



Condor Resources Plc

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

Approval Received for Transfer of Espinito Mendoza Concession to Condor and Issue of New Ordinary Shares at 9 pence

Condor (AIM: CNR), a gold and silver exploration company focused on proving a large commercial reserve at its 100% owned La India Project in Nicaragua, has received written notification from the Minister of Energy and Mines in Nicaragua that he has approved the transfer of the Espinito Mendoza Concession (the "Concession") from Empresa Minera La Mestiza S.A. ("Mestiza") to Condor. Please see the announcement published on 24th August 2011 for full details of Condor's purchase of the Concession for a total consideration of US\$1,625,000. The approval of the transfer triggers a US\$250,000 cash payment (of which \$100,000 is made as a loan) and a payment of US\$275,000 by way of issuing new ordinary shares at 9 pence under the Purchase Agreement.

Application has been made for 1,934,000 new ordinary shares with a nominal value of £0.01 each at a price of 9 pence each (the "Consideration Shares"), to be admitted to trading on AIM ("Admission") on 12th March 2012. The Consideration Shares will rank pari passu and have the same voting rights as the existing ordinary shares. Following Admission there will be 560,279,086 ordinary shares in issue.

As previously reported on 12th December 2011, SRK Consulting (UK) Limited has estimated a JORC compliant Inferred Mineral Resource for the Espinito Mendoza Concession of 0.98 Mt at 6.7 g/t for 209,000 oz gold on three veins within the Concession boundaries. The Concession encompasses over 3.8 km of gold mineralised veins already defined, including historic underground mine workings along a 500 m strike length and the northwestern strike extension of Condor's Tatiana Resource. The concession area was extensively trench and drill tested between 1986 and 1990 as part of a Soviet-sponsored exploration campaign over the larger historic La India Project area. A Soviet GKZ style resource of 513,000 oz gold at a grade of 11.1g/t was defined within the Concession area in 1991. Of this amount, 205,000 oz gold at 10.8g/t was assigned to the more confident C1+C2 category, the remainder being in the P1 category. The Concession was subsequently evaluated for a stand-alone mine operation by Canadian company Diadem Resources in 1996 and 1997 and some initial underground development work was completed. Condor has since undertaken a major data capture programme to collate all historic data for the Concession area and integrate it into the Company's existing database for the La India Project. The SRK Mineral Resource estimate has been tied in with the existing Resource on the adjacent La India Concession (also owned by Condor) and is based on some 6,700 m of diamond drilling, 1,900 m of trench sampling and 489 underground channel samples. Condor has applied for permits to drill on the Concession and anticipates drilling will commence in the second half of 2012.

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

“The approval of the transfer of the Espinito Mendoza Concession from Mestiza to Condor by the Minister of Energy and Mines completes Condor’s legal ownership of the Concession. La India Project hosts a JORC Code Mineral Resource of 1,620,000 oz gold at 5.6 g/t, the Espinito Mendoza Concession lies in the heart of La India Project and hosts a JORC Code Mineral Resource of 209,000 oz gold at 6.7 g/t, which has been estimated from historic exploration data. Condor plans to commence drilling on the Concession in the second half of this year. The issue of 1,934,000 new ordinary shares at 9 pence is part of the purchase consideration for the Concession; which is at a substantial premium to the current share price.”

Competent Person’s Declaration

The information in this announcement that relates to Exploration Results and technical data 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 seven 100% owned concessions 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 1,046,000 ounces of gold at 6.0g/t in Nicaragua and an attributable 1,008,000 oz gold equivalent at 2.6g/t JORC compliant resource base in El Salvador. The Resource calculations are compiled by independent geologists SRK Consulting (UK) Limited and Ravensgate.

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

C1	C1 reserves are broadly equivalent to JORC indicated resources and have been estimated by a sparse grid of trenches, drill holes or underground workings. The quality and properties of the deposit are known tentatively by analyses and by analogy with known deposits of the same type. The general conditions for exploitation are partially known
C2	C2 reserves are broadly equivalent to JORC inferred resources and have been extrapolated from limited data, probably only a single hole
Cross-cut adit	A cross-cut adit is a tunnel driven perpendicular to the longest horizontal direction (strike) of an ore or mineralised body, usually constructed to provide access.
g/t	grams per tonne
Indicated resource	that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed
inferred 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
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
quartz veins	veins of quartz rock 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
Soviet Classification	The former Soviet system for classification of reserves and resources, developed in 1960 and revised in 1981, which divides mineral concentrations into seven categories of three major groups, based on the level of exploration performed: explored reserves (A, B, C1), evaluated reserves (C2) and prognostic resources (P1, P2, P3)
Soviet GKZ	the former Soviet State Commission for Mineral Reserves
stope/stopping	A mining method in which ore is extracted from vertical or steeply dipping veins leaving behind an empty space
strike length	The longest horizontal dimension of an ore body or zone of mineralisation