



# Condor Resources Plc

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**Condor Resources plc**  
("Condor" or "the Company")

## **Phase 2 Drilling Completed at El Cacao Prospect in Nicaragua**

Condor Resources Plc (AIM: CNR) announces that the second phase of drilling has been completed at its 100% owned El Cacao Prospect. 1,117 metres of reverse circulation and diamond core drilling has been completed in 13 drill holes to bring the total drilling at El Cacao to 2,170 metres including 697 metres of diamond core, in addition to 1,121 metres of trenching.

The second phase of drilling followed up on some excellent intersections returned from the first round of drilling completed in October 2007. The first phase of drilling defined two gold mineralised zones at El Cacao, with high-grade gold intercepts of up to 14 metres at an average of 6.05g/t gold over a combined strike length of 330 metres and down to a maximum depth of 120 metres below surface. The drill intersections are supported by surface mineralisation of up to 7 metres at an average of 2.39g/t gold defined in trench sampling.

The latest round of drilling undertook the following tasks:

- (1) test the mineralisation for depth extensions with promising looking quartz vein breccias intercepted up to 160 metres below surface.
- (2) define gold mineralisation in the main zones at 40m drill spacing in order to provide sufficient grade continuity to undertake a first resource estimation.
- (3) test the western strike extent of gold mineralisation where gold mineralisation is open along strike, and
- (4) test the low-grade zone between the two main shoots for potentially higher grade gold mineralisation at depth.

Assay results are pending from the last five drill holes, and as soon as these have been returned a maiden resource calculation will be undertaken. These results are expected by the end of March and the maiden resource estimate is expected soon after, at which time Condor will make an announcement on its findings.

The drilling rig has now moved to the Arras Prospect on Condor's San Albino Project to undertake a reverse circulation drilling programme aimed at testing the down dip extension to the high-grade gold mineralisation discovered at surface and in shallow drill intersections there.

Condor's Chief Executive, Mr. Nigel Ferguson, stated: "Our El Cacao Prospect remains open along strike in both directions and an ongoing trenching programme is testing both the ground immediately along strike to the west and to the east. In addition trenching is currently underway over one kilometre along strike of the Cacao Prospect to follow-up on a gold mineralised trench intersection with an assay result of 1 metre at 1.39g/t gold which we discovered in 2007. El Cacao

is becoming one of our substantial assets, and we are confident of a strong maiden resource statement in the near future.”

### **Qualified Person's Declaration**

The information in this announcement that relates to Exploration Results is based on information compiled by and reviewed by Nigel Ferguson, CEO, who is a Member of the Australian Institute of Mining and Metallurgy and a geologist with over 23 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 mineralization 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 report of the matters based on his information in the form and context in which they appear and confirms that this information is accurate and not false or misleading.

**- Ends -**

### **Enquiries:**

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### **Chain of Custody**

Condor enforces a strict chain of custody, with all field samples being collected under the supervision of a qualified senior geologist. Samples are sealed in larger bags and kept under lock and key until being delivered to the designated Laboratories, for completion of final assay determinations. A total of 10% of samples returning significant assay results have their pulps forwarded to a second laboratory for repeat assay determinations as part of the companies QAQC procedure.

### **Resource Calculation Notes**

The reported tonnages and grades are in accordance with the guidelines and recommendations of the JORC Code. Drill results are from both Reverse Circulation and diamond drilling. Drill sample and trench sample assay determinations were carried out by commercial laboratories enforcing strict QAQC procedures. Gold determinations were by Fire Assay 30g with Atomic Absorption finish; silver determinations were by wet chemical method with an Atomic Absorption finish. Modelling was completed using Surpac Vision 5.2D Mining Software. Domaining was performed based on geological interpretations and gold grade (0.4g/t gold bottom cut-off). Only mineralization that showed continuity along strike of more than 2 sections was domained. Silver results were analysed on the basis of the wireframes created to domain gold samples. Ordinary Kriging was considered an appropriate method of estimation for the dataset. Ordinary Kriging estimates were made for gold and silver, with visual inspections of the grade estimate along with statistical analysis used to validate the block model.

### **About Condor Resources Plc:**

Condor Resources Plc was admitted to AIM on 31<sup>st</sup> May 2006 raising £4.9m. Condor is a mineral exploration company focused on El Salvador and Nicaragua. The Company has 100% ownership of four licenses in two project areas in El

Salvador. It withdrew from the El Potosi project in 2007. Condor also has four 100% owned licences and the option to earn an 80% interest in a further four licences contained within four project areas in Nicaragua.

An independent competent person's report prepared by Ravensgate and included in the Company's Admission Document stating JORC compliant resources of 354,500 ounces of gold and 18.3 million ounces of silver. Subsequent mineral resource calculation statement in December 2006 by Ravensgate, and in January 2008 and February 2008 by Geosure, has raised the combined global resource estimates as defined by JORC Code standards to some 747,000 oz gold and 22.3 Moz silver within two project areas.

The Company's objective is to prove up significant gold and silver resources of between 1 to 2 million ounces of gold and 30 to 50 million ounces of silver to JORC reportable standards by the 31<sup>st</sup> May 2008. The Company intends to continue to drill test targets within its Project areas as required by each prospect. Drilling is expected to commence in El Salvador upon granting of the necessary Environmental Permits by the Ministry of Environment. Drilling currently continues with two drill rigs on two projects areas in Nicaragua.