

28 September 2010

Ormonde Mining plc

Interim Results for the Six Months Ended 30 June 2010

DUBLIN & LONDON: 28 September 2010 - Ormonde Mining plc, the Spain-focused development and exploration company, is pleased to announce its unaudited interim results for the six months ended 30 June 2010.

Highlights:

Barruecopardo

- Barruecopardo mineral resource upgraded to 11 million tonnes of 0.45% WO₃, with 60% of the resource now in Indicated status
- Scott Wilson Mining study demonstrates increased production rates, a 10 year open pit prior to underground mining and very robust economics
- Tungsten price continues to rise due to increasing supply side constraints.

La Zarza

- Antofagasta opts to continue to fund exploration in the joint venture and applications submitted for further exploration permits.

Michael Donoghue, Chairman of the Company, commented today,

"The Company has made significant strides over the first half of the year: the independent Study on our tungsten project in Spain has been very encouraging both on an economic and technical level and we will now press forward with advancing the project towards production as rapidly as possible. The decision by Antofagasta to continue to fund the joint venture at La Zarza is also very encouraging".

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CHAIRMAN'S STATEMENT

OPERATIONAL REVIEW

I am very pleased to be in a position to report that we have made significant progress on all fronts during 2010 and we now are entering a period where we expect to move Barruecopardo towards the final engineering design phase with a view to development of a mining operation in 2012. Progress at our La Zarza project has also been very satisfactory with Antofagasta electing to continue to fund expenditure on this joint venture.

Barruecopardo

A significant mineral resource upgrade was completed in May, with both a doubling of the resource to **11 million tonnes at 0.45% WO₃** (JORC-compliant) and the upgrading of 60% of the resource from Inferred to Indicated status. Following this, the Company engaged consultants Scott Wilson Mining to carry out an independent technical and economic Study, with an emphasis on the initial years of a mining operation. The results of this Study show that the optimum approach to mining in the initial 10 year period, based solely upon current Indicated Resources, would be by open pit at a design production capacity of **500,000 tonnes** per annum, an increase of 25% on the previously estimated initial production rates. The Board regards the Study as very encouraging, not only in terms of an improved production rate, but also due to the assessment that the project would support an open pit operation for ten years prior to the development of an underground mine.

At current tungsten prices, this Base Case is capable of generating **Euro 9M** per year of averaged pre-tax operating cash flows for 10 years; rising to **Euro 14M** per year at the higher tungsten prices suggested by commodity analysts, who forecast a tungsten market supply deficit in the next few years. The initial capital cost for the Base Case is **Euro 30M**. The Study also considered the possibility of further increasing the open pit production rate to **800,000 tonnes** per annum for 10 years (Expanded Case) by the inclusion of the Inferred Resources. This could result in the project generating **Euro 16M** per year of averaged pre-tax operating cash flows at the current tungsten price.

These cash flows, relative to the low capital cost, would support a high level of debt financing for the capital development stage of the project. Your Company is advancing its discussions with both concentrate off-take end-users and various banks with a view to putting in place an appropriate mix of debt, off-take contracts and possibly a component of joint venture/equity funding, when the engineering design phase and permitting has been completed.

The Scott Wilson Study considered only material that could be mined by open pit in the first 10 years of an operation. Your Company anticipates that mining would be continued by underground methods post completion of the Base Case 10-year open pit, to provide for a long life mine.

Drilling is resuming on site, focussed on infilling between the relevant previous drillholes, and work on the engineering design phase is scheduled for 2011, with the objective of bringing a mining operation into production by late 2012.

La Zarza

Exploration activities at La Zarza, through the joint venture with Antofagasta Minerals, proceeded during the first half of the year with drilling, geophysical surveying and work on a revised structural interpretation for the massive sulphides. This work formed the basis for a new global resource estimate (non-JORC compliant) of **61M tonnes**, grading 0.8% copper, 0.9g/t gold, 0.6% lead, 2.0% zinc and 5.7g/t silver. This resource includes a much smaller but higher grade copper and gold "Silicatado" resource, which was the subject of Ormonde's earlier studies. Encouragingly, after completion of its first year expenditures, Antofagasta has opted to continue to fund exploration on the joint venture.

Ormonde has submitted applications to the provincial mining authority for additional permits covering the strike extension of the La Zarza system and controlling structures. These permits are to be included in the Joint venture and work programmes will be extended over the new permit areas.

Salamanca Gold Properties

While the Company concentrates its funds and resources on progressing Barruecopardo to production, the Board is at the same time anxious to advance exploration of its highly prospective gold properties in Salamanca. With this in mind, the Board commissioned an independent report on these properties by CSA Global Pty Ltd. The report concluded that the properties incorporate all the major features of classic intrusion related gold systems, which host a considerable number of large scale, lower grade, gold mines in various parts of the World.

The Board concluded that the best way to advance the work programmes on these gold properties, as recommended in this report, would be through third party funding via a joint venture. Expressions of interest have been received from several parties and these are being pursued.

CORPORATE

Ormonde's operating loss for the period was €258k (€242k for the 6 months to June 2009), which reflects a continued containment of administrative expenses. We raised €726k (net of expenses) through a placement at the end of June for the Company's activities on Barruecopardo and general working capital purposes.

Looking ahead, the favourable outlook for the tungsten market, as the supply-demand situation tightens, is underpinning a strengthening of the tungsten price, and I believe the prognosis for the future of tungsten producers is very positive. Against this backdrop, work on Barruecopardo has yielded very favourable technical and economic results. We intend to move this project forward as rapidly as possible to become a major tungsten producer,

In closing I would like to welcome Fairfax as our joint broker with Davy. This additional mining research and marketing capability in the London investment community will be of great benefit to your Company as we progress forward.

Michael J. Donoghue
Chairman
28 September 2010

Ormonde Mining PLC
Consolidated Statement of
Comprehensive Income
Six months ended 30 June 2010

	<i>unaudited</i> 6 months ended 30-Jun-10 €000s	<i>unaudited</i> 6 months ended 30-Jun-09 €000s	<i>audited</i> Year ended 31-Dec-09 €000s
Turnover	0	0	0
Administration expenses	(256)	(242)	(492)
Exploration costs written off	0	0	(1,087)
Finance income	0	2	4
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Loss for the period before tax	(256)	(240)	(1,575)
Interest payable	(2)	(2)	0
Income tax expense	0	0	(4)
	<hr/>	<hr/>	<hr/>
Loss for the period from continuing operations	(258)	(242)	(1,579)
Other Comprehensive Income	0	0	0
	<hr/>	<hr/>	<hr/>
Total Comprehensive Income for the period – all attributable to equity holders of the Company	(258)	(242)	(1,579)
Loss per share			
Basic	-€0.0011	-€0.0012	-€0.0071
Diluted	-€0.0011	-€0.0012	-€0.0070

Ormonde Mining PLC
Consolidated Statement of Financial
Position
As at 30 June 2010

	<i>unaudited</i> 30-Jun-10 €000s	<i>unaudited</i> 30-Jun-09 €000s	<i>audited</i> 31-Dec-09 €000s
Assets			
Non current assets			
Intangible assets - Exploration and Evaluation assets	11,885	12,422	11,632
Property, plant & equipment	6	11	9
	<hr/>	<hr/>	<hr/>
Total Non-Current Assets	11,891	12,433	11,641
Current assets			
Trade & other receivables	286	156	109
Cash & cash equivalents	895	256	498
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Total Current Assets	1,181	412	607
	<hr/>	<hr/>	<hr/>
Total assets	13,072	12,845	12,248
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Equity & liabilities			
Equity			
Called up share capital	7,906	7,102	7,447
Share premium account	19,283	18,666	19,016
Other capital reserves	269	268	269
Retained losses	(15,516)	(13,920)	(15,258)
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Total equity – attributable to the owners of the Company	11,942	12,116	11,474
Non-current liabilities			
Trade & other payables	300	650	100
	<hr/>	<hr/>	<hr/>
Total Non-Current Liabilities	300	650	100
Current liabilities			
Trade & other payables	830	79	674
	<hr/>	<hr/>	<hr/>
Total Liabilities	1,130	729	774
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Total equity & liabilities	13,072	12,845	12,248
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Ormonde Mining PLC

Consolidated Statement of Cashflows Six months ended 30 June 2010

	<i>unaudited</i> 6 months ended 30-Jun-10 €000s	<i>unaudited</i> 6 months ended 30-Jun-09 €000s	<i>audited</i> Year ended 31-Dec-09 €000s
Cashflows from operating activities			
Net loss before interest & tax	(256)	(242)	(1,576)
Adjustments for:			
Depreciation	3	5	9
Exploration costs written off	0	0	1,087
Investment income recognised in P&L	0	0	(3)
(Increase)/Decrease in receivables	(178)	43	91
Increase/(decrease) in liabilities	356	(419)	(375)
Income taxes paid	0	0	(2)
Cash generated from operations	(75)	(613)	(769)
Cashflows from financing activities			
Proceeds from issue of share capital	726	0	695
Investing activities			
Purchase of plant & equipment	0	0	(2)
Expenditure on exploration activities	(253)	(271)	(568)
Interest received/(payable)	(2)	2	4
Non cash movements	0	0	0
Net cash used in investing activities	(255)	(269)	(566)
Net (decrease)/increase in cash	397	(882)	(640)
Cash at beginning of period	498	1,138	1,138
Cash at end of period	895	256	498

Ormonde Mining PLC

Consolidated Statement of Changes in Equity	Share Capital €000s	Share Premium €000s	Share based payment reserve €000s	Other Reserves €000s	Retained losses €000s	Total €000s
At 1 January 2009	7,102	18,666	232	37	(13,679)	12,358
Proceeds of share issue	-	-	-	-	-	-
Loss for the period	-	-	-	-	(242)	(242)
At 30 June 2009	7,102	18,666	232	37	(13,921)	12,116
Proceeds of share issue	345	350	-	-	-	695
Loss for the period	-	-	-	-	(1,337)	(1,337)
At 31 December 2009	7,447	19,016	232	37	(15,258)	11,474
Proceeds of share issue	459	267	-	-	-	726
Loss for the period	-	-	-	-	(258)	(258)
At 30 June 2010	7,906	19,283	232	37	(15,516)	11,942

Notes to the Interim Financial Statements

1. Segmental Analysis

The Group is engaged in one business segment only, exploration of mineral resource projects. Therefore only an analysis by geographical segment has been presented. The Group has geographic segments in Ireland and Spain.

The segment results for the period ended 30th June 2010 are as follows:

	Ireland €000s	Spain €000s
Segment result before tax	-	(258)
Loss for the period	-	(258)

2. Loss per share

The basic and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

	30-Jun-10 €000s	30-Jun-09 €000s	31-Dec-09 €000s
Loss for the period	(258)	(242)	(1,579)
Weighted average number of ordinary shares for the purposes of basic earning per share	241,711,655	217,170,586	223,365,910
Basic loss per ordinary share (in cent)	(0.11)	(0.12)	(0.71)

Diluted earnings per share

The earnings used in the calculation of the diluted earnings per share are the same as those for the basic earnings per share as outlined above.

3. Intangible assets – Exploration costs

	Exploration and Evaluation Assets €000s	Total €000s
Cost		
At 1 January 2010	11,632	11,632
Additions	253	253
At 30 June 2010	11,885	11,885

4. Property, Plant and Equipment

	Fixtures & Fittings €000s	Computer Equipment €000s	Motor Vehicles €000s	Total €000s
Cost				
At 1 January 2010	22	45	18	85
Additions	-	-	-	-
At 30 June 2010	22	45	18	85
Accumulated Depreciation				
At 1 January 2010	22	43	11	76
Depreciation expense	-	2	1	3
At 30 June 2010	22	45	12	79
Net Book Value at 30 June 2010	-	-	6	6
Net Book Value at 31 December 2009	-	2	7	9

5. Share Capital

	30-Jun-10 €000s	30-Jun-09 €000s	31-Dec-09 €000s
Authorised Equity			
450,000,000 Ordinary shares of 2.5c each (300,000,000 : 31 Dec 2009)	11,250	7,500	7,500
100,000,000 Deferred shares of 3.809214 cent each	3,809	3,809	3,809
	15,059	11,309	11,309
Issued Capital			
Share capital	7,906	7,102	7,447
Share premium	19,283	18,666	19,016
	27,189	25,768	26,463

The financial information has been prepared under International Financial Reporting Standards using accounting policies consistent with those in the last Annual Report.

No dividends were paid or proposed in respect of the six months ended 30 June 2010.

ENDS