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

TORONTO, July 16, 2015 /CNW/ - Kennady Diamonds Inc. ("Kennady Diamonds," the "Company") (TSX-V: KDI) is pleased to announce that a macro diamond has been found during logging of core from the Faraday 2 kimberlite. The diamond, which is still partially embedded in kimberlite, was found on July 15, 2015, during logging of core recovered from Faraday 2 hole KDI-15-045b.

Kennady Diamonds CEO Patrick Evans commented: "It is exceptionally rare to find a macro diamond in drill core during logging and this is the second time that our geologists have made such a find. This is a reflection of the high diamond content of both the Kelvin and Faraday kimberlites."

The first diamond was found in August 2014 during logging of core from the Kelvin kimberlite and was described as a 0.94 carat white/colorless transparent octahedral twin with etched trigons.

The core containing the Faraday 2 diamond will be processed by caustic fusion at the Geoanalytical Laboratories Diamond Services of the Saskatchewan Research Council and the final weight and description of this diamond will be announced as soon as those results are received. A photograph of the Faraday 2 diamond in core has been posted on the Company's website at www.kennadydiamonds.com.

Kennady Diamonds is also currently processing a 436 tonne Kelvin bulk sample through the SRC dense-media separation plant 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.

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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.

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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.

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.

SOURCE Kennady Diamonds Inc.

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