

Conroy Diamonds and Gold P.l.c.

Interim Report 2002



CONROY
DIAMONDS AND GOLD P.l.c.

Dear Shareholder

I have great pleasure in presenting your Company's Interim Report.

Your Company continued to make major progress during the period covered by this report. In particular, the Longford-Down Massif in Ireland, within which your Company has discovered the Armagh-Monaghan Gold Belt, continues to yield good exploration results, thus adding to your Company's conviction that the Massif has the potential to become a new gold province of global significance. Exploration for diamonds in Finland is also progressing well.

The discovery of a third mineralised zone, at Tivnacree in Co. Armagh, some 1.2km southwest of your Company's previous discovery at Cargalisgorran, together with the identification of a broad zone of gold mineralisation at Tullybuck-Lisglassan in Co. Monaghan, demonstrates the success of your Company's exploration strategy. Geochemical soil sampling to identify anomalous areas, followed by trenching to bedrock and finally diamond drilling, led to the discovery of both Cargalisgorran and Tivnacree.

This exploration strategy continues to add new areas of interest. The most recent soil geochemistry programme within the Gold Belt not only highlighted a number of new areas of anomalous gold values but also substantially increased the size of other, previously identified, gold anomalies. Both developments are highly encouraging, and follow-up trenching and drilling are planned.

Drilling to date at Tullybuck-Lisglassan, Cargalisgorran and Tivnacree has shown gold mineralisation to be structurally related to a regional geological structure known as the Orlock Bridge Fault. According to your Company's geological model, the interaction of this fault with deep-seated geological features is the controlling influence on mineralisation in the region. Cross-faulting has divided the regional feature into a number of

blocks and each of the three areas of gold mineralisation so far identified lies within an individual fault block. Many other such fault blocks are present and have yet to be fully explored.



Elsewhere in the Longford-Down Massif, exploration continues at Slieve Glah in Co. Cavan, some 45km to the southwest of Tullybuck-Lisglassan, where the Orlock Bridge Fault shows a marked deviation to the south. This deviation in the Fault is particularly interesting as large-scale mineral development is sometimes associated with such deviations. Your Company has defined extensive gold in soil anomalies in this area and some preliminary trenching has identified gold in bedrock. Exploration is also ongoing over the intervening block of ground between Slieve Glah and the Armagh-Monaghan Gold Belt, all of which is traversed by the Orlock Bridge Fault.

Your Company's exploration programme for diamonds in Finland continues to progress well with further kimberlitic indicator minerals, including the important diamond indicator minerals, G9 and G10 garnets, reported.

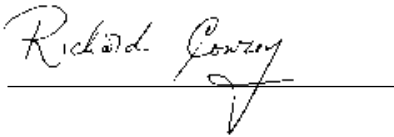
Finance

The cash in hand at 30 November 2002 was €50,110. In December 2002, your Company raised £450,000 (€700,000 approx), which together with facilities available to the Company, is financing the current phase of the exploration programme. Your directors are considering the various options for financing its further exploration and development programmes. These may include bringing in a joint-venture partner or the raising of further permanent capital.

Directors and Staff

I would like to thank my fellow directors, staff and consultants for their continued support and dedication. They have made the further success of the Company possible. The future continues to be both interesting and exciting.

Yours faithfully

A handwritten signature in cursive script that reads "Richard Conroy". The signature is written in black ink and is positioned above a solid horizontal line.

Professor Richard Conroy
Chairman

27 February 2003

Website: www.conroydiamondsandgold.com

Phone: +353 1 661 8958

Fax: +353 1 662 1213

Address: 10 Upper Pembroke Street, Dublin 2

CONROY DIAMONDS AND GOLD P.L.C.

Balance Sheet at 30 November 2002

	November 2002 (Unaudited) €	November 2001 (Unaudited) €	May 2002 (Audited) €
Fixed Assets			
Intangible – Mineral Interests	4,712,748	3,761,820	4,250,337
Tangible fixed assets	60,350	74,492	66,746
	4,773,098	3,836,312	4,317,083
Current Assets			
Debtors	10,781	21,068	19,449
Cash at hand	50,110	236,384	208,549
	60,891	257,452	227,998
Creditors: Amounts falling due within one year	(1,078,304)	(789,200)	(1,059,486)
Net Current (Liabilities)/Assets	(1,017,413)	(531,748)	(831,488)
Total Assets less Current Liabilities	3,755,685	3,304,564	3,485,595
Creditors:			
Amounts falling due after more than one year	0	(222,204)	0
	€3,755,685	€3,082,360	€3,485,595
Capital and Reserves			
Called up share capital	710,732	526,832	620,732
Capital Conversion Reserve Fund	30,617	30,617	30,617
Share premium account	4,267,056	3,418,155	3,925,901
Profit and loss account	(1,252,720)	(893,244)	(1,091,655)
Shareholders' Funds	€3,755,685	€3,082,360	€3,485,595

Profit and Loss Account for Half Year Ended 30 November 2002

Operating expenses	(161,098)	(155,913)	(355,245)
Other income	33	6,463	7,384
Loss on Ordinary Activities before Taxation	(161,065)	(149,450)	(347,861)
Tax on loss on ordinary activities	-	-	-
Loss for period	(161,065)	(149,450)	(347,861)
Profit and Loss account at 1 June 2002	(1,091,655)	(743,794)	(743,794)
Profit and Loss account at 30 November 2002	(1,252,720)	(893,244)	(1,091,655)
Loss per share	(€0.007)	(€0.011)	(€0.019)



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