PANGOLIN REPORTS SIGNING OF ROYALTY AGREEMENT

TORONTO, ONTARIO May 23rd, 2017 – Pangolin Diamonds Corp, ("Pangolin" or the "Company") (TSX-V:PAN) is pleased to announce that it has reached an agreement with Umgeni Holdings International Limited ("Umgeni") under which Umgeni has agreed to acquire a royalty interest in Pangolin's Precious Stones Prospecting Licences located within the Central District of Botswana, as well as an area defined as the Adjacent Area of Interest for $600,000. Umgeni is a private company of which Christopher Jennings is a beneficiary of the sole shareholder.

Under the terms of the agreement with Umgeni, Umgeni has agreed to pay Pangolin $600,000 to acquire the following royalty interests in Pangolin's Malatswae, Moenyenana and Motloutse diamond projects:

- a 1.3% gross overriding royalty on diamonds ("GOR") and a 1.3% net smelter returns royalty on base and precious metals ("NSR") over the Precious Stone Prospecting Licences issued to Pangolin Diamonds (Pty) Limited and Geocontracts Botswana (Pty) Limited, located within the Central District of the Republic of Botswana and valid as at 01 April 2017, as well as a defined Adjacent Area of Interest. Pangolin Diamonds (Pty) Limited and Geocontracts Botswana (Pty) Limited are 100% owned subsidiaries of Pangolin Diamonds Corp.

Exploration activities in Botswana have continued with systematic soil sampling and groundmagnetic surveys conducted over selected aeromagnetic anomalies. A further three diamonds have been discovered from soil samples, bringing the total to nineteen diamonds and nine discreet geographic areas where diamonds have been discovered within the Malatswae Diamond Project. Both regional soil sampling and aeromagnetic anomaly soil sampling will continue. Groundmagnetic surveys will be conducted over areas where anomalous kimberlite indicators are recovered. In preparation for a drilling programme to commence before the end of the quarter, supplementary gravity surveys will be conducted over selected aeromagnetic anomalies being developed as drill targets.

The Company's treasury is fully funded to complete the above described exploration programmes.

The Company also announces that its board of directors have approved the granting of 150,000 options under its Stock Option Plan to a consultant, each share under option having a 5 year term and exercise price of $0.10.

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.

Pangolin Diamonds Corp. - Contact Information

For more information on Pangolin Diamonds Corp, please refer to the website at http://pangolindiamonds.com

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