

Vancouver, British Columbia (FSCwire) - Margaret Lake Diamonds Inc. (“the Company”) along with our joint venture partner [Arctic Star Exploration Corp.](#) are pleased to report results from the Diagas property.

The Diagas Property is located in the prolific north-northeastern (NNE) part of the Lac de Gras kimberlite field, 22 kilometers NNE of the Diavik diamond mine (Rio Tinto 60%, Dominion Diamonds 40%) and 36 kilometers east of the Ekati diamond mine (Dominion Diamonds) along a wide corridor of diamond deposits that include kimberlite pipes that are mined or planned to be mined, namely, A21, A418, A154S, A154N, Lynx, Misery, and Jay. All these >1 carat per tonne diamond bearing kimberlites lie within a very tight NNE corridor, thought to represent a structure and/or feeder dyke that formed these kimberlites,. Jay, the nearest of these pipes is 8.9 km from the Diagas Property boundary. The corridor is currently known to be about 20 kilometers long with groupings of mineable kimberlites every 7-8 kilometers

The Diagas property is comprised of 23 claims totaling 18,699 hectares and is a Joint Venture between [Margaret Lake Diamonds Inc.](#) (60%) and [Arctic Star Exploration Corp.](#) (40%).

Field crews implemented a ground geophysical program at Diagas this spring utilizing ground magnetics (X line kilometers), ground gravity (y line kilometers) and ground electromagnetics (Z line kilometers) techniques (see News Release Aug. 5, 2017). The 11 survey program was designed to further evaluate areas of known kimberlites as well as evaluate unresolved targets generated from public domain data.

Table One: Kimberlite and kimberlite like targets evaluated in the Spring 2017 program.

Kimberlite or Target	Magnetics (Line Km)	Gravity (Line Km)	EM (Line Km)
Jack Pine	39.02	11.26	9.94
Black Spruce	20.02	11.57	
Suzanne	18.55		
HL-02	8.66		12.46
HL-55	8.13		
Naomi	16.34		
Kong (East / West)	18.72		
	129.44	22.83	22.40

The Diagas property contains 13 kimberlites discovered in the 1990s by DeBeers, some of which were further evaluated by Majescor Resources Inc. in the early-mid 2000s (see News Release Nov. 14, 2016). The Joint Venture partners have obtained public domain data from this work as made available by news releases and assessment reports filed as part of maintaining title in the Northwest Territories.

Margaret Lake Diamonds’s approach to advancing the project further is to apply detailed, modern ground geophysical techniques in anticipation of defining additional kimberlite(s) or kimberlite phases that may not have been evaluated in the past. This approach has been successful elsewhere, at the Kennady Lake project with the additional discoveries at Kelvin and Faraday, for example.

The Company believes that our approach has worked and the recently completed ground geophysical surveys have been successful.

At the Jack Pine kimberlite in defining additional phases in the Jack Pine kimberlite with all three ground geophysical methods. Jack Pine has previously been described by Majescor as having a north-south axis extending more than 500 meters and an approximate surface expression of 4 to 5 hectares. The Joint Venture has delineated an additional significant kimberlitic geophysical response to the north of the 2005 Majescor area of drilling, believed to represent a possible new discovery which will require verification by drilling. The new anomaly, named Sequoia, is approximately 500 meters in a north-south direction and displays semi-coincident responses in magnetics, gravity and EM. When combined with Jack Pine, the Sequoia anomaly doubles the geophysical footprint of the complex potentially making it the largest kimberlite complex in the Lac de Gras field.

At the Black Spruce kimberlite, the Joint Venture also notes a significant geophysical response not believed to have been previously evaluated. The original Kimberlite discovery is defined by a magnetic low signature which corresponds to previously announced diamondiferous drill results by Majescor. In addition to this, our recent work has a series of gravity lows which extend up to 200 meters both south and east of the magnetics. To the east, the gravity anomaly coincides with a clear break in a strong magnetic dyke feature (probably representing a diabase). This phenomena is noted elsewhere in the Lac De Gras

kimberlite field where a non-magnetic kimberlite disrupts the diabase. (This occurs at Jack Pine for example). Drill testing will be required to determine if the gravity targets represent kimberlite.

Other surveys conducted during the spring program also returned kimberlite-like geophysical signatures in and around known kimberlite bodies for which the company has no record or evidence of previous evaluation.

Drill testing and further geophysical evaluations will be conducted concurrently in the spring of 2018.

About Margaret Lake Diamonds Inc.

[Margaret Lake Diamonds Inc.](#) is a diamond exploration company focused on the Northwest Territories, Canada with two exploration properties. The Diagrass project as updated in detail above and the Margaret Lake project, adjacent to Kennady North and in close proximity to Gahcho Kue, the newest Canadian diamond mine owned by De Beers and Mountain Province Diamonds as described in the company News Release dated August 28, 2017.

Qualified person

The technical data in this news release have been reviewed by Mark Fields, PGeo, a qualified person under the provisions of National Instrument 43-101.

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