

FOR IMMEDIATE RELEASE

**DIADEM COMPLETES GROUND MAGNETOMETER SURVEYS
ON FRANKLIN DIAMOND PROJECT, PARRY PENINSULA, NWT**

TORONTO, June 10, 2004 - Diadem Resources Ltd. (TSX–V: “DIR”) is pleased to announce completion of ground magnetic surveys over 22 potential kimberlite targets, as well as one known kimberlite, on the Company’s Franklin Diamond Project which is a joint venture between Diadem and Darnley Bay Resources Ltd. (DBR).

Twenty-two airborne magnetometer targets within the Parry Peninsula kimberlite field were surveyed by ground magnetometer crews during the month of May. A total of 19 grids were established each grid being approximately one square km in area. Survey lines were oriented north-south with readings obtained every 2.5 meters. A total of 487.5 line km of survey was completed. The survey was performed by JVX Ltd. using the JVX ROVER sled-mounted magnetometer system towed behind a snowmobile. Horizontal control was provided by differential GPS and positioning is accurate within 2 meters.

Three of the twenty-two targets consist of high priority drill targets that were previously surveyed by ground magnetometer by DBR in 2001. However, survey coordinates were not GPS-referenced and the three targets were partially resurveyed in the current survey in order to enable use of pre-existing data. In addition, one of the six known diamondiferous kimberlites discovered in 2001 was also resurveyed to facilitate additional drilling which is planned at this site.

Survey data are of high quality and are currently being processed and results will be available in approximately two weeks time. Management is confident that, because of features extant in airborne magnetic data, a significant proportion of these targets will constitute priority targets for the 2004 drilling season.

Rodney N. Thomas, M.Sc., P. Geol., Vice President, Exploration of Diadem, is responsible for program design as well as quality assurance and quality control of exploration work undertaken by Diadem for the Franklin Diamond Project.

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