



**For immediate release**

**Litigation Update**

*Toronto – March 19, 2004* – The following is an update of the recent developments with regard to the legal proceedings between Archangel Diamond Corporation ("the Company") and Arkhangelskgeoldobycha ("AGD")

**Stockholm proceedings: AGD files appeal**

AGD has filed an appeal with the Stockholm Court of Appeal dated March 10, 2004 against the judgment of the Stockholm District Court issued on February 20, 2004. In its judgment, the District Court set aside the 2001 decision of the Stockholm Arbitration Tribunal declining jurisdiction to hear the dispute between the Company and AGD arising under the 1993 Diamond Venture Agreement. It is expected that the appeal may take approximately 12-18 months to be determined.

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The TSX Venture exchange has neither approved nor disapproved the contents of this news release.