



Mountain Province Diamonds Provides Update on Gahcho Kué Project

Toronto and New York, December 16, 2008 - Mountain Province Diamonds Inc ("the Company") today provided an update on progress at the Gahcho Kué diamond project in Canada's Northwest Territories, which is a joint venture between the Company (49%) and De Beers Canada Inc (51%).

Resource Drilling

Following completion of the 2008 Tuzo bulk sampling program, the Joint Venture has now concluded the resource drilling at the Gahcho Kué project. Attention has now turned to completion of updated geology and resource models.

Gahcho Kué Geology and Resource Models

The Joint Venture has retained AMEC Americas Limited ("AMEC") to produce a NI 43-101 Technical Report updating the Gahcho Kué geology and resource models. AMEC will produce an independent report for Mountain Province, which will be in a form that the Company will be able to release to shareholders. The updated Technical Report is expected to be completed by the end of the first quarter of 2009.

Proposed Feasibility Study

The Joint Venture has received a proposal from an independent engineering firm to produce a NI 43-101 definitive feasibility study for the Gahcho Kué project. The proposal is currently under consideration by the Joint Venture partners.

Permitting

In view of the proposed feasibility study, the results of which are expected to impact on the final project description, the Project Operator, De Beers Canada, has advised the Mackenzie Valley Environmental Impact Review Board that submission of the Gahcho Kué Environmental Impact Statement will be deferred pending the completion of an updated project description. No fixed date has been set for completion of the project description.

Located in Canada's Northwest Territories, Gahcho Kué is one of the largest new diamond projects under development globally. The project consists of a cluster of three primary kimberlites with an indicated resource of approximately 14.4 million tonnes grading at 1.64 carats per tonne (approximately 23.6 million carats) and an inferred resource of approximately 17 million tonnes grading at 1.35 carats per tonne (approximately 22.9 million carats). Gahcho Kué is currently in the permitting stage of development.

Mountain Province Diamonds (49 percent) is a joint venture partner with De Beers Canada Inc (51 percent) in the Gahcho Kué project. De Beers is the operator of the project and can be called on to fund the project through to commercial production.

Qualified Person

This news release has been prepared under the supervision of Carl G. Verley, P.Geo., who serves as the qualified person under National Instrument 43-101.

Forward-Looking Statements

This news release may contain forward-looking statements, within the meaning of the "safe-harbor" provision of the Private Securities Litigation Reform Act of 1995, regarding the Company's business or financial condition. Actual results could differ materially from those described in this news release as a result of numerous factors, some of which are outside the control of the Company.

FOR FURTHER INFORMATION, PLEASE CONTACT:

Mountain Province Diamonds Inc.
Patrick Evans, President and CEO
Tel: 416-670-5114