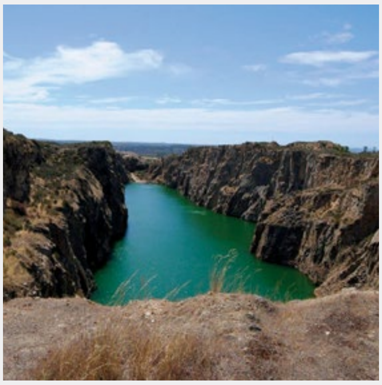
ANNUAL REPORT 2016

ORMONDE
MINING PLC

Contents

Our business



Barruecopardo Tungsten Project:

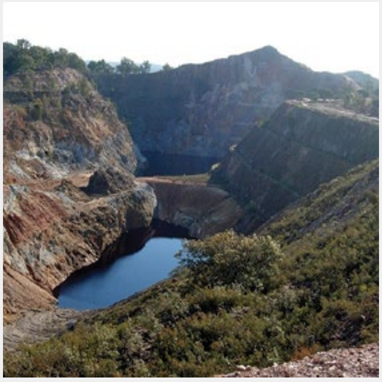
1

Having successfully defined, designed, permitted and funded the Project, Ormonde is now advancing the development of a low cost tungsten mining project. The funding for the Project was agreed with Oaktree Capital Management in 2015 and consists of a robust package of equity – US$44.4 million and debt – $55.5 million. Ormonde retains 30% with Oaktree holding 70%.

Gold Projects:

2

Ormonde holds various exploration licenses in Spain which are prospective for Gold (most of which are held in joint venture with Shearwater Plc.)



La Zarza Copper Project:

3

La Zarza is a large "massive sulphide" deposit containing significant copper, gold and zinc resources, located in the Iberian Pyrite Belt mining district of southwest Spain. The project is no longer seen as core to the Company's growth strategy and therefore Ormonde is seeking to realise value through divestment.

Ormonde at a glance

Ormonde Mining plc is a mineral resource company currently developing a world-class tungsten mining project and carrying out other mineral exploration in Spain.

Ormonde's key activity is as manager (30%) of the transformational Barruecopardo tungsten project alongside its partner Oaktree Capital Management (70%). The mine is estimated to account for ~11% of current non-Chinese global supply of tungsten concentrate once operational from 2018.

The Company also has a participation in several highly prospective areas of gold exploration in western Spain and has rights to the La Zarza copper-gold project which has significant copper, gold and zinc potential.

Ormonde Mining plc is listed on the Alternative Investment Market (AIM) in London and the Enterprise and Securities Market (ESM) in Dublin. Ormonde operates its tungsten interests through a project company Saloro SLU. The Ormonde Group is headquartered in the Republic of Ireland.

About Tungsten

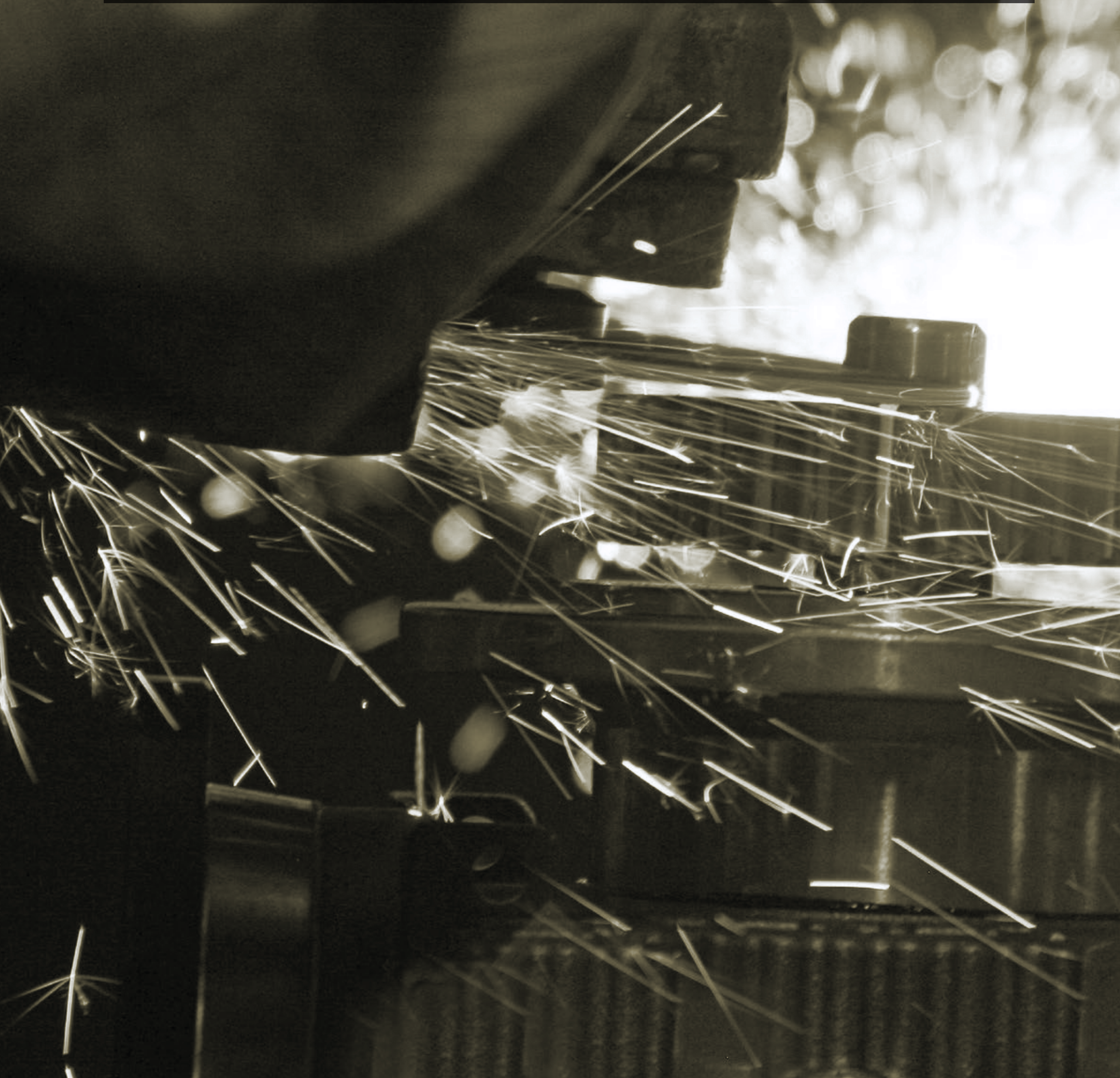
Tungsten is among the toughest elements found in nature. Possessing the highest melting point and highest tensile strength ensures it is the strongest and most durable of metals.

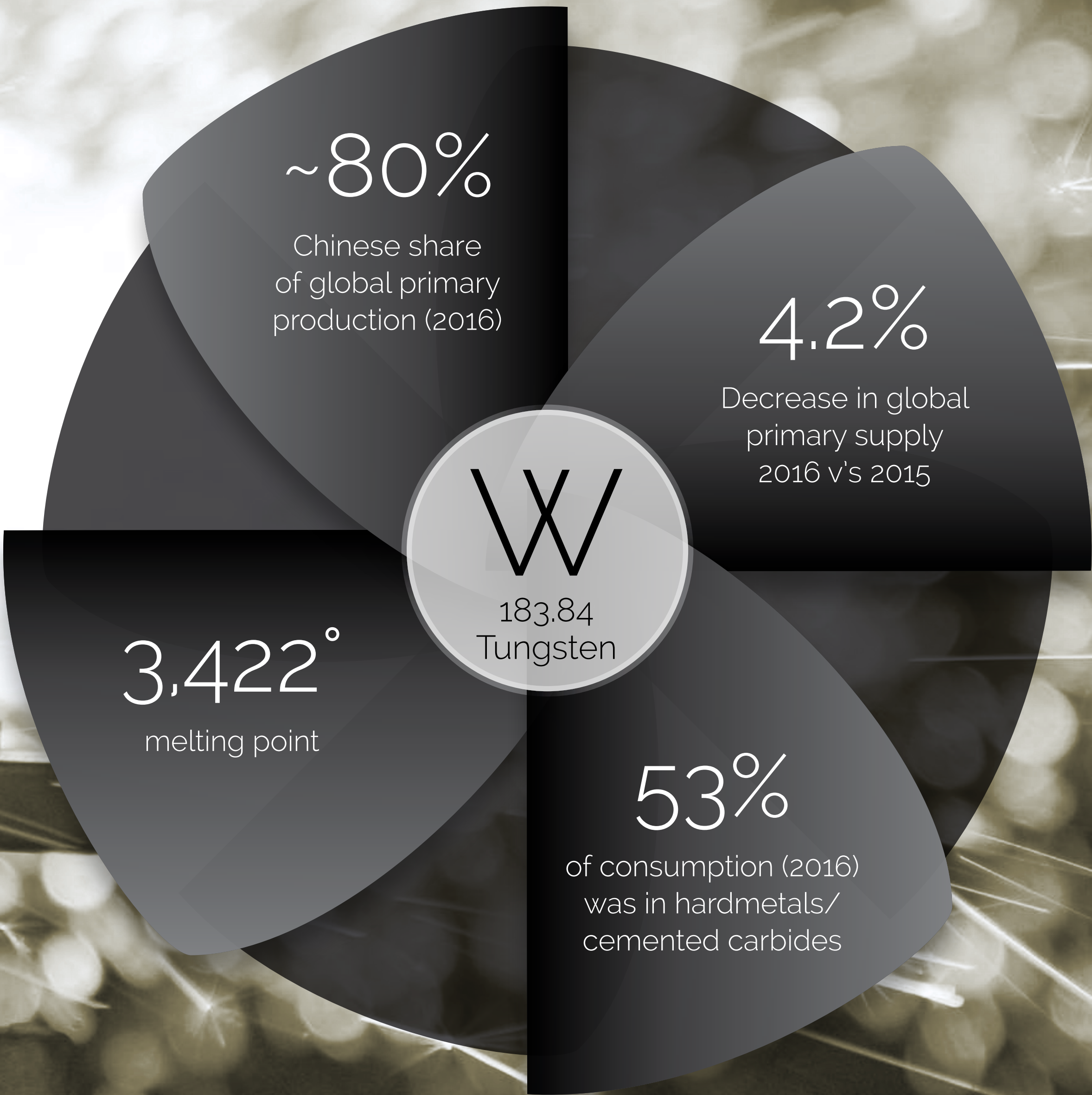
These exceptional properties make tungsten an ideal element for use in alloys and composite hard metals.

Tungsten carbide is an essential component of drills, circular saws, welding, milling and turning tools that are used extensively in the metalworking, woodworking, mining, petroleum, construction and electronics industries.

So from the mobile phones we use to communicate, to the cars and planes in which we journey in, from sports and leisure equipment to the ball point pen, Tungsten plays a largely unseen but vital role in our everyday lives.

Tungsten is also inert, helping to ensure there is an environmentally sustainable path to its mining and ultimate end-uses.





Tungsten in numbers

Source: Roskill Tungsten Market Report 2017

Michael J. Donoghue

Non-executive Chairman

Chairman's Review

We are pleased to report that during 2016 your Company successfully advanced the Barruecopardo Project through the compulsory land acquisition stage and into the construction stage. As guided during the year, progress was somewhat reduced compared to original schedules with construction contracts having been rescheduled to run consecutively rather than concurrently. This strategy has proved timely as metal markets are now showing signs of a sustained recovery, leading in June 2017 to the Project company, Saloro SLU ("Saloro"), authorising the issuance of outstanding approvals on various equipment and plant construction contracts, such that Barruecopardo should now be coming on stream into a more favourable global economic environment.

Barruecopardo

During 2016, the Barruecopardo operating subsidiary Saloro SLU completed the acquisition of land for which title was clear and for which lease with option to purchase arrangements were in place. Most of the remaining land blocks required for construction had title or boundary were required to be addressed through the court compulsory acquisition procedures. As this could be a lengthy process, Saloro sought to expedite matters by requesting the Administration in Castilla y Leon to declare the remaining blocks of land as required for the common good and in need of "urgent occupation". This process required a vote of the Regional Legislative Assembly, which was forthcoming. It was most satisfying to see this strong commitment and support from the Government for the Project. A few procedural steps remained after this vote, but by December 2016, Saloro was the legal owner of all of the land required for the development of a mine at Barruecopardo.

As this land acquisition process was being pursued, activity on the engineering design, equipment manufacture contracts and construction contracts was being advanced, albeit at a pace to match the expected land acquisition process. All main, longer lead time, processing plant has been identified and sized and contracts let for manufacture. Procurement of most of the secondary items of plant is similarly well advanced. Fairport Engineering, the company expediting the plant design and procurement, has also been awarded the Plant Construction Management Contract. These activities, when synchronised with the recent decision by Saloro to issue the outstanding approvals on various equipment and plant construction contracts, advances the Project into an accelerated construction and implementation phase, which sees mine plant commissioning during Q3 2018. This timing leaves a healthy interval in which to allow the commodity markets to consolidate their recent gains and move onwards.

A short five-hole exploratory drilling programme around the northern and central section of the proposed Barruecopardo open pit was completed during 2016. The main objective of this programme was to confirm extension to the tungsten mineralisation at depth beneath the main central part of the planned open pit, whilst also following up on a potentially expanded zone of mineralisation under the shallow northern end of the open pit. The results of this initial drilling program were most encouraging, lending support to the concept of a future Stage 2 underground mine at the Project

Tungsten market

As the impediments to mine development are progressively removed and we advance construction, it is perhaps timely to look forward at the commodity markets and pricing. Tungsten pricing has traditionally followed the business cycle and, given the long lead times for mining projects, the base metal market may be a useful guide to the market place. Copper had undergone a long decline from $10,000/t in 2011 to around $4,500/t in late 2015, but a recovery kicked in during 2016 and pricing is now approaching the $6,000/t level. There has also been recoveries in the prices of other base metals including zinc, lead, tin, and to a lesser extent nickel and aluminium.

Clearly, the overall story is that Barruecopardo is now being developed in a time of metal price recovery.

In looking at the standalone tungsten market, the situation at the start of 2016 was somewhat confusing. The largest tungsten producer in the west, the Canadian mine Cantung, closed in 2015 and a number of the larger tungsten mines were clearly struggling with limited reserves, technical issues and profitability. Moreover, practically all advanced or resource based tungsten projects, previously being touted for development, were either abandoned or effectively mothballed. Against this background, there was an upswing in tungsten APT prices from $160/mtu early in 2016 to $220/mtu in May before dropping back to around $180/mtu during August 2016. The reason for this became more evident as the year progressed. The forecast primary supply shortage was indeed developing, with tungsten concentrates very clearly being sought as feedstock by the main APT producers, but it was equally clear that there was a surplus of APT in the market place, depressing prices. As industry practice is that mine produced concentrates are priced relative to the APT prices, anomalies in the latter are imposed on the former.

It became clear that until the surplus of APT, presumably largely produced pre-2016 from China, is consumed, that the fundamental true market supply-demand realities, based on primary mine production, would not dictate pricing. This process appears to be underway; tungsten APT prices have seen a slow but steady increase to its current level of $223/mtu, with many indicators now pointing towards a sustained increase in the tungsten price into the future. What is clear is that tungsten concentrates are in tight supply and are likely to become tighter as global economic activity increases and no new tungsten mines are developed. China's efforts to tighten up its tungsten industry, to enforce a crackdown on illegal mining and to ensure cut-backs in tungsten mine production, will also tend to reinforce this trend. In summary, tungsten supply-demand dynamics and pricing now look more favourable in advance of Barruecopardo coming on stream.

Other Projects

The focus of your Company during the year has been the advancement of the Barruecopardo Project. The Company's Gold projects are being maintained, whilst the La Zarza Project remains under a review of disinvestment options with the directors deciding it appropriate for the holding value of this asset to be impaired by €2 million, to a book value of €3 million, to reflect their current assessment of the asset's present value.

Corporate and Financials

The Company has reported a loss for the year of €2.41M, compared with a profit of €2.07M for 2015. Although the Group made a small operating profit for the year, however the effects of the €2M impairment of its La Zarza asset and the share of loss in its associate investment (the Barruecopardo Joint Venture B.V., in which the Barruecopardo Project is held, and which is incurring losses during the Project's developed stage), resulted in the reported loss for the period.

Finally, I would like to thank shareholders, management, staff and other stakeholders for your support during the last year; we believe there is long-term value to be realised through the Barruecopardo asset and we thank you for your patience as we journey towards First Production.

Michael J. Donoghue
Chairman

Review of activities

2016 was a year of significant progress across a range of activities at the Barruecopardo Tungsten Project.

Following the successful completion in 2015 of a robust $100 million financing package for the Project with OCM Luxembourg Tungsten Holdings S.À.R.L., funds managed by Oaktree Capital Management, L.P. ("Oaktree"), the Project was advanced into the engineering and procurement, and pre-construction preparatory stages.

In parallel, the Project Company "Saloro" was also heavily focused on the critical area of land acquisition of the remaining plots required to enable full development of the Project. We were pleased to be in a position to announce by year end that Saloro had achieved full access to and ownership of all lands necessary to construct the Project and commence production.

Land Access – a Key Priority

With virtually all of the land blocks that were under option-to-purchase agreements (75% of required blocks) having been acquired by Saloro by early 2016, attention then focused on obtaining the remaining lands required to enable development of the Project.

This involved the requirement to complete the compulsory acquisition process commenced by Saloro in early 2015. Spanish law allows for either a 'Normal' or a 'Fast Track' compulsory acquisition route to be applied for, with the Fast Track option enabling Saloro to own and occupy the required lands prior to the details and pricing of such compulsory acquisition being finalised. Saloro had requested, in its submissions and through continued lobbying, for the second option to be applied.

Early in 2016, whilst the compulsory acquisition process was advancing, notification was received of an appeal lodged by a third party against an administrative step in the process. After careful consideration and following detailed legal advice, it was decided to optimise the Project construction schedule to one that balanced the most likely scenarios with regard to compulsory acquisition timelines, whilst also aligning the Project targeted first production date with expectations for a more favourable APT price environment.

The third party appeal was subsequently rejected at the initial administrative level, reinforcing the Company's belief that the basis of the appeal had always been entirely without merit.
Shortly after this rejection, Saloro received the final major approval relating to the Fast-Track process, being the Declaration of Urgent Occupation. This step required a vote of the Regional Government of Castilla y Leon and the fact that it was approved promptly, and ahead of the date expected, reflects the support that the Barruecopardo Project enjoys, both publicly and politically, in the region. This legal declaration represented the completion of the main legal prerequisite required to allow for immediate access to, and use of, the lands without having to await the completion of the compulsory purchase process. There were, however, still a few procedural steps remaining to be completed prior to physical access to the lands being achieved.

These steps in the process included a public meeting with parties interested in the process, the placement by Saloro of financial bonds equal to the estimated value of the lands to be compulsory purchased, and the subsequent issue of the Final Acts of Occupation for the lands concerned by the Salamanca Provincial Industry Department, all of which were completed in the second half of the year. This enabled the Company to report towards the end of 2016 that Saloro had become the legal owner of these land blocks, resulting in it having full rights to access and utilise all of the lands necessary to develop the Project. Ownership of these remaining lands was achieved well ahead of forecast.

This was a significant achievement and an important milestone to reach, representing as it did the removal of the final obstacle to Saloro being in a position to advance the full construction development schedule for the Project on a timeline determined to be in the best interests of all stakeholders.

Certain appeals were also commenced against the Administration in Castilla y Leon in relation to the completed Fast-Track land access process. These appeals are not lodged against Ormonde or Saloro, although Saloro has been included in the appeal process as an interested party. Saloro's lawyers do not consider these appeals to represent any material risk to the Project.

Preparations for First Production

An extensive range of activities are required to be conducted and completed prior to commissioning a mining plant. In 2015, Fairport Engineering Limited ("Fairport") commenced detailed construction engineering design works for the process plant and infrastructure, and significant further progress was achieved in 2016.

These activities included the placing of orders for priority equipment 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. Orders were also placed for the tungsten dryer and cooler, dewatering units, rod and ball mill, and the fines filter press, followed by orders for the pre-concentrate screen (a most critical component for the correct functioning of the processing plant) as well as for the thickeners. Placement of these orders enabled finalisation of the construction civils designs, by Fairport.

During this period, Saloro also awarded the Construction Management Contract for the Project to Fairport, whose performance and professionalism had impressed during the basic and detailed engineering stages of the Project.

Key onsite activities completed during 2016 included completion of final geotechnical site investigations, preparation of the construction designs for the water management system, completion of dams compaction trials, installation of the potable waterline and HV powerline conduit, completion of a compensating by-pass road, installation of a site perimeter road and perimeter fencing, construction of all site access roads, laydown areas and principle drainage controls, in addition to advancing all of the pre-construction environmental works as required by project environmental approvals. The latter included the establishment of rabbit breeding colonies and alternative white stork nesting sites, the removal of old overhead power poles and lines, the removal of existing contaminations at the site, 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.

Later in the year, construction site clearing and levelling activities were also commenced.

There were also many important secondary permissions received during the year, notable amongst which was the water-use license, required for pumping and use of the historical pit lake waters, whilst all required environmental bonds were also put in place.

Revised Construction Schedule

Tungsten prices peaked in mid-2011 and thereafter prices suffered similar declines to that seen in most other commodities, reaching a low of US$162 per metric tonne unit ("mtu") in January 2016. However, a sustained recovery appears now to be taking hold, with prices having recently reached US$223 per mtu by mid-June 2017. The prognosis reported by independent metal research firms is for this recovery to continue during 2017, with many indicators now pointing towards continued increases in the tungsten price over the coming years.

In light of the above, and following a period of review of the construction schedule, the Board of Saloro has now authorised the issuance of outstanding approvals on various equipment and plant construction contracts, thus advancing the Project into an accelerated construction and

Review of activities

implementation phase, with an updated schedule allowing for mine commissioning in the third quarter of 2018. Against the backdrop of rising tungsten APT prices, and increasing demand for tungsten concentrates, this updated timeline should result in lower risk, when compared with the timing of prior schedules.

In line with these adjustments to the Project schedule, Saloro has agreed amendments to the Project's debt facility with the debt provider to reflect the new schedule, thus ensuring continued compliance with this agreement.

Enhancing Value at Barruecopardo

The Barruecopardo Project has always displayed clear potential for increased resources and mine life, with drilling prior to 2015 having been focused near surface above a depth of c. 250 metres, but with potentially economic tungsten mineralisation having been encountered in many of the deeper holes.

Given the above, Saloro decided in late 2015 to initiate a limited (5 hole, 2000m) drilling program with the objective of confirming extensions to the mineralisation at depth beneath the main central zone 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. Results from the program completed in early 2016 were very encouraging, with the main objective being realised, showing the central zone mineralisation continuing with depth, suggesting that the objective of the Saloro partners to eventually develop Barruecopardo into a longer life underground mine appears well based.

Excellent results obtained from 2,000m drilling program commenced during Q4 2015 (as reported in May 2016), 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.

Saloro remains committed to the objective of increasing the value of the Barruecopardo asset through both extensions to the mine life and/or increases in the eventual production rate. Further drilling to pursue this objective will be carried out 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.

Gold Projects

An independent geological review of the Aurum (now Shearwater Group Plc.) – Ormonde Joint Venture gold properties was commissioned by the Joint Venture in early 2016, aimed at taking a fresh look at the results of past exploration work on these gold exploration projects and in particular the nature of the controlling structures and the general geological models, to assist in developing new ideas aimed at:

(a) adding significant project value; and

(b) advancing each project towards initial reportable resource estimation.

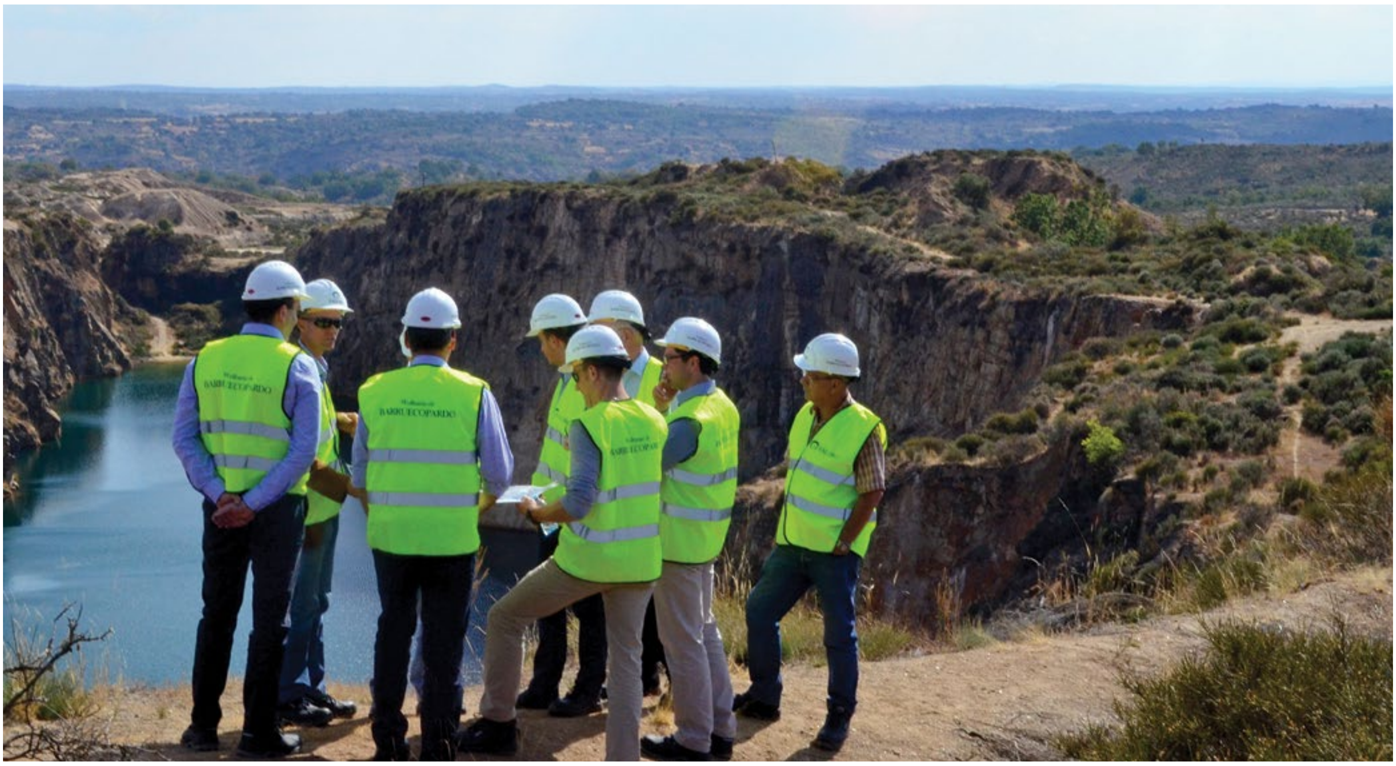
This review both reaffirmed the potential of these projects to host significant gold mineralisation, whilst at the same time identifying potential new drilling targets. Follow-up work has been planned on the JV properties and is awaiting finalisation of renewals of the associated investigation permits by the Regional Government to enable works to commence.

Under the terms of the Joint Venture, Ormonde can elect to contribute or not to any particular 6-month work program, with dilution ensuing in the case of non-contribution.

At the end of 2016, Ormonde's interest in the Joint Venture was 42% in the Zamora permits and 47% in the Salamanca permits.

La Zarza

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



Directors' Report

The Directors present their Annual Report and Audited Financial Statements, for the year ended 31 December 2016, 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 section of this report.

Principal Risks and Uncertainties

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

Exploration Risk

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

Commodity Price Risk

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

Political Risk

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

Financial Risk

Financial risk is explained in greater detail in Note 24.

Share Price

The share price movement in the year ranged from a low of €0.01130 to a high of €0.0300 (2015 : €0.0100 to €0.0500). The share price at the year end was €0.0175 (2015 : €0.0180).

Results and Dividends

The results for the year ended 31 December 2016 are set out in the Consolidated Statement of Comprehensive Income on page 20 of this Annual Report.

No 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, John Carroll retires from the Board and being eligible offers himself for re-election.

Details of Executive Directors

Mr. Stephen J. Nicol is a mining engineer with some 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 he 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 a member 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 on the Remuneration Committee.

Directors	**19/06/16**	**31 Dec '16**	**1 Jan '16**
	Ordinary Shares	**Ordinary Shares**	**Ordinary Shares**
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' Report

Directors	19/06/17	31/12/16	01/01/16
	Shares Options	Shares Options	Shares Options
John Carroll	- +	- +	750,000 +
John Carroll	750,000 #	750,000 #	750,000 #
John Carroll	750,000 \	750,000 \	750,000 \
Michael Donoghue	- ^	- ^	300,000 ^
Michael Donoghue	750,000 #	750,000 #	750,000 #
Michael Donoghue	1,000,000 \	1,000,000 \	1,000,000 \
Stephen Nicol	1,000,000 "	1,000,000 "	1,000,000 "
Stephen Nicol	2,000,000 \	2,000,000 \	2,000,000 \
Stephen Nicol	3,000,000 *	- *	- *

No change in the above share options has occurred between 31 December 2016 and the date of approval of these financial statements.

+ - Share options were exercisable at a price of €0.041 and expired on 11 May 2016
^ - Share options were exercisable at a price of €0.21 and expired on 26 October 2016
# - Share options are exercisable at a price of €0.034 at any time up to 13 August 2018.
" - Share options are exercisable at a price of €0.109 at any time up to 14 April 2018.
\ - Share options are exercisable at a price of €0.068 at any time up to 3 October 2020.
* - Share options are exercisable at a price of €0.025 at any time up to 4 October 2025.

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 2016 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	
	19/06/17	31/12/16
M & G Investment Managers	8.97%	8.97%
Thomas Anderson	8.38%	8.38%
Goodbody Stockbrokers Nominees Limited	6.75%	6.45%
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 14 to the financial statements.

Political Donations

There were no political donations during the year (31 December 2015 : 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 (IFRSs) as adopted by the EU (EU IFRS) and have elected to prepare the Company financial statements in accordance with EU IFRS, as applied in accordance with the provisions of the 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.

Directors' Report

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 eight occasions during the year ended 31 December 2016. An agenda and supporting documentation was circulated in advance of each meeting. All the Directors bring independent judgement to bear on issues affecting the Group and all have full and timely access to information necessary to enable them to discharge their duties. Non-executive directors are not appointed for specific terms, with one third of non-executive directors up for re-election each year and each new director is subject to election at the next Annual General Meeting following the date of appointment.

The following committees deal with the specific aspects of the Group 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 2016 was €305,607 (31 December 2015: €442,720):

	31/12/16 €	31/12/15 €
Executive Directors		
Stephen Nicol	159,880	180,607
Kerr Anderson (deceased 31 July 2015)	-	116,346
Total Executive Directors' remuneration	**159,880**	**296,953**
Non-Executive Directors		
Michael Donoghue	75,524	99,642
John Carroll	35,203	37,375
Jonathan Henry	35,000	8,750
Total Non-executive Directors' remuneration	**145,727**	**145,767**
Total Directors' remuneration	**305,607**	**442,720**

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. Management is 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 Bracetown Business Park, Clonee, Co Meath, Ireland.

Auditor

The Auditors, LHM Casey McGrath Limited have indicated their willingness to continue in office.

On behalf of the Board

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John Carroll	Michael Donoghue
Director and Company Secretary	Director and Non Executive Chairman

Date: 19 June 2017

Independent Auditors' Report

We have audited the financial statements of Ormonde Mining plc, for the year ended 31 December 2016, which comprise the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Cash Flows, Company Statement of Cash Flows, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity and related notes. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the company financial statements, as applied in accordance with provisions of the Companies 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, 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 statement sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed: the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements 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 2016 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 2016 ; 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

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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: 19 June 2017

Consolidated Statement of Comprehensive Income

Continuing Operations		2016	2015
	Notes	€ 000's	€ 000's
Turnover - Continuing operations		**1,000**	527
Administrative expenses		**(856)**	(1,443)
Investment income	5	**-**	3,397
Amounts written off intangible assets	6	**(2,000)**	-
Finance costs	7	**-**	(42)
Profit/(loss) for the year before taxation		**(1,856)**	2,439
Income tax expense	11	**(1)**	-
Profit/(loss) on ordinary activities after taxation		**(1,857)**	2,439
Group share of loss on associate investment	14	**(552)**	(368)
Total comprehensive income/(loss) for the year		**(2,409)**	2,071

(Loss)/Profit attributable to:

Owners of the Company		**(2,409)**	2,071
		(2,409)	2,071

Total comprehensive income/(loss) attributable to:

Owners of the Company		**(2,409)**	2,071
		(2,409)	2,071

Earnings/(loss) per share from continuing operations

Basic (loss)/profit per share (in cent)	10	**(0.51)**	0.44
Diluted (loss)/profit per share (in cent)	10	**(0.51)**	0.44

All activities derive from continuing operations. All profits/ losses and total comprehensive profit/ 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 27 - 49 form an integral part of of these financial statements.

On behalf of the Board

John Carroll
Director and
Company Secretary

Michael Donoghue
Director and
Non Executive Chairman

Date: 19 June 2017

as at 31 December 2016

Consolidated Statement of Financial Position

	Notes	2016 € 000's	2015 € 000's
ASSETS			
Non-Current Assets			
Intangible assets	12	**3,300**	5,279
Property, plant and equipment	13	**-**	1
Financial assets	14	**16,026**	16,579
Total Non-Current Assets		**19,327**	21,859
Current Assets			
Trade and other receivables	15	**36**	35
Cash and cash equivalents	16	**694**	653
Total Current Assets		**730**	688
Total Assets		**20,057**	22,547
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	18	**1**	1
Retained loss	20	**(24,497)**	(22,089)
Equity Attributable to Owners of the Company		**19,795**	22,202
Total Equity		**19,795**	22,202
Current Liabilities			
Trade and other payables	17	**264**	345
Total Current Liabilities		**264**	345
Total Liabilities		**264**	345
Total Equity and Liabilities		**20,057**	22,547

The accompanying notes on pages 27 - 49 form an integral part of of these financial statements.

On behalf of the Board

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John Carroll
Director and
Company Secretary

Michael Donoghue
Director and
Non Executive Chairman

Date: 19 June 2017

as at 31 December 2016

Company Statement of Financial Position

	Notes	2016 € 000's	2015 € 000's
ASSETS			
Non-Current Assets			
Property, plant and equipment	13	**-**	1
Investment in subsidiaries	14	**8,780**	5,965
Total Non-Current Assets		**8,780**	5,966
Current Assets			
Trade and other receivables	15	**8,295**	13,207
Cash and cash equivalents	16	**520**	423
Total Current Assets		**11,068**	13,630
Total Assets		**17,595**	19,596
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	**(26,905)**	(24,919)
Equity Attributable to Owners of the Company		**17,385**	19,371
Total Equity		**17,385**	19,371
Current Liabilities			
Trade and other payables	17	**210**	225
Total Current Liabilities		**210**	225
Total Liabilities		**210**	225
Total Equity and Liabilities		**17,595**	19,596

The accompanying notes on pages 27 - 49 form an integral part of of these financial statements.

On behalf of the Board

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John Carroll
Director and
Company Secretary

Michael Donoghue
Director and
Non Executive Chairman

Date: 19 June 2017

Consolidated Statement of Cashflows

	Notes	2016 € 000's	2015 € 000's
Cashflows from operating activities			
Profit for the year before taxation		**(1,856)**	2,439
Adjustments for:			
Depreciation		**1**	
Write down of intangible assets		**2,000**	-
Finance costs recognised in profit or loss		**-**	42
Cashflow from operating activities		**145**	2,481
Movement in working capital			
Movement in debtors		**(1)**	186
Movement in creditors		**(82)**	133
Net cash generated by operating activities		**62**	2,800
Cashflows from financing activities			
Interest paid		**-**	(42)
Other equity movement		**-**	1,074
Cashflow from financing activities		**62**	3,832
Cashflows from investing activities			
Net expenditure on intangible assets		**(21)**	(16)
Interest received		**-**	-
Acquisitions and disposals		**552**	(3,306)
Net cash generated by / (used in) investing activities		**465**	(3,322)
Share of loss in associate		**(552)**	(368)
Cashflow from investing activities		**(21)**	(3,690)
Net movement in cash and cash equivalents		**41**	142
Cash and cash equivalents at the beginning of the year	15	**653**	511
Cash and cash equivalents at the end of the year	15	**694**	653

The accompanying notes on pages 27 - 49 form an integral part of of these financial statements.

On behalf of the Board

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John Carroll
Director and
Company Secretary

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Michael Donoghue
Director and
Non Executive Chairman

Date: 19 June 2017

Company Statement of Cashflows

	Notes	2016 € 000's	2015 € 000's
Cashflows from operating activities			
Loss for the year before taxation		**(1,986)**	(849)
Adjustments for:			
Depreciation		**1**	-
Finance costs recognised in profit or loss		**-**	41
Cashflow from operating activities		**(1,985)**	(808)
Movement in working capital			
Movement in debtors		**2,097**	(1,868)
Movement in creditors		**(15)**	132
Net cash generated by / (used in) operating activities		**97**	(2,544)
Cashflows from investing activities			
Investment in subsidiary undertakings		**-**	2,613
Interest received		**-**	(41)
Taxation		**-**	(1)
Net cash generated by investing activities		**-**	2,571
Net movement in cash and cash equivalents		**97**	27
Cash and cash equivalents at the beginning of the year	16	**423**	396
Cash and cash equivalents at the end of the year	16	**520**	423

The accompanying notes on pages 27 - 49 form an integral part of of these financial statements.

On behalf of the Board

John Carroll
Director and
Company Secretary

Michael Donoghue
Director and
Non Executive Chairman

Date: 19 June 2017

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 2015	13,485	29,932	837	37	(25,234)	19,057
Profits for the year	-	-	-	-	2,071	2,071
Derecognition of subsidiaries	-	-	-	-	1,074	1,074
Balance at 31 December 2015	13,485	29,932	837	37	(22,089)	22,202
Balance at 1 January 2016	13,485	29,932	837	37	(22,089)	22,202
Loss for the year	-	-	-	-	(2,409)	(2,409)
Balance at 31 December 2016	**13,485**	**29,932**	**837**	**37**	**(24,498)**	**19,793**

The accompanying notes on pages 27 - 49 form an integral part of of these financial statements.

On behalf of the Board

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John Carroll
Director and
Company Secretary

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Michael Donoghue
Director and
Non Executive Chairman

Date: 19 June 2017

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 2015	13,485	29,932	837	36	(24,070)	20,220
Loss for the year	-	-	-	-	(849)	(849)
Recognition of share based payments	-	-	-	-	-	-
Balance at 31 December 2015	13,485	29,932	837	36	(24,919)	19,371
Balance at 1 January 2016	13,485	29,932	837	36	(24,919)	19,371
Loss for the year	-	-	-	-	(1,986)	(1,986)
Recognition of share based payments	-	-	-	-	-	-
Balance at 31 December 2015	**13,485**	**29,932**	**837**	**36**	**(26,905)**	**17,385**

The accompanying notes on pages 27 - 49 form an integral part of of these financial statements.

On behalf of the Board

John Carroll
Director and
Company Secretary

Michael Donoghue
Director and
Non Executive Chairman

Date: 19 June 2017

Notes to the Financial Statements

1. Statement of accounting policies

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

The Group and Company financial statements were authorised for issue by the Directors on (19 June 2017).

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.

The 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 2016.

New accounting standards and interpretations for the year ending 31 December 2016

The following standards, amendments and interpretations apply from 1 January 2016:

- IFRS 2 Share Based Payments - effective for periods beginning on or after 1 February 2015
- IFRS 8 Operating Segments - 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 after 1 January 2016

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 and have not been adopted early by the Group:

- IFRS 9 Financial Instruments - effective for periods beginning on or after 1 January 2018
- IFRS 15 Revenue from Contracts with Customers - effective for periods beginning on or after 1 January 2018
- IFRS 16 Leases - effective for periods beginning on or after 1 January 2019
- IAS 12 Income Tax - effective for periods beginning on or after 1 January 2017
- IAS 39 Financial Instruments: Recognition and Measurement - effective for periods beginning on or after 1 January 2018

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

Notes to the 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 2016.

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 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.

Investment 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

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.

Notes to the Financial Statements

Taxation

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

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

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

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

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

Foreign Currencies

Monetary assets and liabilities denominated in a foreign currency are translated into Euro at the exchange rate ruling at the Statement of Financial Position date. Revenues, costs and non monetary assets are translated at the exchange rates ruling at the dates of the transactions. All exchange differences are dealt with through the Statement of Comprehensive Income.

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 the 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 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.

Notes to the Financial Statements

2. Going Concern

The Group made a loss of €2,409,351 and has cash and cash equivalents of €694,216 as at 31 December 2016. 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 (€750,000 in 2017, with €250,000 deferred). 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 will be 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.

3. 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)	
	2016	2015	**2016**	2015
	€ 000's	€ 000's	€ 000's	€ 000's
Exploration - Spain	**1,000**	527	**143**	(916)
Total for continuing operations	**1,000**	527	**143**	(916)
Finance Income			**-**	-
Profit on disposal of subsidiaries			**-**	3,397
Amounts written off intangible assets			**(2,000)**	-
Profit/(loss) before tax (continuing operations)			**(1,857)**	2,439

Segment assets and liabilities

Segment Assets	**2016**	2015
	€ 000's	€ 000's
Corporate - Group Asset	**537**	444
Exploration - Spain	**19,520**	22,103
Consolidated assets	**20,057**	22,547

Segment Liabilities		
Corporate - Group liabilities	**210**	225
Exploration - Spain	**54**	120
Consolidated liabilities	**264**	345

Other segment information

	Depreciation and amortisation		Additions to non-current assets	
	2016	2015	**2016**	2015
	€ 000's	€ 000's	€ 000's	€ 000's
Exploration - Spain	**1**	-	**21**	16

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. which 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	
	2016	2015
	€ 000's	€ 000's
Ireland	**-**	1
Spain	**19,327**	21,858
	19,327	21,859

4. Statutory Information

	2016	2015
	€ 000's	€ 000's
Auditors' remuneration	25	25
Auditors' remuneration from non-audit work	3	12
	28	37
and after crediting:		
Profit on foreign currencies	3	46
	3	46

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.

Notes to the Financial Statements

5. Income from Investments

	2016	2015
	€ 000's	€ 000's
Profit on disposal of subsidiaries	-	3,397

6. Amounts written off intangible assets

	2016	2015
	€ 000's	€ 000's
Amounts written off intangible assets	2,000	

7. Interest Payable and Similar Charges

	2016	2015
	€ 000's	€ 000's
On loans and overdrafts	-	42
	-	42

8. Employees

Number of employees

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

	2016	2015
	€ 000's	€ 000's
Directors	4	4
Administration / Technical	3	7
	7	11

Employment costs (Including Directors)

	2016	2015
	€ 000's	€ 000's
Wages and salaries	494	743
Social welfare	21	52
	515	795

During the year wages and salaries of €25,070 (2015 : €67,200) were capitalised as intangible assets.

9. Key Management Compensation

Key management includes the Directors of the Company, all members of the company management, and the Company Secretary. The compensation paid or payable to key management for employee service is shown as below:

	31/12/16	31/12/15
	€ 000's	**€ 000's**
Salaries and other short-term employee benefits	**381**	570
	381	570

10. 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:

		2016	2015
Profit / (loss) for the year attributable to equity holders of the parent	€ 000's	**(2,409)**	2,071
Weighted average number of ordinary shares for the purposes of basic earnings per share	Shares	**472,507,482**	472,507,482
Basic profit / (loss) per ordinary share (in cent)	€	**(0.51)**	0.44

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:

	2016	2015
Weighted average number of shares used in the calculation of basic earnings per share	**472,507,482**	472,507,482
Shares deemed to be issued for no consideration in respect of: Employee options	**-**	-
Weighted average number of ordinary shares used in the calculation of diluted earnings per share	**472,507,482**	472,507,482
Diluted profit / (loss) per ordinary share (in cent)	**€ (0.51)**	0.44

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:

	2016	2015
Employee options	**15,500,000**	12,250,000

Notes to the Financial Statements

11. Income Tax Expense

	2016	2015
	€ 000's	**€ 000's**
Current tax		
Profit on disposal of subsidiaries	**-**	-
Total tax charge	**-**	-

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

	2016	2015
	€ 000's	**€ 000's**
Profit/(loss) from continuing operations	**(1,856)**	2,439
Income tax expense calculated at 12.5% (31 December 2015: 12.5%)	**(232)**	305
Effects of:		
Impairment on intangible assets	**250**	-
Tax relief granted at source on medical insurance	**1**	-
Profit on disposal of investments	**-**	(425)
Investment income taxable at a different rate	**(100)**	(43)
Expenses not allowable	**-**	-
Unused tax losses not recognised as deferred tax assets	**82**	163
Income tax expense recognised in the profit or loss	**1**	-

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 2016, the Company had unused tax losses of €10,016,697 (2015 : €9,606,518) available for offset against future profits which equates to a deferred tax asset of €1,252,087 (2015 : €1,200,815). No deferred tax asset has been recognised due to the unpredictability of the future profit streams. Losses may be carried forward indefinitely.

12. Intangible Assets - Group

	31/12/16	31/12/15	01/01/15
	€ 000's	€ 000's	€ 000's
Cost	**3,300**	5,279	18,535
	3,300	5,279	18,535

	Exploration & evaluation assets
	€ 000's
Cost	
At 1 January 2015	18,535
Additions	16
Disposals	(13,272)
Impairment	-
At 31 December 2015	5,279
Additions	21
Disposals	-
Impairment	(2,000)
At 31 December 2016	**3,300**

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 2016.

The Directors have recorded an impairment during the year in the amount of €2 million (Nil - 2015).

The recoverability of the intangible assets is dependent on the future realisation or disposal of the mineral resources.

Notes to the Financial Statements

13. 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 2015	26	29	18	73
Additions	-	-	-	-
Disposals	(6)	-	(18)	(24)
At 31 December 2015	20	29	-	49
Disposals	(12)	-	-	(12)
At 31 December 2016	**8**	**29**	**-**	**37**
Accumulated Depreciation and Impairment				
At 1 January 2015	26	27	18	72
Disposals	(6)	-	(18)	(24)
Depreciation expense	-	1	-	-
At 31 December 2015	20	28	-	48
Disposals	(12)	-	-	(12)
Depreciation expense	-	1	-	1
At 31 December 2016	**8**	**29**	**-**	**37**

	31/12/16	31/12/15
	€ 000's	€ 000's
Net Book Value		
Cost or Valuation	37	49
Accumulated depreciation and impairment	(37)	(48)
Net Book Value	**-**	1
Fixtures & fittings	-	-
Computer equipment	-	1
Net Book Value	**-**	1

Property, Plant and Equipment - Company

	Fixtures & Fittings	Computer Equipment	Total
	€ 000's	€ 000's	€ 000's
Cost or Valuation			
At 1 January 2015	20	20	40
Additions	-	-	-
At 31 December 2015	20	20	40
Additions	-	-	-
At 31 December 2016	**20**	**20**	**40**
Accumulated Depreciation and Impairment			
At 1 January 2015	20	18	38
Depreciation expense	-	1	1
At 31 December 2015	20	19	39
Depreciation expense	-	1	1
At 31 December 2016	**20**	**20**	**40**

	31/12/16	31/12/15
	€ 000's	€ 000's
Net Book Value		
Cost or Valuation	40	40
Accumulated depreciation and impairment	(40)	(39)
Net Book Value	**-**	1
Fixtures & fittings	-	-
Computer equipment	-	1
Net Book Value	**-**	1

Notes to the Financial Statements

14. Financial Assets

Financial Assets - Group

	31/12/16	31/12/15
	€ 000's	**€ 000's**
Cost		
At 1 January 2016	16,579	-
Additions	-	16,947
Group's share of losses in the associate	(552)	(368)
At 31 December 2016	**16,027**	16,579

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	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.

	31/12/16	31/12/15
	€ 000's	**€ 000's**
Non current assets	37,742	24,246
Current assets	20,515	31,911
Current liabilities	(1,404)	(964)
Non current liabilities	(1,359)	-
The following amounts have been included in the amounts above		
Cash and cash equivalents	2,498	11,405
Current financial liabilities	-	-
Non current financial liabilities	-	-
Loss from continuing operations	(1,840)	(1,226)
Total comprehensive loss	(1,840)	(1,226)
The following amounts have been included in the amounts above		
Depreciation and amortisation	10	18
Interest income	9	10
Interest expense	0	8
Taxation credit carried forward	173	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 2015	14,949
Additions	-
Disposals	(2,612)
At 31 December 2015	12,337
Additions	2,815
Disposals	-
At 31 December 2016	**15,152**
Accumulated Amortisation and Impairment	
At 1 January 2015	(6,372)
Impairment losses recognised in profit and loss	-
At 31 December 2015	(6,372)
Impairment losses recognised in profit and loss	-
At 31 December 2016	**(6,372)**
Net Book Values	
At 31 December 2016	**8,780**
At 31 December 2015	5,965

Subsidiary	Activity	Incorporated in	Proportion of ownership interest and voting power held	
			2016	2015
Ormonde Espana, S.L.U.	Mineral Exploration	Spain	100%	100%
Orillum S.L.U.	Mineral Exploration	Spain	100%	100%
Ormonde Minerica Iberica, S.L.U.	Mineral Exploration	Spain	100%	100%
Valomet S.L.U.	Mineral Exploration	Spain	100%	100%
Ormonde Mining B.V.	Holding Company	The Netherlands	100%	100%

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 2016 is appropriate. No impairment was recognised in 2016 or 2015 in respect of the above investments.

Notes to the Financial Statements

15. Trade and Other Receivables

	Group 2016	Group 2015	**Company 2016**	Company 2015
	€ 000's	€ 000's	**€ 000's**	€ 000's
Amounts falling due within one year:				
Amounts owed by Group undertakings	**-**	-	**8,254**	13,187
Other debtors	**-**	17	**4**	2
Prepayments and accrued income	**36**	18	**37**	18
	36	35	**8,295**	13,207

16. Cash and Cash Equivalents

	Group 2016	Group 2015	**Company 2016**	Company 2015
	€ 000's	€ 000's	**€ 000's**	€ 000's
Cash at bank	**694**	653	**520**	423
	694	653	**520**	423

17. Trade and Other Payables

	Group 2016	Group 2015	**Company 2016**	Company 2015
	€ 000's	€ 000's	**€ 000's**	€ 000's
Trade creditors	**28**	62	**25**	49
Other taxes and social welfare costs	**24**	53	**8**	52
Accruals and deferred income	**212**	230	**177**	124
	264	345	**210**	225

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 2016	Group 2015	**Company 2016**	Company 2015
	€ 000's	€ 000's	**€ 000's**	€ 000's
V.A.T.	**16**	-	**-**	-
P.A.Y.E./P.R.S.I.	**8**	53	**8**	53
Corporation tax	**-**	-	**-**	(1)
	24	53	**8**	52

The Group's exposure to currency and liquidity risks related to trade and other payables is set out in Note 24.

Notes to the Financial Statements

18. Share capital - Group and Company

	31/12/16	31/12/15	01/01/15
	€ 000's	**€ 000's**	**€ 000's**
Authorised equity			
650,000,000 Ordinary shares of 2.5 cent each	**16,250**	16,250	16,250
100,000,000 Deferred shares of 3.809214 cent each	**3,809**	3,809	3,809
	20,059	20,059	20,059
Issued capital			
Share capital	**13,485**	13,485	13,485
Share premium	**29,932**	29,932	29,932
	43,417	43,417	43,417
Issued capital comprises:			
472,507,483 ordinary shares of 2.5 cent each (31/12/15 : 472,507,483 and 01/01/15 : 472,507,483)	**11,812**	11,812	11,812
43,917,841 fully paid deferred shares (31/12/15 : 43,917,841 and 01/01/15 : 43,917,841)	**1,673**	1,673	1,673
	13,485	13,485	13,485

Fully paid ordinary shares	**Number of shares**	**Share Capital**	**Share Premium**
	'000's	**€ 000's**	**€ 000's**
Balance at 1 January 2015	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
Issue of shares for cash	-	-	-
Share issue costs	-	-	-
Balance at 31 December 2016	**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 2015	3,809	1,673	-
Issue of shares for cash	-	-	-
Balance at 31 December 2015	3,809	1,673	-
Issue of shares for cash	-	-	-
Balance at 31 December 2016	**3,809**	**1,673**	**-**

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

Capital Management

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

It is Group Policy to incentivise the Directors through the award of share options. At the year end, the Directors hold 1.05% of ordinary shares, or 2.16% 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.

Notes to the Financial Statements

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 2015	837	29	7	1
Recognition of share based payments	-	-	-	-
Balance at 31 December 2015	837	29	7	1
Recognition of share based payments	-	-	-	-
Balance at 31 December 2016	**837**	**29**	**7**	**1**

20. Retained Losses

	Group 2016	Group 2015	**Company 2016**	Company 2015
	€ 000's	€ 000's	€ 000's	€ 000's
Deficit at beginning of year	**(22,089)**	(25,234)	**(24,919)**	(24,070)
Profit/(Loss) for the year	**(2,409)**	2,071	**(1,986)**	(849)
Derecognition of subsidiary	**-**	1,074	**-**	-
Deficit at end of year	**(24,498)**	(22,089)	**(26,905)**	(24,919)

In accordance with the provisions of the Companies Act 2014, the Company has not presented the Company Statement of Comprehensive Income. The Company loss for the period of €1,986,000 (2015 - loss of €849,000) 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 2016		31 December 2015	
	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	12,250	€0.076
Expired during the financial year	(2,700)	€0.11	-	-
Extended during the year	-	-	-	-
Granted during the year	5,950	€0.025	-	-
Forfeited during the financial year	-	-	-	-
Exercised during the financial year	-	-	-	-
Balance at the end of the financial year	15,500	€0.049	12,250	€0.076
Exercisable at the end f the financial year	15,500	€0.049	12,250	€0.076

During the year 2,700,000 options were forfeited.

	Number of Share Options Outstanding	Exercise Price
	000's	
Option series 2	2,550	€0.034
Option series 5	1,000	€0.109
Option series 6	6,000	€0.068
Option series 7	5,950	€0.025

The options outstanding at 31 December 2016 had a remaining average contractual life of 5.6 years.

Notes to the Financial Statements

22. Related party transactions

The Details of subsidiary undertakings are shown in Note 14. Related Party Disclosures, transactions between Group entities that have been eliminated on consolidation are not disclosed.

The Group hold a 30% shareholding in Barruecopardo Joint Venture B.V. In the year, an amount of €1,000,000 (2015: €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 2015, Ormonde Mining plc owed €70,240 to Simprenta S.L. During the year Simprenta S.L provided services and expenses to the value of €98,968 to the Ormonde Mining Group. At 31 December 2016 Simprenta S.L was owed €46,875 by the Ormonde Mining Group.

23. Events after the Reporting Date

On 2nd June 2017, Ormonde announced that, following a period of review of the construction schedule for the Barruecopardo Tungsten Project, the Board of the Project company, Saloro SLU, authorised the issuance of outstanding approvals on various equipment and plant construction contracts, thus advancing the Project into an accelerated construction and implementation phase, with an updated schedule allowing for mine commissioning in the third quarter of 2018.

As part of facilitating the advancement of the Project, Ormonde has agreed, subject to the latest development schedule being implemented as planned, for the remaining component of the equity investment owed by Oaktree to the Project group, of circa €16 million, to be drawn on a pro rata basis with the debt (rather than ahead of the debt draws) during the development period, with any residual equity amounts being drawn on commissioning.

In addition, Ormonde announcement that Steve Nicol, its current Managing Director, would step down at its upcoming AGM to focus fully on the implementation and initial operating stages of the Barruecopardo Project.

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 2016 and 2015, 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 2016 and 31 December 2015, 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 2016 and 31 December 2015 were all payable on demand. The expected maturity of the Group and Company's financial assets (excluding prepayments) as at 31 December 2016 and 31 December 2015 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 2016 and 31 December 2015.

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 2016 and 31 December 2015. 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 2016 and 31 December 2015, the Group had no outstanding contracts designated as hedges.

25. Approval of Financial Statements

The financial statements were approved by the Board on 19 June 2017.

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 18 September 2017 at 11am for the purpose of considering and, if thought fit, passing the following resolutions of which Resolutions numbered 1 to 6 inclusive will be proposed as Ordinary Resolutions and Resolutions 7 and 8 will be proposed as Special Resolutions.

Ordinary Business

1) To receive and consider the accounts for the year ended 31 December 2016, together with the reports of the Directors and Auditors thereon (Resolution 1).

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

3) To authorise the Directors to fix the remuneration of the auditors for the year ending 31 December 2016 (Resolution 3).

4) As an ordinary resolution (Resolution 4):

   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 4 and 18 December 2018 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.

5) As an ordinary resolution (Resolution 5):

   That the issued, and authorised but unissued, share capital of the Company be amended by the subdivision and re-designation of each issued and unissued Ordinary Share of €0.025 into two (2) Ordinary Shares of €0.005 each (the "Ordinary Subdivided Shares") and three (3) "A" Deferred Shares of €0.005 each in the capital of the Company (the "A Deferred Subdivided Shares").

6) As an ordinary resolution (Resolution 6):

   That, subject to the passing of Resolution 5 in the notice convening this meeting, every two (2) Ordinary Subdivided Shares be consolidated into one (1) Ordinary Share of €0.01 each in the capital of the Company and every three (3) "A" Deferred Subdivided Shares be consolidated into one (1) "A" Deferred Share of €0.015 each in the capital of the Company.

Special Business

7) As a special resolution (Resolution 7)

   That, subject to the passing of Resolutions 5 and 6 in the notice convening this meeting,

   (a) The memorandum of association of the Company be and is hereby altered by the deletion of the existing clause 5 and the substitution therefor of the following new clause 5:

      "The authorised share capital of the Company is €20,059,200 divided into 650,000,000 Ordinary Shares of €0.01 each, 100,000,000 Deferred Shares of €0.038092 each and 650,000,000 "A" Deferred Shares of €0.015 each."

   (b) the articles of association produced to the meeting (a copy of which has been initialled "A" for identification by the Chairman) 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;

8) As a special resolution (Resolution 8):

That, subject to the passing of Resolution 4 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 4 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 8), 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 8 and 18 December 2018, 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.

28 June 2017
BY ORDER OF THE BOARD

John Carroll
Secretary

Registered Office:
6 Northbrook Road
Dublin 6
Ireland

Notice of Annual General Meeting

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 11AM ON 18 SEPTEMBER 2017 AT THE CROWNE PLAZA HOTEL, THE BLANCHARDSTOWN CENTRE, BLANCHARDSTOWN, DUBLIN 15 AND AT ANY ADJOURNMENT THEREOF

ORMONDE MINING PUBLIC LIMITED COMPANY (THE "COMPANY")

		For*	Against*
1	To receive and consider the accounts for the year ended 31 December 2016, together with the reports of the Directors and Auditors thereon		
2	To re-elect Mr. John Carroll as a Director who is recommended by the Board for re-election as a Director		
3	To authorise the Directors to fix the remuneration of the auditors for the year ended 31 December 2016		
4	To authorise the Directors to allot relevant securities		
5	To authorise the sub-division of share capital of the Company		
6	To authorise the consolidation of share capital of the Company		
7	To approve the amendments to and adopt the new Memorandum and Articles of Association of the Company		
8	To authorise the Directors to allot equity securities for cash and to dis-apply Section 1022 (1) of the Companies Act 2014		

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 18 September 2017 at 11am, 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 2017

SIGNATURE..

NAME IN FULL
(BLOCK LETTERS) ....

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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.
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FOLD 2

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

FOLD 1

FOLD 3

Directors and other information

Directors

Stephen Nicol
(Managing Director)

Michael Donoghue
(Non-Executive Chairman)

John Carroll
(Non-Executive Director)

Jonathan Henry
(Non-Executive Director)

Registered Office

6 Northbrook Road
Dublin 6
Ireland

Secretary

John Carroll

Group Auditors

LHM Casey McGrath Limited
Chartered Certified Accountants
Statutory Audit Firm
6 Northbrook Road
Dublin 6
Ireland

Business Address

Bracetown Business Park
Clonee
Co. Meath
Ireland
DI5 YN2P

Bankers

Allied Irish Bank Plc
Market Square
Navan
Co. Meath
Ireland

La Caixa
Centro de Empresas de Salamanca
C. Rector Lucena, 11 B
37002 Salamanca
Spain

Solicitors

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

Argali Abogados
Paseo De La Castellana, 21
28046 Madrid
Spain

Dominic Dowling Solicitors
37 Castle Street
Dalkey
Co. Dublin
Ireland

Brokers

NOMAD, ESM Adviser, Joint Broker
& Financial Advisor
Davy
Davy House
49 Dawson Street
Dublin 2
Ireland

UK Joint Broker
SP Angel Corporate Finance LLP
Prince Frederick House
35 Maddox Street
London
W1S 2PP
UK

Registrars

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

Financial PR

Capital M Consultants
1 Royal Exchange Avenue
London
EC3V 3LT
UK

Registered Number

96863 Republic of Ireland

Date of Incorporation

13 September 1983

Website

www.ormondemining.com

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