

9 November 2015

Tel: +353-1-661-8958

Tel: +44-20-7628-2200

Tel: +353-7662-34800

RIO TINTO ANALYSIS IDENTIFIES HIGH CATEGORY RATING DIAMONDIFEROUS KIMBERLITE INDICATOR MINERALS

- Samples Collected Close to Kimberlite Body Discovered by Karelian
- Diamond Potential of Rihiivaara Area Confirmed

Karelian Diamond Resources plc ("Karelian") (AIM: KDR, ESM: KDRI), is pleased to announce that high category rating diamondiferous kimberlite indicator minerals have been identified by Rio Tinto Mining and Exploration Limited ("Rio Tinto"), with whom the Company has a Confidentiality Agreement (with back in rights), in samples collected by Karelian. The samples were collected close to the kimberlite body discovered by the Company in the Rihiivaara area of the Kuhmo region of

Finland.

The identification of the diamondiferous kimberlite indicator minerals was made by Rio Tinto, in their Melbourne Laboratories using a Scanning Electron Microscope (SEM), during tests carried out on samples provided by Karelian.

The samples were collected within 100 metres of the kimberlite body discovered by Karelian in Rihiivaara. The presence of diamondiferous kimberlite indicator minerals together with the discovery nearby of the kimberlite body enhances the diamond potential of the area.

The laboratory results from Rio Tinto on the major element data from the samples comprise of 7 Harzburgitic G10 Garnets including 4 that were classified as G10(D), 43 Lherzolite G9 Garnets and 24 G1 Eclogite grains.

The presence of G10(D) Garnets which are low calcium chrome pyropes that form within the diamond stability field of the upper mantle, where the temperature and pressure is suitable for the formation of diamonds, is particularly encouraging.

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, and Michael Brennan (MSc SAIMM) who is also a member of the Company's technical staff, 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:

"These are truly excellent results that confirm the potential within the target area, in particular the presence of the G10(D) Garnets which have proven to be positive indicators of diamonds in the past. As a result we remain very confident that the hard work by both Rio Tinto and our team will lead to an important new discovery."

Further Information:

Professor Richard Conroy, Chairman, Karelian Diamond Resources plc Virginia Bull / Simon Clements, Sanlam Securities UK Limited (Nomad) Ger Heffernan, IBI Corporate Finance Limited (ESM Adviser) Jon Belliss/Elliot Hance, Beaufort Securities Limited (Broker) Michael Padley, Lothbury Financial Services Limited Don Hall, Hall Communications

http://www.kareliandiamondresources.com

Tel: +44-20-7382-8300 *Tel:* +44-20-3290-0707 *Tel:* +353-1-660-9377