenario "B" in the SRK technical reports.

Validation runs for each case were produced. Optimised runs were generated using multi-mine scheduling, fully variable cut-off grade and stockpiling. Reduced capacity cases were run, also optimised for schedule, cut-off grade and stockpiling. Grind-throughput-recovery relationships were developed for the La India open pit material, and this methodology was used to further optimise the schedule for all cases. Pit and Phase optimisation was completed on the La India open pit using the Enterprise Optimisation economics, which improved NPV.

The gold price for this work is \$1,250 per troy ounce, and the silver price is \$19.75/troz in order to have a like for like comparison with the PFS and PEAs. Metal recoveries were based on the PFS and PEA work completed in late 2014.

Post-tax results are indicated in **Table 1** for the four production scenarios. The Enterprise Optimisation methodology improved NPV in all cases, with decreasing improvements across the larger plant / open pit scenarios. This is due to the Grind-Throughput-recovery (GTR) work being isolated to La India Vein Set only due to limited metallurgical data on the America and Central Breccia. Similar results may be recognized when data is collected and assessed for the America and Central Breccia open pit and underground material. It is important to note that the 1.0 mtpa case does not have a PFS/PEA study equivalent, nor corresponding pit designs, so there is no comparison data. In these cases, improvements are measured against the initial Enterprise Optimisation calibration runs.

CONDOR GOLD PLC

CHAIRMAN'S STATEMENT FOR THE SIX MONTHS TO 30 JUNE 2016

Table 1 La India Project NPV for four production scenarios.

Post-tax NPV5, US\$M	PFS La India Open Pit IND	La India Open Pit IND + INF	PEA A La India Open Pit + Feeder Pits IND + INF	PEA B All Open Pits + Underground IND + INF
Study Cases (SRK 2014)	\$91.7	\$91.8	\$124.2	\$186.6
Base- Fixed Mining, nominal throughput	\$94.4	\$91.8	\$125.0	\$195.3
Nominal throughput- Prober COG, Stockpile, sched	\$98.0	\$109.7	\$143.6	\$212.4
Grind Throughput Recovery- La India (includes COG, sp, sched.)	\$122.3	\$131.1	\$166.0	\$234.7
EO Optimized Pit and Phases- all value levers	\$167.8	\$160.5	\$186.5	\$267.9
Improvement in NPV				
Study Cases (SRK 2014)	\$91.7	\$91.8	\$124.2	\$186.6
Full EO Results	\$167.8	\$160.5	\$186.5	\$267.9
NPV Improvement	77.7%	74.8%	49.2%	37.1%
Improvement in IRR				
Study Cases (SRK 2014)	22.0%	20.9%	24.6%	23.8%
EO Internal Rate of Return	30.7%	29.5%	32.1%	30.0%
IRR Improvement	39.4%	41.1%	30.5%	25.9%

Note: Shaded cells were not run by SRK, Whittle base case used instead.

Note: EO = Enterprise Optimization

Note: 5% discount rate used is standard for comparable TSX-listed companies

Table 2 below is a comparison of production scenarios to PFS and PEAs

	La India - PFS		La India	All Open Pits		All Open Pits + UG	
	Open Pit - PFS IND Only		Open Pit IND+INF	PEA-A IND+INF		PEA-B IND+INF	
	PFS	Whittle EO	Whittle EO	PEAA	Whittle EO	PEAA	Whittle EO
Nominal Processing Plant capacity tpd	2,200		2,800	3,300		4,400	
Nom. Capacity in M-tpa	0.8		1.0	1.2		1.6	
Contained gold koz	674	866	955	827	1,066	1,313	1,554
Recovered gold koz	614	796	882	752	985	1,203	1,437
1 st 5 years avg. production gold p.a. koz	76	91	101	94	118	138	165
Production improvement 1 st 5 years		20%	n/a		25%		20%

Overall, the independent optimisation analysis conducted by Whittle clearly demonstrates the potential to unlock substantial additional value from the La India Project. Across 3 production scenarios, NPV increases over 50%, IRRs average 30%, the payback on upfront capital costs is between two to three production years, and gold production increases on average 22% for the first 5 years. Whittle's study is a strategic planning tool, which is used to maximise the economics, particularly the NPV, ahead of a "build decision" and can often form part of a more detailed Definitive/Bankable Feasibility Study. It should be noted that WCL's study is not NI 43-101 compliant and would require re-generation of the PFS and PEAs to confirm the improvements.

CONDOR GOLD PLC
CHAIRMAN'S STATEMENT
FOR THE SIX MONTHS TO 30 JUNE 2016

Condor announced on 21st March 2016 that the Company settled a dispute over the purchase of the high grade Espinito-Mendoza Concession, which lies within the main La India Concession, by payment of a cash consideration of US\$700,000. This clears the way to advance the Concession and convert more of the Soviet classified resource on the Mestiza Vein Set of 2,392kt at 10.21g/t for 785,684 oz gold to western standards. The Mestiza Vein set hosts a NI 43-101 compliant mineral inferred resource estimate of 1,490kt at 7.47g/t for 333,000 oz gold. Condor has designed a 10,500m drilling program to convert the Soviet classified resource to an NI 43-101 compliant resource in the indicated category. In our experience, the Soviet GKZ classified resources on La India Project have generally converted to western standards upon tighter drill spacing and verification drilling of the previous drill holes. It is some comfort that Micon International's 1998 report on the Concession concluded that the property has good potential to become a small (500 to 800tpd), low cost mine. The Mestiza Vein Set is excluded from the Whittle Enterprise Optimisation of the PFS and PEA studies. Assuming the conversion of the Soviet Resources to Western standards, the inclusion of the Mestiza Vein set could see Mina La India increase its production scenario to over 200,000 oz gold per annum.

A hearing was held in Vancouver, Canada on 27th to 29th May 2015 regarding an on-going dispute between B2Gold Corporation, Royal Gold Inc. and Condor Gold plc. over a 3% NSR on the 65km² of La India Concession. B2Gold Corporation is suing Condor in Nicaragua on matters relating to the 3% NSR dispute. The judge's ruling at the Vancouver hearing was received in September 2015. To quote the Judge: "In conclusion, I declare that La India Gold S.A. holds La India Concession subject to the royalty originally made between Minera de Occidente S.A. (now Triton, owned by B2Gold) as payor and Repadre Capital Corporation (now Royal Gold) as the present holder. The La India Concession, to the extent that it corresponds on the ground with the original concession subject of the royalty agreement, is, by clause 2.7 of the letter agreement, subject to the obligations of the royalty agreement." Condor has taken legal advice in Canada, Nicaragua and the UK on the implementation and enforceability of a Canadian ruling on a Nicaraguan incorporated company and has appealed the ruling. However, in recent days the Company has agreed an in-principle settlement with B2Gold and Royal Gold, which is subject to final documentation. Further details will be released once the settlement agreement is finalised.

In June 2016, Condor initiated an additional 242 sq km soil survey program to continue the 71 sq km soil survey completed in 2015, which produced 12 additional exploration targets. There has been some notable success with a 53.9g/t rock chip sample in a new area called Los Limones, at the very northern end of the Andrea vein structure on the El Rodeo concession. The Andrea-Limones mineralised corridor is 12.5 km long, 9 km north of La India open pit and 6 km away from the nearest gold mineral resource.

I am delighted that Dr Warren Pratt has joined Condor as a senior geological consultant. He will advise the Board on the exploration upside of La India Project. Warren will spend several weeks at Mina La India in 2016 and will lead the production of a detailed geological, stratigraphic and structural map across the entire District. Warren is also tasked with planning drilling programs for resource expansion on the four smaller gold mineral resources of Cacao, Tatescane, Central Breccia and San Lucas, which each hold an average of 50k oz gold mineral resource and for planning blue sky exploration drilling targets on the Project. Dr Pratt contributed to the due diligence ahead of the recent investment in the Company by Ross Beaty and strengthens the geological team.

The operating loss for the 6 month period was £1,170,299. Gross proceeds of £2.818million raised during the period. The cash equivalents at 30th June 2016 were £2,272,992. There are currently 52,910,649 ordinary shares in issue.

CONDOR GOLD PLC
CHAIRMAN'S STATEMENT
FOR THE SIX MONTHS TO 30 JUNE 2016

The International Finance Corporation ("IFC"), the private sector investment body of the World Bank, is an 8.6% shareholder in the Company. The IFC exercised a non-dilute clause in a shareholder agreement that is in place with the Company and invested £240,000 in the May 2016 placement to maintain its percentage shareholding. Condor is committed to complying with the IFC Performance Standards, which are an international benchmark for identifying and managing environmental and social risk. Condor has put considerable time and effort into fulfilling the requirements of an Environmental Social Action Plan, which was agreed to with IFC as part of their investment process. Under the ESAP, Condor is committed to: 1) Develop the necessary management plans and standard operating procedures as part of the operational control of the Health Safety Environmental and Community Policy which are aligned with GIIP to address existing environmental, social and health and safety risks from current exploration activities. 2) Design and implement a surface and ground water participatory monitoring program to identify existing water quality and quantity conditions in the area to serve as baseline for the future ESIA, communicating these to the local population. 3) Update the Stakeholder Engagement Plan and Grievance Mechanism and develop a Communications Plan 4) Update the Land Acquisition and Resettlement Framework. 5) Produce a plan for the management of artisanal miners. 6) Develop a Human Resources Policy and develop a Security Policy and Code of Conduct for security personnel. La India Project is in full compliance with the agreed ESAP. The Company's fulfilment of the ESAP items, to the satisfaction of the IFC is establishing an excellent base for the sustainability of a future mine at La India Project. Implementation of the IFC Performance Standards help Condor manage and improve our environmental and social performance through an outcomes-based approach and also provide a solid base from which the company may increase the sustainability of their business operations and provides benefits for all shareholders.

The moratorium on all mining and exploration continues in the Republic of El Salvador ("El Salvador") where the Company has 90% of a JORC Code Mineral resource of 13.15 Mt at 2.6g/t for 1,120,000 oz gold equivalent.

The strategy for 2016 is to continue to demonstrate the significant exploration upside of La India project through geological mapping, soil geochemistry surveys and the production of a detailed structural model. The strategy of securing the rural land and securing the key Environmental Permit, while continuing to implement the IFC performance standards will all materially de-risk the Project and pave the way for Mina La India to become the next large commercial mine in Nicaragua.

Mark Child
Chairman and CEO

CONDOR GOLD PLC

REVIEW OF OPERATIONS AND PROJECT OVERVIEW **FOR THE SIX MONTHS TO 30 JUNE 2016**

NICARAGUA – OPERATIONS REPORT

LA INDIA PROJECT

Following completion of the PFS and PEAs on 21st December 2014, the Company's focus has shifted to demonstrating a significant District scale gold play, while minimizing environmental and social risks. Following a successful financing in May 2016, Condor re-commenced a soil geochemistry program aimed at completing the balance of 242 sq km on La India Project which has not been soil sampled to date.

Enterprise Optimization

In January 2016, Condor received the financial results of the mining optimisation study completed by Whittle Consulting Limited. Please see Chairman's report and RNS for details.

Land Acquisition

Condor has embarked on the initial stages of acquiring the land needed for the La India open pit mine. Initial focus is on the rural land that comprises the greatest portion of the area. The Land Acquisition process starts with first contact with the landholders, a valuation of the properties, and negotiation of an Option to Purchase Agreement in order to lock down the area. Simultaneously the legal status of the land is investigated and any Titles that require clearance are cleared. The Company has formalised Land Acquisition and Resettlement Framework with an International Social Consultant.

Condor has made initial contact with all landholders in the area of interest with 98% of the landholders agreeing to a property valuation. A certified land valuer has completed all the valuation appraisals. Two experienced lawyers have been contracted through Nicaragua's internal investment agency ProNicaragua to investigate the legal status of Land Titles and to manage the clearance of Titles through the Authorities.

Environmental Permit Application

In June 2016, Condor received notification from the Ministry of the Environment and Natural Resource that the Company had passed the preliminary and final technical reviews of the Environmental Impact Assessment ("EIA") document presented to MARENA on November 22nd 2015. The EIA was submitted to obtain an Environmental Permit for a 2,800tpd or 1Mtpa CIL processing plant for the La India open pit mine, which has capacity to produce 100,000 oz gold per annum. Condor has been preparing for a public consultation, which is now expected to be after the Presidential Elections, which are due to be held on 6th November 2016.

Social work

Condor continues working with the local community to make sure that the community recognises the positive social impact of the new mine project.

During the first half of 2016, Condor began implementing the new Corporate Social Responsibility ("CSR") strategy based on the restructured social program under IFC Performance Standards and Stakeholder Engagement Plan ("SEP"). A main point in both CSR Strategy and SEP is to disclose information to establish a transparent dialogue with communities. An Information Office in the local village has proved useful. Condor has conducted focus groups meetings, house-to-house visits; field visits to other national mining projects, among others. Condor has established alliances with main institutions in the social sphere to support education, health and water and strengthening of community relations. One of these alliances has ensured technical training for more than 320 beneficiaries from the different communities, as part of the capacity building initiative to increase local employment in the future mine.

CONDOR GOLD PLC

REVIEW OF OPERATIONS AND PROJECT OVERVIEW
FOR THE SIX MONTHS TO 30 JUNE 2016

NICARAGUA – OPERATIONS REPORT (CONTINUED)

Condor is committed to taking steps to increase transparency and accountability as a means of promoting involvement and active participation of communities and continues to hold monthly meetings with the Community Relations Committee, which was established in September 2015.

Condor recognises the significant social impact that a new mine will have on the local community, and is committed to working with the local community to make sure that the change will be a positive one.

Irene Chow
Head of Environmental and Social Department

Exploration Activity

Condor exploration has continued to focus on demonstrating the potential for additional gold resources on the entire 313 sq km La India Project. Follow up geological mapping and prospecting was carried out in areas where 71 sq km of soil sampling was carried out in 2015 and on targets identified by the structural geology study, which was also completed in 2015.

During the reporting period a total of 87 rock chips assay results have come back of which 8 samples Au values of 1-5 g/t and 4 samples with Au > 5g/t, including a 53.9g/t Au sample from outcrops at a new site in the Los Limones area, at the very northwest end of the Andrea vein structure and forms part of the 12.5km Los Limones-Andrea mineralised corridor, 7km east of La India open pit reserve.

Condor has also engaged Dr. Warren Pratt of Specialised Geological Mapping Ltd. as a senior geological consultant who, together with Condor geologists, will carry out detailed geological, stratigraphic, structural mapping and 3D modelling of La India District resources. As part of this work Dr. Pratt will also train Condor's geologists and establish a methodology for mapping and core logging in order to standardise data collection and interpretation procedures.

In addition to mapping Condor has also undertaken a second phase of soil sampling of Condor Gold's concession package in La India project, in those areas not covered by the 2015 survey. An estimated total of 6,300 samples will be collected covering an approximate area of 242 km². The fine-fraction B-horizon soil samples will be analysed for 53 elements at ultra-trace detection limits at Bureau Veritas Laboratories in Vancouver using standard ICP-MS method.

The survey is being carried out using three different sampling grids. A core area covering the main area of known veins in La India concession will be sampled using a grid of 200 x 50m. The northwest mineralized corridor within the El Rodeo concession will be sampled with a grid of 400 x 100m. The rest of the areas within the concession package will be sampled at a wider spacing of 400 x 400m. Sampling began in the beginning of June and through to the end of the month 847 samples had been collected.

Interpretation of the soil geochemistry has improved the geological bedrock map through the definition of felsic, intermediate and mafic geochemical signatures, and identified alteration and mineralisation trends in areas where outcrop of mineralisation is sparse and field observations of structural trends inconclusive. For example dispersed and isolated gold outcrop occurrences at the Tatascame area, located 6km northeast of the La India open pit mineral reserve, show a clear linear soil anomaly with a northwest-southeast orientation which appears to be a strike continuation of the Andrea Vein, extending the Andrea hydrothermal conduit from a 2km long vein to a 4 to 7km long corridor. Similarly soil geochemistry demonstrates that hydrothermal activity on the structure that hosts the 400m long Cristalito Resource of 202kt at 5.27g/t for 34k oz gold actually extends for at least 1200m.

Carlos Pullinger
Senior Geologist

CONDOR GOLD PLC

REVIEW OF OPERATIONS AND PROJECT OVERVIEW
FOR THE SIX MONTHS TO 30 JUNE 2016

EL SALVADOR - OPERATIONS UPDATE

Condor has continued to maintain a presence in El Salvador whilst the Government continues the suspension of metallic mining and exploration activity that has been in effect since 2007. The Company recognises that resolution of the situation lies with the Central Government, and Condor has maintained a continuous active dialogue and played a leading role in lobbying the Government in favour of a resumption of mining activity.

The wholly-owned El Salvador-registered subsidiary company, Minerales Morazon SA de CV has been kept fully registered and legally solvent in order to protect Condor's claims over the suspended licences and also to be ready to benefit from other prospective areas that are likely to become available should the Government elect to support metallic mining in the future.

Jose Mario Gonzalez Granados
Country Administration Manager El Salvador

CONDOR GOLD PLC

CONCESSION DATA

FOR THE SIX MONTHS TO 30 JUNE 2016

CURRENT CONCESSION HOLDINGS

Nicaragua Projects

Project	Concession	Ownership	Expiry Date	Area (km ²)
La India Project	La India	100% Owned	January 2027	68.50
	Espinito Mendoza	100% Owned	November 2026	2.00
	Cacao	100% Owned	January 2032	11.90
	Santa Barbara	100% Owned	April 2034	16.20
	Real de la Cruz	100% Owned	January 2035	7.66
	Rodeo	100% Owned	January 2035	60.40
	La Mojarra	100% Owned	June 2029	27.00
	La Cuchilla	100% Owned	August 2035	86.39
	El Zacatoso	100% Owned	October 2039	1.00
	Tierra Blanca	100% Owned	June 2040	32.21
Subtotal				313.26
Boaco	Rio Luna	100% Owned	June 2035	43.00
RACCN	Estrella	100% Owned	April 2035	18.00
Nueva Segovia	Potrerosillos	100% Owned	December 2031	12.00
La Libertad-Santo Domingo District	Cerro Quiroz	20% Owned	April 2035	22.50
TOTAL				408.76

All concessions in Nicaragua are combined exploration and exploitation concessions.

El Salvador Projects

Project	Concession	Ownership	Expiry Date*	Area (km ²)
La Calera	La Calera	100% Owned	under moratorium	42.00
El Pescadito	El Pescadito	100% Owned	under moratorium	50.00
	Carolina	100% Owned	under moratorium	40.50
	El Gigante	100% Owned	under moratorium	42.50
TOTAL				175.00

*All exploration and mining licences in El Salvador are currently under El Salvador's moratorium on mining and exploration activity. Condor owns 90% interest in El Salvador (remaining 10% gifted to the Condor Resources El Salvador Charitable Foundation).

CONDOR GOLD PLC

CONCESSION DATA FOR THE SIX MONTHS TO 30 JUNE 2016

CURRENT GLOBAL CIM/JORC CODE MINERAL RESOURCE

The following Mineral Resource estimations have been reported by independent geologists in accordance with the terms and definitions of the CIM/JORC Code. The Mineral Resource Estimations for Nicaragua were completed by SRK Consulting (UK) Ltd. and for El Salvador by Geosure Exploration and Mining Solutions (La Calera and part of Pescadito) and Ravensgate Resources (part of Pescadito).

	Tonnes (kt)	Grade (g/t)	Gold Contained (koz)	Grade (g/t)	Silver Contained (koz)	Grade (g/t)	Gold Equivalent Contained (koz)	Attributable Contained (koz)	CIM/JORC Category
Nicaragua Projects (100% Condor owned)									
La India	9,600	3.5	1,083	6	1,792	3.6	1,110	1,110	Indicated
Project	8,500	4.5	1,233	7	865	4.6	1,246	1,246	Inferred
Total	18,100	4.0	2,316	6	2,656	4.1	2,356	2,356	Ind + Inf
Rio Luna	694	3.5	80	56	500	4.4	86	86	Inferred
Total	18,800	4.0	2,395	7	3,158	4.1	2,442	2,442	Ind+Inf
El Salvador Projects (90% Condor owned)									
Pescadito	7,100	1.9	434	97	22,100	3.4	764	688	Inferred
La Calera	6,000	1.6	313	-	-	1.6	317	285	Inferred
Total	13,100	1.8	747	53	22,380	2.6	1,081	964	Inferred
Grand Total	31,900	3.1	3,142	30	25,530	3.5	3,523	3,415	Inferred

Note that tonnage is rounded to nearest 10,000t, gold grade is rounded to nearest 0.1g/t, silver and gold equivalent grade to nearest 1g/t, contained gold and gold equivalent to nearest 1,000oz and contained silver to nearest 10,000oz. Gold equivalent is calculated using silver:gold ratio of 67:1. Attributable gold is calculated as 90% interest in El Salvador licences (remaining 10% gifted to the Condor Resources El Salvador Charitable Foundation).

CURRENT LA INDIA PROJECT CIM CODE MINERAL RESOURCE

The following Mineral Resource estimations detail Condor's CIM compliant Mineral Resource Statement as at 30th September 2014 for the La India Project, as signed off by Ben Parsons of SRK Consulting (UK) Ltd, a Competent Person as defined by the CIM Code.

CONDOR GOLD PLC

**CONCESSION DATA
FOR THE SIX MONTHS TO 30 JUNE 2016**

Table 1. CIM Compliant Mineral Resource Statement as at 30 September 2014 for the La India Project (SRK Consulting (UK) Ltd.).SRK MINERAL RESOURCE STATEMENT SPLIT PER VEIN as of 30 September 2014 ^{(4),(5),(6)}

Category	Area Name	Vein Name	Cut-Off	Gold			Silver	
				Tonnes (kt)	Au Grade (g/t)	Au (Koz)	Ag Grade (g/t)	Ag (Koz)
Indicated	La India veinset	La India/ California ⁽¹⁾	0.5 g/t (OP)	8,267	3.1	832	5.5	1,462
		La India/ California ⁽²⁾	2.0 g/t (UG)	706	4.9	111	10.6	240
	America veinset	America Mine	0.5 g/t (OP)	114	8.1	30	4.9	18
		America Mine	2.0 g/t (UG)	470	7.3	110	4.7	71
Inferred	La India veinset	La India/ California ⁽¹⁾	0.5 g/t (OP)	895	2.4	70	4.3	122
		Teresa ⁽³⁾	0.5 g/t (OP)	4	6.6	1		
		La India/ California ⁽²⁾	2.0 g/t (UG)	1,107	5.1	182	11.3	401
		Teresa ⁽²⁾	2.0 g/t (UG)	82	11.0	29		
		Arizona ⁽³⁾	1.5 g/t	430	4.2	58		
		Agua Caliente ⁽³⁾	1.5 g/t	40	9.0	13		
	America veinset	America Mine	0.5 g/t (OP)	677	3.1	67	5.5	120
		America Mine	2.0 g/t (UG)	1,008	4.8	156	6.8	221
		Guapinol ⁽³⁾	1.5 g/t	751	4.8	116		
	Mestiza veinset	Tatiana ⁽³⁾	1.5 g/t	1,080	6.7	230		
		Buenos Aires ⁽³⁾	1.5 g/t	210	8.0	53		
		Espenito ⁽³⁾	1.5 g/t	200	7.7	50		
	Central Breccia	Central Breccia ⁽¹⁾	0.5 g/t (OP)	922	1.9	56		
	San Lucas	San Lucas ⁽³⁾	1.5 g/t	330	5.6	59		
	Cristalito-Tatescame	Cristalito-Tatescame ⁽³⁾	1.5 g/t	200	5.3	34		
	El Cacao	El Cacao ⁽³⁾	1.5 g/t	590	3.0	58		

(1) The La India, America and Central Breccia pits are amenable to open pit mining and the Mineral Resource Estimates are constrained within Whittle optimised pits, which SRK based on the following parameters: A Gold price of USD1,500 per ounce of gold with no adjustments. Prices are based on experience gained from other SRK Projects. Metallurgical recovery assumptions of 91% for gold, based on assumptions provided by the Company Marginal costs of USD19.2/t for processing, USD5.63/t G&A and USD2.47/t for mining, slope angles defined by the Company Geotechnical study which range from angle 46 - 48°.

(2) Underground mineral resources beneath the open pit are reported at a cut-off grade of 2.0 g/t over a minimum width of 1.0m. Cut-off grades are based on a price of USD1,500 per ounce of gold and gold recoveries of 91% for resources, costs of USD19.0/t for processing, USD10.0/t G&A and USD50.0/t for mining, without considering revenues from other metals.

(3) Mineral resources as previously quoted by SRK (22 December 2011) are reported at a cut-off grade of 1.5 g/t, and have not been updated as part of the current study due to no further detailed exploration.

(4) Mineral Resources are not Ore Reserves and do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate and have been used to derive sub-totals, totals and weighted averages. Such calculations inherently involve a degree of rounding and consequently introduce a margin of error. Where these occur, SRK does not consider them to be material. All composites have been capped where appropriate. The Concession is wholly owned by and exploration is operated by Condor Gold plc

(5) The reporting standard adopted for the reporting of the MRE uses the terminology, definitions and guidelines given in the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Standards on Mineral Resources and Mineral Reserves (May 2014) as required by NI 43-101.

(6) SRK Completed a site inspection to the deposit by Mr Benjamin Parsons, MSc (MAusIMM(CP), Membership Number 222568, an appropriate "independent qualified person" as this term is defined in National Instrument 43-101.

CONDOR GOLD PLC

CONCESSION DATA

FOR THE SIX MONTHS TO 30 JUNE 2016

Table 2. Summary of La India Project Mineral Resource Statement as of 30 September 2014 (SRK Consulting (UK) Ltd.).

SRK MINERAL RESOURCE STATEMENT SPLIT PER VEINSET as of 30 September 2014								
Category	Area Name	Vein Name	Cut-Off	gold			silver	
				Tonnes (kt)	Au Grade (g/t)	Au (Koz)	Ag Grade (g/t)	Ag (Koz)
Indicated	Subtotal Areas	La India veinset	0.5g/t (OP)	8,267	3.1	832	5.5	1,462
			2.0 g/t (UG)	706	4.9	111	10.6	240
		America veinset	0.5g/t (OP)	114	8.1	30	4.9	18
			2.0 g/t (UG)	470	7.3	110	4.7	71
Inferred	Subtotal Areas	La India veinset	0.5g/t (OP)	899	2.5	71	4.3	122
			2.0 g/t (UG)	1,189	5.5	211	11.3	401
			1.5 g/t	470	4.7	71		
		America veinset	0.5g/t (OP)	677	3.1	67	5.5	120
			2.0 g/t (UG)	1,008	4.8	156	6.8	221
			1.5 g/t	751	4.8	116		
		Mestiza veinset	1.5 g/t	1,490	7.0	333		
		Central Breccia	0.5g/t (OP)	922	1.9	56		
		Other veins	1.5 g/t	1,120	4.2	151		

CONDOR GOLD PLC

CONCESSION DATA
FOR THE SIX MONTHS TO 30 JUNE 2016

Table 3. Summary of La India Project Mineral Resource Statement as of 30 September 2014 (SRK Consulting (UK) Ltd.)

SRK MINERAL RESOURCE STATEMENT as of 30 September 2014 ^{(4),(5),(6)}								
Category	Area Name	Vein Name	Cut-Off	gold			silver	
				Tonnes (kt)	Au Grade (g/t)	Au (Koz)	Ag Grade (g/t)	Ag (Koz)
Indicated	Grand total	All veins	0.5g/t (OP) ₍₁₎	8,382	3.2	862	5.5	1480
			2.0 g/t (UG) ₍₂₎	1,176	5.9	221	8.2	312
		Subtotal Indicated		9,557	3.5	1,083	5.8	1792
Inferred	Grand total	All veins	0.5g/t (OP) ₍₁₎	2,498	2.4	194	4.8 ⁽⁷⁾	242
			2.0 g/t (UG) ₍₂₎	2,197	5.2	366	8.8	622
			1.5 g/t ⁽³⁾	3,831	5.4	671		
		Subtotal Inferred		8,526	4.5	1,231	7.1 ⁽⁸⁾	865
<p>(1) The La India, America and Central Breccia pits are amenable to open pit mining and the Mineral Resource Estimates are constrained within Whittle optimised pits, which SRK based on the following parameters: A Gold price of USD1,500 per ounce of gold with no adjustments. Prices are based on experience gained from other SRK Projects. Metallurgical recovery assumptions of 91% for gold, based on assumptions provided by the Company Marginal costs of USD19.2/t for processing, USD5.63/t G&A and USD2.47/t for mining, slope angles defined by the Company Geotechnical study which range from angle 46 - 48°.</p> <p>(2) Underground mineral resources beneath the open pit are reported at a cut-off grade of 2.0 g/t over a minimum width of 1.0m. Cut-off grades are based on a price of USD1500 per ounce of gold and gold recoveries of 93 percent for resources, costs of USD19.0/t for processing, USD10.0/t G&A and USD50.0/t for mining, without considering revenues from other metals.</p> <p>(3) Mineral resources as previously quoted by SRK (22 December 2011) are reported at a cut-off grade of 1.5 g/t, and have not been updated as part of the current study due to no further detailed exploration.</p> <p>(4) Mineral Resources are not Ore Reserves and do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate and have been used to derive sub-totals, totals and weighted averages. Such calculations inherently involve a degree of rounding and consequently introduce a margin of error. Where these occur, SRK does not consider them to be material. All composites have been capped where appropriate. The Concession is wholly owned by and exploration is operated by Condor Gold plc</p> <p>(5) The reporting standard adopted for the reporting of the MRE uses the terminology, definitions and guidelines given in the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Standards on Mineral Resources and Mineral Reserves (December 2005) as required by NI 43-101.</p> <p>(6) SRK Completed a site inspection to the deposit by Mr Benjamin Parsons, MSc (MAusIMM(CP), Membership Number 222568, an appropriate “independent qualified person” as this term is defined in National Instrument 43-101.</p> <p>(7) Back calculated silver grade based on a total tonnage of 1,576 Kt as no silver estimates for Central Breccia (922 Kt).</p> <p>(8) Back Calculated silver grade based on total tonnage of material estimated for silver of 3,7731 Kt, for veins where silver assays have been recorded in the database</p>								

CONDOR GOLD PLC
CONCESSION DATA
FOR THE SIX MONTHS TO 30 JUNE 2016

CURRENT LA INDIA PROJECT CIM CODE MINERAL RESERVE

Table 3. La India Open Pit Mineral Reserve Estimate for La India Project Mineral Resource Statement as of 21 December 2014 (SRK Consulting (UK) Ltd.).

Mineral Reserve Class	Diluted Tonnes	Diluted Grade		Contained Metal	
	(Mt dry)	(g/t Au)	(g/t Ag)	(koz Au)	(koz Ag)
Proven	-	-	-	-	-
Probable	6.9	3.0	5.3	675	1,185
Total	6.9	3.0	5.3	675	1,185

**Open pit mineral reserves are reported at a cut-off grade of 0.75 g/t Au assuming: metal price of USD 1,250 per ounce gold, processing cost of USD 20.42 per tonne milled, G&A cost of 5.63 USD per tonne milled, 10 USD/oz Au selling cost, 3% royalty on sales and a processing recovery of 91%.*

CURRENT RIO LUNA CONCESSION CIM CODE MINERAL RESOURCE

The following JORC compliant Mineral Resource and Reserve estimates contained within Condor Gold PLC's 100%-owned Rio Luna Concession is signed off by Ben Parsons of SRK Consulting (UK) Ltd., a Competent Person as defined by the CIM Code.

Table 4. JORC Compliant Mineral Resource Statement as at 28 November 2011 for the Rio Luna Concession (SRK Consulting (UK) Ltd.).

SRK Mineral Resource Statement, Rio Luna Deposit, 28 th November 2011							
Category	Vein Name	Tonnes (kt)	Gold Grade (g/t)	Contained Gold (oz)	Tonnes (kt)	Silver Grade (g/t)	Contained Silver (oz)
Inferred	El Paraiso	395	4.01	52,000			
Inferred	El Rodeo	20	2.66	2,000			
Inferred	San Andreas	280	2.88	26,000	26	56	500,000
Inferred	Subtotal	695	3.50	80,000	26	56	500,000

Mineral Resources are reported at a cut-off grade of 1.5 g/t. Cut-off grades are based on a price of US\$1200 per ounce of gold and gold recoveries of 90 percent for resources, without considering revenues from other metals. Mineral Resources are not Ore Reserves and do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate. All composites have been capped where appropriate. The Concession is wholly owned by and exploration is operated by Condor Resources plc.

CONDOR GOLD PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS TO 30 JUNE 2016

	Six months to 30.06.16 unaudited £	Six months to 30.06.15 unaudited £
Revenue	-	-
Net loss arising on foreign translations	(794,039)	(1,095,582)
Administrative expenses	(376,260)	(362,803)
Operating loss	<u>(1,170,299)</u>	<u>(1,458,385)</u>
Finance income	1,361	3,513
Net gain on financial assets at fair value through profit and loss account	-	-
Loss before income tax	<u>(1,168,938)</u>	<u>(1,454,872)</u>
Income tax expense	-	-
Loss for the period	<u>(1,168,938)</u>	<u>(1,454,872)</u>
Other comprehensive income/(loss):		
Currency translation differences	<u>2,021,250</u>	<u>90,509</u>
Other comprehensive income/(loss) for the period	<u>2,021,250</u>	<u>90,509</u>
Total comprehensive income/(loss) for the period	<u>852,312</u>	<u>(1,364,363)</u>
Income/(loss) attributable to:		
Non-controlling interest	(386)	(30)
Owners of the parent	<u>(1,168,552)</u>	<u>(1,454,842)</u>
	<u>(1,168,938)</u>	<u>(1,454,872)</u>
Total comprehensive income/(loss) attributable to:		
Non-controlling interest	(7,859)	699
Owners of the parent	<u>860,171</u>	<u>(1,365,062)</u>
	<u>852,312</u>	<u>(1,364,363)</u>
Loss per share expressed in pence per share:		
Basic and diluted (in pence)	Note 5 <u>(2.46)</u>	<u>(3.62)</u>

CONDOR GOLD PLC**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**
AS AT 30 JUNE 2016

	30.06.16 unaudited £	31.12.15 £	30.06.15 unaudited £
ASSETS:			
NON-CURRENT ASSETS			
Property, plant and equipment	314,659	318,513	339,212
Intangible assets	<u>20,338,233</u>	<u>18,374,085</u>	<u>17,326,980</u>
	<u>20,652,892</u>	<u>18,692,598</u>	<u>17,666,192</u>
CURRENT ASSETS			
Trade and other receivables	1,040,246	945,327	1,214,423
Financial assets at fair value through profit and loss	-	-	-
Cash and cash equivalents	<u>2,272,992</u>	<u>1,105,457</u>	<u>2,410,675</u>
	<u>3,313,238</u>	<u>2,050,784</u>	<u>3,625,098</u>
TOTAL ASSETS	<u>23,966,130</u>	<u>20,743,382</u>	<u>21,291,290</u>
LIABILITIES:			
CURRENT LIABILITIES			
Trade and other payables	<u>112,420</u>	<u>559,984</u>	<u>569,557</u>
NON-CURRENT LIABILITIES			
Other payables	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u>112,420</u>	<u>559,984</u>	<u>569,557</u>
NET CURRENT ASSETS	<u>3,200,818</u>	<u>1,490,800</u>	<u>3,055,541</u>
NET ASSETS	<u>23,853,710</u>	<u>20,183,398</u>	<u>20,721,733</u>
SHAREHOLDERS' EQUITY			
Called up share capital	10,570,463	9,161,463	9,161,463
Share premium	28,851,728	27,442,728	27,442,728
Legal reserves	71	71	71
Exchange difference reserve	3,571,121	1,549,871	800,985
Share options reserve	3,556,198	3,556,198	3,236,680
Retained earnings	<u>(22,695,871)</u>	<u>(21,526,933)</u>	<u>(19,920,194)</u>
	<u>23,853,710</u>	<u>20,183,398</u>	<u>20,721,733</u>
TOTAL EQUITY ATTRIBUTABLE TO:			
Non-controlling interest	(85,258)	(77,012)	(72,518)
Owners of the parent	<u>23,938,968</u>	<u>20,260,410</u>	<u>20,794,251</u>
	<u>23,853,710</u>	<u>20,183,398</u>	<u>20,721,733</u>

CONDOR GOLD PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE 2016

	Share Capital	Share premium	Legal reserve	Exchange difference reserve	Share option reserve	Retained earnings	Total	Non Controlling Interest	Total Equity
	£	£	£	£	£	£	£	£	£
At 31 December 2014	9,161,463	27,442,728	71	706,506	3,236,680	(18,388,165)	22,159,283	(73,187)	22,086,096
Comprehensive income:									
Loss for the year	-	-	-	-	-	(3,061,486)	(3,061,486)	(125)	(3,061,611)
Other comprehensive income:									
Currency translation differences	-	-	-	843,095	-	-	843,095	(3,700)	839,395
Total comprehensive income	9,161,463	27,442,728	71	1,549,601	3,236,680	(21,449,651)	19,940,892	(77,012)	19,863,880
New shares issued	-	-	-	-	-	-	-	-	-
Share based payment	-	-	-	-	319,518	-	319,518	-	319,518
At 31 December 2015	9,161,463	27,442,728	71	1,549,601	3,556,198	(21,449,651)	20,260,410	(77,012)	20,183,398
Comprehensive income:									
Loss for the year	-	-	-	-	-	(1,168,552)	(1,168,552)	(386)	(1,168,938)
Other comprehensive income:									
Currency translation differences	-	-	-	2,029,109	-	-	2,029,109	(7,859)	2,021,250
New shares issued	1,409,000	1,409,000	-	-	-	-	2,818,000	-	2,818,000
Share based payment	-	-	-	-	-	-	-	-	-
At 30 June 2016	10,570,463	28,851,728	71	3,578,710	3,556,198	(22,618,203)	23,938,967	(85,257)	23,853,710

CONDOR GOLD PLC

CONSOLIDATED CASH FLOW STATEMENT
AS AT 30 JUNE 2016

	Six months to 30.06.16 unaudited £	Six months to 30.06.15 unaudited £
Cash flows from operating activities		
Loss before tax	(1,168,938)	(1,454,872)
Depreciation charges	36,530	1,035
Profit/(loss) on sale of tangible fixed assets	-	-
Impairment charge of intangible fixed assets	18,045	17,017
Finance income	(1,361)	(3,513)
	<u>(1,115,724)</u>	<u>(1,440,333)</u>
(Increase)/decrease in trade and other receivables	(94,919)	(247,007)
Increase/(decrease) in trade and other payables	(447,564)	(1,560)
Income tax paid	-	-
	<u></u>	<u></u>
Net cash absorbed in operating activities	<u>(1,658,207)</u>	<u>(1,688,900)</u>
Cash flows from investing activities		
Purchase of intangible fixed assets	(869,111)	(1,112,030)
Purchase of tangible fixed assets	(12,528)	(27,720)
Interest received	1,361	3,513
	<u></u>	<u></u>
Net cash absorbed in investing activities	<u>(880,278)</u>	<u>(1,136,237)</u>
Cash flows from financing activities		
Issue of shares	2,818,000	-
	<u></u>	<u></u>
Net cash absorbed in financing activities	<u>2,818,000</u>	<u>-</u>
(Decrease)/increase in cash and cash equivalents	279,515	(2,825,137)
Cash and cash equivalents at beginning of period	1,105,457	4,761,128
Exchange losses on cash and bank	888,020	474,684
	<u></u>	<u></u>
Cash and cash equivalents at end of period	<u>2,272,992</u>	<u>2,410,675</u>

CONDOR GOLD PLC

NOTES TO THE FINANCIAL STATEMENTS **FOR THE SIX MONTHS TO 30 JUNE 2016**

1. COMPLIANCE WITH ACCOUNTING STANDARDS

Basis of preparation

This financial information has been prepared in accordance with IAS 34 “Interim financial reporting” as adopted by the European Union. The standards have been applied consistently. The statutory accounts for the year ended 31 December 2014, which have been filed with the Registrar of Companies, were prepared under IFRS and IFRIC interpretations as adopted by the European Union and with those parts of the Companies Act 2006 applicable to companies preparing their account under IFRS. The auditors reported on those accounts; their Audit Report was unqualified and did not contain a statement under either Section 237(2) or Section 237(3) of the Companies Act 2006.

The Interim Report is unaudited and does not constitute statutory financial statements as defined in section 434 of the Companies Act 2006.

The Interim Report for the six months ended 30 June 2016 was approved by the Directors on 23rd September 2016.

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.

The comparative period presented is that of the six months ended 30 June 2015. 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 the Interim Report are available from the Company’s website www.condorgold.com

2. ACCOUNTING POLICIES

The interim financial information for the six months ended 30 June 2016 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 2015, which are available on the Company’s website www.condorgold.com as the company does not anticipate the addition of new standards to the Group’s results for the year ended 31 December 2016.

3. REVENUE AND SEGMENTAL REPORTING

The Group has not generated any revenue during the period.

The Group’s operations are located in England, El Salvador 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.

The Group’s results by reportable segment for the period ended 30 June 2016 are as follows:

	UK 2016 £	El Salvador 2016 £	Nicaragua 2016 £	Consolidation 2016 £
RESULTS				
Operating (loss)	(302,147)	(3,877)	(776,414)	(1,170,299)
Interest income	1,347	14	-	1,361
Income tax expense	-	-	-	-

CONDOR GOLD PLC

NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS TO 30 JUNE 2016

3. REVENUE AND SEGMENTAL REPORTING - continued

Assets

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

	UK 2016 £	El Salvador 2016 £	Nicaragua 2016 £	Consolidation 2016 £
ASSETS				
Total assets	<u>2,300,306</u>	<u>4,635,313</u>	<u>17,116,524</u>	<u>23,966,130</u>
	UK 2016 £	El Salvador 2016 £	Nicaragua 2016 £	Consolidation 2016 £
LIABILITIES				
Total liabilities	<u>(21,720)</u>	<u>(905)</u>	<u>(89,795)</u>	<u>(112,420)</u>

The Group's results by reportable segment for the period ended 30 June 2015 are as follows:

	UK 2015 £	El Salvador 2015 £	Nicaragua 2015 £	Consolidation 2015 £
RESULTS				
Operating (loss)	(1,167,673)	(337)	(290,375)	(1,458,385)
Interest income	3,480	33	-	3,513
Income tax expense	-	-	-	-

Assets

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

	UK 2015 £	El Salvador 2015 £	Nicaragua 2015 £	Consolidation 2015 £
ASSETS				
Total assets	<u>2,733,640</u>	<u>4,724,391</u>	<u>13,833,259</u>	<u>21,291,290</u>
	UK 2015 £	El Salvador 2015 £	Nicaragua 2015 £	Consolidation 2015 £
LIABILITIES				
Total liabilities	<u>(417,064)</u>	<u>-</u>	<u>(152,493)</u>	<u>(569,557)</u>

CONDOR GOLD PLC

NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS TO 30 JUNE 2016

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.

5. 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:

	Six months to 30.06.16	Six months to 30.06.15
Basic EPS		
Loss for the period	(1,168,938)	(1,454,872)
Weighted average number of shares	47,493,565	40,183,746
Loss per share (in pence)	<u>(2.46)</u>	<u>(3.62)</u>

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

6. CALLED-UP SHARE CAPITAL

	30.06.16 £	30.06.15 £
Allotted and fully paid		
Ordinary shares 52,852,316 of 20p each (30.06.15: 45,807,316 of 20p each)	<u>10,570,463</u>	<u>9,161,463</u>

7. RELATED PARTY TRANSACTIONS

During the half year the company received consultancy advice from the following related parties:

Company	Related party	30.06.16		30.06.15	
		Payments	Outstanding balance	Payments	Outstanding balance
		£	£	£	£
Axial Associates Limited	Mark Child	21,665	-	25,000	-
Burnbrae Limited	Jim Mellon	8,167	-	12,500	-
	Peter Flindell	18,238	-	39,987	-

8. SEASONALITY OF THE GROUP'S BUSINESS OPERATIONS

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