

FOR IMMEDIATE RELEASE

DIADEM COMMENCES EXPLORATION OF ATTAWAPISKAT DIAMOND PROJECT

TORONTO, January 31, 2005 - Diadem Resources Ltd. (TSX-V: "DIR") announced today that exploration of the Attawapiskat diamond project commenced today with the mobilization of a Fugro Airborne Surveys Corporation airborne geophysical survey crew to the camp situated on the property. Fugro has been retained to complete a MIDAS high-resolution airborne magnetic geophysical survey of the property. The survey will entail some 5500 line km and take approximately one month to complete. The survey is designed to map out bedrock structure and discrete targets of interest. Survey results will provide a framework and direction for future work on the property.

Diadem recently (see news releases of November 29, 2004 and January 20, 2005) entered into a definitive agreement to option a 51% interest in the property from 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.

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. In addition to its activities on the Attawapiskat diamond project, Diadem is exploring mineral claims in the Otish Mountains region of Quebec and has a minority interest in a bedrock diamond prospect in northeast California.

Rodney N. Thomas, President and Director, is a professional geologist and responsible for the design, execution and quality assurance of Diadem's exploration programs.

For further information, please contact:

Paul A. Carroll, Chairman and CEO
Phone: 416-369-7217
Fax: 416-369-6088
Email: paul.carroll@diademresources.com
Website: www.diademresources.com

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