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Diamcor Optimizes Expansion Upgrades / Processing Volumes

KELOWNA, July 7, 2022 – Diamcor Mining Inc. (TSX-V.DMI), (OTCQB-DMIFF), (FRA:DC3A), ("Diamcor" or, the "Company") announces today that the optimization and refinement efforts to its upgraded processing plant continued as planned during the quarter. These combined efforts continue to demonstrate the processing plant's potential to support the Company's goal to increase long-term processing volumes. The Company also reports that gross revenues from the tender and sales of rough diamonds held in its fiscal first quarter ended June 30, 2022 ("Fiscal Q1"), totaled (USD) $557,559.22. Total carats sold during Fiscal Q1 were 3,061.70 resulting in an average dollar per carat of (USD) $182.11. These results were lower in part due to the Company electing to withhold 1944.36 carats from the Fiscal Q1 tender and sales planned for June 2022. The withholding of these rough diamonds was done to take advantage of what the Company expects will be a more positive price environment forecasted for July 2022. This resulted in a decrease in revenues realized in the quarter, but the Company anticipates it will receive higher aggregate revenue for these rough diamonds in July 2022.

The Company experienced reduced processing volumes in Fiscal Q1, when compared to the previous quarter, which was partially attributable to the upgrade optimization efforts and supply chain delays. The reduced processing volumes were even more significantly attributable to the unusually cold weather in South Africa during the end of the quarter and into July, resulting in significant unplanned rolling power blackouts implemented by the country's national power supplier, Eskom. Despite the complications associated with managing these unplanned daily power outages, the upgrades continued to demonstrate increases in processing volumes per operating hour of up to 70% over historical levels. The capacity to further increase volumes over the long-term is expected once Eskom is able to reduce or eliminate the rolling power outages currently being experienced throughout South Africa. The Company continues to monitor the situation and where appropriate, with due consideration for diesel usage and costs, supplement power outages by using

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Gen-Set power and by adjusting operations accordingly for the short-term. Additionally, Diamcor is finalizing plans to augment their current Gen-Set power capabilities to withstand future power outages with minimal interruptions. Further increases in processing volumes are being targeted as the Company continues to refine and expand its operations as planned by the end of 2022.

Operating Highlights

- **Processing Volumes Increasing.** Despite the current issues surrounding the national power supply in South Africa, efforts to optimize the completed upgrades were successful, resulting in processing volume increases per operating hour of up to 70% over historical volumes. Additional increases in processing volumes remain targeted for the current quarter as issues with consistent power supply are resolved in due course.

- **Reduction in Operating Costs on a Per Ton Basis.** The screening upgrades and additions completed to date have achieved the Company's goal to increase hourly processing volumes and reduce operating costs through the reduction of fine clay and sands in materials being processed. These upgrades have resulted in a reduction in consumables and improvements in handling and equipment cycle times.

- **Water Recovery Improvements.** Available fresh water, and the management of wastewater, in any processing plant is a key element to increasing processing volumes in semi-arid regions. The Company is pleased to report the initial efforts completed to date have already resulted in a surplus of water available for processing. The Company remains on target to finalize all water recovery upgrades prior to the end of the current quarter with a focus on a final water cleaning recovery system to provide the potential for further increases to long-term processing volumes.

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"We continue to be pleased with the results of the recently completed upgrades, and our operations team has done an excellent job of dealing with the complexities of various global supply chain issues, and more recently, the unexpected national power supply issues in South Africa. Despite these short-term issues, the team has continued to deliver on the majority of the planned upgrades on time and on budget," stated Mr. Dean Taylor, Diamcor CEO. "We now look forward to the ability to process material without interruption on a daily basis which will provide us with the opportunity to support our efforts to further increase processing volumes to position our Company at a time when rough diamond supplies are contracting."

About Diamcor Mining Inc.

Diamcor Mining Inc. is a fully reporting publicly traded junior diamond mining company which is listed on the TSX Venture Exchange under the symbol V.DMI, and on the OTC QB 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 owned by Moet Hennessy Louis Vuitton SE (LVMH), a publicly traded company which is listed on the Paris Stock Exchange (Euronext) under the symbol LVMH and on the OTC under the symbol LVMHF. For additional information on Tiffany & Co., please visit their website at www.tiffany.com.

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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 material from the higher grounds of the adjacent Venetia Kimberlite areas. The deposits on Krone-Endora occur in two layers with a maximum total depth of approximately 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.

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On behalf of the Board of Directors

Mr. Dean H. Taylor

President & CEO

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

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