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**KEY GOLD HOLDING INC. AND PANGOLIN DIAMONDS CORP.  
ANNOUNCE CLOSING OF BUSINESS COMBINATION AND CREATION OF  
NEW DIAMOND EXPLORATION COMPANY WITH ASSETS FOCUSED IN  
BOTSWANA**

TORONTO: March 4, 2013 – **Key Gold Holding Inc. (KGH – TSX-V)** (the “**Company**” or “**Key Gold**”) is pleased to announce that further to its press releases of February 21, 2012 and August 8, 2012, it has closed its previously announced business combination with Pangolin Diamonds Corp. (“**Pangolin**”) to create the new amalgamated company “Pangolin Diamonds Corp.” (“**New Pangolin**”). At shareholder meetings for each of Key Gold and Pangolin held on January 15, 2013, the amalgamation of Key Gold and Pangolin, pursuant to an amalgamation agreement dated November 26, 2012 was approved (the “**Amalgamation**”). In connection with the Amalgamation, Key Gold shareholders received one (1) common share of New Pangolin (“**New Pangolin Share**”) for each two (2) outstanding common shares in the capital of Key Gold and Pangolin shareholders received one (1) New Pangolin Share for each outstanding common share in the capital of Pangolin.

In connection with the Amalgamation, shareholders of Key Gold also voted in favour of a continuation of the Company from Quebec into Ontario and approved a shares for debt transaction for an aggregate amount of \$271,946.05 resulting in the issuance on February 12, 2013 of 5,429,921 common shares of the Company at a price of \$0.05 (equivalent to \$0.10 following the closing of the Amalgamation), including 2,433,562 to insiders of Key Gold, which were both conditions of the Amalgamation. Concurrently, Pangolin completed a private placement financing of \$1,144,533 at an issue price of \$0.10 per share, which was also a condition of the Amalgamation (the “**Concurrent Financing**”), with insiders of Pangolin subscribing for a total of \$10,000. The funds raised as part of the Concurrent Financing are in addition to the approximately \$1 million raised by Pangolin since its incorporation pursuant to a private placement financing at an issue price of \$0.10 per common share.

The Amalgamation constitutes a reverse take-over under the policies of the TSX Venture

Exchange (the “**TSXV**”). Former Key Gold shareholders received approximately 16.8 million New Pangolin Shares out of the approximately 58.7 million New Pangolin Shares issued and outstanding at closing of the Amalgamation. The Company has filed final documentation with the TSXV pursuant to the conditional approval received on

December 3, 2012. Subject to the final approval of the TSXV, the New Pangolin Shares are expected to begin trading on the TSXV at the opening of the markets on or about Thursday, March 7, 2013 under the symbol “PAN”.

Willem Smuts, Chief Executive Officer and President of New Pangolin stated that “with the closing of the Amalgamation and combination of resources, New Pangolin is well-positioned to execute its development and exploration work programs over the next twelve months and capitalize on the diamond exploration opportunities in Botswana”

New Pangolin’s Tsabong North diamond exploration project is situated on the western edge of the Archaean Kaapvaal Craton, immediately north of the diamondiferous Tsabong kimberlite field. Soil sampling has produced highly anomalous concentrations of kimberlite indicators within the project area. Microprobe analyses of garnets has confirmed the presence of G10 garnets, indicative of the presence of a mantle conducive to the crystallization of diamonds. A detailed aeromagnetic survey has identified fifty targets. Soil trace element results are consistent with orientation trace element results over known kimberlites. The craton margin location of the project is similar to that of kimberlites in Lesotho known to host large, high value Type II diamonds.

Mr. Leon Daniels, Ph.D., the Chairman of New Pangolin, is a “qualified person” under National Instrument 43-101 and has reviewed the technical disclosure regarding New Pangolin in this Press Release.

### **Directors and Officers**

As a result of the closing of the Amalgamation, the directors and officers of New Pangolin are as follows:

Dr. Willem Smuts	President, Chief Executive Officer and Director
Dr. Leon Daniels	Chairman and Director
Graham Warren	Chief Financial Officer and Secretary
Louis Peloquin	Director
Jean Lafleur	Director
Thomas A. Fenton	Director

Biographies of the officers and directors will be available on the website of New Pangolin at [www.pangolindiamondscorp.com](http://www.pangolindiamondscorp.com).

### **Escrow**

Pursuant to the terms of a value security escrow agreement dated March 1, 2013 among New Pangolin, Canadian Stock Transfer Company Inc., as escrow agent, and certain escrow security holders, an aggregate of 19,409,000 New Pangolin Shares have been placed in escrow, whereby 10% of such securities will be released immediately upon the issuance of the TSXV bulletin evidencing final acceptance of the Amalgamation and the balance of such securities will be released in equal tranches of 15% every six months thereafter.

## **Sponsorship**

Paradigm Capital Inc. acted as sponsor in connection with the Amalgamation.

## **About Pangolin Diamonds Corp.**

Pangolin Diamonds Corp. is a junior exploration company that holds, through its wholly owned subsidiaries in Seychelles and Botswana, a 100% interest in eleven (11) Prospecting Licenses covering 5,307.16 km<sup>2</sup>. Project Areas that are 100% owned: Tsabong North (priority target), Jwaneng South, Lorolwane (application pending), Malatswae, and Mmadinare.

New Pangolin has approximately 58.7 million common shares outstanding and will be listed on the TSXV under the symbol PAN.

## **For more information, please contact:**

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## **Reader Advisory**

*Certain information included in this press release constitutes forward-looking information under applicable securities legislation. Such forward-looking information is provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that reliance on such information may not be appropriate for other purposes, such as making investment decisions. Forward-looking information typically contains statements with words such as "anticipate", "believe", "expect", "plan", "intend", "estimate", "propose", "project" or similar words suggesting future outcomes or statements regarding an outlook. Forward-looking information in this press release may include, but is not limited to, information with respect to: operational decisions and the timing thereof, and timing for drilling and exploration plans on the properties of New Pangolin. Forward-looking information is based on a number of factors and assumptions which have been used to develop such information but which may prove to be incorrect. Although New Pangolin believes that the expectations reflected in such forward-looking information is reasonable, undue reliance should not be placed on forward-looking information because New Pangolin can give no assurance that such expectations will prove to be correct. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which have been used. New Pangolin undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change, unless required by law.*

*The reader is cautioned not to place undue reliance on this forward-looking information.*

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