Ormonde Mining plc

Annual Report and Financial Statements

for the year ended 31 December 2020

Ormonde Mining plc

Annual Report and Financial Statements

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Ormonde Mining plc

Chair's Review

The 2020 year started with the sale of Ormonde's 30% interest in the Barruecopardo Tungsten Mine ("Barruecopardo") in Spain, and the receipt of €6 million from Oaktree Capital Management ("Oaktree") ahead of the world going into lockdown due to the COVID-19 pandemic. Since that time, the Company has focused its efforts on the development of new opportunities for the deployment of its capital and enhancement of shareholder value, while continuing to review the best route to generate value from its remaining Spanish assets.

Disposal and receipt of €6 million cash consideration
The disposal of the Company's interest in Barruecopardo was strategically and financially important for Ormonde and agreed with Oaktree in January 2020. Following approval of the sale by Ormonde shareholders at an extraordinary general meeting in February 2020, Ormonde received a net cash consideration of €6 million. Given how the remainder of 2020 unfolded, the Barruecopardo sale certainly proved to be the right decision and in the best interests of all shareholders.

Board & Management restructuring
On completion of the disposal, Mike Donoghue and John Carroll, who had provided the Company with many years of dedicated service, retired from the Board and Tim Livesey and Richard Brown were subsequently appointed. John has since sadly passed away and I take this opportunity to pay my deepest sympathies to his family.

Also following the disposal, I moved to the position of Executive Chair with a view to driving Ormonde towards a new and exciting future. This ambition is shared across the executive management team and the new Board and led to the pursuit of a number of transactions over the course of the year.

New opportunities
The Board and Management have been focused on identifying and assessing potential investment opportunities in the resource sector for more than a year. Over the course of 2020 and the first quarter of 2021, we have reviewed over one hundred and thirty new business opportunities, including several in considerable detail through technical, commercial and legal due diligence.

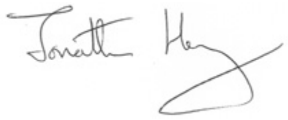
In September 2020, the Company announced that it had entered into an exclusivity agreement in relation to a potential transaction to acquire, or have the rights to acquire, up to an 80% interest in two exploitation licenses covering multiple high-grade copper and polymetallic development and exploration projects in a highly prospective and underexplored district in the Republic of the Congo. However, a lack of support for Resolution 6 at the Company's 2020 AGM held in late 2020 and subsequently adjourned to early 2021 means that Ormonde is no longer authorised to issue shares for a transaction of this nature without a further shareholder approval process. The resulting inability to offer the milestone-based mix of cash and Ormonde shares as consideration for the acquisition introduced an increased level of uncertainty, delay and execution risk for the counterparties. Ultimately the counterparties demanded more onerous terms for the transaction, which significantly impacted the accretive potential of the transaction for all Ormonde shareholders, and as a result all discussions were terminated in April 2021.

This was an unfortunate set of circumstances which led to the Company and its shareholders missing out on what the Board believed would have been a transformational and value enhancing deal. The Board is now exploring alternative opportunities and strategies for the business in the interest of all shareholders in a landscape which has changed markedly in recent months in terms of the increased capital now available to junior mining companies, somewhat limiting Ormonde's competitive advantage.

Current projects
Ormonde continues to retain its exploration and development assets in Spain, namely the Salamanca and Zamora Gold Projects and assets relating to the La Zarza Copper-Gold Project. While we continue to seek ways to maximise value for shareholders from these assets, including the sale of the La Zarza interests, material expenditure is not anticipated to be incurred on them until a decision has been made in respect of new opportunities. The ability to maximise value for shareholders from these assets has been impacted by the pandemic but we continue to have ongoing dialogue with prospective interested parties.

Financials
Ormonde has reported a profit after tax for 2020 of €0.5 million, compared with a loss of €11.3 million for 2019. The reported profit for 2020 includes a gain of €1.6 million related to accounting for the completion of the Barruecopardo disposal in February 2020, whereas the 2019 loss reflected an impairment of €10.4 million related to the same asset.

Finally, I would like to thank all our stakeholders, management, employees, directors and advisors for their continued support and hard work over what has been a very difficult and challenging period for all involved. I wish you all well as we emerge from a long period of isolation and readjust to the new world in front of us.



Jonathan Henry
Executive Chair

Ormonde Mining plc

Review of Activities

Asset Disposal and Business Development

In February 2020, the sale of Ormonde's 30% interest in the Barruecopardo Tungsten Mine in Spain was approved by shareholders at an Extraordinary General Meeting, and shortly thereafter Ormonde received the €6 million cash consideration in full. Thereafter, the Company has focused its efforts on the review of its remaining Spanish assets and development of new opportunities for the deployment of its capital and enhancement of shareholder value.

Over the course of 2020, Ormonde's management team reviewed well over one hundred new business opportunities, mostly in the natural resources sector. Several opportunities were reviewed in considerable detail through technical, commercial and legal due diligence.

In September 2020, the Company announced that it had entered into an exclusivity agreement in relation to the proposed acquisition of a majority stake in certain copper mining licenses (the "Licenses") in the Republic of the Congo ("Proposed Transaction"), and the Company gave further details in relation to the Proposed Transaction and the Licenses in an announcement on 14 January 2021. Throughout the engagement with the counterparties, the Company worked to advance negotiations against the backdrop of a global pandemic and to encourage voting in the 2020 AGM such that the deal could be consummated swiftly, both of which resulted in delays to the process. A presidential election in the Republic of the Congo in early 2021 also added to the hurdles faced by Ormonde to execute the Proposed Transaction.

The lack of support for Resolution 6 at the Company's 2020 AGM meant that Ormonde was unable to issue the necessary shares for a transaction of this nature without a further shareholder approval process. The resulting inability to offer the milestone-based mix of cash and Ormonde shares as consideration for the Proposed Transaction introduced an increased level of uncertainty, delay and execution risk for the counterparties and the deal ultimately collapsed in April 2021. This was an unfortunate set of circumstances which led to the Company and its shareholders missing out on what the Board believed to be a transformational deal.

The Board of the Company will continue to adopt an approach which maximises utilisation of its cash resources while minimises share dilution and execution risk for Ormonde shareholders in its continuing review and search for other suitable opportunities. However, in this regard, the inability to gain shareholder authorisation to issue shares and its impact on the Proposed Transaction is now widely known to potential vendors of other projects. This limits the capacity of the Company to engage in discussions requiring a share-based transaction with counterparties who are keen to move swiftly in a buoyant market (for some areas of the junior resource sector) or have optionality on raising finance but wish to limit execution risk. The ability for Ormonde to offer counterparties the chance to participate in the value accretion potential for the Company is therefore diminished significantly. The Board is now exploring alternative approaches and a range of strategies for the business in the interest of all shareholders.

Gold Joint Venture
Salamanca Province, Spain | 49.7% interest
Zamora Province, Spain | 44.9% 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.

An internal desktop review of the projects was completed by Ormonde during the first half of 2020, which highlighted opportunities to follow up on high-grade gold results returned by earlier drilling carried out by Ormonde and its joint venture partner.

Narrow but high-grade and shallow-level drill intercepts were highlighted in multiple holes at both the Peralonso (Salamanca) and Pino de Oro (Zamora) project areas, and clear scope was identified for more substantially developed ore shoots and untested extensions within these structurally controlled mineralised zones. In addition, several earlier stage prospects, where no drilling has yet been carried out, were identified as good gold exploration targets warranting further work.

Further cost-effective work programmes were recommended, however with ongoing Covid-19 restrictions and Ormonde's focus on new business development these programmes were deferred.

The project review found the Cabeza del Caballo area to be lower priority on the basis of gold prospectivity. The Cabeza del Caballo Investigation Permit expired in July 2020 and was not renewed, and the adjacent Nerva Investigation Permit was relinquished, allowing any future exploration expenditures to be focused on the most prospective project areas.

New Gold Exploration Projects

In 2016, the Company applied for two Investigation Permits with gold exploration potential in an area of western Spain, the processing of which remains ongoing. These applications cover a significant surface area which includes several known prospects featuring gold-bearing quartz vein systems. Previous exploration work included 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.

La Zarza

Huelva Province, Spain | Divestment

Ormonde's divestment of its landholding and data assets relating to the La Zarza Copper-Gold Project has been ongoing for a number of years, with efforts hampered due to the mining concessions being held by a separate party. The various impacts of Covid-19 meant the Company could not progress discussions towards the completion of a sale of these assets within the 2020 financial year. The Company notes the current positive outlook for copper and an uptick in interest in advanced projects like La Zarza and therefore believes value can be realised from these assets within the next twelve months.

Directors' Report

For the year ended 31 December 2020

The Directors present the Annual Report and Audited Financial Statements for the year ended 31 December 2020 of Ormonde Mining plc ("the Company") and its subsidiaries (collectively "the Group").

Principal Activity

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

The principal activity of the Company and its subsidiaries comprises acquisition, exploration and development of mineral resource projects.

Review of Business and Future Developments

A detailed review of activities for the year and future prospects of the Group is contained in the Chair's Review and Review of Activities sections of this report.

Results and Dividends

The Consolidated Income Statement for the year ended 31 December 2020 and the Consolidated Statement of Financial Position as at that date, are set out on pages 18 and 19 respectively.

The Directors do not recommend the payment of a dividend.

Principal Risks and Uncertainties

The Group's activities are currently 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:

Exploration Risk

Exploration and development activities may be delayed or adversely affected by factors outside the Group's control, in particular: global pandemics; climatic conditions; performance of partners or suppliers; availability of qualified staff and contractors; 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, commodities is dependent on factors including global and local supply and demand, investment trends, 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 regime change, changes in national laws and mining policies and exposure to different legal systems.

Financial Risk

Financial risk is explained in Note 23.

Directors' Report (continued)

For the year ended 31 December 2020

Share Price

The share price movement in the year ranged from a low of €0.004 to a high of €0.03 (2019: €0.016 to €0.06). The share price at the year-end was €0.02 (2019: €0.0325).

Directors

The names of the current Directors are set out at the back of this report. John Carroll and Michael Donoghue retired as directors on 17 February 2020. Tim Livesey and Richard Brown were appointed directors on 17 February 2020 and Brian Timmons joined the Board on 24 June 2020.

Details of Executive Director

Jonathan Henry

Executive Chair

Jonathan brings to the Board extensive mining industry experience together with strong leadership skills. From June 2010 to July 2018 Jonathan was President and Chief Executive Officer of TSX Venture Exchange listed 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 mining assets in Portugal, Peru, USA, Tajikistan, Burkina Faso, Malaysia and Indonesia. He is currently a director and Non-Executive Chair of TSX Venture Exchange listed Giyani Metals Corp. Jonathan has an honours degree in Natural Sciences from Trinity College, Dublin. Jonathan is a member of the Technical & ESG Committee.

Details of Non-Executive Directors

Richard Brown

Non-Executive Director

Chair of the Audit and Remuneration Committees

Richard is a chartered accountant with 30 years of experience in business and corporate advisory roles. He brings proven commercial and financial oversight skills, risk management and planning expertise, in addition to a diversity of perspective having worked within the mining industry as well as an adviser to companies in a variety of other global industries. Richard is currently Chief Financial Officer of TSX Venture Exchange listed Gabriel Resources Ltd, and prior to joining Gabriel in 2011 Richard spent 15 years in corporate finance advisory roles to the boards of private and public companies in the UK, Canada and Australia, specialising in M&A, equity capital markets, regulatory and takeover advice. Roles included Head of Corporate Finance and Chief Operating Officer at mining focused investment bank Ambrian Partners, Lead Advisory at KPMG Corporate Finance and Equity & Capital Markets Group of the London Stock Exchange. Richard is a member of the Institute of Chartered Accountants in England and Wales. In addition to holding the position of Chair of the Audit and Remuneration Committees, Richard is also a member of the Technical & ESG Committee.

Tim Livesey

Non-Executive Director

Senior Independent Director

Chair of the Technical & ESG Committee

Tim is a geologist and mining company executive with 31 years of experience in gold and base metals. With a focus on Africa, Europe and Asia, he has worked at all stages of exploration, development and mining operations, and brings a strong technical acumen and track record of commercial delivery. Tim is currently Chief Executive Officer and director of Oriole Resources PLC, an AIM exploration company operating in Africa and Europe. He also holds the position of Non-Executive Chair of Minexia Limited, a mining investment, development and advisory company. Previous roles include Exploration Manager (Eurasia) and Managing Director Saudi Arabia for Barrick Gold Corp, CEO of Tethyan

Copper Company Pty Ltd (a Joint Venture between Antofagasta Minerals and Barrick Gold Corp, owner of the Reko Diq project in Pakistan), Chief Operating Officer of Reservoir Minerals Inc, (sold in June 2016 to Nevsun Resources Ltd for US$365 million) and Managing Director Rakita Exploration d.o.o. In addition to holding the position of Chair of the Technical & ESG Committee, Tim is also a member of the Audit and Remuneration Committees.

Brian Timmons

Non-Executive Director

Brian is a Fellow of the Association of Chartered Certified Accountants, with over 30 years of experience in senior positions within companies across a range of industries, including fund management, investment banking (in Irish Life Assurance Co. and AIB Capital Markets PLC respectively), healthcare technology, bioscience, alternative energy and resource companies, e-commerce, telecoms and software IT.

Directors	31 Dec '20 Ordinary Shares	1 Jan '20 Ordinary Shares
Jonathan Henry	-	-
Richard Brown (appointed 17 February 2020)	-	-
Tim Livesey (appointed 17 February 2020)	-	-
Brian Timmons (appointed 26 June 2020)	-	-

Directors	25 May '21 Share Options	31 Dec '20 Share Options	1 Jan '20 Share Options
Jonathan Henry	5,500,000	5,500,000	-
Tim Livesey	2,500,000	2,500,000	-
Richard Brown	2,500,000	2,500,000	-
Brian Timmons	-	-	-

All share options exercisable at €0.01.

Share options issued in 2020 vest in equal proportions, with the first one third vesting on the issue date in 2020 and the remaining amounts vesting in 2021 & 2022. These share options are exercisable at any point from vesting to 13 May 2030. See Note 20 for details of the share option scheme. In addition, the rules of the Company's share option scheme are available for inspection at the registered office of the Company.

No director, secretary or any member of their immediate families had an interest in any subsidiary.

Transactions Involving Directors

Other than remuneration and the issuing of share options, there have been no contracts or arrangements of significance during the year in which directors of the Company were interested.

Directors' Report (continued)

For the year ended 31 December 2020

Significant Shareholders

The Company has been informed or is aware that, at 31 December 2020 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	
	25 May '21	31 Dec '20
Thomas Anderson	23.02%*	21.96%

** As notified on 25 May 2021.*

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 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 ("IFRS") as adopted by the EU ("EU IFRS").

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 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 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 Company and enable them to ensure that the financial statements are prepared in accordance with EU IFRS 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 directors' report that complies with the Companies Act 2014.

Directors' Report (continued)

For the year ended 31 December 2020

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Going Concern

As further disclosed in Note 2, the Directors have reviewed budgets, projected cash flows and other relevant information, and on the basis of this review, are confident that the Company and the Group should be in a position to have adequate financial resources to continue in operational existence for a period of twelve months from the date the financial statements were approved by the Directors.

On completion of the disposal of its interest in Barruecopardo Joint Venture BV (which held the Barruecopardo Tungsten Mine at the time of the disposal) in early 2020, the Company received €6 million in cash. This has provided the business with sufficient cash resources to meet the Group's annual operating costs for the foreseeable future.

The future of the Company and the Group is also dependent on the successful future outcome of its exploration interests and the identification of additional assets in which to apply its cash resources. Additional resources may be required to bring such 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. The London Stock Exchange's AIM Rule 26 requires that 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 four Directors, comprising three Non-Executive Directors and one Executive Director/Chair. The Board met formally on 11 occasions during the year ended 31 December 2020. 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.

Directors' Report (continued)

For the year ended 31 December 2020

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

Audit Committee

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

Nominations Committee

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

Technical & ESG Committee

The Technical & ESG Committee has three members of whom two are Non-Executive Directors, plus one Executive Director. The duties of the Committee are to provide technical oversight of developments on the Company's projects and technical reviews of opportunities which may be under consideration by executive management from time to time. It also provides oversight of the Company's management and performance of Environmental, Social and Governance matters, which the Board considers to be of paramount importance in the management and operational conduct of the Group.

Remuneration Committee

This Committee comprises two Non-Executive Directors. This Committee determines the contract terms, remuneration and other benefits of any Executive Directors, the Chair and the Non-Executive Directors. Further details of the Group's policies on remuneration, service contracts and compensation payments are given in the following Remuneration Committee Report.

The Group's policy on senior executive remuneration is designed to attract and retain individuals of the highest calibre who can bring their experience and independent views to the policy, strategic decisions and governance of the Group. In setting remuneration levels, the Remuneration Committee takes into consideration the remuneration practices of other companies of similar size and scope. A key philosophy is that staff must be properly rewarded and motivated to perform in the best interests of the shareholders.

Ormonde Mining plc

Directors' Report (continued)

For the year ended 31 December 2020

Total remuneration to Directors during the year ended 31 December 2020 was €143,725 (31 December 2019: €145,000).

	31 Dec '20	31 Dec '19
	€	€
Executive Directors		
Jonathan Henry as Chair (from February 2020)	51,753	-
Michael Donoghue (resigned February 2020)	9,180	75,000
Total Executive Directors' remuneration	**60,933**	**75,000**
Non-Executive Directors		
John Carroll (resigned February 2020)	4,285	35,000
Jonathan Henry (as NE Director to Feb 2020)	4,084	35,000
Richard Brown (appointed February 2020)	28,125	-
Tim Livesey (appointed February 2020)	28,125	-
Brian Timmons (appointed June 2020)	18,173	-
Total Non-Executive Directors' remuneration	**82,792**	**70,000**
Total Directors' remuneration	**143,725**	**145,000**

The share options issued and held are noted earlier in the Directors' Report.

Communications

The Group maintains regular contact with shareholders through publications such as the annual and interim reports, 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, although the 2020 AGM was not able to be held in person due to the COVID-19 pandemic.

Environment

Ormonde recognises the importance of climate change and the effect that its business operations can have on the environment. The Group is committed to operating in an environmentally responsible manner and to minimising the impact from its activities.

Since the disposal of its interest in the Barruecopardo Tungsten Mine in Spain, the Group's activities and their potential environmental impact are currently limited, however Ormonde still seeks to ensure that it assesses its environment impact and seeks to minimise or offset any negative effects.

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.

Directors' Report (continued)

For the year ended 31 December 2020

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

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

- budgets are prepared for approval by the Board;
- expenditure and income are compared to previously approved budgets;
- a detailed investment approval process which requires Board approval of all major capital projects and regular review of the physical performance and expenditure on these projects;
- all commitments for expenditure and payments are compared to previously approved budgets and are subject to approval by personnel designated by the Board; 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 its operational head office in Bracetown Business Park, Clonee, Co. Meath, Ireland.

Post balance sheet events

Other than disclosed in the financial statements, 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.

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:

- The requisite documentation 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.

Directors' Report (continued)

For the year ended 31 December 2020

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

Jonathan Henry	**Richard Brown**
Director	**Director**

Date: 25 May 2021

Independent Auditors' Report to the Members of Ormonde Mining plc

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 2020, which comprise the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Cashflows, Company Statement of Cashflows, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU").

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 2020 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.

Emphasis of matter - carrying value of the La Zarza exploration and evaluation assets, and carrying values of the Parent Company's investment in its subsidiaries and loans due to the Parent Company from its subsidiaries

We draw attention to Note 10 *Intangible Assets - Group*, which describes the Group's plans for the disposal of the La Zarza assets and the possible impairment of the Parent Company's investment in, and amounts due from, its subsidiaries which would arise should the Group's' intangible assets become impaired. Currently, there is no extant offer in respect of the La Zarza assets and there is a risk that the assets may be impaired in value. A material uncertainty therefore exists regarding the carrying value of these assets, which in turn causes a material uncertainty over the carrying value of the Parent Company's investment in, and amounts due from, its subsidiaries. The financial statements do not include any adjustments that may be necessary should the La Zarza assets become impaired in value or not realise their carrying value in any future sale event.

Our opinion is not modified in respect of this matter.

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.

Nexia Smith & Williamson

Independent Auditors' Report (cont.)

Carrying value of the La Zarza exploration and evaluation assets

Description of the risks

The La Zarza exploration and evaluation assets form a significant part of the Group's total assets. The assets comprise land and the results of early stage exploration activity; the assets are classed as being held for sale. The book value of the assets is currently €2.4 million. Currently, no extant offer has been made in respect of the assets and there is no certainty that the assets will realise their book value.

Our response to the risk

In respect of these assets, our work included:
- discussed with management their plans for the disposal of the assets and their expectations of the likely proceeds
- confirming continued ownership of the land by obtaining direct confirmation from the local land registry
- considered the land value by reference to the most recent valuation undertaken for taxation purposes
- for each potential buyer of the assets, as identified to us by the directors, we have:
- from publicly available information, assessed their financial capacity
- considered if there was a commercial rationale for the proposed purchase
- reviewed the steps taken to date to pursue the purchase of the assets

Carrying values and impairment of the Parent Company's investment in its subsidiaries and amounts due to the Parent Company from its subsidiaries

Description of the risk

As described in Note 10 any impairment of the Group's intangible assets, including the La Zarza assets, would result in a corresponding impairment of the Parent Company's investments in its subsidiaries, together with amounts due from the subsidiaries.

We refer to the uncertainties relating to the carrying value of the La Zarza assets immediately above. The book value of the other intangible assets is immaterial and therefore any impairment of those assets would result in an immaterial impairment charge in the Parent Company.

Our response to the risk

We compared the Parent Company's total investment in each subsidiary (comprising the cost of the investment in, and balance due from, that subsidiary) to the subsidiary's gross assets less third party liabilities.

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

Materiality for the Group financial statements was set at €375,000 (2019: €175,000). This has been determined with reference to the benchmark of the Group's net assets, which we consider to be one of the principal considerations for members of the company in assessing the Group's performance.

Materiality for the Parent Company financial statements as a whole was set at €300,000 (2019: €140,000) determined by reference to a benchmark of the Company's net assets This has been determined with reference to the benchmark of the Parent Company's net assets, which we consider to be one of the principal considerations for members of the company in assessing the Parent Company's performance.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, 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.

Independent Auditors' Report (cont.)

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.
- 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.

Responsibilities of directors

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)

Independent Auditors' Report (cont.)

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.

Damien Kealy

Damien Kealy

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: 25 May 2021

Ormonde Mining plc

Consolidated Statement of Comprehensive Income

for the year ended 31 December 2020

	Notes	Year ended 31-Dec-20 €000s	Year ended 31-Dec-19 €000s
Turnover		**-**	**-**
Administration expenses		(1,119)	(855)
Impairment of intangibles	10	-	(49)
Loss on ordinary activities		**(1,119)**	**(904)**
Finance costs		(17)	-
Loss for the year from continuing activities		**(1,136)**	**(904)**
Tax expense		-	-
Loss for the year after tax		**(1,136)**	**(904)**
Profit/(loss) from discontinued operations	7	1,600	(10,399)
Profit/(loss) for the year		**464**	**(11,303)**
Other comprehensive income			
Foreign exchange relating to discontinued operations		-	332
Less: Reclassification of foreign currency gain on disposal of foreign operation		(1,600)	-
Total comprehensive (loss) for the year		**(1,136)**	**(10,971)**
Earnings per share from continuing operations			
Basic & diluted (loss) per share (in cent)	8	(0.24)	(0.19)
Total earnings per share			
Basic & diluted earnings/ (loss) per share (in cent)	8	0.10	(2.39)

All profits/(losses) and total comprehensive loss for the year are attributable to the owners of the Company. The accompanying notes on pages 25 to 46 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 25 May 2021 and signed on its behalf by:

On behalf of the Board

Jonathan Henry	**Richard Brown**
Director	**Director**

Ormonde Mining plc

Consolidated Statement of Financial Position
as at 31 December 2020

	Notes	31-Dec-20 €000s	31-Dec-19 €000s
Assets			
Non-current assets			
Intangible assets	10	295	285
Total Non-Current Assets		**295**	**285**
Current assets			
Trade and other receivables	14	59	379
Asset classified as held for sale	13	2,400	8,400
Cash & cash equivalents	15	4,965	130
Total Current Assets		7,423	8,909
Total Assets		**7,718**	**9,194**
Equity & liabilities			
Capital and Reserves			
Issued capital	17	4,725	13,485
Share premium account	17	29,932	29,932
Share based payment reserve	18	283	837
Capital conversion reserve fund	18	29	29
Capital redemption reserve fund	18	7	7
Foreign currency translation reserve	18	-	1,600
Retained losses	19	(27,469)	(37,265)
Total Equity - attributable to the owners of the Company		7,507	8,625
Current Liabilities			
Trade & other payables	16	211	569
Total Liabilities		**211**	**569**
Total Equity & Liabilities		**7,718**	**9,194**

The accompanying notes on pages 25 to 46 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 25 May 2021 and signed on its behalf by:

On behalf of the Board

Jonathan Henry

Jonathan Henry
Director

Richard Brown

Richard Brown
Director

Ormonde Mining plc

Company Statement of Financial Position
as at 31 December 2020

	Notes	31-Dec-20 €000s	31-Dec-19 €000s
Assets			
Investment in subsidiaries and associates	12	443	443
Total Non-Current Assets		**443**	**443**
Current Assets			
Trade and other receivables	14	2,498	8,829
Cash & cash equivalents	15	4,951	120
Total Current Assets		**7,449**	**8,949**
Total Assets		**7,892**	**9,392**
Equity & Liabilities			
Capital and Reserves			
Issued capital	17	4,725	13,485
Share premium account	17	29,932	29,932
Share based payment reserve	18	283	837
Capital conversion reserve fund	18	29	29
Capital redemption reserve fund	18	7	7
Retained losses	19	(27,399)	(35,379)
Total Equity - attributable to the owners of the Company		**7,577**	**8,911**
Current Liabilities			
Trade & other payables	16	315	481
Total Liabilities		**315**	**481**
Total Equity & Liabilities		**7,892**	**9,392**

The accompanying notes on pages 25 to 46 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 25 May 2021 and signed on its behalf by:

On behalf of the Board

Jonathan Henry
Director

Richard Brown
Director

Consolidated Statement of Cashflows
for the year ended 31 December 2020

	Notes	Year ended 31-Dec-20 €000s	Year ended 31-Dec-19 €000s
Cashflows from operating activities			
Profit/(loss) for the year before taxation			
Continuing operations		(1,136)	(904)
Discontinued operations		1,600	(10,399)
		464	**(11,303)**
Adjustments for:			
Impairment of intangible assets		-	49
Impairment of investment in associate		-	7,787
Share of loss in associate		-	3,263
Reclassification of foreign exchange gain		(1,600)	-
Non cash items: Share option cost		19	-
		(1,117)	**(204)**
Movement in Working Capital			
Movement in receivables		320	(337)
Movement in liabilities		(358)	282
Net cash used in operations		**(1,155)**	**(259)**
Investing activities			
Expenditure on intangible assets		(10)	(10)
Proceeds from disposal of associate		6,000	-
Net cash generated by / (used in) investing activities		**5,990**	**(10)**
Net increase/(decrease) in cash and cash equivalents		**4,835**	**(269)**
Cash and cash equivalents at the beginning of the year	**15**	**130**	**399**
Cash and cash equivalents at the end of the year	**15**	**4,965**	**130**

The accompanying notes on pages 25 to 46 form an integral part of these financial statements.

Company Statement of Cashflows
for the year ended 31 December 2020

	Notes	Year ended 31-Dec-20 €000s	Year ended 31-Dec-19 €000s
Cashflows from operating activities			
Loss for the year before taxation		(1,353)	(7,784)
Non cash items: Share option cost		19	-
Impairment of financial asset		-	7,628
Cashflow from operating activities		**(1,334)**	**(156)**
Movement in working capital			
Movement in debtors		6,331	(292)
Movement in creditors		(166)	223
Net cash generated by / (used in) operating activities		**4,831**	**(225)**
Net increase / (decrease) in cash and cash equivalents		**4,831**	**(225)**
Cash and cash equivalents at the beginning of the year	**15**	**120**	**345**
Cash and cash equivalents at the end of the year	**15**	**4,951**	**120**

The accompanying notes on pages 25 to 46 form an integral part of these financial statements.

Consolidated Statement of Changes in Equity
for the year ended 31 December 2020

	Share Capital €000s	Share Premium €000s	Share based Payment Reserve €000s	Other Reserves €000s	Retained Losses €000s	Total €000s
Balance at 1 January 2019	**13,485**	**29,932**	**837**	**1,304**	**(25,962)**	**19,596**
Loss for the year	-	-	-	-	(11,303)	**(11,303)**
Foreign exchange on associate	-	-	-	332	-	**332**
Total comprehensive income for year	**-**	**-**	**-**	**332**	**(11,303)**	**(10,971)**
Balance at 31 December 2019	**13,485**	**29,932**	**837**	**1,636**	**(37,265)**	**8,625**
Loss for the year	-	-	-	-	(1,136)	**(1,136)**
Reclassification of foreign currency gain on disposal of foreign operation	-	-	-	(1,600)	1,600	**-**
Total comprehensive income for year	**-**	**-**	**-**	**(1,600)**	**464**	**(1,136)**
Release relating to expired share options	-	-	(572)	-	572	**-**
Employee share-based compensation	-	-	18	-	-	**18**
Cancellation of shares (see Note 17)	(8,760)	-	-	-	8,760	**-**
Balance at 31 December 2020	**4,725**	**29,932**	**283**	**36**	**(27,469)**	**7,508**

The accompanying notes on pages 25 to 46 form an integral part of these financial statements.

Company Statement of Changes in Equity
for the year ended 31 December 2020

	Share Capital €000s	Share Premium €000s	Share based Payment Reserve €000s	Other Reserves €000s	Retained Losses €000s	Total €000s
Balance at 1 January 2019	**13,485**	**29,932**	**837**	**36**	**(27,595)**	**16,695**
Loss for the year	-	-	-	-	(7,784)	**(7,784)**
Balance at 31 December 2019	**13,485**	**29,932**	**837**	**36**	**(35,379)**	**8,911**
Loss for the year	-	-	-	-	(1,352)	**(1,352)**
Employee share-based compensation	-	-	18	-	-	**18**
Release relating to expired share options	-	-	(572)	-	572	**-**
Cancellation of shares (see Note 17)	(8,760)	-	-	-	8,760	**-**
Balance at 31 December 2020	**4,725**	**29,932**	**283**	**36**	**(27,399)**	**7,577**

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 Company is listed on the Alternative Investment Market in London and Euronext Growth Market in Dublin.

The Group and Company financial statements were authorised for issue by the Directors on 25 May 2021.

Basis of preparation

The financial statements have been prepared on the historical cost basis, other than for disposal groups and held for sale assets as described below. 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 2020.

New accounting standards and interpretations for the year ended 31 December 2020

A number of new accounting standards' amendments and interpretations apply from 1 January 2020, however they had no material impact on the financial statements.

At the date of the authorisation of these financial statements, the following revised accounting standards which have been issued but are not yet effective include:

- IFRS 16 Leases – Covid-19 related rent concessions – effective 1 January 2022
- IFRS 3 Business Combinations – effective 1 January 2022
- IFRS 16 Property, Plant and Equipment - effective 1 January 2022
- IAS 37 Provisions, contingent liabilities and contingent assets – effective 1 January 2022

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

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: The Directors have estimated the fair value of the La Zarza Project at €2.4m.

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. These 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 area:

- Note 10 - Intangible Assets – Group: The Directors have used judgements in relation to the sale of the La Zarza Project which is shown as an Asset Held for Sale.
- Note 14 - 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 for the year ended 31 December 2020.

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account. Subsidiaries are fully consolidated from the date that control commences until the date that control ceases. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Intragroup balances and transactions including any unrealised gains or losses or income or expenses arising from intragroup transactions are eliminated in preparing the Group financial statements, except to the extent that they provide evidence of impairment.

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

Discontinued operations
A discontinued operation is a component of the business that represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative statement of income and statement of cash flows are reclassified as if the operation had been discontinued from the start of the comparative period.

Assets and liabilities are classified as held for sale if it is highly probable that the carrying value will be recovered through a sale transaction within one year rather than through continuing use. When reclassifying assets and liabilities as held for sale, the Company recognises the assets and liabilities at the lower of their carrying value and fair value less selling costs. Assets held for sale are not depreciated but tested for impairment. Impairment losses on assets and liabilities held for sale are recognised in the statement of income.

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

Exploration and Evaluation Assets
In accordance with International Financial Reporting Standard 6 - Exploration for and Evaluation of Mineral Resources, the Group uses the cost method of recognition. Exploration costs include license costs, survey, geophysical and geological analysis and evaluation costs, costs of drilling and project-related overheads.

Exploration expenditure in respect of properties and licenses 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 not 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 is considered representative of the residual value of the Group's interest therein.

Impairment

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

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

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

Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, 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

Ormonde's reporting currency and the functional currency of the majority of its operations is the Euro as this is assessed to be the principal currency of the economic environment in which it operates.

(i) Foreign currency transactions: Transactions in foreign currencies are converted into the functional currency of each entity using the exchange rate prevailing at the transaction date. Monetary assets and liabilities outstanding at year-end are converted at year-end rates. The resulting exchange differences are recorded in the consolidated statement of income.

(ii) Translation of financial statements: For the purposes of consolidation, assets and liabilities of Group companies whose functional currency is in a currency other than the Euro are translated into Euros using year-end exchange rates, while their statements of income are translated using average rates of exchange for the year. Translation adjustments are included as a separate component of shareholders' equity and have no consolidated statement of income impact to the extent that no disposal of the foreign operation has occurred. Where an intragroup balance is, in substance, part of the Group's net investment in an entity, exchange gains and losses on that balance are taken to the currency translation reserve. Cumulative translation differences are recycled from equity and recognised as income or expense on disposal of the operation to which they relate.

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 reserves relating to lapsed options are transferred to the profit and loss reserve; the cumulative charge for any forfeited options is credited to the Income Statement.

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
A right of use asset and a lease liability has been recognized for all leases except leases of low value assets, which are considered to be those with a fair value below €5,000, and those with a duration of 12 months or less. The right-of-use asset has been measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date.

The Group will depreciate the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Where impairment indicators exist, the right of use asset will be assessed for impairment.

The lease liabilities are measured at the present value of the lease payments due to the lessor over the lease term, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate. After initial measurement, any payments made will reduce the liability and the interest accrued will increase it. Any reassessment or modification will lead to a remeasurement of the liability. In such case, the corresponding adjustment will be reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

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.

The Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost. For trade receivables, the Group applies the simplified approach permitted by IFRS 9 'Financial Instruments', which requires expected lifetime losses to be recognised from the initial recognition of the receivables.

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.

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. There was no revenue in the current year.

2. Going Concern

The Group's total comprehensive income was a deficit of €1,136,000 and it had cash and cash equivalents of €4,965,000 as at 31 December 2020. The Directors are in a position to manage the activities of the Group such that existing funds available to the Group 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.

The Directors have carefully considered the impact of the COVID-19 pandemic, noting the disruption caused to certain activities and the uncertainty over the duration of this disruption. The Group is currently seeking new investment opportunities and this disruption has had a negative effect on this search, including impacting due diligence in relation to shortlisted projects. The Group is also looking to conclude the sale of its La Zarza assets, which have a book value of €2.4 million (see details in Note 10).

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 currently located in Spain. The information reported to the Group's Executive Chair, who is the chief operating decision maker, for the purposes of resource allocation and assessment of segmental performance is specifically focused on the exploration areas in Spain.

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

Segment Revenues and Results

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

	2020	2019
	€000's	€000's
Segment Revenue	**-**	-
Segment Profit/(Loss)		
Exploration - Spain	**(1,136)**	(904)
Total for continuing operations	**(1,136)**	(904)
Profit (Loss) on discontinued operations	**1,600**	(10,399)
Profit (Loss) for year	**464**	(11,303)
Reclassification of foreign currency gain on disposal of foreign operation	**(1,600)**	-
Foreign exchange on translation of overseas associate	**-**	332
Consolidated comprehensive loss for the year	**(1,136)**	(10,971)

Segment Assets and Liabilities

Segment Assets	**2020**	2019
	€000's	€000's
Corporate - Group asset	**4,950**	509
Exploration - Spain	**2,768**	8,685
Consolidated assets	**7,718**	9,194
Segment Liabilities		
Corporate - Group liabilities	**199**	541
Exploration - Spain	**12**	28
Consolidated liabilities	**211**	569

Other segment information

	Depreciation and Amortisation		Additions to Non-Current Assets	
	2020	2019	**2020**	2019
	€000's	€000's	**€000's**	€000's
Exploration - Spain	**0**	49	**10**	10

Revenue from major products and services

All revenue that the Group received during 2019 related to the Barruecopardo Tungsten Mine in Spain, which is a discontinued activity.

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 España S.L.U., 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 BV which is incorporated in The Netherlands, the holding company for an associate investment with operations in Spain which was disposed of in early 2020.

Information about the Group's non-current assets by geographical location are detailed below:

	Non-Current Assets	
	2020	2019
	€000's	€000's
Ireland	**-**	-
Spain	**295**	285
	295	285

4. Statutory Information

	2020	2019
	€000's	€000's
The loss for the financial year is stated after charging:		
Impairment of intangible assets	**-**	49
Auditors' remuneration	**27**	27
Auditors' remuneration from non-audit work	**2**	3
and after crediting:		
Profit on foreign currencies	**-**	(7)

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.

5. Employees

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

	2020 Number	2019 Number
Directors	**4**	3
Administration /Technical	**3**	4
	7	7

Employment costs (including the Directors)	**2020 €000's**	2019 €000's
Wages and salaries	**418**	488
Social welfare	**35**	32
	453	520

6. Key Management Compensation

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

	2020 €000's	2019 €000's
Salaries and other short-term employee benefits	**360**	407

In addition, on 14 May 2020, the key management received the following share options, all exercisable at €0.01 each. The share options vest 1/3 on 13 May 2020 and the remaining amounts evenly on 13 May 2021 & 2022. The options are exercisable for a 10 year period to 13 May 2030.

Jonathan Henry	5,500,000
Tim Livesey	2,500,000
Richard Brown	2,500,000
Paul Carroll	3,000,000
Fraser Gardiner	3,000,000

Detailed Directors' emoluments are shown in the Directors' report.

7. Discontinued Operations

The post tax loss on discontinued operations was determined as follows:

	2020	2019
	€000's	€000's
Revenue	**-**	750
Administrative expenses	**-**	(99)
Group share of loss on associate	**-**	(3,263)
Impairment of financial asset	**-**	(7,787)
Reclassification of foreign currency gain on disposal of foreign operation	**1,600**	-
	1,600	(10,399)

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 is as follows:

		2020	2019
		€000's	€000's
Profit / (loss) for the year attributable to equity holders of the parent:			
From continuing operations		**(1,136)**	(904)
From discontinuing operations		**1,600**	(10,399)
		464	(11,303)
Weighted average number of ordinary shares for the purposes of basic earnings per share:	**Shares**	**472,507,482**	472,507,482
From continuing operations	**€ (cents)**	**(0.24)**	(0.19)
From discontinuing operations	**€ (cents)**	**0.34**	(2.20)
Basic profit / (loss) per ordinary share	**€ (cents)**	**0.10**	(2.39)

Diluted earnings per share

Due to the Group's loss for the year ended 31 December 2019, the share options are anti-dilutive and therefore Diluted Earnings per Share is the same as Basic Earnings per Share. For the year ended 31 December 2020 the basic and diluted EPS are the same. Please see Note 20 for details on outstanding share options.

9. Income Tax Expense

	2020	2019
	€000's	€000's
Current tax		
Current tax expense in respect of the current year	-	-
Total tax charge	-	-

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

	2020	2019
	€000's	€000's
Loss from continuing operations	**(1,136)**	(904)
Income tax expense calculated at 12.5% (31 Dec 19: 12.5%)	**(142)**	(113)
Effects of:		
Impairment on intangible assets	**-**	6
Deferred tax assets not recognised	**142**	107
Income tax expense recognised in the profit or loss	**-**	-

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 2020, the Company had unused tax losses of €9,913,804 (2019: €8,881,129) available for offset against future profits which equates to a deferred tax asset of €1,239,226 (2019: €1,098,449) based on the current corporation tax rate of 12.5% in Ireland. No deferred tax asset has been recognised due to the unpredictability of the future profit streams. Losses may be carried forward indefinitely.

Tax losses on the disposal of the Group's interest in Barruecopardo Joint Venture BV in the Dutch subsidiary are deemed to be non recoverable and so are excluded from this note. Tax losses of the other overseas subsidiaries are also deemed to be unrecoverable.

10. Intangible Assets - Group

	Exploration & Evaluation Assets €000's
Cost	
At 1 January 2019	2,724
Additions	10
Impairment	(49)
At 31 December 2019	**2,685**
Additions	**10**
Impairment	**-**
At 31 December 2020	**2,695**

	2020	2019
	€000's	€000's
Classified as:		
Held for sale	**2,400**	2,400
Non-current assets	**295**	285
	2,695	2,685

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 2020.

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

The Company has, for some time, been advancing a disposal process in relation to certain land and data assets associated with the La Zarza Project, located in south-west Spain. Based on the information available at the time of signing these financial statements, the Directors have estimated a fair value for these assets of €2.4m, with the assets represented in the financial statements as “assets held for sale”. While the Directors believe this estimation to be reasonable, there is no binding agreement presently in place relating to this disposal process and as a result there remains a material uncertainty as to whether such a disposal will take place and/or the final price at which any such disposal will complete. Were a disposal not to materialise the assets held for sale could become impaired in value and while this would not impact the Company’s day to day business it could result in an inability to repay certain intergroup loans.

In relation to the non-current assets totaling €295k, which are intangible assets relating to various gold licenses the Group has an interest in, the Group currently intends to seek renewal of these exploration licenses and would plan to undertake on-site exploration activity on the licenses, assuming they are renewed. As any planned exploration activities have been affected as a result of the pandemic, it is possible that the application for licenses’ renewal may be declined, which would result in the licenses becoming impaired.

Any impairment of the Group's assets would also result in a corresponding impairment of the Company's investment in subsidiaries, currently valued at €443,000, together with amounts due from subsidiaries of an amount totaling €2,457,000 at year end.

The Directors have recorded an impairment charge of €nil during the year (31 December 2019: €49,000).

The impairment loss recognised in the prior year arose following an impairment review carried out in respect of the Company's assets in Spain. The impairment was recorded following the Directors' determination that the previously capitalized development costs were not fully recoverable, as they related to licenses which were to be allowed to expire during 2020.

11. Property, Plant and Equipment - Group

	Fixtures & Fittings €000's	Computer Equipment €000's	Total €000's
Cost			
At 1 January 2020	2	16	18
At 31 December 2020	**2**	**16**	**18**
Accumulated Depreciation			
At 1 January 2020	2	16	18
Depreciation charge	-	-	-
At 31 December 2020	**2**	**16**	**18**
Net Book Value			
At 31 December 2020	**-**	**-**	**-**
At 31 December 2019	-	-	-

11. Property, Plant and Equipment - Company

	Fixtures & Fittings €000's	Computer Equipment €000's	Total €000's
Cost			
At 1 January 2020	2	16	18
At 31 December 2020	**2**	**16**	**18**
Accumulated Depreciation			
At 1 January 2020	2	16	18
Depreciation charge	-	-	-
At 31 December 2020	**2**	**16**	**18**
Net Book Value			
At 31 December 2020	-	-	-
At 31 December 2019	-	-	-

12. Financial Assets – Group

In 2020 the Group sold its associate investment for the book value of €6,000,000.

Investment in Associate	**2020**	2019
	€000's	€000's
Cost		
At 1 January 2020	**6,000**	16,718
Impairment charge	**-**	(7,787)
Group's share of loss in associate	**-**	(3,263)
Investment disposal	**(6,000)**	-
Foreign exchange movement	**-**	332
At 31 December 2020	**-**	6,000

	2020	2019
	€000's	€000's
Classified as:		
Held for sale	**-**	6,000
	-	6,000

The Group's investment in Barruecopardo Joint Venture BV was deemed to be an associate investment under IFRS and was accounted for using equity accounting. A summary of the Group's associate as at 31 December 2019 is set out below:

Associate	**Activity**	**Incorporated in**	**Proportion of ownership held**
Barruecopardo Joint Venture BV	Mineral Extraction	The Netherlands	30% (sold in 2020)

12. Financial Assets – Company

	Subsidiary Undertakings €000's
Cost	
At 1 January 2019	15,152
At 31 December 2019	15,152
At 31 December 2020	**15,152**
Accumulated amortisation and impairment	
At 1 January 2019	(7,081)
Impairment losses recognised in profit and loss	(7,628)
At 31 December 2019	(14,709)
Impairment losses recognised in profit and loss	-
At 31 December 2020	**(14,709)**
Net book values	
At 31 December 2020	**443**
At 31 December 2019	443

Subsidiary	**Activity**	**Incorporated in**	**Proportion of ownership interest and voting power held**	
			2020	2019
Ormonde España, 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 BV	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 2020 is appropriate.

13. Assets Classified as Held for Sale

	2020 €000's	2019 €000's
Intangible assets (see Note 10)	**2,400**	2,400
Investment in associate	**-**	6,000
	2,400	8,400

14. Trade and Other Receivables

	Group 2020 €000's	Group 2019 €000's	Company 2020 €000's	Company 2019 €000's
Amounts falling due within one year:				
Trade debtors	**-**	359	**-**	-
Amounts owed by Group undertakings	**-**	-	**2,457**	8,806
Other debtors	**25**	-	**8**	5
Prepayments and accrued income	**34**	20	**32**	18
	59	379	**2,498**	8,829

All receivables are current and there have been no impairment losses during the year in the Group accounts (2019: Nil). In the Company accounts there is a write down in the receivable from Group undertakings of €319,587 in the current year. The Company amounts receivable under "amounts owed by Group undertakings" are dependent on the Group undertakings realising values for the assets they currently hold (see Note 10).

15. Cash and Cash Equivalents

	Group 2020 €000's	Group 2019 €000's	Company 2020 €000's	Company 2019 €000's
Cash at bank	**4,965**	130	**4,951**	120

16. Trade and Other Payables

	Group 2020 €000's	Group 2019 €000's	Company 2020 €000's	Company 2019 €000's
Trade creditors	**47**	163	**47**	163
Amounts owed to Group undertakings	-	-	**116**	-
Other taxes and social welfare costs	**16**	113	**16**	59
Accruals and deferred income	**148**	293	**136**	259
	211	569	**315**	481

The Group's exposure to currency and liquidity risks related to trade and other payables is set out in Note 23.

17. Share capital - Group and Company

	31 Dec '20	31 Dec '19	1 Jan '19
	€000's	€000's	€000's
Authorised equity			
650,000,000 Ordinary Shares of €0.01 each	**6,500**	6,500	6,500
100,000,000 Deferred Shares of €0.038092 each	**-**	3,809	3,809
650,000,000 "A" Deferred Shares of €0.015 each	**-**	9,750	9,750
	6,500	20,059	20,059
Issued capital			
Share capital	**4,725**	13,485	13,485
Share premium	**29,932**	29,932	29,932
	34,657	43,417	43,417
Issued capital comprises:			
472,507,483 Ordinary Shares of €0.01 each	4,725	4,725	4,725
Nil (2019: 43,917,841) Deferred Shares of €0.038092 each	-	1,673	1,673
Nil (2019: 472,507,483) "A" Deferred Shares of €0.015 each	-	7,087	7,087
	4,725	13,485	13,485

In July 2020, all the Deferred Shares and all the "A" Deferred Shares were cancelled, at nominal value, by the Company. There was no consideration paid by the Company for this transaction.

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 in place at that time held 0% of ordinary shares, or 2.1% assuming that all outstanding share options vest and are exercised. The upper limit on the number of share options that can be granted under the share option scheme, including options granted under the existing scheme (see Note 20), is 10% of issued share capital.

18. Other Reserves - Group and Company

	Share Based Payment Reserve €000's	Capital Conversion Reserve €000's	Capital Redemption Reserve €000's	Foreign Currency Translation Reserve €000's
Balance as 1 January 2019	837	29	7	1,268
Foreign exchange adjustments	-	-	-	332
Balance at 31 December 2019	837	29	7	1,600
Balance at 1 January 2020	837	29	7	1,600
Shared based payment	18	-	-	-
Release relating to expired share options	(572)	-	-	-
Foreign exchange adjustments	-	-	-	(1,600)
Balance at 31 December 2020	**283**	**29**	**7**	**-**

a) **Share based payment reserve**
The share based payment reserve is used to capture the cumulative impact of options issued, exercised, disposed of and expired under the Group's Share Option Scheme – see details in Note 20.

b) **Foreign currency translation reserve**
The foreign currency translation reserve is used to capture the cumulative impact of foreign currency translation adjustments arising from the Group's non-Euro denominated functional currency subsidiaries.

19. Retained Losses

	Group 2020 €000's	Group 2019 €000's	**Company 2020 €000's**	Company 2019 €000's
Deficit at beginning of year	**(37,265)**	(25,962)	**(35,379)**	(27,595)
Transfer from reserves	**1,600**	-	**-**	-
Share based reserve adjustment	**572**	-	**572**	-
Cancellation of shares	**8,761**	-	**8,761**	-
Loss for the year	**(1,136)**	(11,303)	**(1,352)**	(7,784)
Deficit at end of year	**(27,468)**	(37,265)	**(27,399)**	(35,379)

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 €1.352 million (2019: loss of €7.784 million) has been dealt with in the Statement of Comprehensive Income of the Group.

20. Share-Based Payments

Employee share option plan

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

Each share option converts into one ordinary share of Ormonde Mining plc on exercise. A nominal amount is 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, subject to certain vesting conditions.

There were 16,500,000 options granted during the year at an exercise price of €0.01 each. A third of these share options had vested before 31 December 2020, with the remaining options vesting in two equal installments during 2021 and 2022. No options were exercised during the year (2019: €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 2020		31 December 2019	
	Number of options 000's	**Weighted average exercise price**	Number of options 000's	Weighted average exercise price
Balance at beginning of the financial year	15,825	€0.039	18,375	€0.040
Expired during the financial year	(5,125)	€0.069	(2,550)	€0.055
Granted during the year	16,500	€0.010	-	-
Balance at end of the financial year	**27,200**	**€0.016**	15,825	€0.039
Exercisable at end of the financial year	**16,200**	**€0.017**	15,825	€0.039

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 000's	**Exercise Price**
Option Series 7	5,900	€0.025
Option Series 8	4,800	€0.027
Option Series 9	16,500	€0.010
	27,200	

The options outstanding at 31 December 2020 had a remaining average contractual life of 8.1 years.

21. Related Party Transactions

Details of subsidiary undertakings are shown in Note 12. During the year, the Company lent the subsidiaries €112,000. The balances due from and to the subsidiaries, which are interest free and repayable on demand, are detailed in Note 14 and 16. The total balance owed at 31 December 2020 is €2,457,000 (in 2019, the Company charged management fees of €741,000 to the subsidiaries, lent the subsidiaries €114,000 and recognised an impairment charge of €7,629,000 in respect of the loan amounts outstanding). In the Company books there is an impairment charge of €319,587 on the receivable from Group undertakings in the year ending 31 December 2020, which consolidates out to €nil in the Group accounts.

The Group held a 30% shareholding in Barruecopardo Joint Venture BV at 31 December 2019, which was sold in February 2020 for its book value of €6 million. This €6 million was a receivable at 31 December 2019 and was received in February 2020.

During the year, an amount of €nil (2019: €750,000) was invoiced to Barruecopardo Joint Venture BV and at 31 December 2020 there was €nil (31 December 2019: €278,000) owing.

22. Events After the Reporting Date

Other than those disclosed in the financial statements, there were no events after the reporting date that require disclosure.

23. 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 2020 and 2019, 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 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.

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, 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 2020 and 31 December 2019 were all payable on demand.

The expected maturity of the Group and Company's financial assets (excluding prepayments) as at 31 December 2020 and 31 December 2019 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 2020 and 31 December 2019.

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. As at year end, the Company was being charged interest on the majority of its funds held in current accounts.

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 2020 and 31 December 2019. 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.

24. Approval of Financial Statements

The financial statements were approved by the Board on 25 May 2021.

Directors and other information

Directors	Richard Brown (Non-Executive Director) (*appointed 17 February 2020*) Jonathan Henry (Executive Chair) Tim Livesey (Non-Executive Director) (*appointed 17 February 2020*) Brian Timmons (Non-Executive Director) (*appointed 24 June 2020*) John Carroll (*retired 17 February 2020*) Michael Donoghue (*retired 17 February 2020*)
Registered Office	c/o Smith and Williamson Paramount Court Corrig Road Sandyford Business Park Dublin 18
Secretary	Paul Carroll (*appointed 17 February 2020*)
Group Auditors	Nexia Smith and Williamson (Ireland) Limited Chartered Accountants Statutory Audit Firm Paramount Court Corrig Road Sandyford Business Park Dublin 18
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	Buchanan Communications Limited 107 Cheapside London EC2V 6DN United Kingdom

Ormonde Mining plc

Registered Number	96863 Republic of Ireland
Date of Incorporation	13 September 1983
Website	www.ormondemining.com