Shares Issued and Outstanding: 54,659,623
TSXV:DMI
OTCQX:DMIFF

- 2,900.62 carats sold for USD$ 810,106.26 in tender completed in April 2017
- 3,265.07 carats sold for USD$ 702,635.70 in tender completed in May 2017
- 2,153.13 carats sold for USD$ 338,380.59 in tender completed in June 2017
- 8,318.82 carats sold for USD$ 1,851,122.55 (USD$222.52 avg/ct) in fiscal Q1

KELOWNA, BC, July 10, 2017 /CNW/ - Diamcor Mining Inc., (the "Company") announces the results of the rough diamonds tendered and sold in the Company's first fiscal quarter ending June 30, 2017. The rough diamonds recovered, tendered, and sold during the period were from the processing of material being completed as part of the testing, commissioning, and calibration work underway on the newly expanded facilities at the Company's Krone-Endora at Venetia project in South Africa (the "Project").

On April 10, 2017, the Company announced an initial tender and sale of 2,900.62 carats of rough diamonds for gross proceeds of USD $810,106.26, resulting in an average price of USD $279.29 per carat. In a second tender and sale completed in May 2017, the Company sold 3,265.07 carats of rough diamonds for gross proceeds of USD $702,635.70, resulting in an average price of USD $215.20 per carat. In a third and final tender and sale for the quarter completed in June 2017, the Company sold 2,153.13 carats of rough diamonds for gross proceeds of USD $338,380.59, resulting in an average price of USD $157.16 per carat. This brings the total rough diamonds tendered and sold from the initial processing of material through the newly upgraded and expanded facilities for the quarter ended June 30, 2017 to 8,318.82 carats, generating gross proceeds of USD $1,851,122.55, and resulting in an average price of USD $222.52 per carat.

The first fiscal quarter rough diamond tender and sales of 8,318.82 carats represents a ~38% decrease when compared to the 13,384.72 carats tendered and sold in the Company's first fiscal quarter ending June 30, 2016. The reduction was due to limited processing completed as compared to the same period during the prior fiscal year given the testing, commissioning, and calibration work being undertaken in the current year's period. However, despite the 38% decrease in total carats sold during the current fiscal quarter, the Company achieved gross revenues of USD $1,851,122.55, only a 3% decrease when compared to revenues of USD $1,905,978.44, realized during the same period in the prior fiscal year. The average dollar per carat of USD $222.52, from the processing of material in the +1.0mm to -45mm size fractions through the Project's newly expanded facilities in the first fiscal quarter, represents a 56% increase as compared to an average dollar per carat of USD $142.40, for the same period in the previous fiscal year when the facilities processed only materials in the +1.0mm to -26mm size fractions. Rough diamonds delivered, tendered and sold in the current period were the result of rough diamonds recovered prior to May 25, 2017. Rough diamonds recovered after May 25 and until June 30, 2017 will be recorded as rough diamond inventory on-hand for the first fiscal quarter ending June 30, 2017.

Operational Update

The testing, commissioning and calibration of the newly expanded facilities at the Project continued to progress as planned during the quarter, and overall increases in processing volumes and reliability are expected moving forward. The crushing and treatment of material up to 45.0mm, and the processing of larger material through a modified and refined ultra-course large diamond recovery circuit is also now operational and expected to increase throughput capacity in this area as well moving forward. The Project's expanded sorting facilities continue to operate as planned with no major issues to report in that area. The Company previously reported that efforts were underway to reduce the total quantity of fines in material being delivered to the Main Treatment Plant through the addition of a high-frequency screening unit at the Project's In-field Dry Screening Plant. This equipment is aimed at not only enhancing the quality and pre-concentration of the material being delivered to the Main Treatment Plant, but also is expected to provide additional savings in water consumption and increased processing capacities. All operational items associated with this upgrade have now been completed and incorporated into the processing.

The combined testing, commissioning, and calibration exercises 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.

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. Alliance

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 an average total depth of less than 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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