

16 September 2020

Ormonde Mining plc
("Ormonde" or "the Company")

**Business development update
and Interim Results for the six months ended 30 June 2020**

The Board of Ormonde (the "Board") announces the Company's unaudited interim results for the six months ended 30 June 2020. During the period, Ormonde completed the disposal of its 30% interest in the Barruecopardo Tungsten Mine, for a €6 million cash consideration, and thereafter focussed its efforts on the review of its other Spanish assets and new opportunities for the deployment of its capital and enhancement of shareholder value.

Following an extensive review of a wide range of resource projects, since the completion of the Barruecopardo disposal, the Board is pleased to advise that the Company has recently entered into an exclusivity agreement in relation to a potential acquisition of a resource project. Due diligence is ongoing, the pace of which may be impacted by COVID-19 related limitations, with there being no certainty that a transaction will be concluded. The Company will provide an update to shareholders in relation to progress as appropriate.

Spanish projects

- **Gold licences:** Planning and permitting in relation to a cost-effective field programme has been advanced at certain of the Company's existing Spanish gold exploration projects to follow up on high grade gold intersections from previous drilling campaigns.
- **La Zarza:** The Company continues to pursue the disposal of its assets relating to the La Zarza copper-gold project in the Iberian Pyrite Belt.

Financial results

- The Company reports a profit after tax for the six months ended 30 June 2020 of €1,160,000 (2019: €1,108,000 loss). The reported profit includes a gain of €1,600,000 related to accounting for the completion of the Barruecopardo Mine disposal in February 2020.
- As at 30 June 2020, the Company held €5.6 million of cash.

Jonathan Henry, Ormonde's Chairman, commented:

"Having completed the disposal of our interest in the Barruecopardo Mine for a €6 million cash consideration, the principal focus of the Company has been on the identification of a compelling resource opportunity.

In this regard, I am pleased to advise that the Company has recently signed an exclusivity agreement, and commenced a due diligence process, in relation to what the Board believes to be an exceptional resource opportunity. We very much look forward to advancing diligence on this new opportunity towards completion of a transaction, the aim of which is to create substantial value for shareholders, and we look forward to updating shareholders on progress in this regard, in due course."

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Notes:

This announcement includes certain statements that may be deemed “forward-looking statements”. Although the Company believes the forward-looking statements are based on reasonable assumptions, such statements should not be in any way construed as guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements.

For more information, visit www.ormondemining.com

Ormonde Mining plc
Consolidated Statement of Comprehensive Income
Six months ended 30 June 2020

	<i>unaudited</i> 6 Months ended 30-Jun-20 €000s	<i>unaudited</i> 6 Months ended 30-Jun-19 €000s	<i>audited</i> Year ended 31-Dec-19 €000s
Turnover	-	-	-
Administration expenses	(436)	(424)	(855)
Impairment of intangibles	-	-	(49)
Loss on ordinary activities before investments, financing & tax	<u>(436)</u>	<u>(424)</u>	<u>(904)</u>
Finance costs	(4)	(2)	-
Loss before tax	<u>(440)</u>	<u>(426)</u>	<u>(904)</u>
Taxation	-	-	-
(Loss) for the period from continuing operations	<u>(440)</u>	<u>(426)</u>	<u>(904)</u>
Profit / (loss) from discontinued operations	1,600	(682)	(10,399)
Profit / (loss) for the period	<u>1,160</u>	<u>(1,108)</u>	<u>(11,303)</u>
Other comprehensive income			
Foreign exchange on translation of overseas associate	-	104	332
Less: reclassification of foreign currency gain on disposal of foreign operation	(1,600)	-	-
Total comprehensive (loss) for the period	<u>(440)</u>	<u>(1,004)</u>	<u>(10,971)</u>
(Loss) per share from continuing operations			
Basic & diluted (loss) per share (in cent)	(0.09)	(0.09)	(0.19)
Total earnings per share			
Basic & diluted earnings/(loss) per share (in cent)	0.25	(0.23)	(2.39)

Ormonde Mining plc
Consolidated Statement of Financial Position
As at 30 June 2020

	<i>unaudited</i> 30-Jun-20 €000s	<i>unaudited</i> 30-Jun-19 €000s	<i>audited</i> 31-Dec-19 €000s
Assets			
Non-current assets			
Intangible assets	295	334	285
Financial assets	-	15,765	-
	<hr/>	<hr/>	<hr/>
Total Non-Current Assets	295	16,099	285
Current assets			
Trade & other receivables	36	44	379
Cash & cash equivalents	5,591	312	130
Asset classified as held for sale	2,400	2,400	8,400
	<hr/>	<hr/>	<hr/>
Total current assets	8,027	2,756	8,909
	<hr/>	<hr/>	<hr/>
Total assets	8,322	18,855	9,194
	<hr/>	<hr/>	<hr/>
Equity & liabilities			
Equity			
Issued share capital	13,485	13,485	13,485
Share premium account	29,932	29,932	29,932
Share based payment reserve	837	837	837
Capital conversion reserve fund	29	29	29
Capital redemption reserve fund	7	7	7
Foreign currency translation reserve	-	1,372	1,600
Retained losses	(36,105)	(27,070)	(37,265)
	<hr/>	<hr/>	<hr/>
Total equity - attributable to the owners of the Company	8,185	18,592	8,625
Current liabilities			
Trade & other payables	137	263	569
	<hr/>	<hr/>	<hr/>
Total liabilities	137	263	569
	<hr/>	<hr/>	<hr/>
Total equity & liabilities	8,322	18,855	9,194
	<hr/>	<hr/>	<hr/>

Ormonde Mining plc
Consolidated Statement of Cashflows
Six months ended 30 June 2020

	<i>unaudited</i> 6 Months ended 30-Jun-20 €000s	<i>unaudited</i> 6 Months ended 30-Jun-19 €000s	<i>audited</i> Year ended 31-Dec-19 €000s
Cashflows from operating activities			
Net profit / (loss) for period before tax			
Continuing operations	(440)	(426)	(904)
Discontinued operations	1,600	(682)	(10,399)
	<hr/> 1,160	<hr/> (1,108)	<hr/> (11,303)
<i>Adjustments for:</i>			
Impairment of intangible assets	-	-	49
Impairment of investment in associate	-	-	7,787
Share of loss in associate	-	1,057	3,263
Reclassification of foreign exchange gain on disposal of foreign operation	(1,600)	-	-
	<hr/> (440)	<hr/> (51)	<hr/> (204)
Movement in Working Capital			
Movement in receivables	343	(2)	(337)
Movement in liabilities	(432)	(24)	282
	<hr/> (529)	<hr/> (77)	<hr/> (259)
Net Cash from/(used in) operations			
Investing activities			
Expenditure on intangible assets	(10)	(10)	(10)
Proceeds from disposal of associate	6,000	-	-
	<hr/> 5,990	<hr/> (10)	<hr/> (10)
Net cash from/(used in) investing activities			
Net increase/(decrease) in cash and cash equivalents			
	<hr/> 5,461	<hr/> (87)	<hr/> (269)
Cash and cash equivalents at beginning of period			
	130	399	399
Cash and cash equivalents at end of period			
	<hr/> 5,591	<hr/> 312	<hr/> 130

Ormonde Mining plc
Consolidated Statement of Changes in Equity
Six months ended 30 June 2020

	Share Capital	Share Premium	Share based payment reserve	Other Reserves	Retained Losses	Total
	€000s	€000s	€000s	€000s	€000s	€000s
At 1 January 2019	13,485	29,932	837	1,304	(25,962)	19,596
Loss for the period	-	-	-	-	(1,108)	(1,108)
<i>Other comprehensive income:</i>						
Foreign exchange on overseas associate	-	-	-	104	-	104
Total comprehensive income for the period	-	-	-	104	(1,108)	(1,004)
At 30 June 2019	13,485	29,932	837	1,408	(27,070)	18,592
Loss for the period	-	-	-	-	(10,195)	(10,195)
<i>Other comprehensive income:</i>						
Foreign exchange on overseas associate	-	-	-	228	-	228
Total comprehensive income for the period	-	-	-	228	(10,195)	(9,967)
At 31 December 2019	13,485	29,932	837	1,636	(37,265)	8,625
Profit for the period	-	-	-	-	1,160	1,160
<i>Other comprehensive income:</i>						
Reclassification of foreign exchange gain on disposal of foreign operation	-	-	-	(1,600)	-	(1,600)
Total comprehensive income for the period	-	-	-	(1,600)	1,160	(440)
At 30 June 2020	13,485	29,932	837	36	(36,105)	8,185

Notes to the Interim Consolidated Financial Statements

1. Accounting policies and basis of preparation

Ormonde Mining plc is a company domiciled in the Republic of Ireland. The Unaudited Consolidated Interim Financial Statements ("the Interim Consolidated Financial Statements") of the Company, as at and for the six months ended 30 June 2020, comprise the Company and its subsidiaries (together referred to as the "Group").

The comparative information provided in the Interim Consolidated Financial Statements relating to the year ended 31 December 2019 does not comprise statutory financial statements. The audit opinion on the statutory financial statements for the year ended 31 December 2019 was unqualified. However, the auditors drew attention by way of an emphasis of matter paragraph to the disclosures made by the Company as to the impact of COVID-19 on the Group's activities.

The Interim Consolidated Financial Statements do not include all of the information required for full annual financial statements and should be read in conjunction with the audited consolidated financial statements of the Group as at and for the year ended 31 December 2019, which are available on the Company's website, www.ormondemining.com. The Interim Consolidated Financial Statements for the six months ended 30 June 2020 are unaudited but have been reviewed by the Company's auditors.

The interim consolidated financial information in this report has been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as adopted by the European Union. IFRS is subject to amendment and interpretation by the International Accounting Standards Board ("IASB") and the IFRS Interpretations Committee and there is an ongoing process of review and endorsement by the European Commission. These policies are consistent with those to be adopted in the Group's consolidated financial statements for the year ending 31 December 2020. The accounting policies applied by the Group in the interim report are the same as those applied by the Group in the consolidated financial statements for the year ended 31 December 2019.

The principal risks and uncertainties of the Group have not changed since the last annual consolidated financial statements for the year ended 31 December 2019.

The Board of Directors have carefully considered the impact of COVID-19, noting the widespread disruption to normal activities and the uncertainty over the duration of this disruption. The Group is currently seeking new investment opportunities and has been impacted by COVID-19, particularly in relation to management's ability to conduct technical due diligence in overseas jurisdictions.

The Group has provisional plans to undertake limited on-site exploration activity on its current Spanish licenses, which have a book value of €295,000. Three currently issued Investigation Permits are due to expire at various dates in mid-2021. If exploration activities prior to renewal falls short of the approved work programmes then it is possible that any application for license renewal may be declined by the relevant authorities, which would result in the licenses becoming impaired.

The Board of Directors are satisfied that the Group has sufficient resources to continue in operation for the foreseeable future, being a period of not less than 12 months from the date of the Interim Consolidated Financial Statements. Accordingly, they continue to adopt the going concern basis in preparing the financial information.

The unaudited Interim Consolidated Financial Statements were approved by the Board of Directors on 15 September 2020.

Notes to the Interim Consolidated Financial Statements

2. Segmental analysis

An analysis by geographical segments is presented below. The Group has geographical segments in Ireland and Spain.

The segment results for the period ended 30 June 2020 are as follows:

	Ireland	Spain	Total
Total comprehensive loss for 6 months to 30 June 2020	€000s	€000s	€000s
Segment profit / (loss) for period	(394)	1,554	1,160
Less: Reclassification of foreign exchange gain on disposal of foreign operation	-	(1,600)	(1,600)
	<u>(394)</u>	<u>(46)</u>	<u>(440)</u>
Total comprehensive loss for year to 31 December 2019	€000s	€000s	€000s
Segment (loss) for period	(254)	(11,049)	(11,303)
Foreign exchange on overseas associate	-	-	332
	<u>(254)</u>	<u>(11,049)</u>	<u>(10,971)</u>
Total comprehensive loss for 6 months to 30 June 2019	€000s	€000s	€000s
Segment (loss) for period	(371)	(737)	(1,108)
Foreign exchange on overseas associate	-	-	104
	<u>(371)</u>	<u>(737)</u>	<u>(1,004)</u>

Notes to the Interim Consolidated Financial Statements (continued)

3. 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:

Loss per share	30-Jun-20	30-Jun-19	31-Dec-19
	€000s	€000s	€000s
(Loss) for period on continuing activities	(440)	(426)	(904)
Total profit (loss) for the period	1,160	(1,108)	(11,303)
Weighted average number of ordinary shares for the purpose of basic earnings per share	472,507,482	472,507,482	472,507,482
Basic loss per ordinary shares (in cent) on continuing activities	(0.09)	(0.09)	(0.19)
Total basic earnings (loss) per ordinary shares (in cent)	0.25	(0.23)	(2.39)

Diluted earnings per share

The exercise price of all extant share options is greater than the average share price for the six month period and therefore the options are not-dilutive.

Due to the Group's results for the comparative periods, the share options are anti-dilutive and therefore diluted earnings per share is the same as the basic earnings per share.

Notes to the Interim Consolidated Financial Statements (continued)

4. Share capital

	30-Jun-20 €000s	30-Jun-19 €000s	31-Dec-19 €000s
Authorised equity			
650,000,000 ordinary shares of 1c each	6,500	6,500	6,500
650,000,000 A deferred shares of 1.5c each	9,750	9,750	9,750
100,000,000 deferred shares of 3.809214c each	3,809	3,809	3,809
	<u>20,059</u>	<u>20,059</u>	<u>20,059</u>
Issued capital			
Share capital	13,485	13,485	13,485
Share premium	29,932	29,932	29,932
	<u>43,417</u>	<u>43,417</u>	<u>43,417</u>
Issued Capital comprises			
472,507,483 ordinary shares of 1c each	4,725	4,725	4,725
472,507.483 A deferred shares of 1.5c each	7,087	7,087	7,087
43,917,841 deferred shares of 3.809214c each	1,673	1,673	1,673
	<u>13,485</u>	<u>13,485</u>	<u>13,485</u>

5. Dividends

No dividends were paid or proposed in respect of the six months ended 30 June 2020.

6. Post balance sheet event

There are no post balance sheet events.

Independent Review Report to Ormonde Mining plc

Introduction

We have been engaged by Ormonde Mining plc (“the Company”) to review the Unaudited Consolidated Interim Financial Statements (“the Interim Consolidated Financial Statements”) in the half yearly report of the Company as at and for the six months ended 30 June 2020 comprising the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Cashflows, the Consolidated Changes in Equity and the related explanatory notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the Interim Consolidated Financial Statements.

Directors’ responsibilities

The Interim Consolidated Financial Statements are the responsibility of, and have been approved by, the Board of Directors. The directors are responsible for preparing the Interim Consolidated Financial Statements.

As disclosed in note 1, the Interim Consolidated Financial Statements of the Group are prepared in accordance with International Financial Reporting Standards (“IFRSs”) as adopted by the European Union (“EU”). The Board of Directors are responsible for ensuring that the Interim Consolidated Financial Statements included in this half-yearly financial report have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU.

Our responsibility

Our responsibility is to express to the Company a conclusion on the Interim Consolidated Financial Statements in the half-yearly financial report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, issued by the Financial Reporting Council. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the Interim Consolidated Financial Statements in the half-yearly report for the six months ended 30 June 2020 is not prepared, in all material respects, in accordance with IAS 34 as adopted by the European Union.

Use of our report

This report is made solely to the Company in accordance with the terms of our engagement. Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this 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 for our review work, for this report or for the conclusions we have reached.

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15 September 2020

ENDS