



Pangolin Diamonds Discovers Another Kimberlite in Botswana

- **Geophysical modeling suggests the Martin 01 Kimberlite at Pangolin's Tsabong North Project is a 31 hectare pipe**
- **Drilling intersects kimberlite at 85 metres below surface**

TORONTO, ONTARIO (October 17, 2013) - Pangolin Diamonds Corp. (TSX-V: PAN) (the "Company" or "Pangolin") announced that it has discovered a new kimberlite, Martin 01, in the Company's 100% owned Tsabong North Project in Botswana. The Martin 01 kimberlite is located approximately 12 km north of the Magi kimberlite, reported earlier.

A single hole was drilled into the magnetic target. Geophysical modeling indicates that the Martin 01 kimberlite may be up to 31 Ha in size (0.31 km²).

Crater facies volcanic sediments were intersected at 85 metres below surface. Sandy tuffs were intersected at a depth of 105 metres.

This kimberlite is distinguished from other kimberlites in the region in that it has a cover of Karoo sediments, including poorly developed thin coal seams. This is the first recorded discovery of a kimberlite in Botswana below the Karoo Formation in the area.

Core samples are being submitted to independent laboratories to recover any indicator minerals, and any diamonds.

Dr Leon Daniels, PhD, Chairman of the Board of Pangolin, stated: "*The discovery of an additional kimberlite within the project area is highly encouraging. The fact that it is covered by Karoo age rocks indicates the significance of not stopping the search for more kimberlites.*"

About the Tsabong North Project

The Tsabong North Project, located approximately 100 km north of the town of Tsabong in south-western Botswana, is 1,545 km² in size. It is comprised of anomalous concentrations of kimberlite indicators and has large geo-botanical features. Pangolin has identified more than 50 drill-ready aeromagnetic targets in the Project area, several of which have surface areas exceeding 20 Hectares (0.2 km²).

The Tsabong North Project is situated on the margin of the Archaean Kaapvaal Craton in a similar tectonic environment to the Orapa kimberlite field. Forty-five mantle-derived garnets inclusive of high pressure garnets were discovered in the drill core Magi-01/01.

These garnets are very similar in chemical composition to the garnets from the Letlhakane Mine in the Orapa area.

Pangolin's soil sampling has produced highly anomalous concentrations of kimberlite indicators within the Project area. Microprobe analyses of indicator minerals have confirmed the presence of G10 garnets, indicating the presence of a mantle conducive to the crystallization of diamonds. A number of indicators occur, including remnants of kelyphite that indicate close proximity to kimberlite. Enzyme-leach trace element results are consistent with orientation trace element results over known kimberlites near the Project.

The Company cautions that information regarding the Orapa and Tsabong kimberlites, and Letlhakane Mine or Orapa Mine, are not necessarily indicative of the kimberlite or kimberlite targets being drilled by the Company. There is no guarantee that the kimberlite and/or kimberlite targets being drilled by the Company will return diamond results of any economic significance.

About Pangolin Diamonds Corp

Pangolin Diamonds Corp. is building a leading diamond exploration and development company in the heart of Botswana, the world's leading diamond producing country by value. The Company is the 100% owner of 9 Prospecting Licences encompassing the Tsabong North, Jwaneng South, Malatswae and Mmadinare Projects. Pangolin's management and team leaders have over 135 years of combined diamond exploration experience in southern Africa. This makes the Company the most experienced diamond explorer in Botswana other than De Beers Exploration and Debswana. The Company is equipped for exploration, with two diamond drill rigs and a fully portable one-tonne per hour Dense Media Separation Plant used to prepare samples and make diamond concentrates. Pangolin is well-funded to continue its exploration programs for the next year.

The technical disclosure in this news release has been reviewed and approved by Dr. Leon Daniels, Ph.D., Member of AIG, Chairman of the Board of Pangolin, and Manfred R Marx, B.Sc., Diploma Environmental Sciences . Both are Qualified Persons under National Instrument 43-101 rules.

For more information on Pangolin Diamonds Corp, please refer to www.pangolindiamondscorp.com

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