



Karelian Diamond Resources plc
("Karelian Diamonds" or "the Company")

28 March 2019

DIAMOND EXPLORATION RESERVATION GRANTED IN SALLA

- **Mineral and Geophysical Anomalies Noted in This Highly Prospective Area**
- **Reservation Area Lies to the North of Known Diamondiferous Kimberlites**

Karelian Diamond Resources plc ("Karelian Diamonds") (AIM: KDR), is pleased to report that TUKES (The Finnish Mining Authority) has granted a Reservation situated in the Salla region of north eastern Finland to Karelian Diamonds.

Following a review of airborne geophysics and past exploration data it was decided to apply for this Reservation in the Salla region. The Company believes this area, which lies to the north of known diamondiferous kimberlites, is a highly prospective region of Finland for the discovery of further diamondiferous kimberlite bodies.

The Salla region lies within a geological area, which straddles Russia and Finland. Two world class diamond deposits, Lomonosov and Grib, have been discovered on the Russian side of the border and are now in production as major diamond mines.

Karelian Diamonds has an ongoing exploration programme on the Finnish side of the geological area and in the Kuhmo region has discovered a green diamond and two new kimberlite bodies. The Company has recently been granted a reservation in the Liperi region (as announced 13 February 2019) and is also assessing a diamond deposit at Lahtojoki in the Kaavi region of Finland with a view to developing a mine, which would be the first diamond mine in Europe outside Russia.

The Salla Reservation covers an area of 1,100 Ha.

A Reservation gives exclusive rights to apply for an Exploration Permit within the Reservation area.

A link to a map of Finland showing the Reservation in the Salla Region and its proximity to Kuhmo, Lahtojoki and Liperi is shown below:

<https://www.kareliandiamondresources.com/sites/default/files/Finland%20Map%20-%20salla.pdf>

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

"I am pleased that Karelian Diamonds has been granted this Reservation in the highly prospective Salla region of Finland, where geophysics and analysis of past exploration data has suggested the possible presence of kimberlite bodies."

For further information please contact:

Karelian Diamond Resources plc

Professor Richard Conroy, Chairman

Allenby Capital Limited (Nomad)

Nick Athanas/Nick Harriss

Brandon Hill Capital Limited (Broker)

Tel: +353-1-479-6180

Tel: +44-20-3328-5656

Tel: +44-20-3463-5000

Jonathan Evans

Lothbury Financial Services

Michael Padley

Hall Communications

Don Hall

Tel: +44-20-3290-0707

Tel: +353-1-660-9377

www.kareliandiamondresources.com