



**CONROY**  
GOLD AND NATURAL RESOURCES

23 November 2015

**Conroy Gold and Natural Resources plc**  
("Conroy" or "the Company")

**Final Results for the Year Ended 31 May 2015**

**Significant Progress Made Towards Development of First Mine**

Conroy (AIM: CGNR; ESM: CGNRI), the Irish based resource company exploring and developing gold and other projects in Ireland, is pleased to announce its results for the year ended 31 May 2015. The construction of a mine at Clontibret remains the main focus of the Company.

**Highlights:**

- Clontibret: recent drilling results have provided further evidence of continuity of gold mineralisation at depth
  - Existing gold body model confirmed and the gold mineralisation zone extended
  - Accelerated total project capital payback within year 2 of the operation and a positive cash flow
  - Metallurgical test work shows potentially economic quantities of antimony present in gold concentrate
  - Infill drilling shows grades of 20.05g/t gold over 1 metre and 14.10g/t gold over 0.25 metres
  - Gold intercepted at 340.5 metres in the Stockwork zone – the deepest intersection of gold to date at Clontibret
- Clay Lake: wide gold zones have been encountered during trenching and drilling
- Slieve Glah: an independent structural survey has highlighted the potential for a concentration of gold mineralised faults and of gold target zones within the gold-in-soil anomalies 3km (1.8miles) in length
- New gold target discovered at Rockcorry in County Monaghan

**Chairman, Professor Richard Conroy commented:**

*"We have made further progress towards the development of the mine at Clontibret, with continuity of gold at depth confirmed by drilling. The infill drilling has enhanced the economics of the project, which show excellent returns even at the current gold price, and the presence of potentially commercial amounts of antimony further improve the prospects. Our focus is on developing a mine at Clontibret, initially to be open pit."*

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## **CHAIRMAN'S STATEMENT**

I have pleasure in presenting your Company's Annual Report and Consolidated Financial Statements for the financial year ending 31 May 2015. Moving forward with your Company's proposed development of a goldmine at Clontibret, in County Monaghan, has been the main focus of your Company's activities during the financial year.

There was also further excellent progress with your Company's exploration programme particularly at the Clay Lake gold target in Co. Armagh and the Slieve Glah gold target in County Cavan together with the discovery of a new gold target at Rockcorry in County Monaghan. In addition exploration licences were granted to your Company in the highly prospective gold district of Sodanklyä in Finland.

### **Clontibret**

#### **Proposed Gold Mine**

The Clontibret gold target, on which your Company proposes to bring in its first gold mine includes high grade Lodes and a Stockwork. In addition antimony is present.

The mining plan envisages a conventional surface open pit mine, with a Phase 1 starter pit followed by a Phase 2 extension with a combined period for Phases 1 and 2 of approximately 10 years, to be followed by underground mining and/or further surface pits.

The Phase 1 starter pit at your Company's proposed gold development at Clontibret will concentrate on a high grade, densely drilled portion of the resource and should result in accelerated total project capital payback within year 2 of the operation and a positive cash flow. Current metallurgical testwork is indicating very favourable flotation and downstream processing characteristics which together with favourable infrastructure and logistical support will be important in reducing the project's capital and operating costs.

An infill drilling programme at Clontibret has shown grades of 20.05g/t gold over 1 metre and 14.10g/t gold over 0.25 metres. Gold has also been intercepted at 340.5 metres in the Stockwork zone – the deepest intersection of gold to date at Clontibret. Stockwork intersections included a 12.5 metre intersection at 2.6g/t Au which included 7.5 metres at 3g/t Au.

These recent drilling results have provided further evidence of continuity of gold at depth at Clontibret and have enabled the existing goldbody model to be confirmed and the gold mineralisation zone to be extended.

For the underground mining option there are favourable grades and widths at depth that have been identified by drilling. This ore could be accessed by a spiral ramp at the base of the Phase 1 pit and mined by a high volume method such as sublevel block caving.

Elevated antimony contents are present in gold flotation concentrate from Clontibret. Metallurgical testwork has indicated that these are potentially economic quantities of antimony. It is therefore planned that antimony will be mined at Clontibret in addition to gold.

Antimony is specified by the European Commission as a critical raw material and a large supply deficit is also forecast by the European Commission. The product is used primarily in the production of flame retardants.

Work has been conducted to identify flowsheet options to allow for the extraction of the antimony from the gold bearing concentrate. Several process options have been identified and future metallurgical testwork will include testing these options and optimising extraction to provide a saleable antimony product.

The potentially economic quantities of the strategically important mineral antimony, in addition to gold which is intended to be mined at Clontibret, is a very welcome further development as your Company moves forward with its mining plans for Clontibret.

## **Exploration**

Your Company's Clay Lake gold target in County Armagh is greater in surface area than the Clontibret gold target. Geologically the Clay Lake gold target appears to be a black carbonaceous shale hosted deposit. Wide gold zones have been encountered during trenching and drilling and the deposit could well contain very high gold content and tonnage.

At Slieve Glah in County Cavan an independent Structural Study by Dr. Francis Murphy and Dr. David Collier has been carried out which has highlighted the potential for a concentration of gold mineralised faults and of gold target zones within the gold-in-soil anomalies defined by your Company. These gold-in-soil anomalies are approximately 3km (1.8miles) in length. A major geological structure, the Orlock Bridge Fault, undergoes a significant strike swing, or bend, at Slieve Glah. This has led to the development of a dilation zone which could hold significant mineral potential. At Rockcorry, in County Monaghan, an extensive (700 metres by 300 metres) gold-in-soil anomaly has been discovered. The anomaly lies about 14 km to the south west of Clontibret and adds further evidence as to the gold potential of the area lying between the Glenish and Clontibret gold targets and the Slieve Glah gold target to the south.

Further targets along the thirty mile gold trend in the Longford-Down Massif have been identified using High Resolution Satellite Imagery (Rapid Eye Imagery) in conjunction with geological and airborne geophysical data sets.

A number of significant gold discoveries have been made in Finland in recent years. The Sodanklya region in which your Company has been granted exploration licences appears highly prospective.

## **Finance**

The loss after taxation for the financial year ended 31 May 2015 was €315,314 (2014: €380,305) and the net assets as at 31 May 2015 were €15,321,650 (2014: €14,290,931).

During the financial year, on 8 October 2014, the Company raised £750,000 (prior to expenses) by issuing 75,000,000 new ordinary shares by way of a placing and, on 21 November 2014, I converted £273,500 of convertible debt into ordinary shares at 2.65p per share. Details of the share issues are in Note 15 to the accounts.

As in previous years, I have supported the working capital requirements of the Company. The balance of the loans due to me at the period end was €191,022. The loans have been made on normal commercial terms. The other directors consider, having consulted with the Company's Nominated Adviser and the Company's ESG Adviser, which the terms of the loans are fair and reasonable in so far as the Company's shareholders are concerned.

## **Auditors**

I would like to take this opportunity to thank the partners and staff of Deloitte for their services to your Company during the course of the financial year.

## **Directors**

I would like to express my deep appreciation of the support and dedication of all of the directors, consultants and staff, which has made possible the continued progress and success, which your Company has achieved.

## **Future Outlook**

Your Company made further excellent progress in the financial year to 31 May 2015 and this has continued into the current financial year. We continue to progress from the purely exploration phase into the development phase with our primary focus on bringing a gold and antimony mine at Clontibret into production.

Professor Richard Conroy

Chairman

20 November 2015

**CONSOLIDATED INCOME STATEMENT  
FOR YEAR ENDED 31 MAY 2015**

	2015 €	2014 €
<b>OPERATING EXPENSES</b>	<b>(315,314)</b>	<b>(374,323)</b>
Finance income – bank interest receivable	-	-
Finance costs – interest on shareholder loan	-	<b>(5,982)</b>
	<hr/>	<hr/>
<b>LOSS BEFORE TAXATION</b>	<b>(315,314)</b>	<b>(380,305)</b>
Taxation	-	-
	<hr/>	<hr/>
<b>LOSS FOR THE YEAR</b>	<b>(315,314)</b>	<b>(380,305)</b>
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Loss per ordinary share – basic and diluted	<b>(€0.0008)</b>	<b>(€0.0012)</b>
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**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MAY 2015**

	2015	2014
	€	€
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Intangible assets	17,561,838	16,033,308
Property, plant and equipment	17,983	7,854
	<u>17,579,821</u>	<u>16,041,164</u>
<b>Current Assets</b>		
Trade and other receivables	63,586	59,358
Cash and cash equivalents	23,480	78,372
	<u>87,066</u>	<u>137,730</u>
<b>Total Assets</b>	<u>17,666,887</u>	<u>16,178,894</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and Reserves</b>		
Called up share capital	4,373,208	3,520,000
Called up deferred share capital	6,135,597	6,135,597
Share premium	8,855,525	8,447,949
Capital conversion reserve fund	30,617	30,617
Share based payments reserve	1,120,009	1,034,760
Retained losses	(5,193,306)	(4,877,992)
<b>Total Equity</b>	<u>15,321,650</u>	<u>14,290,931</u>
<b>Non-current Liabilities</b>		
Convertible loan	-	324,952
Financial Liabilities	191,022	191,022
<b>Total Non-current Liabilities</b>	<u>191,022</u>	<u>515,974</u>
<b>Current Liabilities</b>		
Trade and other payables	2,154,215	1,371,989
<b>Total Current Liabilities</b>	<u>2,154,215</u>	<u>1,371,989</u>
<b>Total Liabilities</b>	<u>2,345,237</u>	<u>1,887,963</u>
<b>Total Equity and Liabilities</b>	<u>17,666,887</u>	<u>16,178,894</u>

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MAY 2014**

	2015 €	2014 €
<b>Cash flows from operating activities</b>		
Cash generated by/(used in) operations	147,396	152,953
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<b>Net cash generated by/(used in) operating activities</b>	<b>147,396</b>	<b>152,953</b>
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<b>Cash flows from investing activities</b>		
Investment in exploration and evaluation	(1,459,440)	(1,064,003)
Payments to acquire property, plant and equipment	(15,673)	(4,780)
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<b>Net cash used in investing activities</b>	<b>(1,475,113)</b>	<b>(1,068,743)</b>
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<b>Cash flows from financing activities</b>		
Issue of share capital	935,832	812,621
Advances from shareholders	-	205,000
Amounts repaid to shareholders	-	(114,600)
Advances from Related Parties	336,993	-
Interest paid on shareholder loan	-	(14,450)
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<b>Net cash generated from financing activities</b>	<b>1,272,825</b>	<b>888,571</b>
	<hr/>	<hr/>
<b>Increase/(Decrease) cash and cash equivalents</b>	<b>(54,892)</b>	<b>6,508</b>
Cash and cash equivalents at beginning of year	78,372	71,864
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<b>Cash and cash equivalents at end of year</b>	<b>23,480</b>	<b>78,372</b>
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## Notes to the Financial Statements

### **1. Publication of non-statutory accounts**

The financial information set out in this preliminary announcement are abbreviated accounts as defined in Section 1119 of the Companies Act 2014.

The financial information for the period ended 31 May 2015 has been extracted from the Company's financial statements to that date which have received an unqualified auditor's report but have not yet been delivered to the Registrar of Companies.

### **2. Earnings per share**

The calculation of the loss per ordinary share of €0.0008 (2014 - €0.0012) is based on the loss for the financial year of €315,314 (2014 – €380,305) and the weighted average number of ordinary shares in issue during the year of 405,603,539 (2014 – 309,922,413).

Since the Company incurred a loss the effect of share options and warrants would be anti-dilutive.

### **3. Dividends**

No dividends were paid or are proposed in respect of the period ended 31 May, 2015.

### **4. Copies of Accounts**

A copy of the Annual Report and Financial Statements will be available on the Company's website [www.conroygold.com](http://www.conroygold.com) and will be available from the Company's registered office, 10 Upper Pembroke Street, Dublin 2. It will also be forwarded to shareholders who requested a hard copy. Notice of the Annual General Meeting to be held on 14 December 2015 and a Proxy Form were sent to shareholders on 20 November 2015 and are also available on the website.