Management's Discussion and Analysis
For the three months ended March 31, 2020
Dated May 13, 2020

BUSINESS DESCRIPTION AND READER GUIDANCE

Condor Petroleum Inc. ("Condor" or the "Company") is an international oil and gas company incorporated on October 20, 2006 with activities in the Republic of Kazakhstan ("Kazakhstan") and the Republic of Turkey ("Turkey"). Additional information relating to the Company, including its Annual Information Form for the year ended December 31, 2019, is available on SEDAR at www.sedar.com.

The following Management's Discussion and Analysis ("MD&A") of Condor should be read in conjunction with the Company's unaudited interim condensed consolidated financial statements for the three months ended March 31, 2020 and 2019, and the audited consolidated financial statements for the years ended December 31, 2019 and 2018 (the "Financial Statements"). The Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS" or "GAAP") as issued by the International Accounting Standards Board. This MD&A is dated May 13, 2020, the date the Condor Board of Directors approved the Financial Statements and MD&A.

All financial amounts are in Canadian dollars, unless otherwise stated.

NON-GAAP FINANCIAL MEASURES

The Company refers to "operating netback" in this MD&A, 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 "Sales and operating netback" section of this MD&A. 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.

OVERALL PERFORMANCE

Q1 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.

Risk management

Condor has offices, activities and operations in various municipalities and rural areas in Canada, the Netherlands, Turkey, Kazakhstan and Uzbekistan. Company personnel are working, stationed and travel to and from these locations on a regular basis. Such personnel are exposed to various concentrated groups of people and locations within and outside the Company for varying lengths of time. Any personnel or visitor becoming infected with a serious illness that has the potential to spread rapidly could place the personnel and the operations of the Company at risk. COVID-19 is one example of such an illness. Although the Company takes every precaution to strictly follow industrial hygiene and occupational health guidelines, there can be no assurance that COVID-19 or other infectious illnesses will not negatively impact Condor's personnel or its operations.

The Company has taken a number of measures to protect the safety and health of its personnel, contractors and suppliers due to the COVID-19 pandemic. Beginning in early March, all Company office based personnel in all locations have been working remotely. For field operations, only essential personnel and contractors are on site, crew shifts have been lengthened, and arriving crews are not physically overlapping with departing crews. In field working, living and eating conditions have been adjusted to allow physical distancing to the extent possible. Strict and appropriate hygiene practices are required and all non-essential activities have been postponed.

The COVID-19 pandemic has resulted in, and may continue to result in an unprecedented decreased demand for oil and gas, lower oil and gas prices and various travel restrictions which constrain or prohibit international travel and limit or forbid movement within each country of operation. Condor's future operations could be materially impacted by these factors as well as COVID-19 related emergency measures 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; decreases in natural gas prices in Turkey, although to date Turkish Lira denominated domestic natural gas prices have remained unchanged; decreases in oil and natural gas prices in Kazakhstan, although as of the date of this MD&A the Company no longer has production in Kazakhstan due to the pending Shoba Sale Agreement Closing and there is no current or near-term production expected at Zharkamys; the potential for gas pipeline or sales market interruptions; the risk of changes to foreign currency controls, availability of foreign currencies, availability of hard currency, and currency controls or banking restrictions which restrict or prevent the repatriation of funds from or to foreign jurisdiction in which the Company operates; the timing and ability to meet financial and other reporting deadlines; potential decreased interest in and ability to conclude farm-in transactions, potential decreased ability to raise additional capital to fund current operations and new business projects; and the inherent increased risk of information technology failures and cyber-attacks.

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 MD&A. 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 INFORMATION 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 MD&A. The calculation of operating netback is aligned with the definition found in the Canadian Oil and Gas Evaluation Handbook.

Total sales decreased to $0.7 million on 12,511 boe or $58.67 per boe for the three months ended March 31, 2020 (2019: $1.9 million on 32,597 boe or $57.70 per boe). Overall sales have decreased for 2020 to date versus the same period in 2019 due mainly to the decrease in natural gas production and sales but partially offset by the increase in realized gas prices to $58.67 per boe from $57.70. 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.

Operating netbacks decreased to $0.2 million or $18.23 per boe for the three months ended March 31, 2020 from $1.2 million or $37.61 per boe for the same period in 2019 due mainly to decreased gas production and sales volumes, increased per boe production costs due to the high proportion of fixed costs, and increased transportation costs for trucking compressed Destan gas.

Marketing

Natural gas sales in Turkey are domestic sales via pipeline at prices published monthly by the state owned pipeline transportation company BOTAS. The benchmark for Condor's gas sales in Turkey is BOTAS Level 2 wholesale tariffs less a marketing differential.

Gas from the neighbouring Destan gas field in Turkey is currently being produced, compressed and trucked to the Company's owned and operated Poyraz Ridge gas plant and being marketed along with Poyraz Ridge gas production which is directly tied into the gas plant.

Along with natural gas the Company produces small amounts of associated condensate in Turkey. The condensate is trucked to a near-by facility for blending, storage and onward sales. The pricing for condensate sales is based on the nearest accessible global free market and determined by a formula provided for under the Petroleum Market Law and published monthly in Turkish Lira by Turkish Petroleum Corporation, the Turkish national oil company.

Royalties

Royalties decreased to $0.1 million for the three months ended March 31, 2020 from $0.2 million for the same period in 2019 due mainly to the decrease in gas production and sales volumes in Turkey. The Company is subject to a flat royalty rate in Turkey of 12.5% of natural gas and condensate sales.

Production

For the three months ended March 31	2020	2019	Change	Change %
Natural gas (Mscf)	80,047	197,754	(117,707)	(60%)
Natural gas (boe)	13,341	32,959	(19,618)	(60%)
Condensate (bbl)	96	462	(366)	(79%)
Total production volume (boe)	13,437	33,421	(19,984)	(60%)
Natural gas (Mscfpd)	880	2,197	(1,317)	(60%)
Natural gas (boepd)	147	366	(219)	(60%)
Condensate (bopd)	1	5	(4)	(80%)
Average daily production (boepd)	148	371	(223)	(60%)

Overall production for the three months ended March 31, 2020 decreased 60% to 13,437 boe or an average of 148 boepd from 33,421 boe or an average of 371 boepd for the same period in 2019.

Production costs

Overall production costs have remained approximately the same at $0.3 million for the three months ended March 31, 2020 and 2019. Production costs are comprised mainly of fuel, heavy equipment, personnel, chemicals, water disposal, safety and maintenance costs. Per boe, production costs increased to $20.78 from $8.71 due mainly to natural gas production volume decreases for which production costs are mainly fixed.

Transportation and selling expense

Transportation and selling expense increased to $0.15 million or $12.07 per boe for the three months ended March 31, 2020 from $0.14 million or $4.33 per boe for the three months ended March 31, 2019 due mainly to the increase in pipeline tariffs in 2020 and the increased transportation costs associated with trucking Destan gas. Transportation costs on gas sales are comprised of pipeline transmission fees and compressed natural gas trucking costs on Destan sales and on condensate sales are comprised of trucking, blending, storage and loading costs.

General and administrative expense

General and administrative expense is comprised mainly of personnel, professional services, office, and travel costs and increased to $2.9 million for the three months ended March 31, 2020 from $1.4 million for the same period in 2019 due mainly to the costs associated with evaluating and advancing new business development opportunities in Uzbekistan and certain bonuses awarded in February 2020 following the receipt of substantially all of the proceeds from the Shoba and Taskuduk sale.

Depletion and depreciation

Depletion and depreciation expense decreased to $0.4 million for the three months ended March 31, 2020 from $0.7 million for the same period in 2019 due mainly to the decreased gas sales volumes.

Stock based compensation expense

Stock based compensation expense decreased to $0.03 million for the three months ended March 31, 2020 from $0.07 million for the same period in 2019. The expense is recognized on a graded basis and fluctuates based on the timing of the grants and vesting periods.

Finance income

For the three months ended March 31, 2020, finance income, which includes interest income and accretion of Kazakhstan value added tax ("VAT") receivables, amounted to $0.15 million compared to $0.10 million for the same period in 2019.

Finance expense

Finance expense decreased to $0.2 million for the three months ended March 31, 2020 from $0.6 million for the same period in 2019. Finance expense includes interest on long term borrowings, amortization of loan issuance costs, amortization of warrants, interest expense related to lease liabilities, the impact of VAT receivables discounting, and accretion cost on decommissioning provisions.

Foreign currency exchange gains and losses

The foreign exchange gain for the three months ended March 31, 2020 amounted to $1.6 million compared to loss of $0.5 million for the same period in 2019 due mainly to USD denominated cash and cash equivalents held by the Company. The Company is exposed to significant foreign currency risk as the Company's natural gas sales and a substantial portion of foreign activities are transacted in or referenced to foreign currencies including USD, KZT and TRL, and a significant portion of the Company's cash and cash equivalents is held in USD. The Company had no forward exchange rate contracts in place at or during the three months ended March 31, 2020 and 2019.

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.

LIQUIDITY AND CAPITAL RESOURCES

In January 2020, the Company received USD 18.7 million related to the Sale Agreement and used a portion of the proceeds to repay all outstanding long term borrowings. The non-revolving Credit Facility and related security was subsequently discharged in due course and the Company currently has no debt.

Continuing operations in Turkey currently provides the Company positive netbacks on gas sales but overall does not provide positive cash from operating activities. The Company will need to increase production and cash from continuing operating activities, use cash on hand or additional equity and debt financing to fund forward operations.

In Turkey, there are no work commitments related to the Poyraz Ridge or Destan operating licenses and depending on the timing and availability of capital including funds from operating activities, the Company may use cash on hand to conduct additional workovers at Poyraz Ridge in the next twelve months. There are no capital expenditures planned at Destan. The Company is discussing a farm-in with an interested party and the intent is to drill the Yakamoz 1 side-track well in 2020 funded either by the potential farm-in partner or using cash on hand.

The Company is seeking a production contract with the Government of Uzbekistan for five fields of interest and, if successful, would require the Company to use a combination of cash on hand plus additional equity and debt financing.

In Kazakhstan, currently there are no significant capital expenditures planned at Shoba or Taskuduk due to the pending sale of these properties and no significant capital expenditures planned at Zharkamys pending the results of the ongoing farm-in discussions.

COMMITMENTS AND CONTINGENT LIABILITIES

The contractual work commitments for the next twelve months pursuant to the Shoba and Taskuduk production contracts in Kazakhstan are $2.6 million and will be the responsibility of the buyer upon the closing of the Sale Transaction discussed above. These work commitments may be amended from time to time in accordance with planned development activities proposed by the Company and approved by the Government of Kazakhstan and additional amounts could be significant. Non-fulfilment of work commitments for Shoba or Taskuduk could result in punitive actions including the suspension or revocation of the respective contract in the event that financial work commitment fulfilment is less than thirty percent for two consecutive years. Financial work commitment shortfalls for development activities at Shoba and Taskuduk are not subject to penalties while shortfalls on the training, social development and scientific research components may be subject to penalties of one percent of the shortfall.

The contractual work commitments for the next twelve months pursuant to the Zharkamys exploration contract in Kazakhstan are $3.4 million and are comprised mainly of drilling two exploration wells. These work commitments may be amended from time to time in accordance with planned exploration and development activities proposed by the Company and approved by the Government of Kazakhstan and additional amounts could be significant. In addition, any exploration period extensions or subsequent development periods may carry additional work commitments, which could be significant. Non-fulfilment of work commitments for Zharkamys could result in punitive actions including the suspension or revocation of the contract and financial work commitment shortfalls may be subject to penalties of 30% of the shortfall.

There are no work commitments related to the Poyraz Ridge or Destan operating licenses in Turkey.

To fund work commitments, the Company may require additional funding by generating positive cash flows from continuing operations, using cash on hand, securing funding from additional debt or equity financing, disposing of assets, obtaining farm-in partners or making other arrangements.

OUTSTANDING SHARE DATA

Common shares

As at March 31, 2020 and the date of this MD&A there were 44,165,100 common shares outstanding.

Convertible securities

As at March 31, 2020 and the date of this MD&A, outstanding convertible securities are comprised of 3,909,834 stock options with a weighted average exercise price of $0.90 and one million warrants exercisable into one million common shares of Condor at $0.35 per share on or before December 31, 2021.

OFF-BALANCE SHEET ARRANGEMENTS

The Company did not have any off-balance sheet arrangements as at March 31, 2020.

QUARTERLY INFORMATION

The following table sets forth selected financial information of the Company for the eight most recently completed quarters to March 31, 2020:

For the quarter ended (000's except per share amounts) [3]	**Q1 2020**	**Q4 2019**	**Q3 2019**	**Q2 2019**	**Q1 2019**	**Q4 2018**	**Q3 2018**	**Q2 2018**
Sales	734	895	1,097	1,296	1,881	2,694	2,166	3,207
Net loss from continuing operations[1]	(1,598)	(6,926)	(2,933)	(2,243)	(1,951)	(4,174)	(4,654)	(1,899)
Net income (loss) from discontinued operations[1]	780	1,428	750	872	720	638	137	(3,315)
Net loss[1]	(818)	(5,498)	(2,183)	(1,371)	(1,231)	(3,536)	(4,517)	(5,214)
Net loss from continuing operations per share [1]	(0.04)	(0.14)	(0.07)	(0.05)	(0.05)	(0.09)	(0.11)	(0.04)
Net income (loss) from discontinued operations per share [1]	0.02	0.02	0.02	0.02	0.02	0.01	0.01	(0.08)
Net loss per share [2]	(0.02)	(0.12)	(0.05)	(0.03)	(0.03)	(0.08)	(0.10)	(0.12)

1 The net loss in all periods has been impacted by, among other things, production and sales volumes, commodity prices, operating costs, depletion, depreciation and impairment expense, foreign exchange gains and losses and deferred income tax expense/recovery in the respective periods. The net loss amount includes specific significant period items of: $3.5 million deferred income tax expense in Q2 2018; $3.2 million foreign exchange loss in Q3 2018; $3.8 million impairment expense in Q4 2018 and $4.3 million impairment expense in Q4 2019.

2 Per share amounts are basic and diluted.

3 Prior quarterly information has been restated to reflect discontinued operations.

CRITICAL ACCOUNTING ESTIMATES

The timely preparation of the interim consolidated financial statements in accordance with IFRS requires that management uses judgment and make estimates and assumptions regarding the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the interim consolidated financial statements and the reported amounts of revenues and expenses during the period. Such estimates primarily relate to unsettled transactions and events as of the date of the interim consolidated financial statements. The estimated fair value of financial assets and liabilities, by their very nature, are subject to measurement uncertainty. Accordingly, actual results may differ from estimated amounts as future confirming events occur. Further information on the Company's critical accounting estimates can be found in the notes to the annual consolidated financial statements and annual MD&A for the year ended December 31, 2019. There have been no significant changes to the Company's critical accounting estimates as of March 31, 2020.

In March 2020, the World Health Organization declared the COVID-19 outbreak to be a pandemic. For the three months ended March 31, 2020, COVID-19 had an impact on the global economy, including the oil and gas industry. The Company has taken into account the impacts of COVID-19 and the unique circumstances it has created in making estimates, assumptions and judgements in the preparation of the interim consolidated financial statements. Actual results may differ from estimated amounts, and those differences may be material.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Company's President and Chief Executive Officer (CEO) and Vice President, Finance and Chief Financial Officer (CFO) have designed, or caused to be designed under their supervision, disclosure controls and procedures (DC&P) and internal controls over financial reporting ("ICFR") as defined in National Instrument 52-109, "Certification of Disclosure in Issuer's Annual and Interim Filings", in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with IFRS.

During the three months ended March 31, 2020, there have been no changes to the Company's ICFR that have materially, or are reasonably likely to materially affect the ICFR. Because of their inherent limitations, DC&P and ICFR may not prevent or detect misstatements, errors or fraud. Control systems, no matter how well conceived or operated, can provide only reasonable, not absolute assurance that the objectives of the control systems are met.

FORWARD-LOOKING STATEMENTS

Certain statements in this MD&A 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 MD&A 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 MD&A 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; decreases in the demand for oil and gas; decreases in natural gas prices in Turkey, although to date Turkish lira denominated domestic natural gas prices have remained unchanged; decreases in oil and natural gas prices in Kazakhstan, although as of the date of this MD&A the Company no longer has production in Kazakhstan due to the pending Shoba Sale Agreement Closing and there is no current or near-term production expected at Zharkamys; potential for gas pipeline or sales market interruptions; the risk of changes to foreign currency controls, availability of foreign currencies, availability of hard currency, and currency controls or banking restrictions which restrict or prevent the repatriation of funds from or to foreign jurisdiction in which the Company operates; the timing and ability to meet financial and other reporting deadlines; and the inherent increased risk of information technology failures and cyber-attacks.

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 MD&A are made as of the date of this MD&A

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 MD&A is expressly qualified by this cautionary statement.

ABBREVIATIONS

The following is a summary of abbreviations used in this MD&A:

bbl	Barrels of oil
bopd	Barrels of oil per day
boe	Barrels of oil equivalent *
boepd	Barrels of oil equivalent per day
M	Thousands
scf	Standard cubic feet
scfpd	Standard cubic feet per day
CAD	Canadian dollars
KZT	Kazakhstan tenge
TRL	Turkish lira
USD	United States dollars

* 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.