ANNUAL REPORT & ACCOUNTS 2018

ORMONDE
MINING PLC

Contents

Our Business

Barruecopardo crush and screen circuit (May 2019)

Barruecopardo Tungsten Project (30%)

Mine construction is now complete and the Project is transitioning from the commissioning phase into a one-year ramp-up period. The Project is a joint venture with Oaktree Capital Management, who hold a 70% interest, having funded the Project in 2015 through a US$100 million financing package.

Other Spanish Mineral Interests

Ormonde holds investigation permits in the Salamanca and Zamora Provinces of western Spain, which are in joint venture with Shearwater Group plc. Exploration work to-date has shown these permits are prospective for gold, including several promising drill targets.

The Company has applied for new investigation permits with gold exploration potential elsewhere in western Spain. These applications cover a significant surface area which includes several known prospects featuring gold-bearing, quartz vein systems.

At the La Zarza copper-gold project in the Huelva Province of southern Spain, Ormonde is in the process of divesting its interests which are no longer core to the Company's growth strategy.

Ormonde at a Glance

Ormonde Mining plc is a mineral resource company with interests in Spain including a 30% interest in the Barruecopardo Tungsten Project.

The Company's vision is to be a successful, reputable natural resource company, committed to the responsible development of mining projects and the creation of value for our shareholders, employees and host communities. Ormonde's core investment is its interest in the Barruecopardo Tungsten Project, and its primary short- to medium-term strategic goal is the delivery of steady-state production to provide the platform for future growth.

The construction of a new open pit mine and processing facilities at Barruecopardo, which last produced tungsten in the early 1980s, was completed in early 2019. The Project is now transitioning from the commissioning phase into a one-year ramp-up phase and once at full production, the mine is expected to account for around 11% of current non-Chinese supply of tungsten concentrates, making it one of the world's leading primary producers of tungsten.

Ormonde's other interests include a joint venture participation in several prospective areas of gold exploration in western Spain, new gold permit applications in another area of western Spain, and its legacy interests related to the La Zarza copper-gold project which are currently being divested.

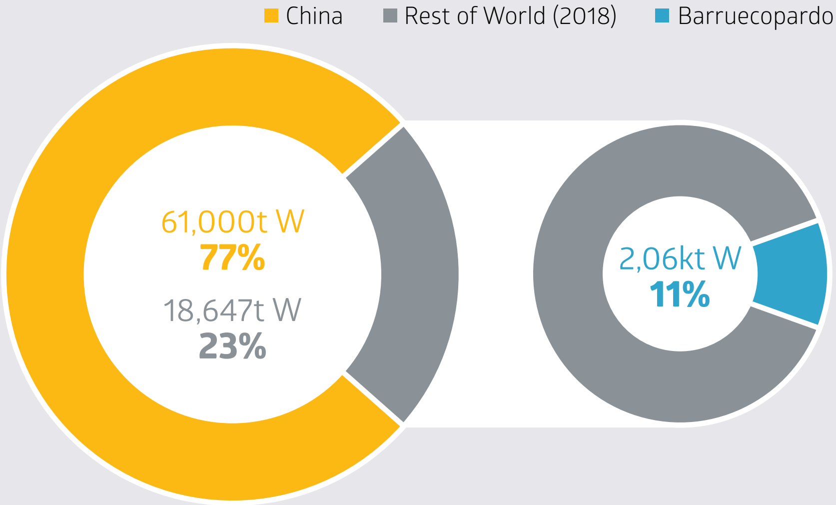
Ormonde's shares are traded on the Alternative Investment Market in London and Euronext Growth market in Dublin. The Company's headquarters are in the Republic of Ireland.

Tungsten from Source to End Use

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

These exceptional properties make tungsten a valuable industrial and strategic metal, which is found in essential industrial products and many everyday items.

Global Primary Supply, Tonnes of Tungsten Metal per Year



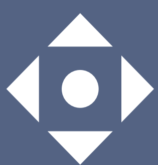
Barruecopardo will account for 11% of non-Chinese global supply of tungsten concentrates, making it an important global producer.

The Barruecopardo mine is intended initially to be mined as a 9-year open pit, with potential to expand underground thereafter.

Conventional open pit mining methods are being deployed, using an experienced mining contractor, adopting traditional drill and blast mining with shovel and truck operations.

A tungsten concentrate is extracted from the mined ore, using simple, low cost gravity processing.

At full production, 1.1 million tonnes of ore will be processed per year in a 24 hour, 5 day per week operation to produce tungsten concentrates, containing 260,000 metric tonne units of WO_3.



Concentrates will be sold through offtake contracts. Tungsten concentrates are mostly used to make an intermediate powder, Ammonium Paratungstate (APT).

APT and other tungsten powders are then used to manufacture tungsten bearing products.

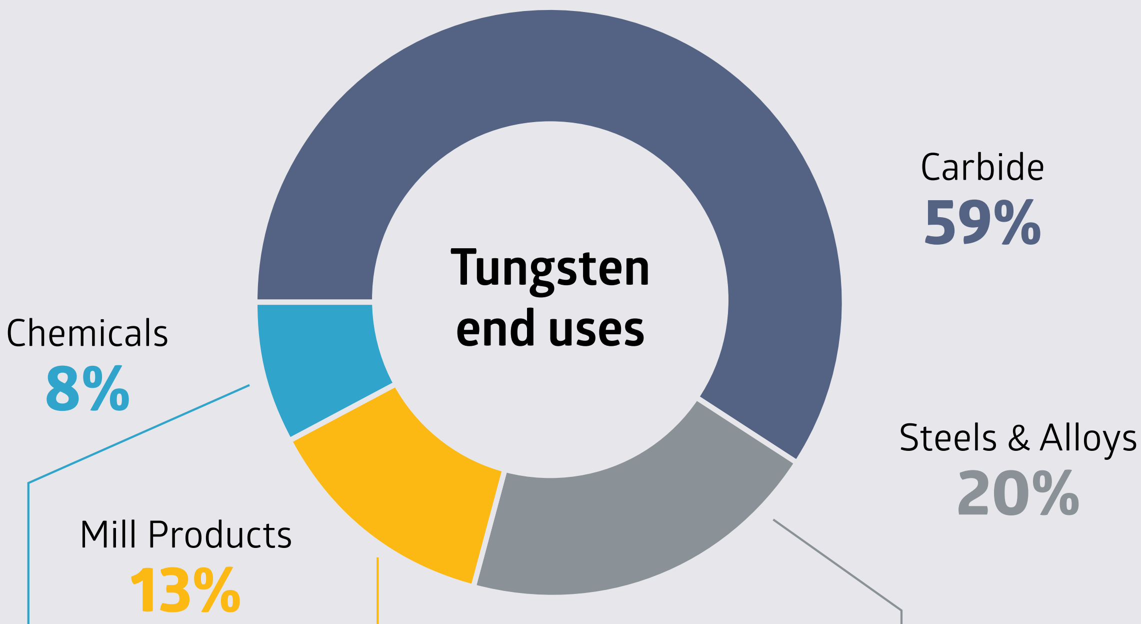
Cemented Carbides

Cutting Tools
Carbide-tipped blades, saws, drills, reamers and mills are used across cutting and machining applications

Oil & Gas
Tungsten carbide is used in drill bit components for petroleum exploration and production drilling

Mining & Construction
Rock-cutting tools used in drilling, tunnelling, and mining are made from tungsten carbide

Wear-Resistant Parts
Used throughout manufacturing industries in structural components & working of stone, wood, plastics and metals



Chemicals

Catalysts
Tungsten is used for a growing number of catalyst applications in the chemical industry

Mill Products

Lighting & Electronics
Tungsten components in both incandescent & fluorescent lamps, emitters, electronic contacts, X-ray equipment

Steels & Alloys

Superalloys
Turbine blades in jet engines and industrial gas turbines are made of tungsten-containing superalloys

Tool Steels
Tungsten is used for hot and cold forming and cutting of materials

***Source**: Roskill Tungsten Market Report 2019*

Michael J. Donoghue
Chairman

Chairman's Review

During 2018, Saloro SLU ("Saloro"), the Spanish operating company in which Ormonde has a 30% interest in partnership with Oaktree Capital Management, transformed its Barruecopardo Tungsten Project from an abandoned mine site to a newly constructed, state-of-the-art, tungsten processing facility. Although the operation is still in its infancy, it is nevertheless satisfying to see the Project progress through its construction stage, to become an operating mine, employing modern mining and processing techniques and supporting a local community.

Barruecopardo

Saloro has overseen the construction of the mine in line with the Project's capital expenditure budget, and construction timeframes have also been advanced broadly in line with the project construction schedule, with final installation and commencement of commissioning occurring during Q1 2019. Following the handover of the processing facilities from the engineering contractors, the Project is now wholly operated by Saloro.

Over this period, the Saloro team has grown steadily with employee numbers increasing during process plant commissioning as plant operators were hired and trained and the local Saloro management team expanded. This management team has significant tungsten mining experience and is therefore well placed to configure and optimise the early mining and processing operations, and steer the Project through the Year-1 ramp-up period into steady-state production.

During this ramp-up period, ore feed to the plant was scheduled to be limited to two small starter pits at the northern and southern fringes of the main orebody, with production gradually building up to design levels towards the end of the first year ramp-up period as waste stripping eventually exposes the main orebody located below the historic open pit. Initial ore mined from the northern starter pit has been lower grade than anticipated and so mining operations are now targeting higher grade ore sources by moving to the southern starter pit area. At the same time, the stripping of around 80 vertical metres of waste rock from the east wall of the historic pit is to be accelerated to bring forward access to the main orebody, where the tungsten mineralisation is present as a much broader, more continuous high-grade zone. These updates to the mine plan are currently being scheduled and costed and will dictate the short-term profitability and cashflows of the operation during the ramp-up period. Ahead of their completion, and to ensure continued compliance with the debt facility terms, Saloro has recently agreed a waiver with its debt provider in relation to a financial covenant which had been due to be tested on 30 September 2019.

Meanwhile, the process plant is operating well, with the throughput rates operating up to design capacity, more than sufficient to meet the Project's target of 1.1 million tonnes per annum. Despite ore grades to-date being significantly below the average reserve grade, the Project has begun to regularly produce tungsten concentrates which meet targeted specification. Furthermore, ongoing refinements to the processing circuits continue to be implemented and these should stand the Project well as processed grades become more representative of the ore reserve. From end 2019 and thereafter, with access to the main orebody established, operating cashflows are projected to increase very significantly.

Tungsten Market

APT prices climbed up from a low of US$195/mtu (metric tonne unit) early in 2017 to break through the US$300/mtu level at the beginning of 2018 and push onwards to a peak of US$352/mtu by June 2018, driven primarily by news of production cuts in China due to mine and plant shutdowns following environmental inspections. Prices have declined steadily thereafter and although they have steadied somewhat of late, they remain weak, currently trading in the $255/mtu to $265/mtu range.

In the medium to long-term, as Barruecopardo ramps up to full production, the potential for a healthier outlook based on primary supply issues is supported by independent market research. While world reserves of primary tungsten are depleting and some significant tungsten mines have closed in recent years, new mine production has not kept pace. Funding for early stage tungsten exploration, which carries the largest risk of inadequate return, is scarce and capital funding for development of minor metal projects has been difficult in recent years.

Looking at the broader picture, two reputable metal research groups are suggesting short to medium term tungsten supply deficits and price rises. While the tungsten supply-demand fundamentals in the western world are relatively transparent and the deficit predictions in this market seem well founded, the situation in the Chinese market remains less transparent, but a summary of the Chinese situation by one forecaster is encouraging: *"there is potential for a supply deficit in 2019 and 2020 as output from existing mines looks set to decline; ore grades at some of the larger and older Russian and Chinese mines are falling as resources become depleted. Importantly, there are no plans in China to bring online new tungsten mines to replace these depleted deposits"*.

Outlook

In the short term at Barruecopardo, as the Project mines lower grade sources and pulls forward waste mining so as to access the main higher grade ore body, we expect that Saloro's profitability and cashflows will continue to be constrained in this ramp-up year. Nevertheless, looking beyond, we see a robust outlook once mining reaches the higher grade ore and steady-state processing operations are attained, both anticipated towards the end of 2019. Should a tungsten concentrate supply deficit emerge, as has been forecast, this could also result in higher prices for Barruecopardo's product.

Also looking forward, whilst Ormonde's main focus will continue to be managing our interest in the Barruecopardo joint venture, we do see scope during the coming year for our management team to start developing new ideas and opportunities which add value for the Company, both within and outside our current range of interests. Two immediate objectives will be to complete the disposal of our La Zarza interests and take a fresh look at our Spanish gold exploration holdings and new licence application areas, in western Spain which have been identified as having gold exploration potential.

Financials

The Ormonde Group has reported a loss after tax for the year of €1.65 million, compared with a loss of €0.1 million for 2017. This includes a share of the loss on its associate investment (the group in which the Barruecopardo Project is held) amounting to €0.78 million, and an impairment to the holding value of Group assets of €0.6 million related to La Zarza.

Finally, I would like to thank all our stakeholders, including the Company's shareholders, management, employees, directors and advisors for their continued support and dedication.

Michael J. Donoghue
Chairman

> REVIEW OF ACTIVITIES

Review of activities

Barruecopardo Tungsten Project

Salamanca Province | 30% interest

Overview

Ormonde's primary activity is through its 30% interest in the Barruecopardo Tungsten Project, where mine development has been advancing since the decision in June 2017 to embark on an accelerated construction and implementation phase. The mine operating company, Saloro SLU, has developed the mine through a US$100 million debt and equity financing package provided by funds managed by Ormonde's 70% joint venture partner, Oaktree Capital Management.

2018 – Construction and commissioning

At the start of 2018, the Project was several months into its construction schedule. Civils works were well advanced in all priority areas, including the crush and screen circuits, crushed ore reclaim tunnel and fine ore bin foundations. The Run-of-Mine ("ROM") pad was being built up, and major water dam earthworks were largely complete. Process plant equipment had started to arrive on site.

Crush and screen plant

The initial civils works led onto the erection of the structural steelwork and, in February 2018, Metso Minerals Portugal commenced the installation of the turnkey crush and screen plant. The purpose of this plant is to reduce ROM ore feed from blocks of up to 80 centimetres in size to fine ore of 5 millimetres maximum size, suitable for feed to the process plant.

The crush and screen plant comprises:

» a primary jaw crusher with a design capacity of 275 tonnes per hour;

» a discharge conveyor to the crushed ore stockpile;

» a reclaim tunnel with vibrating feeders to convey crushed ore to the primary screen; and

» a circuit comprising two screening stages, secondary and tertiary cone crushers, and two quaternary cone crushers, all with interconnecting conveyors.

The primary crusher and discharge conveyor were completed in May 2018, and Project commissioning began in August 2018 when the first trial of waste rock through the primary crusher was successfully carried out.

By September 2018, the rest of the crush and screen plant was completed including associated electrical circuitry. Commissioning of the screens and cone crushers commenced in November 2018, and at the end of December commissioning of the crushing circuits was completed and Metso were in the position to hand over this section of the plant to Saloro.

Process plant

The 5 millimetre product from the crushing circuits feeds on into the process plant, which comprises a pre-concentration gravity circuit, a clean-up circuit comprising shaking tables and flotation, concentrate drying and bagging, and tailings dewatering. Its purpose is to process the fine ore produced by the crush and screen plant to produce a final, saleable tungsten concentrate.

The pre-concentration circuit comprises:

» a large, vibrating, wet screen which splits the fine ore at -1 millimetre;

» a jig circuit for processing the +1 millimetre material;

» a spiral circuit for processing the -1 millimetre material; and

» deslime screens and dewatering cyclones.

The pre-concentrate is then fed across a series of shaking tables, which use vibration to further separate the tungsten-bearing scheelite and other heavy minerals from lighter waste minerals, to form a "table concentrate".

This table concentrate is subsequently treated by flotation to remove the sulphide minerals which occur naturally with the scheelite mineralisation, and which, due to their high density, become concentrated together with the scheelite. Due to the small volume of material being treated by this stage, the flotation circuit is very small. The resulting tungsten concentrate is thickened and filtered, then dried and bagged for shipment.

By the end of March 2018, the process plant civils were completed in the critical areas of jigs and thickeners to enable the structural and mechanical contractor to commence onsite in early April. The installation of initial major equipment and supporting structures moved very quickly, with the jig, main thickener and the large filter press structure all in place by early May.

The process plant building was erected and by August-September, most of the processing equipment had been installed including tables, spirals, cyclones, concentrate thickener, concentrate dryer circuits, and dewatering screens.

By this advanced stage in the development, a combination of several factors resulted in delays to the completion of some installations when compared to the original June 2017 construction schedule (process plant commissioning by October 2018). However, these remaining works progressed well during the final quarter of 2018 and dry commissioning of individual circuits in the process plant commenced in December and was ongoing at the year-end.

Water management system

A water management system has been implemented to maximise the use of existing pit water for processing operations,

Mineral Resources and Ore Reserves:

Total Mineral Resources

Category	Million Tonnes	Grade ($WO_3\%$)	Contained WO_3 (mtu)
Measured	5.47	0.34	1.86 million
Indicated	12.33	0.26	3.20 million
Inferred	9.59	0.23	2.20 million
Total	27.39	0.26	7.12 million

Ore Reserves within the Open Pit

Category	Million Tonnes	Grade ($WO_3\%$)	Contained WO_3 (mtu)
Proven	4.96	0.33	1.64 million
Probable	3.73	0.26	0.98 million
Total	8.69	0.30	2.61 million

The Mineral Resource Estimate was prepared by CSA Global as reported in December 2011 and is unchanged. It was reported according to the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code 2004 edition). Mineral Resources are inclusive of Ore Reserves and are reported on a 100% Project basis.

and maximise the use of site surface water, waste dump runoff and mine pit water collected during operations.

Major earthworks were carried out during the second half of 2017 to form the main water dam and return water dam (Dam A). In early 2018, work continued to complete these facilities with the installation of under-drainage and spillways, and by April 2018 these two main dams were fully lined and completed. A collection dam, Dam B, was also completed and all dams were handed over to Saloro in June 2018.

During the second half of the year, the necessary pipes, pumps and pontoons were being installed. The historic pit contains an estimated 855,000 cubic metres of water; dewatering began in September and at the year-end over 100,000 cubic metres had been pumped to the water dams.

Associated with the process plant is a water treatment plant. This plant neutralises the water being pumped from the historic open pit, as well as runoff water collected from waste dumps and storm-water for use in the process plant. This water treatment plant has been supplied and installed on a turnkey basis by the Spanish subsidiary of Veolia Water Technologies. Construction of the plant was completed in June 2018, commissioning was completed in November and the plant was handed over to Saloro in December.

Infrastructure and utilities

All other site infrastructure and utilities were completed and commissioned during the year. Site security access, fencing and site roads were completed through late 2017 and early 2018. An underground 45kV powerline was installed to connect the new mine site sub-station to Barruecopardo village. The mine's high-tension sub-station was completed in July 2018, and the site was connected to mains power in October.

The workshop, site offices, changing and messing facilities were all completed during the year, and the site laboratory was built and fitted with sample preparation equipment and analytical instrumentation.

Mining

The new mining operations at Barruecopardo are being carried out using conventional open pit methods, adopting traditional drill and blast mining with shovel and truck operations. In November 2018, the open pit mining contract was awarded to one of the largest open pit mining contractors in Spain. Mobilisation of the contractor's mining equipment commenced in December, and ore mining operations commenced in January 2019.

Ore mining in early 2019 has been concentrated on the northern starter pit, a peripheral, previously unmined mineralised zone and the first of two starter pits delineated for immediate ore feed during the ramp-up year, prior to accessing the main orebody below the historic open pit. The initial ore feed from the northern starter pit has returned lower grade than originally modelled due to localised complexity within this zone.

Plans are therefore being developed to target mining of higher

Review of activities

grade ore sources in the near term, including bringing forward mining in the higher grade southern starter pit, where mining has recently commenced. The waste stripping of the east wall of the historic pit, from surface to around 80 metres depth, is also being accelerated to bring forward access to the main orebody situated below the historic open pit.

Personnel

The total workforce on site during 2018 varied between 110 and 180 people (direct Saloro employees plus contractors), depending on the intensity of the development activity. This included a number of people from local communities, ranging from 23 to 40. On average, local workers made up 23% of the workforce during the year.

The Saloro owners team was built up during the year as key operational and administrative positions were filled. Later in the year, construction teams started winding down and the operating team ramped up and key processing personnel commenced training in the process plant. The first intake of process plant operators was employed and commenced training in November 2018, and a second tranche commenced in December.

This workforce is led by an experienced Spanish management team, which is well placed to configure and optimise the early mining and processing operations, and steer the Project through the Year-1 ramp-up period into steady-state production.

2019 – Year-to-date

In the year-to-date, the Project construction has been completed and process plant commissioning also effectively completed. Process plant throughput rates up to 195 tonnes per hour have been achieved on fresh ore, sufficient to meet the Project's steady-state processing target of 1.1 million tonnes per year.

The tungsten concentrates produced from the low-grade ore feed processed to-date are meeting targeted specification on a regular basis. Ongoing refinements to the processing circuits continue to be implemented and this should stand the Project well as the mine and plant ramp up to full production and mined and processed grades become more representative of the ore reserve.

The current focus of the Project team is on developing revised mining schedules and procedures to target higher grade, more

Overview of the completed processing plants (May 2019) representative ore sources earlier in the Year-1 ramp-up schedule. Once these plans are finalised, the effect of their implementation on Year-1 cashflows projections will be incorporated into an updated schedule.

On the basis of current Project status, and to ensure compliance with its debt facility terms, Saloro has recently agreed a waiver with its debt provider in relation to a financial covenant which had been due to be tested on 30 September 2019. Details in relation to this can be found in Note 12 to the financial statements.

Future expansion potential

The crush and screen circuit and process plant have the benefit of including around 40% spare capacity, substantially reducing start-up risk and enabling future expansion.

Together with this spare capacity in the processing operation, there is significant potential to increase production through the future development of a "Stage 2" underground mine. The initial open pit design captures only 40% of the current total Mineral Resource delineated at the Project. The Barruecopardo deposit is open along strike and at depth, and further detailed delineation of the underground potential is planned during the open pit production phase.

Sustainability

Health and Safety

Saloro, as the operating company of the Barruecopardo Project, prioritises the welbeing of all personnel working on the site. Saloro has implemented rigorous health and safety policies and procedures, and is accredited for the international standard OHSAS 18001 (Occupational Health and Safety Management Systems).

Saloro reported two lost time injuries (LTI) during 2018 (2017: no LTI).

Environment

Saloro is also accredited for the international environmental standard ISO 14001 (Environmental Management). An Environmental Impact Assessment was a key requirement during the Project's permitting process and the Project was granted an Environmental Impact Declaration by the regional

Process plant flotation cells

Review of activities

environmental authority in 2014.

The Project's environmental management system and supporting action plans ensure that the Barruecopardo mine development project and mining operations are managed according to best practice and all necessary standards, that the activities are continuously monitored and that the local community and relevant authorities are regularly informed during the Project's implementation and operation.

As Barruecopardo was a brownfields, abandoned mine site, a key element of the current Project is to actually improve the site initially through clean-up of legacy contamination, and thereafter by responsible environmental stewardship during operations, followed by a comprehensive closure and rehabilitation plan which will eventually leave the site in a much improved condition. Decontamination works within the Project site, relating to legacy contamination, were carried out during 2017 and 2018, including the removal of asbestos roofing and old oil tanks, demolition of unstable mine buildings and clean-up of domestic refuse.
Another important aspect of the Project's environmental provisions is the use of the water previously accumulated in the historical pit excavation. This very weakly acidic water is being pumped to the water dams, neutralised and stored for use in processing operations and also for dust suppression and waste dump irrigation. The use of this existing water resource, and all other site water, in a closed-circuit, sustainable water management system, means that the mine will be self-sufficient in its water requirements and it will not be a burden on other water supply sources in the area.

Community Relations

Saloro is committed to ensuring that the benefits brought by its mine production activities are enjoyed by all stakeholders, including its employees and the local surrounding communities. This approach includes hiring staff from the local area and, where possible, using local contractors and suppliers.

Saloro supports local community events and in May 2018, during the annual Feria de San Felipe in Barruecopardo, Saloro was awarded the Town Medal in recognition of its investment in the town. Saloro also collaborates with the local school including talks by Saloro technical staff on a variety of subjects.

Primary jig during commissioning

Tungsten Market

Following a strong rally during the course of 2017, reported price quotations for ammonium paratungstate (APT), the secondary tungsten product most commonly used as an industry benchmark, started 2018 at US$313 per metric tonne unit (mtu).

APT prices strengthened further during the first half of the year, reaching US$352 per mtu in June 2018, largely on the back of environmental clampdowns in China, the dominant world primary tungsten producer. The enforcement of environmental standards by Chinese regulators led to the curtailment or closure of illegal and non-compliant mining operations in key mining centres, and Chinese APT production hubs were also reportedly impacted by this drive to reduce pollution. Restocking of inventories during this period by end-users concerned about future supply also served to increase prices.

Prices then dropped during July and August to settle at US$283 per mtu in September. This correction could be attributed to a combination of Chinese APT smelters coming back online following inspection-related closures, and traditional weak trading demand during the summer period. Prices remained largely rangebound during the remainder of 2018, ending 2018 at US$278 per mtu. Market reports during this period noted thin trading on the one hand and tight supply on the other, with the market seeking direction against broader financial and commodity market uncertainties including trade disputes and a weakening global growth outlook.

In early 2019, these same factors have continued to dominate trading sentiment. With tungsten demand being closely linked to global industrial activity, the global economic growth outlook will likely be a dominant factor. In its April 2019 World Economic Outlook, the IMF adjusted its global economy growth projections for 2019 downward to 3.3%, but predicted growth to pick up modestly in 2020 to 3.6%, with this increased growth being driven by emerging markets and developing economies while advanced economies continue to slow down.

On the supply side, there is increasing risk that available tungsten concentrates will not be sufficient to meet demand over the coming years. According to the Roskill research group, the tighter environmental policies in China have curbed supply and added cost pressures for producers. In addition, the tight

Process plant operation (May 2019)

Review of activities

supply outlook for tungsten concentrates is further supported by the lack of new mining projects coming on stream in the near to mid-term. While around 30,000 tonnes of APT stocks held by the failed Fanya Metal Exchange in China are a source of concern, it is not believed that these would be released to the market in an uncontrolled way and in the meantime the higher production costs related to environmental compliance in China are expected to prop-up prices for tungsten products globally.

Gold Joint Venture

Salamanca Province | 47% interest
Zamora Province | 42% interest

Ormonde continues to maintain its interest in the joint venture with Shearwater Group plc over gold exploration projects in the Salamanca and Zamora Provinces of western Spain.

Ormonde has a 47% interest in three Investigation Permits in the Salamanca Province. The Cabeza del Caballo permit was extended in 2017 for a further three years. A three-year extension of the Peralonso permit was granted by the regional mining authorities during 2018, and a new, three-year Investigation Permit called Nerva was granted by the provincial mining authorities in early 2019.

Ormonde has a 42% interest in two Investigation Permits in Zamora Province covering the Pino de Oro project. Three-year extensions for both permits were granted by the regional mining authorities during 2018.

Previous work by the joint venture and independent geological reports have affirmed the potential of these projects to host significant gold mineralisation and several drill targets have been delineated. Following an extended hiatus in field activities while permit renewals were being processed by the authorities, the JV partners are now engaged in discussions over funding proposals for the next exploration programs.

La Zarza

Huelva Province | Divestment

Ormonde's divestment of its landholding and data assets relating to the La Zarza Copper-Gold Project has been hampered for several years due to the mining concessions being held by a

Scheelite in table concentrate (May 2019) separate party, however the Company is confident that it will be resolved in the near future. An impairment has been made in the accounts to reflect the current status of the disposal.

A local court investigative procedure into an accidental discharge of acidic mine waters in May 2017 is ongoing, however as Ormonde is not the owner of the mining concessions and has not been active in this area since 2010, strong legal advice is that Ormonde has no responsibility and is unlikely to have any liability in this matter.

New Projects

The Company has applied for new Investigation Permits with gold exploration potential elsewhere in western Spain. Although some progress with these applications was noted during the year, their processing is ongoing and it remains unclear when they may be finally granted. These applications cover a significant surface area which includes several known prospects featuring gold-bearing, quartz vein systems. Previous exploration work yielded high-grade gold results from trenching and shallow diamond drillholes which were primarily focused on a single prospect. The broader area remains largely under-explored using modern exploration methods.

The Company also reviews new opportunities on an ongoing basis that may align with its investment criteria and current or future funding capacity.

Open pit mining operations on the Barruecopardo east wall cutback (May 2019)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

Directors' Report

for the year ended 31 December 2018

The Directors present their Annual Report and Audited Financial Statements for the year ended 31 December 2018 of Ormonde Mining plc ("the Company") and its subsidiaries and associate (collectively "the Group").

Principal Activity

The Company is listed on the Euronext Growth Market of Euronext Dublin and the Alternative Investment Market (AIM) on the London Stock Exchange.

The principal activity of the Company and its subsidiaries and associate 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 sections of this report.

Results and Dividends

The Consolidated Statement of Comprehensive Income for the year ended 31 December 2018 and the Consolidated Statement of Financial Position as at that date are set out on pages 32 and 33 respectively.

The Directors do not recommend the payment of a dividend.

Principal Risks and Uncertainties

The Group's activities are carried out in Spain and Ireland. The Group undertakes periodic reviews to identify risk factors which may affect its business and financial performance. The summary set out below is not exhaustive as it is not possible to identify all risks that may affect the Group, but the Directors consider the principal risks and uncertainties to be the following:

Operating Risk

Mine development and operation are inherently risky. Risk factors typical of a mining project during development, commissioning and operation, include (but are not limited to): the availability and / or delivery of equipment and contractor services to complete mine construction on schedule and on budget; plant performance during and after commissioning; rates of metal recovery in the process plant; mined ore tonnages and grade in comparison to estimated ore reserves; cost overruns and the potential for future additional funding requirements; and tungsten concentrate sales prices.

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 the grant, maintenance or renewal of any required authorisations; and 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 changes in national laws and energy policies and exposure to different legal systems.

Financial Risk

Financial risk is explained in detail in Note 22.

Share Price

The share price movement in the year ranged from a low of €0.0200 to a high of €0.0700 (2017: €0.0125 to €0.0288). The share price at the year end was €0.0500 (2017: €0.0213).

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

Michael Donoghue
Executive Director, Chairman and Interim Managing Director
Member of the Remuneration Committee and Audit Committee

A mining engineer by profession, Michael brings to the Board extensive experience in the evaluation, funding, development and operation of mines as well as broad management and executive experience gained from over 40 years in the mining industry. The geographic scope of Michael's career includes 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 has an Honours degree in Geology from University College Dublin, a Masters degree in Mine Engineering from University of Newcastle and holds diplomas in Management and Applied Finance. Michael was appointed Chairman of Ormonde in April 2004 and Interim Managing Director in September 2017.

Details of Non-Executive Directors

John Carroll
Non-Executive Director and Company Secretary
Chair of the Audit Committee

John is a chartered secretary by profession, and brings to the Board general financial skills and business experience combined with a deep understanding of investor needs and outlook. He has over 40 years of business experience including seven years as a manager with KPMG in the Investment Company Department. He has widespread business contacts in Ireland and significant investor and executive experience in the resource sector. He was appointed Company Secretary in March 2005 with oversight for compliance matters and providing support to the Chair in ensuring the effective functioning of the Board.

Jonathan Henry
Non-Executive Director and Senior Independent Director
Chair of the Remuneration Committee

Jonathan brings to the Board extensive mining industry management and executive experience and strong leadership skills. From June 2010 to July 2018 Jonathan was President and Chief Executive Officer of TSXV quoted Gabriel Resources Ltd. Previously, between 1994 and 2010, he worked with Avocet Mining PLC, a UK listed gold mining and exploration company, in a variety of senior management capacities including Finance Director and Chief Executive Officer. 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. He is currently a director of TSXV quoted companies Ashanti Gold Corp and Giyani Metals Corp., where he is non-executive chairman. Jonathan has an Honours degree in Natural Sciences from Trinity College, Dublin.

Directors' Report
for the year ended 31 December 2018

Directors	31 Dec '18	1 Jan '18
	Ordinary Shares	Ordinary Shares
John Carroll	2,184,251	2,184,251
Michael Donoghue	3,595,233	3,595,233
Jonathan Henry	-	-

Directors	18 Jun'19	31 Dec '18	1 Jan '18
	Share Options	Share Options	Share Options
John Carroll	750,000 #	750,000 #	750,000 #
John Carroll	750,000 \	750,000 \	750,000 \
Michael Donoghue	750,000 #	750,000 #	750,000 #
Michael Donoghue	1,000,000 \	1,000,000 \	1,000,000 \

No change in the above share options has occurred between 31 December 2018 and the date of approval of these financial statements other than those detailed above.

- Share options are exercisable at a price of €0.034 at the discretion of the holder up to the date of expiration.

\ - Share options are exercisable at a price of €0.068 at the discretion of the holder up to the date of expiration.

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

See Note 19 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 20 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 2018 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	
	18 Jun '19	31 Dec '18
Thomas Anderson	10.87%	10.87%
M & G Investment Managers	8.97%	8.97%
Goodbody Stockbrokers Nominees Limited	7.42%	7.23%
Interactive Investor Services Limited	2.99%	3.05%

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 12 to the financial statements.

Political Donations

There were no political donations during the year as defined by the Electoral Act 1997.

Directors' Responsibility Statement

The Directors are responsible for preparing the Directors' 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. Under that law and in accordance with AIM and Euronext Growth market rules the Directors have prepared the Company's financial statements in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the EU ("EU IFRS"), and as regards the Parent Company financial statements, as applied in accordance with the provisions of the Companies Act 2014.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company and the Group and of its profit or loss for that period.

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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- assess the Group and Parent Company's ability to continue as a going concern, disclosing as applicable matters relating to Going Concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or Parent Company or to cease operations or have no realistic alternative but to do so.

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 Group and Parent Company and enable them to ensure that the financial statements 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 Company and 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.

Directors' Report

for the year ended 31 December 2018

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 a management services agreement with 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 or this income was to cease, the Group would be required to seek alternative sources of funding through proceeds from the disposal of assets and / or obtaining equity finance.

The future of the Company and the Group is also dependent on the successful future outcome of the ramping up of production at its associate investment's mining operation in Spain, and its exploration interests and of the availability of further funding to bring these interests into production.

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

Corporate Governance

The Directors are committed to maintaining the highest standards of corporate governance commensurate with the size, stage of development and financial status of the Group. A change to the London Stock Exchange's AIM Rule 26 requires that, as of 28 September 2018, each AIM company must include on its website details of a recognised Corporate Governance Code that the Board of Directors has decided to apply, how the Company complies with that Code, and where it departs from its chosen Corporate Governance Code an explanation of the reasons for doing so.

The Ormonde Board of Directors has elected to apply the Quoted Companies Alliance Corporate Governance Code ("the QCA code"). The QCA Code is constructed around ten broad principles and a set of disclosures that focus on the pursuit of growth in the medium to long-term, and a dynamic management framework accompanied by good communication to promote confidence and build trust. A detailed report on Ormonde's corporate governance practices and related disclosure under each of these ten principles is posted on the corporate governance page of the Company's website.

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 three Directors, comprising two non-executive directors and one executive director. The Board met formally on twelve occasions during the year ended 31 December 2018. An agenda and supporting documentation were 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.

Board meeting attendance	
John Carroll	11 / 12
Michael Donoghue	12 / 12
Jonathan Henry	12 / 12

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

Audit Committee

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

Nominations Committee

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

Remuneration Committee

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

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 2018 was €145,000 (31 December 2017: €208,555).

	31 Dec '18	31 Dec '17
	€	**€**
Executive Directors		
Stephen Nicol (resigned 18 September 2017)	-	63,555
Michael Donoghue	75,000	75,000
Total Executive Directors' remuneration	**75,000**	**138,555**
Non-Executive Directors		
John Carroll	35,000	35,000
Jonathan Henry	35,000	35,000
Total Non-executive Directors' remuneration	**70,000**	**70,000**
Total Directors' remuneration	**145,000**	**208,555**

Communications

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

Internal Control

The Board is responsible for maintaining the Group's system of internal control to safeguard shareholders' investments and Group assets.

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

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

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

- budgets are prepared for approval by the Board;
- expenditure and income are compared to previously approved budgets;

Directors' Report
for the year ended 31 December 2018

- 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; and
- the Directors, via 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.

Post Balance Sheet Events
The Directors confirm that there have been no events since the end of the financial year which would require adjustment to or disclosure in the financial statements other than those disclosed in Note 12.

Directors' Compliance Statement
The Directors, in accordance with Section 225(2) of the Companies Act 2014, acknowledge that they are responsible for securing the Company's compliance with certain obligations specified in that Section arising from the Companies Act 2014, and tax laws ("relevant obligations"). The Directors confirm that:

- a Compliance Policy Statement has been drawn up setting out the Company's policies that in their opinion are appropriate with regards to such compliance;
- appropriate arrangements and structures have been put in place that, in their opinion, are designed to provide reasonable assurance of compliance in all material respects with those relevant obligations; and
- a review has been conducted, during the financial year, of those arrangements and structures.

Relevant Audit Information
The Directors believe that they have taken all steps necessary to make themselves aware of any relevant audit information and have established that the Group's statutory auditors are aware of that information. In so far as they are aware, there is no relevant information of which the Group's statutory auditors are unaware.

Auditors
Pursuant to Section 383(2) of the Companies Act 2014, the auditors, Nexia Smith and Williamson (Ireland) Limited, will continue in office.

On behalf of the Board

John Carroll
Director

Michael Donoghue
Director

Date: 18 June 2019

Independent Auditors' Report

for the year ended 31 December 2018

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Ormonde Mining plc ('the Company') for the year ended 31 December 2018, 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 the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU"), and as regards the Parent Company financial statements, as applied in accordance with the provisions of the Companies Act 2014.

In our opinion:

- the financial statements give a true and fair view of the assets, liabilities and financial position of the Group and Parent Company as at 31 December 2018 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRS as adopted by the EU as applied in accordance with the provisions of the Companies Act 2014;
- the Parent Company financial statements have been properly prepared in accordance with IFRS as adopted by the EU as applied in accordance with the provisions of the Companies Act 2014; and
- the Group and Parent Company financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014 and as regards the Group financial statements Article 4 of the IAS Regulation.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law. Our responsibilities are further described in the Auditor's responsibilities section of our report. We have fulfilled our ethical responsibilities under, and we remained independent of the Group in accordance with ethical requirements that are relevant to the audit of Financial Statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority ("IAASA") as applied to listed entities. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Group audit matters

In arriving at the Group audit opinion we determined that there were two key audit matters:

1) carrying value and impairment of intangible assets, detailed in Note 10, with a carrying value of €2.7 million; and

2) carrying value and impairment of investment in associate, detailed in Note 12, with a carrying value of €16.7 million.

There is a significant risk in relation to recoverability of intangible assets and the investment in associate given the judgemental and subjective considerations in performing impairment analysis, which the Directors are required to perform at any time an indicator of impairment exists. The Directors performed an impairment review in respect of their intangible assets and have recorded an impairment of €600,000.

In addressing the matters, our audit procedures included:

- considering management's impairment assessment and corroborated the information therein through other information obtained during the course of the audit; and
- considering the ongoing activities in respect of each claim area and considering the existence of impairment indicators to determine the need for an impairment provision.

Independent Auditors' Report
for the year ended 31 December 2018

Company audit matters

In arriving at the Company audit opinion, the key audit matter was the carrying value and impairment of the investment in subsidiaries as detailed in Note 12. There is a significant risk given the judgemental and subjective considerations in performing impairment analysis which the Directors are required to perform at any time an indicator of impairment exists. The Directors performed an impairment review of their investment in subsidiaries and have recorded an impairment of €709,000.

In addressing the matter our audit procedures included:

- considering management's impairment assessment and corroborated the information therein through other information obtained during the course of our audit.

Audit Scope

We conducted audit work in relation to six reporting components. We paid particular attention to these components due to their size or characteristics and to ensure appropriate coverage. An audit on the full financial information of two components was performed.

Taken together, the reporting components where an audit on the full financial information was performed accounted for 100% of Group revenues and Group loss before taxation and non-trading items.

For the four remaining components we performed analysis at a Group level to re-examine our assessment that there were no significant risks of material misstatement within these.

The Group audit team visited two component locations in Ireland and the Netherlands. Telephone conference and physical meetings were held with the component auditors in the Netherlands. At these visits and meetings, the Group audit team discussed the component auditors' risk assessment and planned audit approach; once the audit work was completed, the findings reported to the Group audit team were discussed in more detail. In addition to these planned visits and meetings, the Group audit team sent detailed instructions to the component audit team and reviewed their audit working papers.

Our application of materiality and an overview of the scope of our audit

Materiality for the Group financial statements was set at €350,000 (2017: €100,000), determined with reference to a benchmark of the Group's net assets of which it represents 1.98% (2017: 0.50%). We consider net assets to be the most appropriate benchmark as it reflects the nature of the business as a mining entity at the exploration and evaluation stage of its lifecycle.

Materiality for the Company financial statements as a whole was set at €50,000 (2017: €57,000) determined by reference to a benchmark of the Company's net assets, excluding the investment in subsidiaries, of which it represents approximately 0.58% (2017: 0.65%).

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (Ireland) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report and Accounts, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Opinion on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that:

- 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 Company were sufficient to permit the Parent Company financial statements to be readily and properly audited; and
- the Company Statement of Financial Position is in agreement with the accounting records.

Matters on which we are required to report by exception:

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

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description which forms part of our Auditors' Report, of our responsibilities for the audit of the financial statements is located on the IAASA's website at: https://www.iaasa.ie/Publications/ISA-700-(Ireland)

The purpose of the audit report and to whom we owe our responsibilities

This report is made solely to the Company's Members, as a body, in accordance with 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 we are required to state to them in an Auditors' 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 and the Company's Members, as a body, for our audit work, for this report, or for the opinions we have formed.

Brendan Murtagh

Brendan Murtagh
Statutory auditor

For and on behalf of
Nexia Smith and Williamson (Ireland) Limited

Chartered Accountants
Statutory Audit Firm
Paramount Court
Corrig Road
Sandyford Business Park
Dublin 18

Date: 18 June 2019

Consolidated Statement of Comprehensive Income

for the year ended 31 December 2018

Continuing Operations	**Notes**	**2018 € 000's**	**2017 (restated) € 000's**
Turnover		**750**	750
Administration expenses		**(1,023)**	(764)
Impairment of intangible assets	10	**(600)**	-
Loss on ordinary activities before investments, financing and income tax		**(873)**	(14)
Group share of loss on associate investment	12	**(776)**	(86)
Loss before financing and income tax		**(1,649)**	(100)
Finance costs	5	**-**	(1)
Loss for the year before tax		**(1,649)**	(101)
Income tax expense	9	**(1)**	-
Loss after tax for the year all attributable to the owners of the Company		**(1,650)**	(101)
Other comprehensive income			
Foreign exchange on translation of overseas associate		**523**	(1,554)
Other comprehensive income for the financial year		**523**	(1,554)
Total comprehensive income for the financial year		**(1,127)**	(1,655)
Earnings per share from continuing operations			
Basic and diluted loss per share (in cent)	8	**(0.35)**	(0.02)

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

The accompanying notes on pages 39 to 57 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 18 June 2019 and signed on its behalf by :

On behalf of the Board

John Carroll
Director

Michael Donoghue
Director

Date: 18 June 2019

Consolidated Statement of Financial Position

as at 31 December 2018

	Notes	2018 € 000's	2017 (restated) € 000's
Assets			
Non-Current Assets			
Intangible assets	10	**324**	3,311
Investment in associate	12	**16,718**	16,971
Total Non-Current Assets		**17,042**	20,282
Current Assets			
Trade and other receivables	13	**42**	32
Cash and cash equivalents	14	**399**	511
Asset classified as held for sale	10	**2,400**	-
Total Current Assets		**2,841**	543
Total Assets		**19,883**	20,825
Equity and Liabilities			
Capital and Reserves			
Issued capital	16	**13,485**	13,485
Share premium account	16	**29,932**	29,932
Share based payment reserve	17	**837**	837
Capital conversion reserve fund	17	**29**	29
Capital redemption reserve fund	17	**7**	7
Foreign currency translation reserve	17	**1,268**	745
Retained loss	18	**(25,962)**	(24,312)
Equity Attributable to Owners of the Company		**19,596**	20,723
Total Equity		**19,596**	20,723
Current Liabilities			
Trade and other payables	15	**287**	102
Total Current Liabilities		**287**	102
Total Liabilities		**287**	102
Total Equity and Liabilities		**19,883**	20,825

The accompanying notes on pages 39 to 57 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 18 June 2019 and signed on its behalf by :

On behalf of the Board

John Carroll
Director

Michael Donoghue
Director

Date: 18 June 2019

Company Statement of Financial Position

as at 31 December 2018

	Notes	2018 € 000's	2017 € 000's
Assets			
Non-Current Assets			
Investment in subsidiaries and associates	12	**8,071**	8,780
Total Non-Current Assets		**8,071**	8,780
Current Assets			
Trade and other receivables	13	**8,537**	8,380
Cash and cash equivalents	14	**345**	448
Total Current Assets		**8,882**	8,828
Total Assets		**16,953**	17,608
Equity and Liabilities			
Capital and Reserves			
Issued capital	16	**13,485**	13,485
Share premium account	16	**29,932**	29,932
Share based payment reserve	17	**837**	837
Capital conversion reserve fund	17	**29**	29
Capital redemption reserve fund	17	**7**	7
Retained loss	18	**(27,595)**	(26,756)
Equity Attributable to Owners of the Company		**16,695**	17,534
Total Equity		**16,695**	17,534
Current Liabilities			
Trade and other payables	15	**258**	74
Total Current Liabilities		**258**	74
Total Liabilities		**258**	74
Total Equity and Liabilities		**16,953**	17,608

The accompanying notes on pages 39 to 57 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 18 June 2019 and signed on its behalf by :

On behalf of the Board

John Carroll
Director

Michael Donoghue
Director

Date: 18 June 2019

Consolidated Statement of Cashflows

for the year ended 31 December 2018

	Notes	2018 € 000's	2017 € 000's
Cashflows from operating activities			
Loss for the year before taxation		**(873)**	(15)
Adjustments for:			
Impairment of intangible assets		**600**	-
Tax expense		**(1)**	-
Cashflow from operating activities		**(274)**	(15)
Movement in working capital			
Movement in debtors		**(10)**	5
Movement in creditors		**185**	(162)
Net cash generated by operating activities		**(99)**	(172)
Cashflows from investing activities			
Net expenditure on intangible assets		**(13)**	(11)
Cashflow from investing activities		**(13)**	(11)
Net decrease in cash and cash equivalents		**(112)**	(183)
Cash and cash equivalents at the beginning of the year	14	**511**	694
Cash and cash equivalents at the end of the year	14	**399**	511

The accompanying notes on pages 39 to 57 form an integral part of these financial statements.

Company Statement of Cashflows

for the year ended 31 December 2018

	Notes	2018 € 000's	2017 € 000's
Cashflows from operating activities			
(Loss) / profit for the year before taxation		**(839)**	149
Adjustments for:			
Impairment of financial asset		**709**	-
Cashflow from operating activities		**(130)**	149
Movement in working capital			
Movement in debtors		**(157)**	(85)
Movement in creditors		**184**	(136)
Net cash generated by operating activities		**(103)**	(72)
Net decrease in cash and cash equivalents		**(103)**	(72)
Cash and cash equivalents at the beginning of the year	14	**448**	520
Cash and cash equivalents at the end of the year	14	**345**	448

The accompanying notes on pages 39 to 57 form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

for the year ended 31 December 2018

	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 2017 (as restated)	13,485	29,932	837	2,335	(24,211)	22,378
Loss for the year	-	-	-	-	(101)	(101)
Foreign exchange on overseas associate	-	-	-	(1,554)	-	(1,554)
Balance at 31 December 2017 (as restated)	**13,485**	**29,932**	**837**	**781**	**(24,312)**	**20,723**
Balance at 1 January 2018	13,485	29,932	837	781	(24,312)	20,723
Loss for the year	-	-	-	-	(1,650)	(1,650)
Foreign exchange on overseas associate	-	-	-	523	-	523
Balance at 31 December 2018	**13,485**	**29,932**	**837**	**1,304**	**(25,962)**	**19,596**

The accompanying notes on pages 39 to 57 form an integral part of these financial statements.

Company Statement of Changes in Equity

for the year ended 31 December 2018

	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 2017	13,485	29,932	837	36	(26,905)	17,385
Profit for the year	-	-	-	-	149	149
Balance at 31 December 2017	**13,485**	**29,932**	**837**	**36**	**(26,756)**	**17,534**
Balance at 1 January 2018	13,485	29,932	837	36	(26,756)	17,534
Loss for the year	-	-	-	-	(839)	(839)
Balance at 31 December 2018	**13,485**	**29,932**	**837**	**36**	**(27,595)**	**16,695**

The accompanying notes on pages 39 to 57 form an integral part of these financial statements.

Notes to the Financial Statements

for the year ended 31 December 2018

1. 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 18 June 2019.

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 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 ("EU IFRS"). The individual financial statements of the Company ("Company Financial Statements") have been prepared in accordance with EU IFRS 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 EU IFRS 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 2018.

New accounting standards and interpretations for the year ending 31 December 2018

The following standards, amendments and interpretations apply from 1 January 2018:

- IFRS 9 Financial Instruments - effective 1 January 2018
- IFRS 15 Revenue from Contracts with Customers - effective 1 January 2018
- IFRS 2 Classification & measurement of share-based payment transactions - effective 1 January 2018
- IFRS 4 Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts - effective 1 January 2018
- IAS 40 Transfers of Investment Property - effective 1 January 2018

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 16 Leases - effective for periods beginning on or after 1 January 2019
- IFRIC 23 Uncertainty over Income Tax Treatments - effective 1 January 2019
- Amendments to IFRS 3: Amendments to clarify the definition of a business - effective 1 January 2020

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

for the year ended 31 December 2018

Functional and Presentation Currency

These Consolidated Financial Statements are presented in Euro (€), which is the Company's functional currency.

Use of Estimates

The preparation of financial statements in conformity with IFRS requires management to make 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 estimates about carrying values of assets and liabilities that are not readily apparent from other sources.

In particular, there are significant areas of estimation and in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements in the following area:

- Note 10 - Intangible Assets

Use of Judgements

The preparation of financial statements in conformity with IFRS requires management to make judgements that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The judgements 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 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 - Intangible Assets - Group
- Note 13 - Trade and Other Receivables - Amounts owed by Group undertakings

Consolidation

The Consolidated Financial Statements comprise the financial statements of Ormonde Mining plc and its subsidiaries and associate for the year ended 31 December 2018.

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 investment, 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.

Accounting for Subsidiaries

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.

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

Impairment

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

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

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

Notes to the Financial Statements

for the year ended 31 December 2018

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

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

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

Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the 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 Income Statement.

Share Based Payments

The fair value of share options granted to directors and employees under the Company's share option scheme is recognised as an expense with a corresponding credit to the share based payment reserve. The fair value is measured at grant date and spread over the period during which the awards vest. The fair value is measured using the Black-Scholes-Merton formula.

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

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

Share Capital

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

Earnings per Share

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

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.

From 1 January 2018, the Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost.

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 benefits is probable.

Revenue Recognition

Revenue represents the value of the consideration received or receivable for the provision of management services in respect of overseas mines. Revenue is recorded at invoice value, net of discounts, allowances and rebates and excludes value added tax. Revenue is recorded on a straight line basis as these contracted services are provided. Revenue is recorded when there are no unfulfilled obligations on the part of the Group, and recoverability of the revenue is certain.

Notes to the Financial Statements

for the year ended 31 December 2018

2. Going Concern

The Group made a loss of €1,649,996 and had cash and cash equivalents of €398,503 as at 31 December 2018. The Company entered into a management services agreement in connection with Barruecopardo Joint Venture BV, in June 2015, which provides for an annual fee of €1,000,000., of which €250,000 is subject to the mine subsidiary, Saloro SLU, meeting certain performance criteria. 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, once received, 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 Interim Managing Director for the purposes of resource allocation and assessment of segmental performance is specifically focussed on the exploration and development 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 and development 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 Loss	
	2018	2017	**2018**	2017 (restated)
	€ 000's	**€ 000's**	**€ 000's**	**€ 000's**
Exploration and development - Spain	**750**	750	**(1,050)**	(101)
Total for continuing operations	**750**	750	**(1,050)**	(101)
Impairment of intangible assets			**(600)**	-
Foreign exchange on translation of overseas associate			**523**	(1,554)
Consolidated total comprehensive income for the year			**(1,127)**	(1,655)

Segment assets and liabilities

Segment Assets	**2018**	2017
	€ 000's	**€ 000's**
Corporate - Group Asset	**441**	496
Exploration and development - Spain	**19,442**	20,329
Consolidated assets	**19,883**	20,825
Segment Liabilities		
Corporate - Group liabilities	**259**	74
Exploration and development - Spain	**28**	28
Consolidated liabilities	**287**	102

Other segment information

	Depreciation, Amortisation and Impairment		Additions to Non-Current Assets	
	2018	2017	**2018**	2017
	€ 000's	**€ 000's**	**€ 000's**	**€ 000's**
Exploration and development - Spain	**600**	-	**13**	11

Revenue from major products and services

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.). The Group also includes a holding company, Ormonde Mining B.V. which is incorporated in The Netherlands and is 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	
	2018	2017 (restated)
	€ 000's	**€ 000's**
Ireland	**-**	-
Spain	**17,042**	20,282
	17,042	20,282

4. Statutory Information

	2018	2017
	€ 000's	**€ 000's**
The loss for the financial year is stated after charging		
Impairment of intangible asset	**600**	-
Auditors' remuneration	**27**	25
Auditors' remuneration from non-audit work	**3**	3
and after crediting:		
(Profit) / loss on foreign currencies	**(1)**	3

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

for the year ended 31 December 2018

5. Finance costs

	2018	2017
	€ 000's	**€ 000's**
On loans and overdrafts	**-**	1

6. Employees

Number of employees

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

	2018	2017
	Number	**Number**
Directors	**3**	4
Administration /Technical	**4**	3
	7	7

Employment costs (including Directors)

	2018	2017
	€ 000's	**€ 000's**
Wages and salaries	**417**	407
Social welfare	**28**	25
	445	432

During the year wages and salaries of €12,503 (2017 : €Nil) were capitalised as intangible assets.

7. 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:

	2018	2017
	€ 000's	**€ 000's**
Salaries and other short-term employee benefits	**331**	287

8. 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:

		2018	2017
Loss for the year attributable to equity holders of the parent	€ 000's	**(1,650)**	(101)
Weighted average number of ordinary shares for the purposes of basic loss per share	Shares	**472,507,482**	472,507,482
Basic loss per ordinary share (in cent)	Euro Cents	**(0.35)**	(0.02)

Diluted earnings per share

Due to the Group's loss for the year, the share options are anti-dilutive and therefore Diluted Earnings per Share is the same as Basic Earnings per Share.

9. Income Tax Expense

	2018	2017
	€ 000's	**€ 000's**
Current tax		
Current tax expense in respect of the current year	**1**	-
Total tax charge	**1**	-

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:

	2018	2017
	€ 000's	**€ 000's**
Loss from continuing operations	**(1,649)**	(101)
Income tax expense calculated at 12.5% (31 December 2017 : 12.5%)	**(206)**	(13)
Effects of:		
Impairment on intangible assets	**75**	-
Tax relief granted at source on medical insurance	**1**	1
Deferred tax assets not recognised	**131**	12
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 2018, the Company had unused tax losses of €10,232,017 (2017: €10,101,493) available for offset against future profits which equates to a deferred tax asset of €1,279,002 (2017: €1,262,687). No deferred tax asset has been recognised due to the unpredictability of the future profit streams. Losses may be carried forward indefinitely.

Notes to the Financial Statements

for the year ended 31 December 2018

10. Intangible Assets - Group

	31 Dec '18	31 Dec '17	1 Jan '17
	€ 000's	**€ 000's**	**€ 000's**
Net book value	**2,724**	3,311	3,300
	2,724	3,311	3,300

	31 Dec '18	31 Dec '17	1 Jan '17
	€ 000's	**€ 000's**	**€ 000's**
Non current assets	**324**	3,311	3,300
Held for sale assets	**2,400**	-	-
	2,724	3,311	3,300

The Directors have made the decision to make available for sale the Group's interests related to the La Zarza project, Spain. Consequently this has been reclassified as an available for sale asset at 31 December 2018. The Company's interest in the asset is expected to be disposed of on commercial terms at a future date.

	Exploration & Evaluation Assets
	€ 000's
At 1 January 2017	3,300
Additions	11
At 31 December 2017	3,311
Additions	13
Impairment	(600)
At 31 December 2018	**2,724**

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 2018.

The Directors have recorded an impairment of €600,000 (2017 : €Nil).

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

11. Property, Plant and Equipment

Property, Plant and Equipment - Group

	Fixtures & Fittings	Computer Equipment	Total
	€ 000's	€ 000's	€ 000's
Cost or Valuation			
At 1 January 2018	2	16	18
At 31 December 2018	**2**	**16**	**18**
Accumulated Depreciation			
At 1 January 2018	2	16	18
Depreciation charge	-	-	-
At 31 December 2018	**2**	**16**	**18**
Net Book Value			
At 31 December 2018	**-**	**-**	**-**
At 31 December 2017	-	-	-

Property, Plant and Equipment - Company

	Fixtures & Fittings	Computer Equipment	Total
	€ 000's	€ 000's	€ 000's
Cost or Valuation			
At 1 January 2018	2	16	18
At 31 December 2018	**2**	**16**	**18**
Accumulated Depreciation			
At 1 January 2018	2	16	18
Depreciation charge	-	-	-
At 31 December 2018	**2**	**16**	**18**
Net Book Value			
At 31 December 2018	**-**	**-**	**-**
At 31 December 2017	-	-	-

Notes to the Financial Statements

for the year ended 31 December 2018

12. Financial Assets

Financial Assets - Group

	2018	2017 (restated)
	€ 000's	**€ 000's**
Cost		
At 1 January	**16,971**	18,611
Group's share of loss in associate	**(776)**	(86)
Foreign exchange movement	**523**	(1,554)
At 31 December	**16,718**	16,971

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. Barruecopardo Joint Venture BV is reporting under US dollar (US$). Foreign exchange adjustments arise annually and are unrealised. The gains arising from these foreign exchange adjustments have been dealt with by way of restatement of the investment value of €744,000 for the year ended 31 December 2017. 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.

	2018	2017
	US$ 000's	**US$ 000's**
Non current assets	107,233	69,329
Current assets	12,594	20,256
Current liabilities	(6,752)	(5,034)
Non current liabilities	(49,290)	(16,748)
The following amounts have been included in the amounts above:		
Cash and cash equivalents	2,731	4,222
Non current financial liabilities	(41,942)	(10,026)
Loss from continuing operations	(3,900)	(853)
Total loss after tax	(2,962)	(345)
The following amounts have been included in the amounts above:		
Depreciation and amortisation	10	9
Interest income	-	-

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

As a result of the lower grade material encountered in the northern starter pit at the Barruecopardo Tungsten Project, and the requirement to accelerate the mining of the east-wall cutback, the net debt to EBITDA financial covenant to be tested on 30 September 2019 would not be met. Following discussions between Saloro and Oaktree ("OCM"), the Project's debt provider, a waiver and amendment agreement has recently been signed, which provides a waiver in relation to the breach which would have otherwise occurred on 30 September 2019 and an amendment to the terms of the debt facility resulting in an additional interest rate of 2% per annum being payable on amounts outstanding under the facility (to be capitalised, not paid in cash). This 2% will cease to be payable should the test on 31 March 2020 be achieved or should each of the subsequent net debt to EBITDA financial covenant tests be met on their relevant testing dates (tested on a six monthly basis).

In addition, and in relation to the above, the joint venture investment company Barruecopardo Joint Venture BV has also signed an agreement with OCM Luxembourg Tungsten Holdings S.a.r.l. ("OCM Lux") for advisory services relating to any potential future sale of the Project. This agreement entitles OCM Lux to a fee of 2% on sales proceeds (total consideration including equity and debt) relating to any sale of all or part of the Project within the next 21 months.

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 and production of development, operational, evaluation and exploration assets. Should the development or production of these 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 2017	15,152
At 31 December 2017	15,152
At 31 December 2018	**15,152**
Accumulated Amortisation and Impairment	
At 1 January 2017	(6,372)
At 31 December 2017	(6,372)
Impairment	(709)
At 31 December 2018	**(7,801)**
Net Book Values	
At 31 December 2018	**8,071**
At 31 December 2017	8,780

At 31 December 2018 the Company had the following subsidiary undertakings:

Subsidiary	**Activity**	**Incorporated in**	**Proportion of ownership interest and voting power held**	
			2018	2017
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 2018 is appropriate. An impairment of €709,000 was recognised during the period in relation to the holding value of Ormonde Espana, S.L.U. (no impairments during 2017).

Notes to the Financial Statements

for the year ended 31 December 2018

13. Trade and Other Receivables

	Group 2018	Group 2017	**Company 2018**	Company 2017
	€ 000's	**€ 000's**	**€ 000's**	**€ 000's**
Amounts falling due within one year:				
Trade debtors	**-**	-	**3**	
Amounts owed by Group undertakings	**-**	-	**8,479**	8,353
Other debtors	**21**	-	**35**	11
Prepayments and accrued income	**21**	32	**20**	16
	42	32	**8,537**	8,380

All receivables are current and there have been no impairment losses during the year (2017: Nil)

14. Cash and Cash Equivalents

	Group 2018	Group 2017	**Company 2018**	Company 2017
	€ 000's	**€ 000's**	**€ 000's**	**€ 000's**
Cash at bank	**399**	511	**345**	448

15. Trade and Other Payables

	Group 2018	Group 2017	**Company 2018**	Company 2017
	€ 000's	**€ 000's**	**€ 000's**	**€ 000's**
Trade creditors	**180**	10	**180**	8
Other taxes and social welfare costs	**14**	19	**14**	9
Accruals and deferred income	**93**	73	**64**	57
	287	102	**258**	74

The Group's exposure to currency and liquidity risks related to trade and other payables is set out in Note 22.

16. Share capital - Group and Company

	31 Dec '18	31 Dec '17	1 Jan '17
	€ 000's	€ 000's	€ 000's
Authorised equity			
650,000,000 Ordinary Shares of €0.025 each	**-**	-	16,250
650,000,000 Ordinary Shares of €0.01 each	**6,500**	6,500	-
100,000,000 Deferred Shares of €0.038092 each	**3,809**	3,809	3,809
650,000,000 "A" Deferred Shares of €0.015 each	**9,750**	9,750	-
	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 €0.025 each	**-**	-	11,812
472,507,483 Ordinary Shares of €0.01 each	**4,725**	4,725	-
43,917,841 Deferred Shares of €0.038092 each	**1,673**	1,673	1,673
472,507,483 "A" Deferred Shares of €0.015 each	**7,087**	7,087	-
	13,485	13,485	13,485

The Authorised and Issued share capital was amended in 2017 by the subdivision and re-designation of each issued and unissued Ordinary Share of €0.025 each into two Ordinary Shares of €0.005 each and three "A" Deferred Shares of €0.005 each, following which the shares were consolidated into one Ordinary Share of €0.01 each for every two Ordinary Shares of €0.005 each and one "A" Deferred Share of €0.015 each for every three "A" Deferred Shares of €0.005 each.

Deferred shares

The holders of the Deferred Shares shall not, by virtue or in respect of their holding of Deferred Shares, have the right to receive notice of any general meeting of the Company or the right to attend, speak or vote at any such general meeting. The Deferred Shares shall not entitle the holder(s) to receive any dividend or other distribution on the Deferred Shares. The Deferred Shares shall on a return of assets in a winding up entitle the holder(s) thereof only to the repayment of the amounts paid up on such shares after repayment of the capital paid up on the Ordinary Shares plus the payment of €12,697.38 per Ordinary Share. The Company shall have the irrevocable authority at any time to appoint any person to execute on behalf of the holders of the Deferred Shares a transfer therof and/or arrangement to transfer the same, without making any payments to the holders therof. 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. Subject as aforesaid, the Deferred Ordinary Shares are not transferable by the holder(s) thereof.

"A" Deferred shares

The holders of the "A" Deferred Shares shall not, by virtue or in respect of their holding of "A" Deferred Shares, have the right to receive notice of any general meeting of the Company or the right to attend, speak or vote at any such general meeting. The "A" Deferred Shares shall not entitle the holder(s) to receive any dividend or other distribution on the "A" Deferred Shares. The "A" Deferred Shares shall on a return of assets in a winding up entitle the holder(s) thereof only to the repayment of the amounts paid up on such shares after repayment of the capital paid up on the Ordinary Shares plus the payment of €12,697.38 per Ordinary Share. The Company shall have the irrevocable authority at any time to appoint a person to execute on behalf of the holders of the "A" Deferred Shares a transfer therof and/or arrangement to transfer the same, without making any payments to the holders therof. The Company may, at its option at any time purchase all or any of the "A" Deferred Shares in issue, at a price not exceeding €0.015 for all the "A" Deferred Shares so purchased. Subject as aforesaid, the "A" Deferred Ordinary Shares are not transferable by the holder(s) thereof.

Notes to the Financial Statements

for the year ended 31 December 2018

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 1.2% of ordinary shares, or 1.9% 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 19), is 10% of issued share capital.

17. 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 2017 (as restated)	837	29	7	2,299
Foreign exchange on associate undertaking	-	-	-	(1,554)
Balance at 31 December 2017 (as restated)	837	29	7	745
Balance at 1 January 2018 (as restated)	837	29	7	745
Foreign exchange on associate undertaking	-	-	-	523
Balance at 31 December 2018	**837**	**29**	**7**	**1,268**

18. Retained Losses

	Group 2018	Group 2017	**Company 2018**	Company 2017
	€ 000's	€ 000's	€ 000's	€ 000's
Deficit at beginning of year	**(24,312)**	(24,211)	**(26,756)**	(26,905)
(Loss) / profit for the year	**(1,650)**	(101)	**(839)**	149
Deficit at end of year	**(25,962)**	(24,312)	**(27,595)**	(26,756)

In accordance with the provisions of the Companies Act 2014, the Company has not presented the Company Statement of Comprehensive Income. The Company's loss for the period of €839,406 (2017: profit of €149,375) has been dealt with in the Statement of Comprehensive Income of the Group.

19. Share-based payments

Employee share option plan

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

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

There were 4.875 million options granted in 2018 (2017: Nil), with a net 2 million options expiring over the same period (2017: Nil).

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 2018		31 December 2017	
	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	15,500	€0.049	15,500	€0.049
Expired during the financial year	(3,550)	€0.055	-	-
Extended during the year	1,550	€0.068	-	-
Extended during the year	4,875	€0.027	-	-
Balance at end of the financial year	18,375	€0.040	15,500	€0.049
Exercisable at end of the financial year	**18,375**	**€0.040**	**15,500**	**€0.049**

There were no amounts expensed (2017: Nil) in the Income Statement in connection with share-based payments.

Balance at end of the financial year

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

	Number of Share Options Outstanding	Exercise Price
	000's	
Option Series 2	1,550	€0.034
Option Series 6	6,000	€0.068
Option Series 7	5,950	€0.025
Option Series 8	4,875	€0.027
	18,375	

The options outstanding at 31 December 2018 had a remaining average contractual life of 5.5 years.

Notes to the Financial Statements

for the year ended 31 December 2018

20. Related party transactions

Details of subsidiary undertakings are shown in Note 12. Transactions between Group entities that have been eliminated on consolidation are not disclosed.

The Group holds a 30% shareholding in Barruecopardo Joint Venture B.V. In the year, an amount of €750,000 was invoiced to and paid by Barruecopardo Joint Venture B.V.

21. Events after the Reporting Date

There were no events after the reporting date that require disclosure other than those disclosed in Note 12.

22. Financial Instruments and Financial Risk Management

The Group and Company's principal financial instruments comprise cash and cash equivalents. The main purpose of these financial instruments is to provide finance for the Group and Company's operations. The Group has various other financial assets and liabilities such as receivables and trade payables, which arise directly from its operations.

It is, and has been throughout 2018 and 2017, 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 2018 and 31 December 2017, 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 2018 and 31 December 2017 were all payable on demand.

The expected maturity of the Group and Company's financial assets (excluding prepayments) as at 31 December 2018 and 31 December 2017 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 2018 and 31 December 2017.

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 2018 and 31 December 2017. 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 2018 and 31 December 2017, the Group had no outstanding contracts designated as hedges.

23. Approval of Financial Statements

The financial statements were approved by the Board on 18 June 2019.

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 Monday 23 September 2019 at 11 AM for the purpose of considering and, if thought fit, passing the following resolutions of which Resolutions numbered 1 to 4 inclusive will be proposed as Ordinary Resolutions and Resolution 5 will be proposed as a Special Resolution.

Ordinary Business

1) To receive and consider the accounts for the year ended 31 December 2018, 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 2018 (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 23 December 2020 unless previously renewed, varied or revoked by the Company in a 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.

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Special Business

5) As a special resolution (Resolution 5):

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 Companies Act 2014 (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 5), 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 5 and 23 December 2020, 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.

27 June 2019
BY ORDER OF THE BOARD

John Carroll
Secretary

Registered Office:
c/o Smith and Williamson
Paramount Court
Corrig Road
Sandyford Business Park
Dublin 18
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, 3100 Lake Drive, Citywest Business Campus, Dublin 24, D24 AK82, Ireland not less than 48 hours before the time appointed for the holding of the meeting.

3. In the case of a corporation this instrument may be either under the common seal or under the hand of an officer or attorney authorised in that behalf.

4. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other registered holders and for this purpose seniority shall be determined by the order in which the name stands in the Register of Members in respect of the joint holding.

5. If a proxy is executed under a Power of Attorney such Power of Attorney must be deposited at the Registrar's office along with the instrument of proxy.

6. Completing and returning a Form of Proxy shall not preclude a member from attending and voting at the meeting should he/she so wish.

FORM OF PROXY

FOR USE AT THE ANNUAL GENERAL MEETING TO BE HELD AT 11 AM ON 23 SEPTEMBER 2019 AT THE CROWNE PLAZA HOTEL, THE BLANCHARDSTOWN CENTRE, BLANCHARDSTOWN, DUBLIN 15 AND AT ANY ADJOURMENT THEREOF

ORMONDE MINING PUBLIC LIMITED COMPANY (THE "COMPANY")

	Resolutions	For*	Against*
1	To receive and consider the accounts for the year ended 31 December 2018, 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 2018		
4	To authorise the Directors to allot relevant securities		
5	To authorise the Directors to allot equity securities for cash and to dis-apply statutory pre-emption rights		

I/We...

of...

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

__________________of__________________or failing him / her

__________________of__________________or failing him / her,

the Chairman of the meeting to be my / our proxy to vote for me / us and on my / our behalf at the Annual General Meeting of the Company convened for the 23 September 2019 at 11 AM, at the Crowne Plaza Hotel, The Blanchardstown Centre, Blanchardstown, Dublin 15 and at any adjournment thereof.

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

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

DATED THIS...**day of**..............................**2019**

SIGNATURE...

NAME IN FULL
(BLOCKLETTERS)..

Notes

1. Any member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend, speak and vote on his / her behalf. A proxy need not be a member of the Company.
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4. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other registered holders and for this purpose seniority shall be determined by the order in which the name stands in the Register of Members in respect of the joint holding.
5. If a proxy is executed under a Power of Attorney such Power of Attorney must be deposited at the Registrar's office along with the instrument of proxy.
6. Completing and returning a Form of Proxy shall not preclude a member from attending and voting at the meeting should he / she so wish.

FOLD 2

The Company Registrar,
Ormonde Mining Plc,
Computershare Investor Services (Ireland) Ltd.,
3100 Lake Drive
Citywest Business Campus
Dublin 24
D24 AK82,
Ireland.

FOLD 1

FOLD 3

Directors and other information

Directors

Michael Donoghue
(Chairman & Interim Managing Director)
John Carroll
(Non-Executive Director)
Jonathan Henry
(Non-Executive Director)

Registered Office

c/o Smith and Williamson
Paramount Court
Corrig Road
Sandyford Business Park
Dublin 18
Ireland

Secretary

John Carroll

Group Auditors

Nexia Smith and Williamson
Chartered Accountants
Statutory Audit Firm
Paramount Court
Corrig Road
Sandyford Business Park
Dublin 18
Ireland

Business Address

Bracetown Business Park
Clonee
Co. Meath
Ireland
D15 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

Lex Iusta
C/Hortaleza 81, 3 Izq.
28004 Madrid
Spain

Dominic Dowling Solicitors
37 Castle Street
Dalkey
Co. Dublin
Ireland

Brokers

NOMAD, Euronext Growth Advisor
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
3100 Lake Drive
Citywest Business Campus
Dublin 24
D24 AK82
Ireland

Financial PR

Murray Consultants
40 Lower Baggot Street
Dublin 2
D02 Y793
Ireland

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

ORMONDE
MINING PLC

ORMONDE MINING PLC
Bracetown Business Park, Clonee, Co. Meath, Ireland
Phone: +353 (0)1 8014184
Email: info@ormondemining.com
www.ormondemining.com