

NEWS RELEASE

TSX: DIAM

November 9, 2018

Saskatoon, Saskatchewan

**FORT À LA CORNE KIMBERLITES
BROWNFIELDS EXPLORATION DRILLING UNDERWAY**

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”) have commenced an HQ core drilling program, consisting of eleven holes and some 3,300 metres of drilling on five kimberlites: K601 (2 holes), K602 (2 holes), K605 (1 hole), K606 (3 holes) and K176 (3 holes). This program is the first phase of drilling of the Brownfields exploration program to investigate and prioritise the Fort à la Corne kimberlites outside of the Star and Orion South kimberlites (see Star Diamond News Release October 25, 2018). The core drilling program is being conducted by George Downing Estate Drilling Ltd. of Grenville, Quebec using two drill rigs. RTEC geologists are responsible for the supervision of the drilling program and Star Diamond and RTEC geologists will conduct subsequent detailed core logging.

The airborne data acquisition of the recently announced geophysical survey to collect gravity gradiometer, magnetics and LiDAR measurements over the Fort à la Corne diamond district (see Star Diamond News Release October 25, 2018) has been successfully completed.

Senior Vice President Exploration and Development, George Read, states: “While RTEC’s work under the Option Agreement between Star Diamond and RTEC involves the bulk sampling of the Star and Orion South kimberlites, this additional Brownfields exploration program by RTEC aims to investigate and prioritise the Corporation’s other kimberlite bodies in the Fort à la Corne diamond district. Star Diamond and other companies had previously completed extensive exploration on these Fort à la Corne kimberlites, including geophysical surveys, pattern core drilling, large diameter drilling and micro- and macrodiamond analyses, which resulted in the documentation of geological models for a number of these bodies. RTEC is using current exploration methods, in addition to in-house exploration methods to reinvestigate the other Fort à la Corne kimberlites to assess and prioritise them for future exploration and evaluation work.”

About Star Diamond Corporation

Star Diamond Corporation is a Canadian based corporation engaged in the acquisition, exploration and development of mineral properties. Shares of the Corporation trade on the TSX Exchange under the trading symbol “DIAM”. The Corporation’s Fort à la Corne kimberlites (including the Star - Orion South Diamond Project, or “Project”) are located in central Saskatchewan some 60 kilometres east of the city of Prince Albert. The Fort à la Corne diamond district is in close proximity to established infrastructure, including paved highways and the electrical power grid, which provide significant advantages for future mine development. The Project recently received provincial approval by the Saskatchewan Ministry of Environment (see News Release dated October 25, 2018), along with a previous positive Federal environmental decision).

The Corporation recently announced the positive results of the independent Preliminary Economic Assessment (“PEA”) on the Project. The PEA estimates that 66 million carats of diamonds could be recovered in a surface mine over a 38-year Project life, with a Net Present Value (“NPV”) (7%) of \$2.0

billion after tax, an Internal Rate of Return (“IRR”) of 19% and an after-tax payback period of 3.4 years after the commencement of diamond production (see News Release dated April 16, 2018). Star Diamond commissioned the PEA and related Technical Report for the Star and Orion South Kimberlites and, as such, the PEA and Technical Report are the sole responsibility of the Corporation. The PEA is based on exploration and evaluation work conducted up to and including March 2017.

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). RTEC refers to Star Diamond’s mineral dispositions in the Fort à la Corne diamond district as Project FalCon.

All technical information in this press release has been prepared under the supervision of George Read, Senior Vice-President of Exploration and Development, a registered Professional Geoscientist in the Provinces of Saskatchewan and British Columbia and Mark Shimell, Project Manager, a registered 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, PEA or TFFE constitute forward-looking statements.

Forward-looking statements contained or implied in this press release include, but are not limited to, disclosure regarding the economics and project parameters presented in the PEA, including, without limitation, IRR, NPV and other costs and economic information, carats of diamonds to be recovered, after-tax payback period, tonnes of kimberlite to be mined, carats per tonne to be recovered (grade), diamond prices, project life, life of mine, capital costs, and length of pre-production period, as well as statements with respect to environmental permitting and approvals and RTEC’s and the Corporation’s objectives for the ensuing year, including the proposed bulk sampling and Brownfields programs.

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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