



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

09 January 2020

DIAMOND EXPLORATION PERMIT OVER LAHTOJOKI SOUTH

- **Diamond Exploration Permit over Lahtojoki South close to Lahtojoki Diamond Deposit**
 - **Exploration Permit includes Area in Which Kimberlite Boulders have been Discovered**
 - **These Kimberlite Boulders are Believed to be Derived from an Undiscovered Kimberlite**
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Karelian Diamond Resources plc ("Karelian Diamonds") (AIM: KDR), is pleased to announce that, on 8 January 2020, it was informed that the Company's Lahtojoki South ore exploration permit, granted in January 2018, has become legally valid. As a result the Company can now carry out its exploration plans for the permit area.

The Lahtojoki South exploration permit, which covers 28.8 hectares, is of particular interest to Karelian Diamonds as it is situated close to the Lahtojoki diamond deposit, in the Kaavi region of Finland, over which the Company has a mining concession. Kimberlites are known to occur in clusters.

The exploration permit granted includes the area in which kimberlite boulders were discovered, to the south west of the Lahtojoki diamond deposit, and extends over 400m up-ice from the boulder discovery site.

The nature of the boulder material (an altered hypabyssal kimberlite, announced 12 January 2017) shows that it is not derived from the Lahtojoki kimberlite (a diatreme filled with tuffisitic or tuffisitic breccia kimberlite).

This suggests, along with their location, that the boulders are from an undiscovered kimberlite up ice from their initial discovery site.

The Company commissioned a Preliminary Economic Assessment on the Lahtojoki Diamond deposit which highlighted the economic viability of the deposit (announced by the Company on 1 August 2017).

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

"I am very pleased that this exploration permit near to the Lahtojoki diamond deposit has become legally valid, enabling the Company to proceed with its exploration plans for the area. The possibility of a new diamondiferous kimberlite discovery close by further increases the overall attractiveness of the Lahtojoki Diamond Deposit."

Further Information:

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