

STOCK EXCHANGE ANNOUNCEMENT



26 November 2014

Pits Completed at Lead-Zinc-Silver Project

ASX Release Stock Code: CDB

Highlights

- Four trial pits have been completed at the “Uludere Project” (“Project”). All four pits reached the bottom of the iron-rich zone and intersected blocks of lead-silver containing material.
- 53 tonnes of material that is saleable under the Meskan Olmez Madencilik Ltd Şti offtake agreement has been shipped to the location of the flotation plant.
- Assessment of the profitability of future mining is underway, with a local consultancy evaluating the geology and mining potential. A mine costing is to be completed, with a cash flow analysis then to be performed.

Trial Pits Completed

Condor Blanco Mines Limited (ASX: CDB) (“Condor”) is pleased to announce that all four planned trial mining pits have completed at the Uludere Project (on Mining Licence 200806380) located in Eastern Turkey. Under its 11 September 2014 agreement, Condor has a 6-month exclusive right to undertake trial mining and can elect to continue to larger scale mining prior to the expiry of the take period. Through completion of the four pits, Condor has fulfilled its stage 1 obligations, and now can assess stage 2.

53 tonnes of Pb-Ag bearing material that is saleable under the Meskan Olmez Madencilik Ltd Şti offtake agreement has been shipped to the location of the flotation plant in Olgunlar, Turkey where it was weighed and sampled. Several hundred tonnes of Zn and Pb bearing iron-rich material have also been stockpiled. This material would be considered for future upgrading should a larger operation commence at Uludere. A provisional invoice has been issued in relation to this material with a final invoice to follow once independent laboratory assays are received. The provisional invoice has a value of \$365.62 per tonne based on the provisional assay completed by the atomic absorption spectroscopy (AAS) laboratory equipment situated at the plant.

Mining Assessment to be Undertaken

Assessment of the profitability of future mining is underway, with a local consultancy evaluating the geology and mining potential. A mine costing is to be completed, with a cash flow analysis then to be performed. The initial geological review has suggested that the pits have opened an intrusion of a mineral rich phase into host rock along structurally weak zones. In addition to small-scale mining, there may be further exploration potential in the license area. The presence of unexplained oxidised Cu and presence of Sb suggests potential for a deeper main source of mineralisation nearby. It has been recommended that geophysical studies may provide useful insight on the source of the mineralisation at deeper levels.

Condor’s Managing Director, Mr Glen Darby commented: “We are pleased with the progress at Uludere. The trial pits have provided a firm basis for assessing the feasibility of larger scale mining and having some revenue returned to the project from sales of material collected during this is a small, but welcome, bonus. Although the initial works were of limited scope, we believe this was an effective means of undertaking necessary geological assessment without expending substantial funds.”

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Cross-cutting exploration excavation: the altered zone (green border) coming up through the limestone with in-situ Pb (red circles)



Pb-Ag pebbles and boulders mined from the mineralised zone. This present as externally coated with oxidized iron-rich species but internally contain metallic galena.



Stock pile excavated from the final pit which contains higher Pb-Ag material. This stock was subjected to manual sorting by a team of workers to divide saleable Pb-Ag from waste gangue rocks prior to shipment.



Iron-rich stock with some contained Zn and Pb. This material will be considered for future upgrading.

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

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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.