

DRAFT



14 December 2015

## Karelian Diamond Resources Plc

("KDR" or the "Company")

### AGM Statement

### Result of AGM

At today's Annual General Meeting of Karelian (AIM: KDR, ESM: KDRI), the diamond exploration company focused on Finland, the Chairman, Professor Richard Conroy made the following comments:

*"The year has been an excellent one for your Company culminating in the discovery of a new kimberlite body at Rihivaara near Kuhmo in Eastern Finland, close to the Russian border. At Seitaperä, also near Kuhmo, we have already outlined the largest diamondiferous pipe so far discovered in Finland.*

*The diamond prospectivity of the Karelian Craton is undoubted, with the world class Lomonosova and Grib Pipe diamond deposits discovered in the Russian Sector of the craton. ALROSA Group, the world's largest diamond mining company, has indicated that this new diamond region will represent almost all of its future growth, so we are in good company.*

*Our objective is to find diamond deposits in similar geology on the Finnish side of the Karelian Craton and to this end we have been conducting an extensive exploration programme, using, in addition to our own data, that made available to us by Rio Tinto Mining and Exploration Limited ("Rio Tinto") under our Confidentiality Agreement (with Back in Rights) with Rio Tinto. In return Rio Tinto has the option to earn a 51% interest in any projects identified by us in Finland by Rio Tinto paying the direct cash expenditures incurred in developing the project. I am delighted that Rio Tinto has recently agreed to extend the agreement with us to 2020.*

*The discovery at Rihivaara is very exciting. The laboratory sample results were positive and confirmed that the sample material was derived from the diamond stability field. Analysis by Rio Tinto confirmed the presence of G10(D) Garnets which, in the past, have proven to be positive indicators of diamonds.*

*Elsewhere exploration work is continuing on the other licence areas, particularly those located in the Kuopio Kaavi region, a known diamondiferous preserve, in Central Finland. Five kimberlite bodies are known to be present in the Claim Reservations held by your Company and we are reassessing these bodies, four of which are known to be diamond bearing.*

*This has been a good year for the Company, we have had encouraging results from a number of the licence areas and we have made a particularly interesting discovery at Rihivaara. As a result we are very optimistic regarding the future."*

All resolutions were duly passed.

#### **Further Information:**

Professor Richard Conroy, Chairman, Karelian Diamond Resources plc  
Virginia Bull / Simon Clements, Sanlam Securities UK Limited (Nomad)  
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