

**FOR IMMEDIATE RELEASE**

**DIADEM MAKES FURTHER *DUQUESNE WEST* INSTALMENT PAYMENT  
AND DRILLING PROGRAM CONTINUES**

**TORONTO, September 6, 2006** - Diadem Resources Ltd. (TSX-V: "DRL") announced today that it has made a further instalment payment under its agreement with **Globex Mining Enterprises Inc.** ("GMX"- TSX, "G1M"- Frankfurt and "GLBXF"- Pink Sheets) and Jack Stoch Geoconsultant Services Inc. ("Stoch") consisting of 1,250,000 common shares of Diadem (representing 9.8% of the outstanding shares) and \$225,000 cash. Under the agreement, Diadem can earn a 50% fully vested interest in the *Duquesne West* Project (with the right in certain circumstances to increase that interest to 57.5%) by spending \$6.0 million over three years on exploration and development, of which the first \$1.0 million is to be spent in the period to June 30, 2007.

Pursuant to the agreement with Globex and Stoch, Diadem is carrying out a 4,000 to 5,000 meter NQ drilling program on the Project. The first hole has been completed to a depth of 626 meters and drilling of the second hole has commenced. Assay results are expected later in September. Consideration is being given to mobilization of a second drill on the Project in which case the program would be increased to up to 9,000 meters.

The *Duquesne West* claims cover approximately three km of the Destor Porcupine Fault Zone which represents a major gold-bearing structure with numerous gold deposits scattered along its 240 km strike length. Gold mineralization on the Project has been interpreted by previous operators, Kinross Gold Corp. and Queenston Mining Inc., as being hosted by five significant semi-continuous zones that all strike roughly east-west and dip from 65° to 90° south.

John P. Thompson, P. Geol. is the Qualified Person under National Instrument 43-101 who is supervising the exploration program for Diadem on the *Duquesne West* gold project.

Diadem continues to transition itself from having primarily a diamond and gold exploration focus to an expanded focus which includes production and near-production mining opportunities, especially those related to gold. The acquisition of the option to acquire up to a 57.5% interest in the *Duquesne West* gold project is a step in that transition. The Company also currently is considering other such opportunities. At the same time, Diadem continues work on the *Franklin* diamond exploration project in the Northwest Territories, Canada. As part of its transition, and its decision to restrict itself to North America for the near term at least, Diadem terminated its option agreements to acquire gold properties in Mali, West Africa.

After giving effect to the issue of flow through common shares pursuant to the private placement which closed on July 17, 2006, and to the issue of shares as part of the instalment payment on the *Duquesne West* gold project, Diadem has outstanding 12,742,846 common shares. On a fully diluted basis, assuming exercise of all outstanding share purchase warrants and incentive stock options granted under its stock option plan, and the pending exchange of the balance of subsidiary special shares, Diadem would have 15,401,904 common shares outstanding. However, none of the dilution shares are currently "in the money", having exercise prices of \$1.60 or higher. All share issuances have received the approval of the TSX Venture Exchange.

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