



News Release

SUPERIOR INITIATES DIAMOND DRILL PROGRAM AND EXPANDS ITS TI-PA-HAA-KAA-NING GOLD PROPERTY, NORTHWESTERN ONTARIO

January 29, 2008

Vancouver, BC – **Superior Diamonds Inc. (SUP-TSX.V)** is pleased to announce the initiation of its winter diamond drill program on the Ti-pa-haa-kaa-ning (Canopener) gold project, northwestern Ontario. The drill program will test targets believed to be the source of the previously reported strong gold grain dispersal train¹ and builds on the geological data derived from the previous drill program. Two drills have been contracted to complete 30 to 40 holes totaling 6,000 to 8,000 metres. Drilling is expected to be complete early in the second quarter.

Dr. Thomas Morris, President and CEO of Superior, states: “We are very pleased to announce the commencement of this drill program, which will build on previous drilling to help us understand the geology for a relatively unexplored and poorly understood terrane hosting several isolated gold showings as well as Superior’s remarkable gold grain dispersal train. The stratigraphic drill sections in this program will also test several of the more prospective areas that are believed to be one of the sources for the significant gold grain dispersal train we discovered last summer.”

Superior is also pleased to announce the completion of an extensive staking program that added 85 claims or 18,976 hectares to the Ti-pa-haa-kaa-ning project. These new claims, and the claims staked last fall, expand the size of the project from an original 48 claims totaling 9,072 hectares to 153 claims covering 32,308 hectares. Most significantly, this latest staking encompasses a claim hosting a second anomalous overburden gold grain anomaly originally recognized during Superior’s 2005 overburden sampling program and is comparable in magnitude to the samples that led to the discovery of the Ti-pa-haa-kaa-ning dispersal train. This gold grain anomaly is located northwest of the original claim block, along an interpreted extension of the geology hosting gold mineralization. This extends the favourable horizon to a strike length of approximately 22 kilometres.

The Ti-pa-haa-kaa-ning project is a 50/50 joint venture between Superior and Lake Shore Gold Corp. Superior is the operator. The joint venture was formed in 2006 when each company contributed a total of 48 claims covering 9,072 hectares. Nine of these claims are subject to an underlying 1.5% net smelter royalty payable to a third party, to a maximum of \$2.5 million.

Shareholders are encouraged to visit Superior’s web site, www.superiordiamonds.ca, to view a map illustrating the current property position.

About Superior

Superior Diamonds Inc. is a junior exploration company whose focus is exploring for diamonds on the Canadian Shield and for uranium within the Thelon Basin. Superior is also advancing gold and base metal properties acquired as a by-product from its diamond exploration programs. The Company is a reporting issuer in British Columbia, Alberta, Ontario and Quebec, and trades on the TSX Venture Exchange under the symbol SUP.

¹ For details of the dispersal train please refer to Superior’s news release dated 15 October 2007, www.superiordiamonds.ca

Forward-looking Statements

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" in the Company'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 statements.

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