

LAND COURT HEARING RE LAHTOJOKI DIAMOND DEPOSIT

- **Mine Boundaries finalised**
- **Three items regarding compensation referred back to the National Land Survey**

Karelian Diamond Resources plc ("Karelian Diamonds") (AIM: KDR) is pleased to announce that, on 12 August 2024, it was informed of the Finnish Land Court's decision, regarding the appeals by two landowners in relation to the amount of compensation to be paid to them and the mine boundary in relation to the development of a diamond mine by the Company, at Lahtojoki, in the Kuopio Kaavi region of Finland.

The decision of the Finnish Land Court, which is subject to appeal within sixty days, has maintained the original decision on the mine boundary, i.e. no change in the mine boundary. With regards to the amount of compensation payable to the two landowners the majority of the items upon which they based their claims were rejected by the Finnish Land Court except for three items which were referred back to the National Land Survey to review. The appellants were also required to contribute to the Company's legal costs.

A mining concession application for the Lahtojoki diamond deposit has already been approved by TUKES (the Finnish mining authority) and the National Land Survey has carried out the process in relation to ground rental compensation for the local landowners and the decided compensation has been paid by the Company. The current court hearing was to finalise the appeals by two of the landowners regarding the amount of compensation to be paid to them and also a change to the mine boundary.

Finalisation of the mine boundaries is an essential step in relation to the Company's proposed development of the Lahtojoki diamond deposit.

The Board believes that the development of a diamond mine at Lahtojoki will not only bring significant benefits to the Company, but also to the entire surrounding Kuopio-Kaavi area.

The diamond mine at Lahtojoki, when in production, is expected to be the first diamond mine in the European Union.

The Lahtojoki diamond deposit, as well as containing high quality colourless gem diamonds, also contains pink diamonds and other coloured diamonds. Such diamonds are highly sought after and can command prices up to 20 times that of normal colourless gem diamonds.

Professor Richard Conroy, Chairman of Karelian Diamond Resources PLC, commented:

"We are pleased to receive the decision of the Finnish Land Court which brings finalisation to the establishment of the mine boundaries. We will await the completion of proceedings in relation to the compensation to the two landowners concerned."

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