



Pangolin Updates Malatswae Diamond Project, Botswana

- Soil samples return anomalous concentrations of Kimberlite Indicator Minerals
- Surface textures of indicator minerals are consistent with minimal transport from a proximal kimberlite source
- Aeromagnetic data review produces more than 20 priority targets, several with anomalous kimberlite indicator minerals
- A data review indicates at least three geographic separate areas with diamonds in soil samples
- Ground magnetic surveys and detailed soil sampling to follow

TORONTO, ONTARIO (June 30, 2015) - Pangolin Diamonds Corp. (TSX-V: PAN) (the "Company" or "Pangolin") is pleased to provide an update for the Company's wholly-owned Malatswae Diamond Project ("Malatswae"), located 90 km southeast of the world class Orapa Diamond Mine produces in Botswana.

The Malatswae Diamond Project has recently benefitted from additional prospecting licence areas. The Project area has recently been increased to 248,0000 hectares from an initial 105,800 hectares (*refer to the Company news release dated April 7, 2015, www.pangolindiamonds.com*).

Regional soil samples collected within the project area returned anomalous Kimberlite Indicator Minerals ("KIM's") counts with up to 20 ilmenite from a single sample. In addition to ilmenite, pyrope garnet and chrome diopside grains were also recovered. Many ilmenite and several pyrope grains have remnants of fragile reaction rims. Other ilmenite grains have adhering material that appears to be altered kimberlite. Collectively the features suggest minimal transport from kimberlite, and the geographic distribution of the samples indicates several potential source areas within the project area (*images of the KIM's may be viewed on the Pangolin Diamonds website*). With imaging and descriptions of the grains completed, the KIM's will be submitted for microprobe analysis to obtain compositional information to prioritize and assist in discriminating between different target areas.

A review of the available aeromagnetic data has also been conducted by Dr Leon Daniels and Pangolin's external consultant Dr. Chris Jennings. They have identified more than 20 priority aeromagnetic targets within Malatswae, several of which have a close geographical relationship with the regional soil samples that contain the anomalous KIM's. All the aeromagnetic anomalies will be followed up with detailed ground magnetic surveys and soil sampling programmes during

the next quarter. The detailed ground geophysical and soil sampling data will be reviewed Dr. Chris Jennings to prioritize targets for additional detailed surveys, if required, prior to drilling in Q4-2015.

Historical exploration data in the public domain have been reviewed in conjunction with the exploration data of Pangolin. In addition to the two areas already identified by Pangolin as being diamond positive, a third area has been recorded by De Beers from 1984 to 1987 as being diamond positive. De Beers reported two soil samples within 3.6 km of each other as diamond positive. The diamonds have been reported as +0.425 mm in diameter. These results bring the total diamond positive areas in Malatswae to three. The De Beers identified area will be followed up with confirmation sampling as a priority.

A limited percussion drilling program of five holes was undertaken in the MSC Grid where three diamonds and a suite of KIM's were recovered from soil samples. Kimberlite was not intersected. All data related to the MSC Grid has been reviewed. Indications are the source of the KIM's and diamonds are in the immediate prevailing upwind direction from the current grid. The grid is being extended in the upwind direction with detailed ground magnetic surveys as well as detailed soil sampling. Two targets have been identified within 2 km upwind of the current MSC Grid and will be covered by the new surveys. The soil sampling will be extended in an up wind direction until no indicators are recovered, providing a cut-off point.

The technical disclosure in this news release has been reviewed and approved by Dr. Leon Daniels, Ph.D., Member of AIG, Chairman of the Board of Pangolin Diamonds and is a Qualified Person as defined by National Instrument 43-101.

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