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PACKSACK DRILL PROGRAM ANALYSES

(Toronto, March 12, 2013) Talmora Diamond Inc. (CNSX: TAI) is pleased to report the analytical work completed on cuttings from Packsack drill holes completed in 2012. The Packsack drill, rated for depths of up to 100', was used to sample and test the thickness of overburden over 4 magnetic anomalies in dolomite bedrock. Three of five holes penetrated glacial overburden and ended in rusty brown (lateritized?) clay, containing fragments of dolomite. Core could not be recovered and the cuttings have lost much of their fine fraction.

The magnetic anomalies have been deeply scoured by ice and are covered by bouldery till, which in turn is overlain by various thicknesses of lake sediment. Cuttings of the till and clay beneath three of the holes were chemically analysed and concentrates were examined for kimberlite indicator minerals (KIMs).

Chemical analyses of the till cuttings show a 80-90% loss of Ca & Mg (dolomite) and lesser amounts of Al, Fe, Mn, Ti, K, Na and P (probably chlorite, limonite, mica) compared to the average till in the area. There is a 45% increase in Si (quartz sand) probably resulting from the loss of the above elements in fines.

The clay cuttings compared to the till cuttings show slightly higher values for all major elements except Si. The Si is still high in the clay cuttings indicating probable contamination from the overlying till as the clay section had to be re-drilled after each run because the hole collapsed. If the clay is weathered kimberlite a depression is expected to have formed above it and if it is of pre-Cretaceous age the depression may have been filled by Cretaceous marine sand. Almandine garnets in the clay cuttings also indicate contamination.

Compared to the till cuttings the clay cuttings have elevated values of minor elements. There is twice as much Cr and Mo; three times as much Fe, Mn, Ni, Zn, Pb and Sb; ten times as much Cu and Co; fifteen times as much W; and high Ag, As and Sn. All these elements except W are typically high in weathered kimberlite. The high W in the clay cuttings is probably contamination from the drill bits.

A very small piece of clay trapped in the core barrel between fragments of quartz filled and coated vugs in dolomite may be representative of the clay horizon. The composition of the clay is similar to the weathered lateritic alkaline ultramafic rocks at Errabiddy in Australia. However, high SiO₂ (67.4%) in the clay is probably contamination by 1) quartz from vuggy dolomite that trapped it in the core barrel, 2) quartz from the overlying till or 3) quartz from marine sediments that would fill depressions above weathered kimberlite. The most striking characteristic of the clay compared to the average <80 mesh till in the area is high Al, low Ca and Mg together with relatively high LOI (loss on ignition), relatively high Ti, Nb, Cr, Li, V, As, Ce, Cs, Ga, Ge, La, Lu, Pr, Rb, Sb, Ta, Th, U and very high Pb. Low Fe and related Mn and Ni are unexpected because there is evidence of laterite weathering in the area. However, the Fe, Mn and Ni values of the clay are similar to those of African kimberlitic calcretes. The dolomite fragments that trapped the clay may have provided a local calcrete environment.

The clay cuttings include very little of the clay. Much of the fine clay has been lost and there has been considerable dilution of the cuttings by coarse sand. Nevertheless, concentrates from the three holes that penetrated till and ended in clay were submitted for kimberlite indicator mineral (KIM) analysis. THD-3 contained no KIMs. THD-4 contained 6 chromites and one picroilmenite (10.23% MgO; 3.24% Cr₂O₃) in the clay cuttings and 8 chromites in the overlying till cuttings. The chromites lie on a relatively narrow compositional trend line indicating a single population and one grain plots in the Argyle chromite field. The clay cuttings of THD-4 contained notable galena. THD-5 contained one picroilmenite (9.73% MgO; 0.39% Cr₂O₃) and a significant amount of sulphides in the clay cuttings.

While the clay cuttings have lost fines and are contaminated by till and marine sand they show many characteristics of weathered kimberlite including anomalous numbers of locally derived KIMs in THD-4.

Project Summary

Talmora holds 211 mineral claims (68,784 acres) straddling the 68th parallel on the east side of the Lena West diamond area of the Northwest Territories. Most of the claims are in the Inuvialuit Settlement Region with the remainder in the Sahtu Settlement Region.

Over \$75 million has been spent in the Lena West area by other companies with the recovery of numerous kimberlite indicator minerals (KIMs) and an unprecedented 18 diamonds in field samples. No kimberlites have been found except for the Darnley Bay and the Dharma kimberlites on a well-defined favourable structure that includes the Talmora property.

Sampling on the Talmora property shows a strong correlation between KIMs in till samples and magnetic anomalies with characteristics of kimberlite pipes. The majority of Lena West KIMs (those west of Talmora) are very similar to those from the Talmora property but differ from those of the Darnley Bay and Dharma properties.

There is every reason to believe that the Talmora property may be the source of the abundant KIMs and diamonds of the Lena West area. Talmora has many targets ready for drilling.

The technical information contained in this press release was compiled by Alan W. Davies, P.Eng., P.G., who is the Vice-President of Exploration for Talmora. Alan W. Davies is a qualified person as defined by National Instrument 43-101.

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