

NEWS RELEASE

Stock Symbol: DIAM: TSX

April 12, 2018

Saskatoon, Saskatchewan

**STAR-ORION SOUTH DIAMOND PROJECT
TECHNICAL UPDATE AND PROPOSED SAMPLING PROGRAM**

George H. Read, P. Geo., Senior Vice President Exploration and Development of Star Diamond Corporation (“Star Diamond” or the “Corporation”) is pleased to announce that Rio Tinto Exploration Canada (“RTEC”), Bauer Maschinen GmbH (“Bauer”) and Nuna Logistics Limited (“Nuna”) have finalized contractual arrangements for the manufacture, supply and operation of equipment to be used for the next phase of large diameter, bulk sample drilling on the Star Kimberlite. Recent work has focused on the specific sites for the ten hole locations on the Star Kimberlite and the documentation of the geological units to be encountered in the overburden and kimberlite to be intersected at each location. The proposed locations on the Star Kimberlite have been drill tested with Sonic core in the overburden, and HQ drill core in the kimberlite, to ensure that the overburden and kimberlite stratigraphy is accurately characterised. RTEC will execute the proposed sampling program.

Bulk Sample Drilling Equipment

RTEC aim to use a Bauer BC 50 Cutter mounted on a Bauer MC 128 Duty-cycle Crane to drill and sample to depths of up to 250 metres below surface. Each ten metres of advance down hole aims to excavate some 100 tonnes of kimberlite. Bauer cutter rigs are used around the world for complex engineering projects. Bauer has indicated that this will be the first time in the world that this technology will be used in an active project to reach a depth of 250 meters. Bauer has committed to build and deliver the equipment to RTEC by mid-2018 with drilling to commence this year.

Each of the sample locations will first require stabilization of the near surface overburden. RTEC have confirmed the commencement of the mobilization of the soil stabilization rig from the Diavik Diamond Mine in the North West Territories.

Senior Vice President Exploration and Development, George Read, states: “Star Diamond Corporation is pleased with the recent progress made on RTEC’s proposed plan for additional bulk sample drilling on the Star Kimberlite. Star Diamond looks forward to working with RTEC on their due diligence work on the Star kimberlite.”

About Star Diamond Corporation

Star Diamond Corporation is a Canadian based corporation engaged in the acquisition, exploration and development of mineral properties. The Corporation’s Star-Orion South Diamond Project is located in central Saskatchewan some 60 kilometres east of the city of Prince Albert. The Project is in close proximity to established infrastructure, including paved highways and the electrical power grid, which provide significant advantages for future mine development. The Technical Report on the Revised Resource Estimate for the Star - Orion South Diamond Project dated November 9, 2015 provided an updated Mineral Resource Estimate for the Star and Orion South kimberlite deposits: Indicated Mineral Resources of 393 million tonnes containing 55.4 million carats of diamonds at a weighted average price of US\$210 per carat. In addition to the Indicated Mineral

Resource Estimate, the Star and Orion South Kimberlites include Inferred Resources containing 11.5 million carats. During 2017, the Corporation granted RTEC an option to earn up to a 60% interest in the Corporation's Fort à la Corne mineral properties (including the Star-Orion South Diamond Project) on the terms and conditions contained in the Option Agreement (see News Release dated June 23, 2017).

All technical information in this press release has been prepared under the supervision of George Read, Senior Vice-President of Exploration and Development, Professional Geoscientist in the Provinces of Saskatchewan and British Columbia, and Mark Shimell, Project Manager, Professional Geoscientist in the Province of Saskatchewan, who are the Corporation's "Qualified Persons" under the definition of NI 43-101.

Caution Regarding Forward-Looking Statements

This news release contains forward-looking statements as defined by certain securities laws, including the "safe harbour" provisions of Canadian securities legislation and the United States Private Securities Litigation Reform Act of 1995. Forward-looking information is often, but not always, identified by the use of words such as "anticipate", "believe", "expect", "plan", "intend", "forecast", "target", "project", "guidance", "may", "will", "should", "could", "estimate", "predict" or similar words suggesting future outcomes or language suggesting an outlook. In particular, statements regarding the Corporation's future operations, future exploration and development activities or other development plans constitute forward-looking statements. By their nature, statements referring to mineral reserves, mineral resources or TFFE constitute forward-looking statements.

Forward-looking statements in this press release include, but are not limited to statements with respect to the Corporation and RTEC's objectives for the ensuing year, including the proposed sampling program.

These forward-looking statements are based on the Corporation's current beliefs as well as assumptions made by and information currently available to it and involve inherent risks and uncertainties, both general and specific.

Risks exist that forward-looking statements will not be achieved due to a number of factors including, but not limited to, developments in world diamond markets, changes in diamond prices, risks relating to fluctuations in the Canadian dollar and other currencies relative to the US dollar, changes in exploration, development or mining plans due to exploration results and changing budget priorities of the Corporation or its partners, the effects of competition in the markets in which the Corporation operates, the impact of changes in the laws and regulations regulating mining exploration, development, closure, judicial or regulatory judgments and legal proceedings, operational and infrastructure risks and the additional risks described in the Corporation's most recently filed Annual Information Form, annual and interim MD&A. The Corporation's anticipation of and success in managing the foregoing risks could cause actual results to differ materially from what is anticipated in such forward-looking statements.

Although management considers the assumptions contained in forward-looking statements to be reasonable based on information currently available to it, those assumptions may prove to be incorrect. When making decisions with respect to the Corporation, investors and others should not place undue reliance on these statements and should carefully consider the foregoing factors and other uncertainties and potential events. Unless required by applicable securities law, the Corporation does not undertake to update any forward-looking statement that is made herein.

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