

KELOWNA, BC, Oct. 6, 2015 /CNW/ - [Diamcor Mining Inc.](#) (TSX-V.DMI / OTCQX-DMIFF), (the "Company") announces the results of the rough diamond sales completed during the second fiscal quarter ending September 30, 2015, and is pleased to provide an operational update for its Krone-Endora at Venetia project in South Africa (the "Project").

During the second fiscal quarter ending September 30, 2015, the Company participated in one rough diamond tender selling 4,845.93 carats, a 70% increase when compared to 2,856.24 carats sold during the previous fiscal quarter ended June 30, 2015. Gross revenues for the second fiscal quarter were (US) \$676,835.08, a 49% increase when compared to revenues of (US) \$455,227.66 realized in the previous fiscal quarter ended June 30, 2015.

In addition to the increase in rough diamonds sold during the second fiscal quarter, there was a significant increase in rough diamonds recovered and not tendered, when compared to the previous fiscal quarter. As a result of material recovered and processed to September 30, 2015, the Company held ~4,030.83 carats of rough diamonds in inventory as compared to ~2050 carats as of June 30, 2015, representing an ~96% increase in rough diamond inventory. The increase in rough diamond inventory on hand at the end of the quarter is primarily attributable to initial increases in processing levels and subsequent recoveries during the second fiscal quarter, with a small portion attributable to the Company electing to withdraw certain higher value rough diamonds from the sale during the second quarter due to recent weakness in rough diamond pricing at the tender. The Company withdrew a 10.93 carat special, as well as a grouping of eight individual 2-3 carat rough diamonds. These rough diamonds will be offered again in upcoming tenders planned during the coming quarter. The slight reduction in the average price per carat realized during the period of (US) \$139.67 per carat, as compared to the previous quarter's (US) \$159.38 per carat, was partially attributable to the fact that these rough diamonds were withdrawn from the sale. These rough diamonds, and other newly discovered rough diamonds including 13 additional individual stones ranging in size from 5.0 carats to 10.8 carats, as well as 4 individual "specials" (+10.8 carat rough diamonds) ranging in size between ~11.72 carats and ~18.05 carats in size are being prepared and will be offered for sale at upcoming tenders. To date, the Company has realized an average price per carat of (US) \$ 200.42 from the sale of 41,664.02 carats of rough diamonds.

Rough diamonds recovered and sold during the period were the result of the continued processing of material in the +1.0mm to -26mm size fractions, along with limited processing of material from various larger size fractions during the period. Processing levels of approximately 100,000 tons per month were achieved during the quarter, with these exercises aimed at the continued evaluation and optimization of both the Project's dry-screening and its main treatment facilities. While the Company is pleased with both the operation and reliability of these facilities, the main limiting factor to an increase in processing volumes during the second quarter was water-related. The Company has completed the initial preparation of four planned bore-holes for added water supply and, pending confirmation of receipt of final approvals from the South African Department of Water Affairs, is anticipating the integration of these supply facilities in the current third fiscal quarter. Once complete, the Company is planning to further increase the processing volumes to allow for the optimization of both facilities at increased levels.

In addition to the increased processing levels underway on materials in the +1.0mm to -26mm size fractions, the Company continues to advance efforts aimed at facilitating the processing of material in the +26.0mm size fractions at increased levels. To date, the vast majority of materials in the +26.0mm size fractions have been stockpiled for future processing. The combined efforts underway are designed to support the continued advancement of objectives consistent with the recommendations of the updated NI43-101 Technical Report ("Updated Technical Report") filed by the Company on April 28, 2015, and to aid the Company in arriving at initial production decisions for the Project.

The recovery of all rough diamonds during the fiscal quarter ending September 30, 2015, were incidental to the ongoing commissioning and testing exercises performed at the Company's Krone-Endora at Venetia project. The above-noted testing exercises and incidental recoveries do not form part of the updated NI43-101 Technical Report filed by the Company on April 28, 2015, and thus no general grade, price, or quality determination is intended by the Company at this time due to the nature and purpose of the processing of this material.

About Diamcor Mining Inc.

[Diamcor Mining Inc.](#) is a fully reporting publically traded junior diamond mining company which is listed on the TSX Venture Exchange under the symbol V.DMI, and on the OTC QX International under the symbol DMIFF. The Company has a well-established operational and production history in South Africa and extensive prior experience supplying rough diamonds to the world market.

About the Tiffany & Co. Alliance

The Company has established a long-term strategic alliance and first right of refusal with Tiffany & Co. Canada, a subsidiary of world famous New York based Tiffany & Co., to purchase up to 100% of the future production of rough diamonds from the Krone-Endora at Venetia Project at then current prices to be determined by the parties on an ongoing basis. In conjunction with this first right of refusal, Tiffany & Co. Canada also provided the Company with financing to advance the Project. Tiffany & Co. is a publically traded company which is listed on the New York Stock Exchange under the symbol TIF. For additional information on Tiffany & Co., please visit their website at www.tiffany.com.

About Krone-Endora at Venetia

In February 2011, Diamcor acquired the Krone-Endora at Venetia Project from De Beers Consolidated Mines Limited, consisting of the prospecting rights over the farms Krone 104 and Endora 66, which represent a combined surface area of approximately 5,888 hectares directly adjacent to De Beers' flagship Venetia Diamond Mine in South Africa. On September 11, 2014, the Company announced that the South African Department of Mineral Resources had granted a Mining Right for the Krone-Endora at Venetia Project encompassing 657.71 hectares of the Project's total area of 5,888 hectares. The Company has also submitted an application for a mining right over the remaining areas of the Project. The deposits which occur on the properties of Krone and Endora have been identified as a higher-grade "Alluvial" basal deposit which is covered by a lower-grade upper "Eluvial" deposit. The deposits are proposed to be the result of the direct-shift (in respect to the "Eluvial" deposit) and erosion (in respect to the "Alluvial" deposit) of material from the higher grounds of the adjacent Venetia Kimberlite areas. The deposits on Krone-Endora occur in two layers with an average total depth of less than 15.0 metres from surface to bedrock, allowing for a very low-cost mining operation to be employed with the potential for near-term diamond production from a known high-quality source. Krone-Endora also benefits from the significant development of infrastructure and services already in place due to its location directly adjacent to the Venetia Mine.

Qualified Person Statement:

Mr. James P. Hawkins (B.Sc., P.Geo.), is Manager of Exploration & Special Projects for [Diamcor Mining Inc.](#), and the Qualified Person in accordance with National Instrument 43-101 responsible for overseeing the execution of Diamcor's exploration programmes and a Member of the Association of Professional Engineers and Geoscientists of Alberta ("APEGA"). Mr. Hawkins has reviewed this press release and approved of its contents.

On behalf of the Board of Directors

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This press release contains certain forward-looking statements. While these forward-looking statements represent our best current judgement, they are subject to a variety of risks and uncertainties that are beyond the Company's ability to control or predict and which could cause actual events or results to differ materially from those anticipated in such forward-looking statements. Further, the Company expressly disclaims any obligation to update any forward looking statements. Accordingly, readers should not place undue reliance on forward-looking statements.

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