



# Condor Resources Plc

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

### **Mineral Resource Update for the Cacao Concession in La India Project, Nicaragua**

Condor (AIM: CNR), is pleased to announce that independent consultancy, SRK Consulting (UK) Ltd ('SRK') have completed an updated Mineral Resource Estimate on the Cacao Vein on Condor's 100%-owned Cacao Concession, in Central Highlands of Nicaragua, within the La India Project area which comprises of a number of Concessions owned or part owned by the Company in Nicaragua. The Mineral Resource has been compiled in accordance with the terms and definitions given in "The 2004 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code") as published by the Joint Ore Reserves Committee ("JORC") of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia."

Condor was granted the Cacao Concession by the Government of Nicaragua on 8<sup>th</sup> January 2007 for a period of 25 years. SRK has estimated a JORC compliant Inferred Mineral Resource for the Cacao Vein of 0.59 Mt at 3.0g/t for 58,000 oz of gold. SRK has applied the same parameters and Mineral Resource estimation methodology as for the 4.82 Mt at 6.4g/t for 988,000 oz of gold JORC Mineral Resource announced on 13<sup>th</sup> April 2011 within the neighbouring 80% owned La India Concession. The total Mineral Resource defined by Condor in the La India Project now stands at 1,046,000 oz gold at 6.0g/t (849,000 oz gold attributable), including 1.18 Mt at 7.6g/t for 290,000 oz in the Indicated category, which is a slight increase from 832,000 oz gold attributable. All the Indicated Mineral Resources are located in and around the historic La India and America-Constancia gold mines.

The gold mineralisation at Cacao is contained within a 1m to 6m wide, vertical to steeply dipping, east-west striking epithermal vein. Two high grade shoots have been identified from over 1,000m of trenching and 22 drillholes for 2,170m of reverse circulation and diamond core drilling completed by Condor between 2007 and 2008 along a 600m long section of the vein that is exposed at surface. The trench sampling which was undertaken at 20m intervals returned a best trench intercept of 7m at 2.39g/t gold. The drilling was completed at between 40m and 80m spacing, to a maximum 160m below surface, and included best intercepts within the wireframed zone of:

- 14.05m (6.4m true width) at 6.05g/t gold from 87m drill depth (CCRD002),
- 3.28m (2.1m true width) at 6.92g/t gold from 134m drill depth (CCRD014), and
- 2.6m (0.8m true width) at 34.1g/t gold from 132.9m drill depth including 0.85m (0.2m true width) at 99.7g/t gold (CCRD006).

Gold mineralisation remains open along strike in both directions where it is unexplored beneath recent sedimentary cover sequences. Evidence of continued mineralisation along the Cacao trend has been recognised 1.6km along strike to the east on Condor's contiguous Santa Barbara

Concession, and 3.5km to the west where several east-west striking veins have been recognised in the vicinity of the recently announced Central Breccia on the neighbouring La India Concession

The Cacao Resource has been estimated over a 500m strike length and the depth extends between 170m and 210m down dip. SRK applied a 1.5g/t gold cut off grade based on economic assumptions including a gold price of US\$1,200 and 90% recovery, and a top cut of 25g/t based on statistical analysis of the data.

Mark Child, Executive Chairman and CEO of Condor Resources plc, commented:

“The wholly owned 11.9 sq km Cacao Concession was the first concession granted to Condor in La India Mining District in January 2007. It led Condor to focus on the District so that today Condor has seven adjoining and contiguous concessions in the District covering 166 sq km. Condor asked SRK to calculate an independent Mineral Resource estimate and 3D model for the Cacao Concession so that the entire La India Project has a JORC compliant Mineral Resource estimated by one independent resource consultant. I am pleased that the revised Cacao resource has increased slightly in both size and grade from the maiden Cacao resource announced in April 2008 and that the JORC Code Resource for La India Project now stands at 5.41Mt at a grade of 6.0g/t producing 1,046,000 oz of gold (849,000 oz gold attributable)” .

### ***Competent Person's Declaration***

The information in this announcement that relates to Exploration Results and database is based on information compiled by and reviewed by Dr Luc English, the Country Exploration Manager, who is a Chartered Geologist and Fellow of the Geological Society of London, and a geologist with sixteen years of experience in the exploration and definition of precious and base metal Mineral Resources. Luc English is a full-time employee of Condor Resources plc and has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration, and to the type of activity which he is undertaking to qualify as a Competent Person as defined in the June 2009 Edition of the AIM Note for Mining and Oil & Gas Companies. Luc English consents to the inclusion in the announcement of the matters based on their information in the form and context in which it appears and confirms that this information is accurate and not false or misleading.

The Mineral Resource estimate has been completed by Ben Parsons, a Senior Resource Geologist with SRK Consulting (UK) Ltd, who is a Member of the Australian Institute of Mining and Metallurgy, MAusIMM(CP). Ben Parsons has some ten years experience in the exploration, definition and mining of precious and base metal Mineral Resources. Ben Parsons is a full-time employee of SRK Consulting (UK) Ltd, an independent Consultancy and has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration, and to the type of activity which he is undertaking to qualify as a Competent Person as defined in the June 2009 Edition of the AIM Note for Mining and Oil & Gas Companies. Ben Parsons consents to the inclusion in the announcement of the matters based on their information in the form and context in which it appears and confirms that this information is accurate and not false or misleading.

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For further information please visit [www.condorresourcesplc.com](http://www.condorresourcesplc.com) or contact:

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#### About Condor Resources Plc:

Condor Resources plc is an AIM listed exploration company focused on developing gold and silver resource projects in Central America. The Company was admitted to AIM on 31<sup>st</sup> May 2006 with the stated strategy to prove up JORC Resources in Nicaragua and El Salvador. Condor has five 100% owned concessions and 80% of La India concession in La India Mining District (La India Project); three 100% owned concessions in three other project areas and 20% in the Cerro Quiroz concession in Nicaragua. In El Salvador, Condor has 90% ownership of four licences in two project areas.

Condor's concession holdings in Nicaragua currently contain an attributable JORC compliant resource base of 849,000 ounces of gold at 6.0g/t in Nicaragua and an attributable 1,008,000 oz gold equivalent at 2.6g/t JORC compliant resource base in El Salvador. The Resource calculations are compiled by independent geologists Ravensgate, Geosure and SRK

#### Disclaimer

Neither the contents of the Company's website nor the contents of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into, or forms part of, this announcement.

#### Technical Glossary

Assay	The laboratory test conducted to determine the proportion of a mineral within a rock or other material. Usually reported as parts per million which is equivalent to grams of the mineral (i.e. gold) per tonne of rock
Breccia	A rock made up of angular rock fragments cemented together by a finer grained matrix
Down-dip	Further down towards the deepest parts of an ore body or zone of mineralisation
Epithermal	Mineral veins and ore deposited from fluids at shallow depths at low pressure and temperatures ranging from 50-300°C
Gold Equivalent	Gold equivalent grade is calculated by dividing the silver assay result by 60, adding it to the gold value and assuming 100% metallurgical recovery
Grade	The proportion of a mineral within a rock or other material. For gold mineralisation this is usually reported as grams of gold per tonne of rock (g/t)
g/t	grams per tonne
Inferred Mineral Resource	That part of a Mineral Resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is

	inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that may be limited, or of uncertain quality and reliability
Intercept	Refers to a sample or sequence of samples taken across the entire width or an ore body or mineralized zone. The intercept is described by the entire thickness and the average grade of mineralisation
JORC	Australian Joint Ore Reserves Committee, common reference to the Australasian Code for reporting of identified mineral resources and ore reserves
Mineral Resource	A concentration or occurrence of material of economic interest in or on the Earth's crust in such a form, quality, and quantity that there are reasonable and realistic prospects for eventual economic extraction. The location, quantity, grade, continuity and other geological characteristics of a Mineral Resource are known, estimated from specific geological knowledge, or interpreted from a well constrained and portrayed geological model
oz	Troy ounce
Quartz veins	Deposit of quartz rock that develop in fractures and fissures in the surrounding rock. They are deposited by saturated geothermal liquids rising to the surface through the cracks in the rock and then cooling, taking on the shape of the cracks that they fill.
Reverse circulation drilling	A drilling method in which penetration is achieved through a combined hammer and rotary drilling action and pulverised rock samples are transported to the surface through the drilling rods using compressed air. The 1m samples collected for analysis are of sufficient quality to be used in a Mineral Resource Estimation.
Sedimentary cover sequence	Recent material transported and deposited on top of the bedrock, includes river transported alluvium, down slope transported colluviums and landslide deposits
Strike length	The longest horizontal dimension of an ore body or zone of mineralisation