

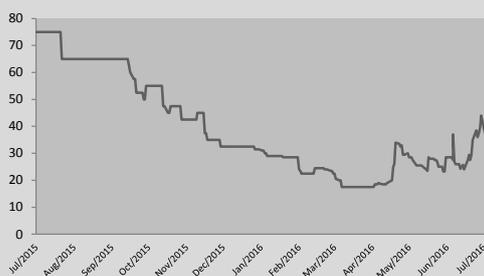
## Drill Results

20 July 2016

### Key Statistics

<b>Code</b>	: CGNR
<b>Listing</b>	: AIM
<b>Sector</b>	: Mining
<b>Market Cap</b>	: £4.1m
<b>Share in issue</b>	: 11.01m
<b>Current Price</b>	: 37.5p
<b>12 mnth High/Low</b>	: 75p/17.5p

### Stock Performance



Source: Fidessa

### Financials

€m y/e May	FY12A	FY13A	FY14A	FY15A
<b>EBT</b>	-0.5	-0.4	-0.4	-0.3
<b>Book Value</b>	12.7	13.1	14.3	15.3

Source: Annual reports and Hybridan LLP estimates

### 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's most detailed appraisals have been at Clontibret, where a JORC compliant mineral resource of 601k ounces of gold has been identified on 20 per cent of the target.

### HYBRIDAN LLP

20 Ironmonger Lane, London, EC2V 8EP  
 Website: [www.hybridan.com](http://www.hybridan.com)

Derren Nathan  
 Tel: 020 3764 2344  
 Email: [derren.nathan@hybridan.com](mailto:derren.nathan@hybridan.com)

## Good drill results at Glenish

The gold exploration and development company has released the first drill results from its summer drill programme, with positive assays from the Glenish gold target in Ireland. When considered with previous channel sampling results which had proved 1.3 metres grading 9.4 g/t gold, the results demonstrated the presence of four new gold zones in a 150 metre wide structural corridor in the western part of the Glenish gold target.

The intersections included 2.25 metres grading 2.65 g/t gold, at a depth of 18 metres; 2.0 metres grading 1.59 g/t gold at a depth of 27.75 metres; 2.75 metres grading 1.43 g/t gold at a depth of 36 metres and 3 metres grading 1.76 g/t gold at a depth of 64.25 metres. This is indicative of a relatively continuous ore body, with the higher grades seen closer to surface so far, which is encouraging for the economics of any eventual mine.

As per the 2<sup>nd</sup> June announcement we expect the next drilling to be at the Company's combined ClayLake - Clontibret gold project where the Company has an exploration target of 5 million oz. gold. This is the company's most advanced target and the priority to bring to development. A mine development plan is already in place for a small part of Clontibret and we would expect that further drilling at the combined target will build on previous work.

The gold price has held firm at over \$1,300 per oz since it spiked post the UK's EU referendum. At \$1,372 the initial proposed mine at Clontibret has an NPV of \$72.3m at an 8% discount rate. Further work this year has the potential to substantially grow the size of the asset which would place the company in a strong negotiating position with potential partners.

Meanwhile the recent work at Glenish gives encouragement that Conroy may be sitting on another significant discovery just 7.5km south west of the Clay Lake – Clontibret gold target. The mineralisation remains open in all directions. Elsewhere gold shows have been encountered along the 30 mile trend. This is a potentially major gold zone in a benign jurisdiction. Ireland is ranked fourth globally for mining investment attractiveness by The Fraser Institute. The strategy to focus work on the most advanced targets will help to optimise capital returns. Despite a recent strong share price performance Conroy is still only capitalised at £4m leaving ample scope for upside. The ongoing drill programme provides plenty of opportunities for a catalyst.

For analyst certification and other important disclosures, refer to the Disclosure Section

**Income Statement**

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

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

**Cash Flow Statement**

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

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

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](http://www.hybridan.com)

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