



CONROY
GOLD AND NATURAL RESOURCES

13 November 2013

Conroy Gold and Natural Resources plc

(“Conroy” or “the Company”)

Final Results for the Year Ended 31 May 2013

Gold Mine’s Technical and Financial Viability Confirmed

Conroy (AIM: CGNR; ESM: CGNRI), the Irish based resource company exploring and developing gold and other projects in Ireland, is pleased to announce its results for the year ended 31 May 2013. Conroy has under licence the entire 30 mile gold trend which it has discovered in the Longford-Down Massif in Ireland and is working towards opening a gold mine at Clontibret. In-house studies show gold potential of 15-20 million ounces along the trend.

Highlights:

- Clontibret gold mine – technical and financial viability confirmed
 - *Clontibret resource evaluation – over 600,000 oz indicated and inferred*
 - *Economic evaluation based on 20 per cent. of Clontibret target area - payback period of two years*
 - *Proposed process - BIOX®; amenability and technical viability confirmed*
 - *IRR 49.4% NPV(8) \$72.3m USD*
- Test work undertaken by Goldfields shows 8% sulphur content – Scoping Study showed 12%
- Geophysical programme carried out at Clay Lake target
- New gold targets identified along the 30 mile trend
- Additional base metal potential identified
- During the year £573,183 of new equity was raised and subsequent to the year end a further £1,000,000 was raised
- Mr Séamus FitzPatrick, previously a Non-Executive director of the Company, assumed the position of Deputy Chairman in February 2013

Chairman, Professor Richard Conroy commented:

“We are steadily working towards bringing Clontibret into production whilst still discovering additional targets in particular at Clay Lake, where indications are for high tonnage and overall gold content.”

“We have also now identified two significant base metal targets on the licence area, one showing zinc results of up to 30%. The very high zinc levels detected in County Cavan add to the overall metalliferous potential of the licence area for base metals as well as its established potential for gold.”

“We look forward to the future with confidence as we move from the exploration phase into the development phase.”

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CHAIRMAN'S STATEMENT

I have pleasure in presenting your Company's Annual Report and Financial Statements for the 12 months ended 31 May 2013, a year of continued progress. During the year mineralogical and metallurgical testwork on ore grade material from Clontibret confirmed the technical and financial viability of the proposed BIOX technology for processing the ore which is a key step in bringing the gold mine at Clontibret into operation and at Clay Lake in Co. Armagh, geophysical and drilling results support the view that this target could host a very large gold deposit. Also high zinc values of up to 30 per cent have been found in an evaluation of old lead workings within your Company's licence area confirming that in addition to the gold potential there may be potential for base metals.

Clontibret Gold Mine

The final results of the mineralogical and metallurgical testwork by Goldfields/Biomin on ore grade material confirmed the amenability and technical viability of using the BIOX® technique to process the ore at Clontibret.

The mineralogical and metallurgical testwork was supervised and managed by independent consultants Tetra Tech. It was carried out on 350kg of drill core representative of both lode and stockwork ore grade material with a 10 per cent dilution factor with a grade similar to that expected for run of mine.

The testwork results indicated fast oxidation kinetics, achieving over 90 per cent oxidation for both lode and stockwork concentrate samples. Maximum gold extractions achieved were 90.4 per cent and 87.1 per cent respectively with overall recoveries confirmed by Tetra Tech to be in line with their independent Scoping Study.

BIOX® is a well established bacterial oxidation technique which was recommended by Tetra Tech as an appropriate technology for treating the gold sulphide concentrate at Clontibret. BIOX® is an environmentally friendly proven technology with a number of plants in operation worldwide including South Africa, Ghana, Brazil, China and Australia. The BIOX® process gives improved rates of gold recovery at significantly lower capital and operating costs.

Test work undertaken by Goldfields Limited ("Goldfields")/Biomin included grinding, crushing and other factors in relation to mill design. The results suggest that a combination of either Semi-Autonomous Grind ("SAG")/Ball Mill or "HPGR"/Ball Mill or a larger Ball Mill for the process plant be considered. Preliminary indications are that a "SAG"/Ball Mill combination may be the preferred choice.

The results indicate an 8 per cent sulphur grade in concentrate whereas in the Scoping Study a grade of 12 per cent had been assumed. The lower sulphur grade in the concentrate is highly advantageous as it will reduce capital and process operating costs.

Confirmation of the technical and financial viability of the proposed BIOX® technology for processing the ore is a key step in bringing the gold mine at Clontibret into production.

Clay Lake Gold Target

The Clay Lake gold target, which is greater in surface area than the Clontibret gold target and has gold-in-soil values twice those of Clontibret, appears to be a black carbonaceous shale hosted deposit. Such deposits can be very large. Drill intersections of 63 metres at 0.62g/t gold and 1g/t silver and 50.75 metres at 0.61g/t gold have been intersected suggesting potential for high tonnage and overall gold content.

A ground geophysical programme on the target has been carried out by Golder Associates on behalf of your Company. The programme comprised Induced Polarisation (IP) and Resistivity totalling 960 line metres in four survey lines over the Northern area of the target.

Interpretation of the results depicted an anticlinal folding sequence of the gold bearing black carbonaceous stockwork zone. The geophysical results support the view that the Clay Lake gold target could host a large gold deposit.

Further Gold Targets Identified

Further new gold targets along the thirty mile trend discovered by your Company have been identified by an independent review of airborne geophysics by BRG (Geotechnics) Limited.

High Zinc and Other Metallic Values Recorded

Evaluation of old lead workings within your Company's licence area has yielded highly positive zinc results of up to 30 per cent. These samples also had elevated copper, silver, antimony, mercury, gallium and cadmium.

Also the original gold discovery at Clontibret where the Company is proposing to develop its first gold mine was historically an old antimony mine. Antimony is known also to be associated with silver, lead and copper deposits. These findings add to your Company's previously announced discovery of an extensive zinc-in-soil anomaly on its prospecting licences in Counties Monaghan and Armagh. The very high zinc levels detected in County Cavan add to the overall metalliferous potential of the licence area for base metals as well as its established potential for gold. Elsewhere, exploration for gold continues in Finland.

Finance

The loss after taxation for the year ended 31 May 2013 was €423,979 (2012: €533,262) and the net assets as at 31 May 2013 were €13,073,929 (2012: €12,678,448). During the year £573,183 (prior to expenses) was raised by the issue of 20,843,000 new ordinary shares for cash and I personally subscribed for 5,454,545 of those. Details of the share issues are in Note 13 to the accounts.

In addition, on 1 October 2013, the Company announced that it had raised a further £1,000,000 (prior to expenses) by issuing 6,660,377 new ordinary shares by way of a subscription for a total of £176,500 and issuing unsecured convertible debt to directors of the Company amounting to a total of £823,500 of which I personally provided £683,500.

As in previous years, I have supported the working capital requirements of the Company. The balance of the loans due to me at the period end was €1,045,775. The loans have been made on normal commercial terms. The other directors consider, having consulted with the Company's Nominated Adviser and the Company's ESM Adviser, that the terms of the loans are fair and reasonable in so far as the Company's shareholders are concerned.

Auditors

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

Directors

I am very pleased to welcome Mr Séamus FitzPatrick as Deputy Chairman, a position he was appointed to in February 2013. Mr FitzPatrick has been a Non-Executive Director for the past five years and with his business ability and wide ranging experience in corporate and financial matters, has already played a major role in the ongoing success and development of the Company. I am delighted that he has agreed to become Deputy Chairman. I look forward to his advice and support over the coming years as the Company moves from exploration to production.

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

Future Outlook

Your Company has made further excellent progress in the financial year to 31 May 2013. I look forward to the future with confidence as we move from the exploration phase into the development phase.

Professor Richard Conroy

Chairman

12 November 2013

**INCOME STATEMENT
FOR YEAR ENDED 31 MAY 2013**

	2013	2012
	€	€
OPERATING EXPENSES	(411,020)	(524,888)
Finance income – bank interest receivable	12	779
Finance costs – interest on shareholder loan	(12,971)	(9,153)
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LOSS BEFORE TAXATION	(423,979)	(533,262)
Taxation	-	-
	<hr/>	<hr/>
LOSS FOR THE YEAR	(423,979)	(533,262)
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Loss per ordinary share – basic and diluted	(€0.0015)	(€0.0022)
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**STATEMENT OF FINANCIAL POSITION
AS AT 31 MAY 2013**

	2013	2012
	€	€
ASSETS		
Non-current Assets		
Intangible assets	14,824,846	13,603,186
Investment in Subsidiary	2	2
Property, plant and equipment	7,138	10,688
	<u>14,831,986</u>	<u>13,613,876</u>
Current Assets		
Trade and other receivables	163,139	73,940
Cash and cash equivalents	71,864	238,647
	<u>235,003</u>	<u>312,587</u>
Total Assets	<u><u>15,066,989</u></u>	<u><u>13,926,463</u></u>
EQUITY AND LIABILITIES		
Capital and Reserves		
Called up share capital	8,737,547	8,112,257
Share premium	7,917,717	7,872,573
Capital conversion reserve fund	30,617	30,617
Share based payments reserve	969,735	880,709
Retained losses	(4,581,687)	(4,217,708)
	<u>13,073,929</u>	<u>12,678,448</u>
Total Equity	<u>13,073,929</u>	<u>12,678,448</u>
Non-current Liabilities		
Financial Liabilities	1,045,775	665,318
	<u>1,045,775</u>	<u>665,318</u>
Total Non-current Liabilities	<u>1,045,775</u>	<u>665,318</u>
Current Liabilities		
Trade and other payables	947,285	582,697
	<u>947,285</u>	<u>582,697</u>
Total Current Liabilities	<u>947,285</u>	<u>582,697</u>
Total Liabilities	<u>1,993,060</u>	<u>1,248,015</u>
Total Equity and Liabilities	<u><u>15,066,989</u></u>	<u><u>13,926,463</u></u>

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MAY 2013**

	2013 €	2012 €
Cash flows from operating activities		
Cash used in operations	(103,587)	(211,386)
Tax paid	-	-
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Net cash used in operating activities	(103,587)	(211,386)
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Cash flows from investing activities		
Investment in exploration and evaluation	(1,049,245)	(1,687,013)
Payments to acquire property, plant and equipment	-	(938)
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Net cash used in investing activities	(1,049,245)	(1,687,951)
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Cash flows from financing activities		
Issue of share capital	495,037	1,414,867
Advances/(Repayment) of shareholder loan	491,000	-
Bank interest received	12	779
Interest paid on shareholder loan	-	(27,121)
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Net cash generated from financing activities	986,049	1,388,525
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Decrease cash and cash equivalents	(166,783)	(510,812)
Cash and cash equivalents at beginning of year	238,647	749,459
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Cash and cash equivalents at end of year	71,864	238,647
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Notes to the Financial Statements

1. Publication of non-statutory accounts

The financial information set out in this preliminary announcement are abbreviated accounts as defined in Section 19 of the Companies (Amendment) Act 1986.

The financial information for the period ended 31 May 2013 has been extracted from the Company's financial statements to that date which have received an unqualified auditor's report but have not yet been delivered to the Registrar of Companies.

2. Earnings per share

The calculation of the loss per ordinary share of €0.0015 (2012 - €0.0022) is based on the loss for the financial year of €423,979 (2012 – €533,262) and the weighted average number of ordinary shares in issue during the year of 274,234,517 (2012 – 245,158,271).

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

3. Dividends

No dividends were paid or are proposed in respect of the period ended 31 May, 2013.

4. Copies of Accounts

A copy of the Annual Report and Financial Statements will be available on the Company's website www.conroygold.com and will be available from the Company's registered office, 10 Upper Pembroke Street, Dublin 2. It will also be forwarded to shareholders who requested a hard copy. Notice of the Annual General Meeting to be held on 9 December 2013 and Proxy Form will be sent to shareholders on 13 November 2013 and are also available on the website.