

3 February 2014



Conroy Gold and Natural Resources plc (“Conroy” or “the Company”)

Subscription to raise £500,000, Capital Reorganisation and Debt Conversion of £235,000

- **Subscription for 33,333,336 new Ordinary Shares at 1.5 pence per share to raise £500,000**
- **In addition, conversion of unsecured convertible debt amounting to £235,000 by directors of the Company at 2.65 pence per share**
- **Proceeds of the subscription to be applied to fund the Company’s ongoing programme at its Clontibret gold target where it proposes to develop its first operational gold mine and its ongoing exploration programme at Clay Lake and for working capital generally**

Conroy (AIM: CGNR), (ESM: CGNR.I) the gold mining company focused on Ireland, announces that it has conditionally raised £500,000, through a subscription (the “Subscription”) of 33,333,336 Ordinary Shares of EUR 0.01 in the capital of the Company (“Ordinary Shares”) (the “Subscription Shares”) at a price of 1.5 pence Sterling per share (“Subscription Price”). As the Subscription Price is lower than the par value of the Ordinary Shares, it is necessary to reduce the current Nominal Value of the Ordinary Shares.

The Subscription is therefore conditional on the completion of a Capital Reorganisation and an Extraordinary General Meeting is being called for 26 February 2014 where a resolution to change the existing Ordinary Shares into Ordinary Shares of €0.01 per share and deferred shares of €0.02 per share will be proposed. A document is being sent to Shareholders today in this regard.

The Company intends to use the proceeds of the Subscription primarily to fund the Company’s on-going programme at its Clontibret gold target where it proposes to develop its first operational gold mine and to continue its exploration at its Clay Lake and other gold and base metal targets. The remainder of the proceeds will be directed towards working capital purposes. .

Mr Séamus FitzPatrick, Deputy Chairman of Conroy, has subscribed for 1,666,666 shares. Following Admission, Séamus FitzPatrick, will hold 7,730,484 Ordinary Shares in the Company, representing 2.27 per cent. of the Company’s enlarged share capital.

Mr Séamus FitzPatrick's participation in the Subscription is a related party transaction under the AIM Rules. The independent directors (being all the members of the Board of Directors with the exception of Mr FitzPatrick), having consulted with the Company's nominated adviser and ESM adviser, consider his participation in the Subscription to be fair and reasonable insofar as the Shareholders are concerned.

In addition, Mr Patrick O'Sullivan has subscribed for 6,666,666 shares. Following Admission, Patrick O'Sullivan, will hold 30,714,546 Ordinary Shares in the Company, representing 9.03 per cent. of the Company's enlarged share capital.

In addition to the Subscription, Professor Richard Conroy, Miss Maureen Jones and Dr. Sorca Conroy (all directors of Conroy) have converted £110,000, £110,000 and £15,000 of debt capital respectively, at 2.65p per share, (the "Conversion Shares"). This represents a premium of 45.2 per cent. to the closing price on 31 January 2014, being the last practical date prior to the conversion. Following admission of the Conversion Shares Professor Conroy's holding will be 74,854,679 (representing 24.40 per cent.), Maureen Jones will hold 5,330,953 (representing 1.74 per cent.), and Dr. Sorca Conroy will hold 2,066,942 (representing 0.67 per cent.).

The participation of Professor Conroy, Maureen Jones and Dr. Sorca Conroy in the debt conversion is a related party transaction under the AIM Rules. The independent directors, having consulted with the Company's nominated adviser and ESM adviser, consider the terms of the debt capitalisation to be fair and reasonable insofar as the Shareholders are concerned.

The Subscription and the debt conversion are conditional, inter alia, on admission of the Subscription Shares and the Conversion Shares to trading on AIM and the Enterprise Securities Market operated by the Irish Stock Exchange Limited ("ESM"). The Subscription Shares and the Conversion Shares will rank *pari passu* with the existing issued Ordinary Shares.

Application has been made to AIM and ESM for the Conversion Shares to be admitted to trading and admission is expected to take place on 7 February 2014. Following admission of the Conversion Shares the Company will have 306,779,844 shares in issue of which the Directors will hold 29.95 per cent.

Application will be made to AIM and ESM for the Subscription Shares to be admitted to trading and admission is expected to take place on 27 February 2014. Following admission of the 33,333,336 Subscription Shares, the Company will have 340,113,180 Ordinary Shares in issue.

The Directors are considering the conversion of the remainder of the convertible debt and other amounts due to the Directors into ordinary shares, subject to the total Directors' holdings not exceeding 29.99 percent of the Company's issued share capital.

Professor Richard Conroy, Chairman, commented:

“I am pleased to announce the fundraising of £500,000 which will enable the Company to progress its Clontibret project where the Company plans to develop its first operational gold mine and continue its exploration at its Clay Lake and other gold and base metal targets.”

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