



# Condor Resources Plc

7<sup>th</sup> Floor  
39 St. James's Street  
London  
SW1A 1JD  
Telephone +44 020 74081067  
Fax: +44 020 74938633

28<sup>th</sup> January 2011

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

## **5,000 metre Drill Programme Commences on La India Project in Nicaragua**

Condor (AIM: CNR) is pleased to announce that diamond core drilling has arrived on site and drilling will commence within the next few days on the La India Concession in La India Mining District of Nicaragua. Condor has contracted a diamond drill rig to drill 2,000 m of core with an option for a further 3,000 m. The drilling programme has been designed in consultation with independent consultants SRK with the aim of increasing the JORC Compliant Inferred Mineral Resource of 4.58 Mt at 5.9 g/t for 868,000 oz gold on La India Concession announced on the 4<sup>th</sup> January 2011. The initial drill holes aim to extend the inferred resource along strike on four of the principal veins, and also to infill gaps between resource blocks, by drilling beneath zones where high-grade gold mineralisation has already been intercepted at surface by trenching. Zones where gold mineralisation has been demonstrated by trench sampling but not confirmed at depth, either by drilling or mine sampling, have not been included in the current resource: some of these zones have demonstrated strike continuity at surface over several hundred metres and these are being targeted first as the drill targets that are most likely to return positive gold intersections and add extra inferred resource ounces for the least metres drilled. Later drilling will aim to further increase the inferred resource by targeting down-dip and further strike extensions with specific targets and prioritisation dependent on the results of the initial drilling.

Drilling is being undertaken on a nominal 100 m along strike spacing and 60 m intercept depth beneath high grade surface trenches with further down-dip drilling at 100 m depth spacing. This drill spacing is recommended by SRK as the sample density required at La India to include the results in a future updated inferred mineral resource estimation.

A single purpose Longyear 38 diamond core drill rig using a stable skid-mounted platform, wider diameter HQ drilling bits and triple-tube coring is being employed in order to maximise core recovery in an area where the fractured nature of the vein and the presence of fault clays associated with the mineralised structure has caused core recovery problems on previous explorers drilling campaigns. Condor is optimistic that with this equipment, the use of locally experienced geological and drilling staff and the insertion of a core quality (recovery) clause in the drilling contract, that the core recovery difficulties can be overcome.

The drilling rate will become established after the first few drill holes, but it is anticipated that the first 2000 m of drilling will take two to three months to complete. Updates will be announced as assay results become available.

Under the terms of the concession swap with B2Gold, announced on 6<sup>th</sup> September 2010, after the initial 2000 m of drilling is completed B2Gold will be required to contribute 20% of further exploration costs on the concession to maintain their equity interest.

Mark Child, Chairman of Condor Resources, commented:

“Condor has commenced a 5,000 metre drill program on its flagship La India project in Nicaragua. The current JORC resource at La India of 868,000 oz gold at 5.9 g/t was announced on the 4<sup>th</sup> January after a massive data capture exercise of all historic mining and exploration on the concession, without any drilling by Condor. The strategy is to determine the size of the gold system by drilling along strike on the veins that have been given a JORC resource and by drilling to depth. The ultimate goal is to determine the amount of recoverable ounces of gold on La India concession and the surrounding 5 contiguous concessions that Condor owns, which cover a total of 164 sq km in La India Mining District. To give some idea, in 1991 a Soviet sponsored drill program defined 1,840,000 oz gold at 9.1g/t to Russian classification on La India concession and 2,400,000 oz gold at 9.1g/t in the District, this excludes 96 sq km of Condor’s concessions in the District. Condor has identified over 17 km of gold mineralised veins at surface in the District and estimates that less than half of the known mineralised veins have been drilled. Furthermore the current resource is defined by 130 drill holes to an average depth of less than 150 metres, mainly around veins that were mined prior to 1956 and produced 575,000 oz gold at 13.2g/t. In the latter part of 2011, Condor intends a deep drill programme to determine how deep the system extends as it is currently open to depth. Condor is confident that La India concession alone hosts a JORC resource in excess of 1,000,000 oz gold and the District should host substantially more.”

### ***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 fifteen 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.

The Mineral Resource estimate has been completed by Ben Parsons, a Senior Resource Geologist with SRK Consulting (UK) Ltd, who is a Member of the Australian Institute of Mining and Metallurgy (MAusIMM). Ben Parsons has some ten years experience in the exploration, definition and mining of precious and base metal Mineral Resources. Ben Parsons is a full-time employee of SRK Consulting (UK) Ltd, an independent Consultancy 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. Ben Parsons 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.

**- Ends -**

For further information please visit [www.condorresourcesplc.com](http://www.condorresourcesplc.com) or contact:

Condor Resources plc

Mark Child, Chairman  
+44 (0) 20 7408 1067

Luc English, Country Manager  
Nicaragua & El Salvador  
+505 8854 0753

Ambrian Partners Limited

Richard Swindells and  
Samantha Harrison  
+44 (0) 20 7634 4700

Farm Street Media

Simon Robinson  
+44 (0) 7593 340107

**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 909,000 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.