



Conroy Gold and Natural Resources plc

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ("MAR"). Upon publication of this announcement, this inside information is now considered to be in the public domain.

21 December 2017

Conroy Gold and Natural Resources plc

("Conroy Gold" or "the Company")

Strategic Financing and Business Update

Conroy Gold and Natural Resources plc (AIM: CGNR) the gold exploration and development company focused on Ireland and Finland, is pleased to announce a strategic financing and business update for shareholders.

Highlights:

- Strategic Financing with a conditional subscription to raise £1,000,000 (before expenses) through the issue of 7,843,137 new ordinary shares of €0.001 each in the capital of the Company ("Ordinary Shares") at 12.75p per share ("Subscription Shares"), the market mid-price at the time of the financing agreement (the "Subscription");
- Completion is conditional on all resolutions being passed at the Company's forthcoming Annual General Meeting ("AGM") on 21 December and admission to trading of new subscription shares to AIM;
- Financing terms agreed by all parties to ensure that funds raised will be predominantly focused on commercialisation of key projects through investment in asset development and associated ground exploration;
- Each Subscription Share has an attaching warrant to subscribe for a further new ordinary share at 22p ("Warrants"), with warrant accelerator available to the Company should the volume weighted average Ordinary Share price of the Company exceed 75p for five days or more;

- Should all Warrants be exercised the total amount of new capital raised for the Company through the Subscription and Warrant exercise would be approximately £2.7 million;
- Strategic Financing undertaken with SI Capital and a small group of high net worth investors, including Value Generation Limited, the family company of Paul Johnson, which has subscribed for £100,000 of Subscription Shares and Gervaise Heddle who has subscribed for £50,000 of the Subscription Shares;
- Financing enables the Company to proactively recommence business development with a focus on commercialisation of key business interests and proactive ground exploration of significant gold targets.

Professor Richard Conroy, Chairman of Conroy Gold commented: “I am pleased to report that with this Strategic Financing the Company is now able to move forward and into what we trust will be a brighter and more collaborative 2018 business development programme.

The differences between the Board and certain shareholders have been resolved and an agreement reached to enable the business to move forward, the first step of which is this Strategic Financing.

The money raised will predominantly be focused on commercialisation of our business interests and an active ground exploration programme. We have a considerable business opportunity, launching now from a position with Clontibret, where we published the Updated Mineral Resources of 517,000 ounces of gold on 28 July 2017. Of note, this JORC compliant resource is from just 20% of the Clontibret geochemical target area and remains open at depth and along strike.

Clontibret underpins the Company however, our potential upside opportunity is amply demonstrated by the size and scale of the 40 mile (65km) gold trend covered by our licence interests and including the major targets of Clay Lake, Clontibret, Glenish and Slieve Glah. As announced on 31 March 2016 at Clay Lake/Clontibret alone the Company has a conceptual exploration target of 5 million gold ounces.

Following this Strategic Financing the Company will have a market capitalisation of approximately £2.6 million (based on the placing price of 12.75p), which the Board believes offers shareholders and new investors considerable upside potential.

To this end we will provide further updates to the market early in the New Year outlining our plans and a potential pathway to commercialisation. With the increased interest being shown in Irish mining from companies and investors across the world, the time to take the next steps forward could not be better.

I would like to thank shareholders for their support during the past year and express my appreciation that we have reached an agreement to take the Company forward in this driven, collaborative and proactive manner.”

Additional Information

Conroy Gold and Natural Resources plc has conditionally raised £1,000,000, prior to expenses, through the Subscription for 7,843,137 Ordinary Shares at a price of 12.75p per Subscription Share.

The Subscription is conditional, inter alia, on the passing of all resolutions at the Company's forthcoming AGM on 21 December 2017 in Dublin, Ireland and admission of the Subscription Shares to trading on AIM.

The Subscription Shares will rank *pari passu* with the existing issued Ordinary Shares.

Each new Ordinary Share in the subscription will be accompanied by one Warrant to subscribe for a further ordinary share at a price of 22p at any time until 30 June 2019, with a warrant accelerator applying whereby should the volume weighted average Ordinary Share price trade for 5 consecutive days at 75p or greater, the Company will have the right to issue Warrant holders with a one week notice to exercise their Warrants. Unexercised Warrants would be cancelled and for Warrants exercised under this notice provision payment must be made to the Company within two weeks of exercise.

The Company intends to use the proceeds of the Subscription to fund the advancement of the Company's gold assets, in particular the development of the Clontibret deposit and increased exploration at the Clay Lake Deposit. Additional exploration will be focused on the Slieve Glah and Glenish gold prospects and other targets within the 40 mile (65km) Armagh-Monaghan- Cavan gold belt and for working capital generally.

Application will be made to AIM for the Subscription Shares to be admitted to trading. It is expected that admission will become effective on or around 3 January 2018.

Following the issue of the Subscription Shares, and for the purposes of the Disclosure and Transparency Rules, the Company's total issued share capital on Admission will consist of 20,056,674 Ordinary Shares.

The above figure may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company, under the Disclosure and Transparency Rules.

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