Conroy Gold and Natural Resources Plc (CGNR AIM)

Mining –Initiating Coverage

02 August 2018

Stock Data

Share Price	13.65p
Market Cap (£M)	2.7
EV (£M)	2.8

Price Chart

52 Week Range

45.50p 13.65p 11.125p

Company Summary

Conroy Gold and Natural Resources is an AIM listed Irish exploration company, primarily interested in exploring for gold in the Republic of Ireland.

MAIN SHAREHOLDERS	HOLDING
O'Sullivan Patrick	14.96%
Conroy Prof. R	13.94%
Johnson Paul	6.04%

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Introduction

Conroy Gold and Natural Resources Plc ("Conroy Gold") is an Irish based exploration company focused on gold in Ireland. It has over 700 km^2 of licences covering a 65km long section of the Orlock Bridge fault, which has been compared with the Boulder-Lefroy Shear Zone in Western Australia.

Gold in Ireland

Historically Ireland has been well known internationally as a lead/zinc producer. Quietly, gold exploration has been proceeding for at least the past 30 years but it is only recently, with Dalradian Resources notable development of a world class orebody, both in content and grade, that culminated in a takeover bid by Orion (a private equity group) for approximately C$537M, that the gold potential of Ireland is now on the radar of the market.

Valuation – Realistic

The base case valuation uses the last PEA in which the ore resource grade was 1.53g/t. The 2017 resources grade was 2g/t. Assuming the lode ore is processed first, followed by the stockwork ore, and all other assumptions being unchanged, running the model at 2g/t increases the NPV(10) to US$81.6M and the IRR rises to 43.9%. Again, this valuation is unfunded and after tax, and is based on an 800kt pa mine producing around 61k oz pa for the first 6 years of operation.

Valuation upside

A peer comparison of similar companies from around the globe suggests that if Conroy Gold increase its ore resources fourfold, whilst maintaining the current grade of 2g/t, its market capitalisation would increase to circa £20M.

Catalysts for Next 12 Months

BHC believes that Conroy Gold should complete as much drilling as possible over the next 12 months with a focus of expanding the current resources at Clontibret and secondary objectives of further investigating Clay Lake and Glenish as these two prospects have the ability to feed a central mill in the Clontibret area. The Clay Lake-Clontibret - Glenish estimate of potential contained gold ounces at a grade of 2g/t and a drilling success rate of 5% is 8.8M oz.

Infrastructure

The Clay Lake-Clontibret area is blessed with excellent infrastructure. The N2 highway passes within 2km of the Clay Lake-Clontibret targets whilst the N54 passes across the top of the licences. Additionally, there are two 110kV power lines which traverse the Orlock Bridge Fault and a third 110kV line which runs parallel to all the prospects and is never further than 5km away. The area also has a skilled local workforce in local accommodation and long-term employment is particularly important in regional areas.

Contents

Introduction 1

Executive Summary 3

Company History 5

History of Clontibret Gold Area 6

Company Valuation 21

Investment Risks 26

Appendix A - Corporate Structure & Shareholders 27

Appendix B – Directors & Senior Management 29

Appendix C – Country Overview 35

Research Disclaimers 37

Brandon Hill Contact List 39

Executive Summary

Conroy Gold - An Irish Gold Explorer

Conroy Gold has secured exploration licences covering a 65km strike length on the Orlock Bridge Fault, occurring within the Longford Downs Massif, extending in a north-easterly direction from County Cavan, in the Republic of Ireland, across the border into County Armagh, Northern Ireland. Within this trend, Conroy Gold has discovered 6 significant groups of targets along the Orlock Bridge Fault, namely from the south-west to the north-east being Slieve Glah, Tullyvin, Rockcorry, Glenish, Clontibret and Clay Lake. Each of these target areas contain numerous prospects. It is very unusual for a small company to control such a large strike length with a multi-million ounce gold potential with a range of development options, but it should result in far better development options. The exploration licences, 100% held by Conroy Gold, give the exclusive right to apply for a mining licence in a stable, mining and business friendly jurisdiction. A PEA has shown the Clontibret deposit to be financially viable.

Ireland - Coming to Prominence as a Gold Producer

Historically Ireland has been well known as a lead/zinc producer. Quietly, gold exploration has been proceeding for at least the past 30 years but it is only recently, with Dalradian Resources notable development of a world class orebody, both in content and grade, culminating in a takeover bid valued by Orion (a private equity group) at approximately C$537M that the gold potential of the northern half of Ireland is increasingly being recognised.

The Clontibret Target – 9,829m drilled to date yielding 0.5M oz

Conroy Gold's most advanced project is the Clontibret project which covers an area 1.5km^2. The major target within this project has been the Tullybuck-Lisglassan prospect which measures 0.2km^2, less than 20% of the overall Clontibret target. To date, 68 holes have been drilled in the target for a total of 9,829m. This (2017) resource has yielded a mineral resource of 0.5M oz at a grade of 2g/t. Recent drilling in 2018, has been very positive and will certainly add ounces to the resource. The prospect remains open along strike in all directions and at depth.

Valuation

BHC have approached the valuation from both an exploration and development viewpoint.

Conroy Gold is highly leveraged towards exploration success. The Company has spent years working on the grass roots exploration work (e.g. sampling and trenching) due to relatively limited budgets that would have made drilling programmes difficult to fund. The recent drilling programme's success at Clontibret suggests they have acquired strong drilling confidence from the grassroots work, indicating they understand in detail the drill targets. BHC has reviewed comparable companies that have multiple leases/tenements/licences over long trends, with multiple orebodies occurring along these trends.

BHC believe that Conroy Gold is capable of reaching at least 2M oz's of resources which based on our peer group (drawn from the ASX) should give Conroy Gold a valuation of circa £20M based on the average EV/Resource. This is a simplistic valuation basis, however, we believe that if and when Conroy Gold escalate the drilling programme to prove up their geological thesis, the project will draw the attention of larger gold companies given the favourable characteristics of mining a multi-million ounce gold project in Ireland versus locations such as West Africa. Junior gold companies are rewarded for exploration success and Conroy Gold is now on the cusp of delivering continuous exploration results and resource updates from a hitherto underexplored gold belt in a mining jurisdiction that is now on the radar of gold producers. The current market cap does not present a real valuation of the underlying prospects of exploration success and is merely "option" value.

Moreover, BHC have modelled the Clontibret project based on a phased development, outlined in the 2011 PEA which gives an NPV(10) US$39.8M. This valuation is unfunded and after tax and is based on an 800k tpa gold mine producing around 40k oz pa for the first 6 years of operation.

The base case valuation uses the last PEA in which the ore resource grade was 1.53g/t. The 2017 resources grade was 2g/t. Assuming the lode ore is processed first, followed by the stockwork ore, and all other assumptions being unchanged, running the model at 2g/t increases the NPV(10) to US$81.6M and the IRR rises to 43.9%. Again, this valuation is unfunded and after tax, and is based on an 800kt pa mine producing around 61k oz pa for the first 6 years of operation

To conclude, junior exploration companies derive most of their value by building resources through exploration success and should Conroy Gold run an aggressive drilling programme on Clontibret and its other prospects, it could prove transformational in terms of shareholder value as it moves the Company from an “option” to a “real” project. Clearly, the focus will be on Clontibret in the near future and this project should deliver immediate value given it is open at depth and along strike. Overall, BHC believes that Conroy Gold is amongst the most undervalued exploration companies in the market as we believe it has a reasonable grasp on the geological “DNA” to be able to deliver sustained exploration success via a drilling programme. The future drilling programmes should deliver far more value than any associated equity dilution.

Short Term Project Upside

The recent round of drilling at Clontibret, which is complete, barring the geological logging and assaying of the last two holes has been very successful in targeting the gold lodes, which were intercepted within metres of where they were expected to be. This demonstrates a good geological understanding of the deposit within the Clontibret project, where we expect many more ounces will be added. The orebody remains open along strike in both directions and at depth. Further, reviewing the overall project, we believe that any rock that has to be mined in the development of the open pit that is 0.5g/t or above, should be stockpiled and can be economically treated at the end of the mine life.

Longer Term Upside

The entire 65km gold trend is under explored, with only limited drilling at Slieve Glah and Glenish. There is also excellent potential at Clay Lake where Conroy Gold have drilled 33 diamond holes for 3,982m. The next drilling campaign, besides extending the known orebody at Clontibret, is expected to investigate these additional targets.

How Large Could It Become?

Considering that it took around 30 years for Curraghinalt (Dalradian Resources) to develop into a 6M oz resource, Ireland remains comparatively unknown as a destination for gold exploration. Dalradian have raised over C$320M since 2010 and have grown the resource from circa 1M oz to over 6M oz. Conroy Gold have spent around €15M to date with minimal drilling. Clearly the orebodies are different, but BHC believe that Conroy Gold could quite feasibly become a multi-million ounce resource worthy of development.

Also, Conroy Gold has drawn a gold trend comparison with the Boulder-Lefroy Gold zone which is ~100km long and has produced in excess of 85M oz since its discovery, still has many producing mines and new discoveries continue to be made despite the region being literally peppered with drill holes. There are structural similarities between the Boulder – Lefroy Shear Zone and the Orlock Bridge Fault which for 65km extends along Conroy Gold’s licences. The major difference is that the Orlock Bridge Fault area has only had around 200 drill holes put down so far and there are many known targets waiting to be drilled.

Conroy Gold have produced a JORC (2012) compliant exploration target for combined Clontibret-Clay Lake-Glenish Targets of a further 8.8m oz. (exhibit 14, page 20) This is based on a grade of 2g/t and a 5% drilling success rate, consistent with Conroy Gold’s experience in the area. This represents a significant increase on the existing resource.

Mining in the Republic of Ireland

Ireland is a mining friendly and business friendly jurisdiction, which in 2017 came 4th in the world for investment based on the Investment Attractiveness Index. This placed it above Western Australia which ranked 5th. Further, using the Policy Perception Index as a measure, the Republic of Ireland came first for the fifth year in succession

Infrastructure

The Clay Lake-Clontibret area is blessed with excellent infrastructure. The N2 highway passes within 2km of the Clay Lake-Clontibret targets whilst the N54 passes across the top of the licences. Additionally, there are two 110kV power lines which traverse the Orlock Bridge Fault and a third 110kV line which runs parallel to all the prospects and is never further than 5km away. The area also has a skilled local workforce in local accommodation and long term employment is particularly important in regional areas.

Company History

Conroy Gold and Natural Resources plc ("Conroy Gold") is an Irish-registered and incorporated company (registered in Dublin, Republic of Ireland; No 232059). As such, the rights of shareholders may be different from those of shareholders in a United Kingdom incorporated company.

The company listed on AIM in May 2000. At that time the company believed that it had discovered a significant new gold belt straddling the border with Northern Ireland in Counties Cavan, Monaghan and Armagh. This included the Tullybuck/Lisglassan deposit at Clontibret where prior to drilling, gold had been discovered during underground channel sampling of the historic antimony mines. Subsequent drilling intersected high gold grades over mineable widths.

In August 2005, Karelian Diamond Resources was formed by the amalgamation of the Finnish diamond interests of Conroy Diamonds and Gold Plc and Conroy Plc, when it applied for admission to AIM.

In January 2011 the Company changed its name from Conroy Diamonds and Gold Plc to Conroy Gold and Natural Resources plc.

Recent Time Line of Key Company Announcements

Date	Event
23 Jun 2014	Gold Zones at Surface on the Slieve Glah Gold Target
02 Dec 2014	Gold Targets Identified by High Resolution Satellite Imagery
10 Dec 2014	Positive Slieve Glah Structural Study
15 Dec 2014	Plans for Antimony as Well as Gold to be Mined at Clontibret
23 Mar 2015	High Grade Intercepted in Infill Drilling at Clontibret
03 Jun 2015	Positive Results from Infill Drilling at Clontibret
16 Jun 2015	New Gold Target Discovered in County Monahan, Ireland
23 Nov 2015	Capital Reorganisation and Consolidation
31 Mar 2017	Targeting 5 Million Ounces at Clay Lake-Clontibret
4 May 2017	Strategic Financing Update
11 May 2017	Gold Bearing Lodes Within Antimony Mine Workings
28 Jul 2017	Updated Mineral Resource Estimate for Clontibret Project
21 Dec 2017	Strategic Financing and Business Update
29 Jan 2018	Business Update, drilling programme put in place
12 Feb 2018	Drilling commences Clontibret gold find
26 Feb 2018	Discovery of extensive gold zone-Clontibret drilling
30 Apr 2018	Discovery of further extensive gold zone, Clontibret drilling update
14 Jun 2018	Expanded Drill Programme at Clontibret Gold Deposit
18 Jun 2018	Further Significant intercepts and grades at Clontibret Gold Deposit
11 Jul 2018	Additional High Gold Grades Discovered at Clontibret

Source: Conroy Gold

History of the Clontibret Gold Area

Antimony, in the form of stibnite, was discovered, reportedly in 1774, in the townlands of Tullybuck and Lisglassan near the village of Clontibret. Mining of the stibnite was carried out intermittently during the early 1800s. The mines were reopened briefly in 1917.

Gold was discovered in the antimony workings in 1956, when they were dewatered and sampled by Can Erin Mines Ltd. Subsequently, 17 diamond drill holes were drilled by Can Erin in the vicinity of the old workings. The results of these holes showed the presence of multiple lode structures containing gold. However, core recoveries were poor.

Between 1976 and 1992, Munster Base Metals held the licence during which time they drilled a further 25 diamond core holes in the same area. Gold mineralisation was encountered in almost all the holes drilled but again drilling was hampered by poor core recovery. Munster Base Metals carried out a soil sampling programme within the licence area during this time.

Conroy Gold implemented modern exploration and drilling techniques, which not only led to improved core recovery but led to the discovery of a 65km gold trend in the Longford – Down Massif, extending from Clay Lake in County Armagh south west across Clontibret, Glenish and Rockcorry in County Monaghan to Tullyvin and Slieve Glah in County Cavan, of which the Clontibret Gold Target was but one part, although a highly important one.

The current (2017) JORC compliant resource at Clontibret stands at 8.05Mt grading 2.0 g/t gold containing 517,000 oz of gold with a cut-off grade of 1 g/t gold applied. (When Conroy Gold acquired the Clontibret licence the resource stood at 39kt grading 3.6 g/t gold containing only 4,530 oz of gold and the 65km gold trend was undiscovered).

Discovery Time Line of the Projects

The Company has been exploring its projects since 1996 and to date has found four key projects being:

1. Clontibret
2. Clay Lake
3. Glenish; and
4. Slieve Glah

Date	Project	Prospects/Targets
December 1956	Clontibret	Gold discovered in the **Tullybuck-Lisglassan** antimony mines
January 2001	Clay Lake	The **Cargalisgorran** anomaly discovery of gold in bedrock
November 2002	Clay Lake	The **Tivnacree** anomaly discovery of gold in bedrock
May 2003	Clontibret	The **Corcaskea** anomaly confirmed gold in bedrock
September 2003	Clontibret	The **Ballygreany** anomaly confirmed gold in bedrock
October 2004	Glenish	**Glenish** discovery of gold in bedrock
January 2005	Slieve Glah	Two anomalies at **Slieve Glah,** gold in bedrock
February 2006	Tullyvin	Was part of the **Central Structural Zone**
January 2010	Clay Lake	**Derryhennet** discovery of gold in bedrock
October 2012	Slieve Glah	Two further anomalies at **Slieve Glah.**
June 2015	Rockcorry	Discovery of **Rockcorry**

The Longford-Down Massif

Overview

The Conroy Gold licence area is located within the lower Palaeozoic geological region known as the Longford-Down Massif in Ireland. It covers approximately 700 square kilometres (km^2) from County Armagh in Northern Ireland and across Counties Monaghan and Cavan in the Republic of Ireland as shown in Exhibit 1

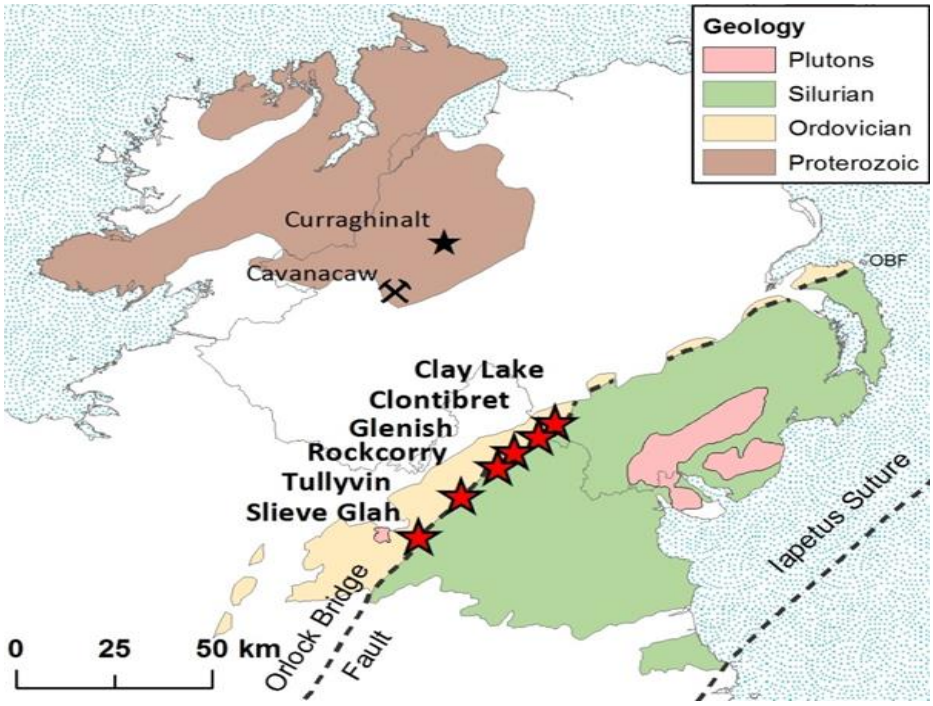
The Longford–Down Massif and Scottish Southern Uplands represent one of the largest areas of Ordovician and Silurian rocks in the British Isles. Greywackes, of mainly turbidite origin, are the principal rock type with lesser shale and chert. Steep northwest dipping strike faults extend the length of the terrain, dissecting it into a number of fault bounded units. Each of these units contains a stratigraphic sequence of differing age to the adjacent unit. Within Conroy Gold's licences, the Ordovician and Silurian are separated by the Orlock Bridge Fault as shown in Exhibit 2.

Exhibit 1: Map of Ireland, showing licence areas

Source: Conroy Gold

The Longford-Down Massif is interpreted to represent a lower Palaeozoic age sedimentary package that formed along the north-west side of the Iapetus Ocean. The Massif is interpreted to be the accretionary prism (obducted sediments) of continental slope, trench and ocean floor sediments generated by a north-northwest directed subduction. An alternative marginal ocean basin interpretation has also been proposed. The Orlock Bridge Fault which can be seen in both Ireland and Scotland is thought to represent a deep-seated structure. The regional structural framework is shown in Exhibit 16.

Exhibit 2: Location of Targets along the Orlock Bridge Fault



Source: Conroy Gold

Ten licences are held by Conroy Gold in the Massif, of which eight are located in the Republic of Ireland and two licences are located in Northern Ireland. There has been a history of base metal mining in the Massif during the 19th century, including antimony, lead zinc and copper. The locations of the individual gold targets are shown in exhibit 2.

In 1956 gold was discovered following the dewatering and sampling of the antimony shafts close to Clontibret in Co. Monaghan. A series of diamond core drill holes intersected gold but recovery was poor and the grades reported were lower than those obtained from the sampling in the antimony shafts. In the 1980's a nugget containing 28g of gold was recovered from a stream bed near Clay Lake in the adjacent County of Armagh.

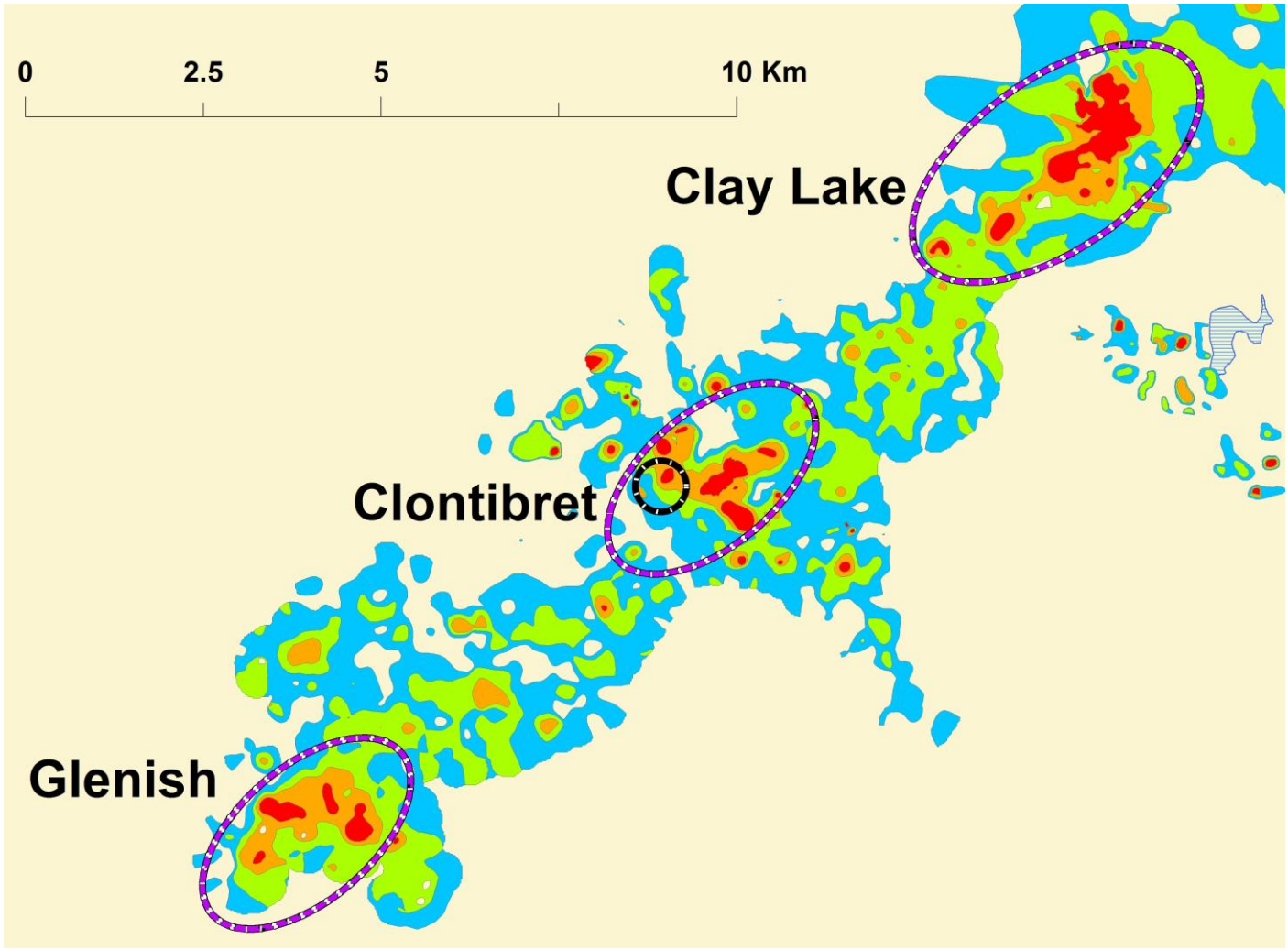
Aware of this history and following more than two years study of available data, Conroy Gold applied for and in 1996 acquired prospecting licences covering Clontibret and immediately adjacent areas. As exploration progressed additional licences were acquired leading to the current extensive licence area of approximately 700 km^2.

The licences follow, in general, the line of the Orlock Bridge Fault, which Conroy Gold considers to be a major controlling factor in the occurrence of gold mineralisation in the area.

Appraisal work on the licences has included airborne geophysics including magnetics, electromagnetics, calculated resistivity, radiometrics, laser altimetry and interpretation of NASA's programmes of Landsat ETM and DTM was carried out to identify areas of structural interest. Extensive soil sampling was undertaken to identify gold and base metal anomalies followed up by deep overburden sampling, rock chip sampling and trenching. Triple barrelled drilling was employed to increase core recovery.

The Glenish – Clontibret – Clay Lake Area

Exhibit 3: Map Indicating Target Areas of Clontibret, Clay Lake and Glenish



Source: Conroy Gold

The key project of the Company is the Clontibret Project, where drilling has focused on the Tullybuck-Lisglassan prospect. Within the Clontibret area there are at least another three major targets, namely, Ballygreany, Corkaskea and Fintully.

Clontibret is located towards the north-eastern end of the 65km trend. It is located 7km southwest of Clay Lake and 7km northeast of Glenish.

The Clontibret Project

Conroy Gold acquired its first exploration licences in the area in 1996. A more systematic approach was initiated, including triple barrelled drilling to increase core recovery, an extensive regional soil sampling programme for gold and other elements and an airborne geophysical survey were undertaken. A 65 km (40 mile) gold bearing trend was discovered containing numerous gold targets. The individual targets within the Clontibret Project are shown in the insert within Exhibit 5

Most of the recent exploration has focussed on the Tullybuck-Lisglassan area where there is a JORC Compliant ore resource (2017) of 8.05Mt grading 2.0g/t and containing 517k oz of gold with a 1g/t cut-off grade.

A find (announced in January 2001) made at Cargallisgoran 6.5km northeast along strike from Clontibret, was the first significant discovery at the Clay Lake target. Glenish 7km southwest along strike from Clontibret was the next significant gold-in-bedrock discovery along the trend. This was followed by the Slieve Glah gold-in-bedrock discovery approx. 40km south west of Clontibret. The next prospect to be discovered was the Central Structural zone (Tullyvin) along the Orlock Bridge Fault between Glenish and Slieve Glah. Derryhennet, part of Clay Lake, was discovered in 2010 and Rockcorry in 2015.

This exploration programme as it developed, meant that Conroy Gold had essentially discovered and pegged the entire gold trend along the Orlock Bridge fault from Slieve Glah in County Cavan in the Republic of Ireland across County Monaghan also in the Republic of Ireland to County Armagh in Northern Ireland.

Analysis of the nature of the gold trend along the Orlock Bridge Fault prompted a comparison with the Boulder-Lefroy shear zone in Western Australia. This is discussed in more detail on page 19.

Conroy Gold's Exploration Programme

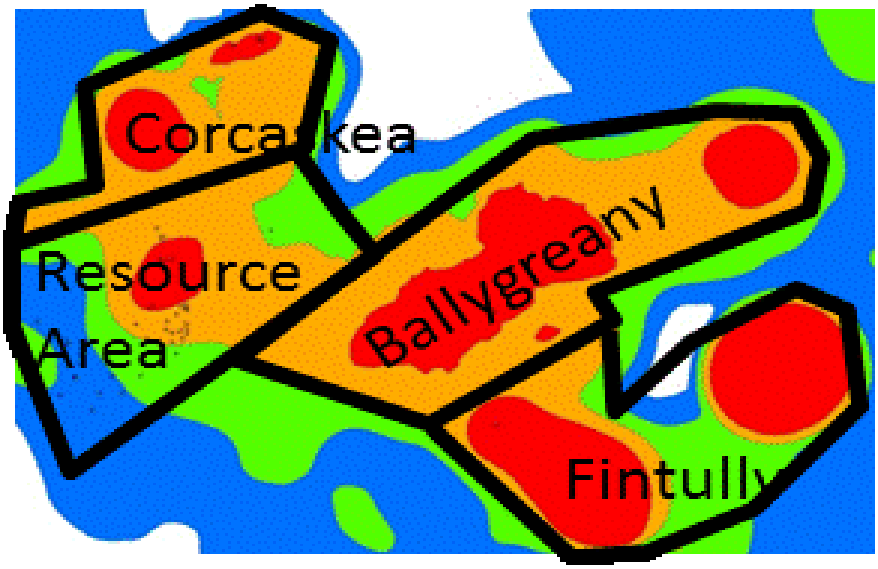
A total of 1,561 soil samples and 554 deep overburden samples were collected giving a comprehensive closely spaced coverage of the Clontibret licence area. The assay results of these samples defined the Clontibret anomaly. 43 diamond core holes were drilled by Conroy Gold in the resource area, using triple barrel drilling and chemical additives. Since the resource was declared, a further 10 diamond drill holes have been drilled and the resource also contains the results of 25 holes drilled by Munster Base Metals.

Exhibit 4: Examples of Gold Intersections

Hole Number	From (m)	To (m)	Length (m)	Gold (g/t)
CDG3	28.8	59.2	30.4	3.0
CDG6	52.6	53.7	1.1	15.3
CDG8	46.2	48.0	1.8	22.0
CDG55A	118.2	126.8	8.6	3.0
CDG-03-14	79.5	86.5	7.0	9.3
CDG-03-14	95.0	96.0	1.0	22.4
CDG-02B-16	96.8	98.0	1.2	19.0
CDG-18-01	50.0	55.0	5.0	6.1
CDG-18-04	50.0	53.9	3.9	9.2
CDG-18-07	106.4	107.5	1.1	11.9
CDG-18-07	185.0	189.0	4.0	7.4

Source: Conroy Gold

Exhibit 5: Map Indicating Target Areas of Clontibret



Source: Conroy Gold

A fourth area of gold mineralisation within the overall Clontibret area was discovered at Corcaskea in Co. Monaghan. It lies approximately 1 km north of the Company's Tullybuck-Lisglassan gold deposit. In the above diagram (Exhibit 5) this is titled the resource area. Trenching at Corcaskea showed 16.5m @ 6.5 g/t gold. A drill hole intercepted 3.65m grading 1.76g/t from 6.35m. This area remains open.

The Ballygreany area also lies within the overall Clontibret area but to the east of Tullybuck-Lisglassan. Anomalous gold values were returned from an area of approximately 0.7 km^2, a larger anomaly than any other previously identified by the Company. The follow-up survey of this area, using a more closely spaced sampling grid, outlined a well-defined, bedding-parallel gold anomaly measuring approximately 1,400m by 500m. Again this area remains open.

The Fintully area lies to the south of Ballygreany and is also within the overall Clontibret area. Extensive gold-in-soil anomalies cover most of the area, which again remains open.

. An independent (Tetra Tech) Preliminary Economic Assessment (PEA) on the Clontibret deposit was undertaken in 2011 showing the technical and financial viability. Environmental Studies (Golder Associates) commenced in the Clontibret area in 2011. This was followed by the release of metallurgical test work results in January 2013

To date, a total of 78 holes have been drilled on the Clontibret deposit. The 2017 JORC compliant resource was based on 43 holes drilled by Conroy Gold for 6,307m and 25 holes drilled by Munster Base Metals for a further 3,522m.

Ore Resources

Exhibit 6: Updated Clontibret JORC Compliant Resources (July 2017)

Classification	Zone	Cut-off	Tonnes	Grade	Ounces
		g/t	(t)	(g/tAu)	(Au)
Indicated	**Lodes**	1g/t	4,460,000	2.1	301,000
	Stockwork	1g/t	500,000	1.2	19,000
Indicated Total			4,960,000	2.0	320,000
Inferred	**Lodes**	1g/t	2,980,000	2.0	193,000
	Stockwork	1g/t	110,000	1.2	4,000
Inferred Total			3,090,000	2.0	197,000
Total			8,050,000	2.0	517,000

Source: Conroy Gold

This cut-off grade was supported by using the following:

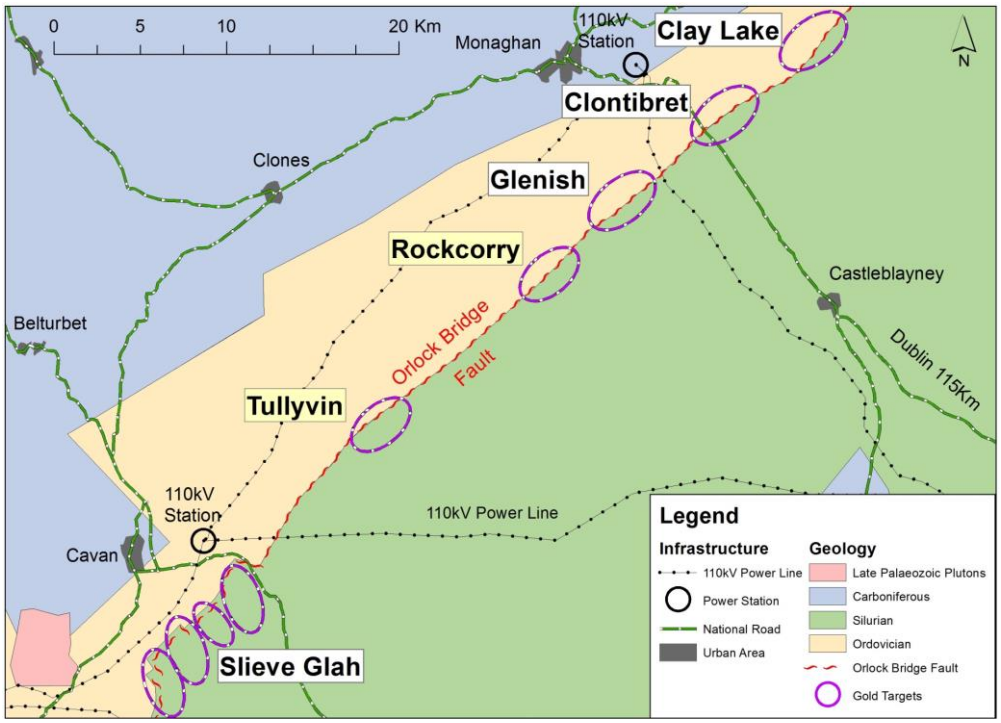
- A mining cost of US$1.88/t
- Processing costs of US$13.04/t
- G&A costs of US$1.0/t
- A strip ratio of 9.4:1
- Gold recovery:84%

Infrastructure

The entire licence area is blessed with excellent infrastructure. (Exhibit 7) The N2 highway passes within 2km of the Clay Lake-Clontibret prospects whilst the N54 passes across the top of the licences. In addition, there are two 110kV power lines which traverse the Orlock Bridge Fault and a third 110kV line which runs parallel to all the prospects and is never further than 5km away. There is plenty of water.

There are a number of urban areas within short commuting distances and no housing or accommodation will need to be built. Skilled labour and technical services are available in the general area. The Clay Lake –Clontibret area is approximately 115km from Dublin, and less than 100km from Belfast on excellent roads suggesting that senior staff may wish to commute.

Exhibit 7: Gold Targets, Geology and Infrastructure at Longford-Down gold trend



Source: Conroy Gold

Mining

It is proposed in the PEA (December 2011) that the mine would be a standard truck and shovel operation with the rock being hauled to one of the primary crusher, the ore stockpile or the waste rock dump as appropriate. It was also proposed that the mine be owner operated except for the drill and blasting which would be contracted out.

The pit was designed using 10m benches. It proposed using 7m^3 hydraulic shovels and 56t trucks which can be loaded in four passes and have a cycle time of 3 minutes.

It would appear to BHC that the capital costs could be reduced by contracting out the stripping, whilst keeping the more delicate mining of the ore in-house. This would result in the mine management having direct control over the mining and grade control.

Metallurgy

Significant metallurgical test work has been conducted since 1984 when Robertson Research worked on three composite samples. There findings have not changed and still form the basis for the plant design. These findings were:

- The bulk of the gold is associated with arsenopyrite
- A fine grind is critical in liberating the sulphides and the associated gold but that this was difficult to achieve without generating excessive slimes through overgrinding
- Bulk flotation response was very good and gold recovery of up to 92% in a concentrate grading approximately 250g/t was considered attainable.

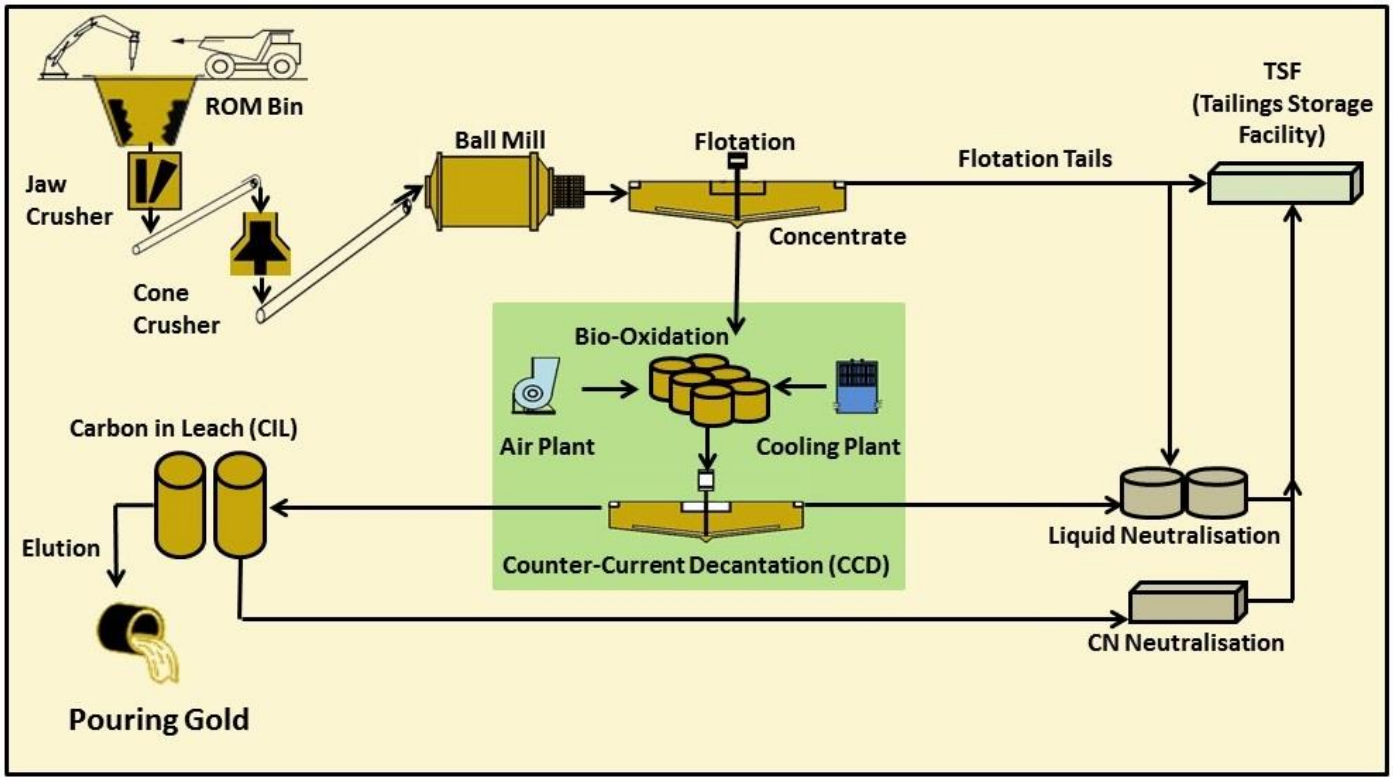
Later more detailed studies indicated that increased gold recovery beyond a grind size of 106 microns only gave marginal improvements and that bio-oxidation was an acceptable process route. Additionally, the BIOX® amenability test work and the neutralisation of the BIOX® liquor demonstrated that the Clontibret ore is amenable to BIOX® and the BIOX® liquor can effectively be neutralised while producing stable arsenic precipitates.

This gave rise to a standard plant design with the run of mine ore being delivered to a stockpile in front of the primary crusher. It will then pass over a grizzly before being fed to a jaw crusher to reduce the size to minus 125mm. The ore is then screened again, with the oversize being fed to a secondary crusher before being fed to a live ore stockpile.

The ore from the live ore stockpile will be fed to a single stage grinding circuit in closed circuit with hydrocyclone classifiers with the hydrocyclone overflow gravitating to the flotation plant. The concentrate from the flotation plant will be fed to the BIOX® plant where the slurry temperature is maintained between 40 and 45^{0}C. Once the concentrate has been oxidised in the BIOX® plant it will pass to a CCD circuit to separate the solids and liquids plus, wash the solids which will then proceed to a standard CIL circuit. The liquor from the CCD circuit will be neutralised and mixed with the CIL tailings and pumped to a tailings residue dam.

The loaded carbon will be transferred to the gold room for the production of dore.

Exhibit 8: Conceptual Process Flow Sheet



Source: Conroy Gold

Gold was discovered at Clay Lake

The Clay Lake target was named after the Clay Lake Nugget which was discovered in the mid 1980's. The Clay Lake Nugget has a gold content of 28g. It is now on display in the Ulster Museum in Belfast.

Gold in bedrock was discovered at the Clay Lake target in early 2001 by trenching. The initial discovery was at the Cargalisgorran target, to the north west of the lake where the nugget was discovered. Three parallel mineralised structures were discovered, at relatively shallow depths and contained economic grades of gold. They extend for 150m along strike and remain open along strike and at depth. Important intersections at Cargalisgorran include 21.5m grading 2g/t, 6.6m grading 6.2g/t and 12.0m grading 2.2g/t.

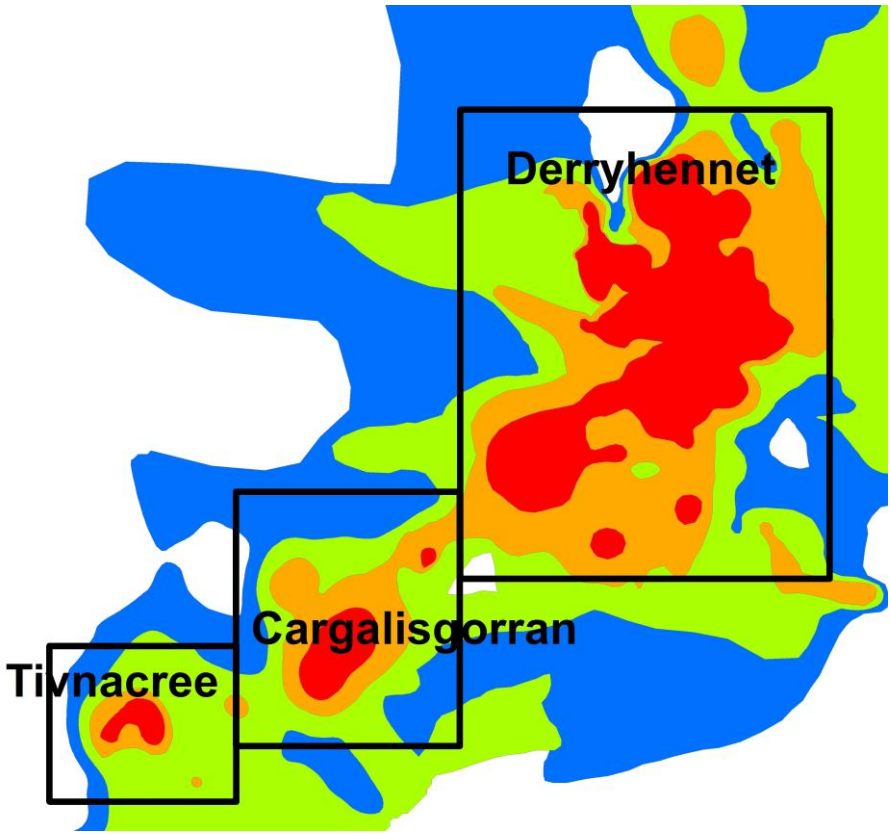
In late 2002, an area of bedrock mineralisation was discovered at Tivnacree, just 1.2km south-west of Cargalisgorran. Trench sampling at Tivnacree returned a best value of 1.6g/t gold over 5m which is comparable to the initial results from trenching at Cargalisgorran.

A new gold in soil anomaly at Derryhennet was discovered in early 2009 which was bigger than the original Clontibret discovery. The first drilling at Derryhennet was conducted in 2009. Positive results were announced in January 2010. Important intersections at Derryhennet include 5.0m at 3.0 g/t gold (trenching). The Derryhennet target contains the longest continuous gold intercept ever made in Ireland or the British Isles, 100m grading 0.6g/t.

The Cargalisgorran, Tivnacree and Derryhennet targets form constituent parts of the overall Clay Lake gold target (exhibit 9). Most of the Clay Lake gold target still remains to be tested.

Some intersections of drilling results are shown in Exhibit 10. Since the orientation of any structure is as yet undefined only drilled length can be given rather than estimated true width. Drilling has continued to establish the dimensions of the mineralised zone in this area. Currently the Cargalisgorran prospect has had 19 diamond holes drilled in it for a total of 1,453m.

Exhibit 9: Location of Prospects at the Clay Lake Target



Source: Conroy Gold

Exhibit 10: Examples of Gold Intersections at Clay Lake

Hole Number	From (m)	To (m)	Length (m)	Gold (g/t)
CAL1	16.5	38.0	21.5	2.0
CAL2	14.7	24.0	9.3	1.9
CAL9	28.5	29.5	1.0	4.1
CAL10	17.0	23.6	6.6	6.2
CY-09-02	22.5	25.5	3.0	1.6
CY-09-02	90.5	150.5	60.0	0.6
CY-09-10	25.0	125.0	100.0	0.6
Trench				
CYT1	73.0	78.0	5.0	3.0
CALT7	15.0	27.0	12.0	2.2

Source: Conroy Gold

Glenish

The Glenish gold prospect was discovered in September 2004, when bedrock gold mineralisation, 1.0m @ 9.4g/t was discovered. Apart from the drilling in 2016, very little work has been carried out on this prospect since its discovery. The Glenish target lies adjacent to where a major structure, the Glenish Fault, which intersects the Orlock Bridge Fault.

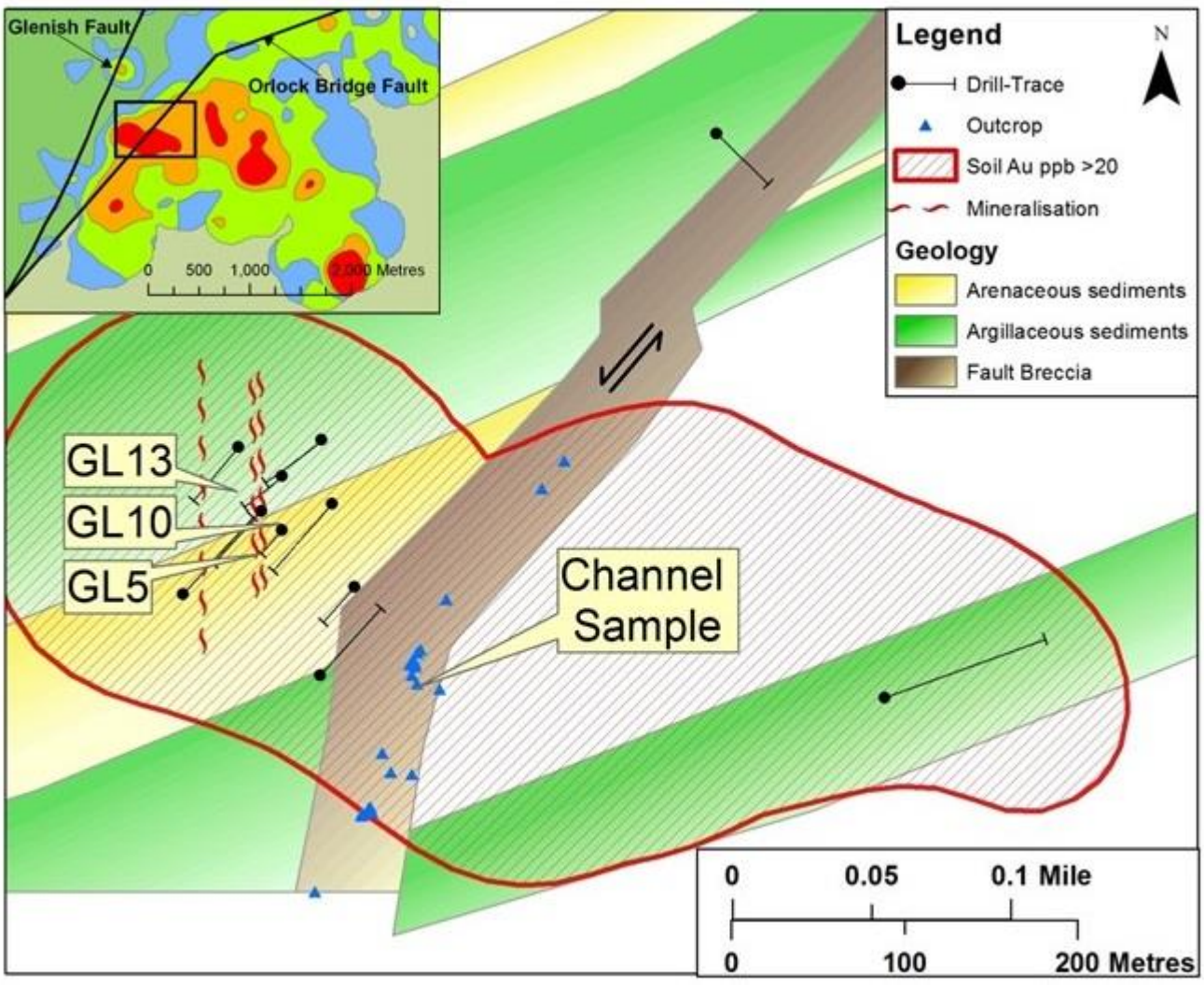
The Glenish gold target is an extensive geochemical gold anomaly 7km southwest of Clontibret as shown in Exhibits 2, 3 and 7. The Glenish gold target is a large, 1.5km^2 gold-in-soil anomaly, making it slightly larger than Clontibret. Four new gold zones were intersected by drilling in the first half of 2016. They occur in a 150m wide structural corridor in the western part of the Glenish gold target.

These drilling results included intersections of:

- 2.25m grading 2.65 g/t gold at a depth of 18m;
- 2.00m grading 1.59 g/t gold at a depth of 27.75m;
- 2.75m grading 1.43 g/t gold at a depth of 36m; and
- 3.00m grading 1.76 g/t gold at a depth of 64.25m.

The gold mineralisation in bedrock in the drilling area was traced down dip for over 70m and remains open in all directions.

Exhibit 11: Location of drill holes at Glenish



Source: Conroy Gold

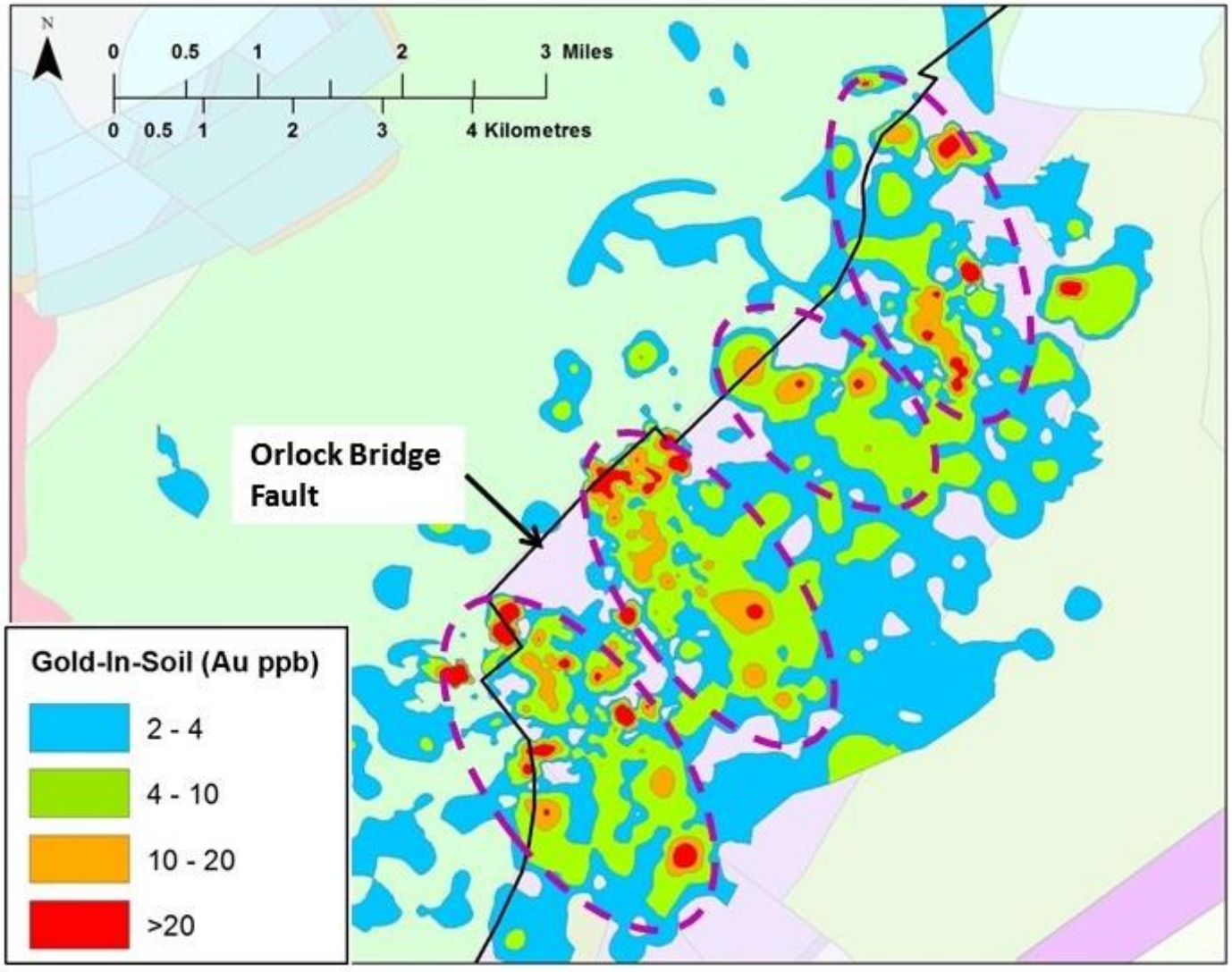
Slieve Glah

The Slieve Glah area is approximately 40km south-west of Clontibret. at a point where the Orlock Bridge Fault, undergoes a significant strike swing. Such strike-swings can act as focal points for mineralisation such as dilation zones.

Rock chip samples of up to 1.7 g/t gold have been recovered and gold-in-soil geochemistry suggests that there are a series of large (3km long) gold targets at Slieve Glah.

Slieve Glah is regarded as a large and very promising target area which remains to be tested.

Exhibit 12: Slieve Glah-Geology and Gold Target Anomalies



Source: Conroy Gold

The Central Structural Zone

Airborne geophysics suggests the presence of a complex structural zone, which could be conducive to the circulation of mineralising fluids, in the central area lying between Glenish and Slieve Glah. A large geochemical gold-in-soil anomaly, Tullyvin has been discovered in the area. The Tullyvin target remains to be tested.

Rockcorry

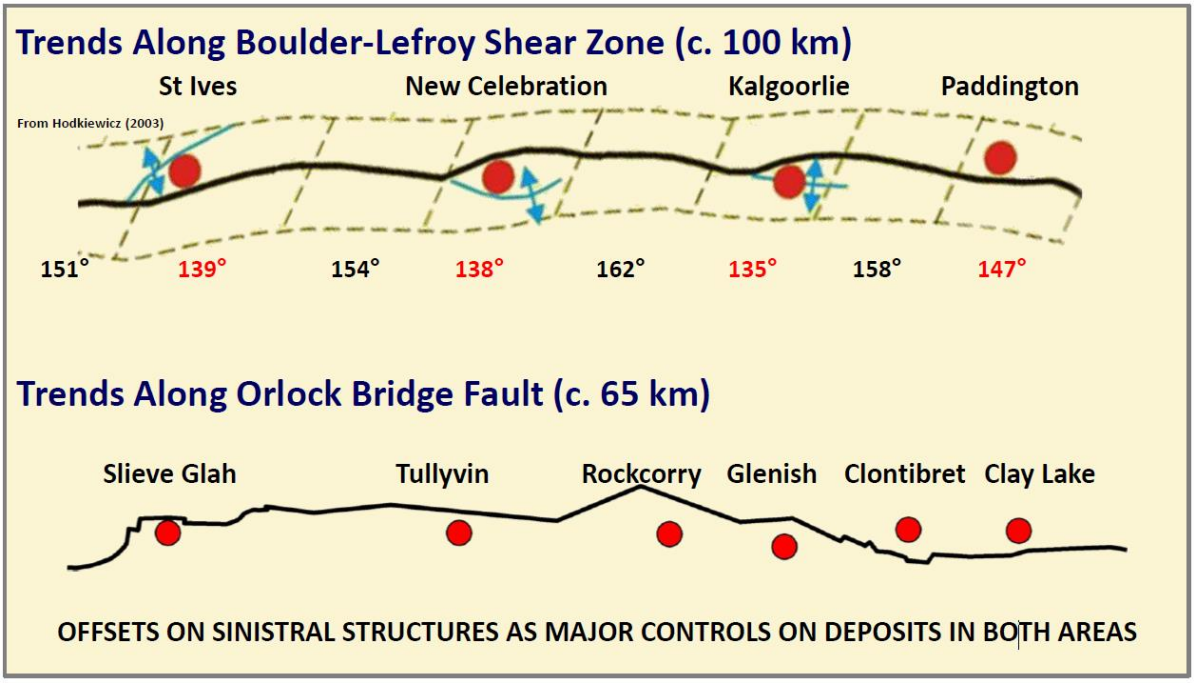
The Rockcorry target is an extensive gold in soil anomaly, which remains open. The target which lies adjacent to the Orlock Bridge Fault was discovered approximately 7km south west of the Glenish gold target. The Rockcorry area remains to be tested.

Gold Trend Comparisons with the Orlock Bridge Fault

The structural controls on gold mineralisation associated with the Orlock Bridge Fault have been the subject of research by Conroy Gold. The company believes an appropriate analogue with the Orlock Bridge Fault is the Boulder-Lefroy Shear Zone in Western Australia. Both structures are regional features of a similar scale, both are interpreted to have focused gold mineralising fluids and both host deposits / mineralisation in close proximity to the fault. The Boulder - Lefroy Shear Zone has had decades of detailed exploration and 85 million ounces of gold have been discovered. The Orlock Bridge Fault is underexplored

This is similar to the Orlock Bridge Fault, which was formed when what was the tectonic plate containing the south of Ireland and England collided with the tectonic plate containing the north of Ireland and Scotland. Both structures are regional features of a similar scale, both are interpreted to have focused gold mineralising fluids and both host deposits / mineralisation in close proximity to the fault.

Exhibit 13: Gold Trend Comparison



Source: Conroy Gold

As the illustration above shows mineralisation in Conroy Gold's licences also occurs on sinistral structures acting as major controls. To the west, the Orlock Fault dips and has been covered with sediments and any gold deposits are likely to be deep. To the northwest, the trend continues across Northern Ireland and into Scotland as shown in Exhibit 15, page 29.

Exploration Target

Exhibit 14: Clay Lake- Clontibret – Glenish Gold Target: Estimates of Potential Contained Ounces of Gold

Potential grade in g/t Au									% Drilling success
1.00	1.50	2.00	2.50	3.00	3.50	4.00	4.50	5.00	
13.2	19.8	26.4	33.0	39.7	46.3	52.9	59.5	66.1	15%
8.8	13.2	17.6	22.0	26.4	30.9	35.3	39.7	44.0	10%
4.4	6.6	8.8	11.0	13.2	15.4	17.6	19.8	22.0	5%
2.2	3.3	4.4	5.5	6.6	7.7	8.8	9.9	11.0	2.5%
Contained Au (M Oz)									

Source: Conroy Gold

The table represents an 'Exploration Target' under the JORC Code (2012) and does not include the Clontibret deposit. The area considered in the construction of the Exploration Target is adjacent to the Clontibret deposit in the southwest to the Clay Lake deposit in the northeast and Glenish in the southwest.

The grade and tonnage relating to the Exploration Target is conceptual in nature and the geological information used in its construction includes actual geochemistry, trenching, drilling and associated assays. The calculations are based on coherent gold in soil anomalies (usually greater than 10ppb Au) and representative ranges of the above listed exploration data extrapolated to a depth of 200m.

An Exploration Target is not, and must not be construed as, a Mineral Resource. It is designed to provide guidance to the mineral exploration potential of the defined area.

(The Exploration Target was prepared by EurGeol Prof. Garth Earls PGeo, FSEG according to Australasian Joint Ore Reserve Committee (JORC) Guidelines.)

Styles of Gold Mineralisation on Conroy Gold's Licences

BHC believe that there are at least three different styles of gold mineralisation existing on the Conroy Gold Licences.

1. Refractory Ore

The Clontibret deposit is refractory, which accounts for the recovery of 84%. At this deposit, all the gold is associated with arsenopyrite. This enables a floatation plant to recover an auriferous arsenopyrite concentrate which is treated through a BIOX® plant before the gold is recovered using standard CIL technology.

2. Gold/silver Ore

The gold that occurs at Clay Lake is associated with silver that is not thought to be refractory. The orebody does contain pyrite and carbon. BHC had originally thought the Clay Lake material could be ideal for a heap leach, but the carbon content may thwart this idea.

3. Gold with quartz

The Clay Lake Nugget was discovered in the mid 1980's and has a gold content of 28g. It is now on display in the Ulster Museum in Belfast. This is an interesting find as the nugget is associated with quartz and suggests the presence of a further style of mineralisation, the source of which has not yet been discovered.

Company Valuation

Background

BHC has reviewed the valuation for both an exploration and development viewpoint.

BHC have picked Golden Rim, Calidus Resources and Tietto Minerals for more detailed comparison. The reasons we have chosen these three companies as comparatives is that they have multiple leases/licences/tenements over long trends, with multiple orebodies occurring along these trends. Similarly, they have all only drilled the top 100m of their orebodies, as they focus on open pit mining. Again, the next round of drilling is expected to explore the at depth continuations of the orebodies.

Conroy Gold

Conroy Gold, and its predecessors have drilled a total of 189 holes for 22,199m so far, but the actual resource is based on 68 holes for a total of 9,828.7m of drilling. This does not include the current programme of 10 holes which have been drilled. The results of 8 of these holes are in the public domain, and the last 2 are currently being logged. These 10 holes will certainly add ounces to the current JORC resource.

Golden Rim

In the case of Golden Rim, they have 15.7km of strike length, and as yet have only explored 3.2km of it. This has yielded an Indicated and Inferred Resource of 1M oz at a grade of 1.5g/t in 20.8Mt. In achieving this they have drilled 311 RC holes for 40,720m and 12 diamond drill holes for a further 1,513m and have not yet explored below a depth of 90m. All of the current resources are in an area known as Kouri which occurs within the Banouassi Prospect.

The company is planning a 12 month drilling campaign to further expand and upgrade their resources. The first success came with the discovery of a new zone, called Red Hill, which was announced on the 16 July 2018. Previous auger drilling around Red Hill had defined a 600m long x 150m wide gold-in-auger anomaly, with results up to 435 ppb gold, which is coincident with a 3km long northeast-trending IP chargeability high anomaly and a prominent bend in an extensive east-west trending magnetic high anomaly. Approximately 1km to the west-southwest of Red Hill, along the same magnetic anomaly, previous drilling by Golden Rim intersected 4m at 9.2 g/t gold in hole NKRC005. The orientation of the IP chargeability high anomaly is oblique to the surrounding chargeability anomalies and may be associated with a cross-cutting structure.

In our analysis we have ignored the Chilean lead/zinc asset of Golden Rim which is currently for sale.

Calidus Resources

Calidus currently has an Indicated Inferred Resource of 712k oz contained in 10.5Mt of ore grading 2.11g/t. These resources occur in three distinct deposits, all open pittable, with at least one other target known to contain gold. Calidus has announced a 30,000m drilling campaign to extend the resources at each of its 3 known orebodies and define the fourth. The initial results, as detailed in the June quarterly report are very promising.

Tietto Minerals

Tietto is interesting as it is the only company in our comparisons that is spread over two countries, Cote D'Ivoire and Liberia, whereas the resource figures only apply to the Abujar deposit in Cote D'Ivoire. It declared its resource after 13,000m of drilling and has since announced a 40,000m RC and DD drilling campaign to expand the current resource and have stated "the entirety of half cores with visible gold is currently being assayed." In BHC's opinion this is likely to increase the grade due to the nugget effect.

Investment Attractiveness

One of the key aspects of our comparison is that two companies, Conroy Gold and Calidus are in stable western world countries, whilst Golden Rim and Tietto work in third world countries. In fact Ireland was rated the 4th best country in the world for investment based on the Investment Attractiveness Index by the Frazer Institute. This placed it above Western Australia which ranked 5th. Further, using the Policy Perception Index as a measure, the Republic of Ireland came first for the fifth year in succession.
The locations of the projects are very important for 2 key aspects of developing a mine:

i. The tax regime
ii. Infrastructure

Tax Regimes

The West African countries tend to call for the government to have a free carried interest, typically 10%, with the Cote D'Ivoire giving a tax free holiday of 5 years, a 25% corporate tax rate and a 3% royalty. Australia has no free carry by the government and no tax free period, but does have a 30% tax rate currently and a 5% royalty. Ireland is very similar to Australia, but the tax rate is 25% and a negotiable royalty rate of circa 1.75%.
In Burkina Faso, the government takes a free carried interest of 10% and the tax rate is circa 27%. The royalty applicable varies between 3% and 5% dependent upon the gold price.

Infrastructure

With regards to infrastructure, Ireland wins hands down. Calidus, Golden Rim and Tietto all have projects that are remote, probably require fly in-fly out operations and diesel generated electricity. Conroy Gold's project is located just off a main road has ready access to high tension lines and whilst we doubt whether this will happen, is quite commutable from both Dublin and Belfast, the respective capitals.

Company	Tonnes Mt	Grade g/t	M oz	No of targets	Cut-of grade g/t	Country	EV/Recourse US$/oz
Conroy Gold	8.05	2.0	0.517	4	1	Ireland	7.2
Golden Rim	20.8	1.5	1.001	2	0.5	Burkina Faso	4.3
Calidus	10.5	2.11	0.712	4	0.5	Australia	44.7
Tietto	10.4	2.1	0.704	4	0.4*	West Africa	17.2

* The 0.4g/t refers to material within the pit shell. An 0.8g/t cut-off is applied to material below the pit shell to a depth of 180m.

Conclusions

There are several conclusions to be drawn from this brief analysis:

1. Ireland is not widely recognised as a destination for gold exploration despite the best endeavours of Dalradian

2. Conroy Gold has outlined a resource of 0.5M oz. with relatively limited drilling.

3. Conroy Gold has suffered along with the majority of junior mining companies and in particular pre-cash flow companies. The market cap of £3.6M effectively represents an option value on developing its Irish gold projects. We have valued the company on the basis of its 100% interest in the advanced Clontibret Gold project.

4. The average EV/Resource in this peer group is US$18.3 , therefore, should Conroy Gold be able to demonstrate say a 2M oz resource we believe that it should earn a valuation closer to that of Calidus (given the tax and infrastructure position in Ireland). Given a sustained drilling programme that increased the ore resources above 1M oz whilst maintaining a 2g/t head grade, BHC would expect to see Conroy Gold's market capitalisation increase to circa £20M. A positive feasibility study for a 100k oz pa mine could push this figure higher.

5. The capital markets rapidly awards companies that can provide sufficient confidence to the market that they have a project worthy of development. In the event that Conroy Gold can escalate further drilling and prove up the geological thesis along the Longford Down Massif this will catapult the company to being valued more accurately and more importantly in an upwards direction.

6. Finally, there is a shortage of high quality gold exploration assets in the market following chronic under investment in the sector in the last 10 years. If Conroy Gold can demonstrate their projects deliver exploration success across the 65km trend then we believe that major gold companies will find the land position attractive for longer term development.

Mining Scenario at Clontibret

We have valued the Clontibret Gold Project using Net Present Values with the pit optimised using a Whittle pit shell based on a gold price of US$1372/oz.

Initially we based our valuation on the Preliminary Economic Assessment conducted by Wardrop in December 2011, adjusted for the forecast BHC gold price which is itself based on the consensus Bloomberg forecast.

We modelled the operation on a quarterly basis. This plan called for open pitting with the highest rate of stripping in years 5 to 7. The scenario has mining royalties of 1.75% based on revenues. The standard current Irish company tax rate of 25% is applied in both cases.

The NPV is quoted in US dollars and is quoted after tax, and unfinanced.

The assumptions for the open pit start scenario are:

Gold price	US$1319
Gold Grade	1.53g/t
Mining Rate	800,000tpa
Strip ratio	9.4:1
Annual gold production	33.6koz
Discount rate	10%
Mining cost	US$2.08/t
Processing cost	US$12.00/t
G&A costs	US$1.00/t
Capex	US$41.8M
Sustaining capex (LOM)	US$10.0M
NPV (10%)	US$39.8M
IRR	34.5%

The forecast gold production exceeds 40K oz pa for the first 6 years.

It must be remembered that the orebody has not yet been fully delineated, and the current drilling has only focused on the top 100m of the orebody. It remains open at depth and there are sufficient intercepts wide enough with sufficient grade to support an underground operation. The current drilling programme will certainly add ounces to the resource, but at this stage it remains too early to comment on its impact on tonnes and grade.

Considering that the above valuation is based on a PEA conducted in 2011, and the Resources have been upgraded significantly since that time, we have run the model using the 2017 Resource figure. BHC did not change any of the costs or capital expenditures, just the grade. In our methodology, we processed all the indicated and inferred resources from the lodes first at a grade of 2.1g/t and then processed the stockworks grading 1.2g/t until all the resource was depleted. We consider it fair to use 100% of the resource as we expect it to be upgraded before too long. Normally there is a loss associated with the conversion of resources to mineable reserves. This scenario produced 470k oz of gold with an average life of mine gold production of 41k oz pa.

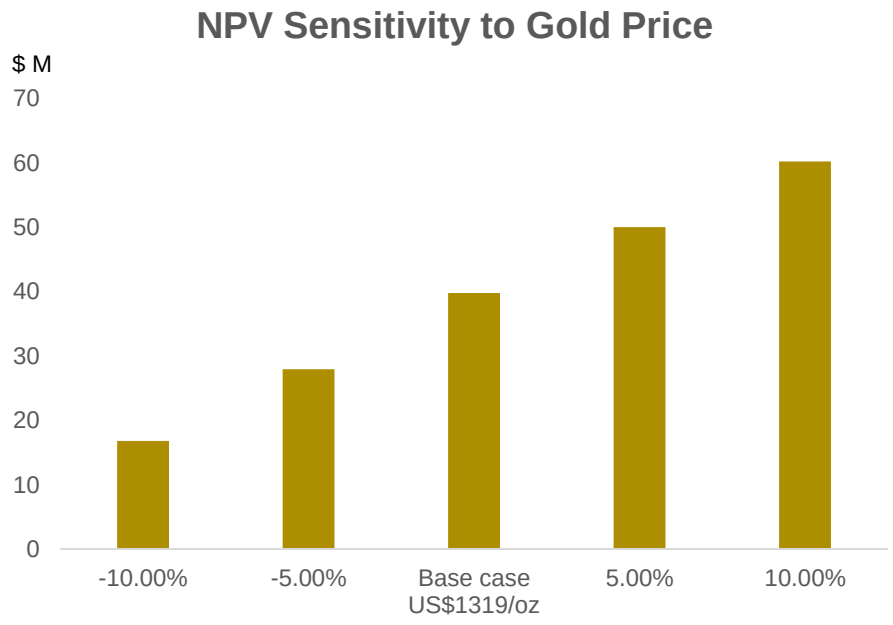
Under this scenario, the valuation, based on net present values and a 10% discount rate was US$81.6M, for the project, after tax, but unfunded. It yielded an internal rate of return of 43.9%.

The ore resources have been calculated using a cut-off grade of 1g/t. However, by calculation, it can be determined that any gold bearing ore that has to be mined to gain access to the ore-body, only has to cover the cost of being milled to become ore. BHC have calculated that any blocks that grade above 0.4g/t should be stockpiled and processed either when the mill is short of ore or at the end of the mine life.

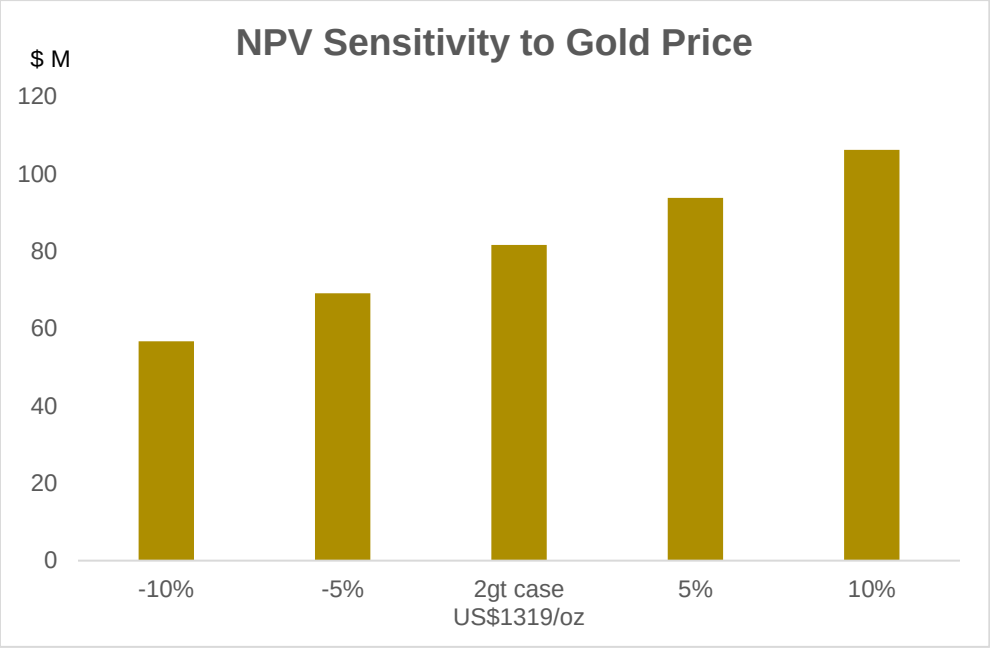
Sensitivity to metal prices

BHC has run the sensitivity of its production model for Conroy gold at gold prices between -10% and +10% of the base case US$1319/oz.

When these changes in gold prices were applied to the base case, 1,53g/t resource, the following results were obtained.



Applying the same criteria to the more realistic 2g/t resource scenario, given the higher grade of the current ore resources, the sensitivity was:



Investment Risks

Mining & Metallurgy

The ore at Clontibret is refractory, metallurgical test work conducted so far has shown that a recovery of approximately 85% can be achieved using the established BIOX®, treatment process. We see the mining and metallurgical processes as low risk.

The original concerns relating to the fine grind appear to have been overstated, and certainly since the campaign was conducted, fine grinding technology has improved significantly.

No metallurgical test work has been conducted on the Clay Lake, Glenish and other targets.

Geology

There appears to be very little geological risk, with the projects having had a JORC compliant resource since 2008. The PEA demonstrated a grade of 1.6 g/t gold to be technically and financially viable and the grade has increased to 2.0 g/t gold as result of drilling results and geological interpretation showing lode continuity. Grade should not therefore be a problem.

Country

The Republic of Ireland is generally perceived as being pro mining and in recent years there have been a number of world class mines operating. In the main, they were all underground. However, there is a large open-pit mine in County Monaghan, the same county as the Clontibret Deposit, and a number of large quarries throughout Ireland. The Tara mine, one of the largest zinc mines in the world, operates around the town of Navan

Financial

As with any small mining companies wishing to bring a mine into production, the financial risk is always a question. The transition from explorer to producer is often difficult and requires a different mind-set.

Gold Price

The gold prices are subject to fluctuation in world markets and is dependent on such factors as and demand, global economic trends and geo-political stability. These problems can be mitigated or even overcome using conservative pit shell designs and through mechanisms such as hedging.

Appendix A – Directors & Senior Management

Professor Richard Conroy — Chairman

Professor Richard Conroy has been involved in natural resources for many years. He founded Trans-International Oil, which was primarily involved in Irish offshore oil exploration. Trans-International Oil initiated the Deminex Consortium which included Deminex, Mobil, Amoco and DSM. Trans-International Oil merged with Aran Energy plc in 1979, which was later acquired by Statoil.

Professor Conroy also founded Conroy Petroleum and Natural Resources P.l.c. ("Conroy Petroleum"). Conroy Petroleum was involved in both onshore and offshore oil exploration and production and in mineral exploration. In 1986 it discovered the Galmoy zinc deposits in County Kilkenny later developed as a major zinc mine. This discovery by Conroy Petroleum led to the revival of the Irish base metal industry and to Ireland becoming an international zinc province.

Conroy Petroleum was also a founding member of the Stoneboy consortium, which included Sumitomo, which discovered the Pogo gold deposit (xx oz) in Alaska, now in production as a world class gold mine.

Conroy Petroleum acquired Atlantic Resources plc in 1992 and subsequently changed its name to ARCON International Resources plc ("ARCON"). ARCONs oil and gas interests were transferred to form Providence Resources plc. ARCON was later acquired by Lundin Mining Corporation.

Professor Conroy founded Conroy Diamonds and Gold p.l.c in 1995. The diamond interests are now held by Karelian Diamond Resources plc, chaired by Professor Conroy and the gold interests by Conroy Gold and Natural Resource plc.

Professor Conroy served in the Irish Parliament as a Member of the Senate. He was at various times front bench spokesman for the Government party in the Upper House on Energy, Industry and Commerce, Foreign Affairs and Northern Ireland. Professor Conroy is Emeritus Professor of Physiology in the Royal College of Surgeons in Ireland.

Maureen T. A. Jones — Managing Director

Maureen Jones has over twenty years' experience at senior level in the natural resource sector. She has been Managing Director of Conroy Gold since 1998 and was a founding director of the Company. Also a director of Karelian Diamond Resources, she joined Conroy Petroleum and Natural Resources P.l.c. on its foundation in 1980 and was a director and member of the board of Conroy Petroleum / ARCON from 1986 to 1994. Miss Jones has a medical background and specialised in the radiographic aspects of nuclear medicine before becoming a manager of International Medical Corporation in 1977. Miss Jones is also Company secretary.

Professor Garth Earls — Non-Executive Director

Garth Earls is Consulting Economic Geologist and Professor in the Department of Geology, University College Cork. He has been a Board Member and Managing Director of both AIM and TSX listed companies and has worked globally on a wide range of gold and base metal projects. In the 1980s he was part of the team that discovered the Curraghinalt gold deposit in Co. Tyrone. He is a former Director of the Geological Survey of Northern Ireland and former Chairman of the Geosciences Committee of the Royal Irish Academy.

Dr. Karl Keegan — Non-Executive Director

Karl Keegan has over 20 years' experience in international finance and corporate management. He has worked for a number of major investment banks including Dresdner Kleinwort Benson, UBS and Bank of America and was on the Global Executive Team and Board Director of Canaccord and CFO of Minster Pharmaceuticals plc. He is currently Director of Corporate Development at Shield Therapeutics. Karl has a BSc from University College, Dublin, MPhil and PhD degrees from the University of Cambridge and a MSc in Finance from London Business School.

Brendan McMorrow — Non-Executive Director

Brendan McMorrow has over 25 years' experience in a number of public companies in the oil and gas and base metals mining sectors listed in London, Toronto and Dublin where he held senior executive finance roles. Most recently he was Chief Financial Officer of Circle Oil plc from 2005 to 2015, an AIM oil and gas development and production company with operations in North Africa and the Middle East where he was responsible for all corporate financial and funding matters. Prior to joining Circle Oil Plc Brendan was Chief Financial Officer / Group Finance Manager of Ivernia Inc from 2001 to 2005, a Toronto listed (TSX) base metals mining company which developed and brought into production the Paroo Station lead mine in Western Australia one of the largest lead carbonate mines in the world at the time. From 1988 to 2001 he was Group Finance Manager of Ivernia West plc, a Dublin listed (ESM) base metals mining company which discovered and brought into production along with Anglo American Plc the world class Lisheen zinc mine in Ireland. Brendan is a business graduate of Sligo Institute of Technology and a Fellow of the Chartered Association of Certified Accountants.

Senior Management

Kevin McNulty — Senior Geologist

Kevin McNulty has over 20 years' international exploration experience, primarily in the gold industry. He was involved with Pioneer's (now AngloGold Ashanti's) Teberebie gold mine in Ghana, and with other gold exploration projects in Ghana (including Sefwi and Nangodi). He also worked in Niger and Burkina Faso and South America prior to joining Conroy Gold in 2005. He is a past President of the Irish Association of Economic Geologists, a Fellow of the Society of Economic Geologists, a member of the European Federation of Geologists and a professional geologist of the Institute of Geologists of Ireland.

Andrew Murrells — Senior Geologist

Andrew Murrells has over 10 years of international mineral experience, working in Liberia and Cameroon on gold, iron and uranium exploration projects before joining Conroy Gold in 2011. He was part of the team involved in discovering the billion tonne iron deposit at Nkout in Cameroon. He is the current President of the Irish Association of Economic Geology.

Christopher Attwood — Consultant Mining Engineer

Christopher Attwood is a mining engineer with over twenty years of mining and management experience with a significant focus on open pit gold mining. He has an Honours Degree in Mining Engineering from Camborne School of Mines. His national and international experience in the mining industry includes two years as Production Manager at the Omagh Minerals gold mine at Cavanacaw in Northern Ireland and Mine Operations Manager at the world class Bisha gold mine in Eritrea.

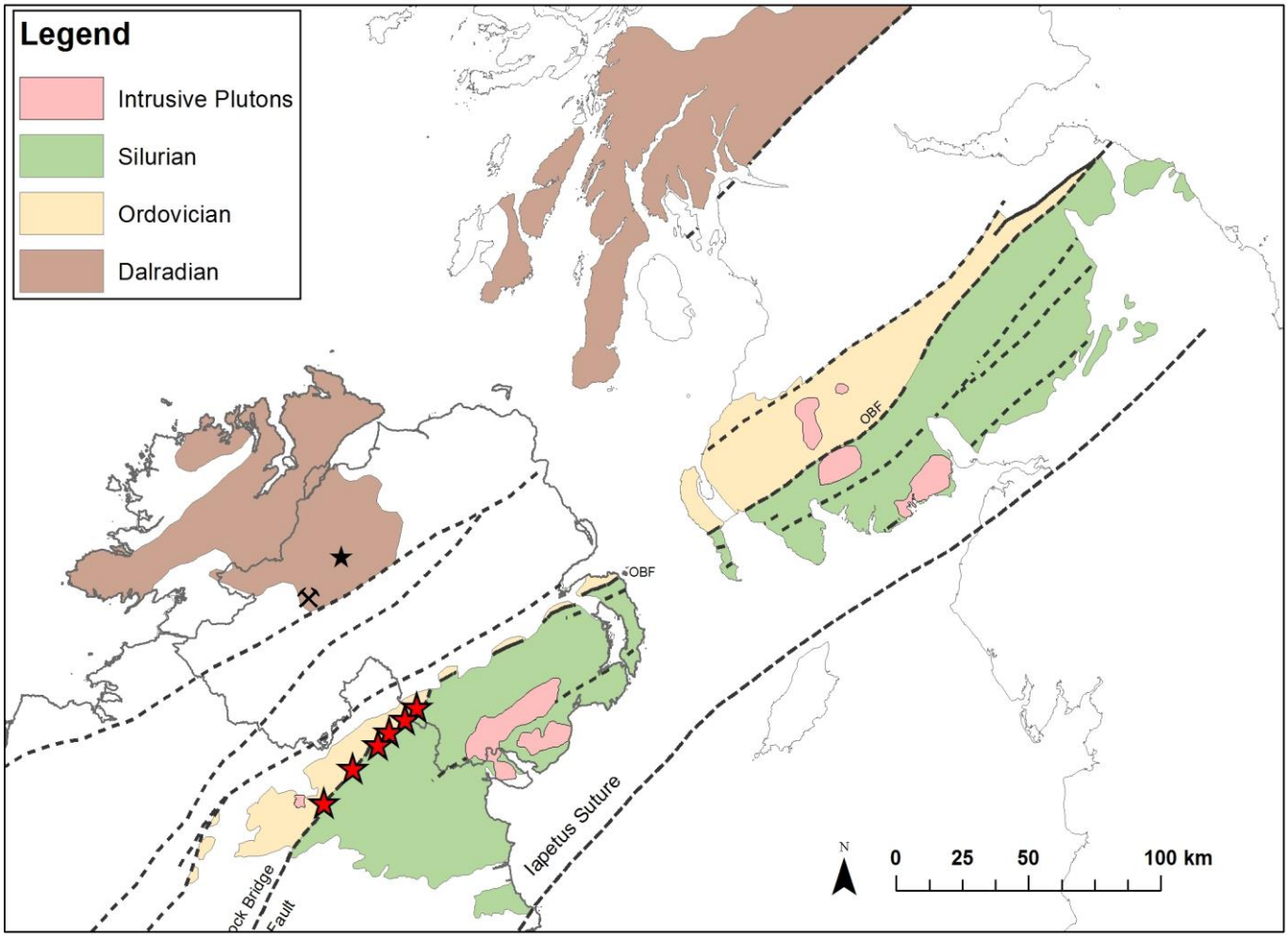
Appendix B - Regional Geology

Conroy Gold's licence area (Exhibit 1.) is located within the lower Palaeozoic geological region known as the Longford – Down Massif in Ireland and covers approximately 700 square kilometres (km^2) from County Armagh in Northern Ireland and across Counties Monaghan and Cavan in the Republic of Ireland.

The Longford–Down Massif and Scottish Southern Uplands represent one of the largest areas of Ordovician and Silurian rocks in the British Isles. Greywackes, of mainly turbidite origin, are the principal rock type with lesser shale and chert. Steep northwest dipping strike faults extend the length of the terrain, dissecting it into a number of fault bounded units. Each of these units contains a stratigraphic sequence of differing age to the adjacent unit. Within Conroy Gold's licences, the Ordovician and Silurian are separated by the Orlock Bridge Fault as shown in Exhibit 15.

The Longford-Down Massif is interpreted to represent a lower Palaeozoic age sedimentary package that formed along the north-west side of the Iapetus Ocean. The Massif is interpreted to be the accretionary prism (obducted sediments) of continental slope, trench and ocean floor sediments generated by a north-northwest directed subduction. An alternative marginal ocean basin interpretation has also been proposed. The Orlock Bridge Fault which can be seen in both Ireland and Scotland is thought to represent a deep-seated structure. The regional geology is shown in Exhibit 16.

Exhibit 15: Regional Structural Geological Setting



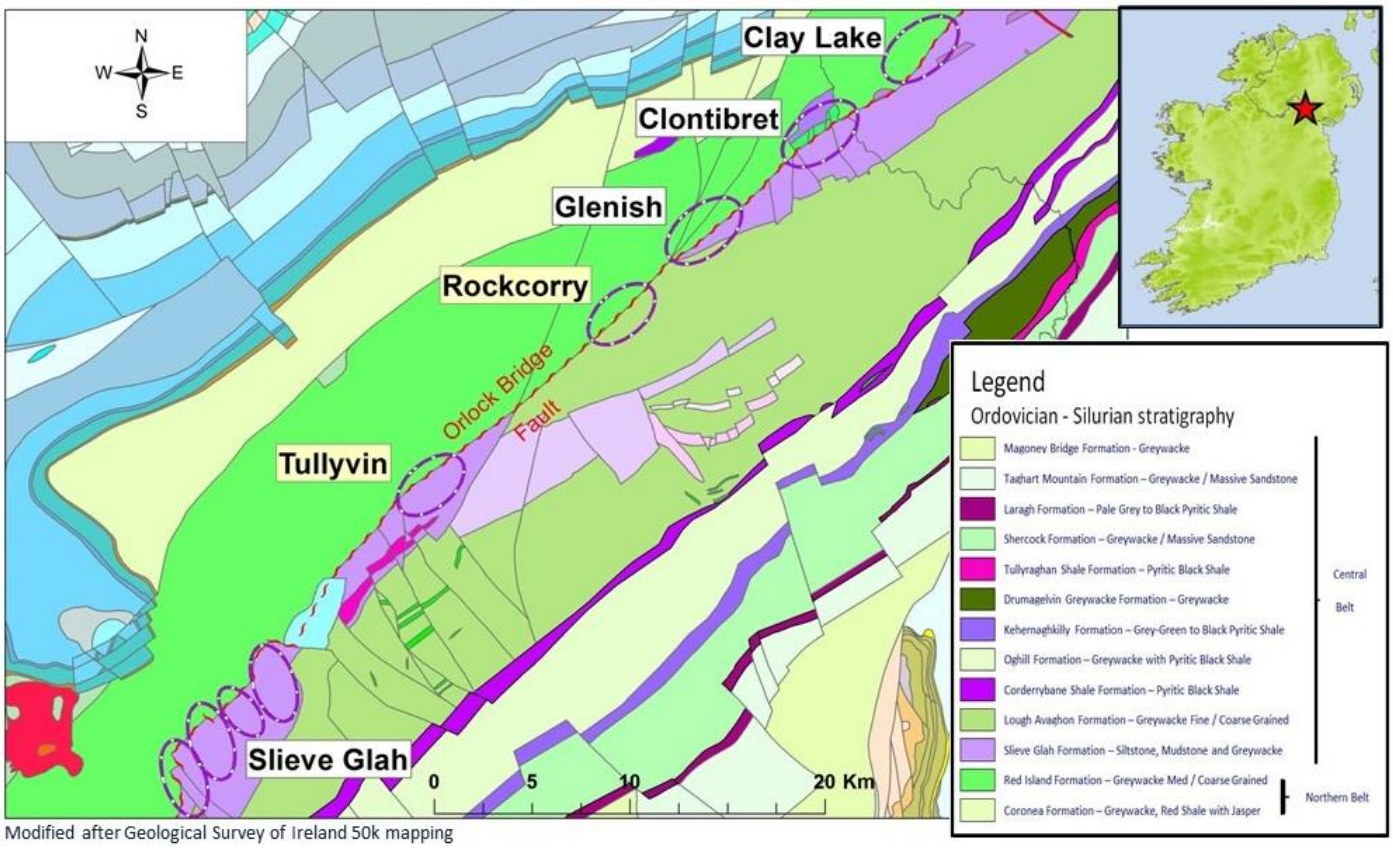
Source: Conroy Gold

The Iapetus Suture Zone is a tectonic boundary resulting from the collision between Laurentia and Avalonia during the early- Devonian closure of the Iapetus Ocean some 400M years ago. It is expressed in the Southern Uplands of Scotland, across the islands of Ireland and Newfoundland and into the Appalachians of North America.

Property Geology

In the main Longford-Down outcrop, both the Ordovician and Silurian rocks are largely of greywacke facies formed in deep water by submarine slumps and turbidity currents. These turbidites are of sandstone grain size and individual beds vary from a few centimetres to a few metres thick with a large proportion of rock fragments within a fine-grained matrix. They are interbedded with siltstones and argillites. The oldest rocks are of Caradoc-Ashgill age forming a North-East to South-West trending strip on the northern boundary of the Longford-Down Massif. North of the Orlock Bridge Fault the Ordovician rocks are comprised of greywackes and shales that rest on agglomerates. South of the Orlock Bridge Fault, Silurian (up to Upper Llandovery) greywackes and siltstones dominate, with a few inliers of Upper Ordovician black mudstones and shales.

Exhibit 16: Geology of the Conroy Gold Licenses and Surrounding Area



Source: Conroy Gold

Most studies in the Longford-own Massif have concluded that the D2 phase of deformation is the dominant deposit scale control on the style and architecture of the gold mineralisation.

In some areas the controls are more brittle, while in others the evidence for ductile deformation creating space is stronger. As evidenced by the ductile and brittle deformation present in the stockwork the strong inference is that much of the deformation occurred in the brittle-ductile zone (c. 10 – 15km depth) and depending on the lithologies and stresses involved one style is dominant over the other. This is consistent with gold mineralisation forming at a depth of c. 10km in an accretionary prism setting and a prehnite – pumpellyite metamorphic grade.

This relationship has resulted in gold mineralisation occurring in different settings (possibly different structural levels) in parts of the Longford-Down Massif Stockworks, fold hinges, extensive crosscutting lodes, shear veins and extensional veins probably represent part of a continuum of structurally controlled depositional sites available for gold precipitation.

All of the current exploration targets lie along the major east-northeast/west-southwest trending geological structure represented by the Orlock Bridge Fault. This feature is considered a major control on mineralisation in the area. Close proximity to igneous intrusive rocks (the Newry Igneous Complex and the Crossdoney Granite), indicates a potential heat source for mineralising ore fluids.

Deposit Types

The Conroy Gold properties dominantly host gold with minor lead and antimony vein-type deposits within shear zones, where the host rocks are greywackes, siltstones and argillites with some mudstones and shales. Lead vein type deposits are also known to occur within the general district.

The veins are emplaced in and along fractures and faults cross-cutting the regional East-northeast – West-southwest lithologies. The turbidite sediments have been deformed and metamorphosed, with igneous intrusives nearby. The veins are typically steep dipping and narrow but commonly occur as sets of parallel or offset veins. Individual veins may vary from a few metres to several metres in thickness and can be traced for a few hundred metres in length and some 200m–300m in depth.

Mineralisation

The Conroy Gold Licence area covers part of the Orlock Bridge fault, a major East-northeast/West-southwest trending geological structure. This feature is considered a major control on mineralisation in the area.

Clontibret Targets

The Conroy Golds licences host a number of occurrences of mineralisation. Only few of which have been explored in any detail by either Conroy Gold or previous operators. The Clontibret target comprises Tullybuck-Lisglassan, Ballygreany, Corkaskea and Fintully.

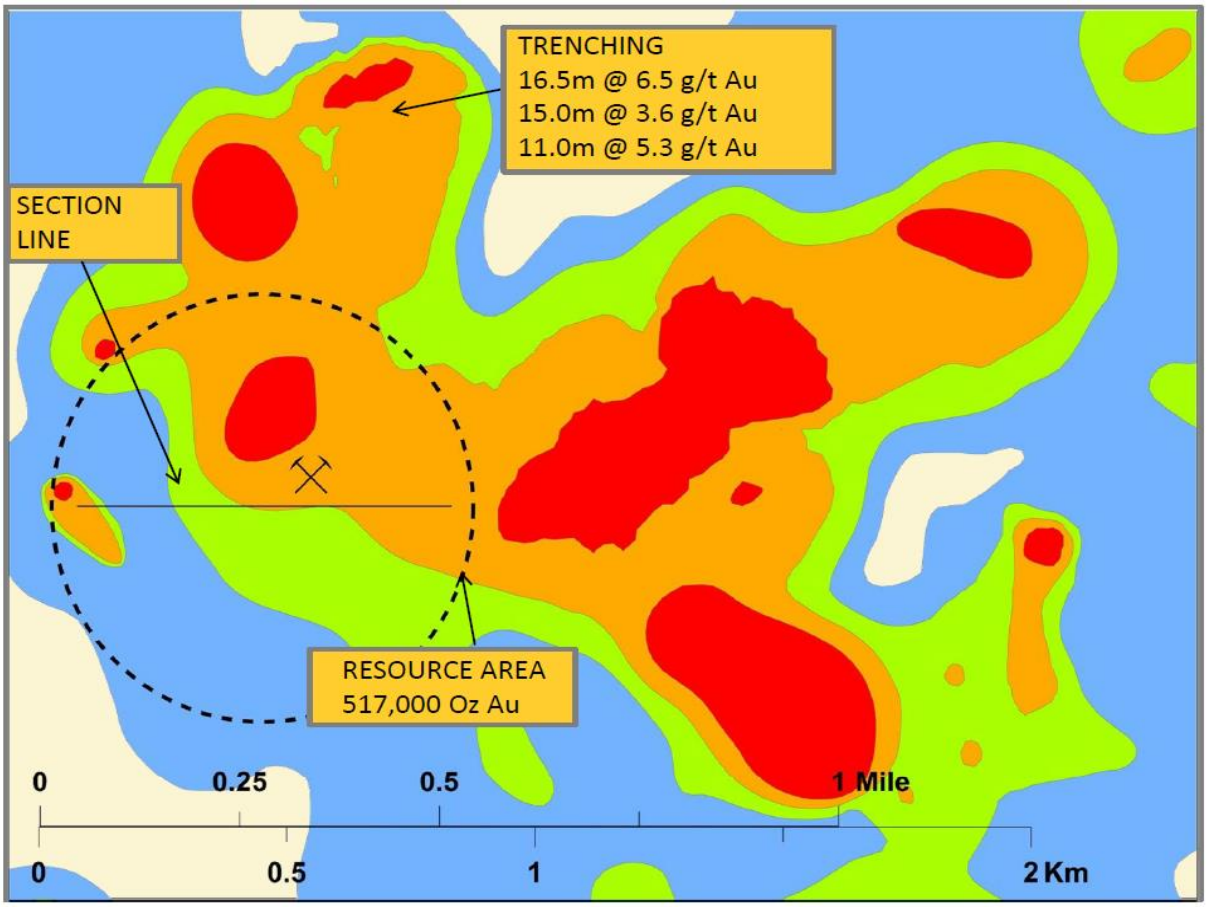
Tulybuck–lisglassan

The Tullybuck–Lisglassan deposit is the focus of the Scoping Study. Mineralisation in the area occurs in two styles: Disseminated gold mineralisation is associated with sulphides in a stockwork zone largely within an arenite sequence. Above and below the stockwork zones and cross-cutting both argillite and arenite sequences, are zones of higher-grade lode-style mineralisation. The latter are prominent cross-cutting mineralised structures.

These appear to be a North-Northwest striking (335 degrees) set of fault structures, which dip at variably steep angles to the West-Southwest.

The sulphide mineralisation, dominantly in the form of arsenopyrite and pyrite, is fine grained throughout, is disseminated in the arenites and concentrated in the core of the lodes. Concentration decreases outwards into the phyllic alteration. Minor sphalerite, chalcopyrite and tetrahedrite are present. The gold mineralisation lies mostly within the arsenopyrite (AsPy) either as sub-microscopic particles or as a true lattice constituent. A small proportion of the gold is particulate.

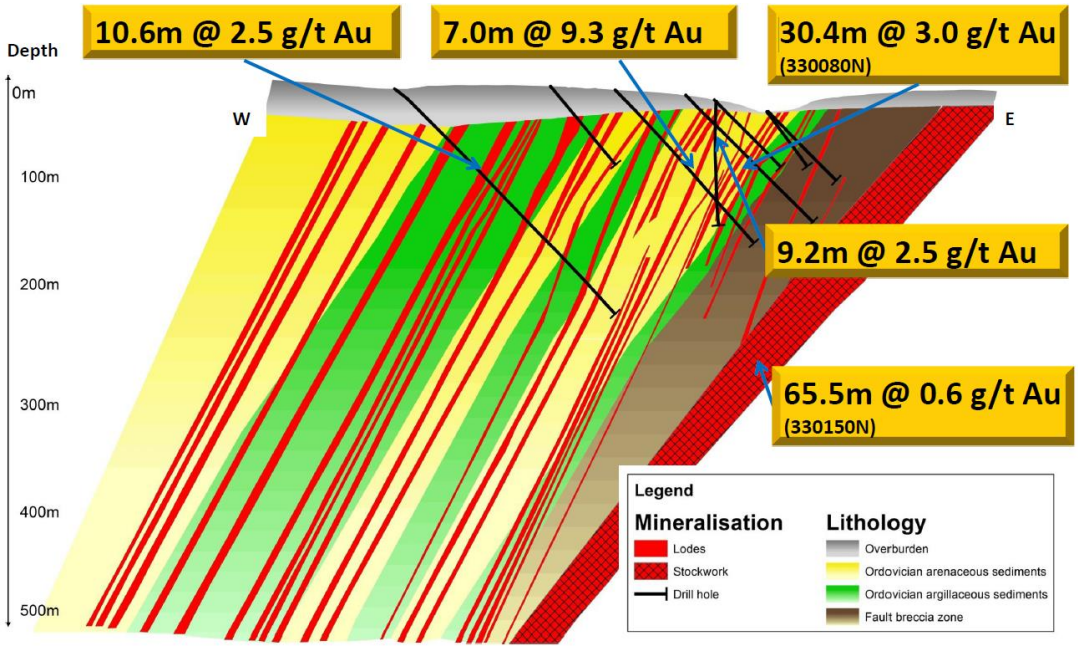
Exhibit 17: Tulybuck-Lisglassan



Source: Conroy Gold

The majority of the lodes at Tullybuck-Lisglassan are open at depth and many open along strike. The stockwork zone is open along strike and down dip. Both represent targets for resource definition drilling and further exploration.

Exhibit 18: Clontibret Gold Deposit-Vertical Cross-Section.



Source: Conroy Gold

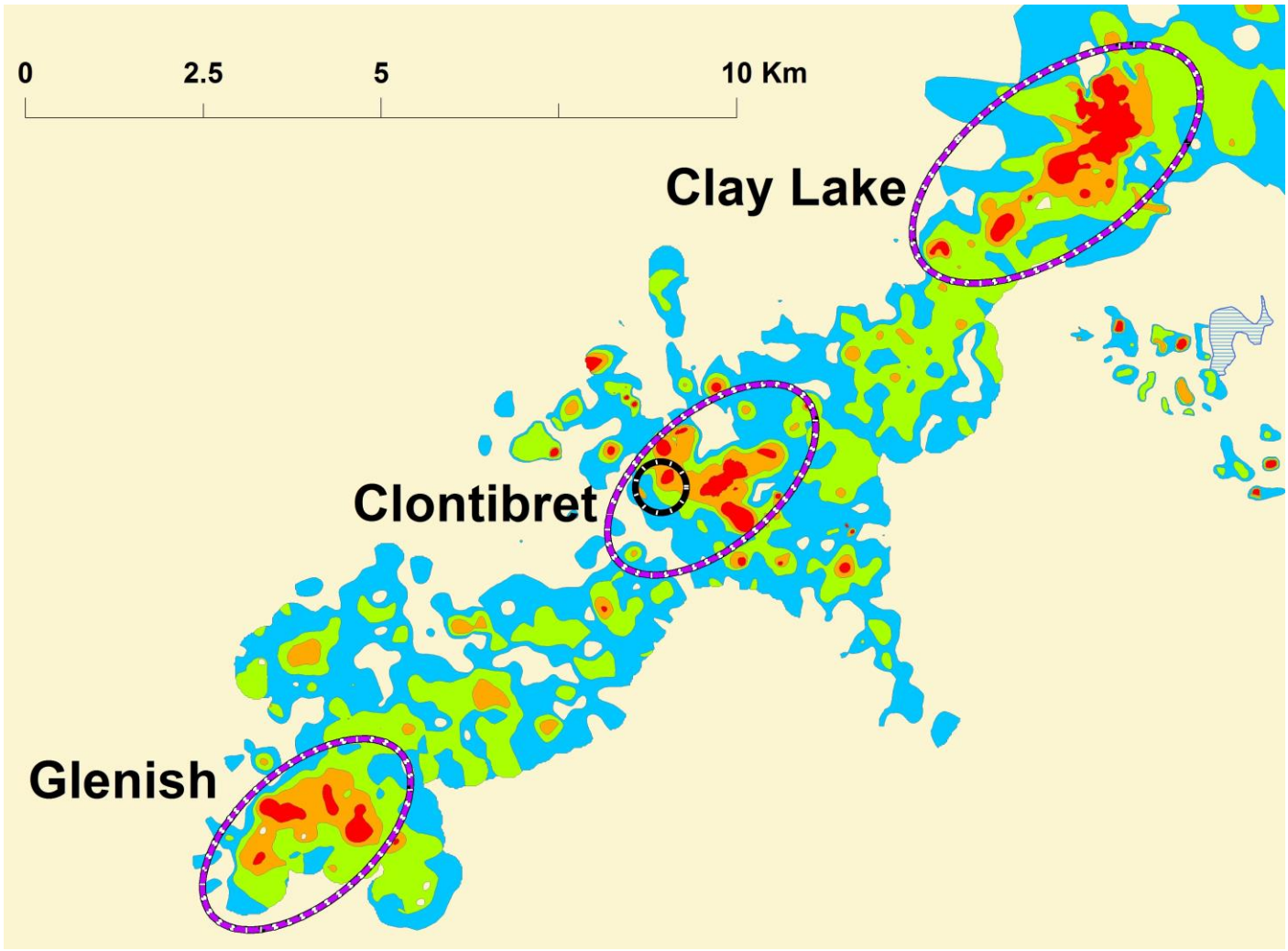
Ballygreany

The Ballygreany area also lies within the overall Clontibret area but to the east of Tullybuck-Lisglassan. Anomalous gold values were returned from approximately 3.5 km sq, a larger anomaly than any other previously identified by the Company. The follow-up survey of this area, using a more closely spaced sampling grid, outlined a well-defined, bedding-parallel gold anomaly measuring approximately 500m by 125m. Again this area remains open.

Corcaskea

Corcaskea is an area of gold mineralisation within the overall Clontibret area. It lies approximately 1 km north of the Company's Tullybuck-Lisglassan gold deposit which in the above diagram is titled the "resource area". Trenching at Corcaskea showed 16.5m @ 6.5 g/t gold. A drill hole intercepted 3.65m grading 1.76g/t from 6.35m. This area remains open.

Exhibit 19: Map Indicating Target Areas of Clontibret, Clay Lake and Glenish (Resource area in black)



Source: Conroy Gold

Fintully

The Fintully area lies to the south of Ballygreany and is again within the overall Clontibret area. Extensive gold-in-soil anomalies cover most of the area, which again remains open.

Appendix C – Country Overview

Population	4.6M
Capital	Dublin
Currency	Euro
Languages	English, Irish
Major religion	Christianity
Main exports	Pharmaceuticals, Organic chemicals, Costmetics, Machinery and transport, food and live animals, manufactured goods
GDP (2016)	$294.1 billion
GDP per capita	61,606,48 US$
GDP growth rate	5.1% (2016)
Unemployment rate	6.00%
Major natural resources	Base metals, Gold, oil and gas, fish

The island of Ireland was an integral part of the United Kingdom from 1800 to 1922, when, by virtue of the Anglo-Irish Treaty of December 6, 1921, the Irish Free State was established as a self-governing dominion of the British Empire, apart from six counties in the North of Ireland which remained part of the United Kingdom. The remaining twenty-six counties comprise the Republic of Ireland. Both the Republic of Ireland and the United Kingdom joined the EU in 1987.

Ireland is a small, modern, trade-dependent economy. It was among the initial group of 12 EU nations that began circulating the euro on 1 January 2002.

GDP growth averaged 6% in 1995-2007, but economic activity dropped sharply during the world financial crisis and the subsequent collapse of its domestic property market and construction industry during 2008-11. In late 2013, Ireland formally exited an EU-IMF bailout program, benefiting from its strict adherence to deficit-reduction targets and success in refinancing a large amount of banking-related debt.

In late 2014, the government introduced a fiscally neutral budget, marking the end of the austerity program. Continued growth of tax receipts has allowed the government to lower some taxes and increase public spending while keeping to its deficit-reduction targets.

The export sector, dominated by foreign multinationals, has become an ever more important component of Ireland's economy. Ireland’s low corporation tax of 12.5%, however, does not apply to the mining industry which pays a 25% tax.

The Republic of Ireland economic data has been distorted by US multinational tax schemes. US multinationals contribute significantly to Ireland's economy, making up 14 of the top 20 Irish firms (by turnover), directly employing a quarter of the private sector labour-force, paying 80% of all business taxes, and creating 57% of non-farm private sector OECD value-add.

The Irish economy continued to grow in 2017 and is forecast to do so through 2019, supported by a strong export sector, robust job growth, and low inflation. Risks to the economy include the UK’s scheduled departure from the European Union (“Brexit”) in March 2019, possible changes to international taxation policies that could affect Ireland’s revenues, and global trade pressures.

Peter Rose

Peter has 32 years' experience in equities as a resources analyst; he has been at Brandon Hill Capital, formerly Brandon Hill Capital for 11 years. Prior to that he spent 11 years with Deutsche Bank in Australia. Prior to this he spent 2 years with Prudential Bache and 6 years with James Capel. Peter's industry experience includes 16 years as a metallurgist, 3 years with De Beers in South Africa and 9 years in the uranium industry, 7 of which were spent at the Ranger Uranium mine. Peter holds a BSc degree in Applied Mineral Science from Leeds University UK and a Bachelor of Commerce from the University of South Africa. Peter is also a member of the Institute of Materials, Mining & Metallurgy and a chartered engineer.

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Company Name	Disclosure
Conroy Gold	2, 7

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