



## Pangolin Reports Type II diamond from MSC Grid, Malatswae Diamond Project, Botswana

- One of seven diamonds from the MSC Grid is a Type II diamond
- The Type II diamond is associated with three Type I ab diamonds in an area of 0.32 km<sup>2</sup>
- The Type II diamond is also associated with ilmenites with reaction rims, a mantle xenolith fragment and fresh angular olivine, all indicative of a proximal source
- Drilling for kimberlite within the MSC Grid will take place in second half of 2016

TORONTO, ONTARIO (May 16, 2016) - Pangolin Diamonds Corp. (TSX-V: PAN) (the "Company" or "Pangolin") is pleased to report that one of seven diamonds analysed from the MSC Grid in Botswana is a Type II nitrogen-free diamond. Approximately 2% of the world's diamonds are classified as Type II diamonds.

Type II diamonds are often associated with the presence of large diamonds, for example the 813 carat and 1109 carat diamonds produced from the Karowe Mine by Lucara Diamonds are both Type II diamonds. The Karowe Mine is approximately 105 kilometres northwest from the MSC Grid area.

The Type II diamond from the MSC Grid is associated with three other diamonds as well as ilmenites with reaction rims, a mantle xenolith and fresh angular olivine recovered from soil samples in an area encompassing 0.32 km<sup>2</sup>. These kimberlite indicator minerals are considered to be associated with a proximal source.

Five of the MSC diamonds are Type I aB diamonds and one is a Type I aA. Approximately 98% of the world's diamonds are classified as Type I a diamonds in the range between pure Type IaA and pure Type I aB.

All three diamonds tested from The MTS grid were Type I aB diamonds. The single diamond from the Madala. Grid is also a Type I aB diamond.

A synthesis of all the MSC Grid soil sample results, indicator surface feature interpretations, and geophysical data will be integrated towards selecting future drill targets, with drilling to take place in the second semester of 2016.

Nitrogen concentrations and aggregation states were determined using a Thermo-Nicolet Fourier Transform Infrared (FTIR) Spectrometer coupled with a Continuum microscope equipped with a Kbr beam splitter. All measurements were completed at the University of Alberta by Anetta Banas (M.Sc., P.Geo.) of APEX Geoscience Ltd, Edmonton, Alberta.

### ***Quality Control and Quality Assurances***

Quality assurance procedures, security, transport, storage, and processing protocols conform to chain of custody requirements.

*The technical disclosure in this news release has been reviewed and approved by Dr. Tom McCandless, P.Geo. (B.C.), independent consultant to Pangolin and a Qualified Person as defined by National Instrument 43-101.*

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