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RIIHIVAARA KIMBERLITE SHOWS POSITIVE MINERAL CHEMISTRY RESULTS FOR DIAMONDS

- **Diamond Indicator Group I Type Eclogitic Garnets Abundant**
- **Diamond Type Chromites Also Present**
- **Ilmenite Analysis Indicates a Good Diamond Preservation Index**
- **More Than One Diamondiferous Source May Be Present**

Karelian Diamond Resources plc (“Karelian”) (AIM: KDR, ESM: KDRI), the diamond exploration company focused on Finland, is pleased to announce that results from the mineral chemistry analyses carried out by the Geological Survey of Finland show that the right geochemical conditions exist to host diamonds in the Riihivaara Kimberlite, which was recently discovered by the Company in the Kuhmo area of Eastern Finland.

The new results are significant in that they show that the Riihivaara Kimberlite sampled a portion of the Earth’s mantle that has a high potential to be diamondiferous.

A 20kg sample collected from the discovery pit shows positive mineral chemistry results. These results were obtained from the coarse (0.5 to 1.0mm) size fraction. Eclogitic garnets (including Diamond indicator Group I type) are abundant (54% of the garnet indicator minerals) in the sample. Group I eclogitic garnets tend to be associated with diamonds. Similarly, G10 harzburgitic garnets were also present in the sample and these are also associated with the presence of diamonds.

The kimberlite chromite population in the sample shows a high percentage (18%) of diamond inclusion type chromites indicating that the kimberlite has a high potential to host diamonds.

Ilmenites discovered in the kimberlite indicate a good preservation index. Results from the ilmenite analyses indicate derivation from low oxidation mantle source rocks, which is important for the growth and preservation of diamonds.

Geochemical and petrographic analyses confirm the kimberlite to be an olivine-rich, micaceous kimberlite similar to the Company’s diamondiferous Seitaperä Kimberlite.

Comparisons between the kimberlite indicator mineral populations in the kimberlite sample and those previously observed in till sampling show differences which may indicate additional diamondiferous sources in the exploration area.

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:

“The sample results are excellent. The mineral chemistry analyses carried out by the Geological Survey of Finland are very encouraging and show that the Riihivaara Kimberlite has high potential to be diamondiferous. The results confirm that the geochemical conditions exist for the area to host diamonds.”

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