

TORONTO, ONTARIO--(Marketwired - Jul 31, 2017) - [Five Star Diamonds Ltd.](#) (TSX VENTURE:STAR) (the "Company" or "Five Star Diamonds") is very pleased to provide the following update on its activities in Brazil.

## Highlights

- The Company has increased in land ownership in Brazil by approximately 50% with an additional 60,680 hectares of land ownership acquired.
- Jaibaras Diamond Project increases from 522 hectares to 49,443 hectares.
- Gurupi Diamond Project in Maranhao State across 1 property covering 9,909 hectares.
- Mega Goias Diamond Project expansion of 1,850 hectares.
- The Company now controls 24 diamond kimberlite projects in Brazil comprising an aggregate of 80 exploration licences and applications across 185,980 hectares.

In light of the exceptional results obtained on the drilling programme at Jaibaras Diamond Project, in Para State, Brazil the Company recently applied for additional mineral properties increasing the Jaibaras Project size from 522.26 hectares to 49,443,47 hectares.

These new applications contain regional magnetic anomalies and a series of historical samples collected from De Beers in the 90's, which will add new potential targets to the project.

This is a very exciting acquisition for the Company and not only protects the surrounding area where the Company has been actively undertaking its mini-bulk sampling and drilling programme.

In addition to the expanded Jaibaras acquisition the Company has also acquired the Gurupi Diamond Project in Maranhao State. The Gurupi Project comprises one property with 9,909 hectares.

An additional 1,850 hectares was acquired across two additional properties at the Mega Goias project in Goias State.

The Company will evaluate these acquisitions with a primary focus on expanding its current activities in Jaibaras Diamond Project.

## ABOUT FIVE STAR DIAMONDS

The Company is listed on the TSX Venture Exchange under the ticker symbol STAR.

The Company controls a dominant and highly enviable position in the Brazilian kimberlite diamond sector owning 24 diamond kimberlite projects comprising an aggregate of 80 exploration licences and applications across 185,980 hectares.

Five Star Diamonds is focused on acquiring and developing advanced staged diamond projects in Brazil. Since it was established, it has pursued an accelerated growth strategy and aims to be one of the first producers of diamonds from kimberlite deposits in Brazil. The Company is focused on the development of sustainable kimberlite pipes and is not involved in alluvial diamond mining with its associated environmental issues. The Company works closely with local, state and federal authorities in Brazil to foster an open, transparent and legal diamond industry in Brazil.

This release is an update by the Company on its diamond projects in Brazil. The Company is running active programmes across its 100% owned Jaibaras, Catalao, Riacho, Verissimo and Caiapo Diamond Projects. It is expected that the company will be able to provide further updates over the coming months and we look forward to keeping shareholders informed of our progress as we move towards building a truly unique Brazilian Diamond Company.

## Qualified Person

Mr Paulo Ilídio de Brito, BSc Geology

Mr. Paulo de Brito is a geologist based in Brazil, has over 30 years of experience in the mining industry, dealing primarily with gold, copper, nickel, iron, industrial minerals and more recently diamonds. Mr. Brito is a Principal of consulting group Brasgeo and was until recently Exploration Manager of Paringa Resources Limited. Previously, he worked as a senior geologist with [WMC Resources Ltd.](#) for 18 years until the closure of their activities in Brazil in 2002.

The exploration activities and their related results included in this announcement were directly supervised and managed by Mr. Brito. According to Mr. Brito, all exploration work carried out to date on the Projects mentioned in this release follow clear mining industry standards.

Mr. Brito, is a member of AIG (Australian Institute of Geoscientists), a member of AusIMM (The Minerals Institute) and a Qualified Person as defined in National Instrument 43-101. Mr. Brito reviewed and approved the scientific and technical information contained in this press release.

On behalf of the Board

Five Star Diamonds Limited

Matthew Wood, Chairman of the Board, President and CEO

#### Cautionary Note Regarding Forward-looking statements

Information set forth in this news release contains forward-looking statements. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future results or performance, and that actual results may differ materially from those in forward looking statements as a result of various factors, many of which are beyond the Company's control. Such factors include, among other things: variations in the nature, quality and quantity of any mineral deposits that may be located, significant downward variations in the market price of any minerals produced, the Company's inability to obtain any necessary permits, consents or authorizations required for its activities, to produce minerals from its properties successfully or profitably, to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies. Accordingly, actual and future events, conditions and results may differ materially from the estimates, beliefs, intentions and expectations expressed or implied in the forward-looking information. Except as required under applicable securities legislation, the Company undertakes no obligation to publicly update or revise forward-looking information.

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