

**FOR IMMEDIATE RELEASE:**

**DIADEM PROVIDES STATUS REPORT ON FRANKLIN DIAMOND PROJECT**

**TORONTO, January 24, 2006 – Diadem Resources Ltd. (TSX-V: "DIR")** announced today, in response to recent shareholder inquiries, that till sampling results from the Franklin project will not be discussed at the special meeting to be held later this week.

Till samples collected on the Franklin project in August and September, 2005 have been processed and resultant heavy mineral concentrates are being optically examined by HDM Labs of Loveland, Colorado. The Company expects that all samples will have been examined by the end of February 2006. Partial results have been received and previously announced, see news release of November 28, 2005. A brief exploration update on the company's projects will be presented at the special meeting on January 27, 2006 and presentation materials will be concurrently posted on the company's website.

As previously announced, on November 28, 2005, the special meeting on January 27, 2006 shareholders will consider a proposed common share consolidation, on a one-for-sixteen basis. Currently, the Company has outstanding 154,747,412 common shares. Subject to shareholder approval of the share consolidation at the special meeting on January 27, 2006 the Company will have approximately 9,671,713 shares outstanding that are expected to trade, on a post-consolidated basis, on or about February 6, 2006.

**For further information, please contact:**

Rodney N. Thomas, P.Geol.  
President and CEO  
Phone: 416-369-6080  
Fax: 416-369-6088  
Email: [rodney.thomas@diademresources.com](mailto:rodney.thomas@diademresources.com)  
Website: [www.diademresources.com](http://www.diademresources.com)

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