

Conroy Gold and Natural Resources (CGNR)

Hybridan Site Visit 2015

With the recent publication of Conroy Gold's interims, it seemed an opportune moment for the Hybridan team to pay a visit to Ireland for an update on the ongoing work they are conducting across their portfolio of assets. The company remains committed to the discovery and development of major economic mineral deposits across a thirty mile gold trend holding an array of additional minerals such as zinc and antimony. The team holds a proven track record of successful discovery



Location of the Clontibret starter-pit

including the Galmoy Zinc mine, the Pogo gold deposit in Alaska, the Curraghinalt gold deposit in Northern Ireland and the development of the Skorpion Zinc Mine in Namibia.

The day started with a tour of the company's flagship project at Clontibret which is planned to be their first operational gold mine. The company has a solid development plan in place which is being spearheaded by the appointment last year of Michael Brennan as Project Manager to oversee the development phase at Clontibret. Michael has extensive experience on bringing major deposits into

production with companies such as De Beers, Reunion Mining and Mantle Diamonds. The



development plan is in progress with an aggressive drill program currently in place. The mine will consist of a Phase 1 starter pit which will concentrate on a high grade, densely drilled portion of the resource; approximately 20% of the total target. The scoping study by Tetra Tech on the starter pit site reported an indicated and inferred resource of 601,104 ounces at 1.6 g/t.

Perhaps the most interesting news to come out of Clontibret recently was the added benefit of the potential of antimony to be mined there as well as gold. We were shown the old

Up close drilling at Clontibret



antimony mine dating back to the early 1800s and a revised sampling program back in the 1950s led to the discovery of gold, however the high grades (some at 34.g/t) were hampered by poor recovery – something of which the team have overcome with modern drilling techniques.

Antimony is an interesting addition to Conroy's portfolio – not only showing potential economic quantities but it is specified by the European Commission as a

High grade gold in rock core visible to the naked eye

critical raw material. The applications are numerous; the main one being the production of fire retardants.

Antimony presents investors with an interesting proposition – the vast majority of production is dominated by China and much of it goes to their domestic market therefore the emergence of a new western mine would help alleviate this supply/demand conundrum we are currently experiencing.

The current focus for Clontibret which we experienced is the continued drilling to further upgrade and enhance the resource. Once the core is extracted it is taken to a nearby facility whereby half the core is sent off to a laboratory for testing and the other half is analysed by the company's geologists on site. What is instantly noticeable is the presence of high grade gold to the naked eye – not only at surface in a stream at Clontibret near the old antimony mine but also back at the company's facility where the core is cut in half.



Analysing rock samples

The storage facility holds vast amounts of core collected from drilling across the company's four main assets; Slieve Glah, Glenish, Clontibret and Clay Lake covering a thirty mile gold trend.

We then headed over to Clay Lake where we saw the remains of trenching conducted by the company. Clay Lake holds the highest gold-in-soil values to date across all of Conroy's assets; up to 1.53 g/t Au which represents double those recorded at Clontibret. Whilst some way behind Clontibret on the development curve, the structural studies have suggested potential for high tonnage and overall gold content which reinforces the significant upside for the asset.



Our next stop was to Slieve Glah, standing at 301Ha it is the company's largest asset located 40km to the south east of Clontibret. Towards the end of 2014 the company reported a promising update on the asset confirming the area to be highly prospective for gold mineralisation. The independent structural study provided further evidence of the gold potential in the enormous target area at Slieve Glah and whilst exploration is at an early stage, it serves as an extremely valuable asset in Conroy's arsenal.

Rock core storage facility

Whilst we have seen signs of life in the general sector recently, the juniors are still facing challenging conditions. All too many companies are wrongly adopting the "wait and see" approach to exploration, hoping to weather the storm in relative inactivity. This approach has caused investors to lose patience with companies in the sector; somewhat justified but all should not be tainted with the same brush. Lessons learnt from previous downturns show us that when the recovery starts to happen it is those who have been consistently proactive during the downturn who prosper when sentiment changes.



The Conroy team presenting at the Prospectors & Developers Association of Canada (PDAC) earlier this year

The key takeaway from our visit was that the company have not been sidetracked from their objective despite the poor sentiment towards the sector. On the contrary, the team have made significant headway in the past 12 months in reaffirming their position as an active explorer and developer of world class deposits. During this period, Clontibret has been shown to be economically viable with a definitive mine development plan in place with significant underground and open pit expansion. Their flagship project is supported by highly promising assets such as Slieve Glah and Clay Lake equating to a vastly diverse portfolio. Conroy Gold has positioned itself for the upturn which can only make them more attractive to any potential JV partnerships that can support them to take Clontibret into production.

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