NEWS RELEASE

May 13, 2021

CONDOR ANNOUNCES 2021 FIRST QUARTER RESULTS

CALGARY, May 13, 2021 – Condor Petroleum Inc. (“Condor” or the “Company”) (TSX: CPI), a Canadian based oil and gas company focused on exploration and production activities in Turkey and Kazakhstan, is pleased to announce the release of its unaudited interim condensed consolidated financial statements for the three months ended March 31, 2021 together with the related management’s discussion and analysis. These documents will be made available under Condor’s profile on SEDAR at www.sedar.com and on the Condor website at www.condorpetroleum.com. Readers are invited to review the latest corporate presentation available on the Condor website. All financial amounts in this news release are presented in Canadian dollars, unless otherwise stated.

Q1 Highlights

- Condor continues to actively pursue an agreement to operate five producing gas fields in Uzbekistan and is awaiting feedback on an operating proposal.
- The target location for the Yakamoz-1 sidetrack well (“Yak-1 s/t”) in Turkey has been finalized and drilling is expected to commence in June 2021.
- The Company has matured a shallow exploration target on the Akshoky North (“Aks-1”) prospect in Kazakhstan and plans to commence drilling in late Q3 2021.
- A number of measures have been taken by the Company to protect the safety and health of its personnel, contractors and suppliers during the COVID-19 pandemic and is well positioned for the challenges of the current business environment, with a cash position of $10.0 million as of March 31, 2021 and no debt.
- Production decreased to an average of 108 boepd for the three months ended March 31, 2021 from 148 boepd in 2020, sales decreased to $0.4 million for the three months ended March 31, 2021 from $0.7 million in 2020 and the net loss increased to $1.6 million for the three months ended March 31, 2021 from $0.8 million in 2020.

Uzbekistan Production Contract

As previously disclosed, the Company has presented and submitted a detailed feasibility study and economic analysis to the Government of Uzbekistan outlining the fiscal, social, and environmental benefits expected to result from the Company operating five producing gas fields and outlining the various technologies that would be implemented to enhance gas production rates and recoveries. The Company is awaiting feedback and endorsement of the proposal. Notwithstanding meeting and travel constraints imposed by COVID-19 related restrictions, the Company continues to actively pursue this initiative.

If executed, the production contract is expected to include five producing gas fields, associated gathering pipelines, and gas treatment infrastructure. The fiscal and operating terms expected to be defined in the production contract include royalty rates, cost deductibility, gas marketing and pricing, government participation, governance and steering committee structures, baseline production levels and reimbursement methodology.

Turkey Operations

The Company produces natural gas and associated condensate in Turkey. Production decreased to 108 boepd in the first quarter of 2021 from 148 boepd in the first quarter of 2020 due mainly to natural declines. The operating netback[1] was ($0.01) million or ($1.26) per boe for the three months ended March 31, 2021 as compared to $0.2 million or $18.23 per boe in 2020. Cash used in operating activities before changes in non-cash working capital increased to $1.3 million in the first quarter of 2021 versus $0.7 million for the same period in 2020. An increase in gas production would significantly enhance operating netbacks due to the strong reference gas price of CA$6.39/mcf as of May 1, 2021 and since production costs are primarily fixed.

Subsurface characterization and target identification has been completed on the Yakamoz sub-thrust fold prospect that was initially drilled by the Yakamoz-1 well ("Yak-1"). The strong gas shows obtained while drilling the Yak-1 well, combined with additional seismic data and seismic data reprocessing, has significantly enhanced the subsurface image quality and target location of the Yak-1 s/t well. The improved seismic characterization has allowed the Company to better define an up-dip side-track location on the structure, as well as provide greater clarity of the deeper Early to Middle Eocene targets and the reprocessed seismic data indicates both seal and trapping mechanisms that are consistent with the proven Poyraz Ridge field which is located two kilometres south of the Yakamoz structure. A more fractured environment is anticipated at the Yakamoz structure than at Poyraz Ridge with potentially enhanced gas flow rates.

The planned total depth for the Yak-1 s/t well is 2600 meters and is expected to penetrate four separate target formations and drilling is scheduled to begin in June 2021. A successful Yak-1 s/t well would be tied into the existing Poyraz Ridge gas plant for processing and onward sales. The Company has opted to drill Yak-1 s/t in 2021 instead of the two Poyraz Ridge infill wells that were recently matured to a drill-ready state.

Kazakhstan Operations

The Zharkamys West 1 exploration contract ("Zharkamys") was extended in April 2021 for an additional two months until January 18, 2022.

The Company has matured the shallow Akshoky North post salt exploration prospect within Zharkamys and although various COVID-19 restrictions continue to limit expatriate travel into Kazakhstan, at this time, the drill ready Akshoky North 1 well ("Aks-1") is planned to commence in late Q3 2021. Aks-1 has a three-way fault closure with an expected drill depth of 1100 meters and targets middle and lower Jurassic sandstones. The Company's high-resolution 3-D seismic was used to identify this structure and the oil migration pathways necessary to charge the trap. Multiple commercial analogues to the Akshoky prospect have been discovered in the region and the Company's internal estimate of Prospective Resources for the Akshoky structure is 20 million barrels (see Reserves Advisory). The usual regulatory approvals to drill Aks-1 are currently being pursued.

Other Initiatives

Condor has been evaluating the potential to implement proven North American midstream technologies and processes for use in Central Asia's industrial and resource industries, given the Company's strength in oil and gas facility design and construction. Condor continues to advance commercial opportunities for industrial, transportation, and power generation diesel fuel displacement utilizing the region's abundant natural gas resources to materially reduce operating costs and CO_2 emissions. The Company's positive regional working relationships has aided in progressing high level discussions with senior government and industry officials.

Selected Financial Information

For the three months ended March 31 ($000's except per share amounts)	**2021**	**2020**
Natural gas and condensate sales	362	734
Total revenue	315	639
Cash used in continuing operations	(2,194)	(1,287)
Net loss from continuing operations	(1,579)	(1,598)
Net loss from continuing operations per share (basic and diluted)	(0.04)	(0.04)

Results of Operations

Sales and operating netback[1] – For the three months ended March 31

		2021			**2020**	
($000's)	**Gas**	**Condensate**	**Total**	**Gas**	**Condensate**	**Total**
Sales	351	11	362	700	34	734
Royalties	(46)	(1)	(47)	(91)	(4)	(95)
Production costs	(217)	(1)	(218)	(254)	(6)	(260)
Transportation and selling	(106)	(2)	(108)	(144)	(7)	(151)
Operating netback[1]	(18)	7	(11)	211	17	228
($/boe)						
Sales	40.80	91.67	41.50	57.67	91.15	58.67
Royalties	(5.35)	(8.33)	(5.39)	(7.50)	(10.72)	(7.59)
Production costs	(25.22)	(8.33)	(24.99)	(20.93)	(16.09)	(20.78)
Transportation and selling	(12.29)	(19.17)	(12.38)	(11.86)	(18.77)	(12.07)
Operating netback[1]	(2.06)	55.84	(1.26)	17.38	45.57	18.23
Sales volume (boe)	8,603	120	8,723	12,138	373	12,511

1 Operating netback is a non-GAAP measure and is a term with no standardized meaning as prescribed by GAAP and may not be comparable with similar measures presented by other issuers. See "Non-GAAP Financial Measures" in this news release. The calculation of operating netback is aligned with the definition found in the Canadian Oil and Gas Evaluation Handbook.

Total sales decreased to $0.4 million on 8,723 boe or $41.50 per boe for the three months ended March 31, 2021 versus $0.7 million on 12,511 boe or $58.67 per boe for the same period in 2020. Overall sales have decreased in the three months ended March 31, 2021 versus the same period in 2020 due mainly to decreased natural gas production and sales volumes and decreased natural gas sales prices.

Operating netbacks decreased to ($0.01) million or ($1.26) per boe for the three months ended March 31, 2021 from $0.2 million or $18.23 per boe in 2020 due mainly to decreased gas production and sales volumes, decreased gas prices and increased per boe production costs as production costs are primarily fixed in nature.

COVID-19 Pandemic

In March 2020, the World Health Organization declared the COVID-19 outbreak to be a pandemic. Responses to the spread of COVID-19 have resulted in various disruptions to business operations and an increase in economic uncertainty, with more volatile commodity prices and currency exchange rates. The Company is well positioned for the challenges of the current business environment, with a cash position of $10.0 million as of March 31, 2021 and no debt.

Non-GAAP Financial Measures

The Company refers to “operating netback” in this news release, a term with no standardized meaning as prescribed by GAAP and which may not be comparable with similar measures presented by other issuers. This additional information should not be considered in isolation or as a substitute for measures prepared in accordance with GAAP. Operating netback is calculated as sales less royalties, production costs and transportation and selling on a dollar basis and divided by the sales volume for the period on a per barrel of oil equivalent basis. The reconciliation of this non-GAAP measure is presented in the “Results of Operations” section of this news release. This non-GAAP measure is commonly used in the oil and gas industry to assist in measuring operating performance against prior periods on a comparable basis and has been presented in order to provide an additional measure to analyze the Company’s sales on a per barrel of oil equivalent basis and ability to generate funds.

Reserves Advisory

This news release includes information pertaining to the internally generated estimates of Company resources effective March 1, 2021 which was prepared by a qualified reserves evaluator in accordance with the definitions, standards and procedures contained in the Canadian Oil and Gas Evaluation Handbook and National Instrument 51-101, Standards of Disclosure for Oil and Gas Activities ("NI 51-101"). Additional reserve information as required under NI 51-101 is included in the Company's Annual Information Form filed on SEDAR.

Statements relating to reserves and resources are deemed to be forward looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves and resources described exist in the quantities predicted or estimated. The reserve and resource estimates described herein are estimates only. The actual reserves and resources may be greater or less than those calculated. Estimates with respect to reserves and resources that may be developed and produced in the future are often based upon volumetric calculations, probabilistic methods and analogy to similar types of reserves, rather than upon actual production history. Estimates based on these methods generally are less reliable than those based on actual production history. Subsequent evaluation of the same reserves based upon production history will result in variations, which may be material, in the estimated reserves.

References herein to barrels of oil equivalent (“boe”) are derived by converting gas to oil in the ratio of six thousand standard cubic feet (“Mscf”) of gas to one barrel of oil based on an energy conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6 Mscf to 1 barrel, utilizing a conversion ratio at 6 Mscf to 1 barrel may be misleading as an indication of value, particularly if used in isolation.

"Proved" reserves are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated Proved reserves.

"Probable" reserves are those additional reserves that are less certain to be recovered than Proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated Proved plus Probable reserves.

"Possible" reserves are those additional reserves that are less certain to be recovered than Probable reserves. There is a 10 percent probability that the quantities actually recovered will equal or exceed the sum of Proved plus Probable plus Possible reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated Proved plus Probable plus Possible reserves.

“Prospective Resources” disclosed herein are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective Resources have both an associated chance of discovery (geological chance of success) and a chance of development (economic, regulatory, market and facility, corporate commitment or political risks). The chance of commerciality is the product of these two risk components. There is no certainty that any portion of the Prospective Resources will be discovered and, if discovered, there is no certainty that it will be developed or, if it is developed, there is no certainty as to either the timing of such development or whether it will be commercially viable to produce any portion of the resources.

Unless otherwise stated herein, any reference to “Prospective Resources” refers to Condor Working Interest, Mean Recoverable, Prospective Resources, Unrisked.

The estimated total costs required to develop the Akshoky North prospect is USD 44 million per internal estimates. Commercial production is planned to commence in 2.5 to 3.5 years from initial prospect discovery using currently established and proven drilling, completion and facility technology. The project is based on conceptual studies.

Forward-Looking Statements

Certain statements in this news release constitute forward-looking statements under applicable securities legislation. Such statements are generally identifiable by the terminology used, such as “anticipate", “appear”, “believe", “intend”, “expect”, “plan”, “estimate”, “budget", “outlook", “scheduled”, “may”, “will”, “should”, “could”, “would”, “in the process of” or other similar wording. Forward-looking information in this news release includes, but is not limited to, information concerning: the timing and ability to execute a production contract with the Government of Uzbekistan under favorable terms, or at all, the fields and exploration areas to be included and the terms and conditions including but not limited to royalty rates, cost recovery, profit allocation, gas marketing and pricing, government participation, governance, baseline production levels and reimbursement methodology; the expected benefits related to the Company’s proposal to the Government of Uzbekistan and the timing and ability to receive feedback and endorsement of the proposal, if at all; the ability to better define the Yakamoz structure, identify seal and trapping mechanisms and the expectation for a more fractured environment which could potentially enhance gas production rates; the timing of and ability to drill new wells, the expected drilling depths, the expected number and location of target formations and the ability of the new wells to become producing wells; the timing and ability to tie the Yakamoz field into the Company's existing gas plant; the timing and ability to pursue other initiatives and commercial opportunities; projections and timing with respect to crude oil, natural gas and condensate production; expected markets, prices costs and operating netbacks for future oil, gas and condensate sales; the timing and ability to obtain various approvals and conduct the Company's planned exploration and development activities; the timing and ability to access oil and gas pipelines; the timing and ability to access domestic and export sales markets; anticipated capital expenditures; forecasted capital and operating budgets and cash flows; anticipated working capital; sources and availability of financing for potential budgeting shortfalls; the timing and ability to obtain future funding on favorable terms, if at all; general business strategies and objectives; the timing and ability to obtain exploration contract, production contract and operating license extensions; the potential for additional contractual work commitments; the ability to meet and fund the contractual work commitments; the satisfaction of the work commitments; and treatment under governmental regulatory regimes and tax laws.

This news release also includes forward-looking information regarding COVID-19 including, but not limited to: travel restrictions including shelter in place orders, curfews and lockdowns which may impact the timing and ability of Company personnel, suppliers and contractors to travel internationally, travel domestically and to access or deliver services, goods and equipment to the fields of operation; the risk of shutting in or reducing production due to travel restrictions, Government orders, crew illness, and the availability of goods, works and essential services for the fields of operations; and decreases in the demand for oil and gas; decreases in natural gas, condensate and crude oil prices.

By its very nature, such forward-looking information requires Condor to make assumptions that may not materialize or that may not be accurate. Forward-looking information is subject to known and unknown risks and uncertainties and other factors, which may cause actual results, levels of activity and achievements to differ materially from those expressed or implied by such information. Such risks and uncertainties include, but are not limited to: regulatory changes; the timing of regulatory approvals; the risk that actual minimum work programs will exceed the initially estimated amounts; the results of exploration and development drilling and related activities; imprecision of reserves estimates and ultimate recovery of reserves; historical production and testing rates may not be indicative of future production rates, capabilities or ultimate recovery; the historical composition and quality of oil and gas may not be indicative of future composition and quality; general economic, market and business conditions; industry capacity; uncertainty related to marketing and transportation; competitive action by other companies; fluctuations in oil and natural gas prices; the effects of weather and climate conditions; fluctuation in interest rates and foreign currency exchange rates; the ability of suppliers to meet commitments; actions by governmental authorities, including increases in taxes; decisions or approvals of administrative tribunals and the possibility that government policies or laws may change or government approvals may be delayed or withheld; changes in environmental and other regulations; risks associated with oil and gas operations, both domestic and international; international political events; and other factors, many of which are beyond the control of Condor. Capital expenditures may be affected by cost pressures associated with new capital projects, including labor and material supply, project management, drilling rig rates and availability, and seismic costs.

These risk factors are discussed in greater detail in filings made by Condor with Canadian securities regulatory authorities including the Company's Annual Information Form, which may be accessed through the SEDAR website (www.sedar.com).

Readers are cautioned that the foregoing list of important factors affecting forward-looking information is not exhaustive. The forward-looking information contained in this news release are made as of the date of this news release and, except as required by applicable law, Condor does not undertake any obligation to update publicly or to revise any of the included forward-looking information, whether as a result of new information, future events or otherwise. The forward-looking information contained in this news release is expressly qualified by this cautionary statement.

Abbreviations

The following is a summary of abbreviations used in this news release:

USD	United States dollars
boe	Barrels of oil equivalent *
boepd	Barrels of oil equivalent per day
Mscf	Thousand standard cubic feet

* Barrels of oil equivalent ("boe") are derived by converting gas to oil in the ratio of six thousand standard cubic feet ("Mscf") of gas to one barrel of oil based on an energy conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6 Mscf to 1 barrel, utilizing a conversion ratio at 6 Mscf to 1 barrel may be misleading as an indication of value, particularly if used in isolation.

The TSX does not accept responsibility for the adequacy or accuracy of this news release.

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