

Sample Grade 1.93 carats per tonne

Shares Issued and Outstanding: 28,633,122
TSX-V: KDI

TORONTO, July 15, 2015 /CNW/ - [Kennady Diamonds Inc.](#) ("Kennady Diamonds," the "Company") (TSX-V: KDI) is pleased to announce the diamond recovery results from the Faraday 2 2015 spring core drilling program. Approximately 0.93 tonnes of kimberlite from the southeast lobe of Faraday 2 was processed by caustic fusion at the Geoanalytical Laboratories Diamond Services of the Saskatchewan Research Council ("SRC") and returned a sample grade of 1.93 carats per tonne for diamonds of commercial size.

Kennady Diamonds CEO Patrick Evans commented: "We are very pleased with these high diamond recovery results, which confirm that the Faraday 2 kimberlite has the potential to host a high grade diamond resource. We continue to estimate that the Kelvin – Faraday kimberlite cluster has the potential to host between 12 and 15 million tonnes at a grade of between 2 and 2.5 carats per tonne."

Table 1 below summarizes the caustic fusion diamond recovery results from the Faraday 2 Southeast Lobe 2015 spring drill program.

Table 1 – Faraday 2 Southeast Lobe 2015 Spring Caustic Fusion Diamond Recovery Results

Sample Weight (dry tonnes)	Number and Weight of Diamonds According to Sieve Size Fraction (mm)							
	+0.106 -0.150	+0.150 -0.212	+0.212 -0.300	+0.300 -0.425	+0.425 -0.600	+0.600 -0.850	+0.850 -1.180	+1.180 -1.700
0.9337	1,275	872	488	283	179	99	48	16

*Sample grade of diamonds greater than 0.85mm: 1.93 carats per tonne

The three largest diamonds recovered from the Faraday 2 sample are described as:

- 0.22 carat off-white, transparent octahedral with minor inclusions;
- 0.22 carat off-white, transparent aggregate with inclusions; and
- 0.21 carat brown, transparent, broken macle with inclusions.

A total of 247 individual diamonds from the above sample were described by the SRC. Ninety-three percent are described as transparent and white/colorless (37%) or off-white (56%). Ten diamonds are described as yellow, six as brown and just two as gray.

Mr. Evans noted: "We are encouraged by the very high percentage of transparent white and off-white diamonds recovered from the Faraday 2 kimberlite. We expect this to have a positive impact on diamond values."

Kennady Diamonds is also pleased to announce that processing of the 436 tonne Kelvin bulk sample through the SRC dense-media separation plant is progressing according to plan and the diamond recovery results are expected before the end of Q3 2015.

In addition, processing of a further 2.6 tonnes of Kelvin South Lobe kimberlite by caustic fusion has commenced at the SRC. The diamond recovery results from this sample are expected by early September 2015.

About Kennady Diamonds

[Kennady Diamonds Inc.](#) controls 100 percent of the Kennady North diamond project located in Canada's Northwest Territories immediately adjacent to the Gahcho Kué diamond mine currently under development by De Beers and Mountain Province Diamonds (T:MPV, NASDAQ:MDM).

Kennady Diamonds aims to identify a resource along the Kelvin – Faraday kimberlite corridor of between a 12 and 15 million tonnes at a grade of between 2 and 2.5 carats per tonne and also to identify new kimberlites outside of the corridor. The

Kelvin – Faraday corridor is a target for further exploration. The tonnage estimate is based on the drilling completed to date. The potential quantity is conceptual in nature as there has been insufficient drilling to define a mineral resource and it is uncertain if further exploration will result in the target being delineated as a mineral resource.

Qualified Persons

This news release has been prepared under the supervision of Carl G. Verley, P. Geo., who serves as the Qualified Person under National Instrument 43-101.

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FORWARD LOOKING INFORMATION

This news release includes certain information that may constitute "forward-looking information" under applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, the Company's strategic plans, future operations, future work programs and objectives. Forward-looking information is necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking information. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. All forward-looking information contained in this press release is given as of the date hereof and is based upon the opinions and estimates of management and information available to management as at the date hereof. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.

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