

- This area covers where the first diamonds in Botswana were discovered

- Several targets were drilled and no kimberlite was intersected

- The anomalous kimberlite indicators associated with the drill targets are unexplained and being followed up with additional sampling.

- A soil sampling and geophysical survey programme is in progress to identify additional target areas.

TORONTO, ONTARIO--(Marketwired - Sep 16, 2016) - [Pangolin Diamonds Corp.](#) (TSX VENTURE: PAN) (the "Company" or "Pangolin") is providing an update from the latest drill programme at the Company's wholly-owned Motloutse Diamond Project ("Motloutse"), located 150 km east of the Orapa Diamond Mine in Botswana.

A percussion drill programme was completed in August. The material of interest has been analyzed by laboratories in Canada who have confirmed no kimberlite(s) was intersected. The results from the drilling allowed for the elimination of certain types of magnetic anomalies to be excluded from future exploration programmes providing for a more focused target selection.

The Company still remains optimistic about locating kimberlite in the Motloutse Diamond Project. A follow up ground programme including detailed soil sampling, gravity and ground magnetics is in progress in a continued effort to locate the sources of anomalous concentrations of positive kimberlite indicator minerals recovered at surface as previously announced (see releases May 31, 2016 and June 13, 2016 respectively).

In addition, an exploration programme consisting of soil sampling and groundmagnetic surveys was initiated to specifically follow up the known diamond occurrences within the Prospecting Licence area.

Motloutse covers the area where the first diamonds in Botswana were recovered in 1959. It also includes the location where De Beers discovered its first diamonds in Botswana in 1962. The kimberlite source(s) of these diamonds have never been located.

The Company's treasury is fully funded to complete this exploration programme.

Quality Control and Quality Assurances

Quality assurance procedures, security, transport, storage, and processing protocols conform to chain of custody requirements.

The technical disclosure in this news release has been reviewed and approved by Dr. Leon Daniels, BSc., BSc. Honours Geology, PhD and a Qualified Person as defined by National Instrument 43-101.

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