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Condor Resources Plc
(''Condor'' or "the Company")

La India Project in Nicaragua Drilling Update

Highlights:

- **8,445m drilled in 2011. Assay results for further 3,221m for La India Project**
- **Drilling on La India Vein has confirmed the presence of the parallel California Vein with 3.4m at 3.24g/t gold from 175.5m only 75m from the La India Vein.**
- **Drilling on Arizona Vein returned a high grade intercept of 6.3m at 3.65g/t gold from 158.5m including 2.1m at 7.99g/t gold from 162.7m below the old workings.**
- **Drilling on TACA Veins on western and central areas returned narrow high grade up to 0.6m at 5.23g/t gold & from 66.8m, further drilling is required to ascertain whether these represent the edges of high grade shoots.**
- **Drilling on San Lucas-Capulin Vein returned a high grade intercept of 4.5m at 3.82g/t Au from 42m including 0.65m at 19.5g/t Au from 45.85m.**

Condor (AIM: CNR) is pleased to report that since the previous drill update on La India Project on 18th July 2011 the Company has completed a further 18 drill holes for 3285m of drilling for a total of 57 drill holes for 8445m drilled so far this year out of a 20,000m drill programme. Assay results have been received for 49 out of the 57 holes drilled to date accounting for 7,197m of drilling (including two holes with only partial assay results received), with the remainder pending from the assay laboratory. With the inclusion of assay results that were pending at the time of the last announcement, the drill results in this announcement cover 23 drill holes.

The broad spaced drilling continues to discover and define high grade gold mineralised shoots on the principal vein sets on La India Project. Both the northwest and the more east-west striking veins within the vein sets that have been drill tested to date appear to have similar geometry characterised by high grade shoots or lenses with strike lengths of 100m to 200m on all the veins. These high grade shoots are interspersed with low grade mineralisation of a similar length along the overall strike length of the vein. Initial wide spaced drilling, varying between 100m and 300m spacing, on the Teresa-Agua Caliente-Arizona Vein trend (the "TACA Veins") which cuts across the northern end of the India Vein has as expected returned a mixture of wide and narrow high grade intercepts separated by low grade material, with one high grade shoot defined where the drill spacing is at 100m intervals beneath the historic Arizona Mine. High grade mineralisation has been returned from one drillhole in the southern 'Capulin' zone of the San Lucas-Capulin Vein, open along strike and to depth. The drilling is currently focused on testing the depth extension of the India Vein beneath the historic mine workings as well as testing for further mineralised veins in the hanging wall of the main India Vein. Initial assay results have already returned a high grade

intercept in the California Vein in the 'hanging wall zone'. Further intercepts of the California and other hanging wall veins are expected to provide enough information for inclusion in a future Mineral Resource Estimation.

Drilling results exceeding 1g/t gold that have been received since the last update on the 18th July are summarised in the following table.

Prospect	Drillhole ID	From	To	Width	Au (ppm)	Comments
TACA Veins	LIDC059	158.5	164.8	6.3	3.65	Inc. 2.1m @ 7.99g/t Au from 162.7m Down-dip of Arizona mine
	LIDC062	66.8	67.4	0.6	5.23	Arizona Vein
	LIDC064	176.6	176.78	0.18	9.45	Arizona Vein
	LIDC056	181.3	181.58	0.28	4.84	Down-dip of Arizona mine
	LIDC060	154.4	155.05	0.65	1.73	Down-dip of Arizona mine
	LIDC055	77.72	79.00	1.28	2.51	Down-dip of Teresa mine
		183.44	184.4	0.96	3.36	Down-dip of Agua Caliente Mine
California	LIDC057	175.5	178.9	3.40	3.24	California Vein
San Lucas-Capulin	LIDC048	42.0	46.5	4.5	3.82	Inc. 0.65m @ 19.5g/t Au from 45.85m – Capulin Zone
	LIDC052	42.67	47.30	4.63	1.21	poor recovery, open to depth – Capulin Zone
	LIDC045	100.2	100.5	0.3	1.48	Northern trench anomaly
	LIDC046	174.0	175.0	1.0	1.22	Northern trench anomaly
Constancia	LIDC047	96.25	97.1	0.85	1.08	100m strike extension into low grade zone

La India Vein Set – TACA Veins

Nine drillholes for 1,672m were completed to test the East-West trending TACA Veins which intersects the northern end of the India Vein. Initial wide spaced drilling, varying between 100m and 300m spacing to target the down-dip extension of historic mine workings and high grade trench results returned a best drill intercept of 6.3m at 3.65g/t gold, including 2.1m at 7.99g/t gold approximately 100m down-dip of the historic Arizona Mine. The Arizona Mine currently supports a JORC Inferred Mineral Resource of 18,000 oz gold at 4.5g/t. Drilling 100m either side of this intersection returned intercepts of 0.28m at 4.84g/t gold and 0.65m at 1.73g/t gold respectively, indicating that this is part of a high grade shoot or lens with less than 200m strike length, as is typical in the La India Mining District (the "District"). The wide spaced drilling further west along the TACA Vein trend returned some narrow high grade intercepts beneath high grade trenches, including 0.6m at 5.23g/t gold from 66.8m drill depth and 0.18m at 9.45g/t from 176.6m drill depth. The wide spacing of these drillholes means that it is not possible to determine whether these intercepts represent the edges of high grade shoots or a consistently narrow structure. At the western end of the trend drilling beneath the historic Teresa and Agua Caliente mine workings was less encouraging with a best intercept of 1.28m at 2.51g/t gold from 77.72m drill depth beneath the historic Teresa Mine.

La India and California Veins

The initial deep drill hole at La India, which is primarily designed to test the India Vein beneath the historic mine workings, passed through a number of zones of alteration and quartz veining in the

hanging wall of the India Vein. Assay results have been received for the most significant zone with an intercept of 3.4m at 3.24g/t gold from 175.5m drill depth returned, which is approximately 75m horizontally across strike of the India Vein. This has been provisionally interpreted as the California Vein which is one of a number of veins that do not outcrop at surface but have been intercepted in previous explorers drilling and underground sampling in the hanging wall of the India Vein over more than 1,100m strike length. The existing drill spacing varies between 100m and 360m along strike, making the correlation of hanging wall veins between drill holes uncertain. The most significant previous explorers drilling intercept attributed to the California Vein is 10m at 5.51g/t gold from 178m drill depth from drillhole DH-LI-10 located 360m along strike to the north, suggesting that high grade zones occur on the California Vein.

The current drilling programme aims to improve the density of drill intercepts in the California and other hanging wall veins in order to establish the orientation of the veins and incorporate them into a future JORC Code compliant Inferred Mineral Resource estimation (see 'Current Drilling' below). The existence of multiple veins in the hanging wall of the India Vein opens the possibility that parts of the India Vein set might be amenable to open pit mining.

San Lucas-Capulin Vein

Two zones of high grade trench mineralisation in the steeper dipping southern extension of the San Lucas-Capulin Vein were tested by seven drillholes for 806m. The more northerly zone (LIDC044-6) returned disappointing results. However, drilling beneath high grade trenches on the southern 'Capulin' Zone returned mixed results with one significant intercept of 4.5m at 3.82g/t gold from 42m drill depth including 0.65m at 19.5g/t gold (LIDC048), whilst the neighbouring drillhole LIDC050 returned no significant results. The assay results of the southernmost drillhole are unreliable due to poor recovery in two drill attempts (LIDC051-52). However a provisional intercept of 4.63m at 1.21g/t gold and 29.1g/t silver from 42.67m drill depth in LIDC052 suggests a wide zone of mineralisation at this location.

Constancia Vein

At Constancia the full strike extent of the high grade shoot discovered along strike to the East of the historic mine workings has been defined with the assay results of the final drillhole, LIDC047, which appears to have closed off mineralisation along strike with an intercept of 0.85m at 1.08g/t gold from 96.25m in a quartz stockwork, characteristic of a low grade zone. The high grade shoot discovered by Condor earlier in the year of 1.4m at 17.4g/t (see RNS announcement 9th May 2011) appears to have a strike length of 100m to 200m, which is typical of the La India System. The shoot has been drill tested to 180m below surface and remains open to depth. Trench and rock chip sampling further along strike to the East has not encountered further high grade zones and no further drilling along strike is planned.

Current Drilling

Drilling is currently focused on the La India Vein with over 1,600m already drilled and the majority of the assay results pending. The current drilling is testing both the main India Vein at 75m to 100m below the historic mine workings, equivalent to up to 300m below surface, and also testing a number of gold mineralised veins known to occur in the hanging wall of the India Structure. Up to seven hanging wall veins have already been identified in drilling and underground sampling, but the sparcity of intersections and vein orientation data does not currently allow these veins to be linked together with confidence. Horizontal extrapolation of the veins along strike between deep drillholes is being supported by shallower drillholes designed to intercept the same hanging wall veins up-dip to enable 3-Dimensional modelling and inclusion in a future Mineral Resource Estimation. The hanging wall veins include some significant mineralisation such as the California Vein (see above). In addition the current drilling programme includes one drillhole, which is targeting the intersection of the India Vein and TACA Veins structure, testing the depth continuity

of a wide zone of high grade mineralisation reported by previous Canadian Explorers at 7m at 3.04g/t gold from 142m drill depth. Intersections of mineralised structures can be zones of enhanced structural complexity with the potential to host wider zones of gold mineralisation.

Mark Child, Executive Chairman and CEO of Condor Resources plc, commented:

"Confirmation of the California Vein running parallel and only 75m from the main La India Vein is significant as it lends weight to the theory that there are a series of parallel veins in the main La India valley that don't outcrop at surface. The drill result under the historic Arizona Mine which has a 6.3m intercept @ 3.65g/t is highly encouraging. Arizona and the other TACA Veins, as well as the San Lucas-Capulin Vein host four small JORC inferred resources averaging 19,000 oz gold each and should be put in context of the 1,029,000 oz gold 5.4g/t JORC Code Resource on La India Project (832,000 oz gold attributable). The 3,456m drilled on these veins has confirmed that the veins on La India Project comprise of a strike length of 100 to 200m of high grade shoots interspersed by a similar distance of low grade mineralisation and was designed to increase the overall resource. Future drilling will focus on the veins with larger resources on the La India Project and seek to test the depth of the resource."

Competent Person's Declaration

The information in this announcement that relates to Exploration Results and database is based on information compiled by and reviewed by Dr Luc English, the Country Exploration Manager, who is a Chartered Geologist and Fellow of the Geological Society of London, and a geologist with sixteen years of experience in the exploration and definition of precious and base metal Mineral Resources. Luc English is a full-time employee of Condor Resources plc and has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration, and to the type of activity which he is undertaking to qualify as a Competent Person as defined in the June 2009 Edition of the AIM Note for Mining and Oil & Gas Companies. Luc English consents to the inclusion in the announcement of the matters based on their information in the form and context in which it appears and confirms that this information is accurate and not false or misleading.

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For further information please visit www.condorresourcesplc.com or contact:

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About Condor Resources Plc:

Condor Resources plc is an AIM listed exploration company focused on developing gold and silver resource projects in Central America. The Company was admitted to AIM on 31st May 2006 with the stated strategy to prove up JORC Resources in Nicaragua and El Salvador. Condor has five 100% owned concessions and 80% of La India concession in La India Mining District (La India Project); three 100% owned concessions in three other project areas and 20% in the Cerro Quiroz concession in Nicaragua. In El Salvador, Condor has 90% ownership of four licences in two project areas.

Condor's concession holdings in Nicaragua currently contain an attributable JORC compliant resource base of 832,000 ounces of gold at 5.4g/t in Nicaragua and an attributable 1,008,000 oz gold equivalent at 2.6g/tJORC compliant resource base in El Salvador. The Resource calculations are compiled by independent geologists Ravensgate, Geosure and SRK.

Disclaimer

Neither the contents of the Company's website nor the contents of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into, or forms part of, this announcement.

Technical Glossary

Assay	The laboratory test conducted to determine the proportion of a mineral within a rock or other material. Usually reported as parts per million which is equivalent to grams of the mineral (i.e. gold) per tonne of rock
Down-dip	Further down towards the deepest parts of an ore body or zone of mineralisation
Epithermal	Mineral veins and ore deposited from fluids at shallow depths at low pressure and temperatures ranging from 50-300°C
Foot wall	The rock adjacent to and below an ore or mineralised body or geological fault. Note that on steeply-dipping tabular ore or mineralised bodies the foot wall will be inclined nearer to the vertical than horizontal.
Grade	The proportion of a mineral within a rock or other material. For gold mineralisation this is usually reported as grams of gold per tonne of rock (g/t)
g/t	grams per tonne
Inferred Mineral Resource	That part of a Mineral Resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that may be limited, or of uncertain quality and reliability
Intercept	Refers to a sample or sequence of samples taken across the entire width or an ore body or mineralized zone. The intercept is described by the entire thickness and the average grade of mineralisation

JORC	Australian Joint Ore Reserves Committee, common reference to the Australasian Code for reporting of identified mineral resources and ore reserves
Mineral Resource	a concentration or occurrence of material of economic interest in or on the Earth's crust in such a form, quality, and quantity that there are reasonable and realistic prospects for eventual economic extraction. The location, quantity, grade, continuity and other geological characteristics of a Mineral Resource are known, estimated from specific geological knowledge, or interpreted from a well constrained and portrayed geological model
oz	Troy ounce
quartz veins	Deposit of quartz rock that develop in fractures and fissures in the surrounding rock. They are deposited by saturated geothermal liquids rising to the surface through the cracks in the rock and then cooling, taking on the shape of the cracks that they fill.
Recovery	The percentage of the length of rock that is brought to the surface surface by drilling. The rock samples are typically brought to the surface in 1m to 3m long sections and the recovery is expressed as a percentage of the length of each section
Rock chip	A sample of rock collected for analysis, from one or several close spaced sample points at a location. Unless otherwise stated, this type of sample is not representative of the variation in grade across the width of an ore or mineralised body and the assay results cannot be used in a Mineral Resource Estimation
Hanging wall	The rock adjacent to and above an ore or mineralised body or geological fault. Note that on steeply-dipping tabular ore or mineralised bodies the hanging wall will be inclined nearer to the vertical than horizontal.
strike length	The longest horizontal dimension of an ore body or zone of mineralisation