

STOCK EXCHANGE ANNOUNCEMENT



3 July, 2014

Chile Project Update after Managing Director Visit

ASX Release Stock Code: CDB

Highlights

- Condor's Managing Director has completed a planned trip to Chile. The visit was timed to renew core agreements around Condor's projects and review operational arrangements supporting development work.

Chile Visit Outcomes

Condor Blanco Mines Limited (ASX: CDB; **Condor**, the **Company**) is pleased to announce that its Managing Director, Mr Glen Darby, has now returned to Australia following a planned trip to Chile. The visit to Chile reflects the need to concentrate on core assets, and particularly the Marianas Magnetite Tailings Project. **Condor** wishes to affirm that the current capital position (i.e., cash in bank) will enable **Condor** to progress as planned. All payments required to maintain required project rights have been paid prior to June 30th.

The visit also included renegotiation of fees and payment terms for the exploration project options. These revised payment terms mean that the company has lower outgoings, and also faces a smoothed payment schedule. The option payment for Carachapampa has been agreed at \$50,000 for the next 6 months. This will allow completion of planned drilling. In addition, **Condor** wishes to confirm to the market that the fee for Gold Iron has been broken into 6-monthly payments of \$25,000. Finally, the Company has agreed to relinquish the La Isla option to reduce future outgoings. The project owners have been notified of the intention to discontinue and no further option payment has been made in relation to it.

With the market for base metals improving, Carachapampa carries the potential for exploration results to support a large company joint venture. Several industry majors have inspected the project, and **Condor** has adjusted its proposed drilling to maximise the potential of delivering the geological results needed to finalise the joint venture arrangements that were discussed with these parties. As the end of winter approaches, **Condor** will in due course make the final decision on whether to commence drilling of these zones at Carachapampa. These include the newly identified zones outlined in previous releases, such as Cerra de la Cruz on the Northern boundary.

Condor is also progressing with permitting on Marianas having employed a full-time environmental and administrative officer, Esther Weinstein, to drive the approvals process. Ms. Weinstein was previously employed in a similar role for Canadian firm Minera Verde Resources Chile Ltda., where she held overall responsibility for environmental permits and land management supervision, reporting directly to the CEO. Prior to this, Ms. Weinstein commenced her career at BHP Billiton, where she spent 12 years in various administration roles within the Minerals Exploration Department. Condor is also pleased to confirm that following Ms. Weinstein's appointment, the budgeting for the Marianas approvals process has now been completed and the Company will be able to update the market on time frames shortly.

Beaufort Securities Limited (Beaufort) has indicated its ongoing support for **Condor**. **Condor** has agreed to offer **Beaufort** priority in future placements, which are to be tied to project milestones. The Company continues to pursue other small scale near term production targets which fit with its cash flow oriented strategy.

For more information, visit www.condormines.com or contact:

Field Code Changed

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