



# Condor Resources Plc

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

### **La India Project Update – Third Drill Rig Commences Drilling Beneath Historic Mine Workings on La India Vein**

Condor (AIM: CNR) is pleased to announce that a third diamond core drill rig has commenced deep drilling at La India Project in Nicaragua on the principal La India Vein. The rig is capable of drilling to depths of well over 400m and it has initially commenced drilling to test the down-dip continuity of gold mineralisation below the historic mine workings. Drilling of the first hole is underway and progressing well, with over 150m of an anticipated 300m drill depth already completed.

The La India Vein Set, which includes the La India, Arizona, Agua Caliente and Teresa veins has a combined JORC-Code compliant Indicated and Inferred Mineral Resource of 451,000 oz gold at 7.0g/t, accounting for almost half of the 1,029,000 oz gold at 5.4g/t currently defined by Condor in La India Mining District (832,000 oz gold attributable interest; 791,000 oz gold at 6.4g/t through its 80% equity interest in the Project and 41,000 oz gold at 1.2g/t on the 100% owned Cacao Concession). The Bulk of the La India Vein Set Resource, 400,000 oz gold at 6.9g/t including 146,000 oz at 7.2g/t in the Indicated Category, is contained within a resource block built in and around the historic mine workings on the north-south striking La India Vein.

The resource on La India Vein has been estimated along a 1,800m strike length but to a depth of between only 200m and 300m below surface along most of the length. The existing resource includes some wide spaced drilling undertaken by previous explorers down-dip and along strike of the Historic Mine workings. This drilling proved that the gold mineralisation reported in the old mine records of grade control sampling continues at least 20m below the deepest mine levels, and at least 200m along strike to the south. The new drill rig will test for a continuation in gold mineralisation up to 100m down-dip below the deepest mined level. The initial drill programme comprises six drillholes for over 1,800m of drilling along a 900m strike length where the historic mine workings reached as deep as 200m below the surface and were exploited on up to eight levels. The deep drill campaign is the first step in defining how deep the high grade gold mineralisation associated with the epithermal boiling zone extends. Exploration and mining data at La India has not yet established the base of this part of the system.

Gold is not evenly distributed throughout the La India Vein, but appears to be concentrated in high grade shoots 100m to 200m in strike length and plunging steeply to the south. At least five such plunging shoots have been identified in the high resolution grade control data from the historic mine workings where sample spacing was as close as 2m intervals and are clearly identified by a 3D model completed by SRK Consulting. The drill programme is targeting the depth extension of the shoots in order to maximise the potential increase in a future Mineral Resource Estimation.

In addition to testing for a depth extension to the La India Vein, the drilling will also test multiple gold mineralised veins in the footwall of the La India Vein that were intersected in previous drilling and underground sampling; best demonstrated in underground sampling by TVX Gold Incorporated in 1997 of a 400m long cross-cut adit driven perpendicular to the main La India Vein which identified seven separate gold mineralised veins along a 260m wide interval. TVX reported significant intercepts in this adit including 1.1m at 17.6g/t gold, 1m at 4.3g/t gold and 1m at 3.8g/t gold from underground channel samples. Drilling has confirmed the presence of multiple mineralised veins with intersections such as 0.64m at 3.67g/t gold from 126.70m, 2.40m at 2.41g/t gold from 155.10m and 9.75m at 2.05g/t gold from 192.25m drill depth in a drill hole re-sampled by Condor (Drill hole LIT-14, announced 25<sup>th</sup> March 2011). Drilling by TVX returned high grade intercepts of up to 10m at 5.51g/t gold from 178m drill depth attributed to a footwall vein. These additional veins have not been included in the current resource as the orientation and continuity has not yet been established. The drill programme should help establish the orientation, width and grade of these veins, with a view to inclusion in a future resource.

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

“Condor has brought forward the use of a third drill rig on La India Project due to the encouraging drill results this year and the huge potential of the La India Project. The third drill rig has two main tasks. Firstly, to drill to depths of up to 400m beneath surface, underneath the current JORC Code Mineral resource of 400,000 oz gold at 6.9g/t on the main La India Vein, targeting the high grade ore shoots, with the intention of extending the resource to depth. Secondly, to drill from the hanging wall side of La India Vein to determine whether there is a series of parallel veins within a few hundred metres of the main La India Vein as indicated by 3 veins intercepted in a drill hole by a previous explorer and 6 additional veins identified by channel sampling in an adit/tunnel running perpendicular to La India Vein. Confirmation of a series of veins parallel to La India Vein should increase the width of the overall resource area of the current resource in La India valley, which is confined to the main La India Vein. Investors should note that circa 25,000m has been drilled by previous explorers and Condor to date in La India Mining District, but very little drilling has occurred below 200m depth. I note previous explorers reported high grade intercepts of up to 10m at 5.51g/t from 178m drill depth on the hanging wall of La India Vein”.

### ***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:

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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 four 100% owned concessions and 80% of La India concession in La India Mining District; 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 832,000 ounces of gold at 5.4g/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.

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