NEWS RELEASE

May 13, 2020

CONDOR ANNOUNCES 2020 FIRST QUARTER RESULTS

CALGARY, May 13, 2020 – 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, 2020 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 2020 Highlights

- On April 22, 2020, the Government of Kazakhstan signed the Shoba and Taskuduk production contract addendums and no further approvals are required in order to complete the sale of the two properties. The transaction is scheduled for closing as soon as practical once the novel coronavirus ("COVID-19") pandemic related travel restrictions currently in place in Kazakhstan have been lifted.
- In January 2020, Condor received United States dollars ("USD") 18.7 million of the Shoba and Taskuduk sale proceeds and used a portion of the funds to fully repay the non-revolving credit facility ("Credit Facility") to become debt-free.
- In February 2020, the Company received a 630 day extension to the Zharkamys West 1 exploration contract ("Zharkamys Contract") from the Government of Kazakhstan and holds a 100% working interest in the contract area. The Company has been having farm-in discussions for this program which have been temporarily deferred due to recent COVID-19 travel restrictions.
- Discussions continue with the Government of Uzbekistan for the Company to secure an agreement to operate five producing gas fields and associated gathering pipelines and gas treatment infrastructure. However, progress has been hampered by recent COVID-19 travel restrictions.
- Despite the decrease in global crude oil prices, Turkish gas prices have remained constant in Turkish Lira and have decreased only 8% to $8.93 as of May 1, 2020 from $9.72 as of January 1, 2020 due to currency exchange fluctuations.
- The Company is in discussions for a farm-in partner to drill the Yakamoz prospect in Turkey. The intent is to drill the Yakamoz side-track well in 2020.

- Also in Turkey, the Destan operating license was extended by three years to June 9, 2023. The extension allows for continued production and exploration in the license area.
- The Company has taken a number of measures 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, has a cash position of $19 million as of March 31, 2020, no debt, and positive netbacks from natural gas sales and no capital commitments in Turkey.
- Continuing operations in Turkey to date have not been materially affected by the COVID-19 pandemic although production decreased to an average of 147 boepd for the first quarter of 2020 from 366 boepd in 2019 due mainly to natural declines, sales decreased to $0.7 million for first quarter of 2020 from $1.9 million in 2019 and the net loss decreased to $0.8 million for first quarter of 2020 from $1.2 million in 2019.

Shoba and Taskuduk Sale

In September 2019, the Company entered into a binding agreement to sell its 100% interests in the Shoba production contract, Taskuduk production contract and associated field equipment for total proceeds of USD 24.6 million (“Sale Agreement”). The buyer (“Buyer”) paid a USD 3.8 million deposit in October 2019 and an additional USD 18.7 million in January 2020.

On April 22, 2020, the Government of Kazakhstan signed the addendums transferring the Shoba and Taskuduk production contracts to the Buyer. Although no further approvals are required, due to the COVID-19 pandemic and related travel restrictions in Kazakhstan, closing of the transaction (“Closing”) has been delayed until the parties are able to conduct the customary Closing and commercial handover procedures. At the request and expense of the Buyer, production was immediately shut in and there will be no further production or sales until Closing has occurred. The Company will continue to manage the properties until Closing, which is expected in the second quarter of 2020.

Of the remaining USD 2.1 million previously due at Closing, the Buyer paid USD 0.6 million in May 2020 and the final payment of USD 1.5 million (“Final Payment”) is due upon Closing. The Final Payment will be reduced by an estimated USD 0.8 million for the net revenues minus operating costs from the properties which attribute to the Buyer from the effective date of December 25, 2019 until the Closing date.

Zharkamys Contract

On February 27, 2020, the Company received the 630 day extension to the Zharkamys Contract from the Government of Kazakhstan and holds a 100% working interest in the contract area. The extension period carries additional work commitments of $3.4 million for the first twelve months and is comprised mainly of drilling two exploration wells. The Company has been having farm-in discussions with a potential partner for this program although these have been temporarily deferred due to the recent COVID-19 travel restrictions.

Production Contract Negotiations with the Government of Uzbekistan

Discussions continue with the Government of Uzbekistan for the Company to secure an agreement to operate five producing gas fields and associated gathering pipelines and gas treatment infrastructure. The Company has submitted and presented a detailed feasibility study and economic analysis for the five producing gas fields to the Government of Uzbekistan and an independent reserves volume evaluation has been completed. However, progress has been hampered by the recent COVID-19 international and Uzbekistan domestic travel restrictions.

If executed, the production contract is expected to include five producing gas fields of interest, associated gathering pipelines, gas treatment infrastructure and the rights to explore and develop certain exploration areas surrounding the respective gas fields. The fiscal and operating terms expected to be defined in the production contract include royalty rates, cost recovery, profit splits, gas marketing and pricing, government participation, governance and steering committee structures, baseline production levels and reimbursement methodology.

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, has a cash position of $19 million as of March 31, 2020, no debt, and positive netbacks from natural gas sales and no capital commitments in Turkey. Please see the Company's Management Discussion and Analysis for the three months ended March 31, 2020 for further information on the potential risks and impacts to the Company related to COVID-19.

Continuing and discontinued operations classification

Following the execution of the agreement for the Sale Transaction, as of September 30, 2019 the related Shoba and Taskuduk net assets and liabilities have been reclassified to assets and liabilities held for sale and the respective results of operations are presented as discontinued operations for all current and prior periods throughout this news release. For further information relating to discontinued operations, please refer to the Company's Financial Statements.

Continuing operations

The Company produces natural gas and associated condensate in Turkey. To date, operations have not been materially affected by the COVID-19 pandemic although production decreased due to natural declines to 13,341 boe in Turkey or an average of 147 boepd and an operating netback[1] of $18.23 per boe for the first quarter of 2020 (Q1 2019: produced 32,959 boe or an average of 366 boepd and an operating netback[1] of $37.61 per boe) and cash used in continuing operations increased to $1.3 million for the first quarter of 2020 versus cash from continuing operations of $0.2 million for the same period in 2019.

A study is underway to identify stimulation workover alternatives that could increase Poyraz Ridge production rates for the lower permeability reservoirs. Subsurface characterization continued on the Yakamoz sub-thrust fold prospect that included reprocessing seismic data and incorporating additional 2D seismic information into a revised geological model. These efforts identified up-dip targets in both the proven Miocene and Upper Eocene reservoirs, in addition to the deeper Middle to lower Eocene reservoirs, which have not yet been tested. The Company previously drilled Yakamoz 1 and encountered numerous gas shows while drilling. A successful Yakamoz 1 side-track well would be tied 2km into the existing Poyraz Ridge gas plant for processing and onward sales. The Company is discussing a farm-in with an interested party and the intent is to drill the side-track well in 2020.

Selected Financial Results of Continuing Operations

For the three months ended March 31 ($000's except per share amounts)	2020	2019
Natural gas and condensate sales	734	1,881
Cash from (used in) continuing operations	(1,287)	181
Net loss from continuing operations	(1,598)	(1,951)
Net loss from continuing operations per share (basic and diluted)	(0.04)	(0.05)
Capital expenditures	51	34

RESULTS OF CONTINUING OPERATIONS

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

	2020			2019		
($000's)	**Gas**	**Condensate**	**Total**	**Gas**	**Condensate**	**Total**
Sales	700	34	734	1,782	99	1,881
Royalties	(91)	(4)	(95)	(217)	(13)	(230)
Production costs	(254)	(6)	(260)	(277)	(7)	(284)
Transportation and selling	(144)	(7)	(151)	(121)	(20)	(141)
Operating netback[1]	211	17	228	1,167	59	1,226
($/boe)						
Sales	57.67	91.15	58.67	56.40	98.90	57.70
Royalties	(7.50)	(10.72)	(7.59)	(6.87)	(12.99)	(7.06)
Production costs	(20.93)	(16.09)	(20.78)	(8.77)	(6.99)	(8.71)
Transportation and selling	(11.86)	(18.77)	(12.07)	(3.83)	(19.98)	(4.33)
Operating netback[1]	17.38	45.57	18.23	36.93	58.94	37.61
Sales volume (boe)	12,138	373	12,511	31,596	1,001	32,597

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.

Results of Discontinued Operations

As noted above, the Company's subsidiary Falcon entered into a binding agreement to sell Falcon's 100% interests in the Shoba and Taskuduk production contracts and associated field equipment in Kazakhstan and accordingly the related activities are presented as discontinued operations. Upon Closing, the net revenues less operating costs generated from the production and sale of crude oil from the oilfields will be attributed to the Buyer from the effective date of December 25, 2019 until the Closing date as an adjustment to the purchase consideration.

To date, operations have not been materially affected by the COVID-19 pandemic although Kazakhstan oil production decreased 14% to 44,368 barrels or an average of 488 bopd for the three months ended March 31, 2020 as compared to the three months ended March 31, 2019 in which the Company produced 51,352 barrels or an average of 571 bopd.

Crude oil sales decreased to $1.7 million on 45,306 bbl or $36.42 per bbl for the three months ended March 31, 2020 from $1.8 million on 47,212 bbl or $38.36 per bbl for the same period in 2019 due mainly to the lower sales volume and realized crude oil prices.

Overall production costs increased to $0.5 million or $10.97 per bbl for the three months ended March 31, 2020 from $0.4 million or $8.90 per bbl for the same period in 2019 due mainly to workover costs incurred in the first quarter of 2020. Production costs are comprised mainly of fuel, heavy equipment, personnel, chemicals, water disposal, safety and maintenance costs.

No depletion and depreciation expense was recognized for the three months ended March 31, 2020 as the Company ceased depletion on assets held for sale on September 23, 2019.

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 “Financial Results” 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.

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 receive the remaining amount due at Closing and the timing and ability to complete the Closing of the Shoba and Taskuduk Sale Agreement; the timing and ability to pursue other growth opportunities; the timing and ability to increase natural gas production and realize commercial gas flow rates for the lower permeability reservoirs; 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 of the production contract including but not limited to royalty rates, cost recovery, profit splits, gas marketing and pricing, government participation, governance, baseline production levels and reimbursement methodology; the timing and ability to drill new wells and the ability of the drilled wells to become producing wells; 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 timing and ability to obtain a farm-in partner for the Zharkamys Contract; the timing and ability to obtain a farm-in partner for Yakamoz; the timing and ability to tie the Yakamoz field into the Company's existing gas plant; the potential for additional contractual work commitments; the ability to meet and fund the contractual work commitments; the satisfaction of the work commitments; the results of non-fulfillment of work commitments; projections relating to the adequacy of the Company's provision for taxes; the timing and ability to collect VAT; 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 to complete the Sale Agreement Closing, 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 prices in Turkey.

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:

bbl	Barrels of oil
bopd	Barrels of oil per day
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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