



New exploration ground adds to the Condor portfolio

Date: 21 September 2011

ASX Code: CNK

www.condormetals.com

Share Capital

65.4 million ordinary shares

Market Capitalisation: A\$6.5 million

Current Share Price \$0.10

Board

Laurence Freedman AM, Chairman
Ross Gillon, Non Exec Director
Robert Schuitema, Company Secretary and Non-Exec Director

Senior Management

John McKinstry, Chief Operating Officer
Andrew Jones, Exploration Manager

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New exploration areas in Western Australia acquired at:

- **Milly Milly, west of Crossland Resources Jack Hills iron project**
- **Andes and Mt James, in prospective Gascoyne region**

Condor Metals Limited (ASX: CNK) is pleased to announce that it has secured new exploration tenements in the Gascoyne region of Western Australia.

The Company is awaiting the grant of tenements in several localities which includes the Southern Cross area between Perth and Kalgoorlie, the Gascoyne area inland from Carnarvon (Milly Milly, Andes and Mt James Creek projects) and a new application north east of Kalgoorlie (Hancock Hill & Yindarlgooda) which will become part of Condor's Grey Dam project.

The Milly Milly tenements are prospective for iron and base metals mineralisation. The Mt James and Andes tenements are in a favourable geological setting for base metals, gold and uranium. These tenements are considered prospective for a combination of nickel, gold and base metals.

Comment

Condor's COO John McKinstry commented: "With a new team comprising an Exploration Manager and two supporting geologists, we have broadened our sights while continuing to progress efforts on the Kallona Pool, Gundocketa and Dingo Range projects.

These new tenements are in geologically promising areas, and will add considerably to the prospect of a substantial new project."

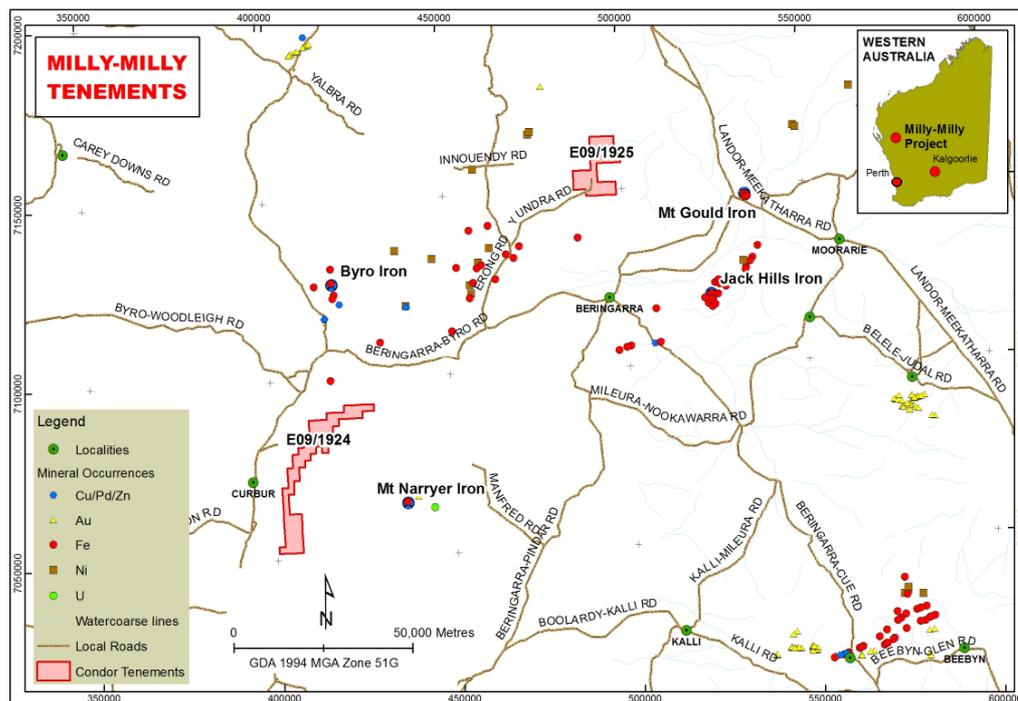
John McKinstry COO

Milly Milly (100% interest, under application)

The Milly Milly project area consists of two exploration licence applications (E09/1924 & E09/1925) covering a combined area of 318km². The project is located 300km southeast of Carnarvon in Western Australia.

The area is part of the Archaean Narryer Gneiss Terrane largely composed of metamorphosed mafic intrusions, granitoids and sedimentary rock types. The area is prospective for a variety of commodities such as nickel, iron, copper, lead and zinc.

Also located in the region is the Jack Hills Iron Ore Mine, operated by Crosslands Resources. It is currently producing 1.8Mt per annum of direct shipping iron ore. The region is the focus of a high level of exploration by a number of companies.



Mount James (100% interest, under application)

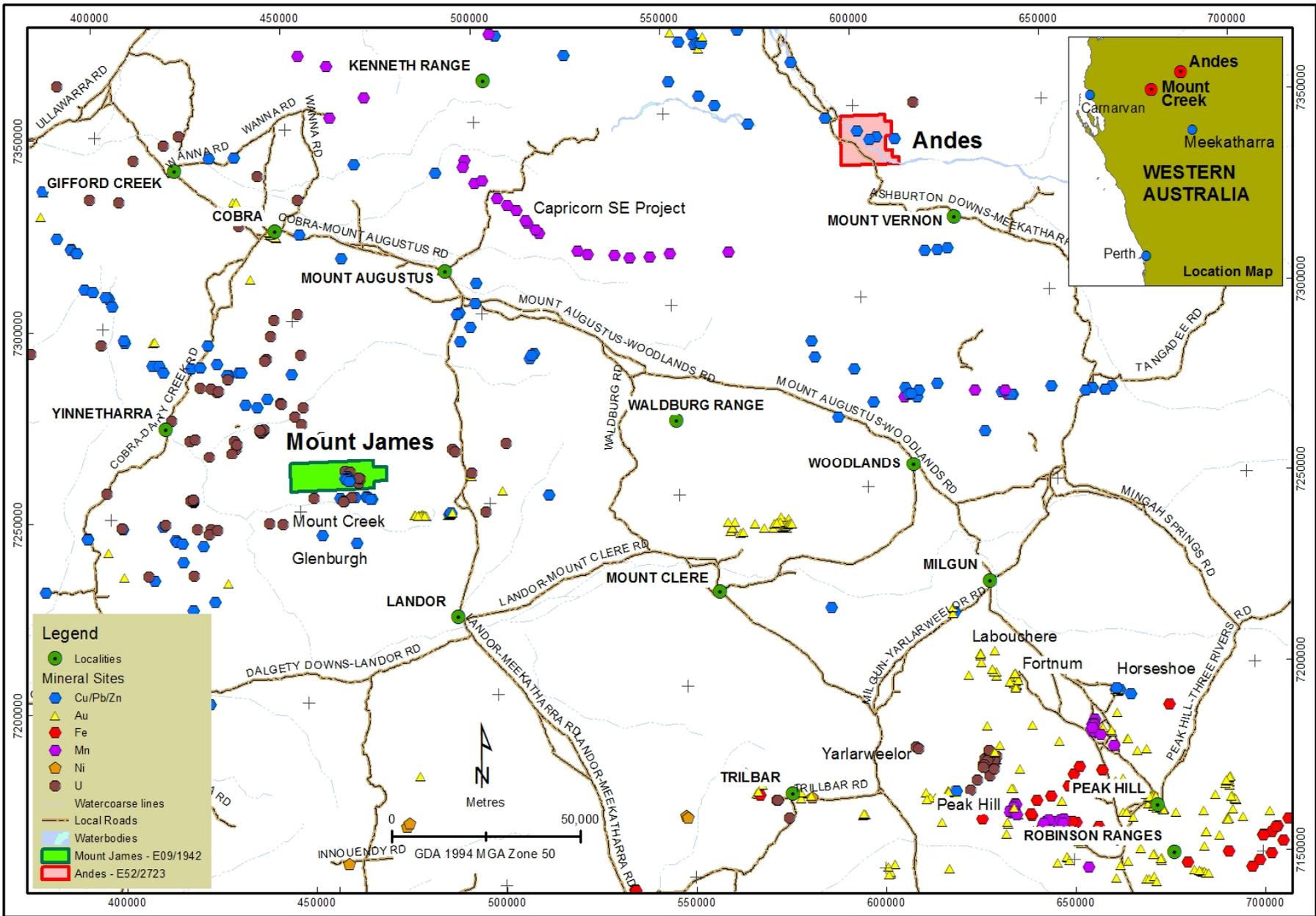
Exploration licence application E09/1942 covers an area of 175km² in the Proterozoic Gascoyne Complex of Western Australia located and is located 300km east of Carnarvon.

The project area contains historic gold, base metal and uranium prospects and initial exploration is likely to be focussed on these known areas of interest. Exploration prospects of note in the area include Aurora Mineral's Capricorn South East project (Manganese) and Glenburgh (Copper, Gold and Uranium) plus Catalyst Metals' Minnie Springs (Molybdenum and Copper)

Andes (100% interest, under application)

The Andes project (E52/2723) is located 190km southwest of Paraburdoo and 150km northeast of the Mount James tenements, in northern Western Australia. The tenements cover an area of 54 sub blocks (~170km²). The licence is easily accessed along the Meekatharra Road.

The project area is within the Ashburton and Edmund Basins which are considered highly prospective for Copper-Lead-Zinc-Gold mineralisation and historic prospects are known within the application area. The Prairie Downs Zinc-Lead-Gold deposit occurs 100km to the east in a similar geological setting.

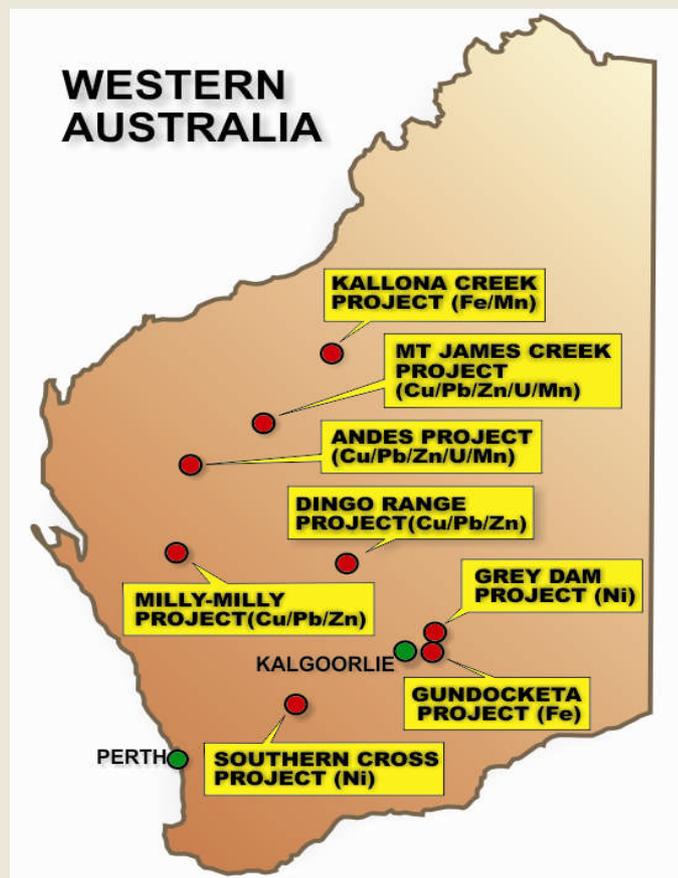


About Condor Metals Limited

Condor Metals Limited is an Australian listed company (ASX code: CNK) focused on multi-commodity projects in Western Australia.

The Company's priority targets are:

- Dingo Creek base metals project
- Grey Dam Nickel prospect
- Gundocketa Iron Ore prospect
- Kallona Creek Iron / Manganese project
- Southern Cross Nickel prospect (application)
- Milly Milly Iron/Manganese/Copper project (application)
- Mt James base metals/gold/uranium (application)
- Andes copper/lead/zinc (application)



CNK has low overheads and promising exploration ground. The Company has an open mandate on commodities and development strategy.

With approximately \$2.5 million in cash and no debt, Condor is well-funded to pursue the exploration and development of its projects.