

pangolin



DIAMONDS CORP

## **Pangolin Finalises Joint Venture Agreement to Acquire Ownership in AK10, and signs an MoU to evaluate and develop the 6 Hectare Diamondiferous Kimberlite Pipe, Botswana Africa**

**TORONTO, ONTARIO (July 17, 2018) - Pangolin Diamonds Corp. (TSX-V: PAN)** (the "Company" or "Pangolin") is pleased to announce it has finalized the commercial terms of the Joint Venture Agreement with Mekanwu Civil Blasting (PTY) Ltd. (MCB), a private company incorporated under the laws of the Republic of Botswana owned by citizen partners. PAN has previously announced (Please see our [April 3<sup>rd</sup> 2018 release](#)) signing an Option Agreement under which it has the option to enter into a Joint Venture with MCB after PAN has evaluated the geological merits of the AK10 kimberlite. Under the Joint Venture Agreement, MCB has granted PAN the sole and exclusive option to earn up to a 75% interest in respect of MCB's precious stone AK10 Diamond Project located in the Central District of Botswana, Africa.

PAN has also entered into a Memorandum of Understanding with Amulet Diamonds Corporation (AMU), a company formed under the laws of the Province of Ontario, Canada. AMU is currently evaluating the BK 11 kimberlite, approximately 2.9 km to the east of the AK 10 kimberlite. The geographical location of AK10, relative to the position of kimberlite 2125B/K11 (BK11), allows for natural and mutual synergies with respect to the future development of AK10.

PAN and AMU agreed that AMU should consider making available its small bulk sampling processing plant for the processing of bulk sampling material from AK10. The availability of the small bulk sampling plant to PAN will be subject to a separate and specific commercial agreement to be negotiated.

PAN and AMU further agreed that AMU will be offered the opportunity to participate with PAN on the PAN share of AK10 in the JV on AK10 after PAN has exercised its Option to enter into a JV with MCB on the AK10 kimberlite. The terms of such participation will recognise the terms of those already agreed between PAN and MCB. The participation of AMU will be subject to a separate and specific commercial agreement to be negotiated and AMU will be required to fund its participation in the JV.

In addition, PAN and AMU agreed that AMU will have a First Right of Refusal in the event that PAN decides to divest in its interest in the AK10 Diamond Project, subject to the provisions of the JV Agreement between PAN and MCB.

### **Drilling Update**

Drilling on PAN Projects in Botswana continued during the second quarter and is in progress. Due to large sample backlogs at laboratories, analytical results from the drilling conducted in the first quarter have not been received as yet. Results will be announced once the analytical data are available and have been assessed.

***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.*

***About Pangolin Diamonds Corp. and Our Social Connections***

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***Pangolin Diamonds Corp. - Contact Information***

Scott Young, Investor Relations

Phone: +1.705.888.2756

Email: [syoung@pangolindiamonds.com](mailto:syoung@pangolindiamonds.com)

Graham C. Warren, Chief Financial Officer

Phone: +1.416.594.0473

Fax: +1.416.594.1630

Email: [gwarren@pangolindiamonds.com](mailto:gwarren@pangolindiamonds.com)

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