ACN 141 347 640

Condor Blanco Mines Limited

and Controlled Entities

ANNUAL REPORT

2017 Financial Year

(5 July 2016 to 30 June 2017)

DIRECTORS

Mr Joshua Farquhar	(Chairman of Board and Managing Director)
Dr Simon Wood	(Non-executive Director)
Mr Craig McGrath	(Non-executive Director)

COMPANY SECRETARY

Mr Joshua Farquhar

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DIRECTORS' REPORT

This is the Annual Report for the Group, being Condor Blanco Mines Limited ("Condor", "the Company") and its controlled entities, for the 2017 financial year, which comprises the period from 5 July 2016 to 30 June 2017.

PRELIMINARIES

Under the provisions of section 323D of the *Corporations Act 2001* (Cth), Condor adjusted the period of the Company's financial year by extending the last day of the 2016 financial year from 30 June 2016 to 4 July 2016. The Company's 2017 financial year ran from 5 July 2016 to 30 June 2017. The 2018 financial year has reverted to the usual period, that being 1 July to 30 June. The purpose of extension of the 2016 financial year was to align the end of that year with the removal of Condor's former Board by vote of shareholders at general meeting on 5 July 2016 and the election of an entirely new slate of directors on that date.

All monetary amounts in this report are stated in Australian dollars, unless otherwise specified.

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CORPORATE STRUCTURE

At 30 June 2017, Condor held an approximate 99.99% shareholding in Chile Iron Pty Ltd and a 70% shareholding in Condor Blanco Sociedad Contractual Minera ("Condor Blanco SCM") (a Chilean company).

Condor's 100% shareholding in Tierra Amarilla Sociedad Contractual Minera ("Tierra Amarilla SCM") (a Chilean company) was reported as being sold on 27 November 2015. This matter was discussed in Condor's 2016 annual report. Questions remain regarding the circumstances of this disposal, and the matter continues to be investigated by Condor's current directors.

The Company currently holds no other known interests in other subsidiaries, external projects or joint ventures.

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REVIEW OF OPERATIONS

Condor's operations since 5 July 2016 have focused on determination and resolution of legacy issues, particularly in regard to amelioration of compliance issues, and development of avenues to return value to the Company. These efforts have included work towards resolving the status of various share issues, director payments and other questionable transactions and arrangements, as well as reconstruction of the Company's accounts and records. Condor has also worked towards developing courses of action to recover value, and to progress the Company towards the possibility of eventual reinstatement to quotation on the ASX.

The resources available to Condor since 5 July 2016 have predominately been allocated, firstly, to removal of the invalid administration forced upon the Company, secondly to reconstruction of the Company's financial accounts and files, thirdly to efforts to understand historical arrangements and transactions that have caused the dissipation of millions of dollars of shareholder capital, and finally to development of courses of action to recover value for Condor's shareholders.

Condor's new directors were significantly hampered in these efforts by the failure of the Company's previous directors, who held office immediately prior to 5 July 2016, to hand over company information or otherwise assist with transition of control of the Company. Condor's current directors were significantly hampered by the excessive delays of Mr Peter Dunoon (Condor's former Company Secretary, CFO and accountant) in providing Condor's new directors with company information, despite numerous efforts by Condor to obtain the required information. However, on 10 March 2017, Mr Dunoon certified that he had finally, at that date, handed over all Condor books, records and documents to the Company.

Since 5 July 2016, Condor has been presented with various proposals for potential acquisitions, merger transactions (such as reverse takeover proposals), and joint ventures. Despite the Company's necessary focus on addressing legacy issues, Condor has also reviewed the various proposals received by the Company, and has conducted appropriate due diligence and relevant negotiations. At the date of this report, Condor has not entered into any binding agreement with regard to any of these proposals. Condor will continue to consider any proposals that it might receive. However, Condor is at a distinct disadvantage in being able to move forward with any such proposals due to remaining legacy issues with the Company and the requirements set by ASX for reinstatement to quotation.

Moving forward, Condor will continue to work towards amelioration of legacy issues, recovery of funds in respect of damages inflicted on the Company, and potential opportunities to generate value from existing assets. At this stage, Condor is unable to offer any assurances regarding the possibility of reinstatement to ASX quotation.

Condor has not conducted any mining exploration, development or exploitation activities since earlier than 5 July 2016.

Condor has paid no dividends during the period.

As Condor's shares have remained suspended from trading on the ASX since 6 May 2016, there has been no change to Condor's last traded share price of $0.009 since that date.

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REQUIREMENTS FOR REINSTATEMENT TO ASX QUOTATION

Condor remains listed on the ASX Official List, albeit that the Company's securities have been suspended from quotation since 6 May 2016. ASX have stated that the Company will be required to fully re-comply with Chapters 1 and 2 of the ASX Listing Rules before the Company' securities will be reinstatement to quotation.

Condor understands that ASX imposed the suspension because of ASX's concerns about certain share transactions entered into by Condor under its previous directors and management, as well as questions regarding the accuracy of disclosures given to the market prior to 5 July 2016.

Condor's current directors have determined that prior to 5 July 2016 the Company did enter into a number of transactions in relation to the issuance, warehousing and subsequent on-sale of shares in the Company that were contrary to the Corporations Act and ASX Listing Rules. These matters have been discussed in the Company's previous market disclosures since 5 July 2016, including in the Company's 2016 annual report.

Condor has been in discussions with ASX regarding the necessary conditions that Condor must now achieve prior consideration by ASX of any request to reinstate the Company's securities to quotation. Condor has also received formal legal advice regarding these matters.

Given the improper transactions entered into under Condor's previous management, the Company has been advised that reinstatement to trading will require the resolution of improper share issues to the satisfaction of the ASX, and the application of significant restrictions on any new shares that might be issued prior to reinstatement to quotation.

Among the necessary conditions, Condor's directors understand that the Company will need to satisfy the following as part of re-compliance prior to reinstatement to quotation:

- Lodgment with ASIC of a full prospectus;
- Net tangible assets of at least $4,000,000 or market capitalisation of at least $15,000,000 (Condor has held negative assets since prior to 5 July 2016);
- Shareholder spread of at least 300 non-affiliated shareholders with subscriptions or holdings with market valuations of at least $2,000 each; and

- Rectification and/or proper disclosure of various historical share issues. Condor will need to address all questionable historical share issues and ensure that those dealings are properly explained and brought into order. In particular, share issues that were in breach of the Corporations Act will need to be addressed to the satisfaction of the relevant regulators.

Leaving aside the costs required to rectify legal issues, the remaining re-compliance conditions and associated expenses are likely to be comparable to the cost of listing via an Initial Public Offering. Condor has been advised that the cost of re-compliance with ASX Listing Rules alone is likely to be at least $500,000 and may be significantly higher.

It should be noted that that reinstatement to quotation will remain at the sole discretion of the ASX. Further, in light of the legacy issues affecting the Company, there is no certainty that re-compliance and reinstatement to quotation will ultimately even be possible. Nevertheless, Condor's current directors remain committed to pursuing available avenues to restore value to the Company, including progress towards re-compliance and possible reinstatement to quotation.

Condor's current directors also continue to explore means by which compensation for the damage caused to the Company in relation to improper share transactions might be recovered for the benefit of all legitimate shareholders in the Company. However, any outcome remains uncertain.

Condor continues to assist relevant authorities with their investigations into these matters.

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CORPORATE EVENTS DURING THE 2017 FINANCIAL YEAR

5 July 2016 - Removal and replacement of former Board by vote of shareholders

At general meeting on 5 July 2016, shareholders voted for the removal of Condor's entire former Board and elected an entirely new slate of directors.

Immediately prior to removal of the former Board at the meeting, the Company's former Board consisted of Mr Darby alone. (Ms Lia Darby and Ms Michelle Feruglio has resigned a short time prior, leaving the Company with less than the prescribed number of directors and in breach of the *Corporations Act 2001 (Cth).)*

Condor's former directors purported that Mr Timothy Stops had been appointed as a director of the Company and Chairman of the Board on or about 5 days prior the meeting. However, Condor's current directors are not aware of the existence of any valid instrument appointing Mr Timothy Stops as director, nor of any other evidence that Mr Stops was ever legally appointed as a director. As such, Condor's current directors are of the view that Mr

Stops was never legally a director of the Company. (Regarding remuneration, Condor's current directors believe that no funds were paid to Mr Stops by the Company. As Mr Stops was never legally a director, he was not entitled to accrue any fees from the Company.)

Mr Darby did not attend the general meeting, nor did Mr Stops, and nor did any of the Company's other former directors who held office prior to 5 July 2016.

After the meeting on 5 July 2016, Condor's new Board comprised Mr Farquhar as Chairman and Managing Director, and Ms Miles and Mr Stephenson as non-executive directors.

5 July 2016 - Trespass on Condor by invalid administrator

At 14:15pm on 30 June 2016, Condor's directors purported to pass a solvency resolution at a meeting of the Board.

By the end of 4 July 2016, Condor had received sufficient proxies to indicate that, at the General Meeting scheduled for the following day, the removal of all directors was a certainty.

On 5 July 2016, Mr Dominic Calabretta announced to the ASX that he had been appointed as administrator of the Company on 4 July 2016. Condor's Board appointed on 5 July 2016, after reviewing the available evidence, concluded that Mr Calabretta had not been validly appointed.

On 6 July 2016, Condor provided a statement to the ASX raising concerns regarding the validity of Mr Calabretta's purported appointment, and stating that Condor's new directors were *"concerned that the appointment of the purported Administrator appears to have occurred for an improper purpose and without due consideration of factors affecting the Company's solvency."* This announcement was initially suppressed, despite efforts by the current Board to have it released by the ASX, but then later released to the market on 31 August 2016. Between these dates, the ASX only released announcements that had been approved by Mr Calabretta as the purported administrator of the Company.

On 27 July 2016, Condor commenced legal action seeking, among other things, an order declaring the purported administration invalid.

On 28 July 2016, the Supreme Court of NSW ordered that an Injunction be applied against Mr Calabretta. Condor had lodged an announcement with the ASX disclosing this Court order on 29 July 2016. Again, this announcement was initially suppressed because Mr Calabretta did not authorise its release, but then later released to the market on 31 August 2016.

On 30 August 2016, the Supreme Court of NSW declared that Mr Dominic Calabretta's purported appointment as Administrator of Condor was *"invalid, void and of no effect",* meaning that Condor was not, and never had been, under administration.

The Court found that Mr Darby and Mr Stops, who purported to appoint Mr Calabretta, had not formed the required opinions in good faith regarding the Company's solvency. The Court also found that Mr Darby was *"motivated by an improper purpose of negativing the power and influence of the incoming directors and defeating the will of the members who were about to put those directors into office."*

During the period since the election of the new Board on 5 July 2016 until the Court's decision 30 August 2016, the effect of Mr Calabretta's purported appointment and assertion of control over the affairs of the Company resulted in the activities of Condor and its new directors being limited solely to addressing the issue of invalidity, and effectively preventing the Company from progressing other objectives.

Mr Calabretta's actions further discouraged the new Directors from taking steps on behalf of Condor, through threatening the new Directors with personal legal sanctions and financial penalties if they took steps on behalf of the Company to progress its affairs. Mr Calabretta's assertions that he was the valid administrator of the Company were in fact false and misleading. Numerous parties, including the ATO, ASIC, the ASX, and Condor's bank, arguably acted or refrained from acting in relation to the Directors or adjusted their position in relation to the Directors as a result of those false assertions.

Additionally, the invalid administration required Condor to incur significant legal expenses, which hindered Condor from addressing legacy issues, meeting compliance responsibilities, and developing future sources of value for the Company.

On 16 September 2016, the Supreme Court of NSW ordered that Mr Calabretta pay one-half of the costs incurred by Condor in seeking the declaration of invalidity.

25 July 2016 - Debt funding agreement

On 25 July 2016, Condor accepted a debt funding agreement from a group of investors comprising a number of Condor shareholders and other external investors. Execution of the agreement was conditional on the granting of a General Security Interest to the investors under the Personal Property Securities Act 2009 (Cth), and the purported administration being declared invalid. Condor was not able to access funding under this agreement until 30 August 2016, the date on which the Supreme Court declared the administration invalid.

Condor had lodged an announcement with the ASX disclosing the debt funding agreement on 25 July 2016 - this announcement was initially suppressed, but then later released to the market on 31 August 2016.

Further delay in obtaining access to these funds was caused by Condor's inability to open or operate a bank account due to the effects the invalid administration.

The agreement was executed on 29 September 2016 with Condor receiving a sum of $300,000 on 12 month terms, with interest payable monthly at 8% p.a. This arrangement was restructured prior to expiry.

17 August 2016 - Director appointment and resignation

On 17 August 2016, Condor appointed Dr Simon Wood as director. Following Dr Wood's appointment, Mr Jay Stephenson resigned from the Company.

Condor lodged an announcement with the ASX on 17 August 2016 disclosing this appointment and resignation - this announcement was initially suppressed, but then later released to the market on 31 August 2016.

18 August 2016 - ASIC investigation of former officers and directors

On 18 August 2016, Condor became aware that ASIC had commenced an investigation of former Condor directors and officers who held positions with Condor during the period 1 February 2014 to 4 July 2016. ASIC stated that it was investigating suspected contraventions of sections 180, 181, 182, 184, 1041E, 1041H and 1307 of the Corporations Act 2001 (Cth) and sections 192E and 192G of the Crimes Act 1900 (NSW).

Condor's new directors welcomed this investigation as a positive progression towards addressing issues that have critically affected Condor's corporate performance up until 5 July 2016. Condor understands that the investigation remains ongoing.

31 October 2016 - Condor's new directors obtain access to Company bank records

On 31 October 2016, Condor's new directors obtained, for the first time, access to statements for the bank accounts operated by Condor prior to 5 July 2016. This access was critical in enabling the Company's new directors to understand the Company's actions prior to 5 July 2016. Condor's Former Directors had failed to hand over any Company information or to facilitate access to the Company's accounts, and access to the bank statements had been further restricted by the bank due to the invalid administration.

31 October 2016 - Removal of company secretary

Mr Peter Dunoon ceased to be an officer of Condor on 31 October 2016, ending his period as company secretary, Chief Financial Officer and the Company's accountant - responsibilities which he had held since 9 August 2012.

7 February 2017 - Annual General Meeting

On 7 February 2017, Condor held an Annual General Meeting of the Company. All resolutions put to the meeting were passed by vote of shareholders. These resolutions included election of Dr Wood and re-election of Ms Miles as directors of the Company.

7 February 2017 – Establishment of annual director remuneration limit

On 7 February 2017, Shareholders passed a resolution at the Annual General Meeting of the Company establishing $500,000 as the maximum total amount available for allocation as director remuneration in any one financial year.

Establishment of this remuneration limit brought Condor into compliance with the requirements of clause 11.6(a) of the Company's constitution, and provides shareholders with a mechanism to maintain direct control of the total annual sum available for director remuneration and a safeguard against director excess.

5 April 2017 – Resignation of Ms Miles and appointment of Mr McGrath as director

On 5 April 2017, Condor appointed Mr Craig McGrath as director. Following Mr McGrath's appointment, Ms Sarah Miles resigned from the Company.

30 June 2017 – Extension of debt facility

On 30 June 2017, Condor reached an agreement to extend the terms of its secured debt facility. Under the new terms, $250,000 of the original facility was extended until January 2019, with an increased interest rate during the extension period of 10% pa. The remaining $50,000 non-extended amount was refinanced by a non-secured personal loan made to the Company by its directors at 8% pa.

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CORPORATE EVENTS SINCE 30 JUNE 2017

5 July 2017 – Determination of actual tenements holdings

On 5 July 2017, Condor made announcement to the market disclosing corrections to the Company's mining tenement holdings. This announcement marked the completion of a detailed review and validation of Condor's tenements that revealed substantial variation from information that had been promulgated by Condor's former directors prior to 5 July 2016.

5 July 2017 – Execution of litigation funding agreement

On 5 July 2017, Condor announced execution of a binding litigation funding agreement on confidential terms with Litigation Lending Services Limited (LLS) – a long-established and respected firm specialised in funding commercial litigation actions. Under the terms of the agreement, LLS will receive commission from the proceeds of successful litigation or early settlement from actions against certain parties. Condor is not liable for any other payments to LLS.

5 July 2017 – Extension of debt facility

On 29 September 2016, Condor announced execution of a debt funding agreement. The facility provided under this agreement was originally due to expire in September 2017. Condor executed an extension agreement to the original funding facility, with an amount of $250,000 extended to mature in January 2019.

Under the terms of the extension agreement, interest is payable at 10% per annum on the balance of the loan throughout the extension period, and an amount of $50,000 of the original $300,000 loan was repaid. This $50,000 repayment was made using funds provided to the Company as a personal loan made by the Company's directors.

27 November 2017 – Consideration of safe harbour status

On 27 November 2017, Condor announced that it was seeking to adopt safe harbour status under section 588GA of the Corporations Act 2001 (Cth).

In accordance with the safe harbour provisions, Condor was developing a number of courses of action reasonably likely to lead to a better outcome for the Company than available alternatives. These courses of action included, among others, development of various avenues to raise funds from issue of equity or from sale of the Company's assets.

Condor also continued, and is continuing, to assess voluntary administration as a possible alternative available to the Company, with particular consideration of the additional powers available to an administrator to conduct investigations, unwind uncommercial transactions and pursue damages, or to sell the various causes of action against Condor's former directors, officers and advisers.

Condor has now been advised by the Australian Taxation Office that various historical tax lodgments remain outstanding for numerous periods prior to Condor's new directors taking control of the Company on 5 July 2016. Condor was not previously aware of these deficiencies, they were not visible via the Company's ATO portal, and ATO had not previously advised Condor that the lodgments were outstanding. Condor is now working to resolve the outstanding lodgments, but this task is complicated by the inadequate state of

Condor's historical accounts and records for periods prior to 5 July 2016. Given that ATO lodgments remain outstanding, Condor's directors are now of the view that safe harbour status is not currently available to the Company.

3 January 2018 – Completion of share placement

On 3 January 2018, Condor completed a placement of shares under Listing Rule 7.1 to raise critical funds necessary to meet the Company's immediate administrative expenses and reduce current liabilities. Under this placement, 14,000,000 shares, amounting to approximately 14% of shares on issue at the time of the placement, were taken up at a price of 0.15 cents per share by a number of non-associated sophisticated and professional investors.

These shares were not cleansed for onsale. The holding lock required by ASX preventing on-market and off-market transfers of Condor's securities remains in place across all securities of the Company and applies equally to these new shares.

Condor sought and received professional external advice prior to executing the placement. Various parties had been approached to take up the placement at a higher price, but ultimately Condor received no offer from any party at any price higher than 0.15 cents per share. Given the substantial and extensive problems that have been uncovered since the Company last traded at 0.9 cents per share in May 2016, and given the Company's current liabilities, the uncertainty regarding the Company's future prospects (including the risk that the Company might not be reinstated to ASX quotation), and the substantial restrictions imposed by ASX on the new shares issued by the Company, Condor's directors are of the view that the issue price of 0.15 cents per share achieved by the placement represents good value for the Company.

In order to avoid compromising Condor's position regarding the utility of the Company's tax-deductible losses, the placement was not offered to any of Condor's current top 20 shareholders. Condor is currently carrying more than $20 million in losses. Should ASX decide to remove Condor from the ASX official list, the utility of Condor's tax-deductible losses would depend on Condor continuing to be classified as a 'widely held company'. To ensure Condor continues to meet the necessary conditions to maintain the Company's status as a 'widely held company', the Company's top 20 shareholders must not hold nor have the right to acquire shares representing greater than 75% of the value of the shares in the Company. If Condor's top 20 shareholders were to acquire shares and/or options collectively representing greater than 75% of the value of shares in the Company, then Condor's ability to carry forward tax losses may become compromised. At the time of the placement, Condor' top 20 shareholders controlled shares and options equating to approximately 71% of the shares on issue at that time. Issuing further shares to Condor's existing large shareholders may have had the effect of compromising a potentially substantial source of value available to the Company.

8 January 2018 –Notice received under section 249D

On 8 January 2018, Condor received a requisition under section 249D of the Corporations Act 2001 (Cth) for a meeting to be convened to consider resolutions to remove all of Condor's current directors and to appoint Mr Patrick John Volpe, Mr Vince Truda, and Mr Ramon Jimenez as new directors of the Company. Condor recognises the right of substantial shareholders to seek to put any matters to a meeting of shareholders within the framework permitted under the Corporations Act. The meeting would need to be held by 8 March 2018.

Condor is assessing the implications of this notice for the Company, particularly regarding the Company's position with creditors. Various significant creditors of the Company, including advisers and current directors, have to date been forbearing requiring settlement of various payments including reimbursement for third-party expenses paid on behalf of the Company (such as ASIC and ASX fees, interest payments, auditor fees and other critical expenses). The forbearance of such creditors may be affected by the requisition.

The directors are liaising with creditors and will keep the market informed as the matter progresses, including providing notification of the timing of a shareholder meeting to consider the requisition.

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DIRECTOR DETAILS

The following persons were directors of the Company during the 2017 financial year.

Current directors

Mr Joshua Farquhar

Place of residence: Sydney.
Period as director: 5 July 2016 (ongoing).
Special responsibilities: Chairman of the Board of Directors, Managing Director, and Company Secretary.
Qualifications: MBA, BA, GAICD, GIA(Cert).
Experience & directorships: no other public company directorships during the last 3 years.

Dr Simon Wood

Place of residence: Sydney.
Period as director: 17 August 2016 (ongoing).
Special responsibilities: Independent, non-executive director.
Qualifications: MChD, BA(Hons).
Experience & directorships: no other public company directorships during the last 3 years.

Mr Craig McGrath

Place of residence:	Sydney.
Period as director:	5 April 2017 (ongoing).
Special responsibilities:	Independent, non-executive director.
Qualifications:	GradDipMgmt.
Experience & directorships:	no other public company directorships during the last 3 years.

Previous directors, since 5 July 2016

Ms Sarah Miles

Place of residence:	Newcastle.
Period as director:	5 July 2016 to 5 April 2017.
Special responsibilities:	Independent, non-executive director.
Qualifications:	JD, MIntLaw, GradCert Legal Practice, BBus.
Experience & directorships:	no other public company directorships during the last 3 years.

Mr Jay Stephenson

Place of residence:	Perth.
Period as director:	5 July 2016 to 17 August 2016.
Special responsibilities:	Independent, non-executive director.
Qualifications:	MBA, GradDip Applied Corp Gov, CPA, FGIA, MAICD.
Experience & directorships:	Aura Energy Ltd (ASX: AEE) (Director), Bubs Australia Limited (ASX: BUB) (Director), Bulletproof Ltd (ASX: BPF) (Director), Doray Mining Ltd (ASX: DRM) (Director), Drake Resources Limited (ASX: DRK) (Director), Torque Mining Limited (ASX: TQE) (Director), Nickelore Ltd (ASX: NIO) (Director), Parker Resources Ltd (Director), Parmelia Resources Ltd (Sentosa Mining Ltd) (Director), Strategic Minerals Corporation NL (ASX: SMC) (Director), Veriluma Limited (ASX: VRI) (Director), Yonder and Beyond Group Ltd (ASX: YNB) (Director).

Directors removed by shareholder vote on 5 July 2016

Mr Glen Darby

Place of residence:	Kirkconnell Correctional Centre.
Period as director:	5 January 2010 to 5 July 2016.
Special responsibilities:	none disclosed.
Qualifications:	unverified (claimed to hold Masters in Property Economics).
Experience & directorships:	Brilliant Diamonds Pty Ltd (director), Odyssey Corporate Pty Ltd (director), Proto Resources & Investments Ltd (officer).

Mr Timothy Stops

Place of residence:	Of no fixed address.
Period as director:	Purported to be a director from 28 June 2016 to 5 July 2016.*
Special responsibilities:	Purported to be Chairman of Board. *
Qualifications:	Unknown/unverified.
Experience & directorships:	Unknown/unverified; no other listed directorships.

** Note: Condor's Minute Book contains no signed resolution appointing Mr Stops as a director of the Company. Condor's current directors are of the view that Mr Stops was never legally a director of the Company.*

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DIRECTORS' ATTENDANCE AT BOARD MEETINGS DURING PERIOD

	Meetings eligible to attend	Board meetings attended
Mr Joshua Farquhar	3	3
Dr Simon Wood	0	0
Mr Craig McGrath	0	0
Ms Sarah Miles	3	3
Mr Jay Stephenson	3	3

Due to Condor's unusual state of affairs, the Company has been unable to adopt a normal corporate rhythm and numerous Board decisions have been required at irregular intervals. As such, much Board work has been conducted outside of scheduled Board meetings and documented via circulating resolutions. Condor's Board executed 20 such circulating resolution documents during the 2017 financial year. Various other circulating resolutions were considered by the directors during the period by not executed.

Since the end of the 2017 financial year, an additional 4 Board meeting have been held with maximum attendance, and an additional 2 circulating resolutions have been executed.

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DIRECTORS' INTERESTS IN SHARES AND OPTIONS

The following relevant interests in shares and options of the Company were held by directors as at 30 June 2017 unless otherwise specified.

Directors since 5 July 2016

	Number of options over ordinary shares	Number of fully paid ordinary shares
Mr Joshua Farquhar	-	2,000,000
Dr Simon Wood	-	-
Mr Craig McGrath	-	-
Ms Sarah Miles	-	-
Mr Jay Stephenson	-	-

Directors removed by shareholders on 5 July 2016

	Number of options over ordinary shares	Number of fully paid ordinary shares
Mr Glen Darby	500,000	204,835
Mr Timothy Stops	-	-

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REMUNERATION REPORT - AUDITED

This is the Remuneration Report for the Group for the 2017 financial year.

At the date of publication of this report, none of Condor's directors since 5 July 2016 have received payment of any fees from the Company. Instead, the current directors, where required, have contributed personal funds to cover the operating and administrative expenses of the Company and to pay existing creditors.

The only remuneration payments made during the period to any KMP were made solely to Ms Abood, who was paid in full for her role as Company Secretary for the period of her tenure.

Policy regarding remuneration of directors

No elements of the Company's remuneration policy during the period relate to any time prior to 5 July 2016, due to the removal and replacement of the Company's entire Board of directors on that date.

Interest is payable on outstanding director fees and all other payments due to each director by the Company, including on loans made to the Company by directors. Interest is accrued at a rate of 8% per annum, compounding daily, and accruing from the first day of the month following that month during which the underlying amounts owing to the director were accrued.

The Company's members passed resolution at AGM on 7 February 2017 to set an amount of $500,000 as the total pool of funds available annually for director remuneration with effect from 5 July 2016. To enable payments to directors from this pool, the Board passed resolutions setting allocations from this pool.

The Board passed resolution that, effective from 5 July 2016, $45,000 be set as the fixed annual amount allocated to each and every non-executive director, to be accrued monthly in arrears.

No component of remuneration for non-executive directors was linked to the financial performance of the Company as, considering the Company's circumstances, such linkage was assessed as likely to create incentives against the interest of good governance.

The Board passed resolution that, effective from 5 July 2016, $15,000 be set as the fixed annual amount allocated to the Chairman of the Board of Directors, additional to other applicable director remuneration, and to be accrued monthly in arrears.

The Board passed resolution that, effective from 5 July 2016, $240,000 be set as the fixed annual amount allocated to the Managing Director, to be accrued monthly in arrears.

A component of remuneration accrued for the Managing Director during the period was linked to a performance condition – that being the removal of the invalid administration imposed on the Company by Mr Calabretta. This performance condition was not directly associated with usual measures of corporate performance, including that is was not linked directly to earnings nor to the prescribed considerations of shareholder wealth (those being dividends, changes in share price, and any return of capital to shareholders). However, this performance condition was a key strategic milestone necessary for the Company's survival as a legitimate entity.

Success in achieving the removal of the invalid administration imposed by Mr Calabretta was assessed by reference to Court orders awarded, and by the ending of Mr Calabretta's trespass upon Condor. Assessment of this performance condition did not require comparison with other external factors. The Board passed resolution that achievement of this performance condition triggered entitlement to $25,000 as a once-off bonus payment to the Managing Director, accrued at the date of Mr Calabretta's removal by the Court.

Finally, the Board passed resolution that $15,000 be set as a special risk premium payable on a once-only basis to each director who was appointed or elected during the period of the 2016 invalid administration and who remained as a director until after the invalid administration was removed, and that this risk premium be accrued at the date the invalid administration was removed.

This special risk premium related to the period of invalid administration imposed on the Company by Mr Calabretta from 4 July 2016 until 30 August 2016.

Directors accepting appointment during this period and remaining as directors throughout the period carried significant personal liability, well beyond the risk profile that might normally be expected to be carried by a company director. The risks accepted by the directors during this period included:

- Personal liability for acting as director of a company purported to be under administration (which had been explicated threatened by Mr Calabretta);
- Risk taken on by the directors in the context of the Company's solvency situation;
- Risk taken on by the directors in context of threats made by Mr Calabretta regarding personal costs against directors;
- Risks arising from the lack of access to corporate records or accounts;
- Perceived risks created by threats of physical harm that had been made against at least one of the directors during the relevant period; and
- Further risks arising from the uncooperative, obstructionist and hostile behaviour of the Company's former directors immediately prior to 5 July 2016.

Overall, it was considered by the Board that the risk premium awarded was a small sum proportional to the severity and extent of exposure of the risks carried by Condor's directors during the relevant period.

Policy regarding remuneration of the company secretary

Remuneration for Ms Abood's tenure as company secretary was set at an industry-standard rate, accrued hourly, and paid as remuneration for responsibilities laid out in an engagement letter executed between Ms Abood and the Company.

No remuneration was paid to Mr Dunoon for his tenure as company secretary during the reporting period as Mr Dunoon failed to perform the duties set out in his engagement letter.

Company secretary remuneration during the financial year was not linked to company performance.

Details of Remuneration

No remuneration has been paid to any of Condor's new directors since 5 July 2016. As such, the remuneration for each key management personnel of the Company during the 2017 financial year, on a **cash accounting basis**, was as follows:

FY2017+	**Short-term benefits**			**Post employment**	**Long-term benefits**	**Share-based payments**	
	Salary and fees $	**Bonus $**	**Non-monetary $**	**Super-annuation $**	**Long service leave $**	**Equity-settled $**	**Total $**
Executive directors:							
Joshua Farquhar	-	-	-	-	-	-	-
Non-executive directors:							
Simon Wood **	-	-	-	-	-	-	-
Craig McGrath ***	-	-	-	-	-	-	-
Sarah Miles ****	-	-	-	-	-	-	-
Jay Stephenson *****	-	-	-	-	-	-	-
Glen Darby *	-	-	-	-	-	-	-
Other KMP:							
Regina Abood	21,775	-	-	-	-	-	**21,775**
Peter Dunoon	-	-	-	-	-	-	-
	21,775	**-**	**-**	**-**	**-**	**-**	**21,775**

* *Mr Glen Darby was a director on 5 July 2016 only.*

** *Dr Simon Wood is a non-executive director from 17 August 2016 to current.*

*** *Craig McGrath is a non-executive director from 5 April 2017 to current.*
**** *Sarah Miles was a non-executive director from 5 July 2016 to 5 April 2017.*
***** *Jay Stephenson was a non-executive director from 5 July 2016 to 17 August 2016.*

\+ *The 2016 financial year for Condor Blanco Mines Limited was extended to 4 July 2016. The 2017 financial Year was 5 July 2016 to 30 June 2017.*

The remuneration for each key management personnel of the Company during the year, on an **accrual accounting basis**, was as follows (none of the amounts below accrued to directors have actually been paid):

FY2017+	**Short-term benefits**			**Post employment**	**Long-term benefits**	**Share-based payments**	
	Salary and fees $	**Bonus $**	**Non-monetary $**	**Super-annuation $**	**Long service leave $**	**Equity-settled $**	**Total $**
Executive directors:							
Joshua Farquhar	280,930	40,000	-	30,769	-	-	**351,699**
Non-executive directors:							
Simon Wood **	56,691	-	-	5,436	-	-	**62,127**
Craig McGrath ***	10,830	-	-	1,031	-	-	**11,861**
Sarah Miles ****	51,850	-	-	4,984	-	-	**56,834**
Jay Stephenson *****	-	-	-	-	-	-	**-**
Glen Darby *	-	-	-	-	-	-	**-**
Other KMP:							
Regina Abood	21,775	-	-	-	-	-	**21,775**
Peter Dunoon	-	-	-	-	-	-	**-**
	422,076	**40,000**	**-**	**42,220**	**-**	**-**	**504,296**

* *Mr Glen Darby was a director on 5 July 2016 only.*
** *Dr Simon Wood is a non-executive director from 17 August 2016 to current.*

*** *Craig McGrath is a non-executive director from 5 April 2017 to current.*
**** *Sarah Miles was a non-executive director from 5 July 2016 to 5 April 2017.*
***** *Jay Stephenson was a non-executive director from 5 July 2016 to 17 August 2016.*
\+ *The 2016 financial year for Condor Blanco Mines Limited was extended to end on 4 July 2016. The 2017 financial year was 5 July 2016 to 30 June 2017.*

FY2016+	**Short-term benefits**			**Post employment**	**Long-term benefits**	**Share-based payments**	
	Cash Salary and fees $	**Bonus $**	**Non-Monetary $**	**Super-annuation $**	**Long service leave $**	**Equity-settled $**	**Total $**
<u>Non-executive directors:</u>							
Michelle Feruglio (Chairman) *	48,000	-	-	-	-	-	**48,000**
Lia Darby***	48,000	-	-	-	-	-	**48,000**
<u>Executive directors:</u>							
Glen Darby **	48,000	-	-	-	-	-	**48,000**
<u>Other KMP</u>:							
Peter Dunoon	81,000	-	-	-	-	-	**81,000**
	225,000	**-**	**-**	**-**	**-**	**-**	**225,000**

* *Ms Michelle Feruglio was Chairman from 1 July 2015 to 28 June 2016 and a non-executive director from 1 July 2015 to 4 July 2016.*
** *Mr Glen Darby was a director from 1 July 2015 to 5 July 2016.*
*** *Ms Lia Darby was a non-executive director from 1 July 2015 to 28 June 2016.*
\+ *Financial year for Condor Blanco Mines Limited has been extended to 4 July 2016.*

Share-based compensation

No ordinary shares in the Company were granted as compensation to key management personnel during the 2017 financial year.

Options over shares granted as compensation

No options over shares in the Company were granted as compensation to key management personnel during the 2017 financial year.

Cash bonuses granted as compensation

No cash bonuses were paid to key management personnel during the 2017 financial year.

Additional disclosures relating to key management personnel

Shareholding

The number of shares in the company held during the financial year by each KMP of the consolidated entity is set out below:

Directors	Balance 5 Jul 2016	Granted as Remuner-ation	Options exercised	Net change other	Balance 30 June 2017
Joshua Farquhar *	-	-	-	2,000,000	2,000,000
Simon Wood	-	-	-	-	-
Craig McGrath	-	-	-	-	-
Sarah Miles	-	-	-	-	-
Jay Stephenson	-	-	-	-	-
Glen Darby **	204,835	-	-	(204,835)	-
Other KMP					
Regina Abood	-	-	-	-	-
Peter Dunoon ***	667	-	-	(667)	-
	205,502	-	-	1,794,498	2,000,000

** Mr Joshua Farquhar became a director on 5 July 2016 and held 2,000,000 shares prior to this.*
*** Mr Glen Darby ceased being a director on 5 July 2016 and is therefore no longer a member of key management personnel. He continued to hold shares these as at 30 June 2017.*
**** Mr Peter Dunoon ceased being Company Secretary on 31 October 2016 and is therefore no longer a member of key management personnel. He continued to hold these shares as at 30 June 2017.*

Option holdings

The number of options over ordinary shares in the company held during the financial year by each KMP of the consolidated entity is set out below:

Directors	Balance 5 Jul 2016	Granted as Remuner-ation	Options exercised	Net change other	Balance 30 June 2017	Vested and Exercisable
Joshua Farquhar	-	-	-	-	-	-
Simon Wood	-	-	-	-	-	-
Craig McGrath	-	-	-	-	-	-
Sarah Miles	-	-	-	-	-	-
Jay Stephenson	-	-	-	-	-	-
Glen Darby *	500,000	-	-	(500,000)	-	-
Other KMP						
Regina Abood	-	-	-	-	-	-
Peter Dunoon	-	-	-	-	-	-
	500,000	-	-	(500,000)	-	-

** Mr Glen Darby ceased being a director on 5 July 2016 and is therefore no longer a member of key management personnel. Mr Darby continued to hold these options as at 30 June 2017. However, following the end of the period, all options held by Mr Darby lapsed on 1 August 2017.*

Other transactions with key management personnel

Condor's current directors are continuing to investigate the nature of other transactions involving Mr Darby and Mr Dunoon, as discussed above.

End of Remuneration Report

* * *

MISCELLANEOUS DISCLOSURES

Environmental issues

Condor's current operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

The Company's current directors are not aware of any breach of any environmental obligations occurring as a result of any of the Company's operations to date.

Options on issue

At 30 June 2017, the unissued ordinary shares of Condor Mines under option were as follows:

Date of Expiry	Exercise Price	Number under Option	
1-Aug-17	$0.999	500,000	Unlisted
30-Jun-18	$0.0192	20,000,000	Unlisted
30-Jun-18	$0.03	29,214,177	Unlisted
16-Sep-19	$0.36	4,076,342	Unlisted

During the financial period ended 30 June 2017, no ordinary shares of Condor were issued on the exercise of options. No further shares have been issued as a result of the exercise of options since year end.

Proceedings on behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The company was not a party to any such proceedings during the period.

* * *

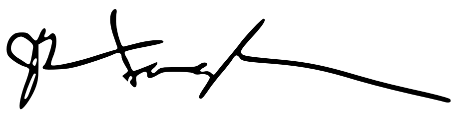
INCLUSION OF AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration under section 307C of the *Corporations Act 2001 (Cth)* has been received for the period ended 30 June 2017 and is included within the financial statements.

* * *

This concludes the Directors' Report for the 2017 financial year.

Signed in accordance with a resolution of directors of the Company:



Joshua Farquhar
Executive Chairman

16 January 2018

Nexia Australia

The Board of Directors
Condor Blanco Mines Limited
Suite 508
55 Holt St
Surry Hills NSW 2010

16 January 2018

Dear Board Members

Auditor's Independence Declaration under section 307C of the *Corporations Act 2001*

As lead audit partner for the audit of the financial statements of Condor Blanco Mines Limited for the financial period 5 July 2016 to 30 June 2017, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(b) any applicable code of professional conduct in relation to the audit.

Yours sincerely

Nexia

Nexia Sydney Partnership

Andrew Hoffmann
Partner

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

	Note	**Consolidated 2017 $**	**Consolidated 2016 $ (Restated)**
Continuing operations			
Other Income	2	60,000	21,286
Administration expenses		(378,100)	(218,986)
Compliance and regulatory expenses		(27,099)	(95,664)
Consultancy costs		(30,031)	(169,805)
Depreciation		-	(348)
Directors fees		(447,597)	(144,000)
Financing costs		(39,270)	(809)
Impairment of receivables		-	(764,430)
Travel expenses		(218)	(2,251)
Other Provisions		(6,170)	(170,629)
Loss before income tax		**(868,485)**	**(1,545,636)**
Income tax benefit	3	-	-
Loss from continuing operations		**(868,485)**	**(1,545,636)**
Discontinued operations			
Gain from discontinued operations		-	119,176
Loss for the period		**(868,485)**	**(1,426,460)**
Other comprehensive loss, net of tax:			
Items that may be reclassified subsequently to profit and loss:			
Reclassification to profit and loss on sale of subsidiary		-	178,811
Exchange differences arising on translation of foreign operations		-	20,626
Total comprehensive income for the period		**(868,485)**	**(1,227,023)**
Loss attributable to:			
Members of the parent entity		(868,485)	(1,423,028)
Non-controlling interest		-	(3,432)
		(868,485)	**(1,426,460)**
Total comprehensive loss attributable to:			
Members of the parent entity		(868,485)	(1,232,958)
Non-controlling interest		-	5,935
		(868,485)	**(1,227,023)**

Basic and diluted loss per share	5	(0.0093)	(0.0171)
Basic and diluted loss per share for continuing operations*	5	(0.0093)	(0.0186)

The accompanying notes form part of these financial statements.

	Note	Consolidated 2017 $	Consolidated 2016 $ (Restated)
ASSETS			
Current Assets			
Cash and cash equivalents	6	18,672	754
Trade and other receivables	7	3,388	6,118
Other assets	8	1,000	3,277
Total Current Assets		**23,060**	**10,149**
Non-Current Assets			
Exploration and evaluation expenditure	9	-	-
Plant and equipment	10	-	-
Total Non-Current Assets		**-**	**-**
Total Assets		**23,060**	**10,149**
LIABILITIES			
Current Liabilities			
Trade and other payables	11	770,680	189,284
Loans	12	50,000	-
Total Current Liabilities		**820,680**	**189,284**
Non-Current Liabilities			
Loans	12	250,000	-
Total Non-Current Liabilities		**250,000**	**-**
Total Liabilities		**1,070,680**	**189,284**
Deficiency in Net Assets		**(1,047,620)**	**(179,135)**
EQUITY			
Issued capital	13	17,765,906	17,765,906
Reserves	14	3,966,927	3,966,927
Accumulated losses		(22,602,492)	(21,734,007)
Parent interest		(869,659)	(1,174)
Non-controlling interest	15	(177,961)	(177,961)
Total Equity		**(1,047,620)**	**(179,135)**

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

	Issued Capital $	Share Based Payments Reserve $	Foreign Currency Translation Reserve $	Accumulated Losses $	Non-Controlling Interest $	Total $
Balance at beginning of period	**17,765,906**	**3,945,664**	**21,263**	**(21,734,007)**	**(177,961)**	**(179,135)**
Loss for the year	-	-	-	(868,485)	-	(868,485)
Foreign currency translation differences	-	-	-	-	-	-
Total Comprehensive loss	**-**	**-**	**-**	**(868,485)**	**-**	**(868,485)**
Shares issued during the year	-	-	-	-	-	-
Options Issued	-	-	-	-	-	-
Expired Options transferred to retained earnings	-	-	-	-	-	-
Transaction costs	-	-	-	-	-	-
Balance at 30 June 2017	**17,765,906**	**3,945,664**	**21,263**	**(22,602,492)**	**(177,961)**	**(1,047,620)**
Balance at beginning of period	**16,730,862**	**3,945,664**	**(168,808)**	**(20,310,978)**	**(183,895)**	**12,845**
Loss for the year (Restated)	-	-	-	(1,244,218)	(3,432)	(1,247,650)
Reclassification to profit or loss on sale of subsidiary	-	-	178,811	(178,811)	-	-
Foreign currency translation differences	-	-	11,260	-	9,366	20,626
Total Comprehensive loss	**-**	**-**	**190,071**	**(1,423,028)**	**5,934**	**(1,227,024)**
Shares issued during the year	1,095,656	-	-	-	-	1,095,656
Options Issued	-	-	-	-	-	-
Expired Options transferred to retained earnings	-	-	-	-	-	-
Transaction costs	(60,612)	-	-	-	-	(60,612)
Balance at 4 July 2016	**17,765,906**	**3,945,664**	**21,263**	**(21,734,007)**	**(177,961)**	**(179,135)**

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017

	Note	Consolidated 2017 $ Inflows/ (Outflows)	Consolidated 2016 $ Inflows/ (Outflows)
Cash flows from operating activities			
Interest and Other Income received		60,000	501
Payments to suppliers and employees		(302,812)	(627,423)
Interest paid		(39,270)	(809)
Net cash used in operating activities	20	(282,082)	(627,731)
Cash flows from investing activities			
Payments for exploration and evaluation expenditure		-	(34,306)
Loans to related parties		-	(176,799)
Net cash used in investing activities		-	(211,105)
Cash flows from financing activities			
Proceeds from issue of shares		-	872,300
Proceeds from borrowings		300,000	-
Payment of share issue costs		-	(60,612)
Net cash provided by financing activities		300,000	811,688
Net increase/(decrease) in cash held		17,918	(27,148)
Cash at beginning of the financial period		754	27,902
Cash and cash equivalents at period end	6	18,672	754

The accompanying notes form part of these financial statements.

1. Statement of Significant Accounting Policies

These consolidated financial statements and notes represent those of Condor Blanco Mines Limited (the "Group"). Condor Mines is a listed public company, incorporated and domiciled in Australia. The Group is a for-profit entity. It has historically purported to be primarily involved in the exploration of mining tenements in Chile. While the Company's focus throughout the 2017 financial year has been on seeking to understand past transactions and to ameliorate legacy issues rather than on the execution of normal business operations, the Company has not and does not currently intend to register any change of business.

The financial statements were authorised for issue on 5 January 2018 by the directors of the Company. The Company has the power to amend and re-issue the financial report.

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The consolidated financial statements of the group and the financial statements of the company comply with International Financial Reporting Standards ('IFRS') and the interpretations adopted by the International Accounting Standards Board ('IASB').

The financial report has been prepared on the basis that the Company is a going concern. The Board considers that the Company will have available sufficient cash resources to meet all operating costs for at least the next twelve months from the date of this report.

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected financial assets for which the fair value basis of accounting has been applied.

Going Concern

The Directors have performed a review of the cash flow forecasts and have considered the cash flow needs of the Company and Group.

The Group recorded a loss of $868,485 for the period and a net deficiency in assets of $1,047,620.

The Directors are developing and/or executing various courses of actions to maintain the Company's viability as a going concern. Such courses of actions include:

- Ongoing negotiation with existing creditors to maintain forbearance regarding calling for payment on amounts owed by the Company;
- Seeking additional funding for working capital;
- Preparations to seek shareholder approval to convert some of the Company's current liabilities to equity;
- Minimisation of the Company's expenditure - non-essential expenditure has been discontinued;
- Renegotiation or re-sourcing of the Company's essential externally-sourced support functions;
- Development of avenues to recover funds from historical uncommercial transactions and legal damages;
- Development of new avenues to obtain debt funding to potentially roll-over existing funding facilities (albeit that the viability of these avenues depends heavily on Condor's ability to significantly ameliorate existing legal, reputational, and compliance issues in the coming period);
- Long-term development of avenues to generate value from the Company's existing mining tenements;
- Long-term development of avenues to source new businesses.

Consequently, the Directors are of the opinion that the use of the going concern basis of accounting is appropriate.

Condor's ongoing solvency during and since the 2017 financial year has relied heavily on short-term personal loans to the Company provided by Condor's current directors, and on non-binding terms favourable to Condor negotiated with the Company's other large current creditors.

Should some or all of these creditors withdraw their terms and call for immediate and full payment of the amounts owing to them, or should the planned capital raising or debt conversation not go ahead, there would be significant uncertainty as to whether the Company might continue as a going concern and to realise its assets and extinguish its liabilities in the normal course of business as stated in the financial report. The financial report does not include any adjustments that may be necessary if the Company is unable to continue as a going concern.

Accounting Policies

a. Basis of consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Condor Blanco Mines Limited at the end of the reporting period. A controlled entity is any entity over which Condor Mines has the ability to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities is included only for the period of the year that they were controlled. A list of controlled entities is contained in Note 28 to the financial statements.

In preparing the consolidated financial statements, all intra-group transactions, balances, and transactions between entities in the Group have been eliminated in full on consolidation.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are reported separately within the equity section of the consolidated statement of financial position and statement of profit or loss and other comprehensive income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

b. Income Tax

The income tax expense/(benefit) for the year comprises current income tax expense/(benefit) and deferred tax expense/(benefit).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities/(assets) are therefore measured at the amounts expected to be paid to/(recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the period as well as unused tax losses.

Current and deferred income tax expense/(benefit) is charged or credited directly to equity instead of the statement of profit or loss and other comprehensive income when the tax relates to items that are credited or charged directly to equity.

No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

c. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset’s employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

Fixed assets, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the company commencing from the time the asset is held ready for use.

The depreciation rates used for each class of assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	16.67%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets
are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

d. Exploration and Evaluation Expenditure

Exploration and evaluation expenditure, including the costs of acquiring the licences, are capitalised as exploration and evaluation assets on an area of interest basis. Costs incurred before the Company has obtained the legal rights to explore an area are recognised in the statement of profit or loss and other comprehensive income.

Exploration and evaluation assets are only recognised if the rights of the area of interest are current and either:

- The expenditures are expected to be recouped through successful development and exploitation or from sale of the area of interest; or

- Activities in the area of interest have not at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount (see impairment accounting policy (e)). For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates. The cash generating unit shall not be larger than the area of interest. Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are finalised, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment. When an area of interest is abandoned or the directors decide that it is not commercial, any accumulated costs in respect of that area are written off in the financial period the decision is made.

e. Impairment of Assets

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

f. Foreign Currency Transactions and Balances

Functional and presentational currency

The functional currency of each of the Group's companies is measured using the currency of the primary economic environment in which that company operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentational currency.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of profit or loss and other comprehensive income, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity; otherwise the exchange difference is recognised in the statement of profit or loss and other comprehensive income.

Group companies

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at the end of the reporting period;
- income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the statement of profit or loss and other comprehensive income in the period in which the operation is disposed.

g. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

h. Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

i. Revenue and Other Income

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument.

All revenue is stated net of the amount of goods and services tax (GST).

j. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

k. Share-based Payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 16.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the company's estimate of equity instruments that will eventually vest. At the end of each reporting period, the company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in the statement of profit or loss and other comprehensive income.

l. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

m. Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Environmental Issues

Balances disclosed in the financial statements and notes thereto are not adjusted for any pending or enacted environmental legislation, and the directors understanding thereof. At the current stage of the Company's development and its current environmental impact the directors believe such treatment is reasonable and appropriate.

Taxation

Balances disclosed in the financial statements and the notes thereto, related to taxation, are based on the best estimates of directors. These estimates take into account both the financial performance and position of the Company as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents the directors' best estimate, pending an assessment by the Australian Taxation Office.

Exploration and Evaluation Expenditure

Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current. These costs are carried forward in respect of an area that has not at balance date reached a stage that permits reasonable assessment of the existence of economically recoverable reserves, refer to the accounting policy stated in note 1(d).

Share based payment transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Scholes option pricing model, using the assumptions detailed in note 16.

n. New Standards and Interpretations not yet adopted

A number of Australian Accounting Standards and Interpretations (and IFRSs and IFRIC Interpretations) are in issue but are not effective for the current year end. The reported results and position of the Company will not materially change on adoption of these pronouncements as they do not result in any material changes to the Company's existing accounting policies. The Company does not intend to adopt any of these pronouncements before their effective dates.

	2017 $	2016 $
2. Revenue		
Interest received	-	-
Other income *	60,000	21,286
	60,000	**21,286**

** Other income for 2017 includes settlement monies received from legal proceedings against the invalid Administrator, Mr Dominic Calabretta.*
** Other income for 2016 includes $20,583 of non-cash gain which has arisen from an issue of shares to pay invoices that were issued for a share price which was higher than market value on the day of issue.*

3. Income tax expense

(a) Recognised in the statement of profit or loss and other comprehensive income

Net loss before tax	(868,485)	(1,426,460)
Income tax benefit on above at 27.5% (2016 30%)	(238,833)	(427,938)
	(238,833)	(427,938)
Increase in income tax due to tax effect of:		
Non-deductible expenses	-	2,998
Non-assessable income	-	(39,774)
Current year tax losses not recognised	319,049	465,215
Changes in tax rates	(5,792)	-
Movement in unrecognised temporary differences	4,009	145,847
Decrease in income tax due to tax effect of:		
Deductible equity raising costs	(78,433)	(146,348)
Income tax expense attributable to entity	-	-

Available tax losses to date amount to $11,677,263. As at the date of this report, no deferred tax assets have been recognised as it is not yet considered sufficiently probable that future taxable profits will be generated in the appropriate jurisdictions to enable these to be utilised. The deferred tax asset not recognised in relation to tax losses is $3,211,247.

4. Correction of prior period error

During the period 1 July 2015 to 4 July 2016, the company purported to enter into a Debt Assignment and Indemnity Agreement to assign liabilities in Tierra Amarilla SCM to another party for the issue of shares. Immediately after this, the subsidiary of Tierra Amarilla SCM was sold on 27 November 2015. A legal opinion was obtained during the current period which determined that the shares were not validly issued and the shares were removed from the register on the basis that the shares had never legally existed. This has resulted in the company restating the following:

- share capital for the invalid shares;
- other income for the previous gain on issue of shares and now recognising a gain on extinguishment of liabilities;
- reduction in impairment expense.

Of the total shares reported as being on issue at 4 July 2016, 27,937,360 of that number were purported as having been issued as “escrow shares”. These purported “shares" were invalid ab initio and have been removed from Condor’s share register post. None of these 27,937,360 purported “escrow shares" were ever traded on market.

The amounts reported in the 2016 Annual Report being restated are below.

	Reported 2016 $	Correction 2016 $	Restated 2016 $
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD 1 JULY 2015 TO 4 JULY 2016			
Other Income	133,035	(111,749)	21,286
(Loss)/Gain from discontinued operations	(579,258)	698,434	119,176
STATEMENT FINANCIAL POSITION AS AT 4 JULY 2016			
Issued Capital	18,352,591	(586,685)	17,765,906
Retained Earnings	(22,320,692)	586,685	(21,734,007)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 4 JULY 2016

Shares issued during the year	1,682,341	(586,685)	1,095,656

5. *Earnings per share*

	2017 $	2016 $
Reconciliation of earnings to loss:		
Loss from continued operations	(868,485)	(1,545,636)
Gain from discontinued operations	-	119,176
Loss attributable to non-controlling equity interest	-	3,432
Loss used to calculate basic EPS	**(868,485)**	**(1,423,028)**

	2017 No.	2016 No.
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS.	93,729,047	83,191,216

As the Group is in a loss position the options outstanding at 30 June 2017 have no dilutive effects on the earnings per share calculation.

6. *Cash and cash equivalents*

	2017 $	2016 $
Cash at bank	18,672	754

7. *Trade and other receivables*

Current		
GST receivable	3,388	(52)
Other receivables	176,799	176,799
Provisions for Other receivables	(176,799)	(170,629)
	3,388	**6,118**

8. *Other assets*

Current		
Prepayments	-	2,077
Other Assets	1,000	1,200
	1,000	**3,277**

	2017 $	2016 $
9. Exploration and evaluation expenditure		
Exploration and evaluation phase		
Carrying amount at the beginning of the period	-	730,461
Expenditure capitalised during the period	-	33,969
Expenditure written off during the period	-	(764,430)
Carrying amount at the end of the year	-	-

10. Plant and equipment

At cost	13,207	13,207
Accumulated depreciation	(13,207)	(13,207)
	-	-
Plant and equipment		
Carrying amount at the beginning of the period	-	348
Additions		
Disposals	-	-
Depreciation	-	(348)
Carrying amount at the end of the year	-	-

11. Trade and other payables

Current		
Trade payables and accruals	762,575	181,179
Wages Payable	6,648	6,648
Amounts payable to related entities	1,457	1,457
	770,680	**189,284**

12. Loans

Current		
Loans	50,000	-
Non-Current		
Loans	250,000	-

$250,000 of Condor's external debt financing facility was rolled over to extend the facility on 30 June 2017, with $50,000 being repaid after 30 June 2017 from funds borrowed from directors and the remaining $250,000 being extended for repayment in 2019 with interest on that amount accruing at 10% and being paid monthly.

	2017 $	2016 $
13. Issued capital		
(a) Issued and paid up capital		
Ordinary shares fully paid of no par value	17,765,906	17,765,906

(b) Movement in ordinary shares on issue

	2017 No.	2017 $	2016 No.	2016 $
At beginning of the financial period	93,729,047	17,765,906	1,289,004,494	16,730,862
30:1 Consolidation of Securities	-	-	(1,246,037,133)	-
Shares issued during the year	-	-	50,761,686	1,095,656
Transaction costs	-	-	-	(60,612)
At end of financial period	**93,729,047**	**17,765,906**	**93,729,047**	**17,765,906**

(c) Terms and conditions of contributed equity

The Company does not have authorised share capital or par value in respect of its issued shares. All issued shares have been issued as fully paid shares. (However, Condor is continuing to investigate various instances were fully paid shares may have been issued for nil consideration.)

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

(d) Share options

At the end of the period, the following options over unissued ordinary shares were outstanding:

Date of Expiry	Exercise Price	Number under Option	
1-Aug-17	$0.999	500,000	Unlisted
30-Jun-18	$0.0192	20,000,000	Unlisted
30-Jun-18	$0.03	29,214,177	Unlisted
16-Sep-19	$0.36	4,076,342	Unlisted

For details of options issued, exercised, lapsed and vested during the financial year and the options outstanding at year end, refer to note 16: Share based payments.

(e) Capital management

Condor has received no capital from equity issues during the 2017 financial year, as no shares, options or any other securities were issued during the period.

	2017 $	2016 $
14. Reserves		
Share-based payments reserve	3,945,664	3,945,664
Foreign currency translation reserve	21,263	21,263
	3,966,927	**3,966,927**
Share-based payments reserve		
Opening balance	3,945,664	3,945,664
Share based payments expense	-	-
	3,945,664	**3,945,664**
Foreign currency translation reserve		
Opening balance	21,263	(168,808)
Foreign currency translation differences	-	11,260
Foreign currency translation on disposal of subsidiary	-	178,811
	21,263	**21,263**

The share based payment reserve is used to record the value of equity benefits from options provided to directors as part of their remuneration and to related parties and consultants in consideration for the acquisition of tenements, consulting services and ongoing promotion of the Group's activities.

The foreign currency translation reserve records exchange differences arising on translation a foreign controlled subsidiary.

	2017 $	2016 $
15. Non-controlling interest		
Non-controlling interests in Condor Blanco SCM	(177,961)	(183,895)
Total comprehensive loss attributable to the non-controlling interest	-	5,934
	(177,961)	**(177,961)**

16. Share based payments

Options
The following table illustrates the number, weighted average exercise price of and movements in share options issued during the year:

	2017 No.	2017 Weighted average exercise price	2016 No.	2016 Weighted average exercise price
At beginning of the financial period	53,790,519	$0.060	183,860,647	$0.050
30:1 Consolidation of Securities	-		(177,731,959)	
Granted during the year	-	-	49,214,177	$0.025
Cancelled during the year	-		-	
Exercised during the year	-		-	
Expired during the year	-	-	(1,552,346)	$4.658
Outstanding at end of the year	53,790,519	$0.060	53,790,519	$0.060
Exercisable at the end of the year	53,790,519	$0.060	53,790,519	$0.060

The weighted average remaining contractual life of options outstanding as at 30 June 2017 was 1.09 years (2016: 2.07 years)

Options granted to directors, consultants and members are as follows:

	Number	Grant Date	Exercise Price $	Vesting Date	Expiry Date	Fair value at grant date $
(1) Issued 20/01/13	500,000	20/01/13	0.9990	20/01/13	01/08/17	0.941
(2) Issued 16/09/14	4,076,342	16/09/14	0.3600	16/09/14	16/09/19	0.062
(3) Issued 1/03/16	20,000,000	1/03/16	0.0192	16/09/14	30/06/18	0.004
(4) Issued 1/03/16	29,214,177	1/03/16	0.0300	16/09/14	30/06/18	0.003

(1) Options were issued to Mr Glen Darby purportedly as part of his director's remuneration.
(2) Options were issued as free attaching options on capital raisings.
(3) Options were issued as free attaching options on capital raisings.
(4) Options were issued as free attaching options on capital raisings.

Fair value of share options granted:

Options were priced using a binomial option pricing model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions (including the probability of meeting market conditions attached to the option), and behavioural considerations. The fair values using the binomial option pricing model were calculated using the following inputs:

Inputs into the model	**Series 1**	**Series 2**	**Series 3**	**Series 4**
Grant date share price	$1.14	$0.09	$0.008	$0.008
Exercise price	$0.999	$0.36	$0.0192	$0.03
Expected volatility	120%	120%	120%	120%
Dividend yield	0%	0%	0%	0%
Risk-free interest rate	3.00%	2.50%	2.00%	2.00%
Annualised time to expiry (midpoint)	2.27	2.50	1.17	1.17

Shares

No shares where issued during the financial year ending 30 June 2017.

17. Auditors' remuneration

During the financial year the following fees were paid or payable for services provided by Nexia Sydney Partnership, the auditor of the company, and unrelated firms:

	2017 $	2016 $
Amounts, received or due and receivable by auditors for:		
Audit services – Nexia Sydney Partnership		
- audit fees	28,179	34,128
- other services	-	14,484

18. *Interests of Key Management Personnel (KMP)*

(a) Compensation of key management personnel

Refer to the remuneration report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Company's key management personnel for the period ended 30 June 2017. The totals of remuneration paid to KMP of the Group during the year are as follows:

Cash accounting basis

Short term benefits	21,775	225,000
Post-employment benefits	-	-
Share-based payments	-	-
	21,775	**225,000**

Accrual accounting basis

Short term benefits	462,076	225,000
Post-employment benefits	42,220	-
Share-based payments	-	-
	504,296	**225,000**

(b) *Option holdings of key management personnel*

Directors	Balance 4/07/16	Granted remuner -ation	Options exercised	Net change other *	Balance 30/06/17	Vested and Exercisable
Joshua Farquhar	-	-	-	-	-	-
Simon Wood	-	-	-	-	-	-
Sarah Miles	-	-	-	-	-	-
Jay Stephenson	-	-	-	-	-	-
Craig McGrath	-	-	-	-	-	-
Glen Darby *	500,000	-	-	(500,000)	-	-
Regina Abood	-	-	-	-	-	-
Peter Dunoon	-	-	-	-	-	-
	500,000	**-**	**-**	**(500,000)**	**-**	**-**

** Mr Glen Darby ceased being a director on 5 July 2016 and is therefore no longer a member of key management personnel. Mr Darby continued to hold these options as at 30 June 2017. However, all options held by Mr Darby lapsed on 1 August 2017.*

Directors	Balance 1/07/15	Granted remuner-ation	Options exercised	Net change other *	Balance 4/07/16	Vested and Exercisable
Glen Darby	3,880,020	-	-	(3,380,020)	500,000	500,000
Lia Darby	1,840,000	-	-	(1,840,000)	-	-
Michelle Fergulio	-	-	-	-	-	-
Peter Dunoon	1,000,000	-	-	(1,000,000)	-	-
	6,720,020	**-**	**-**	**(6,220,020)**	**500,000**	**500,000**

(c) Shareholdings of key management personnel

Key Management at 30 June 2017	Balance 5/07/16	Granted as Remuner-ation	Options exercised	Net change other	Balance 30/06/17
	-	-	-	-	-
Joshua Farquhar	-	-	-	2,000,000	2,000,000
Glen Darby *	204,835	-	-	(204,835)	-
Peter Dunoon ** (Secretary)	667	-	-	(667)	-
	205,502	**-**	**-**	**1,794,498**	**2,000,000**

** Mr Joshua Farquhar became a director on 5 July 2016 and held 2,000,000 shares prior to this.*
*** Mr Glen Darby ceased being a director on 5 July 2016 and is therefore no longer a member of key management personnel. He continued to hold these shares as at 30 June 2017.*
**** Mr Peter Dunoon ceased being Company Secretary on 31 October 2016 and is therefore no longer a member of key management personnel. He continued to hold shares as at 30 June 2017.*

Key Management at 4 July 2016	**Balance 1/07/15**	**Granted as Remuneration**	**Options exercised**	**Net change other**	**Balance 4/07/16**
Lia Darby	-	-	-	-	-
Glen Darby	6,145,001	-	-	(5,940,166)	204,835
Peter Dunoon (Secretary)	20,000	-	-	(19,333)	667
	6,165,001	**-**	**-**	**(5,959,499)**	**205,502**

19. Controlled entities

Subsidiaries of Condor Blanco Mines Limited

		2017	2016
Name	**Country of Incorporation**	**Ownership Interest**	
Condor Blanco SCM	Chile	70%	70%
Chile Iron Pty Limited	Australia	99.99%	99.99%

20. Cashflow information

Reconciliation of loss for the year to net cash flows from operating activities

	2017 $	**2016 $**
Loss for the year	**(868,485)**	**(1,426,460)**
Non-cash flows in loss:		
Other income	-	(20,831)
Impairment	-	467,441
Provisions	6,170	170,629
Depreciation	-	348
Realised FX on disposal of subsidiary	-	178,811
Operating profit before changes in working capital	**(862,315)**	**(630,062)**

Movement in the balance sheet:		
Trade & other receivables	(1,163)	6,897
Other assets	-	13,033
Trade & other payables	581,396	(38,225)
FX Reserves	-	20,626
Cashflow from operating activities	**(282,082)**	**(627,731)**

21. Commitments

As at 30 June 2017 there were no expenditure commitments.
As at 30 June 2017 there were no lease commitments.

22. Contingent liabilities

There are no other contingent liabilities as at 30 June 2017.

23. Financial reporting by segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group operates in one segment, being mineral exploration within the geographical segments of Australia and Chile. This is the basis on which internal reports are provided to the Directors for assessing performance and determining the allocation of resources within the Group.

	2017 $	**2016 $**
Revenue by geographical location		
Australia – Interest and other income	60,000	21,286
Chile – Interest and other income	-	-
Australia – External Revenues	-	-
Chile – External Revenues	-	-
	60,000	**21,286**
Depreciation by geographical location		
Australia	-	348
Chile	-	-
	-	**348**

Impairment result by geographical location

Australia	-	-
Chile	-	(11,438)
Turkey	-	(752,992)
	-	**(764,430)**

Assets by geographical location

Australia	23,061	10,149
Chile	-	-
	23,061	**10,149**

Liabilities by geographical location

Australia	1,058,830	177,434
Chile	11,850	11,850
	1,070,680	**189,284**

24. Events subsequent to period end

5 July 2017 – Determination of actual tenements holdings

On 5 July 2017, Condor made announcement to the market disclosing corrections to the Company's mining tenement holdings. This announcement marked the completion of a detailed review and validation of Condor's tenements that revealed substantial variation from information that had been promulgated by Condor's former directors prior to 5 July 2016.

5 July 2017 – Execution of litigation funding agreement

On 5 July 2017, Condor announced execution of a binding litigation funding agreement on confidential terms with Litigation Lending Services Limited (LLS) – a long-established and respected firm specialised in funding commercial litigation actions. Under the terms of the agreement, LLS will receive commission from the proceeds of successful litigation or early settlement from actions against certain parties. Condor is not liable for any other payments to LLS.

5 July 2017 – Extension of debt facility

On 29 September 2016, Condor announced execution of a debt funding agreement. The facility provided under this agreement was originally due to expire in September 2017. Condor executed an extension agreement to the original funding facility, with an amount of $250,000 extended to mature in January 2019.

Under the terms of the extension agreement, interest is payable at 10% per annum on the balance of the loan throughout the extension period, and an amount of $50,000 of the original $300,000 loan was repaid. This $50,000 repayment was made using funds provided to the Company as a personal loan made by the Company's directors.

27 November 2017 – Consideration of safe harbour status

On 27 November 2017, Condor announced that it was seeking to adopt safe harbour status under section 588GA of the Corporations Act 2001 (Cth).

In accordance with the safe harbour provisions, Condor was developing a number of courses of action reasonably likely to lead to a better outcome for the Company than available alternatives. These courses of action included, among others, development of various avenues to raise funds from issue of equity or from sale of the Company's assets.

Condor also continued, and is continuing, to assess voluntary administration as a possible alternative available to the Company, with particular consideration of the additional powers available to an administrator to conduct investigations, unwind uncommercial transactions and pursue damages, or to sell the various causes of action against Condor's former directors, officers and advisers.

Condor has now been advised by the Australian Taxation Office ("ATO") that various historical tax lodgments remain outstanding for numerous periods prior to Condor's new directors taking control of the Company on 5 July 2016. Condor was not previously aware of these deficiencies, they were not visible via the Company's ATO portal, and ATO had not previously advised Condor that the lodgments were outstanding. Condor is now working to resolve the outstanding lodgments, but this task is complicated by to the inadequate state of Condor's historical accounts and records for periods prior to 5 July 2016. Given that ATO lodgments remain outstanding, Condor's directors are now of the view that safe harbour status is not currently available to the Company.

3 January 2018 – Completion of share placement

On 3 January 2018, Condor completed a placement of shares under Listing Rule 7.1 to raise critical funds necessary to meet the Company's immediate administrative expenses and reduce current liabilities. Under this placement, 14,000,000 shares, amounting to approximately 14% of shares on issue at the time of the placement, were taken up at a price of 0.15 cents per share by a number of non-associated sophisticated and professional investors.

These shares were not cleansed for onsale. The holding lock required by ASX preventing on-market and off-market transfers of Condor's securities remains in place across all securities of the Company and applies equally to these new shares.

Condor sought and received professional external advice prior to executing the placement. Various parties had been approached to take up the placement at a higher price, but ultimately Condor received no offer from any party at any price higher than 0.15 cents per share. Given the substantial and extensive problems that have been uncovered since the Company last traded at 0.9 cents per share in May 2016, and given the Company's current liabilities, the uncertainty regarding the Company's future prospects (including the risk that the Company might not be reinstated to ASX quotation), and the substantial restrictions imposed by ASX on the new shares issued by the Company, Condor's directors are of the view that the issue price of 0.15 cents per share achieved by the placement represents good value for the Company.

In order to avoid compromising Condor's position regarding the utility of the Company's tax-deductible losses, the placement was not offered to any of Condor's current top 20 shareholders. Condor is currently carrying more than $20 million in losses. Should ASX decide to remove Condor from the ASX official list, the utility of Condor's tax-deductible losses would depend on Condor continuing to be classified as a 'widely held company'. To ensure Condor continues to meet the necessary conditions to maintain the Company's status as a 'widely held company', the Company's top 20 shareholders must not hold nor have the right to acquire shares representing greater than 75% of the value of the shares in the Company. If Condor's top 20 shareholders were to acquire shares and/or options collectively representing greater than 75% of the value of shares in the Company, then Condor's ability to carry forward tax losses may become compromised. At the time of the placement, Condor' top 20 shareholders controlled shares and options equating to approximately 71% of the shares on issue at that time. Issuing further shares to Condor's existing large shareholders may have had the effect of compromising a potentially substantial source of value available to the Company.

8 January 2018 –Notice received under section 249D

On 8 January 2018, Condor received a requisition under section 249D of the Corporations Act 2001 (Cth) for a meeting to be convened to consider resolutions to remove all of Condor's current directors and to appoint Mr Patrick John Volpe, Mr Vince Truda, and Mr Ramon Jimenez as new directors of the Company. Condor recognises the right of substantial shareholders to seek to put any matters to a meeting of shareholders within the framework permitted under the Corporations Act. The meeting would need to be held by 8 March 2018.

Condor is assessing the implications of this notice for the Company, particularly regarding the Company's position with creditors. Various significant creditors of the Company, including advisers and current directors, have to date been forbearing requiring settlement of various payments including reimbursement for third-party expenses paid on behalf of the Company (such as ASIC and ASX fees, interest payments, auditor fees and other critical expenses). The forbearance of such creditors may be affected by the requisition.

The directors are liaising with creditors and will keep the market informed as the matter progresses, including providing notification of the timing of a shareholder meeting to consider the requisition.

25. Related Party Transactions

(a) Key management personnel

Disclosures relating to key management personnel are set out in Note 18.

(b) Other transactions

Condor's directors have provided personal cash funds as loans to the Company at various times to meet the Company's critical administrative expenses. These cash loans have been intended as short-term funding measures only, with the terms of the loans being that the full outstanding balance amount becomes immediately due and payable if called for by the lender. Interest is accrued and capitalised on the daily balance of the loans at a rate of 8% per annum, calculated daily, from the first day of the month immediately following commencement of each loan until the loan is repaid in full.
The principal amounts of such loans during the period were repaid from revenues during the period, and the lenders waived the loan interest that would have been accrued during the period. As at 30 June 2017, no cash loans from the directors to the Company remained outstanding.

26. Financial risk management

Overview

The Group has assessed exposure to the following risks:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks and the management of capital.

The Board of Directors holds responsibility for oversight of risk management. The Managing Director monitors and manages the financial risks relating to the operations of the Company on a continual and ongoing basis.

Credit risk
Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk for Condor is negligible.

Trade and other receivables
Condor does not have trade receivables and therefore is not exposed to credit risk in relation to trade receivables.

Exposure to credit risk
The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

	2017 $	2016 $
Financial assets		
Loans and receivables:		
- Trade and other receivables	3,388	6,118

Liquidity risk

"Liquidity risk" is the risk that the Company will not be able to meet financial obligations as they fall due.

Condor's approach to managing liquidity is to ensure, as far as possible, that it maintains sufficient liquidity to meet its liabilities when due.

Condor has sufficient cash on demand (by way of personal loans made by directors) to meet expected expenses for a period of 60 days, including the servicing of financial obligations. Beyond this, Condor relies on forecast revenues, the raising of funds from equity, and availability of further short-term debt financing if required.

30 June 2017	Within 1 Year $	1 – 5 Years $	Over 5 Years $	Total $
Financial liabilities due for payment				
Trade and other payables	820,680	250,000	-	1,070,680
Total expected outflows	**820,680**	**250,000**	**-**	**1,070,680**

Financial Assets – cash flows realisable				
Trade, term and loan receivables	3,388	-	-	3,388
Total anticipated inflows	**3,388**	**-**	**-**	**3,388**
Net inflow on financial instruments	**(817,292)**	**(250,000)**	**-**	**(1,067,292)**

4 July 2016	**Within 1 Year**	**1 – 5 Years**	**Over 5 Years**	**Total**
	$	**$**	**$**	**$**
Financial liabilities due for payment				
Trade and other payables	189,284	-	-	189,284
Total expected outflows	**189,284**	**-**	**-**	**189,284**
Financial Assets – cash flows realisable				
Trade, term and loan receivables	6,118	-	-	6,118
Total anticipated inflows	**6,118**	**-**	**-**	**6,118**
Net inflow on financial instruments	**(183,166)**	**-**	**-**	**(183,166)**

Market risk

The Group's exposure to foreign currency risk at the end of the reporting period, expressed in Australian dollars, is as follows:

	30 June 2017		**4 July 2016**	
	USD	**CLP**	**USD**	**CLP**
Cash and cash equivalents	-	-	175	-
Trade and other receivables	-	-	-	-
Trade and other payables	-	5,925,000	-	5,925,000

Based on the financial instruments denominated in CLP at 30 June 2017, had the AUD strengthened/weakened against the CLP by +/- 20% with all other variables held constant, there would be no material impact on the group's net asset position (2016: no material impact). There would be no impact on profit or loss as a result of this fluctuation; other comprehensive income within equity would have had no material impact at 30 June 2017 (2016: no material impact).

Percentages used in the foreign exchange sensitivity analysis have been based on actual movements in exchange rates between 1 July 2015 and 4 July 2017.

Interest rate risk
The Group is not exposed to interest rate risk as all loaned funds are at fixed interest rates.

Interest rate risk sensitivity analysis
At 30 June 2017, the effect on loss and equity as a result of any increase or decrease in market interest rates, with all other variables remaining constant, would be entirely immaterial.

Fair value risk
The carrying amount of the Group's financial assets and financial liabilities in the financial statements approximates their fair values as at balance date.

Capital management
Condor has minimised capital expenditure to essential items only. Condor's ongoing and future capital commitments, and available avenues to obtain capital, are reviewed by the Board on an ongoing basis.

27. Parent Information

The accounting policies of the parent entity, which have been applied in determining the financial information shown below, are the same as those applied in the consolidated financial statements. Refer to note 1 for a summary of the significant accounting policies relating to the Group.

	2017 $	2016 $
Statement of Financial Position		
ASSETS		
Current assets	23,061	10,149
Non Current assets	-	-
TOTAL ASSETS	**23,061**	**10,149**
LIABILITIES		
Current liabilities	808,830	177,434
Non-Current Liabilities	250,000	-
TOTAL LIABILITIES	**1,058,830**	**177,434**
EQUITY		
Issued Capital	17,654,157	17,654,157
Share based payment reserve	3,945,664	3,945,664
Accumulated losses	(22,635,590)	(21,767,106)
TOTAL EQUITY	**(1,035,769)**	**(167,285)**
Statement of profit or loss and other comprehensive income		
Total loss	(868,485)	(1,545,636)
Total comprehensive income	(868,485)	(1,545,636)

Contingent Liabilities

The parent entity, Condor Blanco Mines Limited, had no contingent liabilities as at 30 June 2017 (2016: $nil).

Commitments

As at 30 June 2017 there were no commitments or lease liabilities.

28. Interest in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly-owned subsidiaries in accordance with the accounting policy described in note 1.

Name	Principal place of business/Country of Incorporation	Ownership Interest 2017 %	2016 %
Chile Iron Pty Limited	Australia	99.99%	99.99%

The consolidated financial statements incorporate the assets, liabilities and results of the following partly-owned subsidiaries in accordance with the accounting policy described in note 1.

Name	Principal place of business/Country of Incorporation	Principal Activities	Parent		Non-controlling interest*	
			Ownership Interest	Ownership Interest	Ownership Interest	Ownership Interest
Condor Blanco SCM*	Chile	Copper Mining	70%	70%	30%	30%

** the non-controlling interest hold 30% of the voting rights of Condor Blanco SCM.*

DIRECTOR’S DECLARATION

In the directors’ opinion:

1. The financial statements and accompanying notes are in accordance with the *Corporations Act 2001*, including:

   (a) Comply with Australian Accounting Standards and the *Corporations Regulations 2001*; and

   (b) Give a true and fair view of the Company’s financial position as at 30 June 2017 and of the Company’s performance for the period 5 July 2016 to 30 June 2017; and

2. The financial statements and notes also comply with International Financial Reporting Standards, as disclosed in Note 1 of the financial statements;

3. Given the current directors ongoing financial support to the Company, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

The Managing Director has given the directors the declarations required by section 295A of the *Corporations Act 2001.*

Signed in accordance with a resolution of the directors.

On behalf of the directors:

Joshua Farquhar
Executive Chairman

16 January 2018

Independent Auditor's Report to the Members of Condor Blanco Mines Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Condor Blanco Mines Limited (the Company and its subsidiaries (the Group)), which comprises the consolidated statement of financial position as at 30 June 2017, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the period 5 July 2016 to 30 June 2017, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

i) giving a true and fair view of the Group's financial position as at 30 June 2017 and of its financial performance for the period 5 July 2016 to 30 June 2017; and

ii) complying with Australian Accounting Standards and *the Corporations Regulations 2001.*

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the 'auditor's responsibilities for the audit of the financial report' section of our report. We are independent of the entity in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report, which indicates that the Group incurred a net loss of $868,485 during the period 5 July 2016 to 30 June 2017 and, as of that date, the Group's current liabilities exceeded its total assets by $1,047,620. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our

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audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Correction of prior period error Refer to note 4. The Company issued shares to settle liabilities in a subsidiary to enable the sale of that subsidiary. A legal opinion was provided that determined that the shares were not validly issued and were cancelled as if the shares never existed. This is considered a key audit matter due to the material size and complexity of the transaction.	Our procedures included, amongst others: ▪ We read the Share Purchase Agreement and the Debt Assignment and Indemnity Agreement to understand the key terms and conditions of the underlying transaction; ▪ We read the legal advice provided to understand the key determination of the legal opinion; ▪ We critically assessed the arguments within the legal advice to determine the consistency of facts with the Share Purchase Agreement and the Debt Assignment and Indemnity Agreement; ▪ We assessed the adequacy of the disclosures in accordance with AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors.*

Other information

The directors are responsible for the other information. The other information comprises the information in Condor Blanco Mines Limited's annual report for the period 5 July 2016 to 30 June 2017, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information we are required to report that fact. We have nothing to report in this regard.

Directors' responsibility for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibility for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at The Australian Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar2.pdf. This description forms part of our auditor’s report.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 16 to 23 of the directors’ Report for the period 5 July 2016 to 30 June 2017.

In our opinion, the Remuneration Report of Condor Blanco Mines Limited for the period 5 July 2016 to 30 June 2017, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Nexia

Nexia Sydney Partnership

Andrew Hoffmann
Partner

Dated: 16 January 2018
Sydney

ASX ADDITIONAL INFORMATION

CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Statement is current as at the date of this report and has been approved by the directors of the Company.

During the reporting period, the Company has followed all of the recommendations set by the ASX Corporate Governance Council, except as indicated in the following schedule.

Recomm-endations	Period when not followed	Reasons the recommendation was not followed	Alternative governance practices adopted in lieu of the recommendation (if any)
1.1	5 July 2016 to 30 June 2017	Condor has no executive officers or management staff, other than the Managing Director. All management functions are executed by the Managing Director.	
1.5, 1.6, 2.2, 3.1, 6.3	5 July 2016 to 30 June 2017	Condor has not had sufficient discretionary resources available to formalise the recommended tools and policies. Condor intends to formalise the recommended tools and policies once sufficient resources become available.	As no internal staff (other than directors), Condor has sought to achieve the intent of the recommendations via informal means.
1.7	5 July 2016 to 30 June 2017	As Condor has no executives who do not also serve as directors, this recommendation is not applicable.	
2.1, 4.1, 7.1, 8.1	5 July 2016 to 30 June 2017	Due to the limited resources available to the Company, and the difficulty in attracting other quality persons to consent to act as directors (given the difficult circumstances of the Company), Condor's entire Board consists of only three directors. Further, the operations of the Company have necessarily been very limited during the reporting period, and a larger Board would have been unlikely to add value proportional to additional cost.	The recommended committee functions are fulfilled by Condor's full Board of directors.
2.5	5 July 2016 to 30 June 2017	Neither of Condor's current independent directors have been available to take on additional duties as Chair of the Board. Further, Condor's ability to appoint new directors is restricted by the limited resources available to the Company, and difficulty in attracting other quality persons to consent to act as director (given the circumstances of the Company).	
5.1	5 July 2016 to 30 June 2017	Condor has no internal staff and all internal management functions are executed entirely by the Managing Director.	The Managing Director relies directly on the *Corporations Act 2001 (Cth)* and ASX Listing Rules to govern actions regarding disclosure.
6.1	5 July 2016 to 30 June 2017	Condor has not had sufficient discretionary resources available to prioritise development or maintenance of an appropriate website. However, Condor intends to develop and implement an appropriate website once sufficient resources become available.	All relevant and available information has been disclosed to the market via reports to shareholders and other announcements.
6.3	5 July 2016 to 30 June 2017	Condor has not had sufficient discretionary resources available to properly develop or maintain formal policies and processes to facilitate and encourage participation at meetings of security holders. Condor intends to develop and implement such policies once sufficient resources become available.	
8.2	5 July 2016 to 30 June 2017	While policies and practices regarding the remuneration of current directors and KMP was not publicised during the financial year (significantly due to the replacement of Condor's entire Board on the first day of the 2017 financial year), these policies have now been disclosed via the remuneration report included within the 2017 Annual Report.	Condor's directors since 5 July 2016 have not taken payment of any fees for the entire duration of their service to the Company.

The names of the Company's independent directors are Dr Simon Wood, who has served as a director of the Company continuously since 17 August 2016 and Mr Craig McGrath, who has served as a director of the Company continuously since 5 April 2017

Condor's Board conducts an annual review of the Company's risk management framework to satisfy itself that the framework is sound. Such a review has taken place during the reporting period.

Condor's internal audit function is structured as a key function of the Company's Board of directors. This audit function enables all directors constant access to review all transactions, activities and material correspondence of the Company.

The Company does not have any material exposure to economic, environmental and social sustainability risks.

* * *

SHARE AND OPTION HOLDINGS AS AT 31 DECEMBER 2017

Distribution of shareholders

Category (size of holding)	Number Shareholders	Ordinary Shares
1 – 1,000	295	130,144
1,001 – 5,000	448	1,176,791
5,001 – 10,000	160	1,224,080
10,001 – 100,000	275	9,915,124
100,001 – and over	101	81,282,908
	1,279	**93,729,047**

The number of shareholdings held in less than marketable parcels as at 31 December 2017 was 1,128 shareholders amounting to 8,554,132 shares based on the market price of $0.009 per share.

All shares issued as at the date of this report are classed as ordinary fully paid shares.

The names of substantial shareholders listed in the company's register as at the date of this report are:

Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
VERMAR PTY LTD / TRAYBURN PTY LTD	8,500,000	9.069
MALCORA PTY LTD	5,747,831	6.132
MRS NADIA TSOUTSOULIS	4,977,584	5.311

Voting Rights

The voting rights attached to the ordinary shares are as follows:

Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands. No voting rights are attached to the options.

20 Largest Shareholders

Listed below are the 20 largest holders of ordinary fully paid shares in Condor as at the date of this report:

Rank	Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1	VERMAR PTY LTD / TRAYBURN PTY LTD	8,500,000	9.069
2	MALCORA PTY LTD	5,747,831	6.132
3	MRS NADIA TSOUTSOULIS	4,977,584	5.311
4	MIAL ENTERPRISES PTY LTD	4,213,000	4.495
5	MR LESLIE SZANCER	3,387,114	3.614
6	MR IAN ALASTAIR LEETE	2,500,000	2.667
7	TAIPAN INVESTMENT MANAGEMENT	2,500,000	2.667
8	MR JOSHUA BARRY FARQUHAR	2,000,000	2.134
9	MR PIERRE JULES RICHARD	1,959,065	2.090
10	MR PAUL JOSEPH CARROLL	1,916,667	2.045
11	MR DAVID JOHN SORRELL	1,900,000	2.027
12	CITICORP NOMINEES PTY LIMITED	1,846,047	1.970
13	MR DON TSOUTSOULIS	1,600,000	1.707
14	OLD CAPITAL LIMITED	1,533,334	1.636
15	MR YONG JIN LI	1,400,000	1.494
16	MR ALI REZA SADIQI	1,333,334	1.423
17	COMP-WORLD LIMITED	1,300,000	1.387
18	VFT INVESTMENTS PTY LTD	1,200,000	1.280
19	MR VINCE TRUDA	1,150,000	1.227
20	JIANXI RESOURCES LIMITED	1,033,334	1.102
		51,997,310	**55.477**

Listed below are the 20 largest holders of the $0.36 options expiring 16 September 2019 as at the date of this report:

Rank	Name	Number of Options Held	% Held of total options on issue
1.	MINESWEEPER LIMITED	2,409,675	59.11
2.	NICOLA PHILIP	1,666,667	40.89
		4,076,342	**100.00**

Listed below are the 20 largest holders of the $0.0192 options expiring 30 June 2018 as at the date of this report:

Rank	Name	Number of Options Held	% Held of total options on issue
1.	VERMAR PTY LTD	10,000,000	50.00
2.	MINESWEEPER LIMITED	4,912,000	24.56
3.	MR PIERRE JULES RICHARD	2,800,000	14.00
4.	ANATOLIAN RESOURCES PTY LTD	1,200,000	6.00
5.	NICOLA PHILIP	1,088,000	5.44
		20,000,000	**100.00**

Listed below are the 20 largest holders of the $0.03 options expiring 30 June 2018 as at the date of this report:

Rank	Name	Number of Options Held	% Held of total options on issue
1.	MIAL ENTERPRISES PTY LTD	8,975,000	30.72
2.	MR IAN ALASTAIR LEETE	3,250,000	11.12
3.	DIRTOILGAS PTY LIMITED	2,250,000	7.70
4.	ANATOLIAN RESOURCES PTY LTD	1,616,403	5.53
5.	STRATEGIC FUNDING MANAGEMENT	1,500,000	5.13
6.	MR LESLIE SZANCER	1,437,500	4.92
7.	MR PIERRE JULES RICHARD	1,400,000	4.79
8.	TRAYBURN PTY LTD	1,250,000	4.28
9.	ACNS CAPITAL MARKETS PTY LTD	1,000,000	3.42
10.	VFT INVESTMENTS PTY LTD	675,000	2.31
11.	PIERRE JULES RICHARD	560,773	1.92
12.	MISS NICOLA PHILIP	544,000	1.86
13.	WESTGLADE PTY LTD	525,000	1.80
14.	FOXTAIL PTY LTD	500,000	1.71
15.	MR ROBERT JAMES KENT	500,000	1.71
16.	JATHRO PTY LTD	500,000	1.71
17.	MR DON TSOUTSOULIS	300,000	1.03
18.	MR VINCE TRUDA	300,000	1.03
19.	MR BRYAN WOLFGANG DUKE	250,000	0.86
20.	MR PAUL JOSEPH CARROLL	208,334	0.71
		27,542,010	**94.26**

The name of Condor's company secretary was Peter Dunoon until 31 October 2016, Regina Abood from 2 November 2016 until 8 April 2017, and Joshua Farquhar since 8 April 2017.

The address of the principal registered office in Australia is:

Suite 508, 55 Holt Street, Sydney NSW 2010.

Registers of securities are held at the following address:

Advanced Share Registry, 150 Stirling Hwy, Nedlands, WA 6009.

Stock exchange listing: all shares in Condor were suspended from trading by the ASX on 26 February 2016, and remain suspended as at the date of this report. However, the shares remain on the official list of the ASX. Condor's shares are not listed on any other exchanges.

Unquoted Securities

The Company has the following unquoted securities on issue at the date this report:

Date of Expiry	Exercise Price	Number under Option	
30-Jun-18	$0.0192	20,000,000	Unlisted
30-Jun-18	$0.03	29,214,177	Unlisted
16-Sep-19	$0.36	4,076,342	Unlisted

* * *

SCHEDULE OF MINING TENEMENTS HELD AT 30 JUNE 2017

The following tenements are held by Condor via Condor Blanco SCM, a subsidiary that is 70% owned by Condor. This schedule was correct at 30 June 2017 and remains unchanged.

TYPE	CONCESSION	CURRENT OWNER	REGISTERED
Exploitation	CAUTIVA	Condor Blanco SCM	11 Feb 2006
Exploitation	FENIX II 1/30	Condor Blanco SCM	17 Aug 2009
Exploitation	FENIX III 1/30	Condor Blanco SCM	17 Aug 2009
Exploitation	FENIX V 1/30	Condor Blanco SCM	17 Aug 2009
Exploitation	FENIX IX 1/30	Condor Blanco SCM	17 Aug 2009
Exploitation	FENIX X 1/30	Condor Blanco SCM	17 Aug 2009

Exploitation	LA VICTORIA 1/15	Condor Blanco SCM	07 Aug 2015

Some of the above tenements were listed in Condor's 2016 Annual Report as having been disposed from Condor with the purported sale of Tierra Amarilla SCM – this information was incorrect.

Note: the circumstances of the disposal of Tierra Amarilla SCM (which included substantial tenement holdings) remain in question and continue to be investigated by the Company.

*   *   *

SCHEDULE OF MINING TENEMENTS WITH UNCERTAIN STATUS

The following tenement was previously announced as being held by Tierra Amarilla SCM. The status of this tenement has not yet been determined.

TYPE	CONCESSION	CURRENT OWNER	REGISTERED
Exploitation	FENIX I 1/30	Not verified	Not verified

Condor's December 2015 Quarterly Report announced that the following tenement had been disposed on 27 November 2015, but no information regarding the circumstances or reason for disposal was disclosed. It appears that the tenement is not currently held by either Condor Blanco SCM or Tierra Amarilla SCM, but Condor so far has been unable to further clarify the circumstances of its apparent disposal.

TYPE	CONCESSION	CURRENT OWNER	REGISTERED
Exploration	MIGUELITO I 14	Jerónico Andres Carcelen Pacheco	10 Sep 2015

*   *   *

CHANGES TO MINING TENEMENT HOLDINGS SINCE 30 JUNE 2017

Condor is aware of no change to the Company's mining tenement holdings since the end of the 2017 financial year.