

News Releases

YEAR OF PROGRESS ON TWO FRONTS FOR CONROY

- **Armagh Gold Discovery Validates Company's Concept Of Large Gold Belt**
- **Gold-In-Soil Anomaly At Slieve Glah Now Extends Over 1.7km**
- **Recovery Of G9 Garnet Provides Early Boost To Finland Diamond Play**

Further outstanding progress with its gold exploration campaign in Ireland and early success in the search for diamonds in Finland are highlighted by Professor Richard Conroy, Chairman of Conroy Diamonds and Gold P.I.c., in the annual report for the year ended May 31 2001.

The beginning of the year coincided with the start of trading in the Company's shares on the Alternative Investment Market (AIM). The mid-year extension of the gold exploration programme into Co. Armagh was quickly rewarded with the discovery at Cargallisgoran. And as the financial year drew to a close, Conroy moved further afield, extending its exploration activities into Finland, where diamonds are the main target. Again it made early progress, with initial till sampling returning kimberlitic indicator minerals, including an all-important G9 garnet.

The new gold discovery at Cargallisgoran, 6.5km along strike from its Tullybuck-Lisglassan deposit in Co. Monaghan, is both gratifying and significant", the Chairman states. The discovery was made as a result of trenching and drilling of only a small portion of what is a very extensive (3.5km by 1.5km) geochemical anomaly. The potential of remainder is now being evaluated.

Cargallisgoran provides solid support for Conroy's concept that Tullybuck-Lisglassan is not an isolated deposit but is part of a much larger Armagh-Monaghan Gold Belt, now shown to extend over an area measuring at least 20km by 3km. Cross-faulting has broken up the whole belt into a series of discrete fault blocks with Tullybuck-Lisglassan located in one block and Cargallisgoran within another. The two deposits are separated by at least one, and possibly two, further untested fault blocks, Conroy states.

Further encouragement in this regard was provided during the year by the findings of an independent European research team, led by the British Geological Survey, which studied a number of gold deposits in Europe, including Tullybuck-Lisglassan. The findings confirmed the conclusions previously reached by Conroy's technical consultants that the gold and base metal mineralised structures at Tullybuck-Lisglassan have different orientations. The European team also successfully applied two new techniques for gold exploration in the Longford-Down Massif.

Conroy therefore believes there is a very real possibility that a number of economic gold deposits could be located within the area of the Longford-Down Massif covered by the Company's exploration licences. This has been extended and now comprises a contiguous block of 1,500km² straddling both the border between the Republic and Northern Ireland and the line of the Orlock Bridge fault, the regional geological structure which the Company believes most influenced the creation of the Armagh-Monaghan Gold Belt.

Conroy continues to progress its exploration programmes for gold and base metals elsewhere within its licence area. In particular, infill soil sampling at Slieve Glah in Co Cavan, some 45km south-west of Tullybuck-Lisglassan, has extended a series of previously outlined discrete gold anomalies into one continuous anomaly approximately 1,700m long. Work is continuing to evaluate the potential of this area, Conroy states.

To the south of the Armagh-Monaghan Gold Belt, the base metal potential of a 50km² area is being investigated. Numerous base metal veins have been worked there in the past and, geologically, the area is very similar to the prolific Leadhills/Wanlockhead mining field in Scotland.

CONROY PLC AGREES TO SHARE FINLAND EXPERTISE

As part of the move into Finland, Conroy Diamonds and Gold P.I.c. has reached agreement with Conroy P.I.c. (the two companies have common directors) to share the extensive

information, knowledge and expertise which Conroy P.I.c., has acquired in relation to Finland. In addition, Conroy Diamonds and Gold has contracted the services of the Geological Survey of Finland (GSF), with its invaluable experience and expertise in the geology of Finland, to work in association with your Company's staff and consultants.

The results of the initial till sampling programme in Finland, carried out by the GSF on behalf of Conroy Diamonds and Gold, have been most encouraging, the Chairman states. Kimberlitic indicator minerals, including an all-important G9 garnet, have been recovered from the vicinity of a classic "bullseye" aeromagnetic anomaly. To find a G9 garnet at such an early stage is particularly good news and suggests the Company's selection of exploration targets is well founded, says Professor Conroy.

The Company also holds Claim Reservations in Finland for gold, platinum group metals and base metals exploration.

FINAL RESULTS

The Company announced its final results for the year ended 31 May 2001. The results are reported in Euros. The loss for the year amounted to €305,369. During the year, Conroy raised €933,264 net of expenses through the issue of 3,376,000 new ordinary shares. The accounts, therefore, show an increase in shareholders' funds of €627,895.

*[Most diamonds are formed in kimberlitic pipes. Certain minerals are unique to these pipes and are known as **kimberlitic indicator minerals**. Some of these minerals are derived from the same source rock within the kimberlite as diamonds. In this context, G9 and G10 garnets are of particular importance and are known as **diamond indicator minerals**. Kimberlitic pipes may also show magnetic highs or lows characterised by a **bulls eye** pattern in northern latitudes.]*

Further Information

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