

**FOR IMMEDIATE RELEASE:**

**DIADEM COMPLETES TILL SAMPLING PROGRAM ON PARRY PENINSULA TARGETS AS WELL AS AIRBORNE SURVEY OVER CENTRAL BLOCK CLAIMS**

**TORONTO, October 7<sup>th</sup>, 2005 – Rodney N. Thomas, P.Geol., President and CEO of Diadem Resources Ltd. (TSX–V: "DIR")** is pleased to announce that ground follow-up till sampling is complete over selected geophysical targets within the Parry Peninsula Kimberlite Field in the Northwest Territories. A total of 163 surface till samples, each sample weighing approximately 20 to 25 kg, were collected by Taiga Consultants Ltd. personnel in the vicinity of the aforementioned targets and a further 60 surface till samples collected in the vicinity of existing till sample anomalies and previously unsampled regions of the central claim block. Samples have been shipped to Vancouver Indicator Processors, Inc. of Burnaby, BC for heavy mineral processing following which resultant heavy mineral concentrates will be forwarded to HDM Labs in Colorado where they will be optically examined for the presence of kimberlite indicator minerals. Surface till sampling will assist in identifying and prioritizing geophysical targets for additional follow-up, including core drilling, in 2006. Till sampling results are expected later this year, well in advance of the 2006 drill season.

Airborne magnetic gradiometry survey of the central block is also complete and preliminary data is currently being processed with results expected later this month. A total of 51,153 line-km of survey has been flown to date and presently a further 5,700 line-km is planned to survey the southernmost claim block. Deteriorating weather and light conditions will preclude survey of the permit areas south of the 68<sup>th</sup> parallel in 2005; work on these areas will be deferred until 2006.

The Franklin Diamond Exploration Project hosts the Parry Peninsula Kimberlite Field that is currently the only known kimberlite field in the Lena West Area. The geology of the project area is such that it facilitates direct targeting of kimberlites by airborne geophysics.

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 and south of 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 also holds mineral claims in the Otish Mountains region of Quebec.

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

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