



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

20 July 2020

VEHICULAR ACCESS RIGHTS GRANTED FOR LAHTOJOKI DIAMOND DEPOSIT

- **Rights of way granted for Lahtojoki diamond deposit**
 - **Access to adjacent exploration acreage also granted**
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Karelian Diamond Resources plc (AIM: KDR) is pleased to announce that the National Land Survey of Finland has granted rights of way over the entire Naviskangas private forest road, together with a side road, giving vehicular access to the Company's Lahtojoki diamond deposit, the adjacent Lahtojoki South exploration permit area and the surrounding reservation in the Kaavi region of Finland.

The granting of vehicular rights of way will facilitate the Company in its technical assessment of the Lahtojoki diamond deposit over which it has been granted a mining concession.

The two hectare Lahtojoki diamond deposit is located in the Kaavi region of Eastern Finland and lies in the Karelian Craton (Baltic Shield) which extends across north-eastern Russia and northern Finland. The world class Lomonosov and Grib Pipe diamond deposits have been discovered in the Russian sector of the Craton.

Drilling and sampling information to date, together with other technical information, indicate that the Lahtojoki diamond deposit has the potential to become a profitable open pit diamond mine. Initial sampling raises the possibility that the deposit has a high percentage gem quality with coloured diamonds present, including pinks.

The grant of the rights of way also facilitates exploration on the Company's Lahtojoki South exploration permit and on its KDR-R1 Reservation surrounding the diamond deposit. In the Lahtojoki South Exploration area kimberlite boulders have been discovered which are most likely to have been derived from an unknown kimberlite source. This is important as kimberlites tend to occur in clusters and the presence of these boulders raises the possibility that other diamondiferous kimberlites could be present in the immediate area.

The rights of way are valid to 2 January 2024 and are subject to appeal. A temporary right of passage has been granted which is valid until the granted right of way has gained legal force. The grant gains legal force once the appeal period has expired (10 August 2020 at the latest) or an appeal has been resolved.

A user fee of Euro 0.5 per tonne-kilometre is payable by the Company together with a security deposit of Euro 3,000 with the Eastern Finland Regional State Administrative Agency.

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

"Having rights of way for vehicular access will greatly help the ongoing assessment of the Lahtojoki diamond deposit and also the additional exploration around the deposit. It is a further step forward as we move

towards our goal of bringing in a diamond mine at Lahtojoki – the first diamond mine in Europe outside of Russia.”

Further information:

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