



CONROY DIAMONDS AND GOLD P.I.c.

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CONROY REPORTS HIGHLY SIGNIFICANT RESULTS FROM DIAMOND EXPLORATION IN FINLAND

- **Key G9 And G10 Diamond Indicator Minerals Recovered**
 - **Distribution Pattern Suggests Source May Be Nearby**
 - **Karelian Craton Setting Is Similar To Major Russian Deposits**
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Highly significant results are announced today by AIM-listed Conroy Diamonds and Gold P.I.c. from its ongoing diamond exploration programme in Finland. A large number of kimberlitic indicator minerals together with many diamond indicator minerals, including key G9 and G10 garnets, have been returned from the Kuhmo district. This is an exploration area close to the Russian border where the company has completed a programme of regional till sampling covering approximately 1,700km².

Conroy's previously announced discovery of kimberlitic indicators and G9 garnets related to an area in western Finland. Both exploration areas lie within the Archaean Karelian Craton, the block of ancient crustal rocks which extends into Russia where it contains major diamond deposits. G9 and G10 garnets are formed at the same temperatures and pressures as diamonds but in larger quantities and their presence is therefore particularly encouraging.

The indicator minerals found in the Kuhmo area occur in "clusters" and their distribution suggests the presence of "plumes" derived from the erosion of kimberlites, one of the main host rocks for diamonds. Since studies have shown that the glacial tills in this part of Finland have moved only relatively short distances, the source of the indicator minerals may be nearby.

The Kuhmo district has similar geology to that of the Karelian Craton in Russia and it is considered to be one of the most prospective areas for diamonds in Finland. Crustal thickness is of crucial importance in the formation of kimberlite pipes of economic significance, and in the Kuhmo area the earth's crust is over 200km thick.

Conroy's exploration strategy is based on the belief that world class diamond deposits similar to those found in Russia may exist in the Karelian Craton on the Finnish side of the border. The latest results support the Company's strategy and are a highly significant step towards finding economic diamond bearing kimberlites in Finland.

The sampling programme is being undertaken on the Company's behalf by the Geological Survey of Finland (GSF) in conjunction with Conroy's staff and consultants. Sample analysis is being undertaken in the GSF laboratories.

Professor Richard Conroy, Chairman commented: "These are exceptional results and we are obviously very pleased particularly in terms of the numbers of indicator minerals recovered and their distribution pattern. When viewed in conjunction with studies of glacial till movement in this area of Finland, it suggests we may be close to the kimberlite source of these indicator minerals.

In terms of the search for diamondiferous kimberlites in Finland by ourselves and other companies, our Kuhmo results appear to be equal to, or better than, anything reported by others at a comparable stage of the exploration process and augur well for a future diamond discovery."

Further Information:

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Chairman,

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