

**FOR IMMEDIATE RELEASE:**

**DIADEM COMPLETES GROUND MAGNETIC SURVEY ON *FRANKLIN DIAMOND PROJECT***

**TORONTO, May 14, 2008 – Diadem Resources Ltd. (TSX-V: “DRL”)** is pleased to announce that it has completed a ground magnetic survey on its Franklin Diamond Project on the Parry Peninsula in the Canadian Arctic, located approximately 30 km northwest of the Settlement of Paulatuk in the Inuvialuit Settlement Region of the Northwest Territories. The location of the Project and the Company’s claims are shown on previously published maps which may be viewed on the Diadem website at [www.diademresources.com](http://www.diademresources.com).

The survey was designed to more precisely locate and define a number of airborne magnetic anomalies on the ground that Diadem management determined was necessary prior to initiating a diamond drilling program. Collectively, a total of 327.7 line km of survey was carried out over 13 individual control grids overlying 16 separate airborne magnetic anomalies. These anomalies are part of the 28 exploration targets referred to in earlier news releases and other disclosure by Diadem.

The survey was carried out by JVX Ltd of Richmond Hill, Ontario under the supervision of Tim Sandberg of Taiga Consultants Ltd of Calgary, Alberta using three GSM-19W walking v7.0 Overhauser magnetometer systems (roving magnetometers) with an associated GPS board. Two stationary non-GPS base station GSM v7.0 magnetometers were also used in the survey to measure the diurnal variation in the earth’s magnetic field within the survey area. Magnetic data were collected on foot with three instrument operators reading the “roving” magnetometers.

Preliminary, unrefined field data suggests that several of the airborne magnetic anomalies that were surveyed on the ground have magnetic signatures similar to those recorded by previous ground surveys over known diamond-bearing kimberlite pipes on the Project. The ground magnetic anomalies are characterized by well-defined, circular magnetic lows and magnetic high signatures that appear to be spatially related to major structural features. The magnetic expressions of the known kimberlite pipes on the Diadem property contrast sharply with the weakly magnetic carbonate and clastic sedimentary rocks that they have intruded, enabling the recognition of potential kimberlite pipes with a high confidence level.

The raw data collected from the ground magnetic survey is being processed and analyzed by JVX Ltd. The results of this analysis will be announced when JVX Ltd has provided Diadem with the final results of the survey. Once such results are known, Diadem will finalize its drilling program for the Project which it expects will be carried out later this year, subject to permitting.

The technical information in this press release has been reviewed and approved by Thomas Skimming, P.Eng., a Director of Diadem and a Qualified Person as defined by NI 43-101.

Diadem is completing its earn-in to a 50/50 joint venture with Darnley Bay Resources Ltd. (“DBR”). The Company has the right to carry out a feasibility study for a diamond mine and if it does so its interest will increase to 75% and that of DBR will decrease to 25%. In 2004, Diadem and DBR negotiated an agreement with the Inuvialuit Regional Corporation (IRC) for access to the Project,

for the purposes of mineral exploration, development and operation, and for royalties to be paid upon commercial production. Such an agreement with the indigenous peoples of the area is an essential ingredient of any project in the Arctic. The IRC has the right to back into the Project for a participating 10% working interest when a decision is made to place a diamond mine into production. In such eventuality, the dilution will be shared equally between Diadem and DBR.

Management of Diadem continues to be focused on acquiring production or near-production mining opportunities in North America, especially those related to gold and diamonds. This objective is exemplified by Diadem's diamond exploration activities in the Franklin Bay area of the Northwest Territories.

For further information, please contact:

Paul A. Carroll, Chairman and CEO  
Phone: 416-369-6080  
Fax: 416-369-6088  
Email: [paul.carroll@diademresources.com](mailto:paul.carroll@diademresources.com)  
Website: [www.diademresources.com](http://www.diademresources.com)

*The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of the information contained in this news release.*