



# Condor Gold plc

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

## **Results for 2646m Trenching at Real de La Cruz, La India Project, Nicaragua Large Gold Footprint Suggests Top of a Gold System**

Condor (AIM:CNR) has completed an initial trench sampling programme on the Real de La Cruz Prospect, La India Project, Nicaragua. Assay results delineate a broad low-grade gold mineralised stockwork zone of 1100m strike length and up to 100m width, which has potential to be a third feeder pit to the plant planned by the nearby La India Open Pit Resource. Real de La Cruz has high level geological characteristics that point to the potential for higher-grade mineralisation at depth, as is evidenced by a high-grade breccia within an incised portion of the prospect.

### **Highlights of Exploration Trenching:**

- **13 trenches for 2,646m at Real de La Cruz demonstrate a wide zone of low-grade stockwork gold mineralisation along an 1100m strike length including:**
  - **A core zone of 200m strike length by 40m to 65m width averaging circa 1g/t gold**
  - **An inner zone of 500m strike length by 20 to 60m width averaging over 0.5g/t gold**
  - **An outer halo of at least 1100m strike length by up to 100m width at over 0.2g/t gold**
- **Artisanal miners recently excavated a small open pit to access a high-grade breccia that returned an intercept of 4m true width quartz breccia at 16.4g/t gold.**
- **Gold mineralisation open in all directions and at depth.**
- **Potential supplementary low-grade feeder pit located only 8km from plant planned for La India Open Pit Resource.**
- **Large gold footprint with high level vein textures suggests the top of the system.**

### **Mark Child, Chairman and CEO commented:**

"It is highly encouraging that Condor's geologists have defined a large area of gold mineralisation through limited trenching on the Real de La Cruz Concession on La India Project. These trench results endorse Condor's strategy of continuing to explore the considerable upside potential of La India Gold District while fast tracking the main La India Open Pit Resource of 921,000 oz at 3.0g/t gold to production. Condor's geologists interpret the geological signatures as representing the top of a much larger gold mineralised system that, with further trenching and drilling, has the potential

to develop into a supplementary lower-grade feeder pit to the La India process plant located 8km to the southwest.”

Condor has completed 13 trenches for 2,646m using a mechanical excavator to test wide low-grade gold mineralised stockwork zones on the 100% owned Real de La Cruz Concession, part of the La India Project concession package. Gold mineralisation at Real de La Cruz covers a large surface area on the flank and summit of a hill that rises 100m above the surrounding plains. Previous explorer, Newmont Mining, mapped out a 1100m by 900m gold anomalous area through soil auger, rock chip and trench sampling in 2001-2002. Condor has validated and extended the Newmont trenching: Condor trenches are up to 600m long at 200m spacing along an 1100m strike length. The programme was designed to better establish the extent of *in situ* surface gold mineralisation and obtain a first pass broad view of the grade distribution. See trench results in Table 1 and maps in Figures 1 and 2.

Trench sampling and mapping has confirmed and extended the wide zones of low-grade gold mineralisation identified by the previous explorer. The gold is contained within wide zones of stockwork veins and veinlets, individual veins typically ranging from a few millimetres to tens of centimetres thick at 1-2m vein spacing, and also in wider quartz breccias up to 4m thick. The stockwork and breccia veins are hosted by a felsic lava dome. Three main structural vein orientations are recognised; 090°, 110° and 040°. Vein textures such as banded and bladed quartz indicate at least one phase of mineralisation in the boiling zone. Boiling textures in quartz veins are found throughout the area, but are most abundant in the vicinity of the highest grade trenches in the centre of the area where erosion has incised the dome, possibly exposing lower levels of gold mineralisation. High level vein textures such as opaline quartz, recognised near the summit of the hill in the eastern area of the surface gold anomaly, suggests a high level gold mineralised hydrothermal system.

The width and grade of the gold mineralisation improves towards a central zone where artisanal miners recently excavated a small open pit to access a high-grade breccia, which returned an intercept of 4m true width quartz breccia at 16.4g/t gold (see RNS announcement dated 12<sup>th</sup> June 2014). Condor's wide spaced trench programme has defined three zones to the surface gold mineralisation (see Figure 2 below):

1. a core zone over at least 200m strike length of approximately 40-65m width averaging approximately 1g/t gold and including a northeast-striking 4m true width quartz breccia grading at 16.4g/t gold exposed in an artisanal pit wall,
2. a broader inner halo over at least 500m strike length of 20-60m width averaging over 0.5g/t gold and
3. an outer halo averaging over 0.2g/t gold extends the strike to at least 1,100m, with the width varying from 7m at the flanks to 100m at the core.

The trenching completed to date is considered a first pass test only. Gold mineralisation remains open in all directions where steep slopes or alluvial cover over 2m deep made trench sampling impractical. Isolated gold mineralised outcrops outside of the trench-tested area suggest that there is more near surface gold mineralisation to be discovered. In addition, the 200m spacing employed across the area will require infill trenching to confidently define the variations in grade and width prior to drill testing.

Table 1. Assay results of wide-spaced trench sampling at Real de La Cruz

Prospect	Trench ID	From	To	Width	True width*	Au (g/t)	Ag (g/t)	Comments
Pit Wall	RCTR003	26.00	34.00	8.00	4.0	16.36	6.84	quartz breccia
Core Zone	RCTR004	13.40	77.00	63.60	63.6	1.01	0.4	
		89.00	103.00	14.00	14.0	0.58	0.7	
Core Zone	RCTR007	62.80	169.00	106.20	106.2	0.56	0.2	
		221.40	258.00	36.6	36.6	0.29	0.1	
Inner Zone	RCTR008	0.00	8.00	8.00	8.0	0.66	<0.1	
		34.00	55.00	21.00	21.0	0.28	0.2	
	RCTR008B	35.00	40.00	5.00	5.0	0.74	0.2	
	RCTR008C	36.25	54.00	18.80	18.8	0.54	0.3	
Inner Zone	NDR6846-936	142.00	172.00	30.00	30.0	0.95	-	Newmont data
	RCTR009	0.00	24.40	24.40	24.4	0.62	0.8	
		65.00	75.00	10.00	10.0	0.55	0.4	
		81.40	87.50	6.10	6.1	0.37	2.6	
Outer Zone	RCTR010	82.40	83.00	0.60	0.6	2.14	0.8	
		190.00	192.00	2.00	2.0	4.55	1.6	
		283.70	288.20	4.50	4.5	1.03	3.1	
Outer Zone	RCTR011	3.00	15.00	12.00	12.0	0.13	0.1	
		32.00	53.00	21.00	21.0	0.18	0.3	
		70.00	82.00	12.00	12.0	0.20	0.4	
		154.00	156.40	2.40	2.4	0.98	3.2	
	NDR6330-84	38.00	70.00	32.00	32.0	0.60	-	Newmont data
Outer Zone	RCTR013	87.50	97.20	9.70	6.9	0.24	<0.1	
Outer Zone	RCTR014	31.00	36.90	5.90	5.7	0.61	<0.1	

## In conclusion

The definition of broad zones of near-surface gold mineralisation at over 0.5g/t gold along a 500m strike length, referred to as the core and inner zones, has the potential to provide low-grade supplemental feed to the proposed La India Open Pit Mine plant located only 8km away. Pre-feasibility studies are at an advanced stage on La India Open Pit Resource, where the base case envisages production of circa 80,000 oz gold per annum.

The large footprint and localised zones of wide high-grade gold mineralisation is encouraging. The recognition of quartz vein textures indicative of both high level and boiling zone mineralisation suggests an extremely active system. The artisanal miner's small open pit has provided access to a high-grade breccia which returned an intercept of 4m true width quartz breccia at 16.4g/t gold is exciting and requires further geological investigation. Condor considers that the large low-grade footprint at Real de La Cruz could be the top of a large mineralised system.

Step-out soil sampling and further infill and extension trenching is planned to better define the surface mineralisation prior to drill testing for continuity to depth. Additional geological, geochemical and mineralogical studies will improve understanding of the system and guide further exploration of potential higher-grade mineralisation at deeper levels.

Figure 1. Location of Real de La Cruz trenching in relation to the main La India Open Pit Resource.

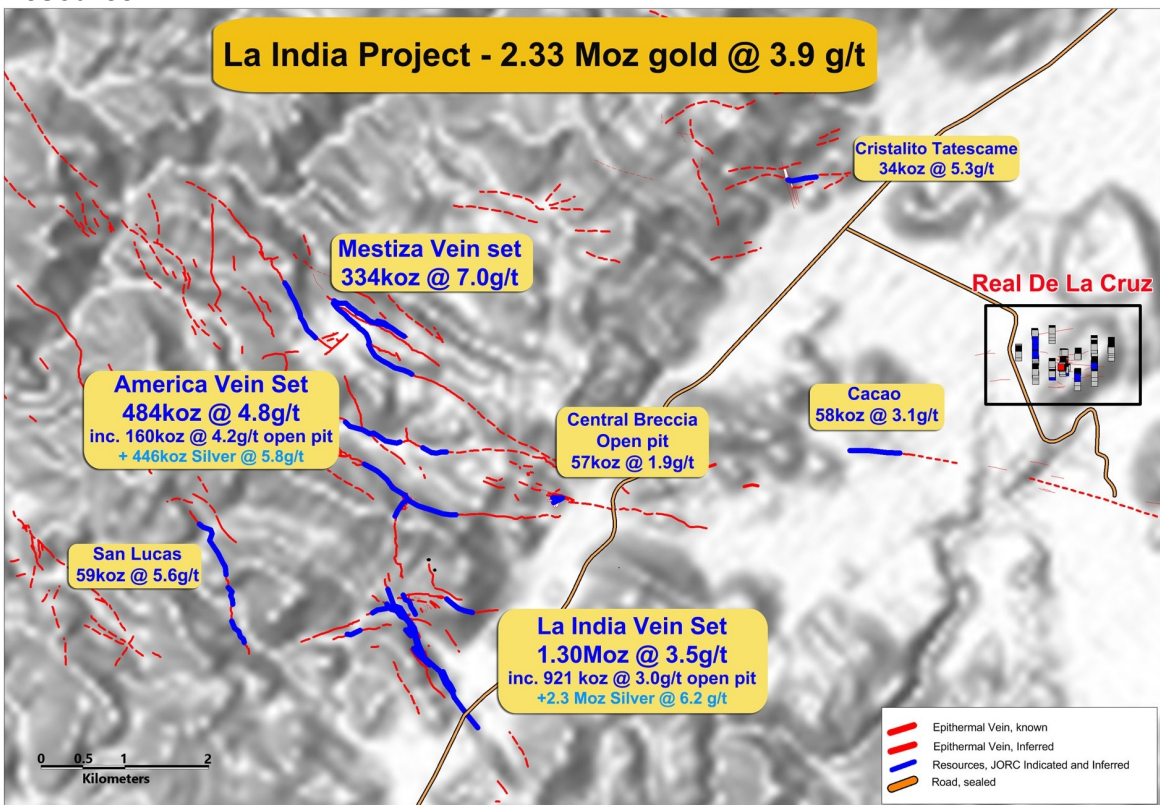
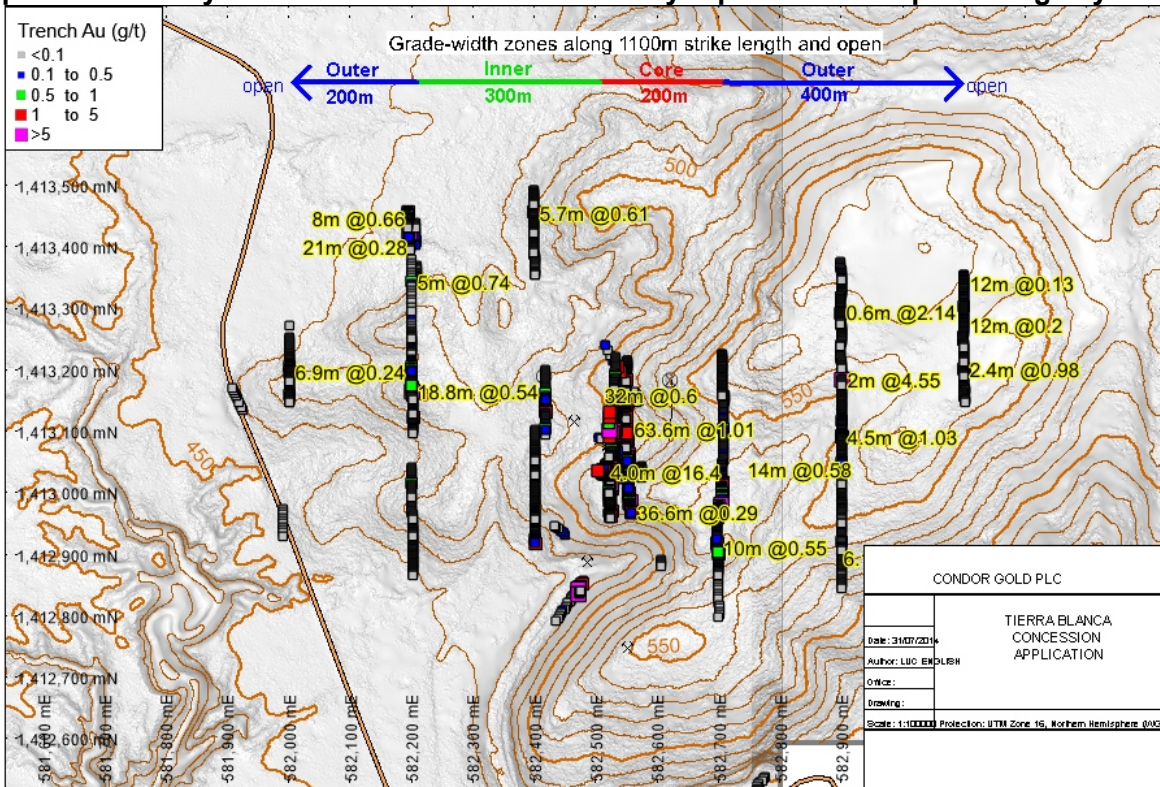


Figure 2. Trench intercepts at Real de La Cruz showing a large low-grade near surface stockwork gold mineralisation which could provide supplementary feeder ore to the planned nearby La India Gold Mine and also may represent the top of a large system.





## **Competent Person's Declaration**

The information in this announcement that relates to the mineral potential, geology, 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 nineteen years of experience in the exploration and definition of precious and base metal mineral resources. Luc English is a full-time employee of Condor Gold 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.condorgold.com](http://www.condorgold.com) or contact:

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### **About Condor Gold plc:**

Condor Gold 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 CIM/JORC Resources in Nicaragua and El Salvador. Condor has eight 100% owned concessions in La India Mining District ("La India Project"); 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 La India Project in Nicaragua currently contains a total attributable mineral resource of 18.4Mt at 3.9g/t for 2.33M oz gold and 2.68M oz silver at 6.2g/t to the CIM Code. Total gold equivalent of 2.37M oz. Including: Indicated mineral resource of 9.6Mt at 3.5g/t for 1.08M oz gold, Inferred mineral resource of 8.8Mt at 4.4g/t for 1.25M oz gold. Total open pit mineral resources of 1.14M oz gold at 3.1g/t. In El Salvador, Condor has an attributable 1,004,000 oz gold equivalent at 2.6g/t JORC compliant resource. The resource calculations are compiled by independent geologists SRK Consulting (UK) Limited for Nicaragua and Ravensgate and Geosure for El Salvador

### **Disclaimer**

Neither the contents of the Company's website nor the contents of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into, or forms part of, this announcement.

## Technical Glossary

Assay	The laboratory test conducted to determine the proportion of a mineral within a rock or other material. Usually reported as parts per million which is equivalent to grams of the mineral (i.e. gold) per tonne of rock
Auger	A device used to collect unconsolidated soil or other subsurface material by drilling either with a screw thread or with a hollow core tube with a blade bit.
Breccia	A rock made up of angular rock fragments cemented together by a finer grained matrix
CIM Code	The reporting standard adopted for the reporting of the Mineral resources is that defined by the terms and definitions given in the terminology, definitions and guidelines given in the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Standards on Mineral resources and Mineral Reserves (December 2005) as required by NI 43-101. The CIM Code is an internationally recognised reporting code as defined by the Combined Reserves International Reporting Standards Committee
Cross-cutting	Cross-cutting refers to the orientation of a structural plane or lineament that intersects another plane or lineament at an obtuse or perpendicular angle.
Dip	A line directed down the steepest axis of a planar structure including a planar ore body or zone of mineralisation. The dip has a measurable direction and inclination from horizontal.
Epithermal	Mineral veins and ore deposited from fluids at shallow depths at low pressure and temperatures ranging from 50-300°C
Feeder Pit	Smaller deposits that are physically separate from a main deposit that can be mined independently from the main area. These deposits typically simplify operational planning.
Gold Equivalent	Gold equivalent grade is calculated by dividing the silver assay result by 60, adding it to the gold value and assuming 100% metallurgical recovery
Grade	The proportion of a mineral within a rock or other material. For gold mineralisation this is usually reported as grams of gold per tonne of rock (g/t)
g/t	grams per tonne
Hanging wall	The rock adjacent to and above an ore or mineralised body or geological fault. Note that on steeply-dipping tabular ore or mineralised bodies the hanging wall will be inclined nearer to the vertical than horizontal.
Inferred Mineral Resource	That part of a Mineral resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that may be limited, or of uncertain quality and reliability
Indicated resource	That part of a Mineral resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed
Intercept	Refers to a sample or sequence of samples taken across the entire width or an ore body or mineralized zone. The intercept is described by the entire thickness and the average grade of mineralisation
JORC	Australian Joint Ore Reserves Committee, common reference to the Australasian Code for reporting of identified mineral resources and ore reserves
koz	Thousand troy ounces
kt	Thousand tonnes
Mineral Resource	A concentration or occurrence of material of economic interest in or on the Earth's crust in such a form, quality, and quantity that there are reasonable and realistic prospects for eventual economic extraction. The location, quantity, grade, continuity and other geological characteristics of a Mineral Resource are known, estimated from specific geological knowledge, or interpreted from a well constrained and portrayed geological model
Open pit mining	A method of extracting minerals from the earth by excavating downwards from the surface such that the ore is extracted in the open air (as opposed to underground mining).
oz	Troy ounce, equivalent to 31.103477 grams
Quartz	A common rock mineral composed of the elements silicon and oxygen.
Quartz breccia	Broken fragments of rock cemented together by a network of quartz rock. The quartz is deposited from saturated geothermal liquids filling the space between the rock fragments.
Quartz veins	Deposit of quartz rock that develop in fractures and fissures in the surrounding rock. They are deposited by saturated geothermal liquids rising to the surface through the cracks in the rock and then cooling, taking on the shape of the cracks that they fill.

Rock chip	A sample of rock collected for analysis, from one or several close spaced sample points at a location. Unless otherwise stated, this type of sample is not representative of the variation in grade across the width of an ore or mineralised body and the assay results cannot be used in a Mineral Resource Estimation
Stockwork	Multiple connected veins with more than one orientation, typically consisting of millimetre to centimetre thick fracture-fill veins and veinlets.
Strike length	The longest horizontal dimension of an ore body or zone of mineralisation.
Trench	The excavation of a horizontally elongate pit (trench), typically up to 2m deep and up to 1.5m wide in order to access fresh or weathered bedrock and take channel samples across a mineralised structure. The trench is normally orientated such that samples taken along the longest wall are perpendicular to the mineralised structure.
True width	The shortest axis of a body, usually perpendicular to the longest plane. This often has to be calculated for channel or drill samples where the sampling was not exactly perpendicular to the long axis. The true width will always be less than the apparent width of an obliquely intersect sample.
Mt	Million tonnes
Vein	A sheet-like body of crystallised minerals within a rock, generally forming in a discontinuity or crack between two rock masses. Economic concentrations of gold are often contained within vein minerals.
Wallrock	The rock adjacent to an ore or mineralised body or geological fault.