



# Condor Gold plc

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

## **Trench results and initiation of mechanized trenching on America Vein Set, La India Project, Nicaragua.**

### **Highlights**

- **10m at 3.56g/t gold in trenching demonstrates remnant wallrock gold mineralisation in the historic America Mine.**
- **Up to four mineralised zones over a 30m width in the hangingwall demonstrates a stacked vein system with the potential to coalesce into wide moderate to high-grade zones along strike or down-dip**
- **800m strike length of the historic America Mine remains untested by trench sampling and the entire 1200m strike length has never been drilled.**
- **4.1m at 6.17g/t gold trench intercept in a remnant pillar of the historic America Mine demonstrates significant gold left behind during mining operations.**
- **Follow up trenching using a mechanical digger over 1,200m length of historic America Mine has started at 50m intervals.**

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

"The historic mine on the America vein is estimated to have produced circa 250,000 oz gold at 13.5g/t prior to its closure in 1956, which is the same amount of gold production as the historic mine on La India vein. The recently announced open pit resource on La India/California veins of 954,000 oz gold at 3.6g/t gold encompasses a large part of the historic La India mine. We aim to prove whether the success of the open pit resource on La India veins can be repeated on the America veins. The initial trench results are encouraging, demonstrating multiple mineralised zones over a 30m length.

The old mine workings on the America vein have a strike length of approximately 1,200m and were mined on 9 levels to a depth of circa 250m. These have never been drill tested to determine whether remnant wall rock remains in the hanging wall and footwall of the old mine workings and whether there are parallel veins at surface or at depth which coalesce. A mechanical digger is now on site, trenching at 50m intervals over a 1,200m strike length. Condor plans to follow up with a 2,000m drill programme through the old mine workings, if successful this may prove a second open pit resource on La India Project"

**Condor (AIM:CNR)**, a gold exploration company focused on delineating a large commercial resource on its 100%-owned La India Project in Nicaragua is pleased to announce that exploratory trenching across the surface exposure of the historic mine workings on the America Vein have demonstrated substantial thicknesses of gold mineralisation remains in pillars and the wall rock of the old mine workings. There is also the presence of parallel gold mineralised veins and breccias over a thickness of at least 30m. To progress these positive results, the company has commenced a programme of 50m spaced trenching along a planned 1,200m strike length using a combination of mechanical and manual excavation to fully define the width and grade of remnant gold mineralisation in the wall rock. The trench results will guide a follow up drilling programme to test the remnant wall rock mineralisation at depth and potential parallel veins..

The Mineral Resource for Condor's wholly-owned La India Project currently stands at 16.2 Mt at 4.6 g/t for 2,375,000 oz gold, including 5.3 Mt at 4.4 g/t for 751,000 oz gold in the Indicated Mineral Resource category with the balance in the Inferred category. Of this, the America Vein Set contains the second largest single Mineral Resource with 2.11Mt at 6.0g/t for 405,000 oz gold, of which 288,000 oz gold is on the interconnected America-Constancia-Escondido veins, including 480kt at 7.8g/t for 120,000 oz gold in the Indicated category (Figure 1 below). The historic America underground mine was developed on a similar scale to the La India underground workings located less than 2km to the South. The America-Constancia veins were exploited along a 2km strike length. Most of the mining concentrated on a 1,200m strike length of the America-Constancia vein and a 250m strike length of the intersecting Escondido vein where they worked up to nine different levels to a depth of 250m using traditional narrow vein shrinkage stoping techniques. Based on the dimensions of the workings, it is estimated that approximately 40% of the total gold production from the La India Mining District, equivalent to approximately 250,000 oz gold at 13.5g/t was from the America Mine. Reconciliation during the mineral resource calculation appears to confirm this value.

There is no representative trench or drill sampling data on the 1,200m strike interval of the main America Mine underground workings; all previous exploration has been confined to the strike extensions to the East and northwest. Encouraged by the discovery of wide zones of significant remnant wallrock at the nearby historic La India mine workings the Company has completed seven exploratory trenches spaced at 5m to 140m intervals along a 400m strike length of the America Vein where suitable exposures of in situ quartz veining could be found on the surface expression of the historic mine workings. The trenches were designed to test both the gold mineralisation in remnant pillars and the possibility of additional gold mineralisation in the wallrock. The trenching was limited to easily accessible rock exposures and tested a maximum of only 40m width of wallrock, and in all but one case was restricted to the hangingwall of the old mine workings. This exploratory trenching returned successful intercepts from both targets:

- 4.1m (3.6m true width) at 6.17g/t gold in a remnant pillar (trench LITR102)
- 10m (8.7m true width) at 3.56g/t gold demonstrates wide zones of moderate grade in the hangingwall of the America mine (trench LITR100)
- Multiple mineralised zones over a 30m length (30m cross-strike) in trench LITR105 (Table 1 below) demonstrates a stacked vein system with the potential to coalesce into wide moderate to high-grade zones along strike or down-dip.

The full trench intercept results are presented in Table 1 below.

**Table 1. Assay results of exploratory trench sampling on the America Vein.**

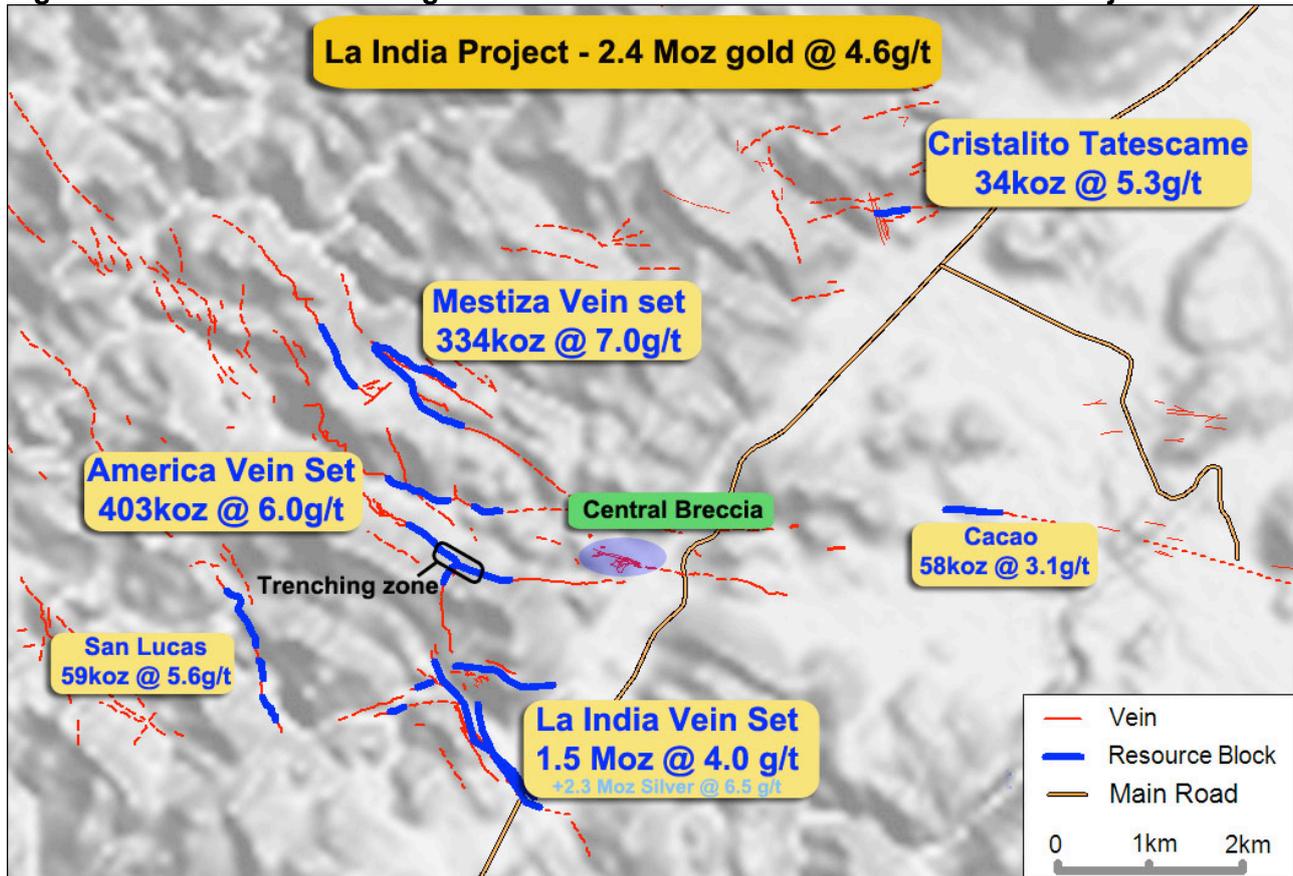
Prospect	Trench ID	From	To	Width	True Width	Au (g/t)	Ag (g/t)	Comments (vein assignments subject to revision)
America	LITR099	1.50	4.60	3.10	2.8	1.18	2.4	America
America	LITR100 including	0.00	10.00	<b>10.00</b>	<b>8.7</b>	<b>3.56</b>	11.3	America pillar and hangingwall (open)
		5.00	7.00	2.00	1.7	10.63	21.8	
America	LITR101	0.00	1.75	1.75	1.5	1.09	1.7	America footwall (open)
America	LITR102 including	8.50	12.60	<b>4.10</b>	<b>3.6</b>	<b>6.17</b>	6.4	America pillar (open)
		8.50	10.50	<b>2.00</b>	<b>1.7</b>	<b>11.32</b>	7.9	
America	LITR103	2.30	2.70	0.40	0.3	1.01	2.6	America
America	LITR104	3.25	7.00	3.75	3.2	2.37	3.5	America (open)
America	LITR105	0.00	3.80	3.80	3.7	1.10	1.2	America (open)
		9.70	9.90	0.20	0.2	<b>8.63</b>	7.3	America HW1
		14.00	20.35	6.35	6.3	0.64	1.1	America HW2
		25.50	26.15	0.65	0.6	1.99	2.2	America HW3
		38.35	39.00	0.65	0.6	2.56	3.1	America HW4

True width is based on the current interpretation of the veins and may be revised in the future.

To follow-up these initial positive results and establish the full grade, width and distribution of wallrock gold mineralisation the Company has started a programme of 80m to 100m long trenches at 50m intervals along the 1,200m strike length of the principal old mine workings. Approximately half of the trenches will be completed by mechanised excavator and the remainder, where topography is too steep to allow easy access to heavy machinery, will be completed manually. Trenching by both methods is already underway and the initial results are expected before the end of October. The trench results will guide a follow-up drilling programme to test the wallrock mineralisation at depth.

The Company is encouraged by the early results which suggest that mining on the America-Constancia vein followed the same pattern as at nearby La India by exploiting only a narrow high-grade part of the vein using the shrinkage stoping technique and leaving remnant gold mineralisation in the wallrock. If results prove to be comparable to La India then this work programme has the potential to prove a second substantial open-pittable deposit less than 2km away from the La India Vein Set.

Figure 1. Location of trenching on the America Vein Set within the La India Project area.



**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 seventeen 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 JORC Resources in Nicaragua and El Salvador. Condor has six 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 concession holdings in Nicaragua currently contain an attributable CIM/JORC compliant resource base of 2,497,000 ounces of gold equivalent at 4.6g/t in Nicaragua and an attributable 973,000 oz gold equivalent at 2.6g/t JORC compliant resource base in El Salvador. 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
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
Diamond core drilling	A drilling method in which penetration is achieved through abrasive cutting by rotation of a diamond encrusted drill bit. This drilling method enables collection of tubes of intact rock (core) and when successful gives the best possible quality samples for description, sampling and analysis of an ore body or mineralised structure.
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.
Down-dip	Further down towards the deepest parts of an ore body or zone of mineralisation
Foot wall	The rock adjacent to and below an ore or mineralised body or geological fault. Note that on steeply-dipping tabular ore or mineralised bodies the foot wall will be inclined nearer to the vertical than horizontal.
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
Pillar (mining term)	A vertically orientated block of ore left in the mine to provide support against mine collapse.
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.
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 3 dimensional object (i.e. ore/mineralised body), usually perpendicular to the longest plane. This often has to be calculated where channel or drill 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.
Wallrock	The rock adjacent to an ore or mineralised body or geological fault.
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.