

19 September 2013

Applications For Diamond Exploration Claims Follow Good Results At Riihivaara Target

- **Diamondiferous Kimberlite Indicator Minerals Found In Area**
- **Exploration Claims Lodged At Riihivaara And At Further Sites**

Karelian Diamond Resources plc (“Karelian”) (AIM:KDR, ESM: KDR.I) is pleased to announce that, following its review of exploration results at its Riihivaara diamond exploration target, it has submitted applications for exploration claims within its Riihivaara claim reservation area near Kuhmo in Eastern Finland.

A till sampling programme at Riihivaara resulted in the discovery of G9 and G10 diamondiferous indicator minerals - so called because they are formed within the ultramafic rocks underlying the earth’s crust at the same temperatures and pressures as diamonds. G3 and G4 garnets were also found, suggesting the presence of eclogitic mantle material which is significant as it tends to be associated with higher grade diamonds.

The Riihivaara claim reservation lies approximately 10km southeast of the Company’s Seitaperä kimberlite target, which at 6.9 hectares, is the largest kimberlite pipe to be discovered in Finland. A claim reservation gives exclusive rights to apply for exploration claims within the reservation area.

Following a review and integration of exploration data made available to Karelian under its agreement with Rio Tinto Mining and Exploration, Karelian has also applied for additional diamond exploration licences elsewhere in Finland.

This release has been approved by Kevin McNulty PGeo, who is a member of the Company’s technical staff, who holds a BSc/MSc in Geology and Remote Sensing, 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 commented:

“I am delighted at these further important steps in our diamond exploration programme in Finland which are designed to find diamond deposits similar to the world class diamond deposits found in similar geology across the border in Russia.”

Further Information:

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