

MINING FLASHNOTE

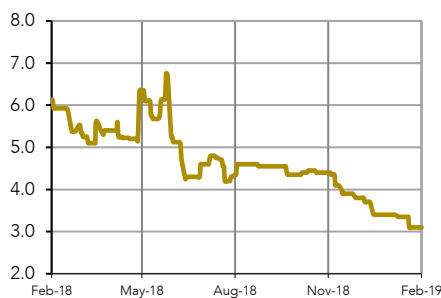
Karelian Diamond Resources (KDR AIM)

13 February 2019

Stock Data

Share Price:	3.10p
Market Cap (M):	£1.1
EV (M):	£1.2

Price Chart



52 Week Range

3.10p		3.10p
7.25p		

Company Summary

Karelian Diamond Resources was established in 2005 following the purchase of Karelian Diamonds Limited and Nordic Diamonds Limited. The company is currently exploring for diamonds in Finland.

MAIN SHAREHOLDERS	HOLDING
Conroy Richard	11.91%
Hargreaves Lansdown AM	10.07%
Halifax Share Dealing	7.31%
Richard Taberner	7.02%

Source: Bloomberg, Karelian Diamonds

Karelian Announces Diamond Exploration Reservation Granted in Liperi

Event

Karelian Diamond Resources plc ("Karelian") has announced that TUKES (The Finnish Mining Authority) has granted a Reservation situated in the Liperi region of eastern Finland to Karelian Diamonds.

Comment

The Liperi region lies within a geological area known as a Craton which straddles Russia and Finland. Two world class diamond deposits, Lomonosov and Grib, have been discovered on the Russian sector of the Craton and are now in production as major mines. Karelian Diamonds has an ongoing exploration programme on the Finnish sector of the Craton, in particular in the Kuhmo region where it has discovered two new kimberlite bodies. Karelian Diamonds is also assessing a diamond deposit at Lahtojoki in the Kaavi region of Finland with a view to developing a diamond mine which would be the first in Europe outside Russia.

The Liperi region of Finland lies to the south of the Kuhmo region and the Liperi Reservation covers an area of 12 Km². The exact location is shown on the diagram overleaf. A Reservation gives exclusive rights to apply for an Exploration Permit within the Reservation area.

Consideration of a series of airborne geophysical and mineral anomalies in the area led to the decision to apply for the Reservation. The airborne geophysical anomalies within the Reservation area consist of a dipolar magnetic anomaly and an electromagnetic anomaly. Such anomalies can be associated with the presence of kimberlite bodies.

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Exhibit 1: Location of Liperi in Finland



Source: Karelian Diamond Resources

Research Disclosures

Peter Rose

Peter has 32 years' experience in equities as a resources analyst; he has been at Brandon Hill Capital for 11 years, after having spent 11 years with Deutsche Bank in Australia. Prior to this he spent 2 years with Prudential Bache and 6 years with James Capel. Peter's industry experience includes 16 years as a metallurgist, 3 years with De Beers in South Africa and 9 years in the uranium industry, six of which were spent at the Ranger Uranium mine. Peter holds a BSc degree in Applied Mineral Science from Leeds University UK and a Bachelor of Commerce from the University of South Africa. Peter is also a member of the Institute of Materials, Mining & Metallurgy and a chartered engineer.

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Research disclosure as of 13 February 2019

Company Name	Disclosure
Karelian Diamond Resources (KDR AIM)	1, 2, 7, 8, 9

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