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Condor Gold plc
(''Condor'' or "the Company")

Drilling and Trenching Update on La India and America Areas, La India Project, Nicaragua.

Condor (AIM:CNR), a gold exploration company focused on delineating a large commercial reserve on its 100%-owned, CIM compliant Mineral Resource of 2,375,000 oz gold at 4.6g/t at La India Project in Nicaragua, is pleased to announce the results of the initial 2790.6m of the current phase of resource infill drilling at the La India Vein Set and an update on trenching and drilling activity on the America Vein Set.

Highlights

- **23 drillholes for 3,462m completed on La India open pit resource area to convert the existing resource from Inferred to Indicated category.**
- **Assay results from an initial 19 of these 23 drillholes for 2,790.6m of infill drilling have confirmed gold mineralisation and outlined an additional high-grade shoot in the North of the India-California trend.**
- **Best amalgamated drill intercepts through stopes of the historic La India Mine show: 11.95m at 5.72g/t gold, 17.15m at 4.16g/t gold and 18.00m at 4.18g/t gold**
- **Trench intercept of 10m at 5.41g/t gold has extended wide zones of gold mineralisation on the America Vein to at least 600m strike length.**
- **Further trench testing of Escondido Vein on the America Vein Set is underway to test an additional 200m strike length.**
- **2,000m drill programme underway at historic America Mine to test for wallrock mineralisation on the America Vein Set with one hole completed.**

Table 1. Best new drill intercepts on La India Vein Set.

Rank	Hole_ID	From (m)	To (m)	Drill Width (m)	True Width (m)	Gold (g/t)	Silver (g/t)	Vein
1	LIDC165	103.35	124.60	11.95	11.1	5.72	7.4	amalgamated India remnant wallrock
2	LIDC161	138.20	148.20	17.15	14.6	4.16	4.7	amalgamated India remnant wallrock
3	LIDC170	98.10	123.90	18.00	16.4	4.18	5.12	amalgamated India remnant wallrock
4	LIDC171	104.90	107.78	2.88	2.8	12.16	15.0	India
5	LIDC172	100.50	117.65	17.15	15.5	2.21	8.0	India lower
6	LIDC176	7.80	24.70	16.90	9.7	3.49	18.3	California
7	LIDC168	101.40	109.80	8.40	7.6	2.92	12.8	amalgamated India remnant wallrock

True width is based on the current interpretation of the veins and may be revised in the future. All intercepts over 20gm/t (grade multiplied by true width) shown.

Mark Child, Chairman and CEO commented:

"Condor has made good progress with the completion of 3,462m drilling of a 7,000m drill programme designed with the objective of defining a total of 800,000 oz gold within the Indicated Category by targeting the conversion of the majority of the Inferred resource to Indicated within the open pit shell (currently 534,000oz is within the Indicated Category). The drill results through the historic India Mine are particularly satisfying and demonstrate that Noranda Mining left behind significant amounts of gold mineralized wallrock with drill intercepts: 11.95m at 5.72g/t gold (LIDC165), 17.25m at 4.16g/t gold (LIDC 161), 18.00m at 4.18g/t gold (LIDC170). An additional high grade ore shoot in the North of La India valley, within the open pit resource, defined by 4 drill holes on two cross-sections 50m apart bodes well for a resource increase. Figures 3 to 6 of this announcement show four cross sections of the drill results to date demonstrating the coalescence of La India and California veins with wide zones of moderate to high grade gold mineralization, which demonstrate the open pit resource in the area of the old mine workings.

The latest trench result of 10m at 5.41g/t on the historic America Mine extends the strike length to a minimum of 600m, see RNS of 30th November 2012 for further trench results. A 2,000m drill programme has commenced with a second rig on site and due to start in the next few days. The objective of the drill programme on America historic mine is to repeat the success of a 954,000 oz at 3.6g/t open pit resource on La India historic mine, which is just over 1km to the south."

Condor (AIM:CNR), a gold exploration company focused on delineating a large commercial reserve on its 100%-owned, CIM compliant Mineral Resource of 2,375,000 oz gold at 4.6g/t at La India Project in Nicaragua, is pleased to announce that 23 drillholes for 3,462m have been completed since the current phase of drilling started at the beginning of November and assay results have been received for the first 19 drillholes for 2,790.6m at La India. This is split between 22 drillholes on the La India Vein Set and 1 drillhole on the America Vein Set. Operations resumed on the 2nd January after a twelve day break over the festive season and the drilling is currently taking place on two fronts with two diamond core drilling rigs operating on the La India Vein Set and one rig on the America Vein Set, a second rig has arrived on site and is due to commence drilling on the America Vein Set in the next few days.

La India Vein Set

Twenty-two drillholes for 3,305.8m out of a 7,000m drilling programme on the La India Vein Set have been completed with the primary aim of converting zones of Inferred Category mineral resource that fall within the bounds of the current Whittle open-pit to the Indicated level of confidence. The current in-pit resource is 8.21 million tonnes at 3.6g/t for 954,000 oz gold of which 534,000 oz gold at 3.9 g/t is in the Indicated Category and 420,000 oz gold at 3.3g/t in the Inferred Category. Most of the Inferred Category is targeted for conversion. A second aim of the drilling programme is to extend the open pit to the north. A third aim of the drilling programme is to test for a parallel vein within the footwall of La India Vein. The fourth aim is to increase the resource within the existing whittle pit shell by targeting areas that have been sparsely drilled and have the potential to add in-situ ounces once drilled to the Indicated level of confidence.

Assay results have been received for 19 drillholes for 2,790.6m of drilling in the Central and North zones of the India-California vein trend. The results received are generally consistent with expectations and appear to validate the geological model used in the current resource. The infill drilling is improving definition of the transition between high-grade shoots and lower grade zones,

and definition of the gold distribution within the high-grade shoots where it is currently assigned Inferred resource category (ie. Section 1200 shown on Figure 4 below).

Two areas have already been identified where the width and grade of gold mineralisation has exceeded expectations:

In the Central Zone amalgamated remnant wallrock intercepts of 11.95m (11.1m true width) at 5.72g/t gold from 103.35m drill depth (LIDC165) and 17.15m (14.6m true width) at 4.16g/t gold from 138.20m drill depth (LIDC161) show an increase in grade at width of gold mineralisation at depth and blurred the boundary at depth between what was previously considered two separate high-grade shoots (Figure 6 below).

In the Northern Zone where previously sparse drilling meant that very little wallrock gold mineralisation had been defined for inclusion in the current resource estimation a moderate to high-grade shoot has been intercepted in four drillholes on two sections located 50m apart along strike; the 1400 and 1450 sections shown on Figure 2 below. On the 1450 Section intercepts of 8.40m (7.6m true width) at 2.92g/t Au from 101.40m drill depth (LIDC168) and 2.88m (2.8m true width) at 12.16g/t gold from 104.90m drill depth (LIDC171) demonstrate continuity in gold mineralisation to more than 100m below surface (Figure 5 below)). Fifty metres along strike on the 1400 Section an intercept of 3.40m (3.2m true width) at 8.06g/t Au from 17m depth (LIDC164) represents an up-dip extension to a previous explorer's drill intercept of 5m (3.8m true width) at 4.89g/t gold from 233m drill depth (DH-LI-10A), approximately 200m below surface (Figure 4 below). This discovery is expected to have a positive influence on the next resource update.

America Vein Set

Diamond core drilling through the historic America Mine workings to test for remnant wallrock gold mineralisation has started with one drillhole for 156.6m completed to date (assay results pending). An RC drilling rig has arrived on site and will start drilling at America within the next few days. The RC rig is capable of drilling to a depth of 100 to 120m and will initially be employed to drill test shallow holes at 50m intervals along strike through the America and Escondido branches of the America Vein Set. The rig is capable of completing a drillhole every one to two days and will provide a rapid assessment of the underground potential of the Vein Set for diamond core follow-up at depth.

The America Vein Set currently contains a mineral resource of 2.11Mt at 6.0g/t for 405,000 oz gold, of which 288,000 oz gold is on the interconnected America-Constancia-Escondido veins, including 480kt at 7.8g/t for 120,000 oz gold in the Indicated category (Figure 1 below). The Indicated Resource is contained within and as extensions of the historic mine workings and is based largely on underground channel sampling. An absence of drilling, and until recently trench sampling in the wallrock of the historic mine workings means that no remnant gold mineralisation that may be present in the wallrock has been included in the current resource estimation. Recent trench sampling has demonstrated that there are significant zones of moderate to high-grade gold mineralisation remaining in the wallrock (see RNS announcement dated 30th November 2012) along the entire 500m strike length of the America Vein. Additional trenching on the America Vein has extended this strike length to at least 600m with intercepts of:

- 10.00m at 5.41g/t gold in trench LITR152 in a trench excavated along strike to the northwest of the previously defined zone, and
- an infill trench intercept of 4.00m at 2.12g/t gold in trench LITR151 along strike to the southeast of the previously defined zone near the intersection between the America-Constancia veins and the perpendicular Escondido Vein.

The aim of the current drill and trench programme on America is to prove a second open pit resource on La India project. The drilling will better establish the grade, true thickness and

orientation of the gold mineralisation and provide enough 3-Dimensional data to include the wallrock gold mineralisation of the America Mine in a future resource estimation. An initial 2,000m drill programme is planned. Additional trenching is currently underway along the 250m strike length of the Escondido Vein that was historically mined from the point where it intersects the America-Constancia veins. Positive results from the Escondido Vein could fall within the walls of a potential open pit on the America Vein and therefore add ore at the expense of waste rock. Subject to positive trench results a part of the drilling programme will be used to test the Escondido Vein at depth.

Table 2. Significant drill intercepts for initial 19 drill holes for 2790.60m of the current drill programme on the India-California veins

Prospect	Drillhole ID	From	To	Drill Width	True Width	Gold (g/t)	Silver (g/t)	Vein (vein assignments subject to revision)
India North 1700	LIDC159	52.45	54.45	2.00	2.0	2.15	1.2	India
India North 1600	LIDC160	9.60	9.95	0.35	0.3	14.46	14.1	Cal 2
		116.00	116.60	0.60	0.6	0.55	0.4	Cal 1
		154.00	156.10	2.10	2.1	2.95	4.6	India
		165.30	166.60	1.30	1.3	1.45	8.8	India FW1
India Central-South 650	LIDC161	117.90	118.10	0.20	0.2	1.09	0.9	Cal 1
		138.20	140.70	2.50	2.1	2.21	3.4	India hangingwall
		140.70	145.20	4.50	3.9	0.00	0.0	India stope
		145.20	146.90	1.70	1.4	6.23	12.4	India middle
		146.90	148.20	1.30	1.1	0.00	0.0	India stope lower
		148.20	161.15	**12.95**	**11.0**	**4.26**	4.0	India footwall
	amalgamated	*138.20*	*148.20*	***17.15***	***14.6***	***4.16***	*4.7*	*India remnant wallrock*
		170.70	172.97	2.27	1.9	0.73	0.5	India footwall
India North 1400	LIDC162	35.30	35.50	0.20	0.20	2.26	0.7	Cal 3
		59.15	60.10	0.95	0.95	0.58	0.5	Cal 2
		102.50	103.40	0.90	0.90	0.51	0.8	Cal 1
		120.50	120.80	0.30	0.30	1.18	1.2	India upper
		132.60	135.60	3.00	3.00	3.38	4.1	India
India North 1650	LIDC163	50.55	52.50	1.95	1.9	2.02	1.2	Cal upper
		57.00	58.00	1.00	1.0	1.24	0.9	Cal lower
		74.20	75.00	0.80	0.8	4.80	4.3	India upper
		76.80	77.20	0.40	0.4	3.00	2.0	India lower
India North 1400	LIDC164	17.00	20.40	**3.40**	**3.2**	**8.06**	18.0	Cal
		140.40	145.70	**5.30**	**4.9**	**2.39**	9.0	India upper
		148.05	151.00	2.95	2.8	1.53	2.5	India lower
India Central-South 650	LIDC165	103.35	104.70	**1.35**	**1.3**	**16.57**	9.2	India hangingwall
		114.00	124.60	**10.60**	**9.8**	**4.33**	7.2	India footwall
	amalgamated	*103.35*	*124.60*	***11.95***	***11.1***	***5.72***	*7.4*	*India remnant wallrock*
		161.60	163.20	1.60	1.5	0.66	0.2	IIndia footwall
India North 1550	LIDC166	83.50	84.40	0.90	0.8	1.35	0.6	Cal 1
		95.60	96.40	0.80	0.7	6.45	5.2	India
India North 1350	LIDC167	64.95	67.30	2.35	2.3	0.34	0.4	Cal 3
		92.80	93.60	0.80	0.8	0.81	2.0	Cal 2
		121.25	122.90	1.65	1.6	0.79	1.5	Cal 1
		151.80	154.10	2.30	2.2	1.21	1.2	India
India North	LIDC168	99.20	101.50	2.30	2.1	2.30	16.0	India hangingwall

1450		101.50	103.00	1.50	1.4	-	-	stope
		103.70	109.80	**6.10**	**5.5**	**3.15**	11.7	India footwall
	amalgamated	*101.40*	*109.80*	***8.40***	***7.6***	***2.92***	*12.8*	*India remnant wallrock*
India Central-South 700	LIDC169	61.82	63.09	1.27	1.2	0.90	0.2	Cal
		70.70	72.70	2.00	1.9	-	-	stope
		72.70	84.30	11.60	11.2	0.63	2.8	India
	Including	*72.70*	*74.60*	*1.90*	*1.8*	*2.22*	*6.3*	
	including	*77.05*	*77.40*	*0.35*	*0.3*	*2.28*	*3.1*	
		94.50	96.00	1.50	1.4	1.14	0.9	India footwall upper
		98.90	99.80	0.90	0.9	1.08	1.9	India footwall lower
India Central-North 1200	LIDC170	59.50	60.20	0.70	0.6	2.86	2.0	Cal 2
		83.50	86.50	3.00	2.7	0.66	0.6	Cal 1
		98.10	107.10	**9.00**	**8.2**	**6.34**	7.0	India upper
		107.10	114.90	7.80	7.1	-	-	stope
		114.90	123.90	9.00	8.2	2.02	3.3	India lower
	amalgamated	*98.10*	*123.90*	***18.00***	***16.4***	***4.18***	*5.12*	*India remnant wallrock*
India North 1450	LIDC171	80.60	80.80	0.20	0.2	5.33	14.1	Cal
		104.90	107.78	**2.88**	**2.8**	**12.16**	15.0	India
India Central-South 700	LIDC172	96.50	100.50	4.00	3.6	-	-	stope
		100.50	117.65	**17.15**	**15.5**	**2.21**	8.0	India lower
	including	*100.50*	*106.50*	***6.00***	***5.4***	***5.58***	*19.1*	
	Including	*112.15*	*112.65*	*0.50*	*0.5*	*1.79*	*2.4*	
	including	*116.85*	*117.65*	*1.07*	*0.7*	*0.80*	*0.7*	
		127.00	127.40	**0.40**	**0.4**	**0.71**	0.4	India footwall
India Central-Centre 1100	LIDC173	81.80	87.70	5.90	5.5	1.46	2.6	Cal 2 upper
		92.85	94.00	**1.15**	**1.1**	**4.70**	2.6	Cal 2 lower
		100.35	123.80	32.45	31.8	0.41	1.8	India-Cal
	Including	*118.00*	*118.60*	*0.60*	*0.4*	*2.20*	*2.4*	*Cal 1*
	including	*128.30*	*129.80*	*1.50*	*1.4*	*3.50*	*18.5*	*India*
India Central 950	LIDC174							NSR – hole abandoned
India North 1300	LIDC175	98.10	101.00	2.90	2.8	0.72	1.5	Cal 2
		111.50	112.00	0.50	0.5	1.84	4.9	Cal 1
		141.18	144.70	3.52	3.4	0.69	1.1	India hangingwall
		144.70	144.90	0.20	0.2	-	-	stope
		144.90	146.40	1.50	1.4	0.28	1.2	India pillar
		146.40	146.60	0.20	0.2	-	-	Stope
India Central 950	LIDC176	7.80	24.70	**16.90**	**9.7**	**3.49**	18.3	Cal 3
	including	*9.10*	*14.10*	***5.00***	***2.9***	***9.63***	*48.9*	
		57.80	59.10	1.30	0.7	1.00	1.7	Cal 2
		65.10	68.80	3.70	2.1	0.70	0.8	Cal 1 upper
		76.00	77.20	1.20	0.7	1.10	0.9	Cal 1 lower
		99.00	107.70	8.70	5.0	0.59	1.2	India hangingwall
	including	*105.90*	*107.70*	*1.80*	*1.0*	*1.21*	*2.6*	
		107.70	108.30	0.60	0.3	-	-	stope
		108.30	109.60	1.30	0.7	1.29	2.0	India footwall
India Central -South 550	LIDC177	82.45	83.25	0.80	0.7	0.51	0.6	Cal 2 upper
		92.50	92.90	0.40	0.4	0.52	0.3	Cal 2
		99.80	100.35	0.55	0.5	1.48	0.7	Cal 1
		111.90	115.80	3.90	3.5	0.82	1.1	India hangingwall

	including	*111.90*	*113.10*	*1.20*	*1.1*	*1.61*	*1.0*	
		115.80	122.40	6.60	6.0	0.00	0.0	stope
		122.40	132.80	10.40	9.4	0.61	2.0	India footwall
	including	*122.40*	*122.80*	*0.40*	*0.4*	*2.70*	*0.8*	

True width is based on the current interpretation of the veins and may be revised in the future. True width is an interpretation based on the current interpretation of the veins and may be revised in the future.

Figure 1. Location of the Drilling on the La India and America Vein Sets within the La India Project area.

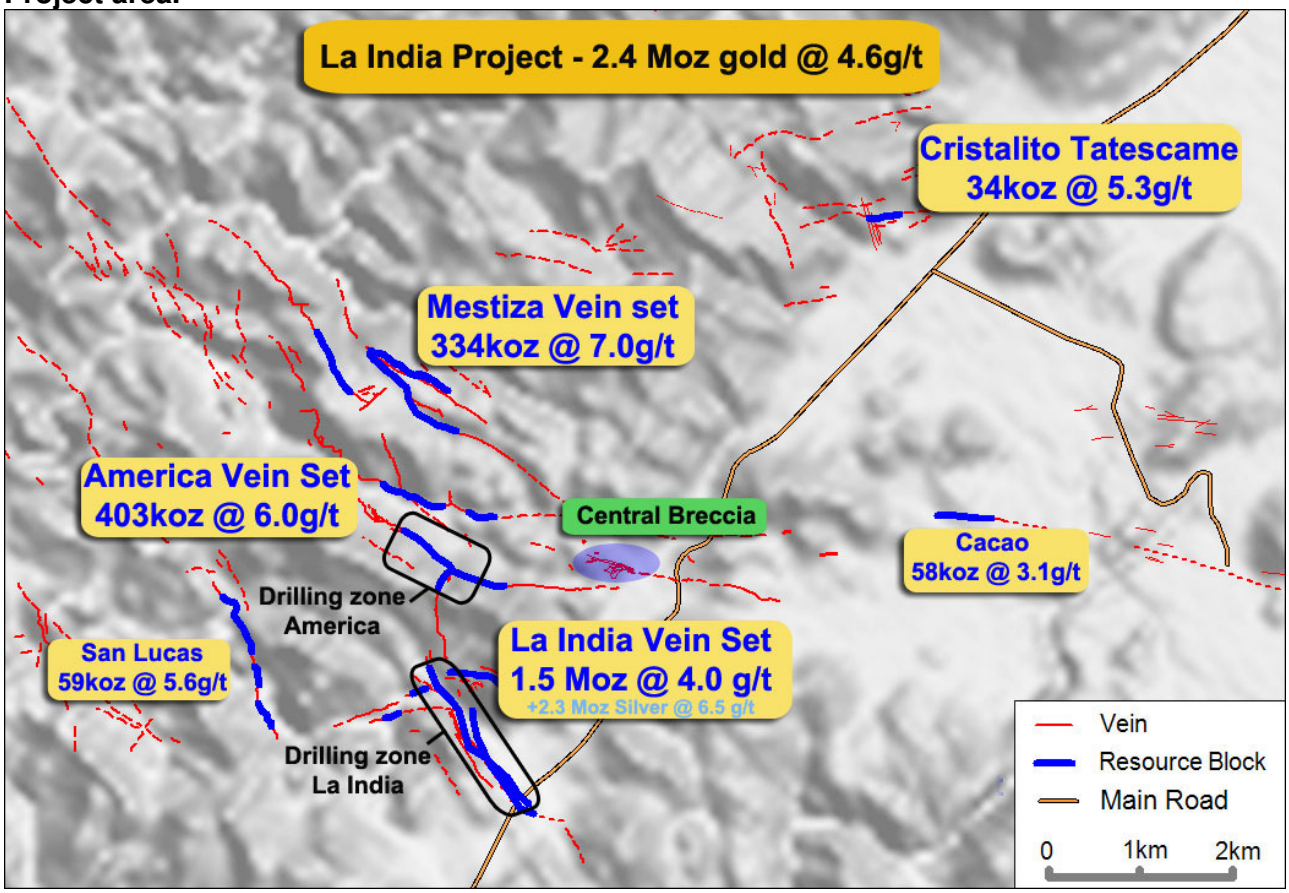


Figure 2. Plan showing location of drillholes and cross-sections (Figures 3 and 4).

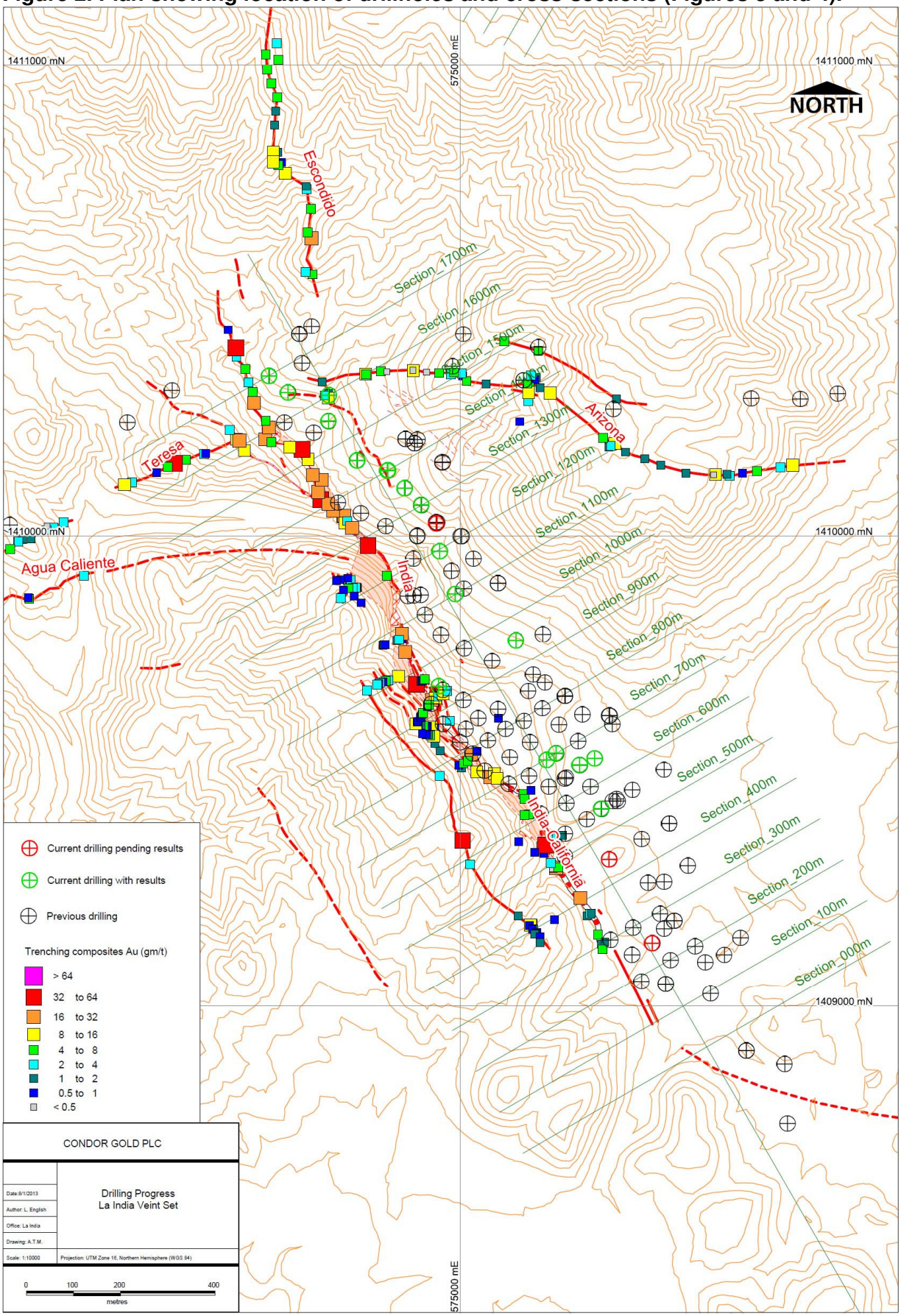


Figure 3. Cross-section through the newly defined high-grade intercept in the Central area (650 section) showing latest wide high-grade intercepts at depth.

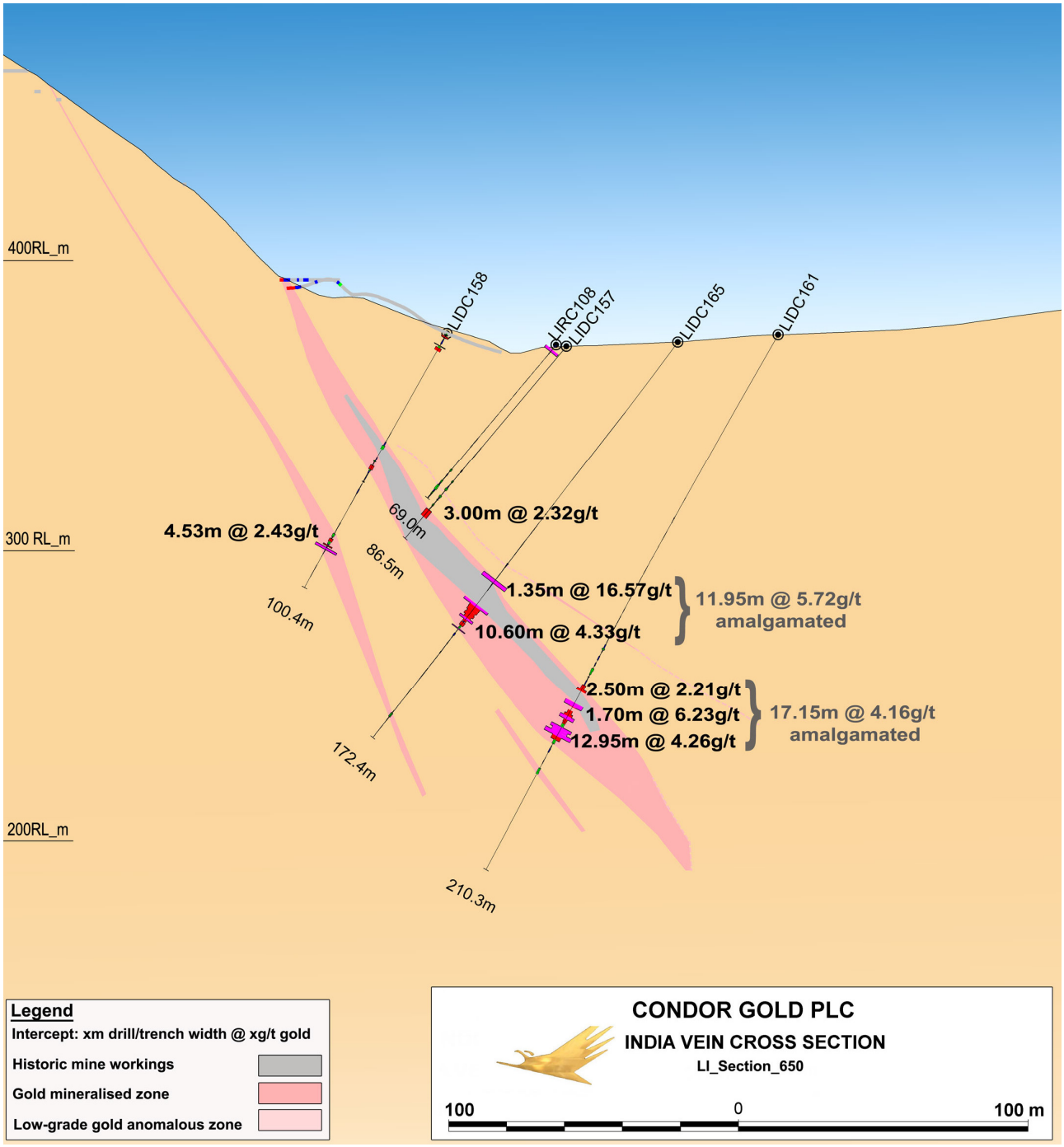


Figure 4. Cross-section through the Central area (1200 section) showing latest wide high-grade intercepts at depth.

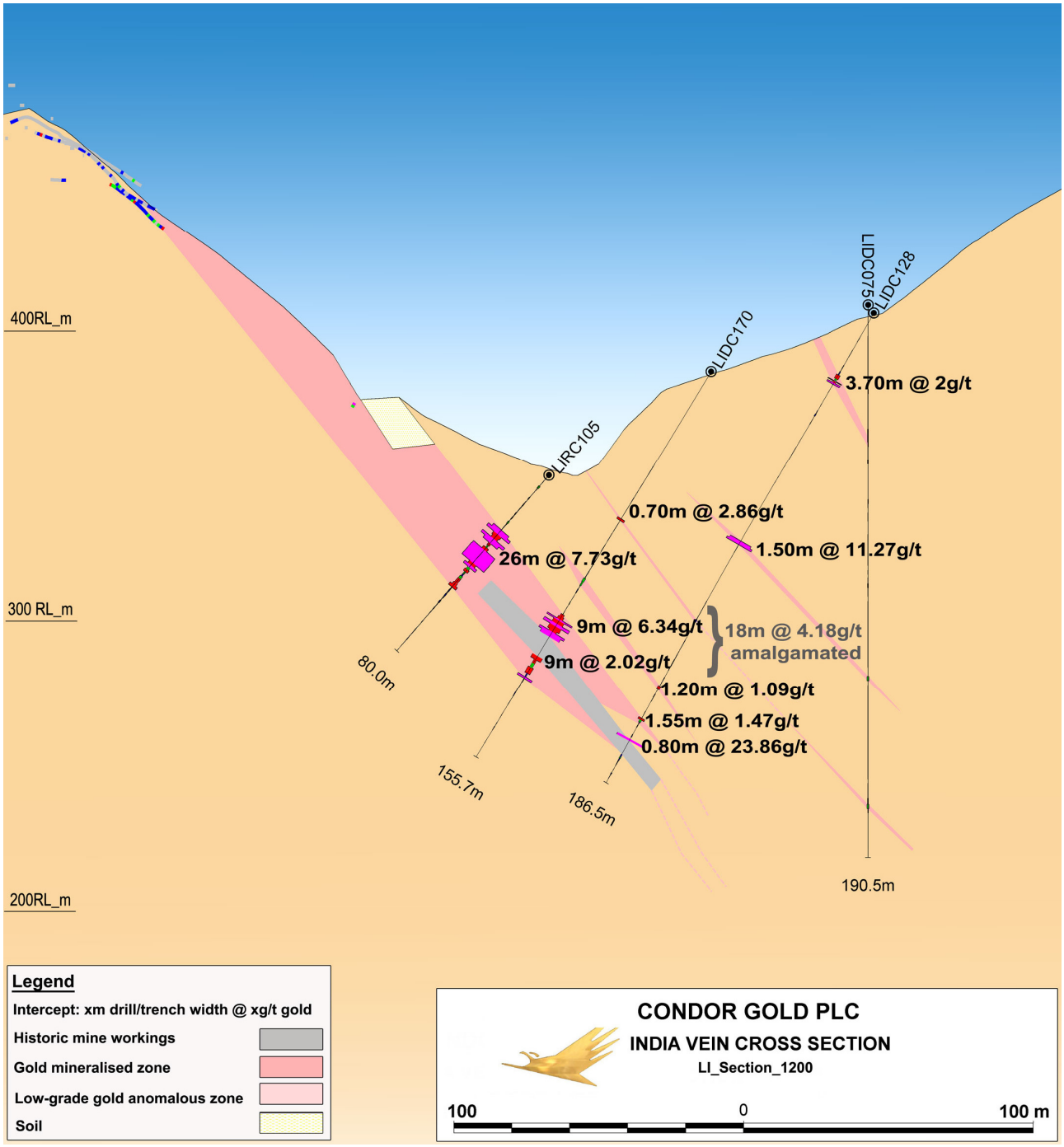


Figure 5. Cross-section through the newly defined high-grade intercept in the northern area (1400 section) showing up-dip continuity of latest high-grade intercept near surface with previous explorer's intercept.

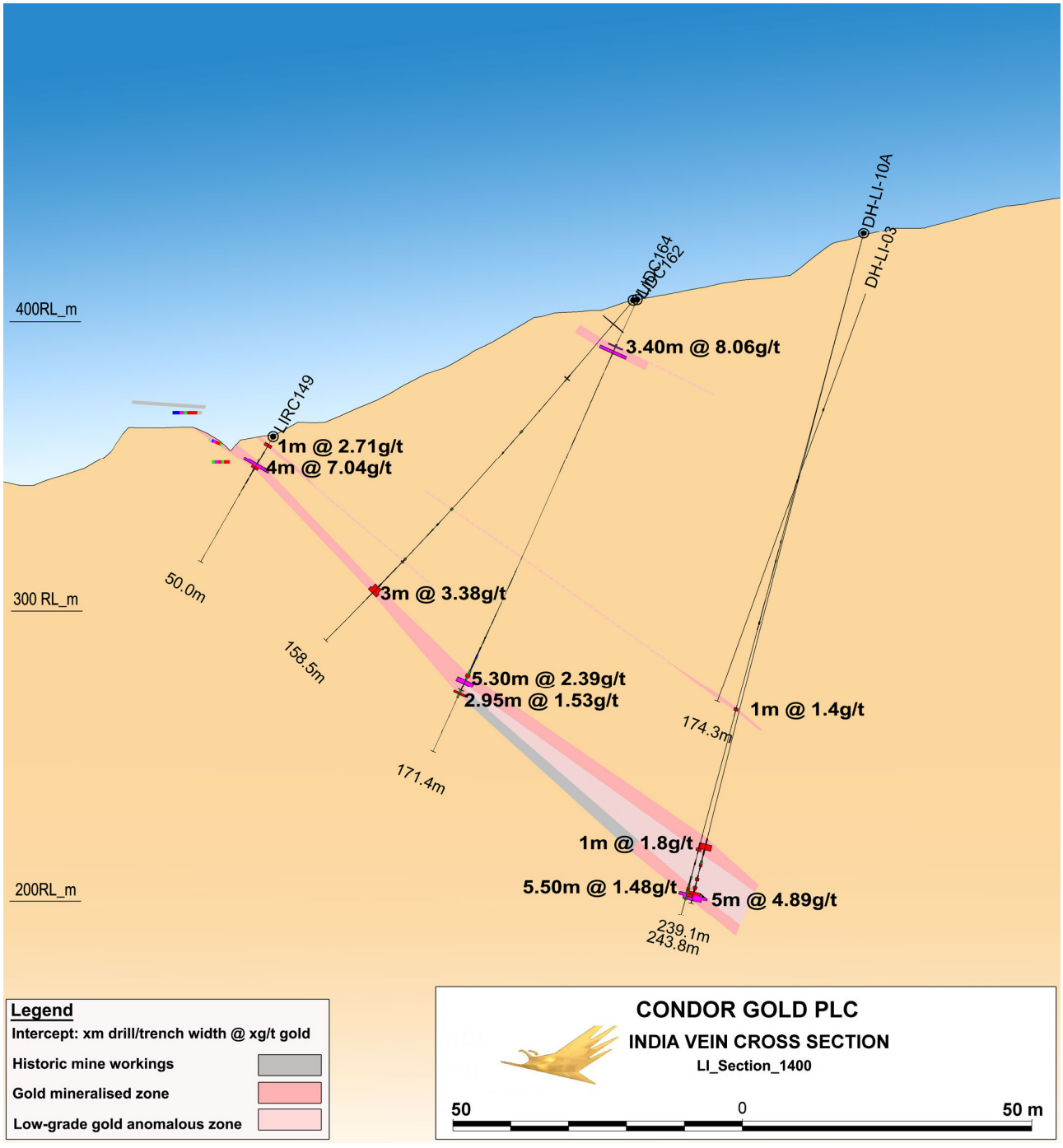
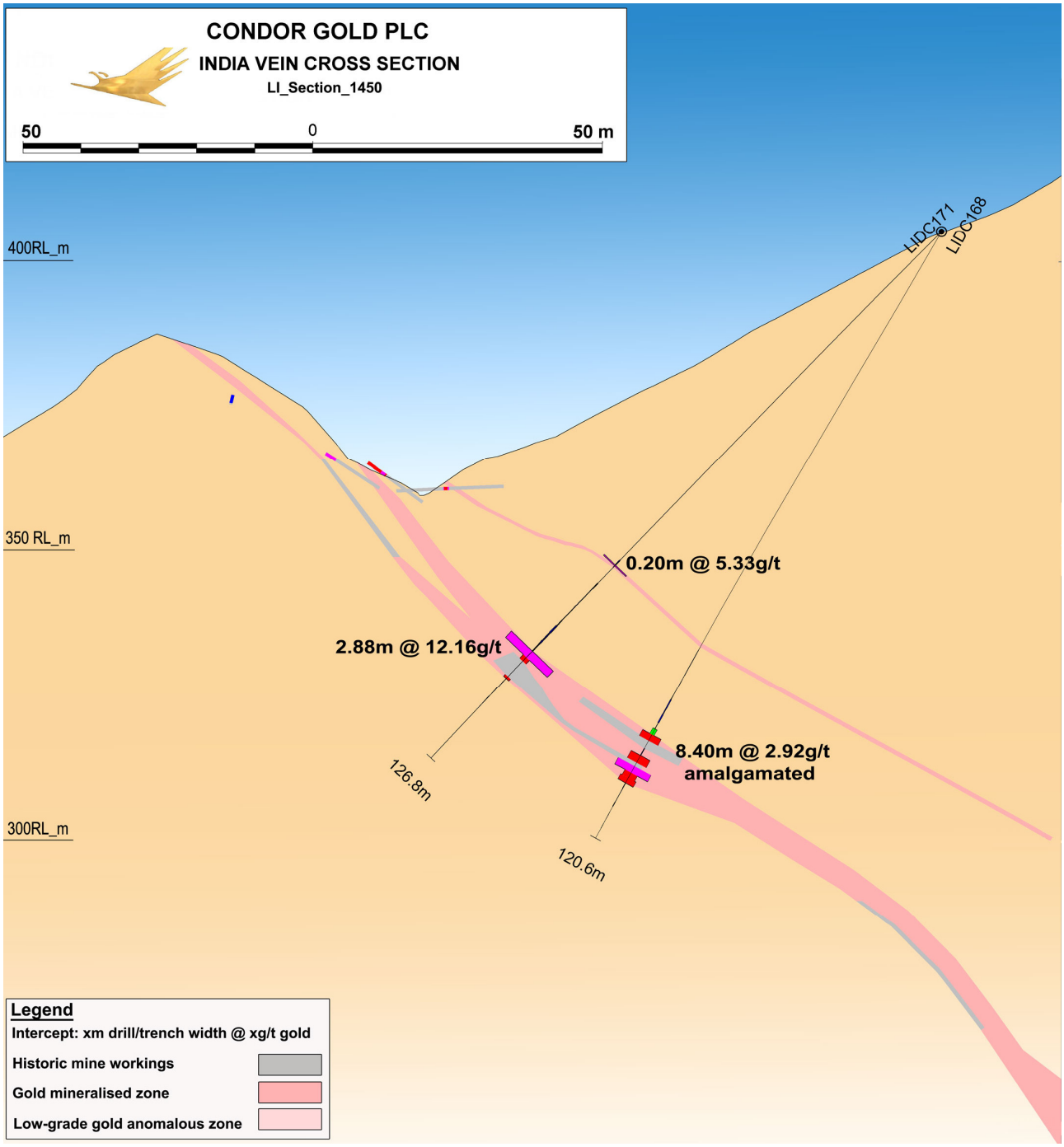


Figure 5. Cross-section through the newly defined high-grade intercept in the northern area (1450 section) showing latest wide high-grade intercept near surface and continuity of mineralization to depth.



Competent Person's Declaration

The information in this announcement that relates to the mineral potential, geology, 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 seventeen years of experience in the exploration and definition of precious and base metal Mineral Resources. Luc English is a full-time employee of Condor Gold 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.

- Ends -

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About Condor Gold 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 CIM/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 CIM/JORC compliant resource base of 2,497,000 ounces of gold equivalent at 4.6 g/t in Nicaragua and an attributable 1,004,000 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 for Nicaragua, and Ravensgate and Geosure for El Salvador.

Disclaimer

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
CIM	Canadian Institute of Mining, Metallurgy and Petroleum whose terminology, definitions and guidelines are an internationally recognised reporting code as defined by the Combined Reserves International Reporting Standards Committee (CRIRSCO) as required by National Instrument 43-101.
Dip	A line directed down the steepest axis of a planar structure including a planar ore body or zone of mineralisation. The dip has a measurable direction and inclination from horizontal.
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
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.
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
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
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
oz	troy ounces
kt	Thousand tonnes
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
Mt	Million tonnes
Open pit mining	A method of extracting minerals from the earth by excavating downwards from the surface such that the ore is extracted in the open air (as opposed to underground mining).
oz	Troy ounce, equivalent to 31.103477 grams
Strike length	The longest horizontal dimension of an ore body or zone of mineralisation.
True width	The shortest axis of a body, usually perpendicular to the longest plane. This often has to be calculated for channel or drill samples where the sampling was not exactly perpendicular to the long axis. The true width will always be less than the apparent width of an obliquely intersect sample.
Vein	A sheet-like body of crystalised minerals within a rock, generally forming in a discontinuity or crack between two rock masses. Economic concentrations of gold are often contained within vein minerals.
Wallrock	The rock adjacent to an ore or mineralised body or geological fault.