- Permit amendments approved
- Kelvin Camp opened for 2016 Season
- Ice infrastructure completed
- Core drilling set to commence
- Kelvin resource statement imminent

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

TORONTO, Jan. 14, 2016 /CNW/ - Kennady Diamonds Inc. ("Kennady Diamonds", the "Company") (TSX-V: KDI) is pleased to announce that the Mackenzie Valley Land and Water Board (MVLWB) has approved amendments to the Company's Type A Land Use Permit and Type B Water License. Approval of these amendments clears the way for expanded exploration and evaluation programs at the Kennady North project with camp capacity increased from 50 to 150 persons.

Commenting, Kennady Diamonds CEO Patrick Evans said: "We welcome the decision by the MVLWB and appreciate the strong support from our First Nations' partners. The amendment approvals will allow us to expand our camp facilities at Kennady North to accommodate a broader range of activities, including core drilling, bulk sampling, environmental studies and engineering studies; all of which are scheduled to commence during Q1 2016."

Kennady Diamonds is also pleased to announce that the Kelvin Camp opened on January 5, 2016, for the 2016 exploration and evaluation programs. Construction of the bulk of the ice infrastructure has been completed, which includes the Kelvin ice road, ice runway and ice pads for drilling. The first drill crews are scheduled to arrive at Kelvin Camp by the end of the week and core drilling at Faraday 1 is expected to commence shortly afterwards.

Preparations for the 500 tonne Kelvin North bulk sample are also well advanced with two large diameter reverse-circulation drill rigs scheduled to depart Yellowknife for Kelvin Camp as soon as the main ice road has opened. The bulk sampling is expected to be completed by the end of March, 2016.

Finally, the maiden NI 43-101 resource statement for the Kelvin kimberlite is nearing completion and expected to be released shortly.

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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 13 and 16 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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