NI43-101 MINERAL RESOURCE ESTIMATE ON THE LA INDIA GOLD PROJECT, NICARAGUA, NOVEMBER 2013

Prepared For

Condor Gold Plc

Report Prepared by

SRK Consulting (UK) Limited
UK5518

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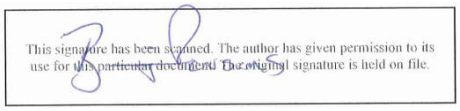
Qualified Person:	 Benjamin Parsons, Principal Consultant (Resource Geology)

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EXECUTIVE SUMMARY
NI43-101 MINERAL RESOURCE ESTIMATE ON THE LA INDIA GOLD PROJECT, NICARAGUA, NOVEMBER 2013

1 INTRODUCTION

SRK Consulting (UK) Ltd ("SRK") has produced an updated Mineral Resource Estimate ("MRE") for Condor Gold Plc ("Condor" or the "Company") on the La India Project, dated 8 November 2013, comprising twelve individually modelled vein-hosted gold deposits. The deposits have been modelled and are described herein using the UTM coordinate grid.

During 2013 the Company has focused exploration within the areas surrounding the historical La India and America mines and the new discovery of the Central Breccia. Drilling has been completed using both diamond drilling (DD) and reverse circulation (RC) methods.

The reporting standard adopted for the reporting of the MRE reflects 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 ("CRIRSCO").

The Mineral Resource Statement presented is signed off by Ben Parsons, A Qualified Person in accordance with the CIM Code.

2 PROJECT DESCRIPTION

Condor holds 100% ownership of a 280 km^2 concession package covering 98% of the historic La India Gold Mining District, north of Managua, Nicaragua. The concession package comprises eight contiguous concessions. Four of the concessions were awarded directly from the government between 2006 and 2010. The remaining four concessions were acquired from other owners: the La India Concession was added to Condor's portfolio in late 2010 through a concession swap agreement with Canadian miner B2Gold, the Espinito Mendoza, La Mojarra and HEMCO-SRP-NS (to be renamed La Cuchilla) concessions were acquired from private companies in 2011, 2012 and 2013 respectively.

The mineralisation predominantly occurs in individual narrow veins and breccia zones that follow a regional structural control. The updated mineralisation model for the La India and the California veins display coalescing and bifurcating forms, with an associated significant increase in thickness where the veins coalesce. The La India and California veins are treated here as one broad package referred to as the "La India-California veins".

Narrow high-grade core veins defined by drilling and correlated with the historic underground sampling are separated in the mineral resource model from lower grade broader zones of breccia and vein mineralisation which SRK consider may have potential for extraction using open pit methodologies.

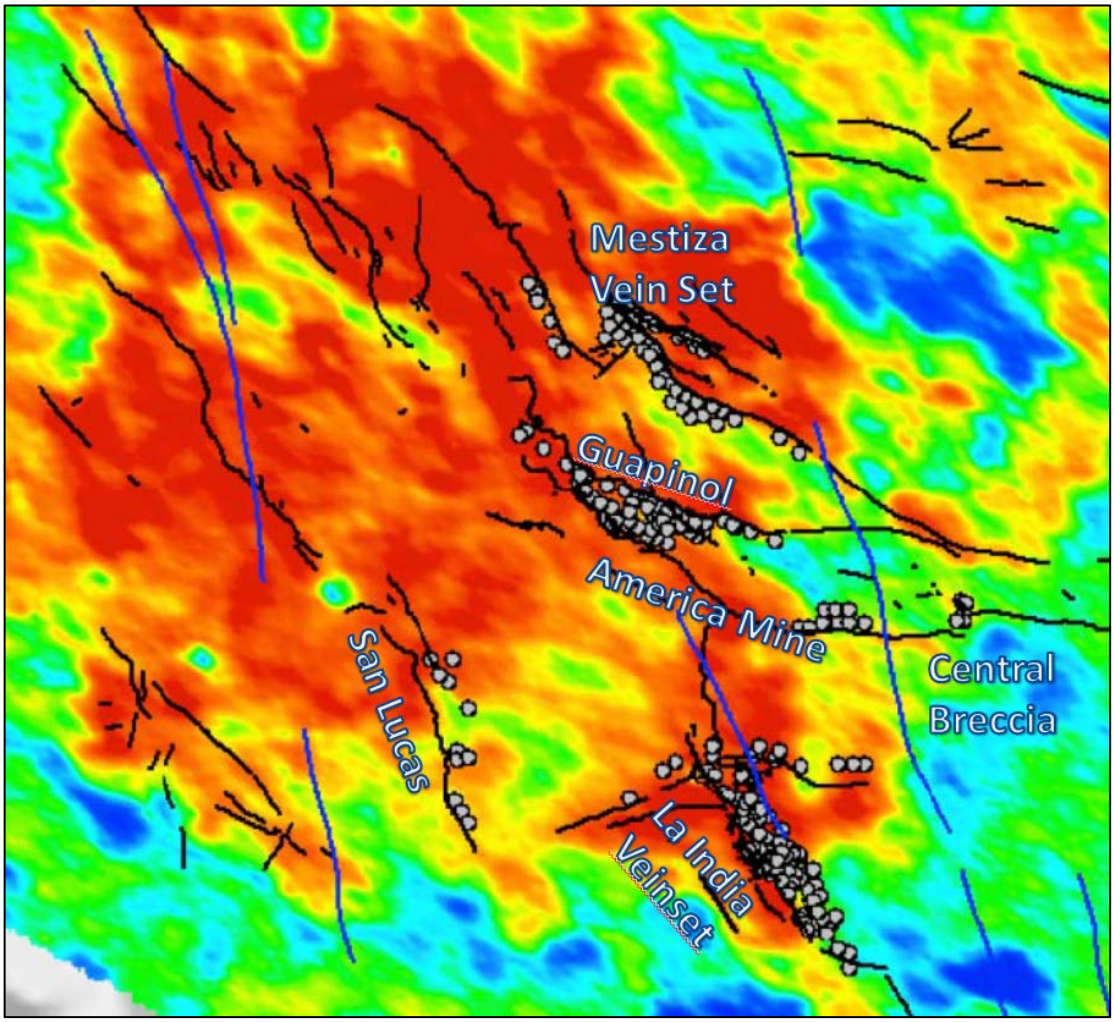

Figure ES 1: Mapped veins and structures for the La India Project showing drilling locations on radiometric K background.

3 PROJECT GEOLOGY

The La India Project contains high-grade low-sulphidation epithermal gold-silver mineralised veins hosted by Tertiary intermediate to felsic volcanic rocks, including basaltic andesite, andesite and dacite-rhyolite lavas, and andesitic and dacite pyroclastic deposits. Historical mining exploited higher grade veins within the district. La India Underground Mine, which is located on La India Concession, produced an estimated 1.7 Mt at 13.4 g/t for 576,000 oz Au between 1938 and 1956, with the bulk of the production from the high-grade core veins on the La India and America Vein Sets.

Drilling at the La India Project confirmed the presence of the La India and California veins. These were modelled as part of the September 2012 update and have a down dip extent of more than 350 m and a strike continuity of up to 2.1 km (and are thus broadly comparable with other veins on the La India Concession), however (in relation to the La India-California structures) vein thickness typically varies from 0.5 to 2.5 m wide, reaching up to 25-30 m wide in areas where multiple veins coalesce. The La India vein remains open to the south east and limited drilling has been completed to date to confirm possible dip extensions.

The latest exploration drilling completed by the Company on the America Project has confirmed the presence of wall-rock mineralisation situated in the hanging-wall and footwall of the historically mined, high-grade portion of the veins. Continuity of the wall-rock mineralisation is interpreted to be variable, showing pinch (to closure) and swell structures along the strike of the vein. In addition, the recent phase of drilling has defined mineralised structures (predominantly) situated in the hanging-wall of the Constancia vein. The down dip extents of the veins is not fully known as drilling by previous explorers assumed a vertical zonation on the mineralisation, while Condor have focused on near surface exploration and potential for open pit mining to date.

The America-Escondido and Constancia veins modelled during September 2013 are geologically continuous along strike for up to 2.5 km, showing a down-dip extent of up to 400 m, and an average thickness (inclusive of the high-grade structure and wall rock) of 1.2 m, reaching over 5.0 m in areas of significant swelling.

The Central Breccia represents mineralisation which has been deposited near surface and is considered to be carbonate-rich epithermal deposit and differs slightly in terms of mineralisation than the narrow, low-sulphidation epithermal gold-silver mineralised veins, which characterise the majority of the concession.

The Central Breccia prospect is interpreted as a breccia pipe and is characterised by wide zones of jigsaw-fit chlorite-altered andesite, cemented by silicified microbreccia and crystalline calcite. The breccia has an anomalous background gold mineralisation of 0.1-0.2 g/t gold within which high-grade zones, typically over 10 m thick and grading between 2 g/t and 7 g/t gold occur. The high-grade zones are often associated with sulphide minerals and intense argillic alteration and quartz veins.

Within the Central Breccia stockwork, higher-grade feeder zones have been interpreted to form the cores of the system (extending to a depth of some 150 m below surface), which lie along principal structural trends with the region. Overall, the deposit forms a broadly funnel shaped system, increasing in lateral extent towards the surface (270 m strike extent), and has been interpreted to terminate at depth towards or against a barren pyroclastic flow unit that plunges at 50° towards the west. The eastern extent of the mineralisation terminates at depth directly against the barren unit, whilst in the west there is a vertical separation of some 80 m, based on the current exploration data.

4 EXPLORATION, DRILLING AND SAMPLING

4.1 Summary

Since the last Mineral Resource update in September 2012, the Company has:

- Drilled a total of 162 drillholes for 23,598 m on the La India Project comprising:
    - 13,956 m of infill drilling on La India Open Pit resource primarily aimed at converting the inferred resource to the Indicated Category ahead of a Prefeasibility Study.
    - 1,836 m of geotechnical drilling designed to determine more robust pit slope angles than those used in the Preliminary Economic Assessment ("PEA") of the Project completed by SRK.
    - 5,486 m of drilling on the America Vein Set to test for gold mineralisation in the untested wallrock of the historic mine workings.
    - 2,680 m of drilling on the Central Breccia Prospect to define the morphology and grade distribution of gold mineralisation to a sufficient level of confidence to support the preparation of a maiden mineral resource estimate.
- an airborne magnetics and radiometrics geophysical programme

The following provides a brief description of the main activities in each of the exploration drilling programmes:

4.2 La India Drilling Programme

This programme comprised selective infill drilling on the La India-California veins from surface at a drill spacing of 50 x 50 m, within the area defined as a potential open pittable target within the September 2012 Mineral Resource. Drillholes, where regularly spaced, are predominantly orientated between -50 and -75 degrees to the south west. The drilling has been completed using DD and RC and was supported by a trenching programme to test the mineralisation exposure at surface in the northwest of the vein.

4.3 America Drilling Programme

The latest drilling on the America Project completed by the Company during 2012 and 2013, comprised drilling from surface at a grid spacing of 50–100 m. Drillholes were typically angled at -50º (below horizontal) and orientated either towards the south west on the America and Constancia veins or to the west on the Escondido Vein. Drilling was been completed using DD and RC, plus a trenching programme to test the mineralisation exposure at surface.

The drilling was focussed primarily on confirming the presence of wall-rock mineralisation (that borders a higher-grade mineralised "core") on the America-Escondido vein and mineralised structures in the hanging-wall at Constancia, in an attempt to test the potential for an open-pit mining project.

4.4 Central Breccia Drilling Programme

The drilling for the Central Breccia deposit was completed by the Company during 2012 and 2013, and comprised drilling from surface at a grid spacing of 25–50 m. Drillholes were typically angled at -50º (below horizontal), predominantly orientated towards the north, with some scissor holes orientated to the south and two orientation holes orientated to the north west. Drilling has been completed using DD methods. A trenching programme to test the mineralisation exposures at surface was also completed.

4.5 Sample Analysis

All recent samples were sent for preparation to BSI-Inspectorate Laboratories sample preparation facility in Managua, and then dispatched to Reno Nevada (USA) for analysis by fire assay.

Density determinations by an industry-standard wax-coated water immersion technique give a reasonable assessment of density for the deposit, which has been estimated at between 2.2 g/cm^3 for oxidised and 2.5 g/cm^3 for fresh mineralised material.

5 DATA QUALITY AND QUANTITY

5.1 La India Estimate

The updated Mineral Resource estimate for the La India-California veins is based on some 185 drillholes for 30,658 m, and over 2,880 historical channel samples taken from the old mine. Since the last Mineral Resource update in September 2012 the Company has completed a geotechnical programme as discussed in Section 4 and a programme of infill and resource infill drilling such that the 2013 database contains an additional 13,956 m of drilling compared to that available previously. In addition, some 347 trenches, for 4,780 m have been completed on the La India and California structures and information from these, along with additional trench information existing on surrounding mineralised veins, such as Teresa, Agua Caliente and Arizona, has also been used in the mineralisation modelling.

5.2 America Estimate

The updated Mineral Resource Estimate for the America Project is based on some 10,930 m of drilling (from 86 drillholes), some 4,351 m of trench sampling (from 253 trenches), and over 3,800 historic underground channel samples. The database has increased by some 50 drillholes for 5,486 m of DD and RC drilling since the last estimate was produced and this new information, combined with improved 3-dimensional modelling of the historic mine workings and additional trench sampling, has significantly improved the confidence in the Mineral Resource Estimate produced.

5.3 Central Breccia

The maiden Mineral Resource Estimate for the Central Breccia deposit presented in this report is based on some 2,828 m of diamond drilling (DD) in18 drillholes (this includes a total of 3 holes for 159 m drilled to test soil anomalies in proximity to the Cental Breccia). In addition some 1,403 m of trench sampling (16 trenches) has been completed and information from these was used in the modelling and estimation of the deposit.

5.4 QAQC

The Quality Assurance/Quality Control (QAQC) data for the latest phase of exploration has been compiled by the Company. SRK has reviewed, the QAQC information including external laboratory check analysis, in conjunction with the sampling and analytical procedures used by the Company's during the sampling programmes. In SRK opinion the sample preparation and laboratory performance to be appropriate for the purpose of reporting Mineral Resource Estimates in all classification confidence categories.

6 DATA VALIDATION

6.1 Data Quality

SRK has reviewed and audited the exploration data available for the La India, America and Central Breccia deposits and considers this to be generally reliable, and suitable for the reporting of this Mineral Resource estimate.

To complete the data validation SRK has taken the following approach:

- Completed statistical tests on historical versus Condor data, results of which have been reviewed versus the geographical;
- Erroneous or low confidence data has been excluded; and;
- In given cases (trenches versus drilling) to further test the sensitivity on the estimation process, estimates have been completed using both including and excluding data, with the final results reconciled. SRK concluded that the impact on the estimates was negligible and therefore included the data.

Further detail of the validation can be found in Section 6 of this report, but in summary QQ plots produced by SRK of domained borehole sample assay data have revealed apparent differences between the historic and Condor phases of exploration. SRK considers these differences to be primarily because the recent drilling has been focussed in different areas and indeed where there is nearby historical drilling the grades in these are generally in line with the grades in the recent holes. It should also be noted that the majority of historic samples are located within the lower confidence (Inferred) areas of the model and they represent a relatively limited proportion (4.0%) of the global domained borehole sample database. SRK does not consider the use of the historical drilling to materially impact on the current estimate.

The sampling database comprises of a number of different sampling types. SRK tested the influence of the different sampling types using QQ Plots. In the case of trench versus boreholes additional analysis was taken to determine the influence of excluding trenching from the estimation process. Results indicated relatively limited sensitivity (0.6%) in the global mean grade of the deposit. Ultimately SRK elected to use all phases of exploration sampling in producing the Mineral Resource Estimate.

Key verification and validation work completed by SRK during the latest phase of exploration included the following:

- A review of selected drill core for selected holes, to confirm both geological and assay values stored in the database show a reasonable representation of the deposit;
- Visits to surface outcrops to confirm the presence of mineralisation;
- Comparisons between the electronic database and 2D geological sections provided by the Company.

6.2 Historical Depletion

In order to quote the Mineral Resource estimate SRK has depleted the current block models based on the historical information available. Key verification and validation work completed by SRK included s review of the historical production records available.

The La India Mine was in operation between 1938 and 1956. Detailed production records only exist for 1948 to 1956 during which period the La India mill processed 796,465 tonnes for 267,673 oz gold at a recovered grade of 10.45 g/t (with an estimated head grade of 13.5 g/t). Historical reports have suggested the production profile between 1938 and 1948 for the La India mill processed approximately 100,000 tonnes per annum ("tpa") at the same grade for an estimated total production of some 575,000 oz gold from 1.73 Mt at 10.45 g/t Au. The mining has been completed from two main areas which included the La India – California veins, and the America-Constancia-Escondido veins to the northwest. It is SRK current view that the flat line of the historical production potential over estimates the production for the historical mine, but without the historical production records it remains difficult to verify.

SRK currently estimates the historical depletion of approximately 1,465,000 tonnes at 8.6 g/t for 400,000 ounces of gold. SRK attributes the differences between these two values to a number of factors:

- Potential additional mining which post-dates the depletion long-sections currently available. SRK has been supplied with the current long-section indicating depleted areas, and cross referenced these between plots completed by various owners of the Project to ensure consistency. Further work will be required to confirm any additional depletion including research into the last dated long-sections, or via additional drilling or via underground access),
- SRK has combined intersections from the latest drilling campaigns including lower grade material to ensure geological continuity; this new data could result in a drop in the grades within the high-grade core domain. If the assumed mean grades from the historical production records can be achieved it represents some potential upside. Further work will be required to test this potential,
- The 575 Koz production estimate, assumes full production for half of the mine life, at a constant head grade, which cannot be confirmed based on the current information.

To test the risk of the potential under depletion of Mineral Resource SRK has completed a high-level reconciliation based on the historical 2D long-sections, by calculating the areas, and using the associated underground channel samples to determine vein widths to estimate a complete volume for the depletion voids. This has been combined with the density and the mean head grade to estimate a depletion which is in the order of 1.25 Mt at 10.3 g/t for 420,000 oz of gold, which is in line with SRK estimates. The differences in the grade could be a result of the inclusion of new lower grade drilling intercepts which result in a dilution of the grade within the high-grade core.

SRK consider the level of confidence in the La India depletions to be reasonable enough to define the Mineral Resources as Indicated. The current level of drilling along strike and below the current depletion is to 50x50 m spacing. Figure ES 2 shows a plot of high-grade core intersections versus the depletion, SRK notes that the post mining drilling campaigns have provided extensive data on void locations, and that the interpreted void wireframe honour that drilling. The Company and SRK have taken considerable effort to log all mining void intersections which have been validated against the expected model. Intersections of high-grade core located within depletion on the long sections relate to parallel, yet undepleted features.

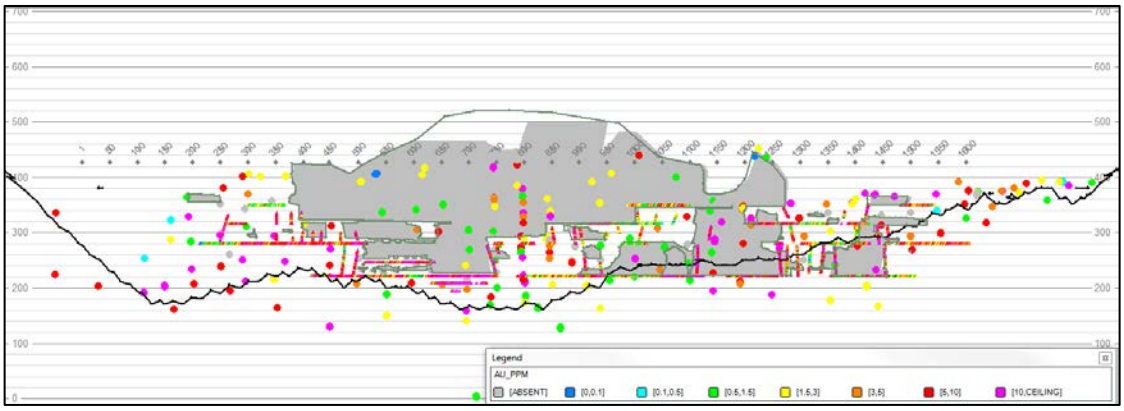

Figure ES 2: Long section at La India showing intersection of high-grade core versus depletion.

To complete determine the proportion of the block model to deplete at the America Mine, SRK completed the following:

- Validation of all tabulated data including re-logging of the geology and mining voids (from boreholes) for the principal veins, and re-interpretation (based on mapping and trench sampling) of the previously separate Escondido and America veins as a continuous America-Escondido Vein.
- Re-projection of the America-Escondido and Constancia mine level centrelines. The Company initially “ground-truthed” known reference points to more accurately geo-reference the historic mine plans. SRK subsequently digitised the updated positions of the levels and adjusted the position of the underground channel samples accordingly.

In addition, the Company provided SRK with high resolution vertical longitudinal section (VLP) images of depletion outlines of the America-Escondido and Constancia veins, which SRK has (using the “ground-truthed” GPS data) geo-referenced to deplete the mined portions of the block model. In addition interpreted mined voids were validated against post mined drilling.

SRK note significant improvement for the America-Escondido mine depletion (when compared to the previous model) given the use of 3 VLP depletion sub-areas which more accurately accounts for the significant change in strike at the southern extent of the vein.

Given lower levels of drilling by the Company to date at America, SRK consider the depletions in this area to have a lower level of confidence (of additional mining), but the current study has been supplemented with more detailed maps and level plans from the historical maps to ensure the position of the development levels is consistent with the regard accuracy for Indicated and Inferred Mineral Resources.

SRK recommend the Company investigate the possible access into the upper levels of the historical La India Mine. If access can be achieved safely a programme of detailed mine survey should be completed to compare to the current model depletions for validation purposes.

7 GEOLOGICAL MODEL

The interpretation of the mineralisation domains was based on a 0.5 g/t Au grade threshold and was undertaken collectively by SRK and the Company, guided through defined mineralisation intercepts (tabulated in Excel) provided by the Company.

Modelled vein domains for the November 2013 estimate comprise both the high-grade “core” and (where present) the lower-grade wall-rock veins and breccia’s at the periphery of the structure. The high-grade “core” is primarily defined by historic underground channel sampling and supplemented with drilling intersections as appropriate. SRK interpret that the based on the higher cut-off grades used at the time of mining this domain was the focus for the historical mining, but has mining has not depleted this material in its entirety. In the 2012 geological model the high-grade core has been limited using only underground channel samples. These underground channel samples generally did not sample wall-rock mineralisation. The extension of the domain was then limited to approximately 25 m beyond the lowest level of sampling. In the 2013 model to attempt to project this “Core” domain further the Company and SRK have reviewed the drilling core to flag intersections assumed to form part of this domain, these drilling intersections have been combined with the underground channel sampling to form the basis for the geological model. To ensure geological continuity some lower grade material (0.3 – 1.0 g/t) has been included within this domain.

The Company’s latest infill drilling program on the La India Project has significantly increased the size of the geological database for 2013. As a result, the geological understanding and model interpretation is now more robust, such that a more successful correlation of high-grade underground sampling to supporting drillholes along strike and down-dip has been achieved, with the potential for smoothing of high-grade “core” sampling in to areas of lower grade wall-rock domains reduced.

During the latest update, the underground sampling was re-projected to fit with recently validated historic mine level plans, and the mining void data recorded in the borehole logs, enabling a more accurate positioning of the America-Escondido Vein in the upper levels of the America-Escondido Mine. The thickness data associated with the borehole defined mining voids has been used in combination with the current underground samples (and associated widths) to create a depletion volume (inside 2D long-section depletion outlines) in an attempt to more accurately deplete the mined areas from the mineralisation model.

SRK has imported all of the available sample data into the Leapfrog Modelling Software and coded the vein and mining void intercepts using interval selections to create 3D wireframes.

At the Central Breccia deposit the interpretation of the mineralisation domains was undertaken jointly by SRK and the Company, and was guided through the application of implicit modelling approaches using Leapfrog 3D grade threshold interpolations (supplemented with 2D geological sections provided by the Company), for a range of grade thresholds and structural orientations and controls. This approach was used because the poor continuity of gold grades added to the difficulty in linking sectional interpretations in 3D using conventional explicit modelling methods.

The selected structural orientations used to control modelling at Central Breccia followed principal regional lineaments (NE-SW and WNW-ESE). The most visually representative grade threshold of 0.5 g/t gold was selected to honour the grade and geological continuity within appropriate economic considerations and without introducing high levels of internal geological dilution into the model.

SRK subsequently created solid mineralisation wireframes, which were terminated at depth (towards the east) against the barren pyroclastic unit, and modelled using geologically logged codes. The final geological model has been reviewed by the Company's geological team for approval. SRK deems the model acceptable for use in the MRE.

8 GRADE INTERPOLATION

8.1 Introduction

SRK has completed updated Mineral Resource estimates for three of the veins (La India, America and Central Breccia). Quantitative Kriging Neighbourhood Analysis ("QKNA") was undertaken to test the sensitivity and define the optimum parameters to be used in the grade estimation for the each Project and to test the sensitivity of the estimates.

8.2 La India Estimate

Based on the mineralisation domains modelled, and sample data, SRK has completed a statistical analysis to determine an optimum composite length of 2 m for the subsequent stages of the estimate. High-grade caps were determined from log-probability plots and raw and log histogram information, with caps of 60 g/t and 20 g/t Au selected for the higher grade "vein" mineralisation and the wall rock, respectively. SRK then undertook a geostatistical analysis of the domain coded 2 m composite data and produced variogram models displaying a relatively high nugget of 47% with a short first range in the order of 10 m, a second structure to 50 m accounting for 85% of the variability and a final structure to 110 m.

SRK has created a block model with block dimensions of 25x25x10 m, with sub blocking to a minimum of 1.0x0.5x1.0 m, into which gold grades have been interpolated based on optimised Ordinary Kriging ("OK") routines with an anisotropic search ellipse orientated to follow the strike of each domain. SRK has treated the major mineralisation and estimation domain boundaries as hard boundaries in terms of the estimation process.

SRK has adjusted the density values from the default of 2.5 g/cm^3 for all material to a variable density based on the level of oxidation (more common best practice). This has been done using weathering surfaces created for the geotechnical models and then coding the density data accordingly. Density values have been assigned as follows:

- Oxide (Highly weathered) = 2.2 g/cm^3
- Transition (moderately weathered) = 2.37 g/cm^3
- Fresh (unweathered) = 2.5 g/cm^3 (this is the same used in the 2012 estimate).

SRK has both visually and statistically validated the estimated block grades and confirm the robustness of the parameters and estimates, with no indication of any bias.

8.3 America Mine Estimate (America – Constancia – Escondido Veins)

Based on the mineralisation domains modelled, and sample data, SRK has completed a statistical analysis to determine a composite length of 2 m for the subsequent stages of the estimate. High-grade capping was applied based on log-probability plots and raw and log histogram information, with caps of 110 g/t and 95 g/t Au for the Constancia and America-Escondido veins respectively. SRK completed a geostatistical analysis on the domain coded 2 m composite data, with the resultant variogram models showing (for the Constancia and America-Escondido veins respectively) nugget effects of 35% and 50% and maximum ranges of 115 m and 100 m.

SRK has created a block model with block dimensions of 25x25x10 m, with sub blocking to a minimum of 1.0x0.5x1.0 m, into which gold grades have been estimated based on optimised Ordinary Kriging ("OK") routines with an anisotropic search ellipse orientated to follow the strike of each domain.

Given the indication of relatively high-grade variability from recent drilling on the Constancia vein (and hanging-wall structures) SRK focused the QKNA study towards better reflecting the variability in block estimates. Whilst there is only limited sensitivity in the mean block grade to a change in the estimation parameters, SRK noted an improved visual validation using a more localised search ellipse with a relatively low minimum number of samples. During the QKNA Study SRK also noted an improvement to the visual grade distribution in areas of significant vein flexure through use of dynamic block search parameters (Datamine's Dynamic Anisotropy). The use of dynamic searches has been applied for the wall-rock domains (to honour local variations in strike and dip) and at the southern extent of the America-Escondido vein, where the mineralised structure shows a significant change in strike orientation from NW-SE to N-S.

SRK has treated the major mineralisation and estimation domain boundaries as hard boundaries in terms of the estimation process.

SRK has both visually and statistically validated the estimated block grades and confirm the robustness of the parameters and estimates, with no indication of any bias.

With regards density at America a default density of 2.5 g/cm^3 has been applied as no detailed modelling of weathering surfaces has been completed to date, due to sparsity of oxide and transition data on these prospects. Further work will be required to model these surfaces and compare density measurements taken from diamond drillcore.

8.4 Central Breccia Estimate

Grade estimation domains comprise the mineralisation wireframes as described in Section 7 on a 0.5 g/t gold assay cut-off. SRK has created a block model with parent block dimensions of 20x10x10 m, with sub blocking to a minimum of 1.0x0.5x1.0 m. A relatively narrower block dimension (10 m) was used in the across strike orientation in attempt to better reflect the higher grades within the core of the deposit.

Based on the sampling database, SRK has undertaken a statistical analysis to determine a composite length of 3 m for the subsequent stages of the estimate. High-grade capping was reviewed based on a combination of log probability plots and raw and log histogram information. No significant outliers were identified and therefore high grade capping was considered unnecessary. SRK completed a geostatistical analysis on the domain coded 3 m composite data, with the resultant variogram model showing a 20% nugget effect and a maximum range of 70 m.

A QKNA analysis was undertaken to test the sensitivity and define the optimum parameters to be used in the grade estimation for Central Breccia. This compared search ranges, and differing number of samples with respect to the estimated grade and tonnage, slope of regression and percentage of blocks filled in each search.

Gold grades have been interpolated into 9 separate estimation domains with search ellipses orientated to follow the strike of each respective domain using appropriate parameters and related to the geological, geostatistical and grade continuity and sample spacing, using an Ordinary Kriging (“OK”) routine.

SRK has treated all major estimation domain boundaries as hard boundaries in terms of the estimation process, with the exception of selected coalescing units whereby mineralised zones share the influence of certain sample intervals.

With regards density at Central Breccia a default density of 2.5 g/cm^3 has been applied as no detailed modelling of weathering surfaces has been completed to date. Further work will be required to model these surfaces and compare density measurements taken from diamond drillcore

SRK has both visually and statistically validated the estimated block grades and confirm the robustness of the parameters and estimates, with no indication of any bias.

9 CLASSIFICATION AND REPORTING CRITERIA

9.1 Introduction

SRK has considered sampling and assay quality, sampling density and distance from samples in order to classify the Mineral Resource according to the terminology, definitions and guidelines given in the CIM Code.

Upon consideration of data quality, drill hole spacing and the interpreted continuity of grades controlled by the deposit, SRK has variously classified portions of the deposit in the Indicated and Inferred Mineral Resource categories respectively as commented below.

9.2 La India

- Indicated Mineral Resources comprise mineralisation within which grade has been interpolated using both underground channel and drillhole data and where the individual block grades have been interpolated from more than three boreholes/underground channel samples. In general this is limited to areas with a drill spacing of 50x50 m.
- Inferred Mineral Resources mainly comprise interpreted down dip extensions in areas with reasonable strike continuity. These are typically limited to within approximately 60–70 m of sample data though in the case of the wall rock domains this is typically 40 m reflecting the larger uncertainty with these. Given the uncertainty with some of the geological interpretation of the hangingwall structures, however, most areas where the drill spacing is 50x50m have also been reported as Inferred due to uncertainty in the correlation of individual veins reflecting a combination of limited continuity and uncertainty associated with the number of veins to correlate. Selected infill drilling and/or improved geological modelling of vein orientation (based on a review of core intersection angles) and correlation of textures would be required to convert these Mineral Resources to the Indicated category.

9.3 America

- Indicated Mineral Resources comprise those areas considered to have good demonstrated geological continuity and where the block grades have been interpolated using both underground channel and drillhole data and where there are more than three boreholes/underground channel samples within approximately 20x20 m of the estimated block.
- As is the case for La India, Inferred Mineral Resource mainly comprise interpreted down dip extensions in areas with reasonable strike continuity. These are typically limited to within approximately 60–70 m of sample data though in the case of the wall rock domains this is typically 40 m reflecting the larger uncertainty with these.

9.4 Central Breccia

- Inferred Mineral Resource comprise the blocks that display reasonable strike continuity and down-dip extension based on the current borehole intersections and are limited to within approximately 70 m of sample data (influenced by the variogram range).

An Indicated Mineral Resource has not been quoted for the deposit given the noted lack of geological continuity between drill sections. Infill drilling is required to add confidence to current geological interpretation, prior to reporting material in the Indicated category.

10 MINERAL RESOURCE STATEMENT

SRK has applied basic economic considerations to determine the portion of the in-situ Mineral Resource that has reasonable prospects for economic extraction by open-pit mining methods. To determine this, the Mineral Resource has been subject to a pit optimisation study using Whittle Software and a set of assumed technical and economic parameters as shown in Table ES 1, which were selected based on experience and benchmarking against similar projects.

SRK has used a gold price of USD1500 to derive pit outlines and underground cut-off grade to restrict the resource estimate to that material with potential to be exploited at the project. SRK has run a number of sensitivities on the open-pit based on a variable gold price between USD1250 to USD1500, and noted the difference in the contained ounces within the open pit to be relatively small (less than -2.2% (-18 Koz) in terms of the Indicated material and -5.5% (-5 Koz) in the Inferred). It is SRK view that a price of USD1500 is therefore reasonable for the purpose of defining a Mineral Resource.

This reflects SRK and the Company's opinion that a reasonable long term price as of the date of this report is in the region of USD1150 – USD1250 and reflects a mark-up on this to as to encapsulate all of the material that has potential to be exploited and can therefore be properly reported as a resource as defined by the CIM Code.

The reader is cautioned that the results of the pit optimization have been used solely for the purpose of testing for “reasonable prospects for economic extraction” by an open-pit mining and do not represent an attempt to estimate Mineral Reserves. The results have been used as a guide to assist in the preparation of a compliant Mineral Resource statement and to determine an appropriate resource reporting gold cut-off grade.

Table ES 1: Summary of key assumptions for Conceptual Open Pit Optimisation (Whittle)

Parameter	Value	Unit
Gold Price	1500	USD/oz
Mining Cost	2.2	USD/tmoved
Processing	16.8	USD/tore
General and Administrative	3.8	USD/tore
Mining Dilution Open Pit	5	%
Mining Recovery Open Pit	95	%
Mining Dilution Underground	15	%
Mining Recovery Underground	85	%
Overall Pit Slope – La India	40 – 48 based on geotechnical domains	Deg
Overall Pit Slope – America/Central Breccia	45	Deg
Gold Process Recovery	93	%
Selling Cost Au	4	%

SRK has applied a cut-off grade of 0.5 g/t Au for the material with potential to be mined by open-pit mining methods which is a change from the 1.0 g/t Au cut-off used in 2012 which was based on benchmarked parameters defined as part of an initial conceptual study (completed during 2012). SRK has reviewed the economic assumptions used previously and based on a more recent benchmarked project, which indicated potentially lower costs than previously used the decision was taken to reduce the costs accordingly, SRK has deemed the parameters shown in Table ES 1 suitable for use as the basis for defining the Mineral Resource.

Using the adjusted parameters in conjunction with the underground mining costs used in conceptual study, SRK has also updated the underground cut-off calculation to 2.0 g/t Au from 2.3 g/t Au though in this case SRK has required this to be over a minimum width of 1.0 m, to eliminate areas of lower-grade material within thinner portions of the vein.

Mineral resources for those deposits not investigated during the current exploration programme remain as previously quoted by SRK (22 December 2011) are reported at a cut-off grade of 1.5 g/t, and have not been updated as part of the current study.

The CIM Compliant Resource Statement for the La India Project is shown per deposit in Table ES 2, with a summary of the Mineral Resources per vein set shown in Table ES 3, and a summary of the global Mineral Resource shown in Table ES 4.

Table ES 2: SRK CIM Compliant Mineral Resource Statement as at 7 November 2013 for the La India Project

SRK MINERAL RESOURCE STATEMENT SPLIT PER VEIN as of 7 November 2013 [4],[5],[6]								
Category	Area Name	Vein Name	Cut-Off	gold			silver	
				Tonnes (kt)	Au Grade (g/t)	Au (Koz)	Ag Grade (g/t)	Ag (Koz)
Indicated	La India veinset	La India/ California[1]	0.5 g/t (OP)	8,402	3.1	838	5.5	1,475
		La India/ California[2]	2.0 g/t (UG)	610	5.0	98	11.0	216
	America veinset	America Mine	0.5 g/t (OP)	226	8.4	61	5.3	38
		America Mine	2.0 g/t (UG)	358	6.8	79	4.4	51
Inferred	La India veinset	La India/ California[1]	0.5 g/t (OP)	1,057	2.4	81	4.1	139
		Teresa[3]	0.5 g/t (OP)	6	6.9	1		
		La India/ California[2]	2.0 g/t (UG)	1,095	5.2	183	11.4	403
		Teresa[2]	2.0 g/t (UG)	80	11.1	28		
		Arizona[3]	1.5 g/t	430	4.2	58		
		Agua Caliente[3]	1.5 g/t	40	9.0	13		
	America veinset	America Mine	0.5 g/t (OP)	957	3.2	99	5.8	178
		America Mine	2.0 g/t (UG)	839	4.8	129	6.6	179
		Guapinol[3]	1.5 g/t	751	4.8	116		
	Mestiza veinset	Tatiana[3]	1.5 g/t	1,080	6.7	230		
		Buenos Aires[3]	1.5 g/t	210	8.0	53		
		Espenito[3]	1.5 g/t	200	7.7	50		
	Central Breccia	Central Breccia[1]	0.5 g/t (OP)	939	1.9	57		
	San Lucas	San Lucas[3]	1.5 g/t	330	5.6	59		
	Cristalito-Tatescame	Cristalito-Tatescame[3]	1.5 g/t	200	5.3	34		
	El Cacao	El Cacao[3]	1.5 g/t	590	3.0	58		

(1) The Central Breccia pit is amenable to open pit mining and the Mineral Resource Estimates are constrained within Whittle optimised pits, which SRK based on the following parameters: A Gold price of USD1500 per ounce of gold with no adjustments. Prices are based on experience gained from other SRK Projects. Metallurgical recovery assumptions of 93% for gold, based on assumptions provided by the Company Marginal costs of USD16.4/t for processing, USD3.8/t G&A and USD2.2/t for mining, slope angles defined by the Company Geotechnical study which range from angle 40 - 48°.

(2) Underground mineral resources beneath the open pit are reported at a cut-off grade of 2.0 g/t over a minimum width of 1.0m. Cut-off grades are based on a price of USD1500 per ounce of gold and gold recoveries of 93 percent for resources, costs of USD16.4/t for processing, USD10.0/t G&A and USD50.0/t for mining, without considering revenues from other metals.

(3) Mineral resources as previously quoted by SRK (22 December 2011) are reported at a cut-off grade of 1.5 g/t, and have not been updated as part of the current study due to no further detailed exploration.

(4) Mineral Resources are not Ore Reserves and do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate and have been used to derive sub-totals, totals and weighted averages. Such calculations inherently involve a degree of rounding and consequently introduce a margin of error. Where these occur, SRK does not consider them to be material. All composites have been capped where appropriate. The Concession is wholly owned by and exploration is operated by Condor Gold plc

(5) The reporting standard adopted for the reporting of the MRE uses 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.

(6) SRK Completed a site inspection to the deposit by Mr Benjamin Parsons, MSc (MAusIMM(CP), Membership Number 222568, an appropriate “independent qualified person” as this term is defined in National Instrument 43-101.

Table ES 3: Summary of La India Project Mineral Resource per Vein Set, dated 7 November 2013

SRK MINERAL RESOURCE STATEMENT SPLIT PER VEINSET as of 7 November 2013								
Category	Area Name	Vein Name	Cut-Off	gold			silver	
				Tonnes (kt)	Au Grade (g/t)	Au (Koz)	Ag Grade (g/t)	Ag (Koz)
Indicated	Subtotal Areas	La India veinset	0.5g/t (OP)	8,402	3.1	838	5.5	1,475
			2.0 g/t (UG)	610	5.0	98	11.0	216
		America veinset	0.5g/t (OP)	226	8.4	61	5.3	38
			2.0 g/t (UG)	358	6.8	79	4.4	51
Inferred	Subtotal Areas	La India veinset	0.5g/t (OP)	1,063	2.4	82	4.1	139
			2.0 g/t (UG)	1,174	5.6	212	11.4	403
			1.5 g/t	470	4.7	71		
		America veinset	0.5g/t (OP)	957	3.2	99	5.8	178
			2.0 g/t (UG)	839	4.8	129	6.6	179
			1.5 g/t	751	4.8	116		
		Mestiza veinset	1.5 g/t	1,490	7.0	333		
		Central Breccia	0.5g/t (OP)	939	1.9	57		
		Other veins	1.5 g/t	1,120	4.2	151		

Table ES 4: Summary of La India Project, dated 7 November 2013

SRK MINERAL RESOURCE STATEMENT as of 7 November 2013 [4],[5],[6]								
Category	Area Name	Vein Name	Cut-Off	gold			silver	
				Tonnes (kt)	Au Grade (g/t)	Au (Koz)	Ag Grade (g/t)	Ag (Koz)
Indicated	Grand total	All veins	0.5g/t (OP) [1]	8,629	3.2	899	5.5	1513
			2.0 g/t (UG) [2]	968	5.7	177	8.6	267
		Subtotal Indicated		9,597	3.5	1,076	5.8	1781
Inferred	Grand total	All veins	0.5g/t (OP) [1]	2,959	2.5	238	4.9[7]	317
			2.0 g/t (UG) [2]	2,014	5.3	341	9.0	582
			1.5 g/t [3]	3,831	5.4	671		
		Subtotal Inferred		8,803	4.4	1,250	6.9[8]	899

(1) The Central Breccia pit is amenable to open pit mining and the Mineral Resource Estimates are constrained within Whittle optimised pits, which SRK based on the following parameters: A Gold price of USD1500 per ounce of gold with no adjustments. Prices are based on experience gained from other SRK Projects. Metallurgical recovery assumptions of 93% for gold, based on assumptions provided by the Company Marginal costs of USD16.4/t for processing, USD3.8/t G&A and USD2.2/t for mining, slope angles defined by the Company Geotechnical study which range from angle 40 - 48°.

(2) Underground mineral resources beneath the open pit are reported at a cut-off grade of 2.0 g/t over a minimum width of 1.0m. Cut-off grades are based on a price of USD1500 per ounce of gold and gold recoveries of 93 percent for resources, costs of USD16.4/t for processing, USD10.0/t G&A and USD50.0/t for mining, without considering revenues from other metals.

(3) Mineral resources as previously quoted by SRK (22 December 2011) are reported at a cut-off grade of 1.5 g/t, and have not been updated as part of the current study due to no further detailed exploration.

(4) Mineral Resources are not Ore Reserves and do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate and have been used to derive sub-totals, totals and weighted averages. Such calculations inherently involve a degree of rounding and consequently introduce a margin of error. Where these occur, SRK does not consider them to be material. All composites have been capped where appropriate. The Concession is wholly owned by and exploration is operated by Condor Gold plc

(5) The reporting standard adopted for the reporting of the MRE uses 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.

(6) SRK Completed a site inspection to the deposit by Mr Benjamin Parsons, MSc (MAusIMM(CP), Membership Number 222568, an appropriate “independent qualified person” as this term is defined in National Instrument 43-101.

(7) Back calculated silver grade based on a total tonnage of 2,020 Kt as no silver estimates for Central Breccia (939 Kt).

(8)Back Calculated silver grade based on total tonnage of material estimated for silver of 4,034 Kt.

11 SENSITIVITY ANALYSIS

Given there have been a number of changes in the economic assumptions used between the 2012 and 2013 mineral resource estimates, SRK has completed a sensitivity analysis to define the differences in changes in economic cut-offs.

The following tables (Table 13-16 to Table 13-20) to show the continuity of the grade estimates at various cut-off increments at each of the vein sub areas and the sensitivity of the Mineral Resource to changes in cut-off. The tonnages and grades in these figures and tables should not however be interpreted as Mineral Resources.

Table ES 5: Block Model Quantities and Grade Estimates*, La India Open Pit at various cut-off Grades

Grade - Tonnage Table, La India Open Pit 7 November 2013										
Cut-off Grade	Indicated					Inferred				
	Quantity	Gold		Silver		Quantity	Gold		Silver	
Gold (g/t)	(Kt)	Grade (g/t)	Metal (Koz)	Grade (g/t)	Metal (Koz)	(Kt)	Grade (g/t)	Metal (Koz)	Grade (g/t)	Metal (Koz)
0.10	8,878	2.96	844	5.22	1,489	1,178	2.18	82	3.76	142
0.20	8,878	2.96	844	5.22	1,489	1,178	2.18	82	3.76	142
0.30	8,735	3.00	843	5.29	1,487	1,143	2.24	82	3.86	142
0.40	8,650	3.03	842	5.34	1,484	1,133	2.25	82	3.89	142
0.50	8,402	3.10	838	5.46	1,475	1,057	2.38	81	4.10	139
0.60	8,223	3.16	835	5.56	1,469	1,044	2.40	81	4.13	139
0.70	7,945	3.25	829	5.70	1,455	1,009	2.47	80	4.22	137
0.80	7,540	3.38	819	5.90	1,429	963	2.55	79	4.34	134
0.90	7,092	3.54	807	6.13	1,397	929	2.61	78	4.41	132
1.00	6,822	3.64	799	6.28	1,377	853	2.76	76	4.65	127
1.50	5,536	4.20	747	7.05	1,255	503	3.83	62	6.33	102
2.00	4,448	4.80	686	7.81	1,117	353	4.73	54	7.34	83
2.50	3,488	5.50	617	8.75	981	271	5.49	48	8.38	73
3.00	2,695	6.31	547	9.95	862	216	6.20	43	9.00	62

*The reader is cautioned that the figures in this table should not be misconstrued with a Mineral Resource Statement. The figures are only presented to show the sensitivity of the block model estimates to the selection of cut-off grade. All figures are rounded to reflect the relative accuracy of the estimate.

Table ES 6: Block Model Quantities and Grade Estimates*, La India Underground at various cut-off Grades

Grade - Tonnage Table, La India Underground 7 November 2013										
Cut-off Grade	Indicated					Inferred				
	Quantity	Gold		Silver		Quantity	Gold		Silver	
Gold (g/t)	(Kt)	Grade (g/t)	Metal (Koz)	Grade (g/t)	Metal (Koz)	(Kt)	Grade (g/t)	Metal (Koz)	Grade (g/t)	Metal (Koz)
1.60	813	4.21	110	9.50	248	1,371	4.52	199	10.24	451
1.70	758	4.39	107	9.89	241	1,272	4.74	194	10.68	437
1.80	710	4.57	104	10.23	233	1,212	4.89	190	10.94	427
1.90	650	4.83	101	10.66	223	1,159	5.02	187	11.21	418
2.00	610	5.01	98	11.02	216	1,095	5.21	183	11.45	403
2.10	583	5.15	97	11.28	212	1,042	5.36	180	11.76	394
2.20	552	5.32	94	11.65	207	1,004	5.49	177	12.02	388
2.30	514	5.55	92	12.01	199	949	5.67	173	12.40	379
2.40	460	5.93	88	12.92	191	871	5.97	167	12.96	363
2.50	424	6.22	85	13.61	185	818	6.20	163	13.46	354

Table ES 7: Block Model Quantities and Grade Estimates*, America Open Pit at various cut-off Grades

Grade - Tonnage Table, America Open Pit 7 November 2013										
Cut-off Grade	Indicated					Inferred				
	Quantity	Gold		Silver		Quantity	Gold		Silver	
Gold (g/t)	(Kt)	Grade (g/t)	Metal (Koz)	Grade (g/t)	Metal (Koz)	(Kt)	Grade (g/t)	Metal (Koz)	Grade (g/t)	Metal (Koz)
0.10	226	8.41	61	5.26	38	968	3.19	99	5.76	179
0.20	226	8.41	61	5.26	38	968	3.19	99	5.76	179
0.30	226	8.41	61	5.26	38	966	3.19	99	5.76	179
0.40	226	8.41	61	5.26	38	966	3.20	99	5.76	179
0.50	226	8.41	61	5.26	38	957	3.22	99	5.79	178
0.60	226	8.41	61	5.26	38	931	3.29	99	5.92	177
0.70	226	8.41	61	5.26	38	908	3.36	98	6.02	176
0.80	226	8.41	61	5.26	38	899	3.39	98	6.04	175
0.90	226	8.41	61	5.26	38	896	3.40	98	6.06	174
1.00	226	8.41	61	5.26	38	849	3.53	96	6.26	171

Table ES 8: Block Model Quantities and Grade Estimates*, America Underground at various cut-off Grades

Grade - Tonnage Table, America Underground 7 November 2013										
Cut-off Grade	Indicated					Inferred				
	Quantity	Gold		Silver		Quantity	Gold		Silver	
Gold (g/t)	(Kt)	Grade (g/t)	Metal (Koz)	Grade (g/t)	Metal (Koz)	(Kt)	Grade (g/t)	Metal (Koz)	Grade (g/t)	Metal (Koz)
1.60	360	6.80	79	4.44	51	878	4.66	131	6.53	184
1.70	360	6.80	79	4.44	51	875	4.67	131	6.54	184
1.80	360	6.80	79	4.44	51	858	4.72	130	6.60	182
1.90	359	6.81	79	4.44	51	849	4.75	130	6.63	181
2.00	358	6.83	79	4.44	51	839	4.79	129	6.63	179
2.10	354	6.88	78	4.43	50	834	4.81	129	6.65	178
2.20	351	6.92	78	4.43	50	815	4.87	128	6.71	176
2.30	350	6.94	78	4.42	50	779	4.99	125	6.84	171
2.40	345	7.00	78	4.40	49	756	5.07	123	6.96	169
2.50	339	7.09	77	4.36	47	715	5.22	120	7.19	165

Table ES 9: Block Model Quantities and Grade Estimates*, Central Breccia Open Pit at various cut-off Grades

Grade - Tonnage Table, Central Breccia Open Pit 7 November 2013										
Cut-off Grade	Indicated					Inferred				
	Quantity	Gold		Silver		Quantity	Gold		Silver	
Gold (g/t)	(Kt)	Grade (g/t)	Metal (Koz)	Grade (g/t)	Metal (Koz)	(Kt)	Grade (g/t)	Metal (Koz)	Grade (g/t)	Metal (Koz)
0.10	-	-	-	-	-	946	1.87	57	-	-
0.20	-	-	-	-	-	946	1.87	57	-	-
0.30	-	-	-	-	-	946	1.87	57	-	-
0.40	-	-	-	-	-	944	1.87	57	-	-
0.50	-	-	-	-	-	939	1.88	57	-	-
0.60	-	-	-	-	-	927	1.90	57	-	-
0.70	-	-	-	-	-	899	1.94	56	-	-
0.80	-	-	-	-	-	867	1.98	55	-	-
0.90	-	-	-	-	-	821	2.05	54	-	-
1.00	-	-	-	-	-	743	2.16	52	-	-

To further define the assigned limits from the optimisation estimate to provide a reasonable prospect of economic extraction SRK completed a sensitivity study on metal price to the potential Mineral Resource. The results of the analysis for the La India deposit are shown in Figure ES 2.

The results show that the resource is relatively in-sensitive to a reasonable drop in gold price and is only materially reduced at gold prices below USD 1,050/oz Au. SRK considers the initial market price of USD 1,500/oz Au (shown as a red dashed line) to be reasonable based on experience and benchmarking against similar projects. Notably, SRK highlights to the reader that the impact on the resource between USD 1,250/oz and USD 1,600/oz Au, is marginal in terms of contained metal. In the event that the USD1250 gold price was used for the resource estimate and the same key assumptions retained for the conceptual open pit on La India, there would be a reduction in La India open pit resource of 18,500 oz gold to the Indicated portion of the Mineral Resource and 4,800 oz to the Inferred material. SRK highlights that not all material from the Mineral Resource statement and that 8,500 oz gold would be transferred to the underground Mineral Resource reported at a higher cut-off grade.

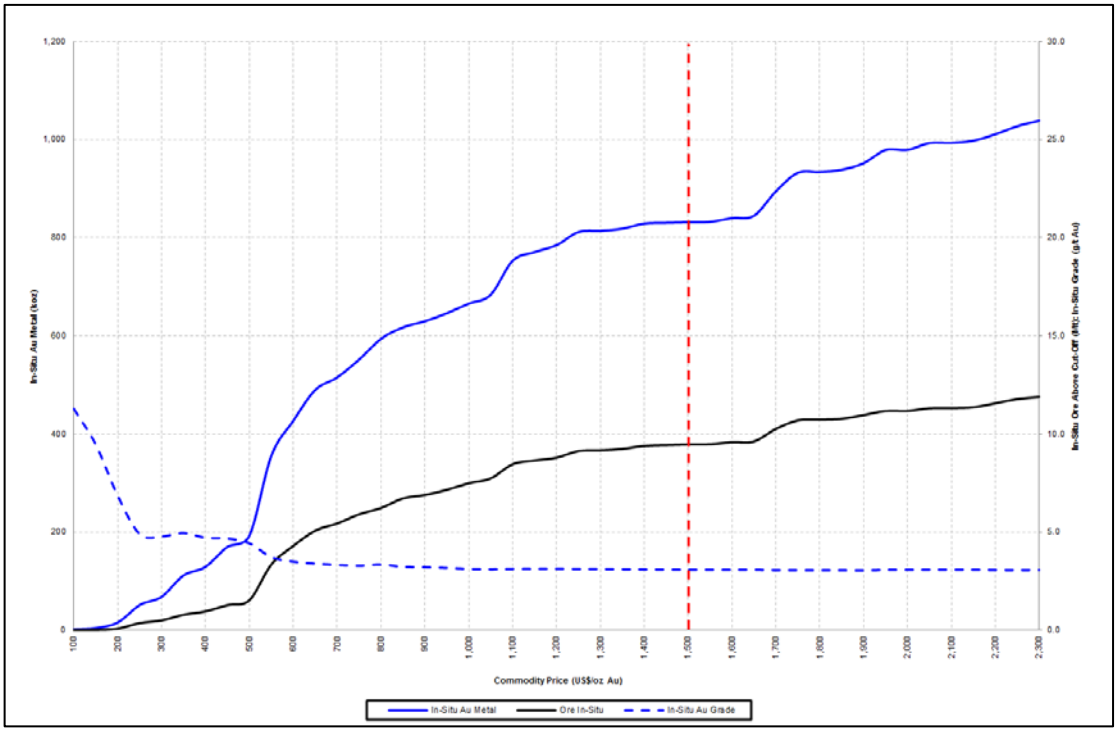

Figure ES 2: Whittle Shell sensitivity analysis to gold price.

12 COMPARISON TO PREVIOUS ESTIMATES

In terms of a global reconciliation on the Project the Company has increased the Indicated Mineral Resource by some 325 Koz during 2013, with a consequent reduction in the Inferred Mineral Resource of 374 Koz. The total Indicated Mineral Resources for the project now stands at 9,597 Kt with a mean grade of 3.5 g/t for 1.1 Moz of gold.

Further analysis of the changes shows results from the different programmes have been variable during 2013, with increases in the global Mineral Resources at America, and the declaration of the maiden Mineral Resource at Central Breccia, while at the main La India project there has been an overall slight reduction in the global estimate.

Drilling at America targeted a potential open pit mostly located in the “flexure” where the America, Constancia and Escondido veins merge. The increases at America are the result of additional mineralisation identified in the hangingwall and in close proximity to the main structures, which increased the Mineral Resource from 480 Kt at 7.80 g/t for 120 Koz of gold, to 585 Kt at 7.44 g/t for 140 Koz of gold within Indicated, and from 1,621 Kt at 5.50 g/t for 284 Koz of gold to 2,548 Kt at 4.20 g/t for 344 Koz of gold within Inferred. While there has been a drop in the Mineral Resource cut-off, this added less than 5 Koz to the open pit Mineral Resource and 10 Koz to the underground Mineral Resource respectively.

Initial Mineral Resource definition drilling has been completed at Central Breccia which has confirmed the presence of a breccia pipe on which a geological wireframe has been created. The maiden inferred Mineral Resource for the deposit has been estimated at 939 Kt at a grade of 1.9 g/t for 57 Koz of gold, all of which is considered amenable to open pit mining.

Drilling at the La India veinset has resulted in an increase of the Indicated material in the order of 306 Koz (accompanying an increased robustness in the interpretation of the geological model) and a reduction in the Inferred Mineral Resource for the deposit in the order of 491 Koz, from which the Indicated material has been upgraded in levels of confidence.

The aim of the 2013 Infill drilling campaign was to increase the Indicated Mineral Resource for the project to 1 Moz of gold, for inclusion in a prefeasibility study. To date the current Indicated Mineral Resource is 9.0 Mt at a grade of 3.23 g/t gold for 937 Koz of gold, of which 8.4 Mt at 3.10 g/t for 838 Koz, is potentially amenable to open pit mining.

SRK has completed a number of reconciliation exercises to illustrate where changes have occurred at La India, and attributes the reduction in overall grade and tonnage to the following key factors:

- Application of lower bulk density values to the near surface weathered zones on the La India Mineral Resource resulting in a reduction of approximately 10 koz Au;
- Reduction in global tonnage (-1%) at a zero cut-off within the volume defined by the 2012 pit due to improved definition from infill drilling on the main La India-California veinss, and re-interpretation of the orientation of mineralised structures in the hanging wall;
- Reduction in grade (-15%) at a zero cut-off both within the volume defined by the 2012 pit and underground, due to:

- returning of lower grades from the 2013 infill drilling campaign, which targeted both high and low grade zones, with the overall reduction in the mean grade of the samples within the main La India veins in the order of 12%;
- improvement in modelling methodology, whereby a significantly larger geological database for 2013 has allowed more successful correlation of high-grade underground sampling to supporting drillholes along strike and down-dip, and thus reducing the potential for smoothing of high-grade "core" sampling in to areas of lower grade wall-rock domains.

Other changes to the model include:

- Lowering of the reporting cut-off grades from 1.0 g/t to 0.5 g/t Au within the open pit.;
- Lowering of the reporting cut-off grades from 2.3 g/t to 2.0 g/t Au for the underground Resource;
- In addition to the current Indicated Mineral Resource within the 2013 pit, the identification of some 75 Koz of Inferred Mineral Resources, located in high-grade veins or parallel features in the hanging wall of the main La India-California veins. These features currently have limited geological continuity across the currently drilled sections and selected targeted infill will be required to convert this material to a higher level of confidence.

13 RECOMMENDATIONS

SRK considers the La India Vein Set to have sufficient geological information to move the project into a Prefeasibility study ("PFS") without further Resource definition drilling. Information on the other veins remains at a lower level of confidence and further exploration will be required to increase the confidence of these estimates to a similar level. SRK would recommend the Company focus on advancing studies on the La India – California veins for a base case PFS.

The Company started work 9 months ago on some of the studies required for a PFS for an open pit on the La India Vein Set, which is aimed for completion in 2014. Condor has already completed the metallurgical tests and geotechnical studies to PFS level of confidence, both studies were undertaken by SRK. The Environmental Impact Assessment and geochemistry studies for inclusion in a PFS are at an advanced stage. SRK has been awarded all independent studies required in a PFS except the mine engineering design study.

Table ES 10: Estimated Cost for the Engineering Study (PFS) for the La India Project

Description	Total Cost (GBP)
Delineation Drilling (infill and step out)	
Diamond drilling (all inclusive)	0
Sub-total	
Geological Studies	0
Sub-total	
Engineering Studies (Prefeasibility Study)	
Environmental and Social Impact Baseline Studies	80,000
Metallurgical Testing	40,000
TSF analysis	60,000
Preliminary Plant and Infrastructure Design	250,000
Mineralogy Studies	60,000
Hydrological and Geotechnical Studies	200,000
Mine Engineering Design	100,000
Preparation of PEA technical report	60,000
Condor Support for PFS	190,000
Sub-total	1,050,000
Total	
Contingency (15%)	150,000
Total	1,200,000

SRK reiterates that the resource estimate described in this document conforms to the requirements for the PFS presently in development on the La India Vein Set only. The Company has the option of including the America Vein Set, Mestiza and the Central Breccia area in a PFS at a later stage, but this will require additional work to achieve the optimal value and increase confidence. However, for the purposes of a definitive feasibility study, only material drilled to Indicated or better may be included in the economic analysis, with a portion drilled to the measured category. To achieve both the required confidence and confirm potential resource extensions for a definitive feasibility study ("DFS"), SRK recommends the following work programmes:

La India

- Targeted infill drilling to 25m spacing along strike to confirm the orientation of hanging wall features. The Company should ensure every effort is placed to orientate the drillcore to enable better interpretation on the orientation of the main structures;
- Further work to follow this structure along strike where it remains open to the south-east in conjunction with the more recent geophysical surveys to identify any potential strike deviations or faulted offsets where possible;
- Improve the survey accuracy of the historic underground mine workings and associated depletion through re-entry and laser survey of the old workings subject to accessibility and safety; and;
- Infill and verification drilling program for a proportion of the historic drilling located at depth within the Inferred areas of the model currently considered as an underground mining target, in order to add confidence to the block grade estimates within these areas. Deeper drilling will also test the depth extent of the down-dip extensions to the La India – California veins which remain open.

America

- Targeted infill drilling in the less well sampled areas of the deposit to add confidence to the current geological interpretation and local block grade estimates. SRK recommends focusing initially on the down-dip areas (which remain open) of the (close-spaced) America-Escondido vein channel sampling given the indication of high grades continuing at depth and the currently elevated geological confidence within these areas;
- Step-out drilling to further define the vertical extent of the mineralisation down-dip and along strike towards the south of the America-Escondido vein, with the aim of potentially adding additional Mineral Resource.

Central Breccia

- Targeted infill drilling to better define the depth extent (towards the west) and overall 3D geometry of the potential high-grade feeder zones at the deposit, with the aim of potentially adding additional Mineral Resource;
- Targeted infill drilling in the less well-sampled areas of the deposit to add confidence to the current geological interpretation and local block grade estimates. Given the poor geological and grade continuity between the current drill sections, SRK recommends an infill drilling program to a spacing of 25x25 m with the intention of potentially defining Indicated Mineral Resources.

SRK anticipate the required drilling programme to complete these tasks would be between 8,000 m to 12,000 m. Further to this SRK highlights that the La India-California Veins remain open to the south-east and that further follow-up work is warranted to test for extensions to the current known mineralisation. SRK also acknowledges that the geophysical surveys have identified a number of geological features that require follow-up work and could potential add additional Mineral Resources with further mapping, sampling and drilling.

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NI43-101 MINERAL RESOURCE ESTIMATE ON THE LA INDIA GOLD PROJECT, NICARAGUA, NOVEMBER 2013

1 INTRODUCTION

SRK Consulting (UK) Limited ("SRK") is an associate company of the international group holding company, SRK Consulting (Global) Limited (the "SRK Group"). SRK has been requested by Condor Gold Plc ("Condor", hereinafter also referred to as the "Company" or the "Client") to prepare an updated Mineral Resource Estimate on the Mineral Assets of the Company comprising the La India Project. The La India Gold Project ("La India" or "the Project") is located on the western flanks of the Central Highlands in the northwest of Nicaragua in the municipalities of Santa Rosa del Peñon and El Jicaral near the regional centre of Leon, approximately 140 km to the north of the capital city of Managua, Nicaragua. The Company holds 100% ownership of a 280 km^2 concession package covering 98% of the historic La India Gold Mining District.

In August 2013, Condor commissioned SRK Consulting (UK) Ltd ("SRK") to visit the property and prepare a geological and mineral resource model for the La India/California, America-Constancia-Escondido and Central Breccia deposits of the larger La India Project. The services were rendered between, from August to November, 2013 leading to the preparation of the mineral resource statement reported herein that was disclosed publically by Condor in a news release on 8 November 2013. This date becomes the Effective date of the technical report.

This technical report documents a mineral resource statement for the La India Project prepared by SRK. It was prepared following the guidelines of the Canadian Securities Administrators' National Instrument 43-101 and Form 43-101F1. The reporting standard adopted for the reporting of the MRE uses 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 ("CRIRSCO").

1.1 Background

SRK Consulting (UK) Limited ("SRK") is an associate company of the international group holding company, SRK Consulting (Global) Limited (the "SRK Group"). SRK has been requested by Condor Gold Plc ("Condor", hereinafter also referred to as the "Company" or the "Client") to prepare an updated Mineral Resource Estimate on the Mineral Assets of the Company comprising the La India Project ("La India") located in Nicaragua.

SRK has previously produced four Mineral Resource Estimates on the La India Concession, listed as follows:

- January 2011 - initial Inferred Mineral Resource of 4.58 Mt at 5.9 g/t for 868,000 oz, reported in line with the guidelines of JORC reported on 4 January 2011.
- April 2011 - updated Mineral Resource of 1.18 Mt at 7.6 g/t for 290,000 oz Indicated Mineral Resources and 3.64 Mt at 6.0 g/t for 698,000 oz in the Inferred category on the Concession on 13 April 2011 based on further validation of historical data by the Company. In addition to this phase of work, SRK produced an Inferred Mineral Resource Estimate for the Cacao Vein of 0.59 Mt at 3.0 g/t for 58,000 oz of gold reported on 5 October 2011, based on historical exploration by Condor, and applying the same modelling methodology as the La India Concession.
- December 2011 – updated Mineral Resource on the La India Project of 1.61 Mt at 7.1 g/t for 264,000 oz Indicated Mineral Resources and 7.79 Mt at 5.4 g/t for 1,356,000 oz gold in the Inferred category on 22 December 2011,.
- September 2012 - updated Mineral Resource on the La India Project of 5.27 Mt at 4.4 g/t for 751,000 oz gold of Indicated Mineral Resources, and 10.96 Mt at 4.6 g/t for 1,624,000 oz gold in the Inferred category on 14 September 2012.

Condor holds 100% ownership of a 280 km^2 concession package covering 98% of the historic La India Gold Mining District, north of Managua, Nicaragua. The concession package comprises eight contiguous concessions. Four of the concessions were awarded directly from the government between 2006 and 2010. The remaining four concessions were acquired from other owners: the La India Concession was added to Condor's portfolio in late 2010 through a concession swap agreement with Canadian miner B2Gold, the Espinito Mendoza, La Mojarra and HEMCO-SRP-NS (to be renamed La Cuchilla) concessions were acquired from private companies in 2011, 2012 and 2013 respectively.

The mineralisation predominantly occurs in individual narrow veins and breccia zones that follow a regional structural control. The updated mineralisation model for the La India and the California veins display coalescing and bifurcating forms, with an associated significant increase in thickness where the veins coalesce. The La India and California veins are treated here as one broad package referred to as the "La India-California veins". Narrow high-grade core veins defined by drilling and correlated with the historic underground sampling are separated in the mineral resource model from lower grade broader zones of breccia mineralisation, which SRK consider may have potential for extraction using open pit methodologies.

The Company has focused exploration on the Project since the last Mineral Resource update in September 2012 on the following studies:

- A total of 162 drillholes for 23,598 m programme completed on La India Project since November 2012 including:
    - 13,956 m drilling programme completed on La India Open Pit resource aimed at proving over 1 Moz gold in the Indicated Category ahead of a Prefeasibility Study.

  - 1,836 m geotechnical drilling programme designed to increase the confidence within the pit angle used in Preliminary Economic Assessment (("PEA") of the Project completed by SRK.
  - 5,486 m drilling programme on America Vein Set aimed at testing for open pit potential Mineral Resources.
  - 2,680 m drilling on Central Breccia Prospect to define the maiden Mineral Resource for the prospect.

- an airborne magnetics and radiometrics geophysics programme to increase the geological knowledge and test for potential additional exploration prospects within the Project.

This report summarises the exploration and technical work undertaken on the Project to date by the Company, with a focus on the work completed since the previous estimate was reported.

1.2 Terms of Reference

SRK has prepared this technical report for the Project at the request of the Company. This report is intended to provide a technical summary of the gold and silver resources on the areas currently subjected to exploration work by the Company namely the La India – California veins, America-Constancia-Escondido veins and the Central Breccia deposit. This technical report is written in compliance with disclosure and reporting requirements set forth in the Canadian Securities Administrators' NI43-101, Companion Policy 43-101CP, and Form 43-101F1. The mineral resources remain in situ mineral resources as no mining is currently taking place at the project and are effective as of 8 November, 2013.

1.3 Source of Information

SRK has been supplied with numerous technical reports and historical technical files. SRK's report is based upon:

- discussions with directors, employees and consultants of the Company;
- data collected by the Company from historical exploration on the project;
- access to key personnel within the Company, for discussion and enquiry; and
- a review of data collection procedures and protocols, including the methodologies applied in determining assays and measurements.
- Existing reports provided to SRK, as follows:

  - Ehrenborg, J. 1996. A new stratigraphy for the Tertiary volcanic rocks of the Nicaraguan Highland. GSA Bulletin, 108, 830-842.
  - Micon 1998. "Review of the Resources, Reserves and Business Plan for the La Mestiza Project, Nicaragua", Technical report prepared for Diadem Resources Limited.
  - Weinberg, R.F. 1992. Neotectonic development of western Nicaragua. Tectonics, 11, 1010-1017.
  - Wilson, S.E. 2010. Technical Report: Hemco Nicaragua SA, Bonanza Mine, Raan. NI 43-101 Technical Report, p. 119.

- Malouf, S.E. December 1978. Report on the Valle Concession, State of Leon, Santa Rosa de Penon Quadrangle, Nicaragua. Rosario Mining of Nicaragua Inc. Internal Report
- Roscoe, W.E, Chow G.G. & Lalonde M.A. 2003. Technical report on the Nicaragua Properties of Black Hawk Mining Inc. prepared for Glencairn Gold Corporation. Roscoe Postle Associates
- SRK Consulting (UK) Ltd. September 2011. Geotechnical Pre-Feasibility Study of the La India Open Pit Gold Project / Nicaragua.
- SRK Consulting (UK) Ltd. February 2011. A Mining Concept Study on the La India Deposit, Nicaragua.

- Data files provided by the Company to SRK as follows:
  - topographic grid data in digital format;
  - Historical maps and long sections in scanned and CAD format;
  - drillhole database, including collar, survey, geology, and assay; and
  - QAQC data including details on Duplicates, Blanks and Standards.

1.4 Scope of Work

The scope of work, as defined in a letter of engagement between Condor and SRK includes the construction of a mineral resource model for the gold and silver mineralization delineated by drilling on the La India Project and the preparation of an independent technical report in compliance with National Instrument 43-101 and Form 43-101F1 guidelines.

SRK has defined the scope of work (SoW) on the understanding that the updated Mineral Resources and geological models will be required for (and limited to) the following veins ("Area"):

- La India – California veins;
- America-Constancia-Escondido Veins; and
- Central Breccia;

For each of the defined Area's SRK will complete the following:

- update the Mineral Resource estimate for each Area;
- produce a short letter form report detailing the main technical assumptions and geological modelling methods used, inclusive of a signed off Mineral Resource Statement per deposit.
- Compile an NI43-101 MRE study report (this report), summarising the key assumptions and conclusions from the model update. The report will follow the table of contents as set out within the NI43-101 guidelines;
- Provide digital copies of all technical data and files related to the MRE including datasets, compilations, block models, maps, plans, etc., and;
- Export Data to Whittle pit optimisation software ready for inclusion in technical study on the Open Pittable portions of the Mineral Resource.

1.5 Work Completed

The mineral resource statement reported herein is a collaborative effort between Condor and SRK personnel. The exploration database was compiled and maintained by Condor, and was audited by SRK. The geological model and outlines for the gold mineralization were constructed by SRK from a two-dimensional ("Sectional") geological interpretation provided by Condor. SRK has used this information and interaction during meetings with the Company geological team to create and initial geological model within Leapfrog. Following this further meetings and review were completed with the Company and in the opinion of SRK, the geological model is a reasonable representation of the distribution of the targeted mineralization at the current level of sampling. The geostatistical analysis, variography and grade models were completed by SRK during the months October and November. The mineral resource statement reported herein was presented to Condor in a memorandum report on 7 November 2013 and disclosed publicly in a news release dated 8 November 2013.

The mineral resource statement reported herein was prepared in conformity with generally accepted CIM "Exploration Best Practices" and "Estimation of Mineral Resource and Mineral Reserves Best Practices" guidelines. This technical report was prepared following the guidelines of the Canadian Securities Administrators National Instrument 43-101 and Form 43-101F1.

The technical report was assembled in SRK UK during the months of November and December 2013.

1.6 Requirement, Structure and Compliance

The standard adopted for the reporting of Mineral Resources in this Technical Report is the CIM Code. This Technical Report has been prepared under the direction of Ben Parsons (the "QP"), as defined in the Companion Policy and who assumes overall professional responsibility for the Mineral Resource Estimate and this technical document. The Technical Report however is published by SRK, the commissioned entity, and accordingly SRK assumes responsibility for the views expressed herein. Consequently with respect to all references to QPs and SRK: 'all references to SRK mean the QPs and vice-versa'. SRK is responsible for this Technical Report and declares that it has taken all reasonable care to ensure that the information contained in this report is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import. This Technical Report has been prepared in accordance with the requirements and guidelines as included in: NI 43-101, Form 43-101F1 and the Companion Policy. Details of Personal Inspections are included in Section 11.4.1 of this report.

1.7 Details of Personal Inspections

This report is based on information collected by SRK during a site visit performed between 28 April to 2 May, 2013 and on additional information provided by Condor throughout the course of SRK's investigations. Other information was obtained from the public domain. SRK has no reason to doubt the reliability of the information provided by Condor. This technical report is based on the following sources of information:

- Discussions with Condor personnel;
- Inspection of the La India Project area, including outcrop and drill core;
- Review of exploration data collected by Condor; and
- Additional information from public domain sources.
- In accordance with National Instrument 43-101 guidelines, Benjamin Parsons visited the La India on 28 April to 2 May accompanied by Luc English and Mark Child of Condor.

The purpose of the site visit was to review the digitalization of the exploration database and validation procedures, review exploration procedures, define geological modelling procedures, examine drill core, interview project personnel and to collect all relevant information for the preparation of a revised mineral resource model and the compilation of a technical report. During the visit, a particular attention was given to the treatment and validation of historical drilling data.

The site visit also aimed at investigating the geological and structural controls on the distribution of the gold mineralization in order to aid the construction of three dimensional gold mineralization domains.

SRK was given full access to relevant data and conducted interviews of Condor personnel to obtain information on the past exploration work, to understand procedures used to collect, record, store and analyse historical and current exploration data.

1.8 Limitations, Reliance on SRK, Declaration, Consent, Copyright and Cautionary Statements

SRK's opinion contained herein and effective **8 November 2013**, is based on information collected by SRK throughout the course of SRK's investigations, which in turn reflect various technical and economic conditions at the time of writing. Given the nature of the mining business, these conditions can change significantly over relatively short periods of time. Consequently, actual results may be significantly more or less favourable.

This report may include technical information that requires subsequent calculations to derive sub-totals, totals and weighted averages. Such calculations inherently involve a degree of rounding and consequently introduce a margin of error. Where these occur, SRK does not consider them to be material.

SRK is not an insider, associate or an affiliate of Condor, and neither SRK nor any affiliate has acted as advisor to Condor, its subsidiaries or its affiliates in connection with this project. The results of the technical review by SRK are not dependent on any prior agreements concerning the conclusions to be reached, nor are there any undisclosed understandings concerning any future business dealings.

Except as specifically required by law, SRK does not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this Technical Report or statements contained herein, required by and given solely for the purpose of complying with the mandate as outlined in this Technical Report and compliance with NI 43-101. SRK has no reason to believe that any material facts have been withheld by the Company.

2 RELIANCE ON OTHER EXPERTS

SRK's opinion is based on information provided to SRK by Condor throughout the course of SRK's investigations as described below, which in turn reflect various technical and economic conditions at the time of writing. SRK was reliant upon information and data provided by Condor. SRK has however, where possible, verified data provided independently, and completed a site visit to review physical evidence for the deposit.

In relation to the geological interpretation, detailed geological work and general background information, SRK has in part relied on:

- information provided by the Company;
- details included in a report by SRK Structural Geologist Dr Chris Bonson for the Company (2011);
- details included in a former report completed by Micon International Limited ("Micon") in 1998 which provides in-depth detail on the EM concession which now forms part of the La India Project; and
- discussions with SRK Technical specialists Ryan Freeman and Phillip Mohr in reference to potential mining and geotechnical aspects related to an internal Conceptual Mining Study completed by the Company.

SRK has used the information related to the geological and other associated descriptions and summarised the details where possible.

SRK has not performed an independent verification of land title and tenure as summarised in Section 3.2 of this report. SRK did not verify the legality of any underlying agreement(s) that may exist concerning the permits or other agreement(s) between third parties, but has relied on the Company and its legal advisor for land title issues.

SRK was informed by Condor that there are no known litigations potentially affecting the La India Project.

3 PROPERTY DESCRIPTION AND LOCATION

3.1 Concession Location

The La India Gold Project comprises eight contiguous concessions located in the municipalities of Santa Rosa del Peñon and El Jicaral in the León Department, San Isidro and Ciudad Dario in the Matagalpa Department, and San Nicolás in the Estelí Department of Nicaragua. The Project is centred on geographical coordinates 12° 44' 56" North, 86° 18' 9" West.

Geographically the project is located on the western flanks of the Central Highlands of Nicaragua (Figure 3-1) between UTM WGS84, Zone 16 North coordinates 568,000m E and 588,000m E, and 1,408,000m N and 1,425,000m N. The concessions fall within the Ciudad Dario 2954-II, Santa Rosa del Peñon 2954-III and San Nicolás 2954-IV 1:50,000 map sheets and cover a combined area of almost 280 km²

Figure 3-1: Project Location (Source: Condor)

3.2 Mineral Tenure

Condor holds 100% ownership of a 280 km² concession package covering 98% of the historic La India Gold Mining District. The concession package comprises eight contiguous concessions. (Table 3-1 and Figure 3-2).

Four of the concessions were awarded directly from the government between 2006 and 2010. The remaining four concessions were acquired from other owners: the La India Concession was added to Condor's portfolio in late 2010 through a concession swap agreement with Canadian miner B2Gold, the Espinito Mendoza, La Mojarra and HEMCO-SRP-NS (to be renamed La Cuchilla) concessions were acquired from private companies in 2011, 2012 and 2013 respectively.

La India Concession was added to Condor's portfolio in late 2010 through a concession swap with Canadian miner B2Gold, following a Letter Agreement signed on 31 August 2010 between Condor and B2Gold. The current 68.5 sq km La India Concession was originally part of a much larger, 353.0 sq km El Limon –La India Concession, which in 1994 granted a 3% Net Smelter Royalty ("NSR") to Repadre Capital Corporation. Due to new mining laws, effective in August 2001, much of the El Limon-La India Concession was relinquished to the Government and became available for re-grant. Condor has received legal opinion from its lawyers in Nicaragua that the 3% NSR is invalid under Nicaraguan law. B2Gold provided Condor with a copy of a royalty agreement some 2 years after the concession swap. The NSR is current the subject of a dispute between B2Gold and Condor.

Table 3-1: Concession Details for the La India Project

Concession Name	Concession Number	Expiry Date	Area (km²)
La India	61-DM-308-2011	February 2027	68.5
Espinito Mendoza	004-DM-2012	November 2026	2
Cacao	685-RN-MC-2006	January 2032	11.9
Santa Barbara	55-DM-169-2009	April 2034	16.2
Real de la Cruz	105-DM-197-2009	January 2035	7.66
El Rodeo	106-DM-198-2009	January 2035	60.40
La Mojarra	084-DM-386-2012	June 2029	27.00
HEMCO-SRP-NS (to be renamed La Cuchilla)	031-DM-417-2013	August 2035	86.39
Total			**280.5**

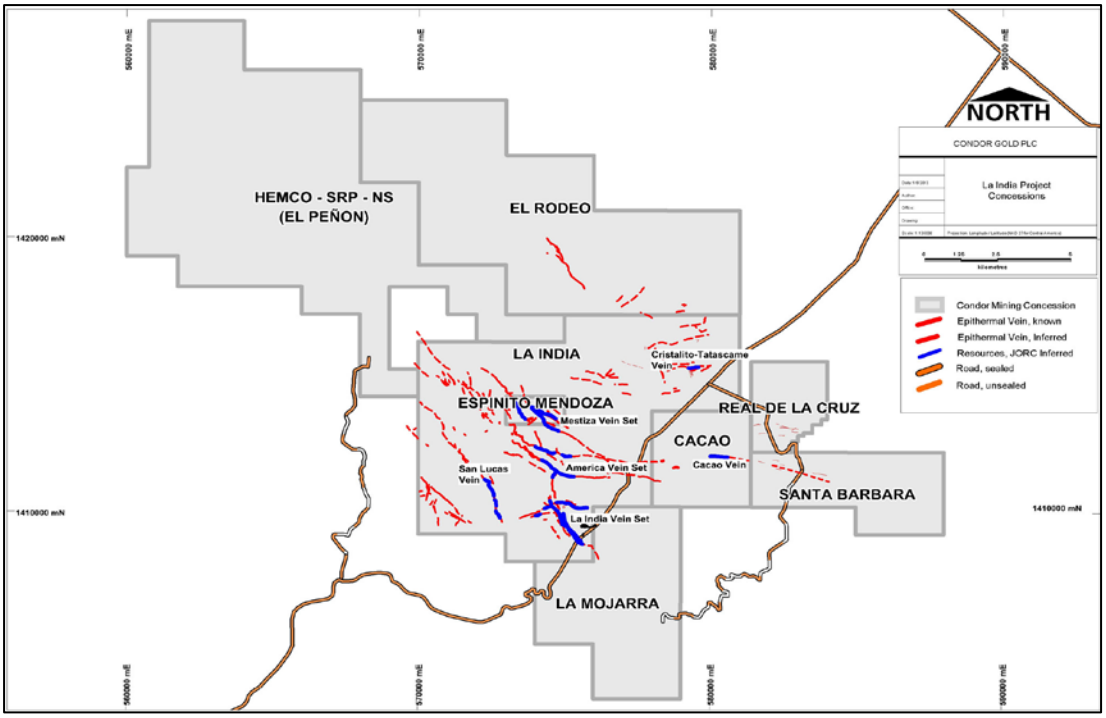

Figure 3-2: Concession Location

All concessions are renewable 25 year combined exploration and exploitation concessions. Under Nicaraguan law the concessions are subject to a surface tax based on the surface area and the age of the concession payable at six monthly intervals and a 3% government royalty on production. The La India and Espinito Mendoza concessions were granted under an earlier mining law and as such are subject to a tax exemption, whilst work undertaken on the newer concessions is subject to Nicaraguan tax.

The Espinito Mendoza Concession was purchased from a third party and is subject to ongoing payments valued at USD1,625,000 plus a bonus of 1% of the gold price of the JORC-compliant Ore Reserve calculated on the 18 August 2015. A total of USD1,150,000 has been paid to date. The agreement also includes a commitment to complete 5,000 m of drilling on the concession before the 18 August 2015 and a 2.25% net smelter return on gold extracted from that Concession. The seller owns the surface rights to a 3.1 km² area covering 80% of the Espinito Mendoza Concession, including all known gold mineralisation, and parts of the adjacent La India Concession. Under the agreement Condor has free and unimpeded access and use of these surface rights and will gain ownership on the 18 August 2015 subject to all obligations being met.

La Mojarra Concession was purchased from a third party subject to payments of USD1,010,815 in cash and shares. A total of USD560,815 has been paid to date with the balance due six months after a permit to undertake drilling is issued by the Ministry of the Environment.

The HEMCO-SRP-NS Concession (to be renamed La Cuchilla) was purchased in January 2013 for a consideration of USD275,000 by was of issuing new ordinary shares in Condor Gold plc at a price of GBP2.00 per ordinary share. Condor's further obligation under the purchase agreement is to pay HEMCO USD7.00 per ounce of gold of proven and probable reserves, as defined by the CIM Standards, by an independent geological consultant appointed by Condor Gold plc. The said payment may be made in shares of Condor Gold plc and is payable during the period that Condor holds the concession

Condor also has a claim on the surface rights to a further 30.4 km² covering all the known Mineral Resource areas of the La India Concession. Under the original sale agreements, the original land owners were allowed to maintain possession at the Company's discretion. Elsewhere on La India project, access to explore is negotiated with the land owners.

3.3 Permits and Authorization

Environmental permits to carry out exploration activity are obtained from the Ministry of the Environment and Natural Resources (MARENA). Two types of permit are required, an initial authorisation for prospecting obtained from the Regional Authority which permits activities such as rock chip, soil sampling and trenching, and a permit to carry out exploration activity from the National Authority to allow drilling and other more extensive work Table 3-2 details the current permits that have been obtained.

Table 3-2: Environmental Permits

Concession Name	Permit Category	Permit Number	Date Granted
La India	Exploration	DGCA-250-2003-CS037-2011	23/12/2011
Espinito Mendoza	Prospecting	LE-063191011	19/10/2011
Cacao	Exploration	23-2007	23/11/2007
Santa Barbara	Prospecting	DTM-030-09	03/06/2009
Real de la Cruz	Prospecting	DTM-007-10	12/03/2010
El Rodeo	Exploration	DGCA-P0018-0510-001-2011	12/03/2010
La Mojarra	under application	NA	Under application
HEMCO-SRP-NS (to be renamed La Cuchilla)	Prospecting	LE-022/091012	09/10/2012

3.4 Environmental Considerations

SRK has not completed a detailed review of the Environmental studies currently in place on the La India Project. SRK notes that the Company have employed an environment manager who has begun a number of environmental studies at the project, including census of the town and confirming the current artisanal mining activity currently operating on the property. SRK notes however that an Environmental study will be required as the project advances to more detailed technical studies.

3.5 Nicaraguan Mining Law

Three articles of legislation apply to exploration and mining activities in Nicaragua:

- Law No 387, Law for Exploitation and Exploration of Mines;
- Decree No. 119-2001, Regulation of Law No.387; and
- Decree No. 316, Law for Exploitation of Natural Resources.

3.5.1 Summary of the Law

The Nicaraguan Civil Code recognises the right of the owner of property to enjoy and dispose of it within the limitations established by law. Natural resources are property of the State and only the State is authorised to grant mining exploitation concessions and rights.

A concession holder's main legal obligations are to:

- obtain permission from the owner of the land;
- obtain an environmental permit;
- pay royalties and surface rents; and
- file annual reports.

3.5.2 Types of Mining Titles

Since 2001 all Nicaraguan mining activities have been governed by a single type of mining concession known as a concession for exploration and exploitation.

(a) Terms and Conditions governing grant

The Ministry of Development Industry and Commerce (Ministerio de Formento, Industria y Comercio - MIFIC) issues mining concessions to entities that file an application before the Natural Resources Directorate General (a division of MIFIC).

(b) Rights attached to Exploration Licence

Mining concession holders have the exclusive rights of exploitation, exploration and the establishment of facilities for collection and processing of minerals found in the area granted.

(c) Standard Conditions for Mining Concessions

Standard conditions apply to all Mining Concessions. In addition to those stated below in this item they include the obligation on the concession holder to:

- pay income taxes annually;
- provide an annual report on activities by the request of MIFIC;
- facilitate the inspections carried out by MIFIC representatives;
- comply with procedures issued for labour, security and environmental protection;
- within 30 days from the date the concession is issued, register it with the Public Registry and have it published in the official Gazette;
- obtain permission from the owners of the properties within the concession area prior to the commencement of activities;
- facilitate artisanal mining activities which will not exceed 1 per cent of the total area of the concession.

(d) Surface tax

A concession holder is to pay surface tax in advance every six months. Payments per hectare or part thereof are shown in Table 3-3.

Table 3-3: Surface tax payments due per hectare per year on exploration concessions in Nicaragua

Year	Amount per hectare per annum (USD)
1	0.25
2	0.75
3,4	1.50
5,6	3.00
7,8	4.00
9,10	8.00
11+	12.00

3.5.3 Reporting Requirements

Mining concession holders must provide to MIFIC an annual report which includes the following information:

- personnel employed;
- industrial safety measures;
- mining activities conducted and their results;
- mining production;
- status of incorporation of the company, its accounts and any changes during the year; and
- detail of the investments and expenses incurred in relation to the mining concession during the year.

3.5.4 Royalties Payable

Concession holders pay a royalty on the value of the extracted substances. The value is determined by subtracting the transportation expenses from the sale value of the substance. The percentage that must be paid is 3% of the value of the mineral exploited. The royalty payment is considered an expense and can be deducted from Income Tax obligations. Royalties are to be paid monthly. If payment is three months overdue, the concession may be irrevocably cancelled.

3.5.5 Term

The mining concessions are granted for an initial 25 year period, renewable for a further term of 25 years.

3.5.6 Renewal

Application for renewal must be filed at least six months before the expiry date. Renewal may be refused if the concession holder does not comply with the Mining Law.

3.5.7 Transfer and assignment

The Mining Law states that concessions may be divided, assigned, totally or partially transferred or leased and also allows for concessions to be mortgaged.

3.5.8 Relations with landowners

A mining concession holder cannot commence its mining activities until it has authorisation from the owner of the property. The authorisation must set out the terms and compensation for the use of the private property and infrastructure. A mining concession holder who acts without authority commits a serious violation and will be fined an equivalent to USD10,000.00.

Conflict between surface property rights and mining rights must be taken into consideration at the time of considering a mining project, particularly in areas where other commercial projects may be developed on the surface of the land. The holder of the mining concession may need to acquire, lease or take easements over the surface property.

3.5.9 Environmental Issues

Any person who wishes to initiate mining-related activities (exploration and exploitation) must first obtain an environmental permit from the Ministry of Environment and Natural Resources. A failure to obtain a permit is a breach of a standard term of the mining title and the mining concession may be cancelled.

3.5.10 Applicable legislation

All rights and obligations derived from the mining concession must comply with Nicaraguan legislation and submit to the jurisdiction of Nicaraguan courts. Disputes arising over the title of a mining concession are heard by the Civil District Courts. The Natural Resources Directorate General may act as a mediator between the parties, if the parties agree.

4 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

4.1 Accessibility

The La India Project lies approximately 70 km due north of the capital city of Managua, and north of Lake Managua on the western flanks of the Central Highlands (Figure 3-1). The Project is accessed from Managua either by the paved León-Esteli Road (Highway 26) at a distance of approximately 210 km, or by the Panamerican highway via Sebaco (approximately 130 km). The nearest town with banking service is Sebaco at a distance of 32 km.

The majority of the mineralised areas are accessible to within a few hundred metres of the paved highway via dirt tracks which require maintenance during the wet season between May and November, and the crossing of small rivers proves difficult during periods of high rainfall.

4.2 Climate

The climate of the region is a tropical savannah, with warm, dry winters and wet summers between May and November.

The La India Mining District is located in one of the drier areas in Nicaragua, with typical temperatures ranging between 20°C and 30°C. The wet season is characterised by intense afternoon rain storms between May and November. It is generally dry during the rest of the year.

4.3 Local Resources and Infrastructure

A major paved highway and power line runs northeast-southwest through the Project area providing excellent access to the Project. Transport within the concession consists mainly of un-surfaced roads of varying quality. A hydroelectric dam is located just beyond the eastern edge of the Project area, less than 10 km from the main deposits on the La India, America and Mestiza Vein Sets. Houses and communities located with a few kilometres of the highway are supplied with 220 V or 110 V mains electricity fed from a 24.9 kV, 3-phase power supply which runs along the highway.

Condor's office is located in the small town of La Cruz de La India, estimated population of 2,200, located between the highway and the main gold deposit on La India Vein Set. The office has a dedicated internet connection setup via wireless relay. There is good mobile phone coverage in Cacao, Real de la Cruz and Santa Barbara. Within El Rodeo, mobile phone coverage is restricted to some hilltops and absent in the main mineralised localities.

Domestic water supply is via waterbores and wells. The operators of the hydroelectric dam will allow a limited amount of water to be used for commercial purposes such as drilling all year round.

Nearby towns such as Santa Rosa del Peñon, San Isidro and Sebaco, all located less than a half hour drive away, can supply basic facilities. Most modern facilities can be found at the City of León, located approximately 100 km to the south or from the Capital City of Managua 180 km away by road.

4.4 Physiography

The area is characterised by high relief, at altitudes typically varying between 350 m and 580 m amsl in the areas of surface mineralisation. Altitude generally increases to the north where some hill summits reach almost 900 m altitude. The land is a mixture of rocky terrain covered by thorny scrub bushes and areas cleared for crops and grazing. Surface water is ephemeral with most watercourses dry for six months of the year.

5 HISTORY

The first evidence of mining activity was by an English company, the Corduroy Syndicate who operated a small mine on the Dos Hermanos Vein on the western edge of La India Concession sometime prior to the middle of the 20th Century.

Records exist for Industrial-scale gold mining centred on the La India Vein between 1936 and 1956. Mining was initiated at La India in 1936 by the Compania Minera La India. By 1938, Noranda Mines of Canada had acquired a 63.75% interest in the company and mining continued until 1956, when the mine closed following flooding of the mill and main workings during a severe storm. Between 1938 and 1956, Noranda's La India mill is estimated to have processed approximately 100,000 tonnes per annum ("tpa"). Monthly production records exist for the 8 years and 4.5 months of operation, between January 1948 and mid-May 1956 (Table 5-1 below, from Malouf 1978) during which time a total of 267,673.61 oz gold and 294,209.36 oz silver was produced from 796,476 tonnes of ore.

Production records have not been sighted for 1938-1947 and also the last few months of operation between mid-May and mid-October 1956, however extrapolation of production suggests an estimated total production of some 575,000 oz gold from 1.73 Mt at 13.4 g/t Au. This is in broad agreement with the estimate by Roscoe, Chow & Lalonde (RPA, 2003) of 576,000 from 1.7 Mt of ore. Roscoe, Chow & Lalonde (RPA, 2003) also estimated a head grade of 13.4 g/t Au which is assuming a 78% recovery from the mill. SRK considers that a recovery of between 85% and 90% is more likely which would give a head grade range of 11.6-12.8 g/t Au.

Peak annual production was some 41,000 oz gold in 1953. The bulk of production was from shrinkage stope mining on two areas, the La India - California Vein where some 2 km of strike length was exploited to a maximum depth of 200 m below surface, and the America-Constancia and part of the intersecting Escondido Vein where again approximately 2 km of strike length was exploited to a maximum depth of 250 m below surface.

Table 5-1: Summary of monthly production records and estimated production from the historic La India mill between 1938 and 1956*.

	Recorded Production Data				
		Grade (Recovered oz/short ton)		Bullion Produced (oz)	
Year	Short Tons	Au	Ag	Au (oz)	Ag (oz)
1948	112,114	0.2503	0.2970	28,065.67	33,272.11
1949	111,745	0.2657	0.2850	29,694.70	31,892.12
1950	93,465	0.2889	0.3380	27,003.70	31,611.45
1951	94,600	0.3814	0.4330	36,078.21	40,932.24
1952	102,970	0.3439	0.3640	35,414.14	37,519.70
1953	121,625	0.3442	0.3230	41,860.95	39,281.85
1954	102,955	0.3338	0.3530	34,369.81	36,238.02
1955	99,300	0.2498	0.3190	24,802.76	31,655.16
1956 (4.5 months)	39,169	0.2651	0.3010	10,383.67	11,806.71
1948-1956	**877,943**	**0.3049**	**0.3350**	**267,673.61**	**294,209.36**
Annual Average (over 8 years 4.5 months)	*104,269*	*0.3049*	*0.3350*	*31,790.21*	*34,941.73*

	Estimated Production				
mid-1938 to end 1947 (9.6 years)	1,000,980	*0.3049*	*0.3350*	305,186	335,441
Total Estimated	**1,878,923**	***0.3049***	***0.3350***	**572,860**	**629,650**

* Metric equivalents calculated using the following conversion factors: 1 oz = 31.103477g; 1 tonne = 1.1023 short ton; 1 oz/short ton = 34.285g/t; 1g/t = 0.02917 oz/short ton.

	Recorded Production Data – metric equivalent				
		Grade (Recovered g/t)		Bullion Produced (g)	
Year	Short Tons*	Au	Ag	Au (g)	Ag (g)
1948	101,709	8.58	10.18	872,939.9	1,034,878.3
1949	101,374	9.11	9.77	923,608.4	991,955.8
1950	84,791	9.91	11.59	839,909.0	983,226.0
1951	85,821	13.08	14.85	1,122,157.8	1,273,135.0
1952	93,414	11.79	12.48	1,101,502.9	1,166,993.1
1953	110,337	11.80	11.07	1,302,021.1	1,221,802.1
1954	93,400	11.44	12.10	1,069,020.6	1,127,128.4
1955	90,084	8.56	10.94	771,452.1	984,585.5
1956 (4.5 months)	35,534	9.09	10.32	322,968.2	367,229.7
1948-1956	**796,465**	**10.45**	**11.49**	**8,325,580.0**	**9,150,934.1**
Annual Average (over 8 years 4.5 months)	*94,592*	*10.45*	*11.49*	*988,786.2*	*1,086,809.3*

	Estimated Production – metric equivalent				
mid-1938 to end 1947 (9.6 years)	908,083	10.45	*11.49*	9,492,348	10,433,369
Total Estimated	**1,704,548**	**10.45**	***11.49***	**17,817,928**	**19,584,303**

* Metric equivalents calculated using the following conversion factors: 1 oz = 31.103477g; 1 tonne = 1.1023 short ton; 1 oz/short ton = 34.285g/t; 1g/t = 0.02917 oz/short ton.

There has been intermittent artisanal mining activity, concentrated on the old mine workings, in the district since that time.

SRK currently estimates the historical depletion of approximately 1,465,000 tonnes at 8.6 g/t for 400,000 ounces of gold. SRK attributes the differences between these two values to a number of factors:

- Potential additional mining which post-dates the depletion long-sections currently available. SRK has been supplied with the current long-section indicating depleted areas, and cross referenced these between plots completed by various owners of the Project to ensure consistency. Further work will be required to confirm any additional depletion including research into the last dated long-sections, or via additional drilling or via underground access),
- SRK has combined intersections from the latest drilling campaigns including lower grade material to ensure geological continuity; this new data could result in a drop in the grades within the high-grade core domain. If the assumed mean grades from the historical production records can be achieved it represents some potential upside. Further work will be required to test this potential,
- The 575 Koz production estimate, assumes full production for half of the mine life, at a constant head grade, which cannot be confirmed based on the current information.

To test the risk of the potential under depletion of Mineral Resource SRK has completed a high-level reconciliation based on the historical 2D long-sections, by calculating the areas, and using the associated underground channel samples to determine vein widths to estimate a complete volume for the depletion voids. This has been combined with the density and the mean head grade to estimate a depletion which is in the order of 1.25 Mt at 10.3 g/t for 420,000 oz of gold, which is in line with SRK estimates.

SRK consider the level of confidence in the La India depletions to be reasonable enough to define the Mineral Resources as Indicted. The current level of drilling along strike and below the current depletion is to 50x50 m spacing. Figure 5-1 shows a plot of high-grade core intersections versus the depletion, SRK notes that the post mining drilling campaigns have provided extensive data on void locations, and that the interpreted void wireframe honour that drilling. The Company and SRK have taken considerable effort to log all mining void intersections which have been validated against the expected model.

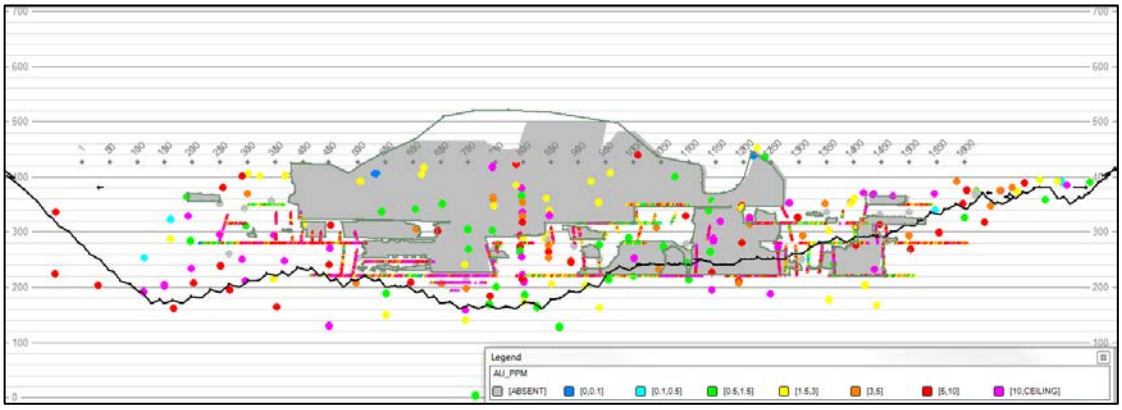

Figure 5-1: Long section at La India showing intersection of high-grade core versus depletion.

Given lower levels of drilling by the Company to date at America, SRK consider the depletions to have a lower level of confidence (of additional mining), but the current study has been supplemented with more detailed maps and level plans from the historical maps to ensure the position of the development levels is accurate.

SRK recommend the Company investigate the possible access into the upper levels of the historical La India Mine. If access can be achieved safely a programme of detailed mine survey should be completed to compare to the current model depletions for validation purposes.

There is no record that the Central Breccia, which is located just over 1 km from the America-Constancia underground workings, had been discovered prior to 2011, and it is certain that it was not exploited by Noranda or by subsequent artisanal miners.

5.1 History of Exploration

The La India Mining District was explored extensively with Soviet government aid when mining in Nicaragua was state controlled (1986-1991). The organisation, INMINE, sampled the underground workings, drilled 90 holes, 59 on what is now La India and Espinito Mendoza ("La India-ESP") Concessions and excavated numerous surface trenches. They estimated that the entire District had the potential to host 2.4 Moz gold at a grade of 9.5 g/t Au (Soviet-GKZ classification C1+C2+P1) of which 1.8 Moz at 9.0 g/t Au falls within the La India-ESP Concession, including 2.3 Mt at 9.5 g/t Au for 709,000 oz gold at the within C1+C2 classification.

In 1994, the mining industry in Nicaragua was privatised and Canadian Company Minera de Occidente S.A. (subsequently renamed Triton Mining SA) obtained a large concession holding including the entire La India Project area excluding the Espinito San Pablo and Espinito Mendoza Concessions. The Espinito San Pablo Concession was subsequently sold to Minera de Occidente, and in 2011 was officially merged into the La India Concession. The Espinito Mendoza was held by a private Nicaraguan company until 2006 when it was temporarily sold to Triton Mining S.A. ("Triton") until it was returned to the original owners and sold to Condor in 2012.

Exploration during this period, 1994-2009 was undertaken by a combination of the concession holders Occidente Minera/Triton Mining and by joint venture or option partners. It is worth noting that the owners of Nicaraguan registered Triton Mining have changed through time from a joint ownership by Triton Mining Corporation and Triton USA to Black Hawk Mining Inc (1998) to Glencairn Gold Corporation (2003) to Central Sun (2007) and finally to B2Gold Corporation (2009).

The following outlines the principal periods of exploration undertaken by Triton and its joint venture partners on the La India Project during this period.

1996-1998

TVX Gold Inc ("TVX", a Canadian listed mining company) evaluated the La India Concession and outlined a resource of 540,000 oz gold and 641,000 oz silver on the La India and America-Constancia veins. TVX re-opened a number of adits and collected approximately 500 underground channel samples. It also mapped the principal veins at between 1:500 and 1:1000 scale using tape and compass mapping and trench sampled over 500 trenches for over 800 channel samples. The UTM coordinates presented on the map sheets at the start of each traverse appear to be NAD27 format, but field verification by the Company has demonstrated that the coordinates are inconsistent with field locations and that no consistency in the error is present.

The reason for the difference in coordinates is not known, however Condor has undertaken and continues to undertake a programme of relocating TVX maps and trenches on a systematic basis. Only verified trench locations have been included in the digital database provided to SRK. TVX also drilled 12 drillholes for 2,204 m into the La India Vein set, principally targeting the down dip extension of the India Vein below mine workings with a couple of shallow drillholes testing the perpendicular Arizona Vein.

2000-2001

Under an option agreement, Newmont Mining Ltd ("Newmont Mining") undertook regional mapping and some trench sampling in the district, targeting low grade bulk mineable stockwork zones. Its main area of focus was the north and east of the La India Project area.

1996-2010

Triton completed 8 drillholes for 1509 m on the India Vein testing mineralisation down-dip and along strike of the main mine workings. The assay results were not reported and the core was re-sampled by Condor in 2010/11 with the results incorporated in the most up to date exploration database.

2004-2005

In 2004-2005, Gold-Ore Resources Ltd ("Gold-Ore"), through a joint venture with Glencairn over the northeastern part of the La India Concession, conducted underground sampling and drilled 10 DD core holes for 1,063 m into the Cristalito-Tatescame Vein of La India Concession. Underground sampling of the 570m level returned a weighted average of 1.6 m at 21.7 g/t Au. The drilling confirmed mineralisation over a 200 m strike length to a depth of 150 m with best intersections of 5.3 m at 9.43 g/t Au from 94.6 m in drillhole DDT-09.

2006

In 2006, Triton completed a number of twin trenches, including at least 9 on the Tatiana Vein, which confirmed the Soviet intersections. It also completed three drillholes on the part of the Tatiana Vein that falls within the Espinito-Mendoza Concession, the results of which were disappointing and included twinning of a Soviet Drillhole PO74 which returned only 0.8 m at 6.94 g/t Au compared with the original Soviet intercept of 2.7 m at 11.25 g/t Au. It is noted that recovery through the mineralised zone was poor, typically less than 70%. This contrasts with the Soviet drilling which used short interval percussion drilling through the ore zone to avoid the recovery problem. It is speculated by the Company that the poor recovery in the DD drilling is the cause of the low grade, further verification work will be required to test this theory. In 2007, Triton published an NI43-101 Inferred Mineral Resource of 558 kt at 8.8 g/t Au for 158,600 oz gold for the part of the Tatiana Vein.

5.2 History of Mineral Resources

SRK has previously produced three Mineral Resource Estimates on the La India Concession, with the initial Inferred Mineral Resource of 4.58 Mt at 5.9 g/t for 868,000 oz, reported in line with the guidelines of Joint Ore Reserves Committee (JORC) code reported on 4 January 2011. An updated Mineral Resource of 4.82 Mt at 6.4 g/t for 988,000 oz for the Concession was released on 13 April 2011 based on further validation of historical data by the Company. SRK produced an Inferred Mineral Resource Estimate for the Cacao Vein of 0.59 Mt at 3.0 g/t for 58,000 oz of gold reported on 5 October 2011, based on historical exploration by Condor, and applying the same modelling methodology as the La India Concession.

From 2011 to August 2012 the Company drilled 140 drillholes for over 22,000m, and completed 2,500m of trenching. This data was combined with the historic exploration and mining data and included in the latest Mineral Resource estimation completed by independent geologists at SRK and announced in September 2012. The current Mineral Resource Estimation on the project area is a CIM/JORC-compliant combined Inferred and Indicated Mineral Resource (Table 5-2) of 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 Category, all contained within a 9km radius within the La India Project area. In addition there is a 2,280,000 oz silver at a grade of 6.5 g/t silver, calculated on the La India and California Veins only, where there is sufficient silver assay data.

Table 5-2: SRK CIM Compliant Mineral Resource Statement as at 14 September 2012

SRK MINERAL RESOURCE STATEMENT as of 14 September 2012									
			Indicated						
			gold			silver			
Area Name	Vein Name	Cut-Off	Tonnes (kt)	Grade Au (g/t)	Contained Au (Koz)	Tonnes (kt)	Grade Ag (g/t)	Contained Ag (Koz)
La India veinset (Gold and Silver Estimate)	La India/ California[1]	1.0 g/t (OP)	4220	3.9	534	4220	6.3	850
	La India[2]	2.3 g/t (UG)	200	7.1	45	200	7.0	45
	California[2]	2.3 g/t (UG)	370	4.3	52	370	5.9	70
La India veinset (Gold Only Estimate)	Arizona[3]	1.5 g/t						
	Teresa[3]	1.5 g/t						
	Agua Caliente[3]	1.5 g/t						
America veinset	America[3]	1.5 g/t	280	8.0	73			
	Escondido[3]	1.5 g/t	90	4.7	13			
	Constancia[3]	1.5 g/t	110	9.8	34			
	Guapinol[3]	1.5 g/t						
Mestiza veinset	Tatiana[3]	1.5 g/t						
	Buenos Aires[3]	1.5 g/t						
	Espenito[3]	1.5 g/t						
Other veins	San Lucas[3]	1.5 g/t						
	Cristalito-Tatescame[3]	1.5 g/t						
	El Cacao[3]	1.5 g/t						
	subtotal Indicated (gold and silver estimate)		**4790**	**4.1**	**631**	**4790**	**6.3**	**965**
	subtotal Indicated (gold only estimate)		**480**	**7.8**	**120**			
	SUBTOTAL INDICATED[6]		**5270**	**4.4**	**751**	**4790**	**5.7**	**965**
			Inferred					
			gold			silver		
Area Name	Vein Name	Cut-Off	Tonnes (kt)	Grade Au (g/t)	Contained Au (Koz)	Tonnes (kt)	Grade Ag (g/t)	Contained Ag (Koz)
La India veinset (Gold and Silver Estimate)	La India/ California[1]	1.0 g/t (OP)	3990	3.3	420	3990	5.6	724
	La India[2]	2.3 g/t (UG)	250	7.3	59	250	4.4	35
	California[2]	2.3 g/t (UG)	1950	4.4	276	1950	9.1	568
La India veinset (Gold Only Estimate)	Arizona[3]	1.5 g/t	430	4.2	58			
	Teresa[3]	1.5 g/t	70	12.4	29			
	Agua Caliente[3]	1.5 g/t	40	9.0	13			
America veinset	America[3]	1.5 g/t	540	5.6	99			
	Escondido[3]	1.5 g/t	90	4.6	13			
	Constancia[3]	1.5 g/t	240	7.2	56			
	Guapinol[3]	1.5 g/t	750	4.8	116			
Mestiza veinset	Tatiana[3]	1.5 g/t	1080	6.7	230			
	Buenos Aires[3]	1.5 g/t	210	8.0	53			
	Espenito[3]	1.5 g/t	200	7.7	50			
Other veins	San Lucas[3]	1.5 g/t	330	5.6	59			
	Cristalito-Tatescame[3]	1.5 g/t	200	5.3	34			
	El Cacao[3]	1.5 g/t	590	3.0	58			
	subtotal Inferred (gold and silver estimate)		**6190**	**3.8**	**756**	**6190**	**6.7**	**1328**
	subtotal Inferred (gold only veins)		**4770**	**5.7**	**868**			
	SUBTOTAL INFERRED [6]		**10960**	**4.6**	**1624**	**6190**	**3.8**	**1328**

(1) Open Pit Mineral Resources are reported within a conceptual whittle pit shell at a cut-off grade of 1.0 g/t. Cut-off grades are based on a price of USD1400 per ounce of gold and gold recoveries of 90 percent for resources, without considering revenues from other metals. Note optimised pit shells are based on Indicated and Inferred Mineral Resources

(2) Underground mineral resources beneath the open pit are reported at a cut-off grade of 2.3 g/t. Cut-off grades are based on a price of USD1400 per ounce of gold and gold recoveries of 90 percent for resources, without considering revenues from other metals.

(3) Mineral resources as previously quoted by SRK (22 December 2011) are reported at a cut-off grade of 1.5 g/t.

(4) Mineral Resources are not Ore Reserves and do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate and have been used to derive sub-totals, totals and weighted averages. Such calculations inherently involve a degree of rounding and consequently introduce a margin of error. Where these occur, SRK does not consider them to be material. All composites have been capped where appropriate. The Concession is wholly owned by and exploration is operated by Condor Gold plc

(5) Silver grades only estimated for La India – California 2012 estimates all other estimates contain gold only estimates, due to limited confidence in historical silver assays

(6) Gold Mineral Resources reported Inclusive of Silver Mineral Resources, Silver grades only estimated for La India – California 2012 estimates all other estimates contain gold only estimates, due to limited confidence in historical silver assays.

6 GEOLOGICAL SETTING AND MINERALIZATION

6.1 Introduction

The following section has been taken from the December 2011 SRK Mineral Resource report entitled “A Mineral Resource Estimate for the La India Gold Project, Nicaragua”, dated 13 April 2012, and revised by Condor during September 2012 to update and add material where appropriate. SRK has completed a site visit to verify the geological interpretation and is satisfied that the following section represent a true representation of the geological conditions of the La India Project.

6.2 Regional Geology

La India mining District is located within a Tertiary-aged Island Arc volcanic setting formed on the edge of the Caribbean Tectonic plate where it over-rides the subducting Cocos Plate, off-shore beneath the Pacific Ocean in what is colloquially known as the Pacific Rim of Fire. La India epithermal gold system is near the southwestern margin of a broad belt of Tertiary volcanic rocks that forms the Central Highlands of Nicaragua. The Central Highland volcanic belt is bounded to the east by a major normal fault that marks the edge of the NW-SE orientated Nicaraguan Graben. The eastern boundary of the Central Highland volcanic belt is less well defined. Topography gradually drops to the East to a lower coastal plain where the surficial geology is a mix of Eocene-aged volcanic cover (Ehrenborg 1996) and older basement rocks. The basement rocks are described as pre-Jurassic and include low metamorphic grade phyllites and schists, granites, ultramafics and carbonate sediments (Venable 1994).

Two volcanic sequences are generally recognised in the Central Highlands:

- The Matagalpa Group - a widespread thick lower sequence of intermediate to felsic pyroclastic deposits and ignimbrites interpreted as deposited by shield volcanism during the Oligocene.
- The Coyol Group - basaltic, intermediate and felsic volcanic flow and pyroclastic rocks originating from numerous volcanic centres forming felsic domes, basaltic to andesitic strato-shield volcanoes or caldera complexes interpreted as Miocene to Early Pliocene age (Ehrenborg 1996).

The Central Highlands volcanic belt was originally formed from magma derived from the northeast-directed subduction of the Cocos Plate beneath the Caribbean Plate. Subsequent roll-back of the subduction zone has shifted the volcanic activity further southwest. Two principal structural fabrics are recognised in Nicaragua:

- deep-seated arc-normal NE-SW orientated fabric that can be recognised both as shear fabrics in Mesozoic basement rocks and as more brittle fault fabrics in the overlying Tertiary rocks, and
- brittle deformation fabric of arc-parallel NW-SE orientated faults and associated linking structures. This structural fabric hosts the majority of the gold mineralised veins at La India.

In interpreting the structural setting of the Central Highlands and adjacent areas Weinberg (1992) recognised three post-Oligocene phases of deformation in Nicaragua as follows:

- Late Miocene to Early Pliocene: NE-SW–directed compression and uplift in close temporal association with opening of NE-oriented fractures;
- Pliocene to Early Pleistocene: rollback of the subduction zone resulting in extension along NW-trending normal faults of the Nicaragua Graben; and
- Late Pleistocene to recent: dextral transcurrent deformation along arc-normal NE-SW trending faults under subduction-related stresses and associated with the active volcanism in the Nicaragua Depression.

6.3 District Scale Geology

6.3.1 Geological Setting

The La India Mining District is located towards the southwestern edge of the Central Highlands volcanic arc within Miocene to Early Pliocene strato-shield and caldera volcanic Complexes of the Coyol Group (Ehrenborg 1996). At La India the volcanic complexes have been disrupted by a series of NW-SE and NE-SW orientated faults making it difficult to define the boundaries between adjacent volcanic complexes (Fig. 6-1). Topography and geophysics data suggests that the main La India gold mineralised area lies between two large volcanic complexes: The best defined, and interpreted as the younger caldera is located approximately 6 km to the southeast of the concession area. The less well defined, interpreted as older caldera lies approximately 6km to the northwest of La India District.

Hydrothermal fluids generated by volcanic activity prior to and after the formation of one or both calderas probably migrated through pathways generated by extensional faulting associated to the formation of the Nicaraguan depression. Multiple fault displacements allowed for repetitive mineralisation as evidenced by multiple stage veins and breccias found in the district.

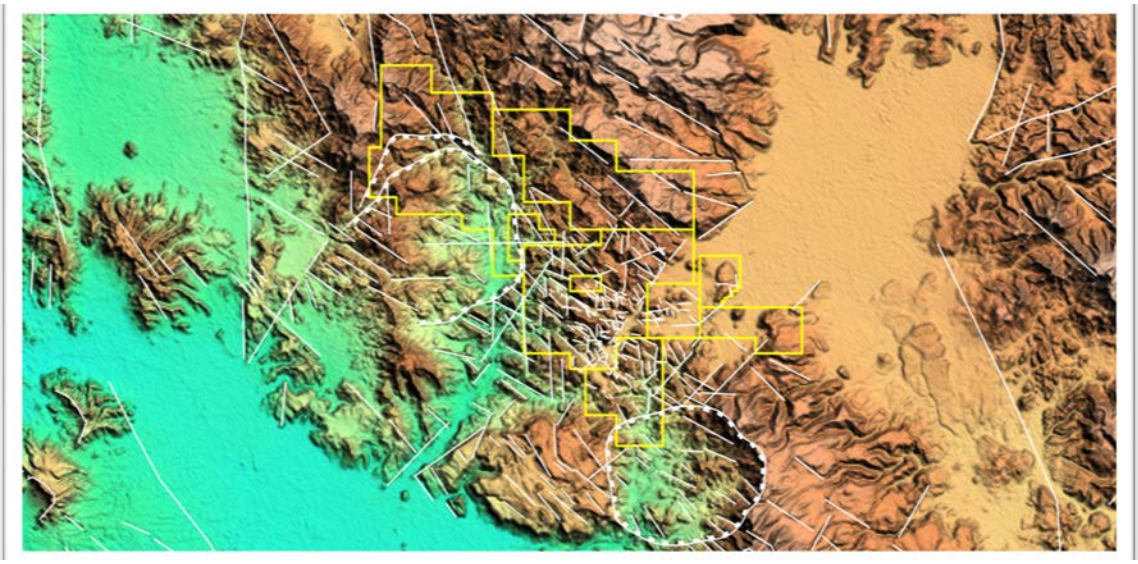

Figure 6-1: Interpretation of landforms and tectonic lineaments (white lines) in La India District. Map shows La India Project concession boundary (grey), known vein traces (red) and major geological structures (black) (Source: Condor).

6.3.2 Rocktypes

Only the core mineralised area of La India District has been mapped to date, however reconnaissance exploration suggests that the same rock types are present throughout the district. Mapping and drill core re-logging exercise carried out across the three principal vein sets at the core of the mining district; La India, America and La Mestiza vein sets, have identified the following seven basic-felsic lava flows and pyroclastic deposits, assigned to the Coyol Group (Figure 8-1). The surface mapping and drillhole logging data was used to produce 3D interpretations of the main prospects. Although surface mapping has not been extended to the outlying mineral resources; Cacao, Cristalito-Tatescame and San Lucas, the same units are recognised on all three prospects. A summary of the rocks from youngest to oldest is shown in Table 6-1.

Table 6-1: Summary of Major Rocktypes at La India

Unit	Long Name	Description
QA	Quaternary Alluvium	limited to the channels of semi-permanent rivers and creeks. It is comprised of unconsolidated fluvial sands, gravels and boulders transported by flash floods or during permanent flow in the months of June-November.
VIA	Porphyritic andesite	These appear as lava flows,found filling the La India and America valleys, as well hosting the Central Breccia resource. To the south and east of these valleys, laminar and massive porphyritic lavas form the ridges across the main road that runs through the district. Thickness varies depending on the prospect: at the La India valley, maximum thickness is approximately 130 m; in the Central Breccia closer to 150 m, and in the America Vein Set less than 100 m
VF	Felsic Lava	Flow banded and massive rhyolite and rhyodacite lavas, possibly associated to the extrusion of lava domes. Forms the footwall to the La India vein. In the central part of La India vein massive felsic lavas slowly grade into flow banded lavas, maximum thickness known to extend beyond 200 m in drilling.
PPBf	Felsic pyroclastic Breccia	Both felsic pyroclastic breccias and epiclastic deposits are part of an apron like stratigraphic sequence associated to the extrusion of a felsic lava dome. These consist mainly of angular clasts of flow banded rhyolites. Clast size and angularity increase towards the highest elevations, indicating that they are more proximal to the source
PPMf	Felsic Lapilli Tuff	Identified in some of the southern drillholes in the La India Vein Set consists of stratified, pumiceous tuffs to lapilli tuffs interbedded with felsic lavas
PPMi	Andesitic Lapilli tuff	thick sequence (200 – 250 m) of grey to brown colored (when weathered or oxidized) andesitic lapilli tuffs and welded lapilli tuffs (ignimbrites) , underlie the pyroclastic breccias
VMB	Basaltic andesite lava	basaltic andesite lavas outcrop on the westernmost areas of all three vein sets predominantly plagioclase and pyroxene phenocrysts in a fine grained, aphyric matrix up to 130 m has been intercepted
PKS	Vocanicalsitc Sandstone	A sequence of fine sandstones and siltstones is found interbedded with andesitic lapilli tuffs at the bottom of a stream bed just north of La Mestiza Mine adit. These sandstones are stratified and cross-bedded indicating a fluvial origin

6.3.3 Structural Geology

The La India District is located near the intersection of two major regional structures: the NW-SE orientated arc-parallel normal fault of the Nicaraguan Graben located 10-30km to the Southwest of the District, and a perpendicular NE-SW orientated arc-normal structure that forms a major topographic feature cutting through the Project area (Figure 6-1).

Faulting attributed to the extensional regime that forms the Nicaraguan Graben is particularly well developed near the graben-bounding fault where La India is situated. Structures developed at La India under this SW-directed extension are thought to have taken place at a very high crustal level. La India District exhibits a system of multiple linked faults with differing dimensions and displacements which relate each other kinematically and spatially and have the overall geometry of a graben-like structure centred along a NW-SE orientated axis that runs through the America Vein Set at the centre of the La India District. The graben-like geometry is recognised by a dominantly north- to east-dip in structures located to the south and east of the axis, and a dominant south- and west-dip in structures located to the north of the axis.

The linkage structures between the faults are envisaged to have occurred at a relatively early stage in the development of the fault system; that is, after little displacement had accrued. Any displacements on a fault had to be accommodated away from the fault by the creation of new fractures, consistent with high-level brittle fault systems in massive volcanic rocks.

The major NE-SW striking structure that cuts through the southern part of La India Vein and forms a major downthrown Sebaco Graben block to the southeast is interpreted as a later, possibly post-mineralisation cross-cutting fault. The amount of movement along this fault where it cuts the La India vein is thought to be minimal as this location is interpreted as close to the hinge of the fault; it is interpreted as a scissor fault with increased downthrow along strike to the northwest where the Sebaco Plains are formed (Fig. 6-20). Regional mapping suggests that it is a long-lived structure as it can be traced for 100’s of kilometres into older basement material to the northwest.

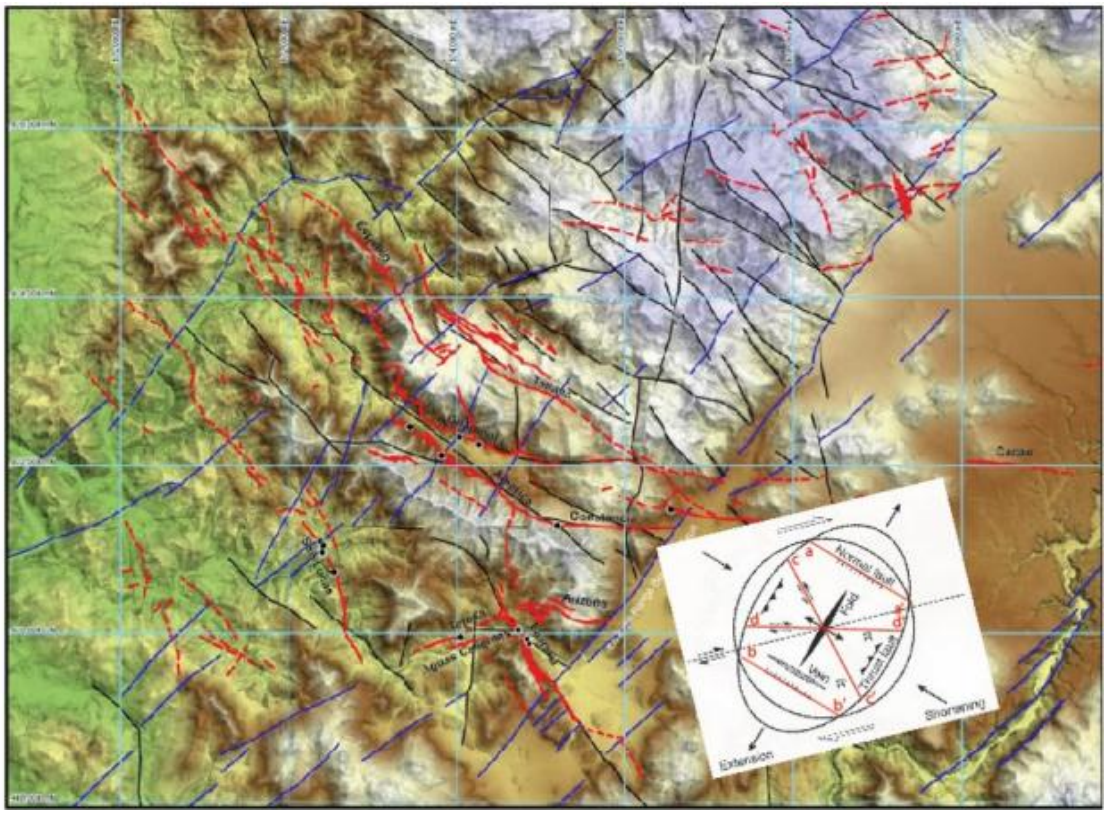

Figure 6-1: Interpretation of brittle structures and lineaments in the core mineralised area at La India over topography image. Map shows known vein traces (red), syn-mineralisation structures formed under southwest-directed extensional regime with associated Mohr Diagram (black) and post?-mineralisation NE-striking structures (blue) (Source: SRK).

6.3.4 Gold Mineralisation

The bulk of the gold mineralisation at La India District occurs as shallow, low sulphidation epithermal vein and breccia-fill within structures interpreted to have formed under the Pliocene to Early Pleistocene SW-directed extensional tectonic regime. The gold mineralisation occurs as fine gold-silver amalgam within epithermal veins. The gold-bearing veins are composed of quartz, quartz-calcite, and in many of the higher-grade veins a significant adularia component. The principal gold-mineralised veins include fault breccia zones containing clasts of gold mineralised vein quartz within matrices composed either of fault gouge and/or sealed by later quartz phases. The brecciation of the quartz veins indicates that veining and gold mineralisation was contemporaneous with active faulting.

Figure 6-2: Close-up of part of La India Vein showing fault brecciated and re-sealed early emplaced vein (bottom) in contact with later banded quartz vein (top) (Source Condor).

The shallow, low sulphidation epithermal vein and breccia-fill mineralisation is hosted by structures interpreted to have formed under the Pliocene to Early Pleistocene SW-directed extensional tectonic regime. Faulting was active at the time of vein emplacement, with some areas displaying tectonic brecciation of early vein phases sealed by later vein phases. The following principal structural orientations occurring syn- and post-gold mineralisation and therefore hosting gold mineralised epithermal veins are as follows:

- Epithermal veins hosted by WNW-ESE trending structures, such as the America Vein, have the longest traces and are interpreted to have formed as a response to a NE-SW oriented extensional regime which formed the Nicaraguan Graben during the Late Miocene to Early Pliocene. The epithermal veins hosted by these structures are interpreted as tensional veins or as fault-hosted shear veins.
- Epithermal veins hosted by NNW-SSE to N-S oriented linking structures which formed between the WNW-ESE vein systems, relaying displacement through the system as whole. These veins filled spaces formed under a trans-tensional regime with the oblique stress direction forming overlapping arcuate veins linked by wide quartz breccia zones in the flagship NNW-SSE La India-California Vein.
- E-W to ENE-WSW trending epithermal veins are interpreted by Condor as the final stage of development possibly associated with the late stage reactivation of deep-seated NE-trending structures.

6.3.5 Vein Morphology

The morphology of the veins reflects the orientation of the structures that the veins fill. Condor has recognised the following styles of gold mineralised veins currently hosting gold resources within La India District.

- Stacked arcuate anastomosing veins and quartz breccias dipping between 45° and 75° along a 1.5km strike length on the principal La India-California structure. This system is interpreted as forming under a trans-tensional stress regime with tectonic movement along a line of arcuate fault planes with stress transferred between fault planes through development of breccia zones.
- Single discrete planar veins and multiple parallel planar veins (America and La Mestiza vein sets) with strike continuity of 1-3km and widths ranging from 0.5m to 4m.

Figure 6-3: Gold Mineralised Breccia of the La India-California vein trend; image 1 (Source: Condor, June 2012)

6.3.6 Mineralisation

In the low sulphidation epithermal quartz vein and quartz breccia gold mineralisation that constitutes the bulk of the La India District mineral resource gold is reported to consist of fine grained electrum and native gold ranging in size from 11 to 315 microns in length and from 6 to 300 microns in width. Metallurgical tests carried out by Inspectorate at Lakefield, Ontario, Canada show that 70% of the gold is in the 75 to +50 micron size fraction. A minor proportion of the gold was reported to be present as blebs within iron oxy-hydroxides. QEMSCAN (Quantitative Evaluation of Minerals by Scanning Electron) carried out by Process Mineralogical Consulting Ltd as part of a metallurgical testwork by Inspectorate at Lakefield, Ontario, Canada, on mineralised material from La India and America Vein samples are mainly quartz and K-feldspar with minor amounts of plagioclase, micas (biotite + muscovite), clay minerals and Fe-oxide minerals (hematite, magnetite, ilmenite), as well as trace amounts of pyrite and mafic minerals (amphibole, chlorite, epidote).

QEMSCAN analysis on mineralised material from the Central Breccia showed significantly different mineralogy from the other samples from La India. The mineralised material was shown to be mainly composed of quartz, mica and carbonates (mainly calcite) with moderate amounts of K-feldspar. Minor amounts of plagioclase, pyrite and Fe-oxides are present with trace amounts of arsenopyrite, clays and mafic minerals.

6.4 Deposit Scale Geology

6.4.1 La India

The La India Vein Set Mineral Resource is hosted by two cross-cutting structures. The bulk of the mineral resource is hosted by the India-California structure, a normal fault striking 330° and dipping to the ENE at approximately 70° in the southern zone, 50-60° in the central zone and 45° in the northern zone. The India-California structure displays evidence of trans-tensional movement with a sinistral transverse component inferred.

In the hangingwall zone a series of steep-dipping veins have formed in contact with the main structure that are interpreted as tension gash fill. The result is a thick mineralised sequence of anastomosing quartz veins and breccias. At the southern strike extent of the structure the mineralised veins do not reach surface but drilling has demonstrated that the mineralised fault system remains open along strike at depth.

A smaller mineral resource is contained within the approximately East-West striking Teresa-Agua Caliente-Arizona veins. These veins form a set of discrete, parallel, and vertical to steeply north-dipping veins.

The Company has produced a series of detailed geological sections which show the various volcanic lithology's, which have been used as a basis for the geological and mineralisation models.

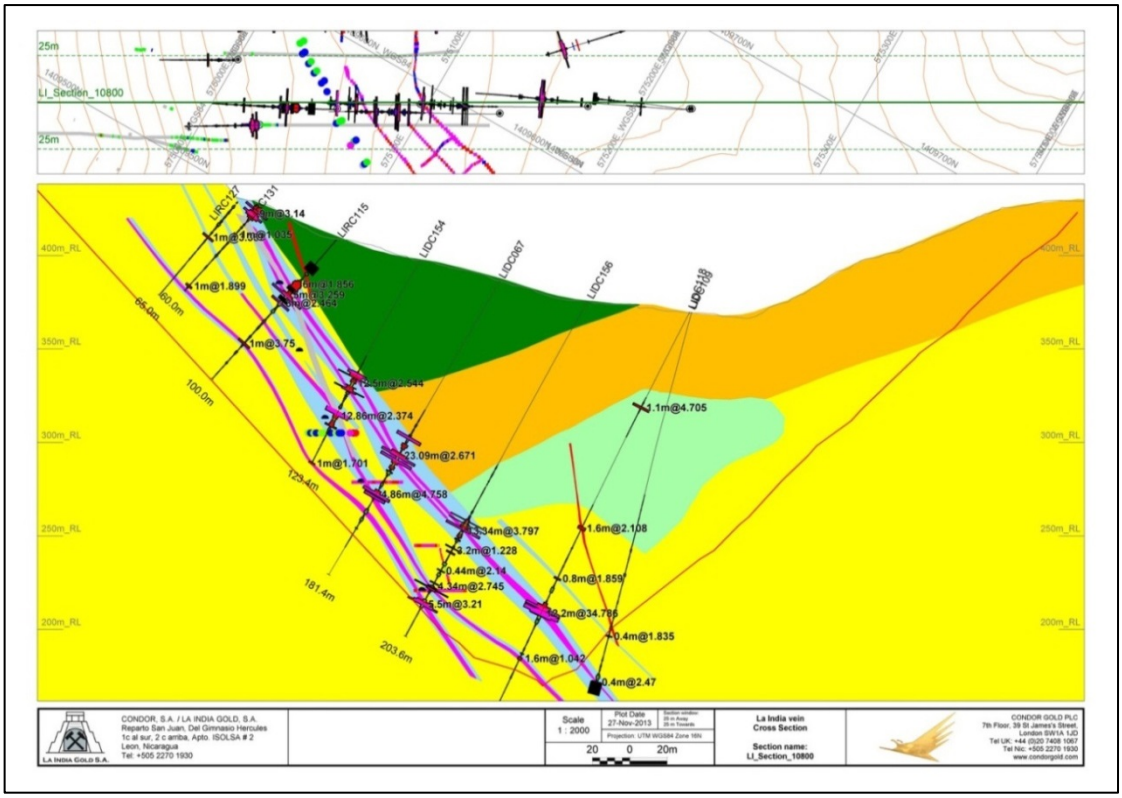

Figure 6-4: Cross-section through La India 800 section in the Central zone.

6.4.2 America Mine

The gold mineralisation occurs along the faulted contacts separating three structural blocks. The America-Escondido structure forms two of the three recognised block boundaries. The structure is characterized by a 60° bend between the America fault which strikes 300° and dips approximately 55° to the northeast and the Escondido fault which strikes north and dips at approximately 45° to the east. Both the America and Escondido fault limbs are planar normal faults, typically 1-3m wide characterized by the development of sand to gravel-grade cataclastic textures on the principal fault plane and small, metre-scale tension gashes evident in the hangingwall. A wider quartz breccia has developed at the flexure zone. The Constancia veins are hosted by a steeper dipping structure striking at 270-290° and dipping at approximately 70° to the north.

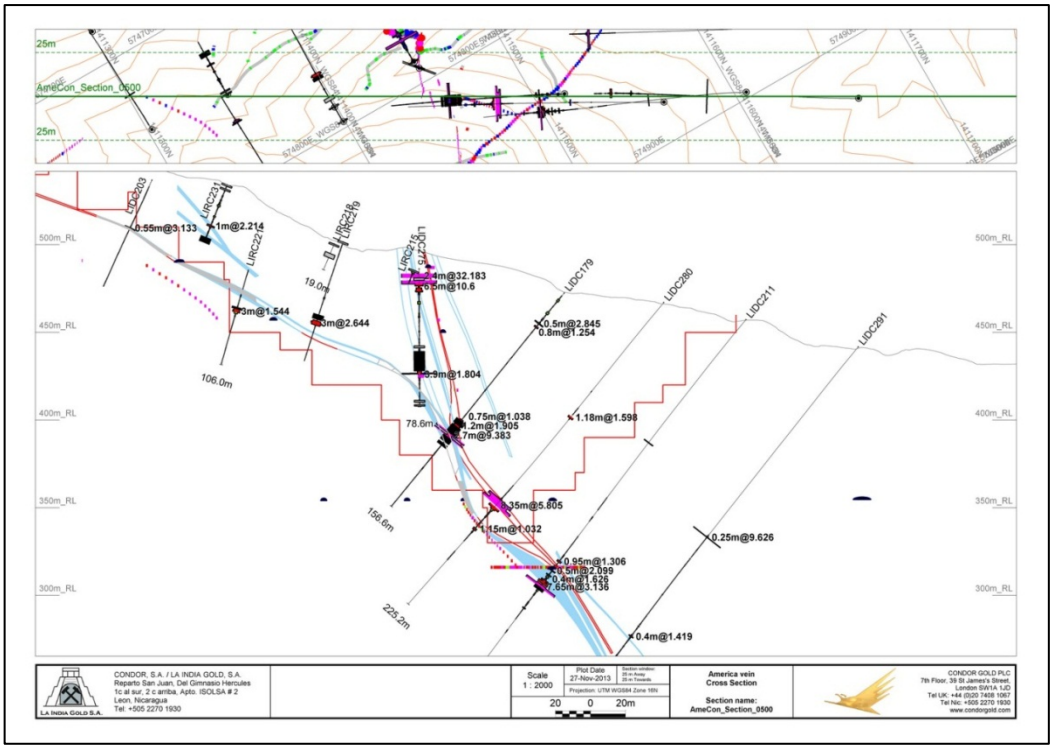

Figure 6-5: Cross-section through the intersection of the Constancia Vein with the America-Escondido flexure with the Constancia Vein(s) on the 500 Section.

6.4.3 Central Breccia

The Central Breccia is a multi-stage hydrothermal breccia deposit hosted by a massive porphyritic andesite located at the centre of the graben-like structure that runs down the axis of the America Vein Set near the intersection with the regional cross-cutting NE-Fault. Drilling has shown that the andesite overlies a felsic pyroclastic breccia. Two stages of hydrothermal breccia development are recognised, an early hydraulic breccia with evidence of clast movement and rotation and a silica-cemented microbreccia matrix, and a later crack and fill brecciation with calcite-cement containing anomalous gold values formed under a more passive dilational regime.

Gold mineralisation is associated with a later calcite and quartz calcite crack and seal breccia, with high grade zones, interpreted as shoots within the wider breccia pipe, are associated with argillic alteration and/or quartz veining.

6.5 Weathering

In most of the Project, including the La India and America vein sets, gold mineralised quartz veins and breccia zones form resistant ridges. In contrast some zones such as La Mestiza and Cristalito-Tatescame areas, the gold mineralised structures occur within intensely saprolitically weathered bedrock (reported to extend to a depth of approximately 20 m) and are themselves quite altered within this zone. Within the saprolitic zone, gold values obtained from near surface vein material are only weakly anomalous, whereas samples from the base of the saprolitic zone are higher (Figure 6-6), suggesting either that the surface zone is above the higher-grade gold mineralisation of the boiling-zone of that near surface leaching and basal enrichment within the zone. Silver is also present, but there are no detailed reports describing its occurrence and character.

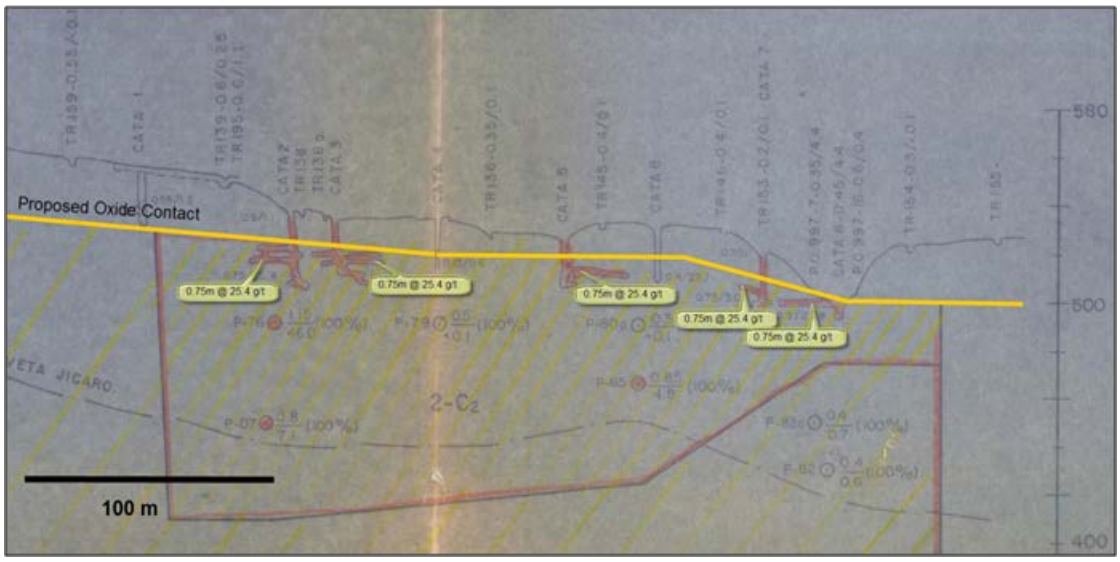

Figure 6-6: Historical long-section showing low grade sampling in trench database, underlain by high-grade zones at transitional contact

7 DEPOSIT TYPES

The gold mineralisation at La India is interpreted as forming in shallow, low sulphidation epithermal systems. The mineralisation has been noted to occur in two different styles:

- associated with quartz vein systems; and;
- within well-confined hydrothermal breccias.

The veins and stockwork zones are hosted within massive andesites, andesitic and felsic tuffs or felsic lava flow deposits. Veins are typically less than 3 m in width, but stockwork zones and stacked stockwork-vein zones can be up to 25 m wide.

Quartz veins, often including a brecciated component, vary in thickness and are most typically between 0.7 m and 2 m in thickness. In many areas, the wallrock hosts a breccia or stockwork zone with vuggy quartz veinlets up to 5 cm thick and accounting for up to 70% of the rock mass. The breccia/stockwork zone is typically up to 10 m thick and is associated with silica-haematite alteration. The quartz in the breccia zone may be gold mineralised, although the country rock component means that gold grades are diluted compared to the veins.

The grade of gold and silver can vary from a few grams per tonne to significant intersections with grades in excess of 30 g/t (>1 oz/t). The highest grade gold included in the resource is hosted by:

1) quartz and quartz-calcite veins characterised by epithermal features such as saccaroidal, chalcedonic and banded, vuggy and bladed textures;

2) tectonically-brecciated quartz veins characterised by vein quartz or polymict vein quartz and wall rock clasts in a silica-haematite matrix; and

3) fault gouge and fault breccias, often containing some finely ground silica (quartz). Gold mineralisation occurs as fine gold-silver amalgam with a gold to silver ratio of 1 to 1.5.

At the “Central Breccia” Prospect, low grade gold mineralisation is associated with carbonate breccia cement and high-grade gold mineralisation is associated with argillic alteration and sulphide mineralisation. However, given the currently limited level of data and understanding, the Central Breccia is not included in the current Mineral Resource.

8 EXPLORATION

8.1 Mapping

8.1.1 Historical Mapping

A significant database was collated during the Soviet period between 1986-1991. Work completed during this period included geological mapping at 1:10.000 and 1:25.000 scales, geochemical prospecting at 1:10.000 scale, geophysics investigation (magnetic prospecting and electric exploration at 1:10.000 scale) and hydrogeological investigations, as well as land surveying work.

In 2000 – 2001, Newmont Mining completed an interpretative geological map of the area with the aim to define the extent of hydrothermal alteration, to locate and sample vein stockworks, and to identify bulk-mineable targets. Five areas with widespread hydrothermal alteration and encouraging surface gold values were identified, and a digital 1:50,000 scale geologic map and alteration overlay was produced. TVX also mapped the principal veins at between 1:500 and 1:1000 scale using tape and compass mapping and trench sampled over 500 trenches for over 800 channel samples.

8.1.2 Condor Mapping

Condor has completed an update of the geological mapping programme based on a 1:5000 scale. Work focused on the La India, America and Mestiza vein sets with on-going refinement of the historical maps. The 2012 geological mapping completed by Condor is shown in Figure 8-1.

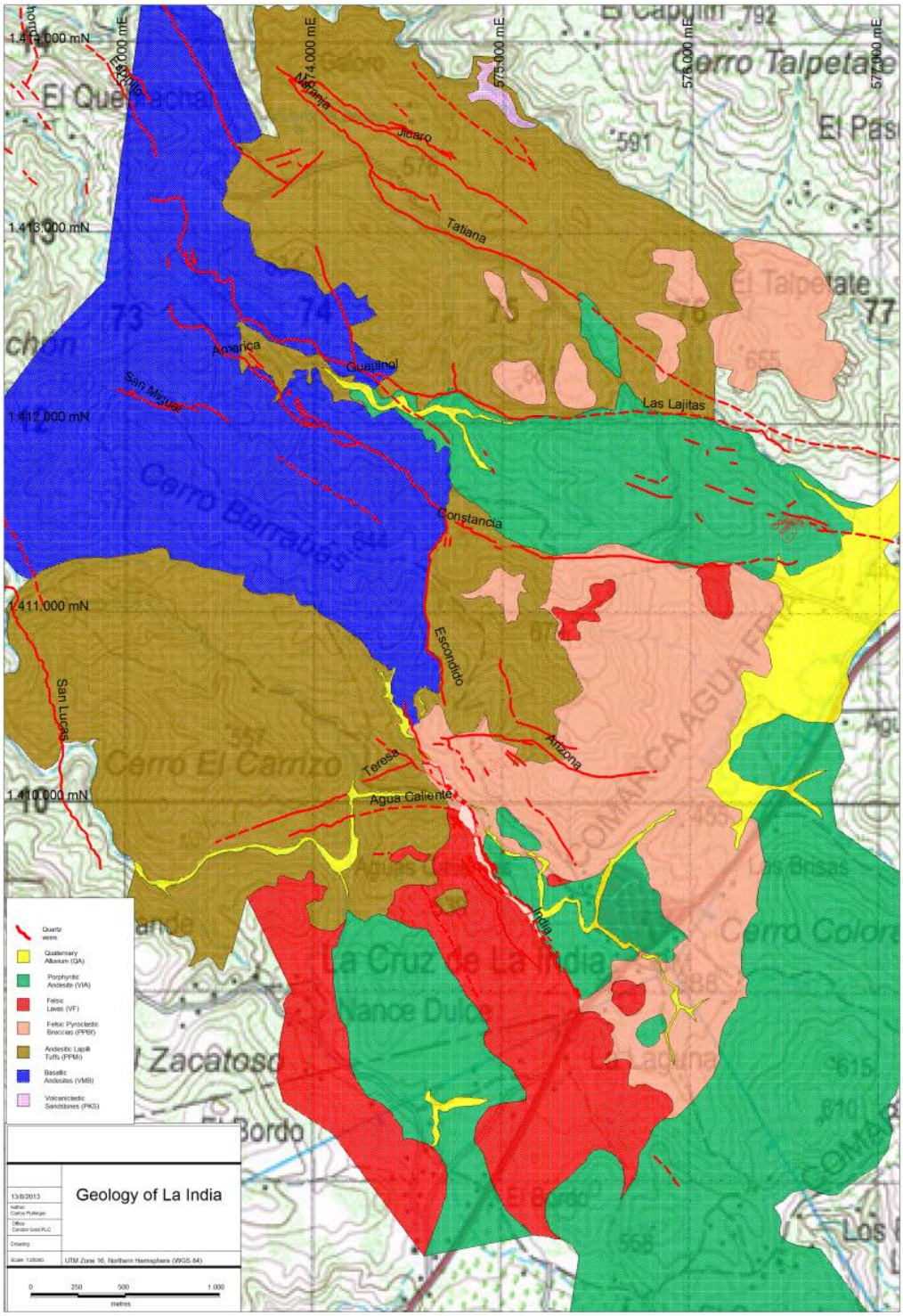

Figure 8-1: Geological mapping of the La India district (source: Carlos Pullinger, Condor) September 2012

8.2 Geophysical Study

During 2013 the Company completed a geophysical survey of the Project. In total a 3,351 km line helicopter borne geophysics programme was completed using radiometric and magnetic surveys which resulted in a high quality dataset suited for interpretation on both regional and project scales. The main survey was flown on 100 m spaced lines with an azimuth of 030/210 degrees with tie-lines flown at right angles to the main survey lines on 1000 m line-spacing. The heliborne geophysics data has been processed and interpreted by a consultant geophysicist Mr Buks Lubbe (BSc. Hons. Exploration Geophysics) and detailed in a report to the Company.

The radiometric data sets correlates well with known mineralisation and can be used as a direct tool to map vein presence. The recognition of the geophysical properties associated with the known veins and extrapolation of those characteristics into other less well-mapped areas demonstrates that only a small part of La India Project has been tested by drilling, which increases the potential to find additional Mineral Resources within the Project. The Company have identified two prospective regions in the north and northeast of La India Project have been identified as having similar geophysical signatures to the main Vein Sets.

The radiometric responses are robust and well-defined in the survey area. The potassium response, as well as the thorium to potassium ratio, has a strong correlation with areas of known veining in the core of the La India Project. Maps of these data sets show other areas within the Project area with a similar high potassium and low thorium:potassium ratio that may host undiscovered vein zones, which warrant further follow-up exploration.

The magnetic data shows a general WNW to NW-striking fabric over much of the survey area. The known veins are mostly parallel to these trends and are often associated with zones of disrupted magnetic signature that reflects the localised destruction of magnetite. Similar structures can be traced through less well explored parts of the Project area. The identification of disrupted signatures on these structures provides a targeting tool for future exploration.

The study identified a series of alternating NW-striking magnetic highs and lows evident when the 100m upward continued directional filter is applied suggests that the basement is made up from a series of parallel and sub-parallel horst/graben features, which supports the original geological model. It is hypothesised that sigmoidal patterns are possibly the result of the slight angles between the grabens, or alternatively, an indication of the presence of extensional faults, which will require further exploration to confirm.

In the report to the Company it has been concluded that Radiometric and magnetic data can be correlated to the known gold mineralized veins. The mineralised veins are associated with elevated potassium, especially where elevated relative to thorium, and with destruction of the magnetic signature, effects attributable to potassic alteration and magnetite destruction respectively by the epithermal fluids that deposited the gold mineralised veins. The identification of a similar geophysical signature elsewhere in the Project area can be used to target exploration for both the discovery of new gold mineralization and the prioritization of the many existing gold anomalies recognized in the existing rock chip sampling database.

8.3 Surface Trenching

Surface trenches have been excavated to access and sample in situ rock beneath overburden, which is typically less than 2.5 m in depth. Previous explorers trenching programmes and Condor's trenching prior to 2012 was confined to manual methods, and there are therefore some areas with thicker cover where trenching failed to reach bedrock (resulting in areas where no samples were taken). In total almost 1,021 trenches for approximately 9,900 m have been completed historically during exploration by the different companies. The following trenching programs have been completed by Condor:

- During 2011, Condor completed a number of trenches to assist in the geological definition of certain veins by confirming the location of surface projections. An additional trench programme was completed over the central portion of the La India vein-system in an area which was mapped as having breccia material. The resultant trenches located a relatively wide breccias zone at surface (40 – 50 m wide) in two trenches 25 m apart, providing the Company with an area for further follow-up investigation. A 235 m manual trenching programme was completed to follow-up a gold mineralised rock chip sample collected on the Central Breccia Prospect. A significant surface mineralisation zone was defined which was subsequently confirmed by drilling.
- In 2012, Condor excavated a number of trenches using a mechanical excavator to sample bedrock beneath colluvial material that was between 2 m and 4 m deep on the hangingwall of the central portion of the La India Vein. The resulting mineralised intercepts which included some wide gold mineralised breccia zones were correlated with underlying drillhole samples to help guide the geological model to surface. Further infill and extension trenching using a combination of manual and mechanical trenching was completed on the Central Breccia to try and better constrain the surface gold mineralisation. A total of 1,392 m of trenching has been completed on the Central Breccia to date defining a 150 m x 300 m alteration zone and a 70 m x 150 m core containing zones of high-grade gold mineralisation.
- In 2013, Condor completed a number of trenching programmes (Table 8-1). The focus of the work has been completed within the America-Constancia-Escondido veins where a total of 37 trenches for 2,694.8 m have been completed testing for potential additional mineralisation in the wall rock in proximity to the veins, and for additional parallel features. At La India 4 trenches (732 m) have been completed at the north west of the deposit. The final phase of trenching (5 trenches for 799 m) has been completed within the Mestiza veinset between Tatiana and the Buenos Aires veins to test for potentially additional veins within this region of the deposit. A summary of the location of the new trenches included in the database are shown in Figure 8-2.

Trenches were marked out with spray paint to every metre. Sample were taken metre by metre in areas of interest, alteration or veining, and occasionally two metre long samples in areas of unaltered ground, at the discretion of the supervising geologist. Trench samples were collected from a 5 to 10cm wide channel on a clean wall of the trench approximately 5 to 10cm above the trench floor. Wherever possible samples were always taken from the same side of the trench. The samples were continuous channel samples taken using a geological hammer and if required a chisel and hammer in areas of hard rock. Material was collected onto a cleaned sheet of plastic to avoid contamination. The sample was then poured into a labelled sample bag with an average weight of 3 to 4kg.

Table 8-1: Summary of trenching completed by Condor during 2012-2013 exploration campaign

Vein	Number of Trench	Minimum Length (m)	Maximum Length (m)	Sum Length (m)
America	16	34	160	1401
Constancia	11	35	108	716
Escondido	10	33	88	578
La India	4	57	436	732
Tatiana	5	100	194	799
Grand Total	46	33	436	4226

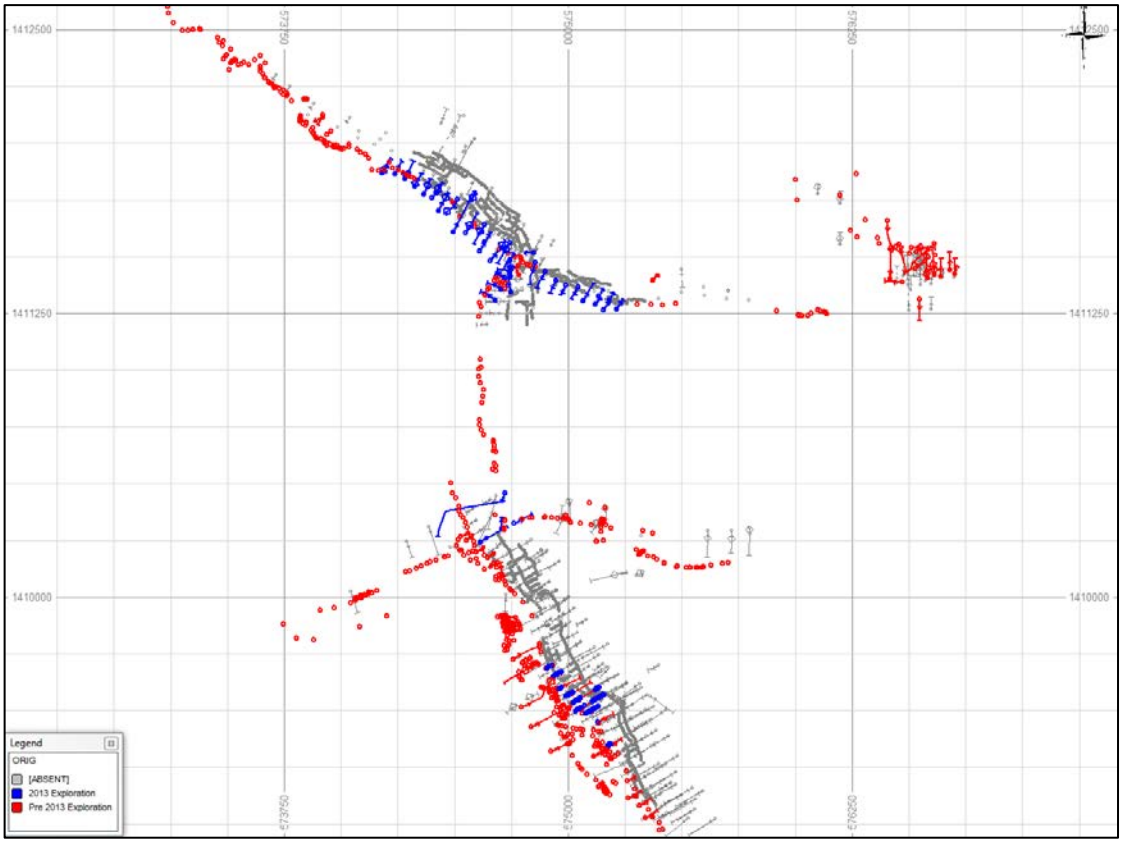

Figure 8-2: Location of new trenches shown in Blue completed during 2013 exploration programme

8.4 Underground Sampling

Historically some 10,000 original underground mine grade control channel samples have been taken on eleven of the veins within the La India Project. Sample data has been digitised from original hand-drawn vertical long sections (VLP) at a 1 inch to 50 feet scale (c.1:600). The VLP's show the sample width measured in feet to one decimal place and the grade measured in Troy ounces per Short Ton to two decimal places (equivalent to 0.34 g/t). Samples were collected at 6 foot (c.2 m) intervals along development drives and raises. It is assumed that the standard mining practice of collecting a horizontal channel sample across the development face using a lump hammer and chisel was followed. The data has been digitised and re-projected into the original 3-Dimensional position for use in the mineral resource estimate.

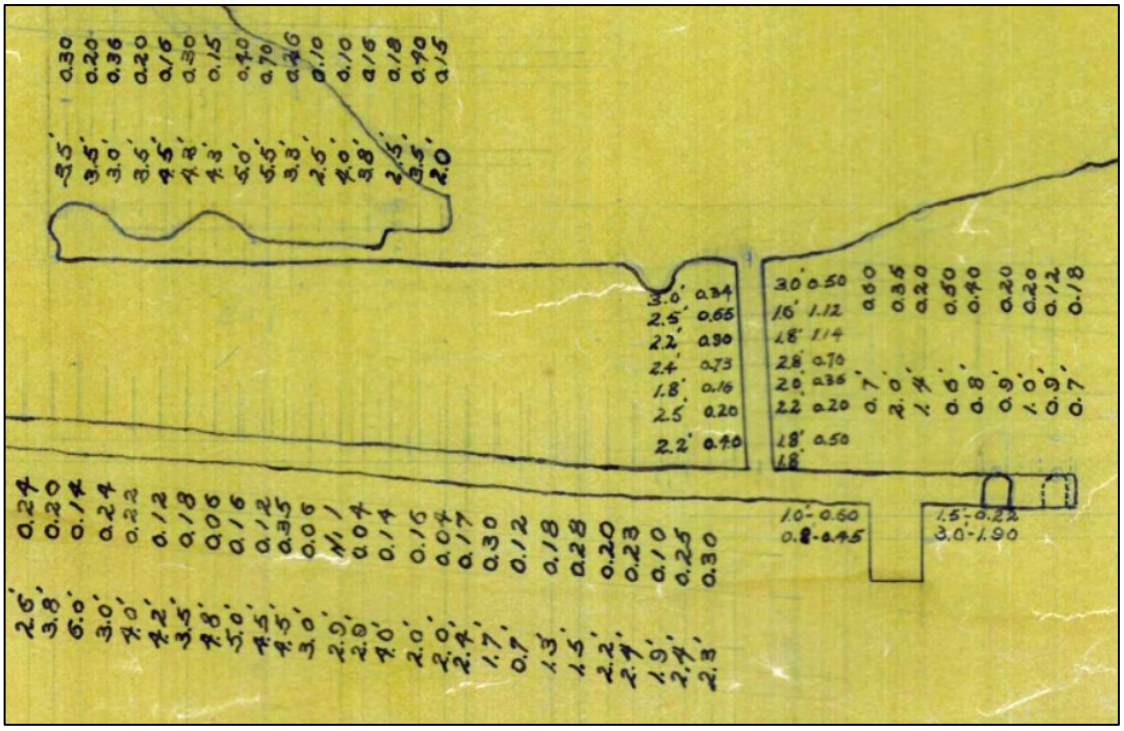

Figure 8-3: Example long section showing underground grade control data (Agua Caliente workings)

Figure 8-3 shows an example of underground grade control data showing width in feet (i.e. 2.2') and gold grade in Troy oz per Short Ton (i.e. 0.40). This example taken from a 1":50' (c.1:600) scale vertical long section of the Agua Caliente workings (La India Vein Set) drawn in 1939.

No new underground samples have been taken as part of the current estimate. However underground widths and grade have been validated using more recent underground sampling (Section 11). In 1996-1997 TVX collected over 350 underground samples from accessible underground workings including La India, America and San Lucas. Geologically controlled roof and wall continuous chip channel sampling using a lump hammer and chisel was undertaken. Samples were taken perpendicular to the mineralised geological structure where possible. Gold Ore collected 32 underground samples from the upper level of the Cristalito-Tatescame underground workings in 2005 using a similar technique.

Condor has recently collected a limited number of underground mine sampling, separate samples have been taken horizontally from the hanging wall, vein and footwall in the side wall of the adits.

The protocol for mine sampling is summarised as follows:

- Samples taken horizontally across the wall due to the high angle dip of the veins.
- The sample lengths are measured horizontally and are not true widths measured perpendicular to the vein.
- Samples are taken by Condor samplers who work under the instructions of a Condor geologist.
- The samples are taken in a continuous channel by hand using a lump hammer and chisel.

- The sample is collected directly into the sample bag which is held open immediately below the sample channel.
- Some of the larger pieces of rock are broken by hammer during the quartering process.
- The sample is collected in a small bag of thin plastic which is sealed by tying a knot in the top. The sample weight is 3.0 to 4.0 kg.
- The sample location and sample type is written in a book of consecutively numbered assay tags and a tear-off numbered tag is placed in the sample bag. A geological description is made and recorded on the drilling logs.
- The mine samplers record the sample location by sample number on a 1:50 scale hand-drawn cross-sectional log and fill out a Microsoft Excel spreadsheet recording collar, survey, sample and geology in a format that is compatible with Micromine 3D mining Software.

8.5 SRK Comments

SRK has reviewed the sampling methods and sample quality for the La India project and is satisfied that the results are representative of the geological units seen and that no underlying sample biases have been identified. SRK does however comment that in some areas due to topographic constraints that it has been difficult to ensure/verify that full sample have been taken. SRK recommends efforts be made to ensure consistent sample volumes are taken during all trench programmes which can be monitored by clearly marking the face of the trench prior to sampling to ensure a consistent width and where possible depth of sample is taken. The aim of the programme is for a trench sample to have equal volume/weighting as a diamond drillhole. SRK would recommend a before and after sampling photo be taken of all trench sampling as part of an internal quality control programme. Use of a handheld diamond saw with clear mark-ups of sampling locations will improve confidence in a consistent sample volume.

The use of long trench sampling using a mechanical excavator to sample bedrock beneath colluvial material that was between 2 m and 4 m deep proved a useful exploration tool during 2012 and identified surface exposures of the La India – California veins, previous defined as pinching out, The mechanical trenching has also been useful to delineate the surface limits of the more recently discovered Central Breccia, and continued use in 2013 identified additional features parallel to America and Constancia not previously modelled, which confirmed potential for additional Mineral Resources for the project that required follow-up drilling during 2013.

It is SRK's overall view that the sampling intervals and density of samples are adequate for the definition of a compliant Mineral Resource Estimate.

9 DRILLING

9.1 Historical Exploration

This section will briefly describe the exploration drilling data currently available, summarising the work completed by Soviet-INMINE, TVX and Gold-Ore and Triton.

9.1.1 Soviet-INMINE

Soviet-INMINE drilling targeted six veins: La India, America, Guapinol, Espinito, Buenos Aires and Tatiana, with the objective of evaluating the mineralized zones in the deep levels.

The drilling work in general was conducted in two stages; the initial, generally unsuccessful drilling phase was aimed at testing the depth potential of the principal veins. The more extensive second phase was aimed at testing veins with little or no historic mining such as the Guapinol, Espinito, Tatiana and Buenos Aires veins with a 160-480 m grid spacing, with infill drilling on an 80-160 m grid.

The drilling direction was perpendicular to the strike of the structure or at a high angle to the vein. The holes were drilled with an angle of 67-81º with an interception angle of the mineralized body of not less than 30º, the depth of the drilled holes ranged between 40-80 m in shallow holes and up to 140-180 m for deeper intersections. The drilling was continued a satisfactory distance beyond the vein into the footwall of the silicified zone and into fresh rock.

During the initial exploration (1987-1988), 8 deep holes of 230-340 m were drilled using traditional DD drilling techniques, but reported poor sample recovery as no specialist drilling fluids/muds were used. During the 1988–1989 exploration drilling campaign, predominantly shallower targets were tested by drilling with a modified method using SSK-59 and KSSK-76 rigs, and specialist drilling fluids/muds (bentonite and caustic soda), and core recovery improved significantly. The core diameter in the intersections of the mineralised intervals ranges from 35 mm (SSK-59) up to 57 mm (76 mm crown ejector). The length of the run in the mineralized zone, with the SSK-59 and KSSK-76 drilling equipment was limited to 0.6 m, and as a rule, it did not exceed 1.0-1.3 m.

9.1.2 TVX

TVX, between 1996–1998, completed a data verification programme focused on the La India vein and veins in close proximity. A total of 12 holes (DH-LI-01 to DH-LI-10) were drilled using conventional DD drilling techniques, which included two re-drills of holes with difficult ground conditions. Limited information exists on the downhole surveys of the drillholes, with only the initial planned collar dip and azimuths recorded in the database. All data has been captured digitally in a series of graphical logs which have been reviewed by SRK.

9.1.3 Triton

Triton completed a series of 8 drillholes at La India vein in 2004 (LIT-11 to LIT-18). No assay results were available for these drillholes and therefore the Company undertook a core re-sampling programme during 2011, submitting half core samples to certified laboratory BSI-Inspectorate for assaying. The results were used in the estimation of block grades.

9.1.4 Gold-Ore

Gold-Ore completed 10 holes in 2004 at Cristalito-Tatascame using conventional DD drilling techniques. SRK has been supplied with downhole survey information for the start and the end of each hole, with hole lengths varying from 37 to 180 m. The digital database provided included geology logs of major units and a total of 238 gold assays were completed during the programme.

9.2 Condor Drilling Campaigns

9.2.1 Sampling Procedures

RC Sample Sampling Collection and Procedure

RC samples were collected in plastic buckets directly from a cyclone receiver and manually passed through a riffle splitter on site. The splitter was set to divide the samples into an approximate 20:80 ratio; the smaller sample was collected directly into 40 x 25 cm cotton sample bags, whilst the larger bulk sample was collected in 80 x 40 cm plastic bags. Both sample bags were labelled by drillhole ID and depth interval using a marker pen on the outside of the bag and with an aluminium tag placed inside the bag. Usually a composite sample of 4 m (or less where it coincided with the end of a hole) was collected from the larger bulk sample bags.

The composite sample was collected using the 'spear-sampling' method with a section of 5 cm diameter plastic pipe cut at a low angle to its long-axis at the sampling end. Composite samplers aimed to collect approximately 0.6 kg of sample from each metre interval to provide a composite sample weighing between 2-3 kg. Where mineralisation was suspected or composite samples had returned assay results exceeding 0.1 g/t Au, then the single metre original riffle split sample was submitted for assay. The bags were re-labelled with a unique sample number with both a marker pen on the outside of the bag and a new aluminium tag inside the bag and protected within a clear plastic bag to prevent damage and contamination during transport. Note that only single metre riffle split samples are considered valid for use in the resource calculation, composite samples are only used to provide evidence of the presence of gold.

Drill Core Sampling Procedure

The DD core was marked for metre intervals and orientation marks where possible, photographed and logged by a geologist at the drill site. Drill core was sampled at 1 m intervals except where geological boundaries, such as quartz vein contacts occurred. In such places the sample limits were adjusted to coincide with the geological contacts within a sample range of 0.2-1.5 m. Where drill core orientation surveying had been successful, the core was cut along the vertical axis and the right hand side of the drill core was submitted for assay. If no orientation was possible, as was the case for the majority of the core, the core was orientated with the dominant foliation approximately perpendicular to the core axis, the core cut vertically and the right hand side submitted for assay. Half core samples were submitted for assay throughout the length of core recovered. A bulk density measurement was made on all samples of core exceeding 10 cm in length.

9.2.2 Cacao Concession (2007/2008 Campaign)

Of the 22 holes drilled at Cacao, 21 were drilled using a UDR650 multi-purpose drilling rig mounted on a six-wheel drive truck. The drilling rig was owned and operated by Honduras based R&R Drilling. All these drillholes were collared using the RC techniques, at which stage the drill rig's compressor was supported by a 650/350 compressor mounted on a twin axel commercial truck. The water table was generally intercepted between 40-70 m depth. Wet sample return always occurred at the water table and drilling was then converted to NQ DD core drilling.

The collared RC drilling used 3½ inch diameter rod string composed of 3 m rods coupled to a 4½ inch bit face sampling hammer. DD core (BQ) drilling proved very slow, with poor recovery, often less than 60% in the mineralised zone. Poor recoveries have led to trials of alternative drilling methods.

9.2.3 La India Concession (2011 Campaign)

Condor commenced drilling on the 28 January 2011 as part of a 5,000 m drilling campaign with the aim of increasing the current levels of Inferred Mineral Resources along strike of known mineralisation. An initial programme of 5,000 m was planned, but based on positive results this was increased to approximately 12,000 m, before completion of the current updated Geological Model and Mineral Resource Estimate.

Condor drilled a total of 10 veins: La India, America, Constancia, Guapinol, Arizona, Teresa, Agua Caliente, San Lucas, Tatiana. In addition to the veins the Company has completed an initial drilling programme on the Central Breccia with the objective of evaluating the orientation of the orebody and to test the mineralized zones at depth, based on the results of the trench programme.

The drilling work in general was conducted in two stages; the initial drilling phase was aimed at confirming vein potential with a 100 m along strike and 50-80 m down-dip grid spacing.

During the programme, Condor used a number of drilling contractors:

- Nicaraguan company United Worker Drilling with a Longyear 38 drilling rig powered by a diesel motor and capable of drilling HQ and NQ core. This drilling rig proved capable of drilling to a maximum depth of approximately 200 m and was mostly used for drilling holes less than 150 m depth.
- E Global Drilling Corporation of Canada through local subsidiary Energold Drilling with a portable, diesel-powered all-hydraulic drilling rig fitted to install casing to 50 m and to drill HQ, NTW, and if required BTW core using 5-foot long (1.52 m) thin-wall drilling rods.
- R&R Drilling of Honduras using two conventional DD core drilling rigs. A Longyear 38 powered by a diesel motor and a Boyles 56. Both rigs were capable of installing NW casing and drilling HQ and NQ core. The Boyles 56 was fitted with heavier drilling head and was utilised as the first choice rig for drillholes of over 250 m depth.
- Rodio-Swissboring of Guatemala using a track-mounted Christensen CS-1000 dual purpose RC and DD core drilling rig to allow drilling using an RC pre-collar and DD core tail. The RC drilling employed a 4” face sampling hammer equipped with 5” to 4 ¾” button type bits and 4 ¾” to 4 ½” tricone roller bits and fed by a trailer-mounted diesel powered Ingersoll Rand XHP 1070 CFM 350 psi air compressor. Core drilling used NW casing and conventional HQ and NQ tools.

Conventional DD drilling techniques were used to complete the programme, with the exception of the R&R DD drill rigs which have also utilised a pressure regulator which limits the amount of water at the drill bit. The method has been employed in an attempt to limit the potential washing away of high-grade fine material and has also resulted in improved core recovery. The majority of the holes were drilled using HQ down to a maximum of approximately 200 m before stepping down to NQ.

A total of 78 drillholes have been completed between January and December 2011, which included four re-drills. The minimum hole length within the programme was recorded at 92.1 m (Guapinol), with the longest recorded as reaching 327.0 m (La India). A total of 68 holes had been completed and assayed and were available in the database for use in the 2011 Mineral Resource update. The total metres drilled for the programme based on the digital database provided by the client for 2011 was 12,013 m, but it is noted that assays had not been received for all holes in the programme at the time of the December 2011 Mineral Resource estimate, namely on the Guapinol and America veins.

9.2.4 La India Concession (2012 Campaign)

Condor completed 59 drill holes for 7,101 m (including 2,675 m RC drilling and 4,426 m of DD drilling) between mid-April and the end of July 2012, on the La India-California vein trend with the aim of increasing the portion of the overall Mineral Resource within the Indicated category, namely in areas considered to have open pit and underground mining potential.

Drill results have been received for the Guapinol and America veins, which totalled 7 holes on Guapinol (1,474 m) and one hole on America (307 m). SRK note that these holes were drilled at the end of the 2011 drilling programme, and not included in the December 2011 Mineral Resource estimate.

In addition, Condor completed 5 drill holes for 866m on the Central Breccia Prospect which was discovered in 2011 along the America Vein Set trend. These holes were completed at the end of 2011 and early in 2012 but were not included in the 2012 mineral resource estimate due to the limited amount of drilling.

The predominant drilling direction at the La India-California veins has been to the southwest which is perpendicular to the main orientation of the veins. The drilling has been completed from surface using DD and RC drilling techniques using the drilling contractors listed below:

- E Global Drilling Corporation of Canada through local subsidiary Energold Drilling with a portable, diesel-powered all-hydraulic drilling rig fitted to install NW casing to 50 m and to drill HQ, NTW, and if required BTW core using 5 foot long (1.52 m) thin-wall drilling rods.
- R&R Drilling of Hondurus using two conventional Boyles 56 DD core drilling rigs. capable of installing NW casing and drilling HQ and NQ core.
- Rodio-Swissboring of Guatemala using a track-mounted Casagrande C-8 reverse circulation (RC) drilling rig cabable of drilling up to 120m depth. The RC drilling employed a 4” face sampling hammer equipped with 5” to 4 ¾” button type bits fed by a trailer-mounted diesel powered Ingersoll Rand 900CFM 350 psi air compressor.
- Canchi Perforaciones de Nicaragua S.A. from Panama employed a track-mounted CANCHI JS 1500 drilling rig using a hydraulic system capable of drilling PQ, HQ and NQ core and powered by a 6 cylinder turbo diesel motor. They were employed at the end of the programme to drill two trial holes using PQ starter in an attempt to improve recovery and penetration for deeper drill holes.

9.2.5 La India Concession (2013 Campaign)

Condor completed a total of 162 drillholes for 23,598 m programme (Figure 9-1). Conventional DD drilling techniques were used to complete the majority of the programme. A combination of bit sizes have been used throughout the programme, with holes initially collared using PQ to maximise the sample volume and recovery for as long as possible before stepping down to HQ. In holes where PQ has not been available these holes have been drilled using HQ down to 200 m before stepping down to NQ.

The majority of the recent drilling has been infill drilling on the La India Open Pit area designed to convert potentially open-pittable Inferred resource ounces to the more confident Indicated category. Smaller exploration drilling programmes have also been completed on the America Vein Set and Central Breccia Prospect designed to test for open pit potential. A summary of the drilling completed on La India Project since November 2012 includes:

- 13,956m of infill drilling on La India Open Pit resource primarily aimed at converting the inferred resource to the Indicated Category ahead of a Prefeasibility Study.
- 1,836 m of geotechnical drilling designed to determine more robust pit slope angles than those used in the Preliminary Economic Assessment ("PEA") of the Project completed by SRK.
- 5,486 m of drilling on the America Vein Set to test for gold mineralisation in the untested wallrock of the historic mine workings.
- 2,680 m of drilling on the Central Breccia Prospect to define the morphology and grade distribution of gold mineralisation to a sufficient level of confidence to support the preparation of a maiden mineral resource estimate.

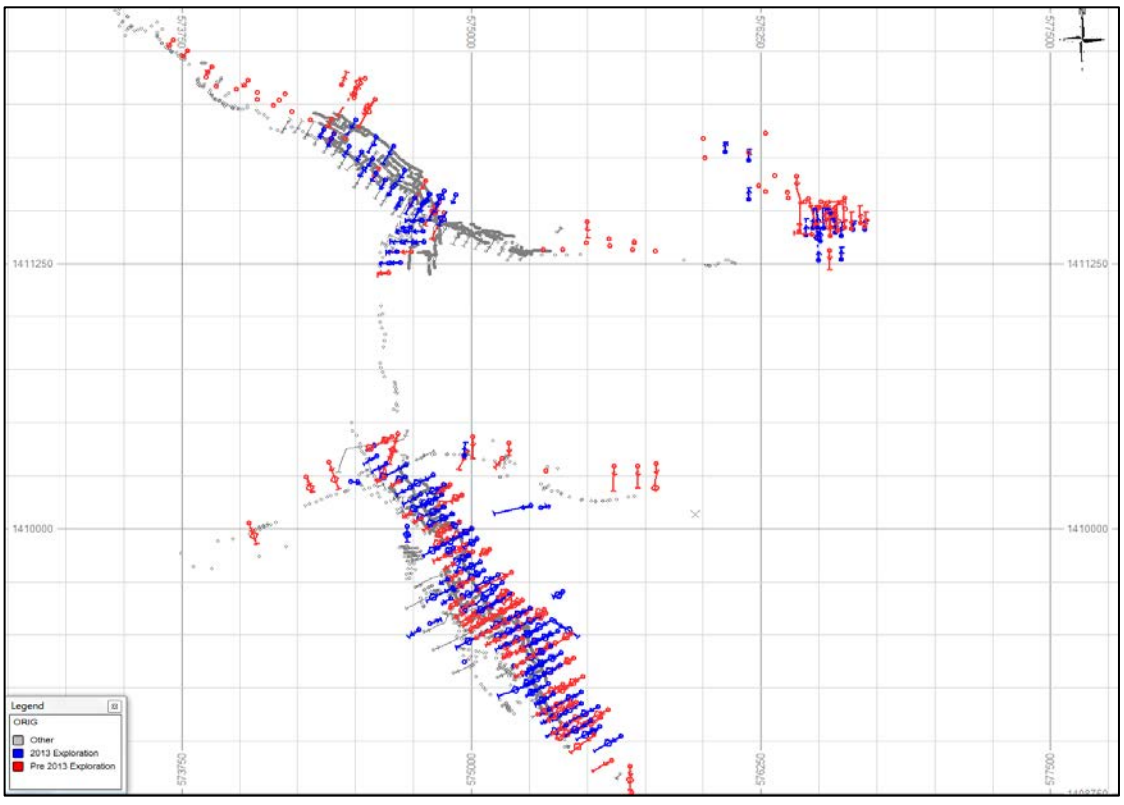

Figure 9-1: Location of new drilling shown in Blue completed during 2013 exploration programme

The latest sampling has been collected from selective infill drilling on the La India-California veins from surface at a drill spacing of 50 x 50 m, within the area defined as a potential open pittable target within the September 2012 Mineral Resource. Drillholes, where regularly spaced, are predominantly orientated between -50 and -75 degrees to the south west.

At America the Company focused the latest phase of exploration drilling towards confirmation of the presence of wall-rock mineralisation (that borders a higher-grade mineralised "core") on the America-Escondido vein and mineralised structures in the hanging-wall at Constancia, in an attempt to test the potential for an open-pit mining project.

The latest drilling on the America Project completed by the Company during 2012 and 2013, comprised drilling from surface at a grid spacing of 50–100 m. Drillholes are typically angled at -50º (below horizontal) and orientated either towards the south west on the America and Constancia veins or to the west on the Escondido Vein. Drilling has been completed using DD and RC.

The drilling for the Central Breccia deposit was completed by the Company during 2012 and 2013, and comprises drilling from surface at a grid spacing of 25–50 m. Drillholes are typically angled at -50º (below horizontal), predominantly orientated towards the north, with some scissor holes orientated to the south and two orientation holes orientated to the north west. Drilling has been completed using DD methods.

9.2.6 Sample Integrity

During the drilling campaigns and sample preparation phases, several procedures are in place to ensure sample integrity, including:

- DD core has initially been measured at the rig to determine geotechnical parameters, which are limited to core recovery and the rock quality designation (RQD). This is completed at the drilling rig by the assigned geologist. Once completed, the drill core is transported back to the core shed for further processing.
- The core is initially photographed (both wet and dry) and logged by a geologist at the core shed, marked for metre intervals and orientation marked where possible.
- Drill core was sampled based on geological boundaries, such as quartz vein contacts, with sampling completed into the hangingwall and footwall for 2-3 m above and below the vein, no sampling was carried out for intervening rock. In such places the sample limits were adjusted to coincide with the geological contacts within a sample range of 0.2-1.5 m.
- Where drill core orientation surveying had been successful the core was cut along the vertical axis and the right hand side of the drill core was submitted for assay. If no orientation was possible, as was the case for the majority of the core, the core was orientated with the dominant foliation approximately perpendicular to the core axis, the core has been cut vertically and the right hand side submitted for assay. Half core samples were submitted for assay throughout the length of core recovered. In zones of poor recovery or broken core the Company has attempted to select half the material.

9.2.7 Collar Survey

All hole collars have been surveyed using a differential GPS and have been surveyed to a high degree of confidence in terms of the XY location. Data has been provided to SRK in digital format using both UTM grid coordinates. All drill hole collar locations have been surveyed using Condor-owned Thales Differential Global Positioning System (DGPS) Promark3 receivers, model numbers 0120470063944 and 0120470063463 with the antenna mounted on a surveyor's tripod. The data was processed using GNSS solutions software version 2.00.03 by Thales Navigation.

The base station was setup over Government Survey Benchmark BM15 (also referred to as E26) and all drill collar surveys were adjusted to the official BM15 coordinates of Latitude (WGS84) 12 44' 49.80'' N, Longitude (WGS84) 86 18' 05.69'' W, and Orthometric Elevation 387.8 m. The BM15 coordinates were transposed using the GNSS Software to UTM WGS84 Zone 16N coordinates 575815.197E, 1409278.068N, Orthometric Elevation 387.8 m. Conversion from Latitude and Longitude to UTM coordinates using the WGS84 datum was made using the Thales survey GNSS Solutions Software.

Drillhole collar elevations have been validated for errors using a Satellite derived digital elevation model ("DEM") with 1m resolution. It is SRK's view that the collar locations are located with a high degree of confidence. Collar locations are marked on completion with a cemented block detailing key hole information including, borehole name, dip and azimuth.

9.2.8 Hole Orientation

The 2012-2013 programme has comprised of drilling on multiple veins and therefore drilling orientations have been adjusted accordingly with the aim of achieving the best intersection angle based on the current geological understanding. The La India and California veins from surface to a spacing of 50 x 50 m. Drillholes, where regularly spaced, are orientated between -60 and -75º predominantly orientated to the SW (Figure 9-2).

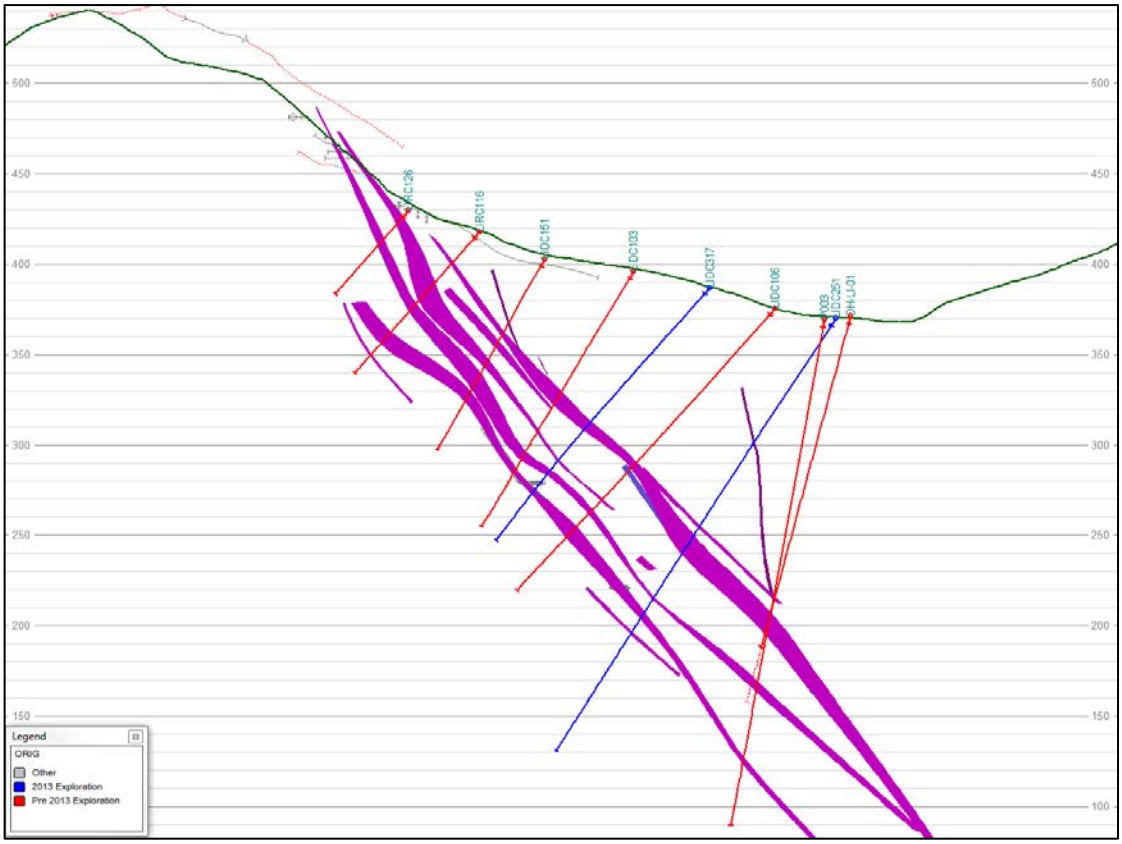

Figure 9-2: Cross section (Section Line - 850) through the La India-California veins showing holes drilled to the SW, confirming the width of ore zones (September 2012); blue = new drilling (Source: SRK)

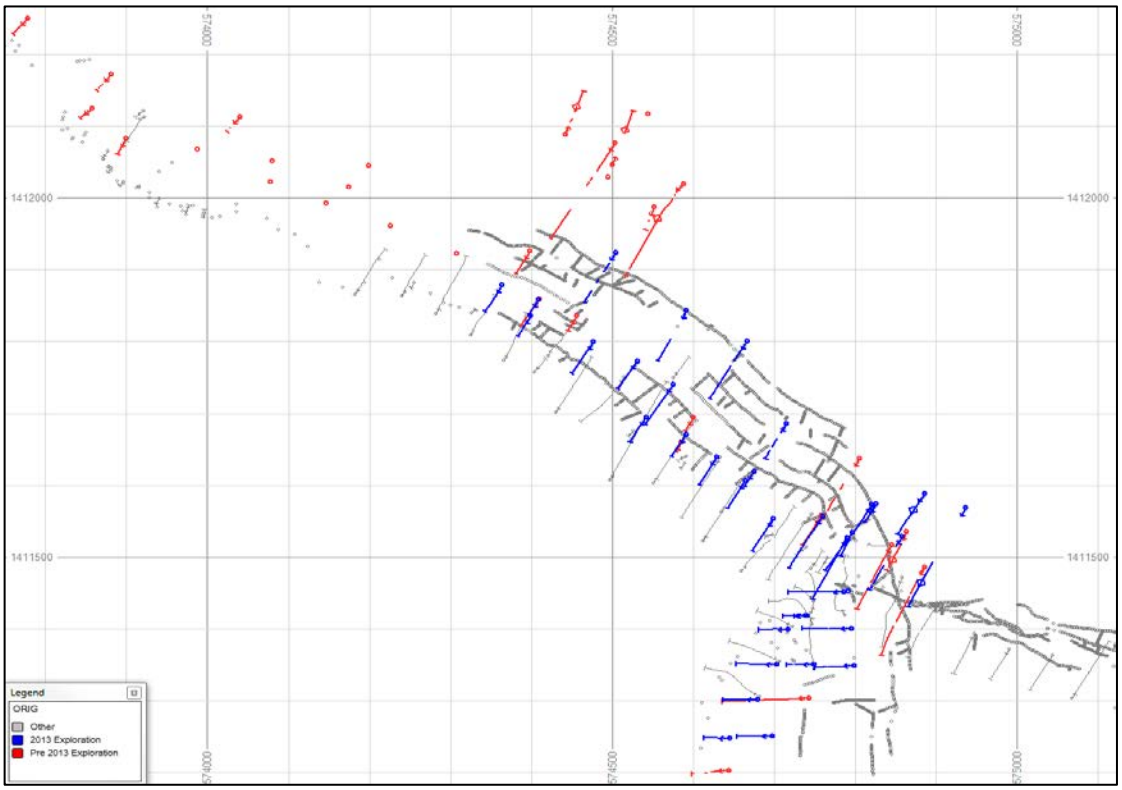

Figure 9-3: Plan showing drilling directions at America-Constancia-Escondido veins showing holes drilled SW along the America and to the west on Escondido; blue = new drilling (Source: SRK)

9.2.9 Downhole Survey

SRK has been supplied with downhole survey information for the start and the end of each hole, with readings at approximately every 30 m using either a clockwork Tropari, a Reflex EZ-shot digital single shot or a Camteq Proshot digital single shot downhole survey measurement.

SRK noted during the site inspection in 2011 that the Company had difficulty in completing downhole surveys on the RC drillholes, with only the upper portion of the holes recorded.. RC holes drilled during the 2012-2013 campaign were surveyed post-drilling at 5m intervals using a Camteq Proshot single shot downhole survey instrument within 2 inch PVC pipe inserted down the open hole.

9.2.10 Core Storage

All of Condor's core from the La India and Cacao concessions is stored at the Company's core storage facility at in the village of La India de La Cruz. The core sheds are purpose-built covered and ventilated structures with individual core box racks for ease of access and improved ventilation to reduce the dangers of rotting of the core boxes (Figure 9-4 and Figure 9-5).

Condor states the following in terms of its storage of historical drillcore:

- The historical DD drillcore has previously been stored at core storage facilities at El Limon Mine owned by B2Gold in October 2010.
- The historical core drilled by TVX (1996-97) and Triton (19) was moved to core racks to La India.
- All historical core drilled on the Espinito Mendoza Concession (three drillholes) and Real de la Cruz Concession (three drillholes) was moved to the Company's core storage facility at La India.

Figure 9-4: Core Storage Facility at the La India Project Site (June 2012)

Figure 9-5: Core Laydown Facility at the La India Project Site (June 2012)

9.3 Core Recovery

Difficult drilling conditions have been reported during the various campaigns at the La India Project. The Company have implemented a number of tests in an attempt to reduce any potential core loss, which included an investigation into triple tube DD drilling techniques (which revealed no significant improvement), in 2012 R&R drilling utilised a pressure regulator which limits the amount of water at the drill bit (where water pressure is maintained at 350 PSI), and most recently (2013 campaign) drilling using wide PQ bits and rods has improved the drilling recovery.

SRK has completed a study on the core recovery from the various drilling campaigns completed at La India. Whilst it is noted that core recovery has not been recorded for all samples, the analysis shows that for the majority (greater than 50%) of samples the core recovery has been in excess of 90% (82.5%), which largely relates to the country rock at the project (Figure 9-6).

To review the core recovery within the different veins and associated alteration zones SRK has copied out of the database all samples with gold grades greater than 0.5 g/t Au. The results indicated a mean recovery of 87.1%, with an increase in the proportion of the population reporting greater than 90% recovery as 74% during the 2013 campaign, which is an increase from 68% in the 2012 campaign, confirming the improvements made by switching to the use of PQ rods.

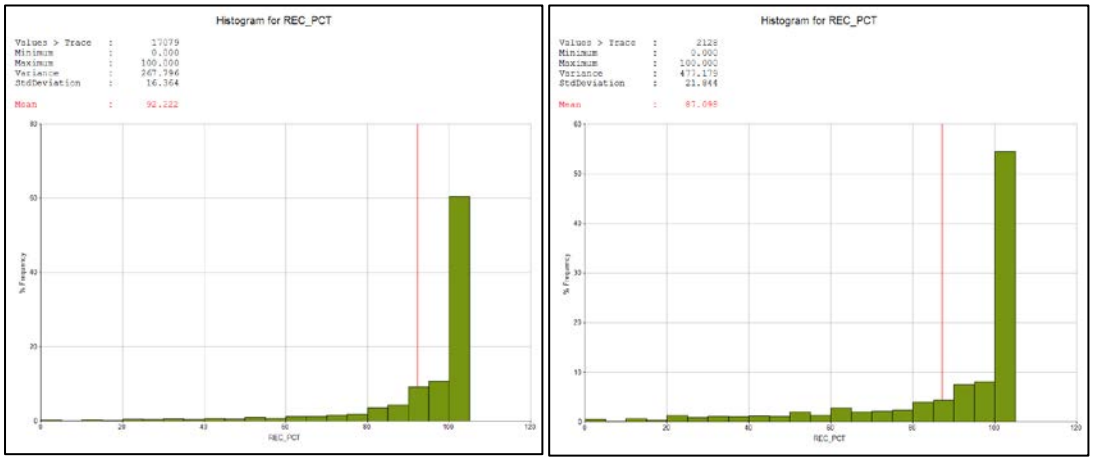

Figure 9-6: Histogram of Core Recovery for all samples (left) and in samples with gold grades in excess of 0.5 g/t Au (right); September 2013

To test for any possible bias in the resultant gold grades SRK plotted a scatter plot showing percent recovered versus gold grade (Figure 9-7). The resultant chart highlights 7 samples in which gold values of greater than 5 g/t Au were recorded, but with core recovery of less than 20%. Further investigation indicated at least one of these holes had been redrilled, and two of the holes relate to instances where mining voids (on the historic La India Mine) have been intersected on the La India vein, which are subsequently depleted from the geological model.

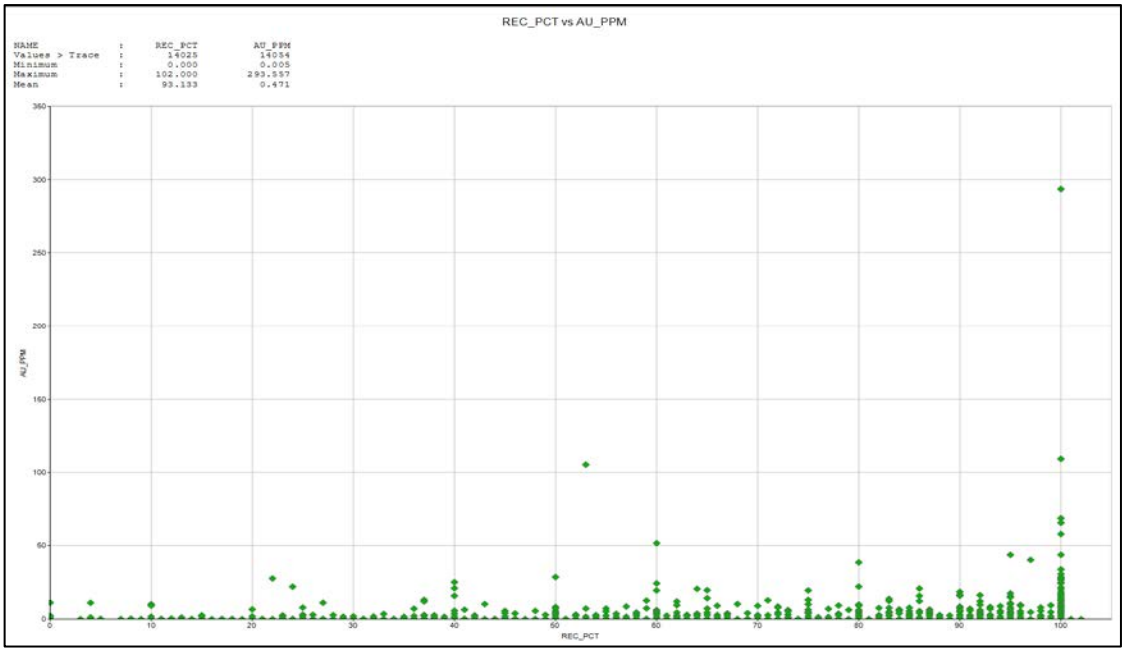

Figure 9-7: Analysis of gold grades versus sample recovery at La India - California

The analysis also highlighted that the best grades are typically recorded in samples with 100% recovery. SRK has concluded that while a number of high-grade intersections have been recorded for samples with low recovery, there is also potential for low recoveries to report lower grades. It is possible this could be related to the loss of fines during the drilling process, and therefore all efforts should be made to maximise the core recovery. In summary, SRK has noted the difficult ground conditions in previous reports for DD drilling and sampling at La India but is satisfied that the Company is taking appropriate measures where possible to ensure core recovery is maximised.

9.4 SRK Comments

SRK has reviewed the sampling methods and sample quality for drilling database for the La India project and is satisfied that the results are representative of the geological units seen. Furthermore, no underlying sample biases have been identified. SRK has reviewed the core handling and logging and sampling procedures employed by the Company during the site visit which showed clearly marked sampling intervals. It is SRK's view that the sampling intervals and density of samples are adequate for the definition of the Mineral Resource Estimate presented herein.

10 SAMPLE PREPARATION, ANALYSES, AND SECURITY

10.1 Introduction

During the site visit SRK was able to visit the core shed facilities to review the methods currently employed by the Company. In terms of the historical sampling methods SRK has relied on the work documented within historical (INMINE) reports provided by the Company. The Company has (during the course of the 2011/2012 drilling programs) completed check sampling on selected historical drillholes. SRK notes on the La India – California and the America-Constancia veins the proportion of drilling completed by the Company is now significantly larger that completed previously by INMINE, and therefore reduces the influence of drilling from this period.

It is SRK's view that the current sampling methods and approach are in line with industry best practice and should not lead to any bias in the sampling and assay results. The following section focuses on the Sample Preparation and Analysis methods used during the Condor sampling programmes completed on the different Concessions. Samples have been prepared at different facilities/laboratories depending on the programme.

10.2 Sample Security and Chain of Custody

The current Chain of Custody procedures for sample security are outlined as follows:

- At the drill rig the drilling contractors are responsible for removing the core from the bore barrel (using manual methods), and place the core in prepared core trays (3 m length). RC samples are split using a riffle splitter at the rig, and the material retained for sample analysis is packed in to sample bags. The drill core is transported to the core shed for selection of sampling intervals and initial sample preparation. Once completed and the half core has been photographed the core boxes are stored in the core storage facility on site.
- Sample shipments were accompanied with the laboratory submittal forms and were transported to Managua. The samples have been transported by Condor employees to the preparation facilities. Upon reception at the sample preparation facility, the laboratory company checked that the samples received matched the work order and signed that it had accepted the samples.
- Once the sample preparation was, the laboratory dispatched the sample pulps by courier to selected overseas laboratories.

The coarse sample rejects and sample pulps from the preparation facilities in Managua were picked up by Condor technicians during routine sample shipments to the preparation facilities. The coarse rejects and pulps were returned to the Condor core shed at La India for long-term storage.

10.3 Sample Preparation and Analyses

10.3.1 Historical Preparation and Analysis

1938-1956 Noranda Mining underground grade-control samples

No reports describing the sample preparation and analysis of the underground grade control samples collected during mining operation have been sighted. In line with common practice at the time it is assumed that samples were prepared and analysed at an on-site laboratory using standard techniques of the time; fire assay with gravimetric finish. The gold grade is recorded in Troy ounces per Short Ton to two decimal places which equates to a reported precision and minimum reported grade of 0.34285 g/t. No silver assay results have been sighted.

1986-1991 INMINE

The Soviet government aided INMINE completed laboratory investigations using fire assay for gold and silver with atomic absorption analysis. In some cases, semi-quantitative spectral analysis has been conducted for 23 elements. Other tests completed include ore mineralogical analysis, silica rock analysis, petrography and mineralogical analysis.

For the fire assay, all the channel and core samples were sent. The preparation and analysis for gold and silver was conducted at the INMINE Laboratory, as per the Swedish methodology used by all the geological and mining companies in Nicaragua:

- the sample material was crushed down to 3-5 mm with a weight of 150-200 g which was passed through a 200 mesh;
- the rest of the material of the 3-5 mm fraction was returned to the customer;
- the split for analysis was pulverized;
- 25 g was taken for analysis; and
- the remainder of the material remains at the laboratory as a duplicate.

1996-1998 TVX

TVX drilling, trenching and underground channel samples were analysed for gold and silver using fire assay with atomic absorption analysis at Skyline Labs of Tucson Arizona. Results are given to 0.01 g/t Au and 0.1 g/t Ag.

2004 Gold Ore

Gold Ore state that a qualified technician sawed all drill core samples submitted for analysis on the Cristalito-Tatescame Prospect. Blind blank samples were inserted into the sample stream to monitor laboratory sample preparation. All samples were fire assayed for gold with a gravimetric finish at CAS Laboratories in Tegucigalpa, Honduras.

10.3.2 Cacao Preparation and Analysis (2007/ 2008)

BSI Inspectorate

The early trench and drilling samples were sent to BSI-Inspectorate Guatemala for sample preparation, and then dispatched to Reno Nevada (USA) for analysis.

Samples were oven dried where required and crushed such that >80% passed a 2 mm (-10) mesh screen. The sample was then split to a 250-300 g sample which was pulverised in a ring and puck mill such that 95% passed a 106 µm (150) mesh screen. Samples were analysed by fire assay with AAS finish with a 5 ppb detection limit. Samples returning over 3 ppm gold were re-run by fire assay with a gravimetric finish for a 0.34 ppm gold detection limit.

CAS Honduras

Drilling and trench samples collected from the end of October 2007 were prepared and analysed by CAS Laboratories of Honduras in their laboratory in Tegulcigalpa. Samples were oven dried in stainless steel trays at less than 60°C and crushed such that 90% of material passed a 6.3 mm mesh screen. The material is split down to a 250 g sub-sample which is pulverised in a ring and puck mill such that 95% passes a 106 µm (150) mesh screen. Then 30 g samples were fused at 1100°C with a 100 g pre-mixed flux of 62% PbO, soda ash, borax and silica, with flour added to achieve a 30 g button. Cupellation was achieved at 900°C with a 2 mg Ag liquid inquart. The gold was analysed with AAS with a 3 ppb detection limit. Samples returning over 1 ppm gold are re-run by fire assay with a gravimetric finish. For each 20 samples undergoing fire assay, two repeats, a standard and a blank are analysed as a quality control.

It should be noted that CAS Laboratories were not accredited at the time, although they had initiated proceedings to gain accreditation.

10.3.3 La India Preparation and Analysis (post 2011)

Drilling and underground sampling completed during the 2011 to 2013 Condor programmes have been sent to BSI-Inspectorate Managua for sample preparation, and then dispatched to Reno Nevada (USA) or Vancouver (Canada) for analysis.

10.3.4 Sample Preparation

Samples were oven dried where required and crushed such that >80% passed a 2 mm (-10) mesh screen. The sample was then split to a 250-300 g sample which was pulverised in a ring and puck mill such that 95% passed a 106 µm (150) mesh screen.

10.3.5 Sample Analysis

Samples were analysed by fire assay with AAS finish with a 5 ppb detection limit. Samples returning over 3 ppm gold were re-analysed by fire assay with a gravimetric finish for a 0.34 ppm gold detection limit.

10.4 Density Analysis

During 2012, the Company has tested 1058 samples for bulk density determination to determine if the assumed (based on historical reports) 2.6 g/cm^3 applied in the previous model, remains applicable. The sampling has been completed using the wax-coated water immersion method and was used on both full and half HQ and NQ core samples, where available measuring over 10 cm in length.

During 2012 SRK has reviewed the data provided and, while SRK considers improvements could be made in both the equipment and methods (would include drying all samples, use of high precision balance, introduction of calibration on balances), and checks at a commercial laboratory. The results suggest a slight reduction in the bulk density should be applied at La India. In total, 519 bulk density measurements have been taken on the La India prospect. The Company completes a quality control check on the density by measuring the sample before and after the immersion in water. A total of 19 samples have reported values with greater than 10% difference and have been excluded from the analysis. The average density is in the order of 2.43 g/cm^3, but can vary between 1.57 g/cm^3 to 4.01 g/cm^3, based on the degree of weathering, with the current database skewed toward highly to moderately weathered zones. In comparison historical reports indicate a density of between 2.55 – 2.70 g/cm^3. While SRK noted improvements could be made to the current protocols to increase the confidence in the bulk density measurements, based on the recent analysis and the differences to the historical reports, SRK considered a reduction of the density from 2.6 g/cm^3 to 2.5 g/cm^3 to be acceptable for the vein updated Mineral Resource as part of the 2012 Mineral Resource Estimate.

As part of the 2013 exploration programme the Company has completed a series of geotechnical boreholes in advance of a prefeasibility study on the Project. The increased knowledge from this project has resulted in the definition of a weathering profile at the La India deposit. The Company have continued to record density values at regular intervals throughout the programme.

SRK has been provided with the database which has been coded against the weathering profiles and broken down the deposit into highly, moderately and unweathered domains. Based on the analysis SRK has adjusted the density values from the default of 2.5 g/cm^3 for all material to a variable density based on the level of oxidation (more common best practice). This has been done using weathering surfaces created for the geotechnical models and then coding the density data accordingly. Density values have been assigned as follows:

- Oxide (Highly weathered) = 2.2 g/cm^3
- Transition (moderately weathered) = 2.37 g/cm^3
- Fresh (unweathered) = 2.5 g/cm^3 (this is the same used in the 2012 estimate).

SRK recommends the improvements made to the size of the density database available for the La India deposit be continued on the remaining veins where currently a single value has been used for all material, due to insufficient geological information to define suitable weathering profiles.

10.5 SRK Comments

In the opinion of SRK the sampling preparation, security and analytical procedures used by Condor are consistent with generally accepted industry best practices and are therefore adequate.

11 DATA VERIFICATION

11.1 Verifications by the Company

Condor completes routine data verification as part of the on-going exploration programme. The data verification can be sub-divided into two main types, which are verification of historical database and internal verification of Condor's on-going exploration programme. During the latest phase of exploration, verification completed on the historical database included the following:

- validation of historical Trench Locations in the field using DGPS measurements;
- verification of the position of the La India underground sampling shown on georeferenced historical maps against the 2013 3D sample database;
- re-projection of the America-Escondido and Constancia mine level centrelines. The Company initially "ground-truthed" known reference points in an attempt to more accurately geo-reference the historic mine plans. SRK subsequently digitised the updated positions of the levels and adjusted the position of the underground channel samples accordingly; and
- the Company provided SRK with high resolution vertical longitudinal section (VLP) images of depletion outlines of the America-Escondido and Constancia veins, which SRK has (using the "ground-truthed" GPS data) geo-referenced to deplete the mined portions of the block model. SRK note significant improvement for the America-Escondido mine depletion (when compared to the previous model) given the use of 3 VLP depletion sub-areas which more accurately accounts for the significant change in strike at the southern extent of the vein.

Checks completed on Condor's on-going exploration programme included:

- validation for all tabulated data by Senior Geologists including re-logging of the geology and mining voids (from boreholes) for the principal veins, and re-interpretation (based on mapping and trench sampling) of the previously separate Escondido and America veins for form a continuous America-Escondido Vein; and
- validation of assays from the 2013 sampling program using Standards and Blanks inserted routinely into each batch submitted to the laboratory.

11.2 Quality Assurance and Quality Control (QAQC) for 2013 Submissions to BSI Laboratories

The following control measures were implemented by the Company to monitor both the precision and accuracy of sampling, preparation and assaying. Results shown have been limited to the QAQC samples inserted during routine 2013 sample submissions.

Certified Reference Materials ("CRM"), blanks and duplicates were submitted into the sample stream, equating to a QAQC sample insertion rate of approximately 7%, as illustrated in Table 11-1 and Table 11-2. In every 30 samples sent to the laboratory, a CRM and blank are inserted as QA-QC materials. In addition, field duplicates from RC drilling are inserted at a frequency of approximately 5% with a minimum of one per drill hole.

Table 11-1: Summary of Analytical Quality Control Data (for Drilling Samples) Produced by the Company for the Project

Condor Gold Analytical Quality Control Data – 2012/ 2013 Exploration Program			
Sampling Program	Count	Total (%)	Comment
	Gold	Gold	
Sample Count	11,116		
Fine Blanks	358	3.2%	
CRM Samples	357	3.2%	Sourced from Geostats PTY LTD
Field duplicates	99	0.9%	
Total QC Samples	814	7.3%	

Table 11-2: Summary of Analytical Quality Control Data (for Trench Samples) Produced by the Company for the Project

Condor Gold Analytical Quality Control Data – 2012/ 2013 Exploration Program			
Sampling Program	Count	Total (%)	Comment
	Gold	Gold	
Sample Count	6,426		
Fine Blanks	201	3.1%	
CRM Samples	197	3.1%	Sourced from Geostats PTY LTD
Field duplicates	73	1.1%	
Total QC Samples	471	7.3%	

11.2.1 Insertion of CRM

The Company has introduced three different CRM's into the analysis sample stream, inserted at regular intervals. The CRM for gold have been supplied by Geostats, Australia (Table 11-3). Summary statistics for each CRM sample are shown per sample type in Table 11-4.

CRM results are monitored by the Company on a routine basis as each batch is reported from the laboratory. The internal guidelines used by the Company are that standards reporting within the range of two times the standard deviation from the mean value are acceptable, whilst those reporting outside of this range are rejected and (where significant) requested for reanalysis.

SRK has reviewed the CRM results and is satisfied that they demonstrate in general a high degree of accuracy at the assaying laboratory (with the exception of a limited number of anomalies) and hence give sufficient confidence in the assays for these to be used to derive a Mineral Resource estimate. CRM charts are presented in Appendix A.

Table 11-3: Summary of Certified Reference Material Produced by Geostats and submitted by the Company in sample submissions

Standard Material	Gold; Au (ppm)		
	Certified Value	SD	Company
G910-3	4.02	0.17	Geostats PTY LTD
G909-5	2.63	0.10	Geostats PTY LTD
G310-8	7.97	0.29	Geostats PTY LTD

Table 11-4: Analysis of gold assays versus assigned CRM values for 2013 Submissions

Sample Type	Standard Code	Lab	Count	Assigned	Mean	Variance	Maximum	Minimum
Drill	Standard G910-3	Au FA - BSI_NEVADA	109	4.02	3.90	-2.98%	4.30	3.31
Drill	Standard G909-5	Au FA - BSI_NEVADA	146	2.63	2.60	-1.07%	2.94	2.37
Drill	Standard G310-8	Au FA - BSI_NEVADA	102	7.97	7.88	-1.17%	8.75	6.24
Trench	Standard G910-3	Au FA - BSI_NEVADA	31	4.02	3.98	-0.96%	4.26	3.61
Trench	Standard G909-5	Au FA - BSI_NEVADA	118	2.63	2.58	-2.03%	2.97	2.11
Trench	Standard G310-8	Au FA - BSI_NEVADA	48	7.97	7.99	0.28%	8.70	7.51

11.2.2 Blanks

A fine grained blank of building sand purchased in Managua is included in the sample stream. In total, 358 blanks were inserted at regular intervals within the sample stream for drilling, which represents some 3.2% of total sample submissions from the 2013 drilling programme. For the 2013 trench sampling program, a total of 201 blanks were inserted which represents some 3.1% of total trench sample submissions.

SRK has reviewed the results from the blank sample analysis, and has determined that there is little evidence for sample contamination at BSI Nevada. Blank sample analysis charts are presented in Appendix A.

11.2.3 Duplicates

The field duplicates for drilling were selected from samples expected to contain gold mineralization and collected as a second riffle split from the bulk sample on site upon completion of drilling a hole. Duplicate channel samples were taken adjacent to the original sample by enlarging the channel.

In total, 99 duplicates for drilling were submitted for analysis which represents some 0.9% of total sample submissions from the 2013 drilling programme. For the trench sampling program a total of 73 blanks were inserted which represents some 1.1% of total trench sample submissions.

The duplicates for drilling show a relatively good correlation to the original samples, with a correlation coefficient of 0.95. Duplicates for trench sampling show a poorer correlation, with a coefficient in the order of 0.8. The difference in the mean grades for the trench duplicates indicates a high geological variability (and potential of a significant nugget effect) in the trench sampling at the Project that is not resolved by sample preparation. Duplicate charts are presented in Appendix A.

In context of a deposit with noted high geological variability, SRK is reasonably confident in the repeatability of the sample preparation process.

11.3 Verification of laboratory at Umpire Laboratory

SRK recommended during the previous Resource report for the Company to introduce an external laboratory check to further verify observations relating to differences between original and duplicate assays, and in general confirm the quality of the assays at BSI (Nevada).

To complete the analysis, selected samples from BSI Nevada have been resubmitted to ALS Laboratories with sample preparation completed in BSI Managua and the analysis completed at ALS Vancouver.

Sample selection was completed by the Company. Samples were selected by sorting the drilling assay database by gold value and then selecting: every 5th sample that assayed over 1g/t Au to represent 20% of the high grade samples, every 10th sample (10%) in the 1.0-0.5 g/t Au range and every 100th sample (1%) that returned assays in the 0.5 g/t – 0.1 g/t Au range.

In total, 205 samples were selected from the drilling database for check assaying at the certified Umpire Laboratory ALS. The pulp sample stored by Inspectorate was sent directly to ALS for assay of gold only by Fire Assay with gravimetric finish, a similar process to that applied by Inspectorate.

Summary statistics for the selected samples are shown per Laboratory in Table 11-5, with a check analysis chart shown in Figure 11-1.

Both datasets display similar minimum and maximum values, with similar sample variances reported, and a correlation coefficient in excess of 0.99, indicating the sample distributions are closely comparative. A review of the precision using a half absolute relative difference ranked plot (HARD analysis) indicated that 90% of all values are within 20% error.

Table 11-5: Summary statistics of BSI versus ALS duplicate assays

Type	Lab	Count	Mean	Variance	Maximum	Minimum
Check Samples	Au FA - BSI_NEVADA	205	3.926	77.66	105.27	0.10
Check Samples	AuFA - ALS_Vancouver	205	3.927	77.84	105.50	0.02

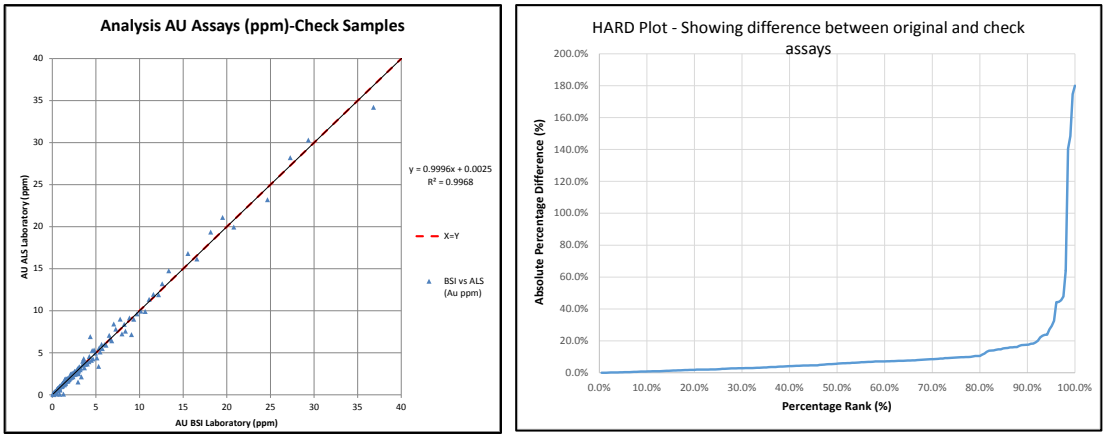

Figure 11-1: Scatter Plot and Hard analysis to show Check Assay Samples Analysed at BSI Nevada and ALS Vancouver

11.3.1 SRK Comments

In the opinion of SRK, the analytical results delivered by BSI for the drilling and trench samples from the La India Project are sufficiently reliable to support mineral resource evaluation. SRK recommends that for future drilling programs that the Company could implement a number of changes to the QAQC programme to bring it further into line with generally considered industry best practice:

- Regular submission of duplicate core material (quarter core), in addition to RC material, to identify whether the level of geological variability is comparable in both sample types;
- QAQC samples should be inserted at random to limit the chance of the laboratory quickly identifying the QAQC and treating with more care than routine samples submissions.

11.4 Verifications by SRK

11.4.1 Site Visit

In accordance with National Instrument 43-101 guidelines, SRK visited the Project from 29 April to 02 May 2013. The main purpose of the site visit was to:

- witness the extent of the exploration work completed to date;
- review drill cores for selected holes, to confirm both geological and assay values stored in the database show a reasonable representation of the deposit;
- discuss updated geological and structural interpretations and inspect drill core;
- inspect the drilling rig(s) and sampling completed during the latest phase of exploration; and
- inspect core logging and sample storage facilities.

SRK was able to verify the quality of geological and sampling information and develop an interpretation of gold grade distributions appropriate to use in the Mineral Resource model.

11.4.2 Verification of Sampling Database

SRK completed a phase of data validation on the digital sample database supplied by the Company which included but was not limited to the following:

- Search for sample overlaps or significant gaps in the interval tables, duplicate or absent samples, errors in the length field, anomalous assay and survey results. The Company's geological team were notified of any issues that required correction or further investigation. No material issues were noted in the final sample database;
- Reviewed the electronic database against Condor's 2D geological sections;
- Excluded the historic drillholes and underground channels in the database that did not pass all aspects of SRK's and the Company's validation procedures, typically relating to missing assay or sample length data, or spatial positioning. This analysis has been completed on a case by case basis. The drillholes were used as a guide for geological modelling but were excluded from all statistical analyses and the resource estimate.

Excluded historic drillholes: **P004** – drilled by Soviet-INMINE and represent some 0.2% of the modelled sample data. SRK noted no assay data over the mineralised zone, which conflicted with mineralised adjacent historic hole P004B, situated 10m up-dip on section. The Company informed SRK that no geological log existed for P004, and in the absence of data SRK elected to remove P004. SRK has restricted the classification in this area to reflect the lower confidence in the drilling information;

Excluded historic underground channels: 2.5% and 5.0% of the sample database was excluded at La India and America (respectively) on the basis of an absent length field, negative assay or erroneous spatial positioning away from long-section verified sampling positions;

- subsequent to confirmation by the Company, excluded poor quality drillholes (in terms of core recovery) that have been superseded by more recent or more successful, adjacent drilling that achieved a higher core recovery:
    - **LIDC129** - drilled by Condor, represents some 0.9% of the modelled sample data. SRK noted a poor core recovery over the mineralised zone and therefore elected with Condor to exclude this hole and (instead) use twin hole LIRC120 to guide the zone contacts;
    - **DH-LI-10** – drilled by TVX, representing historic drilling and some 0.4% of the modelled sample data. SRK noted conflicting information in the positioning of the zone contacts. On the basis of improved recovery, SRK use twin hole DH-LI-10A in place of DH-LI-10; and
    - **LIDC057B** – drilled by Condor, represents some 0.2% of the modelled sample database. Represents a failed re-drill of LIDC057, which (in light of the failure) remains the better data for modelling. Removed due to slight conflict in grade with LIDC057.
- Search for absent gold and silver values within the mineralised zones. Excluding the logged mining voids (representing the La India Mine), SRK noted the presence of a limited number of (generally isolated) absent sample intervals, typically relating to core loss in less competent rock. SRK has treated these absent values on a case by case basis and where (logged as lost core and) sufficiently supported by surrounding mineralised samples and adjacent drilling, ignored the core loss data during the composite process. Where absent sample intervals are interpreted to represent a pinch in the mineralised structure, in relation to historic underground channel sampling at La India (some 5% of the database), SRK has replaced these with trace values for gold (0.001 g/t Au);

- Reviewed the position of drillhole and trench collar surveys against the 2m resolution topographic contour surface provided by the Company. Where the collars had not been surveyed using DGPS measurements (namely some 25% of the database), SRK projected the collar points on to the contour surface to ensure accurate correlation between mineralised zones intersected in the drilling;
- reviewed Quantile-Qunatile ("QQ") plots at La India for:
    - domained drillhole and trench intercepts, to compare the distribution of the sample populations (Figure 11-2). SRK noted the trench samples population reported higher in values less than 6 g/t Au, which is considered to be largely due to the historic exploration programs which only sampled surface vein material (and excluded the lower grade wall-rock) within trenches. SRK also the drillhole population reported higher in values greater than 8 g/t Au resulting from the sample spatial distribution whereby the higher grade zones are typically intersected at depth (away from trench samples). Given the noted variability in the QQ plot (in addition to relatively poor QAQC correlation between original versus duplicate trench sample results, suggesting a potential quality issue), SRK tested the sensitivity of removal of trench sampling (from gold grade interpolation) on block grade estimates at La India. The impact (on the global mean gold grade and metal) of excluding the trench samples is within 0.6 % both within the Resource pit and underground; domained DC and RC intercepts, to compare the distribution of the sample populations (Figure 11-3). SRK noted a good correlation < 10 g/t Au, with bias of higher grades towards DC due to the sample spatial distribution (Figure 11-4) whereby the higher grade zones are typically intersected in DC at depth (away from shallower zones intersected by RC drilling);
    - historic drilling versus drilling completed by Condor (namely some 4% (for 102m) versus 96% (for 2,296m) of the domained sample data), to compare sample distributions for the modelled high-grade core ("HGC") and lower grade wall-rock ("WR") domains. SRK note for the HGC domain (Figure 11-5) an apparent bias of higher grades towards Condor's drilling due to the relatively limited desurveyed historic sample population (namely 20 historic versus 197 Condor) and more geographically widespread distribution of Condor's drilling (which has more frequently intersected higher grade zones) during the on-going exploration program as confirmed visually in Figure 11-6 (which also highlights the variable grade distribution). In contrast, the plot for the WR domain (Figure 11-7) shows an apparent bias of higher grades towards the historic drilling, which is also as a function of the differences in number of samples (79 historic versus 1,953 Condor) and geographic distribution with Condor's infill programs also intersecting the (historically poorly-explored) lower grade zones (Figure 11-8);
    - domained drilling intercepts versus historic underground channel samples on the HGC, to compare the distribution of the sample populations (Figure 11-9). SRK note a strong correlation up to 15 g/t Au, but with a bias of higher grades towards the drill samples above 15 g/t Au. SRK considers the bias to be as a result of improved accuracy in the measuring of upper detection limits in the current laboratory analysis (for drill samples), contrasting with the historic analysis completed for the underground channels. Comparable spatial grade distribution is shown in Figure 11-10, with comparative raw log histograms shown for gold (to show higher grades returned by the drilling) in Figure 11-10.

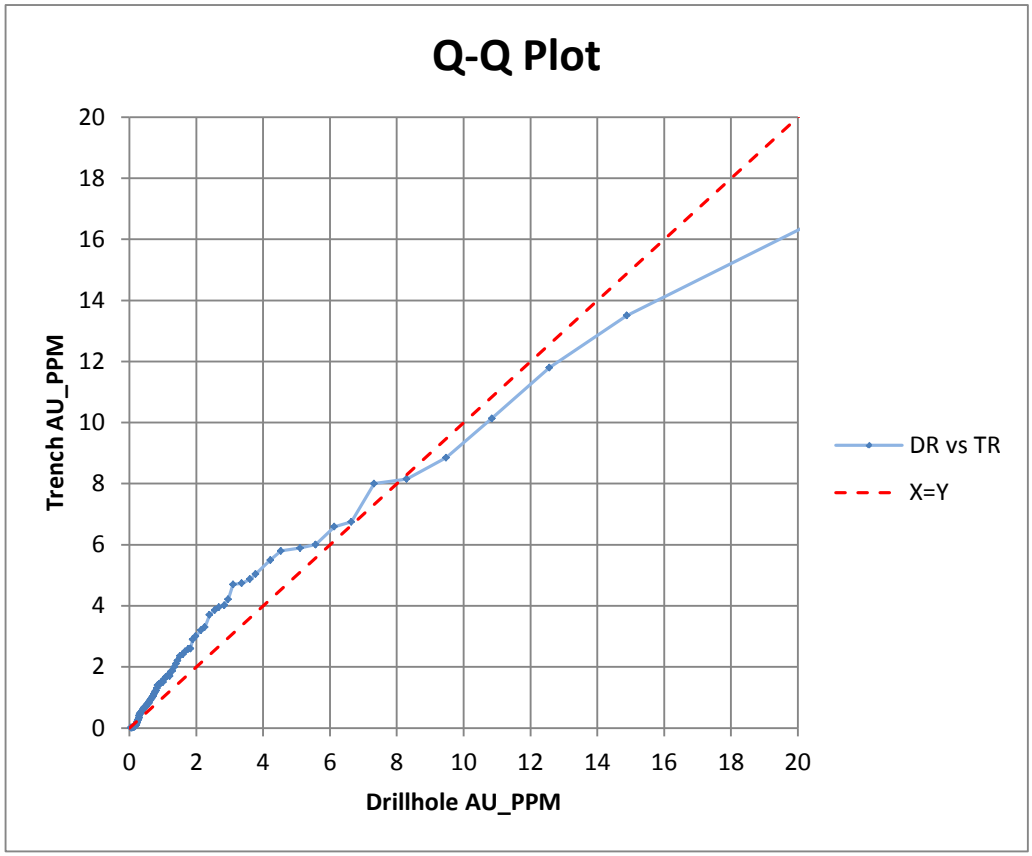

Figure 11-2: QQ Plot Trench (TR) versus Drillhole (DC) Samples (GROUP>0.5)

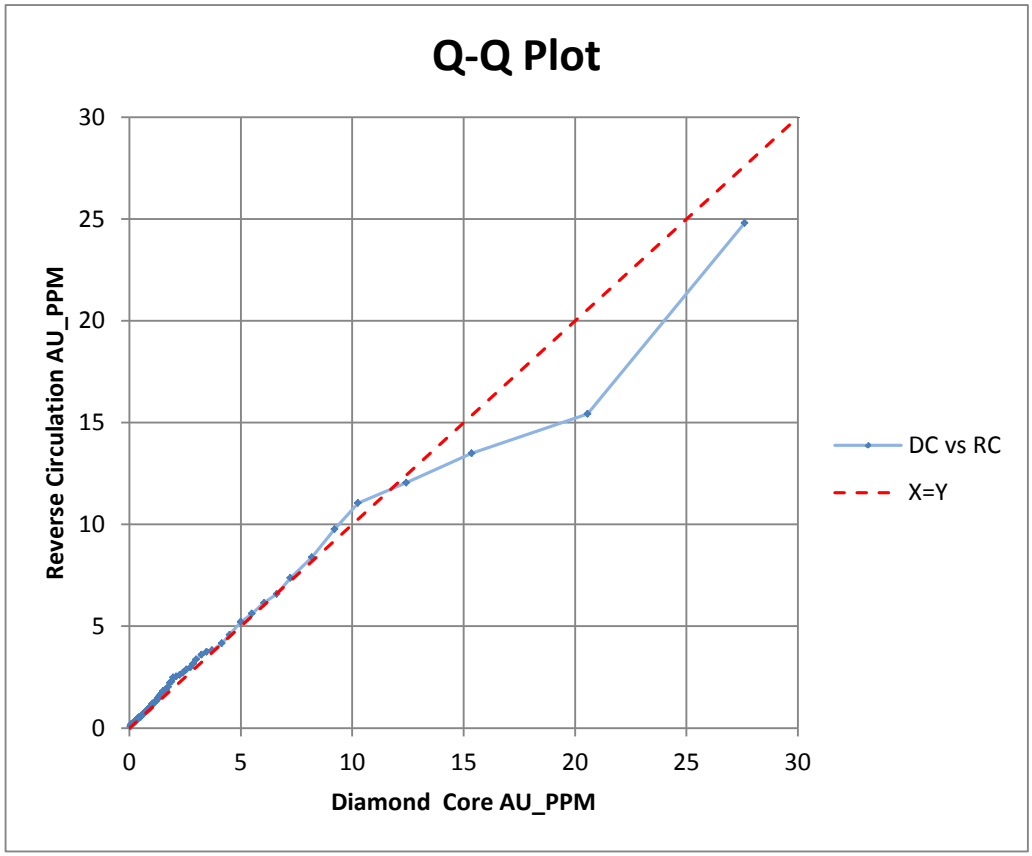

Figure 11-3: QQ Plot Reverse Circulation (RC) versus Drillcore (DC) Samples (GROUP>0.5)

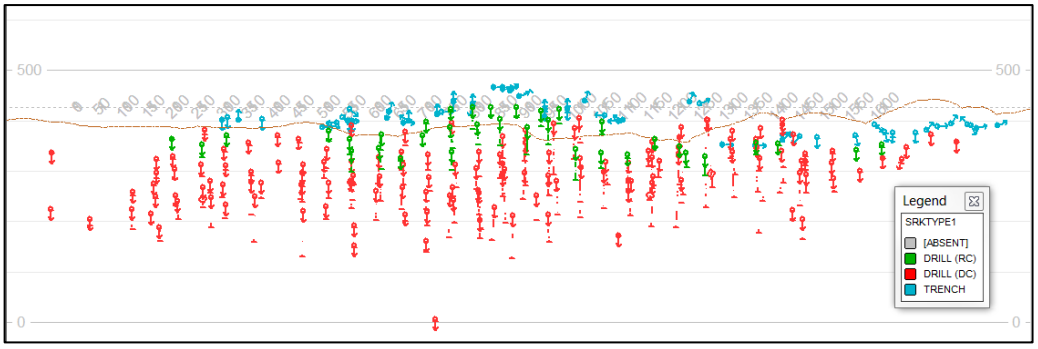

Figure 11-4: La India 2D Long Section showing Distribution of Sample Types

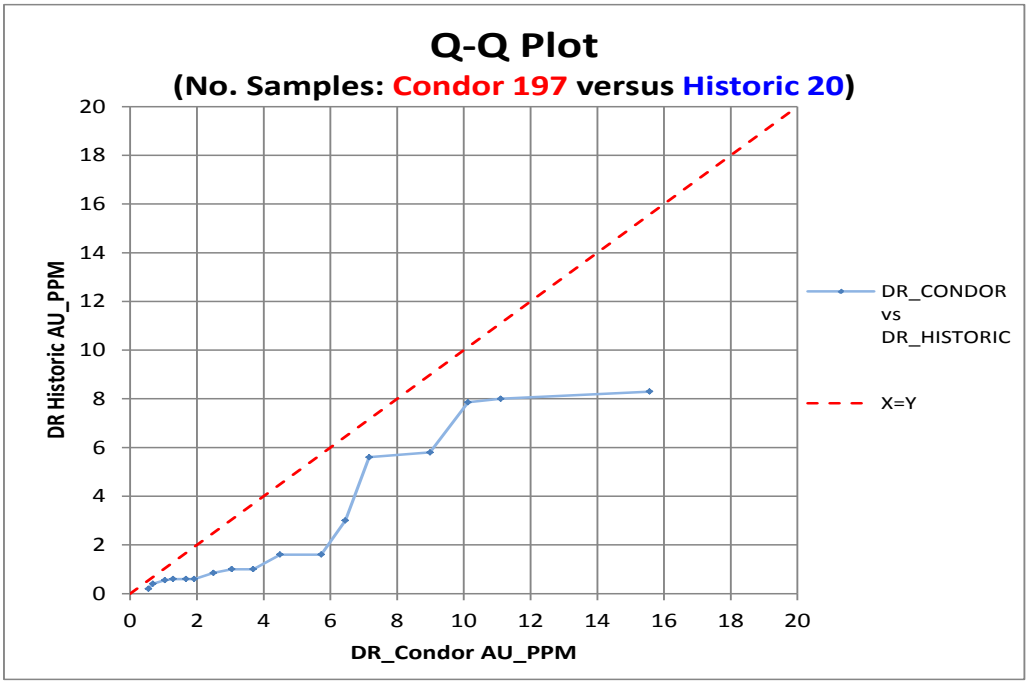

Figure 11-5: QQ Plot Historic Drilling versus Condor Drilling in the HGC domain (GROUP>0.5)

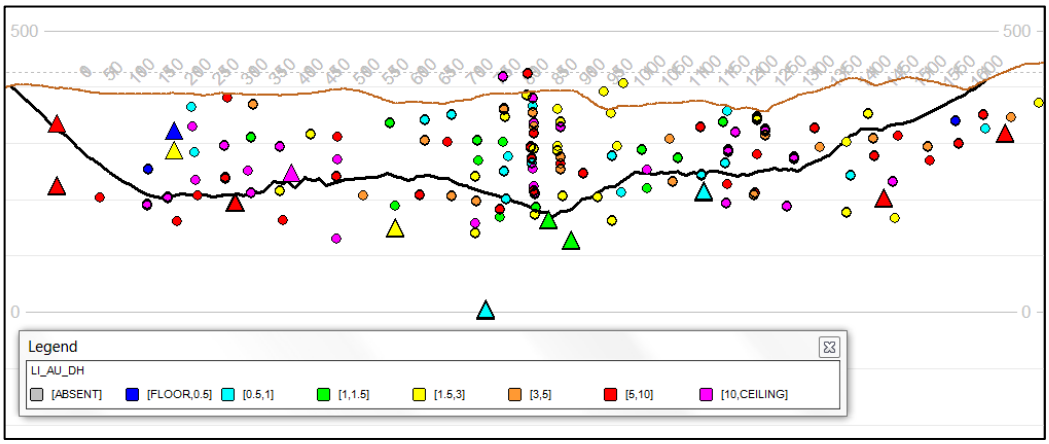

Figure 11-6: Historic Drill Samples (triangles) versus Condor Drilling (circles) in the HGC domain (GROUP>0.5) (pit and surface intersection, looking SE)

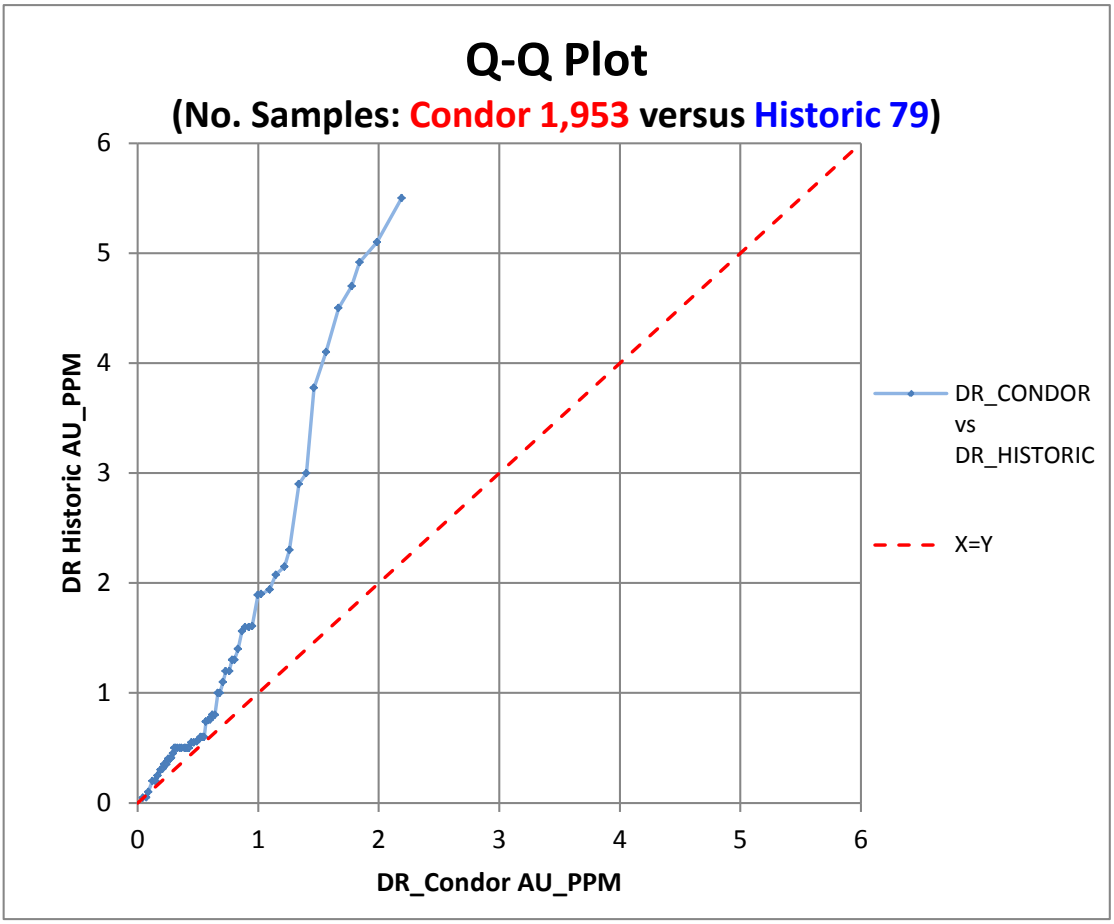

Figure 11-7: QQ Plot Historic Drilling versus Condor Drilling in the WR domain (GROUP>0.5)

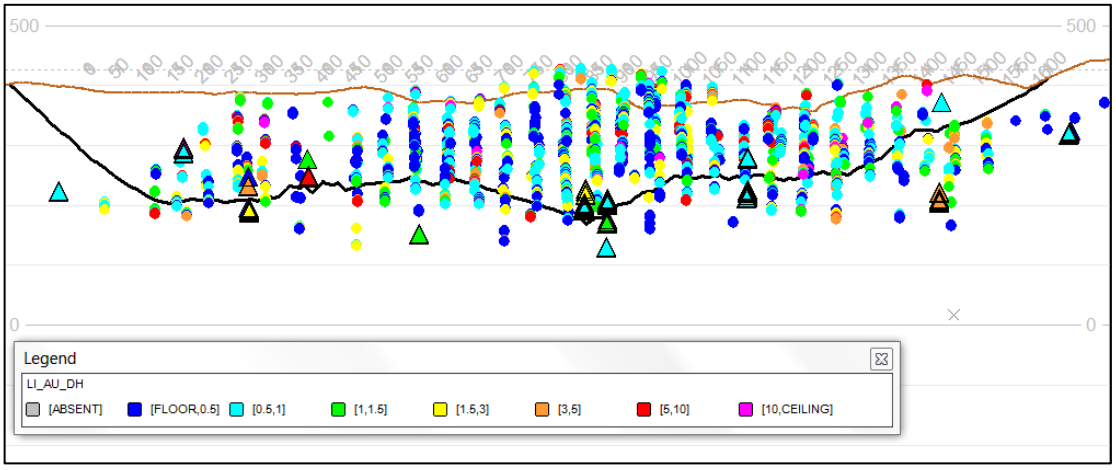

Figure 11-8: Historic Drill Samples (triangles) versus Condor Drilling (circles) in the WR domain (GROUP>0.5) (pit and surface intersection, looking SE)

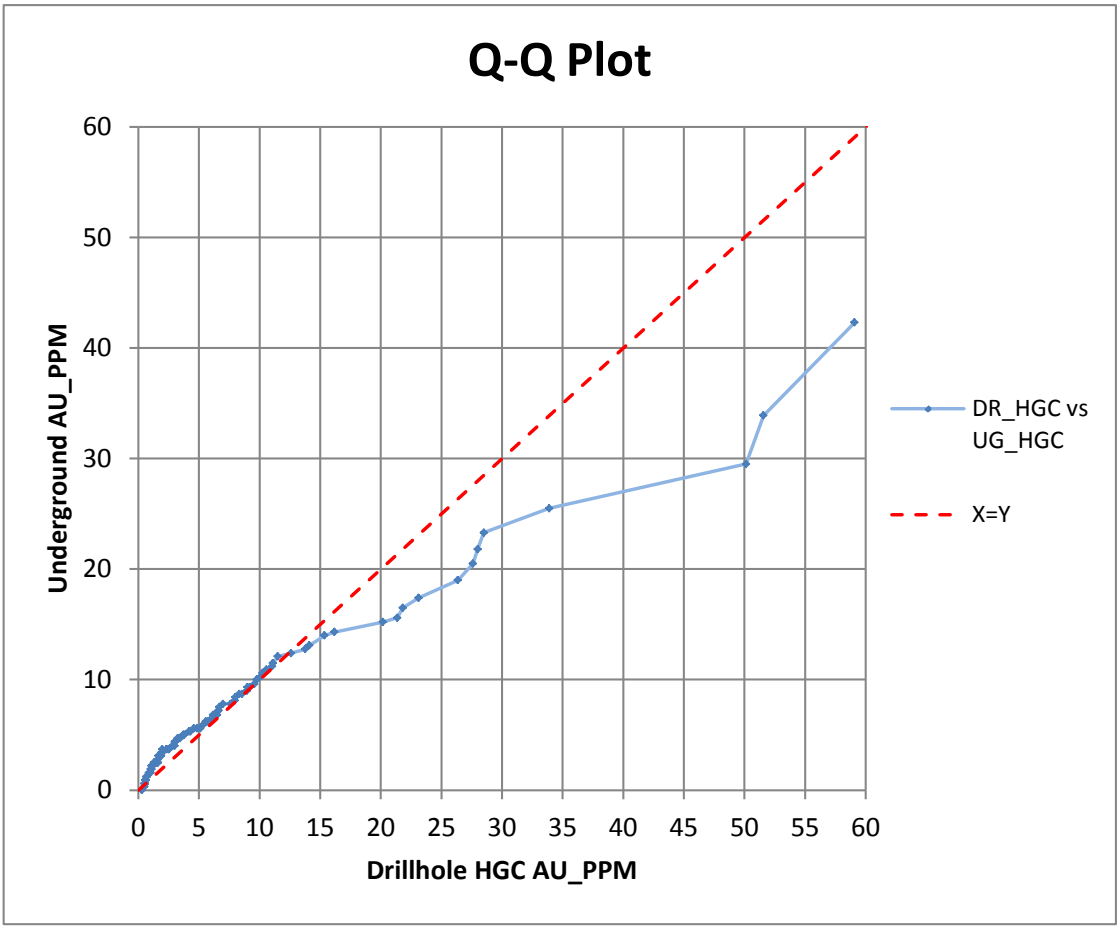

Figure 11-9: QQ Plot Drill Samples versus Underground Samples in the HGC domain (GROUP>0.5)

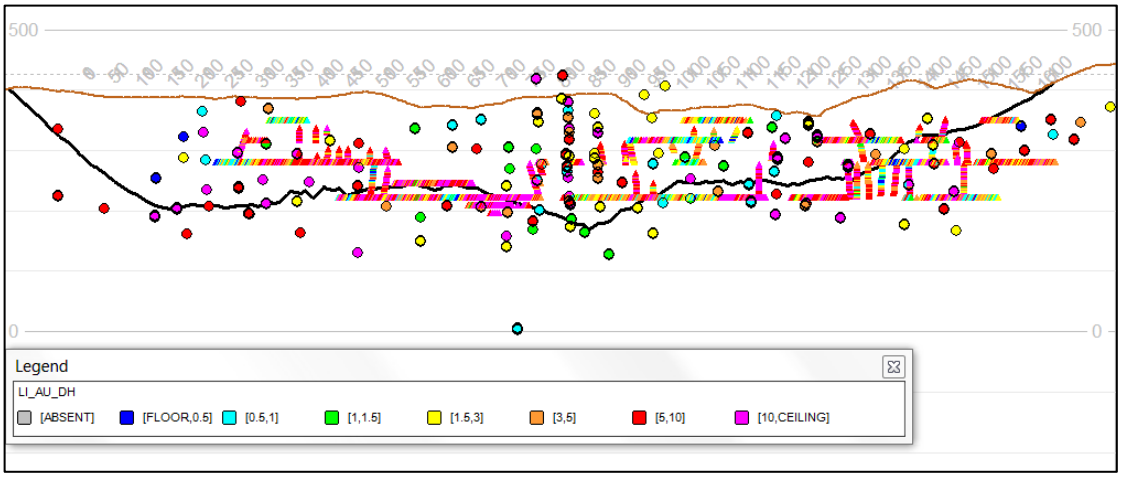

Figure 11-10: Drill Samples (circles) versus Underground Samples (triangles) in the HGC domain (GROUP>0.5) (pit and surface intersection, looking SE)

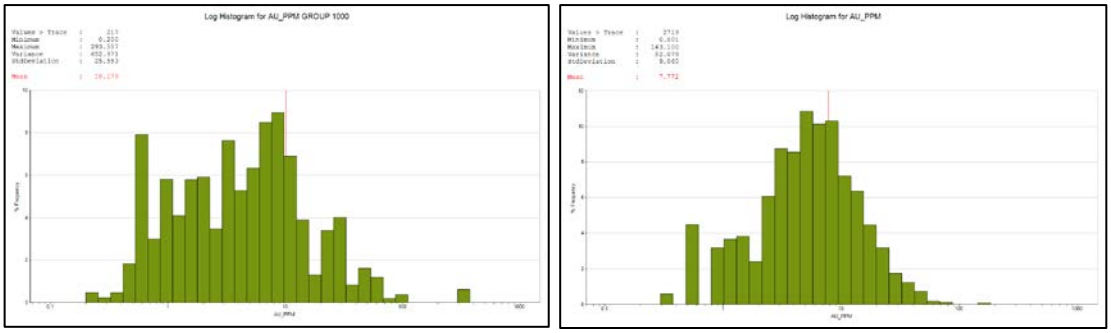

Figure 11-11: Log Histogram for Raw Sample Gold Assays, showing Drill Samples (left) and Historic Underground Samples (right); HGC domain

11.5 SRK Comments

SRK has reviewed the core-logging methodologies during the site visit, and has undertaken an extensive review of the assay and geology database during the Mineral Resource estimation procedure.

QQ plots produced by SRK of domained borehole sample assay data have revealed apparent differences between the historic and Condor phases of exploration. SRK considers these differences to be primarily because the recent drilling has been focussed in different areas and indeed where there is nearby historical drilling the grades in these are generally in line with the grades in the recent holes. It should also be noted that the majority of historic samples are located within the lower confidence (Inferred) areas of the model and they represent a relatively limited proportion (4.0%) of the global domained borehole sample database. SRK does not consider the use of the historical drilling to materially impact on the current estimate.

The sampling database comprises of a number of different sampling types. SRK tested the influence of the different sampling types using QQ Plots. In the case of trench versus boreholes additional analysis was taken to determine the influence of excluding trenching from the estimation process. Results indicated relatively limited sensitivity (0.6%) in the global mean grade of the deposit. Ultimately SRK elected to use all phases of exploration sampling in producing the Mineral Resource Estimate.

In summary, SRK is confident that the data provided by the Company is of sufficiently high quality, and has been subjected to a sufficiently high level of checking for use in Mineral Resource estimation.

12 MINERAL PROCESSING AND METALLURGICAL TESTING

12.1 Introduction

On behalf of Condor Gold Plc, (Condor), SRK Consulting (U.S.), Inc. (SRK) designed and supervised a metallurgical development program for the Condor's La India Project located in the historic La India Gold Mining District, north of Managua, Nicaragua. Prefeasibility-level metallurgical studies were conducted on master composites and variability composites formulated from drill core from the La India and America Vein sets. Scoping level metallurgical studies were conducted on master composites formulated from coarse reject material from the Mestiza and Central Breccia veins sets.

The metallurgical program was conducted by Inspectorate Exploration and Mining Services (Inspectorate) and the results of this work are fully documented in Inspectorate's report, "Metallurgical Testing to Recover Gold on Samples from the La India Gold Project", August 23, 2013.

Solid liquid separation studies on final tailing products from each of the La India master composites were performed by Pocock Industrial (Pocock), and the results of this work are fully documented in their report, "Flocculant Screening, Gravity Sedimentation and Pulp Rheology Studies, La India Gold Project", August 2013.

The objectives of this metallurgical program were to conduct baseline investigations to determine cyanidation, gravity concentration and flotation characteristics of the test composites, and to provide adequate data to establish optimized gold recovery and present sufficient information to design a process flow sheet. The metallurgical study was centered on testing of seven master composites, including three composites formulated from selected split drill core intervals representing La India North, La India Central and La India South, two composites representing the America Vein system and one composite each from La Mestiza and Central Breccia. The optimum test conditions developed from the master composites were further verified on six variability composites representing spatial variation within each of the three La India Vein deposit areas.

12.2 Test Composite Characterisation

12.2.1 Head Analysis

The samples from the La India Vein set were sorted into six separate vein composites. Prior to sample preparation, split core pieces were manually selected from each composite sample for comminution testing. After the removal of comminution samples, each vein composite sample was staged-crushed to 6-Tyler mesh and riffle blended three times prior to removal of 13 to 15 kg subsamples for variability testing. The remaining samples were blended to formulate corresponding La India master composites. Each master and variability composite was well blended prior to rotary splitting into 2 kg test charges and head assay sub-samples. In addition, Individual samples from the America vein, Mestiza vein and Central Breccia were grouped into two America vein composites, one Mestiza vein composite and one Central Breccia composite. The split core interval samples from the America vein system were stage crushed to 6 mesh prior to being blended and rotary split into test charges. The assay rejects samples from La Mestiza and Central Breccia were thoroughly blended prior to splitting into test charges.

Gold and silver assays were conducted in triplicate by fire-assay and metallic screen procedures. The gold and silver assays for all tests composites are presented in Table 1. Gold grades ranged from 1.6-8.7g/t Au and silver grades ranged from 3.3 to 23.9 g/t Ag.

Table 12-1: Gold and Silver Head Assays

Master Composites Head Assay						
Sample id	By Direct FA in Triplicate		By Metallic		Average	
	Au, g/t	Ag, g/t	Au, g/t	Ag, g/t	Au, g/t	Ag, g/t
La India North Master Comp.	5.86	8.8	5.02	8.8	5.44	8.8
La India Central Master Comp.	6.61	8.3	4.14	6.1	5.38	7.2
La India South Master Comp.	3.68	11.6	3.53	11.3	3.61	11.5
America Vein-Escondido Comp.	1.64	1.4	1.60	5.1	1.62	3.3
America Vein-Old Workings Comp.	2.05	6.7	1.98	8.7	2.02	7.7
La Mestiza Comp.	2.72	23.9	2.71	23.8	2.72	23.9
Breccia Central Comp.	4.28	3.5	4.20	5.1	4.24	4.3
La India Variability Composite Head Assay						
Sample id	By Direct FA in Triplicate		By Metallic		Average	
	Au, g/t	Ag, g/t	Au, g/t	Ag, g/t	Au, g/t	Ag, g/t
La India North VC1 Variability Comp.	6.46	7.4	6.63	8.5	6.55	8.0
La India North VC2 Variability Comp.	2.87	7.9	2.73	9.2	2.80	8.6
La India Central VC1 Variability Comp.	2.07	4.1	1.99	5.5	2.03	4.8
La India Central VC2 Variability Comp.	8.52	13.8	8.86	15.5	8.69	14.7
La India South VC1 Variability Comp.	4.23	7.7	3.97	6.6	4.10	7.2
La India South VC2 Variability Comp.	3.15	21.0	2.92	12.9	3.04	17.0

Source: Inspectorate

12.2.2 Mineralogy

Representative sub-samples of the seven master composites were examined by Process Mineralogical Consulting Ltd. for QEMSCAN (Quantitative Evaluation of Minerals by Scanning Electron) to identify the types of minerals and bulk associations, and to provide quantitative information on mineral percentages, particle size, shape, degree of liberation and locking analysis.

The minerals present in the La India and America Vein samples are mainly quartz and K-feldspar with minor amounts of plagioclase, micas (biotite + muscovite), clay minerals and Fe-oxide minerals (hematite, magnetite, ilmenite), as well as trace amounts of pyrite and mafic minerals (amphibole, chlorite, epidote). The presence of only minor amounts of micas and clay minerals suggest that the alteration of these samples is not that extensive and that the low amounts of these altered phases will have limited impact on the processing of the ore whether flotation or direct leaching is used.

Central Breccia is significantly different from the other samples, and is mainly composed of quartz, mica and carbonates with moderate amounts of K-feldspar. Minor amounts of plagioclase, pyrite and Fe-oxides are present with trace amounts of arsenopyrite, clays and mafic minerals. The presence of significant amounts of carbonate (mainly calcite) suggests carbonate alteration of this zone.

12.2.3 Comminution Analysis

Semi-autogenous grinding (SAG) mill comminution (SMC), Bond ball mill work index (BWi) and Bond abrasion index (Ai) tests were conducted by Hazen Research, Inc. on split core samples extracted from the three La India master composites, while only BWi determinations were conducted on the six La India variability composite samples. BWi determinations were conducted using a 105 micron closing screen, and the BWi determinations ranged from 17.5 to 21.9 kWh/t (metric tonne), indicating that the composites demonstrated medium-hard to hard character. Abrasion indices (Ai) ranging from 0.98 to 1.13 indicate that the material is highly abrasive and high liner and media consumption rates can be expected.

12.3 Metallurgical Test Programme

Metallurgical studies were conducted to evaluate process options and conditions for recovery of contained gold and silver values. This work was conducted on seven master composites, including three composites formulated from selected split drill core intervals representing La India North, La India Central and La India South, two composites representing the America Vein system and one composite each from La Mestiza and Central Breccia. The optimum test conditions developed from the master composites were further verified on six variability composites representing spatial variation within each of the three La India deposit areas.

The scope of the metallurgical studies included:

- Whole-ore cyanidation versus grind size;
- Whole-ore cyanidation versus cyanide concentration;
- Gravity concentration plus cyanidation of the gravity tailings versus grind size;
- Gravity concentration followed by gold flotation from the gravity tailings;
- Standard cyanidation versus carbon-in-leach (CIL) cyanidation;
- Variability testing;
- Cyanide detoxification of leach residues; and
- Solid liquid separation tests on leach residues.

12.4 Whole-Ore Cyanidation Studies

Standard bottle roll whole-ore cyanide leaching tests were conducted on each of the seven composite samples at target grind sizes varying from 80% passing (P80) 50 to 150 µm to evaluate the grind requirement. These tests were performed at 40% solids in 1 g/L NaCN for 72 hours. Slurry pH was maintained at 10.5 to 11. Both lime and dissolved oxygen levels were monitored throughout each test. Leach kinetics was monitored during each test by removal and analysis intermediate solution samples after 2, 7, 24, 30 and 48 hours of leaching. Gold extractions ranged from 93.4% to 96.1% for the three La India master composites at a grind size of P_{80} 74 microns. Silver extractions ranged from 71.9% to 79.7% at this grind size.

Results of whole-ore cyanidation tests on the America-Escondida and America-Old Workings master composites showed that gold extractions increased steadily as the grind size became finer. At a P_{80} 72 micron grind gold extractions ranged from 96.1% to 97.4% and silver extractions ranged from 75.2% to 89.2%. Cyanidation tests conducted on La Mestiza and Central Breccia test composites at a P_{80} 75 micron grind, resulted in 96.2% gold extraction from the Mestiza composite and 87.2% gold extraction from the Central Breccia composite. The lower gold extraction from the Central Breccia composite is attributed to higher sulphide content of this ore type, and will require further investigation to establish optimal test conditions.

12.5 Gravity Concentration Plus Cyanidation of the Gravity Tailings

Tests were conducted to evaluate gravity concentration followed by cyanidation of the gravity tailing over a range of grind sizes to determine whether this process configuration would result in higher overall gold recoveries than were achieved with whole-ore cyanidation. Gravity concentration was performed in two stages. Single pass rougher gravity concentration was conducted in a 3 inch laboratory Knelson centrifugal concentrator. The gravity rougher concentrate was further upgraded by hand panning to simulate cleaning. The entire cleaning concentrate was fire assayed for gold and silver to extinction. The gravity-scalped pan tails and Knelson rougher gravity tails were combined and subjected to cyanidation.

The results of the gravity/cyanidation tests on the La India North, La India Central and La India South master composites showed that gold recovery into the gravity concentrate ranged from 6.0% to 21.3%. Overall gravity + cyanidation gold recovery ranged from 93.4% to 94.6% for the three La India master composites at a grind size of ~P80 74 microns. Silver extractions ranged from 68.8% to 79.2% at this grind size.

Test results on the America-Escondida and America-Old Workings master composites showed that gold recovery into the gravity concentrate ranged from only 4.2% to 10.1%. Overall gravity + cyanidation gold recovery ranged from 95.4% to 96.8% for the two America Vein composites at a grind size of ~P80 74 microns. Silver extractions were about 85%. Tests conducted on the Mestiza and Central Breccia test composites resulted in overall gravity + cyanidation gold recovery of 97.5% for the Mestiza composite and 85.3% for the Central Breccia composite at a grind of ~P80 75 microns.

12.6 Whole-Ore Cyanidation versus Gravity/Cyanidation

Table 12-2 provides a summary of gold recoveries obtained by whole-ore cyanidation and by gravity + cyanidation flowsheets at a grind size of ~P80 75 microns. Test conditions were fairly aggressive with cyanide leach solution maintained at 1 g/L NaCN and 72 hours leach retention time. Similar gold recoveries are achieved by both processing methods. Based on this comparison, the inclusion of gravity concentration offers no apparent benefit.

Table 12-2: Whole ore cyanidation and Gravity/Cyanidation Gold Extractions (~P_{80} 75 micron grind, 1 g/L NaCN, 72 hour retention time)

Composite	Whole Ore Cyanidation Extraction Au (%)	Gravity + Cuanidation Extraction Au (%)
La India North	93.4	93.4
La India Central	93.4	93.8
La India South	96.1	94.6
America-Escondida	96.1	95.4
America-Old Workings	97.4	96.8
Mestiza	96.2	97.5
Central Breccia	87.2	85.3

12.7 Standard Cyanidation versus Carbon-in-leach Cyanidation

Standard and carbon-in-leach (CIL) cyanidation procedures were tested under identical conditions, which included: 48 hour leach retention time, P80 74µm grind size and 0.5 g/L cyanide concentration.

The tests were conducted on all master and La India variability composites except the La Mestiza master composite due to the limited weight received. Ground samples were adjusted to 40% pulp density, and pH was adjusted and maintained at 10.5 to 11 with hydrated lime. For standard cyanide leach tests, intermediate solution samples were collected and assayed for leach kinetics. For the CIL tests, 20 g/L carbon was added to the pulp prior to cyanide addition. Cyanide concentrations were monitored and maintained during the leach tests.

Test results for both the standard and CIL cyanidation tests conducted on the six master composites showed that similar gold and silver extractions were achieved by both procedures, indicating that preg-robbing will not be a problem and that a process flowsheet incorporating standard carbon-inpulp (CIP) processing rather than CIL processing would be applicable.

12.8 Cyanide Detoxification

Three large CIL tests were conducted on each of the three La India master composite samples to produce enough feed for continuous cyanide detoxification studies. The INCO SO2/air cyanide detoxification was simulated in a batch mode and switched to continuous mode after two hours. During the cyanide destruction tests, an overall target of <1ppm of total CN in the effluent was arbitrarily set. Standard free-CN titrations were performed to follow progress at regular intervals. Detailed analysis of the final products indicated that <0.2 mg/L of total CN and <0.1 mg/L CN WAD (Weak Acid Dissociable) in the effluent were achieved on all three La India master composite samples. These tests indicated that about 6 g SO2/g CN_{total} and about 0.9 g CuSO4/g CN_{total} are sufficient to detoxify the cyanide to normally acceptable levels.

12.9 Solid-Liquid Separation Studies

Solid-liquid separation (SLS) tests were conducted on three samples of neutralized cyanide leach residues produced from the La India North, La India Central and La India South Master composites.

The overall objective of the test program was to develop a general set of data for design of thickening equipment to dewater these materials prior to further processing or final disposal. Unit settling areas for conventional thickening in the range of 0.13 to 0.16 m^2/MTPD were determined for thickener feed densities up to 20% solids. Net feed loading for high rate thickener design ranged from 3.25 to 4.58 m^3/m^2hr for thickener feed densities of about 18% solids.

12.10 Recoverability

The La India project test composites were highly amenable to gold and silver recovery by cyanidation processing. Table 3 provides a summary of gold and silver extractions by whole-ore cyanidation under optimized conditions, which included cyanide concentration at 0.5 g/L NaCN and 48 hours leach retention time. Also shown are estimated gold and silver recoveries, which reflect a 2% reduction from reported gold and silver extractions to allow for losses that will likely occur due to plant inefficiencies. It should be noted that testwork on the La India and America master composites was performed at a prefeasibility level of evaluation. Testwork on La Mestiza and Central Breccia master composites was conducted at only a scoping-level of evaluation.

Table 12-3: Estimated whole-ore cyanidation gold and silver recoveries (P_{80} 75 micron grind, 0.5 g/L NaCN, 48 hour retention time)

Composite	Whole Ore Cyanidation Extraction (%)		Whole Ore Cyanidation Extraction (%)[1]	
	Au	Ag	Au	Ag
La India North	92	68	90	66
La India Central	94	75	92	73
La India South	99	67	91	65
America-Escondida	96	87	94	85
America-Old Workings	97	58	95	56
Mestiza	98	88	96	86
Central Breccia	89	56	87	54

Extractions reduced by 2% to reflect losses due to plant inefficiencies
Source: SRK

12.11 Conceptual Process Flowsheet and Design Criteria

The results of this metallurgical investigation demonstrate that material from the La India Gold Project can by processed by a standard CIP cyanidation process that would include crushing, grinding, agitated cyanide leaching, gold and silver adsorption onto activated carbon, gold and silver desorption, electrowinning and refining. Preliminary process design criteria, based on the results of this metallurgical investigation are presented in Table 12-4.

Table 12-4: Preliminary Design Criteria for the La India Gold Project

Unit Operation	Units	Criteria
Grinding		
SAG Mill Comminution Index (Axb)		34
Bond Ball Mill Work Index (BWi)	kwh/t	22
Bond Abrasion Index (Ai)		1.13
Grind Size (P_{80})	microns	75
Cyanidation		
Slurry Density	%	40
Retention Time	hours	30
Cyanide Leach Concentration	g/L	0.5
Slurry pH		10.5 – 11
Cyanide Consumption	kg/t	0.75 -1.5
Lime Consumption	kg/t	1 – 1.5
Thickening		
Flocculant Dosage	g/t	40-55
Maximum Underflow Density	%	64
Specific Settling Area (Conventional)	m^2/Mt/d	0.15-0.27
Net Feed Loading (High Rate)	$m^3/m^2/hr$	3.2-4.6

Source: SRK

12.12 Conclusion

The following conclusions are made based on the results of this metallurgical program:

- The minerals present in the La India and America Vein samples are mainly quartz and Kfeldspar with minor amounts of plagioclase, micas (biotite + muscovite), clay minerals and Fe-oxide minerals (hematite, magnetite, ilmenite), as well as trace amounts of pyrite and mafic minerals (amphibole, chlorite, epidote). The presence of only minor amounts of micas and clay minerals suggest that the alteration of these samples is not that extensive and that the low amounts of these altered phases will have limited impact on the processing of the ore whether flotation or direct leaching is used.

- Central Breccia is significantly different from the other composites, and is mainly composed of quartz, mica and carbonates with moderate amounts of K-feldspar. Minor amounts of plagioclase, pyrite and Fe-oxides are present with trace amounts of arsenopyrite, clays and mafic minerals. The presence of significant amounts of carbonate (mainly calcite) suggests carbonate alteration of this zone.
- Metallic screen analyses indicate very little coarse gold in the composites tested
- Bond Ball mill work index determinations ranged from 17.5 to 21.9 kWh/t, indicating that the composites demonstrated medium-hard to hard character. The samples from La India South were slightly softer than the samples from La India Central and North. Abrasion indices (Ai) ranging from 0.98 to 1.13 indicate that the material is highly abrasive and high liner and media consumption rates can be expected.
- Grind-recovery testwork indicated that a grind of 80% passing (P80) 75 microns will be required. Although 1.5% to 2% higher gold extraction was obtained at a P80 50 micron grind, this incremental additional recovery would likely not justify the higher additional cost to grind finer.
- Whole-ore cyanidation tests and gravity concentration followed by cyanidation of the gravity tailing tests yielded nearly identical overall gold recoveries, indicating that a gravity/cyanidation flowsheet would not offer any higher gold recovery than could be achieved by whole-ore cyanidation.
- Standard cyanidation test and CIL tests yielded nearly identical gold extractions, indicating that preg-robbing would most likely not be a problem with the ores tested. As such, CIL processing would likely not be required.
- Flotation tests designed to pre-concentrate the gold into a flotation concentrate prior to cyanidation did not achieve sufficiently high gold recoveries for this process option to be considered.
- It appears that the La India ore can be processed using a standard CIP process without the need for gravity concentration.
- Testwork on variability composites from the La India Vein system, yielded gold and silver recoveries that were similar to those obtained from the La India Master composites.
- Cyanide detoxification tests were conducted on leach residues from the La India master composites. These tests indicated that about 6 g SO2/g CN_{total} and about 0.9 g CuSO4/g CN_{total} are sufficient to detoxify the cyanide to normally acceptable levels.
- Solid liquid separation studies demonstrated that the leach residues could be readily thickened to an underflow density of over 60% solids. A specific conventional thickening settling area of 0.15 to 0.27 m^2/mtpd was determined. In addition, a net feed loading for high rate thickener design of 3.2 to 4.6 m^3/m^2/hr was determined.
- Gold recovery from the La India vein system is estimated at 90% to 92% and gold recovery from the America vein system is estimated at 94% to 95%. This recovery estimate includes a 2% reduction from reported extractions to allow for plant inefficiencies.

- Silver recovery from the La India vein system is estimated at 65% to 73% and silver recovery from the America vein system is estimated at 56% to 85%. This recovery estimate includes a 2% reduction from reported extractions to allow for plant inefficiencies.
- Scoping-level testwork on the Mestiza vein indicated gold recoveries of about 96% and silver recoveries of about 86%. These recovery estimates includes a 2% reduction from reported extractions to allow for plant inefficiencies.
- Scoping-level testwork on the Central Breccia deposit indicated gold recoveries of about 87% and silver recoveries of about 54%. These recovery estimates includes a 2% reduction from reported extractions to allow for plant inefficiencies.

13 MINERAL RESOURCE ESTIMATES

13.1 Introduction

The Mineral Resource Statement presented herein represents the latest Mineral Resource evaluation prepared for the Project in accordance with the Canadian Securities Administrators' National Instrument 43-101 (NI 43-101).

The estimate is based on some 61,800 m of drilling, 11,426 m of trench sampling and over 9,000 original underground mine grade control channel samples on 9 veins within the La India Project area. The Mineral Resource estimate was completed by Mr Ben Parsons, MAusIMM(CP) an appropriate "independent qualified person" as this term is defined in National Instrument 43-101. The effective date of the resource statement is 08 November 2013.

This section describes the Mineral Resource estimation methodology and summarizes the key assumptions considered by SRK. In the opinion of SRK, the Mineral Resource estimate reported herein is a reasonable representation of the global Mineral Resources found in the Project at the current level of sampling. The Mineral Resources have been estimated in conformity with generally accepted CIM "Estimation of Mineral Resource and Mineral Reserves Best Practices" guidelines and are reported in accordance with the Canadian Securities Administrators' National Instrument 43-101. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resource will be converted into Mineral Reserve.

The database used to estimate the Project Mineral Resources was audited by SRK. SRK is of the opinion that the current drilling information is sufficiently reliable to interpret with confidence the boundaries for gold mineralisation and that the assay data are sufficiently reliable to support Mineral Resource estimation.

Leapfrog Modelling Software ("Leapfrog") was used to construct the geological solids, whilst Datamine Studio Version 3 ("Datamine") was used to prepare assay data for geostatistical analysis, construct the block model, estimate metal grades and tabulate the resultant Mineral Resources. Isatis software was used for geostatistical analysis and variography.

13.2 Resource Estimation Procedures

The resource estimation methodology involved the following procedures:

- database compilation and verification;
- construction of wireframe models for the centrelines of mining development per vein;
- definition of resource domains;
- data conditioning (compositing and capping) for statistical analysis, geostatistical analysis;
- variography;
- block modelling and grade interpolation;
- resource classification and validation;
- assessment of “reasonable prospects for economic extraction” and selection of appropriate reporting cut-off grades; and
- preparation of the Mineral Resource Statement.

13.3 Resource Database

SRK was supplied with a Microsoft Excel Database, which has been exported from the Company’s main (DataShed) database. The files supplied had an effective cut-off date of 27 September 2013. Separate files were supplied for the drilling, trench and underground sampling programmes. The database has been reviewed by SRK and imported into Datamine to complete the Mineral Resource Estimate. SRK is satisfied with the quality of the database for use in the construction of the geological block model and associated Mineral Resource Estimate.

The development of the database and associated data capture of historic exploration sampling is described in the previous SRK Resource Report entitled: NI43-101 Mineral Resource Estimate on the La India Gold Project, Nicaragua, dated 14 September 2012.

13.4 Statistical Analysis – Raw Data

A statistical analysis has been undertaken for all data pertaining to the Project area. The statistical analysis was used to determine whether different geological domains could be identified. The statistical investigations included descriptive and distribution analyses, assessment of outlier statistics. Histograms and log histograms have been plotted against cumulative frequency for sample gold and (where sufficiently available) silver assays.

An initial global statistical analysis was undertaken on the raw drill data. The statistical distributions for each of the individual deposit zones display similar properties and tend towards log-normal where sufficient data populations exist, typically showing skewed (largely positive) distributions.

Global statistical analysis for gold at the La India Project is shown in Figure 13-1.

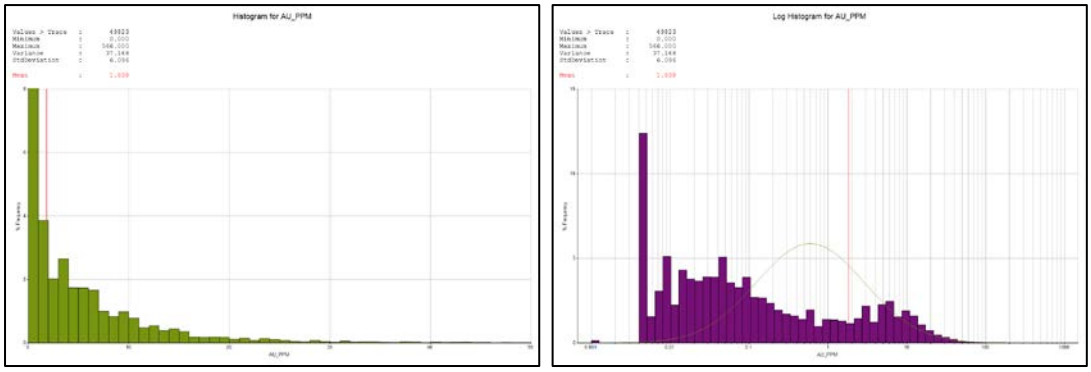

Figure 13-1: Incremental and Log Histogram of Length Weighted La India Project Gold Assays

13.5 Solid Body Modelling

All electronic data was initially imported into Datamine for visual validation against the topography, and preliminary review in plan and section.

For the 2013 Mineral Resource Estimate, SRK was provided with updated geological interpretations in the form of defined vein intercepts (tabulated in Excel), interpretive 2D sections and more accurately geo-referenced historic mine plans (used in defining the centreline of the veins where mine development exists), by the Company. The focus of the geological modelling for the 2013 Mineral Resource update has been to update the La India/ California ("La India") and America-Escondido and Constancia ("America") models, and complete an initial interpretation for the Central Breccia deposit.

The main geological units modelled for the 2013 update were:

- high-grade "core" mineralisation at La India and America;
- lower-grade wall-rock mineralisation at La India and America;
- stockwork or "breccia pipe" at Central Breccia;
- fault network at La India;
- definition of base of oxide material;
- definition of top of fresh material at La India.

13.5.1 Geological Wireframes

Fault Network

A fault network for the La India deposit has been interpreted by SRK in conjunction with Condor's geological staff using a combination of surface mapping, topographic contours, core logging and core photographs. The structural model, which has been reviewed by the Company, has been used to guide step-across or offset features in the mineralisation domains, and help determine changes in the dip of the hanging wall mineralisation.

Oxidation Surface

The base of oxidation ("completely weathered base") surface at La India was constructed based on borehole logging provided by the Company.

A base of oxidation surface has also previously been interpreted for the "Espinito Mendoza" Tatiana and Buenos Aires vein wireframes, constructed (in absence of relevant borehole logging) using historical 2D vertical longitudinal projections. Further details for the Espinito Mendoza modelling is provided in the previous SRK Resource Report entitled: NI43-101 Mineral Resource Estimate on the La India Gold Project, Nicaragua, dated 14 September 2012.

Fresh Surface

The top of fresh ("moderately weathered base") surface at La India was constructed based on borehole logging provided by the Company.

13.5.2 Mineralisation Wireframes

The broad modelling criteria used to identify (gold) mineralised structures utilises a gold cut-off grade of 0.5 g/t with a minimum thickness of 0.5 m (producing a cut-off grade of 0.25 g/t over 1.0 m Au). Domain boundaries are further guided by geological logging ("XVN" and "ZXU" representing vein and breccia respectively), whereby 0.2-0.3 g/t is included where the geological structure is evident (based on logging codes).

The Company's latest infill drilling program on the La India Project has significantly increased the size of the geological database for 2013. As a result, the geological understanding and model interpretation is now more robust, such that a more successful correlation of high-grade underground sampling to supporting drillholes along strike and down-dip has been achieved, with the potential for smoothing of high-grade "core" sampling in to areas of lower grade wall-rock domains reduced.

Details relating to the development of modelling methodology for the mineralisation wireframes constructed for previous SRK Resource updates are provided in the previous SRK Resource Report entitled: NI43-101 Mineral Resource Estimate on the La India Gold Project, Nicaragua, dated 14 September 2012.

High-Grade "Core" Mineralisation

The high-grade "core" (HGC) mineralisation is defined by:

historic underground channel samples that were collected at 6 foot (c. 2m) intervals along the levels and raises surrounding the material that was planned for extraction by stoping.

Interpreted as the high-grade vein material intersected by drilling at or near the expected location of the historic mine workings.

Mining voids intersected by drilling at or near the expected location are interpreted as drives or stopes. (across a series of strike and dip extensive quartz veins), and is interpreted to represent the historically mined portion of the structure.

Interpretation of the HGC structure in areas of mining development is relatively clear given the abundance of channel samples, mine voids in borehole logs and development surveys, whereas in areas of less densely spaced sampling (for example down-dip of the mine) a greater consideration is required. For the 2013 Resource update, interpreted HGC intervals have been provided or verified (against the drillcore) by the Company geologists to prevent of misallocation of mineralised intercepts. Modelled HGC intervals were selected based on elevated gold grades, lithology logs, and historic underground maps and mine plans.

SRK created 3D vein wireframes from selected sample intercepts using the interval selection tool in the Leapfrog Modelling Software.

Wall-Rock Mineralisation

Wall-rock (WR) mineralisation represents both broad zones that envelope (or occur at the periphery of) the HGC, and more discontinuous lenses situated in the hanging wall and footwall. The WR is generally lower-grade and defined by logging as stacked veinlets, brecciated material, or typically short-lived quartz veins. The underground channel samples generally did not extend into the WR mineralisation.

SRK has sub-divided the WR mineralisation at La India/ California in to three separate groups on the basis of spatial location and orientation, namely structures parallel to the HGC mineralisation ("Main"), near-vertical structures in the hanging wall ("Hanging Wall") and the brecciated zone ("Breccia Zone") intermediate to the principal NW-SE striking structures where the historic mining is interpreted to have stepped across parallel HGC zones.

SRK created 3D vein wireframes from selected sample intercepts using the interval selection tool in the Leapfrog Modelling Software.

An example section showing WR mineralisation encompassing a central HGC is provided in Figure 13-2.

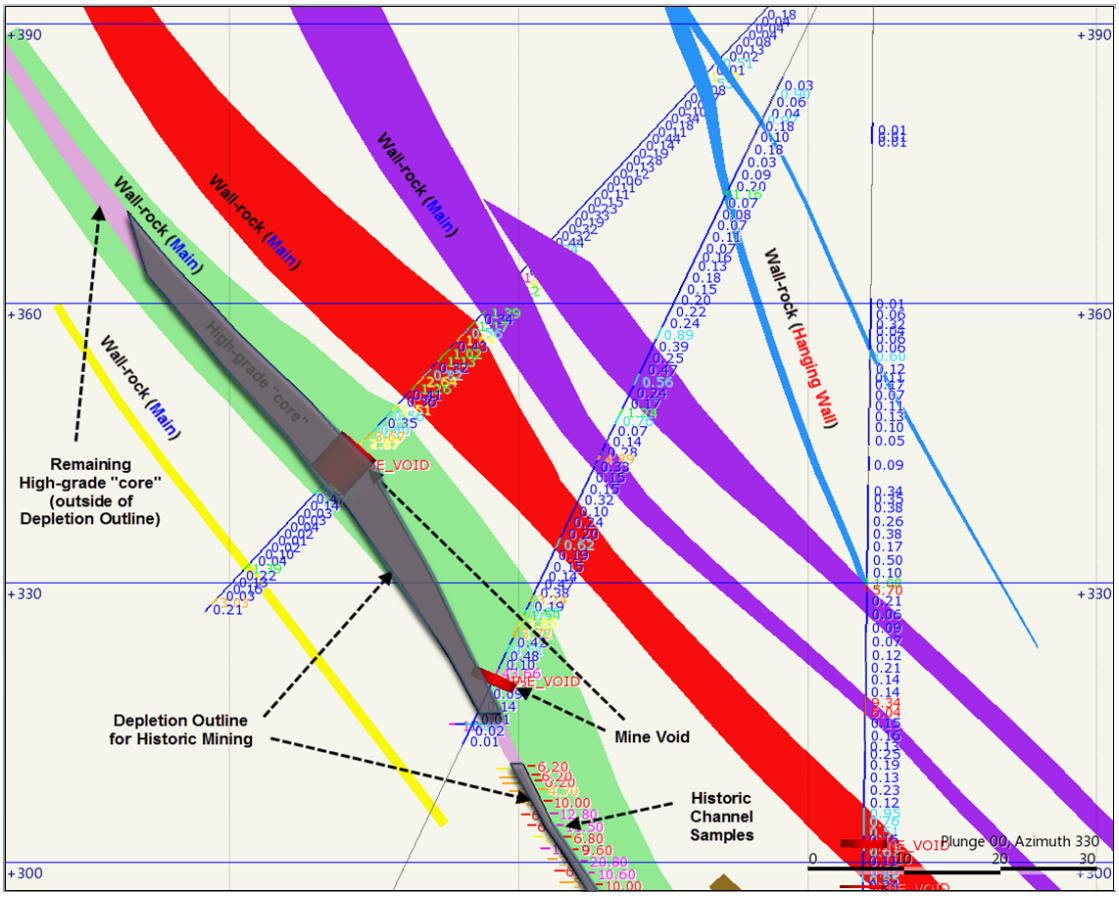

Figure 13-2: La India Deposit Cross Section 900 showing High-Grade "Core" and Wall-rock ("Main" and "Hanging Wall") domains with mining depletion; November 2013

Breccia Pipe Mineralisation

The interpretation for the Central Breccia mineralisation domains was undertaken jointly by SRK and the Company, and was guided through the application of implicit modelling approaches using Leapfrog 3D grade threshold interpolations (supplemented with 2D geological sections provided by the Company), for a range of grade thresholds and structural orientations and controls. This approach was used due to the difficulty in linking sectional interpretations in 3D using conventional explicit modelling methods, due to poor grade continuity of gold grades.

The selected structural orientations used to control modelling followed regional principal lineaments (NE-SW and WNW-ESE), and the most visually representative grade threshold of 0.5 g/t gold, selected to honour the grade and geological continuity within appropriate economic considerations and without introducing high levels of internal geological dilution into the model.

SRK subsequently built solid mineralisation wireframes, which were terminated at depth (towards the east) against the barren pyroclastic unit, modelled using geologically logged codes.

13.5.3 Mineralisation Model Coding

A summary of the key mineralisation zones versus statistical and estimation zone code and modelled wireframe name for the Project is provided in Table 13-1. KZONE refers to the estimation zone individual to each vein structure, whereas GROUP refers to the statistical zone where (following initial analysis) datasets have been combined for statistical and geostatistical procedures.

Figure 13-3 to Figure 13-8 provide images of the La India, America and Central Breccia deposit wireframes, which have been reviewed by the Company's geological team for approval and have been deemed acceptable for use in the MRE.

The modelled mineralised structures at the La India Project are geologically continuous along strike for up to 2.5 km, showing a down-dip extent that ranges from 150 m to greater than 350 m, and a thickness that commonly varies between 0.5 to 2.5 m, reaching over 5 m at America and 20 m at La India in areas of significant (wall-rock) swelling.

Table 13-1: List of Numeric Codes used within Datamine to define Estimation Zones; November 2013

Deposit sub-area	Deposit	Deposit code	KZONE	GROUP
Agua Caliente-Teresa	Teresa	1	100	1000
	Agua Caliente	2	120	-
America	America-Escondido	3	3010 - 3500	3000
	Constancia	4	2010 - 2520	2000
Arizona	Arizona	5	110	-
Buenos Aires	Buenos Aires 1	6	110	-
	Buenos Aires 2	6	120	-
Cacao	Cacao vein	7	100	-
	Cacao grade shell	7	200	-
Central Breccia	Central Breccia	8	100 - 1000	1000
Cristalito-Tatascame	Cristalito-Tatascame	9	(June 2011 estimate)	-
Espinito	Espinito	10	100	-
Guapinol	Guapinol	11	110	-
La India	La India/ California (Main)*	12	110 - 329	1000
	La India/ California (Hanging wall)	12	410 - 530	2000
	La India/ California (Breccia zone)	12	610 - 650	3000
San Lucas	San Lucas	13	110	-
Tatiana	Tatiana main vein	14	120	-
	Tatiana splay vein	14	130	-

*Note the HGC mineralisation at La India/ California is included within the "Main" domain, namely GROUP 1000

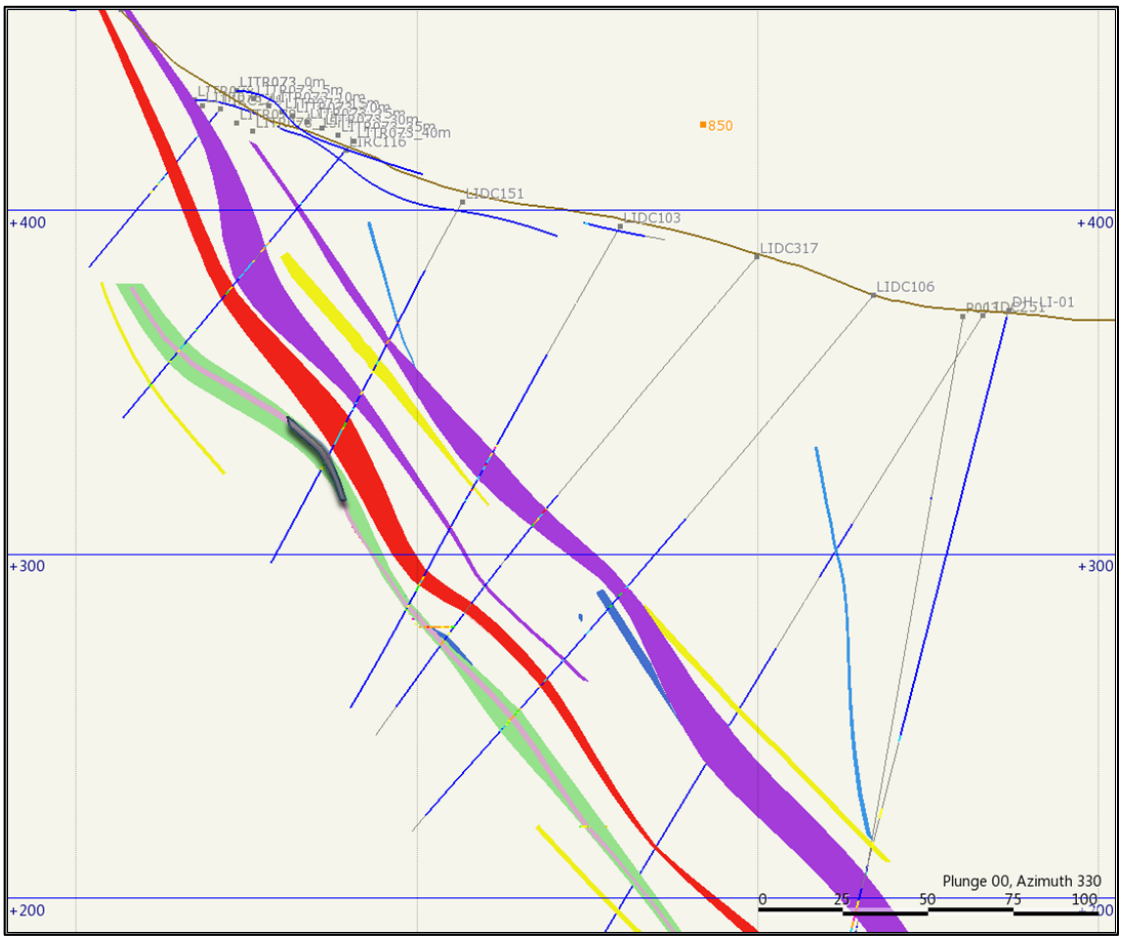

Figure 13-3: La India Deposit Cross Section 850; November 2013

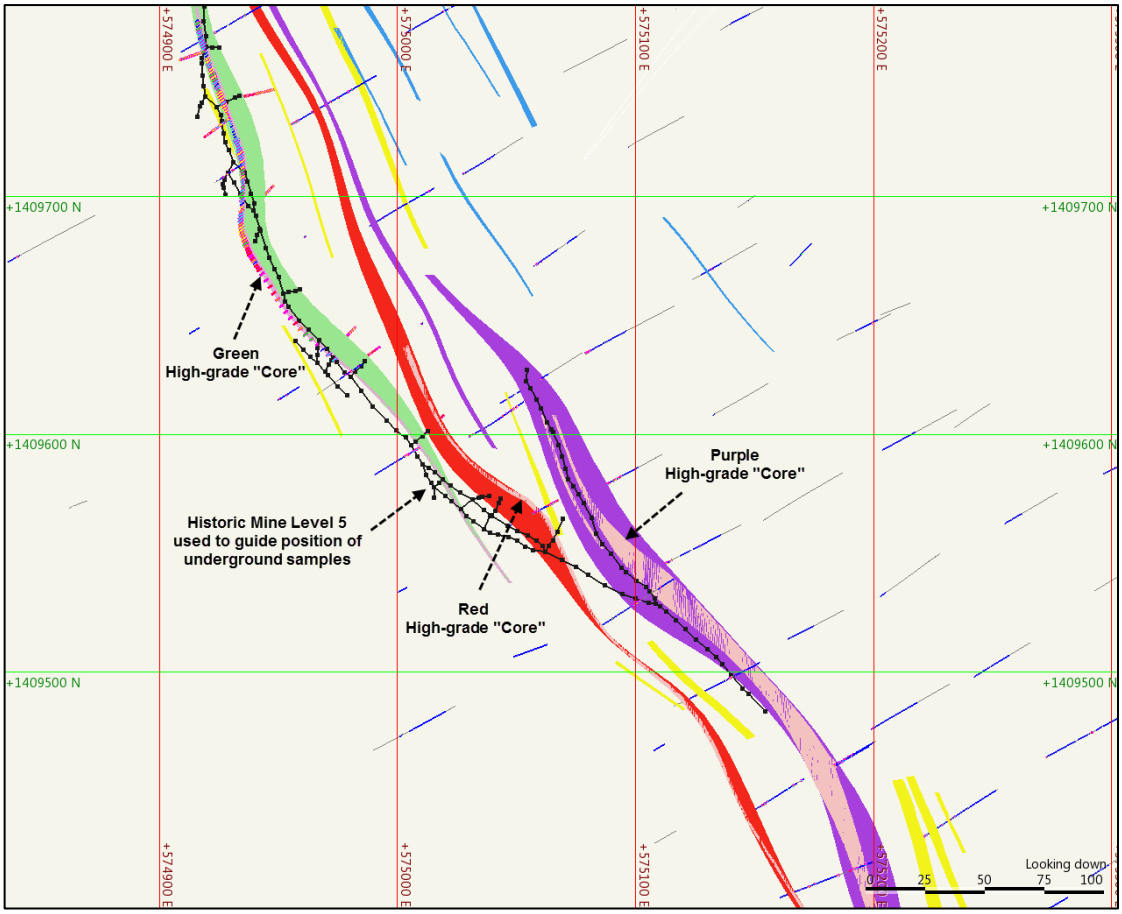

Figure 13-4: La India Deposit Plan Section 315 (Mine Level 5), showing interpreted step-across of historic mining development from hanging wall to footwall structure; November 2013

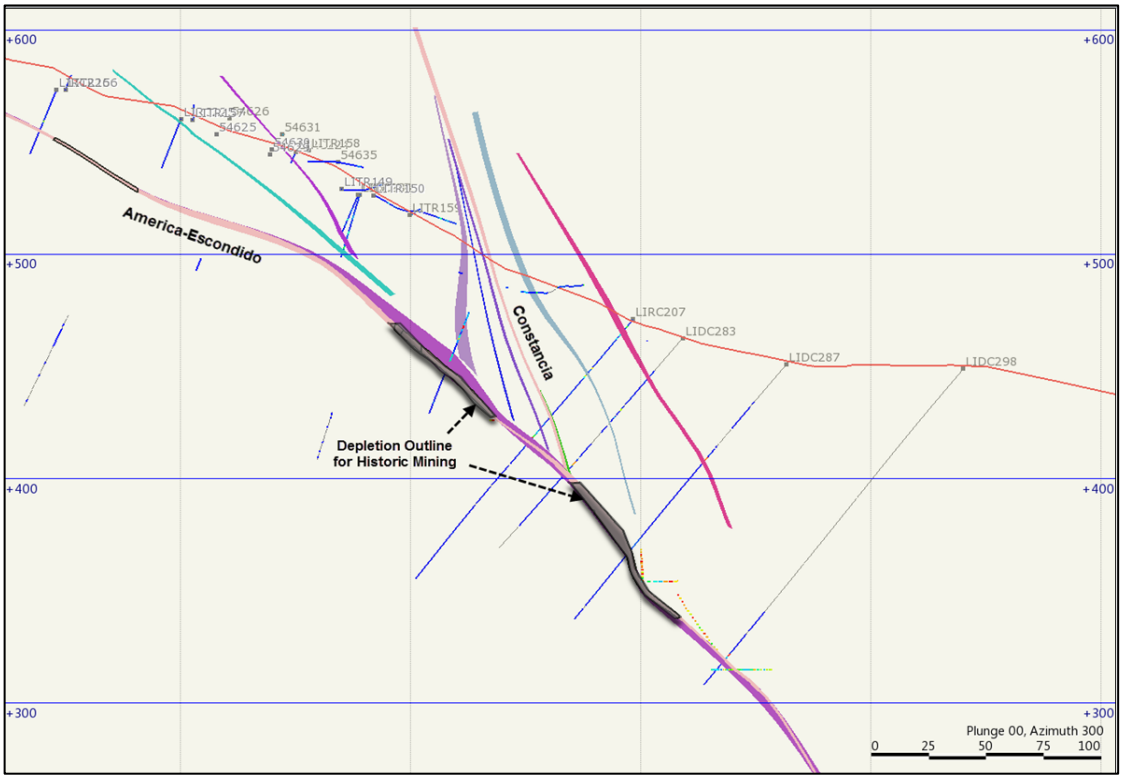

Figure 13-5: America Project Cross Section (Y=1411570), showing the junction of the America-Escondido and Constancia Veins; November 2013

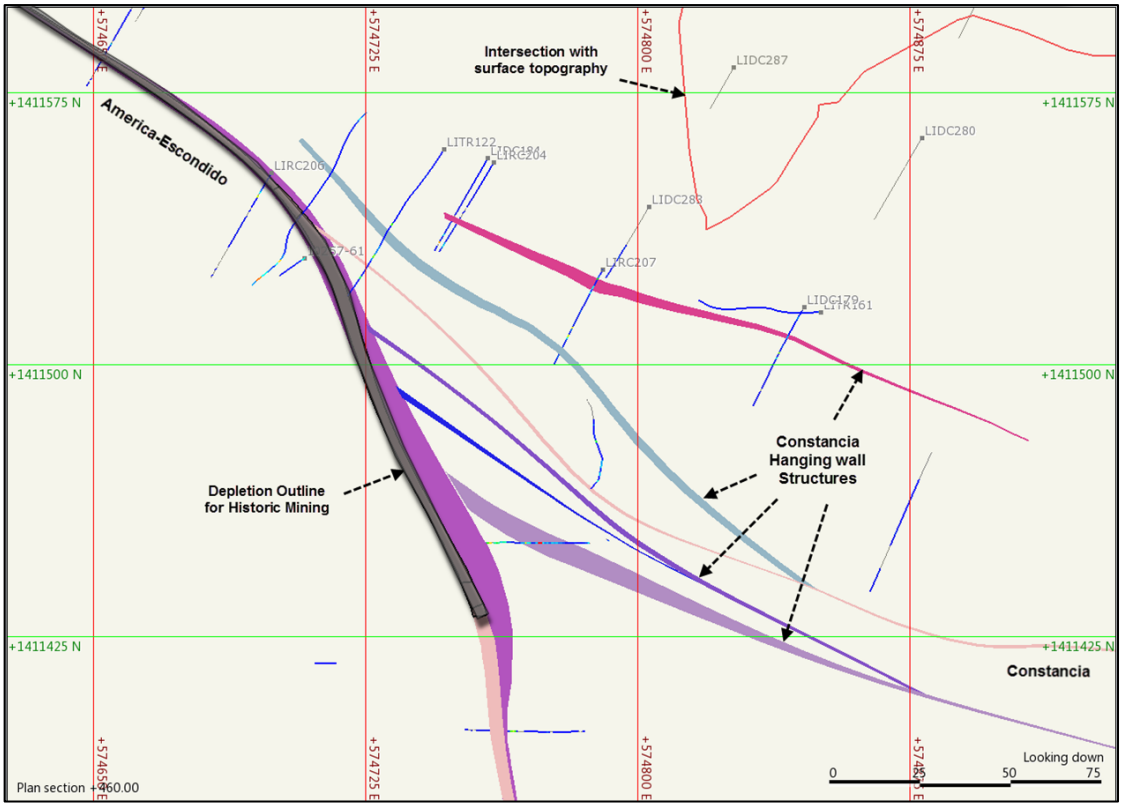

Figure 13-6: America Project Plan Section 460, showing vein strike orientation and position of the mineralisation in the Hanging wall of Constancia; November 2013

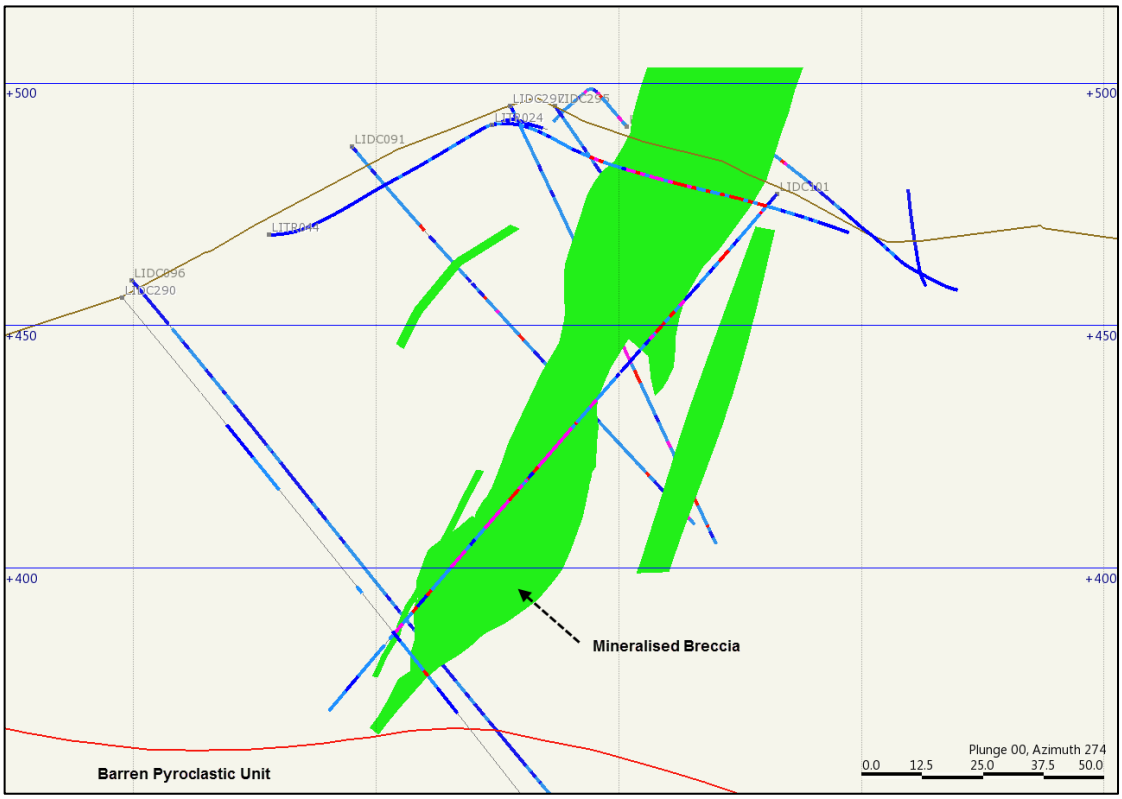

Figure 13-7: Central Breccia Cross Section (X=576572); November 2013

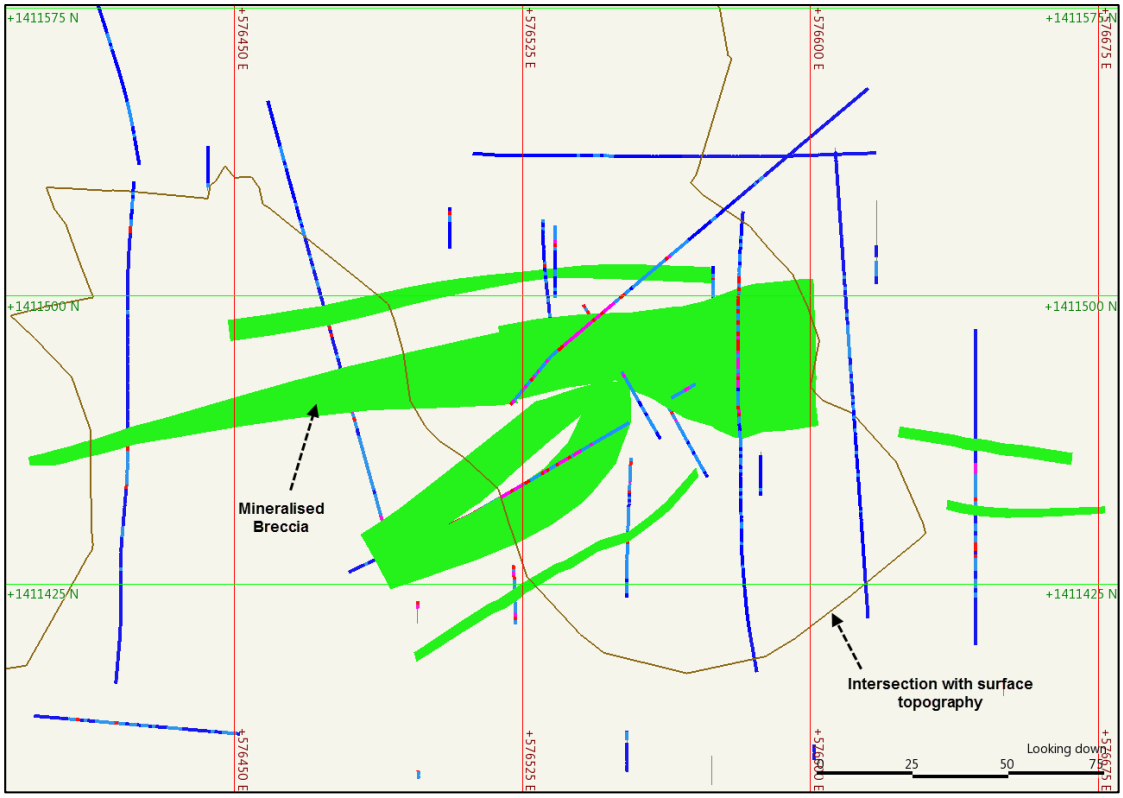

Figure 13-8: Central Breccia Plan Section 470, showing vein strike orientation and intersection with surface topography; November 2013

13.5.4 Mine Depletion

For the November 2013 update, the underground sampling was re-projected to fit with the mining void data recorded in borehole logs, enabling a more accurate sample positioning in relation to the upper levels of the La India and America Mines. The thickness data associated with the borehole mining voids has been used in combination with the current underground samples (and associated widths) to create a depletion volume (inside 2D long-section depletion outlines) in an attempt to accurately remove the mined areas from the mineralisation model.

Based on the current work by SRK it is estimated that a total of some 860,000 tonnes at 8.3 g/t gold for some 230,000 oz of gold has been mined on La India, and some 410,000 tonnes at 9.5 g/t gold for some 125,000 oz of gold has been mined on America from within the SRK defined depletion volumes, plus 170,000 tonnes at 7.85 g/t for 43,000 oz of gold from the remaining other veins.

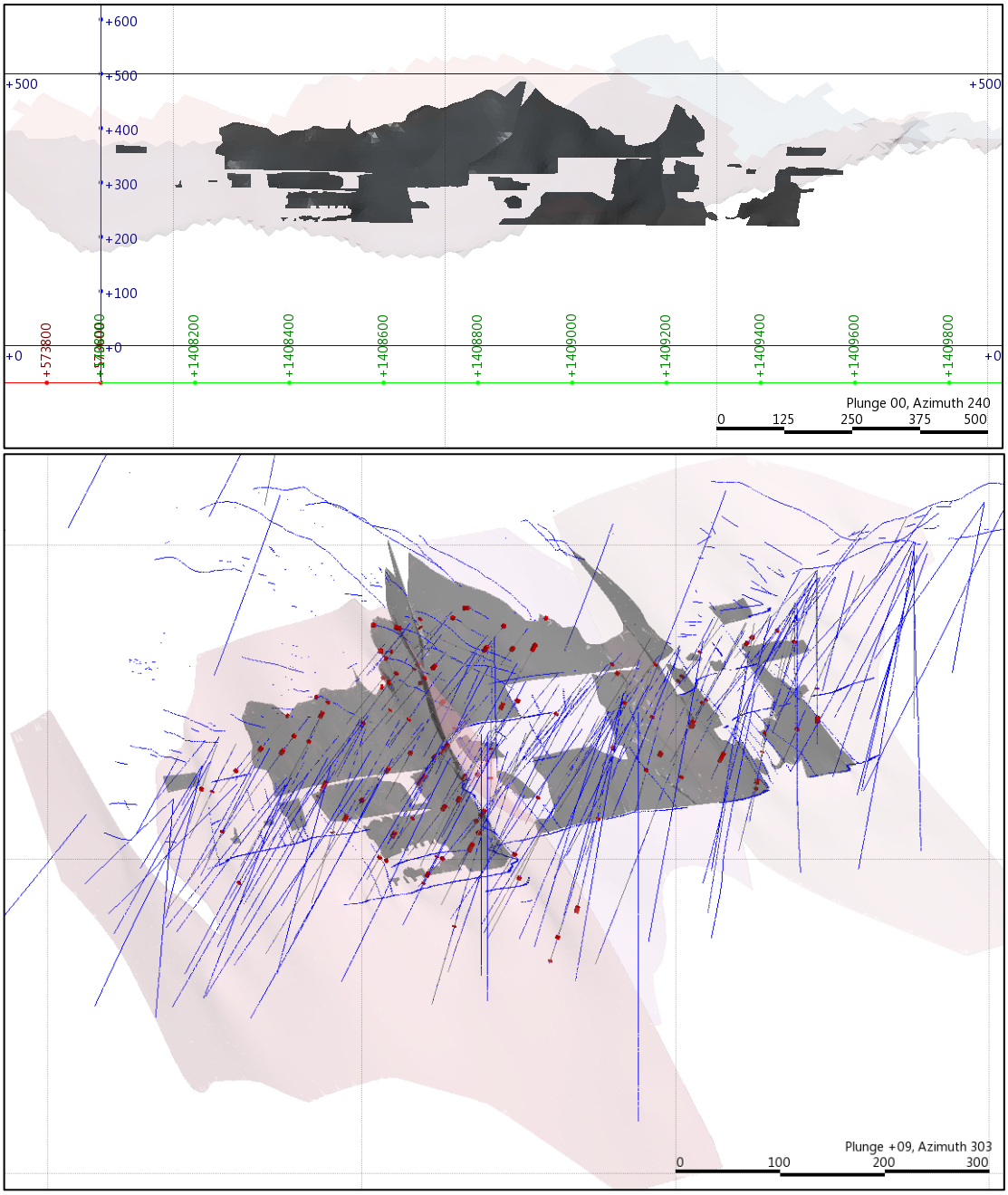

Figure 13-9: Long section of the La India Mining depletion (green) outline within 2013 Whittle pit (top); 3D view of depletion within (pink) HGC domain (bottom)

13.6 Compositing

Prior to the undertaking of a statistical analysis, the samples were composited into equal lengths to provide a constant sample volume, honouring sample support theories.

SRK analysed the mean length of the underground channel, trench and drillhole samples in order to determine appropriate composite lengths. At La India and America the mean length of the sample data approximates to 1.0 m (Figure 13-10), suggesting that a composite length of 1.0 – 2.0 m is appropriate. The 2.0 m composite length was selected given indication from composite length analysis (completed during the previous SRK Mineral Resource Estimate) for a reasonable reconciliation to the raw data mean grade whilst allowing an overall reduction to the variance. SRK also elected to use the option within Datamine to utilise all sampling within the flagged veins (MODE=1), which enables more of the narrower vein samples to be incorporated in to the composites while limiting any potential bias.

For the Central Breccia deposit the mean length of the sample data approximates to 1.0 m, however given the broad nature of the zones of mineralisation (with the average mineralised intercept length greater than 10 m), SRK selected a 3.0 m composite which provided a reasonable reconciliation to the mean grade and sufficiently reduced the variance, whilst retaining an appropriate number of samples for grade interpolation. A composite length analysis was completed for the Central Breccia deposit (to test the sensitivity of the mean and variance on composite length), with the results illustrated in Appendix A.

In summary, the compositing utilised for the November 2013 Mineral Resource Estimates is shown below.

- La India and America: 2.0 m composite; 0.25 m minimum sample length;
- Central Breccia: 3.0 m composite; 1.0 m minimum sample length.

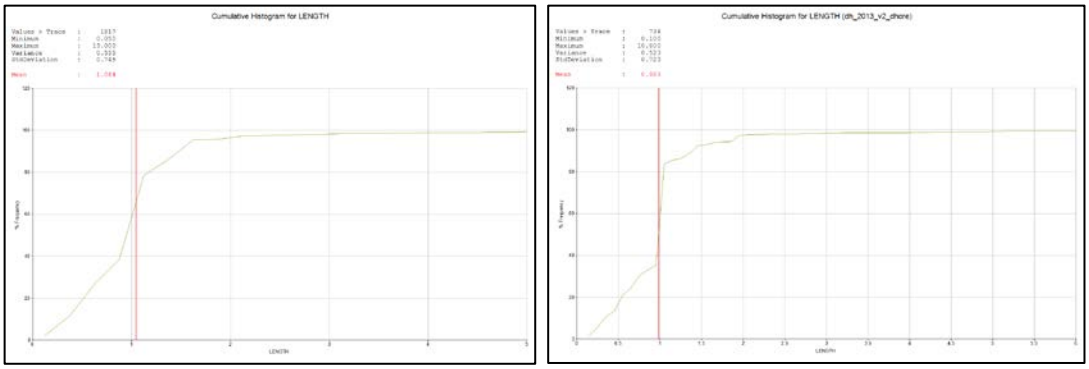

Figure 13-10: Cumulative Histogram Showing the Mean Length of Raw Samples within the Modelled La India (left) and America (right) Mineralised Domains

13.7 Evaluation of Outliers

High grade capping is undertaken where data is no longer considered to be part of the main population. SRK has completed the analysis of the composited data based on log probability plots, raw and log histograms which can be used to distinguish the grades at which samples have significant impacts on the local estimation and whose affect is considered extreme.

Log histograms and log-probability plots (as illustrated in Figure 13-11) related to the November 2013 Resource model updates are shown per domain in Appendix C.

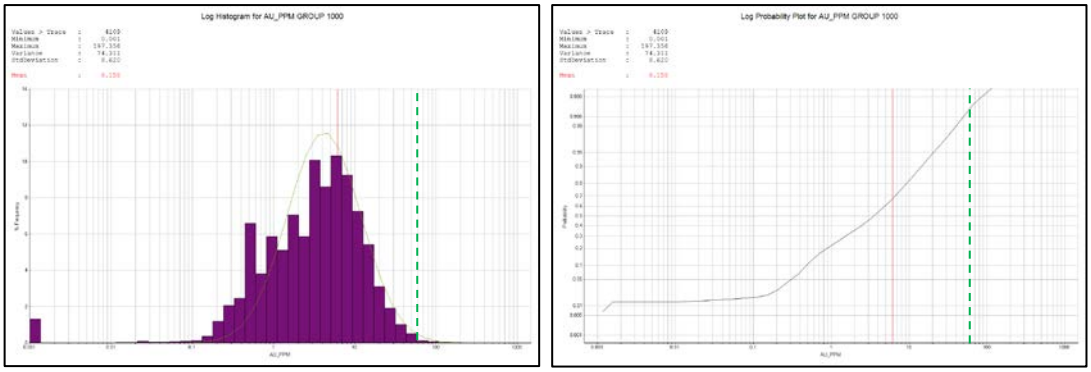

Figure 13-11: Log Histogram and Log Probability Plot for gold at La India – La India (Main/ GROUP 1000) samples showing selected grade capping

Table 13-2 and Table 13-3 show the selected capping limits (based on the analysis) and a comparison of the mean grades within each domain based on the grade capping applied.

The results show in general the reduction in gold grade is in the order of 0–2% with the exception of La India (Breccia Zone), Constancia, Cacao and Buenos Aires which have reductions of -9.5%, -6.1%, -11.0% and -11.0% respectively. These reductions are caused by the skewed raw data population with isolated outlier high-grade samples. The large drop in grade at Buenos Aires is also influenced by the relatively small sample population. In terms of the silver, whilst there is a discrepancy in percentage terms where the cap has been applied, the corresponding differences in mean grade can be attributed to a few isolated outlier high-grade samples.

Overall, SRK deems the global reduction in the grade to be within acceptable margins.

Table 13-2: Analysis of Mean Gold Grades per Vein before and After Grade Capping; November 2013*

Deposit	Field	Count	Min	Max	Mean (g/t)	Cap (g/t)	Var	Std Dev	Cov	% Diff	Abs Mean Diff
Agua Caliente	AU	125	0.59	89.14	8.90	60	78.36	8.85	0.99	-2.45	0.21
	AUCAP	125	0.59	60.00	8.69		50.39	7.10	0.82		
America-Escondido	AU	3086	0.00	161.70	8.06	95	124.76	11.17	1.38	-1.07%	0.09
	AUCAP	3086	0.00	95.00	7.98		105.49	10.27	1.29		
Arizona	AU	238	0.00	23.30	5.17	25	24.42	4.94	0.96	0.00	0.00
	AUCAP	238	0.00	23.30	5.17		24.42	4.94	0.96		
Buenos Aires	AU	76	0.00	59.50	9.03	30	115.23	9.11	1.01	-11.02	0.90
	AUCAP	76	0.00	30.00	8.13		70.79	7.25	0.89		
Cacao	AU	572	0.01	99.70	1.03	25	12.38	2.07	2.02	-11.04	0.10
	AUCAP	572	0.01	25.00	0.92		3.21	1.12	1.21		
Central Breccia	AU	169	0.02	17.70	1.70	-	6.21	2.49	1.46	-	-
	AUCAP	169	0.02	17.70	1.70		6.21	2.49	1.46		
Constancia	AU	1367	0.00	566.00	10.89	110	505.76	22.49	2.07	-6.06%	0.66
	AUCAP	1367	0.00	110.00	10.23		172.84	13.15	1.29		
Espinito	AU	457	0.03	62.77	9.20	50	80.23	8.96	0.97	-0.51	0.05
	AUCAP	457	0.03	50.00	9.15		76.11	8.72	0.95		
Guapinol	AU	388	0.05	60.65	6.93	40	45.64	6.76	0.97	-1.41%	0.10
	AUCAP	388	0.05	40.00	6.84		37.13	6.09	0.89		
La India/ California (Main)	AU	4109	0.00	197.36	6.16	60	74.31	8.62	1.40	-1.26%	0.08
	AUCAP	4109	0.00	60.00	6.08		59.18	7.69	1.27		
La India/ California (Hanging wall)	AU	105	0.19	26.69	2.50	-	17.54	4.19	1.68	-	-
	AUCAP	105	0.19	26.69	2.50		17.54	4.19	1.68		
La India/ California (Breccia Zone)	AU	97	0.00	55.70	6.42	72	53.45	7.31	1.14	-9.51%	0.61
	AUCAP	97	0.00	20.00	5.81		17.66	4.20	0.72		
San Lucas	AU	839	0.00	73.70	6.03	50	53.02	7.28	1.21	-1.12	0.07
	AUCAP	839	0.00	50.00	5.97		45.79	6.77	1.13		
Tatiana	AU	68	0.05	45.80	4.84	30	26.13	4.67	0.97	-1.82	0.09
	AUCAP	68	0.05	30.00	4.76		20.75	4.24	0.89		
Teresa	AU	281	0.00	72.80	11.11	60	140.34	11.85	1.07	-0.77%	0.09
	AUCAP	281	0.00	60.00	11.03		131.09	11.45	1.04		

*Note that the Cristalito-Tatascame vein has not been updated from the initial SRK resource estimate (dated June 2011), given no changes to the sample database. It is therefore excluded from the November 2013 grade capping summary statistics. Full statistics for Cristalito-Tatascame are provided in the SRK June 2011 Resource Report.

Table 13-3: Analysis of Mean Silver Grades per Vein before and After Grade Capping; November 2013*

Deposit	Field	Count	Min	Max	Mean (g/t)	Cap (g/t)	Var	Std Dev	Cov	% Diff	Abs Mean Diff
America-Escondido	AG	266	0.10	86.67	6.03	-	64.19	8.01	1.33	-	-
	AGCAP	266	0.10	86.67	6.03		64.19	8.01	1.33		
Constancia	AG	100	0.10	85.07	6.19	-	180.64	13.44	2.17	-	-
	AGCAP	100	0.10	85.07	6.19		180.64	13.44	2.17		
La India/ California (Main)	AG	1321	0.10	834.03	5.97	100	670.73	25.90	4.34	12.70%	0.76
	AGCAP	1321	0.10	100.00	5.21		96.96	9.85	1.89		
La India/ California (Hanging wall)	AG	105	0.30	72.21	5.81	-	104.30	10.21	1.76	-	-
	AGCAP	105	0.30	72.21	5.81		104.30	10.21	1.76		
La India/ California (Breccia Zone)	AG	8	0.54	4.08	1.90	-	1.44	1.20	0.63	-	-
	AGCAP	8	0.54	4.08	1.90		1.44	1.20	0.63		

*Note no silver assays exist for the underground sample database

13.8 Geostatistical Analysis

Variography is the study of the spatial variability of an attribute, in this case gold ("Au") and silver ("Ag") grade. ISATIS Software ("Isatis") was used for geostatistical analysis for the Project. In order to define variograms of sufficient clarity, the data has been calculated using a Pairwise Relative Variogram in Isatis, with the resultant variograms rescaled to the variance of a given zone.

In completing the analysis the following has been considered:

- azimuth and dip of each zone was determined;
- the down-hole variogram was calculated and modelled to characterise the nugget effect;
- experimental Pairwise Relative semi-variograms, were calculated to determine directional variograms for the along strike, cross strike and down-dip directions;
- directional variograms were modelled using the nugget and sill defined in the down-hole variography, and the ranges for the along strike, cross strike and down-dip directions; and
- (where relevant) all variances were re-scaled for each mineralised lens to match the total variance for that zone.

Directional Pairwise Relative variograms were attempted for all vein zones. The resultant experimental semi-variograms were in general poorly defined and therefore pairwise omni-directional structures were selected for fitting of the final variogram models.

An example of the pairwise relative variograms modelled for the La India "Main" and "Hanging Wall" mineralisation domains (GROUP 1000, 2000) for gold are shown in Figure 13-12, with variograms modelled for the America domains (America-Escondido and Constancia) for gold shown in Figure 13-13, and variograms for all zones shown in Appendix D.

Full geostatistical studies for gold per vein zone (for the deposits not updated as part of the current study) were undertaken during the SRK resource estimates dated June 2011 and December 2011.

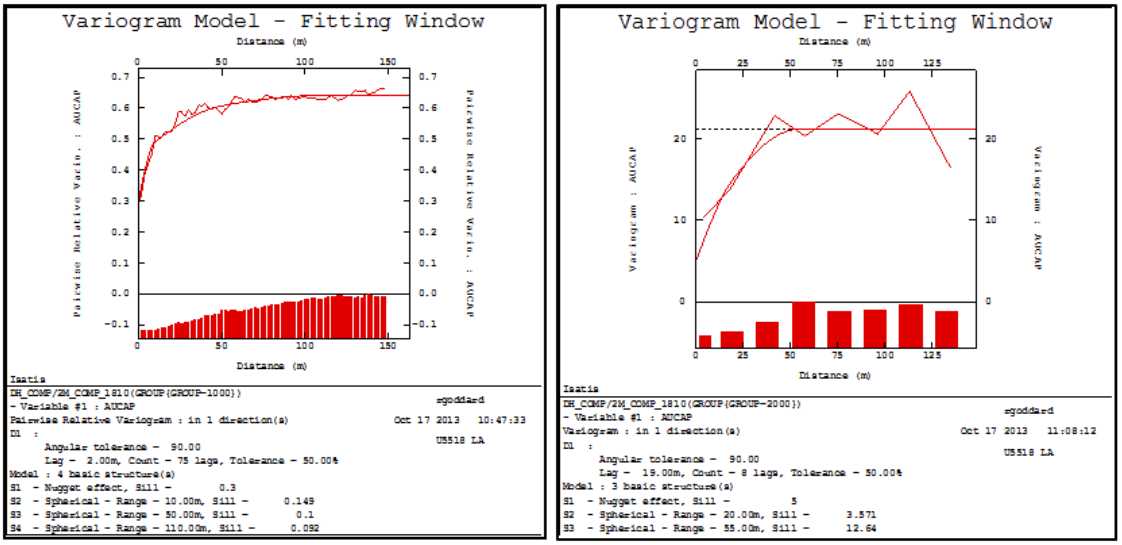

Figure 13-12: Summary of modelled semi-variogram parameters for the La India "Main" and "Hanging Wall" mineralisation domains (GROUP 1000, 2000) for gold (shown left and right); November 2013

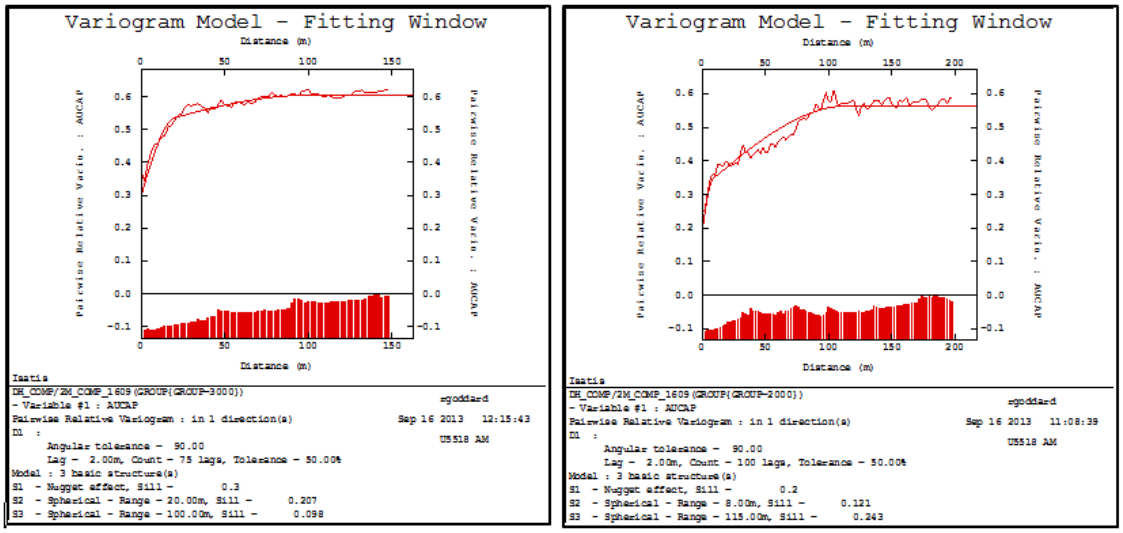

Figure 13-13: Summary of modelled semi-variogram parameters for the America "America-Escondido" and "Constancia" mineralisation domains (GROUP 3000, 2000) for gold (shown left and right); November 2013

When compared to the previous Mineral Resource Estimates, the approach to modelling the variograms and associated parameters remains reasonably consistent with previous interpretations for La India and America, with the exception of the following key differences:

- Separate variograms modelled for the La India "Main" and "Hanging Wall" domains. SRK noted a reduction in the nugget (from 45% to 25%) and range (from 110 m to 55 m) in the "Hanging Wall" structures when compared to the La India "Main" domain, which is consistent with the interpretation for relatively discontinuous "Hanging Wall" lenses.

The final variogram parameters for the Project are displayed in Table 13-4.

Table 13-4: Summary of semi-variogram parameters (November 2013)

Deposit	Variogram Parameter	Rotation Z	Rotation Y	Rotation X	Co	C1	A1 – Along Strike (m)	A1 – Down Dip (m)	A1 – Across Strike (m)	C2	A2 – Along Strike (m)	A2 – Down Dip (m)	A2 – Across Strike (m)	C3	A3 – Along Strike (m)	A3 – Down Dip (m)	A3 – Across Strike (m)	Nugget Effect (%)
La India/ California	AUCAP-GROUP 110	0	0	0	32.65	16.22	10	10	10	10.88	50	50	50	10.01	110	110	110	47%
	AUCAP-GROUP 120	0	0	0	5.60	2.78	10	10	10	1.87	50	50	50	1.72	110	110	110	47%
	AUCAP-GROUP 130	0	0	0	38.45	19.10	10	10	10	12.82	50	50	50	11.79	110	110	110	47%
	AUCAP-GROUP 140	0	0	0	25.05	12.44	10	10	10	8.35	50	50	50	7.68	110	110	110	47%
	AUCAP-GROUP 210	0	0	0	3.41	1.70	10	10	10	1.14	50	50	50	1.05	110	110	110	47%
	AUCAP-GROUP 220	0	0	0	4.16	2.07	10	10	10	1.39	50	50	50	1.28	110	110	110	47%
	AUCAP-GROUP 230	0	0	0	10.54	5.23	10	10	10	3.51	50	50	50	3.23	110	110	110	47%
	AUCAP-GROUP 240	0	0	0	1.99	0.99	10	10	10	0.66	50	50	50	0.61	110	110	110	47%
	AUCAP-GROUP 250	0	0	0	5.59	2.78	10	10	10	1.86	50	50	50	1.71	110	110	110	47%
	AUCAP-GROUP 260	0	0	0	45.34	22.52	10	10	10	15.11	50	50	50	13.91	110	110	110	47%
	AUCAP-GROUP 1000	0	0	0	27.70	13.76	10	10	10	9.23	50	50	50	8.49	110	110	110	47%
	AUCAP-GROUP 2000	0	0	0	4.13	2.95	20	20	20	10.45	55	55	55	0.00	0	0	0	24%
	AUCAP-GROUP 3000	0	0	0	8.27	4.11	10	10	10	2.76	50	50	50	2.54	110	110	110	47%
	AGCAP-GROUP 1000	0	0	0	47.14	23.89	5	5	5	14.61	30	30	30	11.31	150	150	150	49%
	AGCAP-GROUP 2000	0	0	0	45.74	26.23	15	15	15	32.33	65	65	65	0.00	0	0	0	44%
	AGCAP-GROUP 3000	0	0	0	0.70	0.36	5	5	5	0.22	30	30	30	0.17	150	150	150	49%
America	AUCAP-GROUP 2010	0	0	0	1.67	1.01	8	8	8	2.02	115	115	115	0.00	0	0	0	35%
	AUCAP-GROUP 2020	0	0	0	0.02	0.01	8	8	8	0.02	115	115	115	0.00	0	0	0	35%
	AUCAP-GROUP 2030	0	0	0	57.83	34.99	8	8	8	70.26	115	115	115	0.00	0	0	0	35%
	AUCAP-GROUP 2040	0	0	0	0.44	0.27	8	8	8	0.54	115	115	115	0.00	0	0	0	35%
	AUCAP-GROUP 2050	0	0	0	0.90	0.55	8	8	8	1.10	115	115	115	0.00	0	0	0	35%
	AUCAP-GROUP 2060	0	0	0	4.79	2.90	8	8	8	5.82	115	115	115	0.00	0	0	0	35%
	AUCAP-GROUP 2510	0	0	0	3.19	1.93	8	8	8	3.88	115	115	115	0.00	0	0	0	35%
	AUCAP-GROUP 2520	0	0	0	64.31	38.91	8	8	8	78.13	115	115	115	0.00	0	0	0	35%
	AUCAP-GROUP 3010	0	0	0	7.67	5.29	20	20	20	2.51	100	100	100	0.00	0	0	0	50%
	AUCAP-GROUP 3020	0	0	0	0.08	0.06	20	20	20	0.03	100	100	100	0.00	0	0	0	50%
	AUCAP-GROUP 3030	0	0	0	0.16	0.11	20	20	20	0.05	100	100	100	0.00	0	0	0	50%
	AUCAP-GROUP 3500	0	0	0	53.42	36.86	20	20	20	17.45	100	100	100	0.00	0	0	0	50%
	AGCAP-GROUP 2000	0	0	0	2.56	1.55	8	8	8	3.11	115	115	115	0.00	0	0	0	35%
	AGCAP-GROUP 3000	0	0	0	24.36	16.81	20	20	20	7.96	100	100	100	0.00	0	0	0	50%
Central Breccia	AUCAP-GROUP 100	0	0	0	0.08	0.26	6	6	6	0.06	70	70	70	0.00	0	0	0	20%
	AUCAP-GROUP 200	0	0	0	2.61	8.56	6	6	6	2.00	70	70	70	0.00	0	0	0	20%
	AUCAP-GROUP 300	0	0	0	0.13	0.42	6	6	6	0.10	70	70	70	0.00	0	0	0	20%
	AUCAP-GROUP 400	0	0	0	1.71	5.61	6	6	6	1.31	70	70	70	0.00	0	0	0	20%
	AUCAP-GROUP 500	0	0	0	0.05	0.16	6	6	6	0.04	70	70	70	0.00	0	0	0	20%
	AUCAP-GROUP 700	0	0	0	0.03	0.09	6	6	6	0.02	70	70	70	0.00	0	0	0	20%
	AUCAP-GROUP 800	0	0	0	0.01	0.02	6	6	6	0.00	70	70	70	0.00	0	0	0	20%
	AUCAP-GROUP 900	0	0	0	0.11	0.36	6	6	6	0.08	70	70	70	0.00	0	0	0	20%
	AUCAP-GROUP 1000	0	0	0	0.01	0.05	6	6	6	0.01	70	70	70	0.00	0	0	0	20%

13.9 Block Model and Grade Estimation

Block model prototypes were created per deposit area for the Project, based on UTM coordinates. Block model parent cells were chosen to reflect the average drillhole spacing along strike and on section, namely 25 x 25 x 25 m (X,Y,Z). For the La India, America and Central Breccia deposits, SRK has produced block models with a slightly reduced block dimension in the vertical orientation of 25 x 25 x 10 m (X,Y,Z) to improve the resolution for the potential for open pit extraction to be evaluated.

To improve the geometric representation of the geological model, sub-blocking is allowed initially to a resolution to a minimum of 1.0 m along strike, 1.0 m across strike and 1.0 m in the vertical direction. A summary of the block model parameters are included in Table 13-5.

Table 13-5: Details of Block Model Dimensions (November 2013)

Deposit	Dimension Axis	Origin Co-ordinate	Block Size (m)	Number of Blocks	Minimum Subcell size (m)
Agua Caliente	X	573400	25	58	1
	Y	1409600	25	36	None
	Z	-50	25	30	1
America	X	573400	25	110	1
	Y	1410750	25	74	0.5
	Z	-50	10	85	1
Arizona	X	574550	25	58	1
	Y	1409900	25	28	None
	Z	-50	25	30	1
Buenos Aires	X	573850	25	46	1
	Y	1413250	25	30	None
	Z	0	25	28	1
Cacao	X	579950	25	26	1
	Y	1411950	25	8	None
	Z	150	25	17	1
Central Breccia	X	576300	20	20	1
	Y	1411200	10	50	0.5
	Z	300	10	30	1
Cristalito-Tatascame	X	579000	25	32	1
	Y	1415100	25	12	None
	Z	-50	25	30	1
Espinito	X	572400	25	84	None
	Y	1412000	25	122	1
	Z	-50	25	30	1
Guapinol	X	572900	25	102	1
	Y	1411800	25	66	None
	Z	-50	25	30	1
La India/ California	X	574250	25	74	1
	Y	1408600	25	84	1
	Z	-200	10	100	1
San Lucas	X	572100	25	42	None
	Y	1409450	25	78	1
	Z	-50	25	30	1
Tatiana	X	573000	25	116	1
	Y	1412150	25	86	None
	Z	-150	25	54	1
Teresa	X	573400	25	58	1
	Y	1409600	25	36	1
	Z	-50	25	30	1

Using the wireframes created and described in Section 13.5 several codes have been written in the block model to describe each of the major geological properties of the rock types. Table 13-6 summarises geological fields created within the block model and the codes used.

Table 13-6: Summary of block model fields used for flagging different geological properties

Field Name	Description
SVOL	Search Volume reference (range from 1 - 3)
KV	Kriging Variance
SLOPE	Slope of regression
NSUM	Number of samples used to estimate the block
AU	Kriged gold value
AUIDW	IDW validation estimate for gold
AG	Kriged silver value
AUIDW	IDW validation estimate for silver
CLASS	Classification
GROUP	Mineralised structures grouped by domain
KZONE	Kriging zone for estimation
DENSITY	Density of the rock
DEPL	Flag to denote depleted areas of model
TTHK	True thickness estimate using wireframe data
AUGMT	Accumulated gold grade (AU*TTHK)
HG	High grade sliding cap zone
LG	Low grade sliding cap zone

13.10 Final Kriging Parameters

Ordinary Kriging ("OK") was used for the grade interpolation for the Project and all major domain boundaries have been treated as hard boundaries during the estimation process, with the exception of the Central Breccia deposit whereby selected coalescing structures share the influence of certain mineralised sample intervals. For the 2013 Resource update more localised search ellipses have been used in areas of infill drilling, to reflect the closer data spacing and hence better informed local block grade estimates.

Restrictive searches have been used locally on the high-grade "core" (HGC) at La India to prevent relatively very high gold grade samples in areas of lower drilling density from over influencing the surrounding block estimates, and thus honouring the geological interpretation (for a variable gold grade distribution) favoured by SRK and the Company.

The selected OK parameters are based on the results of a quantitative Kriging Neighbourhood Analysis ("QKNA"), and are presented (where relevant, using Datamine field names, Table 13-7) in Table 13-8 and Table 13-9.

Table 13-7: Summary of Datamine Field Names for Estimation Parameters

Estimation Parameters 1	Description 1	Estimation Parameters 2	Description 2
ZONE	Kriging zone for estimation	SAXIS3	Search axis 3 (z)
ELEMENT	Element	MINNUM1	Minimum sample number (SVOL1)
SREFNUM	Search reference number	MAXNUM1	Maximum sample number (SVOL1)
SMETHOD	Estimation method (2 = OK)	SVOLFAC2	Search distance expansion (SVOL2)
SDIST1	Search distance 1 (dip)	MINNUM2	Minimum sample number (SVOL2)
SDIST2	Search distance 2 (strike)	MAXNUM2	Maximum sample number (SVOL2)
SDIST3	Search distance 3 (across strike)	SVOLFAC3	Search distance expansion (SVOL3)
SANGLE1	Search angle 1 (dip direction)	MINNUM3	Minimum sample number (SVOL3)
SANGLE2	Search angle 2 (dip)	MAXNUM3	Maximum sample number (SVOL3)
SANGLE3	Search angle 3 (plunge)	MAXKEY	Maximum number of samples per drillhole
SAXIS1	Search axis 1 (z)	SANGL1_F	Dynamic Anisotropy ("0" = not used)
SAXIS2	Search axis 2 (x)	SANGL2_F	

Table 13-8: Summary of Final (Datamine) Kriging Parameters for the La India Project

DEPOSIT	ZONE (GROUP/ KZONE)	ELEMENT	SREFNUM	SMETHOD	SDIST1	SDIST2	SDIST3	SANGLE1	SANGLE2	SANGLE3	SAXIS1	SAXIS2	SAXIS3	MINNUM1	MAXNUM1	SVOLFAC2	MINNUM2	MAXNUM2	SVOLFAC3	MINNUM3	MAXNUM3	MAXKEY	SANGL1_F	SANGL2_F
Agua Caliente	120	AUCAP	1	2	55	40	100	70	55	0	3	2	2	15	30	2	3	10	3	2	10	20	0	0
America-Escondido/ Constancia[1]	2000	AUCAP	1	2	120	120	90	0	0	0	3	1	3	15	30	1.5	5	30	4	2	25	20	TRDIPDIR	TRDIP
	3000	AUCAP	2	2	60	60	40	0	0	0	3	1	3	15	30	2	5	30	4	2	25	20	TRDIPDIR	TRDIP
	3010, 2040	AUCAP	3	2	60	60	20	0	0	0	3	1	3	5	10	1	3	10	1	1	10		TRDIPDIR	TRDIP
	3010, 2040	WR[2]	4	2	40	40	40	0	0	0	3	1	3	1	1	1	1	1	1	1	1		TRDIPDIR	TRDIP
	2000	AUCAP	5	2	60	40	45	20	70	80	3	1	3	15	30	1.5	4	30	3	2	25	20	0	0
	3000	AUCAP	6	2	60	25	40	35	55	-65	3	1	3	15	30	2	5	30	4	2	25	20	0	0
Arizona	110	AUCAP	1	2	80	40	100	5	60	-65	3	1	3	15	30	1.5	4	10	5	2	10	20	0	0
Buenos Aires	110	AUCAP	1	2	67.5	67.5	100	-55	60	0	3	2	3	6	18	1.5	4	24	2	2	24	25	0	0
Central Breccia	100,500,600	AUCAP	1	2	35	35	10	170	75	0	3	1	3	6	20	2	6	20	3	1	20	5	0	0
	400,800,900	AUCAP	2	2	35	35	10	180	60	0	3	1	3	6	20	2	6	20	3	1	20	5	0	0
	200,300,700	AUCAP	3	2	35	35	10	155	65	0	3	1	3	6	20	2	6	20	3	1	20	5	0	0
Espinito	100	AUCAP	1	2	45	45	100	-15	70	0	3	2	3	25	30	1.5	5	25	2.5	2	25	25	0	0
Guapinol	110	AUCAP	1	2	60	40	100	-70	65	-5	3	2	3	4	16	1.5	3	10	3	2	10	20	0	0
La India/ California[3]	KZONE<200	AUCAP	1	2	60	40	100	60	55	80	3	1	3	15	20	1.5	3	3	4	2	8		0	0
	GROUP1000	AUCAP	2	2	60	40	100	60	55	80	3	1	3	6	24	2	6	24	4	2	32		0	0
	GROUP2000	AUCAP	3	2	60	60	30	60	70	0	3	1	3	4	24	2	4	24	4	2	32		0	0
	GROUP3000	AUCAP	4	2	60	60	30	60	55	0	3	1	3	15	24	2	6	24	4	2	32		0	0
San Lucas	110	AUCAP	1	2	50	25	100	-25	-75	15	3	2	3	15	20	2	5	30	4	2	25	20	0	0
Tatiana	120, 130	AUCAP	1	2	112.5	75	75	215	63	0	3	1	3	6	16	1.33	4	24	1.66	2	32		0	0
Teresa	1000	AUCAP	8	2	55	40	100	70	80	0	3	2	2	15	30	2	3	10	3	2	10	20	0	0

[1]GROUP 2000 and 3000 relate to the Constancia and America-Escondido Veins respectively, whilst KZONE 2040 and 3010 (respectively) relate to the wall rock domains at Constancia and America-Escondido.

[2]WR relates to an indicator estimate for the presence of wall rock mineralisation, utilised in Classifying the estimated grade and tonnage in the wall rock domains.

[3]Restrictive searches (confined to visually selected areas on the La India HGC domain (KZONE 130)) at La India use a high grade cap of 60 g/t Au (within a 60 x 40 m radius), with lower cap at 30 g/t selected for the estimates outside of the restrictive search. A 10 g/t Au cap is used for the restrictive searches where lower grade samples are interpreted to have a greater influence on the block estimate. Capping limits were defined during outlier analysis from review of log histogram and probability plots, and from local visual assessments within the areas influenced by the restrictive search.

Table 13-9: Summary of Final (Isatis) Kriging Parameters for the La India Project

DEPOSIT	ZONE (GROUP/ KZONE)	ELEMENT	ROTATION AXIS						SEARCH RANGE			MIN	MAX	SECOND RANGE			MIN	MAX	THIRD RANGE			MIN	MAX	MAXKEY
			ANGLE1	AXIS	ANGLE2	AXIS	ANGLE3	AXIS	ALONG STRIKE	DOWN DIP	ACROSS STRIKE			ALONG STRIKE	DOWN DIP	ACROSS STRIKE			ALONG STRIKE	DOWN DIP	ACROSS STRIKE			
Cacao[1]	100,200	AUCAP	180	3	84	1	0	3	40	20	10	All samples in target block		40	20	10	4	18	100	70	20	4	18	2

[1]The format for the final kriging parameters for Cacao differs slightly from the other veins, given estimation using the Isatis software. In this case the Isatis option of using all samples within the target block (for SVOL1 only) has been utilised to allocate an appropriate degree of confidence to local block estimates. QKNA has shown that removing this option has only minor sensitivity on the global mean grade and tonnage. The numerical references used to determine the Axis are converted as follows: 1 = X, 2 = Y and 3 = Z.

13.11 Model Validation and Sensitivity

13.11.1 Sensitivity Analysis

Grade estimation for the November 2013 Mineral Resource update was performed in Datamine using OK, based on optimum parameters determined through a Quantitative Kriging Neighbourhood Analysis ("QKNA") exercise. The exercise was based on varying kriging parameters during a number of different scenarios. The slope of regression, kriging variances, block estimates and percentage of blocks filled in each search were recorded and compared for each scenario. The following parameters were changed during the QKNA exercise:

- minimum number of samples;
- maximum number of samples; and
- search ellipse sizes.

The QKNA exercise for November 2013 has focused on the areas of recent infill drilling at the Project, completed most significantly on the La India and America deposits.

SRK initially focused testwork on increasing the block grade variability in the HGC domain within the drill defined areas down-dip of the La India mine. Whilst there is a degree of sensitivity in the mean block grade to a change in the estimation parameters (notably in relation to number of samples, Table 13-10), SRK noted an improved visual validation using a more localised search ellipse (appropriate to the spacing of the 2013 sample data) with a relatively low minimum and maximum number of samples. SRK has therefore reduced the size of the search ellipse and adjusted the minimum number of samples such that a minimum of 2 or 3 drillholes are used per block estimate in the down-dip areas that are appropriately informed with sample data.

At America, the indication for relatively high-grade variability from recent drilling on the Constancia vein (and hanging-wall structures) also warranted the use of a more localised search ellipse and a relatively low minimum number of samples in order to allow block grade estimates to (visually) better reflect the sample variability. SRK noted relatively limited sensitivity in the mean block grade to the change in the estimation parameters.

SRK also noted an improvement to the visual grade distribution at America in areas of significant vein flexure through use of dynamic block search parameters (Datamine's Dynamic Anisotropy). The use of dynamic searches has been applied for the wall-rock domains (to honour local variations in strike and dip) and at the southern extent of the America-Escondido vein, where the mineralised structure shows a significant change in strike orientation from NW-SE to N-S.

Table 13-10: QKNA Number of Samples for the La India Project; La India (Main) HGC Domain, KZONE 130 (November 2013)

DETERMINE MINIMUM SAMPLE NUMBER					GRADE						
RUN	Min	Max	Search	SVOL	AUOK	AUIDW	SLOPE	NUM	KV		% Fill
	15	20	60x40x100	1	9.55	9.53	0.49	20	18.89		33.0%
1	3	3	60x40x100	2	12.60	11.99	0.17	3	44.31		40.0%
	2	3	60x40x100	3	8.08	6.79	0.07	3	46.08		27.1%
	15	20	60x40x100	1	9.55	9.53	0.49	20	18.89		33.0%
2	4	4	60x40x100	2	12.86	12.63	0.19	4	40.28		35.5%
	2	4	60x40x100	3	9.91	8.23	0.09	4	40.38		31.5%
	15	20	60x40x100	1	9.55	9.53	0.49	20	18.89		33.0%
3	3	3	60x40x100	2	12.60	11.99	0.17	3	44.31		40.0%
	2	8	60x40x100	3	9.08	8.59	0.08	8	34.95		27.1%
	15	20	60x40x100	1	9.55	9.53	0.49	20	18.89		33.0%
4	4	4	60x40x100	2	12.86	12.63	0.19	4	40.28		35.5%
	2	8	60x40x100	3	9.47	9.06	0.10	8	33.85		31.5%
	15	20	60x40x100	1	9.55	9.53	0.49	20	18.89		33.0%
5	5	30	60x40x100	2	11.08	11.11	0.25	22	28.05		32.1%
	2	25	60x40x100	3	10.06	10.42	0.13	22	28.85		34.9%

During the testwork at La India, SRK also noted the tendency for the (relatively) very high gold grade samples in areas of lower drilling density (with highly variable gold grades) to over influence the surrounding local block estimates. In attempt to restrict the influence of these very high grade samples, without overly penalising the estimated block grades, SRK has created a restricted initial search for this domain that allows the full influence of the very high grades over a local scale, which is then followed by a non-restricted search that has less of an influence from the very high grade sample. SRK has also applied this methodology for selected lower grade samples where, locally the restrictive search allows the lower grade sample to have a greater influence on the block estimate.

The restricted searches have an ellipse size that is appropriate to the variogram range and sample distribution per vein, and have been applied for (visually) selected areas on the La India HGC domain (KZONE 130), Figure 13-14.

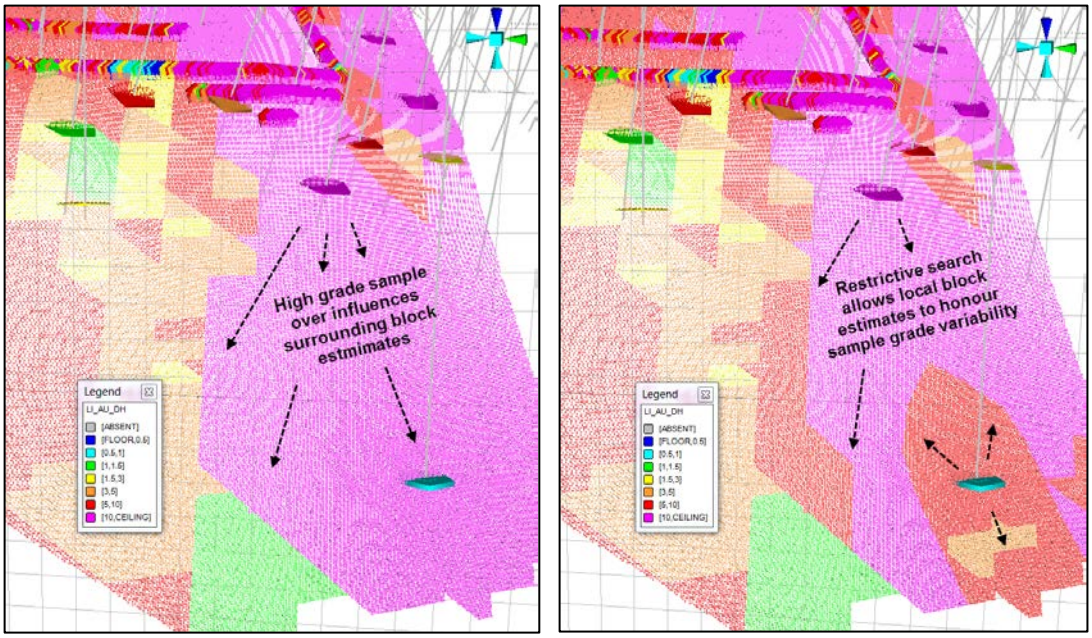

Figure 13-14: QKNA for use of Restrictive Searches within the La India (Main) HGC Domain, KZONE 130 (November 2013)

SRK is satisfied that no global bias is introduced through the final selected parameters, and considers the estimated block grades to appropriately honour the geological interpretation and grade variability.

13.12 Block Model Validation

SRK has validated the block model using the following techniques, with (where relevant) a relative block model density of 2.5 g/cm^3:

- visual inspection of block grades in comparison with drillhole data;
- sectional validation of the mean samples grades in comparison to the mean model grades; and
- comparison of block model statistics.

Visual Validation

Visual validation provides a comparison of the interpolated block model on a local scale. A thorough visual inspection has been undertaken in 3D, comparing the sample grades with the block grades, which demonstrates in general good comparison between local block estimates and nearby samples, without excessive smoothing in the block model. Figure 13-15 shows an example of the visual validation checks and highlights the overall block grades corresponding with composite sample grades. Further visual validation images are shown in Appendix E.

SRK note in a limited number of cases, within areas of low sample density (notably along strike or down-dip from more established underground sampling), local grade discrepancies do occur between composite and block grades (as a result of smoothing). The degree of smoothing has resulted in more averaged grades for the individual veins with more limited data. In areas of high levels of smoothing SRK has considered grade continuity as a factor during the classification process.

Sectional Validation

As part of the validation process, the input composite samples are compared to the block model grades within a series of coordinates (based on the principle directions). The results of which are then displayed on charts to check for visual discrepancies between grades. Figure 13-16 shows the results for the gold grades for the La India (Main) HGC domain (KZONE=130) based on section lines cut along Y-coordinates.

The resultant plots show a reasonable correlation between the block model grades and the composite grades, with the block model showing a typically smoothed profile of the composite grades as expected. SRK notes that in less densely sampled areas, minor grade discrepancies do exist on a local scale. However, overall, SRK is confident that the interpolated grades reflect the available input sample data and the estimate shows no sign of material bias.

Validation plots per deposit for gold (for selected domains) are shown in Appendix F, with full analysis for the deposits not updated during the current phase of work provided in the previous SRK Resource Report entitled: NI43-101 Mineral Resource Estimate on the La India Gold Project, Nicaragua, dated 14 September 2012.

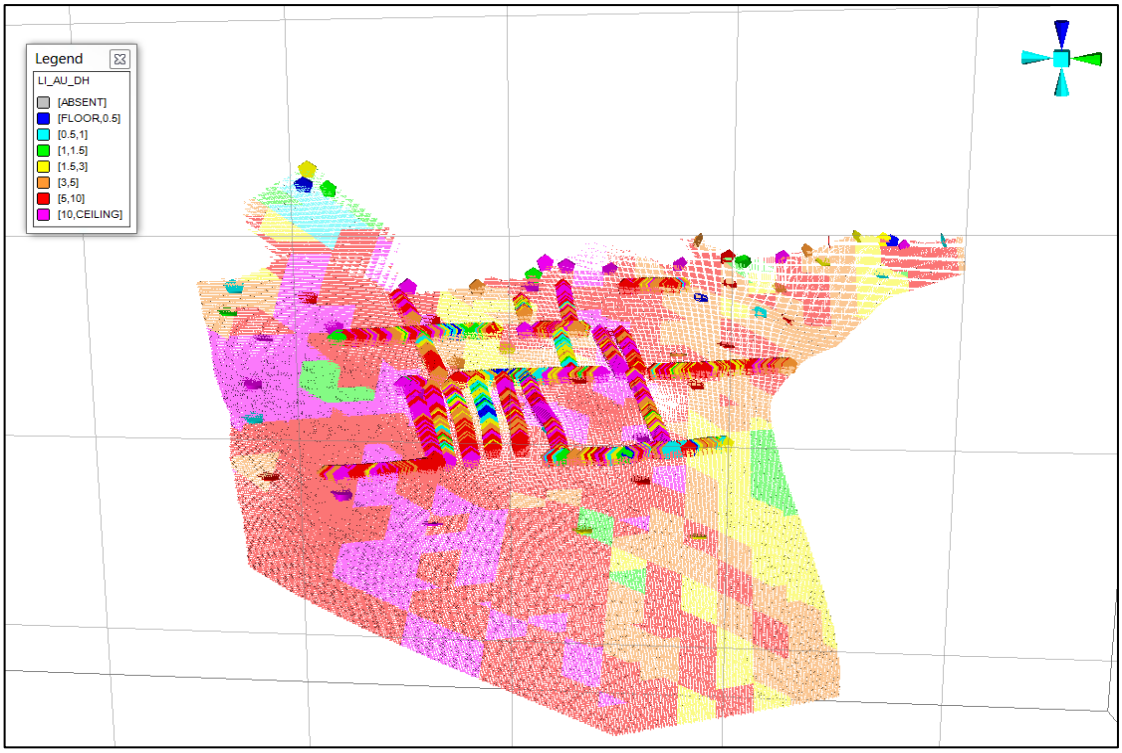

Figure 13-15: La India Block Model 3D projection showing visual validation of modelled boreholes intercepts to grade estimates on HGC KZONE 140; November 2013

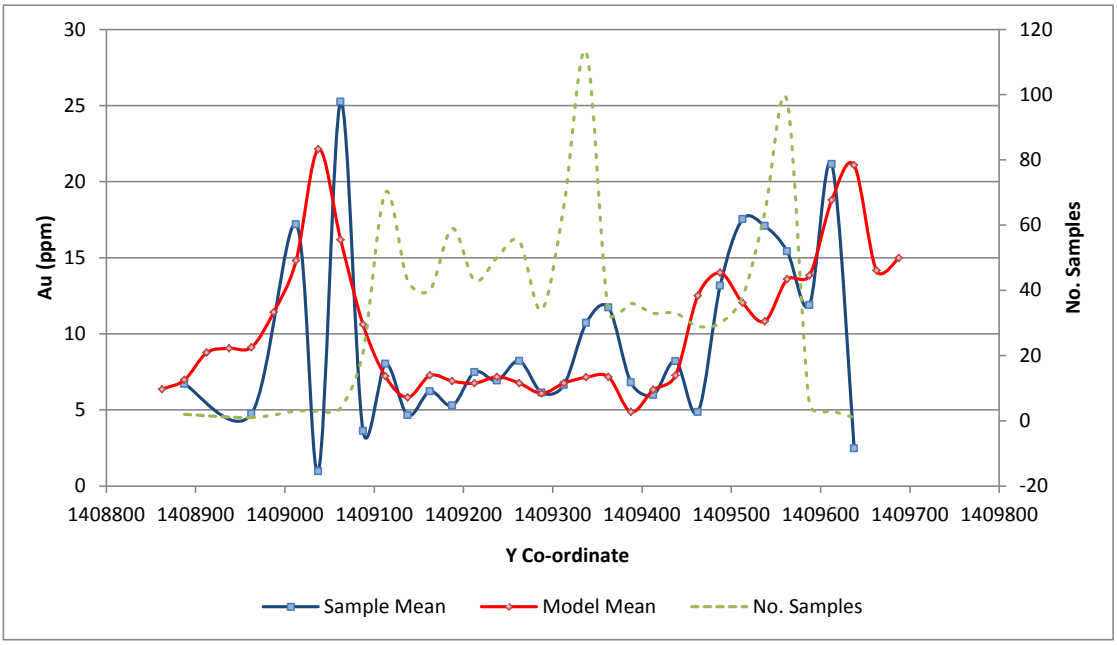

Figure 13-16: Validation Plot (Northing) showing Block Model Estimates versus Sample Mean (25m Intervals) for KZONE 130

Statistical Validation

The block estimates for November 2013 have been compared to the mean of the composite samples (Table 13-11, La India Deposit) which indicate the overall percentage difference in the mean gold grades typically vary between 1% – 10% in terms of the OK estimates versus the composites, which SRK deems to be within acceptable levels.

SRK notes a higher percentage difference in the means for the La India Main (WR) zone KZONE 220, which is as a result of the sample mean being skewed by a few high grade underground samples that influence a relatively small proportion of the tonnage.

Statistical comparisons are provided per deposit for gold and silver in Appendix G, with descriptive analysis provided for deposits not updated for the current phase of work in the previous SRK Resource Report.

Based on the visual, sectional and statistical validation results SRK has accepted the grades in the block model.

Table 13-11: Summary Block Statistics for Ordinary Kriging and Inverse Distance Weighting Estimation Methods at La India for gold*

GROUP	KZONE	FIELD	ESTIMATION METHOD	Composite Mean AU (g/t)	Declustered Mean AU (g/t)	Block Estimate AU (g/t)	% Difference AU	Absolute Difference AU (g/t)
1000	110	AU	OK	6.25	5.71	5.50	-3.8%	0.22
		AUIDW	IDW	6.25	5.71	5.43	-4.9%	0.28
	120	AU	OK	4.47	3.44	3.38	-1.9%	0.06
		AUIDW	IDW	4.47	3.44	3.11	-9.8%	0.34
	130	AU	OK	9.39	9.81	10.46	6.7%	0.65
		AUIDW	IDW	9.39	9.81	10.50	7.0%	0.69
	140	AU	OK	7.16	7.65	8.38	9.6%	0.74
		AUIDW	IDW	7.16	7.65	8.15	6.6%	0.50
	210	AU	OK	1.98	1.93	1.92	-0.7%	0.01
		AUIDW	IDW	1.98	1.93	1.95	0.9%	0.02
	220	AU	OK	1.77	1.59	1.39	-12.7%	0.20
		AUIDW	IDW	1.77	1.59	1.42	-10.9%	0.17
	230	AU	OK	3.04	2.36	2.31	-2.2%	0.05
		AUIDW	IDW	3.04	2.36	2.39	1.0%	0.02
	240	AU	OK	1.90	1.96	1.97	0.2%	0.00
		AUIDW	IDW	1.90	1.96	2.03	3.4%	0.07
	250	AU	OK	2.48	2.37	2.36	-0.5%	0.01
		AUIDW	IDW	2.48	2.37	2.58	8.9%	0.21
	260	AU	OK	5.26	5.14	5.12	-0.4%	0.02
		AUIDW	IDW	5.26	5.14	4.86	-5.5%	0.28
	301 - 329	AU	OK	1.23	1.29	1.30	0.7%	0.01
		AUIDW	IDW	1.23	1.29	1.32	2.3%	0.03
2000	410 - 530	AU	OK	2.50	2.61	2.59	-0.5%	0.01
		AUIDW	IDW	2.50	2.61	2.41	-7.6%	0.20
3000	610	AU	OK	6.63	6.45	6.47	0.3%	0.02
		AUIDW	IDW	6.63	6.45	6.50	0.9%	0.06
	620	AU	OK	3.20	3.77	3.61	-4.1%	0.15
		AUIDW	IDW	3.20	3.77	2.90	-9.2%	0.29
	630	AU	OK	0.95	0.96	0.96	0.0%	0.00
		AUIDW	IDW	0.95	0.96	0.97	1.5%	0.01
	640	AU	OK	1.06	1.06	1.03	-2.3%	0.02
		AUIDW	IDW	1.06	1.06	1.14	7.3%	0.08
	650	AU	OK	2.82	2.49	2.61	5.1%	0.13
		AUIDW	IDW	2.82	2.49	2.81	-0.1%	0.00

*Note: (1) The raw composite mean has (where appropriate) been used in place of the declustered mean for optimal statistical comparison with the block estimate; (2) KZONE comparisons combined per GROUP have been made for the hanging wall structures that occur spatially along the same trend.

13.13 Mineral Resource Classification

Block model quantities and grade estimates for the La India Project were classified according to the CIM Definition Standards for Mineral Resources and Mineral Reserves (December 2005).

Mineral Resource classification is typically a subjective concept, industry best practices suggest that resource classification should consider both the confidence in the geological continuity of the mineralized structures, the quality and quantity of exploration data supporting the estimates and the geostatistical confidence in the tonnage and grade estimates. Appropriate classification criteria should aim at integrating both concepts to delineate regular areas at similar resource classification.

Data quality, drillhole spacing and the interpreted continuity of grades controlled by the mineralisation domains have allowed SRK to classify portions of the deposits in the Indicated and Inferred Mineral Resource categories.

Whilst the classification criteria remains in line with the previous SRK Mineral Resource Estimates, full details of classification methodology for the deposits not updated as part of the current phase of work are provided in the previous SRK Resource Report entitled: NI43-101 Mineral Resource Estimate on the La India Gold Project, Nicaragua, dated 14 September 2012.

The following guidelines apply to SRK's classification:

Measured

No Measured Mineral Resources have been reported due to the variability between section lines of the geological continuity of the veins, the relatively high nugget variance seen in the semi-variogram (relating to low geostatistical confidence), and the reliance of a significant proportion of block estimates on historical underground sampling and associated historic mine depletion surveys. Further work via DD drilling or underground sampling if the historical adits can be opened under safe working conditions, will be required by the Company before it is considered possible to declare Measured Mineral Resources.

Indicated

Indicated Mineral Resources are those which have grade interpolated using typically more than three boreholes/channels used for the estimates, within domains which are deemed to have sufficient geological and grade continuity. Indicated Mineral Resources for the November 2013 update have been given at the following approximate data spacing, as function of the confidence in the geological interpretation, grade estimates and modelled variogram ranges:

- at La India; 50x50 m (X,Y) from the nearest sample. The Company's latest infill drilling program on the La India Project has significantly increased the size of the geological database for 2013. As a result, the geological understanding and model interpretation is now more robust, such that additional grade and tonnage estimates have been classified at the Indicated level of confidence. However, given the uncertainty in some of the geological interpretation within the hanging wall structures which have currently been drilled to 50x50 m, SRK has taken the decision to keep these as Inferred until improved geological confidence can be placed in the orientation of the mineralisation. Selected infill maybe required to convert these Mineral Resources to Indicated; and;

- at America; 20x20 m (X,Y) from the nearest sample, limited to the areas surrounding the historical underground mine sampling. Geological modelling of the wall rock has been difficult based on a 50 x 50m drilling pattern due to historical mining activity whereby portions of the wall rock have potentially been mined.

For the Central Breccia deposit, an Indicated Mineral Resource has not been quoted for the deposit at this stage given the noted lack of geological continuity between drill sections, and based on the current level of data. Targeted infill drilling is required to add confidence to current geological interpretation and local block grade estimates, prior to reporting material in the Indicated category.

Inferred

Inferred Mineral Resources comprise the blocks that display reasonable strike continuity and down-dip extension based on the current borehole intersections, limited to within distances to reflect the geological confidence and variogram ranges, and no further than 100 m beyond sample data. The majority of these blocks have been estimated within search volumes 2 or 3 and therefore require infill drilling to improve the quality of the geological interpretation and grade estimate. Inferred Mineral Resources have been given at the following approximate data spacing:

- at La India; approximately 60-70 m from the nearest sample;
- at America; approximately 60-70 m from the nearest sample. For the wall-rock domains, given the interpretation of a variable continuity along the strike of the vein, SRK has restricted Inferred block grade estimates to within a 40 m radius of sample data to reflect the limit of visual continuity and initial variogram ranges;
- at Central Breccia; approximately 70 m from the nearest sample.

SRK has only allowed extrapolation of the Inferred Mineral Resource below trenches where the down-dip continuity is supported adjacent to them on the same vein, and here extrapolated the Inferred boundary down-dip to 50 m.

An example of SRK's Mineral Resource classification for the La India deposit is shown in Figure 13-17.

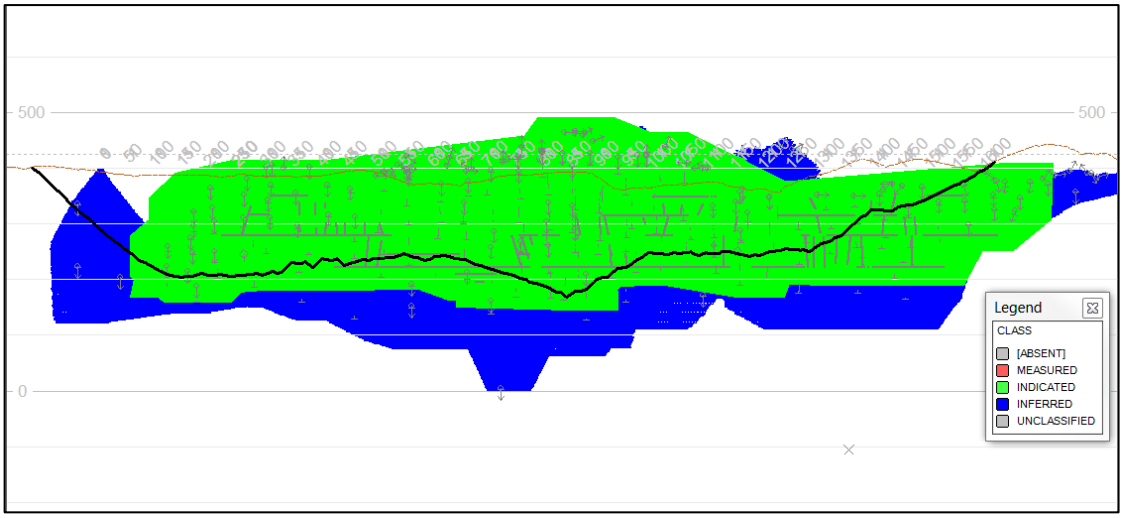

Figure 13-17: 2D Long Section showing SRK's wireframe-defined Mineral Resource Classification for the La India Deposit Main domain with 2013 Whittle Pit outline; November 2013

13.14 Mineral Resource Statement

CIM Definition Standards for Mineral Resources and Mineral Reserves (December 2005) defines a mineral resource as:

"(A) concentration or occurrence of diamonds, natural solid inorganic material, or natural solid fossilized organic material including base and precious metals, coal, and industrial minerals in or on the Earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge".

The "reasonable prospects for eventual economic extraction" requirement generally implies that the quantity and grade estimates meet certain economic thresholds and that the mineral resources are reported at an appropriate cut-off grade taking into account extraction scenarios and processing recoveries.

13.14.1 Reporting Criteria and Cut-off Derivation

SRK has applied basic economic considerations to determine which portion of the in-situ Mineral Resource has reasonable prospects for economic extraction by open-pit mining methods. To determine this, the Mineral Resource has been subject to a pit optimisation study using Whittle Software, using a set of assumed technical and economic parameters as shown in Table 13-12.

SRK has used a gold price of USD1500 to derive a pit outline and underground cut-off grade to restrict the resource estimate to that material with potential to be exploited at the project. This reflects SRK and the Company's opinion that a reasonable long term price at the moment is in the region of USD1150 to USD1200 and reflects a mark-up on this to as to encapsulate all of the material that has potential to be exploited and can therefore be properly reported as a resource as defined by the CIM Code.

These were selected based on experience and benchmarking against similar projects. The reader is cautioned that the results of the pit optimization have been used solely for the purpose of testing the “reasonable prospects for economic extraction” by an open-pit and do not represent an attempt to estimate Mineral Reserves. The results have been used as a guide to assist in the preparation of a compliant Mineral Resource statement and to calculate an appropriate resource reporting gold cut-off grade.

SRK has applied a cut-off grade of 0.5 g/t Au for the material with potential to be mined by open-pit mining methods which is a change from the 1.0 g/t Au cut-off used in 2012 which was based on benchmarked parameters defined as part of an initial conceptual study (completed during 2012). SRK has reviewed the economic assumptions used previously and based on a more recent benchmarked project, which indicated potentially lower costs than previously used the decision was taken to reduce the costs accordingly

Using the adjusted parameters in conjunction with the underground mining costs selected for an initial conceptual study SRK has also updated the underground cut-off calculation to 2.0 g/t Au from 2.3 g/t.

For the reporting of the underground Mineral Resource, SRK has assumed an accumulated grade of 2.0 g/t Au is required over a mineralisation width of 1.0 m, to eliminate areas of lower-grade material within thinner portions of the vein.

Mineral resources not investigated during the current exploration programme remain as previously quoted by SRK (22 December 2011) are reported at a cut-off grade of 1.5 g/t, and have not been updated as part of the current study due to no further detailed exploration.

Table 13-12: Summary of key assumptions for Conceptual Open Pit Optimisation (Whittle)

Parameter	Value	Unit
Gold Price*	1500	USD/oz
Mining Cost	2.2	USD/tmoved
Processing	16.8	USD/tore
General and Administrative	3.8	USD/tore
Mining Dilution Open Pit	5	%
Mining Recovery Open Pit	95	%
Mining Dilution Underground	15	%
Mining Recovery Underground	85	%
Overall Pit Slope – La India	40 – 48 based on geotechnical domains	Deg
Overall Pit Slope – America/Central Breccia	45	Deg
Gold Process Recovery	93	%
Selling Cost Au	4	%

*SRK elected to use market consensus long term gold price forecasts from over 30 contributors, to which uplift has been applied, resulting in a long term optimistic gold price of USD1500/oz. SRK has further tested the sensitivity of the Mineral Resource to price to confirm stable conditions and that the increase in price does not have a material impact on the quoted Mineral Resource Statement.

The CIM Compliant Resource Statement for the La India Project is shown per deposit is shown in Table 13-13 with a summary of the Mineral Resources per veinset shown in Table 13-14, and a summary of the global Mineral Resource shown in Table 13-15.

Table 13-13: SRK CIM Compliant Mineral Resource Statement as at 7 November 2013 for the La India Project

SRK MINERAL RESOURCE STATEMENT SPLIT PER VEIN as of 7 November 2013 [4],[5],[6]								
Category	Area Name	Vein Name	Cut-Off	gold			silver	
				Tonnes (kt)	Au Grade (g/t)	Au (Koz)	Ag Grade (g/t)	Ag (Koz)
Indicated	La India veinset	La India/ California[1]	0.5 g/t (OP)	8,402	3.1	838	5.5	1,475
		La India/ California[2]	2.0 g/t (UG)	610	5.0	98	11.0	216
	America veinset	America Mine[1]	0.5 g/t (OP)	226	8.4	61	5.3	38
		America Mine[2]	2.0 g/t (UG)	358	6.8	79	4.4	51
Inferred	La India veinset	La India/ California[1]	0.5 g/t (OP)	1,057	2.4	81	4.1	139
		Teresa[3]	0.5 g/t (OP)	6	6.9	1		
		La India/ California[2]	2.0 g/t (UG)	1,095	5.2	183	11.4	403
		Teresa[2]	2.0 g/t (UG)	80	11.1	28		
		Arizona[3]	1.5 g/t	430	4.2	58		
		Agua Caliente[3]	1.5 g/t	40	9.0	13		
	America veinset	America Mine[1]	0.5 g/t (OP)	957	3.2	99	5.8	178
		America Mine[2]	2.0 g/t (UG)	839	4.8	129	6.6	179
		Guapinol[3]	1.5 g/t	751	4.8	116		
	Mestiza veinset	Tatiana[3]	1.5 g/t	1,080	6.7	230		
		Buenos Aires[3]	1.5 g/t	210	8.0	53		
		Espenito[3]	1.5 g/t	200	7.7	50		
	Central Breccia	Central Breccia[1]	0.5 g/t (OP)	939	1.9	57		
	San Lucas	San Lucas[3]	1.5 g/t	330	5.6	59		
	Cristalito-Tatescame	Cristalito-Tatescame[3]	1.5 g/t	200	5.3	34		
	El Cacao	El Cacao[3]	1.5 g/t	590	3.0	58		

(1) The La India, America and Central Breccia pits are amenable to open pit mining and the Mineral Resource Estimates are constrained within Whittle optimised pits, which SRK based on the following parameters: A Gold price of USD1500 per ounce of gold with no adjustments. Prices are based on experience gained from other SRK Projects. Metallurgical recovery assumptions of 93% for gold, based on assumptions provided by the Company Marginal costs of USD16.4/t for processing, USD3.8/t G&A and USD2.2/t for mining, slope angles defined by the Company Geotechnical study which range from angle 40 - 48°.

(2) Underground mineral resources beneath the open pit are reported at a cut-off grade of 2.0 g/t over a minimum width of 1.0m. Cut-off grades are based on a price of USD1500 per ounce of gold and gold recoveries of 93 percent for resources, costs of USD16.4/t for processing, USD10.0/t G&A and USD50.0/t for mining, without considering revenues from other metals.

(3) Mineral resources as previously quoted by SRK (22 December 2011) are reported at a cut-off grade of 1.5 g/t, and have not been updated as part of the current study due to no further detailed exploration.

(4) Mineral Resources are not Ore Reserves and do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate and have been used to derive sub-totals, totals and weighted averages. Such calculations inherently involve a degree of rounding and consequently introduce a margin of error. Where these occur, SRK does not consider them to be material. All composites have been capped where appropriate. The Concession is wholly owned by and exploration is operated by Condor Gold plc

(5) The reporting standard adopted for the reporting of the MRE uses 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.

(6) SRK Completed a site inspection to the deposit by Mr Benjamin Parsons, MSc (MAusIMM(CP), Membership Number 222568, an appropriate “independent qualified person” as this term is defined in National Instrument 43-101.

Table 13-14: Summary of La India Project Mineral Resource per Vein Set, dated 7 November 2013

SRK MINERAL RESOURCE STATEMENT SPLIT PER VEINSET as of 7 November 2013								
Category	Area Name	Vein Name	Cut-Off	gold			silver	
				Tonnes (kt)	Au Grade (g/t)	Au (Koz)	Ag Grade (g/t)	Ag (Koz)
Indicated	Subtotal Areas	La India veinset	0.5g/t (OP)	8,402	3.10	838	5.5	1,475
			2.0 g/t (UG)	610	5.01	98	11.0	216
		America veinset	0.5g/t (OP)	226	8.41	61	5.3	38
			2.0 g/t (UG)	358	6.83	79	4.4	51
Inferred	Subtotal Areas	La India veinset	0.5g/t (OP)	1,063	2.41	82	4.1	139
			2.0 g/t (UG)	1,174	5.60	212	11.4	403
			1.5 g/t	470	4.70	71		
		America veinset	0.5g/t (OP)	957	3.22	99	5.8	178
			2.0 g/t (UG)	839	4.79	129	6.6	179
			1.5 g/t	751	4.80	116		
		Mestiza veinset	1.5 g/t	1,490	7.00	333		
		Central Breccia	0.5g/t (OP)	939	1.88	57		
		Other veins	1.5 g/t	1,120	4.20	151		

Table 13-15: Summary of La India Project, dated 1 November 2013

SRK MINERAL RESOURCE STATEMENT as of 7 November 2013 [4],[5],[6]								
Category	Area Name	Vein Name	Cut-Off	gold			silver	
				Tonnes (kt)	Au Grade (g/t)	Au (Koz)	Ag Grade (g/t)	Ag (Koz)
Indicated	Grand total	All veins	0.5g/t (OP) [1]	8,629	3.2	899	5.5	1513
			2.0 g/t (UG) [2]	968	5.7	177	8.6	267
		Subtotal Indicated		9,597	3.5	1,076	5.8	1781
Inferred	Grand total	All veins	0.5g/t (OP) [1]	2,959	2.5	238	4.9[7]	317
			2.0 g/t (UG) [2]	2,014	5.3	341	9.0	582
			1.5 g/t [3]	3,831	5.4	671		
		Subtotal Inferred		8,803	4.4	1,250	6.9[8]	899

(1) The Central Breccia pit is amenable to open pit mining and the Mineral Resource Estimates are constrained within Whittle optimised pits, which SRK based on the following parameters: A Gold price of USD1500 per ounce of gold with no adjustments. Prices are based on experience gained from other SRK Projects. Metallurgical recovery assumptions of 93% for gold, based on assumptions provided by the Company Marginal costs of USD16.4/t for processing, USD3.8/t G&A and USD2.2/t for mining, slope angles defined by the Company Geotechnical study which range from angle 40 - 48°.

(2) Underground mineral resources beneath the open pit are reported at a cut-off grade of 2.0 g/t over a minimum width of 1.0m. Cut-off grades are based on a price of USD1500 per ounce of gold and gold recoveries of 93 percent for resources, costs of USD16.4/t for processing, USD10.0/t G&A and USD50.0/t for mining, without considering revenues from other metals.

(3) Mineral resources as previously quoted by SRK (22 December 2011) are reported at a cut-off grade of 1.5 g/t, and have not been updated as part of the current study due to no further detailed exploration.

(4) Mineral Resources are not Ore Reserves and do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate and have been used to derive sub-totals, totals and weighted averages. Such calculations inherently involve a degree of rounding and consequently introduce a margin of error. Where these occur, SRK does not consider them to be material. All composites have been capped where appropriate. The Concession is wholly owned by and exploration is operated by Condor Gold plc

(5) The reporting standard adopted for the reporting of the MRE uses 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.

(6) SRK Completed a site inspection to the deposit by Mr Benjamin Parsons, MSc (MAusIMM(CP), Membership Number 222568, an appropriate “independent qualified person” as this term is defined in National Instrument 43-101.

(7) Back calculated silver grade based on a total tonnage of 2,020 Kt as no silver estimates for Central Breccia (939 Kt).

(8) Back Calculated silver grade based on total tonnage of material estimated for silver of 4,034 Kt.

13.15 Grade Sensitivity Analysis

The results of grade sensitivity analysis completed per deposit are tabulated in Table 13-16 to Table 13-20.

This is to show the continuity of the grade estimates at various cut-off increments at each of the vein sub areas and the sensitivity of the Mineral Resource to changes in cut-off. The tonnages and grades in these figures and tables should not however be interpreted as Mineral Resources.

Table 13-16: Block Model Quantities and Grade Estimates*, La India Open Pit at various cut-off Grades

Grade - Tonnage Table, La India Open Pit 7 November 2013										
Cut-off Grade	Indicated					Inferred				
	Quantity	Gold		Silver		Quantity	Gold		Silver	
Gold (g/t)	(Kt)	Grade (g/t)	Metal (Koz)	Grade (g/t)	Metal (Koz)	(Kt)	Grade (g/t)	Metal (Koz)	Grade (g/t)	Metal (Koz)
0.10	8,878	2.96	844	5.22	1,489	1,178	2.18	82	3.76	142
0.20	8,878	2.96	844	5.22	1,489	1,178	2.18	82	3.76	142
0.30	8,735	3.00	843	5.29	1,487	1,143	2.24	82	3.86	142
0.40	8,650	3.03	842	5.34	1,484	1,133	2.25	82	3.89	142
0.50	8,402	3.10	838	5.46	1,475	1,057	2.38	81	4.10	139
0.60	8,223	3.16	835	5.56	1,469	1,044	2.40	81	4.13	139
0.70	7,945	3.25	829	5.70	1,455	1,009	2.47	80	4.22	137
0.80	7,540	3.38	819	5.90	1,429	963	2.55	79	4.34	134
0.90	7,092	3.54	807	6.13	1,397	929	2.61	78	4.41	132
1.00	6,822	3.64	799	6.28	1,377	853	2.76	76	4.65	127
1.50	5,536	4.20	747	7.05	1,255	503	3.83	62	6.33	102
2.00	4,448	4.80	686	7.81	1,117	353	4.73	54	7.34	83
2.50	3,488	5.50	617	8.75	981	271	5.49	48	8.38	73
3.00	2,695	6.31	547	9.95	862	216	6.20	43	9.00	62

*The reader is cautioned that the figures in this table should not be misconstrued with a Mineral Resource Statement. The figures are only presented to show the sensitivity of the block model estimates to the selection of cut-off grade. All figures are rounded to reflect the relative accuracy of the estimate.

Table 13-17: Block Model Quantities and Grade Estimates*, La India Underground at various cut-off Grades

Grade - Tonnage Table, La India Underground 7 November 2013										
Cut-off Grade	Indicated					Inferred				
	Quantity	Gold		Silver		Quantity	Gold		Silver	
Gold (g/t)	(Kt)	Grade (g/t)	Metal (Koz)	Grade (g/t)	Metal (Koz)	(Kt)	Grade (g/t)	Metal (Koz)	Grade (g/t)	Metal (Koz)
1.60	813	4.21	110	9.50	248	1,371	4.52	199	10.24	451
1.70	758	4.39	107	9.89	241	1,272	4.74	194	10.68	437
1.80	710	4.57	104	10.23	233	1,212	4.89	190	10.94	427
1.90	650	4.83	101	10.66	223	1,159	5.02	187	11.21	418
2.00	610	5.01	98	11.02	216	1,095	5.21	183	11.45	403
2.10	583	5.15	97	11.28	212	1,042	5.36	180	11.76	394
2.20	552	5.32	94	11.65	207	1,004	5.49	177	12.02	388
2.30	514	5.55	92	12.01	199	949	5.67	173	12.40	379
2.40	460	5.93	88	12.92	191	871	5.97	167	12.96	363
2.50	424	6.22	85	13.61	185	818	6.20	163	13.46	354

Table 13-18: Block Model Quantities and Grade Estimates*, America Open Pit at various cut-off Grades

Grade - Tonnage Table, America Open Pit 7 November 2013										
Cut-off Grade	Indicated					Inferred				
	Quantity	Gold		Silver		Quantity	Gold		Silver	
Gold (g/t)	(Kt)	Grade (g/t)	Metal (Koz)	Grade (g/t)	Metal (Koz)	(Kt)	Grade (g/t)	Metal (Koz)	Grade (g/t)	Metal (Koz)
0.10	226	8.41	61	5.26	38	968	3.19	99	5.76	179
0.20	226	8.41	61	5.26	38	968	3.19	99	5.76	179
0.30	226	8.41	61	5.26	38	966	3.19	99	5.76	179
0.40	226	8.41	61	5.26	38	966	3.20	99	5.76	179
0.50	226	8.41	61	5.26	38	957	3.22	99	5.79	178
0.60	226	8.41	61	5.26	38	931	3.29	99	5.92	177
0.70	226	8.41	61	5.26	38	908	3.36	98	6.02	176
0.80	226	8.41	61	5.26	38	899	3.39	98	6.04	175
0.90	226	8.41	61	5.26	38	896	3.40	98	6.06	174
1.00	226	8.41	61	5.26	38	849	3.53	96	6.26	171

Table 13-19: Block Model Quantities and Grade Estimates*, America Underground at various cut-off Grades

Grade - Tonnage Table, America Underground 7 November 2013										
Cut-off Grade	Indicated					Inferred				
	Quantity	Gold		Silver		Quantity	Gold		Silver	
Gold (g/t)	(Kt)	Grade (g/t)	Metal (Koz)	Grade (g/t)	Metal (Koz)	(Kt)	Grade (g/t)	Metal (Koz)	Grade (g/t)	Metal (Koz)
1.60	360	6.80	79	4.44	51	878	4.66	131	6.53	184
1.70	360	6.80	79	4.44	51	875	4.67	131	6.54	184
1.80	360	6.80	79	4.44	51	858	4.72	130	6.60	182
1.90	359	6.81	79	4.44	51	849	4.75	130	6.63	181
2.00	358	6.83	79	4.44	51	839	4.79	129	6.63	179
2.10	354	6.88	78	4.43	50	834	4.81	129	6.65	178
2.20	351	6.92	78	4.43	50	815	4.87	128	6.71	176
2.30	350	6.94	78	4.42	50	779	4.99	125	6.84	171
2.40	345	7.00	78	4.40	49	756	5.07	123	6.96	169
2.50	339	7.09	77	4.36	47	715	5.22	120	7.19	165

Table 13-20: Block Model Quantities and Grade Estimates*, Central Breccia Open Pit at various cut-off Grades

Grade - Tonnage Table, Central Breccia Open Pit 7 November 2013										
Cut-off Grade	Indicated					Inferred				
	Quantity	Gold		Silver		Quantity	Gold		Silver	
Gold (g/t)	(Kt)	Grade (g/t)	Metal (Koz)	Grade (g/t)	Metal (Koz)	(Kt)	Grade (g/t)	Metal (Koz)	Grade (g/t)	Metal (Koz)
0.10	-	-	-	-	-	946	1.87	57	-	-
0.20	-	-	-	-	-	946	1.87	57	-	-
0.30	-	-	-	-	-	946	1.87	57	-	-
0.40	-	-	-	-	-	944	1.87	57	-	-
0.50	-	-	-	-	-	939	1.88	57	-	-
0.60	-	-	-	-	-	927	1.90	57	-	-
0.70	-	-	-	-	-	899	1.94	56	-	-
0.80	-	-	-	-	-	867	1.98	55	-	-
0.90	-	-	-	-	-	821	2.05	54	-	-
1.00	-	-	-	-	-	743	2.16	52	-	-

13.16 Accumulated Grade Sensitivity Analysis

For the reporting of the underground Mineral Resource (Section 13.14), SRK has used accumulated grade as a reporting criteria.

To show the sensitivity of the updated underground Mineral Resource to changes in the accumulated gold grade ("AUGMT"), specifically between AUGMT of 2.0 g/t and 2.3 g/t over a minimum mining width of 1 m (with the latter relating to the reporting requirement for the previous SRK La India Mineral Resource), SRK has presented comparative grade-tonnage tables at various cut-off increments Table 13-21 to Table 13-24.

Table 13-21: Indicated Block Model Quantities and Grade Estimates*, La India Underground for variable accumulated gold grades

Grade - Tonnage Table, Indicated, La India Underground 7 November 2013										
Cut-off Grade	AUGMT >= 2.0					AUGMT >= 2.3				
	Quantity	Gold		Silver		Quantity	Gold		Silver	
Gold (g/t)	(Kt)	Grade (g/t)	Metal (Koz)	Grade (g/t)	Metal (Koz)	(Kt)	Grade (g/t)	Metal (Koz)	Grade (g/t)	Metal (Koz)
1.70	758	4.39	107	9.89	241	748	4.42	106	9.93	239
1.80	710	4.57	104	10.23	233	701	4.60	104	10.27	231
1.90	650	4.83	101	10.66	223	642	4.86	100	10.71	221
2.00	610	5.01	98	11.02	216	603	5.04	98	11.06	215
2.10	583	5.15	97	11.28	212	578	5.17	96	11.32	210
2.20	552	5.32	94	11.65	207	547	5.34	94	11.69	206
2.30	514	5.55	92	12.01	199	510	5.57	91	12.05	198

*The reader is cautioned that the figures in this table should not be misconstrued with a Mineral Resource Statement. The figures are only presented to show the sensitivity of the block model estimates to the selection of cut-off grade. All figures are rounded to reflect the relative accuracy of the estimate.

Table 13-22: Inferred Block Model Quantities and Grade Estimates*, La India Underground for variable accumulated gold grades

Grade - Tonnage Table, Inferred, La India Underground 7 November 2013										
Cut-off Grade	AUGMT >= 2.0					AUGMT >= 2.3				
	Quantity	Gold		Silver		Quantity	Gold		Silver	
Gold (g/t)	(Kt)	Grade (g/t)	Metal (Koz)	Grade (g/t)	Metal (Koz)	(Kt)	Grade (g/t)	Metal (Koz)	Grade (g/t)	Metal (Koz)
1.70	1,272	4.74	194	10.68	437	1,251	4.77	192	10.69	430
1.80	1,212	4.89	190	10.94	427	1,194	4.92	189	10.96	421
1.90	1,159	5.02	187	11.21	418	1,141	5.06	186	11.23	412
2.00	1,095	5.21	183	11.45	403	1,080	5.24	182	11.49	399
2.10	1,042	5.36	180	11.76	394	1,028	5.40	178	11.80	390
2.20	1,004	5.49	177	12.02	388	992	5.51	176	12.05	384
2.30	949	5.67	173	12.40	379	938	5.70	172	12.43	375

Table 13-23: Indicated Block Model Quantities and Grade Estimates*, America Underground for variable accumulated gold grades

Grade - Tonnage Table, Indicated, America Underground 7 November 2013										
Cut-off Grade	AUGMT >= 2.0					AUGMT >= 2.3				
	Quantity	Gold		Silver		Quantity	Gold		Silver	
Gold (g/t)	(Kt)	Grade (g/t)	Metal (Koz)	Grade (g/t)	Metal (Koz)	(Kt)	Grade (g/t)	Metal (Koz)	Grade (g/t)	Metal (Koz)
1.70	360	6.80	79	4.44	51	346	6.93	77	4.50	50
1.80	360	6.80	79	4.44	51	346	6.93	77	4.50	50
1.90	359	6.81	79	4.44	51	345	6.94	77	4.50	50
2.00	358	6.83	79	4.44	51	345	6.95	77	4.50	50
2.10	354	6.88	78	4.43	50	341	7.00	77	4.49	49
2.20	351	6.92	78	4.43	50	339	7.04	77	4.49	49
2.30	350	6.94	78	4.42	50	337	7.06	76	4.48	49

Table 13-24: Inferred Block Model Quantities and Grade Estimates*, America Underground for variable accumulated gold grades

Grade - Tonnage Table, Inferred, America Underground 7 November 2013										
Cut-off Grade	AUGMT >= 2.0					AUGMT >= 2.3				
	Quantity	Gold		Silver		Quantity	Gold		Silver	
Gold (g/t)	(Kt)	Grade (g/t)	Metal (Koz)	Grade (g/t)	Metal (Koz)	(Kt)	Grade (g/t)	Metal (Koz)	Grade (g/t)	Metal (Koz)
1.70	875	4.67	131	6.54	184	836	4.76	128	6.68	180
1.80	858	4.72	130	6.60	182	822	4.81	127	6.74	178
1.90	849	4.75	130	6.63	181	816	4.83	127	6.76	177
2.00	839	4.79	129	6.63	179	808	4.86	126	6.76	176
2.10	834	4.81	129	6.65	178	804	4.88	126	6.78	175
2.20	815	4.87	128	6.71	176	787	4.94	125	6.84	173
2.30	779	4.99	125	6.84	171	753	5.06	122	6.98	169

13.17 Vein Thickness Variability

A summary of the average true thickness per vein on the La India Project is illustrated in Table 13-25. The reported thickness data has been restricted to areas of appropriate geological confidence and is shown sub-divided by open pit and underground resource categories.

Table 13-25: Summary of Average True Thickness Per Vein on the La India Project (November 2013)

Type	Vein	Type	Average True Thickness (m)
Underground Resource	America-Escondido	WR	5.1
		HGC	1.5
	Constancia	WR	3.0
		HGC	1.0
	Arizona	Single domain	2.0
	Buenos Aires		0.9
	Espinito		0.8
	Guapinol		1.5
	San Lucas		1.6
	Tatiana		2.4
	Teresa		1.0
	Agua Caliente		1.4
	La India/ California (main)	WR	4.4
		HGC	1.4
	La India/ California (Hanging Wall)	Single domain	1.0
Open Pit Resource	America-Escondido	WR	3.8
		HGC	1.7
	Constancia	WR	1.0
		HGC	1.0
	La India/ California (main)	WR	6.5
		HGC	1.8
	La India/ California (Hanging Wall)	Single domain	2.6
	La India/ California (Breccia Zone)		4.7

13.18 Comparison to Previous Mineral Resource Estimates

In terms of a global reconciliation on the Project the Company has increased the proportion of Indicated Mineral Resources by some 325 Koz during 2013, with a consequent reduction in the Inferred Mineral Resource of 374 Koz. The total Indicated Mineral Resources for the project is now 9,597 Kt at a grade of 3.5 g/t for 1.1 Moz of gold.

Further analysis of the changes shows results from the different programmes have been variable during 2013, with increases in the global Mineral Resources at America, and the declaration of the maiden Mineral Resource at Central Breccia, while at the main La India project there has been an overall reduction in the global estimate.

Drilling at America targeted a potential open pit located in the “Flexure” where the America, Constancia and Escondido veins merge. The increases at America have been attributed to additional mineralisation identified in the hanging wall and in close proximity to the main structures, which increased the Mineral Resource from 2,101 Kt at 5.99 g/t for 404 Koz of gold, to 3,132 Kt at 4.81 g/t for 484 Koz. While there has been a drop in the Mineral Resource cut-off, this added less than 5 Koz to the open pit Mineral Resource, and 10 Koz to the underground Mineral Resource respectively.

Initial Mineral Resource definition drilling has been completed at Central Breccia which has confirmed the presence of a breccia pipe on which a geological wireframe has been created. The maiden Mineral Resource for the deposit has been estimated at 939 Kt at a grade of 1.9 g/t for 57 Koz of gold, all of which is considered open pitable.

Drilling at the La India veinset has resulted in an increase of the Indicated material in the order of 306 Koz (accompanying an increased robustness in the interpretation of the geological model) and a reduction in the Inferred Mineral Resource for the deposit in the order of 491 Koz, from which the Indicated material has been upgraded in levels of confidence.

The aim of the 2013 infill drilling campaign was to convert the Indicated Mineral Resource that fell within the open pit to Indicated category for inclusion in a pre-feasibility study, with a target of 1 Moz of gold. To date the current portion of Indicated Mineral Resources converted is 9.0 Mt at a grade of 3.23 g/t gold for 937 Koz of gold, of which 8.4 Mt at 3.10 g/t for 838 Koz, lies with an open-pit. Given the overall reduction in the Mineral Resource SRK has completed a number of reconciliation exercises to understand where significant changes have occurred. SRK concludes that the reduction in the Mineral Resource at La India is a result of the following factors:

- Application of lower bulk density values to the near surface weathered zones on the La India Mineral Resource resulting in a reduction of approximately 10 koz Au;
- A reduction of 53 Koz between sections 850 – 950 which is a result of Infill drilling significantly reducing the tonnage in the previous model. These sections had previously been interpreted as an area of coalescing veins with lower grades, but infill drilling shows the veins narrow reducing the tonnage between 10 – 35% per 50m drill section. The results are based on additional drilling within the region which has increase the total meters drilling from 3138 m to 5395 m, which is an increase of 74% total meters;
- A reduction of 86 Koz between sections 1200 – 1300, which is a result of both lower tonnages and lower grades than previously modelled. The 2013 drilling campaign has confirmed the presence of a high grade shoot within this vicinity, but the previous model returned grades on average greater than 2.0 g/t higher per 50 m section. The 2013 mineral resource is based on additional drilling within the region which has increase the total meters drilling from 1,936 m to 4,010 m, which is an increase of 107% total meters;

- In contrast SRK notes gains in the model in the order of 53 Koz between sections 750 800, which is a result of increased grades (39%) in section 750 and increased tonnage (25%) and grades (17%) in Section 800, based on an additional 930 m of drilling;
- In addition to the current Indicated Mineral Resource SRK estimates approximately 82 Koz, is located in high-grade veins or parallel features which have limited geological continuity across multiple sections. In some cases the geological orientation on these structures was not deemed sufficient to assign to a higher level of classification ("Indicated") as defined in the CIM reporting definitions. A breakdown of the three key areas where this occurs is detailed below:
    - Sections 0 – 100: A total of 17 Koz exists above the location of holes LIDC300, LIDC320, which is currently considered open. SRK notes the current intersections are at depth and that infill drilling up-dip may return lower grades if the high-grades intersected are part of a plunging feature to the south east;
    - Sections 800 – 1000: A total of 23 Koz exists in structures considered to have insufficient knowledge to model with confidence. SRK notes this is the location of some of the most significant changes between the 2012 and 2013 models and therefore infill drilling would improve the geological understanding of the modelled features. In addition to this there is some potential infill drilling would improve the geological model of the breccia domain located in this region. This would add more tonnes at typically a lower grade;
    - Sections 1100 – 1250: A total of 22 Koz exist which remain to be converted. SRK attributes this to two factors. 50% of the inferred mineral resource is located above the current floor of the valley and drilling access is not possible due to the steep slopes. The other 50% is located in narrower vertical features that were deemed too discontinuous on the current spacing to be classified as Indicated. Selected targeted infill will be required to convert this material to a higher level of confidence.
- SRK has also completed a study on the sample statistics completed during the 2012 and 2013 drilling campaigns which indicates a reduction of as much as 30%, in the mean grades within the main structures, which SRK attributes in portion to more drilling in previously defined lower grade areas than the 2012 programme, which targeted the higher grade domains. In comparison SRK noted an increase in the grade of the parallel structures in the order of 20%;
- Overall the reduction in the mean grade of the samples within the main La India veins has been in the order of 12%.

Other changes in the Mineral Resource during 2013 are a result of:

- Changes in modelling methodology whereby more effort has been made to link high-grade underground sampling to supporting drillholes along strike and down-dip;
- Lowering of the reporting cut-off grades from 1.0 g/t to 0.5 g/t Au within the open pit;
- Lowering of the reporting cut-off grades from 2.3 g/t to 2.0 g/t Au for the underground Resource;
- Re-interpretation of the orientation of mineralised structures in the hanging wall of the main La India veins.

Further detailed reconciliation work is required to understand the sensitivity of each of these parameters on the change in Mineral Resources.

13.19 Resource Sensitivities

To further define the assigned limits from the optimisation estimate to provide a reasonable prospect of economic extraction SRK completed a sensitivity study on metal price to the potential Mineral Resource. The results of the analysis for the La India deposit are shown in Figure 13-18.

SRK notes that, in addition to metal price, other variables are likely to also change as more advanced technical studies are completed which may impact the resultant size of the selected pit shell used to limit the Mineral Resource Statement. A review of the pit shell sensitivities however should supply the reader with an indicative view of the potential changes based on metal price.

The results show that the project can be considered reasonably non-sensitive to an initial drop in gold price, illustrated by the relative stability in the accumulated metal curve. SRK consider the initial market price of USD 1,500/oz Au (shown as a red dashed line) to be reasonable based on experience and benchmarking against similar projects. SRK highlights to the reader that the difference between the USD 1,300/oz to USD 1,600/oz Au, is marginal in terms of contained metal and there the increase in gold price does not materially impact. The chart shows the size of the open-pit is more sensitive to gold price below USD 1,050/oz Au.

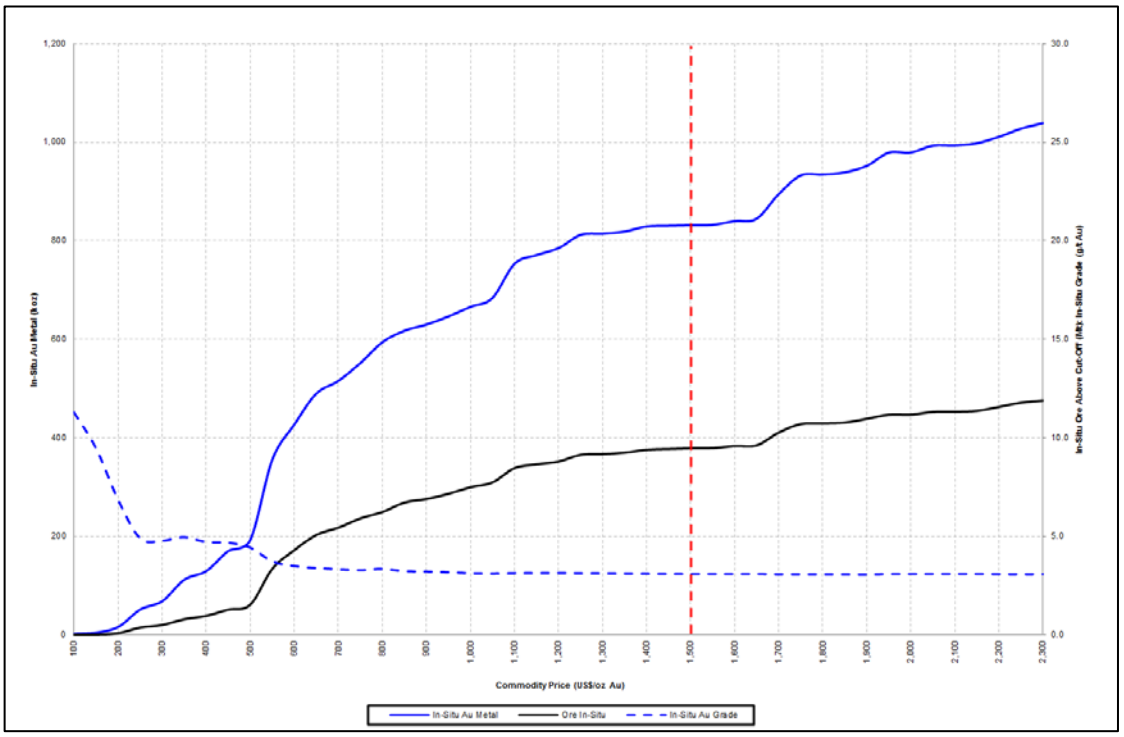

Figure 13-18: Sensitivity Analysis in Whittle at La India, showing variable gold price

14 ADJACENT PROPERTIES

Whilst SRK understand there are no other properties adjacent to the La India Project with NI43-101 compliant Mineral Resources, the Company have provided the following information:

- To the west a cooperative of artisanal miners holds a concession over the El Pilar vein which contained a Soviet GKZ-Resource of 75 kt at 17.6 g/t Au for 43,000 oz gold at the P category. The El Pilar Vein, which is currently being exploited by artisanal miners, is the only recognised gold mineralisation in La India Mining District not held by Condor.
- The nearest operating mine is B2Gold El Limon Mine which is located approximately 80 km to the west via the NIC 26 highway.

A map of the adjacent properties that bound Condor's La India Concession boundaries is illustrated in Figure 14-1.

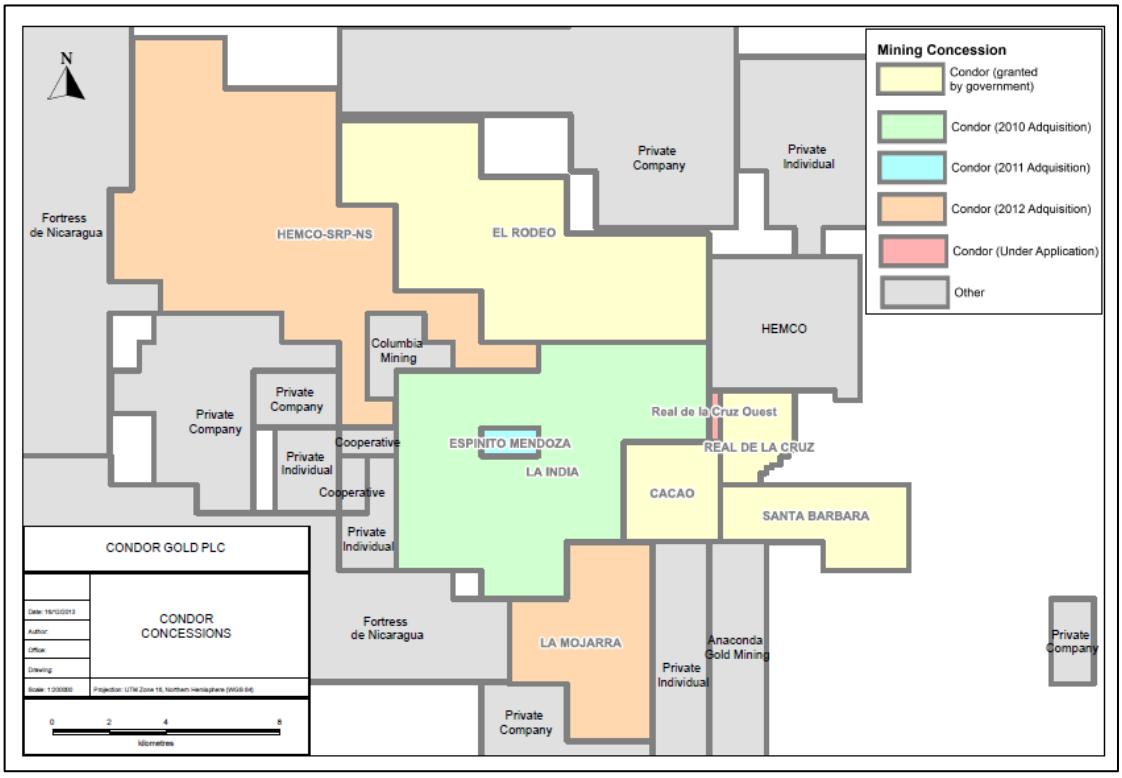

Figure 14-1: Adjacent Properties in relation to Condor's La India Concession (Source: Condor, December 2013)

15 OTHER RELEVANT DATA AND INFORMATION

There is no other relevant data available about the La India Project.

16 INTERPRETATION AND CONCLUSIONS

SRK considers the exploration data accumulated by the Company is generally reliable, and suitable for the purpose of this Mineral Resource estimate.

SRK has undertaken three-dimensional modelling to construct updated mineralisation wireframes for the La India, America and Central Breccia deposits.

SRK used the three-dimensional solids created in Leapfrog to code the drillholes to differentiate between mineralisation and waste, and undertook statistical and geostatistical analyses on the composited data, as constrained by the modelled wireframes.

Conceptual pit shells have been used to as a depth constraint for reporting. In addition to this, a cut-off grade has also been applied, based on gold (Au) grades. A cut-off grade of 0.5 g/t Au has been used for reporting of the Open Pit Mineral Resource. For the reporting of the underground Mineral Resource, SRK has assumed an accumulated grade of 2.0 g/t Au is required over a mineralisation width of 1.0 m, to eliminate areas of lower-grade material within thinner portions of the vein. The reduction in the cut-off grade has been based on updated information used to benchmark against similar projects. There is limited impact in terms of the changes inn Mineral Resources related to the change in the cut-off grades within the pits as a result of the relatively sharp contact used in defining the Mineralisation wireframes.

SRK completed a sensitivity study on metal price to the Mineral Resource. A review of the pit shell sensitivities provides an indicative view of the potential changes based on metal price, with the results showing that the project can be considered reasonably non-sensitive to an initial drop in gold price, illustrated by the relative stability in the accumulated metal curve.

The Mineral Resources as reported remain the subject of further technical studies which seek to establish the technical feasibility and economic viability of developing commercial mining operations at the La India Project.

In comparison to the previous Mineral Resource estimate, the Company has added Resources at America (from drill defining the wall-rock zones), and through definition drilling and declaration of the maiden Mineral Resource at Central Breccia. The infill drilling program and Resource update for La India deposit, whilst increasing the robustness of the interpretation for the geological model, has resulted in an overall drop in modelled grade and tonnage. SRK attributes the drop in tonnage at La India to improved definition from infill drilling and and re-interpretation of hanging wall structures, and the drop in grade due to returning of lower grades from the latest infill drilling campaign and improvement in modelling methodology, on the basis of a significantly larger geological database for 2013.

SRK notes the potential for additional Mineral Resources to be added from potential high-grade feeder zones at Central Breccia, down-dip and along strike towards the south of the America-Escondido vein at America, and towards the south east of the main mineralised structure at La India. At La India, in addition to the current Indicated Mineral Resource within the 2013 pit, Resource Modelling has identified of some 75 Koz located in high-grade veins or parallel features in the hanging wall of the main La India Veins. These features currently have limited geological continuity across the currently drilled sections and selected targeted infill will be required to convert this material to a higher level of confidence.

17 RECOMMENDATIONS

SRK considers the La India Vein Set to have sufficient geological information to move the project into a Prefeasibility study ("PFS") without further Resource definition drilling. Information on the other veins remains at a lower level of confidence and further exploration will be required to increase the confidence of these estimates to a similar level. SRK would recommend the Company focus on advancing studies on the La India – California veins for a base case PFS.

The Company started work 9 months ago on some of the studies required for a PFS for an open pit on the La India Vein Set, which is aimed for completion in 2014. Condor has already completed the metallurgical tests and geotechnical studies to PFS level of confidence, both studies were undertaken by SRK. The Environmental Impact Assessment and geochemistry studies for inclusion in a PFS are at an advanced stage. SRK has been awarded all independent studies required in a PFS except the mine engineering design study.

Table 17-1: Estimated Cost for the Engineering Study (PFS) for the La India Project

Description	Total Cost (GBP)
Delineation Drilling (infill and step out)	
Diamond drilling (all inclusive)	
Sub-total	
Geological Studies	
Sub-total	
Engineering Studies (Prefeasibility Study)	
Environmental and Social Impact Baseline Studies	80,000
Metallurgical Testing	40,000
TSF analysis	60,000
Preliminary Plant and Infrastructure Design	250,000
Mineralogy Studies	60,000
Hydrological and Geotechnical Studies	200,000
Mine Engineering Design	100,000
Preparation of PEA technical report	60,000
Condor Support for PFS	190,000
Sub-total	1,050,000
Total	
Contingency (15%)	150,000
Total	1,200,000

SRK reiterates that the resource estimate described in this document conforms to the requirements for the PFS presently in development on the La India Vein Set only. The Company has the option of including the America Vein Set, Mestiza and the Central Breccia area in a PFS at a later stage, but this will require additional work to achieve the optimal value and increase confidence. However, for the purposes of a definitive feasibility study, only material drilled to Indicated or better may be included in the economic analysis, with a portion drilled to the measured category. To achieve both the required confidence and confirm potential resource extensions for a definitive feasibility study ("DFS"), SRK recommends the following work programmes

La India

- Targeted infill drilling to 25m spacing along strike to confirm the orientation of hanging wall features. The Company should ensure every effort is placed to orientate the drillcore to enable better interpretation on the orientation of the main structures;

- Further work to follow this structure along strike where it remains open to the south-east in conjunction with the more recent geophysical surveys to identify any potential strike deviations or faulted offsets where possible;
- Improve the survey accuracy of the historic underground mine workings and associated depletion through re-entry and laser survey of the old workings subject to accessibility and safety; and;
- Infill and verification drilling program for a proportion of the historic drilling located at depth within the Inferred areas of the model currently considered as an underground mining target, in order to add confidence to the block grade estimates within these areas.

America

- Targeted infill drilling in the less well sampled areas of the deposit to add confidence to the current geological interpretation and local block grade estimates. SRK recommends focusing initially on the down-dip areas of the (close-spaced) America-Escondido vein channel sampling given the indication of high grades continuing at depth and the currently elevated geological confidence within these areas;
- Step-out drilling to further define the vertical extent of the mineralisation down-dip and along strike towards the south of the America-Escondido vein, with the aim of potentially adding additional Mineral Resource.

Central Breccia

- Targeted infill drilling to better define the depth extent (towards the west) and overall 3D geometry of the potential high-grade feeder zones at the deposit, with the aim of potentially adding additional Mineral Resource;
- Targeted infill drilling in the less well-sampled areas of the deposit to add confidence to the current geological interpretation and local block grade estimates. Given the poor geological and grade continuity between the current drill sections, SRK recommends an infill drilling program to a spacing of 25x25 m with the intention of potentially defining Indicated Mineral Resources.

SRK anticipate the required drilling programme to complete these tasks would be between 8,000 m to 12,000 m. Further to this SRK highlights that the La India-California Veins remain open to the south-east and that further follow-up work is warranted to test for extensions to the current known mineralisation. SRK also acknowledges that the geophysical surveys have identified a number of geological features that require follow-up work and could potential add additional Mineral Resources with further mapping, sampling and drilling.

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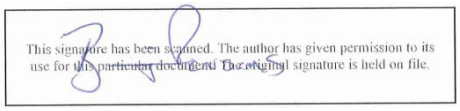
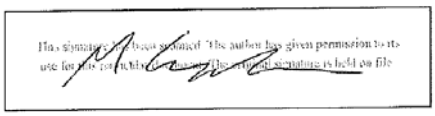
For and on behalf of SRK Consulting (UK) Limited



Benjamin Parsons,
Principal Consultant (Resource Geology)
SRK Consulting (US) Inc



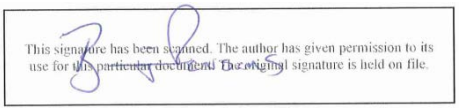
Mark Campodonic,
Principal Consultant (Resource Geology),
SRK Consulting (UK) Limited

CERTIFICATE AND CONSENT

To Accompany the report entitled: NI43-101 Mineral Resource Estimate On The La India Gold Project, Nicaragua, November 2013, effective 8 November 2013

I, Ben Parsons, residing at 9506 Cedarhurst Lane, Highlands Ranch, Colorado, USA, 80129 do hereby certify that:

1) I am a Principal Consultant with the firm of SRK Consulting (US) Inc ("SRK") with an office at Suite 3000, 7175 West Jefferson Avenue, Lakewood Colorado, USA;
2) I graduated with a degree in Exploration Geology from Cardiff University, UK in 1999. In addition, I have obtained a Masters degree (MSc) in Mineral Resources from Cardiff University, UK in 2000 and have worked as a geologist for a total of 13 years since my graduation from university;
3) I am a Chartered Professional and Member of the Australasian Institute of Mining and Metallurgy (MAusIMM CP (Geology), Membership Number 222568);
4) I have personally inspected the subject project 28 April to 2 May 2013;
5) I have read the definition of "qualified person" set out in National Instrument 43-101 and certify that by virtue of my education, affiliation to a professional association and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of National Instrument 43-101;
6) I am responsible for the preparation of the La India Project Mineral Resource estimate dated 8 November 2013, included in the report, and take overall responsibility for the resource estimate;
7) I, as a qualified person, I am independent of the issuer as defined in Section 1.5 of National Instrument 43-101;
8) I have previously been involved in authoring the Mineral Resource Estimate for the authoring of the previous Mineral Resource Estimate dated 14 September 2012 and accompanied technical report;
9) I have read National Instrument 43-101 and confirm that this technical report has been prepared in compliance therewith;
10) SRK Consulting (UK) Ltd was retained by Condor Gold Plc to prepare a technical audit of the La India project. In conducting our audit a gap analysis of project technical data was completed using CIM "Best practices" and Canadian Securities Administrators National Instrument 43-101 guidelines. The preceding report is based on a site visit, a review of project files and discussions with Condor Gold Plc personnel;
11) I have not received, nor do I expect to receive, any interest, directly or indirectly, in the La India Project or securities of Condor Gold Plc;
12) That, as of the date of this technical report, to the best of my knowledge, information and belief, this technical report contains all scientific and technical information that is required to be disclosed to make the technical report not misleading;
13) I consent to the filing of the technical report with any stock exchange and other regulatory authority and any publication for regulatory purposes, including electronic publication in the public company files on their websites accessible to the public of extracts from the technical report; and
14) I confirm that I have read the news release dated 8 November 2013 in which the findings of the technical report have been disclosed publically and have no reason to believe that there are any misrepresentations in the information derived from the report or that the press release dated 8 November 2012 contains any misrepresentations of the information contained in the report.



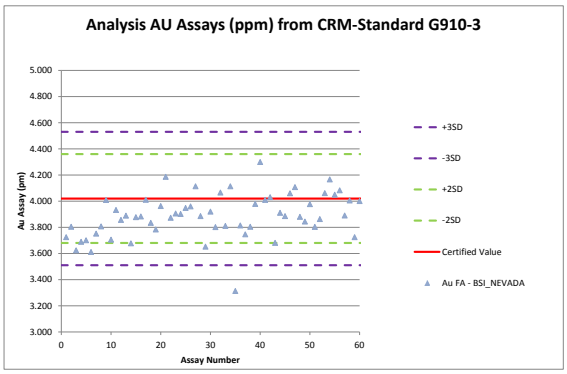
Ben Parsons *(MAusIMM (CP), MSc)*
Principal Consultant (Resource Geology)

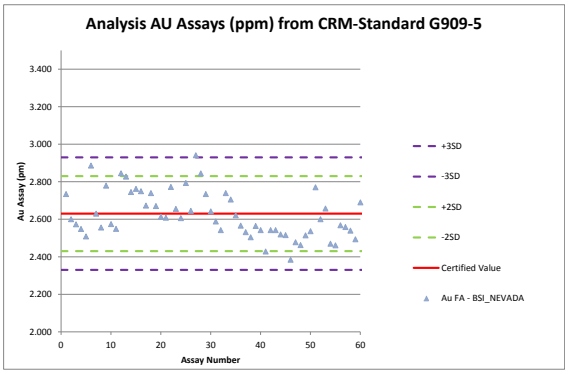
APPENDIX

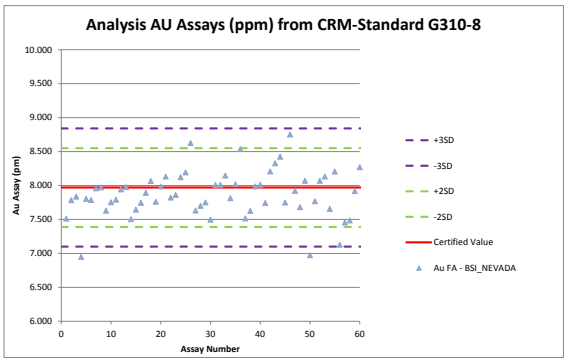
A QAQC ANALYSIS

2013 SAMPLE SUBMISSION TO BSI LABORATORIES

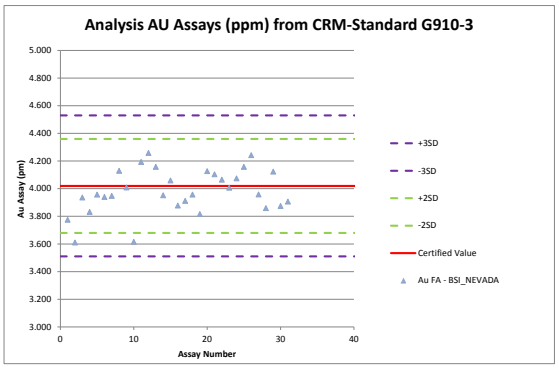
DRILL CRM

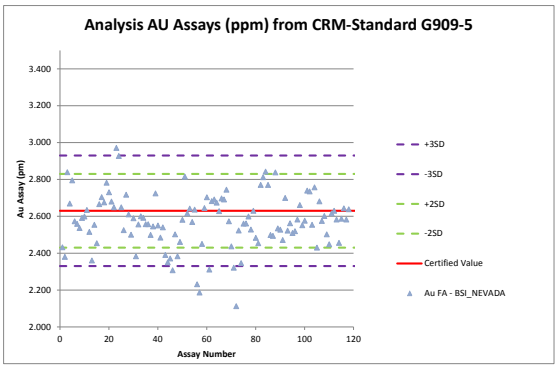


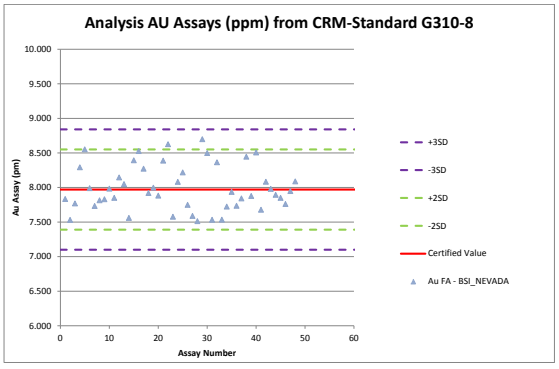




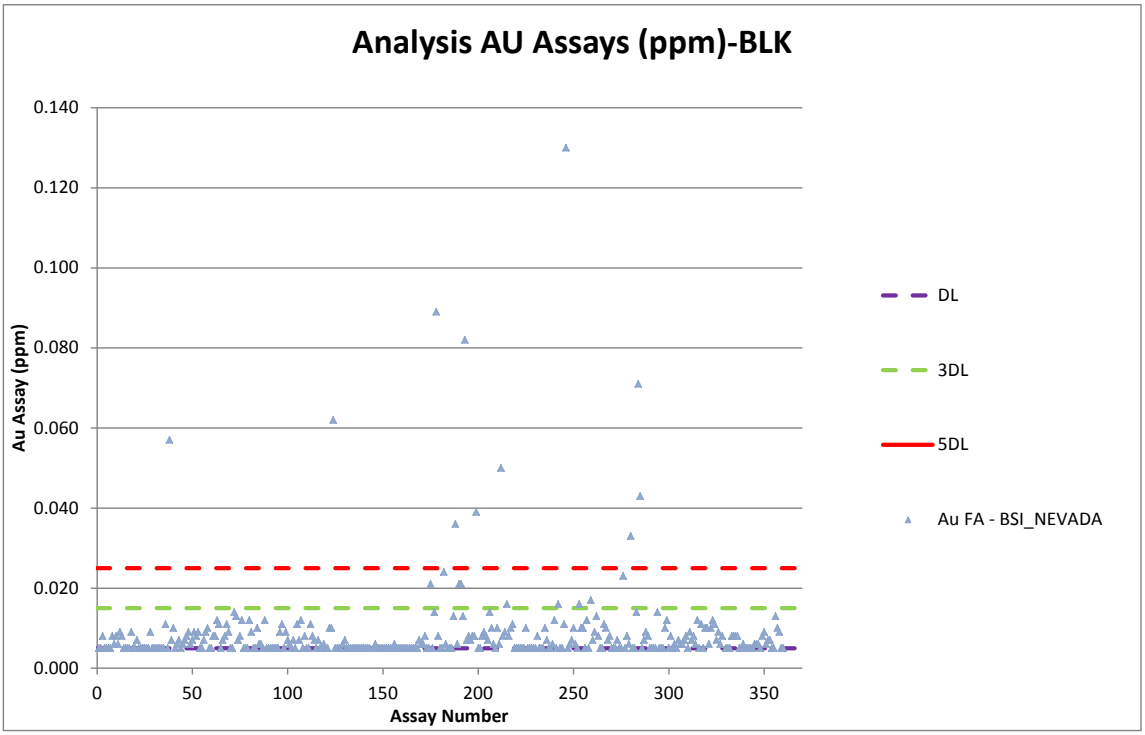
TRENCH CRM







DRILL BLANKS



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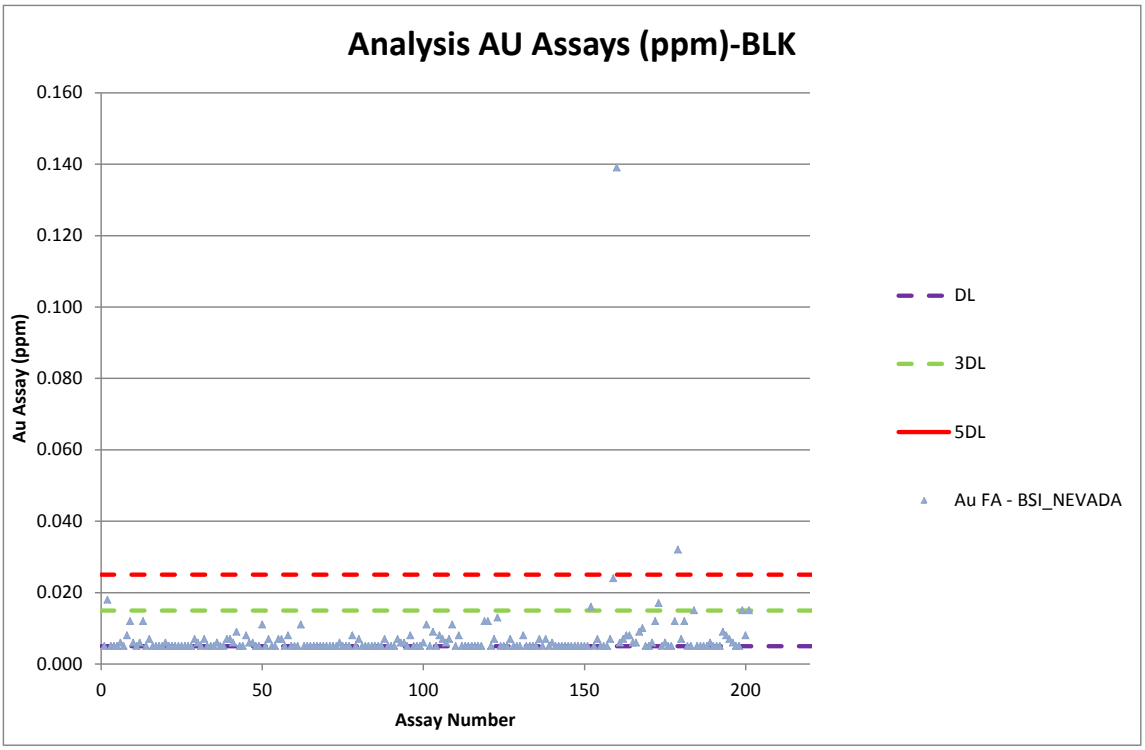
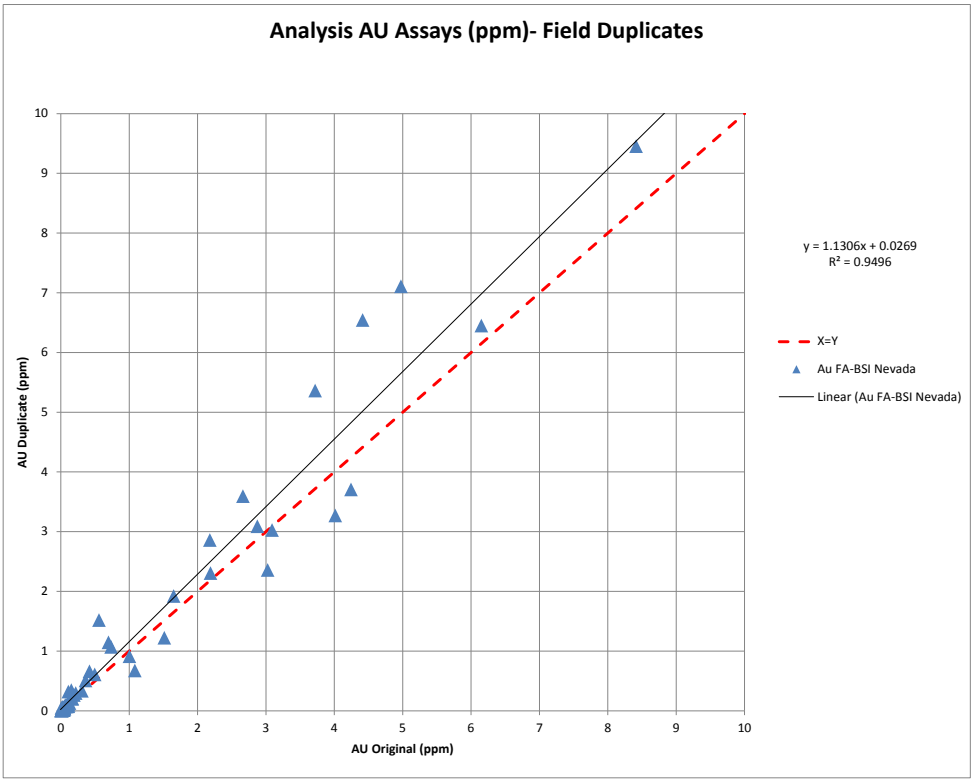


DRILL DUPLICATES



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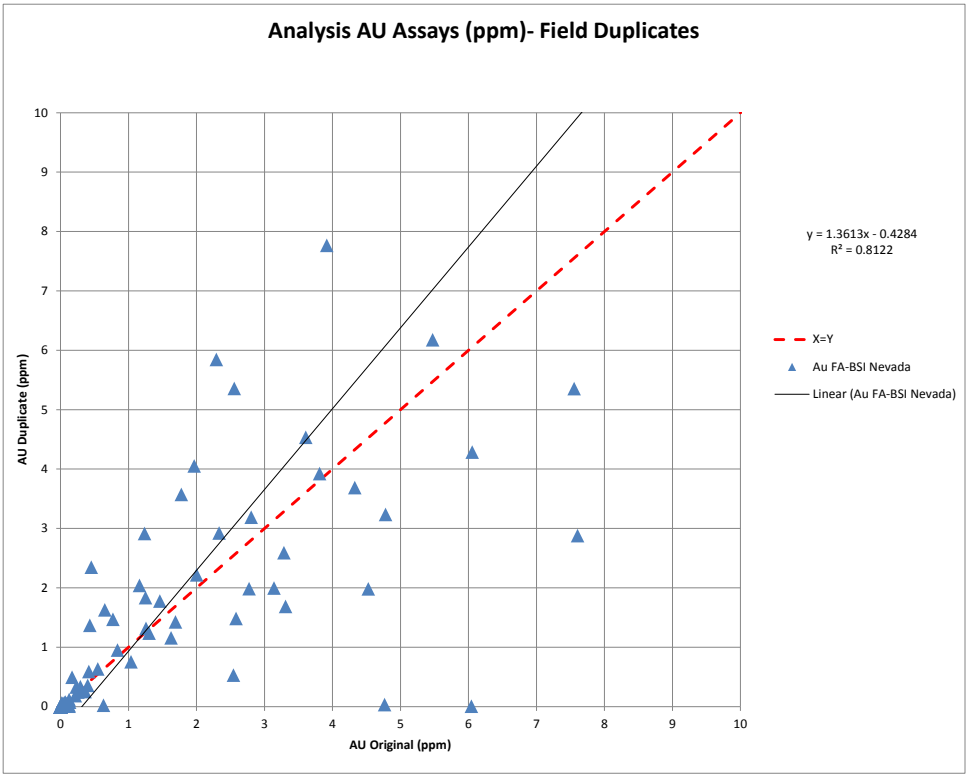


APPENDIX

B COMPOSITE LENGTH ANALYSIS

Central Breccia Composite Length Analysis

1M COMPS	FIELD	NSAMPLES	MIN	MAX	MEAN	VARIANCE	STANDDEV	COVAR	% DIFF FROM MEAN	% SAMPLE REDUCTION (MINCOMP)
RAW	AUGT	315	0.000	33.58	1.81	16.03	4.00	2.21		
0% OF COMP	AUGT	286	0.008	33.58	1.80	13.44	3.67	2.03	-0.40%	0.00%
25% OF COMP	AUGT	286	0.008	33.58	1.80	13.44	3.67	2.03	-0.40%	0.00%
50% OF COMP	AUGT	285	0.008	33.58	1.81	13.48	3.67	2.03	-0.15%	0.35%
75% OF COMP	AUGT	282	0.008	33.58	1.82	13.61	3.69	2.03	0.51%	1.40%
100% OF COMP	AUGT	279	0.008	33.58	1.83	13.75	3.71	2.03	0.94%	2.45%

2M COMPS	FIELD	NSAMPLES	MIN	MAX	MEAN	VARIANCE	STANDDEV	COVAR	% DIFF FROM MEAN	% SAMPLE REDUCTION (MINCOMP)
RAW	AUGT	315	0.000	33.58	1.81	16.03	4.00	2.21		
0% OF COMP	AUGT	146	0.010	18.66	1.78	8.63	2.94	1.65	-1.44%	0.00%
25% OF COMP	AUGT	146	0.010	18.66	1.78	8.63	2.94	1.65	-1.44%	0.00%
50% OF COMP	AUGT	141	0.010	18.66	1.81	8.90	2.98	1.65	0.25%	3.42%
75% OF COMP	AUGT	139	0.010	18.66	1.83	9.01	3.00	1.64	1.20%	4.79%
100% OF COMP	AUGT	138	0.010	18.66	1.84	9.07	3.01	1.64	1.65%	5.48%

3M COMPS	FIELD	NSAMPLES	MIN	MAX	MEAN	VARIANCE	STANDDEV	COVAR	% DIFF FROM MEAN	% SAMPLE REDUCTION (MINCOMP)
RAW	AUGT	315	0.000	33.58	1.81	16.03	4.00	2.21		
0% OF COMP	AUGT	98	0.011	14.58	1.77	7.04	2.65	1.50	-1.89%	0.00%
25% OF COMP	AUGT	98	0.011	14.58	1.77	7.04	2.65	1.50	-1.89%	0.00%
50% OF COMP	AUGT	96	0.011	14.58	1.80	7.17	2.68	1.49	-0.67%	2.04%
75% OF COMP	AUGT	91	0.011	14.58	1.85	7.49	2.74	1.48	2.48%	7.14%
100% OF COMP	AUGT	89	0.011	14.58	1.87	7.65	2.77	1.48	3.13%	9.18%

4M COMPS	FIELD	NSAMPLES	MIN	MAX	MEAN	VARIANCE	STANDDEV	COVAR	% DIFF FROM MEAN	% SAMPLE REDUCTION (MINCOMP)
RAW	AUGT	315	0.000	33.58	1.81	16.03	4.00	2.21		
0% OF COMP	AUGT	74	0.012	12.13	1.77	5.28	2.30	1.30	-2.21%	0.00%
25% OF COMP	AUGT	74	0.012	12.13	1.77	5.28	2.30	1.30	-2.21%	0.00%
50% OF COMP	AUGT	73	0.012	12.13	1.79	5.33	2.31	1.29	-1.28%	1.35%
75% OF COMP	AUGT	67	0.012	12.13	1.86	5.73	2.39	1.29	2.69%	9.46%
100% OF COMP	AUGT	65	0.012	12.13	1.90	5.85	2.42	1.27	4.90%	12.16%

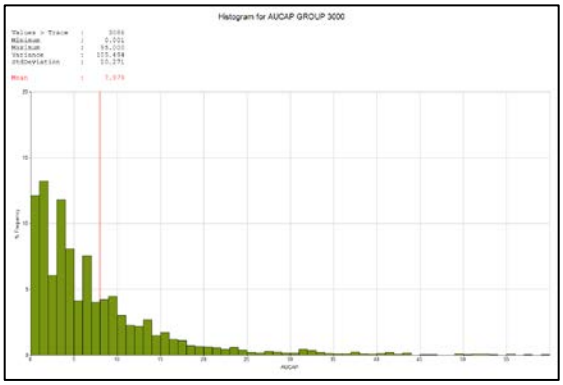
5M COMPS	FIELD	NSAMPLES	MIN	MAX	MEAN	VARIANCE	STANDDEV	COVAR	% DIFF FROM MEAN	% SAMPLE REDUCTION (MINCOMP)
RAW	AUGT	315	0.000	33.58	1.81	16.03	4.00	2.21		
0% OF COMP	AUGT	62	0.012	7.55	1.72	3.70	1.92	1.12	-4.74%	0.00%
25% OF COMP	AUGT	60	0.012	7.55	1.76	3.77	1.94	1.10	-2.52%	3.23%
50% OF COMP	AUGT	58	0.012	7.55	1.79	3.87	1.97	1.10	-0.80%	6.45%
75% OF COMP	AUGT	53	0.012	7.55	1.88	4.14	2.03	1.08	3.69%	14.52%
100% OF COMP	AUGT	52	0.012	7.55	1.90	4.19	2.05	1.08	4.87%	16.13%

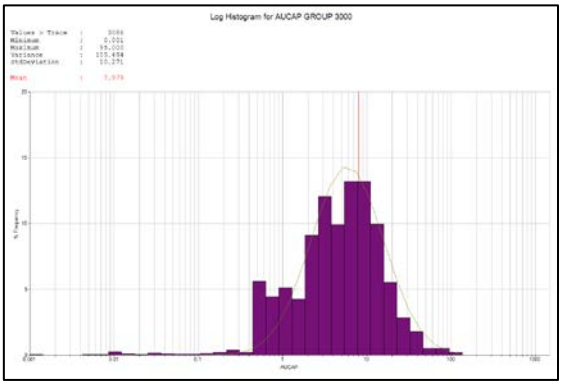
APPENDIX

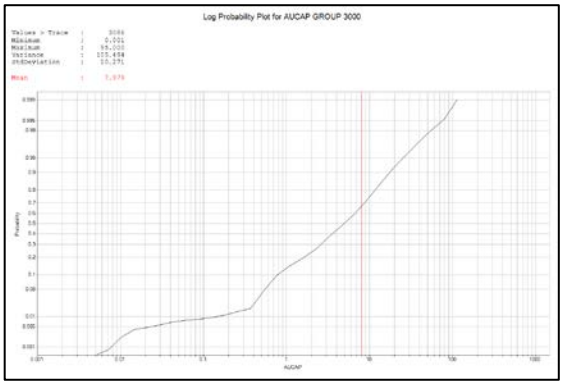
C HISTOGRAMS AND LOG PROBABILITY PLOTS

America Deposit – America-Escondido Vein – GROUP 3000

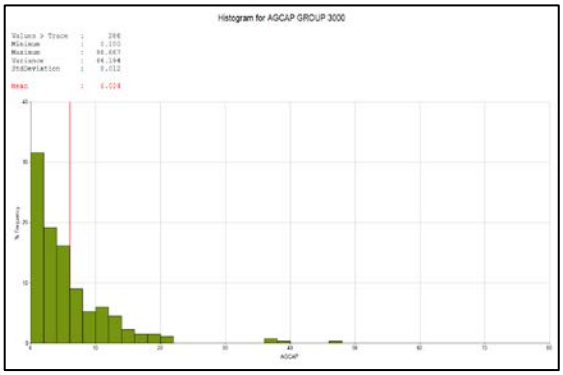
Gold

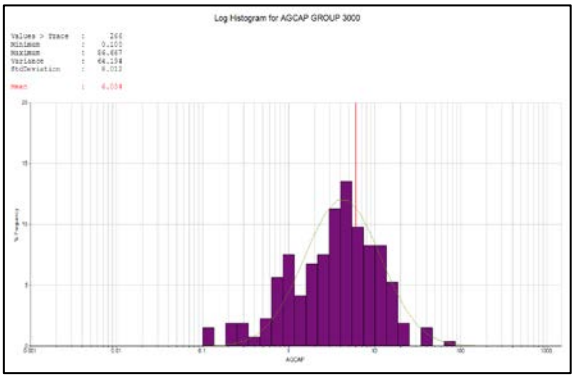


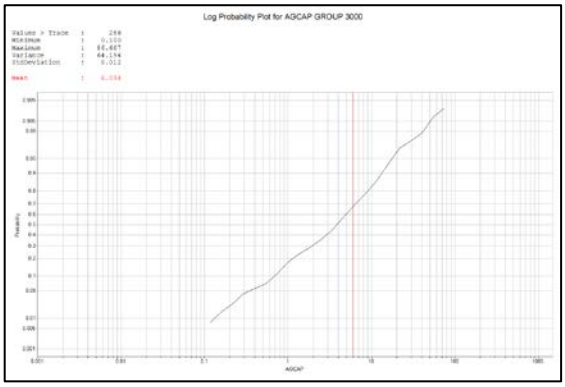




Silver

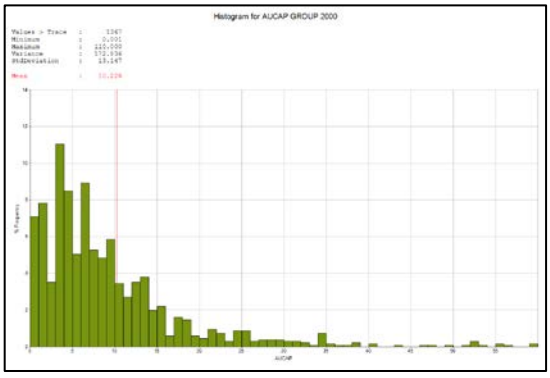


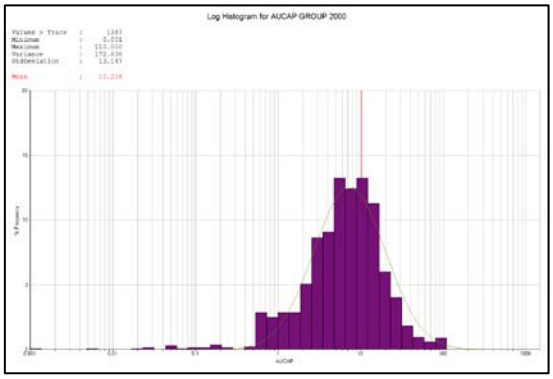


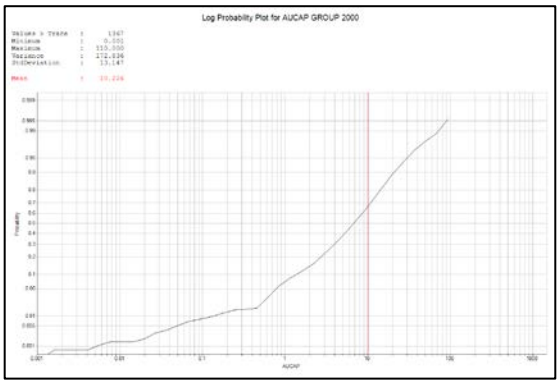


America Deposit – Constancia Vein – GROUP 2000

Gold







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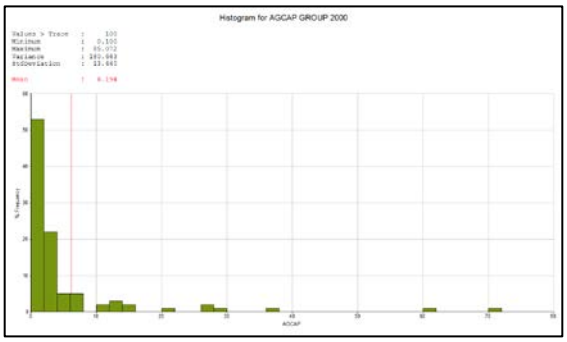
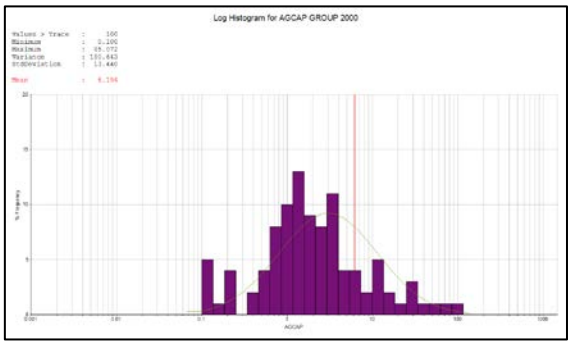
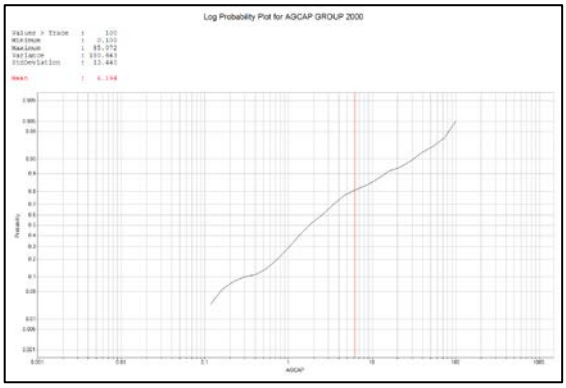
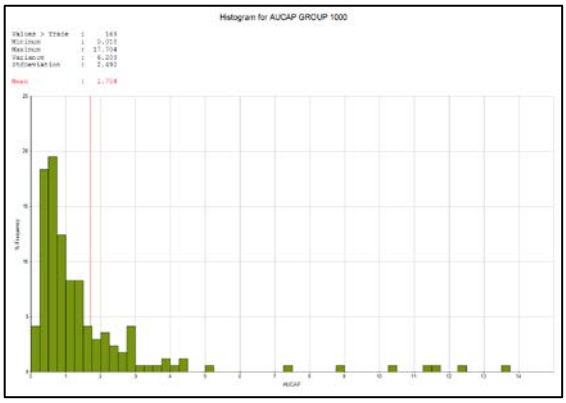


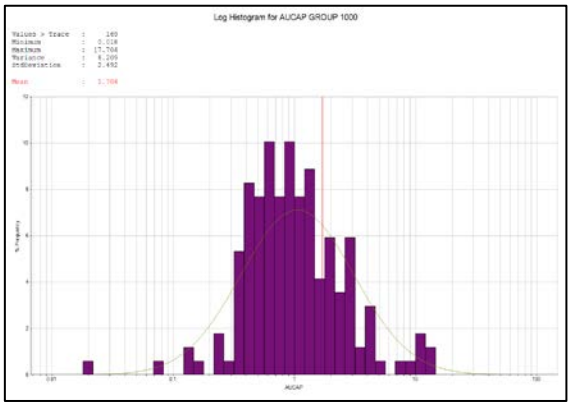


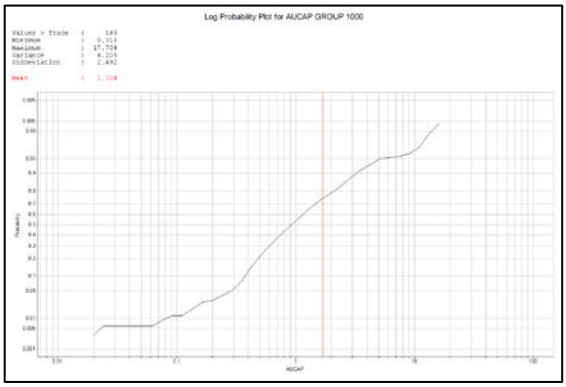


Central Breccia Deposit – GROUP 1000

Gold

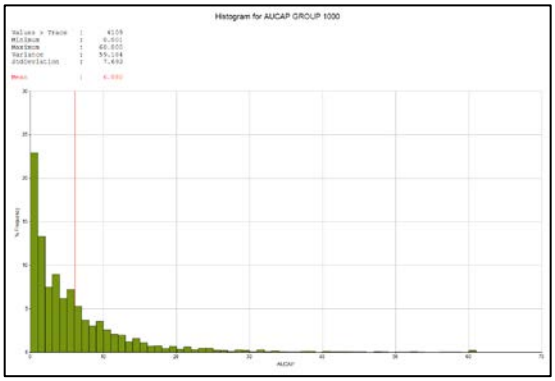


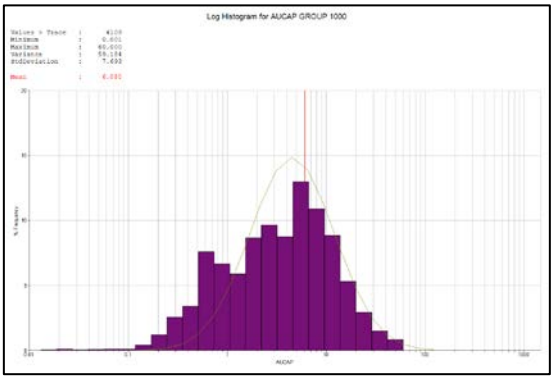


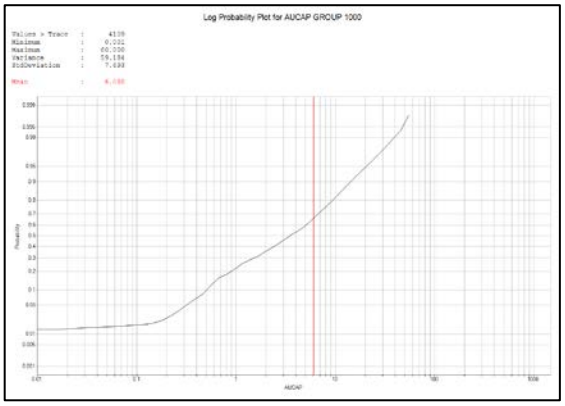


La India Deposit – Main Domain – GROUP 1000

Gold







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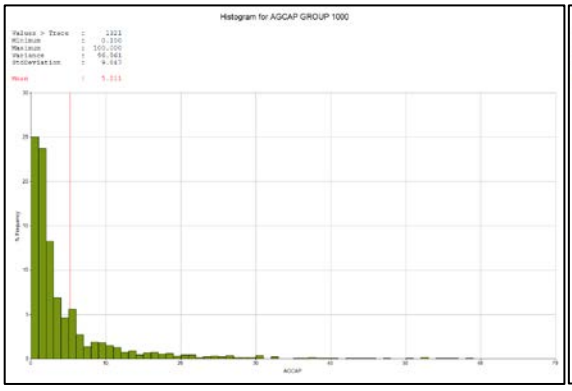
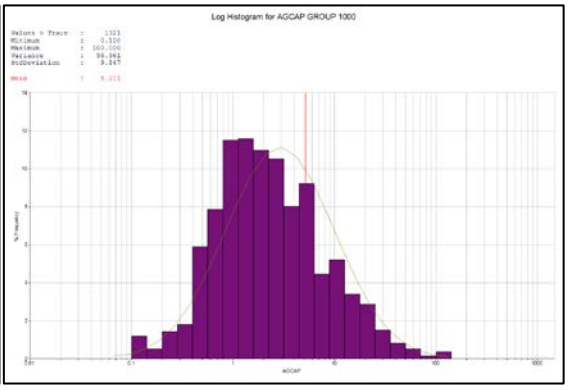
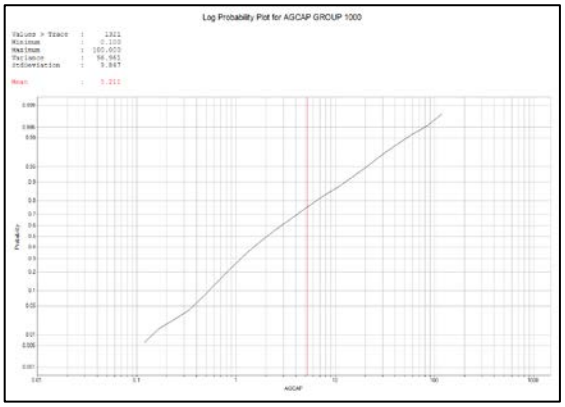
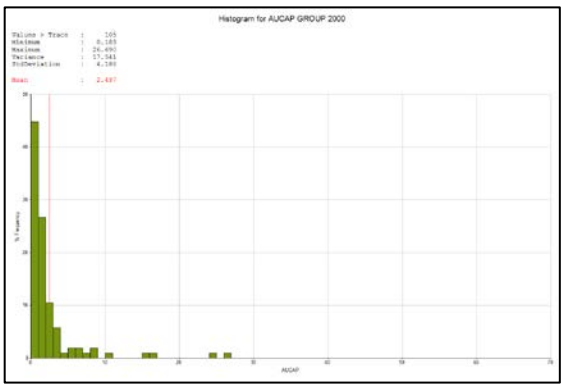


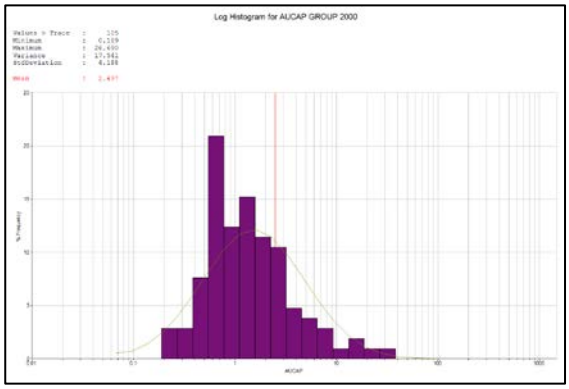


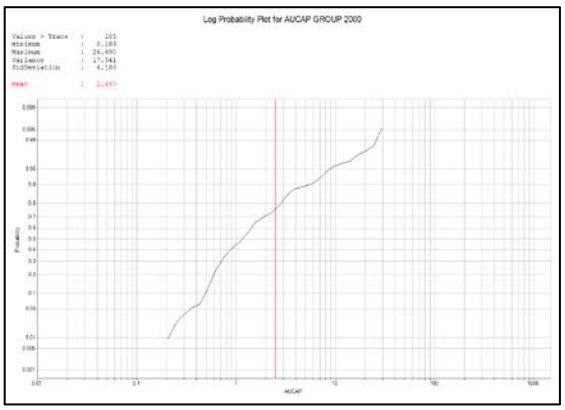


La India Deposit – Hanging Wall Domain – GROUP 2000

Gold







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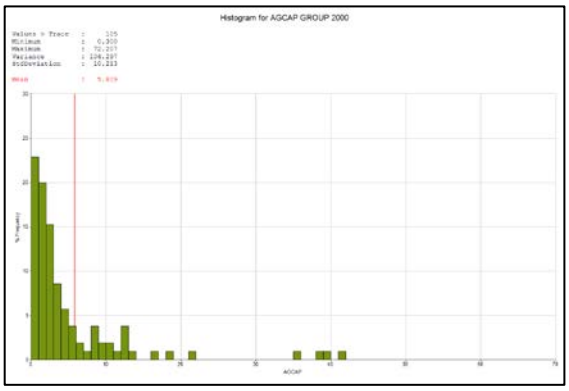
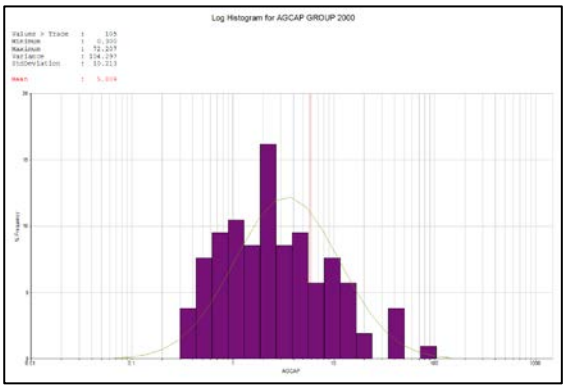
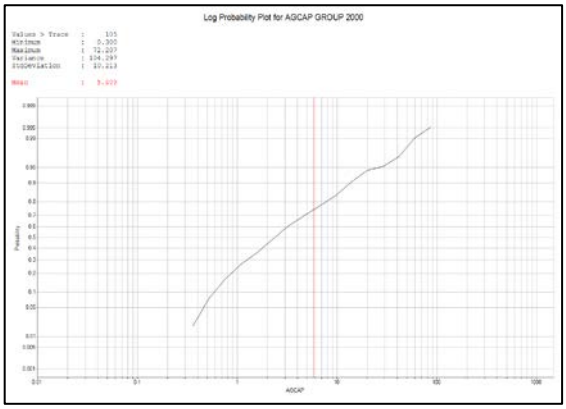
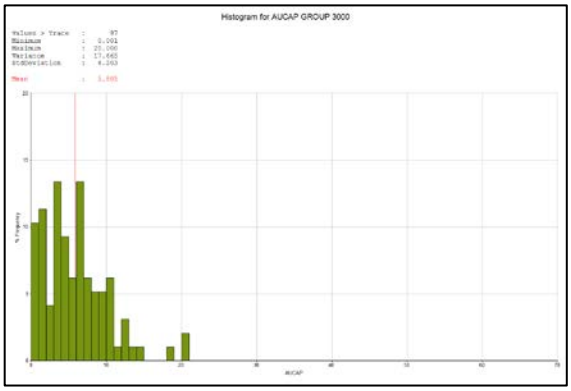


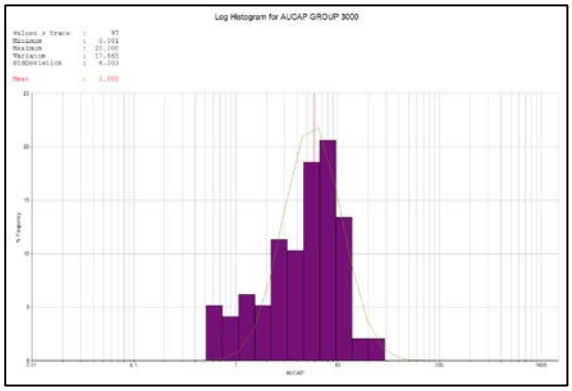


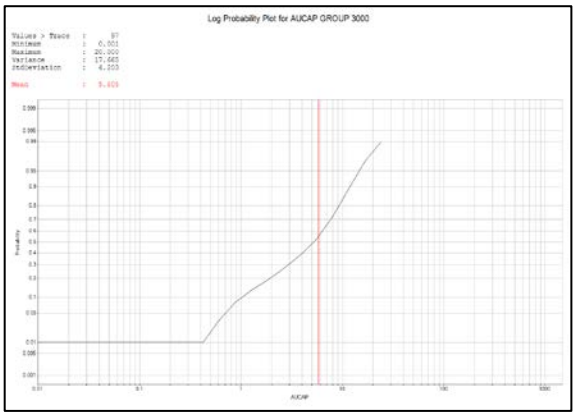


La India Deposit – Breccia Zone Domain – GROUP 3000

Gold







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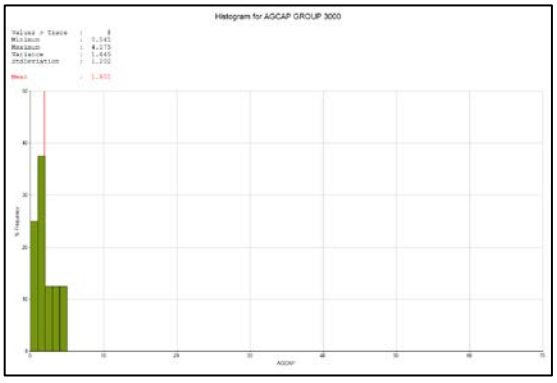
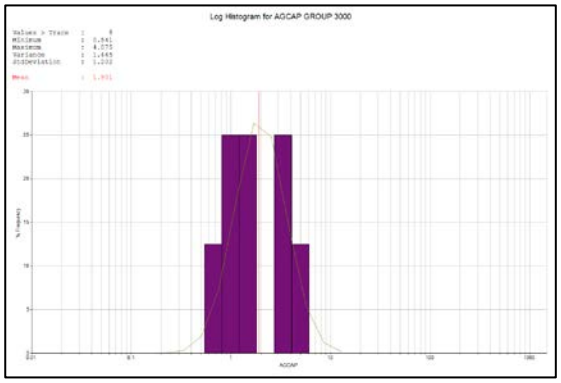
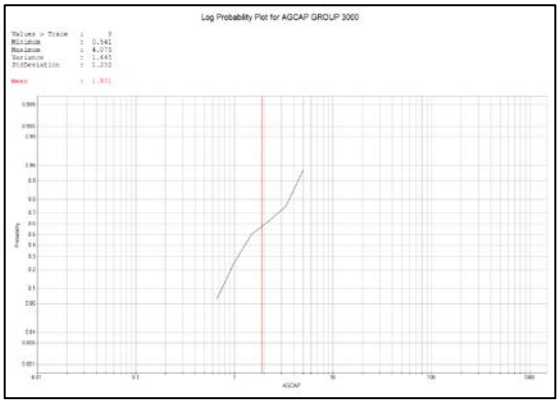
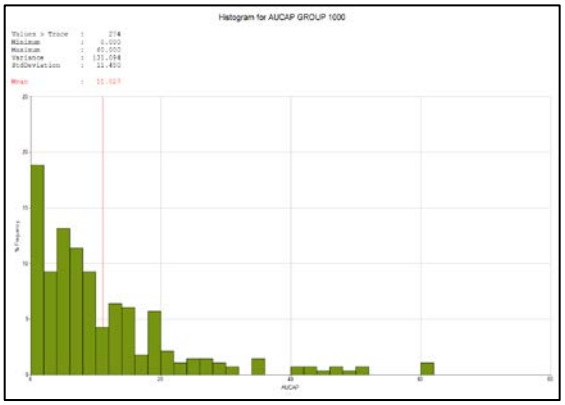


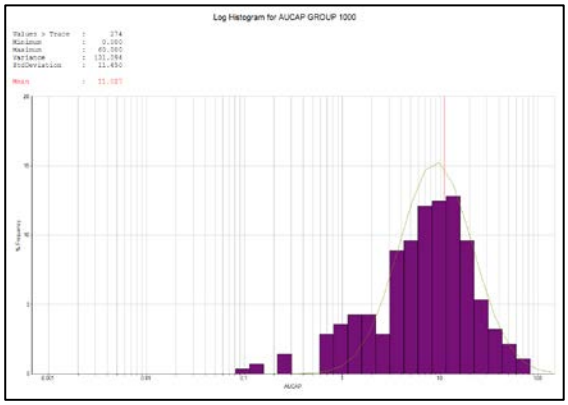


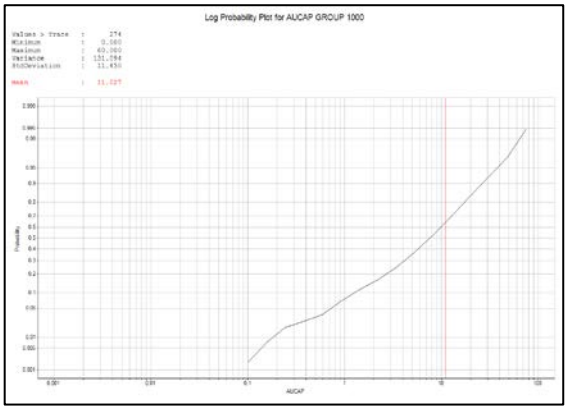


Teresa Deposit – GROUP 1000

Gold





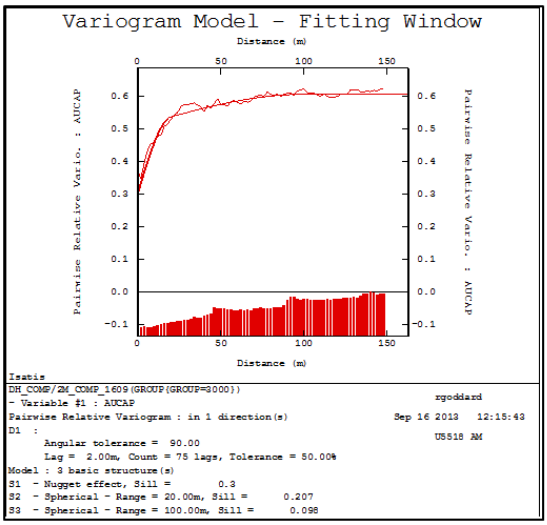


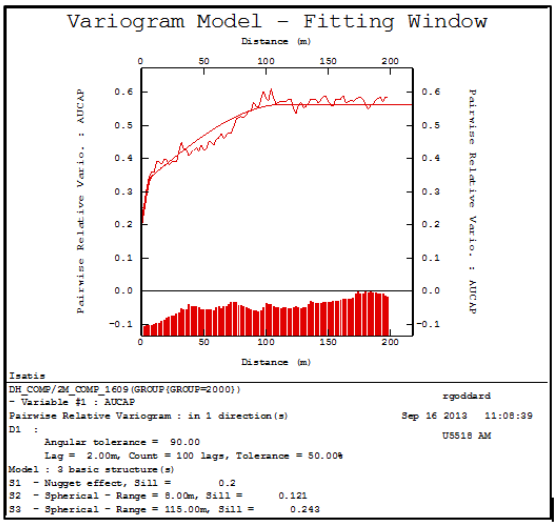
APPENDIX

D VARIOGRAMS

America Deposit

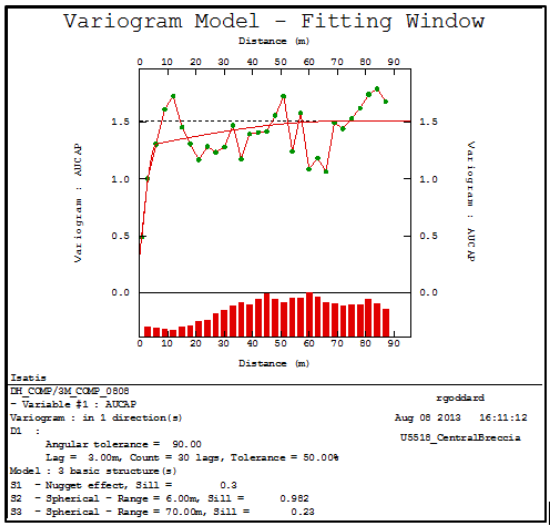
America-Escondido (GROUP 3000) and Constancia (GROUP 2000) for Gold





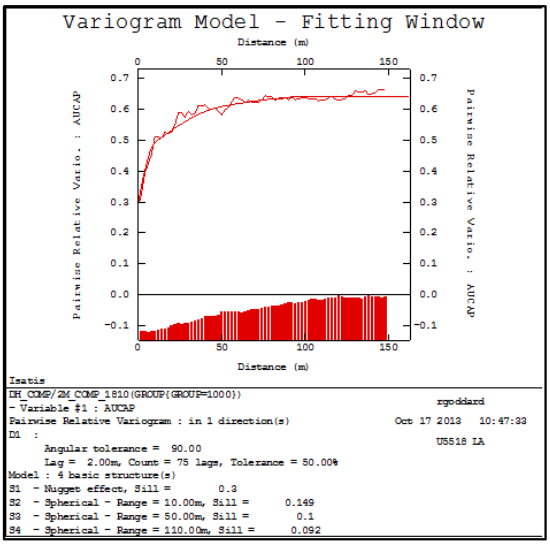
Central Breccia Deposit

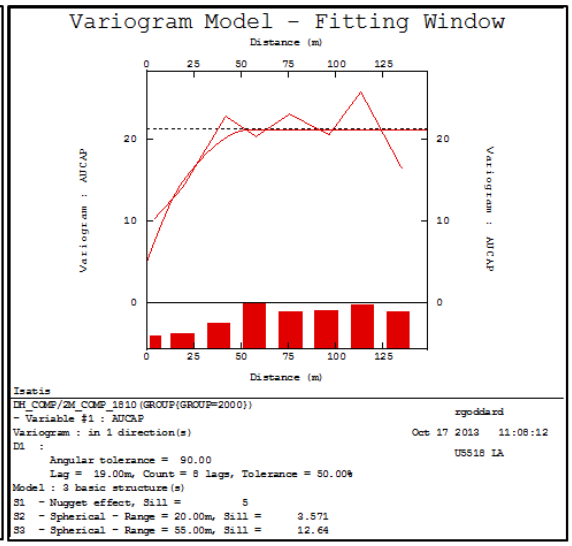
Central Breccia (GROUP 1000) for Gold



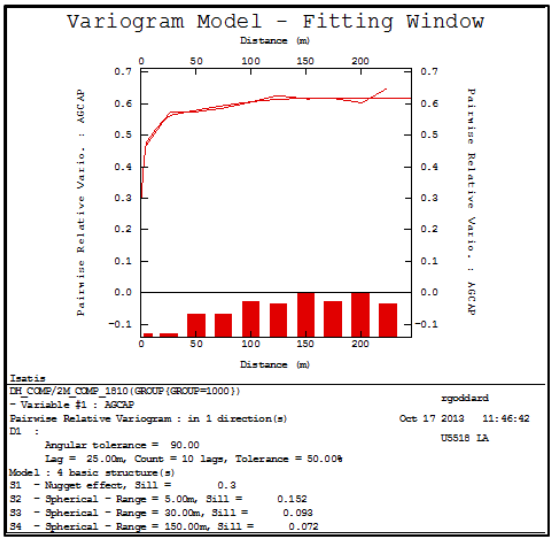
La India Deposit

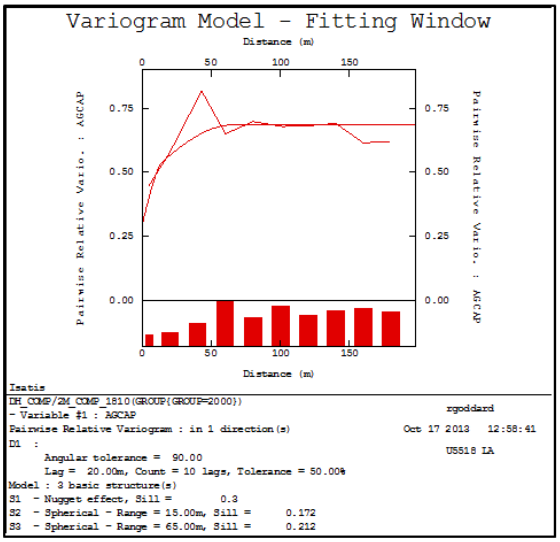
La India Main (GROUP 3000) and La India Hanging Wall (GROUP 2000) for Gold





La India Main (GROUP 3000) and La India Hanging Wall (GROUP 2000) for Silver



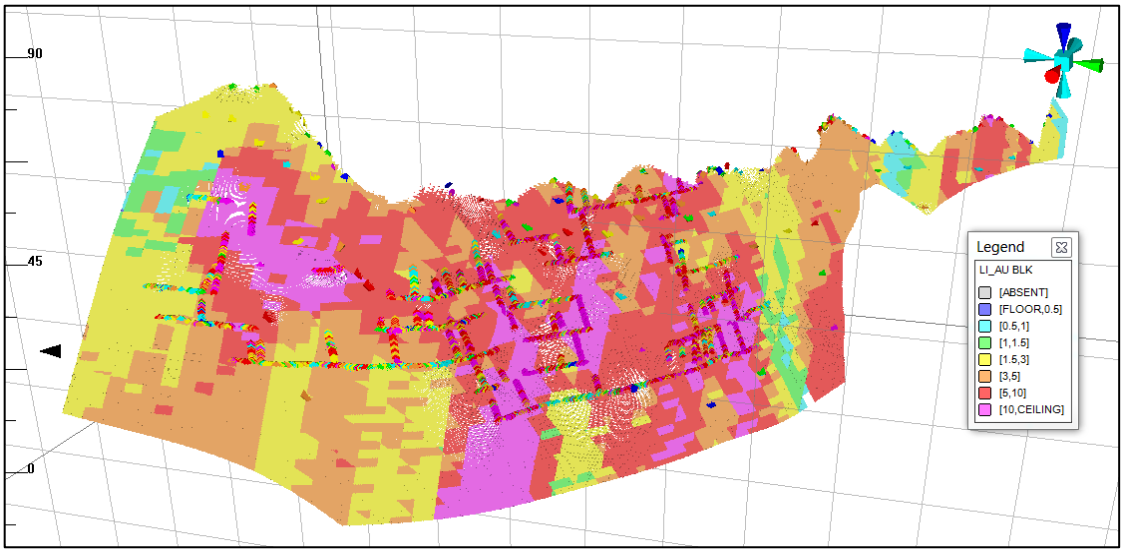


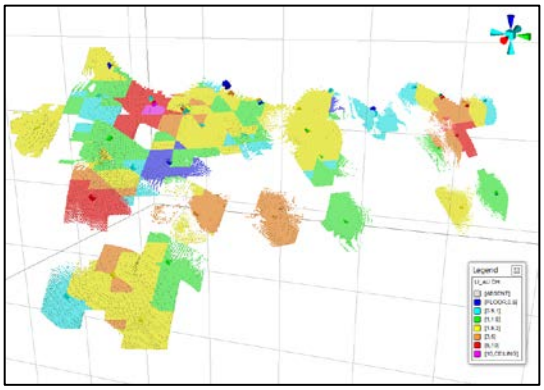
APPENDIX

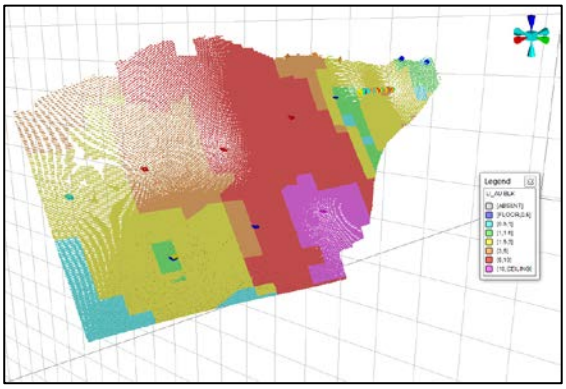
E BLOCK GRADE VISUAL VALIDATION

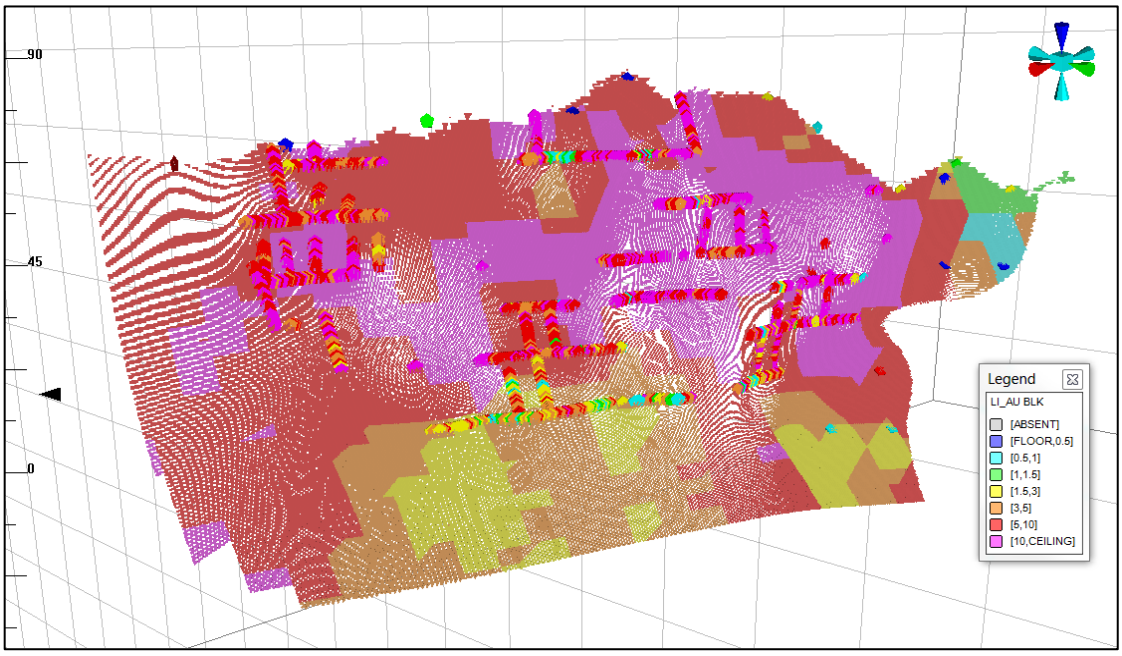
America Deposit

Top down, left to right: America-Escondido HGC (KZONE 3500); America-Escondido WR (KZONE 3010); Constancia (KZONE 2510); Constancia (KZONE 2520).



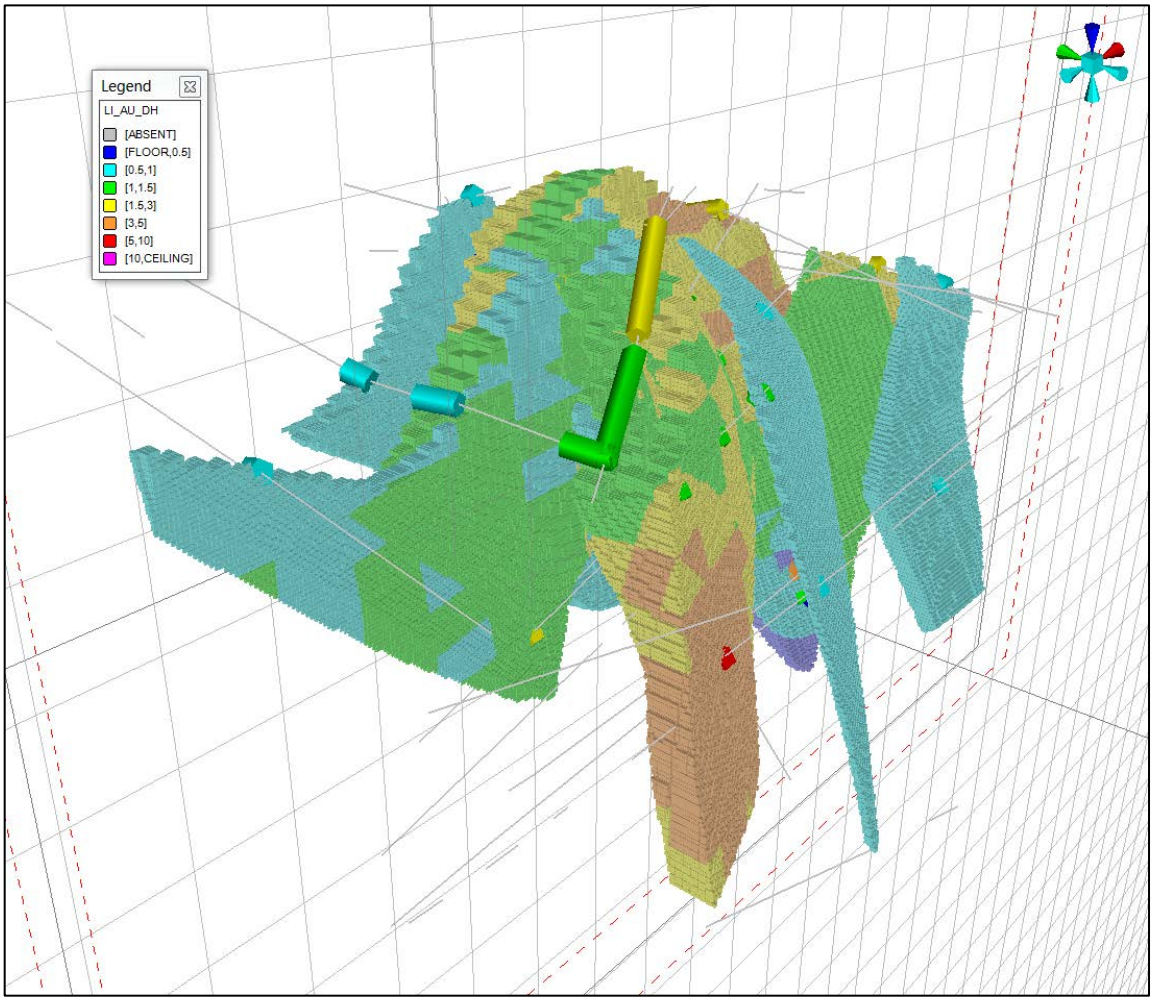






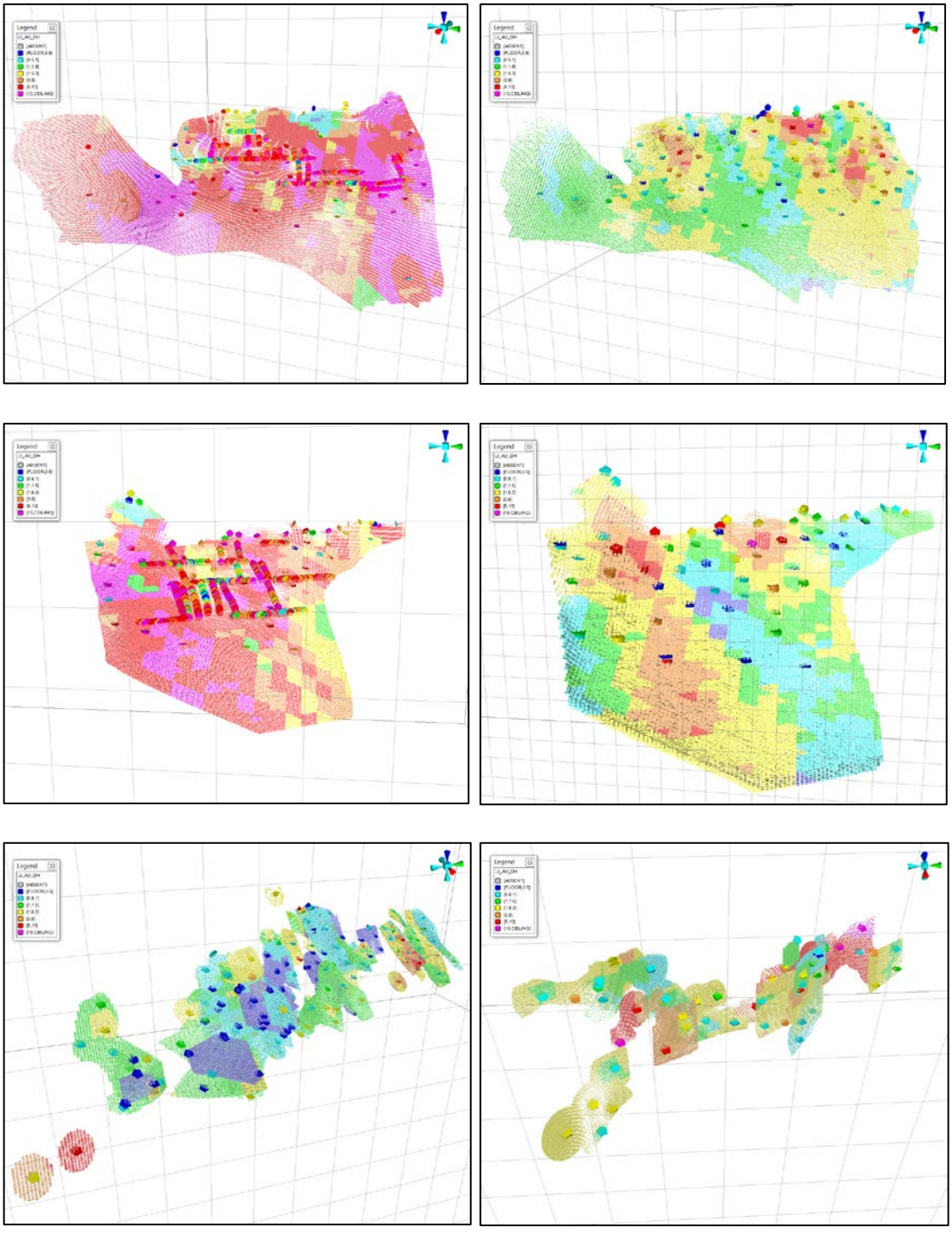
Central Breccia Deposit

GROUP 1000



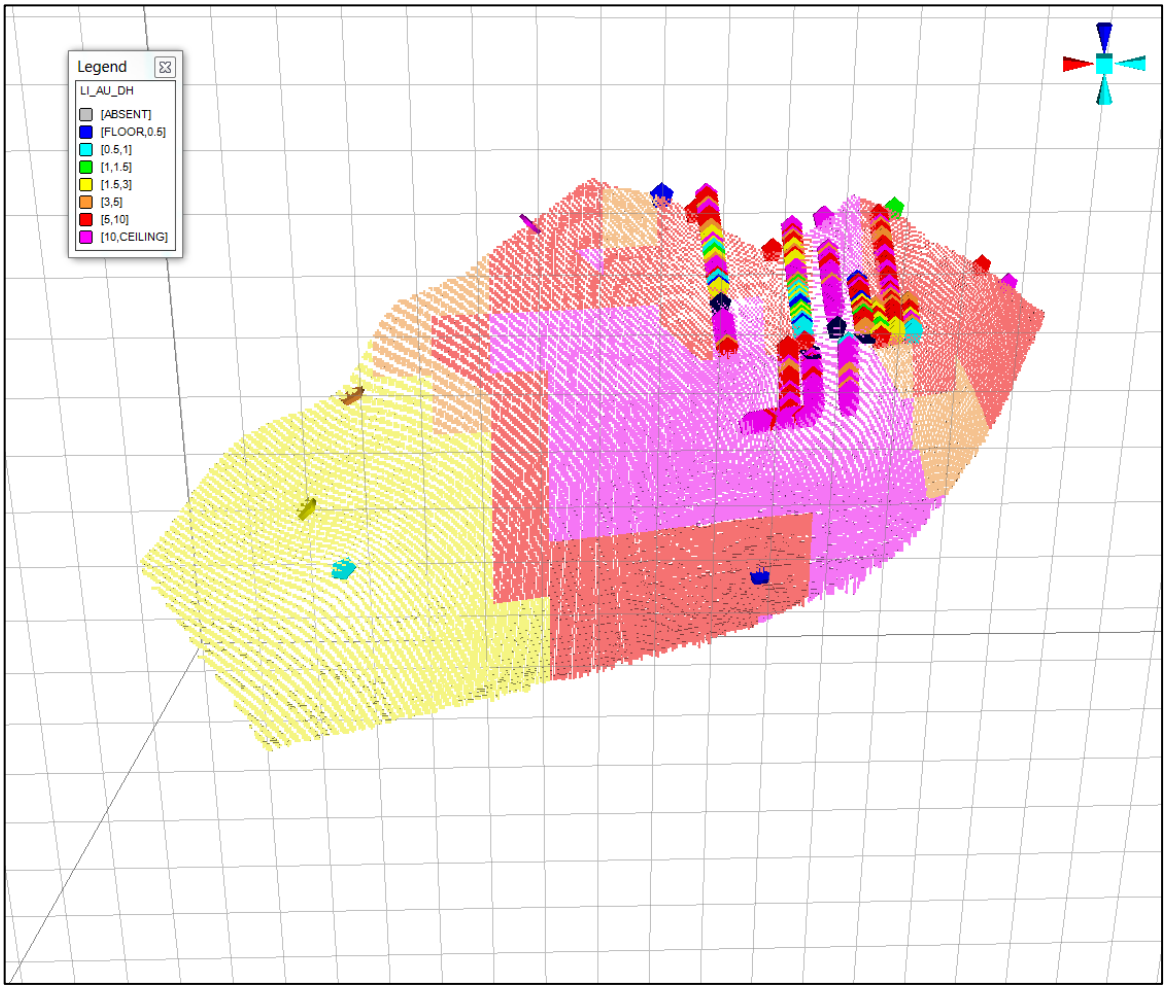
La India Deposit

Top down, left to right: La India HGC (KZONE 130); La India Main WR (KZONE 230); La India HGC (KZONE 140); La India Main WR (KZONE 250); La India Main WR (KZONE 301-329); La India Hanging Wall WR (KZONE 410-530).



Teresa Deposit

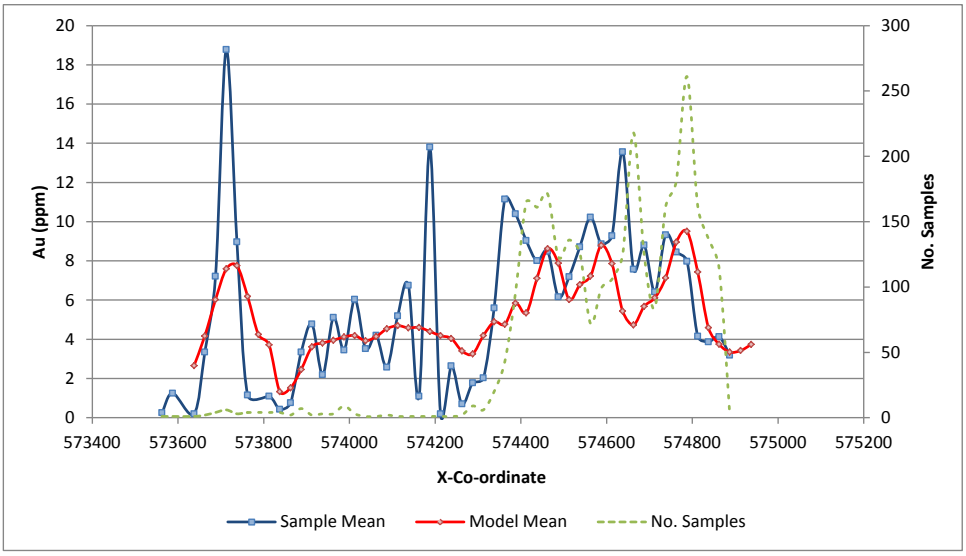
GROUP 1000

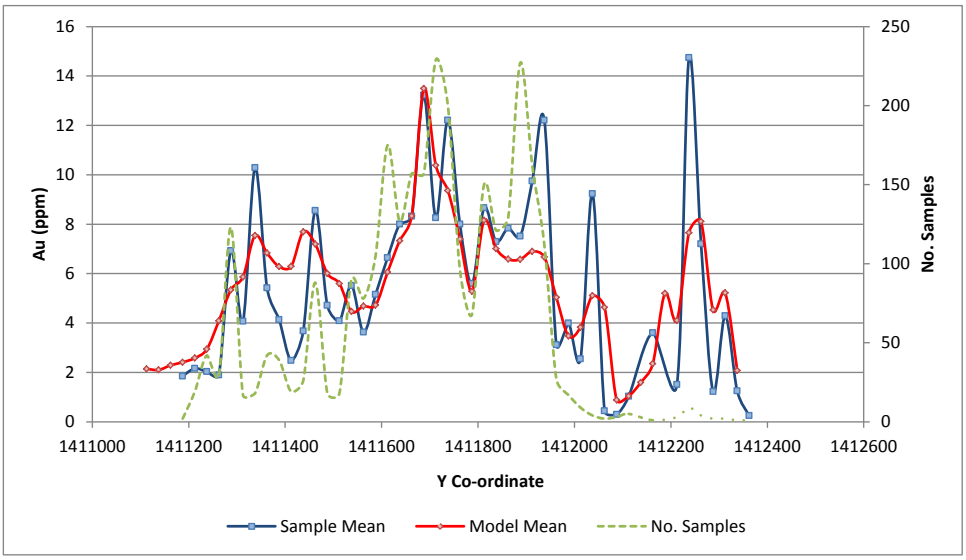


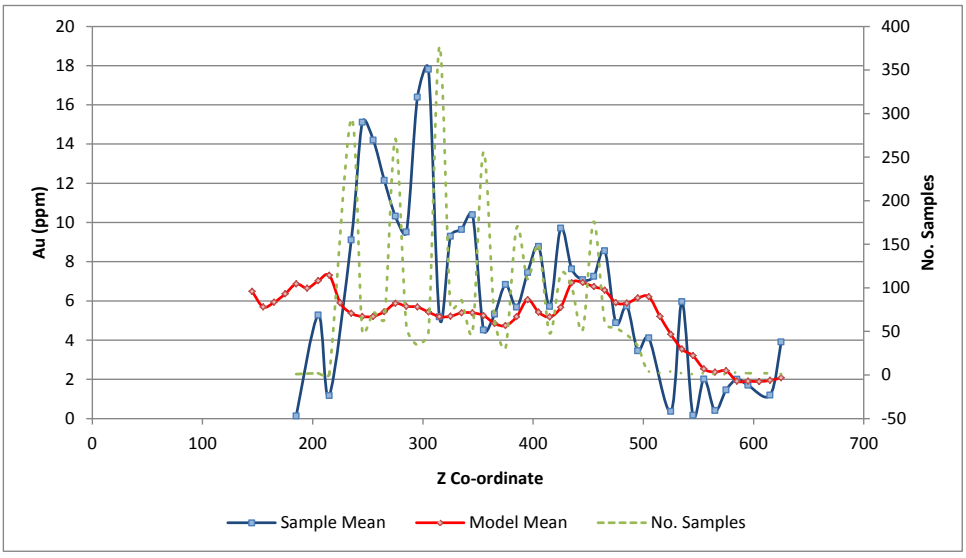
APPENDIX

F VALIDATION PLOTS

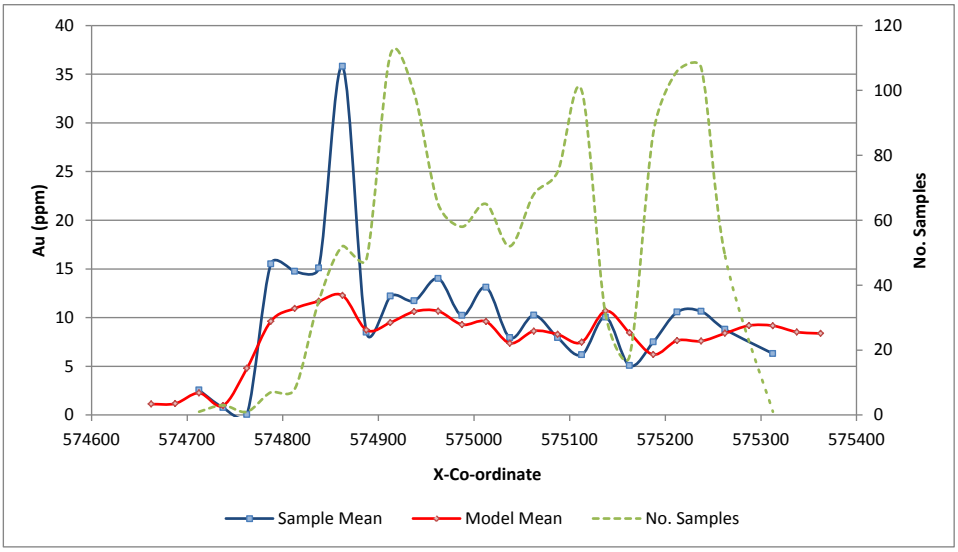
America Deposit – America-Escondido Vein – KZONE 3500

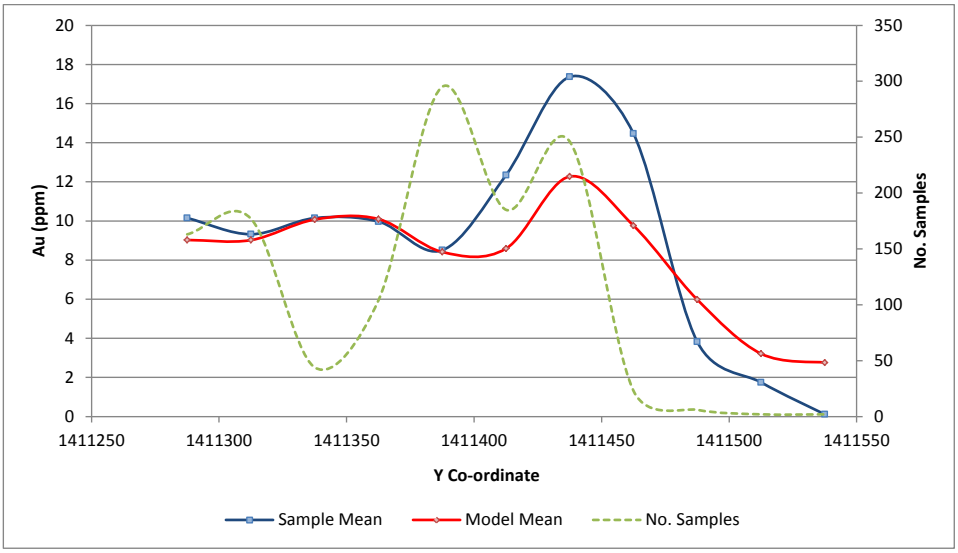


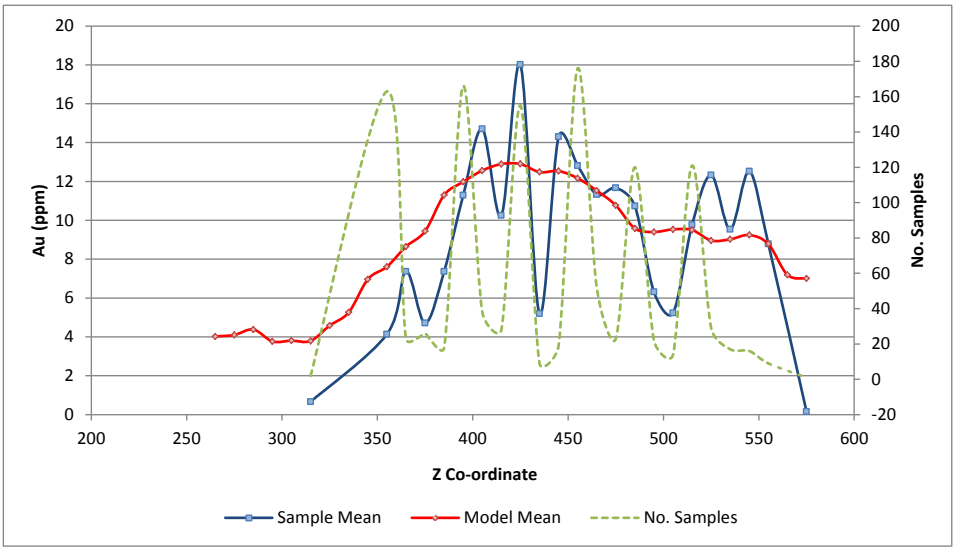




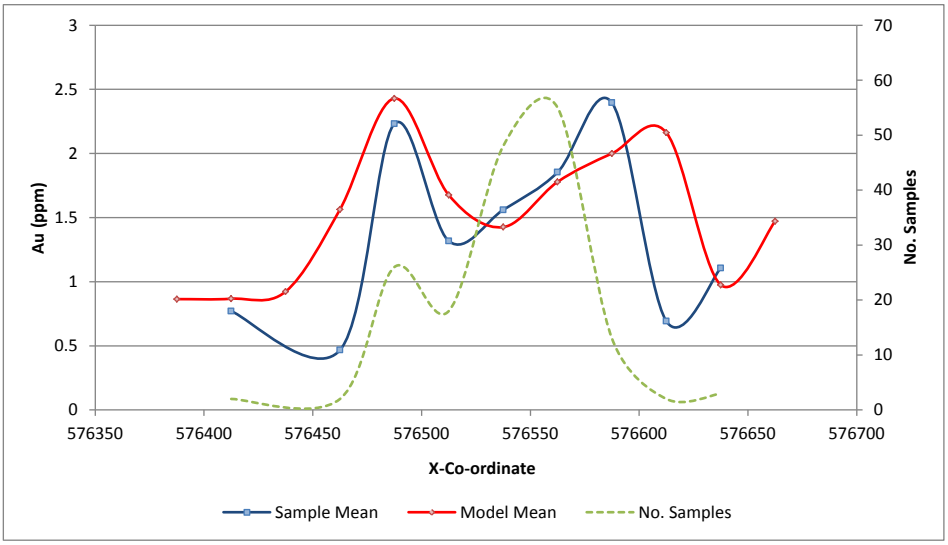
America Deposit – Constancia Vein – KZONE 2520

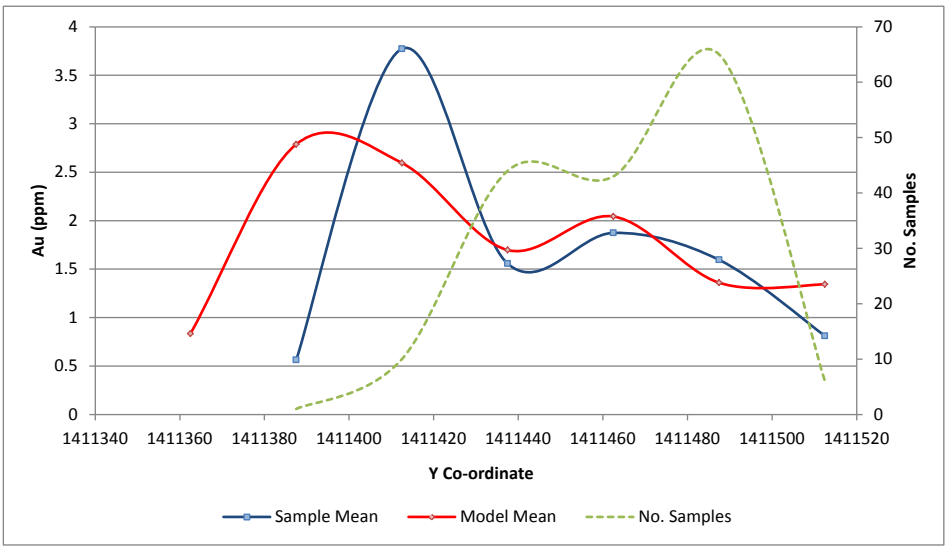


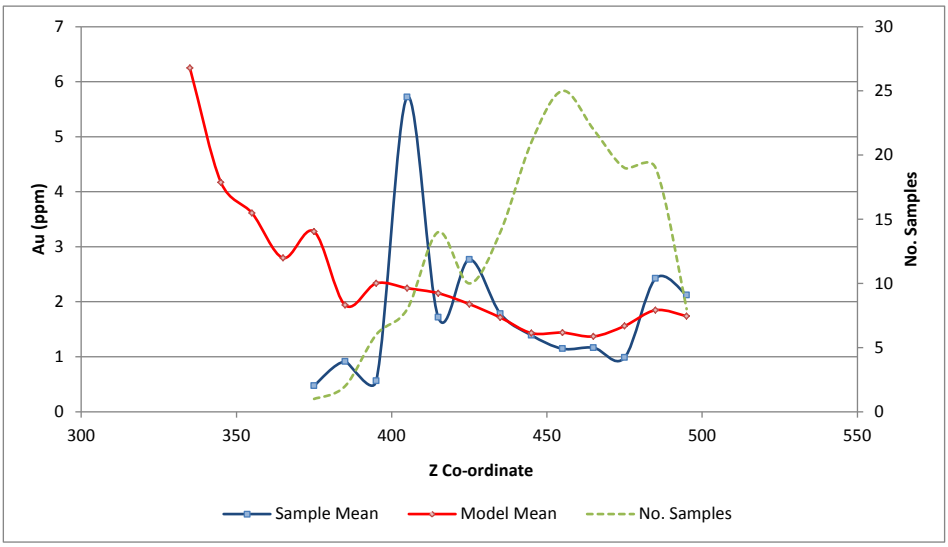




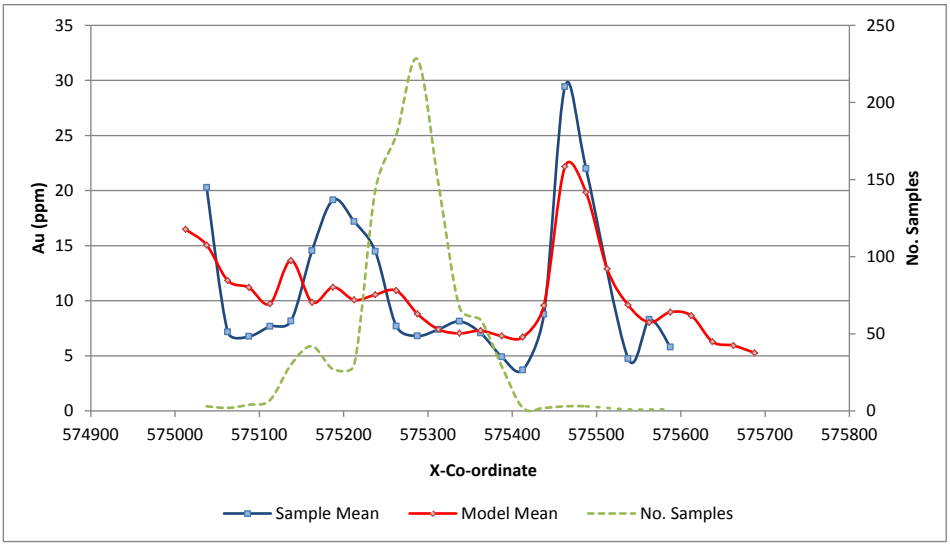
Central Breccia Deposit – GROUP 1000

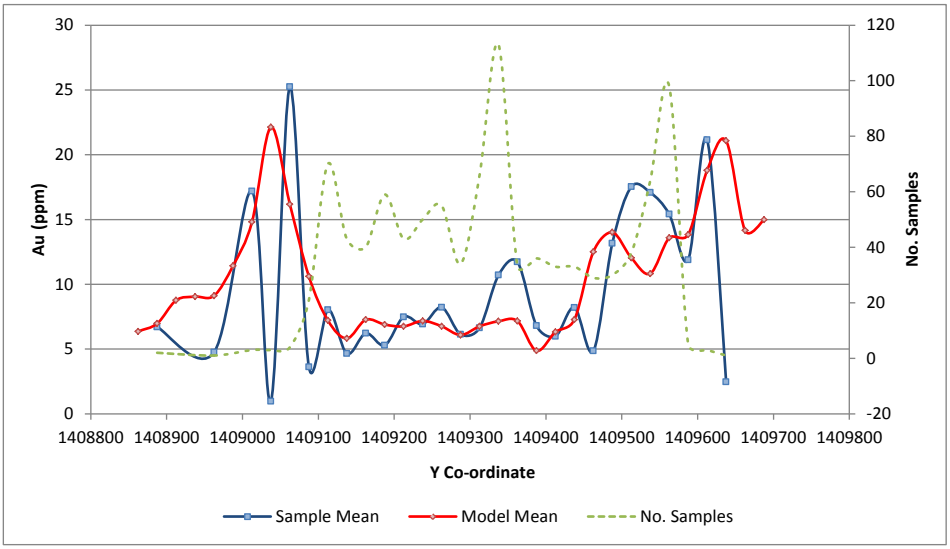


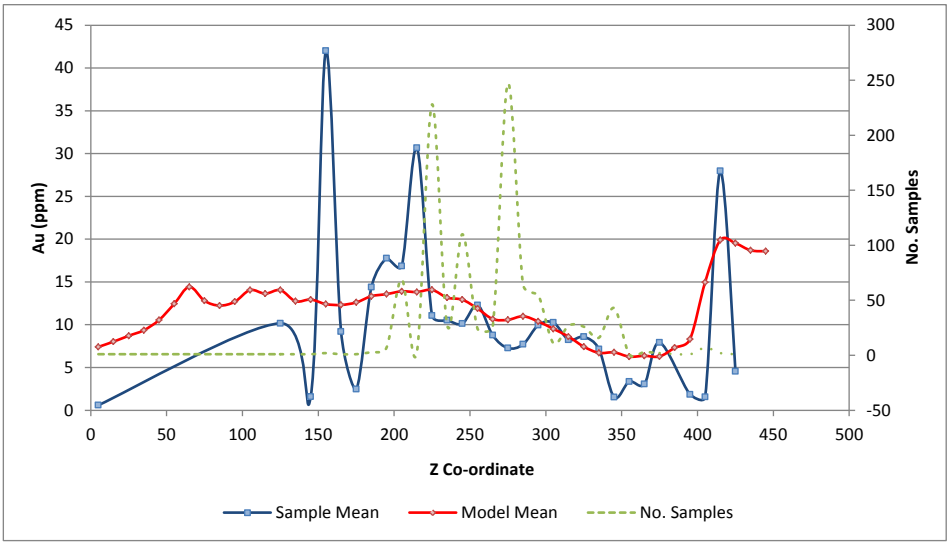




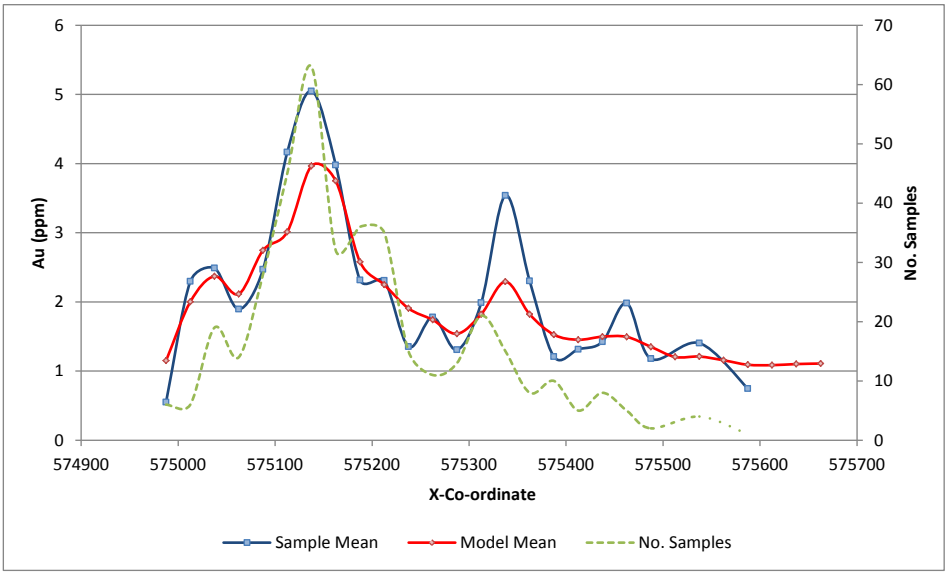
La India Deposit – La India HGC – KZONE 130

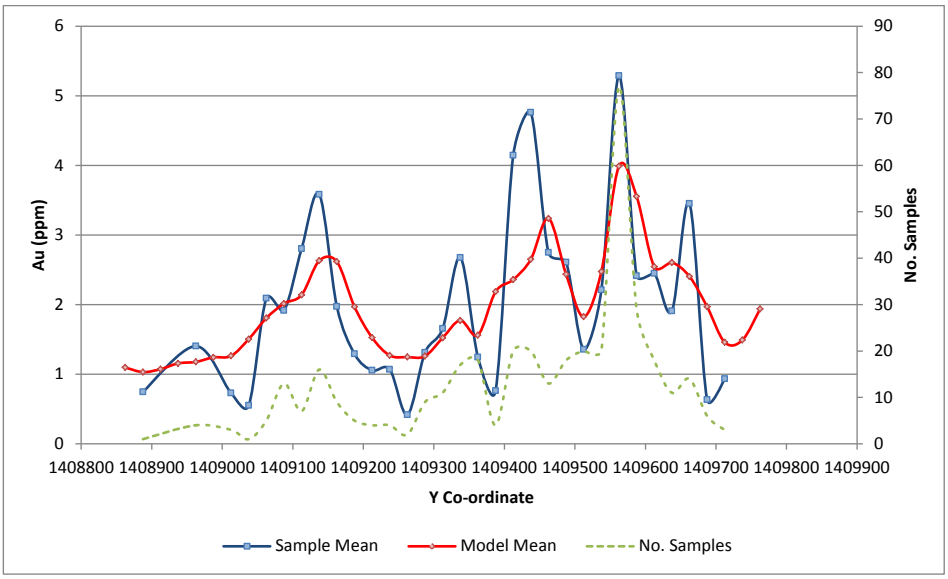


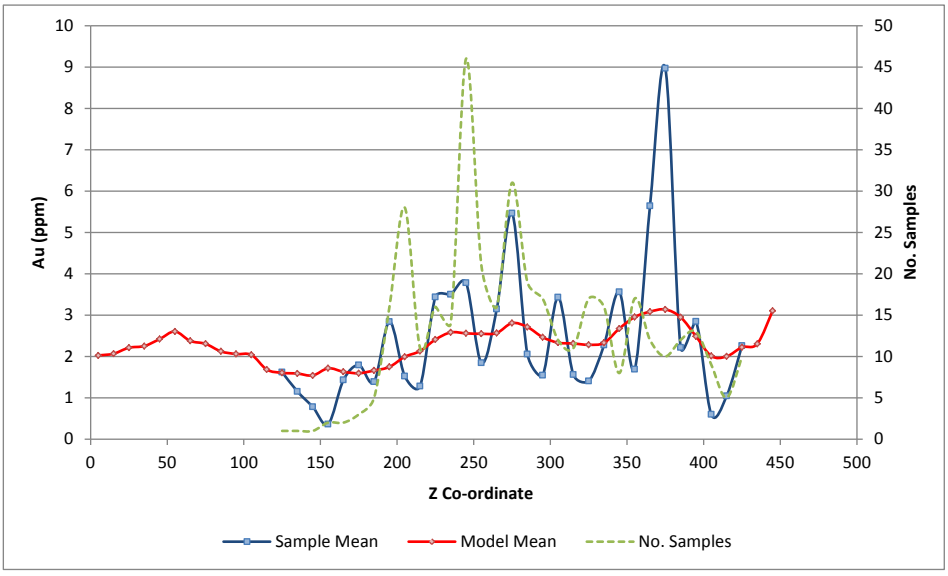




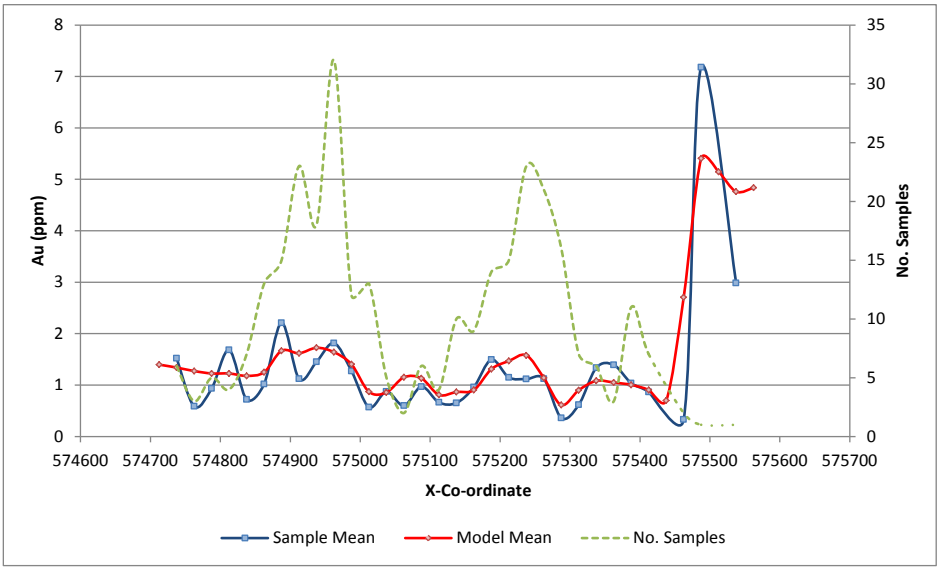
La India Deposit – La India Main WR – KZONE 230

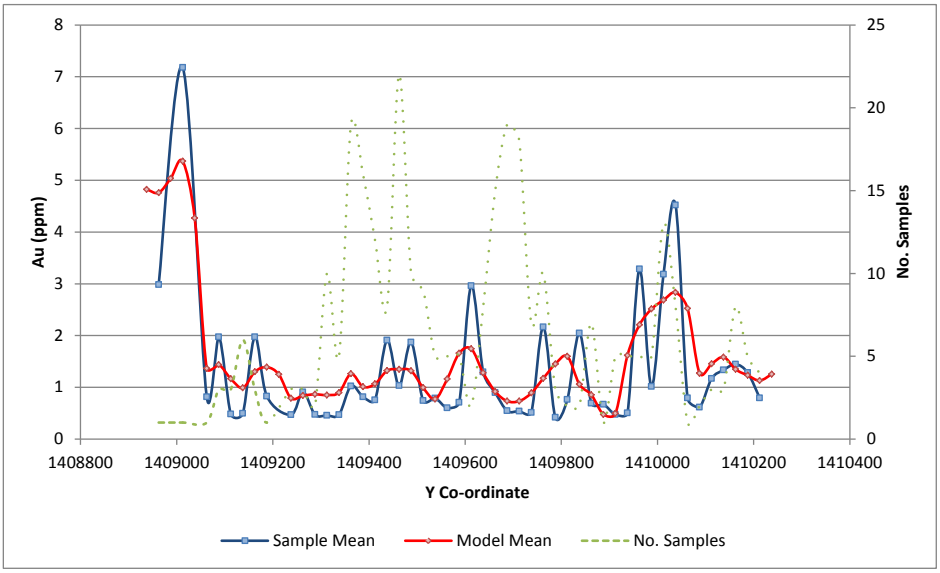


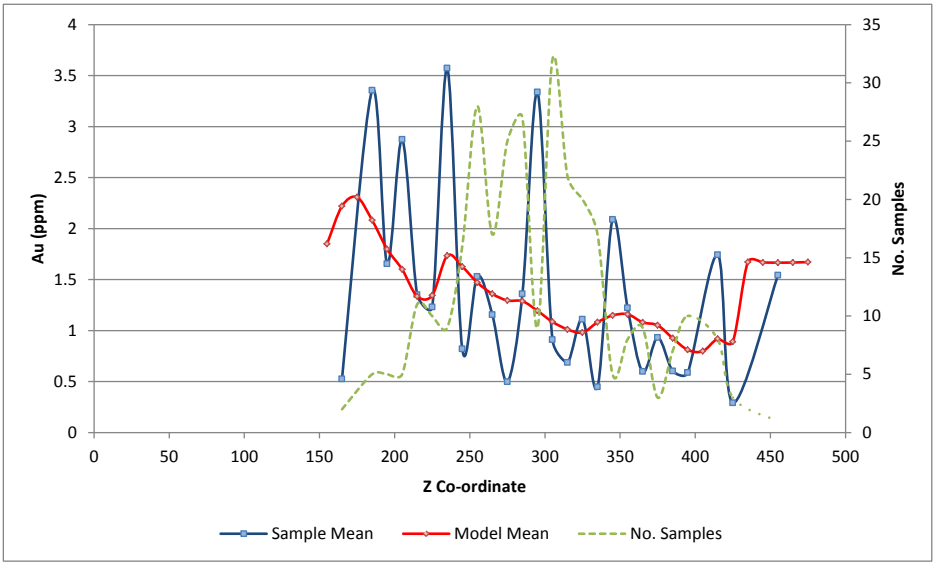




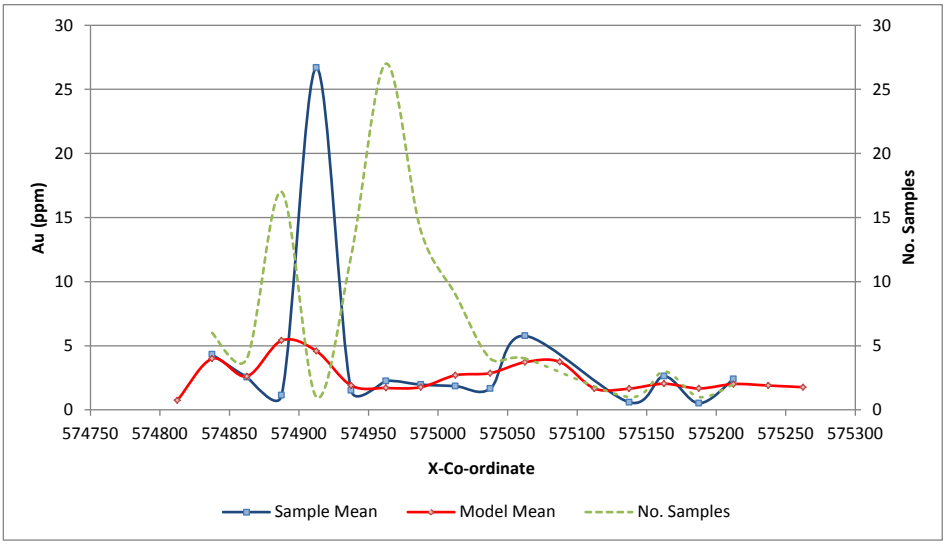
La India Deposit – La India Main WR – KZONE 301-329

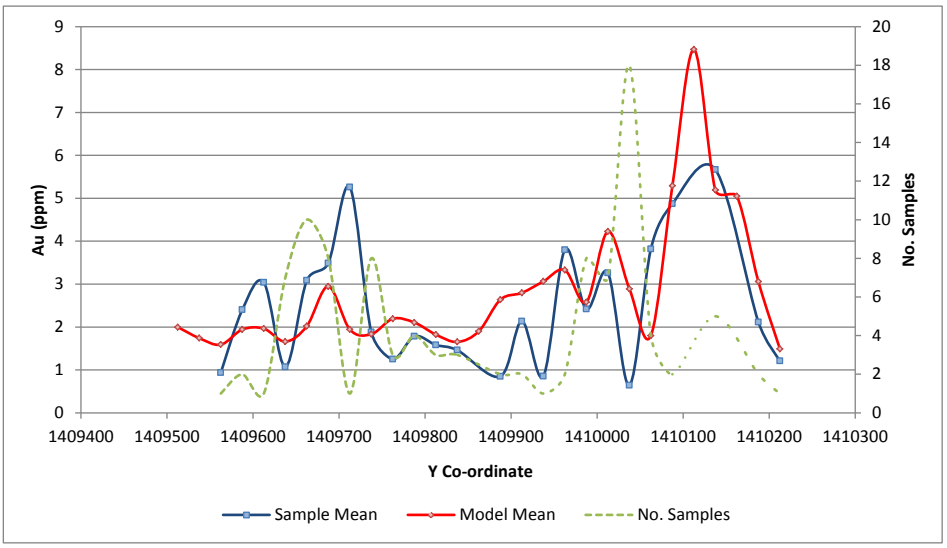


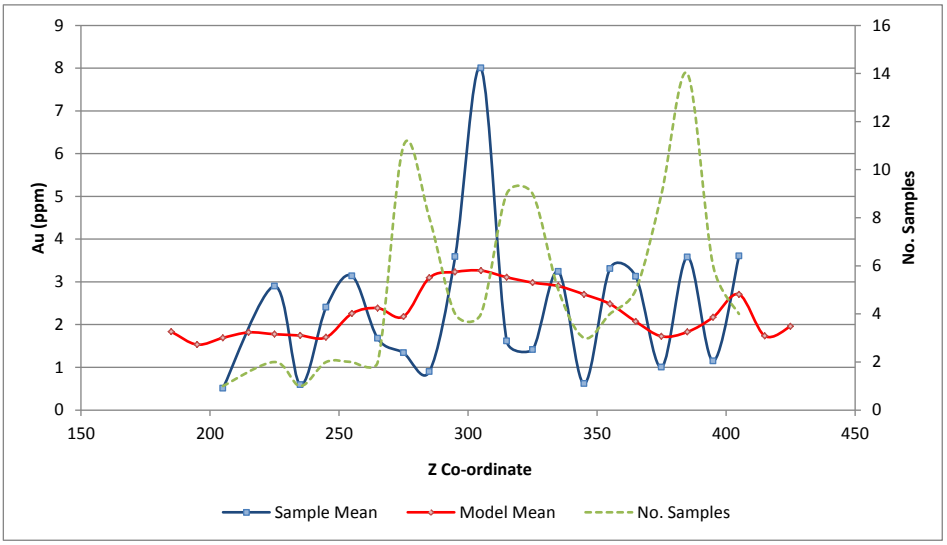




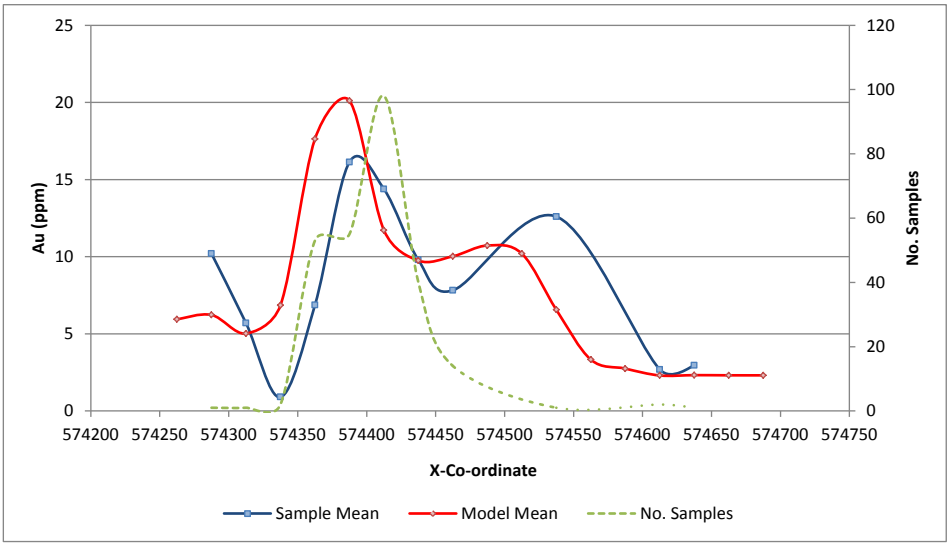
La India Deposit – La India Hanging Wall WR – KZONE 410-530

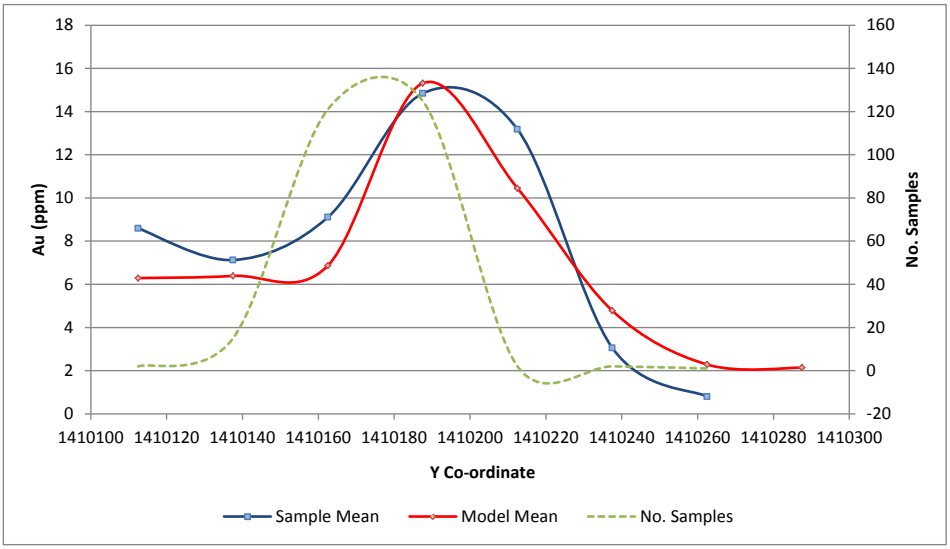


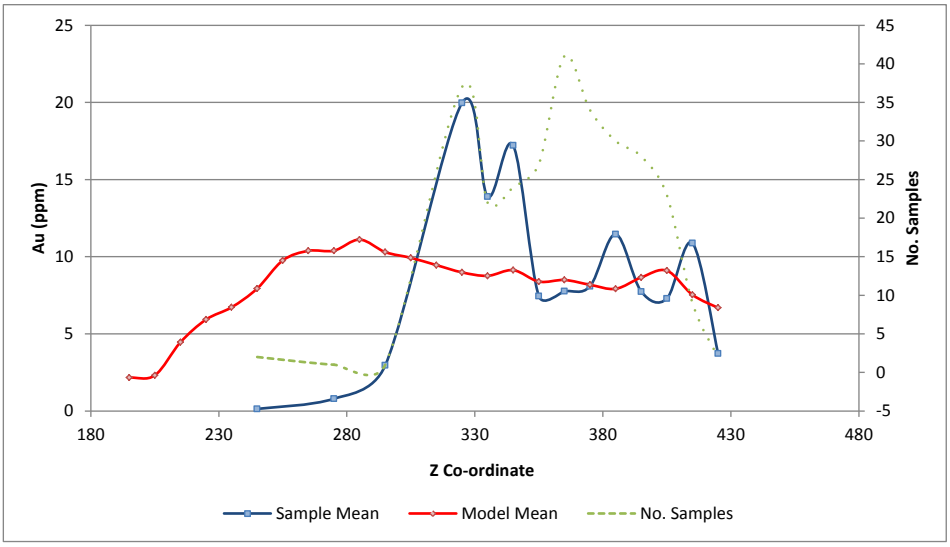




Teresa Deposit – GROUP 1000







APPENDIX

G STATISTICAL BLOCK GRADE VALIDATION

Statistical Validation Block Model to Declustered Mean Gold Grade (Single Domain Deposits)

Vein	Count	Composite Mean	Declust. Mean	Block Mean	% Difference AU	Absolute Difference AU (g/t)
Agua Caliente	125	8.69	5.80	5.80	-0.10	0.01
Arizona	238	5.17	3.90	4.20	5.90	0.24
Buenos Aires	76	8.13	6.10	6.00	-1.40	0.08
Cacao	572	0.92	0.80	1.00	21.80	0.22
Central Breccia	169	1.67	1.65	1.77	6.20	0.10
Espinito	457	9.15	6.20	6.10	-1.30	0.08
Guapinol	377	7.01	5.50	5.30	-4.00	0.21
San Lucas	839	5.97	4.00	4.00	0.90	0.04
Tatiana	68	4.76	4.30	6.10	29.10	1.78
Teresa	281	11.03	8.49	8.78	3.36	0.29

Statistical Validation Block Model to Declustered Mean Gold Grade (America Deposit)*

KZONE	FIELD	ESTIMATION METHOD	Composite Mean AU (g/t)	Declustered Mean AU (g/t)	Block Estimate AU (g/t)	% Difference AU	Absolute Difference AU (g/t)
2010	AU	OK	1.68	1.47	1.40	-4.7%	0.07
	AUIDW	IDW	1.68	1.47	1.64	11.6%	0.17
2020	AU	OK	0.92	0.96	0.94	-2.0%	0.02
	AUIDW	IDW	0.92	0.96	0.93	-2.9%	0.03
2030	AU	OK	10.22	9.18	8.65	-5.8%	0.53
	AUIDW	IDW	10.22	9.18	10.72	16.8%	1.54
2040	AU	OK	1.79	1.79	1.75	-2.4%	0.04
	AUIDW	IDW	1.79	1.79	1.76	-1.4%	0.03
2050	AU	OK	1.47	1.43	1.43	-0.3%	0.00
	AUIDW	IDW	1.47	1.43	1.42	-0.4%	0.01
2060	AU	OK	2.81	3.05	3.00	-1.8%	0.05
	AUIDW	IDW	2.81	3.05	2.80	-8.2%	0.25
2510	AU	OK	2.81	4.04	4.94	22.2%	0.90
	AUIDW	IDW	2.81	4.04	5.04	24.8%	1.00
2520	AU	OK	10.92	8.77	9.02	2.9%	0.25
	AUIDW	IDW	10.92	8.77	9.83	12.1%	1.06
3010	AU	OK	2.60	2.24	2.48	-4.5%	0.24
	AUIDW	IDW	2.60	2.24	2.54	-2.1%	0.30
3020	AU	OK	0.59	0.59	0.59	0.1%	0.00
	AUIDW	IDW	0.59	0.59	0.59	0.1%	0.00
3030	AU	OK	0.95	1.01	0.96	-4.5%	0.05
	AUIDW	IDW	0.95	1.01	0.89	-11.4%	0.12
3500	AU	OK	8.19	5.68	5.65	-0.6%	0.03
	AUIDW	IDW	8.19	5.68	5.78	1.8%	0.10

*Note that the raw composite mean has (where appropriate) been used in place of the declustered mean for optimal statistical comparison with the block estimate.

*Elevated percentage discrepancy for KZONE 2510 as a limited high grade intercepts influence a relatively large proportion of the tonnage.

Statistical Validation Block Model to Declustered Mean Silver Grade (America Deposit)

KZONE	FIELD	ESTIMATION METHOD	Composite Mean AU (g/t)	Declustered Mean AU (g/t)	Block Estimate AU (g/t)	% Difference AU	Absolute Difference AU (g/t)
2000	AG	OK	6.19	5.87	5.71	-2.7%	0.16
	AGIDW	IDW	6.19	5.87	5.94	1.2%	0.07
3000	AG	OK	6.03	5.83	5.92	1.5%	0.09
	AGIDW	IDW	6.03	5.83	6.15	5.4%	0.32

Statistical Validation Block Model to Declustered Mean Silver Grade (La India Deposit)

GROUP	KZONE	FIELD	ESTIMATION METHOD	Composite Mean AU (g/t)	Declustered Mean AU (g/t)	Block Estimate AU (g/t)	% Difference AU	Absolute Difference AU (g/t)
1000	110	AG	OK	12.07	12.54	12.28	-2.1%	0.26
		AGIDW	IDW	12.07	12.54	12.11	-3.5%	0.43
	120	AG	OK	7.74	7.91	8.09	2.3%	0.18
		AGIDW	IDW	7.74	7.91	7.75	-2.0%	0.16
	130	AG	OK	15.34	16.13	18.71	16.0%	2.58
		AGIDW	IDW	15.34	16.13	18.72	16.1%	2.59
	140	AG	OK	12.73	14.00	17.05	21.8%	3.06
		AGIDW	IDW	12.73	14.00	16.30	16.5%	2.31
	210	AG	OK	4.17	4.23	4.04	-4.5%	0.19
		AGIDW	IDW	4.17	4.23	4.11	-2.8%	0.12
	220	AG	OK	3.63	3.15	2.77	-11.8%	0.37
		AGIDW	IDW	3.63	3.15	3.06	-2.9%	0.09
	230	AG	OK	4.59	4.00	4.09	2.2%	0.09
		AGIDW	IDW	4.59	4.00	4.09	2.1%	0.08
	240	AG	OK	3.15	3.38	3.44	2.0%	0.07
		AGIDW	IDW	3.15	3.38	3.59	6.3%	0.21
	250	AG	OK	6.25	6.20	6.34	2.2%	0.14
		AGIDW	IDW	6.25	6.20	6.42	3.5%	0.22
	260	AG	OK	7.67	7.15	7.19	0.6%	0.04
		AGIDW	IDW	7.67	7.15	6.93	-3.0%	0.22
	301 - 329	AG	OK	2.03	2.07	2.08	0.4%	0.01
		AGIDW	IDW	2.03	2.07	2.13	3.0%	0.06
2000	410 - 530	AG	OK	5.81	5.63	5.79	-0.4%	0.15
		AGIDW	IDW	5.81	5.63	5.78	-0.5%	0.14
3000	620	AG	OK	0.78	0.78	0.78	0.0%	0.00
		AGIDW	IDW	0.78	0.78	0.78	0.0%	0.00
	630	AG	OK	1.10	1.08	1.11	0.9%	0.01
		AGIDW	IDW	1.10	1.08	1.20	9.0%	0.10
	640	AG	OK	2.77	2.78	2.78	0.0%	0.00
		AGIDW	IDW	2.77	2.78	2.73	-1.7%	0.05