Shares Issued and Outstanding: 46,906,970
TSX-V: KDI

TORONTO, Oct. 8, 2015 /CNW/ - Kennady Diamonds Inc. ("Kennady Diamonds", the "Company") (TSX-V: KDI) is pleased to announce the closing of the second and final tranche of the previously announced non-brokered private placement of common shares for gross proceeds of $33,280,538.75. The Company issued 11,731,105 common shares at a price of $2.75 per share and 300,000 flow-through common shares at a price of $3.40 per share. The shares are subject to a four month hold period, expiring on February 9, 2016.

Together with the first tranche, the Company has issued 15,403,878 common shares and 1,693,235 flow-through common shares for aggregate gross proceeds of $48,117,663.50. The Company paid cash finders' fees of $258,525 on a portion of the offering.

The proceeds from the private placement will be used to fund all aspects of the Company's Kennady North Project until the end of 2017, including drilling and bulk sampling, evaluation, a preliminary economic assessment, a definitive feasibility study, permitting and for general corporate purposes. The drilling program includes exploration, delineation, infill and geotechnical drilling at the Kelvin, Faraday, MZ and Doyle kimberlites. The bulk sampling includes bulk sampling of the Kelvin north lobe and the Faraday kimberlites. The evaluation program includes processing of kimberlite and the valuation of diamond parcels.

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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. Kennady North is immediately to the north and west of the Gahcho Kué Diamond Mine, a joint venture between Beers Canada (51%) and Mountain Province (49%), which is currently under construction and due to start production in H2 2016.

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 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.

SOURCE Kennady Diamonds Inc.

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