ANNUAL REPORT & ACCOUNTS 2015

ORMONDE
MINING PLC

CONTENTS

Chairman's Review

For Ormonde Mining, 2015 was a milestone year. Following the granting of the mining concession for the Barruecopardo Tungsten Project ("Project") in late 2014, the scene was set to advance the capital funding stage of the Project to conclusion. During this period, the Board received an unsolicited non-binding proposal with respect to a potential offer for the Company. Following careful consideration, the Board concluded that the proposal lacked substance and substantially undervalued your Company and the Barruecopardo asset. In the end, Shareholders were provided the opportunity to approve the capital funding proposals at an EGM, where Shareholders voted overwhelmingly in favour of the Company's US$100 million funding package, which I am pleased to say was successfully completed in June 2015, thanks to the thoroughness of your management team.

With capital funding successfully in place, this led in turn to the commencement of the detailed engineering and equipment procurement stage of the Barruecopardo Project and to the initiation of the final procedures for land acquisition.

Barruecopardo

The granting of the mining concession late in 2014 facilitated Ormonde finalising its capital funding proposals in the early months of 2015. The commodity, mining and capital markets were, at that time, in the midst of a cyclical downturn and both conventional sources of mine funding, the project debt markets and the equity markets, were effectively closed to new projects. With this in mind, your Company had engaged Swedbank Norway to advise on what was considered a more flexible debt alternative. Your Board considered that the issuance of a bond in combination with equity from outside the market place was a more realistic and preferable option.

A robust and flexible finance package of equity and debt was eventually negotiated with Oaktree Capital Management, an established US private equity fund, active in Europe, with circa US$100 billion under management. The new equity component from Oaktree was structured as a 70% beneficial interest in Saloro SLU, the Project company which holds the Barruecopardo mining concession, through the provision of a US$44.2 million equity commitment. This level of equity served to ensure a robust funding both in terms of size and mix, facilitating the debt component of US$55.5 million, which included both a prudent contingency and a cost overrun facility, and provided for a conservative debt to equity funding ratio.

This funding structure, coupled with minority protection clauses, Ormonde's position as manager and the flexibility on debt repayments and distributions, made for a lower risk, realistic, less dilutive, funding package. Your Board brought this package to shareholders for their approval at an EGM in May 2015 and the proposal was approved by 93% of those voting.

With funding in place, Saloro staff spent the latter half of 2015 pursuing the engineering design and plant procurement stage of the Project. Fairport Engineering, who had previously been awarded the detailed engineering contract, was authorised to commence this work, with initial emphasis being on advancing sufficient design work to be in a position to table tender documents for all the priority 1 and priority 2 processing plant equipment and to enter supply, or supply and construct, negotiations with relevant equipment manufacturers. This stage of the work was largely completed early in 2016, with 100% of the larger, longer lead-time equipment orders (priority 1) and 60% of the medium lead-time equipment (priority 2) orders placed.

During this period Saloro also awarded Fairport Engineering the construction management contract for the Project. Considerable site preparation works were also initiated under the direction of Saloro staff.

Land access was also a key focus during the year. At the start of the year approximately 85% of the land blocks required to commence construction of the Project were held under "Option to Purchase Agreements" (or long term rental agreements for the 10% of municipal lands), with virtually all of these options exercised and the blocks passing to the ownership of Saloro by the end of 2015. Those remaining are proceeding through due process. Compulsory land acquisition commenced early in the year on the 15% of land blocks for which Option to Purchase Agreements had not been signed by that stage (although some of these have since been purchased by Saloro).

A step in the administrative process for the compulsory acquisition was appealed by a third party late in the year and this appeal has been rejected at the initial administrative appeal level, reinforcing the Company's belief that the basis of the appeal is entirely without merit. Avenues exist, however, for a subsequent appeal to be launched at an administrative court, a fact which has been taken into consideration by the Project partners in the approval and adoption of an optimised construction schedule for the Project which sees commissioning in late 2017. In line with this optimisation of the Project schedule, Saloro has completed negotiations with the Project's majority owner and debt provider in relation to amending the debt facility agreement to reflect the new and extended schedule. It is important to note that this optimised schedule also aligns first production with what is being forecast by independent third parties to be a more positive tungsten price environment, reducing risk and optimising project returns.

Late in 2015 Saloro decided to initiate a limited drilling programme with the objective of confirming extensions to the mineralisation at depth beneath the main central part of the planned nine year open pit, whilst also following up a potentially expanded zone of mineralisation under the shallow northern end of the pit, which was identified by drilling in 2012. It was pleasing to see that the main objective was realised, with the central zone mineralisation continuing with depth, suggesting that the objective of the Saloro partners to eventually develop Barruecopardo into a long life underground mine appears well based. Activities to further support this belief will be advanced during the development and early production stages.

Tungsten market

Turning to the tungsten market; 2015 saw this market succumb to the general cyclical downturn the commodity markets have endured since 2011, with the price per metric tonne unit (mtu) of tungsten trioxide falling to a low of US$162 in January 2016. More recently, with prices trending upwards in recent months to stand at $210/mtu in mid-June 2016, independent price forecasts are more optimistic. This price rise has coincided with a general commodity market upturn seen over this period. The tungsten price remains driven by supply-demand considerations, with demand being effected during 2015 by lower global GDP growth and a temporary fall in demand in certain industries, particularly in the mining and oil/gas sectors, where a significant reduction in US demand was seen arising from a major reduction in the number of drill rigs in operation as low oil prices took effect. This temporary reduction, which would be expected to reverse as oil prices increase, was partly offset by strong growth in the automotive and aerospace industry.

Supply is also increasingly being constrained by an agreed cut-back in production by the eight largest tungsten mining groups in China, which could progressively start to limit market supply in 2016, and by higher cost mine closures and the deferral of new mining projects.

Other Projects

Whilst the primary focus of your Company during the year has been the advancement of the Barruecopardo Project, the Company's other projects are being maintained in good order.

Activity on our gold properties in Salamanca and Zamora Provinces in Spain (in joint venture with Aurum Mining plc) was necessarily minimal during 2015, but early in 2016 the joint venture partners commissioned an independent review of the exploration works carried out to date on these properties, with this review both reaffirming the potential of these projects to host significant gold mineralisation, whilst at the same time identifying potential new drilling targets.

At La Zarza, we continue to explore avenues to divest this project.

Corporate and Financials

It was with great sadness, in August 2015 that we reported the death of Dr Kerr Anderson, a founder and leading figure in Ormonde. The contribution that Kerr made to the Company was invaluable and he is sadly missed by all at the Company.

In October 2015, Ormonde made a number of changes to its management team, with Mr. Steve Nicol and Mr. Paul Carroll being appointed to the positions of Managing Director and Chief Financial Officer respectively, and I welcome them in their new positions. Before taking these positions, both executives had served in senior management positions within the Company. As management to both Saloro and Ormonde, they are responsible for driving Barruecopardo forward into production. I must also welcome Mr. Jonathan Henry as a non-executive director of Ormonde, who brings widespread experience in the capital markets together with prior experience in the tungsten industry.

The Company has reported a profit for the year of €2.07M, compared with a loss of €1.63M for 2014. A gain of €3.4 million was recorded on the disposal of the Company's subsidiary interest in Saloro as part of the Oaktree financing of Saloro. The year also saw first operating income for the Company with €557k in management fee income being received in relation to services provided to Saloro since the closing of the Saloro financing on 19 June 2015 to year end. These items were offset principally by administration expenses of €1.44 million (a reduction on the €1.62 million costs from 2014), and a loss on associate investment (Ormonde's share of Saloro loss) of €368k.

Finally, I would like to thank shareholders for their support during the last year; a period where considerable success was achieved in advancing Barruecopardo towards production.

Michael J. Donoghue
Chairman

Review of Activities

BARRUECOPARDO

Significant advancements were made at our Barruecopardo Tungsten Project during 2015, facilitated in April 2015 through the signing of binding agreements with OCM Luxembourg Tungsten Holdings S.À.R.L., funds managed by Oaktree Capital Management, L.P. ("Oaktree"), in relation to a robust financing package totalling USD 99.7 million (€90.4 million), which was subsequently approved by shareholders at an EGM of the Company held on 19 May 2015.

Project Financing

The Oaktree financing provides the Project with the full funding required for the development of Barruecopardo together with a significant budget to conduct the early evaluation of a potential underground mining Stage 2 expansion of the Project. The implementation of the financing was conditional on shareholder approval, which was obtained at an Extraordinary General Meeting convened on 19 May, with closing of the financing occuring on 19 June, following the completion of a number of steps required to implement the Group structure. The initial equity contribution equating to USD 25 million was subsequently provided by Oaktree to Saloro SLU ("Saloro" - the company holding the mining concession for Barruecopardo and which will develop the Project).

OCM Tungsten Holdings now holds a 70% interest in Barruecopardo JV (the joint venture holding company) with Ormonde holding a 30% interest, and acting in the capacity of Manager. Barruecopardo JV in turn holds a 100% interest in Saloro SLU and Ormonde Geologia SLU (the holder of several investigation permits in proximity to Barruecopardo).

Visit to site shortly after closure of funding

Initial Key Activities

Activation of initial key activities started immediately upon closing of the Oaktree financing. Primary amongst these was the commencement of the Stage 2 detailed (construction) engineering design works for the process plant and infrastructure by Fairport Engineering Limited ("Fairport"). Founded in 1982, Fairport is an experienced UK-based engineering firm involved in the aggregates, cement, industrial minerals, biomass, metals and minerals processing industries, from engineering design to turnkey project delivery. Fairport has wide ranging experience including participation in the design, installation and commissioning of a minerals processing facility in Spain managing local, experienced construction companies. Fairport had already completed the basic engineering study for the Project during 2014. The detailed (construction) engineering design works were required to enable commencement of procurement of priority, longer lead time, process plant and infrastructure equipment. Other key activities addressed at this time included commencement of the construction designs for the water management system, and negotiation of the Stage 3 construction management contract. Whilst these activities were being activated, the land expropriation process, already commenced earlier in the year, was being advanced in parallel.

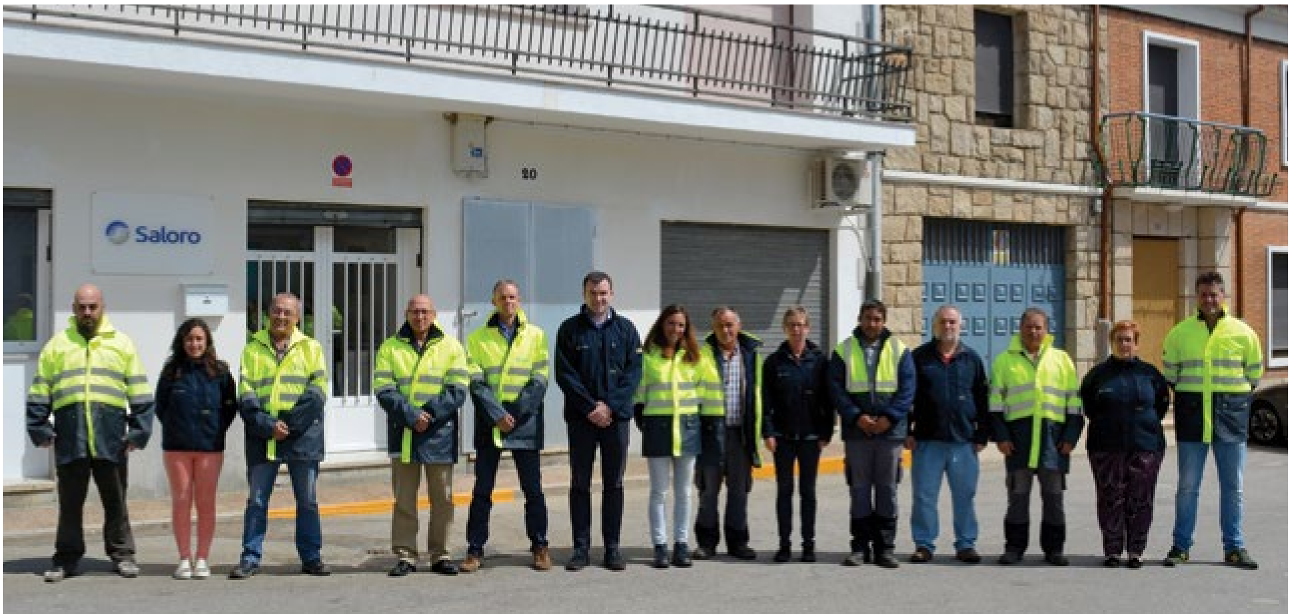
Gathering Pace

As the second half of the year advanced activity increased on the ground with several key milestone steps being achieved by the onsite team.

In October the Company received the Council Building Permit and Extraordinary Use of Rustic Lands approval. These important permissions are required prior to any building activities commencing at Barruecopardo and were issued by the Barruecopardo Council immediately upon receipt of the necessary approval having been granted by the Salamanca Provincial Urban Planning Commission.

The first of two environmental bonds was placed with the Regional Government, a requirement under the terms of the Mining Concession before work could commence at the site, with the second bond being recently placed prior to the commencement of certain environmental works at the site. The electrical connection contract was also signed with Iberdrola covering improvements to the Barruecopardo substation required to allow for connection of power to the Project.

Throughout this period, Fairport continued to make significant advancements in relation to detailed engineering for the Project facilities.



Saloro team at the Barruecopardo office

Ongoing Further Achievements

Early in 2016 the Company achieved a further significant milestone, with the placement of all of the priority equipment orders for the Project, including the award of the Turnkey Crushing and Screening Plant Supply and Install contract to Metso Minerals Portugal, the award of the Turnkey Water Treatment Plant contract to the Spanish subsidiary of Veolia Water Technologies, and the award of the contract for supply of the Jig Pre-concentration circuit. To date, in excess of 60% of the total value of the Priority 2 equipment orders have been placed, with these including the Tungsten Dryer and Cooler, Dewatering Units, Rod and Ball Mill, and the Fines Filter Press.

Installation of water and services lines to the site

During this period the Company awarded the Construction Management contract for the Project to Fairport, with Fairport having impressed with their performance and professionalism during the Basic and Detailed Engineering stages of the Project. Detailed (construction) engineering works for the process plant and infrastructure are now approximately 70% complete.

Preparations for widening of site access road

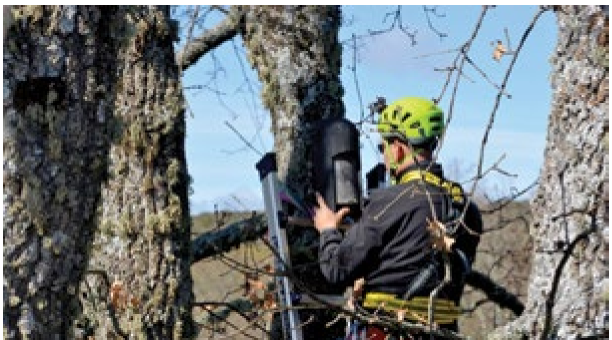
The potable water feedline connecting the Project site to the Barruecopardo town water supply network, which will supply the Project's needs for drinking and sanitary water, is now 80% installed.

Detailed engineering for the water dams was completed during May 2016, with preparations for dam earthworks compaction trials now also completed.

Geotechnical test pitting in the area of the Project water dams

In preparation for both the dam and process plant construction works, significant geotechnical studies and field trials were executed, such that these important pre-construction investigations were 100% complete in late Q1 2016.

Significant pre-construction environmental works were also commenced, including the establishment of rabbit breeding colonies and alternative white stork nesting sites, the removal of old overhead power poles and lines, the reconstruction of existing stone fences and the continuation of annual wildlife breeding period monitoring and census activities in the areas surrounding the Project site.



Project Biologists working in area surrounding the site

Land Access

Prior to receipt of the Oaktree financing, Saloro had Option to Purchase Agreements (Option Agreements") in place over approximately 75% of the land blocks required to commence the Project, with a further 10% of land blocks covered by long term rental agreements with the Barruecopardo Council. Of the 75% of land blocks that were under Option Agreements, some 98% of these have now been exercised and purchased with only two options currently remaining to be exercised.

The remaining 15% of land blocks required to develop the Project are required to be purchased by way of a compulsory acquisition process, with Saloro commencing this process in early 2015. During February 2016, a step in this administrative process was appealed by a third party. Saloro's Board and legal advisers consider the basis of this appeal to be entirely without merit. This belief was supported in May 2016 when the Regional Mines Department issued a negative finding against the administrative level appeal. Following legal advice, however, in relation to the potential delay that any further continuation of the appeal process could have on the Project start date, the Project partners agreed to adopt a prudent approach to staging the next phases of the construction activities.

Prudent Staging of Next Phases

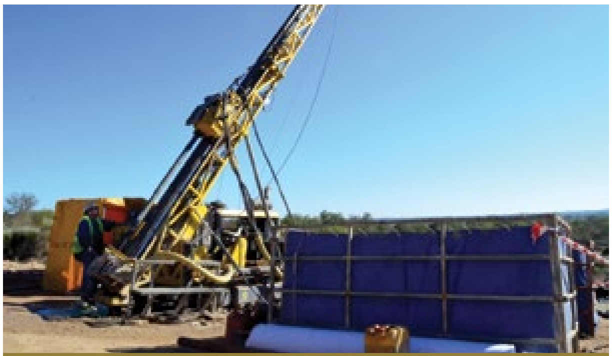
Following clarification on the timing of completion of the compulsory land acquisition process, Saloro has now approved and adopted an optimised construction schedule for the Project which sees commissioning in late 2017.

This schedule will see a prioritising of works on lands to which Saloro has full access, whilst temporarily deferring works on other lands, including the construction of the process plant. The new schedule also aligns first production with a more positive forecasted tungsten price environment, reducing risk and optimising project valuations.

In line with the changes to the Project schedule, Saloro has completed negotiations with the Project's debt provider in relation to amending the debt facility agreement to reflect the new schedule, ensuring continued compliance with this agreement.

Drilling Program

A drilling campaign was commenced at the Project in October with the aim of further confirming the potential for the mineral resources at Barruecopardo to be expanded and extended at depth. Clear potential exists to increase resources and mine life at Barruecopardo, with drilling to date having been focussed near surface above a depth of c.250 metres. However potentially economic tungsten mineralisation had been encountered in many of the deeper holes.

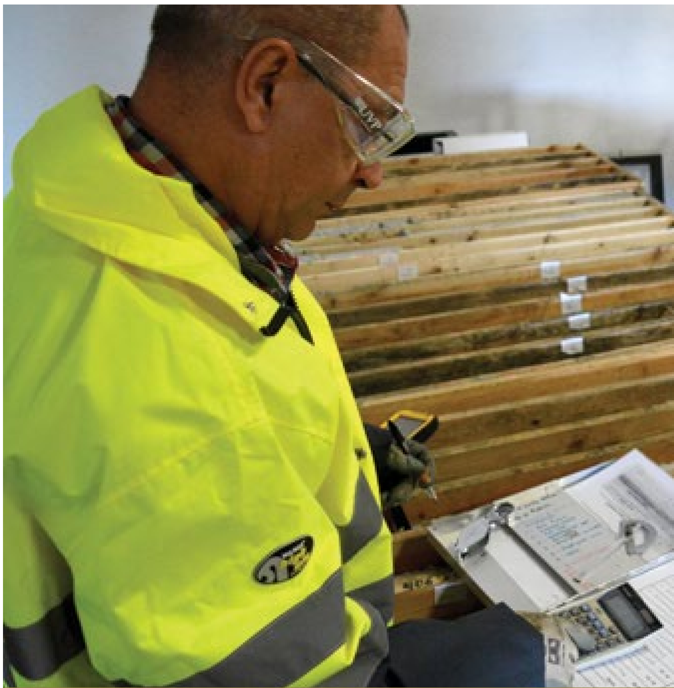


Contract drilling rig operating during the 2015 drilling program

This five hole, 2,000 metre diamond drilling campaign has provided excellent results including:

BAR 83:	**23m @ 0.26% WO_3 from 172m** (including 4m @ 1.23% WO_3)
BAR 83:	**5m @ 1.95 % WO_3 from 404m**
BAR 85:	**25m @ 0.21% WO_3 from 334m** (including 5m @ 0.59% WO_3)
BAR 86:	**6m @ 2.59% WO_3 from 253m**

These results support the current resource interpretation whilst continuing to confirm the significant potential to extend mineralisation at depth. Works will continue during the development and early production stages, with the ultimate aim of extending the Barruecopardo mine life substantially through the development of a "Stage 2" underground mine at the Project.



Quartz veining with coarse scheelite in core from the 2015 drilling program

Logging of core from the 2015 drilling program

View looking over the area where the processing plant and water management facility will be located (Oct 2015). Geotechnical investigations in progress.

Tungsten

Tungsten has a number of outstanding and unique properties including its hardness, high tensile strength, high melting temperature and its wear resistance. These unique properties ensure that there is limited ability to substitute other metals for tungsten in its critical applications and wide ranging uses in general industrial activities. These applications include the use of tungsten in:

- Cemented carbides (hard-metals) used in drilling and cutting tools and wear resistant parts (~55%)
- Alloy steels and alloys used primarily in tools (~21%)
- Fabricated tungsten products such as lighting filaments, electrical and electronic contacts (~18%)
- Chemical applications and products (~6%)

Tungsten contained in concentrates produced from mining operations is most commonly processed into ammonium paratungstate (APT), as the intermediate material suitable for the manufacture of the various tungsten end-products. APT pricing is that most commonly used for tungsten concentrates, being quoted as US$ per metric tonne unit (mtu) where one mtu = 10 kilograms.

China is 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 a large proportion of the rest-of-world demand. Production costs in China have significantly increased in recent years as a result of decreasing mined head-grades, labour cost inflation and the adoption of environmental and safety measures. In addition, China implemented measures to preserve depleting tungsten resources via the introduction of mining and export quotas, and restrictions on the issue of new mining licences. In 2014, the WTO ruled against the use of export quotas and taxes by China. However, despite China ending its export quota policy, the Chinese government has now implemented a strict export licensing system as a tool to limit export of tungsten, and has also introduced a new tungsten resource tax. These measures are consistent with the continued consolidation and integration within the Chinese industry and ensure that the Chinese policy of ensuring supply to their growing domestic demand is maintained.

During 2015 tungsten prices saw significant falls, with a slowdown in China coupled with a reduction in demand for tungsten in the Energy and Mining industries, particularly in the Oil sector which saw a circa 60% drop in the US drill rig count during the year. However this was partly offset by increased demand in other important markets, including Automotive and Aerospace. Looking ahead, production cutbacks of 15%, agreed in late 2015 by eight major Chinese tungsten producers, together with forecasts for an increase in demand during 2016 are both supportive of increasing prices. This has already been seen to date during 2016 with the APT price having risen by ~30% from lows reached in January 2016.

GOLD PROJECTS

Gold exploration activity on the Aurum–Ormonde Joint Venture properties in the Salamanca and Zamora Provinces was constrained during 2015, with Ormonde funding associated costs and Aurum Mining diluting its interest. At the end of 2015, Ormonde's interest in the Joint Venture was 42% in the Zamora permits and 47% in the Salamanca permits.

An independent geological review of the properties was commissioned by the Joint Venture in early 2016 aimed at taking a fresh look at the results of past exploration work, the general geological models and controlling structures, to assist in developing new ideas aimed at:

(a) adding significant project value; and
(b) advancing each project towards initial reportable resource estimation.

This review has both reaffirmed the potential of these projects to host significant gold mineralisation, whilst at the same time identifying potential new drilling targets. Follow-up work is being planned.

La Zarza

No work activities were carried out at La Zarza during the year. The Company is seeking to obtain value from a divestment of its interest in the project.

Report of the Directors

The Directors present their Annual Report and Audited Financial Statements for the year ended 31 December 2015 of Ormonde Mining Plc ("the Company") and its subsidiaries (collectively "the Group").

Principal Activity

The Company is listed on the Enterprise Securities Market (ESM) of the Irish Stock Exchange and the Alternative Investment Market (AIM) on the London Stock Exchange.

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 with support from corporate offices in Ireland. Accordingly the principal risks and uncertainties are considered to be the following:

Exploration Risk

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

Commodity Price Risk

The demand for, and price of, gold, copper, tungsten, 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 24.

Share Price

The share price movement in the year ranged from a low of €0.010 to a high of €0.050 (2014 : €0.036 to €0.076). The share price at the year end was €0.018 (2014 : €0.039).

Results and Dividends

The results for the year ended 31 December 2015 are set out in the Consolidated Statement of Comprehensive Income on page 18 of this Annual Report.

As all exploration and development costs to date have been deferred, no transfers to distributable reserves or dividends are recommended.

Directors

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

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

In accordance with the Articles of Association, Jonathan Henry resigns from the Board and being eligible offers himself for re-election.

Details of Executive Directors

Mr. Stephen J. Nicol is a mining engineer with nearly 30 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, and served as Chief Operating Officer until September 2015 when he was appointed to the position of Managing Director.

Details of Non-Executive Directors

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 and is a member of the Audit Committee and Remuneration Committee.

Mr. John A. Carroll is a chartered secretary by profession, and has over 30 years experience including seven years as a manager with KPMG in the Investment Company Department. He has widespread business contacts in Ireland and significant experience in the resource sector. He was appointed Company Secretary in March 2005 and is the Chairman of the Audit Committee.

Mr. Jonathan Henry is currently President and Chief Executive Officer of TSX-listed Gabriel Resources Ltd. Between 1994 and 2010 he worked with Avocet Mining PLC, now a West African gold mining and exploration company operating the Inata Gold Mine in Burkina Faso, in a variety of senior management capacities including Finance Director and Chief Executive Officer of the Company. During his tenure at Avocet he oversaw successful exploration, feasibility study, mine development and capital funding activities, plus a number of acquisitions and disposals of mine assets in Portugal, Peru, USA, Tajikistan, Burkina Faso, Malaysia and Indonesia. Avocet's activities during Mr Henry's tenure also included the redevelopment and operation of tungsten mining and processing operations in Portugal, Peru and USA. Mr Henry has an honours degree in Natural Sciences from Trinity College, Dublin. Jonathan is Chairman of the Remuneration Committee.

Directors and Secretary and their Interests

The interests of the Directors, the Secretary, their spouses and minor children, all of which were beneficially held, in the share capital of the Company were:

Directors	**15/06/16**	**31/12/15**	**01/01/15**
	Ordinary Shares	**Ordinary Shares**	**Ordinary Shares**
Kerr Anderson (deceased)	1,061,352	1,061,352	1,061,352
John Carroll	2,184,251	2,184,251	2,184,251
Michael Donoghue	3,595,233	3,595,233	3,595,233
Jonathan Henry	-	-	-
Stephen Nicol	192,105	192,105	192,105

Directors	15/06/16	31/12/15	01/01/15
	Shares Options	Shares Options	Shares Options
Kerr Anderson (deceased)	-	750,000 *	750,000 *
Kerr Anderson (deceased)	750,000 #	750,000 #	750,000 #
Kerr Anderson (deceased)	1,000,000 \	1,000,000 \	1,000,000 \
John Carroll	-	750,000 *	750,000 *
John Carroll	750,000 #	750,000 #	750,000 #
John Carroll	750,000 \	750,000 \	750,000 \
Michael Donoghue	750,000 #	750,000 #	750,000 #
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 "
Stephen Nicol	2,000,000 \	2,000,000 \	2,000,000 \

No change in the above share options has occurred between 31 December 2015 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. These options have not been exercised since the year end and have since lapsed.

~ - 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 €0.034 at any time up to 13 August 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 21 for details of the share option scheme. In addition, the rules of the Company's share option schemes 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 22 to the financial statements.

Significant Shareholders

The Company has been informed or is aware that, in addition to the interests of the Directors, at 31 December 2015 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	
	15/06/16	31/12/15
M & G Investment Managers	8.97%	8.97%
Thomas Anderson	6.47%	6.47%
Goodbody Stockbrokers Nominees Limited	6.24%	6.22%
Rathbone Brothers PLC	4.98%	4.98%

The Directors are not aware 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 13 to the financial statements.

Political Donations

There were no political donations during the year (31 December 2014 : 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 parent 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 (IFRS) as adopted by the EU (EU IFRS) and have elected to prepare the Company financial statements in accordance with EU IFRS, as applied in accordance with the provisions of the Irish Companies Act, 2014 ("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
- state whether the financial statements have been prepared in accordance with IFRS as adopted by the European Union and as regards the Company as applied in accordance with the Companies Act 2014; 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 are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and which enable them to ensure that the financial statements of the Group are prepared in accordance with IFRS, as adopted by the EU and comply with the provisions of the Companies Act 2014. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities. Under applicable law, the Directors are also responsible for preparing a director's report that complies with the Companies Act 2014.

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 2 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 a period of twelve months from the date the financial statements were approved by the Directors.

The Group is in receipt of revenue relating to services provided to the Barruecopardo Joint Venture BV Group (which holds the Barruecopardo Tungsten Project). The revenue provides sufficient cash flow to meet the Group's annual operating costs. To the extent that revenue no longer provided sufficient cashflow to meet the Group's annual operating costs, the Group may be required to seek alternative sources of funding such as equity finance.

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

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

Corporate Governance

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

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

The Board currently has four Directors, comprising one executive Director and three non-executive Directors. The Board met formally on seven occasions during the year ended 31 December 2015. 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 being subject to election at the next Annual General Meeting following their date of appointment.

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

Audit Committee

This Committee comprises two non-executive directors. 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 two non-executive Directors. 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.

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 31 December 2015 was €442,720 (31 December 2014 : €331,868):

	31/12/15	**31/12/14**
Executive Directors		
Stephen Nicol	180,607	140,786
Kerr Anderson (deceased 31 July 2015)	116,346	81,762
Total Executive Directors' remuneration	**296,953**	**222,548**
Non-Executive Directors		
Michael Donoghue (Executive Director to 29 September 2015)	99,642	76,049
John Carroll	37,375	33,271
Jonathan Henry (commenced 29 September 2015)	8,750	-
Total Non-executive Directors' remuneration	**145,767**	**109,320**
Total Directors' remuneration	**442,720**	**331,868**

Communications

The Group maintains regular contact with shareholders through publications such as the annual and interim report, 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.

Accounting Records

The measures taken by the Directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at 9 Abbey House, Main Street, Clonee, Co Meath, Ireland.

Auditor

The Auditors, LHM Casey McGrath Limited, continue in office in accordance with section 383(2) of the Companies Act 2014.

On behalf of the Board

John Carroll	**Michael Donoghue**
Director	Director

Date: 15 June 2016

Independent Auditors' Report

We have audited the financial statements of Ormonde Mining Plc for the year ended 31 December 2015 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 (IFRS) as adopted by the European Union and, as regards the Company Financial Statements, as applied in accordance with provisions of the Companies Act 2014.

This report is made solely to the Company's members as a body in accordance with the requirements of Section 391 of the Companies Act 2014. 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 13 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 Financial Reporting Council's 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 statements 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 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. In addition, we read all the financial and non-financial information in the Chairman's Report, Review of Activities and Directors Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements 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 IFRS as adopted by the European Union, of the state of the Group's affairs as at 31 December 2015 and of its profit and cash flows for the year then ended; and
- The Company financial statements give a true and fair view of the state of the Company's affairs as at 31 December 2015; and
- The Group financial statements have been properly prepared in accordance with IFRS as adopted by the European Union; and
- The Company statement of financial position has been properly prepared in accordance with IFRS as adopted by the European Union and as applied in accordance with the provision of the Companies Act 2014; and
- The Group and Company financial statements have been properly prepared in accordance with the Companies Act 2014.

Matters on which we are required to report by the Companies Act 2014.

- We have obtained all the information and explanations which we considered necessary for the purpose of our audit.
- In our opinion the accounting records of the parent company were sufficient to permit the financial statements to be readily and properly audited.
- The parent 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

Matters on which we are required to report by exception

We have nothing to report, in respect of the provisions, in the Companies Act 2014, to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by section 305 to 312 of the Act are not made.

Brendan Murtagh

Brendan Murtagh
Statutory auditor
For and on behalf of
LHM Casey McGrath Limited

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

Date: 15 June 2016

Consolidated Statement of Comprehensive Income

Continuing Operations	Notes	2015 € 000's	2014 € 000's
Turnover - Continuing operations		**527**	-
Administrative expenses		**(1,443)**	(1,625)
Investment income	5	**3,397**	-
Finance income	6	**-**	4
Finance costs	7	**(42)**	-
Profit/(loss) for the year before taxation		**2,439**	(1,621)
Income tax expense	10	**-**	(5)
Profit/(loss) on ordinary activities after taxation		**2,439**	(1,626)
Group share of loss on associate investment	13	**(368)**	-
Total comprehensive income/(loss) for the year		**2,071**	(1,626)

Profit/(loss) attributable to:

Owners of the Company		**2,071**	(1,626)
		2,071	(1,626)

Total comprehensive income/(loss) attributable to:

Owners of the Company		**2,071**	(1,626)
		2,071	(1,626)

Earnings/(loss) per share from continuing operations

Basic earnings/(loss) per share (in cent)	9	**0.44**	(0.36)
Diluted earnings/(loss) per share (in cent)	9	**0.44**	(0.36)

All activities derive from continuing operations. All profits/losses and total comprehensive income/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 25-51 form an integral part of these financial statements.

On behalf of the Board

John Carroll
Director

Michael Donoghue
Director

Date: 15 June 2016

Consolidated Statement of Financial Position

	Notes	2015 € 000's	2014 € 000's
ASSETS			
Non-Current Assets			
Intangible assets	11	**5,279**	18,535
Property, plant and equipment	12	**1**	1
Investments	13	**16,579**	-
Total Non-Current Assets		**21,859**	18,536
Current Assets			
Trade and other receivables	15	**35**	222
Cash and cash equivalents	14	**653**	511
Total Current Assets		**688**	733
Total Assets		**22,547**	19,269
EQUITY AND LIABILITIES			
Capital and Reserves			
Issued capital	18	**13,485**	13,485
Share premium account	18	**29,932**	29,932
Share based payment reserve	19	**837**	837
Capital conversion reserve fund	19	**29**	29
Capital redemption reserve fund	19	**7**	7
Foreign currency translation reserve	19	**1**	1
Retained loss	20	**(22,089)**	(25,234)
Equity Attributable to Owners of the Company		**22,202**	19,057
Total Equity		**22,202**	19,057
Current Liabilities			
Trade and other payables	16	**345**	212
Total Current Liabilities		**345**	212
Total Liabilities		**345**	212
Total Equity and Liabilities		**22,547**	19,269

The accompanying notes on pages 25-51 form an integral part of these financial statements.

On behalf of the Board

John Carroll
Director

Michael Donoghue
Director

Date: 15 June 2016

AS AT 31 DECEMBER 2015

Company Statement of Financial Position

	Notes	2015 € 000's	2014 € 000's
ASSETS			
Non-Current Assets			
Property, plant and equipment	12	**1**	1
Investment in subsidiaries	13	**5,965**	8,577
Total Non-Current Assets		**5,966**	8,578
Current Assets			
Trade and other receivables	15	**13,207**	11,338
Cash and cash equivalents	14	**423**	396
Total Current Assets		**13,630**	11,734
Total Assets		**19,596**	20,312
EQUITY AND LIABILITIES			
Capital and Reserves			
Issued capital	18	**13,485**	13,485
Share premium account	18	**29,932**	29,932
Share based payment reserve	19	**837**	837
Capital conversion reserve fund	19	**29**	29
Capital redemption reserve fund	19	**7**	7
Retained loss	20	**(24,919)**	(24,070)
Equity Attributable to Owners of the Company		**19,371**	20,220
Total Equity		**19,371**	20,220
Current Liabilities			
Trade and other payables	16	**225**	92
Total Current Liabilities		**225**	92
Total Liabilities		**225**	92
Total Equity and Liabilities		**19,596**	20,312

The accompanying notes on pages 25-51 form an integral part of these financial statements.

On behalf of the Board

John Carroll
Director

Michael Donoghue
Director

Date: 15 June 2016

Consolidated Statement of Cashflows

	Notes	2015 € 000's	2014 € 000's
Cashflows from operating activities			
Profit / (loss) for the year before taxation		**2,439**	(1,621)
Adjustments for:			
Depreciation		**-**	2
Finance costs recognised in profit or loss		**42**	-
Investment revenue recognised in profit or loss		**-**	(4)
Cashflow from operating activities		**2,481**	(1,623)
Movement in working capital			
Movement in debtors		**186**	172
Movement in creditors		**133**	(59)
Income taxes paid		**-**	(5)
Net cash generated by/(used in) operating activities		**2,800**	(1,515)
Cashflows from financing activities			
Interest paid		**(42)**	-
Proceeds of issue of share capital		**-**	2,383
Other equity movement		**1,074**	-
Cashflow from financing activities		**3,832**	868
Cashflows from investing activities			
Net expenditure on intangible assets		**(16)**	(1,408)
Movement of property, plant and equipment		**-**	(2)
Interest received		**-**	3
Acquisitions and disposals		**(3,306)**	-
Net cash (used in) investing activities		**(3,322)**	(1,407)
Share of loss in associate		**(368)**	-
Cashflow from investing activities		**(3,690)**	(1,407)
Net movement in cash and cash equivalents		**142**	(539)
Cash and cash equivalents at the beginning of the year	14	**511**	1,050
Cash and cash equivalents at the end of the year	14	**653**	511

The accompanying notes on pages 25-51 form an integral part of these financial statements.

On behalf of the Board

John Carroll
Director

Michael Donoghue
Director

Date: 15 June 2016

FOR THE YEAR ENDED 31 DECEMBER 2015

Company Statement of Cashflows

	Notes	2015 € 000's	2014 € 000's
Cashflows from operating activities			
Loss for the year before taxation		**(849)**	(983)
Adjustments for:			
Finance costs recognised in profit or loss		**41**	-
Investment revenue recognised in profit or loss		**-**	(14)
Cashflow from operating activities		**(808)**	(997)
Movement in working capital			
Movement in debtors		**(1,868)**	(1,884)
Movement in creditors		**132**	(38)
Net cash (used in) operating activities		**(2,544)**	(2,919)
Cashflows from financing activities			
Proceeds of issue of share capital		**-**	2,384
Cashflows from investing activities			
Purchases of property, plant & equipment		**-**	(1)
Investment in subsidiary undertakings		**2,613**	-
Interest received/(paid)		**(41)**	14
Taxation		**(1)**	(1)
Net cash generated by investing activities		**2,571**	12
Net movement in cash and cash equivalents		**27**	(539)
Cash and cash equivalents at the beginning of the year	14	**396**	919
Cash and cash equivalents at the end of the year	14	**423**	396

The accompanying notes on pages 25-51 form an integral part of these financial statements.

On behalf of the Board

John Carroll
Director

Michael Donoghue
Director

Date: 15 June 2016

Consolidated Statement of Changes in Equity

	Share Capital	Share Premium	Share Based Payment Reserve	Other Reserves	Retained Losses	Total
	€ 000's	€ 000's	€ 000's	€ 000's	€ 000's	€ 000's
Balance at 1 January 2014	12,197	28,837	837	37	(23,608)	18,300
Loss for the year	-	-	-	-	(1,626)	(1,626)
Proceeds of share issue	1,288	1,095	-	-	-	2,383
Balance at 31 December 2014	13,485	29,932	837	37	(25,234)	19,057
Balance at 1 January 2015	13,485	29,932	837	37	(25,234)	19,057
Profit for the year	-	-	-	-	2,071	2,071
Derecognition of subsidiaries					1,074	1,074
Proceeds of share issue	-	-	-	-	-	-
Balance at 31 December 2015	**13,485**	**29,932**	**837**	**37**	**(22,089)**	**22,202**

The accompanying notes on pages 25-51 form an integral part of these financial statements.

On behalf of the Board

John Carroll
Director

Michael Donoghue
Director

Date: 15 June 2016

Company Statement of Changes in Equity

	Share Capital	Share Premium	Share Based Payment Reserve	Other Reserves	Retained Losses	Total
	€ 000's	€ 000's	€ 000's	€ 000's	€ 000's	€ 000's
Balance at 1 January 2014	12,197	28,837	837	36	(23,087)	18,820
Loss for the year	-	-	-	-	(983)	(983)
Proceeds of share issue	1,288	1,095	-	-	-	2,383
Balance at 31 December 2014	13,485	29,932	837	36	(24,070)	20,220
Balance at 1 January 2015	13,485	29,932	837	36	(24,070)	20,220
Loss for the year	-	-	-	-	(849)	(849)
Proceeds of share issue	-	-	-	-	-	-
Balance at 31 December 2015	**13,485**	**29,932**	**837**	**36**	**(24,919)**	**19,371**

The accompanying notes on pages 25-51 form an integral part of these financial statements.

On behalf of the Board

John Carroll
Director

Michael Donoghue
Director

Date: 15 June 2016

Statement of Accounting Policies

01. 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 15 June 2016.

Basis of preparation

The Group and Company financial statements (together the "financial statements") have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

The financial statements have been prepared on the historical cost basis. The accounting policies have been applied consistently to all financial periods presented in the 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 (IFRS) 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 IFRS as adopted by the EU and as applied in accordance with the Companies Act 2014, which permits a company, that publishes its company and group financial statements together, to take advantage of the exemption in Section 304(2) of the Companies Act, 2014, from presenting to its members its Company Statement of Comprehensive Income and related notes that form part of the approved Company Financial Statements.

IFRS 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 2015.

New accounting standards and interpretations for the year ending 31 December 2015

The following standards, amendments and interpretations apply from 1 January 2015:

- IFRS 1 First Time Adoption of IFRS: Meaning of 'effective IFRS'
- IFRS 3 Business Combinations - Scope exemption for Joint Ventures
- IFRS 13 Fair Value Measurement - Scope of paragraph 52 (portfolio exemption)
- IAS 40 Investment Property - Clarifying the inter-relationships between IFRS 3 and IAS 40 when classifying property as Investment Property or own-occupied property

There was no material impact to the financial statements in the current year from these standards, amendments and interpretations.

The following standards, amendments and interpretations are not yet required but can be early adopted:

- IFRS 11 Joint Arrangements - Accounting for Acquisitions of Interests in Joint Operations
- IAS 1 Presentation of Financial Statements - Disclosure Initiative
- IAS 16 Property Plant and Equipment
- IAS 19 Employee Benefits - Defined Benefit Plans: Employee Contributions
- IAS 21 The Effects of Changes in Foreign Exchange Rates

There would not have been a material impact on the financial statements if these standards had been applied in the current year.

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 February 2015
- IFRS 3 Business Combinations - effective for periods beginning on or after 1 February 2015
- IFRS 8 Operating Segments - effective for periods beginning on or after 1 February 2015
- IFRS 13 Fair Value Measurement - effective for periods beginning on or after 1 February 2015
- IAS 16 Property Plant and Equipment - effective for periods beginning on or after 1 January 2016
- IAS 24 Related Party Disclosures - effective for periods beginning on or after 1 February 2015
- IAS 38 Intangible Assets - Acceptable methods of depreciation and amortisation - effective for periods beginning on or after1 January 2016

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

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 10 - Income Tax Expense - Deferred Tax
- Note 11 - Intangible Assets

Consolidation

The Consolidated Financial Statements comprise the financial statements of Ormonde Mining Plc and its subsidiaries for the year ended 31 December 2015.

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 transactions including 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.

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, and non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in the income statement. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date control is lost. Subsequently, it is accounted for as an equity-accounted investee or as an available for sale financial asset, depending on the level of influence retained.

The statutory financial statements of subsidiary companies have been prepared under the accounting policies applicable in their country of incorporation with adjustments made to the results and financial position of such companies to bring their accounting policies into line with those of the Group for consolidation purposes.

Accounting for associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition.

The Group's share of post-acquisition profit or loss is recognised in the Statement of Comprehensive Income, and its share of post-acquisition movements in the Statement of Other Comprehensive Income is recognised in the Group Statement of Other Comprehensive Income with a corresponding adjustment to the carrying amount of the investment.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of profit/(loss)' of associates in the Statement of Comprehensive Income.

Investment in associates is shown separately on the Statement of Financial Position.

Investments in subsidiaries are shown in the Company's own Statement of Financial Position. Investments in subsidiaries are stated at cost less provisions for any permanent diminution in value.

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.

Exploration costs include licence costs, survey, geographical and geological analysis on evaluation costs, costs of drilling and Project related overheads.

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.

Taxation

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

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

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

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

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 Income Statement.

Share Based Payments

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.

Share Capital

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

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.

Financial Instruments

Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise of 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 purposes of Statement of Cashflows.

Trade and other receivables and 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.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Where the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Consolidated Statement of Comprehensive Income net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingencies

A contingent liability is disclosed where the existence of an obligation will only be confirmed by future events or where the amount of obligation cannot be measured with reasonable reliability. Contingent assets are not recognised, but are disclosed when an inflow of economic benefit is probable.

02. Going Concern

The Group made a profit of €2,071,020 and has cash and cash equivalents of €653,255 as at 31 December 2015. The Company entered into a management services agreement in connection with Barruecopardo Joint Venture BV which provides for an annual fee of €1,000,000. The Directors are in a position to manage the activities of the Group such that existing funds available to the Group together with contracted income is sufficient to meet the Group's obligations and continue as a going concern for a period of at least 12 months from the date of approval of the financial statements.

On that basis, the Directors do not consider that a material uncertainty exists in relation to going concern and have deemed it appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result if the Group was unable to continue as a going concern.

03. Segment Information

In the opinion of the Directors the operations of the Group comprise one class of business, being the exploration and development of mineral resources. The Group's main operations are located in Spain. The information reported to the Group's Managing Director, who is the chief operating decision maker, for the purposes of resource allocation and assessment of segmental performance is specifically focussed on the exploration areas in Spain.

It is the opinion of the Directors, therefore, that the Group has only one reportable segment under IFRS 8 Operating Segments, which is exploration carried out in Spain. Other operations "Corporate" includes cash resources held by the Group and other operational expenditure incurred by the Group. These assets and activities are not within the definition of an operating segment. Information regarding the Group's reportable segment is presented below.

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 Profit/(Loss)**	
	2015	2014	**2015**	2014
	€ 000's	**€ 000's**	**€ 000's**	**€ 000's**
Exploration - Spain	**527**	-	**(916)**	(1,625)
Total for continuing operations	**527**	-	**(916)**	(1,625)
Finance Income			**-**	4
Profit on disposal of subsidiaries			**3,397**	-
Profit/(loss) before tax (continuing operations)			**2,439**	(1,621)

Segment assets and liabilities

Segment Assets	2015	2014
	€ 000's	€ 000's
Corporate - Group Asset	**444**	416
Exploration - Spain	**22,103**	18,853
Consolidated assets	**22,547**	19,269
Segment Liabilities		
Corporate - Group liabilities	**225**	92
Exploration - Spain	**120**	120
Consolidated liabilities	**345**	212

Other segment information

	Depreciation and amortisation		Additions to non-current assets	
	2015	2014	2015	2014
	€ 000's	€ 000's	€ 000's	€ 000's
Exploration - Spain	**-**	2	**16**	1,408

Revenue from major products and services

Substantially all revenue that the Group received during the period related to the Barruecopardo Tungsten Project in 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., Ormonde Mineria Iberica S.L.U., Valomet S.L.U. (currently non operational) and Orillum S.L.U.). Ormonde Mining B.V. is incorporated in The Netherlands and the holding company for an associate investment with operations in Spain.

Information about its non-current assets by geographical location are detailed below:

	Non-Current Assets	
	2015	2014
	€ 000's	€ 000's
Ireland	**1**	1
Spain	**21,858**	18,535
Consolidated assets	**21,859**	18,536

04. Statutory Information

	2015	2014
	€ 000's	€ 000's
The profit/(loss) for the financial year is stated after charging:		
Depreciation of tangible assets	**-**	2
Auditors' remuneration	**25**	22
Auditors' remuneration from non-audit work	**12**	1
	37	23
and after crediting:		
Profit/(loss) on foreign currencies	**46**	28
	46	28

As permitted by Section 304 of the Companies Act 2014, the Company Income Statement and Statement of Other Comprehensive Income have not been separately presented in these financial statements.

05. Income from Investments

	2015	2014
	€ 000's	€ 000's
Profit on disposal of subsidiaries	**3,397**	-

06. Finance Income

	2015	2014
	€ 000's	€ 000's
Bank interest income	**-**	4

07. Interest Payable and Similar Charges

	2015	2014
	€ 000's	€ 000's
On loans and overdrafts	**42**	-

08. Employees

Number of employees

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

	2015	2014
	Number	**Number**
Directors	**4**	4
Administration /Technical	**7**	12
	11	16

Employment costs (including Directors)

	2015	2014
	€ 000's	**€ 000's**
Wages and salaries	**743**	693
Social welfare	**52**	69
	795	762

During the year wages and salaries of €67,200 (2014 : €236,000) were capitalised as intangible assets.

09. Earnings 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:

	2015	2014
	€ 000's	**€ 000's**
Profit / (loss) for the year attributable to equity holders of the parent	**2,071**	(1,626)
Weighted average number of ordinary shares for the purposes of basic earnings per share	**472,507,482**	455,692,724
Basic profit / (loss) per ordinary share (in cent)	**0.44**	(0.36)

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:

	2015	2014
Weighted average number of shares used in the calculation of basic earnings per share	**472,507,482**	455,692,724
Shares deemed to be issued for no consideration in respect of: Employee options	**-**	1,415,645
Weighted average number of ordinary shares used in the calculation of diluted earnings per share	**472,507,482**	457,108,369
Diluted profit / (loss) per ordinary share (in cent)	**0.44**	(0.36)

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:

	2015	2014
Employee options	**12,250,000**	12,250,000

10. Income Tax Expense

	2015 **€ 000's**	2014 **€ 000's**
Current tax		
Current tax expense in respect of the current year	-	5
Total tax charge	-	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 profit/(loss) before tax is as follows:

	2015 **€ 000's**	2014 **€ 000's**
Profit/(loss) from continuing operations	**2,439**	(1,626)
Income tax expense calculated at 12.5% (31 December 2014 : 12.5%)	**305**	(203)
Effects of:		
Tax relief granted at source on medical insurance premiums	-	2
Profit on disposal of investments	**(425)**	-
Investment income taxable at a different rate	**(43)**	-
Unused tax losses not recognised as deferred tax assets	**163**	206
Income tax expense recognised in the profit or loss	-	5

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 2015, the Company had unused tax losses of €9,606,518 (2014 : €8,158,000) available for offset against future profits which equates to a deferred tax asset of €1,200,815 (2014 : €1,019,000). No deferred tax asset has been recognised due to the unpredictability of the future profit streams. Losses may be carried forward indefinitely.

11. Intangible Assets - Group

	31/12/15	31/12/14	01/01/14
	€ 000's	€ 000's	€ 000's
Cost	**5,279**	18,535	17,127
	5,279	18,535	17,127

	Exploration & evaluation assets
	€ 000's
Cost	
At 1 January 2014	17,127
Additions	1,408
Disposals	-
Impairment	-
At 31 December 2014	18,535
Additions	16
Disposals	(13,272)
Impairment	-
At 31 December 2015	**5,279**

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 2015. The Directors have recorded no impairments during the year. (2014 : €0). The recoverability of the intangible assets is dependent on the future realisation or disposal of the mineral resources.

12. Property, Plant and Equipment

Property, Plant and Equipment - Group

	Fixtures & Fittings	Computer Equipment	Motor Vehicles	Total
	€ 000's	€ 000's	€ 000's	€ 000's
Cost or Valuation				
At 1 January 2014	26	27	18	71
Additions	-	2	-	2
Disposals	-	-	-	-
At 31 December 2014	26	29	18	73
Additions	-	-	-	-
Disposals	(6)	-	(18)	(24)
At 31 December 2015	**20**	**29**	**-**	**49**
Accumulated Depreciation and Impairment				
At 1 January 2014	25	27	18	70
Disposals	-	-	-	-
Depreciation expense	1	1	-	2
At 31 December 2014	26	28	18	72
Disposals	(6)	-	(18)	(24)
At 31 December 2015	**20**	**28**	**-**	**48**

	31/12/15	31/12/14
	€ 000's	€ 000's
Net Book Value		
Cost or Valuation	**49**	73
Accumulated depreciation and impairment	**(48)**	(72)
Net Book Value	**1**	1
Fixtures & fittings	**-**	-
Computer equipment	**1**	1
Net Book Value	**1**	1

Property, Plant and Equipment - Company

	Fixtures & Fittings	Computer Equipment	Total
	€ 000's	€ 000's	€ 000's
Cost or Valuation			
At 1 January 2014	20	19	39
Additions	-	1	1
At 31 December 2014	20	20	40
Additions	-	-	-
At 31 December 2015	**20**	**20**	**40**
Accumulated Depreciation and Impairment			
At 1 January 2014	20	18	38
Depreciation expense	-	1	1
At 31 December 2014	20	19	39
At 31 December 2015	**20**	**19**	**39**

	31/12/15	31/12/14
	€ 000's	€ 000's
Net Book Value		
Cost or Valuation	**40**	40
Accumulated depreciation and impairment	**(39)**	(39)
Net Book Value	**1**	1
Fixtures & fittings	**-**	-
Computer equipment	**1**	1
Net Book Value	**1**	1

13. Financial Assets

Financial Assets - Group

	Investment in associate
	€ 000's
Cost	
At 1 January 2015	-
Additions	16,947
Group's share of losses in the associate	(368)
At 31 December 2015	**16,579**

During 2015 the Group disposed of two 100% subsidiaries, Saloro S.L.U. and Ormonde Geologia S.L.U., in return for a 30% interest in Barruecopardo Joint Venture BV. The Group's investment in Barruecopardo Joint Venture BV is deemed to be an associate investment under IFRS and is accounted for using equity accounting. A summary of the Group's associate is set out below :-

Associate	Activity	Incorporated in	Proportion of ownership held
Barruecopardo Joint Venture BV	Mineral Exploration and Development	The Netherlands	30%

Summarised financial information of the associate has been set out below. The summarised financial information shown represents amounts from the associate's financial statements. The statutory financial statements of the associate have been prepared under the accounting policies applicable in the country of incorporation with adjustments made, as appropriate, to the results and financial position to bring their accounting policies into line with those of the Group for consolidation purposes.

	€ 000's
Non current assets	24,246
Current assets	31,911
Current liabilities	(964)
Non current liabilities	-
The following amounts have been included in the amounts above	
Cash and cash equivalents	11,405
Current financial liabilities	-
Non current financial liabilities	-
Loss from continuing operations	(1,226)
Total comprehensive loss	(1,226)
The following amounts have been included in the amounts above	
Depreciation and amortisation	18
Interest income	10
Interest expense	8
Taxation credit carried forward	98

The summarised financial information is not the entity's share but the actual amount included in the separate IFRS financial statements of the associate.

The main risks arising from the Group investment in the associate are as follows:-

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.

Investment valuation risk

The value of the investment is dependent on the successful development of evaluation and exploration assets. Should the development of the evaluation and exploration assets prove unsuccessful, the carrying value in the Statement of Financial Position of the Group's investment in the associate will reduce accordingly.

Financial Assets - Company

	Subsidiary undertakings shares
	€ 000's
Cost	
At 1 January 2014	14,949
Additions	-
At 31 December 2014	14,949
Additions	-
Disposals	(2,612)
At 31 December 2015	**12,337**
Accumulated Amortisation and Impairment	
At 1 January 2014	(6,372)
Impairment losses recognised in profit and loss	-
At 31 December 2014	(6,372)
Impairment losses recognised in profit and loss	-
At 31 December 2015	**(6,372)**
Net Book Values	
At 31 December 2015	**5,965**
At 31 December 2014	8,577

Subsidiary	Activity	Incorporated in	Proportion of ownership interest and voting power held	
			2015	2014
Saloro, S.L.U.	Mineral Exploration and Development	Spain	0%	100%
Ormonde Espana, S.L.U.	Mineral Exploration	Spain	100%	100%
Ormonde Geologia S.L.U.	Mineral Exploration	Spain	0%	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%

The value of the investments is dependent on future realisation or disposal. Should the future realisation or disposal 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 2015 is appropriate. No impairment was recognised in 2015 or 2014 in respect of the above investments.

14. Cash and Cash Equivalents

	Group 2015	Group 2014	**Company 2015**	Company 2014
	€ 000's	**€ 000's**	**€ 000's**	**€ 000's**
Cash at bank	**653**	511	**423**	396
	653	511	**423**	396

15. Trade and Other Receivables

	Group 2015	Group 2014	**Company 2015**	Company 2014
	€ 000's	**€ 000's**	**€ 000's**	**€ 000's**
Amounts falling due within one year:				
Amounts owed by Group undertakings	**-**	-	**13,187**	11,319
Other debtors	**17**	205	**2**	2
Prepayments and accrued income	**18**	17	**18**	17
	35	222	**13,207**	11,338

All receivables are current and there have been no impairment losses during the year (2014 : Nil).

16. Trade and Other Payables

	Group 2015	Group 2014	**Company 2015**	Company 2014
	€ 000's	**€ 000's**	**€ 000's**	**€ 000's**
Net obligations under finance leases and hire purchase contracts	**-**	14	**-**	-
Trade creditors	**62**	23	**49**	20
Other taxes and social welfare costs	**53**	26	**52**	13
Accruals and deferred income	**230**	149	**124**	59
	345	212	**225**	92

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

Other taxes and social welfare costs:

	Group 2015	Group 2014	**Company 2015**	Company 2014
	€ 000's	**€ 000's**	**€ 000's**	**€ 000's**
P.A.Y.E./P.R.S.I.	**53**	26	**53**	13
Corporation tax	**-**	-	**(1)**	
	53	26	**52**	13

17. Secured Liabilities

A charge was created in favour of Cooperstown S.A.R.L on 20 February 2015. The associated debt was discharged on 18 June 2015.

18. Share Capital - Group and Company

	31/12/15	31/12/14	01/01/14
	€ 000's	**€ 000's**	**€ 000's**
Authorised equity			
650,000,000 Ordinary shares of 2.5 cent each	**16,250**	16,250	13,750
100,000,000 Deferred shares of 3.809214 cent each	**3,809**	3,809	3,809
	20,059	20,059	17,559
Issued capital			
Share capital	**13,485**	13,485	12,197
Share premium	**29,932**	29,932	28,837
	43,417	43,417	41,034
Issued capital comprises:			
472,507,483 ordinary shares of 2.5 cent each (31/12/14 : 472,507,483 and 01/01/14 : 420,936,824)	**11,812**	11,812	10,524
43,917,841 fully paid Deferred shares (31/12/14 : 43,917,841 and 01/01/14 : 43,917,841)	**1,673**	1,673	1,673
	13,485	13,485	12,197

Fully paid ordinary shares	**Number of shares**	**Share Capital**	**Share Premium**
	000's	**€ 000's**	**€ 000's**
Balance at 1 January 2014	420,937	10,524	28,837
Issue of shares for cash	51,570	1,288	1,189
Share issue costs	-	-	(94)
Balance at 31 December 2014	472,507	11,812	29,932
Issue of shares for cash	-	-	-
Share issue costs	-	-	-
Balance at 31 December 2015	**472,507**	**11,812**	**29,932**

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 2014	3,809	1,673	-
Issue of shares for cash	-	-	-
Balance at 1 January 2014	3,809	1,673	-
Issue of shares for cash	-	-	-
Balance at 31 December 2015	**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.

At the year end, the Directors hold 1.26% of ordinary shares, or 2.74% 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 21), is 10% of issued share capital.

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

19. 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 2014	837	29	7	1
Recognition of share based payments	-	-	-	-
Balance at 31 December 2014	837	29	7	1
Balance at 1 January 2015	837	29	7	1
Recognition of share based payments	-	-	-	-
Balance at 31 December 2015	**837**	**29**	**7**	**1**

20. Retained Losses

	Group 2015	Group 2014	**Company 2015**	Company 2014
	€ 000's	€ 000's	€ 000's	€ 000's
Deficit at beginning of year	**(25,234)**	(23,608)	**(24,070)**	(23,087)
Profit/(loss) for the year	**2,071**	(1,626)	**(849)**	(983)
Derecognition of subsidiary	**1,074**	-	**-**	-
Deficit at end of year	**(22,089)**	(25,234)	**(24,919)**	(24,070)

In accordance with the provisions of the Companies Act 2014, the Company has not presented the Company Statement of Comprehensive Income. The related loss for the period of €849,000 (2014 - loss of €983,000) has been dealt with in the Statement of Comprehensive Income of the Group.

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

	31 December 2015		31 December 2014	
	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	12,250	€0.076	16,300	€0.089
Expired during the financial year	-	-	(4,050)	0.013
Balance at end of the financial year	12,250	€0.076	12,250	€0.076
Exercisable at end of the financial year	12,250	€0.076	12,250	€0.076

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 Share Options Outstanding	Exercise Price
	000's	
Option series 1	1,500	€ 0.041
Option series 2	2,550	€ 0.034
Option series 3	-	-
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 2015 had a remaining average contractual life of 3.2 years.

22. Related Party Transactions

Details of subsidiary undertakings are shown in Note 13. Related Party Disclosures, transactions between Group entities that have been eliminated on consolidation are not disclosed.

During the year the Group acquired a 30% shareholding in Barruecopardo Joint Venture B.V. In the year an amount of €527,070 was invoiced to Barruecopardo Joint Venture B.V. and paid in full.

Stephen Nicol is a director of Simprenta S.L. At 31 December 2014, Ormonde Mining Plc owed €7,740 to Simprenta S.L. During the year Simprenta S.L provided services and expenses to the value of €142,022 to the Group. At 31 December 2015 Simprenta S.L was owed €70,240 by the Group.

23. Events after the Reporting Date

Saloro SLU, the company which holds the Barruecopardo Tungsten project, and in which Ormonde holds an indirect 30% beneficial interest through its shareholding in Barruecopardo JV B.V., received notice of an administrative appeal having been lodged by a third party against a step in the compulsory land acquisition process being advanced by Saloro. This administrative appeal has since been found against the appellant and in Saloro's favour, however it has resulted in a delay to the timing of the Project development.

Independent expert legal advice has provided clarity on the expected time period to completion of the compulsory acquisition process, given the recently resolved administrative appeal and the process of any subsequent appeals. This together with an assessment made in relation to timing of a more positive tungsten price environment has lead Saloro to agree an optimised construction schedule for the Project, which sees commissioning commencing in late 2017.

So as to accommodate the revised construction schedule, Saloro has recently agreed amendments to the Project's debt facility agreement to reflect this new schedule, ensuring continued compliance with this agreement.

24. 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 2015 and 2014, 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 2015 and 31 December 2014, 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.

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.

The Group and Company's financial liabilities as at 31 December 2015 and 31 December 2014 were all payable on demand.

The expected maturity of the Group and Company's financial assets (excluding prepayments) as at 31 December 2015 and 31 December 2014 was less than one month.

The Group expects to meet its other obligations from operating cash flows. 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 2015 and 31 December 2014.

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 2015 and 31 December 2014. 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 2015 and 31 December 2014, the Group had no outstanding contracts designated as hedges.

25. Approval of Financial Statements

The financial statements were approved by the Board on 15 June 2016.

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 Crowne Plaza Hotel, The Blanchardstown Centre, Blanchardstown, Dublin 15 on 23 August 2016 at 11.00 am 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 2015, together with the reports of the Directors and Auditors thereon (Resolution 1).

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

3) To re-elect Mr. Jonathan Henry as a Director who is recommended by the Board for re-election as a Director and who resigns in accordance with the Articles of Association (Resolution 3).

4) To authorise the Directors to fix the remuneration of the auditors for the year ending 31 December 2015 (Resolution 4).

Special Business

5) As an ordinary resolution (Resolution 5):

   That the Directors be and are hereby generally and unconditionally authorised pursuant to Section 1021 of the Companies Act 2014 (the "2014 Act") to exercise all powers of the Company to allot relevant securities (as defined by Section 1021 of the 2014 Act) up to an amount equal to the authorised but as yet unissued share capital of the Company from time to time. The authority hereby conferred shall expire at the close of business on the earlier of the date of the next annual general meeting of the Company held after the date of the passing of this Resolution 5 and 22 November 2017 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 5 in the notice convening this meeting, the Directors be and are hereby empowered pursuant to Section 1023 of the 2014 Act to allot equity securities (as defined by Section 1023 of the 2014 Act) for cash pursuant to the authority conferred by Resolution 5 above as if Subsection (1) of Section 1022 of the 2014 Act did not apply to any such allotment provided that this power shall be limited to the allotment of equity securities:

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

   (b) (in addition to the authority conferred by paragraph (a) of this Resolution 6), up to an aggregate nominal value of ten per cent of the issued share capital of the Company at the date of passing of this Resolution,

   which power shall expire at the close of business on the earlier of the date of the next annual general meeting of the Company held after the date of the passing of this Resolution 6 and 22 November 2017, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby had not expired.

7) As a special resolution (Resolution 7):

That the constitution of the Company be amended as follows:

(a) that the Memorandum of Association of the Company be amended by: (i) the insertion of the words "registered under Part 17 of the Companies Act 2014" at the end of clause 2; and (ii) the deletion of the words "Section 155 of the Companies Act, 1963" in clause 3(18) and the substitution therefor of the words "Section 8 of the Companies Act, 2014" as shown in the form of Memorandum of Association produced to the meeting and made available on the Company's website www.ormondemining.com from the date of this Notice; and

(b) that the Articles of Association of the Company in the form produced to the meeting and made available on the Company's website www.ormondemining.com from the date of this Notice be adopted as the new Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association of the Company.

28 June 2016
BY ORDER OF THE BOARD

JOHN CARROLL
Secretary

Registered Office:
6 Northbrook Road
Dublin 6
Ireland

Notes

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

FORM OF PROXY

FOR USE AT THE ANNUAL GENERAL MEETING TO BE HELD AT 11.00AM ON 23 AUGUST 2016 AT THE CROWNE PLAZA HOTEL, THE BLANCHARDSTOWN CENTRE, BLANCHARDSTOWN, DUBLIN 15 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 2015, together with the reports of the Directors and Auditors thereon		
2	To re-elect Mr. Mike Donohue as a Director who is recommended by the Board for re-election as a Director		
3	To re-elect Mr. Jonathan Henry as a Director who is recommended by the Board for re-election as a Director		
4	To authorise the Directors to fix the remuneration of the auditors		
5	To authorise the Directors to allot relevant securities		
6	To authorise the Directors to allot equity securities for cash and to disapply Section 1022 (1) of the Companies Act 2014		
7	To authorise the amendments of particular clauses in the Memorandum of Association of the Company and to approve and adopt new Articles of Association of the Company to reflect the new statutory references in the Companies Act 2014 as well as some incidental changes		

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 23 August 2016 at 11.00 am, at the Crowne Plaza Hotel, The Blanchardstown Centre, Blanchardstown, Dublin 15 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 2016

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.
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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
9 Abbey House, Main Street, Clonee, Co. Meath, Ireland.
Phone: +353 (0)1 8253570, Fax: +353 (0)1 8015906
Email: info@ormondemining.com, www.ormondemining.com

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MINING PLC