

Regulatory Announcement

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Company Condor Resources PLC
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Condor Resources Plc
 (“Condor” or “the Company”)

Assay Results and Trading Update

Condor Resources Plc (AIM symbol “CNR”) is pleased to announce further assay results for its El Potosi Project in El Salvador and provide a trading update. Highlights include:

- El Potosi Project

Further assay results:

5.0 metres @ 9.23 g/t Au including 1m @ 30.93g/t Au, and
 5.35 metres @ 22.15g/t Au including 0.38m @ 98.6g/t Au and 41.1g/t Ag.

Based on these results Condor intends to spend between US\$250,000 and US\$500,000 in the next 12 months and embark on a drill campaign of up to 4,000m of combined Reverse Circulation and Diamond drilling to further prove the project. Initial interpretation by Condor technical staff is that the El Potosi Project may contain significant gold resources.

- El Pescadito Project

Condor has been awarded the 42.5km² El Gigante Licence in El Salvador. The licence area is contiguous with Condor’s existing El Pescadito and Carolina Licences and enlarges the existing El Pescadito Project area to 133km². The El Gigante Licence exhibits a geological setting similar to that of the San Sebastian Gold Mine area to the south east which is recorded as being one of the most prolific gold producers in Central America.. Additionally the licence area has several historical gold workings that have never been fully explored in modern times.

- Loma del Caballo Prospect

Significant results are reported from recent trenching at the Loma del Caballo Prospect, in line with those disclosed in the Independent Competent Person’s Report in the Admission Document, and confirming the width and nature of mineralization in the resource area. These include:

LOTR02	8m @ 0.57g/t Au and 46.94g/t Ag
LOTR03	7m @ 1.88g/t Au and 17.61g/t Ag
LOTR04	15m @ 3.24g/t Au and 41.96g/t Ag
Incl.	2m @ 17.53g/t Au and 229.25g/t Ag

- Personnel

Mr. Steve Friberg has been appointed Exploration Manager for El Salvador and Mr. Mark Aldridge will drive the exploration program in Nicaragua. These 2 expatriate geologists have combined experience of over 50 years in gold exploration.

- Drilling Rigs

The Company has secured the services of 3 drilling rigs and intends to commence drilling with one drill rig on the Loma del Caballo Prospect in the first week of September 2006. The Directors expect the second drilling rig to arrive in-country by mid October 2006 and the third by the end of October

2006 or early November 2006 subject to any further delays beyond the control of Condor management. The Company will use these drilling rigs to embark on a drilling programme of some 20,000m in the next 12 months and up to 40,000m in the next two years.

- Aerial Photography has been completed for all licences in El Salvador which allows regional targeting and topographical control within the project areas.
- Negotiations are at an advanced stage to secure two new prospects in Nicaragua.

Detailed Update

El Potosi Project

The further assay results at the El Potosi Project, where Condor is earning a 100% interest, confirm the Company's initial interpretations of multiple, narrow high grade ore zones. The two main mineralised vein systems, 613 Vein and F-Potosi Vein, are now open down dip and along strike to the south.

Highlights of the new assay results include down hole reported widths of:

PTRC0017* 5m @ 9.23g/t Au from 57 to 62m, including 1m @ 30.93g/t Au.

PTDT0013# 5.35m @ 22.15g/t Au from 106.80 to 112.15m, including 0.38m @ 98.6g/t Au and 41.1g/t Ag (true width).

* PTRC0017 is a drill hole completed utilising Reverse Circulation methodology ("R.C.").

PTDT0013 is a drill hole completed utilising HQ diamond core methodology.

NB: All intercepts have utilised uncut assay results.

Exploration to date has centered on the historical El Potosi Mine, which operated from the late 19th Century until the 1950's and is estimated to have produced 60,000 ounces of gold with values ranging between 18g/t Au and 30g/t Au.

In December 2005, Condor completed a 24 drill hole program, totaling 3,092.6m (and comprising 2,334m of R.C. and 758.6m of HQ diamond drilling), designed to test several sub-parallel structures identified in historical mine plans and as logical follow-up to initial field work. Initial 4m R.C. composite samples were re-analysed on a 1m basis where gold assays returned greater than 1g/t Au.

Numerous narrow quartz-chalcedony veins, with variably developed quartz veinlet stockworks evolving to breccia zones, were encountered during this drilling program. Significant 4m composite assay results from drill holes, as disclosed in the Independent Competent Person's Report in the Admission Document, are summarised in Table 1.

Table 1. Significant Intercepts – 4m Composite Samples

Drill Hole Id	From (m)	To (m)	Interval (m)	Au g/t	Ag g/t
PTRC0002	8.00	20.00	12.00	2.11	1.7
PTRC0004	100.00	104.00	4.00	2.78	1.0
PTRC0016	0.00	4.00	4.00	2.32	2.1
PTRC0017	56.00	72.00	16.00	9.77	11.5
Incl.	56.00	60.00	4.00	35.07	11.5
Incl.	68.00	72.00	4.00	2.86	4.7
PTRC0020	17.00	29.00	12.00	1.33	1.46
Incl.	17.00	21.00	4.00	2.47	2.33
PTRC0022	37.00	49.00	12.00	1.70	1.3

Individual 1m samples were then collected from anomalous 4m composite samples and sent to BSI Inspectorate for analytical determinations. These results are summarised in Table 2.

Table 2. Significant Intercepts – 1m Samples

Drill Hole Id	From (m)	To (m)	Interval (m)	Au g/t	Ag g/t
PTRC0002	8.00	19.00	11.00	2.05	2.5
Incl.	13.00	16.00	3.00	5.52	4.2

PTRC0004	28.00	30.00	2.00	1.17	2.65
	102.00	104.00	2.00	3.78	1.65
PTRC0017	57.00	62.00	5.00	9.23	~
Incl.	57.00	59.00	2.00	21.49	7.4
	70.00	71.00	1.00	5.34	<3.4

Concurrent with the R.C. drill program, a series of six diamond drill holes totaling 758.6m were completed to obtain both geological and mineralogical information. Table 3 outlines the significant values obtained from drill core.

Table 3. Significant Intercepts – Diamond Drill Core HQ

Drill Hole Id	From(m)	To(m)	Down Hole Intercept(m)	Interpreted True Width(m)	Au g/t	Ag g/t
PTDT0013	106.80	112.15	5.35	1.83	22.15	7.68
Incl.	110.22	111.35	1.93	0.66	52.9	21.3

All geochemical analyses have been completed by BSI Inspectorate Laboratories of Nevada, an ISO9001 certified US commercial laboratory.

Results Interpretation:

Condor's program to test the El Potosi gold system was designed to target the pre-existing high grade veins and advance towards their extension, both laterally and vertically, as well as testing a newly discovered adjacent vein. The program has given very encouraging results in two primary holes, PTRC0017 and PTDT0013, each having intersected high grade gold values. The Directors believe that this is sufficient information to confirm the Company's view that the El Potosi Project offers significant potential. Condor has allocated between US\$250,000 and US\$500,000 for a further drill campaign of up to 4,000m on this Prospect to further define the project's potential.

El Pescadito Project

Condor has been awarded the 42.5km² El Gigante Licence in El Salvador for an initial period of 4 years as per El Salvadoran Mining Law. It is contiguous to Condor's El Pescadito Project licences, providing a consolidation of land holding into a single area of some 133km². Condor has committed to expend a total of US\$100,000 over the initial two years with further funds to be committed should significant results be returned.

The El Gigante Licence, contains a number of historical workings and exhibits a geological setting similar to that of the San Sebastian Gold Mine area to the south east which is recorded as the areas most prolific and richest gold producer.

Historical underground workings from circa 1935, indicate the average grade of underground sampling at El Gigante was 5.33g/t Au (max. 37.32g/t Au) and 228g/t Ag (max 1,023g/t Ag). Intrepid Mineral Corp. of Canada completed a 6 diamond drill hole program in 2004 on the licence and reported through the Canadian Securities Administrators Electronic Filing web site (SEDAR) the following significant intercepts:

- EG01-04 3.35m @ 15.61g/t Au and 1393g/t Ag from 29.9m depth.
- EG02-04 0.2m @ 44.86g/t Au and 2516g/t Ag from 24.65m depth.
- EG06-04 9.65m @ 4.00g/t Au and 231g/t Ag from 48.45m depth.

These drill results were never followed up by Intrepid Minerals Corp. as the company focused on other projects within El Salvador. Condor has completed reconnaissance rock chip sampling on the licence which confirms gold mineralisation on a structure 1,000m long and 2m to 5m wide. The limited sampling program includes values up to 4.83g/t Au; with channel chip results of some 5m @ 2.51g/t Au and 4m @ 1.33g/t Au. The structure remains open in all directions.

Condor is in the process of obtaining environmental clearance for ongoing work and will commence project work with more detailed mapping and sampling of the priority areas to generate drill targets.

Loma del Caballo Prospect – El Pescadito Project

Significant results are reported from five completed trenches of a planned nine trench programme at the Loma del Caballo Prospect – El Pescadito Project, including:

LOTR02	8m @ 0.57g/t Au and 46.94g/t Ag
LOTR03	7m @ 1.88g/t Au and 17.61g/t Ag
LOTR04	15m @ 3.24g/t Au and 41.96g/t Ag
Incl.	2m @ 17.53g/t Au and 229.25g/t Ag

The Loma del Caballo Prospect contains a previously reported JORC compliant resource of some 116,500oz of gold and 3.2moz of silver. These results confirm the width and nature of mineralisation at Loma. Condor intends to increase this resource in the coming months and is on target to initiate a major drilling campaign on the Project to achieve this. Drill planning is in the final stages with an initial program due to start on the licence in early September.

Exploration Manager and Senior Exploration Geologist Secured

Condor has secured the services of Mr. R. Steve Friberg, in the position of Exploration Manager - El Salvador. Steve is geological professional with over 35 years experience including a significant proportion in epithermal gold systems similar to those existing in Central America. Mr Friberg has committed to base himself in El Salvador, with his family and will be assuming full management control of the El Salvadoran operations.

In addition, Condor has managed to secure the services of Mr. Mark Aldridge. Mr. Aldridge is a senior exploration geologist with extensive experience in the exploration for gold mineralisation in varying terrains. Mr. Aldridge will be driving forward the exploration of Condor's assets in Nicaragua.

These two new expatriate geologists will complement the existing 6 technical staff and several national staff based in Central America.

Nigel Ferguson , CEO of Condor, commented:

"Since admission to AIM, Condor's field crews have been very active in making progress on all projects in El Salvador. Based on the significant results reported above, we have decided to commit to drilling the Loma del Caballo Prospect over the next 3-6 months. With the additional technical staff and drilling rigs secured, we will start an aggressive drilling program, most probably by September with initial diamond drilling at Loma. By October, we hope to complement this with a multi-purpose drill rig, with the aim of adding significant ounces to our current resource base by testing known and additional targets in the El Pescadito Project area as a priority. Several other projects are now returning significant encouragement and as such we expect the last quarter of 2006 and first quarter of 2007 to prove to be a particularly active period in the company's development".

Mark Child, Non Executive Chairman, commented:

"Since admission to AIM, the Company has further strengthened the foundations for a successful exploration company. Condor has secured senior expatriate exploration geologists for El Salvador and Nicaragua and secured 3 drill rigs in a very competitive market. Condor is planning to drill up to 40,000m over the next 2 years and remains on target for its objective of proving a resource of 1 million ounces of gold and 50 million ounces of silver within 12 months of admission to AIM. The Company is at an advanced stage of securing 2 additional projects, which we hope to announce to shareholders in due course."

Qualified Person's Declaration

The information in this announcement that relates to Exploration Results is based on information compiled and reviewed by Nigel Ferguson, CEO, who is a Member of the Australian Institute of Mining and Metallurgy and a geologist with 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 announcement 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.

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About Condor Resources Plc:

Condor Resources Plc was admitted to AIM on 31st may 2006 and raised £4.9m. Condor is a mining exploration company focused solely 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 licences 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 JORC standard, of some 354,500oz gold and 18.3Moz silver. The Company's stated objective is to prove a resource of 1m oz gold and 50m oz silver within 12 months of admission to AIM.

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