



Conroy Gold and Natural Resources plc

("Conroy Gold" or "the Company")

DEBT CAPITALISATION OF AMOUNTS OWED BY KARELIAN DIAMOND RESOURCES PLC

- **Capitalisation of debt amounting to £125,000 into new ordinary shares in Karelian Diamond Resources plc at a price of 2.5p per share**
- **Exchange of debt amounting to £112,500 into a convertible loan of £112,500 in Karelian Diamond Resources plc**

Conroy Gold and Natural Resources PLC (AIM: CGNR), the gold exploration and development company focused on Ireland and Finland, is pleased to announce that it has acquired an equity interest in AIM-quoted Karelian Diamond Resources plc ("Karelian Diamonds" - AIM: KDR) through entering into a debt capitalisation arrangement, including the issue of convertible loan notes, (together, the "Investment") with Karelian Diamonds.

As set out in the Company's financial statements, the Company shares accommodation and staff with Karelian Diamonds which has certain common Directors and shareholders. As at the end of the six-month period ending 30 November 2022 Conroy Gold was owed €234,651 by Karelian Diamonds. In order to address amounts owing, Karelian Diamonds and Conroy Gold have reached agreement that it capitalises an amount equivalent to £125,000 of this balance into 5,000,000 new ordinary shares of €0.00025 each in the capital of Karelian Diamonds ("KDR Shares") at a price of 2.5p per KDR Share (the "Debt Capitalisation Shares").

Remaining outstanding amounts equivalent to £112,500 will be incorporated into a convertible loan note (the "Loan Note") with a term of 18 months attracting an interest rate of 5% per annum, payable on the redemption or conversion of the Loan Note. The Loan Note can be converted at the option of Conroy Gold at a price equivalent to 5p per KDR Share.

The Investment is being made concurrently with an equity fundraising undertaken by Karelian Diamonds to raise £100,000 at 2.5p per KDR Share, full details of which have been announced by Karelian Diamonds today and which can be found on the Karelian Diamonds website - www.kareliandiamondresources.com.

Following the Investment and completion of the fundraising by Karelian Diamonds, Conroy Gold is expected to be interested in 5,000,000 KDR Shares equivalent to 5.29% of the enlarged issued share capital of Karelian Diamonds.

KARELIAN DIAMOND RESOURCES PLC

Karelian Diamonds is targeting diamond assets in the Finnish section of the Karelian Craton which straddles Finland and Russia and contains two world class diamond deposits on the Russian side of the border.

Karelian Diamonds owns the Lahtojoki diamond deposit over which it has secured a mining concession and also has further diamond exploration licences in the Kuhmo region. A Preliminary Economic Assessment (“PEA”) on its Lahtojoki diamond deposit has been re-evaluated by the company’s brokers First Equity Limited to incorporate the known presence of pink diamonds in the deposit as their price is up to 10 times the price of colourless diamonds. This revised PEA has been risked to factor in exploration, financing and discovery risk giving a revised risked NPV(8) of US\$33.1 million.

Karelian Diamonds has also been conducting a successful exploration programme in the Kuhmo area close to the Russian border, highlights of which include:

- A green diamond discovered in surface till at Kuhmo Anomaly 5
- Kimberlite indicator minerals, including G9 and G10 garnets, which are known indicators of diamond prospectivity
- A kimberlite dyke, 350m in strike length (open along strike and at depth), at Riihivaara, confirming presence of kimberlite bodies in the immediate area
- Drone survey data leading to identification of 23 kimberlite targets

It also has licences in Northern Ireland in which assay results from stream sediment sampling are indicative of the possible presence of Nickel-Copper-Platinum mineralisation.

The Investment, in conjunction with the fundraising undertaken by Karelian Diamonds, will assist Karelian Diamonds in accelerating its exploration programmes.

For further information please contact:

Conroy Gold and Natural Resources plc

Professor Richard Conroy, Chairman

Tel: +353-1-479-6180

Allenby Capital Limited (Nomad)

Nick Athanas/Nick Harriss

Tel: +44-20-3328-5656

First Equity Limited (Broker)

Jason Robertson

Tel: +44-20-7330-1883

Lothbury Financial Services

Michael Padley

Tel: +44-20-3290-0707

Hall Communications

Don Hall

Tel: +353-1-660-9377

Visit the website at: www.conroygold.com