

## Regulatory Announcement

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<b>Company</b>	Condor Resources PLC
<b>TIDM</b>	CNR
<b>Headline</b>	Acquisition
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17 November 2006

### Condor Resources Plc ("Condor" or "the Company")

#### Project Acquisition and Trading Update

Condor Resources Plc (AIM:ticker code "CNR") announces that, after completing detailed due diligence, it has acquired an option over two new gold projects, the Kuikuinita and Columbus projects (the "Projects"), in the north eastern quadrant of Nicaragua, Central America. The Directors believe that both Kuikuinita and Columbus hold potential, yet to be fully tested, and that the results demonstrated by previous explorers merit further investigation.

#### Highlights

Under the terms of the Option and Farm In Agreement, signed on 20<sup>th</sup> August 2006 with a full Due Diligence completed with signing a Variation Agreement on the 26<sup>th</sup> October 2006:

- Condor has made an initial payment of US\$100,000 to the Nicaraguan vendors, Chorti Holdings SA for both licences;
- Condor has a deadline of 31 March 2007 to complete initial field studies to allow a full geological assessment of the Projects' potential and to exercise its options;
- Upon the exercise of its options, Condor will make a further payment of US\$100,000 per licence to Chorti Holdings SA by 31 March 2007; and
- Condor will earn an 80% interest by expending at least US\$1 million on each Project in the three year period to 31 March 2010.

The Company has commenced initial confirmatory mapping and sampling programmes and will also re-sample existing drill core from the two Project areas. The initial and future considerations in respect of the options will be met from the Company's existing resources. Condor raised £4.85m gross in a successful Placing of 40.95 million shares at 10p per share on Admission to AIM in May 2006 and a subsequent placement of 7.5 million shares at 10p per share on the 2<sup>nd</sup> June 2006.

Nigel Ferguson, CEO of Condor, commented: "Our review of the available data is well advanced and we will complete further field check studies to confirm that both the Kuikuinita and Columbus Projects have significant potential as believed. A further four months of work, in addition to the two months of due diligence work already completed, will be undertaken to ensure that the projects meet the strict selection criteria used by Condor's management.

"Initial review work has been very encouraging for both Projects and further geochemical results should be available early in 2007. We hope to be able to announce positive results for both Projects."

#### The Kuikuinita Project

The Kuikuinita Project contains Tertiary aged Dacitic tuffs overlaying an Ultramafic sequence that are intruded by coeval Dacite dykes. A trenching programme carried out by Pila Gold demonstrated that gold mineralisation in the Loma Los Indios area occurs either in the Dacite dykes or adjacent to them in the surrounding intruded units. More intense alteration in the dykes and the association with elevated gold values

strongly suggests that the alteration and mineralisation are related to the Dacite dykes.

Trench sampling by Pilar Gold in the San Antonio area in an oxidized and weathered Ultramafic returned up to 17.3 grammes per tonne of gold (“g/t Au”) over 5 metres. Panned concentrate from these high grade samples revealed magnetite grains with native gold. The most significant gold mineralisation intercepted in the Pilar Gold program in drill core was in the following drill holes:

- KUDH-10, an apparently stratiform pyritic lens in an agglomerate carries 12.85g/t Au over 2.8 metres;
- KUDH-11, a gossanous sample in mafic volcanics reported 16.2g/t Au and 82.6g/t of silver (“Ag”) over 0.86m, and in
- KUDH-20, a pyritic zone reported 8.6g/t Au over 1.52 metres.

These apparently represent three separate sulfide lenses. This style of mineralisation potentially represents a volcanic hosted massive sulfide (VMS) exploration target.

Additionally, silver plus base metal mineralisation associated with a fault zone was intercepted in drill hole KUDH-7. Oxide mineralisation occurs in mafic volcanics adjacent to a Dacite dyke, suggesting a genetic association with the dyke. This intercept averaged 226g/t Ag, 0.82g/t Au, 0.6% copper (“Cu”), 3.35% lead (“Pb”) and 1% Zinc (“Zn”) over 20.9 metres, with a high of 774g/t Ag, 2.2g/t Au, 12.48% Pb, and 1.9% Cu over 2.74 metres. Follow up drilling showed this fault zone to be cone shaped and pinching at depth, with significant supergene enrichment. Further investigative work is required to determine its full potential.

### The Columbus Project

The Columbus area includes Cerro Columbus, which extends west to another zone of greisen alteration with associated breccia pipes where gold occurs in a quartz-specularite breccia pipe. Trench results by previous explorers include COL-04 with 2.26g/t Au over 19.5 metres. Gold is also associated with the quartz-tourmaline breccia pipes in oxide zones after sulphides, with results in trench COL-03 reporting 1.43g/t Au over 13.35 metres from this zone.

The presence of the quartz-tourmaline breccias and the greisen alteration indicate a high temperature or proximal intrusion related to a gold copper system. Previous explorer, Pila Gold, believed that another stock phase underlying Cerro Columbus is the source of the alteration and prospective mineralization present, possibly indicating multiple mineralized intrusive phases.

The quartz-specularite breccia, south of Cerro Columbus, is also highly anomalous in molybdenum (“Mo”), averaging 682ppm Mo over 35.4 metres in trench COL-04. The high levels of Mo present may indicate a proximal intrusion related system consistent with the theory that there are multiple intrusive phases, a favorable environment for porphyry hosted mineralization.

Significant results from previous diamond drilling completed by Pila Gold include:

Hole	Interval (metres)	g/t Au	g/t Ag	% Cu	% Mo
CODH-1	8.68	2.52	*NR	*NR	*NR
including	1.52	6.5	22.3	0.12	0.2
CODH-2	19.8	3.14	*NR	*NR	*NR
including	2.58m	18.37	*NR	*NR	*NR
CODH-3	22.4m	1.07	*NR	*NR	*NR
including	3.05m	2.46	12.3	0.23	*NR

\*NR – Not Reported

### Current Projects in Nicaragua

The Company has also completed its initial review of four licences within Nicaragua through field verification of anomalous zones as defined by previous exploration programs. The Company considers the results of the verification program on the four licences, Chachagua, Cerro de Oro, Guapinol and El Gallo, to fall short of the criteria for further work commitments. It has thus been decided to return the licences to the vendors,

Chorti Holdings.

### Qualified Person's Declaration

The information in this announcement that relates to Exploration Results is based on information compiled by and reviewed by Nigel Ferguson, CEO, who is a Member of the Australian Institute of Mining and Metallurgy and a geologist with over 20 years of experience in the exploration and definition of precious and base metal Mineral Resources and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the type of activity which he is undertaking to qualify as a Qualified Person as defined in the March 2006 Edition of the AIM Guidance Note for Mining, Oil and Gas Companies. He consents to the inclusion in the report of the matters based on his information in the form and context in which it appears and confirms that this information is accurate and not false or misleading.

**Ends**

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### About Condor Resources Plc:

Condor Resources Plc was admitted to AIM on 31<sup>st</sup> May 2006 and raised £4.9m. Condor is a mining exploration company focused on El Salvador and Nicaragua. The Company has 100% ownership of four licences and is earning 100% interest in a fifth licence contained in three project areas in El Salvador. Condor also has the option to earn an 80% interest in five existing licences, not including Kuikuinita and Columbus, and one licence which is under application contained within three project areas in Nicaragua.

An independent competent persons report prepared by Ravensgate and included in the Company's Admission Document reported Inferred Mineral Resources, as defined by the JORC standard, of some 354,500oz gold and 18.3Moz silver within two contiguous licences in El Salvador.

The Company's principal objective is to update and extend its mineral resources. The Company intends to continue to drill test targets within its' Project areas. The drilling programme is planned to be between 20,000m and 40,000m of combined reverse circulation and diamond drilling.

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