

pangolin



DIAMONDS CORP

Pangolin Commences Core Drilling on a 10 Hectare Kimberlite Pipe Shaped Target That Returned Positive Kimberlite Indicators at Depth, Botswana, Africa

TORONTO, ONTARIO (September 19, 2018) - Pangolin Diamonds Corp. (TSX-V: PAN) (the "Company" or "Pangolin") is pleased to provide an update from the latest drill programme at the Company's wholly-owned Malatswae Diamond Project ("Malatswae"), located 75 km southeast of the Orapa Kimberlite Field in Botswana.

Highlights include:

- A completed percussion drill programme returned positive kimberlite indicator minerals at depths between 74 and 98 metres.
- The magnetically positive pipe shaped anomaly is approximately 10 hectares in size.
- A 200+ metre core drilling programme has been initiated to confirm kimberlite as the source of the magnetic anomaly and kimberlite indicators.
- A diamond has been recovered at surface proximal to the drill target.
- Drill results will be announced once all the data has been received and interpreted.

A percussion drill programme was undertaken on target MAL 278. The target was initially identified from regional aeromagnetic data. It was subsequently followed up with a detailed groundmagnetic survey and a soil sampling programme.

The groundmagnetic survey resulted in a positive magnetic anomaly of approximately 10 hectares which had disrupted the continuation of Karoo age dolerite dykes. The groundmagnetic data were submitted to Xcalibur Airborne Geophysics (Pty) Limited, Pretoria, South Africa, for interpretation who concluded that both 2.5 D simple body profile modelling and 3D magnetic inversion modelling results show quite convincing kimberlite-like shapes for the main MAL 278 target. The MAL 278 target's magnetic manifestation indicates a complex body made up of different facies and possible different lobes of magma pulses, particularly in the more detailed 3D UBC magnetic inversion performed as part of the Xcalibur interpretation. The depth of the magnetic bodies was modelled to be between 97 m and 222 m (+/- 10 m) with a precaution that non-kimberlitic crater fill could be thick in the centre.

Soil sampling produced kimberlite indicators over the southern part of the MAL 278 target and a single diamond 450 m to the east of the main target.

Four percussion holes were drilled into the MAL 278 target and one percussion hole was drilled as a geological control hole 125 m to the east of the MAL 278 target. The geological control hole intersected, as expected, 19 m of Kalahari Formation sediments, 17 m of Karoo basalt and then intersected the underlying Karoo-aged Ntane sandstone.

No Karoo basalt was intersected in the boreholes drilled into the MAL 278 target. All four holes intersected sediments within what is interpreted as a crater environment. No intrusive material was intersected. Kimberlitic indicators, both garnet and ilmenite, were recovered from borehole BH02 between the depths of 74 m and 98 m. All indicator minerals were submitted for microprobe to CFM Laboratories, Kelowna, Canada, for analysis and confirmed as kimberlitic.

Drill chips from BH02 (104 m) and from the geological control hole BH04 (37 m) were submitted to Activation Laboratories, Ancaster Canada, for total digestion ICP/MS analysis analysing for 58 different elements. The analytical results confirm that the material intersected in BH02 are not geochemically related to the basalt intersected in BH04. Furthermore, there is an enrichment in Rare Earth Elements (REE's), K, Ni, Cr, Rb, Th and Sr in the lower 30 metres of BH02. This is the same zone from which kimberlitic indicators were recovered. Fragments of what is interpreted as crater facies sediments were recovered from BH06 between a vertical depth of 94 m to 112 m.

The REE and other recorded element enrichments, together with the presence of kimberlitic indicators in the lower thirty metres of BH02, are consistent with the presence of kimberlite crater facies sediments.

A core drilling programme to confirm the magnetic source as defined by Xcalibur has been initiated.

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 Miracle Muusha (MSC) and a Qualified Person as defined by National Instrument 43-101.

About Pangolin Diamonds Corp. and Our Social Connections

For more information on Pangolin Diamonds Corp., please visit our website at <http://pangolindiamonds.com>

Follow us on Twitter [@pangolindiamond](#) and Facebook at [Pangolin Diamonds Corp](#)

Pangolin Diamonds Corp. - Contact Information

Scott Young, Investor Relations

Phone: +1.705.888.2756

Email: syoung@pangolindiamonds.com

Graham C. Warren, Chief Financial Officer

Phone: +1.416.594.0473

Fax: +1.416.594.1630

Email: gwarren@pangolindiamonds.com

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