

265 tonne bulk sample recovered from Faraday 2  
Bulk sampling underway on Faraday 3

Shares Issued and Outstanding: 47,281,970  
TSX-V: KDI

TORONTO, March 3, 2017 /CNW/ - [Kennedy Diamonds Inc.](#) ("Kennedy", the "Company") (TSX-V: KDI) is pleased to announce that the bulk sampling program on the Faraday 2 kimberlite has been successfully completed with approximately 265 tonnes of kimberlite collected from 29 large diameter drill holes. The two reverse circulation drill rigs are now focused on the nearby Faraday 3 kimberlite and have commenced drilling with the target of collecting a 300 tonne kimberlite sample from this pipe.

Kennedy Diamonds President and CEO, Dr. Rory Moore stated: "We are delighted to have achieved our target tonnage on the Faraday 2 kimberlite on-schedule despite weather related challenges that the field crews have faced. The transition to drilling the Faraday 3 kimberlite has proceeded smoothly, with the first two drill holes completed within 24 hours of moving onto the kimberlite."

The Faraday 2 bulk sample will now be transported to Saskatoon to be processed by dense media separation ('DMS') at the Geoanalytical Laboratories Diamond Services of the Saskatchewan Research Council ('SRC'), which is accredited to the ISO/IEC 17025 standard by the Standards Council of Canada as a testing laboratory for diamond analysis. It is anticipated that processing will commence on March 27.

The Company plans to recover a total of approximately 575 tonnes of kimberlite from the Faraday kimberlites during the 2017 winter program, including the 265 tonnes recovered from Faraday 2, 300 tonnes from the Faraday 3 and approximately 10 tonnes from Faraday 1. The objective of this program is to advance the Faraday 2 and 3 kimberlites to an inferred resource status and advance the Faraday 1 kimberlite to a Target for Further Exploration (TFFE). It is anticipated that diamonds weighing more than 1,000 carats will be recovered from the bulk samples and the diamond parcel will be used for revenue modeling of the Faraday 2 and 3 kimberlites. Diamonds recovered from the Faraday 1 mini-bulk sample will be used to correlate diamond grade and quality potential with the nearby Faraday 3 kimberlite. The bulk sampling program is expected to be completed in early Q2 of 2017.

#### About Kennedy Diamonds

[Kennedy Diamonds Inc.](#) controls 100 percent of the Kennedy North diamond project located in Canada's Northwest Territories. Kennedy North is immediately to the north and west of the Gahcho Kué Diamond Mine, a joint venture between De Beers Canada (51%) and Mountain Province (49%), which started production in late 2016.

Kennedy Diamonds aims to identify a resource along the Kelvin &#8211; 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 &#8211; 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 Persons

This news release has been prepared by Dr. Rory Moore, P.Geo., President and CEO of Kennedy Diamonds. The technical contents of this news release have been reviewed and approved by Dr. Tom McCandless, P. Geo., an independent director of Kennedy Diamonds and 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

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