Connemara
Mining Company Plc

Interim Statement

for the period ended 30 June 2015

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Gold exploration in Ireland continues to be the main activity in the Connemara portfolio. In the past six months we have continued our low key, low cost, programme on our licence block on the Inishowen peninsula in Donegal. We have examined, reviewed and assessed the data from previous exploration companies. Our first prospecting programme, almost all soil sampling, highlighted a series of attractive areas containing interesting gold grades. Our second campaign focused on the best of these areas – a 700 sq m block from which we collected samples every 20 metres.

The results of this campaign have refined the target area. We are now undertaking a trenching programme over the best area. This seven trench operation is designed to sample the bedrock where we expect to find one or more gold bearing veins. If successful, and assuming the ore contains commercial grades, we would look at a small drilling campaign. We are fully funded for this activity.

Our second block of gold licences is in the Wicklow/Wexford area. Here, we have a joint venture with a private Canadian company, Hendricks, where they must spend €1 million to earn 75%. They have not yet spent enough to earn this interest. Hendricks has adjacent ground and has conducted exploration over the entire licence area, theirs and ours, which have identified drill targets, some on our ground. The abysmal Toronto market for junior explorers has frustrated fund raising by Hendricks so no work is being done at present. An Irish company with licences in the area has joint ventured with a Turkish gold company. They are drilling. We are talking to Hendricks about the joint venture.

We have zinc focused exploration licences near Limerick which is a joint venture with Teck Ireland Ltd., a subsidiary of Teck Resources Limited (“Teck”), around the Oldcastle area which is under option to Teck, and one licence near the Lisheen mine in Tipperary.

The zinc cycle should be on an upturn. Supply shortages were expected to begin in 2015 and last for some years. Zinc prices rallied to $2,400 a ton earlier this year in anticipation of an upturn in the cycle and probable supply shortages. But zinc could not withstand the overall collapse in commodity prices caused by fear of slowdown in the BRIC countries. Uncertainty and fear are causing weakness. This can delay the cycle but the BRICs need and will buy the many products containing zinc in housing, transport and white goods sectors. When the upturn comes it is likely to be more pronounced as lower prices will reduce supply and decimate exploration. The delay in demand has caused a subsequent retreat to around $1,800 per ton level seen today.

Teck continues to explore in Ireland however as operator of the Limerick joint venture did not propose a work program for 2015. Teck has been working at Oldcastle towards its earn-in and drilling other projects in the midlands. The Limerick discovery is on care and maintenance. Let me remind shareholders that the Limerick properties, Stonepark, lie next to the Glencore owned Pallas Green zinc discovery which is estimated to contain over 25 million tons of zinc ore but needs more drilling. Rumours abound that the general area is of interest to other groups.

Many of you will remember that a shareholder, Trampus Ltd, took and lost a High Court action against Connemara. Full costs were awarded to Connemara at the ruling in 2013. It has taken two years to have the costs taxed and the final award has not yet been paid. We are pursuing the matter.

The company is funded for all its current activities and expenditure for the next year or so. As explorers we remain hopeful that one or more of our activities will yield positive results. As business people we hope that the world economic outlook will at least stabilise and that fear recedes in the stock market.

John Teeling
Chairman

14th September 2015

Financial Information (unaudited)

	Six Months Ended 30 June 15 unaudited €'000	Six Months Ended 30 June 14 unaudited €'000	Year Ended 31Dec 14 audited €'000
Condensed Consolidated Statement of Comprehensive Income			
Continuing Operations			
Administrative expenses	(89)	(141)	(309)
OPERATING LOSS	(89)	(141)	(309)
Investment revenue	1	1	1
LOSS BEFORE TAXATION	(88)	(140)	(308)
Income tax expense	-	-	-
LOSS FOR THE PERIOD AND TOTAL COMPREHENSIVE LOSS	(88)	(140)	(308)
LOSS PER SHARE - basic and diluted	(0.16c)	(0.39c)	(0.74c)

	30 June 15 unaudited €'000	30 June 14 unaudited €'000	31Dec 14 audited €'000
Condensed Consolidated Balance Sheet			
NON CURRENT ASSETS			
Intangible Assets	2,399	2,328	2,379
CURRENT ASSETS			
Other receivables	80	28	70
Cash and cash equivalents	244	37	385
	324	65	455
TOTAL ASSETS	2,723	2,393	2,834
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	(434)	(333)	(457)
NET CURRENT LIABILITIES	(110)	(268)	(2)
NET ASSETS	2,289	2,060	2,377
EQUITY			
Share Capital	558	357	588
Share Premium	4,809	4,525	4,809
Reserves	(3,078)	(2,822)	(2,990)
TOTAL EQUITY	2,289	2,060	2,377

Financial Information (unaudited)

Condensed Consolidated Statement of Changes in Shareholders Equity

	Called-up Share Capital €'000	Share Premium €'000	Share Based Payment Reserves €'000	Retained Deficit €'000	Total €'000
As at 1 January 2014	357	4,525	50	(2,732)	2,200
Loss for the period	-	-	-	(140)	(140)
As at 30 June 2014	357	4,525	50	(2,872)	2,060
Shares issued	201	300	-	-	501
Share issue expenses	-	(16)	-	-	(16)
Options expired	-	-	(50)	50	-
Loss for the period	-	-	-	(168)	(168)
As at 31 December 2014	558	4,809	-	(2,990)	2,377
Loss for the period	-	-	-	(88)	(88)
As at 30 June 2015	558	4,809	-	(3,078)	2,289

Condensed Consolidated Cash Flow	Six Months Ended 30 June 15 unaudited €'000	Six Months Ended 30 June 14 unaudited €'000	Year Ended 31 Dec 14 audited €'000
CASH FLOW FROM OPERATING ACTIVITIES			
Loss for the year	(88)	(140)	(308)
Investment revenue	(1)	(1)	(1)
Exchange movements	(21)	(1)	(7)
	(110)	(142)	(316)
Movements in working capital	(33)	150	222
CASH (USED)/GENERATED BY OPERATIONS	(143)	8	(94)
Investment revenue	1	1	1
NET CASH (USED)/GENERATED IN OPERATING ACTIVITIES	(142)	9	(93)
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for exploration and evaluation	(20)	(38)	(79)
NET CASH USED IN INVESTING ACTIVITIES	(20)	(38)	(79)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of equity shares	-	-	501
Share issue costs	-	-	(16)
NET CASH FROM FINANCING ACTIVITIES	-	-	485
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(162)	(29)	313
Cash and Cash Equivalents at beginning of the period	385	65	65
Effects of exchange rate changes on cash held in foreign currencies	21	1	7
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	244	37	385

Notes

1. **Information**

   The financial information for the six months ended 30 June 2015 and the comparative amounts for the six months ended 30 June 2014 are unaudited.

   The interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union. The interim financial statements have been prepared applying the accounting policies and methods of computation used in the preparation of the published consolidated financial statements for the year ended 31 December 2014.

   The interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the audited consolidated financial statements of the Group for the year ended 31 December 2014, which are available on the Company's website www.connemaramining.com

   The interim financial statements have not been audited or reviewed by the auditors of the Group pursuant to the Auditing Practices board guidance on Review of Interim Financial Information.

2. **No dividend is proposed in respect of the period.**

3. **Loss per share**

	30 June 15	30 June 14	31 Dec 14
	€	€	€
Loss per share – Basic and Diluted	(0.16c)	(0.39c)	(0.74c)

<u>Basic loss per share</u>

The earnings and weighted average number of ordinary shares used in the calculation of basic loss per share are as follows:

Loss for the year attributable to equity holders of the parent	(87,846)	(140,436)	(308,292)
Weighted average number of ordinary shares for the purpose of basic earnings per share	55,779,711	35,739,711	41,504,643

Basic and diluted loss per share are the same as the effect of the outstanding share options is anti-dilutive.

4. **Intangible Assets**

	30 June 15	30 June 14	31 Dec 14
Exploration and evaluation assets:	**€'000**	**€'000**	**€'000**
Cost at 1 January	2,379	2,290	2,290
Additions	20	38	89
Closing Balance	2,399	2,328	2,379

The above represents expenditure on projects in Ireland. Included in the Group intangible assets is €Nil (Dec 2014: €10,000) of directors' remuneration which was capitalised during the period.

In 2012 the Group entered into an agreement with Teck Ireland Limited ("Teck"), a subsidiary of Teck Resources Limited, which gives Teck the option of earning a 75% interest in licences held by the Group in Cavan/Meath. Teck have to spend €1.35 million on the licences by 2018 in order to earn the option to acquire the total 75% interest. As per the agreement the licences have been transferred into a new company, Oldcastle Zinc Limited. As at 31 December 2014 Teck had completed €550,000 worth of expenditure. As per the agreement upon Teck completing €550,000 of expenditure 343,500 ordinary shares in Oldcastle Zinc Limited were to be issued to Teck. The shares were issued on 20 February 2015 giving Teck a 51% interest in the company.

In 2007 the Group entered into an agreement with Teck Cominco which gave Teck Cominco the option to earn a 75% interest in a number of other licences held by the Group. Teck Cominco had to spend CAD$3m to earn the interest. During 2012 the relevant licences were transferred to a new company, TILZ Minerals Limited, which at 30 June 2015 was owned 23.44% (31 December 2014: 23.79%) by Limerick Zinc Limited and 76.56% (31 December 2014: 76.21%) by Teck Ireland Limited. The Group's share of expenditure on the licences continues to be capitalised as an exploration and evaluation asset. The Group is subject to cash calls from Teck Ireland Limited in respect of the financing of the ongoing exploration and evaluation of these licences. In the event that the Group decides not to meet these cash calls its interest in TILZ Minerals Limited may be diluted accordingly.

The realisation of the intangible asset is dependent on the successful development of economic reserves which is subject to a number of risks as outlined below. Should this prove unsuccessful the value included in the balance sheet would be written off to the statement of comprehensive income.

The group's activities are subject to a number of significant potential risks including;
- Uncertainties over development and operational risks;
- Compliance with licence obligations;
- Liquidity risks; and
- Going concern risks.

The directors are aware that by its nature there is an inherent uncertainty in such exploration and evaluation expenditure as to the value of the asset. Having reviewed the deferred development expenditure at 30 June 2015, the directors are satisfied that the value of the intangible asset is not less than carrying value.

5. Share Capital and Share Premium

	30 June 15 €'000	30 June 14 €'000	31 Dec 14 €'000
Authorised:			
200,000,000 ordinary shares of €0.01 each	2,000	2,000	2,000

Allotted, Called Up and Fully Paid:	Number	Share Capital €'000	Share Premium €'000
Balance at 1 January 2014	35,739,711	357	4,525
Issued during period	-	-	-
Balance at 30 June 2014	35,739,711	357	4,525
Issued during period	20,040,000	201	300
Less share issue expenses	-	-	(16)
Balance at 31 December 2014	55,779,711	558	4,809
Issued during period	-	-	-
Balance at 30 June 2015	55,779,711	558	4,809

On 18 September 2014, a total of 20,040,000 shares were issued at a price of 2p per share to provide additional working capital and fund development costs.

6. The Interim Report for the six months to June 30th 2015 was approved by the Directors on 14th September 2015.

7. Copies of the interim report will be sent to shareholders and will be available for inspection at the Companies Registered Office at 162 Clontarf Road, Dublin 3, Ireland. The Interim Report will also shortly be available for viewing on Connemara Mining Company Plc's website at www.connemaramining.com

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Connemara Mining is listed on AIM in London (AIM: CON.L)