



▶ **MILESTONE DE BEERS ACQUISITION IN FINAL STAGES OF CLOSING**



▶ **TARGETED PRODUCTION Q3 – 2010**



▶ **INITIAL NI43-101 REPORT ESTIMATES 1.3M CARATS, 85% EXPECTED GEM QUALITY, POTENTIAL**

**TSX : V.DMI**

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# DIAMCOR MINING INC

**A PROVEN OPERATIONAL HISTORY, A SIGNIFICANT DEBEERS ACQUISITION, AND A REAL PLAN FOR SIGNIFICANT PRODUCTION & GROWTH AS DEMAND FOR DIAMOND INCREASES.**

## Diamcor Mining Inc. (TSX.V-DMI)

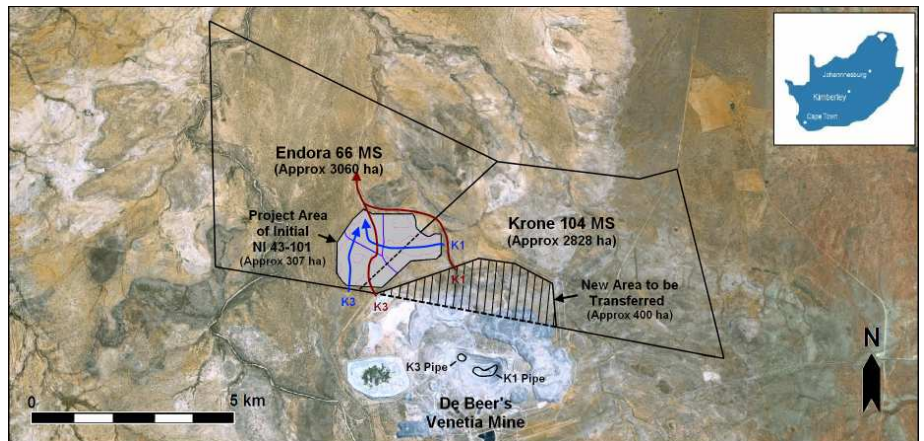
is a Canadian company which is publically traded on the Toronto Venture Stock Exchange. The Company has a well established history of supplying rough diamonds to the world market, and a very experienced management team. Over the past 24 months the Company has strategically positioned itself to acquire non-core projects from major diamond industry players such as De Beers. The company focus is on acquiring projects that can be brought into production quickly and generate steady, long-term positive cash flow. This strategy is a direct deviation from the norm for junior diamond companies of expending significant time and resources on high-risk exploration programmes aimed at the discovery of new kimberlite diamond mines. Diamcor is focused on projects in which independently produced NI43-101 reports can provide confirmation of significant diamond production potential.

The success of this focus was recently made evident when the Company announced that its bid to acquire the very desirable Krone-Endora project from diamond giant De Beers was accepted. Upon closing the acquisition the project will have the potential to add near-term production and long-term revenues, thereby maximizing potential shareholder value while minimizing investment risk.

**DIAMOND PRODUCTION AND CASH FLOW IN 2010**

## DE BEERS ACQUISITION HIGHLIGHTS

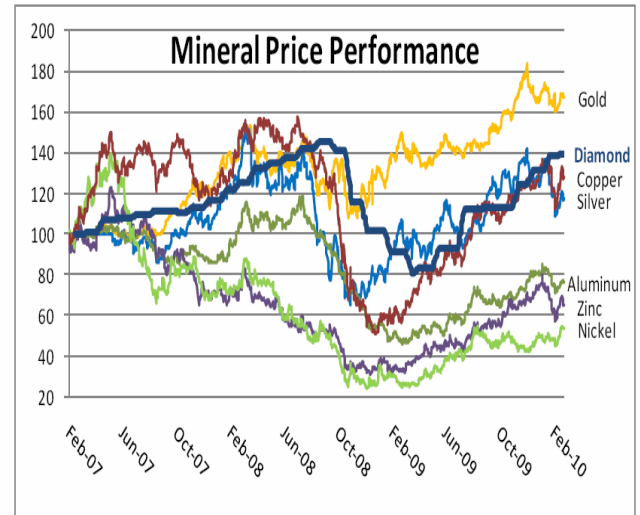
- Definitive agreement to acquire highly desirable De Beers Krone-Endora Project – Directly adjacent to De Beers Venetia Project, South Africa’s largest diamond mine.
- Venetia 2007 production 9.0 million carats with 85% gem-quality.
- Krone-Endora deposit a result of approximately 1000 metres (vertical height) of kimberlite material eroded from Venetia cluster to lower areas.
- July 30, 2009 Independent NI 43-101 report provided estimate of 54.2 million tonnes of diamond bearing gravel & approximately 1.3 million carats of diamonds in initial area only. Growth Potential.
- Project entails simple, low-cost above ground strip-mining operation due to deposit’s “Eluvial” nature and location next to primary source.
- Targeted Post-Closing Q3 - 2010 trial mining start; initial production target of +/-15,000 carats per month in 12 months with growth potential. Project life of 12+ years possible.



**Diamond Market Information** - The financial crisis of 2008 negatively impacted diamond prices. However, 2009 & 2010 have seen steady recoveries in prices and analysts continue to forecast an imminent shortfall between world diamond supply and growing demand as the emerging markets of India, China and others continue to grow. These shortfalls are expected to accelerate, and thus by securing production based projects, significant opportunities are evident for companies who are positioned to supply near term production. Diamcor's past planning, the acquisition of the De Beers Krone-Endora project, and its ongoing efforts to acquire other production based projects from the Majors, all position the Company very well to maximize its growth and shareholder value.

**Project Production and Revenue Targets** - Near-term production and revenue targets shown are for the Krone-Endora project only, and are based on Management's operational experience and knowledge of historical costs which have been modeled. A July 30, 2009 Independent NI43-101 report on the currently explored areas of Krone-Endora provided an initial estimate of inferred diamond bearing gravel resources of 54,258,600 tonnes and 1,314,000 carats of diamonds. The Company's 'Scenario Modeling Method' ('SMM') for project evaluation, planning, and management, takes into account those potential gravel volumes, diamond grades, diamond values, operational costs, and a multitude of other variables into its project planning. Targeting an initial processing rate of 100,000 tonnes per month on a trial mining basis within 12 months, the Company is targeting initial recoveries of +/- 15,000 carats per month by the end of year one. These production estimates for the current areas of the Krone-Endora project alone, have the potential to generate positive cash flow for approximately 12+ years. The revenue assumption charts below reflect the Company's modeling using information from the NI43-101 report with respect to current resource estimates, targeted processing rates, historical operational costs from comparable projects and, historical diamond values amongst other variables. The Company plans to further refine these assumptions as additional data becomes available during the initial trial mining and planned additional drilling, particularly with respect to the total diamond resource and diamond valuations.

Diamond prices have recovered rapidly



Indexed on S&P/Goldman Sachs spot metal prices and Harry Winston rough sales indexed to shipment 01/07



CURRENT SHARE STRUCTURE	
ISSUED AND OUTSTANDING	25,618,283
WARRANTS	9,304,942
OPTIONS	767,500
FULLY DILUTED	35,690,725
AVAILABLE FROM DILUTIVES	\$5,083,121
CURRENT SHARE PRICE (CND)	\$0.35
CURRENT MARKET CAP	~\$8.97 MIL

- ### KEY INVESTMENT HIGHLIGHTS
- Low-Risk Production / Cash Flow / Based Strategy to Enhance Shareholder Value & Growth Potential
  - Experienced Management with Well-Established 24/7 Production and Operational History
  - Key Relationships with Majors (DeBeers) and Proven Ability to Acquire & Operate Production Based Projects
  - NI43-101 on DeBeers Krone-Endora Project – (Initial area only) 1.3M carats @ Est. US\$100 / Carat
  - Est. 12+Yrs of Production Targeted for Q3-2010 Start / Additional Drilling Aimed at Establishing New Resources
  - Additional Acquisition Discussions Ongoing – Production Target of 500,000 Carats/Yr within 24–36 Mo.

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This document contains certain forward-looking statements. While these forward-looking statements represent our best current judgment, 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. We seek safe harbour.