



CONROY

GOLD AND NATURAL RESOURCES PLC

Half-Yearly Report 2016

Chairman's Statement

Dear Shareholder

Dear Shareholder,

I have great pleasure in presenting your Company's Half-Yearly Report for the six months ended 30 November 2016. During the half-year excellent progress was made at your Company's flagship project – Clay Lake – Clontibret.

During the half-year drilling at Clontibret resulted in the discovery of five new gold zones, high gold grades including 0.25m at 35.4g /t gold and wide intersections including 5.75m grading 5.04g/t, giving further encouragement to your Company's belief in a combined multi-million oz. gold exploration target at Clay Lake – Clontibret.

The excellent results of the drilling programme were complemented by results from a structural study by independent consultant Dr. Francis Murphy. The structural survey identified eight gold lodes in stream bedrock at Clontibret. All of these corresponded to gold lodes previously identified by the drilling, thus giving further crucial technical information and confidence as your Company moves forward with its plans for mine development at Clay Lake – Clontibret, starting with a conventional open pit gold mine at Clontibret. A Scoping Study prepared by independent consultants Tetra Tech Wardrop demonstrated that the established resource, on only 20% of the target area at Clontibret, was technically and financially viable.

Drilling results at your Company's Glenish target, which is at the junction of two major geological structures – the Orlock Bridge and Glenish Faults, gave further evidence of the overall gold prospectivity of your Company's licence area. Channel sampling at Glenish had proved 1.3m Au grading 9.4g/t gold. The

drilling results together with the channel sampling demonstrated the presence of four new gold zones in a 150 metre wide structural corridor in the western part of the Glenish gold target. The gold mineralisation in bedrock was traced down dip for over 70 metres and remains open in all directions.

Your Company has now delineated three major targets close together in the North-East of your Company's licence area – Glenish, Clontibret, and Clay Lake. Clay Lake is to the North-East of the original gold discovery at Clontibret and Glenish is to the South-West. Each of the targets has a large (more than 100 hectares) gold-in-soil surface expression.

Additional claim reservations have been applied for in Finland which has excellent potential for gold but your Company's prime focus is, of course, in Ireland at Clay Lake – Clontibret.

During the half-year Professor Garth Earls was appointed as a Non-Executive Director of the Company. Professor Earls, who has worked with the Company for a number of years as a consultant, has over 25 years mineral exploration and management experience. Professor Earls was a project geologist on the team which discovered the Curraghinalt gold deposit in the North of Ireland, now under development. He was Director of the Geological Survey of Northern Ireland ("GSNI") from 2002-10 and after leaving the GSNI was Managing Director of Dalradian Gold and Chief Operating Officer of Premier Gold. I am delighted to welcome him as a member of the Board of your Company.

Finance

The loss after taxation for the half-year ended 30 November 2016 was €176,680 – (2015: loss €107,618) and the net assets as at 30 November 2016 were €16,976,644 (2015: €15,256,853).

As in previous years I have supported the working capital requirements of the Company and at the period end the amount due to me was €79,000. Since the period end I have advanced a further €55,000. These loans have currently been provided on an interest free and unsecured basis and are repayable at any time at the discretion of the Company. In addition, at the period end there was €135,287 of accrued interest outstanding on previous loans provided by me.

In the light of the excellent exploration results achieved to date, your directors are considering how best to fund your Company's activities going forward. Options being studied include joint venture, farm-out and equity funding, as well as other arrangements as may be appropriate for advancing the interests of your Company.

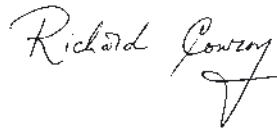
Outlook

Your Company continues to make excellent progress with its exploration and mining development plans. I look forward to further enhancement of the potential of the overall licence area in Ireland and to development of a mine at Clontibret.

Directors and Staff

I would like to thank all of my fellow directors, staff and consultants for their dedication and hard work which has played a major role in the continued success of your Company.

Yours faithfully,

A handwritten signature in black ink that reads "Richard Conroy". The signature is written in a cursive style with a large, stylized initial 'C' at the end.

Professor Richard Conroy
Chairman

28 February 2016

Consolidated Income Statement

for half-year ended 30 November 2016

	Six months ended 30 November 2016 (Unaudited) €	Six months ended 30 November 2015 (Unaudited) €	Year ended 31 May 2016 (Audited) €
OPERATING EXPENSES	(176,680)	(107,202)	(291,486)
Finance income – bank interest receivable	-	-	-
Finance costs – interest on shareholder loan	-	(416)	(679)
LOSS BEFORE TAXATION	(176,680)	(107,618)	(292,165)
Taxation	-	-	-
LOSS FOR HALF-YEAR	(176,680)	(107,618)	(292,165)
Loss per ordinary share – basic and diluted	(€0.0160)	(€0.0246)	(€0.0479)

Consolidated Statement of Comprehensive Income

for half-year ended 30 November 2016

	Six months ended 30 November 2016 (Unaudited) €	Six months ended 30 November 2015 (Unaudited) €	Year ended 31 May 2016 (Audited) €
LOSS FOR PERIOD	(176,680)	(107,618)	(292,165)
Total income and expense recognised in other comprehensive income	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD – ENTIRELY ATTRIBUTABLE TO EQUITYHOLDERS	(176,680)	(107,618)	(292,165)

Consolidated Statement of Financial Position

as at 30 November 2016

	30 November 2016 (Unaudited) €	30 November 2015 (Unaudited) €	31 May 2016 (Audited) €
ASSETS			
Non-current Assets			
Intangible assets	19,349,507	18,029,895	18,696,602
Property, plant and equipment	17,105	16,150	16,150
	19,366,612	18,046,045	18,712,752
Current Assets			
Trade and other receivables	26,899	56,692	38,334
Cash and cash equivalents	8,573	29,224	687,708
	35,472	85,916	726,042
Total Assets	19,402,084	18,131,961	19,438,794
EQUITY AND LIABILITIES			
Capital and Reserves			
Called up share capital	11,014	4,373,208	11,014
Called up deferred share capital	10,504,431	6,135,597	10,504,431
Share premium	10,649,252	8,855,525	10,649,252
Capital conversion reserve fund	30,617	30,617	30,617
Share based payments reserve	1,503,496	1,162,830	1,464,030
Retained losses	(5,722,166)	(5,300,924)	(5,545,486)
Total Equity	16,976,644	15,256,853	17,113,858
Non-current Liabilities			
Shareholder loan	79,000	265,000	-
Financial Liabilities	135,287	193,102	135,287
Total Non-current Liabilities	214,287	458,102	135,287
Current Liabilities			
Trade and other payables	2,211,153	2,417,006	2,189,649
Total Current Liabilities	2,211,153	2,417,006	2,189,649
Total Liabilities	2,425,440	2,875,108	2,324,936
Total Equity and Liabilities	19,402,084	18,131,961	19,438,794

Consolidated Cash Flow Statement

for the half-year ended 30 November 2016

	Six months ended 30 November 2016 (Unaudited) €	Six months ended 30 November 2015 (Unaudited) €	Year ended 31 May 2016 (Audited) €
Cash flows from operating activities			
Cash (used in)/generated by operations	(84,266)	88,884	41,014
Tax paid	-	-	-
Net cash generated/(used in)by operating activities	(84,266)	88,884	41,014
Cash flows from investing activities			
Investment in exploration and evaluation	(621,213)	(432,910)	(858,769)
Payments to acquire property, plant and equipment	(2,745)	-	-
Net cash used in investing activities	(623,958)	(432,910)	(858,769)
Cash flows from financing activities			
Issue of share capital	-	-	1,800,367
Advances from shareholders	79,000	267,080	-
Share issue costs	-	-	(60,015)
Interest on shareholder loan	-	-	(679)
Amount repaid to shareholders	-	-	(201,955)
(Repaid to) advances from related parties	(49,911)	82,690	(55,735)
Net cash generated from financing activities	29,089	349,770	1,481,983
Increase/(Decrease) in cash and cash equivalents	(679,135)	5,744	664,228
Cash and cash equivalents at beginning of period	687,708	23,480	23,480
Cash and cash equivalents at end of period	8,573	29,224	687,708

Statement of Changes in Equity

for the half-year ended 30 November 2016

	Share Capital €	Share Premium €	Capital Conversion Reserve Fund €	Share-based Payment Reserve €	Retained Earnings (Deficit) €	Total Equity €
At 1 June 2016	10,515,445	10,649,252	30,617	1,464,030	(5,545,486)	17,113,858
Share-based payments	-	-	-	39,466	-	39,466
Loss for the period	-	-	-	-	(176,680)	(176,680)
At 30 November 2016	10,515,445	10,649,252	30,617	1,503,496	(5,722,166)	16,976,644
At 1 June 2015	10,508,805	8,855,525	30,617	1,120,009	(5,193,306)	15,321,650
Share-based payments	-	-	-	42,821	-	42,821
Loss for the period	-	-	-	-	(107,618)	(107,618)
At 30 November 2015	10,508,805	8,855,525	30,617	1,162,830	(5,300,924)	15,256,853

Notes to the Financial Statements

for the half-year ended 30 November 2016

1. Basis of preparation

The half-yearly financial statements have been prepared on the basis of the recognition and measurement requirements of International Financial Reporting Standards (IFRS) as adopted by the European Union (EU), and their interpretations adopted by the International Accounting Standards Board (IASB). The accounting policies used in the preparation of the half-yearly financial information are the same as those used in the Company's audited financial statements for the year ended 31 May 2016. The half-yearly financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the audited financial statements of the Company for the year ended 31 May 2016, which are available on the company's website www.conroygold.com. The auditor's report on those financial statements was unqualified and contained emphasis of matter paragraphs relating to the preparation of the accounts on the going concern basis and the recoverability of tangible assets.

2. Earnings per share

The calculation of the loss per ordinary share of €0.0160 (2015: €0.0246) is based on the loss for the financial year of €176,680 (2015: €107,618) and the weighted average number of ordinary shares in issue during the period of 11,013,537 (2015: 4,373,207).

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 30 November 2016.

4. Copies of Accounts

A copy of the Half-Yearly Report will be available on the Company's website www.conroygold.com and will be available from the Company's registered office, 9 Merrion Square North, Dublin 2.