



# Condor Resources Plc

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

## **High Grade Trench and Underground Sampling Results from the Historic Estrella Mine in Northwest Nicaragua**

Condor (AIM: CNR) has completed an initial trench and underground sampling programme on its wholly owned Estrella Concession in the Golden Triangle Region in the northwest of Nicaragua. The 18 sq km Estrella Concession was granted to Condor for a period of 25 years in April 2010. Assay results for three trenches, five artisanal miners' pits and a short section of the historical Estrella Mine workings that has recently been opened by artisanal miners returned some wide and high grade gold intercepts. Condor's work has verified and extended previous explorers trench results over the 400m strike length that has been defined to date and also added the first ever samples of the historic mine workings to the exploration database.

The latest assay results are the product of exploration undertaken during a two week reconnaissance exploration trip by Condor geologists in March this year. During the trip three trenches for 58m were excavated and sampled, four artisanal adits were sampled and three underground mine adit samples were collected in addition to mapping out the surface expression of old mine workings. No plans or production data are available for the Estrella Mine (also referred to as the Estrella de Venus Mine in old reports); however it is believed that the mine excavated two or three levels over a 250m strike length for a few years before reportedly being destroyed in 1935 during civil unrest. Artefacts of mechanised mining including industrial mine trolleys and rail tracks are in evidence to this day and the Company believes that the mine operated a 20-50 tonne per day capacity mill during production.

Intense artisanal mining activity is taking place along the westernmost 100m strike length where the historic mining took place on the banks of a small river that transects the mineralised structure. At the time of the field work over thirty artisanal miners were actively exploiting the Estrella structure in this locality. At the western end of the known mineralisation the artisanal miners had accessed and cleaned out a 14m long section of tunnel of the historic Estrella Mine. Three evenly spaced roof channel samples collected along this section of the mine returned an average intercept of 0.9m at 8.53g/t gold and 8.80g/t silver.

Sampling of the quartz veins exposed in four of the artisanal miners pits, which reached up to 10m below surface returned consistently high grade assay results with an average of 11.85g/t gold and 23.1g/t silver over 1m intervals. The relatively narrow width sampled underground and in the artisanal mine workings reflects the fact that the historic and current artisanal miners only exploit material grading over 5-10g/t gold and therefore generally only mine, and consequently expose for sampling, the high grade core or the principal one of up to four close-spaced parallel veins that have been recognised in trenching and limited previous drilling within the mineralised structure.

The full width of the mineralisation in the weathered zone is better demonstrated by trench sampling undertaken by previous explorers who reported intercepts of up to 15m at 6.73g/t gold. The wide trench intercepts were confirmed by three trenches completed by Condor which show that gold mineralisation extends beyond the vein into the wall rock. Condor completed three trenches over a 250m strike length at the eastern end of the known mineralisation where the Estrella mineralised structure forms the crest of a ridge that rises to over 80m above the valley where the artisanal mining activity is concentrated. The trenches confirmed the wide high grade mineralisation reported by the previous explorers with the following intercepts returned:

- 9.0m at 5.44g/t gold and 5.87g/t silver (trench ESCT001) at the foot of the ridge.
- 12.4m at 1.46g/t gold and 0.4g/t silver including 4.0m at 2.97g/t gold and 0.65g/t silver (trench ESTR001) at the previously defined eastern strike extent of the Estrella structure towards the highest mineralised part of the ridge.
- 3.1m at 5.19g/t gold and 8.65g/t silver (trench ESTR002), representing a 20m strike extension to the east of the known mineralisation and the highest point on the ridge that gold has been found to date.

To date gold mineralisation has only been defined along a 400m strike length on the Estrella Concession, which on its own is unlikely to support a stand-alone mining operation. Therefore Condor will initially focus on looking for strike extensions and/or other gold mineralised veins in the area in order to define a larger system before committing to further drill testing the known mineralisation. Condor is encouraged by the consistently high grade assay results and wide intercepts at Estrella and is confident that the high grade surface mineralisation already defined is unlikely to be an isolated mineralised structure.

Mark Child, Chairman of Condor Resources, commented:

“Dr Luc English and I visited the Estrella Concession in March 2011. The area of 5 artisanal miners pits being actively exploited, remnants of industrial mine trolleys and rail tracks from the historic mine and several mine shafts that have been re-opened by the artisanal miners gives a sense of excitement about the concession. The widest trench result of 9.0m at 5.44g/t gold gives credibility to a trench by Radius Gold of Canada in 2008 of 15.2m at 6.73g/t gold. The wide trench results are due to the trenches crossing 3-4 parallel veins, which is encouraging. Condor sampled 14m of a tunnel of the historic mine, which has been re-opened by artisanal miners, the average grade from the sampling was 8.52g/t. The area currently exploited by artisanal miners has never been drill tested and whilst it presents a tantalising target Condor considers that it is important to establish that mineralisation extends over a large enough area to fully demonstrate the potential to support a modern mining operation. To this end we plan campaign style exploration aimed at discovering additional mineralised strike length in the vicinity before committing to a drilling programme”

### ***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 licenses and 80% of La India concession in La India Mining District; three 100% owned licences in three other project areas and 20% in the Cerro Quiroz concession in Nicaragua. In El Salvador, Condor has 100% ownership of four licences in two project areas.

Condor's concession holdings currently contain a JORC compliant inferred resource base of 1,092,000 ounces of gold in Nicaragua and 747,000 ounces of gold and 22 million ounces of silver in El Salvador. The Resource calculations are compiled by independent geologists Ravensgate, Geosure and SRK.

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