

**FOR IMMEDIATE RELEASE**

**DIADEM DIAMOND EXPLORATION PROGRESS REPORT**

**TORONTO, April 5<sup>th</sup>, 2005 - Diadem Resources Ltd. (TSX-V: "DIR")** is pleased to provide an update on its Canadian diamond exploration properties.

**Attawapiskat:** The Attawapiskat property, comprising some 500 sq. km in area, is situated 30 to 70 km along strike from De Beer's Victor pipe and straddles the northwest trending structure that is believed to control the Attawapiskat pipe cluster that includes the commercial Victor kimberlite pipe. Geophysical results obtained from the recently completed helicopter borne airborne magnetic gradiometer survey are being compiled and final results are expected shortly. The approximately 5500 km airborne survey was flown at a 110 m line spacing. Geophysical data will be processed and interpreted and it is planned that any resulting potential kimberlite targets will be evaluated by auger drilling as soon as practicable to delineate potential core drilling targets for the early 2006 drilling season. Diadem's expenditures on the project as at April 5<sup>th</sup>, 2005 exceed the minimum \$300,000 expenditure commitment that was to be made on or before April 5<sup>th</sup>, 2005 pursuant to the December 31, 2004 Agreement between Diadem and Vault Minerals Inc.

**Franklin:** Further to the news release of March 17<sup>th</sup>, 2005 aeromagnetic gradiometer surveying commenced March 27<sup>th</sup>, 2005 and to date a total of approximately 5000 line km of fixed wing airborne survey has been completed. Also, further to the restructured agreement between Diadem and Darnley Bay Resources, whereby Diadem has 100% ownership of claims and permits south of the 68<sup>th</sup> parallel, Diadem is actively seeking a joint venture partner to participate in exploration of the Franklin dike swarm south of the 68<sup>th</sup> parallel.

**Otish Mountains:** Additional work on the Otish Mountains project consisted of a 6900 line km fixed wing airborne magnetic gradiometer survey at a 100 m line spacing over selected areas in an attempt to define discrete magnetic targets for follow-up. In this regard, evaluation of till sample results collected in late 2003 and processed in 2004 confirmed the regional diamond prospectivity of the area. However, till samples were not successful in highlighting any specific pre-existing public data magnetic targets for follow-up. Within the context of the broad area covered by the Diadem till sampling program, the airborne geophysical survey was designed to cover specific areas considered to have structural elements that may have favoured kimberlite emplacement. Paterson, Grant and Watson Limited (PGW) was retained to complete a Kimberlite Target Interpretation of the survey data. Targets were chosen using an automated Keating correlation method as well as manually using total magnetic field and other derivative grids. Targets were reviewed manually with individual line profile data and ranked according to importance. The Keating Correlation method uses a model of a desired size and depth kimberlite pipe and passes it over the survey data to determine those points that are similar to the model's characteristics. Output consists of those points where there is a positive or negative correlation and the degree of that correlation. In summary, 20 targets were picked from the

targets computed from the automated Keating correlation method. Of these PGW identified 18 first priority targets. These targets are worthy of further investigation and additional work will be performed to identify targets for follow-up work in the field.

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 and on the Attawapiskat property located southeast of De Beers' Victor diamond mine development in the James Bay Lowlands Region of Ontario. 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.

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

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