

Margaret Lake Diamonds Completes Spring Exploration Program at Diagras Property, Northwest Territories, Canada

VANCOUVER, BC / ACCSSSWIRE / May 6, 2019 / Margaret Lake Diamonds Inc. (TSX.V: DIA / FSE: M85) "Margaret Lake" or the "Company") is pleased to announce that the 2019 Spring exploration program has been successfully completed at its 60% owned Diagras Property ("Diagras" or the "Property") located in the Northwest Territories, Canada. Diagras totals 22,595 Hectares within 31 mineral claims with a total of 23 known kimberlites. The data from this ground geophysical program has been received and interpreted by our technical team and they report the work has generated compelling drill targets.

The exploration program consisted of ground Gravity, Magnetic and Electromagnetic (EM) surveys focused around historically identified kimberlites as well as other airborne geophysical anomalies with kimberlite like signatures.

The Diagras property is a contributing Joint Venture (the "Joint Venture") between the Margaret Lake Diamonds (TSX.V: DIA), which acts as project operator and holds a 60% interest, and Arctic Star Exploration Corp. (TSX.V: ADD) which holds a 40% interest. Diagras is located in the prolific Lac de Gras diamond field, Northwest Territories, Canada just 35 km from the world-class Diavik diamond mine. The Property lies directly on trend with the Diavik deposits currently being mined by a joint venture between Rio Tinto and Dominion Diamond Diavik. Investors are cautioned that mineral deposits on adjacent properties are not necessarily indicative of mineral deposits on Diagras.

Detailed, modern ground geophysical techniques are being employed to define possible additional kimberlite(s) or kimberlite phases not identified by previous explorers, who did not utilize all these techniques. This exploration approach has been successful elsewhere with recent examples including the discoveries of additional diamondiferous kimberlite at the Kelvin and Faraday kimberlite complex (Kennady North project adjacent to the Gahcho Kue' Diamond Mine).

The work was funded in part by significant grants from the Government of the Northwest Territories (GNWT) Mining Incentive Program (MIP). The Company would like to thank the GNWT for their support and recognition of the potential for this quality exploration program, the funding is limited and only granted to those projects judged most like to bring benefit to the NWT. Our companies are grateful for the consideration.

The Joint Venture has conducted ground geophysical work over three spring seasons and now has sufficient drill targets to justify drill mobilization, planned for spring 2020. The Diagras project has an active Class 'A' Land Use Permit which includes drilling. The permit is good until December 2022 and has the ability for extension.

Table 1 Summary of all the work to date and targets where drill testing is planned.

| Target | Gravity (stations) | Ohm Mapper (line kilometers) | Magnetics (line kilometers) | Drill testing Planned |
|----------------------|--------------------|------------------------------|-----------------------------|-----------------------|
| Anne | X | X | X | |
| Black Spruce | 236 | 12.8 | 20.2 | x |
| Dodi | X | X | 18 | |
| Don | X | X | X | |
| Drew | X | X | X | |
| Emily | X | X | X | |
| Finlay | 168 | X | X | |
| George | X | X | X | |
| Hanna | X | X | X | |
| HL01 | 34 | X | X | |
| HL02 | 104 | 3.1 | 8.66 | x |
| HL055 | X | X | 8.3 | |
| Jack Pine/Sequoia | 253 | 9.94 | 39.02 | x |
| Kong | 178 | 5.6 | 18.72 | x |
| Krista | X | X | 12.6 | |
| Lindsey | X | X | 11.6 | |
| Nadine | 40 | | 83.2 | |
| Naomi | 126 | 7.7 | 16.43 | |
| Penelope (aka DG007) | 169 | 5.8 | 15 | x |
| Petra | 72 | 7.8 | 63 | |
| Suzanne | 199 | 16.1 | 18.55 | x |
| Tabatha | 253 | 9.94 | 39.02 | x |
| Taz | X | X | 11.6 | |

Below is a review of some of the more promising targets generated from this work:

At the Black Spruce kimberlite, Monopros (a subsidiary of De Beers) discovered this kimberlite by drilling a distinct magnetic low in the early 1990's. In the early 2000's the property was optioned to Majescor, which drilled the edge of the magnetic kimberlite testing in part the EM anomaly. Our work in 2017 shows a series of gravity lows occur coincident and adjacent to the south of the known magnetic kimberlite phase. One of these gravity anomalies clearly breaks and disturbs a diabase dyke signature, which is a characteristic similar to many known Lac de Gras kimberlites. Results from this year, 2019, show a strong EM anomaly that is partly separate and partly coincident with the magnetic and gravity anomalies. The simplest explanation is that each geophysical signature, the Magnetic, the gravity and the EM represent different phases of the same kimberlite complex. Each phase can have totally different diamond grades and populations. The gravity and EM anomalies require separate drill testing. Three separate targets exist.

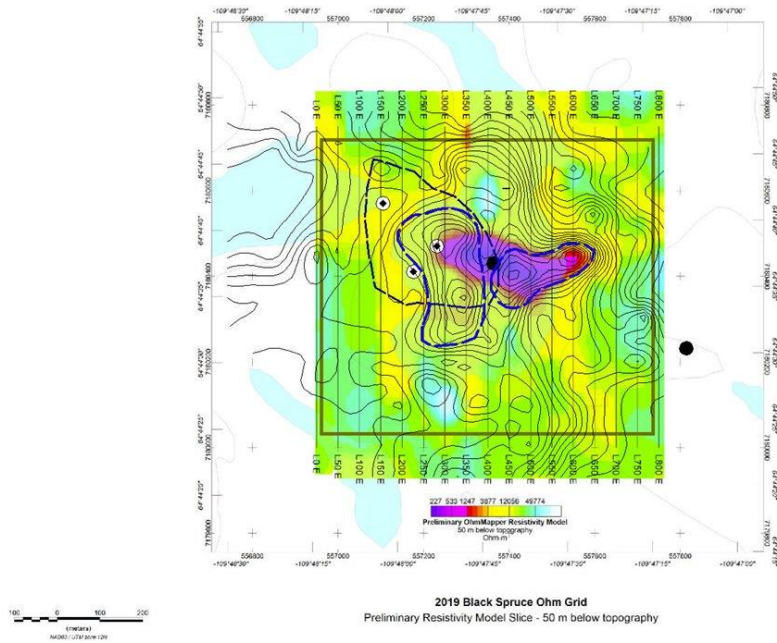


Figure 1. Ohm Mapper results for the Black Spruce Kimberlite. Colour image, EM data Magenta is less resistive. Contours Gravity data. 0.1mgal contours. Dotted blue outlines gravity targets, black outline magnetic signature. Note that they overlap but don't coincide which may indicate separate kimberlite phases. Dots are previous drill holes targeting the magnetic anomaly. The black dots Majescor holes

At the Jack Pine kimberlite, which is one of the largest kimberlite complexes in the Lac de Gras diamond field (over 1.5km in its longest dimension), the geophysical methods (ground gravity, EM and magnetics) highlighted obvious magnetic kimberlite phases drilled by previous explorers while also successfully defining a new kimberlite-like geophysical expression believed to have not yet been evaluated by drilling according to available public domain records. Previous drilling in the Jack Pine kimberlite complex has demonstrated it is significantly diamond bearing.

At the Suzanne kimberlite, ground geophysical work has revealed, a gravity anomaly and a linear EM anomaly interpreted to be over 600 meters in length. These anomalies cause a clear break in the magnetic signature of a diabase dyke. The previous drill hole into this target has not yet been located, however it is thought that it would not have adequately tested the long EM anomaly. Further drill testing of this anomaly is warranted.

At the HL02 Kimberlite DeBeers drilled 2 long inclined holes one intersecting only a few meters of hypabyssal type kimberlite at the end of the hole. See Figure 2. It appears from this work that there is an untested gravity and EM target that breaks a diabase dyke. This is a classic compelling kimberlite drill target.

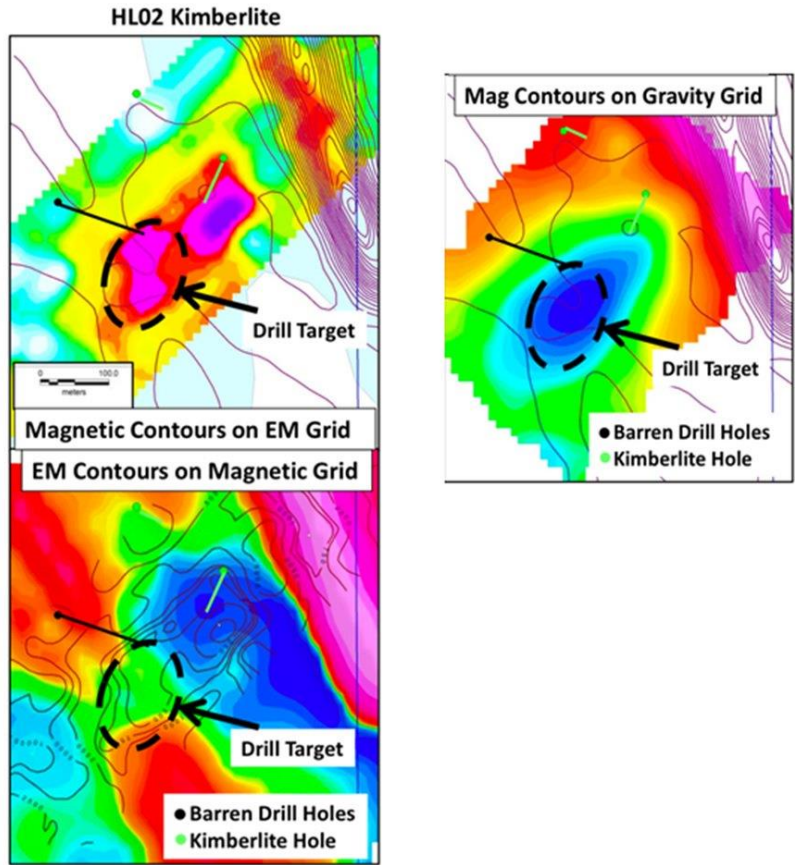


Figure 2. Top left Ohm Mapper results for the HL-02 Kimberlite. Colour image, EM data Magenta is less resistive. Contours Magnetic data. Dotted outlines depict drill target, Top Right Gravity Image, with Magnetic Contours, and bottom Left Magnetic image with EM Contours.

At the Kong Kimberlite shown in figure three is a double lobe magnetic anomaly drilled by Monopros however our work shows a distinct EM anomaly between the two lobes that has not be tested which could represent a new kimberlite or kimberlite phase.

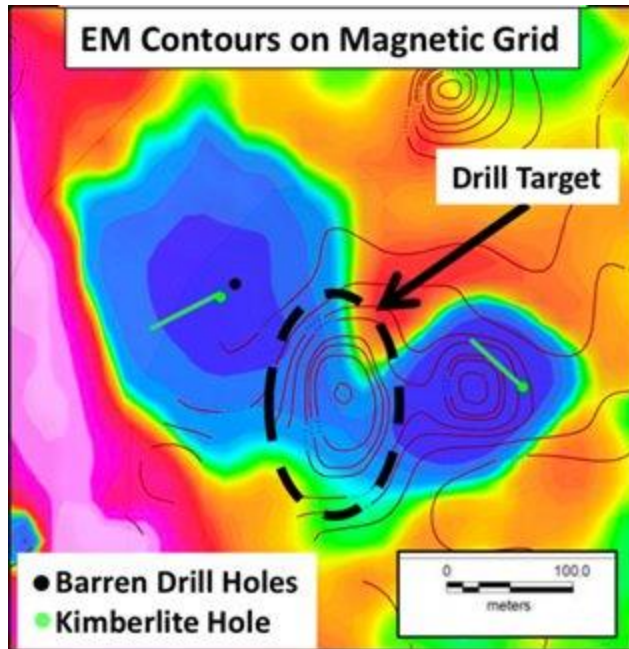


Figure 3. Ohm Mapper 50m depth slice Resistivity results contours on the magnetic image for Kong East and West Kimberlites.

At the Penelope Kimberlite target Figure 4 shows that there is an untested southern EM anomaly that could be caused by an untested kimberlite phase.

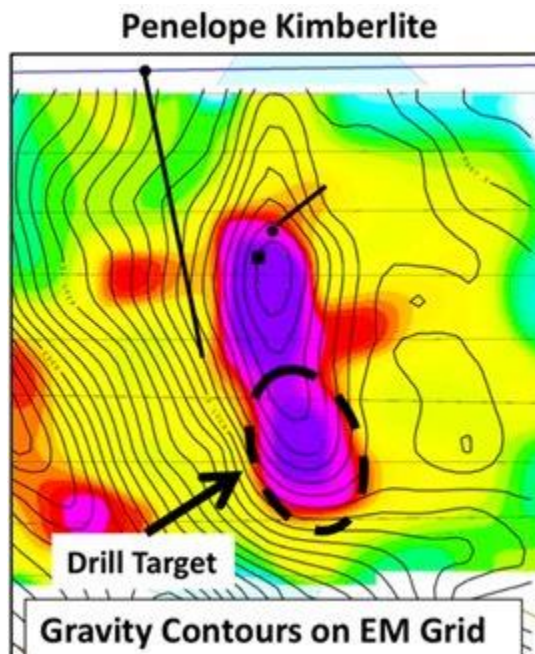


Figure 4. Ohm Mapper resistivity results 50m slice for the Penelope kimberlites suggests there is an untested kimberlite phase in the south. Black lines and dots depict drilling by earlier explorers.

The company still has kimberlites that have not been covered by gravity and EM surveys, including the known, Anne, Tabatha, Finlay, Don, Drew, George, Emily, Don and Krista kimberlites. Given the high target generation success rate proven by our work to date, these remain a priority. This work can proceed at the same time as the planned 2020 drill program.

The technical data in this news release has been reviewed and approved by Buddy Doyle, P.Geo., a Qualified Person under the provisions of National Instrument 43-101.

ON BEHALF OF THE BOARD OF DIRECTORS

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SOURCE: Margaret Lake Diamonds Inc.