

## Ormonde Mining plc

### Interim Results for the Six Months Ended 30 June 2011

DUBLIN & LONDON: 29 September 2011 - Ormonde Mining plc, the exploration and development company operating in Spain, is pleased to announce its unaudited interim results for the six months ended 30 June 2011.

#### Highlights:

##### Barruecopardo

- Drilling completed and feasibility study progressing very satisfactorily.
- Responses received from regional authorities to initial permitting submissions and no unexpected matters have been raised.
- Tungsten price remains strong, having traded in a relatively narrow range at around US\$460 per metric tonne unit (mtu) over the past four months.

##### La Zarza

- New permits awarded around La Zarza which have been incorporated into the Antofagasta Joint Venture, with an aggressive exploration programme wholly funded by Antofagasta now underway.
- Preparation of permitting documentation for the transfer of the mining concessions over the La Zarza Mine well advanced.

##### Gold Exploration

- Activities on gold properties being funded through a joint venture with Aurum Mining plc, with results awaited from an initial drilling programme.

Michael Donoghue, Chairman of the Company, commented today,

*"I am pleased to report that we are making good progress on advancing the Barruecopardo Tungsten Project through the feasibility study and permitting process and into the capital funding and development stages. We expect to be in a position to issue a progress report shortly.*

*Progress on our La Zarza Copper Project is also very encouraging, with an aggressive exploration programme, funded by our JV partner Antofagasta, commencing on the recently awarded permits around the known copper resources. In addition, we are well advanced with the preparation of permitting documentation for the transfer of the mining concessions at La Zarza."*

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## CHAIRMAN'S STATEMENT

During the first half of the year your company made significant progress on each of its three projects and, while we are presently between milestone events, the next few months of 2011 should see the realisation of our endeavours in a number of areas.

Progress on the feasibility study on the Company's flagship project, Barruecopardo, which is being carried out by Jacobs Engineering Group, is on schedule for completion by the end of the year. We expect the feasibility study to meet or exceed target expectations. The drilling programme has been completed with the results received to date being in line with previous interpretations. We expect assays from the remaining holes to be available shortly and this will lead on to a revised resource estimate. The final, definitive, metallurgical testwork, designed to optimise the process flow-sheet and facilitate the sizing and selection of plant, is nearing completion and has yielded significant improvements in the processing plant design and operating parameters. However, the major thrust in optimising the project is in the area of the mining plan and work in this area is progressing very well and has now reached a stage where the Company expects to issue an interim report on progress on the feasibility study shortly.

Initial permitting documentation was submitted to the regional regulatory authorities in January. Formal responses were received within the statutory timeframe and no unexpected matters were raised in the responses from the various government departments and NGO's. The guidance provided is being incorporated into the final Project Environmental Impact Assessment.

The price of tungsten has risen from \$245 per mtu of APT at the time of the Scott Wilson Study (September 2010), to a current price of \$460/mtu, a level around which it has settled since May 2011. Despite the present volatile nature of the equity markets and economic uncertainty in many countries, the prognosis is still very much for growing demand for tungsten, a shortage of new viable fundable projects and a shortfall on the supply side, all of which point to strong tungsten prices over the coming years. In a report issued very recently, the British Geological Survey has placed tungsten in joint first position in terms of metal supply risk (above the rare earths), following on from previous concerns expressed in an EU report in June 2010. Putting this into a commercial context, one very reputable global financial organisation, with a significant presence in China, is forecasting a growing shortage of tungsten and the likelihood that tungsten market dynamics will develop similar to that of the rare earths, with prices increasingly supply-driven rather than demand-driven.

At our La Zarza copper project, Ormonde was recently awarded four additional permits covering a total area of some 95 square kilometres along strike to the east and west of the known mineral resources. These permits have been incorporated into the Antofagasta Joint Venture and the relevant documentation approved. The agreed \$1.3 million work programme being wholly funded by Antofagasta has now commenced. The ground gravity survey is well advanced and the airborne electro-magnetic survey is due to commence shortly. We await the results of this work, which will be followed up later this year with a diamond drilling programme on any targets identified. Preparation of permitting documentation for the transfer of the mining concessions over the La Zarza Mine is now well advanced and we are pursuing avenues to facilitate exploitation of these resources.

In March of this year, Ormonde put in place a structure to retain its gold-tungsten properties in Salamanca Province, as peripheral extensions to the Barruecopardo assets, whilst facilitating the advancement and independent funding of its other gold properties in both Salamanca and Zamora Provinces. This structure, a joint venture with Aurum Mining Plc, is working well. Exploration activities have made good progress and we await the results of initial drilling on areas of known gold mineralisation.

Ormonde's operating loss for the period was €437k (€258k for the 6 months to June 2010), which reflects an additional administrative expense as both the operational and management team are strengthened to cope with the design and development stage of the Barruecopardo Tungsten Project and the increased corporate activity as funding and offtake options are evaluated.

Ormonde successfully raised £4 million (before expenses) through a placement, which was oversubscribed, at the beginning of May to fund the feasibility study and permitting activities for Barruecopardo, part of the consideration due in connection with the acquisition by Ormonde of the final 10% interest in Barruecopardo, work related to the transfer of title to the mining concessions at La Zarza, and for general working capital purposes.

We thank shareholders for their continued support and look forward to reporting on further progress in the development of Barruecopardo as a significant, strategic and secure European low cost tungsten producer.

Michael J. Donoghue  
Chairman  
29 September 2011

**Ormonde Mining PLC**  
**Consolidated Statement of Comprehensive Income**  
**Six months ended 30 June 2011**

	<i>unaudited</i> <b>6 months ended</b> <b>30-Jun-11</b> €000s	<i>unaudited</i> <b>6 months ended</b> <b>30-Jun-10</b> €000s	<i>audited</i> <b>Year ended</b> <b>31-Dec-10</b> €000s
<b>Turnover</b>	<b>0</b>	<b>0</b>	<b>0</b>
Administration expenses	(436)	(256)	(1,061)
Exploration costs written off	0	0	(32)
<b>Operating loss</b>	<b>(436)</b>	<b>(256)</b>	<b>(1,093)</b>
Interest receivable	8	0	6
Other finance costs	(9)	(2)	(2)
<b>Loss on Ordinary Activities</b>	<b>(437)</b>	<b>(258)</b>	<b>(1,089)</b>
Minority Interest	0	0	0
<b>Loss for the Period</b>	<b>(437)</b>	<b>(258)</b>	<b>(1,089)</b>
<b>Loss per share</b>			
Basic	-€0.0014	-€0.0011	-€0.0043
Diluted	-€0.0014	-€0.0011	-€0.0043

**Ormonde Mining PLC**  
**Consolidated Statement of Financial Position**  
**As at 30 June 2011**

	<i>unaudited</i> <b>30-Jun-11</b> €000s	<i>unaudited</i> <b>30-Jun-10</b> €000s	<i>audited</i> <b>31-Dec-10</b> €000s
<b>Assets</b>			
<b>Non current assets</b>			
Intangible assets - Exploration & Evaluation costs	14,195	11,885	12,443
Property, plant & equipment	18	6	22
Total Non Current Assets	<u>14,213</u>	<u>11,891</u>	<u>12,465</u>
<b>Current assets</b>			
Trade & other receivables	513	286	149
Cash & cash equivalents	3,885	895	1,944
<b>Total current assets</b>	<u>4,398</u>	<u>1,181</u>	<u>2,093</u>
<b>Total assets</b>	<u><b>18,611</b></u>	<u><b>13,072</b></u>	<u><b>14,558</b></u>
<b>Equity &amp; liabilities</b>			
<b>Equity</b>			
Called up share capital	10,151	7,906	9,042
Share premium account	24,174	19,283	20,889
Other capital reserves	700	269	700
Retained losses	(16,783)	(15,516)	(16,346)
Minority interest	0	0	0
<b>Total equity - attributable to the owners of the Company</b>	<u>18,242</u>	<u>11,942</u>	<u>14,285</u>
<b>Non-current liabilities</b>			
Trade & other payables	0	300	0
<b>Current liabilities</b>			
Trade & other payables	369	830	273
Total liabilities	<u>369</u>	<u>1,130</u>	<u>273</u>
<b>Total equity &amp; liabilities</b>	<u><b>18,611</b></u>	<u><b>13,072</b></u>	<u><b>14,558</b></u>

**Ormonde Mining PLC**  
**Consolidated Statement of Cashflows**  
**Six months ended 30 June 2011**

	<i>unaudited</i> <b>6 months ended</b> <b>30-Jun-11</b> €000s	<i>unaudited</i> <b>6 months ended</b> <b>30-Jun-10</b> €000s	<i>audited</i> <b>Year ended</b> <b>31-Dec-10</b> €000s
<b>Cashflows from operating activities</b>			
Net loss before interest & tax	(436)	(256)	(1,087)
Adjustments for:			
Depreciation	4	3	6
Exploration costs written off	0	0	32
Share based payment	0	0	432
Investment income recognised in P&L	(1)	0	(6)
(Increase)/Decrease in receivables	(363)	(177)	(41)
Increase/(decrease) in liabilities	96	356	(501)
Income taxes paid	0	0	(1)
<b>Cash generated from operations</b>	<b>(700)</b>	<b>(74)</b>	<b>(1,166)</b>
<b>Cashflows from financing activities</b>			
Proceeds from issue of share capital	4,394	726	3,467
<b>Investing activities</b>			
Purchase of plant & equipment	0	0	(19)
Expenditure on exploration activities	(1,752)	(253)	(842)
Interest received/(payable)	(1)	(2)	6
<b>Net cash used in investing activities</b>	<b>(1,753)</b>	<b>(255)</b>	<b>(855)</b>
<b>Net (decrease)/increase in cash</b>	<b>1,941</b>	<b>397</b>	<b>1,446</b>
<b>Cash at beginning of period</b>	<b>1,944</b>	<b>498</b>	<b>498</b>
<b>Cash at end of period</b>	<b>3,885</b>	<b>895</b>	<b>1,944</b>



## 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 30<sup>th</sup> June 2011 are as follows:

	<b>Ireland</b>	<b>Spain</b>
	<b>€000s</b>	<b>€000s</b>
<b>Loss for period to 30 June 11</b>		
Segment loss for period	0	(437)
	<u>0</u>	<u>(437)</u>

### 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:

	<b>30-Jun-11</b>	<b>30-Jun-10</b>	<b>31-Dec-10</b>
	<b>€000s</b>	<b>€000s</b>	<b>€000s</b>
Loss for period	(437)	(258)	(1,089)
Weighted average number of ordinary shares for the purpose of basic earnings per share	308,642,582	241,711,655	250,388,186
<b>Basic loss per ordinary shares (in cent)</b>	<u><b>(0.14)</b></u>	<u><b>(0.11)</b></u>	<u><b>(0.43)</b></u>

### Diluted earnings per share

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

	<b>30-Jun-11</b>	<b>30-Jun-10</b>	<b>31-Dec-10</b>
	<b>€000s</b>	<b>€000s</b>	<b>€000s</b>
Loss for period	(437)	(258)	(1,089)
Weighted average number of ordinary shares for the purpose of basic earnings per share	308,642,582	241,711,655	250,388,186
Shares deemed to be issued for no consideration in respect of Employee Options	2,704,688	2,298,333	3,298,611
Weighted average number of ordinary shares for the purpose of diluted earnings per share	311,347,270	244,009,988	253,686,797
<b>Diluted loss per ordinary shares (in cent)</b>	<u><b>(0.14)</b></u>	<u><b>(0.11)</b></u>	<u><b>(0.43)</b></u>

**3. Intangible assets – Exploration costs**

	<b>Exploration &amp; Evaluation Assets €000s</b>	<b>Total €000s</b>
Cost		
At 1 January 2011	12,443	<b>12,443</b>
Additions	1,752	<b>1,752</b>
<b>At 30 June 2011</b>	<b>14,195</b>	<b>14,195</b>

**4. Property, Plant and Equipment**

	<b>Fixtures &amp; Fittings €000s</b>	<b>Computer Equipment €000s</b>	<b>Motor Vehicles €000s</b>	<b>Total €000s</b>
<i>Cost</i>				
At 1 January 2011	22	45	37	<b>104</b>
Additions	0	0	0	<b>0</b>
<b>At 30 June 2011</b>	<b>22</b>	<b>45</b>	<b>37</b>	<b>104</b>
<i>Accumulated Depreciation &amp; Impairment</i>				
At 1 January 2011	(22)	(43)	(17)	<b>(82)</b>
Depreciation expense	0	(1)	(3)	<b>(4)</b>
<b>At 30 June 2011</b>	<b>(22)</b>	<b>(44)</b>	<b>(20)</b>	<b>(86)</b>
Net Book Value at 1 January 2011	0	2	20	<b>22</b>
<b>Net Book Value at 30 June 2011</b>	<b>0</b>	<b>1</b>	<b>17</b>	<b>18</b>

**5. Share Capital**

	<b>30-Jun-11</b>	<b>30-Jun-10</b>	<b>31-Dec-10</b>
	<b>€000s</b>	<b>€000s</b>	<b>€000s</b>
<b>Authorised Equity</b>			
450,000,000 ordinary shares of 2.5c each	11,250	11,250	11,250
100,000,000 deferred shares of 3.809214 each	3,809	3,809	3,809
	<u>15,059</u>	<u>15,059</u>	<u>15,059</u>
<b>Issued Capital</b>			
Share Capital	10,151	7,906	9,042
Share Premium	24,174	19,283	20,889
	<u>34,325</u>	<u>27,189</u>	<u>29,931</u>

On 4 May 2011, the Company placed 42,199,711 new ordinary shares of nominal value of €0.025 each in the capital of the Company at a price of Stg9.5p per share, raising Stg£4 million (approximately €4.4 million) before expenses.

On 11 May 2011, 2,150,000 new ordinary shares of nominal value of €0.025 each in the capital of the Company were issued in connection with the exercise of options at €0.041 each.

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 2011.

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