

July 25, 2016 / TheNewswire / Vancouver, BC, Canada. - [Dunnedin Ventures Inc.](#) (the "Company" or "Dunnedin") (TSX-V: DVI) is pleased to report the identification of new diamond-bearing kimberlite targets through till sampling at the Kahuna project. Till sampling results include identification of potential for:

- -Extensions to known diamond-bearing kimberlite dikes
- New diamond-bearing kimberlite dike targets
- New diamond-bearing kimberlite pipe targets
- Diamond-bearing kimberlite sources in areas that historically produced nil results

Dunnedin's CEO Chris Taylor said, "Using methods pioneered by our advisor Dr. Chuck Fipke and previously applied at Ekati, we have identified a number of new areas that are sourcing high quality diamond indicator minerals. With the success of the 2015 test program, Dunnedin plans to expand its sampling over larger areas of the property to build, for the first time, an accurate picture of how many potential diamondiferous kimberlite sources are in fact present at Kahuna."

2015 Till Sampling Program

In collaboration with its technical advisor Dr. Charles Fipke and director Mr. Chad Ulansky, the Company completed a glacial till orientation test sampling program in summer 2015, comprising 118 samples. Glacial till sampling recovers kimberlite indicator minerals ("KIMs") that were eroded from kimberlites by glaciers and deposited "down-ice". This creates a train of positive till samples that can be tracked back to their original source. It is used extensively in the Canadian Arctic as a primary exploration tool leading to most major diamond discoveries, one of the most famous examples of which is Ekati.

Dunnedin's test program utilized the same sampling and mineral ranking techniques as applied at Ekati, which can predict the potential of kimberlites to host diamonds with a high degree of confidence. The ranking employs proprietary mineral chemistry filters developed at CF Mineral Research Ltd. ("CFM") under the direction of Dr. Fipke. Information on the sampling and ranking protocols are provided on Dunnedin's web site at www.dunnedinventures.com.

2015 Till Results

Historically, eighteen kimberlite pipes were drill-confirmed at the Kahuna project, along with a large number of kimberlite dikes. During 2015, Dunnedin ranked historical KIM data through the CFM filters, identifying 29 new target areas, of which ten were tested with new sampling. All returned KIMs in tills down-ice from the targets, supporting the presence of kimberlite, while eight of the ten target areas contain Diamond Indicator Minerals ('DIMs'). DIMs have specific chemistry that is observed in mineral inclusions inside of diamonds, and their presence in tills is strongly diagnostic of the diamond-bearing potential of the source kimberlite and is therefore prioritized by the CFM filters.

Results of Dunnedin's 2015 program include:

- -High DIM counts were confirmed in tills immediately down-ice from all tested diamond-bearing dikes including Kahuna, Notch and PST, confirming that diamond-bearing kimberlites are readily detectable using Dunnedin's till sampling protocols.
- -Potential diamond-bearing kimberlite pipes were identified in three new locations where DIMs in tills are directly down-ice from geophysical targets defined by circular coincident magnetic responses and resistivity lows. This geophysical signature is consistent with pipes that were historically drilled elsewhere on the property; however the new targets are apparent DIMs sources while the historically drilled pipes were not. Dunnedin will analyze all historical data to determine the actual number of potential pipes, and which of these should also be tested down-ice for DIMs.
- -Identification of apparent strike-length extensions to drilled diamond-bearing dikes, including Kahuna, Notch, PST and 07KD-24. Notably, 07KD-24 historically yielded an unprecedented 305 diamonds including seven commercial-sized diamonds (+0.85mm) from a drill core sample of 2.2 kilograms. Very high DIM counts are present over 600 m of strike perpendicular to ice transport direction in the vicinity of 07KD-24, suggesting significant possible strike extent for this kimberlite.
- -Many areas of the project have yielded significant DIM counts where historic till sampling produced nil results. These positive results are believed to be due to the more effective sampling protocols introduced to Dunnedin by Dr. Fipke.

- All 118 of the Company's till samples contained KIMs, with 78 containing diamond indicator minerals. Dunnedin's initial assessment based on geophysics, satellite imagery and past drilling that a dense kimberlite-intruded structural network is present on the project with over 180 kilometers of aggregate strike is also supported by the widespread KIM and DIM results (see Dunnedin news release of June 29, 2015).

A property-scale map of target areas and DIM counts is presented below, along with a summary table of results. Maps of each new target area will be posted to the Company's web site along with detailed DIM results.

Given the success of the pilot-scale till sampling program, the Company's advisor Dr. Fipke has suggested a property-scale program should now be undertaken in order to identify all potential diamond sources. The broader till sampling program is slated to begin in August 2016 and will progress in stages contingent upon results.

Mr. R. Bob Singh, P.Ge, Exploration Manager for Dunnedin, is the qualified person responsible for the technical content of this news release.

Figure 1: Map of new DIM sources showing DIM counts for each target.

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Table 1: New target descriptions as shown on Figure 1.

Target	Target Type	DIM Results
B7	Pipe; Interpreted pipe cluster	10 Samples collected, 4 samples returned DIMs
B1	Pipe and Dike; Interpreted string of several pipes, 2 of which are drill confirmed, plus dikes	8 Samples collected, all 8 returned DIMs defining cross the area. DIMs could be sourced by either
A1	Dike; Up-ice from PST	One sample collected and returned DIMs defining
B8	Pipe; Known pipe cluster, 6 of which are drill confirmed	4 samples were collected, all returning DIMs down-ice dispersion train from this source
B6	Pipe; Interpreted pipe no drilling in area	4 samples collected, 3 returned DIMs

For further information please contact Mr. Chris Taylor, M.Sc., P.Ge, CEO at 604 681 0084.

On behalf of the Board of Directors

[Dunnedin Ventures Inc.](#)

Chris Taylor

Chief Executive Officer

About the Kahuna Project

Kahuna is an advanced stage diamond project located near Rankin Inlet, Nunavut. An Inferred Resource released by Dunnedin showed over 4 million carats of macrodiamonds (+0.85 mm) at a grade of 1.01 carats per tonne had been defined along the partial strike length of the Kahuna and Notch kimberlite dikes through shallow drilling. The largest diamond recovered was a 5.43 carat stone from the Kahuna dike that had been broken during sample processing and was reconstructed as having an original size of 13.42 carats. Recent results include a 0.82 tonne sample of the PST kimberlite dike which returned 96 macrodiamonds totalling 5.34 carats (+0.85 mm) and a 1.02 tonne sample of the Notch kimberlite that returned 36 commercial-sized diamonds (+0.85 mm) totalling 0.66 carats (+0.85 mm).

While the till sampling and KIM chemical filters applied by Dr. Fipke have historically been very successful at discovering and ranking diamondiferous kimberlites, and have also successfully identified the known diamond-bearing kimberlites at Kahuna, assessing the commercial diamond potential of any new discovery also requires drill delineation, bulk sampling and diamond valuation.

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Statements included in this announcement, including statements concerning our plans, intentions and expectations, which are not historical in nature are intended to be, and are hereby identified as, "forward-looking statements". Forward-looking statements may be identified by words including "anticipates", "believes", "intends", "estimates", "expects" and similar expressions. The Company cautions readers that forward-looking statements, including without limitation those relating to the Company's future operations and business prospects, are subject to certain risks and uncertainties that could cause actual results to differ materially from those indicated in the forward-looking statements.

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