

NEWS RELEASE

May 24, 2016

Shares Issued and Outstanding: 44,311,169

TSXV: DMI

OTCQX: DMIFF

Diamcor Provides Update on Krone-Endora at Venetia Project Progress

- *First two, of four additional water boreholes now complete*
- *Remaining boreholes on-track for completion by end of fiscal quarter*
- *Targeted increases in overall processing levels underway*
- *Increased processing of larger size fractions underway*

Kelowna, May 24, 2016 – Diamcor Mining Inc. (TSX-V.DMI / OTCQX-DMIFF), (the “Company”) is pleased to announce that the advancement of the Krone-Endora at Venetia project is progressing as planned with the completion of the first two, of four additional boreholes associated with the recently granted long-term Water Use License for the Company’s Krone-Endora at Venetia Project (the “Project”). The Company expects to finalize the two remaining boreholes prior to the end of the current fiscal quarter ending June 30, 2016. With these additional water resources, the Company plans to increase the processing levels of all size fractions of material up to 45mm to test and evaluate the full targeted design capacity of its facilities, and to compile key data to assist the Company in arriving at an initial production decision.

About Diamcor Mining Inc.

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Diamcor Mining Inc. is a fully reporting publically traded junior diamond mining company which is listed on the TSX Venture Exchange under the symbol V.DMI, and on the OTC QX International under the symbol DMIFF. The Company has a well-established operational and production history in South Africa and extensive prior experience supplying rough diamonds to the world market.

About the Tiffany & Co. Alliance

The Company has established a long-term strategic alliance and first right of refusal with Tiffany & Co. Canada, a subsidiary of world famous New York based Tiffany & Co., to purchase up to 100% of the future production of rough diamonds from the Krone-Endora at Venetia Project at then current prices to be determined by the parties on an ongoing basis. In conjunction with this first right of refusal, Tiffany & Co. Canada also provided the Company with financing to advance the Project. Tiffany & Co. is a publically traded company which is listed on the New York Stock Exchange under the symbol TIF. For additional information on Tiffany & Co., please visit their website at www.tiffany.com.

About Krone-Endora at Venetia

In February 2011, Diamcor acquired the Krone-Endora at Venetia Project from De Beers Consolidated Mines Limited, consisting of the prospecting rights over the farms Krone 104 and Endora 66, which represent a combined surface area of approximately 5,888 hectares directly adjacent to De Beers' flagship Venetia Diamond Mine in South Africa. On September 11, 2014, the Company announced that the South African Department of Mineral Resources had granted a Mining Right for the Krone-Endora at Venetia Project encompassing 657.71 hectares of the Project's total area of 5,888 hectares. The Company has also submitted an application for a mining right over the remaining areas of the Project. The deposits which occur on the properties of Krone and Endora have been identified as a higher-grade "Alluvial" basal deposit which is covered by a lower-grade upper "Eluvial" deposit. The deposits are proposed to be the result of the direct-shift (in respect to the "Eluvial" deposit) and erosion (in respect to the "Alluvial" deposit) of

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material from the higher grounds of the adjacent Venetia Kimberlite areas. The deposits on Krone-Endora occur in two layers with an average total depth of less than 15.0 metres from surface to bedrock, allowing for a very low-cost mining operation to be employed with the potential for near-term diamond production from a known high-quality source. Krone-Endora also benefits from the significant development of infrastructure and services already in place due to its location directly adjacent to the Venetia Mine.

Qualified Person Statement:

Mr. James P. Hawkins (B.Sc., P.Geo.), is Manager of Exploration & Special Projects for Diamcor Mining Inc., and the Qualified Person in accordance with National Instrument 43-101 responsible for overseeing the execution of Diamcor's exploration programmes and a Member of the Association of Professional Engineers and Geoscientists of Alberta ("APEGA"). Mr. Hawkins has reviewed this press release and approved of its contents.

On behalf of the Board of Directors

Mr. Dean H. Taylor
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This press release contains certain forward-looking statements. While these forward-looking statements represent our best current judgement, they are subject to a variety of risks and uncertainties that are beyond the Company's ability to control or predict and which could cause actual events or results to differ materially from those anticipated in such forward-looking statements. Further, the Company expressly

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disclaims any obligation to update any forward looking statements. Accordingly, readers should not place undue reliance on forward-looking statements.

WE SEEK SAFE HARBOUR

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