

Kimberlite intersections exceeding 30 meters at Faraday 2 and 3
 Both Faraday 2 and Faraday 3 confirmed as extending onto land

Shares Issued and Outstanding: 47,156,970
 TSX-V: KDI

TORONTO, Aug. 11, 2016 /CNW/ - [Kennedy Diamonds Inc.](#) ("Kennedy Diamonds", the "Company") (TSX-V: KDI) is pleased to provide an update on the summer drilling program on the Kennedy North Project. All six of the drill holes completed to date have intersected kimberlite, with two drill holes at Faraday 2 and one drill hole at Faraday 3 intersecting over 30 meters of kimberlite. Both Faraday 2 and Faraday 3 have also been confirmed as extending from beneath Kennedy Lake onto land. Table 1 below summarizes the drill results to date.

Table 1
 Faraday 2016 Summer Drill Program

Drill Hole	Target	Azimuth	Inclination	Kimberlite Intercepts (m)			End of Hole (m)
				From	To	Intercept*	
KDI-16-037a	Faraday 2	93	-88	195.35	225.97	30.62	259
KDI-16-037b	Faraday 2	280	-80	192.23	229.58	37.35	262
KDI-16-036a	Faraday 3	50	-90	155.47	162.90	7.43	223
				176.20	191.27**	13.87	223
KDI-16-036b	Faraday 3	49	-79	140.86	177.23**	33.85	230
				198.58	198.78	0.20	230
KDI-16-036c	Faraday 3	50	-70	175.90	180.0	4.10	218
KDI-16-036d	Faraday 3	230	-80	195.50	199.60	4.10	275
				205.00	241.10**	29.20	275

*Intercepts not true widths. ** Includes minor country rock intercepts.

President and CEO of Kennedy Diamonds, Dr. Rory Moore commented: "We are delighted that kimberlite was intersected in all six drill holes completed to date, as the results confirm our exploration model that predicted both Faraday 2 and 3 would continue onto land. The drill holes on Faraday 2 have returned robust kimberlite intersections, and current drilling continues to track the body in a westerly direction. At Faraday 3 the northeastern margin has been established with our latest drill holes, and the next drill holes will define its southwestern margin." Dr. Moore concludes, "Our systematic approach to expanding the Faraday bodies is exactly the same as that which expanded Kelvin to its present size. We have no doubt that as we continue, additional kimberlite will be discovered with this exploration model."

At the Kennedy North project, exploration and delineation drilling is presently being conducted from two land-based setups. One drill rig is focused on the Faraday 1-Faraday 3 kimberlite complex, and the second rig is active at Faraday 2. It is anticipated that over 8,000 meters of core drilling will be completed on the Faraday kimberlites by the end of the summer program, with the results incorporated into defining a diamond resource along the Kelvin & Faraday corridor.

About Kennedy Diamonds

[Kennedy Diamonds Inc.](#) controls 100 percent of the Kennedy North diamond project located in Canada's Northwest Territories immediately adjacent to the Gahcho Kué diamond mine currently being operated by De Beers and Mountain Province Diamonds (T:MPV, NASDAQ:MDM).

Kennedy Diamonds aims to identify a resource along the Kelvin & Faraday kimberlite corridor of between 13 million 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. Tonnage estimates are 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 Dr. Tom McCandless, P. Geo., an independent director of Kennady Diamonds and Qualified Person under National Instrument 43-101.

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Contact

[Kennady Diamonds Inc.](#), Rory O. Moore, President and CEO, (416) 640-1111, investors@kennadydiamonds.com