

Regulatory Announcement

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Company	Conroy Diamonds &Gld
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Conroy Diamonds and Gold Plc ('CDG')

Final results for the year ended 31 May 2006

Chairman's Statement

I have great pleasure in presenting your Company's Annual Report and Financial Statements for the twelve months ended 31 May 2006, a period which has continued to bring exploration success in Ireland. Since the year-end your Company has acquired gold exploration assets in Finland from Conroy P.l.c. and now has active exploration programmes in place in both Ireland and Finland.

The primary objective of your Company is to establish a new gold province in Ireland through the discovery and bringing into production of one or more gold deposits. Our exploration to date in the Longford-Down Massif has established a gold trend extending for at least fifty miles along strike from Co. Armagh, through Co. Monaghan and into Co. Cavan. A detailed multi-component airborne geophysical survey has now been completed over approximately 90 per cent. of your Company's licences - an area of about 500 square miles. The results of the survey are expected to complement your Company's extensive database of results from soil sampling, trenching and drilling programmes, together with its Landsat Enhanced Thematic Mapper (ETM) and Digital Terrain Model (DTM) data. Together, this information will provide a more comprehensive geological picture of the entire licence area, enhance your Company's understanding of the area and highlight its potential to host one or more major gold deposits.

As part of a programme to focus on the gold discoveries it has made on its licences, your Company is undertaking a detailed review of the Tullybuck-Lisglassan sector of the gold trend in County Monaghan, the location of your Company's first discovery in the Armagh-Monaghan Gold Belt. Amongst other things, this review is expected to assist the Company in refining its geological model for that sector. The Company has also enjoyed further exploration success in this sector since the initial discovery was made and as a result the Tullybuck-Lisglassan represents just a small part of the larger Clontibret gold target. The Clontibret target covers an area measuring 2.5 square kms and also takes in several other gold discoveries made by your Company.

The assets acquired in Finland from Conroy P.l.c. on a share exchange basis include nine exploration licences in the Central Lapland Greenstone Belt, together with an extensive geological and geophysical database. Your directors believe that Finland has excellent prospects for gold and these prospects are underdeveloped by world standards.

The gold exploration assets acquired in Finland supplement the Company's

existing gold interests in the Longford-Down Massif and will, in the directors' opinion, expose the Company to new and exciting gold exploration opportunities in an area that is highly prospective Finland, is a mining friendly country with a well-developed infrastructure, and geological potential for large gold deposits.

Most of Finland lies on the so-called Baltic Shield - the ancient cratonic mass forming the core of North Western Europe. However, this has not been subjected to the same exploration effort seen in other shield areas of the world (e.g. Southern Africa, Western Australia, Canada) and gold in Finland has been largely produced as a by-product of mining operations in massive base metal sulphide deposits.

Studies by the Geological Survey of Finland (GTK) have resulted in a reappraisal of Finland's overall mineral endowment. These studies have indicated a high potential for gold in central Lapland. By 1991, the first gold mine in Finland was in operation, and this was followed by the discovery of the Suurikuusikko gold deposit in the central Lapland Greenstone Belt, which is estimated to have a resource of over 2 million oz of gold and is now under development by the Canadian gold mining company Agnico-Eagles Mines Limited.

The previous owner of the assets has carried out an active exploration programme for gold in Finland and has acquired a significant knowledge of the style of gold deposition and mineralisation, particularly in the central Lapland Greenstone Belt. It has built up an extensive database on gold occurrences in the area, including a comprehensive overview, detailed aeromagnetic data, and a review of the entire GTK geochemical database (sample per 4 square kilometres). The analysis of the data was followed by the collection and analysis of over 2,300 geochemical samples. This was undertaken by the GTK on behalf of the previous owner and resulted in the identification of four areas of particularly attractive prospectivity for gold in the central Lapland Greenstone Belt.

The Company proposes to continue with the exploration programme over the prospective areas, which have been identified and will also continue to employ, under contract, the services of the GTK.

The strategy of the Company in Finland will be to identify economic gold deposits and ultimately increase shareholder value.

As I am the largest shareholder in Conroy P.l.c., and other directors of the Company are also shareholders and directors of both companies, an Extraordinary General Meeting was held on Wednesday 1 November 2006, which resolved to proceed with the acquisition of the gold exploration assets in Finland of Conroy P.l.c. These have been independently valued at Euro1 million by The CSA Group, a worldwide exploration management consultancy.

These assets were acquired by your Company for Euro1 million (£675,300), which was satisfied by the issue of 19,294,286 new Ordinary Shares, valued at 3.5p per share (the average middle market share price of the Company's Ordinary Shares in the 3 months prior to the date of the transaction). Following this transaction, Conroy P.l.c. holds 18.26 per cent. of the issued share capital of the Company.

Financials

The profit after taxation for the year ended 31 May 2006 was Euro354,153 (2005: Loss (Euro513,247)) and the net assets as at 31 May 2006 were Euro5,774,325 (2005: Euro4,

Auditors

On 13 June 2006 Deloitte & Touche were appointed as auditors to the Company.

Directors, Consultants and Staff.

I would like to express my deep appreciation of the support and dedication of the directors, consultants and staff, which has made possible the continued progress and success which your Company has achieved.

I am very pleased to welcome David Wathen to our Board. His extensive experience in stockbroking and corporate finance, which includes the natural resources sector, will be a valuable asset in helping the Company develop and implement plans to advance our gold projects in Ireland.

I regret to report with deep sadness the death of Dr Pamela Conroy. Dr Conroy was a founding director of the Company. Her dedication, experience, advice and support, contributed significantly to the success of your Company.

Future Outlook

The Company will continue with its asset exploration programmes with a view to establishing a new gold province in Ireland, through the discovery and bringing into production of one or more gold deposits, and developing the gold interests in Finland.

Professor Richard Conroy
Chairman
15 November 2006

Profit and Loss Account For the Year Ended 31 May 2006

	2006	2005
	Euro	Eur
Operating Expenses - recurring	(254,316)	(515,205)
- non-recurring	(Note 3) 607,197	-
Other Income	1,272	1,958
Profit/(loss) on ordinary activities	354,153	(513,247)
Profit/(loss) retained for the Year	354,153	(513,247)
Earnings/(loss) per ordinary share - Basic	Euro0.0048	(Euro0.008
- Fully Diluted	Euro0.0048	-

There are no recognised gains or losses other than the profit for the year. The above all result from continuing operations.

Balance Sheet
As at 31 May 2006

		2006	2005
		Euro	Eur
Fixed Assets			
Mineral interests	(Note 3)	5,781,855	6,043,726
Tangible assets		43,635	53,015
		5,825,490	6,096,741
Current Assets			
Debtors		55,835	39,020
Cash at bank and in hand		312,397	62,689
		368,232	101,709
Creditors: amounts falling due within one year		(419,397)	(1,586,037)
Net current liabilities		(51,165)	(1,484,328)
Net Assets		5,774,325	4,612,413
Capital and Reserves			
Called up share capital		2,591,820	2,146,320
Capital conversion reserve fund		30,617	30,617
Share premium		5,069,866	4,707,607
Profit and loss account		(1,917,978)	(2,272,131)
Shareholders' Funds - all equity		5,774,325	4,612,413

Cash Flow Statement

For the year ended 31 May 2006

		2006	2005
		Euro	Eur
Net cash (outflow)/inflow from operating activities		(1,951)	73,638
Capital expenditure and financial investment		(556,100)	(888,353)
Net cash outflow before financing		(558,051)	(814,715)
Financing		807,759	359,542
Increase/(decrease) in cash		249,708	(455,173)

Notes to the Financial Statements

1. Publication of non-statutory accounts

The financial information set out in this preliminary announcement are abbreviated accounts as defined in Section 19 of the Companies (Amendment) Act 1986.

The financial information for the period ended 31 May 2005 have been extracted from the Company's financial statements to that date which have received an unqualified auditors' report but have not yet been delivered to the Registrar of Companies.

2. Earnings per share

The calculation of the basic earnings per ordinary share of Euro0.0048 (2005 - Loss Euro0.008) is based on the profit for the financial year of Euro354,153 (2005 - Loss (Euro513,247)) and the weighted average number of ordinary shares in issue during the year of 73,257,473 (2005 - 64,487,011).

The calculation of the fully diluted earnings per ordinary share of Euro0.0044 is based on the profit for the financial year of Euro354,153 and the weighted average number of ordinary shares in issue on a fully diluted basis during the year of 80,658,217. Since the Company incurred a loss in 2005 the effect of share options and warrants would be anti-dilutive.

3. Non-recurring credit to Profit and Loss account and Mineral Interests

During the year the directors considered the financial position of the Company and in particular the level of current liabilities which mainly arose from the accrual of unpaid directors' fees and remuneration since incorporation. The relevant individual directors agreed to waive their entitlement to all amounts accruing from incorporation up to 31 August 2005, amounting to Euro1,422,782. The amount that had been allocated to the gold exploration programme, Euro815,585 was credited to mineral interests and the balance of Euro607,197 was treated as a non-recurring credit to the profit and loss account.

4. Dividends

No dividends were paid or are proposed in respect of the period ended 31 May, 2006.

5. Copy of Accounts

A copy of the Annual Report and Accounts will be sent to all shareholders shortly and will be available from the Company's registered office, 10 Upper Pembroke Street, Dublin 2.

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