



# Condor Resources plc

Ocean Equities Mining for Growth Conference

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[www.condorresourcesplc.com](http://www.condorresourcesplc.com)

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# Introduction

- Gold & Silver exploration in El Salvador & Nicaragua
- Founded 2005
- Listed on AIM in May 2006 at 10p, raised £4.8m
- 2007 – moratorium in El Salvador, location of all Condor’s JORC resource at that time
- 2008 - £2m placement at 1p
- 2010 – granted 6 concessions in Nicaragua
- 2010 – Sept- concession swap with B2Gold flagship La India Project in Nicaragua with 1.84m oz gold @ 9.2g/t to Russian Standard
- 2011 – April - £3m placement at 9p to Macquarie Bank Ltd
- 2011 – April -1,029,000 oz gold @ 5.4g/t (832,000 oz gold attributable to Condor) to JORC Code by SRK
- 2011 – Aug – acquired 513,000 oz gold @ 11.1g/t to Russian Standard
- 8,400m of 20,000m drill programme completed



## JORC Code Resource

- Nicaragua - 1,029,000 oz gold @ 5.4g/t (832,000 oz net attributable)
- La India Mining District, one location
  - 290,000 oz gold @ 7.6g/t in Indicated Category
  - 739,000 oz gold in Inferred Category

- El Salvador – 1,112,000 oz gold equivalent @ 3.0g/t (90%attributable)
- 30% silver content
  - two locations

TOTAL – 2,141,000 oz gold equivalent (1,832,000 oz net attributable)



# Strategy

- Define as large as possible JORC Code Resource on La India Project in Nicaragua.
- Short term target of 2m oz gold.
- Bring La India Project to Bankable Feasibility Study
- Lobby Government in El Salvador to re-commence exploration



# Corporate Management Structure

Mark Child  
Chairman

Jim Mellon  
Director  
Non Executive  
Independent  
Director

Dr Luc English  
Country  
Exploration  
Manager  
Central America

Armando Tercero  
Senior  
Exploration  
Geologist  
Nicaragua

Jose-Mario Gonzalez  
Country  
Administration  
Manager  
Central America



# Nicaragua Concessions – 257 sq km landholding

## POTRERILLOS

3.5km strike gold-bearing structure,  
Historical production of 90,000oz gold  
on Potrerillos & adjacent San Albino Mine.

## ESTRELLA

Historic gold mine,  
15.2m @ 6.73g/t gold in trenching,

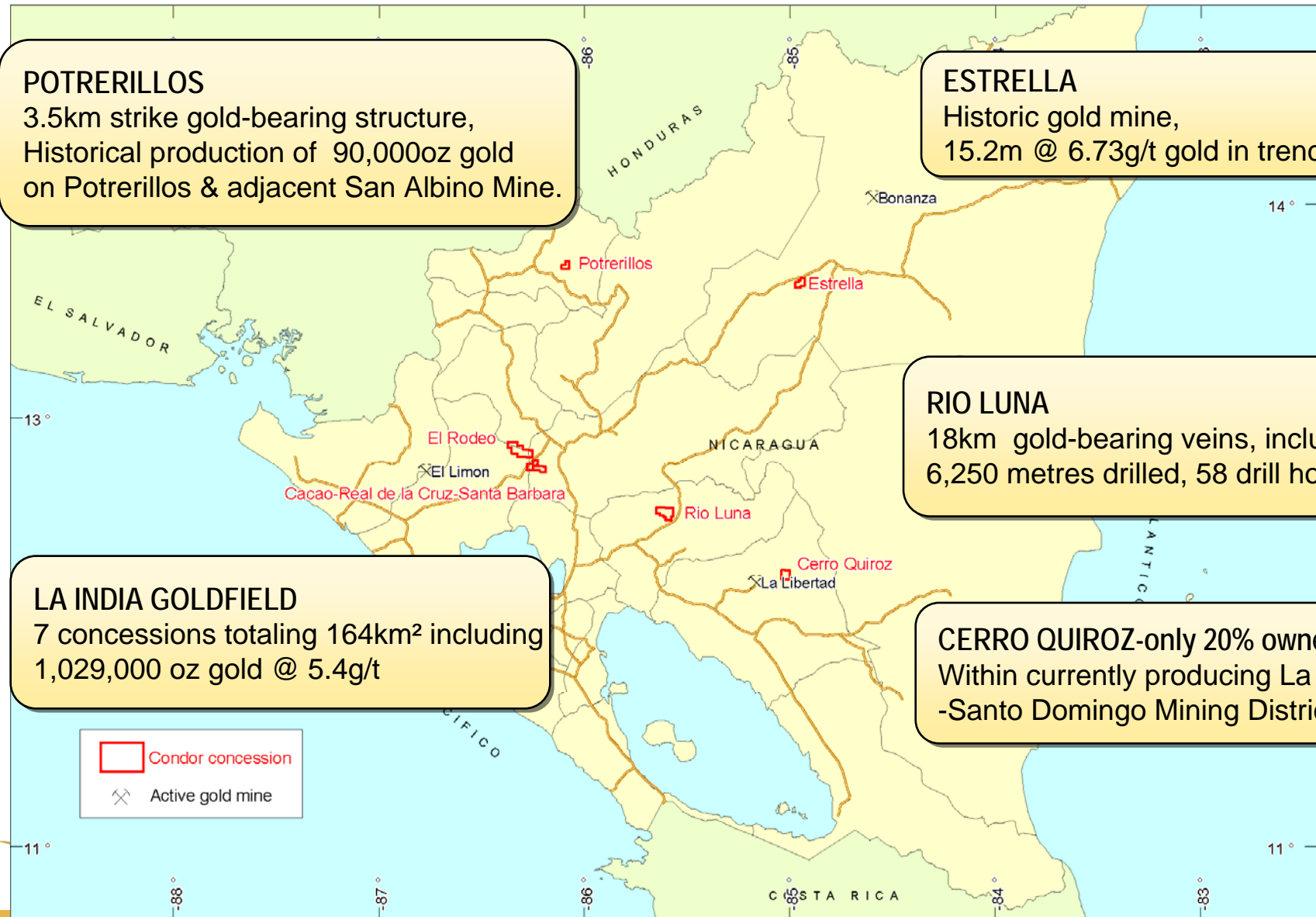
## RIO LUNA

18km gold-bearing veins, including  
6,250 metres drilled, 58 drill holes

## LA INDIA GOLDFIELD

7 concessions totaling 164km<sup>2</sup> including  
1,029,000 oz gold @ 5.4g/t

**CERRO QUIROZ**-only 20% owned  
Within currently producing La Libertad  
-Santo Domingo Mining District.



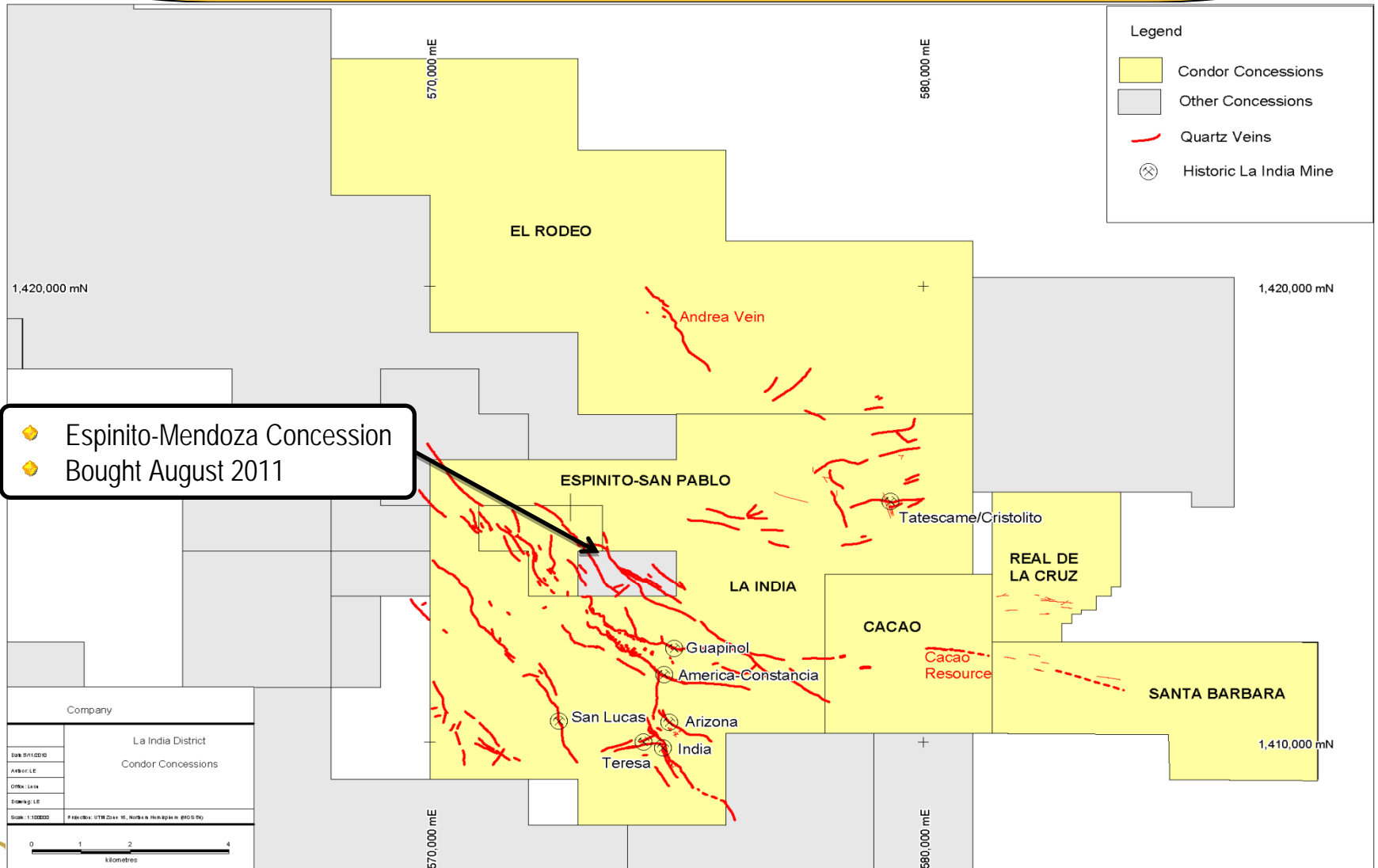
## Why Nicaragua?

- Mining friendly Government
- 3 operating mines produce 200,000 oz p.a
- Large artisanal mining community
- Gold was 3<sup>rd</sup> largest export in 2010
- 25 year exploration and exploitation concessions
- Democracy since 1991
- 3% royalty and 25% corporation tax





# La India Mining District- Condor has 164 sq km



## Key Features of La India Project

- Historic La India Mine produced 576,000 oz gold @ 13.4g/t prior to closure in 1956. Peak production 41,000 oz gold p.a.
- 5 year Soviet sponsored exploration programme, in 1991, estimated resource 2,438,000 oz gold @ 9.5g/t of which C1+C2= 958,000 oz + P1=1,480,000 oz
- 2,400,000 oz gold @ 9.5g/t to Soviet Classification on Condor's concessions
- 1,029,000 oz gold @ 5.4g/t to JORC Code
- On 66 sq km, but Condor has 166sq km in District
- 18 separate veins in District – 8km has been drill tested
- 17km veins defined by trenching and rock chip samples
- Main tarmac road southern end of project. Electricity pylons by road



## SRK reported 988,000 oz gold JORC Resource @ 6.4g/t

On 80% owned La India concession- announced 13<sup>th</sup> April 2011:

290,000 oz gold @ 7.6g/t indicated category

698,000 oz gold @ 6.0g/t inferred category

(790,000 oz gold @ 6.4g/t attributable JORC Resource)

By consolidating historic data:

- 17,600 metres of drilling
- 135 drill holes
- 13,500 metres surface trenching
- 3,000 metres underground adit samples- tunnels opened
- 9,000 original underground mine grade control samples
- SRK produced above resource in 3D model
- Condor defined 41,000 oz inferred JORC resource at Cacao in 2008. La India Project total **1,029,000 oz @ 5.4g/t**

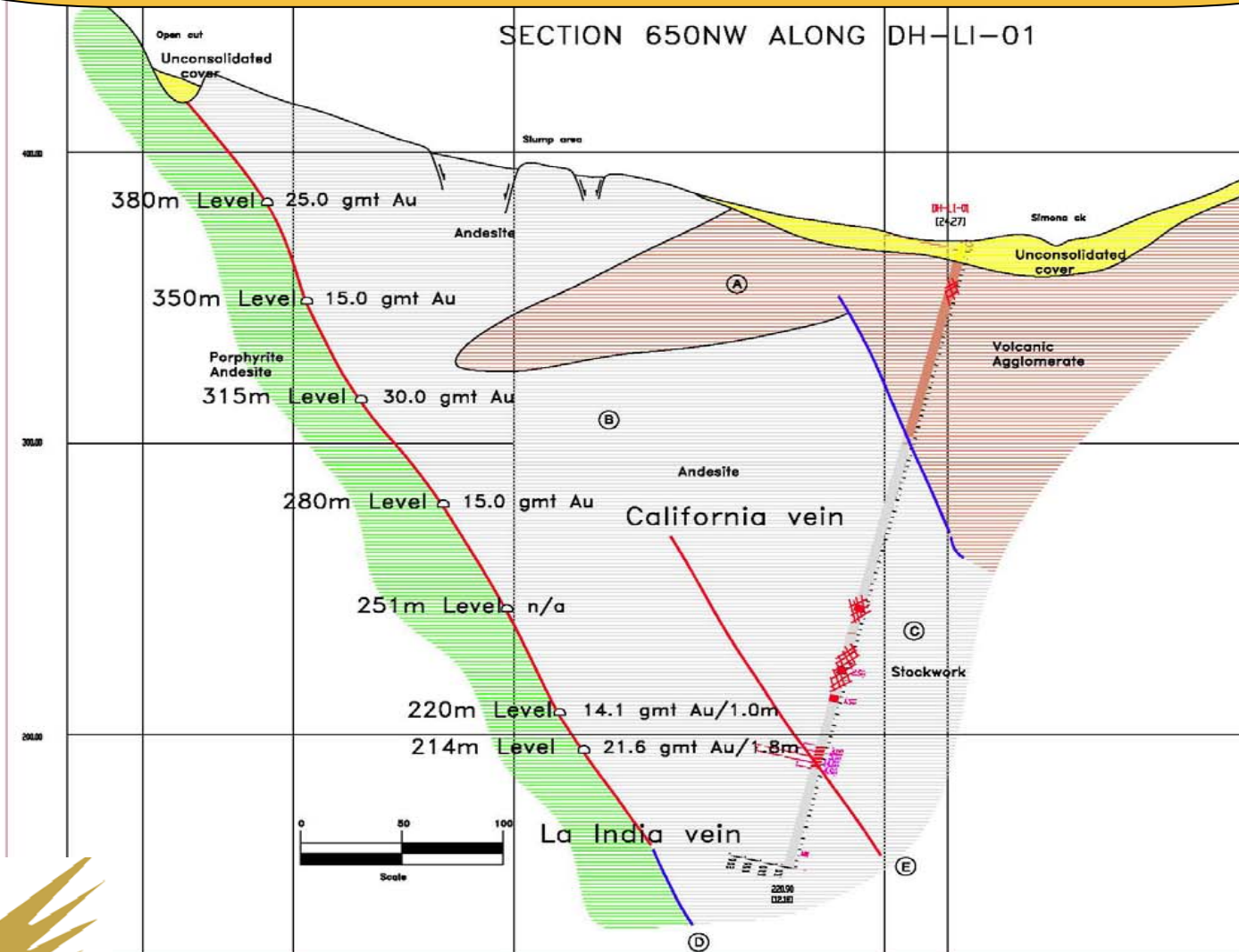


# Acquisition Espinito Mendoza Concession- Aug 2011

- Espinito Mendoza has 513,000 oz gold @ 11.1g/t to Soviet Classification in heart of District.
- Completes acquisition of 2.4m oz gold @ 9.5g/t to Soviet Classification
- Condor already digitalised 4,339m drilling and 1,595m trenching and handed to SRK Consulting to convert to a JORC Code Resource
- Soviet category C1+C2 of 205,000oz gold @ 10.8g/t should convert to JORC following SRK review.
- Adds 20% to current JORC resource 1,029,000 oz.
- US\$1,625,000 cost over 4 years equivalent to \$3 per oz gold Soviet Resource or \$8 per oz gold expected JORC Resource
- Payment structure includes issuing \$275,000 shares at 9 pence
- 5,000m drill commitment over 4 years
- Bonus payment of 1% of gold price on proven and probable reserves in



# India Vein Cross Section



- Three veins intersected, only one included in 2D Resource.
- California Vein – new vein or fault-offset of the India Vein?

# Future Plans for La India

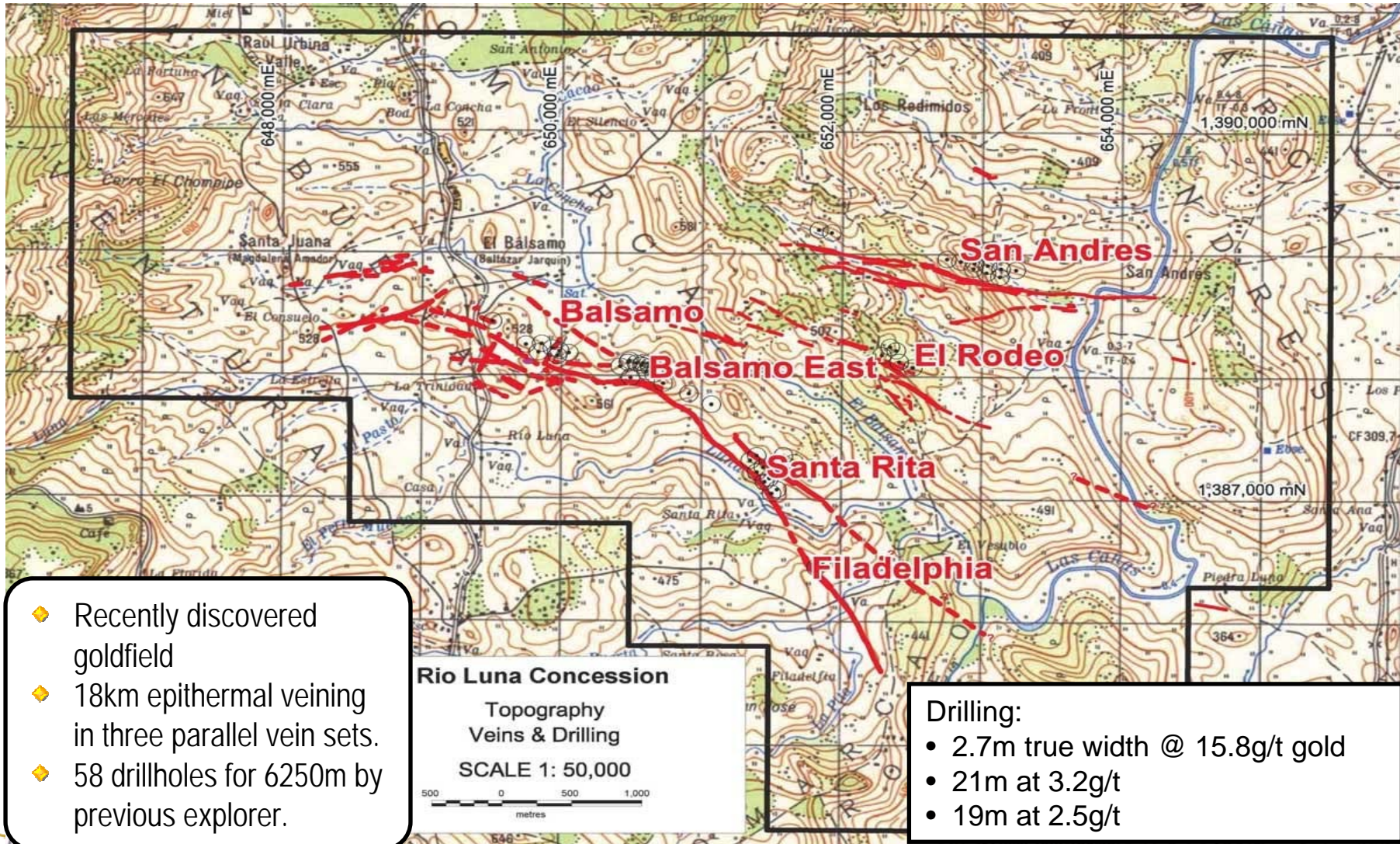
- 20,000m drill programme fully funded. Target 2m oz gold JORC resource
- 1<sup>st</sup> drill rig started 30<sup>th</sup> January 2011
- 2<sup>nd</sup> drill rig started end April 2011
- 3<sup>rd</sup> drill rig started mid July 2011
- 8,400m completed and good results for first 3,100m announced
- Designed to increase size of overall resource by drilling along strike
- Current 1,029,000 oz gold @ 5.4g/t JORC resource is on 10 veins...10 known veins in District are excluded
- Average depth of 157 drill holes is 150 metres
- 3<sup>rd</sup> drill rig capable of drilling to depth of 400m
- 4 drill rigs planned in 4Q 2011
- Aim to define a large commercial reserve

Take to Bankable Feasibility Study

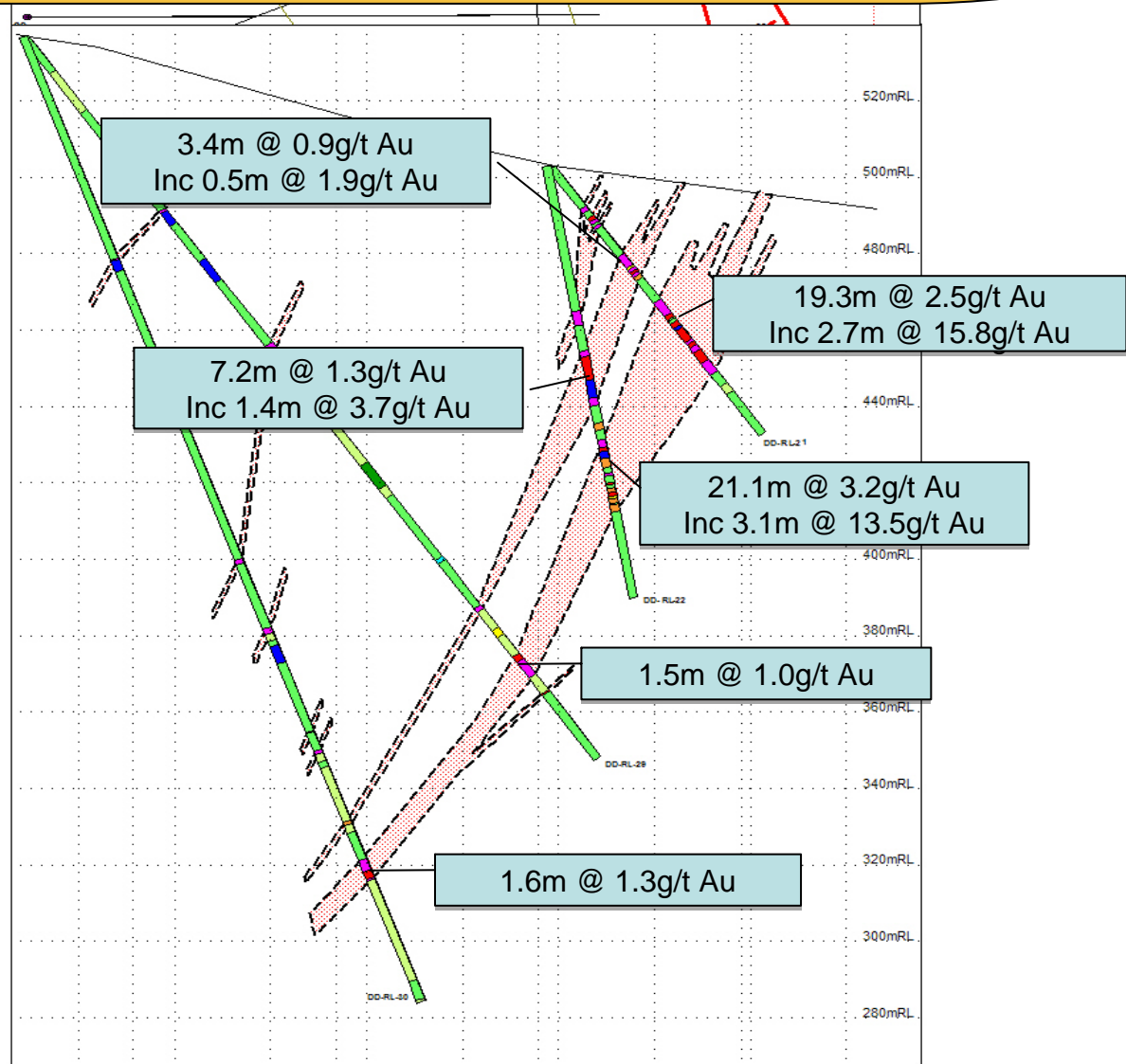




# Rio Luna – 43sq km concession



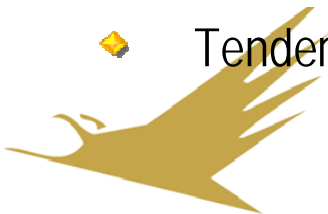
# Rio Luna – best drilling (Balsamo East)





## El Salvador- unofficial moratorium

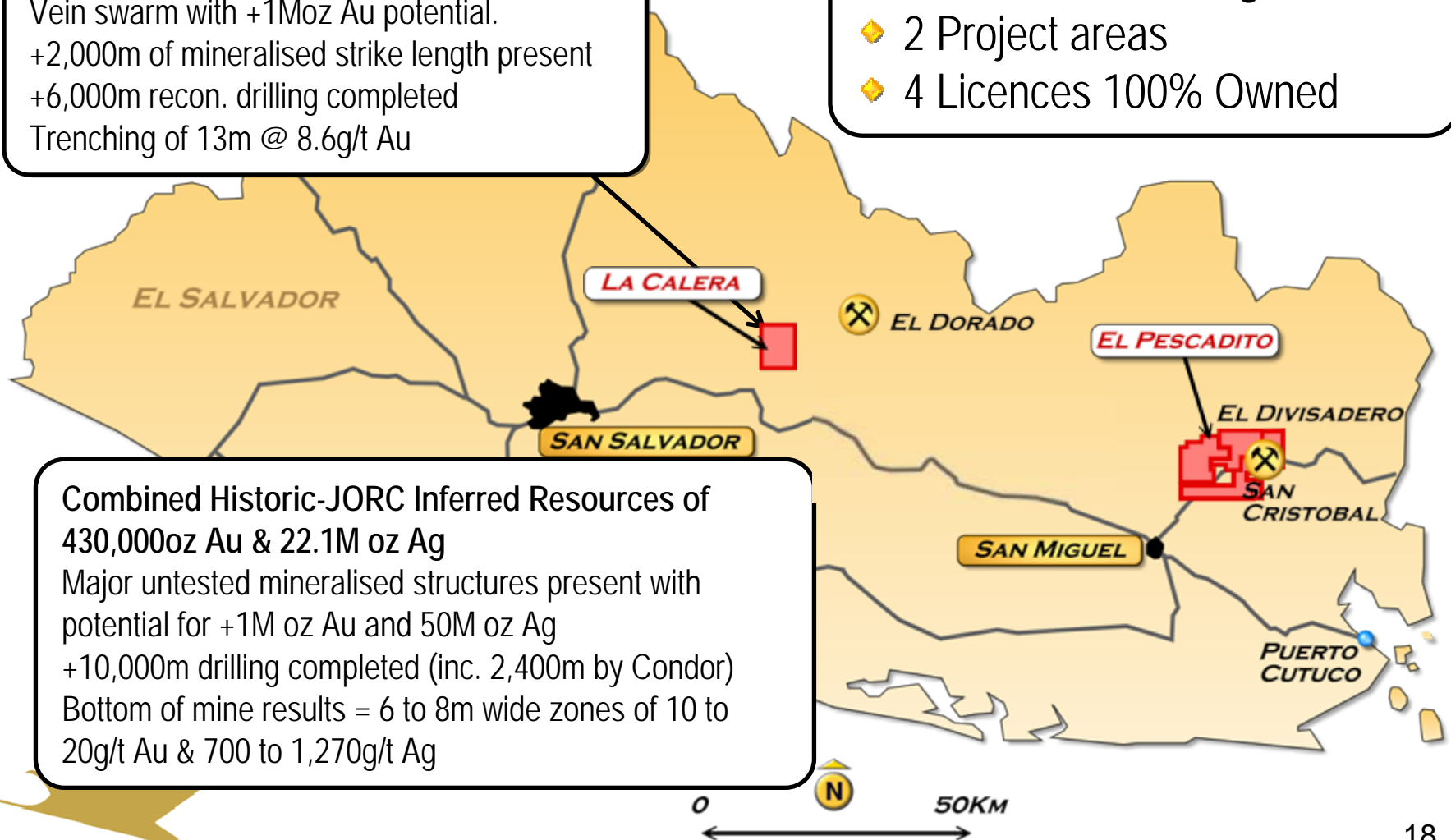
- ◆ Government has imposed an **unofficial moratorium on exploration and mining** for past 4 years.
- ◆ All exploration and mining companies in El Salvador have been forced to halt exploration drilling or mining activity.
- ◆ Pacific Rim Mining is suing the Government of El Salvador for US\$75 million through CAFTA.
- ◆ The Government awarded a tender on 1<sup>st</sup> September 2010 to the Tau Group of Spain to conduct an independent review of the benefits of mining to the Republic of El Salvador. Report expected September 2011?
- ◆ Tender for a "Mining Policy Review" due in 4<sup>th</sup> quarter 2011?



# El Salvador- Location Maps

JORC Inferred Resources of  
310,000oz Au & 280,000oz Ag  
Vein swarm with +1Moz Au potential.  
+2,000m of mineralised strike length present  
+6,000m recon. drilling completed  
Trenching of 13m @ 8.6g/t Au

- ◆ 175km<sup>2</sup> Landholding
- ◆ 2 Project areas
- ◆ 4 Licences 100% Owned



Combined Historic-JORC Inferred Resources of  
430,000oz Au & 22.1M oz Ag  
Major untested mineralised structures present with  
potential for +1M oz Au and 50M oz Ag  
+10,000m drilling completed (inc. 2,400m by Condor)  
Bottom of mine results = 6 to 8m wide zones of 10 to  
20g/t Au & 700 to 1,270g/t Ag

## El Salvador- JORC Inferred Resource

Project	Tonnes	Gold Grade (g/t)	Silver Grade (g/t)	Gold Equivalent Grade (60:1 Ag:Au-g/t)	Gold Ounces	Silver Ounces	Gold Equivalent Ounces (60:1 Ag:Au)
El Pescadito	7,100,000	1.8	96	3.5	434,000	22,100,000	802,000
La Calera	6,000,000	1.6	1.4	1.6	310,000	0	310,000
TOTAL	13,000,000			3.0			1,112,000

Condor gifted 10% of local company and resource above into the “Condor Resources El Salvador Charitable Foundation” in May 2011



# Share Capital Structure

- Ordinary shares in issue: 558,345,086
- Options: 33,700,000
- Share Price at 1<sup>st</sup> September 2011: 7 pence
- Market Capitalisation: £39m
- April 2011 Placement to Macquarie Bank £3m
- The Company remains well funded for current exploration programme



## Shareholders

- Mark Child (Chairman) 12.3%
- Oracle Investment Management 8.5%
- Macquarie Bank Limited 6%
- Sunley Holdings Ltd. 2.6%



## Conclusion

- Condor has 1,029,000 oz gold @ 5.4g/t resource to JORC at La India (832,000 oz gold net attributable) – potential to be a substantial commercial reserve.
- Espinito-Mendoza concession acquisition should add 200,000 oz gold to JORC code by December 2011
- Condor has 2.4m oz gold @ 9.5g/t to Soviet Classification
- Advanced stage exploration: 25,000m drilled, 14,000m trenched, 3,000m tunnels, 9,000 original underground mine grade control sampled in District. 575,000 oz gold @ 13.2 g/t historic production
- 8,400m of 20,000m drill programme completed
- 160 drill holes to average depth 150m. Not yet drilled to depth
- Aim to produce BFS at La India
- 1,112,000 oz gold equivalent @ 3.0g/t in El Salvador is a bonus if moratorium lifted.

