Diamcor Mining Inc. Takes Delivery of New Caterpillar Equipment and Returns to Processing of Quarry Material

25.02.2020 | CNW

KELOWNA, Feb. 25, 2020 - Diamcor Mining Inc. (TSX-V.DMI / OTCQB-DMIFF), (the "Company") is pleased to announce it has now completed the previously announced processing of tailings material at the Company's Krone-Endora at Venetia project (the "Project"), and that mining operations using a new larger fleet of Caterpillar heavy equipment has begun. The new equipment is aimed at providing the Project with improved reliability, lower operating costs, and to support the Company's planned increases in processing volumes moving forward. The equipment is comprised of a full compliment of large excavator models, articulated dump trucks (ADT's), front end loaders, bulldozers, and various other smaller support equipment. Additional provisions are also underway to increase the size of the Project's standby power capacities by replacing the Project's two smaller generators with one larger, more efficient unit from Caterpillar to minimize shortfalls in power supply and processing downtime for the long-term.

"We are confident the new equipment fleet will enhance the Project's advancement in all areas, and enable us to better achieve our stated goals, and increase processing volumes in a meaningful way moving forward", commented Diamcor CEO Mr. Dean Taylor. "While the processing of tailings delivered a lower dollar per carat average than what we would typically see historically, it served a valuable purpose of validating our new operating plan to remediate past deficiencies and reduce operating costs through assessing and implementing the ideal field equipment for the long term".

As of the date of this release, the Company had finalized the delivery of approximately 4,500 carats of rough diamonds from the conclusion of the tailings processing efforts for tender and sale in the coming weeks. Rough diamonds recovered and delivered for tender and sale moving forward will again be from quarrying and trial mining exercises using the new equipment and are expected to better mirror historical results in terms of size frequency distribution and the average dollar per carat values achieved. Additional focus moving forward is also being placed on the processing of the larger material previously stockpiled during the development of the Project's In-Field Screening plant, and an increase in the volume of this material being introduced through the large diamond recovery circuit.

PDAC 2020

The Company will be attending PDAC 2020 at the Metro Toronto Convention Centre, South Building from March 1st to 4th. Company executives will be in attendance at Booth #2316 in the Investor's Exchange for the duration of the show. Company CEO Dean Taylor will be presenting in the Corporate Presentation Forum for Investors in the Diamonds Session on Monday March 2nd at 10:00am in the South Building in Room 801B. Interested parties are welcome to attend.

About Diamcor Mining Inc.

Diamcor Mining Inc. is a fully reporting publicly traded junior diamond mining company which is listed on the TSX Venture Exchange under the symbol V.DMI, and on the OTC QB 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 publicly 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

Mr. Dean H. Taylor
President & CEO
Diamcor Mining Inc.
DTaylor@diamcormining.com
Tel (250) 864-3326
www.diamcormining.com

SOURCE Diamcor Mining Inc.

Contact
Mr. Dean H. Taylor, President & CEO, Diamcor Mining Inc., DTaylor@diamcormining.com, Tel (250) 864-3326, www.diamcormining.com