Ormonde Mining plc

Annual Report & Accounts 2008

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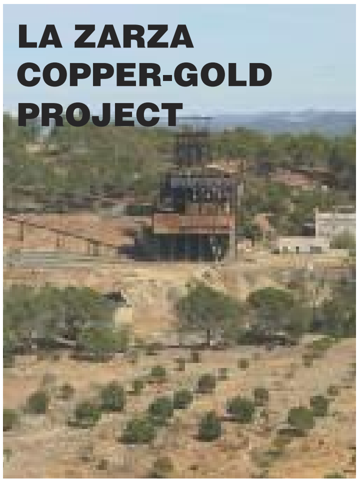
ORMONDE MINING PLC
Metges Lane, Navan, Co. Meath, IRELAND
Tel: +353 46 9073623 Fax: +353 46 9073654
info@ormondemining.com
www.ormondemining.com

Ormonde Mining plc is a mineral development and exploration company focused on Spain, with the objective of developing mining projects and taking them into production.

Ormonde is an Irish company quoted on the AIM in London and the IEX in Dublin.

The Barruecopardo Tungsten Project is located in the Salamanca Province in western Spain, and was previously worked as a shallow open-pit operation.

Ormonde intends to re-establish a tungsten mining operation at Barruecopardo, to produce in the region of 130,000 metric tonne units of tungsten trioxide (WO_3) per year in the initial years of production and make Barruecopardo one of the western world's most significant tungsten mines.



The La Zarza Copper-Gold Project is located in the prolific Iberian Pyrite Belt mining district in southern Spain.

Following completion of a Feasibility Study for the development of a 600,000 tonnes per year underground, copper, gold and zinc mining operation, which showed a higher than anticipated capital cost, a review has been undertaken on a staged capital approach, focussing on the copper-gold resources.

Ormonde has a strong portfolio of gold exploration projects ranging from grass-roots exploration and target generation opportunities, to drill-ready projects with established resource potential.

Chairman's Review

Despite the severe downturn in the economic climate over the last 12 months, which has adversely affected the progress of most sectors, the mining industry being no exception, Ormonde has made considerable progress with its Barruecopardo Tungsten Project in Salamanca. Nevertheless, Ormonde, in line with many companies, has been curtailing discretionary development and administrative expenditures, and adopting a very conservative approach to budgeting. The credit crisis and overall fall in demand has impacted adversely on metal prices and stock market valuations, however, it would appear that we may have reached the trough of the downturn and a sustainable recovery of the stock market is predicted in anticipation of a broader, if slow, economic recovery in 2010/2011.

Within the mining industry there is a general acceptance that the metal commodity shortages have not been rectified during the last five years and stronger metal prices are deemed inevitable when the World economy recovers. This favourable prognosis is supported by the fact that the mining industry has reacted to this downturn by reducing metal production and mothballing plants, rather than maintaining unprofitable production as in the past. It is anticipated that an economic recovery should result in a relatively rapid strengthening of metal prices, a view which your Board believes is particularly applicable to the Barruecopardo Project.

Barruecopardo Project

In placing the very general comments above in the context of our tungsten interests, it is noticeable that the price of tungsten has not experienced the marked declines seen in many other metals. Moreover, the structural changes and integration within the tungsten industry, which were referred to in the September Interim Results, continue in anticipation of future tungsten shortages. In February 2009 Wolfram Bergbau, a major European secondary tungsten processor and primary mine producer, was acquired by Sandvik, a major tungsten metal manufacturer. More recently, in March, Global Tungsten Powders, a major secondary processor, invested in Malaga Inc, a Canadian primary mine producer, with a mine located in the High Andes of Peru. Your Board believes that this activity augurs well for the future of the tungsten industry.

In terms of work programmes at Barruecopardo during the year, significant progress was made initially through a substantial upgrade of the tungsten resource, as reported in June, with a three-fold increase in the total resource to 3.0Mt grading 0.60% WO_3 (tungsten trioxide), or 5.2Mt grading 0.48% WO_3 at a lower cut-off grade. Further infill drilling in the second half of the year confirmed the continuity of the thick tungsten mineralisation in the Filon Principal Zone and led to a doubling of the proposed production rate to 400,000 tonnes per annum. This was a most significant development, as these higher throughput levels should lead to greater returns on a future mining investment.

In addition, the metallurgical testwork, designed to allow the selection and sizing of the processing plant circuits, has indicated that primary grinding would be unnecessary and that a 3mm crush liberation size, feeding a simple jig and spiral (water separation) gravity circuit, followed by a clean-up circuit, would yield a recovery in excess of 80% of the tungsten into a scheelite concentrate at the industry standard grade of 65% WO_3. This is deemed most satisfactory.

Barruecopardo's high metal grade, very coarse mineralisation, favourable mining situation and excellent location, facilitate the development of a relatively simple processing plant and an overall low capital cost operation. Consequently, we believe that Barruecopardo is one of the most attractive developing tungsten projects available to investors at present. Another attractive feature of Barruecopardo is the fact that it is likely to be a long-life mine, where a flexible approach to mining is possible in response to market conditions, either by high-grade selective mining, or slightly lower grade bulk-mining. The present resource, 5.2 million tonnes at 0.48% WO_3, is clearly only a portion of the deposit, as virtually all the deeper drillholes along the full 1.6 km length intersected economic grade mineralisation.

Chairman's Review

The initial proposed production rate of 130,000 mtu WO_3 (approx 1,000 tonne tungsten metal per year, or 10%-15% of Western World production) would place Barruecopardo among the largest Western World primary tungsten producers.

While the overall technical work at Barruecopardo has been slowed somewhat in response to market conditions, it is proposed to advance the critical mine permitting work during 2009, such that the project will be well positioned to rapidly carry out the engineering design work and commence development as soon as funds are secured for the capital investment stage.

La Zarza Project

The higher than anticipated capital cost, which affected many base metal mining projects over the last few years, impacted adversely on the La Zarza feasibility study released in early 2008 and forced a re-think on the development options. Work during the year was focussed on a staged approach to the development of the project, as recommended in the feasibility study, to establish the potential to improve project economics, principally through a focus on the copper-gold zones in the deposit. Several areas with the potential to substantially increase the copper resources have been identified.

The Board concluded during the course of 2008 that it would seek a partner on the project, and further progress on evaluating this staged development option would proceed when third party funding became available. The severe economic downturn and the fall in base metal prices resulted in a temporary reduction in potential funding/investment interest for La Zarza during the year, but we are now seeing renewed interest in the project and are pursuing these opportunities. In the meantime preparation of permitting documentation for the project has been carried out during the year.

Financial Review

During 2008 the Company expended a total of €2.6 million on progressing both of our advanced projects as discussed above. We report a loss of €2,527,962 for the year, largely arising from a write-down of earlier exploration work principally on the Salamón and Trives Projects as the Company focusses on its core assets (2007: a loss of €580,071).

In conclusion, I would like to thank the shareholders, staff and advisers for their continued support in advancing the Company's objectives.

Michael J. Donoghue
Chairman
26 May 2009

BARRUECOPARDO

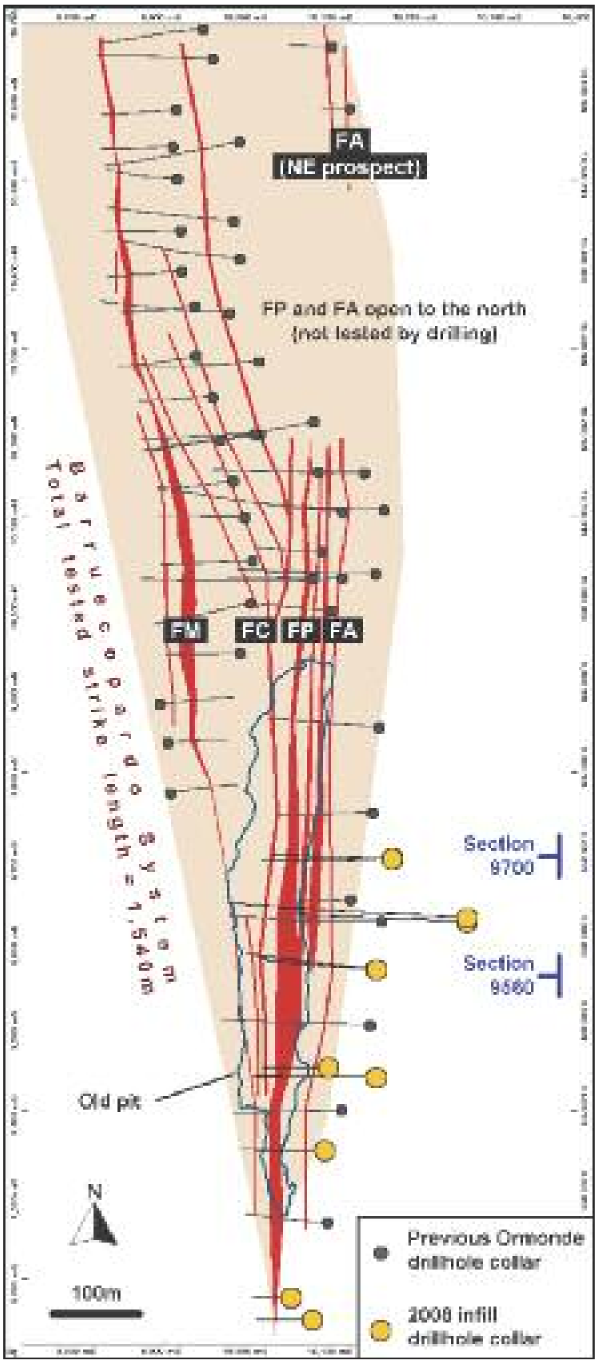
Ormonde has advanced its programme for the development of a high-grade tungsten mining operation at Barruecopardo, following the completion of a positive Order-of Magnitude Study at the beginning of the year. Work programmes carried out during the year included detailed metallurgical testwork, to facilitate plant design, and infill drilling in the vicinity of the initial mining blocks. This latter work led to a significant resource upgrade and to a decision to double the proposed mining rate.

Drilling and Resource Estimation

A total of 4,490 metres of drilling was completed in 2008, primarily targeting the thick zones of mineralisation encountered in the southern portion of the deposit in the Filon Principal (FP) Zone. The first phase of this drilling led to a significant upgrade in the Mineral Resource in the middle of the year to: **5.2Mt grading 0.48% WO_3 (at a 0.25% WO_3 cut-off)**. This resource equates to a total of 2.5 million metric tonne units ("mtu") of tungsten trioxide. The Mineral Resource Estimate was prepared by CSA Global and reported according to the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code 2004 edition). CSA classified all of the Mineral Resource in the Inferred category.

The 2008 drilling results also suggest that, based on the present resource figures, the down-dip extensions of FP Zone alone can now be considered to have the potential to yield some **2 million tonnes** per 100m vertically.

The drilling has now defined a tungsten deposit at Barruecopardo with multiple mineralised zones, which has a strike length of over 1.5 kilometres and is open at depth.



Overview plan of the Barruecopardo Tungsten Deposit, showing the main tungsten mineralised zones in red and highlighting the locations of drillholes in the 2008 Filon Principal Zone infill programme. The marked cross-sections are shown on the opposite page.

Increased Mining Rate

A second phase of drilling completed in the second half of the year was designed to infill the thickest zones of tungsten mineralisation in the Filon

Review of Activities

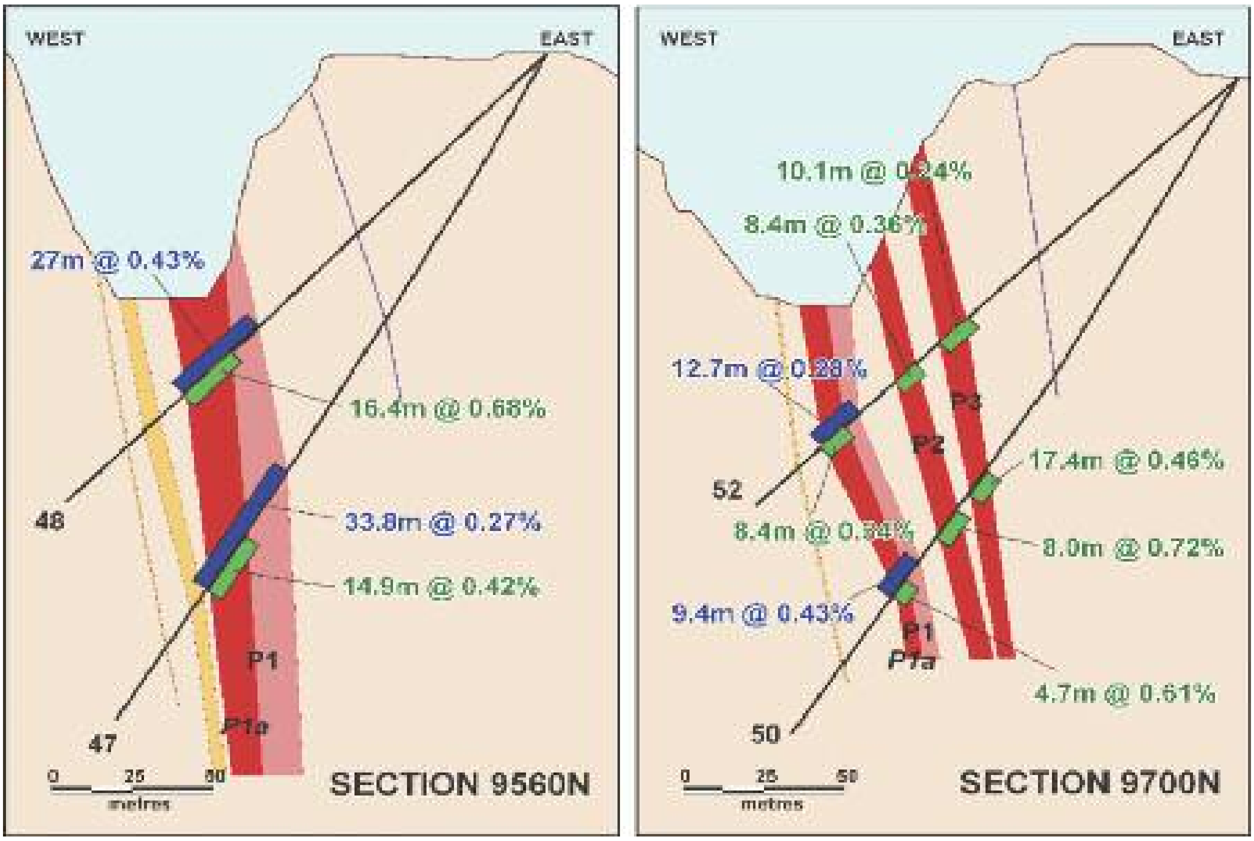
Principal Zone. This programme returned excellent intervals, including true thickness intersections of **27.5 metres at 1.2% WO_3** (hole BAR-54) and **11.8 metres at 0.9% WO_3** (hole BAR-55). The drilling established the presence of continuous thick bands of tungsten mineralisation in the FP Zone, which are open to the north, partially open to the south and open at depth along the full one kilometre strike length of this zone.

An analysis of all of the drilling on the FP Zone indicates that the Project has the capacity to

tpy). There may be scope for further increases in the production rate post start-up. In practice, depending upon the mix of selective versus bulk-mining methods employed, the cut-off grade may be varied and there will be **significant flexibility to mine** at different tungsten grades depending upon prevailing market conditions.

Mining Method

The steeply dipping nature and regular geometry of the deposit, combined with the competent ground conditions and visually distinctive coarse



Cross-sections through the Filon Principal (FP) Zone (in red) under the existing pit, showing some of the results from the 2008 infill drilling programme. Intercept widths are true thickness, and the grades reported are WO_3 using a 3% top-cut. Section 9700N illustrates the multiple lens nature of the northern part of the FP Zone.

produce at much higher production rates than initially proposed in the Order-of-Magnitude Study. **A production rate of 400,000 tonnes per year (tpy) has now been adopted for the ongoing technical studies** (previously 200,000

mineralisation, will make for relatively simple, favourable, mining conditions.

The more recent mining studies have focussed on the thick areas of mineralisation in the FP Zone which have been selected as the mining area in the early stages of the project life. These areas are amenable to bulk, mechanised mining at a significantly higher production rate than the narrower zones and will form the cornerstone of the mining operation.

Technical work currently underway is focussing on the optimal mining method to gain maximum benefit from these thicker mineralised zones.

Metallurgical Testwork

Work to-date has demonstrated that the tungsten minerals are coarse grained and will be concentrated effectively by traditional low-cost gravity methods. Processing of the tungsten ore would be through three-stage crushing, followed by a gravity pre-concentration circuit utilising a combination of jigs and spirals and a final concentrate clean-up circuit to produce a saleable concentrate. Current testwork conducted on the mineralised zones selected for mining in the early years of the project has shown tungsten recoveries of up to 88% to a gravity pre-concentrate, **with final metal recoveries of around 80% to a scheelite concentrate with an industry standard tungsten grade of 65% WO_3.** This would result in the production of some 130,000 mtu WO_3 in the initial years of the mine. The flow-sheet determined from the testwork will be used for the detailed process plant design.

Permitting

Preparation of documentation required for initial permitting has commenced. The intention is to use a Spanish consultancy group with extensive experience in this field to prepare the final documentation required for submission to the relevant provincial mining authorities.

Future Work

Completion of the permitting for the project on this brownfields site is the priority to enable construction and development to commence in 2010, subject to finalising of capital funding and off-take arrangements.

Review of Activities

LA ZARZA

The results of the Feasibility Study in February 2008 showed a higher than anticipated capital cost and, in particular, a higher than normal proportion of fixed capital costs. Follow-up work focussed on the evaluation of the staged approach to the development of the project, as recommended in the Study, to establish the potential to improve project economics.

Feasibility Review Study - Staged Approach
This staged development approach envisages a gold and copper only project being developed initially (Stage 1), which incorporates a simplified processing plant, to treat two "ore-types" and yield two concentrate products. A second stage of development, incorporating lead and zinc concentrate products, might subsequently be brought on line several years after start-up.

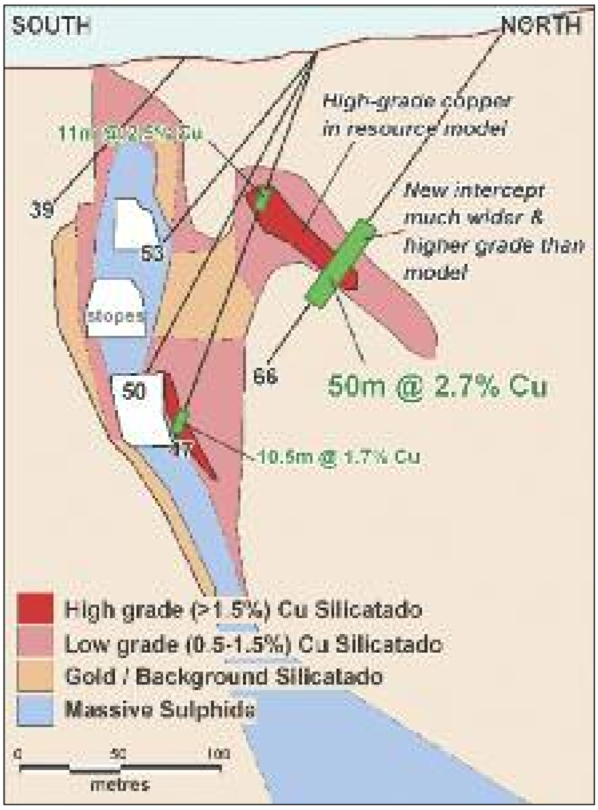
In-house and external studies carried out during the year included:

- Further modelling of the Silicatado mineralisation, in particular the Copper Silicatado.
- Underground access and ventilation designs were reworked and revised underground development and production schedules prepared.
- Redesign work on the Feasibility Study process plant was carried out by Aker Solutions (formerly known as Aker Kvaerner) in line with the revised project scope and recommendations made in the Feasibility Study.
- A re-assessment of the implications of the staged development option for surface tailings designs was carried out by Australian Tailings Consultants.

These various studies suggest that the viability of developing the La Zarza project can be significantly improved by mining and treating only the copper and copper-gold mineralisation in the early years. The studies also indicate that additional copper resources are required. There is excellent potential to increase the copper resources at La Zarza in both the Silicatado and Massive Sulphide units, principally through depth extensions to the existing copper zones.

Additional Copper Resource Potential
The Feasibility Study review identified that an increase to the copper resource would have a significant impact on the project economics and therefore further work has been carried out to define the areas with greatest potential. Drilling in these areas would be a priority to advance the Project and Ormonde is seeking a joint venture partner to carry out this work.

Initial limited drilling during the year returned an interval of **50 metres grading 2.7% copper** in the



near surface part of the deposit, confirming the potential for additional copper resources. The immediate target for the continuation of this drilling is to increase the current copper resources (3.9Mt grading 2.0% copper at a 1.5% copper cut-off) in that portion of the extensive La Zarza mineralised body which is adjacent to or surrounding the areas currently included in the mine plan.

Permitting Documentation

A Spanish consultancy group with extensive experience in the field were engaged to prepare the required documentation for the permitting process to proceed at La Zarza. This work is being carried out in close liaison with the local authorities in the Huelva Provincial Mining Office.

GOLD EXPLORATION

The Company maintains an extensive gold exploration portfolio with several advanced targets and prospects. Only a limited amount of work was carried out on Ormonde's gold exploration properties during the year due to the commitment of funds to advancing the Company's two main projects.

Activities carried out were restricted to advancing targets in the Salamanca region, principally the **Sierro** Prospect.

A second hole (WS-2) was drilled at the Sierro Prospect as a follow-up to hole WS-1 on a gold-in-soil geochemical anomaly some 800m long by 400m wide. This hole returned a mineralised interval of **62m grading 0.5 g/t gold, from 32m depth** within a wide zone of sheeted quartz veining. Hole WS-2, drilled beneath WS-1 returned **194m grading 0.2 g/t gold from 80m** depth. Although the overall grade is low, the hole confirmed the large extent of this gold system which clearly warrants further drilling.

Future work will be focussed on the most advanced of the several gold prospects, which include Pino de Oro where several high-grade intervals (e.g. 1.0m @ 18.9 g/t and 1.0m @ 16.6g/t gold) within broad low grade zones have been intersected previously. Further drilling would be designed to establish continuity within these zones and facilitate an initial mineral resource estimation.

Report of the Directors

2008

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Financial Statements

The Directors present their annual report and audited financial statements for the year ended 31 December 2008 of Ormonde Mining Plc ("the Company") and its subsidiaries (collectively "the Group").

Principal Activity

The principal activity of the Company and its subsidiaries comprises acquisition, exploration, and development of mineral resource projects. The Directors have reviewed the financial position of the Group and are satisfied that the Group will have adequate financial resources to continue in operational existence for the foreseeable future.

Review of Business and Future Developments

A detailed review of activities for the year and future prospects of the Group is contained in the Chairman's Review and Review of Activities.

Principal Risks and Uncertainties

The Group's activities are carried out principally in Spain and Ireland. Accordingly the principal risks and uncertainties are considered to be the following:

Exploration Risk

Exploration and development activities may be delayed or adversely affected by factors outside the Group's control, in particular; climatic conditions, performance of joint venture partners or suppliers, availability, delays or failures in installing and commissioning plant and equipment; unknown geological conditions; remoteness of location; actions of host governments or other regulatory authorities (relating to, inter alia, the grant, maintenance or renewal of any required authorisations, environmental regulations or changes in law).

Commodity Price Risk

The demand for, and price of, gold, tungsten, base metals and other minerals is dependent on global and local supply and demand, actions of governments or cartels and general global economical and political developments.

Political Risk

As a consequence of activities in different parts of the world, the Group may be subject to political, economic and other uncertainties, including but not limited to terrorism, war or unrest, changes in national laws and energy policies and exposure to different legal systems.

Share Price

The share price movement in the year ranged from a low of €0.037 to a high of €0.168 (2007: €0.121 to €0.220). The share price at the year end was €0.045 (2007: €0.15).

Results and Dividends

The results for the year ended 31 December 2008 are set out in the Group Income Statement on page 24 of this Annual Report. As all exploration and development costs to date have been deferred, no transfers to distributable reserves or dividends are recommended.

Future Developments

A review of future developments of the business is included within the Chairman's Review and Review of Activities.

The current Directors are set out on the inside back cover.

In accordance with the Articles of Association, Michael Donoghue retires from the Board and being eligible offers himself for re-election.

Details of Executive Directors

Dr. I. Kerr Anderson (aged 47) is a geologist by profession, and has worked in the mining and exploration industry in Europe for 20 years. He was Exploration Manager with Navan Mining Plc prior to joining Ormonde as Managing Director in May 2001.

Mr. Michael J. Donoghue (aged 59) is a mining engineer by profession, with wide experience in the evaluation, funding, development and operation of mines in Europe, Africa, South-East Asia, Australia and the Americas. His executive management experience includes an eight-year period as General Manager-Operations for Delta Gold, Sydney, Australia.

Mr. Fraser T. Gardiner (aged 32) is an exploration geologist by background, and has previously been involved in exploration and project evaluation in Eastern Europe, Spain and North Africa. In addition to his technical role in all of Ormonde's projects, Fraser has been closely involved in Ormonde's fund raising activities and is responsible for Ormonde's investor and public relations activities.

Mr. Stephen J. Nicol (aged 45) is a mining engineer with over 20 years experience in the mining industry, initially in operations and subsequently in mine evaluation and development projects. He has held production supervisory roles in various underground and open pit mines in Australia and Europe, culminating in a two year period as Managing Director of Sardinia Gold Mines SpA in Italy. More recently, prior to joining Ormonde, he had been operating as an independent consultant working on gold and base metal mine evaluation and development projects in countries including Romania, Greece, Italy, Kazakhstan and Canada.

Details of Non Executive Directors

Mr. John A. Carroll (aged 60) is a chartered secretary by profession, and has over 30 years experience including seven years as a manager with KPMG in the Investment Company Department. He has widespread business contacts in Ireland and significant experience in the resource sector.

Directors and secretary and their Interests

The interests (all of which are beneficial) of the Directors who held office at 1 January 2008 and 31 December 2008 and 26 May 2009 and their families in the share capital of the Company were:

Directors	**26/05/09 Ordinary Shares**	**31/12/08 Ordinary Shares**	**01/01/08 Ordinary Shares**
Kerr Anderson	790,778	790,778	790,778
John Carroll	2,121,093	2,121,093	2,121,093
Michael Donoghue	8,683,102	8,683,102	6,893,102
Fraser Gardiner	-	-	-
Stephen Nicol	-	-	-

Directors	31/12/08	01/01/08
	Share Options	Share Options
Kerr Anderson	750,000 *	750,000 *
Kerr Anderson	750,000 #	750,000 #
Kerr Anderson	700,000 ^	700,000 ^
John Carroll	750,000 *	750,000 *
John Carroll	750,000 #	750,000 #
John Carroll	700,000 ^	700,000 ^
Michael Donoghue	750,000 #	750,000 #
Michael Donoghue	700,000 ^	700,000 ^
Michael Donoghue	300,000 ~	300,000 ~
Fraser Gardiner	100,000 *	100,000 *
Fraser Gardiner	500,000 ^	500,000 ^
Fraser Gardiner	300,000 ~	300,000 ~
Stephen Nicol	1,000,000 "	-

No change in the above share options has occurred between 31 December 2008 and the date of approval of these financial statements.

* - Share options are exercisable at a price of €0.041 at any time up to 11 May 2011.
# - Share options are exercisable at a price of €0.034 at any time up to 13 August 2013.
^ - Share options are exercisable at a price of €0.13 at any time up to 22 October 2014.
~ - Share options are exercisable at a price of €0.21 at any time up to 26 October 2016.
" - Share options are exercisable at a price of €0.109 at any time up to 14 April 2018.

Transactions Involving Directors
There have been no contracts or arrangements of significance during the year in which Directors of the Company were interested other than as disclosed in Note 21 to the financial statements.

Significant Shareholders
The Company has been informed that, in addition to the interests of the Directors, at 31 December 2008 and the date of this report, the following shareholders own 3% or more of the issued share capital of the Company:

	Percentage of issued share capital	
	26/05/09	31/12/08
JP Morgan Asset Management (UK) Limited	9.26%	9.26%
Saracen Fund Managers Limited	8.84%	8.84%
Davycrest Nominees Ltd	2.77%	3.36%

The Directors are not aware of any other holding of 3% or more of the share capital of the Company.

Group Undertakings
Details of the Company's subsidiaries are set out in Note 11 to the financial statements.

Political Donations

There were no political donations during the year (2007 Nil).

Directors' Responsibility Statement

The Directors are responsible for preparing the Annual Report and the Group and Company financial statements, in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and parent Company financial statements for each financial year. As required by AIM and IEX rules and as permitted by company law, the Directors have prepared the Group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU (EU IFRS) and have elected to prepare the Company financial statements in accordance with EU IFRS, as applied in accordance with the provisions of the Companies Acts, 1963 to 2006.

The Group and Company financial statements are required by law and EU IFRS to present fairly the financial position and performance of the Group; the Companies Acts 1963 to 2006 provide, in relation to such financial statements, that references in the relevant part of the Acts to financial statements giving a true and fair view are references to their achieving a fair presentation.

In preparing each of the Group and Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

Under applicable law and the requirements of the IEX Rules issued by the Irish Stock Exchange, the Directors are also responsible for preparing a Directors' Report and reports relating to Directors' remuneration and corporate governance that comply with that law and those rules.

The Directors are responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies Acts 1963 to 2006. They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the Group and Company and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Going Concern

As further disclosed in Note 1, the Directors have reviewed budgets, projected cash flows and other relevant information, and on the basis of this review, are confident that the Company and the Group should be in a position to have adequate financial resources to continue in operational existence for the foreseeable future.

The future of the Company and the Group is also dependent on the successful future outcome of its exploration interests and of the availability of further funding to bring these interests to production.

The Directors consider that in preparing the financial statements they have taken into account all information that could reasonably be expected to be available. On this basis, they consider that it is appropriate to prepare the financial statements on the going concern basis.

Corporate Governance

The Directors are committed to maintaining the highest standards of corporate governance commensurate with the size, stage of development and financial status of the Group.

The Board is responsible for the supervision and control of the Company and is accountable to the shareholders. The Board has reserved decision-making on a variety of matters, including determining strategy for the Group, reviewing and monitoring executive management performance and monitoring risks and controls.

The Board currently has five Directors, comprising four executive Directors and one non-executive Director. The Board met formally on seven occasions during the year ended 31 December 2008. An agenda and supporting documentation was circulated in advance of each meeting. All the Directors bring independent judgement to bear on issues affecting the Group and all have full and timely access to information necessary to enable them to discharge their duties. Non-executive Directors are not appointed for specific terms, each non-executive Director comes up for re-election every three years and each new Director is subject to election at the next Annual General Meeting following the date of appointment.

The following committees deal with the specific aspects of the Group affairs:

Audit Committee: This Committee comprises one non-executive Director and one executive Director. The external auditors have the opportunity to meet with members of the Audit Committee without executive management present at least once a year. The duties of the Committee include the review of the accounting principles, policies and practices adopted in preparing the financial statements, external compliance matters and the review of the Group's financial results.

Nominations Committee: Given the current size of the group a Nominations Committee is not considered necessary. The Board reserves to itself the process by which a new Director is appointed.

Remuneration Committee: This Committee comprises one non-executive Director and one executive Director. This Committee determines the contract terms, remuneration and other benefits of the executive Directors, Chairman and non-executive Directors. Further details of the Group's policies on remuneration, service contracts and compensation payments are given in the Remuneration Committee Report below.

Communications: The Group maintains regular contact with shareholders through publications such as the annual and half - year report and via press releases and the Group's website, www.ormondemining.com. The Directors are responsive to shareholder telephone and e-mail enquiries throughout the year. The Board regards the Annual General Meeting as a particularly important opportunity for shareholders, Directors and management to meet and exchange views.

Internal Control

The Directors have overall responsibility for the Group's system of internal control and have delegated responsibility for the implementation of this system to executive management. This system includes financial controls that enable the Board to meet its responsibilities for the integrity and accuracy of the Group's accounting records.

The Group's system of internal financial control provides reasonable, though not absolute assurance that assets are safeguarded, transactions authorised and recorded properly and that material errors or irregularities are either prevented or detected within a timely period. Having made appropriate enquiries, the Directors consider that the system of internal financial, operational and compliance controls and risk management operated effectively during the period covered by the financial statements and up to the date on which the financial statements were signed.

The internal control system includes the following key features, which have been designed to provide internal financial control appropriate to the Group's businesses:

- budgets are prepared for approval by the Board;
- expenditure and income are compared to previously approved budgets;
- a detailed investment approval process which requires Board approval of all major capital projects and regular review of the physical performance and expenditure on these projects.

Remuneration Committee Report

The Group's policy on senior executive remuneration is designed to attract and retain people of the highest calibre who can bring their experienced and independent views to the policy, strategic decisions and governance of the Group.

In setting remuneration levels, the Remuneration Committee takes into consideration the remuneration practices of other companies of similar size and scope. A key philosophy is that staff must be properly rewarded and motivated to perform in the best interests of the shareholders.

Total remuneration to Directors during the year ended 31 December 2008 was €350,148. The highest paid Director received remuneration of €90,683.

In accordance with IFRS 2, Share Based Payment, a further expense of €88,800 (2007: Nil) has been recognised in the Income statement in respect of share options granted to directors.

Books and Accounting Records

The Directors are responsible for ensuring proper books and accounting records, as outlined in Section 202 of the Companies Act 1990, are kept by the Company. The Directors, through the use of appropriate procedures and systems and the employment of competent persons, have ensured that measures are in place to secure compliance with these requirements. These books and accounting records are maintained at Ormonde House, Metges Lane, Navan, Co. Meath, Ireland.

Auditors

The auditors, LHM Casey McGrath, have indicated their willingness to continue in office in accordance with the provisions of Section 160(2) of the Companies Act, 1963.

On behalf of the Board

John Carroll	**Michael Donoghue**
Director	Director

26 May 2009

Independent Auditors' Report

To the Shareholders of Ormonde Mining plc

We have audited the Group and Company financial statements of Ormonde Mining Plc for the year ended 31 December 2008 which comprise of the Group Income Statement, Group Balance Sheet, Company Balance Sheet, Group Cash Flow, Company Cash Flow, Group Statement of Changes in Equity, Company Statement of Changes in Equity and Notes thereon. These financial statements have been prepared under the accounting policies set out on pages 18 - 23.

This report is made solely to the Company's members as a body in accordance with Section 193 of the Companies Act, 1990. Our audit work has been undertaken so that we might state to the Company's members those matters that we are required to state to them in the audit report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company or the Company's members as a body for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Directors and Auditors

The Directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and International Financial Reporting Standards as adopted by the European Union ("IFRS") are set out in the Statement of Directors' Responsibilities on page 13.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the Group financial statements give a true and fair view in accordance with IFRS as adopted by the European Union and are properly prepared in accordance with the Companies Acts 1963 to 2006. We also report to you to whether, in our opinion; proper books of account have been kept by the Company; whether at the balance sheet date, there exists a financial situation requiring the convening of an extraordinary general meeting of the Company; and whether the information given in the Directors' Report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit and whether the Company's balance sheet is in agreement with the books of account.

We report to the shareholders if, in our opinion, any information specified by law or the listing rules of AIM and IEX regarding Directors' remuneration and Directors' transactions is not given and, where practicable, include such information in our report.

We read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report, Chairman's Review and the Review of Activities. We consider the implications for our audit report if we become aware of any apparent misstatement or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion

- the Group financial statements give a true and fair view, in accordance with IFRSs as adopted by the EU, of the state of the Group's affairs as at 31 December 2008 and of its loss for the year then ended;
- the Company financial statements give a true and fair view, in accordance with IFRSs as adopted by the EU and as applied in accordance with the provisions of the Companies Acts, 1963 to 2006, of the state of the Company's affairs as at 31 December 2008; and
- the financial statements have been properly prepared in accordance with the Companies Acts, 1963 to 2006.

We have obtained all the information and explanations we consider necessary for the purposes of our audit. In our opinion proper books of account have been kept by the Company. The balance sheet is in agreement with the books of account.

In our opinion the information given in the Directors' Report is consistent with the financial statements.

The net assets of the Company, as stated in the Balance Sheet on page 28, are more than half of the amount of its called up share capital and, in our opinion, on that basis there did not exist at 31 December 2008 a financial situation which under Section 40(1) of the Companies (Amendment) Act 1983 may require the convening of an extraordinary meeting of the Company.

Deferred Exploration

In forming our opinion, we considered the adequacy of disclosures made in Note 9 to the financial statements in relation to the Directors' assessment of the carrying value of the Group's deferred exploration costs amounting to €12,151,239. The realisation of the intangible assets is dependent on the successful development or disposal of gold, tungsten, base metals and other minerals in the Group's licence area. Such successful development is dependent on several variables including the existence of commercial deposits of gold, tungsten, base metals and other minerals, availability of finance and the price of gold, tungsten, base metals and other minerals. Our opinion is not qualified in this respect.

Emphasis of Matter - Going Concern

In forming our opinion, we have considered the adequacy of the disclosures made in the financial statements as detailed in Note 1 concerning the preparation of the financial statements on the ongoing concern basis for the period under review. In view of the significance of this matter we feel that this should be brought to your attention. Our opinion is not qualified in this respect.

LHM Casey McGrath
Chartered Certified Accountants
and Registered Auditors
6 Northbrook Road, Dublin 6, Ireland

26 May 2009

Ormonde Mining Plc ("the Company") is a company incorporated in Ireland. The Group financial statements consolidate those of the Company and its subsidiaries (together referred to as the "Group").

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statement.

Statement of compliance

As permitted by the European Union and in accordance with AIM and IEX Rules, the Group financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") and their interpretations issued by the International Accounting Standards Board (IASB) as adopted by the EU (IFRS). The individual financial statements of the Company ("Company financial statements") have been prepared in accordance with the Companies Acts, 1963 to 2006 which permits a company, that publishes its company and group financial statements together, to take advantage of the exemption in Section 148(8) of the Companies Act 1963, from presenting to its members its company income statement and related notes that form part of the approved company financial statements.

The IFRSs adopted by the EU as applied by the Company and the Group in the preparation of these financial statements are those that were effective at 31 December 2008.

The following provides a brief outline of the likely impact on future financial statements of relevant IFRSs and interpretations adopted by the EU which are not yet effective and have not been adopted in these financial statements:

- IFRS 8 Operating Segments, effective for accounting periods beginning on or after 1 January 2009, sets out the requirements for disclosure of financial and descriptive information about an entity's operating segments, its products and services, the geographical areas in which it operates, and its major customers. IFRS 8 will replace IAS 14 Segment Reporting and will require additional disclosures.

- Amendment to IFRS 2 Share-based payment - Vesting Conditions and Cancellations clarifies the definition of vesting conditions, requires non-vesting conditions to be reflected in grant-date fair value and provides the accounting treatment for non-vesting conditions and cancellations. The amendments to IFRS 2 will have no impact on the financial statements.

- Revised IFRS 3 Business Combinations (2008) incorporates the following changes and will have no impact on the Group financial statements unless it acquires a business:
  - The definition of a business has been broadened, which may result in more acquisitions being treated as business combinations.
    - (i) Contingent consideration will be measured at fair value, with subsequent changes in fair value recognised in the income statement.
    - (ii) Transaction costs, other than share and debt issue costs, will be expensed as incurred.
    - (iii) Any pre-existing interest in an acquiree will be measured at fair value, with the related gain or loss recognised in the income statement.
    - (iv) Any non-controlling (minority) interest will be measured at either fair value, or at its proportionate interest in the identifiable assets and liabilities of an acquiree, on a transaction-by-transaction basis.

- Revised IAS 23 Borrowing Costs removes the option to expense borrowing costs and requires that an entity capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. As the Group has no borrowings, this will have no impact on the Group's financial statements.

- Amended IAS 27 Consolidated and Separate Financial Statements (2008) requires accounting for changes in ownership interests in a subsidiary that occur without loss of control, to be recognised as an equity transaction. When the Group loses control of a subsidiary, any interest retained in a former subsidiary will be measured at fair value with the gain or loss recognised in profit or loss. The amendments to IAS 27, which become mandatory for the Group's 2010 consolidated financial statements, are not expected to have a significant impact on the consolidated financial statements.

- Amendments to IAS 39 Financial Instruments: Recognition and Measurement - Eligible Hedged Items clarifies the application of existing principles that determine whether specific risks or portions of cash flows are eligible for designation in a hedging relationship. The amendments will become mandatory for the Group's 2010 consolidated financial statements, with retrospective application required. The amendment is not expected to have an impact on the Group financial statements.

- Revised IAS 1 Presentation of Financial Statements (2007) introduces the term total comprehensive income, which represents changes in equity during a period other than those changes resulting from transactions with owners in their capacity as owners. Total comprehensive income may be presented in either a single statement of comprehensive income (effectively combining both the income statement and all non-owner changes in equity in a single statement), or in an income statement and a separate statement of comprehensive income. Revised IAS 1, which becomes mandatory for the Group's 2009 consolidated financial statements, and its impact on the Group financial statements will be presentational only and will not impact on the reported earnings of the Group.

Basis of Preparation

The Group and Company financial statements are prepared on the historical cost basis, except for available-for-sale assets, which are carried at fair value. The accounting policies have been applied consistently by Group entities.

Functional and Presentation Currency

These consolidated financial statements are presented in Euro (€), which is the Company's functional currency.

Use of Estimates and Judgements

The preparation of financial statements in conformity with EU IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

In particular, significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are in the following areas:

- Measurement of the recoverable amounts of intangible assets
- Utilisation of tax losses
- Measurement of share-based payments

Revenue Recognition - Interest revenue

Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Consolidation

The consolidated financial statements comprise the financial statements of Ormonde Mining Plc and its subsidiaries for the year ended 31 December 2008.

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account. Subsidiaries are fully consolidated from the date that control commences until the date that control ceases. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Intragroup balances and any unrealised gains or losses or income or expenses arising from intragroup transactions are eliminated in preparing the Group financial statements.

Intangible Fixed Assets (Deferred Exploration Costs)

In accordance with International Financial Reporting Standard 6 - Exploration for and Evaluation of Mineral Resources, the Group uses the cost method of recognition. Exploration costs include licence costs, survey, geophysical and geological analysis and evaluation costs, costs of drilling and project-related overheads.

Exploration expenditure in respect of properties and licences not in production is deferred and is carried forward in the balance sheet under intangible assets in respect of each area of interest where:-

(i) the operations are ongoing in the area of interest and exploration or evaluation activities have not reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves; or

(ii) such costs are expected to be recouped through successful development and exploration of the area of interest or alternatively by its realisation.

When the Directors decide that no further expenditure on an area of interest is worthwhile, the related expenditure is written off or down to an amount which it is considered represents the residual value of the Group's interest therein.

Impairment

The carrying amounts of the Group's non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For intangible assets that have indefinite lives or that are not yet available for use, recoverable amount is estimated at each reporting date.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that is expected to generate cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the Income Statement. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset.

Property, Plant and Equipment

Tangible fixed assets are stated at cost or valuation, less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Computer equipment	-	33% Straight line
Fixtures and fittings	-	33% Straight line
Motor vehicles	-	20% Straight line

The residual value and useful lives of the property, plant and equipment are reviewed annually and adjusted if appropriate at each balance sheet date.

On disposal of property, plant and equipment the cost and the related accumulated depreciation and impairments are removed from the financial statements and the net amount, less any proceeds, is taken to the income statement.

Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Foreign Currencies

Monetary assets and liabilities denominated in a foreign currency are translated into Euro at the exchange rate ruling at the balance sheet date, unless specifically covered by foreign exchange contracts whereupon the contract rate is used. Revenues, costs and non monetary assets are translated at the exchange rates ruling at the dates of the transactions. All exchange differences are dealt with through the Income Statement.

On consolidation, the assets and liabilities of overseas subsidiary companies are translated into Euro at the rates of exchange prevailing at the balance sheet date. Exchange differences arising from the restatement of the opening balance sheets of these subsidiary companies are dealt with through reserves. The operating results of overseas subsidiary companies are translated into Euro at the average rates applicable during the year.

Share Based Payments

The Group has applied the requirements of IFRS 2 'share based payments'. The Group issues share options as an incentive to certain key management and staff (including directors). The fair value of share options granted to Directors and employees under the Company's share option scheme is recognised as an expense with a corresponding credit to the share based payment reserve. The fair value is measured at grant date and spread over the period during which the awards vest. The fair value is measured using a binomial lattice model, taking into account the terms and conditions upon which the options were granted. A discount for market conditions has been applied to the fair values determined by the binomial model based on a Monte Carlo simulator analysis.

The options issued by the Group are subject to both market-based and non-market based vesting conditions. Market conditions are included in the calculation of fair value at the date of the grant. Non-market vesting conditions are not taken into account when estimating the fair value of awards as at grant date; such conditions are taken into account through adjusting the equity instruments that are expected to vest.

The proceeds received net of any directly attributable transaction costs will be credited to share capital (nominal value) and share premium when options are converted into ordinary shares.

Issue Expenses and Share Premium Account

Issue expenses are written off against the premium arising on the issue of share capital.

Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

Operating Leases

Operating lease payments are recognised as an expense in the Income Statement on a straight line basis over the lease term.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. Government grants received in respect of non-current assets have been deducted from the cost of the asset to arrive at the carrying value of the asset.

Financial Instruments

Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short term deposits with an original maturity of three months or less. Bank overdrafts that are repayable on demand and form part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cashflows.

Trade and other receivables/ payables

Trade and other receivables and payables are stated at cost less impairment, which approximates fair value given the short dated nature of these assets and liabilities.

Share Capital

Incremental costs directly attributable to the issue of ordinary shares and share options are recognised directly in equity.

Group Income Statement

for the year ended 31 December 2008

	Notes	31/12/08 €	31/12/07 €
Administrative expenses	3	**(877,023)**	(649,776)
Exploration costs written off		**(1,682,876)**	-
Operating loss	3	**(2,559,899)**	(649,776)
Interest receivable and similar income	4	**31,937**	71,245
Loss for the year before tax		**(2,527,962)**	(578,531)
Taxation	7	**-**	-
Loss for the year		**(2,527,962)**	(578,531)
Attributable to:			
Equity holders of the parent		**(2,527,962)**	(578,531)
Minority Interest		**-**	(1,540)
		(2,527,962)	(580,071)
Earnings per share:			
Basic loss per ordinary share	8	**(1.22 cent)**	(0.34 cent)
Diluted loss per ordinary share	8	**(1.22 cent)**	(0.32 cent)

The results for the period all arise on continuing operations.

The accompanying notes on pages 31 - 44 form an integral part of these financial statements

On behalf of the Board

John Carroll
Director

Michael Donoghue
Director

26 May 2009

Group Statement of Changes in Equity

for the year ended 31 December 2008

	Share Capital €	Share Premium €	Share based Payment Reserve €	Other Reserves €	Retained Losses €	Total €
Balance at 1 January 2007	5,884,965	14,346,819	142,920	38,679	(10,569,613)	9,843,770
Loss for the year	-	-	-	-	(580,071)	(580,071)
Recognition of share based payments	-	-	-	-	-	-
Foreign exchange adjustments	-	-	-	(1,353)	(1,328)	(2,681)
Proceeds of share issue	732,500	3,159,875	-	-	-	3,892,375
Balance at 31 December 2007	6,617,465	17,506,694	142,920	37,326	(11,151,012)	13,153,393
Balance at 1 January 2008	6,617,465	17,506,694	142,920	37,326	(11,151,012)	13,153,393
Loss for the year	-	-	-	-	(2,527,962)	(2,527,962)
Recognition of share based payments	-	-	88,800	-	-	88,800
Foreign exchange adjustments	-	-	-	79	-	79
Proceeds of share issue	484,725	1,159,113	-	-	-	1,643,838
Balance at 31 December 2008	7,102,190	18,665,807	231,720	37,405	(13,678,974)	12,358,148

The accompanying notes on pages 31 - 44 form an integral part of these financial statements

On behalf of the Board

John Carroll
Director

Michael Donoghue
Director

26 May 2009

Company Statement of Changes in Equity

for the year ended 31 December 2008

	Share Capital €	Share Premium €	Share based Payment Reserve €	Other Reserves €	Retained Losses €	Total €
Balance at 1 January 2007	5,884,965	14,346,819	142,920	36,175	(10,395,861)	10,015,018
Loss for the year	-	-	-	-	(561,929)	(561,929)
Recognition of share based payments	-	-	-	-	-	-
Proceeds of share issue	732,500	3,159,875	-	-	-	3,892,375
Balance at 31 December 2007	6,617,465	17,506,694	142,920	36,175	(10,957,790)	13,345,464
Balance at 1 January 2008	6,617,465	17,506,694	142,920	36,175	(10,957,790)	13,345,464
Loss for the year	-	-	-	-	(911,140)	(911,140)
Recognition of share based payments	-	-	88,800	-	-	88,800
Proceeds of share issue	484,725	1,159,113	-	-	-	1,643,838
Balance at 31 December 2008	7,102,190	18,665,807	231,720	36,175	(11,868,930)	14,166,962

The accompanying notes on pages 31 - 44 form an integral part of these financial statements

On behalf of the Board

John Carroll
Director

Michael Donoghue
Director

26 May 2009

Group Balance Sheet

as at 31 December 2008

Assets	*Notes*	**31/12/08 €**	31/12/07 €
Non-Current Assets			
Intangible assets	9	**12,151,239**	10,407,634
Property, Plant and Equipment	10	**16,001**	8,084
		12,167,240	10,415,718
Current Assets			
Trade and other receivables	12	**200,070**	568,152
Cash and cash equivalents	13	**1,138,301**	2,441,473
		1,338,371	3,009,625
Total Assets		**13,505,611**	13,425,343
Equity and Liabilities			
Equity			
Called up share capital	16	**7,102,190**	6,617,465
Share premium account	16	**18,665,807**	17,506,694
Capital conversion reserve fund	18	**28,928**	28,928
Capital redemption reserve fund	18	**7,247**	7,247
Share based payment reserve	18	**231,720**	142,920
Foreign currency translation reserve	18	**1,230**	1,151
Profit and loss account	17	**(13,678,974)**	(11,151,012)
Attributable to equity shareholders		**12,358,148**	13,153,393
Minority Interest		**-**	1,847
		12,358,148	13,155,240
Non-Current Liabilities			
Trade and other payables	15	**650,000**	-
		650,000	-
Current Liabilities			
Trade and other payables	14	**497,463**	270,103
Total Liabilities		**1,147,463**	270,103
Total Equity and Liabilities		**13,505,611**	13,425,343

The accompanying notes on pages 31 - 44 form an integral part of these financial statements.

On behalf of the Board

John Carroll
Director

Michael Donoghue
Director

26 May 2009

Company Balance Sheet

as at 31 December 2008

Assets	*Notes*	31/12/08 €	31/12/07 €
Non-Current Assets			
Intangible assets	9	**28,811**	276,878
Property, Plant and Equipment	10	**3,084**	8,084
Financial assets	11	**1,800,506**	891,215
		1,832,401	1,176,177
Current Assets			
Trade and other receivables	12	**12,536,898**	10,381,879
Cash and cash equivalents	13	**867,717**	2,014,163
		13,404,615	12,396,042
Total Assets		**15,237,016**	13,572,219
Equity and Liabilities			
Equity			
Called up share capital	16	**7,102,190**	6,617,465
Share premium account	16	**18,665,807**	17,506,694
Capital conversion reserve fund	18	**28,928**	28,928
Capital redemption reserve fund	18	**7,247**	7,247
Share based payment reserve	18	**231,720**	142,920
Profit and loss account	17	**(11,868,930)**	(10,957,790)
Attributable to equity shareholders		**14,166,962**	13,345,464
Non-Current liabilities			
Trade and other payables	15	**650,000**	-
		650,000	**-**
Current Liabilities			
Trade and other payables	14	**420,054**	226,755
Total Liabilities		**1,070,054**	226,755
Total Equity and Liabilities		**15,237,016**	13,572,219

The accompanying notes on pages 31 - 44 form an integral part of these financial statements.

On behalf of the Board

John Carroll
Director

Michael Donoghue
Director

26 May 2009

Group Cash Flow Statement

for the year ended 31 December 2008

	Notes	31/12/08 €	31/12/07 €
Cash flows from operating activities			
Net loss for the year before taxation		**(2,559,899)**	(649,776)
Adjustments for:			
Depreciation		**10,165**	12,659
Exploration costs written off		**1,682,876**	-
Unrealised exchange loss		**79**	2,389
Share based payment		**88,800**	-
Decrease in debtors		**368,082**	25,204
Increase/(decrease) in creditors		**877,360**	(40,073)
Net cash from/(used in) operating activities		**467,463**	(649,597)
Cash flows from financing activities			
Proceeds of issue of share capital		**1,643,838**	3,825,875
Cash flows from investing activities			
Expenditure on exploration activities		**(2,608,979)**	(4,186,579)
Government grants received		**182,497**	-
Purchases of property, plant and equipment		**(18,082)**	(10,324)
Investment in subsidiary undertakings		**(1,000,000)**	-
Interest received		**31,937**	71,245
Non cash movements		**(1,846)**	-
Net cash (used in) financing activities		**(1,770,635)**	(299,783)
Net (decrease) in cash and cash equivalents		**(1,303,172)**	(949,380)
Cash and cash equivalents at beginning of year	13	**2,441,473**	3,390,853
Cash and cash equivalents at end of year	13	**1,138,301**	2,441,473

The accompanying notes on pages 31 - 44 form an integral part of these financial statements.

On behalf of the Board

John Carroll	**Michael Donoghue**
Director	Director

26 May 2009

Company Cash Flow Statement

for the year ended 31 December 2008

	Notes	31/12/08 €	31/12/07 €
Cash flows from operating activities			
Net loss for the year before taxation		**(848,818)**	(615,527)
Adjustments for:			
Depreciation		**5,000**	11,099
(Increase) in debtors		**(1,902,159)**	(3,939,907)
Increase in creditors		**843,293**	162,594
Income taxes paid /(refunded)		**17,779**	(3,349)
Share based payment		**88,800**	-
Net cash (used in) operating activities		**(1,796,105)**	(4,385,090)
Cash flows from financing activities			
Proceeds of issue of share capital		**1,643,838**	3,825,875
Cash flows from investing activities			
Expenditure on exploration activities		**(22,562)**	(276,878)
Purchases of property, plant & equipment		-	(10,324)
Investment in subsidiary undertakings		**(1,000,000)**	(78,708)
Interest received		**28,383**	53,598
Net cash from financing activities		**649,659**	3,513,563
Net (decrease) in cash and cash equivalents		**(1,146,446)**	(871,527)
Cash and cash equivalents at beginning of year	13	**2,014,163**	2,885,690
Cash and cash equivalents at end of year	13	**867,717**	2,014,163

The accompanying notes on pages 31 - 44 form an integral part of these financial statements.

On behalf of the Board

John Carroll
Director

Michael Donoghue
Director

26 May 2009

1. Going Concern

The financial statements have been prepared on the going concern basis, which assumes that Ormonde Mining plc will continue in operational existence for the foreseeable future.

The validity of this assumption depends on the following:
The Directors intend to raise additional finance during 2009 through a combination of investment of funds by third parties directly in the Spanish projects and by the issuing of new share capital to Investors. Current cash resources and this additional finance will be used to continue the development of its projects in Spain and fund the adminstrative expenses of the Company.

The financial statements do not include any adjustments that would result if the investment of funds by third parties is not received or if the additional finance from the issuing of share capital is not raised. Whilst taking into consideration the uncertainties described above, the Directors believe that it is appropriate for the financial statements to be prepared on a going concern basis.

2. Segmental Reporting

For the purpose of segmental information the operations of the Group comprise one class of business, the exploration for gold, tungsten, base metals and other minerals.

By geographical area by origin:-

	Carrying value of Segment Assets		Additions to non current assets and intangible assets		Total Liabilities	
	31/12/08	31/12/07	31/12/08	31/12/07	31/12/08	31/12/07
	€	€	€	€	€	€
Europe	13,505,611	13,372,805	3,426,481	4,261,452	1,147,463	268,880
Morocco	-	52,538	-	-	-	1,223
	13,505,611	13,425,343	3,426,481	4,261,452	1,147,463	270,103

3.	**Statutory Information**	**31/12/08**	31/12/07
		€	€
	The loss for the financial year is stated after charging:		
	Write down of exploration costs	**1,682,876**	-
	Depreciation of property, plant and equipment	**10,131**	12,661
	Loss / (Gain) on foreign currencies	**3,620**	(27,787)
	Operating lease rentals		
	- Land and buildings	**33,400**	33,600
	Auditors' remuneration	**22,500**	20,000
	Auditors' remuneration from non-audit work	**24,674**	-

As permitted by Section 148 (8) of the Companies Act 1963, the Income Statement of the Company has not been separately disclosed in these financial statements.

4.	**Interest receivable and similar income**	**31/12/08**	31/12/07
		€	€
	Bank interest	**31,937**	71,245
		31,937	71,245

5. **Employee**

Number of employees

The average monthly number of employees (including the Directors) during the year was:	**31/12/08**	31/12/07
	Number	Number
Directors	**5**	5
Administration	**3**	3
	8	8

Employment costs	**2008**	2007
	€	€
Wages and salaries	**351,448**	318,804
Social welfare costs	**35,388**	30,734
Directors fees	**28,087**	17,540
Share based payment	**88,800**	-
	503,723	367,078

6. Directors' emoluments

	31/12/08	31/12/07
	€	€
Remuneration and other emoluments	**318,887**	276,000
Employers PRSI	**31,261**	26,644
Directors fees	**28,087**	17,540
Share based payment	**88,800**	-
	467,035	320,184

7. Tax on loss on ordinary activities

	31/12/08	31/12/07
	€	€
Current tax		
Charge for the year	**-**	-
Deferred tax		
Origination and reversal of timing differences	**-**	-
Total tax charge	**-**	**-**

The difference between the total current tax shown above and the amount calculated by applying the standard rate of Irish corporation tax to the loss before tax is as follows:

	31/12/08	31/12/07
	€	€
(Loss) on ordinary activities before tax	(2,527,962)	(578,531)
Tax on ordinary activities at Irish corporation tax rate of 12.5% (2007: 12.5%)	(315,995)	(72,316)
Effects of:		
Expenses not deductible for tax purposes	621	1,583
Losses carried forward	315,374	70,733
Tax charge for the year	-	-

8. Loss per share

Basic earnings per share

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

	31/12/08	31/12/07
	€	€
(Loss) for the year attributable to equity holders of the parent	(2,527,962)	(580,071)
Weighted average number of ordinary shares for the purposes of basic earning per share	206,387,115	171,484,445
Basic (loss) per ordinary share (in cent)	(1.22)	(0.34)

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.

The weighted average number of ordinary shares for the purposes of diluted earnings per share reconciles to the weighted average number of ordinary shares used in the calculation of basic earnings per share as follows:

	31/12/08	31/12/07
	€	€
Weighted average number of shares used in the calculation of basic earnings per share	206,387,115	171,484,445
Shares deemed to be issued for no consideration in respect of:		
Employee options	964,444	12,500,000
Weighted average number of ordinary shares used in the calculation of diluted earnings per share	207,351,559	183,984,445
Diluted (loss) per ordinary share (in cent)	(1.22)	(0.32)

The following potential ordinary shares are not dilutive and are therefore excluded from the weighted average number of ordinary shares for the purposes of diluted earnings per share:

	31/12/08	31/12/07
	€	€
Employee options	7,200,000	-

9. Intangible assets - Group

	Deferred Exploration costs	Total
	€	€
Cost		
At 1 January 2008	10,407,634	10,407,634
Additions	3,426,481	3,426,481
Disposals	(1,682,876)	(1,682,876)
At 31 December 2008	12,151,239	12,151,239
Net book values		
At 31 December 2008	12,151,239	12,151,239
At 31 December 2007	10,407,634	10,407,634

Intangible assets - Company

	Deferred Exploration costs	Total
	€	€
Cost		
At 1 January 2008	276,878	276,878
Additions	22,562	22,562
Disposal	(270,629)	(270,629)
At 31 December 2008	28,811	28,811
Net book values		
At 31 December 2008	28,811	28,811
At 31 December 2007	276,878	276,878

Expenditure on exploration activities is deferred on areas of interest until a reasonable assessment can be determined of the existence or otherwise of economically recoverable reserves. No amortisation has been charged in the period. The Directors have reviewed the carrying value of the deferred exploration expenditure and consider it to be fairly stated and not impaired at 31 December 2008. The recoverability of the intangible assets is dependent on the successful development or disposal of gold, tungsten, base metals and other minerals in the Group's licence areas.

10. Property, Plant and Equipment - Group

	Fixtures & fittings €	Computer equipment €	Motor vehicles €	Total €
Cost				
At 1 January 2008	22,384	42,098	-	64,482
Additions	-	-	18,082	18,082
At 31 December 2008	22,384	42,098	18,082	82,564
Depreciation				
At 1 January 2008	22,044	34,354	-	56,398
Charge for the year	340	4,660	5,165	10,165
At 31 December 2008	22,384	39,014	5,165	66,563
Net book values				
At 31 December 2008	**-**	**3,084**	**12,917**	**16,001**
At 31 December 2007	340	7,744	-	8,084

Property, Plant and Equipment - Company

	Fixtures & fittings €	Computer equipment €	Total €
Cost			
At 1 January 2008	20,318	33,810	54,128
Additions	-	-	-
At 31 December 2008	20,318	33,810	54,128
Depreciation			
At 1 January 2008	19,978	26,066	46,044
Charge for the year	340	4,660	5,000
At 31 December 2008	20,318	30,726	51,044
Net book values			
At 31 December 2008	**-**	**3,084**	**3,084**
At 31 December 2007	340	7,744	8,084

11. Financial assets - Company

	31/12/08	31/12/07
	€	€
Group undertakings - unlisted:		
Balance at 1 January	**891,215**	746,006
Cost of acquisition of Saloro	**1,000,000**	65,000
Capital contribution to subsidiary	**-**	80,209
Impairment of investment in Exprotra, S.A.R.L	**(90,709)**	-
Investment in subsidiaries at cost	**1,800,506**	891,215

In the opinion of the Directors the carrying value of the investment is appropriate.

At 31 December 2008 the Company had the following subsidiary undertakings:

Name	**Incorporated in**	**Main Activity**	**Proportion of holding**
Ormonde Espana, S.L.	Spain	Mineral Exploration	100%
Saloro, S.L.	Spain	Mineral Exploration	100%
Exprotra, S.A.R.L	Morocco	Mineral Exploration	100%

In April 2008 Ormonde Mining Plc contracted to acquire the additional 10% share holding in Saloro SL which made it a 100% wholly owned subsidiary. The consideration of €1,000,000 was phased and conditional. No payments were made prior to 31 December 2008. Since the year end €350,000 has been paid.

12. Trade and other receivables

	Group	Group	**Company**	Company
	31/12/08	31/12/07	**31/12/08**	31/12/07
	€	€	**€**	€
Amounts falling due within one year:				
Amounts owed by Group undertakings	**-**	-	**12,502,410**	10,310,260
Other debtors	**167,101**	532,534	**1,519**	36,001
Prepayments and accrued income	**32,969**	35,618	**32,969**	35,618
	200,070	568,152	**12,536,898**	10,381,879

13. Cash and Cash Equivalents	Group 31/12/08 €	Group 31/12/07 €	Company 31/12/08 €	Company 31/12/07 €
Cash at bank	**1,138,257**	2,441,385	**867,673**	2,014,082
Petty cash	**44**	88	**44**	81
	1,138,301	2,441,473	**867,717**	2,014,163

14. Trade and other payables	Group 31/12/08 €	Group 31/12/07 €	Company 31/12/08 €	Company 31/12/07 €
Bank loans and overdrafts	**-**	-	-	4
Trade creditors	**11,075**	59,945	**11,075**	16,593
Other taxes and social welfare costs	**7,914**	19,748	**7,914**	19,748
Other creditors	**350,000**	-	**350,000**	-
Accruals and deferred income	**128,474**	190,410	**51,065**	190,410
	497,463	270,103	**420,054**	226,755

Some trade creditors had reserved title to goods supplied to the Company. Since the extent to which such creditors are effectively secured depends on a number of factors and conditions, some of which are not readily determinable, it is not possible to indicate how much of the above amount is secured under reservation of title.

Other taxes and social welfare costs:

	Group 31/12/08 €	Group 31/12/07 €	Company 31/12/08 €	Company 31/12/07 €
P.A.Y.E./P.R.S.I.	**7,914**	19,748	**7,914**	19,748
	7,914	19,748	**7,914**	19,748

15. Trade and other payables due after more than one year	Group 31/12/08 €	Group 31/12/07 €	Company 31/12/08 €	Group 31/12/07 €
Trade and other payables	**650,000**	-	**650,000**	**-**
	650,000	**-**	**650,000**	**-**

16. Share capital - Group and Company

	31/12/08	31/12/07
	€	€
Authorised equity		
300,000,000 Ordinary shares of 2.5 cent each	**7,500,000**	5,000,000
100,000,000 Deferred shares of 3.809214 cent each	**3,809,214**	3,809,214
	11,309,214	8,809,214

Issued, called up and fully paid:

	Number of Ordinary shares	**Number of Deferred shares**	**Share Capital €**	**Share Premium €**
At 1 January 2008	197,781,586	43,917,841	6,617,465	17,506,694
Issued in year	19,389,000	-	484,725	1,225,602
Share issue costs	-	-	-	(66,489)
As at 31 December 2008	217,170,586	43,917,841	7,102,190	18,665,807

In June 2008, the Company increased the authorised shares by 100,000,000 Ordinary shares of 2.5 cent.

In July 2008, the Company issued 19,389,000 €0.025 Ordinary Shares at Stg £0.07 per share for cash.

The holders of the deferred shares shall not have the right to receive notice of any general meeting of the Company, or the right to attend, speak or vote at any general meeting. The holders of the deferred shares shall not be entitled to any dividend or other distribution. The deferred shares shall on a return of assets in a winding up entitle the holder only to the repayment of the amounts paid up on such shares after repayment of the capital paid up on the Ordinary shares plus the payment of €12,697 per Ordinary Share. The Company may, at its option at any time purchase all or any of the Deferred Shares in issue, at a price not exceeding €0.0127 for all the Deferred Shares so purchased.

17. Retained Losses

	Group 31/12/08 €	Group 31/12/07 €	**Company 31/12/08 €**	Company 31/12/07 €
Deficit at beginning of year	(11,151,012)	(10,569,613)	(10,957,790)	(10,395,864)
Foreign currency differences	-	(1,328)	-	-
(Loss) for the year	(2,527,962)	(580,071)	(897,540)	(561,926)
Deficit at end of year	(13,678,974)	(11,151,012)	(11,855,330)	(10,957,790)

In accordance with the provisions of the Companies (Amendment) Act 1986, the Company has not presented an Income Statement. A loss for the period of €911,140 (2007 - loss of €561,926) has been dealt with in the Income Statement of the Company.

18. Other Reserves - Group and Company

	Share based Payment Reserve €	Capital Conversion Reserve €	Capital Redemption Reserve €	Foreign Currency Translation Reserve €
Balance at 1 January 2007	142,920	28,928	7,247	2,504
Loss for the year	-	-	-	-
Recognition of share based payments	-	-	-	-
Foreign exchange adjustments	-	-	-	(1,353)
Balance at 31 December 2007	142,920	28,928	7,247	1,151
Balance at 1 January 2008	142,920	28,928	7,247	1,151
Loss for the year	-	-	-	79
Recognition of share based payments	88,800	-	-	-
Foreign exchange adjustments	-	-	-	-
Balance at 31 December 2008	231,720	28,928	7,247	1,230

19. Share-based payments

Employee share option plan

The Group has an ownership-based compensation scheme for executives and senior employees of the Group. In accordance with the provisions of the plan, as approved by shareholders at a previous general meeting, executives and senior employees may be granted options to purchase ordinary shares.

Each share option converts into one ordinary share of Ormonde Mining Plc on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

The following share based payment arrangements were brought into existence during the current and comparative reporting periods:

Option series	Number	Grant date	Expiry date	Exercise price	Fair Value at grant date
Option Series 5 Issued 15 April 2008 (*)	1,000,000	15/04/08	14/04/18	€0.109	€0.109

(*) In accordance with the terms of the share-based arrangement, options issued during the financial year ended 31 December 2008, vest at their date of issue.

The weighted average fair value of the share options granted during the financial year is €0.109. Options were priced using the Black-Scholes option pricing model. Where relevant, the expected life used in the model has been adjusted on management's best estimate for the effects of non-transferability, exercise restrictions (including the probability of meeting market conditions attaching to the option), and behavioural considerations. Expected volatility is based on the historical share price from 1 April 2005 to 15 April 2008.

	Option Series
Inputs into the model	**Series 5**
Grant date share price	€0.109
Exercise price	€0.109
Expected volatility	75%
Option life	6 years
Dividend yield	0%
Risk-free interest rate	4.59%

The following reconciles the outstanding share options granted under the employee share option plan at the beginning and end of the financial year:

	2008		2007	
	Number of options	**Weighted average exercise price**	**Number of options**	**Weighted average exercise price**
Balance at beginning of the financial year	12,500,000	€0.0978	12,500,000	€0.0978
Granted during the year	1,000,000	€0.109	-	-
Forfeited during the financial year	-	-	-	-
Exercised during the financial year	-	-	-	-
Expired during the financial year	-	-	-	-
Balance at end of the financial year	13,500,000	€0.0986	12,500,000	€0.0978
Exercisable at end of the financial year	13,500,000	€0.0986	12,500,000	€0.0978

Exercised during the year

No options were exercised during the year.

Balance at end of the financial year

The share options outstanding at the end of the financial year had the following exercise prices:

	Number of Options Outstanding	Exercise Price
Option series 1	3,700,000	€0.041
Option series 2	2,600,000	€0.034
Option series 3	4,000,000	€0.130
Option series 4	2,200,000	€0.210
Option series 5	1,000,000	€0.109

The options outstanding at 31 December 2008 had a remaining average contractual life of 5.17 years.

20. Leasing commitments

At 31 December 2008 the Company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2008	2007
	€	€
Expiry date:		
In over five years	**33,600**	33,600

21. Related party transactions

Details of subsidiary undertakings are shown in Note 11. In accordance with International Accounting Standard 4 - Related Party Disclosures, transactions between group entities that have been eliminated on consolidation are not disclosed.

Kerr Anderson is a director of Aurum Exploration Limited. On 1 January 2008 Ormonde Mining plc owed Aurum Exploration Limited €2,549. During the year, Aurum Exploration Limited provided services to Ormonde Mining Plc to the value of €23,744 (ex-vat). On 31 December 2008, Ormonde Mining plc owed Aurum Exploration Limited €Nil.

Stephen Nicol is a director of Simprenta S.L. During the year Simprenta S.L. invoiced Saloro SL €49,149 net for services rendered. Simprenta S.L were paid €42,871 during the year. At 31 December 2008 Simprenta S.L was owed €10,879 net by Ormonde Mining Plc.

22. Financial Instruments and Financial Risk Management

The Group and Company's principal financial instruments comprise cash and cash equivalents. The main purpose of these financial instruments is to provide finance for the Group and Company's operations. The

Group has various other financial assets and liabilities such as receivables and trade payables, which arise directly from its operations.

It is, and has been throughout 2007 and 2006 the Group and Company's policy that no trading in derivatives be undertaken.

The main risks arising from the Group and Company's financial instruments are foreign currency risk, credit risk, liquidity risk, interest rate risk and capital risk. Management reviews and agrees policies for managing each of these risks which are summarised below.

Foreign currency risk

The Group undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward exchange contracts where appropriate. The exposure to exchange rate fluctuations is limited as the Company's subsidiaries operate mainly within the Euro Zone.

At the years ended 31 December 2008 and 31 December 2007, the Group had no outstanding forward exchange contracts.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As the Group does not, as yet, have any sales to third parties, this risk is limited.
The Group and Company's financial assets comprise receivables and cash and cash equivalents. The credit risk on cash and cash equivalents is limited because the counterparties are banks with high credit-ratings assigned by international credit rating agencies. The Group and Company's exposure to credit risk arise from default of its counterparty, with a maximum exposure equal to the carrying amount of cash and cash equivalents in its consolidated balance sheet.

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Group defines counterparties as having similar characteristics if they are connected entities.

Liquidity risk management

Liquidity risk is the risk that the Group will not have sufficient funds to meet liabilities. Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the Group and Company's short-, medium- and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Cash forecasts are regularly produced to identify the liquidity requirements of the Group. To date, the Group has relied on shareholder funding to finance its operations. The Group had no borrowing facilities at 31 December 2008.

The Group and Company's financial liabilities as at 31 December 2008 and 31 December 2007 were all payable on demand.

The expected maturity of the Group and Company's financial assets (excluding prepayments) as at 31 December 2008 and 31 December 2007 was less than one month.

The Group expects to meet its other obligations from operating cash flows with an appropriate mix of funds and equity instruments. The Group further mitigates liquidity risk by maintaining an insurance programme to minimise exposure to insurable losses.

The Group had no derivative financial instruments as at 31 December 2008 and 31December 2007.

Interest rate risk

The Group and Company's exposure to the risk of changes in market interest rates relates primarily to the Group and Company's holdings of cash and short term deposits.

It is the Group and Company's policy as part of its disciplined management of the budgetary process to place surplus funds on short term deposit in order to maximise interest earned.

The effect of a 10% fall in interest rates obtainable on cash and short term deposits would be to increase the loss before tax by €3,193.

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust its capital structure, the Group may adjust or issue new shares or raise debt. No changes were made in the objectives, policies or processes during the years ended 31 December 2008 and 31 December 2007. The capital structure of the Group consists of equity attributable to equity holders of the parent, comprising issued capital, reserves and retained losses as disclosed in the consolidated statement of changes in equity.

Fair values

The carrying amount of the Group and Company's financial assets and financial liabilities is a reasonable approximation of the fair value.

Hedging

At the year ended 31 December 2007 and 31 December 2006, the Group had no outstanding contracts designated as hedges.

23. Approval of financial statements

The Financial Statements were approved by the Board on 26 May 2009.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Ormonde Mining plc will be held at the Conrad Dublin Hotel, Earlsfort Terrace, Dublin 2 on 20th August 2009 at 11.00am for the purpose of considering and, if thought fit, passing the following Resolutions of which Resolutions numbered 1 to 4 inclusive will be proposed as Ordinary Resolutions and Resolution number 5 will be proposed as a Special Resolution.

Ordinary Business

1) To receive and consider the accounts for the year ended 31st December 2008, together with the reports of the Directors and Auditors thereon (Resolution 1).

2) To re-elect Michael Donoghue as a Director who is recommended by the Board for re-election as a Director and who retires in accordance with the Articles of Association (Resolution 2).

3) To authorise the Directors to fix the remuneration of the auditors for the year ending 31 December 2008 (Resolution 3).

Special Business

4) As an ordinary resolution (Resolution 4):

"That the Directors be and are hereby generally and unconditionally authorised pursuant to Section 20 of the Companies (Amendment) Act, 1983 (the "1983 Act") to exercise all powers of the Company to allot relevant securities (as defined by Section 20 of the 1983 Act) up to an amount equal to the authorised but as yet unissued share capital of the Company from time to time. The authority hereby conferred shall expire at the close of business on the earlier of the date of the next annual general meeting of the Company held after the date of the passing of this resolution and 20th day of November 2010, unless previously renewed, varied or revoked by the Company in general meeting provided however that the Company may make an offer or agreement before the expiry of this authority which would or might require relevant securities to be allotted after this authority has expired and the Directors may allot relevant securities in pursuance of any such offer or agreement as if the authority conferred hereby had not expired. The authority hereby conferred shall be in substitution for any existing such authority".

5) As a special resolution (Resolution 5):

"That, subject to the passing of Resolution 4 above, the Directors be and are hereby empowered pursuant to Section 24 of the 1983 Act to allot equity securities (as defined by Section 23 of the 1983 Act) for cash pursuant to the authority conferred by Resolution 4 above as if Subsection (1) of the said Section 23 did not apply to any such allotment provided that this power shall be limited to the allotment of equity securities:

(a) in connection with the exercise of any options or warrants granted by the Company; and

(b) (in addition to the authority conferred by paragraph (a) of this Resolution), up to an aggregate nominal value of ten per cent of the issued ordinary share capital at the date of passing of this Resolution.

which power shall expire at the close of business on the earlier of the date of the next annual general meeting of the Company held after the date of the passing of this resolution and 20th day of November 2010, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby had not expired".

26 May 2009

BY ORDER OF THE BOARD
JOHN CARROLL
Secretary

Registered Office:
6 Northbrook Road
Dublin 6
Ireland

Notes

1. Any member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend, speak and vote on his/her behalf. A proxy need not be a member of the Company.
2. The instrument of proxy, to be valid, must be received by the Company's Registrars, Computershare Investor Services (Ireland) Limited, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland not less than 48 hours before the time appointed for the holding of the Meeting.
3. In the case of a corporation this instrument may be either under the common seal or under the hand of an officer or attorney authorised in that behalf.
4. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other registered holders and for this purpose seniority shall be determined by the order in which the name stands in the Register of Members in respect of the joint holding.
5. If a proxy is executed under a Power of Attorney such Power of Attorney must be deposited at the Registrar's office along with the instrument of proxy.
6. Completing and returning a Form of Proxy shall not preclude a member from attending and voting at the meeting should he/she so wish.

Form of Proxy

FOR USE AT THE ANNUAL GENERAL MEETING TO BE HELD AT 11.00AM ON 20 AUGUST 2009 AT CONRAD DUBLIN HOTEL, DUBLIN 2 AND AT ANY ADJOURMENT THEREOF

ORMONDE MINING PUBLIC LIMITED COMPANY

I/We ....

of ....

being (a) member(s) of the above Company HEREBY APPOINT:

_____________of_______________ or failing him

_____________ of_______________or failing him,

the Chairman of the meeting to be my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company convened for the 20 August 2009 at 11.00am, at Conrad Dublin Hotel, Dublin 2 and at any adjournment thereof.

I/We direct the proxy to vote for/against* the resolutions to be proposed thereat by indicating with an "X" in the boxes below as to how my/our vote for each resolution is to be cast.

RESOLUTIONS (as set out in full in the Notice of Annual General Meeting dated 26 May 2009	For*	Against*
1) To receive and consider the Statement of Accounts and the Directors' and Auditors Reports.		
2) To re-elect Michael Donoghue as a Director.		
3) To authorise the Directors to fix the remuneration of the Auditors.		
4) To authorise the Directors to allot the relevant securities		
5) To authorise the Directors to allot equity securities for cash and to disapply Section 23(1) of the Companies (Amendment) Act 1983		

***In the absence of special instructions the proxy will vote or abstain from voting, as he thinks fit.**

DATED THIS .... **day of** **2009**

SIGNATURE ....

NAME IN FULL
(BLOCK LETTERS) ....

Notes

1. Any member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend, speak and vote on his/her behalf. A proxy need not be a member of the Company.
2. The instrument of proxy, to be valid, must be received by the Company's Registrars, Computershare Investor Services (Ireland) Limited, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland not less than 48 hours before the time appointed for the holding of the Meeting.
3. In the case of a corporation this instrument may be either under the common seal or under the hand of an officer or attorney authorised in that behalf.
4. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other registered holders and for this purpose seniority shall be determined by the order in which the name stands in the Register of Members in respect of the joint holding.
5. If a proxy is executed under a Power of Attorney such Power of Attorney must be deposited at the Registrar's office along with the instrument of proxy.
6. Completing and returning a Form of Proxy shall not preclude a member from attending and voting at the meeting should he/she so wish.

FOLD 2

The Company Registrar,
Ormonde Mining plc,
Computershare Investor Services (Ireland) Ltd.,
Heron House, Corrig Road,
Sandyford Industrial Estate,
Dublin 18,
Ireland.

FOLD 1

FOLD 3

Directors and other information

DIRECTORS

Michael Donoghue	*Chairman*
Kerr Anderson	*Managing Director*
Fraser Gardiner	*Director*
Stephen Nicol	*Chief Operating Officer*
John Carroll	*Non-Executive*

REGISTERED OFFICE

6 Northbrook Road
Dublin 6
Ireland

Incorporation No. 96863

NOMAD, IEX ADVISER & JOINT BROKER

Davy
Davy House
49 Dawson Street
Dublin
Ireland

UK FINANCIAL ADVISER & JOINT BROKER

Brewin Dolphin Investment Banking
48 St Vincent Street
Glasgow G2 5TS
U.K.

REGISTRARS

Computershare Investor Services (Ireland) Ltd
Heron House
Corrig Road
Sandyford Industrial Estate
Dublin 18
Ireland

COMPANY OFFICE

Ormonde House
Metges Lane, Navan, County Meath, Ireland.
Tel: +353 46 9073623 Fax: +353 46 9073654
Email: info@ormondemining.com
Web: www.ormondemining.com

AUDITORS

LHM Casey McGrath
Chartered Certified Accountants and Registered Auditors
6 Northbrook Road
Dublin 6, Ireland

FINANCIAL PR

Bankside Consultants
1 Frederick's Place
London EC2R 8AE
U.K.

SOLICITORS

Mason Hayes + Curran Solicitors
South Bank House
Barrow Street
Dublin 4, Ireland

Landwell
Torrelaguna, 75
28027 Madrid
Spain

BANKERS

Allied Irish Banks plc
Market Square
Navan, County Meath , Ireland

Banco de Castilla
Agencia Urbana, No. 14
Avda. Portugal, 117-121
37006 Salamanca
Spain

Banca Bilbao Viscaya Argentaria
Avda. Luis Montoto, 65
41018 Seville
Spain

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