Potential Condor Gold suitor B2Gold encounters problems in Nicaragua

Condor Gold {AIM: CNR} has, effectively, put itself up for sale,and there has always been an ideal suitor,their neighbour in Nicaragua with an existing producing gold mine, **B2Gold Corp**.

Nicaragua has boasted a superb record as a mining jurisdiction, until yesterday, when it turned sour.

Death of a police officer controlling rioters at B2Gold's El Limon mine

Nicaragua has been a a paragon of virtue as a mining jurisdiction, with good reason. It's a poor country, and mining offers employment, and produces taxation for a government in need.

Sadly B2Gold has cause for thought, after a blockade of their El Limon mine turned violent when the local police tried to clear it, and which sadly resulted in many injured, and the death of one police officer.

The reason for the blockade was B2Gold cancelling the contacts of three contractors "with just cause",and them encouraging fellow workers to blockade the mine in protest. "*Our solidarity is with the family and friends of the fallen officer, a victim of violent acts at El Limon Mine that have not only caused irreparable harm to a Nicaraguan family but that affect the entire community of the Mining District*," said

Martin Esparza, General Manager of B2Gold’s El Limon Mine.

Obviously one hopes this particular situation is brought under control quickly and without further violence, but if it isn’t,you have to wonder whether this will have a negative effect on Condor Gold tying to sell their mine? I have always thought B2Gold to be the most likely suitor, as there must be the potential to mine La India, and truck concentrate to El Limon, thus reducing considerably the capex required to build a mine at La India. This surely means that B2Gold were a very likely suitor to take out Condor.

If other companies not already operating in Nicaragua were considering a bid for Condor’s project, you have to wonder whether they will be watching with baited breath to the resolution at El Limon.

Anything other than a cessation of the blockade and a full return to work can only be very negative to Condor Gold’s attempt to sell itself to a potential suitor.

We will report further as this situation develops.