

STOCK EXCHANGE ANNOUNCEMENT



03 November, 2014

Board Approves Drilling Program after Nearby Discovery

ASX Release Stock Code: CDB

Highlights

- Condor's Board of Directors has approved a diamond drilling program of two initial holes to commence at Carachapampa's Northern Zone, 'Cerro de la Cruz'. The potential of the Carachapampa tenements is reinforced by Kingsgate Consolidated Limited's discovery at the adjoining Nueva Esperanza project.
- Condor has requested quotes from local drillers, which are to be received by Friday 07 November. The preferred contractor will be notified early next week.

Carachapampa Drilling

Condor Blanco Mines Limited (ASX: CDB; "Condor", "the Company") is pleased to announce the approval of the drilling of two diamond holes at its Carachapampa project in Northern Chile. The drilling program is targeting mineralised systems at Carachapampa that are interpreted to be similar to existing deposits at neighbouring Kingsgate Consolidated Limited's (ASX: KCN; "Kingsgate") silver and gold Nueva Esperanza project. The exploration potential was highlighted by Kingsgate's 27 October 2014 ASX announcement entitled: "**Spectacular Gold and Silver Assay Results at Nueva Esperanza, Chile**".¹ The below chart highlights shows Condor's Carachapampa exploration tenements relative to Kingsgate's Nueva Esperanza leases and silver/gold deposits.



Figure 1: Condor Carachapampa Location Relative to Kingsgate's nearby Silver/Gold Projects

¹ Kingsgate ASX Announcement, available at: <http://www.asx.com.au/asxpdf/20141027/pdf/42t685l0dq0k2p.pdf>

Condor Blanco Mines Ltd
ACN 141 347 640

Address: Suite 819
160 Castlereagh Street
Sydney NSW 2000

Phone: (02) 8064 3624

Fax: (02) 8064 4118

Web: www.condormines.com
Email: info@condormines.com

Carachapampa was Condor's flagship project on listing and has remained the focus of exploration activities in Chile. The Carachapampa purchase option was recently renewed (under a more flexible option fee of \$50,000 each 6 months), giving Condor a binding option over the entire Carachapampa tenement package.

Condor has provided a quotation scope and requested quotes. These should be delivered by the end of Friday 07 of November, with the preferred supplier to be notified early next week.

Carachapampa Exploration Potential

The area around Carachapampa remains one of the most exciting in Chile. Just this week Condor's neighbour Kingsgate announced a new discovery in their adjacent project, as highlighted in their October 27 announcement. This followed earlier release in 2013 of mineralised deposit estimates for annual production at levels of around 6.0-8.0 million ozs of Silver (93.3 million oz. Silver Equiv), and annual production of 18,000-22,000 ozs Gold (1.56 million oz. Gold Equiv.) at their Nueva Esperanza leases just 2km from Carachapampa.² The below figure highlights the close proximity of the Kingsgate's gold/silver resources to Condor's Carachapampa tenements.



Figure 2: Location of Condor's Carachapampa Project to Kingsgate's Nueva Esperanza Leases

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

Mr Glen Darby, Managing Director
Condor Blanco Mines Limited
Office: +61 (02) 8064 3624
Email: info@condormines.com

Competent Persons Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information reviewed by Andrew Jones, who is a Member of the Australasian Institute of Mining & Metallurgy. Andrew Jones is a full-time employee of TasEx Geological Services Pty Ltd, which provides geological consulting services to Condor Blanco Mines Limited, and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Andrew Jones consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

² Kingsgate ASX Announcement, available at: <http://www.asx.com.au/asxpdf/20131009/pdf/42jxnbh23y3zny.pdf>