

FOR IMMEDIATE RELEASE

DIADEM OPTIONS ATTAWAPISKAT DIAMOND PROPERTY

TORONTO, November 29, 2004 - Diadem Resources Ltd. (TSX-V: "DIR") announced today that it has entered into an option agreement to acquire a 51% interest in the entire Attawapiskat diamond property of Vault Minerals Inc. The property consists of 219 contiguous claims (3,403 claim units) covering over 53,000 hectares located from 40 to 70 kms southeast of the Attawapiskat cluster of 19 kimberlite pipes (16 held by De Beers) in the James Bay Lowlands area of Northern Ontario. The largest pipe in the cluster, *Victor*, is undergoing final feasibility studies prior to an anticipated De Beers production decision.

The Vault property was staked to cover the area of intersection of some very prominent diabase dikes, one of which extends to the northwest through the trend of many of the kimberlites making up the Attawapiskat cluster. It is believed such dikes occupy deep fractures that extend through the crust to the mantle. Such fractures are often the preferred location of diatremes that rise from the deeper parts of the mantle, including the kimberlites that come from depths of around 200 kms where diamonds are a naturally stable form of carbon.

Limited diamond indicator sampling was carried out in 2001 which recovered mantle derived pyrope garnets, chrome diopsides and picro-ilmenites whose chemistry is as good, if not better than the chemistry of these same minerals from the Attawapiskat cluster kimberlites (high chrome, sodium and magnesium substitutions into the crystal fabric), as reported by Ontario Government sampling. In 2002, an airborne magnetic survey was flown over approximately 400 of the 3403 claim units now held by Vault which identified a number of dike-like anomalies warranting ground follow-up.

The Metalex consortium also holds a large number of claims in the same area as the Vault property. Metalex Ventures Ltd., Arctic Star Diamond Corp., Big Red Diamond Corporation and Antoro Resources Inc. are believed to have spent over \$10 million exploring their properties in the area. The consortium has announced it will be core-drilling geophysical anomalies and encouraging diamond indicator anomalies in glacial overburden on its claims.

Diadem's analysis of data provided by Vault is being carried out by Rodney N. Thomas, P. Geo., the President of Diadem. Mr. Thomas will develop an exploration program to continue the work previously carried out on the property by Vault and its predecessor.

Diadem has the exclusive option to review the available data prior to December 28, 2004 and to elect to proceed at that time. If it proceeds it will be required to expend at least \$500,000 by December 1, 2005 (of which \$300,000 would be committed to be spent by April 1, 2005) on exploration and related costs with a

further \$500,000 to be expended after that date and by December 1, 2006. If Diadem exercises its option on or before December 1, 2006, a 51/49 joint venture will be formed and Diadem will be the operator.

Diadem is a Toronto-based diamond exploration and development company. Currently the Company is focused on its substantial land holdings in the Franklin Bay area within the Inuvialuit settlement region of the Northwest Territories. Diadem is also exploring mineral claims in the Otish Mountains region of Quebec and has a minority interest in a bedrock diamond prospect in northeast California.

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