

Shares Issued and Outstanding: 29,809,857
TSX-V: KDI

- 152 meters of kimberlite intercepted at Kelvin North
- 4.64 meters of kimberlite intercepted at MZ Sheet

TORONTO, Aug. 31, 2015 /CNW/ - [Kennady Diamonds Inc.](#) ("Kennady Diamonds", the "Company") (TSX-V: KDI) is pleased to announce further drill results from the 100 percent-controlled Kennady North diamond project located in Canada's Northwest Territories. Following drilling of hole KDI-15-057, the Kelvin infill drill program is now complete. In addition, all but two of the Kelvin geotechnical drill holes have been completed, with the remaining two expected to be completed by mid-September. With the mobilization to site of a larger fourth drill rig, further delineation drilling at the north lobe of the Kelvin kimberlite has commenced.

Kennady Diamonds President and CEO, Patrick Evans, noted: "The Kelvin infill drilling has been very successful and we expect the results to add to our previous Kelvin tonnage estimate. Preparation of the maiden resource statement is underway and expected to be completed before the end of the year."

Table 1 below provides details of the latest drill results from the Kelvin 2015 summer drill program.

Table 1
Kelvin 2015 Summer Drill Program

Drill Hole	Target	Azimuth	Inclination	Kimberlite Intercepts (m)			End of Hole (m)
				Approximate			
				From	To	Intercept*	
KDI-HQ15-054b	Kelvin North	75	-75	304.76	328.63**	10.03	340
KDI-HQ15-057	Kelvin North	153	-90	150.30	306.00**	152.00	331

* Intercepts in sub-vertical holes not true widths

**Includes minor country rock intercepts

Kelvin drill hole KDI-15-054b was a delineation hole designed to cut-off the lower portion of the Kelvin pipe.

Exploration drilling at the MZ kimberlite, which is located approximately 25 kilometers to the west of the Kelvin camp, has helped define the MZ kimberlite over a strike length of more than 1.8 kilometers. Based on the results to date, the MZ kimberlite appears to be an approximate 3 meter wide sheet structure dipping at approximately 15 degrees to the northeast.

Mr. Evans commented: "Drilling at the diamond-bearing MZ kimberlite is designed to establish continuity both on strike as well as down-dip. Based on geophysics completed to date, it's apparent that the strike of the sheet extends well beyond 2 kilometers. We plan to continue exploration drilling at MZ for another month until we begin to lose daylight. Processing of kimberlite recovered from MZ will assist in understanding both the grade potential and diamond quality. These results should be available during the fourth quarter."

Table 2 below details the drill results from the MZ 2015 summer drill program.

Table 2
MZ 2015 Summer Drill Program

Drill Hole	Target	Azimuth	Inclination	Kimberlite Intercepts (m)			End of Hole (m)
				Approximate			
				From	To	Intercept*	
KDI-15-055	MZ	171	-45	62.05	67.61**	3.34	178
KDI-15-056a	MZ	177	-45	54.00	67.00**	4.45	238
KDI-15-056b	MZ	179	-65	49.87	53.00	3.13	277
KDI-15-058a	MZ	310	-45	62.30	71.10**	4.64	226
KDI-15-058b	MZ	310	-65	47.10	55.00**	3.30	166

* Intercepts in sub-vertical holes not true widths

**Includes minor country rock intercepts

Mr. Evans added: "On completion of the geotechnical drilling at Kelvin a drill rig will be moved to the diamond-bearing Doyle kimberlite to test a number of new geophysical targets. The Doyle kimberlite is located approximately 20 kilometers to the southwest Kelvin camp on the same northeast-to-southwest structural feature that hosts the Faraday, Kelvin and Gahcho Kué kimberlites".

Updated maps of the drilling at the Kelvin kimberlite can be viewed under "Media Links" on the homepage of the Company's website at www.kennadydiamonds.com.

About Kennady Diamonds

[Kennady Diamonds Inc.](#) controls 100 percent of the Kennady North project which comprises thirteen leases and claims located immediately to the north and west of the four leases controlled by the Gahcho Kué Joint Venture between De Beers Canada (51%) and Mountain Province (49%) located in Canada's Northwest Territories.

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 Person

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.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) has reviewed or accepts responsibility for the adequacy or accuracy of this release.

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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