

**CONDOR RESOURCES PLC**  
**HIGHLIGHTS**  
**FOR THE SIX MONTHS TO 30 JUNE 2010**

Condor Resources (“Condor” “Group” or the “Company”), the AIM listed Central American gold and silver exploration company, announces its results for the interim period to 30<sup>th</sup> June 2010

**HIGHLIGHTS**

- Condor increased its landholding in Nicaragua from 40 to 192 square kilometres, through the grant of five new, 100% owned, 25 year exploration and mining concessions, all containing known gold mineralisation. These are:
  - The Real de la Cruz and El Rodeo concessions, adjacent and near to Condor’s existing Cacao and Santa Barbara concessions in the historic La India Gold Mining District. The two new concessions contain over 4 kilometres of gold mineralised epithermal veins defined by previous explorers.
  - The Cerro Quiroz Concession within the currently producing Libertad-Santo Domingo Gold Mining District. The new concession contains a gold-mineralised structure over 1,500 metres long as yet untested by trenching or drilling.
  - The Estrella Concession which incorporates the historic Estrella Gold Mine on the edge of Nicaragua’s ‘Mining Triangle’.
  - The advanced Rio Luna Concession where previous explorers have defined 18 kilometres of gold mineralised epithermal veining and completed exploratory diamond core drilling on six prospects with 6,250 metres of drilling.
- In El Salvador the unofficial moratorium on all exploration and mining continued, which has meant Condor is unable to drill on its key projects. It is the Company’s view that it is unlikely to drill on key projects until 2011. The Company is retaining an administrative presence in El Salvador in order to maintain the company’s licences and lobby government in favour of mining.

**POST PERIOD HIGHLIGHTS**

- Condor has started trenching and shallow drilling on El Rodeo Concession in La India Gold Mining District.
- Condor has entered into a legally binding agreement to undertake a concession swap with Canadian mining company B2Gold Corp. Condor will acquire an 80% interest in the La India and Espinito-San Pablo concessions (“La India”), which include the historic La India Gold Mine, and B2Gold will obtain an 80% interest in the Cerro Quiroz Concession. Condor retains a 20% interest in the latter and B2Gold a 20% interest in the former.
- On 1<sup>st</sup> September 2010 the Government of El Salvador awarded the contract for the “Strategic Environmental Evaluation of the Metallic Mining Sector of El Salvador” (“EAE”) to the Tau Group of Spain.

**CURRENT (INC. POST PERIOD) GLOBAL JORC INFERRED RESOURCE**

<i>Nicaragua Projects</i>						
	Tonnes	Average Gold Grade (g/t)	Contained Gold (oz)	Average Silver Grade (g/t)	Contained Silver (oz)	JORC Category
El Cacao	1,100,000	1.2	41,000	-	-	Inferred
<i>El Salvador Projects</i>						
Pescadito	7,100,000	1.9	434,000	96	22,100,000	Inferred
La Calera	6,000,000	1.6	313,000	1.4	280,000	Inferred
<b>Total</b>	<b>14,000,000</b>	<b>1.7</b>	<b>788,000</b>	<b>53</b>	<b>22,380,000</b>	<b>Inferred</b>

*Note that tonnage and grade are rounded to two significant figures, contained gold to nearest thousand ounces, and contained silver to nearest ten thousand ounces.*

**CONDOR RESOURCES PLC**  
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Dear Shareholder,

I am pleased to present Condor's unaudited interim report for the 6 month financial period to 30<sup>th</sup> June 2010. The Group's JORC Resources remain unchanged compared to the figures stated in the 2008 and 2009 audited annual report and accounts. The Group has 788,000 ounces of gold and 22,380,000 ounces of silver to a JORC Inferred Resource; over 95% of the Group's JORC resource is in the Republic of El Salvador ("El Salvador"). The operations in El Salvador remain on a care and maintenance basis principally because for 3½ years the Ministry of the Environment ("MARN") in El Salvador has withheld environmental permits to drill. The Company has successfully diversified from El Salvador into the Republic of Nicaragua ("Nicaragua") and during the period has been granted five new 25 year exploration and exploitation concessions covering an area of approximately 152 sq km, from the Government of Nicaragua. On the 6<sup>th</sup> September 2010, Condor announced a concession swap with B2Gold Corp ("B2Gold"), which ultimately provides Condor with a flagship project in La India Mining District of Nicaragua.

The operating loss for the 6 month period was £208,271. The cash and cash equivalents at the end of the period was £426,365. The net current assets at the end of the period were £1,877,003, the non cash element of which is primarily Condor's shareholding in Grafton Resources Investments Limited.

Condor has focussed on La India Mining District for 4 main reasons: Firstly, the historic La India Gold Mine produced approximately 576,000 ounces of gold at an average grade of 13.4 grams per tonne prior to its closure in 1956. Secondly, between 1986-1991 a Soviet organisation, Zarruzbezgheologia, funded a joint exploration programme with the Nicaraguan Government organization, Corporacion Nicaraguense de Minas (INMINE), to define a Russian classification resource in the District. They used original underground mine records in conjunction with surface trenching and approximately 90 drill holes to estimate a resource for La India Mining District to a Russian classification C1+C2 resource of 2.98 million tonnes at 9.8g/t for 957,000oz gold and a Russian classification P1 resource of 4.9m tonnes at 9.3g/t for 1.48 million oz gold. Therefore, La India Mining District is estimated to have a potential gold content of 2.4 million oz gold at over 9g/t gold, Russian classification C1+C2+P1, non JORC. Thirdly, since the Soviet programme, 3 Canadian exploration companies have drilled a total of 28 drill holes on the main La India concession. Fourthly, Condor has a detailed knowledge of La India Mining District from exploring in the District for 4 years and drilling on its Cacao concession in 2008 where the Company proved a JORC inferred resource of 41,000 oz gold.

On 6<sup>th</sup> September 2010, Condor announced a legally binding agreement to swap Condor's Cerro Quiroz concession with B2Gold's La India concession whereby Condor has incorporated and owns 80% of La India Gold SA and B2Gold has incorporated and owns 80% of Cerro Quiroz Gold SA. Under the Agreement, Condor transfers its Cerro Quiroz concession into Cerro Quiroz Gold SA and B2Gold transfers La India concession into La India Gold SA. Condor retains a 20% equity interest in the former and B2Gold a 20% interest in the latter. The 80% shareholder of each newly incorporated company has undertaken to complete 2,000 metres of drilling on the concession under its ownership at its cost, following which exploration expenditure will be paid for in the ratio of the 80:20 shareholdings.

As a result of the grant of the El Rodeo and Real de La Cruz concessions during the period and the concession swap with B2Gold for the main La India concession, Condor has acquired approximately 85% of the land area in La India Mining District. Condor's preliminary technical assessment estimates that the land area under Condor's control has 1.84 million oz gold at 9g/t to Russian classification, non JORC, of which 709,000 oz gold at 9.5g/t is C1+C2 categories and the balance of 1.13 million oz gold at 8.8 g/t is P1 category. Condor is currently finalising an agreement with an independent geologist firm to advise on the conversion of the 1.84 million oz gold Russian Resource to JORC.

The 18 sq km Estrella concession and 45 sq km Rio Luna were granted by the Government of Nicaragua in April and June 2010. Both concessions are highly prospective and considered advanced stage exploration concessions. Estrella hosts the historic Estrella Mine, and has been tested by 4 drill holes by a previous explorer, who also reported wide and high grade trench intersections of up to 15.2 metres at 6.73 g/t gold; while artisanal miners are currently exploiting the valley along strike of the old gold mine and have dug a number of 10 metre deep pits. The more extensive vein system at Rio Luna has been tested by 58 diamond core drill holes for 6,250 metres drilling by a previous explorer. Condor has recently received the drill data and examined the remaining drill core; there is the possibility of a maiden resource on Rio Luna using the previous explorer's data.

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The curious fact surrounding Condor's exploration concessions in El Salvador is that the Government has not made an official policy statement on whether it is pro-mining or wishes to ban mining. For 3 ½ years the Government has adopted an official "radio silence" on the subject. There are clearly different opinions within the Government on whether to permit metallic mining. As a consequence, Condor's concessions in El Salvador are effectively frozen.

A light at the end of the tunnel has appeared; on the 1<sup>st</sup> September 2010 the Ministry of Economy ("MINEC") and the Ministry of Foreign Affairs of the Republic of El Salvador, together with the Spanish Agency for International Cooperation and Development ("AECID") jointly announced that Tau Consultora Ambiental of Spain (the "Tau Group" [www.taugroup.com](http://www.taugroup.com)) has been awarded the contract for the "Strategic Environmental Evaluation of the Metallic Mining Sector of El Salvador" ("EAE"). The EAE will inform the Government how to conduct exploration and mining in a safe, secure and environmentally friendly manner. The hope is that the Government adopts recommendations from the EAE, amends the current mining law accordingly and issues permits.

The outlook for Condor is significantly brighter than 12 months ago. The strategy in the short term is to sell Condor's shareholding in Grafton Resources Investments Limited and use the proceeds to undertake further exploration activity in Nicaragua. Condor is in the process of engaging an independent geologist firm to assess what portion of the 1.84 million oz gold resource at 9g/t, to Russian classification, on La India concession, when combined with the 28 drill holes by Canadian exploration companies, can readily be converted to a JORC resource. A site visit to La India, forming part of an independent geological review, will be conducted in the next 6-8 weeks. Condor awaits the results of recent trenching and hand held drilling, designed to test a 2 km strike length, on El Rodeo concession in La India Mining District. In the medium term, the strategy is to maximise value within the Rio Luna, Estrella and Poterillos concessions via joint venture agreements or sale. The outcome of the EAE, which should be available within 4-6 months and whether the Government of El Salvador wishes to permit exploration and mining is important to the Group; we are cautiously optimistic. Condor has been repositioned into pro-mining Nicaragua; shareholders can look forward to the next 12 months with optimism and the knowledge that the Board has secured a significant, high grade, gold resource in Nicaragua, which has the potential to host more than 1 million oz gold JORC resource.

Mark Child  
Chairman

30<sup>th</sup> September 2010

## CONDOR RESOURCES PLC

### OPERATIONS REPORT AND PROJECT OVERVIEW FOR THE SIX MONTHS TO 30 JUNE 2010

#### **EL SALVADOR**

In El Salvador the Government department responsible for the environment, MARN has continued to delay processing any permit applications related to the metallic mining industry, including permits to undertake exploration drilling. During the period, and post-period, all of Condor's exploration licences in El Salvador passed renewal dates. Since the exploration licence renewal process also requires renewal of environmental permits, which have not been processed or granted by MARN, the licence renewals have not been completed. In order to protect the Company's ownership of the exploration licences in El Salvador, Condor, through its wholly owned local subsidiary, Minerales Morazan SA de CV, has filed legal actions against both the government department responsible for issuing exploration licences, MINEC, and the government department responsible for issuing drilling permits, MARN. The actions are based on the argument that the Company has not been able to meet all the requirements for an exploration licence renewal because MARN has not met its legal obligation to process applications for drilling permits within a thirty day period. Consequently all of Condor's exploration licences in El Salvador remain frozen in a state of application for extension.

The inaction of MARN described above is the instrument of an unofficial moratorium on metallic mining that was instigated in 2007. In actual fact the government of El Salvador has not committed itself to a policy for or against mining in the country and has commissioned an independent 'Strategic Environmental Study of the Metallic Mining sector in El Salvador'. While there remains uncertainty about the El Salvador government's policy regarding future mining operations Condor has maintained an administrative presence in El Salvador in order to protect Condor's assets and position the Company to act quickly to apply for new prospective exploration licences should the Government elect to support metallic mining in the near future.

#### Post-Period Developments

The tender to undertake the 'Strategic Environmental Study of the Metallic Mining sector in El Salvador' was awarded to the Tau Group of Spain on the 1<sup>st</sup> September. At the same time an independent review of the 'National Policy on Mining' is to be undertaken. Both studies are expected to be completed in the first quarter of 2011.

#### **NICARAGUA**

In Nicaragua the Company's policy of applying for high quality mining concessions that became available following the withdrawal of several companies from Nicaragua during the economic downturn of 2008-2009 paid dividends with the granting of five new 25 year exploration and mining concessions during the first half of 2009. The new concessions have all been granted to the Company's wholly owned Nicaraguan subsidiary, Condor S.A., bringing the total landholding to approximately 192 square kilometres, split between four project areas. Whilst the company will continue to assess any further high quality concessions that become available, the Company's period of concession acquisition through direct applications to the government is considered complete and by the 30<sup>th</sup> June Condor had no more applications pending.

The Company's largest landholding is in the historic La India Gold Mining District where Condor was granted the **Real de la Cruz** and **El Rodeo** concessions in January 2010. The acquisition of these two concessions, which are located adjacent and near to Condor's existing Cacao and Santa Barbara concessions, increases Condor's concession holding in the District from approximately 40 square kilometres to over 96 square kilometres. The concession package contains over 8 kilometres of gold-bearing epithermal veining already discovered by previous explorers through extensive rock chip sampling.

In April 2010 Condor was granted the **Cerro Quiroz** Concession, which covers an area of 22.5 square kilometres in the Libertad-Santo Domingo Gold Mining District. Cerro Quiroz represents the eastern extent of gold mineralisation discovered to date in this broadly east-west orientated epithermal gold system. There is a long history of gold mining in the district dating back over 150 years including the recently re-opened La Libertad Mine with a recorded production of 170,000 ounces of gold and a planned production of up to 90,000 ounces of gold per annum to process over 500,000 ounces of currently defined gold reserves.

Despite the long history of gold mining in the area, gold was only discovered on the Cerro Quiroz Concession as recently as 2003 with the definition of a 1500 metre long epithermal vein grading up to 17.8 grams per tonne gold through rock chip sampling. The mineralisation is open along strike in both directions and to depth, and is untested to date by trenching or drilling.

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### OPERATIONS REPORT AND PROJECT OVERVIEW FOR THE SIX MONTHS TO 30 JUNE 2010

The Company was also granted the **Estrella** Concession in April 2010 which covers an area of 18 square kilometres over the historic Estrella Gold Mine, located approximately 20 kilometres southwest of the town of Siuna; one of the three mining towns that define Nicaragua's historic 'Mining Triangle' in the northeast of the country.

The Estrella Gold Mine was an underground mine operating on two or three levels and exploiting up to three parallel veins that run along the crest of a ridge. In this locality the mine could be drained by gravity through adits at the base of the hill and it is thought that mining did not extend below the water table. The mine was destroyed in 1935 at which time it is believed to have been processing between 20 and 50 tonnes per day, however, past production is not currently known. Artisanal miners are currently exploiting the same mineralised structure by excavating pits up to 10 metres deep in a valley along strike of the old mine and also within the concession area.

Previous explorers identified up to three parallel epithermal veins over a strike length of 400 metres. They reported wide high-grade trench intersections of up to 15.2 metres at 6.73 grams per tonne of gold. The mineralised structure was successfully intercepted in three diamond drill holes at 50 metres to 100 metres below surface on two drill sections. They reported drilling intercepts of up to 4.25 metres at 2.19 grams per tonne gold.

Most recently the **Rio Luna** Concession was granted on 8<sup>th</sup> June 2010 over an area of 45 square kilometres in the Central Highlands of Nicaragua. Rio Luna is an advanced exploration area: previous explorers have defined over 18 kilometres of epithermal quartz veining through an extensive programme of soil, auger and rock chip and trench sampling. Exploratory drilling totalling 58 diamond core drill holes for 6,250 metres, spread between five separate prospects resulted in some encouraging intersections, including 2.7 metres true width at 15.8g/t gold at the Balsamo East Prospect, and 4.22 metres true width at 2.9g/t gold from the San Andreas Prospect. No resource drilling or resource estimations were completed prior to the previous concession holder's decision to close their Nicaraguan operations towards the end of 2008 in order to focus on their properties in North America.

#### Post-Period Developments

In August the company re-started field exploration on La India Project's **El Rodeo** Concession with a trench and pneumatic pusher-leg rock drill sampling programme designed to test a 2 kilometre strike length (defined by a previous Canadian explorer) of the Andrea Vein at nominal 100 metre intervals.

On 6<sup>th</sup> September 2010 Condor announced a legally binding agreement to undertake an asset swap with Canadian mining company B2Gold. Under the terms of the agreement B2Gold will obtain an 80% interest in Condor's **Cerro Quiroz** Concession which is located near to their La Libertad Gold Mine and Condor will obtain an 80% interest in B2Gold's **La India** and **Espinito-San Pablo ("La India")** concessions which are contiguous with Condor's landholdings within the La India Gold Mining District. The addition of La India, which will be held by an 80% Condor-owned Nicaraguan subsidiary called La India Gold, S.A., will bring Condor's interest in the District to over 164 square kilometres, representing an estimated 85 percent of the District area, and including the historic La India Gold Mine. La India Gold Mine produced approximately 576,000 ounces of gold at an average grade of 13.4g/t between 1938 and 1955 by mining narrow epithermal veins hosted by Tertiary aged volcanic rocks. Subsequent to the closure of the mine exploration has been carried out by a number of parties. The most extensive exploration was carried out by a Soviet-financed organisation between 1986 and 1991 who estimated that the whole La India District contains 7.9 million tonnes at 9.35 grams per tonne gold for 2.4 million ounces of gold at Russian Resource Classification Category 3, combined C1+C2+P1. Of this total, Condor's preliminary research indicates that 1.84 million ounces gold are within the La India concession area, including 2.3 million tonnes at 9.5 grams per tonne gold for 709,000 ounces gold designated at the more robust C1+C2 category Russian classification.

Since the end of the Soviet programme twenty-eight drill holes and some adit sampling has been completed on La India by three different Canadian exploration companies. This exploration data was acquired by Condor as part of the Concession Swap and is currently being processed with a view to establishing a current JORC-Code compliant resource in the shortest possible timeframe.

**Dr. Luc English:**  
**Country Manager El Salvador and Nicaragua**

**CONDOR RESOURCES PLC**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS TO 30 JUNE 2010**

	Six months to 30.06.10 unaudited £	Six months to 30.06.09 unaudited £
Revenue	-	-
Net loss arising on foreign translations	(706)	-
Administrative expenses	(207,565)	(217,451)
Operating loss	<u>(208,271)</u>	<u>(217,451)</u>
Finance income	593	3,294
Net gain on financial assets at fair value through profit and loss account	-	-
Loss before income tax	<u>(207,678)</u>	<u>(214,157)</u>
Income tax expense	<u>(6,329)</u>	<u>(891)</u>
<b>Loss for the period</b>	<b><u>(214,007)</u></b>	<b><u>(215,048)</u></b>
Other comprehensive income:		
Currency translation differences	<u>135,614</u>	<u>(416,425)</u>
<b>Other comprehensive (loss)/income for the period</b>	<b><u>135,614</u></b>	<b><u>(416,425)</u></b>
<b>Total comprehensive loss for the period</b>	<b><u>(78,393)</u></b>	<b><u>(631,473)</u></b>
<b>Income/(loss) attributable to:</b>		
Owners of the parent	<b><u>(78,393)</u></b>	<b><u>(631,473)</u></b>
<b>Total comprehensive income/(loss) attributable to:</b>		
Owners of the parent	<b><u>(78,393)</u></b>	<b><u>(631,473)</u></b>
<b>Loss per share expressed in pence per share:</b>		
Basic and diluted	Note 5 <u>(0.0)</u>	<u>(0.0)</u>

**CONDOR RESOURCES PLC**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**FOR THE SIX MONTHS TO 30 JUNE 2010**

	30.06.10 unaudited £	31.12.09 £	30.06.09 unaudited £
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	21,095	24,800	34,061
Intangible assets	4,847,546	4,628,028	4,357,056
	<u>4,868,641</u>	<u>4,652,828</u>	<u>4,391,117</u>
<b>CURRENT ASSETS</b>			
Trade and other receivables	100,689	93,965	96,731
Financial assets at fair value through profit and loss	1,496,487	1,496,487	-
Cash and cash equivalents	426,365	657,583	1,002,495
	<u>2,023,541</u>	<u>2,248,035</u>	<u>2,499,226</u>
<b>TOTAL ASSETS</b>	<b><u>6,892,182</u></b>	<b><u>6,900,863</u></b>	<b><u>6,890,343</u></b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Trade and other payables	5,817	3,400	6,247
	<u>5,817</u>	<u>3,400</u>	<u>6,247</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	140,721	73,426	36,859
	<u>140,721</u>	<u>73,426</u>	<u>36,859</u>
<b>TOTAL LIABILITIES</b>	<b><u>146,538</u></b>	<b><u>76,826</u></b>	<b><u>43,106</u></b>
<b>NET CURRENT ASSETS</b>	<b><u>1,877,003</u></b>	<b><u>2,174,609</u></b>	<b><u>2,462,367</u></b>
<b>NET ASSETS</b>	<b><u>6,745,644</u></b>	<b><u>6,824,037</u></b>	<b><u>6,847,237</u></b>
<b>SHAREHOLDERS' EQUITY</b>			
Called up share capital	4,717,118	4,717,118	4,717,118
Share premium	7,149,141	7,149,141	7,237,956
Legal reserves	71	71	71
Exchange difference reserve	915,115	779,501	114,405
Share options reserve	198,253	198,253	465,156
Retained earnings	(6,234,054)	(6,020,047)	(5,687,469)
<b>TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT</b>	<b><u>6,745,644</u></b>	<b><u>6,824,037</u></b>	<b><u>6,847,237</u></b>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	30.06.10 unaudited £	31.12.09 £	30.06.09 unaudited £
Opening reserves	6,824,037	6,064,710	6,064,710
Comprehensive income:			
Loss for the period	(214,007)	(558,059)	(215,048)
Other comprehensive income:			
Currency translation differences	135,614	(102,080)	(416,425)
New shares issued	-	1,414,000	1,414,000
Share issue costs	-	-	-
Share based payment	-	5,466	-
	<u>6,745,644</u>	<u>6,824,037</u>	<u>6,847,237</u>
<b>Closing reserves</b>	<b><u>6,745,644</u></b>	<b><u>6,824,037</u></b>	<b><u>6,847,237</u></b>

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**CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE SIX MONTHS TO 30 JUNE 2010**

	Six months to 30.06.10 unaudited £	Six months to 30.06.09 unaudited £
<b>Cash flows from operating activities</b>		
Loss before tax	(207,678)	(214,157)
Depreciation charges	5,188	2,484
Professional fees paid in shares	-	14,000
Profit on disposal of motor vehicles	-	14,186
Exchange rate differences on exploration costs	(133,121)	279,176
Exchange rate differences on tangible fixed assets	(1,481)	-
Finance income	(593)	(3,294)
	<u>(337,685)</u>	<u>92,395</u>
(Increase)/decrease in trade and other receivables	(6,724)	1,910
Increase/(decrease) in trade and other payables	(69,713)	(64,720)
Income tax paid	(6,329)	(891)
	<u>(82,766)</u>	<u>(63,699)</u>
Net cash absorbed in operating activities	<u>(281,025)</u>	<u>28,694</u>
<b>Cash flows from investing activities</b>		
Purchase of intangible fixed assets	(86,395)	(78,520)
Sale of tangible fixed assets	-	14,709
Interest received	593	3,294
	<u>(85,802)</u>	<u>(60,517)</u>
Net cash absorbed in investing activities	<u>(85,802)</u>	<u>(60,517)</u>
<b>Cash flows from financing activities</b>		
(Decrease)/increase in cash and cash equivalents	(366,827)	(31,823)
Cash and cash equivalents at beginning of period	657,583	1,450,744
Exchange losses on cash and bank	135,609	(416,426)
	<u>426,365</u>	<u>1,002,495</u>



## CONDOR RESOURCES PLC

### NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS TO 30 JUNE 2010

#### 1. COMPLIANCE WITH ACCOUNTING STANDARDS

##### **Basis of preparation**

This financial information has been prepared in accordance with IAS 34 "Interim financial reporting" as adopted by the European Union. The standards have been applied consistently. The statutory accounts for the year ended 31 December 2009, which have been filed with the Registrar of Companies, were prepared under IFRS and IFRIC interpretations as adopted by the European Union and with those parts of the Companies Act 2006 applicable to companies preparing their account under IFRS. The auditors reported on those accounts; their Audit Report was unqualified and did not contain a statement under either Section 237(2) or Section 237(3) of the Companies Act 2006.

The Interim Report is unaudited and does not constitute statutory financial statements as defined in section 434 of the Companies Act 2006.

The Interim Report for the six months ended 30 June 2010 was approved by the Directors on

The comparative period presented is that of 30 June 2009. The directors are of the opinion that due to the nature of the group's activities and the events during that period these are the most appropriate comparatives for the current period.

Copies of the Interim Report are available from the Company's website [www.condorresourcesplc.com](http://www.condorresourcesplc.com).

#### 2. ACCOUNTING POLICIES

The interim financial information for the six months ended 30 June 2010 have been prepared on the basis of the accounting policies set out in the most recently published financial statements for the Group for the year ended 31 December 2009, which are available on the Company's website [www.condorresourcesplc.com](http://www.condorresourcesplc.com), as the company does not anticipate the addition of new standard to the Group's results for the year ended 31 December 2009.

#### 3. REVENUE AND SEGMENTAL REPORTING

The Group has not generated any revenue during the period.

The Group's operations are located in England, El Salvador and Nicaragua.

The following is an analysis of the carrying amount of segment assets, and additions to plant and equipment, analysed by geographical area in which the assets are located.

The Group's results by reportable segment for the year ended 30 June 2010 is as follows:

	<b>UK 2010 £</b>	<b>El Salvador 2010 £</b>	<b>Nicaragua 2010 £</b>	<b>Consolidation 2010 £</b>
<b>RESULTS</b>				
Operating loss	(136,106)	-	(1,115)	(137,221)
Interest income	563	30	-	593
Income tax expense	-	-	(6,329)	(6,329)
<b>Included in operating loss</b>				
Depreciation	905	-	-	905
Net gain from fair value adjustment on financial assets	-	-	-	-

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS TO 30 JUNE 2010**

**3. REVENUE AND SEGMENTAL REPORTING - continued**

**Assets**

All transactions between each reportable segment are accounted for using the same accounting policies as the Group uses.

	<b>UK 2010 £</b>	<b>El Salvador 2010 £</b>	<b>Nicaragua 2010 £</b>	<b>Consolidation 2010 £</b>
<b>ASSETS</b>				
Total assets	<u>6,948,848</u>	<u>1,786,212</u>	<u>693,844</u>	<u>6,892,182</u>
	<b>UK 2010 £</b>	<b>El Salvador 2010 £</b>	<b>Nicaragua 2010 £</b>	<b>Consolidation 2010 £</b>
<b>LIABILITIES</b>				
Total liabilities	<u>58,908</u>	<u>2,383,866</u>	<u>1,979,798</u>	<u>75,488</u>

The Group's results by reportable segment for the year ended 30 June 2009 is as follows:

	<b>UK 2009 £</b>	<b>El Salvador 2009 £</b>	<b>Nicaragua 2009 £</b>	<b>Consolidation 2009 £</b>
<b>RESULTS</b>				
Operating loss	(374,815)	43,850	113,514	(217,451)
Interest income	3,265	29	-	3,294
Income tax expense	-	-	(891)	(891)
<b>Included in operating loss</b>				
Depreciation	2,484	-	-	2,484
Net gain from fair value adjustment on financial assets	-	-	-	-

**Assets**

All transactions between each reportable segment are accounted for using the same accounting policies as the Group uses.

	<b>UK 2009 £</b>	<b>El Salvador 2009 £</b>	<b>Nicaragua 2009 £</b>	<b>Consolidation 2009 £</b>
<b>ASSETS</b>				
Total assets	<u>1,955,965</u>	<u>2,708,450</u>	<u>2,225,928</u>	<u>6,890,343</u>
	<b>UK 2009 £</b>	<b>El Salvador 2009 £</b>	<b>Nicaragua 2009 £</b>	<b>Consolidation 2009 £</b>
<b>LIABILITIES</b>				
Total liabilities	<u>29,855</u>	<u>5,756</u>	<u>7,495</u>	<u>43,106</u>

**CONDOR RESOURCES PLC**

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**4. TAXATION**

There is no current tax charge for the period. The accounts do not include a deferred tax asset in respect of carry forward unused tax losses as the Directors are unable to assess that there will be probable future taxable profits available against which the unused tax losses can be utilised.

**5. EARNINGS PER SHARE**

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

A reconciliation is set out below:

	Six months to 30.06.10	Six months to 30.06.09
<b>Basic EPS</b>		
Loss for the period	(214,007)	(215,048)
Weighted average number of shares	471,711,753	344,334,957
Loss per share (in pence)	<u>(0.0)</u>	<u>(0.0)</u>

In accordance with IAS 33, as the Group has reported a loss for the period, diluted earnings per share is not included.

**6. CALLED-UP SHARE CAPITAL**

	30.06.10 £	30.06.09 £
<b>Authorised</b>		
1,000,000,000 ordinary shares of 1p each	<u>10,000,000</u>	<u>10,000,000</u>
<b>Allotted and fully paid</b>		
471,711,753 (30.06.09: 471,711,753) ordinary shares of 1p each	<u>4,717,118</u>	<u>4,717,118</u>

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**7. RELATED PARTY TRANSACTIONS**

During the half year the company received consultancy advice from the following related parties:

Company	Related party	30.06.10		30.06.09	
		Payments and Accruals	Outstanding balance £	Payments £	Outstanding balance £
		£			
Iguana Resources Pty Ltd	Klaus Eckhof	3,000	-	12,000	-
Axial Associates Limited	Mark Child	63,450	-	23,300	-

**8. SEASONALITY OF THE GROUP'S BUSINESS OPERATIONS**

There are no seasonal factors which affects the trade of any company in the group.

**9. QUALIFIED PERSON'S DECLARATION**

The information in this announcement that relates to Exploration Results 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 fifteen years of experience in the exploration and definition of precious and base metal Mineral Resources. He has sufficient experience that 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 Qualified Person as defined in the June 2009 Edition of the AIM Note for Mining and Oil & Gas Companies. He consents to the inclusion in the announcement of the matters based on his information in the form and context in which they appear and confirms that this information is accurate and not false or misleading.