

## Drill Results

05 August 2016

### Key Statistics

Code : CGNR  
 Listing : AIM  
 Sector : Mining  
 Market Cap : £3.74m  
 Share in issue : 11.01m  
 Current Price : 34p  
 12 mnth High/Low : 75p/17.5p

### Stock Performance



Source: Fidessa

### Financials

€m y/e May	FY12A	FY13A	FY14A	FY15A
EBT	-0.5	-0.4	-0.4	-0.3
Book Value	12.7	13.1	14.3	15.3

Source: Annual reports and Hybridan LLP estimates

### Company description

Conroy Gold and Natural Resources is a gold exploration and development Company primarily focused on Ireland. The Company holds exclusive 100% owned licenses to explore for both gold and base metals in Northern Ireland and the Republic of Ireland (aggregate areas of c. 450 sq. miles) in a geological structure called the Longford-Down Massif. Conroy's most detailed appraisals have been at Clontibret, where a JORC compliant mineral resource of 601k ounces of gold has been identified on 20 per cent of the target.

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## High grade assays at Clontibret

Following last month's discovery of new gold zones at its Glenish prospect, the gold exploration and development Company has released the results from the first drill hole in its current drilling programme on its flagship Clay Lake-Clontibret gold target in Ireland, which included high grade gold intersections of 1 metre at 15g/t gold and 1 metre at 8.4g/t gold and the discovery of a new gold bearing lode.

The drill hole was located at the Clontibret end of the Company's Clay Lake-Clontibret gold target and was drilled to a downhole depth of 102 metres.

The drill hole intersected five gold bearing lodes including a new one. Four of the lodes were intersected at downhole depths from 32.5m, 45.5m, 50.75m and 75.75m with 1.5m at 1.0g/t Au, 1.5m at 5.6g/t Au (including 1.0m at 8.4g/t Au), 3.0m at 5.2g/t Au (including 1.0m at 15 g/t Au) and 4.0m at 3.5 g/t Au. A fifth intersection, of 1.25m at 2.9g/t Au from a downhole depth of 93.25m, intersected the new gold lode zone.

Gold has hit new highs this week. In a period where Gold discoveries have been thin on the ground, the record industry production recorded in 2015 will be hard to sustain without attractive assets such as Conroy's Irish assets coming on stream.

This is an attractive environment for Conroy to be seeking development partners, supported by a strengthening data profile on its assets. Over time Conroy is hoping to establish a multi-million oz resource at the Clay-Lake Clontibret target and we expect further drill results to be released during the coming months.

Despite the recent strong run of drill results the shares are off 22% since they peaked after a rally in Mid-July and with a market cap of just £3.7m we do not believe recent progress has been reflected in the share price. With further drill results to come, there remains potential short term catalysts for share price appreciation.

We believe the current market value to be more than underpinned by existing resource estimates and conceptual plans for an initial mine, with further upside potential from additional resource delineation.

For analyst certification and other important disclosures, refer to the Disclosure Section

**Income Statement**

<b>Year-end May, €</b>	<b>2013A</b>	<b>2014A</b>	<b>2015A</b>
Operating Expenses	-411,020	-374,323	-315,314
Finance income – bank interest receivable	12	0	0
Finance costs – interest on shareholder loan	-12,971	-5,982	0
Other income	0	0	0
<b>Loss Before Taxation</b>	<b>-423,979</b>	<b>-380,305</b>	<b>-315,314</b>
Taxation	0	0	0
<b>Loss retained for the year</b>	<b>-423,979</b>	<b>-380,305</b>	<b>-315,314</b>
<b>Loss per ordinary share</b>	<b>-0.0015</b>	<b>-0.0012</b>	<b>-0.0008</b>

*Source: Conroy Gold & Natural Resources Plc Annual Reports, Hybridan LLP estimates*

**Cash Flow Statement**

<b>Year-end May, €</b>	<b>2013A</b>	<b>2014A</b>	<b>2015A</b>
<b>Cash Flows from Operating Activities</b>			
Operating Expenses	-411,020	-374,323	-315,314
Working Capital/other movements	307,433	527,276	462,710
<b>Cash used in operations</b>	<b>-103,587</b>	<b>152,953</b>	<b>147,396</b>
Net cash used in operating activities	-103,587	152,953	147,396
<b>Cash flows from investing activities</b>			
Investment in exploration and evaluation	-1,049,245	-1,064,003	-1,459,440
Payments to acquire property, plant and equipment	0	-4,740	-15,673
<b>Net Cash used in investing activities</b>	<b>-1,049,245</b>	<b>-1,068,743</b>	<b>-1,475,113</b>
<b>Cash flows from financing activities</b>			
Shareholder loan	0	0	
Issue of share capital	495,037	812,621	935,832
Advances of shareholder loan	491,000	205,000	
Convertible debt	0		
Advance from related parties		33,727	336,993
Repayment of shareholder loan	0	-114,600	
Bank interest received	12	0	
Interest paid on shareholder loan	0	-14,450	
Net cash generated from financing activities	986,049	922,298	1,272,825
(Decrease)/Increase in cash and cash equivalents	-166,783	6,508	-54,892
Cash and cash equivalents at beginning of year	238,647	71,864	78,372
Cash and cash equivalents at end of year	71,864	78,372	23,480

Source: Conroy Gold & Natural Resources Plc Annual Reports, Hybridan LLP estimates

**Balance Sheet**

<b>Year-end May, €</b>	<b>2013A</b>	<b>2014A</b>	<b>2015A</b>
<b>Assets</b>			
<b>Non Current Assets</b>			
Intangible Assets	14,824,846	16,033,308	17,280,638
Investment in Subsidiary	2	2	2
Property, Plant and Equipment	7,138	7,854	17,893
	<b>14,831,986</b>	<b>16,041,164</b>	<b>17,298,533</b>
<b>Current Assets</b>			
Trade and Other Receivables	163,139	59,358	344,784
Cash and Other equivalents	71,864	78,372	23,480
	<b>235,003</b>	<b>137,730</b>	<b>368,264</b>
<b>Total Assets</b>	<b>15,066,989</b>	<b>16,178,894</b>	<b>17,666,797</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves</b>			
Called up share capital	8,737,547	3,520,000	4,373,208
Called up deferred share capital		6,135,597	6,135,597
Share premium	7,917,717	8,447,949	8,855,525
Capital conversion reserve fund	30,617	30,617	30,617
Share based payments reserved	969,735	1,034,760	1,120,009
Retained losses	-4,581,687	-4,877,992	-5,193,306
<b>Total Equity</b>	<b>13,073,929</b>	<b>14,290,931</b>	<b>15,321,650</b>
<b>Non-current Liabilities</b>			
Financial Liabilities	1,045,775	191,022	191,022
Convertible debt		324,952	
<b>Total Non-current Liabilities</b>	<b>1,045,775</b>	<b>515,974</b>	<b>191,022</b>
<b>Current Liabilities</b>			
Trade and other payables	947,285	1,371,989	2,154,215
<b>Total Current Liabilities</b>	<b>947,285</b>	<b>1,371,989</b>	<b>2,154,215</b>
<b>Total liabilities</b>	<b>1,993,060</b>	<b>1,887,963</b>	<b>2,345,237</b>
<b>Total Equity and Liabilities</b>	<b>15,066,989</b>	<b>16,178,894</b>	<b>17,666,887</b>

Source: Conroy Gold & Natural Resources Plc Annual Reports, Hybridan LLP estimates

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