



Karelian Diamond Resources plc
("Karelian" or "the Company")

19 September 2016

**DIAMONDIFEROUS RESOURCE POTENTIAL IN AREA SURROUNDING
LAHTOJOKI**

- **Geophysical and Kimberlite Indicator Mineral Anomalies Outlined**
- **Additional Diamondiferous Resource Potential in the Area**
- **Claim Reservation Over the Area Surrounding Lahtojoki Mining Permit Submitted**

Karelian Diamond Resources plc ("Karelian") (AIM: KDR, ESM: KDRI), the diamond exploration company focused on Finland, is pleased to announce that it has outlined a series of high interest geophysical and kimberlite indicator mineral anomalies in the immediate area of its Lahtojoki property over which, in June, Karelian received a Diamond Mining Permit. These anomalies suggest the presence of further diamondiferous resource potential in this area.

The anomalies were outlined following an analysis by the Company of the extensive geophysical data acquired, including image processed magnetic and electromagnetic data together with compilation maps of previous kimberlite indicator mineral till sampling information in the area. The previous drilling and bulk sample information indicated that the Lahtojoki diamondiferous pipe has the potential to become a profitable open pit diamond mine.

The presence of additional diamond resource potential in the area adjacent to Lahtojoki would, if confirmed, further enhance the financial and technical attractiveness of the Lahtojoki diamond deposit.

The Company has therefore submitted an application for a Claim Reservation over the area surrounding its Lahtojoki Mining Permit area.

This release has been approved by Michael Brennan (MSc., SAImm), who is a Consultant to Karelian Diamond Resources plc, in accordance with the guidance note for Mining, Oil & Gas Companies issued by the London Stock Exchange in respect of AIM Companies, which outlines standards of disclosure for mineral projects.

Professor Richard Conroy, Chairman, Karelian Diamond Resources plc commented:

"I am delighted that interpretation of geophysical and kimberlite indicator mineral data in the area surrounding our Lahtojoki Mining Permit area suggests the possibility of the discovery of new diamondiferous resources in the immediate vicinity of the known diamond deposit at Lahtojoki. This, if proven, will further enhance the prospects for the proposed diamond mine."

Further Information:

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