

11 October 2010

**Conroy Diamonds and Gold Plc**  
("Conroy" or "the Company")

**SUCCESSFUL RESULT FROM HOLES ON STEP OUT  
DRILLING PROGRAMME AT CLAY LAKE GOLD TARGET**

- **Step out drill programme continues to give positive results - 13 zones of mineralisation intersected**
- **14 metres of 0.72 grammes per tonne ("g/t") gold, including 2 metres of 1.72g/t gold**
- **Also intersections of 2 metres of 1.78g/t gold, 2 metres of 1.27g/t gold 2.4 metres of 0.92g/t gold, 3 metres of 0.82g/t gold and 3 metres 1.29g/t gold**

Conroy (AIM: CDG; ESM: CDGI) is pleased to announce that the ongoing step out drilling programme, in the north-western corner of its Clay Lake gold target in Co. Armagh, has returned positive results with 13 zones of mineralisation intersected. The step out programme of inclined holes follows on from previous positive gold results which demonstrated the presence of a broad zone of gold mineralisation.

The first drill hole was 233 metres in length to a vertical depth of approximately 165 metres, which intersected 2.4 metres of 0.92g/t gold from 2.6 metres. This was followed by 2 metres of 1.78g/t gold from 26 metres followed by a 3 metres intersection of 0.82g/t gold from 113 metres, and a 2 metre intersection of 1.27g/t gold from 167 metres.

The second drill hole was 161 metres in length to a vertical depth of approximately 114 metres, and it intersected 14 metres of 0.72g/t gold from 125 metres including 3 metres from 128 metres which averaged 1.72g/t gold. This was followed by 3 metres of 0.61g/t gold from 146 metres.

The third drill hole, 161.35 metres in length to a vertical depth of approximately 114 metres, intersected 2 metres of 0.58g/t gold from 30 metres. This was followed by 1 metre of 1.22g/t gold from 36 metres followed by a 7 metres intersection of 0.35g/t gold and 4.6g/t silver from 87 metres, and 11 metres intersection of 0.43g/t gold and 3.2g/t silver from 145 metres including 3 metres of 0.82g/t gold and 5.7g/t silver.

The fourth drill hole, which was 157 metres in length to a vertical depth of approximately 120 metres, intersected 7 metres of 0.95g/t gold from 69 metres including 3 metres of 1.29g/t gold from 83 metres. This was followed by 1 metre of 1.33g/t gold from 83 metres followed by a 1 metre intersection of 1.80g/t gold from 112 metres.

<b>Drill Hole</b>	<b>From (m)</b>	<b>Intercept (m)</b>	<b>Au (g/t)</b>	<b>Ag (g/t)</b>
Intersection:	2.6	2.4	0.92	-
Intersection:	26	2	1.78	-
Intersection:	113	3	0.82	-
Intersection:	167	2	1.27	-
<b>Drill Hole</b>	<b>From (m)</b>	<b>Intercept (m)</b>	<b>Au (g/t)</b>	<b>Ag (g/t)</b>
Intersection:	125	14	0.72	-
incl.	128	2	1.72	-
Intersection:	146	3	0.61	-
<b>Drill Hole</b>	<b>From (m)</b>	<b>Intercept (m)</b>	<b>Au (g/t)</b>	<b>Ag (g/t)</b>
Intersection:	30	2	0.58	-
Intersection:	36	1	1.22	-
Intersection:	87	7	0.35	4.6
Intersection:	145	11	0.43	3.2
incl.	149	3	0.82	5.7
<b>Drill Hole</b>	<b>From (m)</b>	<b>Intercept (m)</b>	<b>Au (g/t)</b>	<b>Ag (g/t)</b>
Intersection:	69	7	0.95	-
incl.	73	3	1.29	-
Intersection:	83	1	1.33	-
Intersection:	112	1	1.80	-

Arenites and argillites (shales) were the main lithologies in these holes.

**Commenting, Chairman, Professor Richard Conroy said:**

*“This is good news indeed, every one of the 7 holes that have been drilled so far, all in the top corner of the soil anomaly, have got gold mineralisation present. We believe that this confirms our view that Clay Lake is even more prospective than Clontibret where we have a 1 million oz resource identified already.”*

**Further Information:**

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**Editors' Note**

The Clay Lake anomaly covers an area of about 141 hectares (“ha”) and has returned the highest gold-in-soil values ever recorded by the Company on its Irish exploration licences. It is larger than that at Clontibret (125ha), 7km to the south-west where the Company has established a JORC-compliant gold resource of over 1 million ounces on only 20 per cent. of the target. Both targets are located along the 50km (30 mile) gold trend outlined on its licences.

This release has been approved by Kevin McNulty PGeo, who is a member of the Company’s technical staff, who holds a BSc/MSc in Geology and Remote Sensing, in accordance with the guidance note for Mining, Oil & Gas Companies issued by the London Stock Exchange in respect of AIM Companies, which outlines standards of disclosure for mineral projects.

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