



Karelian Diamond Resources plc
(“Karelian” or “the Company”)

31 January 2017

DIAMOND DISCOVERY IN FINLAND

- **Diamond Discovery in Till Sample in Eastern Finland**
- **The Diamond is a Clear, Pale Green Dodecahedron and Measures 0.7 x 0.75 x 0.7 mm**
- **High Concentrations Of Kimberlitic Indicator Minerals Discovered in Association**

Karelian Diamond Resources plc (“Karelian”) (AIM: KDR, ESM: KDRI), is pleased to announce that it has received results from sampling undertaken by the Geological Survey of Finland (“GTK”) on behalf of the Company. A diamond was discovered in one of seven samples from the Kuhmo region of Eastern Finland.

The diamond is a clear, pale green dodecahedron and measures 0.7 x 0.75 x 0.7 mm. To put the rarity of this discovery in context, ODM Laboratory* has processed more than 50,000 exploration till samples and has recovered less than 10 naturally occurring diamonds. This is a very rare and significant discovery.

This is significant because the diamond discovery allied with high concentrations of Kimberlitic Indicator Minerals (“KIMs”) discovered in the area strongly suggest that a diamondiferous kimberlite is present.

The KIMs include 13 purple to red peridotitic garnets (G9/10 Cr-pyrope), 3 orange mantle garnets, 2 Cr-diopside and 178 chromite grains in the 0.25 to 0.5 mm size range, plus 1 purple to red peridotitic garnet (G9/10 Cr-pyrope) and 6 chromite grains in the 0.5 to 1.0 mm size range.

These samples will go for further analysis.

*ODM Laboratory holds a Certificate of Authorization from the Association of Professional Geoscientists of Ontario and is used by diamond explorers in all parts of Canada and the world. During the Canadian diamond rush of the 1990s and early 2000s, ODM contributed to many kimberlite discoveries by processing and logging more than 50,000 samples.

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.

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

“This is very exciting news to find such a diamond in till which is a very rare event and makes me very excited about the potential of the area and the discovery of the source of this diamond.”

Further Information:

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