

**FOR IMMEDIATE RELEASE:**

**DIADEM COMPLETES PROCESSING OF TILL SAMPLES  
AND COMPLETES AIRBORNE MAGNETIC SURVEY ON FRANKLIN PROJECT**

**TORONTO, October 25, 2005 – Rodney N. Thomas, P.Geol., President and CEO of Diadem Resources Ltd. (TSX–V: "DIR")** is pleased to announce that processing of Franklin Project till samples is complete. As reported earlier (news release of October 7, 2005), till samples were collected over selected geophysical targets within the Parry Peninsula Kimberlite Field and in the vicinity of existing till sample anomalies as well as in the previously un-sampled regions of the central claim block. Samples were expeditiously processed by Vancouver Indicator Processors, Inc. of Burnaby, BC.

Recorded weights of all 223 till samples range between 17.47 kg and 42.79 kg and resultant heavy mineral concentrates weigh between 3.7 g and 109.8 g. Heavy mineral concentrates have been forwarded to HDM Labs in Colorado, where they are being optically examined for the presence of kimberlite indicator minerals. These results will assist in identifying and prioritizing geophysical targets for additional follow-up, including core drilling in 2006. Results are expected later this year.

In addition, a test line of soil samples analysed for soil gas hydrocarbons (SGH) over a known kimberlite (#105) within the Parry Peninsula Kimberlite Field yielded encouraging results, which are posted on Diadem's website [www.diademresources.com](http://www.diademresources.com). SGH surveys may be incorporated into future kimberlite exploration work on the property.

Preliminary review of compiled gradient aeromagnetics from the recently completed airborne survey of the central claim block indicates the presence of at least three anomalies of potential kimberlite interest. All are positive anomalies, unlike magnetic responses characteristic of known kimberlites in the Parry Peninsula Kimberlite Field that, due to magnetic pole reversal at the time of kimberlite placement, occur as negative anomalies. Further processing of geophysical results is planned once final results are received.

Airborne magnetic gradiometry survey work on the project during 2005 is complete. Survey work is suspended due to deteriorating weather and light conditions. A total of 52,836 line-km of survey has been flown to date. Improving weather and light conditions will permit resumption of the survey early in the spring of 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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