

FOR IMMEDIATE RELEASE

DIADEM COMMENCES AIRBORNE SURVEY ON FRANKLIN DIAMOND EXPLORATION PROJECT

TORONTO, March 17, 2005 - Diadem Resources Ltd. (TSX-V: "DIR") is pleased to announce that its 2005 exploration program on the Franklin diamond exploration project has commenced with the mobilization of a Fugro Airborne Surveys Ltd. airborne geophysical survey aircraft and crew to the community of Paulatuk, NT. Fugro has been retained to complete an airborne magnetic gradiometer survey of the property. The survey, consisting of some 50,000 line km, will initially focus on the Parry Peninsula Kimberlite Field and complete a 100 meter in-fill survey over the known kimberlite field with 200 meter coverage over selected areas of interest north of the 68th parallel. The geology of the project area is such that it facilitates direct targeting by airborne geophysics. Priority targets will be the subject of detailed ground investigation during the 2005 summer months with the objective of delineating priority targets for subsequent drill testing.

Furthermore, Diadem is pleased to announce that it has restructured the terms of its option and joint venture agreement with Darnley Bay Resources Ltd. Diadem's earn-in requirement on the lands north of the 68th parallel has been reduced to a further expenditure of \$2,100,000 and the term extended to December 31st, 2007. This, in part, reflects Darnley Bay Resources Ltd. intention to focus exclusively on its base metal exploration project and not to participate in the exploration south of the 68th parallel as per the initial terms of the option and joint venture agreement. Accordingly, 100% interest in lands south of the 68th parallel will be transferred to Diadem and Diadem will independently pursue exploration opportunities south of the 68th parallel. In addition, the terms of the Diamond Exploration Cooperation Agreement between the Inuvialuit Regional Corporation and Diadem Resources Ltd. and Darnley Bay Resources Ltd. have been amended and the \$2,000,000 exploration expenditure requirement by June 30th, 2005 has been extended to September 30th, 2005. With respect to the aforementioned Diamond Cooperation Agreement approximately \$1,000,000 has been spent on lands north of the 68th parallel.

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 the Diadem exploration programs.

For further information, please contact:

Rodney N. Thomas, President
Phone: 416-729-2780
Fax: 416-369-6088
Email: rodney.thomas@diademresources.com
Website: www.diademresources.com

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