

NEWS RELEASE

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TSX-V: KDI

Kennady Completes Winter Bulk Sampling Program on the Faraday Kimberlites

Program total of 555 tonnes of kimberlite recovered

267 tonnes from Faraday #2; 262 tonnes from Faraday #3 and 25 tonnes from Faraday #1

Toronto, Ontario: April 11, 2017 – Kennady Diamonds Inc. (“Kennady”, the “Company”) (TSX-V: KDI) is pleased to announce the successful completion of the 2017 winter bulk sampling program. Approximately 555 tonnes of kimberlite have been recovered from the three Faraday kimberlites using two large diameter reverse circulation drill rigs. The bulk samples will be processed at the Geoanalytical Laboratories Diamond Services of the Saskatchewan Research Council (“SRC”). The SRC lab is accredited to the ISO/IEC 17025 standard by the Standards Council of Canada as a testing laboratory for diamond analysis.

Kennady Diamonds CEO Dr. Rory Moore commented: “We are delighted to have successfully achieved all of the objectives set for the 2017 winter program. We expect that over one thousand carats of diamonds will be recovered from the three samples, which will facilitate advancing the Faraday 2 and 3 kimberlites to an inferred resource and the Faraday 1 kimberlite as a target for further exploration (“TFFE”).”

Drilling on the 2017 winter program got underway on January 19 and was completed on April 10. A total of 75 holes were drilled for a total of 8,030 meters of drilling. Summary statistics for the program are summarized in Table 1 below.

Table 1: Summary Statistics for the 2017 Winter Program

Kimberlite	Holes	Metres	Tonnes
Faraday #2	29	3,471	267
Faraday #3	42	4,256	262
Faraday #1	4	303	25
Totals	75	8,030	555

Note: Tonnages reported represent field estimates. Final tonnages will be based on caliper survey logs of drillholes together with detailed density models.

DMS Processing of the Faraday #2 bulk sample commenced at the SRC Lab on March 27 and is expected to be completed within the next week. Final diamond recovery from the resulting concentrates should be completed by mid-May. The first truckloads of the Faraday #3 bulk sample have arrived in Saskatoon and processing is scheduled to commence on April 24.

The geophysical program aimed at evaluating exploration targets on new mineral leases recently acquired from GGL Diamonds (*see news release, August 18, 2016*), is ongoing and is expected to be completed within the next two weeks.

About Kennady Diamonds

Kennady Diamonds Inc. controls 100 percent of the Kennady North diamond project located in Canada's Northwest Territories. Kennady North is adjacent to the Gahcho Kué Diamond Mine, a joint venture between De Beers Canada (51%) and Mountain Province (49%), which started production in late 2016.

Kennady is focused on expanding its high-grade diamond resources along the Kelvin – Faraday kimberlite corridor, as well identifying new kimberlites outside of the corridor. To date an indicated resource of 13.62 million carats of diamonds contained in 8.50 million tonnes of kimberlite, with a grade of 1.60 carats per tonne and an average value of US\$63 per carat has been defined for the Kelvin kimberlite using a 1mm diamond bottom cutoff size. The Kelvin – Faraday corridor is also a target for further exploration.

Qualified Persons

This news release has been prepared by Dr. Rory Moore, P.Geo., President and CEO of Kennady Diamonds. The technical contents of this news release have been reviewed and approved by Dr. Tom McCandless, P. Geo., an independent director of Kennady Diamonds and Qualified Person under National Instrument 43-101.

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