

---

## **Alrosa Diamonds To Be Manufactured In Armenian Joint Venture**

Tacy, Israel - 24/6/2007

---

Armenia's diamond manufacturing industry will soon benefit from Alrosa's rough diamonds. Russian mining company Alrosa is expecting to establish a diamond manufacturing joint venture in Armenia with local diamond manufacturer DCA. According to Russian media sources, the Russian rough, the first shipment of which is planned for as early as this autumn, will be cut and polished at the Alrosa-DCA joint venture, but other Armenian companies under DCA patronage may also receive some of the diamonds for further processing. The diamonds will then be sold in the Russian market.

Alrosa President Sergey Vybornov is expected to sign the joint venture agreement during his upcoming visit to Yerevan. Sources say that a final agreement concerning the joint venture was already reached in Moscow. In addition to talks of the venture, DCA Chairman and Chair of the International Association of Armenian Jewelers Gagik Abramyan, Armenian Ambassador to Russia Armen Smbatyan and Alrosa delegations also discussed the jewelry industry in Armenia and ways to develop it.

Cooperation between Russia and Armenia will benefit both countries, sources say, as processing of Russia's diamonds, especially small ones less than one carat, is more profitable in Armenia than in Russia. Moreover, with manufacturing prices increasing in India and China, where Alrosa currently sells its diamonds to and then buys the finished products from, Armenia is a good alternative.

---