

KELOWNA, BC, April 10, 2017 /CNW/ - [Diamcor Mining Inc.](#) (TSX-V:DMI / OTCQX:DMIFF), (the "Company") is pleased to announce that further to the installation of significant additional operational items and expansions completed as announced on January 18, 2017, the testing, commissioning and calibration of these new facilities at the Company's Krone-Endora at Venetia Project (the "Project") continues to progress in a positive manner. The Company expects the finalization of these efforts to be completed by April 30, 2017. These efforts, initially targeted for completion in the prior fiscal quarter ended March 31st, were delayed due to operational and product delivery issues. However, with the testing, commissioning, and calibration work now substantially completed, the facilities have very recently begun demonstrating an ability to achieve the desired goals of: increased processing volumes; the crushing and treatment of material up to 45mm in size; the processing of material through a dedicated ultra-coarse large diamond recovery circuit; and, an increase in the overall capacity of the Project's final recovery and sorting facilities. This progress was evidenced by the results realized in the April tender, as noted below. Targeted increases in processing volumes approaching 100% over previous months are expected to be achieved in the current quarter, and the Company's primary focus will now shift towards the planned transition to large-scale trial-mining exercises at the Project.

Rough Diamond Tender and Sales Update

In an initial tender and sale of rough diamonds recovered from the initial processing of material in the +1.0mm to -15.0mm size fractions held in February 2017, the Company sold 1,533.37 carats, for gross proceeds of USD \$209,949.02, resulting in an average price of USD \$136.92 per carat. In a second tender and sale completed early in April 2017, the Company sold 2,900.62 carats of rough diamonds recovered from the initial processing of crushed material in the +1.0mm to -45.0mm size fractions through the new substantially completed facilities prior to March 13, 2017, for gross proceeds of USD \$810,106.26, resulting in an average price of USD \$279.29 per carat. This second tender and sale included the sale of four gem quality rough diamonds which were recovered in the specials category (+10.7 carats): a 12.13 carat, a 15.46 carat, a 17.97 carat, and a 29.1 carat rough diamond.

The combined efforts currently underway are designed to support the continued advancement of objectives consistent with the recommendations of the updated NI 43-101 Technical Report ("Updated Technical Report") filed by the Company on April 28, 2015, and to aid the Company in arriving at initial production decisions for the Project. The recovery of all rough diamonds to date are incidental to the ongoing commissioning and testing exercises performed at the Project. The above-noted testing exercises and incidental recoveries do not form part of the Updated Technical Report and therefore no general grade, price, or quality determination is intended by the Company at this time due to the nature and purpose of the processing of this material.

Appointment of New Managing Director of Operations

The Company is pleased to announce that in conjunction with its planned transition from project development to large-scale trial-mining, Mr. Rob De Pretto has been appointed as the new Managing Director of Operations – South Africa of the Company's operating subsidiary. Mr. De Pretto, a citizen and resident of South Africa, has an extensive, impressive, and well established 33-year career in the diamond industry. He most recently held senior management, operational, and technical positions with Anglo American and De Beers Consolidated Mines. He has gained extensive experience through his direct involvement in the development of a majority of the De Beers' mines, including four years as the production manager of De Beers Venetia Diamond mine. Mr. De Pretto holds a B.Sc. (Met. Eng.) and M.Sc. (Met. Eng.) from the University of Witwatersrand. He later obtained a Management Advancement Programme certificate through University of Witwatersrand School of Business Administration. Mr. De Pretto is a member of the South African Institute of Mining & Metallurgy, a registered Professional Engineer with Engineering Council of South Africa, and has been educated and trained in a wide array of items directly related to diamond mining and the management of diamond mines over his 30+ year career. The Company's operating subsidiary has accepted the resignation of its former Managing Director of Operations – South Africa, Mr. Dean Del Frari. No severance is due to Mr. Del Frari and his previously issued and unexercised options will expire at the close of business on June 29, 2017. The Company wishes to thank Mr. Del Frari for his efforts over the years, and wishes him the best in his future endeavors.

Warrant Extension Approval

The Company previously announced, on February 23, 2017, its intention, subject to TSX Venture Exchange approval, to extend the expiry date of 1,073,929 share purchase warrants ("Warrants"), which are exercisable to purchase up to 1,073,929 common shares in the authorized share capital of the Company at an exercise price of \$1.80 per share, from March 11, 2017 to March 11, 2018. In addition, the Company announced its intention to extend the expiry date of 169,350 share purchase warrants which are exercisable to purchase up to 169,350 common shares in the authorized share capital of the Company at an exercise price of \$1.80 per share, from March 21, 2017 to March 21, 2018. All other terms of the Warrants will remain unchanged. The extension of the expiry date of the Warrants by one year, as previously announced, has received the required TSX Venture Exchange approval.

About Diamcor Mining Inc.

[Diamcor Mining Inc.](#) is a fully reporting publically traded junior diamond mining company which is listed on the TSX Venture

Exchange under the symbol V.DMI, and on the OTC QX International under the symbol DMIFF. The Company has a well-established operational and production history in South Africa and extensive prior experience supplying rough diamonds to the world market.

About the Tiffany & Co.

The Company has established a long-term strategic alliance and first right of refusal with Tiffany & Co. Canada, a subsidiary of world famous New York based Tiffany & Co., to purchase up to 100% of the future production of rough diamonds from the Krone-Endora at Venetia Project at then current prices to be determined by the parties on an ongoing basis. In conjunction with this first right of refusal, Tiffany & Co. Canada also provided the Company with financing to advance the Project. Tiffany & Co. is a publically traded company which is listed on the New York Stock Exchange under the symbol TIF. For additional information on Tiffany & Co., please visit their website at www.tiffany.com.

About Krone-Endora at Venetia

In February 2011, Diamcor acquired the Krone-Endora at Venetia Project from De Beers Consolidated Mines Limited, consisting of the prospecting rights over the farms Krone 104 and Endora 66, which represent a combined surface area of approximately 5,888 hectares directly adjacent to De Beers' flagship Venetia Diamond Mine in South Africa. On September 11, 2014, the Company announced that the South African Department of Mineral Resources had granted a Mining Right for the Krone-Endora at Venetia Project encompassing 657.71 hectares of the Project's total area of 5,888 hectares. The Company has also submitted an application for a mining right over the remaining areas of the Project. The deposits which occur on the properties of Krone and Endora have been identified as a higher-grade "Alluvial" basal deposit which is covered by a lower-grade upper "Eluvial" deposit. The deposits are proposed to be the result of the direct-shift (in respect to the "Eluvial" deposit) and erosion (in respect to the "Alluvial" deposit) of material from the higher grounds of the adjacent Venetia Kimberlite areas. The deposits on Krone-Endora occur in two layers with a maximum total depth of approximately 15.0 metres from surface to bedrock, allowing for a very low-cost mining operation to be employed with the potential for near-term diamond production from a known high-quality source. Krone-Endora also benefits from the significant development of infrastructure and services already in place due to its location directly adjacent to the Venetia Mine.

Qualified Person Statement:

Mr. James P. Hawkins (B.Sc., P.Geo.), is Manager of Exploration & Special Projects for Diamcor Mining Inc., and the Qualified Person in accordance with National Instrument 43-101 responsible for overseeing the execution of Diamcor's exploration programmes and a Member of the Association of Professional Engineers and Geoscientists of Alberta ("APEGA"). Mr. Hawkins has reviewed this press release and approved of its contents.

On behalf of the Board of Directors

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This press release contains certain forward-looking statements. While these forward-looking statements represent our best current judgement, they are subject to a variety of risks and uncertainties that are beyond the Company's ability to control or predict and which could cause actual events or results to differ materially from those anticipated in such forward-looking statements. Further, the Company expressly disclaims any obligation to update any forward looking statements. Accordingly, readers should not place undue reliance on forward-looking statements.

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Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

SOURCE Diamcor Mining Inc.

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