



CONROY

GOLD AND NATURAL RESOURCES PLC

Half-Yearly Report 2015

Chairman's Statement

Dear Shareholder

I have great pleasure in presenting your Company's Half-Yearly Report for the six months ended 30 November 2015. Further progress towards the proposed mine at Clontibret was made and the infill drill programme produced some excellent results. In addition, we discovered a new gold target and at Clay Lake we confirmed a major enlargement of the prospect. We have an economically viable mine, with short payback, and a number of targets with huge potential across the licence area.

Clontibret

As previously stated, the mine will consist of a Phase 1 starter pit which will concentrate on a high grade, densely drilled portion of the resource which will result in accelerated total project capital payback within year 2 of the operation and a positive cash flow.

The infill drilling results provided evidence of continuity of gold mineralisation at depth and enabled the existing geological orebody model to be confirmed and the gold mineralisation zone to be extended.

Grades of 20.05 g/t gold over 1 metre and 14.10 g/t gold over 0.25 metres were found and drilling was continued in order to intersect the stockwork zone at depth (the gold orebody at Clontibret comprises both lode zones and a stockwork zone). The results within the stockwork zone included a series of five, one metre intersections of gold at a grade of approximately 1g/t gold, or over, down to a depth of 340.5 metres. This is the deepest level to date at which gold has been intersected at Clontibret and confirms that the gold orebody at Clontibret remains open at depth and it is also open along strike. Economic quantities of antimony are also present.

Phase 2 will comprise underground mining and/or further surface pit(s). The mining plan is done in the context of the remaining 80 per cent of the Clontibret gold target outside the planned mine area for Phase 1, which is also expected to be economic to mine.

Exploration

Further highly encouraging results were achieved on your Company's exploration licences, particularly at Clay Lake, which was announced post period. A gold-in-soil sampling programme has shown that the Clay Lake and Cargalisgorran gold targets in Co. Armagh form a single large gold-in-soil target anomaly, over 200 Ha (c.500 Acres) in area, nearly 3km in length and, in places, 2km wide.

Gold-in-bedrock has already been demonstrated at either end of this enlarged gold target. This includes a drilling intersection of 7.5 metres at 5.58 g/t gold and trenching of 10 metres at 2.46g/t gold at the south-west end (Cargalisgorran), and drilling of 100 metres at 0.56g/t gold including 11.5 metres at 1.55g/t gold, and trenching of 5 metres at 3.02g/t gold at the north-eastern end.

We also have a new target – an extensive (700 metres by 300 metres) gold-in-soil anomaly near Rockcorry, in County Monaghan. The discovery lies approximately 7km south-west of the Company's Glenish gold target in Co. Monaghan and 14km south-west of Clontibret.

It is also south-west of the Company's Glenish gold target and north-east of the Company's Slieve Glah gold target, which adds further evidence as to the continuity of the gold trend which we believe runs from County Armagh in Northern Ireland across the Counties Monaghan and Cavan in the Republic of Ireland. The trend lies along the major geological structure known as the Orlock Bridge Fault.

In Finland we have a number of highly prospective licences as well.

Finance

The loss after taxation for the half-year ended 30 November 2015 was €107,618 (2014: loss of €150,230) and the net assets as at 30 November 2015 were €15,256,853 (2014: €15,449,505).

During the period the Board proposed a capital reorganisation that the Shareholders subsequently approved. This comprised firstly a subdivision of the existing ordinary shares of €0.01 (and also the unissued but authorised ordinary shares) and secondly a consolidation of the subdivided ordinary shares to create the new ordinary shares of €0.001 ("Ordinary Shares"). The effect of the capital reorganisation was to reduce the number of ordinary shares in issue by a multiple of approximately 100.

The Company, in December, raised £375,000 (€517,250) through the issue of 769,230 Ordinary Shares by way of a subscription and through the issue of 384,615 Ordinary Shares by way of a debt capitalisation. Both the subscription and the debt capitalisation were completed at a price of 32.50 pence sterling per Ordinary Share. The subscription shares were subscribed for by Patrick O'Sullivan, an existing shareholder in the Company, and Professor Conroy, Chairman of the Company.

Outlook

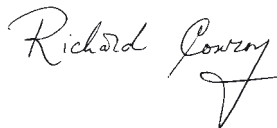
Your Company continues to make progress with its planned gold mine at Clontibret and we continue to enhance the potential of the overall licence area.

Directors and Staff

I would like to give my and the entire Board's condolences to the family of Henry H. Rennison, a dear friend and colleague who served the Company well over many years, who died this month.

I would like to thank all of my fellow directors, staff and consultants for their support and hard work, which has enabled us to continue to move your Company forward.

Yours faithfully,



Professor Richard Conroy
Chairman

29 February 2016

Consolidated Income Statement

for half-year ended 30 November 2015

	Six months ended 30 November 2015 (Unaudited) €	Six months ended 30 November 2014 (Unaudited) €	Year ended 31 May 2015 (Audited) €
OPERATING EXPENSES	(107,302)	(150,230)	(315,314)
Finance income – bank interest receivable	-	-	-
Finance costs – interest on shareholder loan	(416)	-	-
LOSS BEFORE TAXATION	(107,618)	(150,230)	(315,314)
Taxation	-	-	-
LOSS FOR HALF-YEAR	(107,618)	(150,230)	(315,314)
Loss per ordinary share – basic and diluted	(€0.0002)	(€0.0004)	(€0.0008)

Consolidated Statement of Comprehensive Income

for half-year ended 30 November 2015

	Six months ended 30 November 2015 (Unaudited) €	Six months ended 30 November 2014 (Unaudited) €	Year ended 31 May 2015 (Audited) €
LOSS FOR PERIOD	(107,618)	(150,230)	(315,314)
Total income and expense recognised in other comprehensive income	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD – ENTIRELY ATTRIBUTABLE TO EQUITYHOLDERS	(107,618)	(150,230)	(315,314)

Consolidated Statement of Financial Position

as at 30 November 2015

	30 November 2015 (Unaudited) €	30 November 2014 (Unaudited) €	31 May 2015 (Audited) €
ASSETS			
Non-current Assets			
Property, plant and equipment	16,150	4,253	17,983
	18,046,045	16,902,926	17,579,821
Current Assets			
Trade and other receivables	56,592	51,949	63,586
Cash and cash equivalents	29,224	466,585	23,480
	85,916	518,534	87,066
Total Assets	18,131,961	17,421,460	17,666,887
EQUITY AND LIABILITIES			
Capital and Reserves			
Called up share capital	4,373,208	4,373,208	4,373,208
Called up deferred share capital	6,135,597	6,135,597	6,135,597
Share premium	8,855,525	8,855,525	8,855,525
Capital conversion reserve fund	30,617	30,617	30,617
Share based payments reserve	1,162,830	1,007,780	1,120,009
Retained losses	(5,300,924)	(4,953,222)	(5,193,306)
Total Equity	15,256,853	15,449,505	15,231,650
Non-current Liabilities			
Shareholder loan	265,000	-	-
Financial Liabilities	193,102	191,022	191,022
Total Non-current Liabilities	458,102	191,022	191,022
Current Liabilities			
Trade and other payables	2,417,006	1,780,933	2,154,215
Total Current Liabilities	2,417,006	1,780,933	2,154,215
Total Liabilities	2,895,108	1,971,955	2,345,237
Total Equity and Liabilities	18,131,931	17,421,460	17,666,887

Consolidated Cash Flow Statement

for the half-year ended 30 November 2015

	Six months ended 30 November 2015 (Unaudited) €	Six months ended 30 November 2014 (Unaudited) €	Year ended 31 May 2015 (Audited) €
Cash flows from operating activities			
Cash generated/(used in) by operations	88,884	30,178	147,396
Tax paid	-	-	-
Net cash generated/(used in) by operating activities	88,884	30,178	147,396
Cash flows from investing activities			
Investment in exploration and evaluation	(432,909)	(822,312)	(1,459,440)
Payments to acquire property, plant and equipment	-	(4,436)	(15,673)
Net cash used in investing activities	(432,909)	(826,748)	(1,475,113)
Cash flows from financing activities			
Issue of share capital	-	935,831	935,832
Advances/(conversion) of shareholder loan	267,080	-	-
Advances from related parties	82,690	248,552	336,993
Net cash generated from financing activities	349,770	1,184,783	1,272,825
Increase/(Decrease) in cash and cash equivalents	5,744	388,213	(54,892)
Cash and cash equivalents at beginning of period	23,480	78,372	78,372
Cash and cash equivalents at end of period	29,224	466,585	23,480

Statement of Changes in Equity

for the half-year ended 30 November 2015

	Share Capital €	Share Premium €	Capital Conversion Reserve Fund €	Share-based Payment Reserve €	Retained Earnings (Deficit) €	Total Equity €
At 1 June 2015	10,508,805	8,855,525	30,617	1,120,009	(5,153,306)	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
At 1 June 2014	9,655,597	8,447,949	30,617	1,034,760	(4,877,992)	14,290,931
Share issue	853,208	-	-	-	-	853,208
Share premium	-	446,772	-	-	-	446,772
Share issue expenses	-	(39,196)	-	-	-	(39,196)
Transfer from share-based payments reserve to retained earnings/deficit	-	-	-	(75,000)	75,000	-
Share-based payments	-	-	-	48,020	-	48,020
Loss for the period	-	-	-	-	(131,527)	(131,527)
At 30 November 2014	10,508,805	8,855,525	30,617	1,007,780	(4,953,222)	15,449,505

Notes to the Financial Statements

for the half-year ended 30 November 2015

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 2015.

2. Earnings per share

The calculation of the loss per ordinary share of €0.0002 (2014: €0.0004) is based on the loss for the financial year of €107,618 (2014: €150,230) and the weighted average number of ordinary shares in issue during the period of 437,320,727 (2014: 363,060,039).

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 2015.