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ORMONDE
MINING PLC

ANNUAL REPORT & ACCOUNTS 2013

Contents

Chairman's Review

2013 was an eventful year for your Company with very considerable initiatives taken and ongoing progress made at our flagship Barruecopardo Tungsten Project. These have to date resulted in the receipt of the Environmental Permit; the appointment of Swedbank as advisor in relation to a €50M senior bond financing; the signing of an offtake agreement with Noble Group for the tungsten concentrates produced over the Project's initial five years of production; and the advancement of engineering and design work required to enable the ordering of priority one equipment orders; all achieved despite an unsolicited preliminary approach from a tungsten producer seeking to acquire Ormonde in a share for share exchange. This approach caused the Company to enter an 'offer period' under the Irish Takeover Rules, causing the activity of the Company to be curtailed to an extent during this period.

Barruecopardo

Our permitting and environmental submissions to the Salamanca Provincial Authorities of the Region of Castilla y Leon were presented in Q3 2012 and following successful completion of the public consultation process and internal reviews by the Provincial Authorities, our submission was forwarded, with a positive recommendation, to the Regional Environment Department in July 2013. A review of the submission was then completed by that Department, leading to a favourable recommendation in the "Report on the Nature Network" ("IRNA). This was followed shortly thereafter by the issuing of the Environmental Impact Declaration ("EID") for the Project. The receipt of the EID represents a major milestone, in effect being the Project's environmental permit, and one of the final steps required to enable the Mining (Exploitation) Concession to be granted by the Director General for Energy and Mines. It is understood that a review of the historic mining concessions (Barruecopardo was last operated in the 1980's) is now being completed as part of the finalisation of the documentation for the Mining Concession. We now await the issuance of the Mining Concession, anticipated shortly.

While the permitting process has been proceeding, and indeed prior to this during the feasibility study stage, Ormonde has developed appropriate contacts in the capital markets, particularly with lenders who have capability and experience in arranging or providing debt to resource projects. In this regard, as progress was made in the permitting process, the Company decided to appoint Swedbank Norway (a subsidiary of Swedbank) as advisor in relation to a €50 million senior bond financing. Swedbank has considerable experience and distribution capability in the bond market, working as lead or sole broker in a number of such issues each year, a significant portion of which are in the resource sector.

For minor metals such as tungsten, debt providers need sufficient comfort that there will be a buyer for the metal produced. To ensure that such comfort was available, Ormonde developed contacts with most tungsten concentrate offtakers and marketing agents over the last few years and the progress made during 2013 and early 2014 opened up the opportunity to finalise our tungsten offtake arrangements prior to committing to the capital funding arrangements. This led, in April this year, to the Company entering into a binding offtake agreement with Noble Resources International Pte. Ltd a wholly-owned subsidiary of the Noble Group, a global market-leading commodities supply-chain manager of energy products, metals, minerals & ores and agricultural products, with total revenues of US$98 billion in 2013. Under the agreement, Noble will purchase 100% of the tungsten concentrate produced from the Barruecopardo open pit mine during its initial five years of operation. Thereafter, Noble and Ormonde will extend the offtake through negotiation or enter into an arrangement whereby Noble will provide marketing agency services to Ormonde for the tungsten concentrate produced.

With various aspects of the Project making significant advances, Ormonde was in a position to move forward on other fronts, the most critical from a timing perspective being engineering design works, essential to ensure that the orders of key equipment for the mine processing plant can be placed without further delay following completion of project financing. During 2013, discussions were held with appropriate engineering firms, possessing the relevant mineral processing experience, with a view to selection of a firm to carry out the detailed engineering design work for the development of a mine at Barruecopardo. This lead to the signing of a contract with Fairport Engineering Limited, an experienced UK-based engineering firm involved in the aggregates, cement, and minerals processing industries, from engineering design to turnkey project delivery. Fairport has extensive design and development experience within the UK and continental Europe, involving the gravity separation and concentration of minerals. Stage-1 of this engineering design work is presently in progress. In addition, the project team in Spain has been busily preparing all matters onsite to ensure readiness when the Mining Concession is received.

This work includes the continuation of land acquisition arrangements, via a lease with option to purchase agreements, with contingency preparations in place to initiate compulsory acquisition of outstanding lands, as necessary, upon receipt of the Mining Concession.

With permitting nearing completion, capital funding being progressed, engineering design work underway, offtake arrangements secured and onsite preparations well advanced, Ormonde has made considerable progress during the past 12-15 months having regard to its available resources.

Looking briefly at the tungsten market, the tungsten price averaged around US$375 per mtu of APT during 2013 and is currently trading at around that price. The serious constraints on discovering and developing new tungsten mining projects,the continuing increasing global demand, coupled with the lack of substitution options, supports the view that the supply-demand dynamic will remain supportive of a strong price into the future. Projections by independent market research for annual global growth in demand range between 3% and 5%, and 3 to 5 year price forecasts remain above US$400 for much of that period, with one metals analyst, Tungsten Market Research, forecasting prices in the range of US$475-510 over the period 2015-18.

Other Projects

Drilling results reported from both the Peralonso and Cabeza de Caballo Prospects in the first half of the year in our gold joint venture with Aurum Mining plc yielded encouraging results, including shallow high-grade drillhole intersections of 2 metres grading 10.2 g/t gold and one metre grading 33.2 g/t gold from Peralonso. At Cabeza de Caballo, low-grade gold mineralisation was intersected in the first holes to be drilled on the prospect, within an extensive vein system. Both prospects warrant further drilling.

At La Zarza, our efforts were concentrated on the conclusion of an arrangement that would see a potential divestment of the Company's interest in the Project. Discussions are on-going in this regard.

Corporate and Financials

I referred at the outset to the unsolicited approach made by another tungsten company. That approach, in August 2013, by Almonty Industries, was rejected by the Board as it was regarded as opportunistic and lacking in both strategic and economic merit for Ormonde shareholders at a key time when the Company was making significant progress towards the development of Barruecopardo. Although the resultant offer period arising under the Irish Takeover Rules did complicate certain activities, we remained focused throughout the offer period and following its termination at the end of January when Almonty failed to make an offer by the deadline imposed by the Irish Takeover Panel, we are now embarked on the final activities to enable development of our planned mining operation.

The Company has reported a loss for the year of €1.81m, compared with a loss of €4.48m for 2012. The Company raised approximately £1.07 million (before expenses) through a share placing in September 2013, and subsequent to the year end, the Company raised £2.0 million (before expenses) through a share placing in April 2014 to progress engineering works, permitting and funding activities relating to Barruecopardo and for general working capital purposes.

In conclusion, I would like to thank shareholders for their patient support during the last year. I believe it has been worthwhile, with the substantial progress made, and I look forward to the period ahead as we take our Barruecopardo project into the development stage.

Michael J. Donoghue
Chairman

10 June 2014

Review of Activities

Barruecopardo

Substantial progress has been achieved during the year on the Barruecopardo Project where activity focussed on the permitting, offtake contract and capital funding for the Project. Following submission by Saloro (the Company's wholly-owned subsidiary developing Barruecopardo) of the final permitting documentation comprising the Environmental Impact Study, the Exploitation Plan, the Restoration Plan, Waste Management Plan, Health and Safety Document, and Financial Plan, to the Provincial Mining Authorities in mid-2012, a review of this documentation was carried out after which the Authorities advised that the documentation conformed to their requirements. This enabled the public consultation period to be completed in February 2013. The acceptance of the proposals as submitted by the Authorities and the limited public responses were viewed as highly significant and reflects the quality of the plans developed and submitted for the Project and the numerous presentations to various community groups and public bodies that were undertaken by Saloro at local, provincial and regional level to inform all stakeholders on the proposed new mining operation at Barruecopardo. These proposals have been very well received and have helped to establish very strong community and political support for both the Barruecopardo Project and Saloro.

The draft Environmental Impact Declaration ("EID") prepared by the Provincial Authorities following a review of the Company's Environmental Impact Assessment ("EIA") by the Provincial Authorities, was forwarded to the Regional Environment Department in July. In January this year, Saloro received formal written notification from the Regional Environmental Department of a positive outcome in the "Report on the Nature Network" ("IRNA"), and subsequently received the all important EID. The EID is in effect the environmental permit for the Project without which the Mining Concession cannot be granted by the Director General for Energy and Mines. The Company expects the granting of the Mining Concession shortly which is the final step in the permitting process; this will be a seminal moment in our activities and endeavours to-date at Barruecopardo.

Barruecopardo open pit looking north

Progress was made on the capital funding arrangements for the Project during the year, culminating with the appointment in January 2014 of Swedbank Norway ("Swedbank") as Advisors in relation to a senior bond financing for Barruecopardo of approximately €50 million. Swedbank are both active and very experienced in the high yield bond market, being a top tier bond arranger in the Norwegian market (the world's third largest market) and having successfully placed many bonds for the resource sector.

In addition to the capital costs for Barruecopardo of €48.5M, the total upfront fundable cost of the Project includes value added tax on CAPEX, (approx. €9M, which is refundable), the project company Saloro's working capital requirement for the construction and initial production periods, and interest on debt during construction. The final gross fundable cost will be defined following agreement of financing terms.

Offtake discussions proceeded during the year, however with detailed negotiations awaiting developments on both permitting and funding. With progress towards the end of the year and into early 2014 on both of these matters, negotiations were advanced on offtake and lead to the Company signing an agreement with Noble Group, a market-leading global supply chain manager of energy products, metals and minerals and agricultural products. Under the terms of the Agreement, Noble has committed to purchase 100% of the tungsten concentrate production from the open pit mine at Barruecopardo during its initial five years of operation. Based upon the scheduled tungsten production and applying the current tungsten price (APT) of US$375 per metric tonne unit, this would equate to revenues in excess of some US$350M over the five year period. At the end of this period, the parties have agreed to negotiate terms for an extension to the offtake, or should such an extension not be agreed, Noble would provide a marketing agency service to Saloro for concentrate sales. Noble is listed on the Singapore Stock Exchange, operates from over 140 locations worldwide, with sales during 2013 of US$98 billion (and is ranked number 76 in the 2013 Fortune Global 500).

With regards to technical works, following agreement of commercial terms and based upon their considerable relevant experience, Fairport Engineering Limited were awarded the Engineering Design Contract for Barruecopardo and will carry out the design work necessary to enable the placement of the key equipment orders. As this work is on the Project's critical path, it was important for this key appointment to be made early in 2014 and this allows technical works to be moved forward. Fairport is a UK-based engineering firm involved in the aggregates, cement, industrial minerals, metals and minerals processing industries from engineering design to turnkey project delivery, and have extensive design and development experience involving the comminution and classification of granular materials and the gravity separation and concentration of minerals. Key and substantive progress has been achieved to date. Process Flow Sheet development and finalisation is nearing completion and key equipment vendor discussions have been carried out in order to facilitate the placement of the critical path equipment orders.

View of old mine buildings at Barruecopardo

Barruecopardo continues to be one of the most technically and economically robust tungsten projects. The Feasibility Study (DFS) completed in 2012 demonstrated strong economics for the initial nine year open pit upon which the Study was based, at a tungsten price of US$350 per metric tonne unit (mtu) for APT. The current tungsten price is presently around US$375 per mtu.

	US$350 Base Case
Euro/US$	1.30
Pre-tax ungeared NPV (8% discount rate)	€120M
Pre-tax IRR	52.0%
Average annual pre-tax net operating cash flow	€29M
Pre-tax net operating cash flows over life of open pit	€261M
Capital Payback Period (Years)	2.0

Table 1. *Key Financial Outcomes of the DFS (Mar 2012).*

Mineral Resources

Classification	Tonnes (million)	Grade (WO_3%)	Contained mtus (WO_3)
Measured	5.47	0.34	1.86 million
Indicated	12.33	0.26	3.20 million
Inferred	9.59	0.23	2.20 million
TOTAL	**27.39**	**0.26**	**7.12 million**

Ore Reserves

Classification	Tonnes (million)	Grade (WO_3%)	Contained mtus (WO_3)
Proven	4.96	0.33	1.64 million
Probable	3.73	0.26	0.98 million
TOTAL	**8.69**	**0.30**	**2.61 million**

Table 2. *Barruecopardo Mineral Resources and Ore Reserves (Feb 2012, CSA Global).*

The strength of the Project is based around the combination of conventional open pit (contract) mining and subsequent processing of the tungsten ore using a relatively simple gravity-based concentration system. Following crushing the ore to minus 5mm, separation of the heavy tungsten mineral using a gravity pre-concentration circuit, comprising jigs and spirals, facilitates the rejection of some 98% of the feedstock, with just the 2% "heavies" concentrate requiring to be processed further through a very small clean-up circuit.

This results in a relatively low cash operating cost of €99 (~US$ 130) per mtu of WO_3 and a low capital cost for the Project of €48.5 million, as estimated in the 2012 DFS. Ormonde recently commissioned AMC Consultants (UK) Limited ("AMC") to review whether any need exists to update the cost estimates for the Project since the completion of the DFS in February 2012. This review was completed as part of Project financing arrangements. The intention was not to review or revise the DFS itself, but to accept the DFS designs and schedules.

The review concluded that, in AMC's opinion, there has been no material change in the likely costs since the 2012 DFS cost estimates and therefore AMC does not consider there to be a requirement to update the DFS cost estimates. The estimated differences in costs between the updated estimates and the DFS cost models are -1.3% for operating costs and -5.0% for capital costs. Such slight decreases in costs fall within the feasibility study accuracy level.

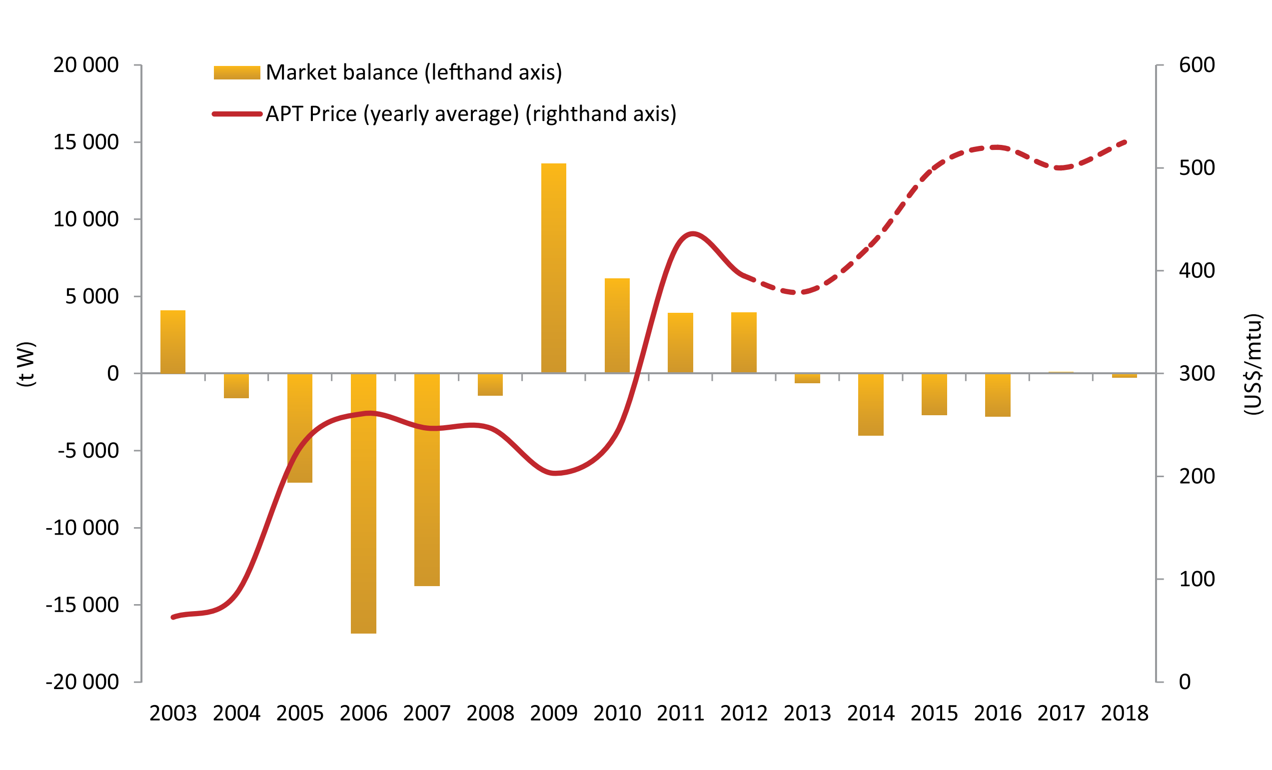
About Tungsten

China remains the dominant player in the tungsten market and a major influence on the industry, producing around 85% of the world's mine production and supplying around 70% of the rest of world tungsten demand. Chinese domestic consumption has increased more than 140% over the 10 year period to 2012. During this time, production costs have significantly increased through decreasing mined head grades, labour cost inflation and environmental restrictions. In addition, China has implemented measures to preserve depleting tungsten resources via the introduction of mining and export quotas, and restrictions on the issue of new mining licences.

The strategic nature of tungsten has been highlighted with the EU declaring tungsten a "critical raw material" and the British Geological Survey ranking tungsten top of its metals "Risk List". Independent market research suggests that the World demand for tungsten will grow at between 3% and 5% over the next five years, driven by increasing global consumption and in particular demand from China and emerging economies, with only a limited amount of new supply globally to meet this demand.

Having traded in a range of US$200-280 between 2005 and 2010, prices sharply increased to a high of around US$470 in June of 2011, and traded around US$380 at the end of 2013 with an average price of ~US$375 in 2013. Both Roskill and Tungsten Market Research forecast tungsten prices above US$400 per mtu in 2016 out to 2018. A report by Tungsten Market Research commissioned by Ormonde to provide an update on the Tungsten Market and Price Forecast indicates strong growth in primary tungsten demand of circa 5.5% per annum, with limited new supply to meet such demand. The report forecasts a "Base Case" price for APT, over the five year period to 2018, ranging from US$420-510 per mtu and averaging US$478/mtu, considerably higher than the current price of ~US$375/mtu.

Tungsten Market Balance and APT Price



(Source: Tungsten Market Research)

Gold Exploration

Gold exploration activities were carried out on Ormonde's properties in the Salamanca and Zamora Provinces through our joint venture with Aurum Mining PLC ("Aurum"), with Ormonde funding its interest (some 45%) in the works carried out.

On the Peralonso permit in Salamanca, further drilling results from the 2012 programme were received early in 2013, which included 2 metres grading 10.18g/t gold (from 49m depth) in hole PERDD007 and 18 metres grading 0.70g/t gold (from 40m depth) in hole PERDD009. The drilling to-date at Peralonso (11 holes; 1,267 metres) has identified near-surface, gold-bearing structures comprising steeply-dipping, narrow, high-grade breccias, within broader lower grade mineralised intervals, hosted in granites. Better intervals are summarised in the Table 3.

Drilling at Cabeza de Caballo

Hole	Length (m)	Dip/Azimuth	From (m)	Thickness (m)	Gold (g/t)
PERDD001	126.1	-50°/288°	0	7.0	1.30
and			16.0	1.0	9.88
and			40.0	1.2	1.61
and			46.9	10.1	3.39
incl			46.9	1.1	22.7
and			110.7	13.3	2.59
incl			110.7	1.4	21.5
PERDD002	75.1	-50°/290°	8.9	5.8	1.14
PERDD004	100.0	-50°/290°	72.0	1.0	4.51
and			79.0	7.0	2.42
PERDD005	201.3	-50°/290°	75.0	6.0	1.87
and			99.8	9.2	2.09
PERDD006	125.5	-50°/290°	0.0	6.0	1.38
and			78.0	1.0	0.51
PERDD007	125.5	-50°/290°	49.0	2.0	10.18
PERDD009	100.3	-50°/290°	40.0	18.0	0.70
and			63.0	1.0	0.52
PERDD010	126.0	-50°/290°	31.0	3.0	1.59
and			92.0	1.0	33.2
and			110.0	6.0	0.69
PERDD011	123.0	-50°/293°	28.0	1.0	2.14
and			58.0	1.0	1.12
and			79.0	1.0	3.59

Table 3. *Significant Intercepts in Peralonso Drilling.*

Further drilling is being planned to extend the gold structures identified to-date and trenching and drilling is required to investigate the potential for further such structures in the area as indicated by anomalous gold-in-soils.

Activities at Cabeza de Caballo, also in Salamanca, comprised initial drilling (4 holes; 442 metres) of the main area of trenching which has identified wide zones of steeply-dipping quartz with sulphide veining, hosted predominantly in granites, with a best interval of 21 metres grading 3.71g/t gold. The initial drilling returned a best interval of 24 metres grading 0.35g/t gold (from surface) in CABDD002. The mineralisation is associated with three sets of quartz-sulphide veins, with the most extensive quartz-sulphide veining seen in thicker granite intervals, although the intensity of veining is less than that observed in trenching at surface. Of note is that the style of veining and associated multi-element geochemistry is consistent with an "Intrusion-related" gold mineralising system.

As with Peralonso, additional drilling is warranted at Cabeza to further test the gold system identified in the trenching and drilling to date, and also to test a nearby prominent IP (geophysical) anomaly that is coincident with surface blocks of loose material containing high gold values.

Gold-bearing quartz-sulphide vein in trenching at Cabeza de Caballo

On the Pino de Oro permits in Zamora, activities were limited to a soil sampling programme designed to infill an area between the El Facho Prospect (preliminary, non-compliant resource of 122-145k ounces at a grade of ~1g/t gold) and a gold-in-soil anomaly some 500 metres to the northwest termed Manton de Roble. The maximum gold values returned were 960, 810, 650 and 490ppb respectively. The prominent anomaly at Manton de Roble is now well defined and warrants trenching to investigate the target further.

La Zarza

No work activities were carried out at La Zarza during the year as the Company seeks to advance a divestment of its interest. In February 2013, the Company entered into an Option Agreement with Spanish company Nueva Tharsis SA ("Nueva Tharsis") whereby Nueva Tharsis could acquire 100% of Ormonde's interest in La Zarza for a total cash consideration of €5 million. This option lapsed in May 2013, however the parties have continued to pursue an arrangement that could lead to a divestment.

Report of the Directors & Financial Statements 2013

Report of the Directors

The Directors present their Annual Report and Audited Financial Statements for the year ended 31 December 2013 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 in Spain.

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 in Spain, Holland 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, tungsten, gold, copper, base metals and other minerals is dependent on global and local supply and demand, actions of governments or cartels and general global economic 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.

Financial Risk

Financial risks is explained in greater detail in Note 21.

Share Price

The share price movement in the year ranged from a low of €0.051 to a high of €0.087 (2012: €0.06 to €0.12). The share price at the year end was €0.054 (2012: €0.07).

Results and Dividends

The results for the year ended 31 December 2013 are set out in the Consolidated Statement of Comprehensive Income on page 27 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.

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Directors

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

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

Details of Executive Directors

Dr. I. Kerr Anderson is a geologist by profession and has worked in the mining and exploration industry in Europe for over 25 years. He has worked extensively in Spain on gold and base-metal projects. He was Exploration Manager with Navan Mining Plc prior to joining Ormonde as Managing Director in May 2001.

Mr. Michael J. Donoghue is a mining engineer by profession and has 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 NL, Australia. Michael was appointed Chairman of Ormonde in April 2004. He is on the Audit Committee and the Remuneration Committee.

Mr. Stephen J. Nicol is a mining engineer with more than 25 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 an Italian based gold mining and exploration operation. Prior to joining Ormonde, he had been operating as an independent consultant working on gold and base metal mine evaluation projects in Romania, Greece, Italy, Guinea, Kazakhstan, Canada and the Congo. Stephen was appointed to the Board in April 2008.

Details of Non Executive Directors

Mr. John A. Carroll is a chartered secretary by profession, and has over 40 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 2013 and 31 December 2013 and 10 June 2014 and their families in the share capital of the Company were:

Directors	10/06/14	31/12/13	01/01/13
	Ordinary Shares	Ordinary Shares	Ordinary Shares
Kerr Anderson	1,061,352	1,061,352	977,141
John Carroll	2,184,251	2,184,251	2,121,093
Michael Donoghue	3,595,233	3,595,233	3,426,812
Stephen Nicol	192,105	192,105	150,000

Directors	10/06/14	31/12/13	01/01/13
	Shares Options	Shares Options	Shares Options
Kerr Anderson	750,000 *	750,000 *	750,000 *
Kerr Anderson	750,000 #	750,000 #	750,000 #
Kerr Anderson	700,000 ^	700,000 ^	700,000 ^
Kerr Anderson	1,000,000 \	1,000,000 \	1,000,000 \
John Carroll	750,000 *	750,000 *	750,000 *
John Carroll	750,000 #	750,000 #	750,000 #
John Carroll	700,000 ^	700,000 ^	700,000 ^
John Carroll	750,000 \	750,000 \	750,000 \
Michael Donoghue	750,000 #	750,000 #	750,000 #
Michael Donoghue	700,000 ^	700,000 ^	700,000 ^
Michael Donoghue	300,000 ~	300,000 ~	300,000 ~
Michael Donoghue	1,000,000 \	1,000,000 \	1,000,000 \
Stephen Nicol	1,000,000 "	1,000,000 "	1,000,000 "
Stephen Nicol	2,000,000 \	2,000,000 \	2,000,000 \

No change in the above share options has occurred between 31 December 2013 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 2016.
# - Share options are exercisable at a price of 0.034 at any time up to 13 August 2018.
^ - 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.
\ - Share options are exercisable at a price of 0.068 at any time up to 3 October 2020.

All the above shareholdings are beneficially held. No Director, Secretary or any member of their immediate families had an interest in any subsidiary.

See Note 18 for details of the Share Option Scheme. In addition, the rules of the Company's Share Option Scheme are available for inspection at the registered office of the Company.

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 19 to the Financial Statements.

Significant Shareholders

The Company has been informed that in addition to the interests of the Directors, at 31 December 2013 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	
	10/06/14	**31/12/13**
JP Morgan Asset Management UK Limited	7.70%	8.06%
Jupiter Asset Management	5.87%	5.89%
M&G Investment Management Limited	5.98%	4.01%

The Company has not been notified of any other holding of 3% or more of the share capital of the Company.

Subsidiary 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 (31 December 2012: Nil) as defined by the Electoral Act 1997.

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 Company Financial Statements for each financial year. As required by AIM and ESM 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's Financial Statements in accordance with EU IFRS, as applied in accordance with the provisions of the Irish Companies Acts, 1963 to 2013 ("the Companies Acts").

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 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 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.

The Directors confirm that they have complied with the above requirements in preparing the Financial Statements. Under applicable law and the requirements of the ESM 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. 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 and development 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. Consequently, they consider that it is appropriate to prepare the Financial Statements on the going concern basis.

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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 four Directors, comprising three executive Directors and one non-executive Director. The Board met formally on seven occasions during the year ended 31 December 2013. 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, with one third of Non-executive directors up for re-election each year 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's 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 interim 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 Board is responsible for maintaining the Group's system of internal control to safeguard shareholders investments and Group assets.

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;
- all commitments for expenditure and payments are compared to previously approved budgets and are subject to approval by personnel designated by the Board of Directors;
- cash flow forecasting is performed on an ongoing basis to ensure efficient use of cash resources;
- the Directors, through the Audit Committee, review the effectiveness of the Group's system of internal financial control.

Remuneration Committee Report

The Group's policy on senior executive remuneration is designed to attract and retain individuals of the highest calibre who can bring their experience 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 2013 was €378,082 (2012: €391,054). In addition in 2013, €59,579 (2012: Nil) was recognised in the Consolidated Statement of Comprehensive Income in respect of the extension of share options granted to Directors and Staff.

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 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 9 Abbey House, Main Street, Clonee, Co Meath, Ireland.

Auditor

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

10 June 2014

Independent Auditors' Report

We have audited the Financial Statements of Ormonde Mining Plc for the year ended 31 December 2013 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Cash Flows, Company Statement of Cash Flows, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity and related notes. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the Company Financial Statements, as applied in accordance with provisions of the Companies Acts 1963 to 2013.

This report is made solely to the Company's members as a body in accordance with the requirements of 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

As explained more fully in the Directors' Responsibilities Statement set out on page 17, the Directors are responsible for the preparation of the Financial Statements giving a true and fair view. Our responsibility is to audit and express an opinion on the Financial Statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Boards - Ethical Standards for Auditors.

Scope of the audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the Financial Statement sufficient to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed: the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the Financial Statements. In addition, we read all the financial and non-financial information in the Chairman's Review, Review of Activities and Directors Report to identify material inconsistencies with the Audited Financial Statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatement's or inconsistencies we consider the implications for our report.

Opinion

In our opinion

- the Group Financial Statements give a true and fair view, in accordance with IFRSs as adopted by the European Union, of the state of the Group's affairs as at 31 December 2013 and of its loss and cash flows for the year then ended; and
- the Company Statement of Financial Position has been properly prepared in accordance with IFRS's as adopted by the European Union; and
- the Financial Statements have been properly prepared in accordance with the Companies Acts 1963 to 2013 and all regulations to be construed as one with those acts.

Emphasis of Matter- Going concern and carrying value of exploration and evaluation assets

In forming our opinion on the Financial Statements, which is not modified, 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 €17,127,000; and
- the adequacy of the disclosures made in Note 1 to the Financial Statements concerning the Group's ability to continue as a going concern. The Group incurred a net loss of €1,809,000 for the year ended 31 December 2013.

These conditions indicate the existence of material uncertainty which may cast doubt about the Group's ability to continue as a going concern. The Financial Statements do not include the adjustments that would result if the Group was unable to continue as a going concern.

Matters on which we are required to report by the Companies Act 1963 to 2013

- We have obtained all the information and explanations which we considered necessary for the purpose of our audit.
- In our opinion proper books of account have been kept by the Company.
- The Company Statement of Financial Position 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 Company Statement of Financial Position, 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 2013 a financial situation which under section 40(1) of the Companies (Amendment) Act 1983 would require the convening of an Extraordinary General Meeting of the Company.

Matters on which we are required to report by exception

We have nothing to report in respect of the provisions in the Companies Acts 1963 to 2013 which require us to report to if, in our opinion, the disclosures of Directors remuneration and transactions specified by law are not made.

Fergal M. Grath

Fergal McGrath
For and on behalf of

LHM Casey McGrath

Chartered Certified Accountants
Statutory Audit Firm
6 Northbrook Road, Dublin 6, Ireland.

10 June 2014

Statement of Accounting Policies

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 Group and Company Financial Statements were authorised for issue by the Directors on 10 June 2014. The accounting policies set out below have been applied consistently to all periods presented in these Consolidated Financial Statements.

Statement of Compliance

As permitted by the European Union and in accordance with AIM and ESM 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 IFRSs as adopted by the EU and as applied in accordance with the Companies Acts, 1963 to 2013 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 Statement of Comprehensive Income 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 on or before 31 December 2013.

Forthcoming Requirements

The following standards, amendments and interpretations which became effective in the year are of relevance to the Group:

- IFRS 7 Financial Instruments - effective for periods beginning on or after 1 January 2013
- IFRS 10 Consolidated Financial Statements - effective for periods beginning on or after 1 January 2013
- IFRS 11 Joint Arrangements - effective for periods beginning on or after 1 January 2013
- IFRS 12 Disclosure of Interests in other entities - effective for periods beginning on or after 1 January 2013
- IFRS 13 Fair Value Measurement - effective for periods beginning on or after 1 January 2013
- IAS 1 Presentation of Financial Statements - effective for periods beginning on or after 1 January 2013
- IAS 19 Employee Benefits - effective for periods beginning on or after 1 January 2013
- IAS 34 Interim Financial Reporting - effective for periods beginning on or after 1 January 2013

Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Group:

- IFRS 2 Share Based Payments - effective for periods beginning on or after 1 July 2014
- IFRS 3 Business Combinations - effective for periods beginning on or after 1 July 2014
- IFRS 8 Operating Segments - effective for periods beginning on or after 1 July 2014
- IFRS 9 Financial Instruments - effective for periods beginning on or after 1 January 2015
- IFRS 10 Consolidated Financial Statements - effective for periods beginning on or after 1 January 2014
- IFRS 12 Disclosure of Interest in Other Entities - effective for periods beginning on or after 1 January 2014
- IFRS 13 Fair Value Measurement - effective for periods beginning on or after 1 July 2014
- IAS 16 Property, Plant & Equipment - effective for periods beginning on or after 1 July 2014
- IAS 24 Related Party Disclosures - effective for periods beginning on or after 1 July 2014
- IAS 36 Impairment of assets - effective for periods beginning on or after 1 January 2014
- IAS 38 Intangible assets - effective for periods beginning on or after 1 July 2014

These new standards and interpretations are not expected to have a material impact on the Group Financial Statements.

Basis of Preparation

The Financial Statements have been prepared in accordance with the International Financial Reporting Standards (IFRS's) as adopted by the EU. 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 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, there are significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the Financial Statements in the following areas:

- Note 8 - Income Tax Expense - Deferred Tax
- Note 9 - Intangible Assets
- Note 18 - Share-Based Payments

Revenue Recognition - Finance Revenue

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues, using the effective interest rate method.

Consolidation

The Consolidated Financial Statements comprise the Financial Statements of Ormonde Mining Plc and its subsidiaries for the year ended 31 December 2013.

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, except to the extent that they provide evidence of impairment.

Exploration and Evaluation Assets

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 capitalised and is carried forward in the Statement of Financial Position 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 representative of 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 Statement of Comprehensive Income. 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

Property, Plant and Equipment are stated at cost or valuation, less accumulated depreciation. Subsequent costs are included in an asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. 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 Statement of Financial Position 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 Statement of Comprehensive Income.

Income Tax Expense

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.

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend is recognised.

Foreign Currencies

Monetary assets and liabilities denominated in a foreign currency are translated into Euro at the exchange rate ruling at the Statement of Financial Position date. 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 Statement of Comprehensive Income.

On consolidation, the assets and liabilities of overseas subsidiary companies are translated into Euro at the rates of exchange prevailing at the Statement of Financial Position date. Exchange differences arising from the restatement of the opening Statement of Financial Positions 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.

Group Companies

The Consolidated Financial Statements are presented in Euros, which is the Groups presentation currency. The Euro is also the Group's functional currency for all the Group entities. Transactions in foreign currencies are translated into the presentation currency as follows:

- monetary assets and liabilities for each Statement of Financial Position presented are presented at the closing rate at the date of that Statement of Financial Position. Non-monetary items are measured at the exchange rate in effect at the historical transaction date and are not translated at each Statement of Financial Position date;

- income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transaction); and

- all resulting exchange differences are recognised as a separate component of equity. On consolidation, exchange differences arising from the translation of monetary items receivable from foreign subsidiaries for which settlement is neither planned nor likely to occur in the foreseeable future are taken to shareholders equity. When a foreign operation is sold, such exchange differences are recognised in the income statement as part of the gain or loss on sale.

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 the Black-Scholes-Merton formula.

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. 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 Statement of Comprehensive Income 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 Statement of Financial Position 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.

Consolidated Statement of Comprehensive Income

for the year ended 31 December 2013

Continuing Operations		**2013**	2012
	Notes	€ 000's	€ 000's
Administrative expenses		**(1,397)**	(1,169)
Finance income	4	**7**	23
Amount written off intangible assets	5	**(418)**	(3,335)
Loss for the year before tax		**(1,808)**	(4,481)
Income tax expense	8	**(1)**	(5)
Total Comprehensive Income for the year		**(1,809)**	(4,486)
Loss attributable to:			
Owners of the Company		**(1,809)**	(4,486)
		(1,809)	(4,486)
Total Comprehensive Income attributable to:			
Owners of the Company		**(1,809)**	(4,486)
		(1,809)	(4,486)
Earnings per share from continuing operations			
Basic loss per share (in cent)	7	**(0.45)**	(1.22)
Diluted loss per share (in cent)	7	**(0.44)**	(1.21)

All activities derive from continuing operations. All losses and total comprehensive loss for the year are attributable to the owners of the Company.

The Company had no recognised gains or losses other than those dealt with in the Statement of Comprehensive Income.

The accompanying notes on pages 34 - 52 form an integral part of these Financial Statements.

On behalf of the Board

John Carroll
Director

Michael Donoghue
Director

10 June 2014

ORMONDE MINING PLC

Consolidated Statement of Financial Position

as at 31 December 2013

	Notes	2013 € 000's	2012 € 000's
Assets			
Non-Current Assets			
Intangible assets	9	17,127	16,406
Property, plant and equipment	10	1	3
Total Non-Current Assets		**17,128**	16,409
Current Assets			
Trade and other receivables	13	**394**	559
Cash and cash equivalents	12	**1,050**	2,282
Total Current Assets		**1,444**	2,841
Total Assets		**18,572**	19,250
Equity and Liabilities			
Capital and Reserves			
Issued capital	15	**12,197**	11,636
Share premium account	15	**28,837**	28,192
Share based payment reserve	16	**837**	777
Capital conversion reserve fund	16	**29**	29
Capital redemption reserve fund	16	**7**	7
Foreign currency translation reserve	16	**1**	1
Retained loss	17	**(23,608)**	(21,799)
Equity Attributable to Owners of the Company		**18,300**	18,843
Total Equity		**18,300**	18,843
Current Liabilities			
Trade and other payables	14	**272**	407
Total Current Liabilities		**272**	407
Total Liabilities		**272**	407
Total Equity and Liabilities		**18,572**	19,250

The accompanying notes on pages 34 - 52 form an integral part of these Financial Statements.

On behalf of the Board

John Carroll
Director

Michael Donoghue
Director

10 June 2014

Company Statement of Financial Position

as at 31 December 2013

ORMONDE MINING PLC

	Notes	2013 € 000's	2012 € 000's
Assets			
Non-Current Assets			
Property, plant and equipment	10	1	1
Investment in subsidiaries	11	8,577	8,577
Total Non-Current Assets		**8,578**	8,578
Current Assets			
Trade and other receivables	13	**9,453**	8,696
Cash and cash equivalents	12	**919**	1,831
Total Current Assets		**10,372**	10,527
Total Assets		**18,950**	19,105
Equity and Liabilities			
Capital and Reserves			
Issued capital	15	**12,197**	11,636
Share premium account	15	**28,837**	28,192
Share based payment reserve	16	**837**	777
Capital conversion reserve fund	16	**29**	29
Capital redemption reserve fund	16	**7**	7
Retained loss	17	**(23,087)**	(21,674)
Equity Attributable to Owners of the Company		**18,820**	18,967
Total Equity		**18,820**	18,967
Current Liabilities			
Trade and other payables	14	**130**	138
Total Current Liabilities		**130**	138
Total Liabilities		**130**	138
Total Equity and Liabilities		**18,950**	19,105

The accompanying notes on pages 34 - 52 form an integral part of these Financial Statements.

On behalf of the Board

John Carroll
Director

Michael Donoghue
Director

10 June 2014

Consolidated Statement of Cashflows

for the year ended 31 December 2013

ORMONDE MINING PLC

	Notes	2013 € €000's	2012 €000's
Cashflows from operating activities			
Loss for the year before taxation		**(1,808)**	(4,481)
Adjustments for:			
Depreciation		**2**	2
Write down of exploration and evaluation assets		**418**	3,335
Share based payment		**60**	-
Investment revenue recognised in profit or loss		**(7)**	(23)
		(1,335)	(1.167)
Movement in working capital			
(Increase) / decrease in debtors		**165**	(132)
(Decrease) in creditors		**(136)**	(951)
Net cash used in operating activities		**(1,306)**	(2,250)
Cashflows from financing activities			
Proceeds of issue of share capital		**1,206**	5,503
Cashflows from investing activities			
Expenditure on intangible assets		**(1,138)**	(2,977)
Movement of property, plant and equipment		**-**	(2)
Interest received		**7**	23
Taxation		**(1)**	(5)
Net cash used in investing activities		**(1,132)**	(2,961)
Net increase in cash and cash equivalents		**(1,232)**	292
Cash and cash equivalents at the beginning of the year	12	**2,282**	1,990
Cash and cash equivalents at the end of the year	12	**1,050**	2,282

The accompanying notes on pages 34 - 52 form an integral part of these Financial Statements.

On behalf of the Board

John Carroll
Director

Michael Donoghue
Director

10 June 2014

Company Statement of Cashflows

for the year ended 31 December 2013

ORMONDE MINING PLC

	Notes	2013 € 000's	2012 € 000's
Cashflows from operating activities			
Loss for the year before taxation		**(1,413)**	(7,522)
Adjustments for:			
Depreciation		**1**	1
Amounts written off		**-**	6,281
Investment revenue recognised in profit or loss		**(14)**	(20)
Share based payment		**60**	-
		(1,366)	(1,260)
Movement in working capital			
(Increase)/decrease in debtors		**(748)**	1,614
(Decrease) in creditors		**(17)**	(587)
Net cash used in operating activities		**(2,131)**	(233)
Cashflows from financing activities			
Proceeds from issue of share capital		**1,206**	5,503
Cashflows from investing activities			
Purchases of property, plant & equipment		**-**	(2)
Investment in subsidiary undertakings		**-**	(4,957)
Interest received		**14**	20
Taxation		**(1)**	(5)
Net cash used in investing activities		**13**	(4,944)
Net increase in cash and cash equivalents		**(912)**	326
Cash and cash equivalents at the beginning of the year	12	**1,831**	1,505
Cash and cash equivalents at the end of the year	12	**919**	1,831

The accompanying notes on pages 34 - 52 form an integral part of these Financial Statements.

On behalf of the Board

John Carroll
Director

Michael Donoghue
Director

10 June 2014

Consolidated Statement of Changes in Equity

for the year ended 31 December 2013

	Share capital	Share premium	Share based payment reserve	Other reserves	Retained loss	Total
	€ 000's	€ 000's	€ 000's	€ 000's	€ 000's	€ 000's
Balance at 1 January 2012	10,151	24,175	777	37	(17,313)	17,827
Loss for the year	-	-	-	-	(4,486)	(4,486)
Proceeds of share issue	1,485	4,017	-	-	-	5,502
Balance at 31 December 2012	11,636	28,192	777	37	(21,799)	18,843
Balance at 1 January 2013	11,636	28,192	777	37	(21,799)	18,843
Loss for the year	-	-	-	-	(1,809)	(1,809)
Recognition of share based payments	-	-	60	-	-	60
Proceeds of share issue	561	645	-	-	-	1,206
Balance at 31 December 2013	**12,197**	**28,837**	**837**	**37**	**(23,608)**	**18,300**

The accompanying notes on pages 34 - 52 form an integral part of these Financial Statements.

On behalf of the Board

John Carroll
Director

Michael Donoghue
Director

10 June 2014

Company Statement of Changes in Equity

for the year ended 31 December 2013

	Share capital	Share premium	Share based payment reserve	Other reserves	Retained loss	Total
	€ 000's	€ 000's	€ 000's	€ 000's	€ 000's	€ 000's
Balance at 1 January 2012	10,151	24,175	777	36	(14,147)	20,992
Loss for the year	-	-	-	-	(7,527)	(7,527)
Recognition of share based payments	-	-	-	-	-	-
Proceeds of share issue	1,485	4,017	-	-	-	5,502
Balance at 31 December 2012	11,636	28,192	777	36	(21,674)	18,967
Balance at 1 January 2013	11,636	28,192	777	36	(21,674)	18,967
Loss for the year	-	-	-	-	(1,413)	(1,413)
Recognition of share based payments	-	-	60	-	-	60
Proceeds of share issue	561	645	-	-	-	1,206
Balance at 31 December 2013	**12,197**	**28,837**	**837**	**36**	**(23,087)**	**18,820**

The accompanying notes on pages 34 - 52 form an integral part of these Financial Statements.

On behalf of the Board

John Carroll
Director

Michael Donoghue
Director

10 June 2014

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 Group incurred a loss of €1,809,000 during the year ended 31 December 2013.

The validity of the going concern basis depends on the following:
The realisation of intangible assets or disposal of the tungsten, copper, gold and other mineral resources and also on the ability to raise additional finance.

The Directors intend to raise additional finance during 2014 through the possible investment of funds by third parties directly in the Spanish projects and/or the possible 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 administrative expenses of the Group.

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 the uncertainties described above into consideration, the Directors believe that it is appropriate for the Financial Statements to be prepared on a going concern basis.

2. Segment Information

Segment revenues and results

The following is an analysis of the Group's revenue and results from continuing operations by reportable segment.

	Segment revenue		**Segment loss**	
	2013	2012	**2013**	2012
	€ 000's	**€ 000's**	**€ 000's**	**€ € 000's**
Exploration - Spain	**-**	-	**(1,397)**	(1,169)
Total for continuing operations	**-**	-	**(1,397)**	(1,169)
Finance Income			**7**	23
Permanent diminution in value of intangibles			**(418)**	(3,335)
Loss before tax (continuing operations)			**(1,808)**	(4,481)

Segment assets and liabilities

	2013	2012
	€ 000's	**€ 000's**
Segment assets		
Exploration - Spain	**18,572**	19,250
Consolidated assets	**18,572**	19,250
Segment liabilities		
Exploration - Spain	**272**	407
Consolidated liabilities	**272**	407

Other segment information

	Depreciation and amortisation		Additions to non-current assets	
	2013	2012	**2013**	2012
	€ 000's	€ 000's	€ 000's	€ 000's
Exploration - Spain	**2**	2	**1,139**	2,998

Revenue from major products and services

The only revenue that the Group received during the period related to bank interest, which has been allocated to Spain.

Geographical information

The Group operates in two principal geographical areas - Ireland (Country of residence of Ormonde Mining Plc) and Spain (Country of residence of Ormonde Espana S.L.U., Saloro S.L., Ormonde Mineria Iberica S.L.U., Valomet S.L.U., Ormonde Geologia S.L.U., and Orillum S.L.U.). There are two other subsidiaries Ormonde Mining B.V. and Exprotra S.A.R.L. which are incorporated in The Netherlands and Morocco, respectively.

The Group does not have revenue from external customers. Information about its non-current assets by geographical location are detailed below:

	Non-current assets	
	2013	2012
	€ 000's	€ 000's
Spain	**17,128**	16,409
	17,128	16,409

3. Statutory Information

	2013	2012
	€ 000's	€ 000's
The loss for the financial year is stated after charging:		
Depreciation of tangible assets	**2**	3
Auditors' remuneration	**22**	21
Auditors' remuneration from non-audit work	**22**	14

4. Finance Income

	2013	2012
	€ 000's	€ 000's
Interest Income	**7**	23
	7	23

5. Amounts written off Intangible Assets

	2013	2012
	€ 000's	€ 000's
Amounts written off intangible assets - permanent diminution in value	**418**	3,335
	418	3,335

6. Employees

Number of employees

The average monthly numbers of employees (including the Directors) during the year were:

	2013	2012
	Number	Number
Directors	**4**	4
Administration / Technical	**16**	14
	20	18

Employment costs (including Directors)

	2013	2012
	€ 000's	€ 000's
Wages and salaries	**816**	700
Social welfare costs	**124**	103
Directors fees	**49**	50
Share based payment	**60**	-
	1,049	853

During the year wages and salaries of € 473,000 (2012: € 309,000) were capitalised as intangible assets.

6.1 Directors' emoluments

	2013	2012
	€ 000's	€ 000's
Remuneration and other emoluments	**329**	341
Employers PRSI	**23**	25
Directors fees	**49**	50
Share based payment	**60**	-
	461	416

ORMONDE MINING PLC

7. 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:

	2013	2012
	€ 000's	**€ 000's**
Loss for the year attributable to equity holders of the parent	**(1,809)**	(4,486)
Weighted average number of ordinary shares for the purposes of basic earning per share	**404,950,441**	368,307,907
Basic (loss) per ordinary share (in cent)	**(0.45)**	(1.22)

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:

	2013	2012
Weighted average number of shares used in the calculation of basic earnings per share	**404,950,441**	368,307,907
Shares deemed to be issued for no consideration in respect of: Employee options	**1,755,101**	3,901,111
Weighted average number of ordinary shares used in the calculation of diluted earnings per share	**406,705,542**	372,209,018
Diluted (loss) per ordinary share (in cent)	**(0.44)**	(1.21)

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:

	2013	2012
Employee options	**12,200,000**	6,200,000

8. Income Tax Expense

	2013	2012
	€ 000's	€ 000's
Current tax		
Current tax expense in respect of the current year	**2**	3
Adjustments recognised in the current year in relation to the current tax of prior years	**(1)**	2
Total tax charge	**1**	5

The difference between the total current tax shown above and the amount calculated by applying the standard rate of Irish corporation tax of 12.5% to the loss before tax is as follows:

	2013	2012
	€ 000's	€ 000's
Loss from continuing operations	**(1,809)**	(4,486)
Income tax expense calculated at 12.5% (31 December 2012: 12.5%)	**(226)**	(561)
Effects of:		
Adjustment in respect of prior period	**(1)**	2
Depreciation in excess of capital allowances	**-**	(1)
Tax relief granted at source on medical insurance premiums payable to Revenue	**2**	3
Investment Income taxable at a different rate	**-**	(3)
Expenses not allowable	**43**	416
Unused tax losses not recognised as deferred tax assets	**181**	147
Income tax expense recognised in the profit or loss	**(1)**	(3)

The tax rate used for the year end reconciliations above is the corporate rate of 12.5% payable by entities in Ireland on taxable profits under tax law in that jurisdiction.

At 31 December 2013, the Company had unused tax losses of €6,533,000 (2012: €5,526,000) available for offset against future profits which equates to a deferred tax asset of €817,000 (2012: €690,000). No deferred tax asset has been recognised due to the unpredictability of the future profit streams. Losses may be carried forward indefinitely.

9. Intangible Assets

Intangible Assets - Group

	31/12/13	31/12/12	01/01/12
	€ 000's	€ 000's	€ 000's
Cost	**17,127**	16,406	16,764
	17,127	16,406	16,764

	Exploration & evaluation assets
	€ 000's
Cost	
At 1 January 2012	16,764
Additions	2,998
Disposals	(21)
Impairment	(3,335)
At 31 December 2012	16,406
Additions	1,139
Disposals	-
Impairment	(418)
At 31 December 2013	**17,127**

Expenditure on exploration and evaluation 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 exploration and evaluation assets and consider it to be fairly stated at 31 December 2013.

The Directors have recorded an impairment of €418,000 in the year, which is in relation to the La Zarza Project.

The recoverability of the intangible assets is dependent on the future realisation or disposal of the tungsten, copper, gold and other mineral resources.

10. Property, Plant and Equipment

Property, Plant and Equipment - Group

	31/12/13	31/12/12	01/01/12
	€ 000's	€ 000's	€ 000's
Cost or Valuation	**90**	90	89
Accumulated depreciation and impairment	**(89)**	(87)	(85)
	1	3	4

Fixtures & fittings	**1**	2	3
Computer equipment	**-**	1	-
	1	3	3

	Fixtures & fittings	Computer equipment	Motor vehicles	Total
	€ 000's	€ 000's	€ € 000's	€ 000's
Cost or Valuation				
At 1 January 2012	26	44	18	88
Additions	-	2	-	2
At 31 December 2012	26	46	18	90
Additions	-	-	-	-
At 31 December 2013	**26**	**46**	**18**	**90**
Accumulated Depreciation and Impairment				
At 1 January 2012	23	44	18	85
Depreciation expense	1	1	-	2
At 31 December 2012	24	45	18	87
Depreciation expense	1	1	-	2
At 31 December 2013	**25**	**46**	**18**	**89**

Property, Plant and Equipment - Company

	31/12/13	31/12/12	01/01/12
	€ 000's	€ 000's	€ 000's
Cost or Valuation	**39**	39	38
Accumulated depreciation and impairment	**(38)**	(38)	(37)
	1	1	1
Fixtures & fittings	**-**	-	-
Computer equipment	**1**	1	1
	1	1	1

	Fixtures & fittings	Computer equipment	Total
	€ 000's	€ 000's	€ 000's
Cost or Valuation			
At 1 January 2012	20	17	37
Additions	-	2	2
At 31 December 2012	20	19	39
Additions	-	-	-
At 31 December 2013	**20**	**19**	**39**
Accumulated Depreciation and Impairment			
At 1 January 2012	20	16	36
Depreciation expense	-	1	1
At 31 December 2012	20	17	37
Depreciation expense	-	1	1
At 31 December 2013	**20**	**18**	**38**

11. Financial Assets - Company

	Subsidiary undertakings shares
	€ 000's
Cost	
At 1 January 2012	9,992
Additions	4,957
At 31 December 2012	14,949
Additions	-
At 31 December 2013	**14,949**
Accumulated Amortisation and Impairment	
At 1 January 2012	(91)
Impairment losses recognised in profit and loss	(6,281)
At 31 December 2012	(6,372)
Movement	-
At 31 December 2013	(6,372)
Net Book Values	
At 31 December 2013	**8,577**
At 31 December 2012	8,577

At 31 December 2013 the Company had the following subsidiary undertakings:

Subsidiary	**Activity**	**Incorporated in**	**Proportion of ownership interest and voting power held**	
			2013	2012
Saloro S.L.	Mine Development	Spain	100%	100%
Ormonde Espana S.L.U.	Mineral Exploration	Spain	100%	100%
Ormonde Geologia S.L.U.	Mineral Exploration	Spain	100%	100%
Orillum S.L.U.	Mineral Exploration	Spain	100%	100%
Ormonde Minerica Iberica S.L.U.	Mineral Exploration	Spain	100%	100%
Valomet S.L.U.	Mineral Exploration	Spain	100%	100%
Ormonde Mining B.V.	Holding Company	The Netherlands	100%	100%
Exprotra S.A.R.L.	Mineral Exploration	Morocco	100%	100%

The value of the investments is dependent on the discovery and successful development of evaluation and exploration assets, as set out in Note 9. Should the development of the evaluation and exploration assets prove unsuccessful, the carrying value in the Statement of Financial Position will be written off. In the opinion of the Directors the carrying value of the investments at 31 December 2013 is appropriate. No impairment was recognised in 2013 in respect of the above investments. In 2012, the Directors' recorded an impairment of €6,281,000 in the Ormonde Espana S.L.U. investment held by Ormonde Mining Plc.

In 2012 a number of permits previously held by Saloro S.L. were transferred to other group companies, Orillum S.L.U. & Ormonde Geologia S.L.U. Final legal transfer is still ongoing on some of these permits.

As at 31 December 2013, Saloro S.L. has 100% rights to two Investigation Permits in the Salamanca Province of western Spain as set out below, which include the Saldeana permit containing the Barruecopardo Tungsten Deposit.

As at 31 December 2013, Ormonde Geologia S.L.U. has 100% rights to five Investigation Permits in the Salamanca Province of western Spain as set out below, which cover several historic tungsten workings and tungsten/gold prospects.

The two permits held by Saloro S.L. and four of the permits held by Ormonde Geologia S.L.U. and two of the permits held by Orillum S.L.U. are subject to staged payments to Spanish company SIEMCALSA in relation to the acquisition of their 10% holding in the joint venture governing these permits, of which the remaining €1.8M is payable out of the first 3 years of production from a mine at Barruecopardo.

As at 31 December 2013, four permits in the Salamanca and Zamora Provinces are held by Orillum S.L.U. (as set out below), which are the subject of a joint venture with Aurum Mining Plc. Ormonde Mining PLC has a beneficial 46% interest in the two permits in Salamanca and a 40% interest in the two permits in Zamora.

Permit	Province	Company
Saldeana *	Salamanca	Saloro S.L.
Milano *	Salamanca	Saloro S.L.
Cortegana *	Salamanca	Ormonde Geologia S.L.U.
Almonaster *	Salamanca	Ormonde Geologia S.L.U.
Aracena *	Salamanca	Ormonde Geologia S.L.U.
Brincones	Salamanca	Ormonde Geologia S.L.U.
Villasbuenas *	Salamanca	Ormonde Geologia S.L.U.
Peralonso *#	Salamanca	Orillum S.L.U.
Cabeza de Caballo *#	Salamanca	Orillum S.L.U.
Antogagasta #	Zamora	Orillum S.L.U.
Cueva Negra #	Zamora	Orillum S.L.U.

* = subject to agreement (4 April 2011) with SIEMCALSA
# = subject to agreement (11 March 2011) with Aurum Mining PLC

Ormonde Espana S.L.U. holds four Investigation Permits in Huelva Province (termed Umbia, Umbria East, Umbria West and Casablanca). Ormonde Espana S.L.U. has applied for the relinquishment of these permits. Ormonde Espana S.L.U. also has rights to 100% ownership of the suspended Mining Concessions covering the old La Zarza Mine, subject to transfer of the concessions from Nueva Tharsis SA to Ormonde Espana S.L.U., and staged payments to Nueva Tharsis SA, of which the remaining €1.3M is payable in stages, on arrangement of capital funding, full permitting and shipment of first concentrates (announced 12 July 2007). Under certain conditions Ormonde Espana S.L.U.'s rights to the mining concessions could be reduced to 70% and monies paid by Ormonde to Nueva Tharsis refunded. These concessions have previously been renewed annually, at the discretion of the Mines Department in the Huelva Province.

12. Cash and Cash Equivalents

	Group 2013	Group 2012	**Company 2013**	Company 2012
	€ 000's	€ 000's	**€ 000's**	€ 000's
Cash at bank	**1,050**	2,282	**919**	1,831
	1,050	2,282	**919**	1,831

13. Trade and Other Receivables

	Group 2013	Group 2012	**Company 2013**	Company 2012
	€ 000's	€ 000's	**€ 000's**	€ 000's
Amounts falling due within one year:				
Amounts owed by Group undertakings	**-**	-	**9,421**	8,666
Other debtors	**376**	532	**14**	3
Prepayments and accrued income	**18**	27	**18**	27
	394	559	**9,453**	8,696

All receivables are current and there have been no impairment losses during the year (2012: Nil)

14. Trade and Other Payables

	Group 2013	Group 2012	**Company 2013**	Company 2012
	€ 000's	€ 000's	**€ 000's**	€ 000's
Net obligations under finance leases and hire purchase contracts	**18**	21	**-**	-
Trade creditors	**19**	52	**19**	52
Corporation tax	**2**	-	**-**	-
Other taxes and social welfare costs	**23**	20	**23**	20
Other creditors	**-**	7	**-**	7
Accruals and deferred income	**210**	307	**88**	59
	272	407	**130**	138

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.

14. Trade and Other Payables (contd.)

Other taxes and social welfare costs:

	Group 2013	Group 2012	**Company 2013**	Company 2012
	€ 000's	€ 000's	**€ 000's**	€ 000's
P.A.Y.E./P.R.S.I.	**23**	20	**23**	20
	23	20	**23**	20

The Group's exposure to currency and liquidity risks related to trade and other payables is set out in Note 21.

15. Share Capital - Group and Company

	31/12/13	31/12/12	01/01/12
	€ 000's	€ 000's	€ 000's
Authorised equity			
550,000,000 Ordinary shares of 2.5 cent each	**13,750**	11,250	11,250
100,000,000 Deferred shares of 3.809214 cent each	**3,809**	3,809	3,809
	17,559	15,059	15,059
Issued capital			
Share capital	**12,197**	11,636	10,151
Share premium	**28,837**	28,192	24,174
	41,034	39,828	34,325
Issued capital comprises:			
420,936,824 ordinary shares of 2.5 cent each (31/12/12 : 398,494,402 and 01/01/12 : 339,108,959)	**10,524**	9,963	8,478
43,917,841 fully paid Deferred shares (31/12/12 : 43,917,841 and 01/01/12 : 43,917,841)	**1,673**	1,673	1,673
	12,197	11,636	10,151

15. Share Capital - Group and Company (contd.)

Fully paid ordinary shares	Number of shares	Share capital	Share premium
	000's	€ 000's	€ 000's
Balance at 1 January 2012	339,109	8,478	24,174
Issue of shares for cash	59,385	1,485	4,304
Share issue costs	-	-	(286)
Balance at 31 December 2012	398,494	9,963	28,192
Issue of shares for cash	22,443	561	711
Share issue costs	-	-	(66)
Balance at 31 December 2013	**420,937**	**10,524**	**28,837**

Fully paid ordinary shares, which have a par value of €0.025, carry one vote and carry a right to dividends.

Deferred Shares	Number of shares	Share capital	Share premium
	000's	€ 000's	€ 000's
Balance at 1 January 2012	3,809	1,673	-
Issue of shares for cash	-	-	-
Balance at 31 December 2012	3,809	1,673	-
Issue of shares for cash	-	-	-
Balance at 31 December 2013	**3,809**	**1,673**	**-**

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 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.

Capital Management

The Board's policy is to maintain a strong capital base so as to maintain investor and market confidence and to sustain future developments of the business. There were no changes in the Group's approach to capital management during the year. The Group deems its shareholders' funds to be its capital.

It is Group Policy to incentivise the Directors through the award of share options. At the year end, the Directors hold 1.67% of ordinary shares, or 4.33% assuming that all outstanding share options vest and are exercised. The upper limit on the number of share options that can be granted, including options granted under the existing scheme (see Note 18), is 10% of issued share capital.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

16. Other Reserves - Group and Company

	Share based payment reserve	Capital conversion reserve	Capital redemption reserve	Foreign currency translation reserve
	€ 000's	€ 000's	€ 000's	€ 000's
Balance at 1 January 2012	777	29	7	1
Recognition of share based payments	-	-	-	-
Balance at 31 December 2012	777	29	7	1
Balance at 1 January 2013	777	29	7	1
Recognition of share based payments	60	-	-	-
Balance at 31 December 2013	**837**	**29**	**7**	**1**

17. Retained Losses

	Group 2013	Group 2012	**Company 2013**	Company 2012
	€ 000's	€ 000's	€ 000's	€ 000's
Deficit at beginning of year	**(21,799)**	(17,313)	**(21,674)**	(14,147)
Loss for the year	**(1,809)**	(4,486)	**(1,413)**	(7,527)
Deficit at end of year	**(23,608)**	(21,799)	**(23,087)**	(21,674)

In accordance with the provisions of the Companies (Amendment) Act 1986, the Company has not presented the Company Statement of Comprehensive Income. A loss for the period of €1,413,000 (2012 - loss of €7,527,000) has been dealt with in the Statement of Comprehensive Income of the Group.

18. 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 2, originally issued on 14th August 2003, was extended by five years, and now carries and expiry date of 13th August 2018.

The weighted average fair value of the share options extended during the financial year ended 31 December 2013 is €0.0229. 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 for a two year data period.

Inputs into the model	Option Series Series 2
Grant date share price	€0.05
Exercise price	€0.034
Expected volatility	36.5%
Option life	5 years
Dividend yield	0%
Risk-free interest rate	1.42%

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

	31 December 2013		31 December 2012	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
	000's		000's	
Balance at beginning of the financial year	16,300	€ €0.089	16,300	€ €0.089
Expired during the financial year	(2,600)	€ €0.034	-	-
Extended during the year	2,600	€ €0.034	-	-
Granted during the year	-	-	-	-
Forfeited during the financial year	-	-	-	-
Exercised during the financial year	-	-	-	-
Balance at end of the financial year	16,300	€ €0.089	16,300	€ €0.089
Exercisable at end of the financial year	16,300	€ €0.089	16,300	€ €0.089

Exercised during the year

During the year no options were exercised or forfeited.

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
	000's	
Option series 1	1,500	€ €0.041
Option series 2	2,600	€ €0.034
Option series 3	4,000	€ €0.130
Option series 4	1,200	€ €0.210
Option series 5	1,000	€ €0.109
Option Series 6	6,000	€ €0.068

The options outstanding at 31 December 2013 had a remaining average contractual life of 4.1 years.

19. 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 Ormonde Mining Plc and Aurum Exploration Limited. At 31 December 2012 Ormonde Mining Group owed an amount of €432 to Aurum Exploration Limited. During the year Aurum Exploration Limited provided services in the amount of €7,779. At 31 December 2013 Ormonde Mining Group owed an amount of €846 to Aurum Exploration Limited.

At 31 December 2013, the Group hold an amendment of Dr. Kerr Anderson's service agreement where subject to certain conditions including a successful feasibility study, participation in a successful capital funding for the project development, final permitting and pre-development engineering, and successful development and commission of a mine at Barruecopardo during 2013 and 2014 a bonus of up to €600,000 will be paid (none paid to date).

Stephen Nicol is a Director of Simprenta S.L. At 31 December 2012, Ormonde Mining Plc owed €11,174 to Simprenta S.L. During the year Simprenta S.L provided services and expenses to the value of €166,568 to the Ormonde Mining Group. At 31 December 2013 Simprenta S.L was owed €19,075 by the Ormonde Mining Group.

At 31 December 2013, the Group hold an amendment of Simprenta S.L's service agreement where subject to certain conditions including a successful feasibility study, participation in a successful capital funding for the project development, final permitting and pre-development engineering, and successful development and commission of a mine a Barruecopardo during 2013 and 2014 a bonus of up to €600,000 will be paid (none paid to date).

20. Events after the Reporting Date

On 4 April 2014 Ormonde Mining Plc announced that it has procured placing commitments in respect of in aggregate 50,000,000 new ordinary shares of nominal value €0.025 each in the capital of the Company at an issue price of GBP 4p per share and raising in aggregate GBP£2 million.

21. 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 2013 and 2012, 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 2013 and 31 December 2012, 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 Statement of Financial Position.

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 2013.

21. Financial Instruments and Financial Risk Management (contd.)

The Group and Company's financial liabilities as at 31 December 2013 and 31 December 2012 were all payable on demand.

The expected maturity of the Group and Company's financial assets (excluding prepayments) as at 31 December 2013 and 31 December 2012 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 2013 and 31 December 2012.

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.

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 2013 and 31 December 2012. 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 2013 and 31 December 2012, the Group had no outstanding contracts designated as hedges.

22. Approval of Financial Statements

The Financial Statements were approved by the Board on 10 June 2014.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Ormonde Mining plc (the "Company") will be held at the Conrad Dublin Hotel, Earlsfort Terrace, Dublin 2 on 16 July 2014 at 11.00am for the purpose of considering and, if thought fit, passing the following resolutions of which Resolutions numbered 1 to 5 inclusive will be proposed as Ordinary Resolutions and Resolutions numbered 6 and 7 will be proposed as Special Resolutions.

Ordinary Business

1) To receive and consider the accounts for the year ended 31 December 2013, together with the reports of the Directors and Auditors thereon (Resolution 1).

2) To re-elect John Carroll 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 2013 (Resolution 3).

Special Business

4) As an ordinary resolution (Resolution 4):

   That the authorised share capital of the Company be increased from €17,559,200 divided into 550,000,000 Ordinary Shares of €0.025 each ("Ordinary Shares") and 100,000,000 Deferred Shares of €0.038092 each ("Deferred Shares") to €20,059,200, by the creation of 100,000,000 Ordinary Shares of €0.025 each, such Ordinary Shares ranking pari passu with the existing issued and authorised Ordinary Shares of €0.025 each in the share capital of the Company.

5) As an ordinary resolution (Resolution 5):

   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 date of the next annual general meeting of the Company held after the date of the passing of this Resolution 5 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 such existing authority.

6) As a special resolution (Resolution 6):

   That, subject to the passing of Resolution 4 in the notice convening this meeting, the Company's Memorandum of Association be and are hereby amended by the deletion of the existing clause 5 and the substitution thereof the following new clause 5:

   "The authorised share capital of the Company is €20,059,200 divided into 650,000,000 Ordinary Shares of €0.025 each and 100,000,000 Deferred Shares of €0.038092 each."

7) As a special resolution (Resolution 7):

That, subject to the passing of Resolution 4 in the notice convening this meeting, the Company's Articles of Association be and are hereby amended by the deletion of the existing article 3(a) and the substitution thereof the following new article 3(a):

"The authorised share capital of the Company is €20,059,200 divided into 650,000,000 Ordinary Shares of €0.025 each ("Ordinary Shares") and 100,000,000 Deferred Shares of €0.038092 each ("Deferred Shares")."

20 June 2014

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.

ORMONDE MINING PLC

FORM OF PROXY

FOR USE AT THE ANNUAL GENERAL MEETING TO BE HELD AT 11.00AM ON 16 JULY 2014 AT THE CONRAD DUBLIN HOTEL, EARLSFORT TERRACE, DUBLIN 2 AND AT ANY ADJOURMENT THEREOF

ORMONDE MINING PUBLIC LIMITED COMPANY

		For*	Against*
1	To receive and consider the accounts for the year ended 31 December 2013, together with the reports of the Directors and Auditors thereon		
2	To re-elect John Carroll as a Director who is recommended by the Board for re-election as a Director		
3	To authorise the Directors to fix the remuneration of the auditors		
4	That the authorised share capital of the Company be increased from €17,559,200 to €20,059,200, by the creation of 100,000,000 Ordinary Shares of €0.025 each		
5	To authorise the Directors to allot relevant securities		
6	Subject to the passing of Resolution 4, that clause 5 of the Memorandum of Association be amended to reflect the increase in the authorised share capital of the Company from €17,559,200 to €20,059,200 by the creation of 100,000,000 Ordinary Shares of €0.025 each		
7	Subject to the passing of Resolution 4, that Article 3(a) of the Articles of Association be amended to reflect the increase in the authorised share capital of the Company from €17,559,200 to €20,059,200 by the creation of 100,000,000 Ordinary Shares of €0.025 each		

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 16th July 2014 at 11.00am, at The Conrad Dublin Hotel, Earlsfort Terrace, 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.

*Please indicate with an 'x' in the boxes below how you wish your votes to be cast, i.e. for or against the resolution. If you do not do so, the proxy will vote or abstain as he/she thinks fit.

DATED THIS .... **day of** **2014**

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

ORMONDE MINING PLC

Directors

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

Registered Office
6 Northbrook Road
Dublin 6
Ireland

Secretary
John Carroll

Group Auditors
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Chartered Certified Accountants
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Dublin 6, Ireland

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Clonee
Co Meath
Ireland

Bankers
Allied Irish Bank Plc
Market Square
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Co. Meath,
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Dublin 4, Ireland

Dutilh Abogados
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Dominic Dowling Solicitors
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Registrars
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Sandyford Industrial Estate
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Registered Number
96863 Republic of Ireland

Date of Incorporation
13 September 1983

Website
www.ormondemining.com