

## MINING FLASHNOTE

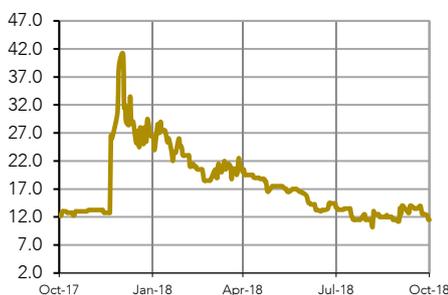
# Conroy Gold and Natural Resources plc (CGNR AIM)

01 November 2018

### Stock Data

|                 |        |
|-----------------|--------|
| Share Price:    | 12.25p |
| Market Cap (M): | £2.9   |
| EV (M):         | £2.9   |

### Price Chart



### 52 Week Range

|        |        |        |
|--------|--------|--------|
| 45.50p | 12.25p | 10.25p |
|--------|--------|--------|

### 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

| MAIN SHAREHOLDERS  | HOLDING |
|--------------------|---------|
| O'Sullivan Patrick | 12.66%  |
| Conroy Prof. R     | 11.80%  |
| P Hannigan         | 7.43%   |
| P Johnson          | 5.11%   |

Source: Conroy Gold and Natural Resources & Bloomberg

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## Conroy Announces Extensive Gold Intersections at Clay Lake

### Event

Conroy Gold and Natural Resources plc ("Conroy Gold") has announced extensive gold intersection from a drill hole completed in the north eastern end of its Clay Lake gold target. This intersection is strong evidence of a very large gold mineralising system in the Clay Lake area.

### Highlights

- CY-18-1 150.5m @ 0.3 g/t Au from 108.5m including 52.5m @ 0.5 g/t Au from 108.5m and 18m @ 0.6 g/t Au from 240m. The position of this drill hole is shown in Exhibit 1 overleaf.

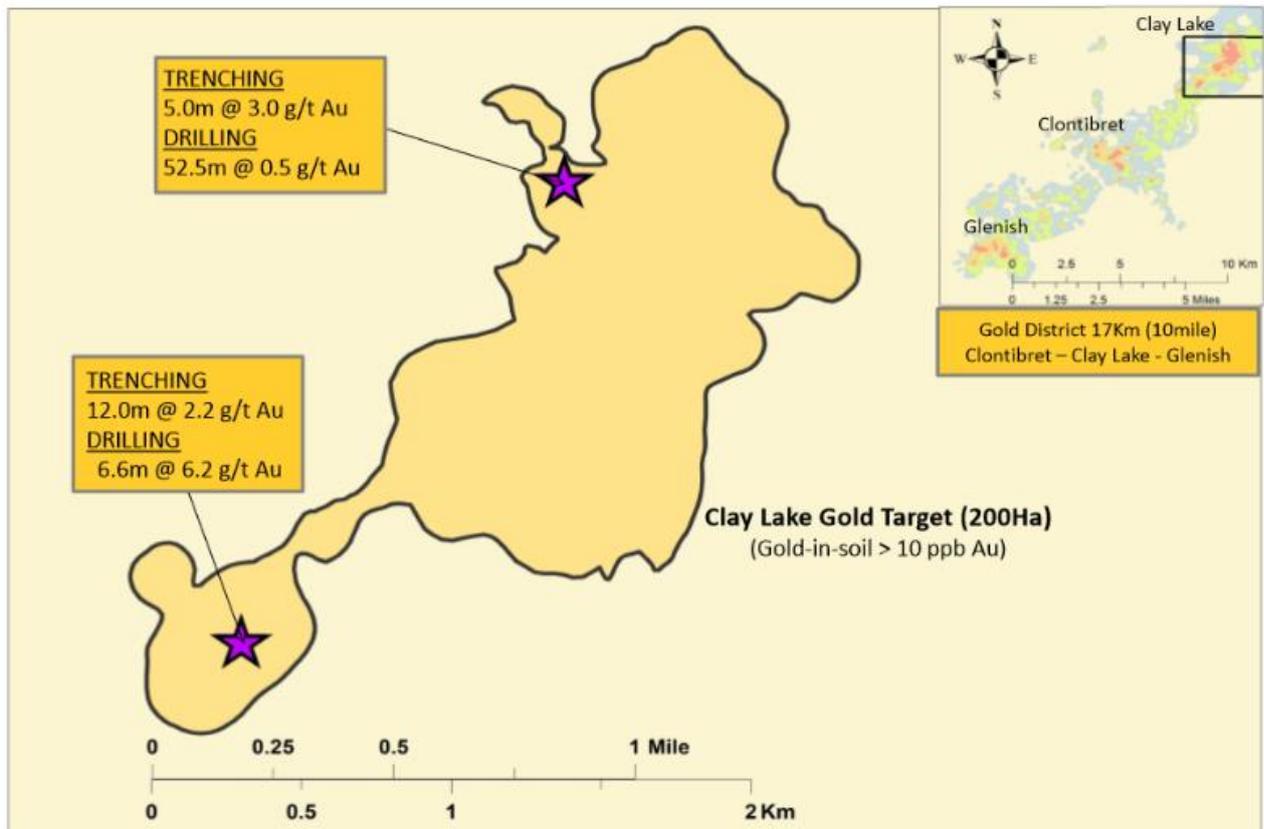
### Comment

This was the first hole drilled at Clay Lake in 2018, the previous focus this year having been at Clontibret. This hole was drilled with twin objectives, to fulfil the lease expenditure requirements and to check the mineralisation at depth and see how far the stockwork zone extends.

The Clay Lake gold target covers an area of over 200 Ha (c.500 Acres), and is nearly 3km in length and, in places, 2km wide. The gold mineralisation comes to surface in the Clay Lake gold target both in the north eastern end of the target where trenching has intersected 5m at 3.0g/t gold and in the south western end of the target where trenching has intersected 12m at 2.2g/t gold c.2km apart. With this hole finding gold at a true depth of 200m, Clay Lake represents a target in excess of 1 billion tonnes so there is ample scope for finding a high grade core in excess of 2g/t when the lower grade ore ~0.5g/t would either be low grade feed for the mill, or ore for a potential large heap leach operation. However, with only around 15 holes drilled in such a large area, it is very early in the exploration programme.

The drill hole also intersected elevated silver – 28.8m at 0.9g/t Ag from 112.5m suggesting the possibility of a different metallurgy from that seen in the Clontibret gold deposit. This could be seen as a positive as the ore at Clontibret is refractory, which means higher processing costs.

EXHIBIT 1: CLAY LAKE GOLD TARGET



Source: Conroy Gold and Natural Resources

## Research Disclosures

### Peter Rose

Peter has 32 years' experience in equities as a resources analyst; he has been at Brandon Hill Capital for 10 years, after having 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, six 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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|                     |  |
|---------------------|--|
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| <b>Sell</b>         | Recommendation implies that expected total return expected over 12 months between current and analysts' target price is negative.                |

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Research disclosure as of 01 November 2018

| <u>Company Name</u>    | <u>Disclosure</u> |
|------------------------|-------------------|
| Conroy Gold (CGNR AIM) | 2, 7              |

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