

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").

With the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.

22 November 2019



Conroy Gold and Natural Resources plc
("Conroy Gold" or "the Company")

FINAL RESULTS FOR THE YEAR TO 31 MAY 2019

NOTICE OF ANNUAL GENERAL MEETING

Conroy Gold and Natural Resources plc (AIM: CGNR), the gold exploration and development company focused on Ireland and Finland, is pleased to report its audited accounts for the year to 31 May 2019.

Highlights:

- Results included the discovery of additional high gold grades at the Clontibret gold deposit along the 65Km (40 mile) new district-scale gold trend which Conroy Gold has discovered in the Longford -Down Massif in Ireland.
- The discovery of a new gold outcrop between the Clontibret gold deposit and the Corcaskea gold target, where significant gold intersections have been made in trenches, including 6.5 g/t gold over 16.5 metres and 5.3 g/t gold over 11 metres.
- Continuity in mineralisation between the Clontibret Gold Deposit which is open in all directions as well as to depth and the Corcaskea gold target would add further to the potential of the entire Clontibret area.
- Drilling at Clontibret (where a JORC Resource of 320,000 oz Au Indicated and 197,000 oz Au Inferred has been estimated on a small part of the target area) showed additional high gold grades, including 24.4g/t Au, over 1 metre, and 21.6g/t Au, over 1.2 metres.
- Drilling at Slieve Glah, in the southwest of the Company's licence area, where four large (approximately 3 Km gold targets have been identified) intersected a new gold zone.
- £500,000 (€556,545) raised through a placing of ordinary shares in August 2018.

Chairman, Professor Richard Conroy, commented:

“The year was one of highly encouraging progress for your Company as it has accelerated the process of moving from exploration success to mining development. Exploration to date has led to the discovery of a JORC Resource, a new district- scale gold trend and, for the combined Clay Lake-Clontibret-Glenish gold targets, which lie along a 17Km section of the 65Km gold trend, an 8.8m oz Au exploration target (JORC) has been estimated.*

Following interest by other parties the Company looks forward to engaging in due course in a Joint Venture agreement or other suitable arrangement to develop the gold properties in Ireland.”

Final Results for the Year to 31 May 2019

The full audited annual report and accounts for the year to 31 May 2019 (“Annual Report”) can be viewed below:

[ANNUAL REPORT](#)

The Annual Report will be posted to shareholders today and will be published on the Company’s website today. Key elements can also be viewed at the bottom of this announcement.

Annual General Meeting

The annual general meeting of the Company (“AGM”) will be held at The Davenport Hotel, Gandon Suite, 8-10 Merrion Street, Dublin 2 at 12 noon on 16 December 2019. A copy of the notice of AGM can be viewed on the Company’s website.

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Key Information Extracted from Annual Report

Chairman's Statement

Dear Shareholder,

I have great pleasure in presenting the Company's Annual Report and Consolidated Financial Statements for the year ended 31 May 2019.

The year was one of highly encouraging progress for your Company as it has accelerated the process of moving from exploration success to mining development. This progress was exemplified by the interest shown by the many companies who visited the Company's booth at the 2019 Prospectors and Developers Association Conference ("PDAC") in Toronto in March. This has been followed up by a series of site visits and the Company looks forward to engaging in due course in a Joint Venture Agreement or other arrangement to develop the gold properties it has discovered in Ireland.

Business Development

The Company's objective has, from its inception, focused on making a major economic gold discovery. Successful exploration can and does take a long time. The Company has discovered a 65 kilometre ("Km") (40 miles) new district-scale gold trend in the Longford-Down Massif in Ireland. The trend is located along a major geological structure (the Orlock Bridge Fault Zone) in the Longford-Down Massif in Ireland.

A series of potentially multi-million-ounce gold targets have been discovered along the new district-scale gold trend. The Company's licences cover an area of over 800 Km², are 100% held and give the exclusive rights to apply for a mining lease or licence.

The Company's first gold mine in this new gold district in Ireland is now being planned.

Ireland is a mining friendly country with an established mining tradition and a favourable business climate. There is security of tenure and fiscal framework and excellent infrastructure and technical services.

Ireland ranked 1st for mining policy perception and 4th for investment attractiveness by the prestigious Fraser Institute (2017).

The Irish Minister for Mines, Mr Sean Canney, attended the 2019 PDAC Conference and visited the Company's booth accompanied by members of his department. Minister Canney confirmed the Irish Government's positive attitude towards mining. The Minister praised the Irish mineral sector and referred to the contribution it makes to the economy and pointed out that "Relying on distant resources (of minerals) is becoming untenable".

Exploration Results

Exploration to date by the Company has led to the discovery of a new district-scale gold trend, and on part of one of the gold targets along the trend (the Clontibret gold deposit) a JORC Resource of

320,000 ounces gold (“oz Au”) Indicated and 197,000oz Au Inferred (Indicated plus Inferred totalling 517,000 oz Au) has been estimated. The Clontibret gold deposit is open in all directions and to depth.

A JORC compliant Exploration Target of 8.8 million ounces (M oz) Au for the combined Clay Lake-Clontibret-Glenish gold targets (excluding the resource of 517,000oz Au at Clontibret) has been estimated. The Exploration Target lies along a 17 Km section of the 65 Km gold trend.*

To put the Company’s gold discovery of a 65 Km (40 mile) new district-scale gold trend along the Orlock Bridge Gold Zone into perspective, the Company’s technical staff have drawn a comparison between the Orlock Bridge Fault Zone and the Boulder-Lefroy Gold Zone in Western Australia. The Boulder-Lefroy Gold Zone is 100 Km long and has produced over 85 M oz of gold, and new discoveries continue to be made there. There are structural similarities between the Boulder-Lefroy Gold Zone and the Orlock Bridge Fault Zone, in particular, flexures on what are major structures are interpreted as controls on deposits in both areas.

Exploration on the Company’s licences in the Longford–Down Massif has continued during the year with further excellent results.

These results included the discovery of additional high gold grades at the Company’s Clontibret gold deposit; the discovery of a new gold outcrop between the Clontibret gold deposit and the Corcaskea gold target, suggesting continuity between them, which would indicate significantly increased gold potential in the area, and gold in bedrock intersected during drilling at the Slieve Glah gold target.

An independent review, post year end, of the structural controls on the Clontibret Gold Deposit was carried out by Consultant Structural Geologist, Dr Francis Murphy, which identified structural controls for higher gold grades and thicker gold intersections in the Clontibret gold deposit area.

The new area of bedrock gold mineralisation discovered during the year, lies halfway between the Clontibret gold deposit and gold mineralisation intersected at the Corcaskea gold target, which are over 500 m apart. Geological interpretation suggests continuity between the Clontibret gold deposit, which is open in all directions, as well as to depth, and the Corcaskea gold target where significant gold intersections have been made in trenches, including 6.5 grams/tonne (“g/t”) Au over 16.5 m and 4.9g/t Au over 12 m. Continuity in mineralisation between the Clontibret gold deposit and the Corcaskea gold target would add further to the potential of the entire Clontibret area.

During drilling at Clontibret during the year additional high gold grades were discovered including 24.4 g/t Au, over 1 m, and 21.6 g/t Au, over 1.2 m.

At Slieve Glah, in the southwest of the Company’s licence area, the Orlock Bridge Fault Zone under goes a significant strike-swing. Gold-in-soil geochemistry at Sieve Glah has identified four approximately 3 Km long gold targets while drilling during the year intersected a new gold zone at Slieve Glah.

* (An Exploration target is not, and must not be, construed as a mineral resource. It is designed to provide guidance as to the mineral exploration potential of the defined area)

The Company holds exploration licences in Finland which it considers highly prospective for gold and base metals.

Exploration on other targets in Ireland and on the Company's licences in Finland for gold and base metals also continued.

Finance

The loss after taxation for the financial year ended 31 May 2019 was €557,569 (2018: €745,485) and the net assets as at 31 May 2019 were €17,873,326 (2018: €17,874,350). During the year the Company raised £500,000 (€556,545) through a placing of ordinary shares in the Company.

Subsequent to the year-end the Company raised a total of €350,000 in two separate tranches by way of an unsecured convertible loan note with an existing shareholder. Full details were announced on 15 July 2019 and 30 October 2019 and are set out at Note 19 in the Consolidated Financial Statements.

Directors and Staff

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

Future Outlook

I look forward to the Company continuing with its record of success in exploration and to the successful development of its first gold mine on the new district-scale gold trend which it has discovered in Ireland.

Professor Richard Conroy

Chairman

Extract from the Independent Auditor's Report

The following section is extracted from the Independent Auditor's Report, but shareholders should read in full the Independent Auditor's Report contained in the Annual Report.

Material uncertainty related to going concern

We draw your attention to Note 1 in the financial statements, which indicates that the Group and Parent Company incurred a net loss of €557,569 during the year ended 31 May 2019 and, as of that date, the Group and Parent Company had net current liabilities of €3,358,234 and €3,009,116 respectively at that date.

In response to this, we:

- Obtained an understanding of the group's and company's controls over the preparation of cash flow forecasts and approval of the projections and assumptions used in cash flow

forecasts to support the going concern assumption and assessed the design and implementation of these controls;

- We evaluated management's plans and their feasibility by testing the key assumptions used in the cash flow forecast provided by agreeing the inputs to historical run rates, expenditure commitments and other supporting documentation;
- Inspected confirmations received by the Group and Parent Company from the Directors and former Directors that they will not seek repayment of amounts owed to them by the Group and Parent Company within 12 months of the date of approval of the financial statements, unless the Group and/or Parent Company has sufficient funds to repay;
- Inspected the confirmation received from Karelian Diamond Resources Plc that it does not intend to seek repayment of owed by the Group and Parent Company within 12 months of the date of approval of the financial statements, unless the Group and/or Parent Company has sufficient funds to repay;
- Tested the clerical accuracy of the cash flow forecast model; and
- Assessed the adequacy of the disclosures made in the financial statements.

As stated in Note 1, these events or conditions along with other matters as set forth in Note 1 indicate that a material uncertainty exists that may cast significant doubt on Group's and Parent Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Consolidated Income Statement for the financial year ended 31 May 2019

	2019 €	2018 €
Continuing operations		
Operating expenses	(557,573)	(745,498)
Finance income – interest	4	13
Loss before taxation	<u>(557,569)</u>	<u>(745,485)</u>
Income tax expenses	-	-
Loss for the financial year	<u>(557,569)</u>	<u>(745,485)</u>
Loss per share		
Basic loss per share	<u>(€0.0244)</u>	<u>(€0.0485)</u>
Diluted loss per share	<u>(€0.0244)</u>	<u>(€0.0396)</u>

The total loss for the financial year is entirely attributable to equity holders of the Company.

Consolidated statement of comprehensive income for the financial year ended 31 May 2019

	2019 €	2018 €
Loss for the financial year	(557,569)	(745,485)
Income/expense recognised in other comprehensive income	-	-
Total comprehensive expense for the financial year	<u>(557,569)</u>	<u>(745,485)</u>

The total comprehensive income for the financial year is entirely attributable to equity holders of the Company.

Consolidated statement of financial position as at 31 May 2019

	31 May 2019 €	31 May 2018 €
Assets		
Non-current assets		
Intangible assets	21,772,045	21,000,286
Property, plant and equipment	<u>11,347</u>	<u>13,232</u>
Total non-current assets	<u>21,783,392</u>	<u>21,013,518</u>
Current assets		
Cash and cash equivalents	77,299	233,161
Other receivables	<u>106,181</u>	<u>72,298</u>
Total current assets	<u>183,480</u>	<u>305,459</u>
Total assets	<u><u>21,966,872</u></u>	<u><u>21,318,977</u></u>
Equity		
Capital and reserves		
Called up share capital	23,693	20,057
Called up deferred share capital	10,504,431	10,504,431
Share premium	12,727,194	12,174,285
Capital conversion reserve fund	30,617	30,617
Share-based payments reserve	751,293	995,489
Retained deficit	<u>(6,163,902)</u>	<u>(5,850,529)</u>
Total equity	<u>17,873,326</u>	<u>17,874,350</u>
Liabilities		
Non-current liabilities		
Related parties' loans	<u>551,832</u>	<u>185,343</u>
Total non-current liabilities	<u>551,832</u>	<u>185,343</u>
Current liabilities		
Trade and other payables	<u>3,541,714</u>	<u>3,259,284</u>
Total current liabilities	<u>3,541,714</u>	<u>3,259,284</u>
Total liabilities	<u>4,093,546</u>	<u>3,444,627</u>
Total equity and liabilities	<u><u>21,966,872</u></u>	<u><u>21,318,977</u></u>

The financial statements were approved by the Board of Directors on 21 November 2019 and authorised for issue on 22 November 2019.

Consolidated statement of cash flows for the financial year ended 31 May 2019

	2019 €	2018 €
Cash flows from operating activities		
Loss for the financial year	(557,569)	(745,485)
<i>Adjustments for:</i>		
Depreciation	1,885	1,884
Expense recognised in consolidated income statement in respect of equity settled share-based payments	-	74,621
Increase in payables	341,326	665,196
(Increase)/ decrease in receivables	(33,883)	26,682
Net cash (used in)/provided by operating activities	<u>(248,241)</u>	<u>22,898</u>
Cash flows from investing activities		
Expenditure on intangible assets	(771,759)	(1,042,705)
Cash used in investing activities	<u>(771,759)</u>	<u>(1,042,705)</u>
Cash flows from financing activities		
Issue of share capital	556,545	1,534,076
Share issue costs	-	(48,206)
Advances from Karelian Diamond Resources P.L.C.	89,397	41,832
Payments to Karelian Diamond Resources P.L.C	(148,293)	(202,494)
Advances from related parties	366,489	89,736
Repayments to related parties	-	(181,680)
Net cash provided by financing activities	<u>864,138</u>	<u>1,233,264</u>
(Decrease)/increase in cash and cash equivalents	(155,862)	213,457
Cash and cash equivalents at beginning of financial year	<u>233,161</u>	<u>19,704</u>
Cash and cash equivalents at end of financial year	<u><u>77,299</u></u>	<u><u>233,161</u></u>