

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

TORONTO, Feb. 16, 2016 /CNW/ - [Kennady Diamonds Inc.](#) ("Kennady Diamonds", the "Company") (TSX-V: KDI) is pleased to announce the final 2015 diamond recovery results from the Faraday 2 kimberlite at the Company's 100 percent-controlled Kennady North project. A total of 6.4 tonnes of kimberlite was recovered by core drilling at Faraday 2 and processed by caustic fusion at the Geoanalytical Laboratories Diamond Services of the Saskatchewan Research Council ("SRC") returning a total 'commercial' sample grade of 3.04 carats per tonne.

Kennady Diamonds President and CEO Patrick Evans noted: "Significant progress was made delineating and sampling the Faraday 2 kimberlite during 2015. We are very pleased with the excellent results. Delineation drilling has defined the strike of the Faraday 2 kimberlite over approx. 390 meters and the pipe remains open on strike to the west. The 'commercial' sample grade of over 3 carats per tonne confirms that the Faraday 2 kimberlite has the potential to host a high grade diamond resource."

Table 1 below summarizes the 2015 caustic fusion diamond recovery results from the Faraday 2 kimberlite.

Table 1 – 2015 Faraday 2 Diamond Recovery Results

Sample Weight (dry tonnes)	Number and Weight of Diamonds According to Sieve Size Fraction (mm)						
	+0.106 -0.150	+0.150 -0.212	+0.212 -0.300	+0.300 -0.425	+0.425 -0.600	+0.600 -0.850	+0.850 -1.180
6.4277	5,689	3,670	2,192	1,320	831	679	290

*Sample grade of diamonds greater than 0.85mm: 3.04 carats per tonne

The three largest diamonds recovered from the Faraday 2 sample are described as:

- 1.43 carat off-white, transparent tetra hexahedron with no inclusions;
- 1.02 carat off-white, transparent broken aggregate with inclusions; and
- 0.46 carat off-white, transparent fragment with inclusions.

Kennady Diamonds is also pleased to announce the first results from the 2016 Faraday 1 winter drill program. Six exploration/delineation drill holes were completed from two ice-based platforms located 40 meters on strike to the northwest of the final holes drilled at the end of the 2015 winter program. The Faraday 1 kimberlite pipe has now been delineated over a strike of approx. 160 meters. Similar to both the Kelvin and Faraday 2 kimberlites, Faraday 1 outcrops at lake bottom and dips gently to the northwest with the volume of the pipe increasing to depth.

Mr. Evans commented: "We are very encouraged by the good widths of the latest kimberlite intersections at Faraday 1 and have now stepped the drill out a further 40 meters to the northwest to complete a further fan of exploration/delineation holes. Plan and section maps illustrating the latest drill results have been posted under the tab 'Media Links' on the homepage of the Company's website www.kennadydiamonds.com."

Table 2 below summarizes the latest drill results from the Faraday 1 kimberlite.

Table 2
 Faraday 1 2015 Winter Drill Program

Drill Hole	Target	Azimuth	Inclination	Kimberlite Intercepts (m)			End of Hole (m)
				From	To	Intercept*	
KDI-16-001a	Faraday 1	230	-57	114.65	139.30**	21.70	180
KDI-16-001b	Faraday 1	230	-63	115.00	129.60	14.60	161
KDI-16-001c	Faraday 1	230	-50	108.18	169.10**	60.38	200
KDI-16-002a	Faraday 1	50	-47	117.00	158.00**	35.40	193
KDI-16-002b	Faraday 1	50	-55	112.30	137.90	25.60	177
KDI-16-002c	Faraday 1	50	-62	112.23	132.00**	16.75	166

*Intercepts in sub-vertical holes not true widths

** Includes minor country rock intercepts

Kennady Diamonds today also announced that the first of the two large-diameter reverse circulation drill rigs have arrived at Kelvin Camp. The second drill rig is expected to arrive by midweek. Drilling to recover the planned 500 tonne bulk sample from Kelvin North Lobe is expected to commence by the end of the week.

Finally, Kennady Diamonds reported that all the elements of the maiden Kelvin NI 43-101 resource statement have been completed by the contributing Qualified Persons and are undergoing final review prior to release, which is expected by next week.

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 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.

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.

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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