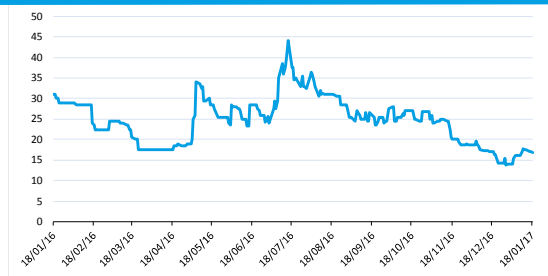


Value opportunity

Key Statistics:

Code	CGNR
Listing	AIM
Sector	Mining
Market Cap	£1.76m
Share in issue	11.01m
Current Price	15.5p
12 mnth High/Low	44p/13.75p

Priced at 0843 on 23 January 2017.



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: Company Results and Hybridan LLP Forecasts

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 Gold's most detailed appraisals have been at Clay Lake - Clontibret, where a JORC compliant mineral resource of 601k ounces of gold has been identified on less than 10 per cent of the target.

HYBRIDAN LLP

20 Ironmonger Lane, London, EC2V 8EP

Website: www.hybridan.com

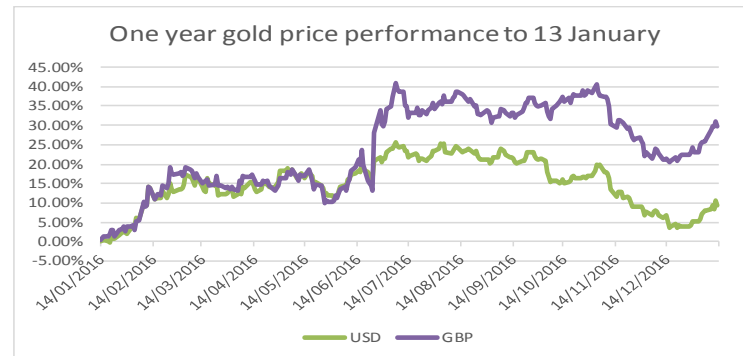
@HybridanLLP

Derren Nathan

Tel: 020 3764 2344

Email: derren.nathan@hybridan.com

January has seen a solid rally in the gold price following a weak end to 2016, and breached the \$1200/oz level on 12 January 2017 for the first time since 22 November 2016. For Sterling denominated investors the trend has been accentuated by the Pound's weakness as can be seen by the below chart. Over the last 12 months Sterling quoted gold prices are up circa 30% vs just 10% for the Dollar price.



Source: World Gold Council

Over the last quarter, Conroy Gold has seen its share price fall 36%, a performance that we do not believe fairly reflects the prospects for the commodity or the Company. During the period the Company announced (on 3 November 2016) the final results of its 2016 drill programme, which across the year delivered a 100% success rate. The latest drilling identified five new gold zones and extended one of the known gold zones by 30 metres, as well as confirming the continuity of the known gold zones. The results included high grade gold together with wide intersections, including 0.25m at 35.4 g/t gold, 5.50m grading 4.1 g/t gold, 5.75m @ 5.04g/t gold and 2.25m @ 10.75g/t.

Conroy Gold has discovered gold in bedrock across a 30 mile-long trend within its licence area and is focussing on adding value to its flagship Clay Lake-Clontibret asset where it is targeting a multi-million oz gold resource and already has a JORC Compliant 600k oz gold resource in place. Recent drilling gives us confidence that this can be upgraded in due course.

The current market capitalisation values the resource at just £3.6 per oz with no upside for further enlargement. There is certainly the potential to delineate a multi-million oz asset. This will require significant further testwork and drilling. However, we believe there should be appetite to establish producing assets in favourable jurisdictions by potential partners. According to John Hathaway, fund manager of Tocqueville's \$1.4 billion Gold Fund, discoveries of new ore bodies are now at a 25-year low. Conroy Gold has an established resource, and recent drilling demonstrates the potential for its license area to host a significant gold producing mine.

Financial Statements

Profit & Loss

Year-end May, €	2013A	2014A	2015A
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
Loss Before Taxation	-423,979	-380,305	-315,314
Taxation	0	0	0
Loss retained for the year	-423,979	-380,305	-315,314
Loss per ordinary share	-0.0015	-0.0012	-0.0008

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

Cash Flow Statement

Year-end May, €	2013A	2014A	2015A
Cash Flows from Operating Activities			
Operating Expenses	-411,020	-374,323	-315,314
Working Capital/other movements	307,433	527,276	462,710
Cash used in operations	-103,587	152,953	147,396
Net cash used in operating activities	-103,587	152,953	147,396
Cash flows from investing activities			
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
Net Cash used in investing activities	-1,049,245	-1,068,743	-1,475,113
Cash flows from financing activities			
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

Year-end May, €	2013A	2014A	2015A
Assets			
Non Current Assets			
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
	14,831,986	16,041,164	17,298,533
Current Assets			
Trade and Other Receivables	163,139	59,358	344,784
Cash and Other equivalents	71,864	78,372	23,480
	235,003	137,730	368,264
Total Assets	15,066,989	16,178,894	17,666,797
EQUITY AND LIABILITIES			
Capital and Reserves			
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
Total Equity	13,073,929	14,290,931	15,321,650
Non-current Liabilities			
Financial Liabilities	1,045,775	191,022	191,022
Convertible debt		324,952	
Total Non-current Liabilities	1,045,775	515,974	191,022
Current Liabilities			
Trade and other payables	947,285	1,371,989	2,154,215
Total Current Liabilities	947,285	1,371,989	2,154,215
Total liabilities	1,993,060	1,887,963	2,345,237
Total Equity and Liabilities	15,066,989	16,178,894	17,666,887

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

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Hybridan LLP

20 Ironmonger Lane, London, EC2V 8EP

T +44 (0) 20 3764 2341, F +44 (0) 20 7600 1586

www.hybridan.com

Hybridan LLP

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