



Condor Resources Plc

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9th June 2009

Condor Resources plc ("Condor" or "the Company")

Further re Grafton share exchange and rejection of offer by Worldwide Natural Resources plc ("WNR")

The board of directors of Condor ("the Board") refers to the following previous announcements:

- The announcement by Condor dated 27 May 2009 "Proposed share exchange with Grafton Resources";
- The announcement by WNR dated 3 June 2009 "Offer by Worldwide Natural Resources Plc"; and
- The announcement by Condor dated 5 June 2009 "Rejection of unsolicited conditional offer".

As set out in the announcement by Condor of 5 June 2009, the offer from WNR ("Offer") was unsolicited and undervalues Condor. It is an unwelcome distraction from the share exchange proposed with Grafton Resource Investments Limited ("Grafton" or "the Fund") described in the circular to Condor shareholders of 27 May 2009 ("the Share Exchange").

The Board is unanimous in rejecting the Offer, and advises Condor Shareholders to take no action in relation to the Offer. The Board recommends Condor Shareholders to VOTE IN FAVOUR OF THE SHARE EXCHANGE WITH GRAFTON.

The Board is now required under Rule 20.1 of the Takeover Code to make the following further information available to all Condor shareholders as set out below:

- Further information on Grafton, the natural resource based realisation fund with which Condor is entering into the Share Exchange, can be found at www.graftonresources.net
- The Share Exchange is attractive for various reasons, including the fact that at 1 pence per Condor Share, which is the same price that Condor raised £2m in June 2008, the Board believes that the Share Exchange validates the June 2008 placing price;
- The Share Exchange allows Condor to work closely with the Fund with a view to acquiring a company in which the Fund is a shareholder although the Company is not solely tied into the Fund for future acquisitions;
- The Fund is focused on performance, as it will own 29.7% of Condor following successful completion of the Share Exchange, it will want to see a materially higher share price for Condor over the medium to long term. This removes the risk that the Fund will only sell assets to Condor at inflated values. It is in the Fund's interest to see a materially higher share price for all shareholders;

The Board is aware that it has received some criticism for not completing a corporate transaction earlier and thereby diversifying from the Company's currently inactive El Salvador operations. Following the June 2008 placement, the Board was receptive to corporate transaction proposals put forward by various parties that took part in the placement and such proposals were forthcoming.

However, in the considered opinion of the Board, the transaction proposals put forward by these parties all showed similar features that meant they were not suitable for Condor as a public and AIM quoted company. For example, features such as Condor being expected to use 100% of its cash to acquire 50% of a business and vendors requiring a significant "carried interest" or "promote" which were unacceptable to your Board and not being in the Board's view in the interest of all shareholders equally.

The Company previously announced on 27 April 2009 that it was subject to both a potential offer approach and to a general meeting requisition both from connected parties – the Board believes that this situation arose because the promoters of the proposed corporate transactions described above were not successful.

The Board of Condor believes that having a professionally managed fund as a strategic shareholder in Condor, such as Grafton, will alleviate this problem.

The Board recommends Condor Shareholders to VOTE IN FAVOUR OF THE SHARE EXCHANGE WITH GRAFTON.

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The directors of Condor accept responsibility for the information contained in this announcement. To the best of the knowledge and belief of the directors of Condor (having taken all reasonable care to ensure that such is the case) the information contained in this announcement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Ambrian Partners Limited is acting for Condor in connection with the matters referred to above and no one else and will not be responsible to anyone other than Condor for providing the protections offered to clients of Ambrian Partners Limited nor for providing advice in relation to the matters referred to above.

About Condor Resources Plc

Condor Resources plc is an AIM listed exploration company focused on developing natural resource projects in Central America. The Company was admitted to AIM on 31st May 2006 raising £4.9m to prove up JORC Resources in Nicaragua and El Salvador. Condor has three 100% owned licenses contained within two project areas in Nicaragua. In El Salvador, Condor has 100% ownership of four licences in two project areas.

Since Admission to AIM, Condor has increased its JORC compliant resources from 350,000 ounces of gold and 18 million ounces of silver to 788,000 ounces of gold and 22 million ounces of silver. The Resource calculations are compiled by independent geologists Ravensgate and Geosure.

Condor raised £2,000,000 before expenses in July 2008, which will allow the Company to continue developing its existing gold and silver projects in Central America and identify opportunities in the natural resource sector in other geographical locations.