



## News Release

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### **SUPERIOR DIAMONDS CLOSSES CDN\$2.66 MILLION IN FINANCINGS**

April 28, 2005

Vancouver, BC – **Superior Diamonds Inc. (SUP-TSXV)** announced today that the two private placements announced on March 16, 2005 have closed, raising aggregate gross proceeds of Cdn\$2,659,530.

Subscribers in the brokered private placement purchased 3,604,060 flow through shares at Cdn\$0.50 per share and 1,461,111 non-flow through units at Cdn\$0.45 per unit for proceeds of Cdn\$2,459,530. Each non-flow through unit consisted of one non-flow through common share and one-half of a non-flow through common share purchase warrant. One whole share purchase warrant entitles the holder to buy one common share for Cdn\$0.60 within two years after closing. The securities are subject to a four month hold period expiring August 29, 2005.

Net proceeds from the sale of the brokered private placement will be used by Superior Diamonds for ongoing exploration and development programs in Ontario and Québec and to supplement general working capital. Octagon Capital Corporation and Raymond James Ltd. acted as agents for this financing and were paid a cash commission of Cdn\$172,167 and received 354,562 compensation warrants. Each compensation warrant entitles the holder to purchase one common share at a price of Cdn\$0.45 within two years after closing.

Concurrently, Superior closed the non-brokered private placement also disclosed in the March 16, 2005 news release and received gross proceeds of Cdn\$200,000 through the sale of 444,444 non-flow through units at Cdn\$0.45 per unit. Each unit consisted of one common share and one-half of one share purchase warrant. One whole share purchase warrant entitles the holder to buy one common share for Cdn\$0.60 within two years after closing. Superior Diamonds will use the gross proceeds from this private placement for ongoing exploration and development programs in Québec. The sole subscriber was SIDEX, Limited Partnership, a mining fund that is part of an initiative created by the Government of the Province of Québec and the Solidarity Fund QFL to promote the diversification of exploration.

The independent directors of Superior approved the participation by insiders of the Company in the brokered private placement on the same terms as arm's length investors, and shareholdings of certain insiders in the Company increased after such participation. Southwestern Resources Corp. ("Southwestern") purchased 888,889 units and, as a result, Southwestern owns 6,403,399 shares representing 19.19% of Superior's issued shares and 444,444 warrants. These holdings represent 20.25% of Superior's issued shares on a partially diluted basis assuming exercise of Southwestern's warrants. These securities have been acquired for investment purposes. Southwestern may from time to time increase or decrease its shareholdings in the Company. The President of the Company also purchased 200,000 flow through shares and 222,222 non-flow through units.

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Superior Diamonds is exploring a large area of northern Ontario and Québec using proprietary magnetic data and has a large land position acquired on the basis of kimberlite indicator mineral sampling and close spaced airborne magnetic surveys. In addition, Superior Diamonds has recently acquired properties in the Superior Craton area of Ontario and Québec, which are operated both independently and in joint venture with Inco Limited, Majescor Resources Inc. and Navigator Exploration Corp. Superior Diamonds is owned 20.56% by Aurora Platinum Corp. and 19.19% (20.25% on a partially diluted basis) by Southwestern Resources Corp.

Statements in this release that are forward-looking statements are subject to various risks and uncertainties concerning the specific factors disclosed under the heading "Risk Factors" and elsewhere in the Corporation's periodic filings with Canadian securities regulators. Such information contained herein represents management's best judgment as of the date hereof based on information currently available. The Company does not assume the obligation to update any forward-looking statement.

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