

MINING FLASHNOTE

Karelian Diamond Resources (KDR AIM)

20 July 2020

Stock Data

Share Price:	2.73p
Market Cap (M):	£1.29
EV (M):	£1.27

Price Chart



52 Week Range

5.4p		2.73p
1.6p		

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

Professor Conroy	16.68%
Martello Holdings Ltd	9.13%
Mr Kevin Taylor	7.02%
Mr Fredrik Björnberg	6.97%

Source: Bloomberg, Karelian Diamonds

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Karelian Announces Vehicular Access Rights Granted for Lahtojoki Diamond Deposit

Event

Karelian Diamond Resources plc (“Karelian”) has announced 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.

Comment

Having a “right of way” to access the Lahtojoki diamond deposit is critically important, and will enable the ongoing assessment of the deposit. It will also help with the additional exploration around the deposit. Historically, whilst access was never denied, each visit had to be applied for individually. With the Lahtojoki South exploration permit area in addition to the Lahtojoki diamond deposit, and the fact that kimberlites tend to occur in clusters, so expanding the area where access is required, there will be an increased requirement for access, and having this “right of way” access formalises the situation and reduces paperwork.

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.

The rights of way come with a user fee of €0.5 per tonne-kilogram, payable by the Company together with a security deposit of €3,000 with the Eastern Finland Regional State Administrative Agency.

Research Disclosures

Peter Rose

Peter has 34 years' experience in equities as a resources analyst; he has been at Brandon Hill Capital for 13 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 20 July 2020

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

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