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MORE MANTLE NODULE-BEARING KIMBERLITE FOR KARELIAN IN LATEST DRILLING AT SEITAPERÄ

- **Mantle Material Present Over Entire Length Of Two Drill Holes**
 - **Drill-Testing Of Targets in Major Kimberlite Indicator Mineral Train Continues**
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Karelian Diamond Resources Plc (AIM:KDR) is pleased to announce that two further drill holes into its diamondiferous Seitaperä kimberlite pipe in Eastern Finland both intersected mantle nodule-bearing kimberlite over their entire lengths of 50.00 m and 48.20 m respectively. In some sections of core up to 50 percent mantle material is present over intersections of up to 5 m.

The presence of mantle material in a kimberlite is a pre-requisite for it to have economic diamond potential.

In total, approximately 225 kg of kimberlite was collected from the drill core and, following detailed logging and sampling for mineral chemistry studies, it is intended to submit about 100 kg of this material for micro-diamond analysis.

The latest drilling follows the recently announced favourable results from mineral chemistry and micro-diamond analysis on the Seitaperä pipe.

Elsewhere in the Kuhmo region, ongoing work has included systematic drill testing of a number of geophysical targets which the Company has identified within a pronounced kimberlite indicator mineral train more than 5 km long and up to 1.5 km wide. To date, three targets have been tested in a progressive up-ice direction, but none has yet yielded a kimberlite source. Several more targets remain to be tested within this train, which includes G9 and G10 garnets as well as numerous kimberlitic chromites.

The Company had also planned to drill a new 5 ha anomaly beneath a lake in the Kuhmo area which was identified and delineated by ground geophysics in January 2008. It was unable to do so, however, because Finland has experienced the mildest winter officially recorded since records began over a century ago, resulting in insufficient lake ice developing to allow drilling rig access. It is now planned to drill-test this prominent target next winter.

Commenting today, Professor Conroy, Chairman of Karelian Diamond Resources, said: “These results show that we continue to make progress in evaluating our diamondiferous Seitaperä pipe. We are particularly encouraged by the presence of a high proportion of mantle nodules in the drill core because of the importance of this material in relation to the presence of diamonds. We are also pleased with the identification of further drilling targets in the Kuhmo area”.

Further Info: *Professor Richard Conroy, Chairman Karelian Diamond Resources plc. Tel: +353-1-661-8958*
 Charles Dampney, City Capital Corporation Limited. Tel: +44-20-7842-5867
 Jeffrey Coburn/Virginia Bull, John East & Partners Limited. Tel: +44-20-7628-2200
 Ron Marshman/John Greenhalgh, City of London PR Limited. Tel: +44-20-7628-5518
 Don Hall, Hall Communications Tel: +353-1-660-9377