

100% success rate continues

Key Statistics:

Code	CGNR
Listing	AIM
Sector	Mining
Market Cap	£2.6m
Share in issue	11.01m
Current Price	24p
12 mnth High/Low	47.5p/17.5p

Priced at 1145 on 4th November 2016

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'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.

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Conroy Gold & Natural Resources last week released a further set of drill results from its Clay Lake – Clontibret gold property in Ireland, specifically from the Clontibret gold deposit at the southwestern part of the target area. This year's drill programme has returned a 100% success rate in terms of intersecting meaningful mineralisation. The drilling broadened extending one of the known gold zones by 30 metres, as well as validating continuity of other known gold zones. These results encountered high grade gold and wide intersections, which included 0.25m at 35.4 g/t gold, 5.50m grading 4.1 g/t gold and 11m at 0.5g/t.

These further excellent drilling results extended a known gold zone within the Company's resource model, where a JORC compliant resource estimate is in place, using a minimum mining width of 2 metres and a cut-off grade of 0.6g/t gold, has indicated and inferred resources of over 600,000 ounces of gold at 1.6g/t gold. The confirmation of additional gold zones at Clontibret and extension of the existing zone suggests that the asset is capable of significantly building upon the existing gold resource estimate at the property. **In the event of an updated estimate these holes should add further ounces.**

Last week's announcement comes just a few weeks after the discovery of five new gold zones at Clontibret. None of this recent data is included in the existing resource, and bear in mind that all the recent drilling at Clontibret focused on a small portion of the property. Other areas on the property have showed high gold in soil concentrations and are yet to be drilled. Clay Lake has been less defined and not yet had an attributed resource **but earlier work has shown mineralisation extending as deep as 100 metres with widths including what we understand to be the widest intersection ever encountered in Ireland** of 100m at 0.6 g/t gold.

The 30-metre extension of a known gold zone, confirmed continuity in other gold zones, high grades and wide intersections of gold all further support that the Clay Lake – Clontibret property has the potential to become a multi-million-ounce gold deposit and operating mine. We support the strategy to focus attention on this property, which should optimise the ability to attract partners to a project specific development. However, the sheer size of the 30-mile Gold Trend within the Company's licenses, with proven gold in bedrock at multiple targets, suggests **the potential for Conroy to establish the largest resource base of all its peers within Ireland. Neither the strong recent progress nor the broader potential of the Company's gold deposits are reflected in the £2.6m market cap.**

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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