



# Condor Resources Plc

7<sup>th</sup> Floor  
39 St. James's Street  
London  
SW1A 1JD  
Telephone +44 020 74081067  
Fax: +44 020 74938633

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

### **La India Project – 5,160m Drilling Completed – Further High Grade Intercepts on the Constancia and Tatiana Veins demonstrate Continuity of Gold Mineralisation**

Condor (AIM: CNR) is pleased to announce that the results of further diamond core drilling have extended the size of the high grade mineralisation discovered on the Constancia Vein, along strike of the existing Constancia Resource, and improved the confidence and extended the depth of the known mineralisation on the Tatiana Vein on La India Project in Nicaragua. The La India Project hosts a JORC Code compliant resource of 988,000 oz gold at 6.4g/t of which 290,000 oz gold at 7.6g/t is in the Indicated Category and the balance is in the Inferred Category. Condor has an attributable interest of 790,400 oz in the La India Project through its 80% equity interest in the project.

Since the last update on the 9<sup>th</sup> May, Condor has drilled a further 28 drillholes for 4,115m bringing the total to 40 drillholes for 5,160m drilled this year, including four re-drills to rectify poor core recovery in the initial drill hole.

Assay results have been received for a total 26 of the drillholes, accounting for 3,446m of the drilling to date. Since the last update, the drilling has concentrated on defining the strike and depth extent of the high grade shoot discovered on the Constancia Vein (announced 9<sup>th</sup> May 2011). This further increased the strike length and depth continuity of the Tatiana Vein and completed the maiden drilling programme on the San Lucas-Capulin Vein. Significant drilling intercepts, defined here as having a grade multiplied by downhole intersection width exceeding 1gm/t, have been returned from thirteen out of the twenty six drillholes. The remaining thirteen drillholes include one that intercepted a mine adit, two that returned poor core recovery through the mineralised zone and required re-drilling, and ten holes that intercepted the low-grade zones expected between high grade shoots. This proportion of high grade to low grade intercepts is to be expected when drilling on 100m spacing to define high grade zones with maximum dimensions of only a few hundred metres.

Prospect	Drillhole ID	From	To	Width	Au (ppm)	Comments
Constancia	LIDC023	63.9	65.4	1.4	17.4	Discovery of new zone
	LIDC031	105.6	105.85	0.25	7.48	100m along strike of LIDC023
	LIDC032	159.95	160.75	0.80	19.2	100m down-dip of LIDC023
Tatiana	LIDC029	81.7	82.5	0.8	10.79	Extended high-grade shoot along strike
	LIDC030	194.45	202.05	7.6	1.82	Open to depth – additional assay results pending
	LIDC034	57.0	58.5	1.5	1.22	350m along strike of Resource
	LIDC036	208.65	210.05	1.4	3.05	Extended mineralisation down-dip
	LIDC040	147	148.8	1.8	10.8	Extended mineralisation down-dip
San Lucas-Capulin	LIDC037	83.5	84.15	0.65	1.52	Strike extension of historic mine
	LIDC038	166.15	116.85	0.7	1.54	Down-dip of historic mine
	LIDC039	126.0	129.25	3.25	1.13	Down-dip of historic mine
	LIDC044	118.3	119.5	1.2	1.89	Including <b>0.35m at 4.48g/t Au</b> from 118.3m. Below high-grade trench
America	LIDC025	39.9	41.2	1.3	1.04	Below high-grade trench

### Constancia

The Constancia Vein has a current JORC Code compliant Mineral Resource of 59,000 oz of gold at 8.0g/t, of which 38,000oz of gold at 10.0g/t is in the Indicated category and 21,000 oz of gold at 5.9g/t is Inferred. The Resource is defined around the 500m strike length that was historically mined (announced 13<sup>th</sup> April 2011). Follow-up drilling to define the volume of the high grade shoot discovered 300m along strike to the East of the Constancia Resource Block is ongoing. Drilling along strike and down-dip of the discovery hole, which assayed 1.4m at 17.4g/t gold from 63.9m drill depth (drill hole LIDC023), on a nominal 100m grid spacing and is designed to allow inclusion of this zone at Inferred category in the next Mineral Resource update. High grade drilling intercepts have been returned from two holes drilled adjacent to the discovery hole; 0.25m at 7.48g/t from 105.6m drill depth (drill hole LIDC031) located 100m along strike and 0.8m at 19.2g/t of gold from 159.95m drill depth (drill hole LIDC033) located 100m down dip, thus confirming continuity of mineralisation. Assay results are pending from two holes drilled another 100m further along strike to the East, and further drilling along strike and down dip is planned to try and define the limits of the high grade mineralisation.

### Tatiana

The current JORC Code compliant Inferred Mineral Resource of 430,000t at 7.3g/t for 101,000 oz of gold at Tatiana is based on drilling to less than 100m below surface along a 500m strike length. As reported on the 9<sup>th</sup> May 2011, the first hole drilled down-dip of the current resource block returned encouraging results with three mineralised intervals spread over a 6.5m drill depth returning a combined 2.25m at 3.66g/t of gold from 194.45m drill depth, open to depth (drill hole LIDC030). Further drilling at this level, at 100m intervals along strike, is ongoing with the two out of the four planned drill holes that have been completed returning intercepts of 1.8m at 10.8g/t of gold from 147m drill depth (drill hole LIDC040) and 1.4m at 3.05g/t of gold from 208.65m drill depth (drill hole LIDC036). Assay results are pending for an extension of drill hole LIDC030 which was undertaken with improved drilling equipment in order to pass through the footwall of the mineralised structure and thereby test the entire width of the mineralised zone.

### **San Lucas-Capulin**

A programme of 12 drillholes for 1,783m has been completed on the north-south striking San Lucas-Capulin Vein. The drilling tested the vein along strike to the north of the historically mined area, down-dip of the historic mine, and beneath two zones of high-grade surface mineralisation defined by trench sampling further along strike to the south. Assay results have been received for four drillholes which were drilled to the north and down-dip of the historic mine workings. Assay results for this area are generally disappointing with a best intercept of only 3.25m at 1.13g/t of gold from 126m drill depth (drill hole LIDC039). Assay results have been received for one of the seven holes drilled beneath the two zones of high grade trench intercepts further to the South. The results from this hole are more encouraging with a 1.8m wide quartz vein assaying at 1.89g/t of gold including a higher grade intercept of 0.35m at 4.48g/t of gold from 118.3m drill depth. A clearer indication of the subsurface prospectivity of this part of the vein will emerge when the assay results for the remaining six drill holes become available.

### **Ongoing Exploration Programme**

Drilling has commenced on the La India Vein Set, which comprises the principal historic underground development in the District. The La India Vein Set comprises the northwest striking La India Vein and the perpendicular (East-West) intersecting Teresa, Arizona and Agua Caliente veins. The La India Vein Set accounts for 45% of the existing Mineral Resource on La India Project with a combined resource of 451,000 oz at 7.0g/t. Three drillholes for 558m have already been completed on the Teresa and Agua Caliente branches of the La India Vein Set, however no assay results have been received yet. Future and ongoing drilling is planned to continue to test strike extensions to the La India Vein Set, define and expand the newly discovered mineralisation at Constancia and expand the resource at Tatiana, as well as test below the deepest levels of the principle workings on the La India, America and Constancia veins. Ongoing surface exploration through mapping, rock chip sampling and trenching is expected to present new drilling targets.

Mark Child, Chairman of Condor Resources, commented:

“Condor has completed 5,160m for 40 drill holes of a 20,000m drill programme on La India Project since commencing drilling on 30<sup>th</sup> January 2011. The Company is encouraged by the assay results received so far for 26 drill holes. Of particular note are the drill results at the Constancia and Tatiana Veins. The continuity of mineralisation at the newly discovered high grade shoot to the East of the Constancia Resource, with results of 1.4m at 17.4g/t and 0.80m at 19.2g/t, demonstrates the potential to extend the current JORC Code Resource along strike and to depth. – the Constancia Vein was mined to over 200m depth only 300m away from the new discovery. The Tatiana Vein continues to show continuity at depth and along strike with a best drill result of 1.8m at 10.8g/t. A drill rig will continue operating between the Constancia and Tatiana Veins with the aim of extending the known mineralisation along strike and to depth, which should substantially grow the current Mineral Resource.

“A drill rig has been relocated to La India Vein Set, which hosts a Resource of 451,000 oz of gold at 7.0g/t of which approximately 30% is in the Indicated Category, it has already completed 558m drilling. SRK Consulting’s full report on La India Project was released on 14<sup>th</sup> July 2011. Condor is initiating two key recommendations. Firstly, to implement a drill programme aimed at proving whether there is a series of veins parallel to the main La India Vein as indicated by a 300m adit, driven into the side of the hill perpendicular to the main La India Vein, which has returned multiple high grade assay samples and secondly, to drill to depth in the high grade ore shoots under the historic La India Mine. Condor aims to have an increased JORC Code Compliant Resource by the 31<sup>st</sup> December 2011, which will include the results of the 5,160m drilled to date and additional drilling on La India Project as described above”.

## **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.

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

Condor Resources plc	Mark Child, Executive Chairman and CEO +44 (0) 20 7408 1067	Luc English, Country Manager Nicaragua & El Salvador +505 8854 0753
Ambrian Partners Limited	Samantha Harrison and Ben Wright +44 (0) 20 7634 4700	
Farm Street Media	Simon Robinson +44 (0) 7593 340107	

### **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 four 100% owned licenses and 80% of La India concession in La India Mining District; three 100% owned licences in three other project areas and 20% in the Cerro Quiroz concession in Nicaragua. In El Salvador, Condor has 100% ownership of four licences in two project areas.

Condor's concession holdings currently contain a JORC compliant inferred resource base of 1,029,000 ounces of gold in Nicaragua and 747,000 ounces of gold and 22 million ounces of silver in El Salvador. The Resource calculations are compiled by independent geologists Ravensgate, Geosure and SRK.

### **Disclaimer**

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