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

Condor Increases Shareholding in La India Gold SA to 100% from 80% and thereby Increases its JORC Resource by 24% to 1,046,000 oz gold at 6.0g/t at La India Project.

Highlights:

- **Condor increases shareholding to 100% from 80% in La India Gold SA**
- **La India Gold SA hosts a resource of 988,000 oz gold at 6.4g/t to JORC Code**
- **Condor's attributable JORC resource increases to 1,046,000 oz gold at 6.0g/t up 24% at its La India Project**
- **4th Drill Rig Commences on La India Project**
- **Condor maintains 20% of Cerro Quiroz Concession, adjacent to B2Gold's La Libertad Concession that hosts a 90,000 oz p.a. producing mine**

Condor (AIM: CNR), an exploration company focused on proving a large commercial reserve at its La India Project in Nicaragua is pleased to announce that it has successfully renegotiated the concession swap agreement (the "Concession Swap Agreement") with B2Gold Corp ("B2Gold"). The renegotiation has resulted in Condor entering into a legally binding agreement to increase its shareholding (and hence attributable interest) to 100% from 80% of La India Gold SA at no extra cost (the "Purchase Agreement"). Under the Concession Swap Agreement the 80% shareholder has the right to issue new shares in lieu of exploration expenditure, resulting in the 20% shareholding being diluted significantly as explained in more detail below. Rather than face continued dilution via the issue of new shares, B2Gold following negotiations with Condor, elected to transfer its 20% shareholding in La India Gold SA to Condor for zero consideration.

La India Gold SA's sole assets are 100% ownership of La India and Espinito San Pablo Concessions that host a JORC Code Mineral Resource of 988,000 oz gold at 6.4g/t of which 290,000 oz gold at 7.9g/t is in the Indicated Category and the balance is in the Inferred Category. Therefore, Condor's attributable JORC Code Mineral Resource at its La India Project stands at 1,046,000oz gold at 6.0g/t, an increase of 24% following completion of the Purchase Agreement.

On 6th September 2010 Condor announced that Condor and B2Gold (the "Parties") had executed an Agreement to incorporate two new companies in Nicaragua, La India Gold SA and Cerro Quiroz Gold S.A. (separately a "Company" or together the "Companies") and transfer the Cerro Quiroz, Espinito-San Pablo and La India concessions to the new companies. The principal terms of the Concession Swap Agreement were:

1. La India Gold SA was to be 80% directly owned by Condor and 20% indirectly by B2Gold.
2. Cerro Quiroz Gold SA was to be 80% directly owned by B2Gold and 20% indirectly by Condor.

3. B2Gold caused the transfer of La India and Espinito-San Pablo concessions to La India Gold SA and Condor the transfer of Cerro Quiroz Concession to Cerro Quiroz Gold SA. The transfer of the concessions was subject to the approval of the transfer by the Ministry of Energy and Mines, which was received on 22nd February 2011.
4. The 80% shareholder of each Company was to complete at their own cost, not less than 2,000 metres of drilling on the concession under their 80% ownership within 2 years of receiving all permits required to drill including land access rights. B2Gold was to drill 2,000 metres on Cerro Quiroz and Condor a combined 2,000 metres on La India and Espinito-San Pablo.
5. The 20% shareholder of each Company was not responsible for any exploration costs, be it rock chip sampling, trenching, drilling, assay results or other exploration expenditure relating to the first 2,000 metres of drilling by each Company.
6. The cost of all further exploration work beyond the first 2,000 metres of drilling was to be paid for by the shareholders in proportion to their shareholdings, initially on an 80:20 ratio.

Condor recently received notification from B2Gold that it did not wish to contribute 20% of the exploration expenditure and associated costs to maintain its 20% shareholding in La India Gold SA. The Concession Swap Agreement states that if the 20% shareholder does not wish to contribute their portion of the exploration expenditure beyond the first 2,000m of drilling then the 80% shareholder can issue shares, as a consideration for exploration expenditure, to dilute the 20% shareholder. At the date of this announcement, Condor has completed 10,000m of drilling out of a 20,000m drill programme on La India Project, all of which has been on La India Concession. Following negotiations between the Parties, B2Gold has elected under the Purchase Agreement to transfer its 20% shareholding in La India Gold SA to Condor for zero consideration rather than be issued with a series of new shares which would have the same effect of diluting B2Gold to a zero shareholding in La India Gold SA.

Condor maintains its 20% shareholding in Cerro Quiroz Gold SA and understands that B2Gold will commence a 2,000m drill programme on the Cerro Quiroz Concession in December 2011 or January 2012. The Cerro Quiroz Concession is adjacent to B2Gold's La Libertad concession which hosts a 5,500 tonne per day mill opened by the President of the Republic of Nicaragua in May 2010. B2Gold's current exploration focus at La Libertad Concession is on the Jabali Vein, which hosts a resource of 522,000 oz at 4.58g/t announced on 31st March 2011. B2Gold is of the view that the Jabali vein extends into the Cerro Quiroz Concession and hence their aim is to increase the size of the resource at Jabali with a view to supplying ore to the recently constructed plant at La Libertad.

As a result of encouraging initial results on La India Vein Set, Condor has deployed a fourth drill rig capable of drilling to 400m depth. All four rigs are currently drilling on the depth extension and hanging wall zone of the main India Vein in order to collect sufficient data to include these zones in the JORC Code mineral resource update to be announced before the 31st December 2011.

Mark Child, Chairman of Condor Resources, commented:

"I am delighted that Condor has increased its shareholding to 100% in La India Gold SA which has the net effect of increasing Condor's attributable resource at its La India Project by 24% to 1,046,000 oz gold at 6.0g/t for no further capital outlay. Condor now has 100% ownership of 7 contiguous concessions covering 166sq km at its La India Project. Condor has completed 10,000m of a fully funded 20,000m drill programme on La India Project. Due to the encouraging initial drill results on the main La India Vein, I am pleased to announce that a 4th drill rig, capable

of drilling to a depth of 400m, has commenced to test the depth extension of the high grade ore shoots beneath the historic La India Mine. Condor remains on track to increase its JORC Resource on La India Project to approximately 1,500,000 oz gold by 31st December 2011 and to 2,000,000 oz gold by the summer of 2012.”

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 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 Ravensgate 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
Breccia	A rock made up of angular rock fragments cemented together by a finer grained matrix
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
Gold Equivalent	Gold equivalent grade is calculated by dividing the silver assay result by 60, adding it to the gold value and assuming 100% metallurgical recovery
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.
Reverse circulation drilling	A drilling method in which penetration is achieved through a combined hammer and rotary drilling action and pulverised rock samples are transported to the surface through the drilling rods using compressed air. The 1m samples collected for analysis are of sufficient quality to be used in a Mineral Resource Estimation.
Sedimentary cover sequence	Recent material transported and deposited on top of the bedrock, includes river transported alluvium, down slope transported colluviums and landslide deposits
Strike length	The longest horizontal dimension of an ore body or zone of mineralisation