



Pangolin Recovers Two Diamonds and 100 Positive Kimberlite Indicators from MAL 001 Target at Malatswae Project, Central District, Botswana

- **Two diamonds recovered from 4 hectare soil sampling grid**
- **100 Positive kimberlite indicators confirmed through microprobe analysis**
- **G10 and other garnets indicative of a diamondiferous mantle present**
- **A pristine forsteritic mantle derived olivine with 0.51 wt% NiO amongst the indicators analysed**
- **A groundmagnetic survey has been completed over the area where the diamonds and indicators were found**
- **MAL 001 to be drilled once Gravity and EM surveys completed to assist in identifying drill positions**

TORONTO, ONTARIO (May 8, 2018) - Pangolin Diamonds Corp. (TSX-V: PAN) (the "Company" or "Pangolin") is pleased to announce it has recovered two diamonds and 100 positive kimberlite indicators from a 4 hectare soil sampling grid at the MAL 001 drill target located in the Company's wholly-owned Malatswae Project ("Malatswae"). This area is 85 km southeast of the AK6 Karowe diamond mine, operated by Lucara Diamonds Corp., in the Central District of Botswana.

The kimberlite indicators were recovered from unscreened 100 litre samples collected within a 4 hectare area at GPS controlled sample sites. This material was dry screened in the field to recover the +0.425 - 4.0 millimetre size fraction. The samples were then transported to Francistown, Botswana and processed through Pangolin's 1-tph DMS plant.

The majority of the indicators analysed are garnets (93) and consist predominantly of peridotitic garnets which include 4 × G10 garnets and an additional 41 garnets consistent with a derivation from the diamond stability field. Only 2 eclogitic garnets were recovered. The chrome poor megacryst garnets are very similar to the megacryst garnets reported from Group II kimberlites like Dokolwayo in Swaziland.

Five micro-ilmenites (0.41 - 3.76 wt% Cr₂O₃ and 7.01 - 8.60 MgO wt%) and one manganese ilmenite were analysed. The Mn-ilmenite has a similar composition to that of diamond inclusions from Brazil. A single kimberlitic chromite was recovered.

A single forsteritic olivine (50.37 wt% MgO, 8.47 wt% FeO, 0.51 wt% NiO) was analysed. The pristine condition of the olivine is indicative of a proximal source.

Two diamonds, both in excess of 1mm in long axis size, were also recovered from the soil samples at MAL001. The presence of the diamonds is consistent with the observed garnet compositions above.

A detailed groundmagnetic survey has been completed over an area of 4 hectares and no magnetic anomaly is present. The distribution of the recovered diamonds and indicators are concentrated in the central part of the area covered by the groundmagnetic survey and suggests that the source of the indicators extend beyond the northern and southern limit of the survey area. Kimberlites like the Thankane-01 in Botswana and the Panda kimberlite in Canada did not have magnetic anomalies associated with them at the time of discovery. These latter kimberlites were discovered through drilling the associated soil anomalies.

A detailed gravity survey and an EM survey will be conducted over the area to assist in identifying drill positions.

Microprobe analysis and the ranking of the indicators relative to diamond potential using proprietary techniques have been conducted at CF Minerals (Kelowna, B.C.) and in-house classification systems. C.F. Mineral Research Ltd. is ISO 9001 Certified and all processes within are ISO 17025 Compliant.

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. Leon Daniels, BSc., BSc. Honours Geology, PhD and a Qualified Person as defined by National Instrument 43-101.

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