

**Karelian Diamond Resources plc
(AIM: KDR)**

AGM statement and results of annual general meeting

**CHAIRMAN REPORTS ON A MEMORABLE YEAR
FOR DIAMOND EXPLORER**

- **Seitaperä Kimberlite Pipe Conclusively Proved To Be Diamondiferous**
 - **First Results From Analysis Of Latest Drill Core Samples Expected Early In New Year**
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At the Annual General Meeting today of Karelian Diamond Resources plc, the AIM listed diamond exploration company focussed on Finland, Chairman Professor Richard Conroy said that 2007-08 had been a memorable year for the Company, following the end of which it conclusively proved that its Seitaperä kimberlite pipe in the Kuhmo region is diamondiferous.

Analysis of a 100kg composite sample of drill core from the pipe recovered 61 micro- and 6 macro-diamonds.

“The Seitaperä diamond count is high and compares well with many recent kimberlite discoveries elsewhere. This is all the more encouraging given the project’s favourable location, in terms of access and infrastructure, and its significant surface area.

“Our most recent drilling has identified a north-extension to the pipe with a surface area of about 1 hectare, again confirming the substantial surface area of this major kimberlite body”

This drilling also recovered a large amount of core from the central section of the main pipe which is now being logged. Samples are being selected and prepared for diamond analysis and the Company expects to have the first results early in the New Year.

“Your Company in the light of the current financial climate is reviewing all options and opportunities and looks forward to continuing to make progress at Seitaperä and elsewhere in Finland.”

All resolutions at the AGM were passed.

Further Info: *Professor Richard Conroy, Chairman Karelian Diamond Resources plc*
Charles Dampney, City Capital Corporation Limited
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