

MINING FLASHNOTE

Karelian Diamond Resources (KDR AIM)

05 November 2018

Stock Data

Share Price:	4.40p
Market Cap (M):	£1.5
EV (M):	£1.4

Price Chart



52 Week Range

3.175p	4.40p	12.50p
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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	10.06%
Halifax Share Dealing	7.30%
Richard Taberner	7.02%

Source: Bloomberg & Karelian Diamonds

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Karelian Announces Further Discoveries of Orangeite Up-Ice from Green Diamond

Event

Karelian Diamond Resources plc ("Karelian") has announced that drillcore sampling at depth up-ice of its discovery of a green diamond in a till sample in Exploration Anomaly 5, in the Kuhmo region of eastern Finland, has intersected orangeite (Group II Kimberlite), in two further drill holes.

Highlights

- KDR-18-03 intersected 0.6m of orangeite at a depth of 43.9m
- KDR-18-04 intersected 1.3m orangeite at a depth of 64.4m

Comment

Orangeite is a group II kimberlite and potentially a diamondiferous host rock. These results indicate an orangeite dyke with vertical continuity. They also show that it is open along strike and at depth.

There is a 16.0m separation between the first intersection in KDR-18-02 (announced 18 October 2018) and the middle intersection in KDR-18-03 and a 17.0m separation between KDR-18-03 and the bottom intersection in KDR-18-04 giving a total separation of 33.0m. The KDR-18-04 intersection at 64.4m is at a vertical depth of 59.0m.

The Kuhmo region of Finland, in which the Company has also discovered, at Riihivaara, a new kimberlite body (announced on 20 March 2015) lies on the central part of the Archean Karelian Craton and the Archean mantle of the Kuhmo region through which the kimberlites and orangeite have ascended, and has all the hallmarks for good diamond potential.

Follow up exploration work will focus on further defining the orangeite body and on the identification of any other potentially diamondiferous material in the area.

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 05 November 2018

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

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