



# Condor Resources plc

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15<sup>th</sup> February 2011

[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, held 100% of JORC resource
  - 2008 - £2m placement at 1p
  - 2009 – 29% share swap with Grafton resources
  - 2010 – granted 6 concessions in Nicaragua
  - 2010 – July- unwound share swap with Grafton
  - 2010 – Sept- concession swap with B2Gold gives flagship La India project in Nicaragua
- 
- Ambrian Partners- Broker and NOMAD



## JORC Code Inferred Resource

Nicaragua - 909,000 oz gold @ 5.0g/t

- La India Mining District, one location

El Salvador – 1,112,000 oz gold equivalent @ 3.0g/t

- 30% silver content
- two locations

TOTAL – 2,021,000 oz gold equivalent



## Strategy

- Define as large as possible resource on La India Project in Nicaragua.
- Bring La India Project to Bankable Feasibility Study
- Lobby Government in El Salvador to re-commence exploration



# Corporate Management Structure

Mark Child  
Chairman

Klaus Eckhof  
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 @ 16.73g/t gold in trenching,

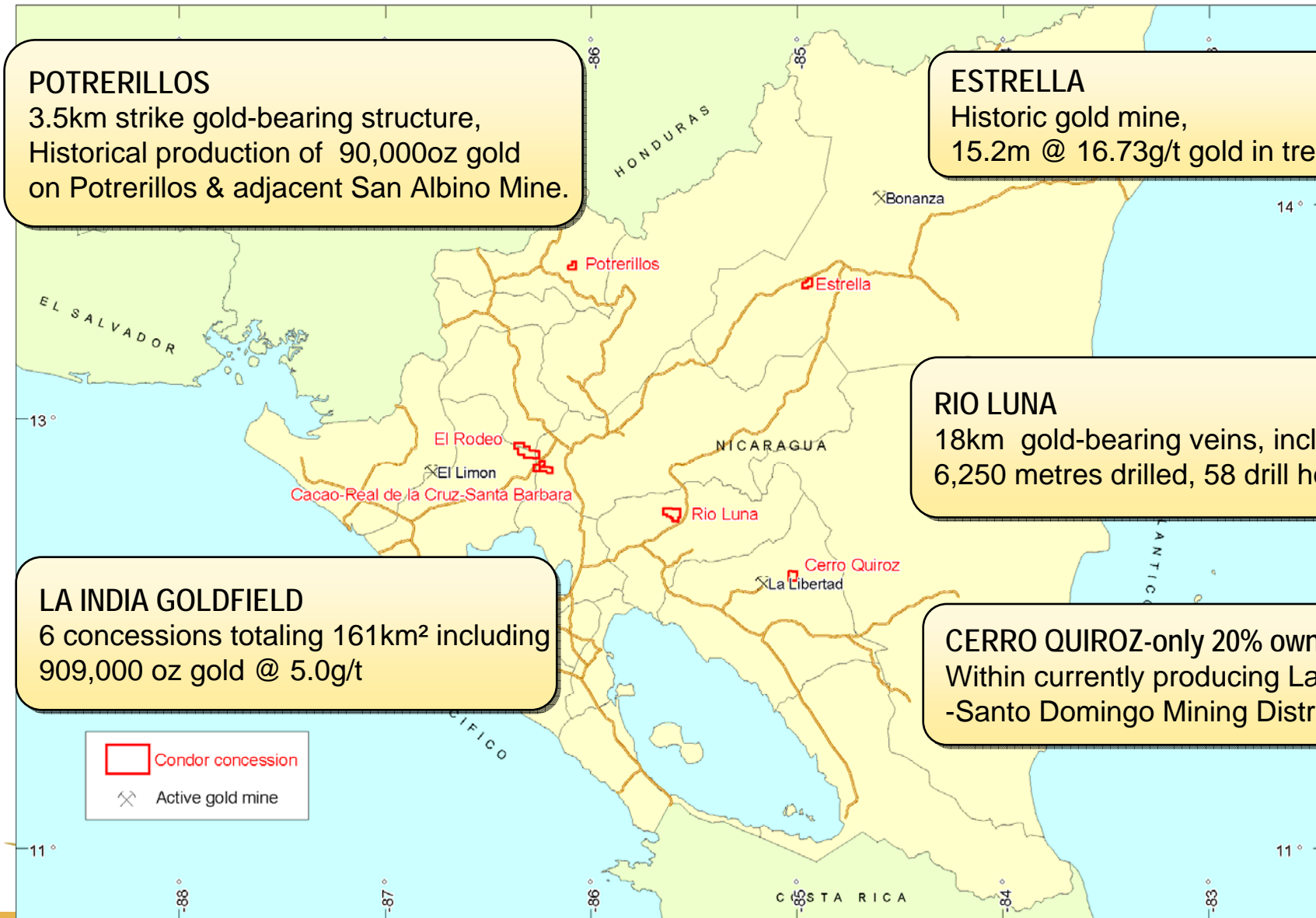
## RIO LUNA

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

## LA INDIA GOLDFIELD

6 concessions totaling 161km<sup>2</sup> including  
909,000 oz gold @ 5.0g/t

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



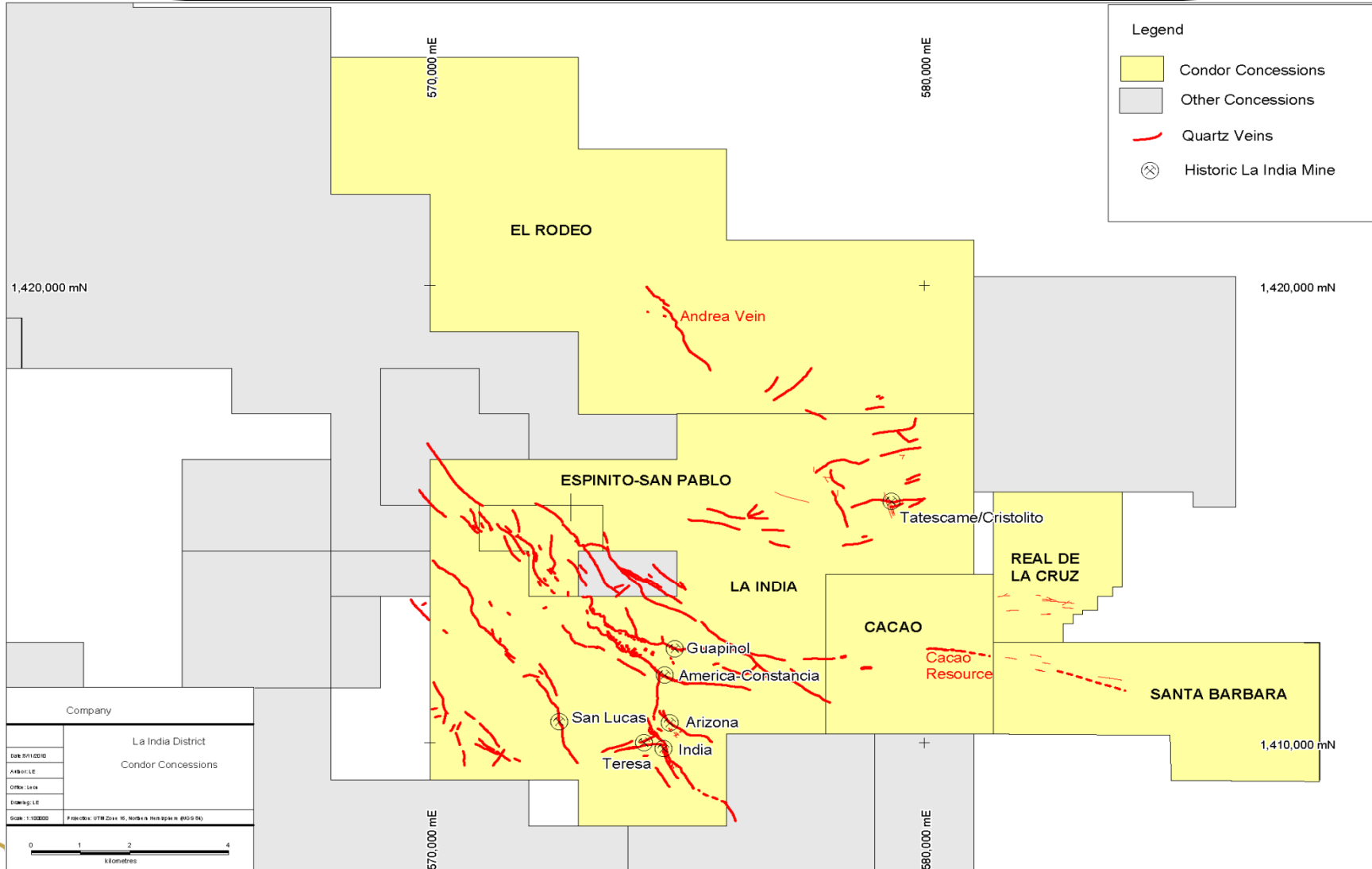
## Why Nicaragua?

- Mining friendly Government
- 3 operating mines produce 180,000 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, produced resource 2,438,000 oz gold @ 9.5g/t of which C1+C2= 958,000 oz + P1=1,480,000 oz
- 1,840,000 oz gold of Soviet Resource on Condor's concession: C1+C2 = 710,000 oz + P1= 1,130,000 oz
- On 64 sq km, but Condor has 164sq 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 868,000 oz gold JORC inferred resource @ 5.9g/t

Announced 4<sup>th</sup> January 2011 on 64sq km La India concession by consolidating:

- 17,600 metres of drilling
- 135 drill holes
- 13,500 metres surface trenching
- 3,000 metres underground adit samples- tunnels opened
- 9,000 metres of original underground mine grade control samples
- SRK produced above resource in 2D with 80% of the data

•Condor defined 41,000 oz inferred JORC resource at Cacao in 2008.  
La India project total 909,000 oz @ 5.0g/t



## SRK to upgrade JORC resource by 31<sup>st</sup> March 2011

- 20% additional historic data, importantly: underground raise samples, underground samples and trenches and drilling data
- 3 additional small veins
- 2011 DGPS survey of 135 historic drill collars (accuracy better than 1m)
- All data to be included in 3D model
- 3D model provides greater certainty of vein structure
- Proportion of inferred upgraded to indicated resource

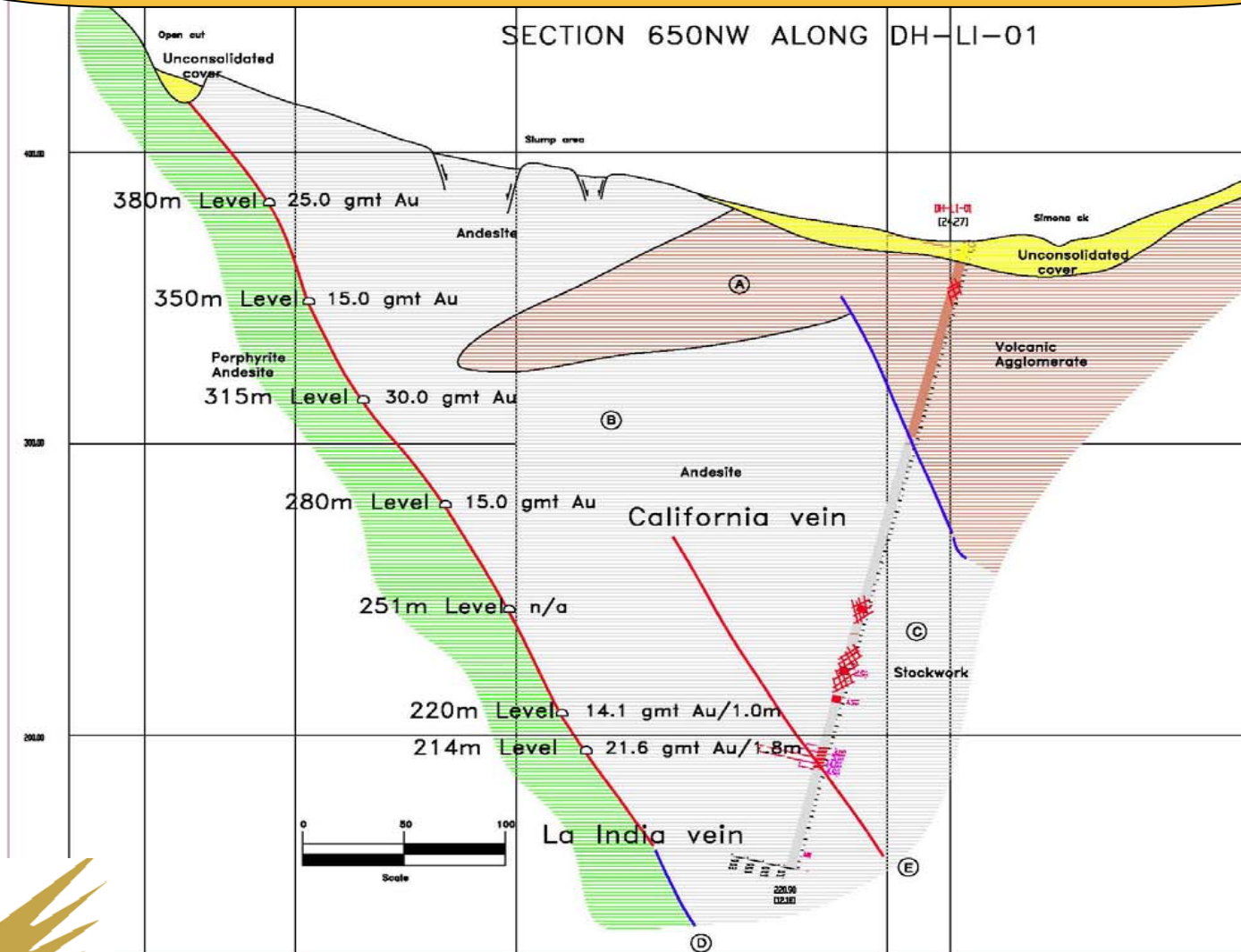


## Future Plans for La India

- 5,000 metre drill programme started 30<sup>th</sup> January 2011
- Designed to increase size of overall resource
- By drilling along strike on 4 veins
- Current 868,000 oz JORC resource is on 6 veins...12 known veins are excluded
- Average depth of 135 drill holes is 150 metres
- Plan to drill to depth of 400 metres in 2<sup>nd</sup> half 2011
- Aim to define a large commercial reserve
- Take to Bankable Feasibility Study



# India Vein Cross Section



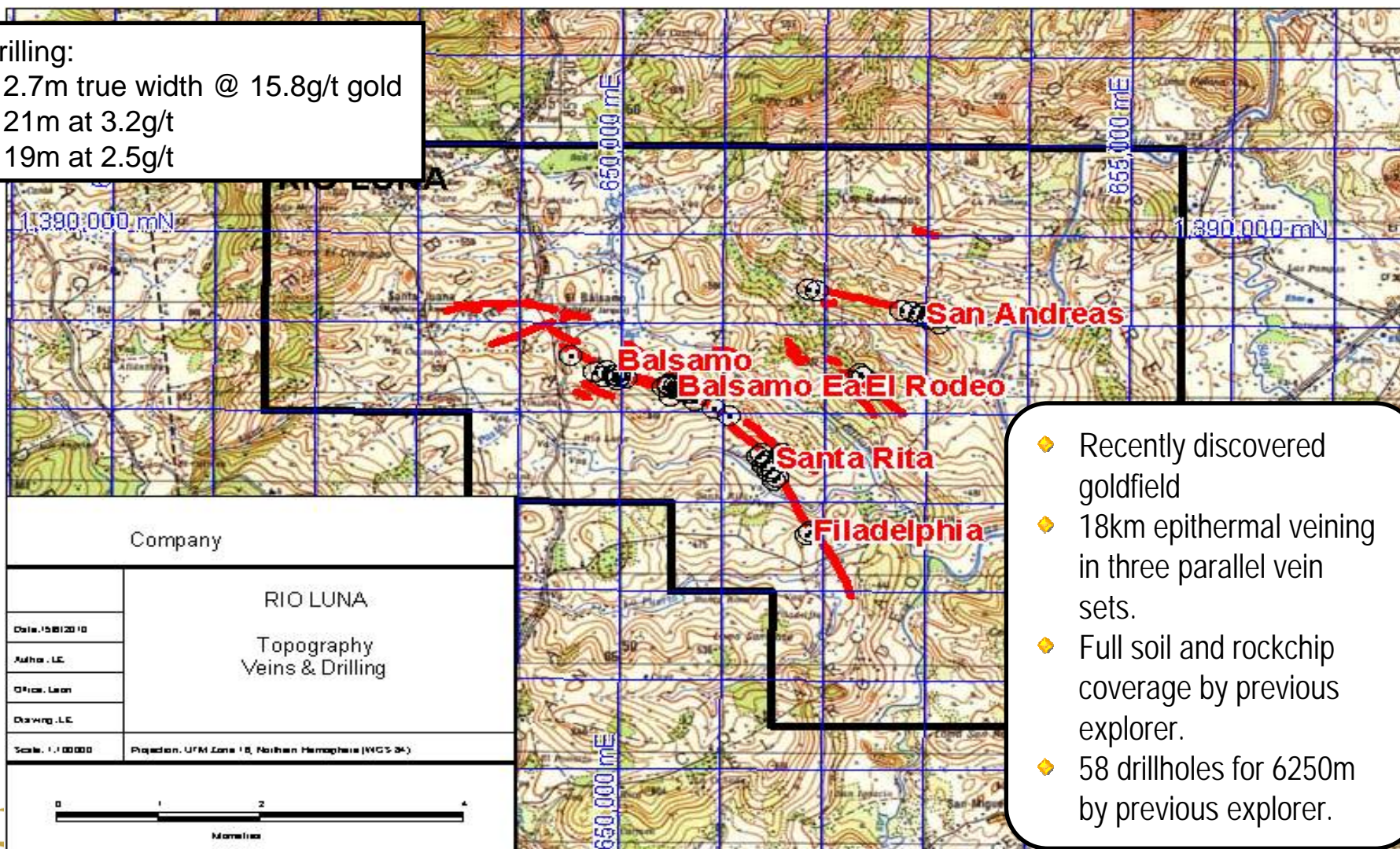
- Three veins intersected, only one included in 2D Resource.
- California Vein – new vein or fault-offset of the India Vein?



# Rio Luna – 43 sq km concession

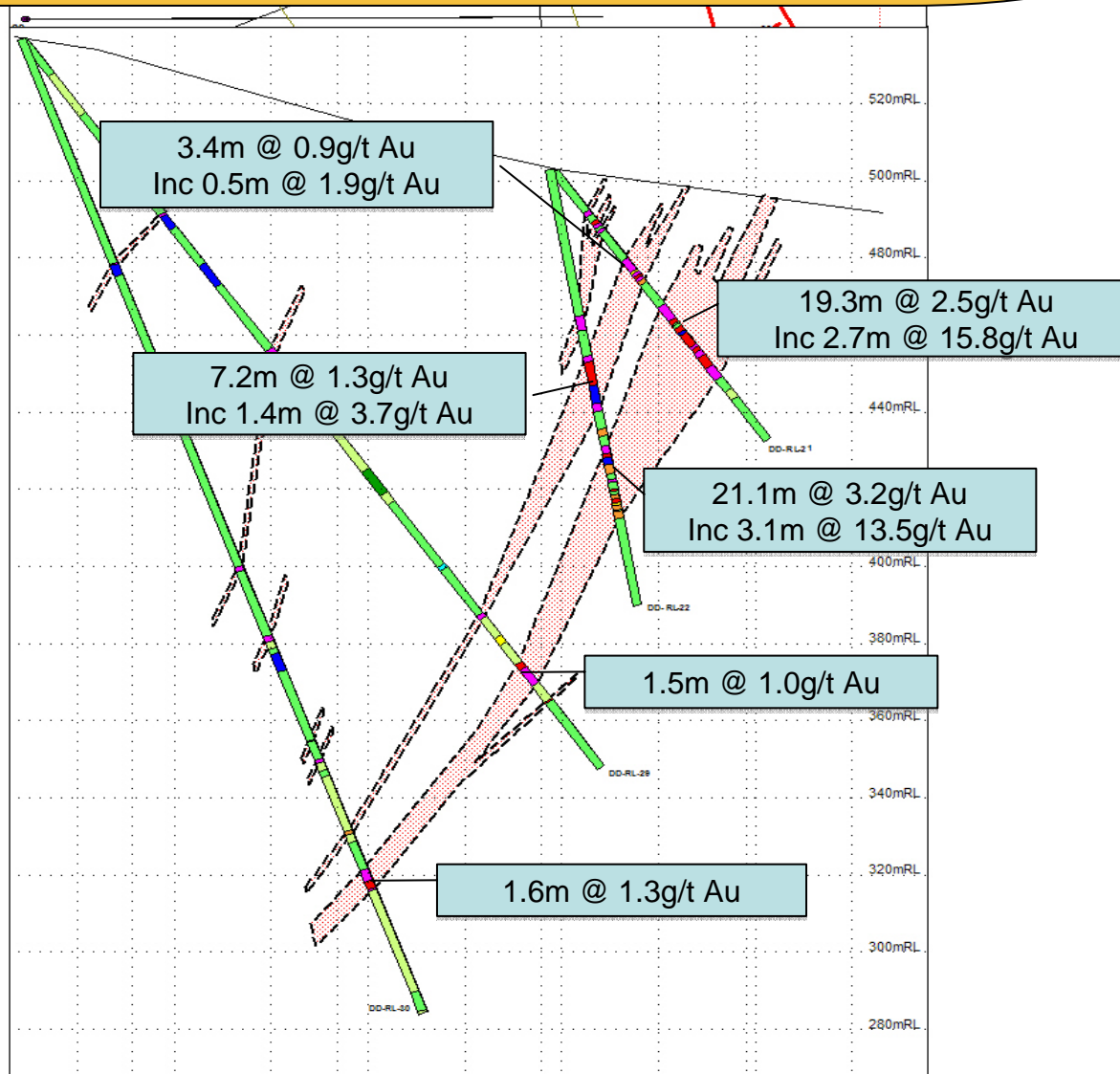
## Drilling:

- 2.7m true width @ 15.8g/t gold
- 21m at 3.2g/t
- 19m at 2.5g/t



- ◆ Recently discovered goldfield
- ◆ 18km epithermal veining in three parallel vein sets.
- ◆ Full soil and rockchip coverage by previous explorer.
- ◆ 58 drillholes for 6250m by previous explorer.

# Rio Luna – best drilling (Balsamo East)





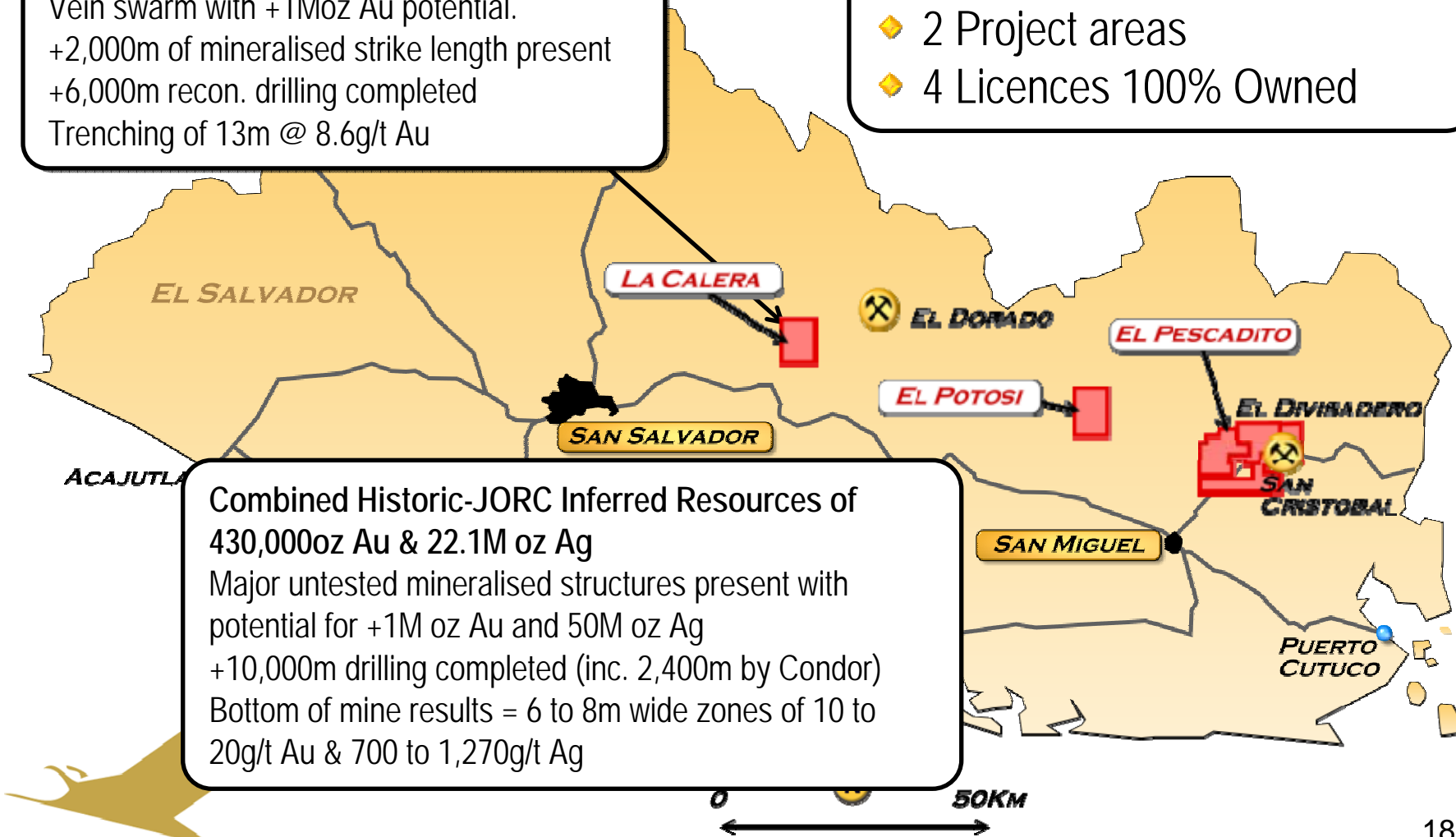
## El Salvador- unofficial moratorium

- ◆ Government has imposed an **unofficial moratorium on exploration and mining** for past 3 1/2 years by refusing to process applications for Environmental Permits to Explore or Mine.
- ◆ All exploration and mining companies in El Salvador have been forced to halt exploration drilling or mining activity, most licences are now overdue for Environmental Permit renewals which are required every 2 to 4 years.
- ◆ Some of Condor's exploration licences are in "limbo" pending renewal. Condor has issued an Amparo and Writs on the Government to protect these licences.
- ◆ Pacific Rim Mining is suing the Government of El Salvador for US\$75 million through CAFTA. Commerce group is suing the Government for US\$100m
- ◆ 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 May 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

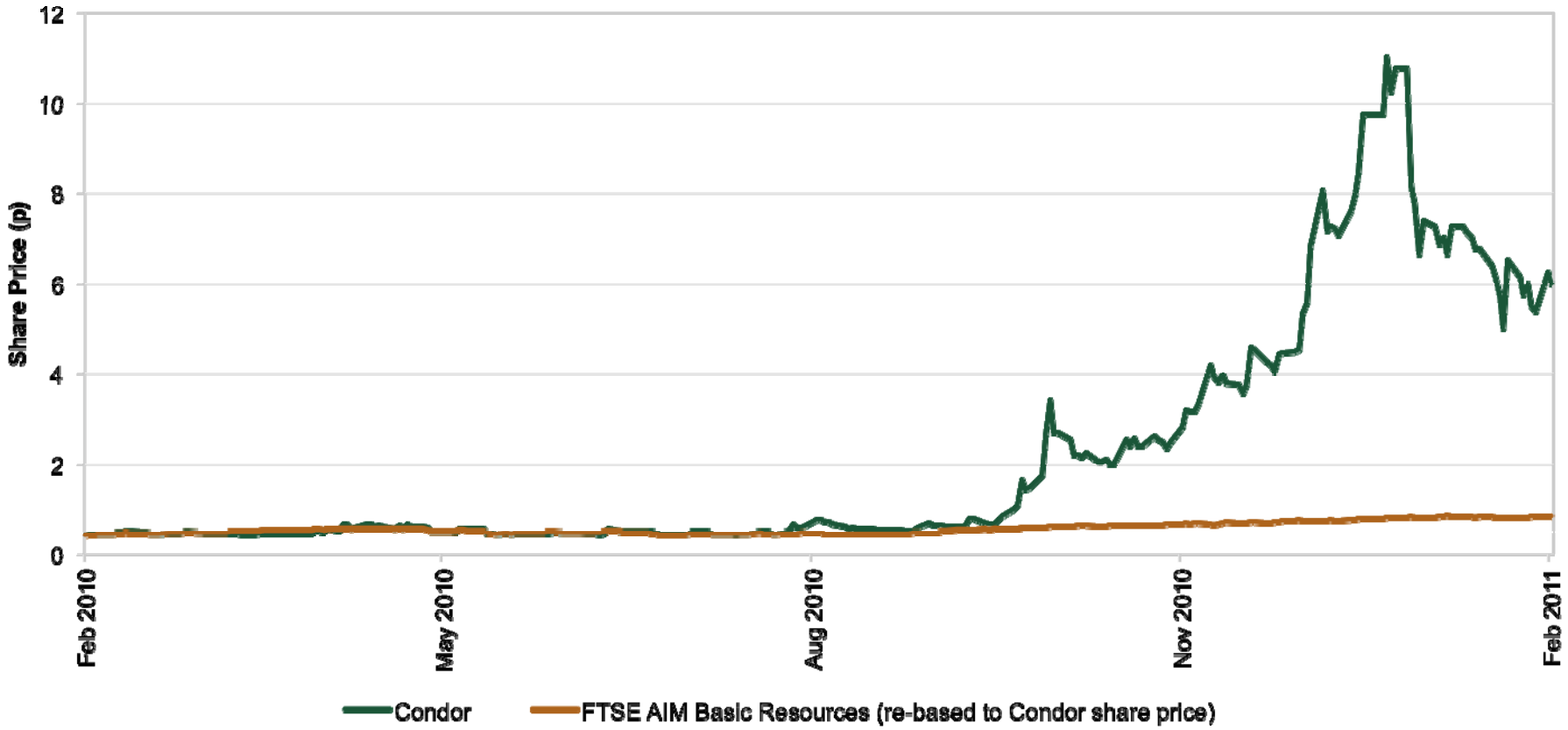
## El Salvador- JORC Inferred Resource

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
<b>TOTAL</b>	<b>13,000,000</b>			<b>3.0</b>			<b>1,112,000</b>

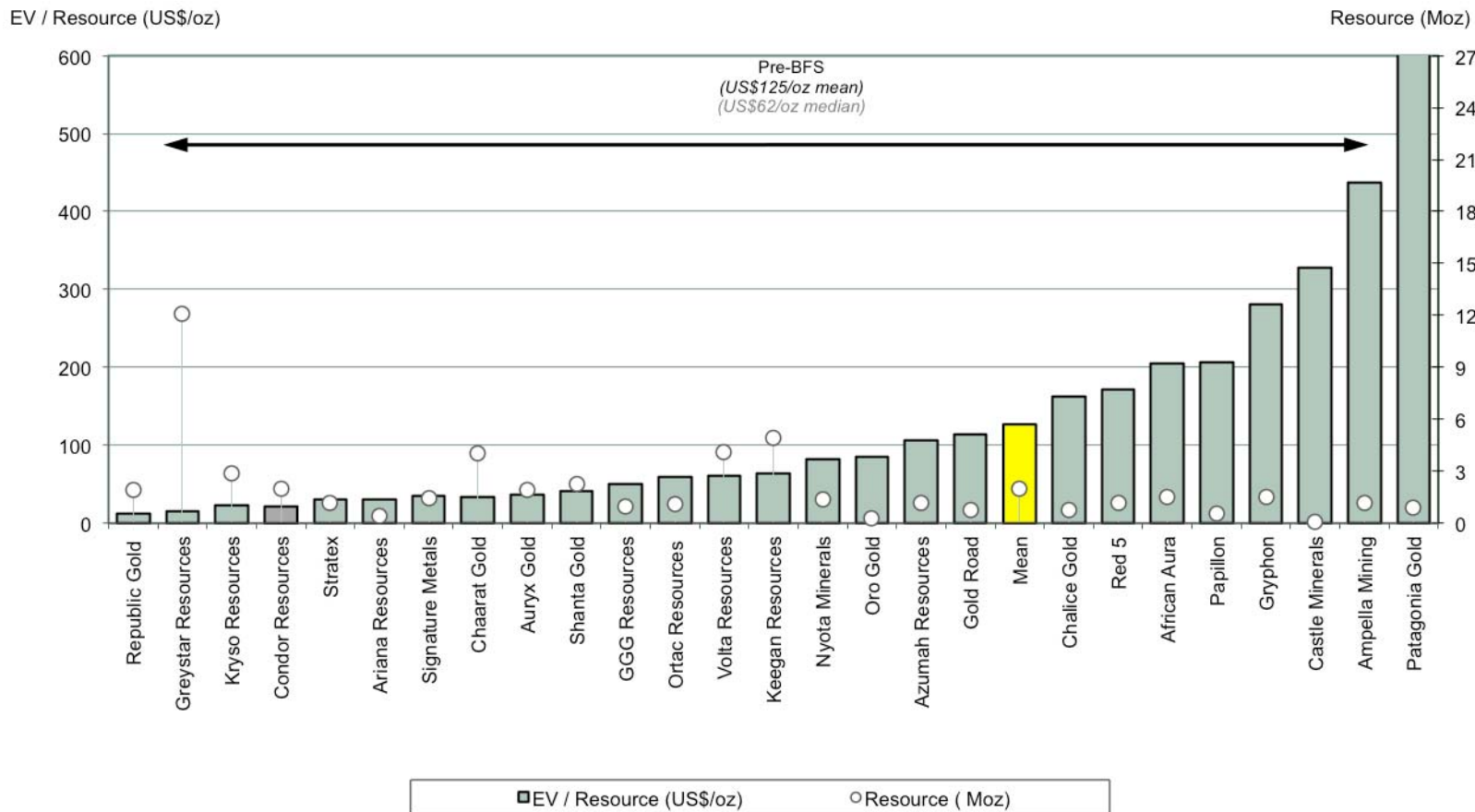




# Share Price Graph



# Peer Group Analysis: by Ambrian Partners



## Shareholders

- Mark Child (Chairman) 10%
- Oracle Investment Management 9%
- Jim Mellon 4.6%



## Conclusion

- Condor has 909,000 oz gold @ 5g/t resource to JORC at La India – potential to be a substantial commercial reserve.
- SRK resource is on 6 veins, yet 18 have been identified
- 140 drill holes to average depth 150m. Not yet drilled to depth
- Historic production at La India of 576,000 oz @ 13.4g/t gives comfort that gold can be produced.
- Advanced stage exploration: 17,600m drilling, 13,500m trenching, 3,000m tunnels, 9,000m original underground mine grade control samples.
- 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.

