

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ("MAR"). With the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.



Karelian Diamond Resources plc

(“Karelian Diamonds” or “the Company”)

24 September 2018

KUHMO SAMPLE MATERIAL CONFIRMED TO BE FROM DIAMOND STABILITY FIELD

- **Electron Probe Microanalyzer Confirms Sample Material at Kuhmo Green Diamond Target Contains Indicator Minerals that come from the Diamond Stability Field**
- **Group I and Group II Eclogitic Garnets Reported**
- **G10 and G9 Garnets also Reported**

Karelian Diamond Resources plc (“Karelian Diamonds”) (AIM: KDR), is pleased to announce that Electron Probe Microanalyzer (EPMA) results on sample material taken up ice (as announced 23 January 2018), from where the Company discovered a green diamond in till (as announced 31 January 2017), has confirmed that the sample material contains indicator minerals derived from the diamond stability field of the Earth’s mantle.

The results showed 2 Group I and 4 Group II eclogite garnets, 6 Harzburgitic G10 garnets, 34 Lherzolite G9 garnets, 6 megacrysts, 4 Di Chromites, 3 Ti Chromites and 1 Cr Chromite.

The presence of Group I eclogitic garnets is significant as eclogites raise the potential for a diamondiferous source.

Group II eclogitic garnets may also be associated with the presence of diamonds as may G10 and G9 garnets.

The relevance of these EPMA results on the sample material is that some garnets are created under similar conditions to diamonds within the ultramafic mantle rocks underlying the crust and so are used as predictors of the possible presence of diamonds.

The sample material was analysed by EPMA at the Geological Survey of Finland laboratory in Espoo.

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

“These new results confirm that the sample material from up ice of the diamond find may come from a diamondiferous source and is a further encouragement for our diamond exploration programme in the Kuhmo area.”

This release has been approved by Kevin McNulty PGeo, who is a member of the Company's technical staff and 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.

For further information please contact:

Conroy Gold and Natural Resources plc

Professor Richard Conroy, Chairman

Tel: +353-1-479-6180

Allenby Capital Limited (Nomad)

Virginia Bull/Nick Harriss

Tel: +44-20-3328-5656

Brandon Hill Capital Limited (Broker)

Jonathan Evans

Tel: +44-20-3463-5000

Lothbury Financial Services

Michael Padley

Tel: +44-20-3290-0707

Hall Communications

Don Hall

Tel: +353-1-660-9377

www.kareliandiamondresources.com