



News Release

SUPERIOR COMPLETES SECOND VERTICAL HOLE THROUGH MORIN KIMBERLITE AND INTERSECTS 141 METRES OF CRATER FACIES MATERIAL AT THE VILLE MARIE PROJECT, QUÉBEC

May 16th, 2007

Vancouver, BC – **Superior Diamonds Inc. (SUP-TSX.V)** (“Superior” or the “Company”) announces the completion of a second vertical hole through the western side of Superior’s Morin kimberlite pipe. This hole follows the completion of the first vertical hole collared 50 metres from the eastern side of the Morin pipe which intersected 500 metres of crater facies material. The purpose of the second hole was to determine the type and thickness of kimberlite material on the western side of the Morin pipe and collect a large sample of material. The Morin pipe was discovered in February 2007 on Superior’s 100%-owned portion of the Ville Marie project in Québec¹.

Drill hole Morin 07-02 was collared 50 metres from the western boundary of the pipe and drilled vertically. The drill hole intersected 21 metres of fine-grained material and from 21 metres continued in crater facies kimberlite to a depth of 162 metres. The drill hole passed into granite wall rock and the hole was completed at 194 metres. Material from this hole will be submitted for petrographic, heavy mineral and micro diamond analysis.

Three differences are noted between the material recovered from the two holes. The first hole intersected 500 metres of crater facies material whereas the second hole intersected 141 metres of crater facies material. More bedding was observed in the upper part of the crater facies kimberlite material in the second hole, suggesting a concentration of heavy minerals. Finally, a mantle xenolith, rich in chrome-pyrope garnets and olivines was observed and recovered in the second hole at 154 metres.

These observations enhance Superior’s understanding of the Morin kimberlite and led to the exploration decision to drill a third hole through the middle of the Morin pipe, from the southern to northern boundary at a 50 degree angle. The material collected from this hole will provide additional information regarding the physical characteristics of the Morin pipe.

Superior continues to explore for the source of the kimberlite indicator mineral train in the Lac Honorat and Lac D’Argent target areas with two exploratory rigs. Superior is currently focusing its exploration efforts at the head of the Lac Honorat kimberlite dispersal train. Both exploration drills are focused on a grid pattern drill program. If the source of the kimberlite indicator minerals is discovered in the Lac Honorat area, the two drills will be moved to the head of the Lac D’Argent kimberlite dispersal train to explore for its source of the indicator minerals. Superior’s exploration on the Lac Honorat portion of the Ville Marie Project is pursuant to access and exploration agreements with two third parties, to whom Superior has granted a 2% Gross Overriding Royalty. Superior has the right to buy back 1% of the 2% GOR for \$1,000,000, and the right of first offer if the royalty holder proposes to sell the GOR.

Dr. Thomas Morris, P.Geol., is the Qualified Person who has prepared or supervised the preparation of the scientific or technical information about the Ville Marie Project.

¹ For details refer to Superior’s news release dated February 21, available on the Company’s website at www.superiordiamonds.ca

About Superior Diamonds

Superior Diamonds is a junior Canadian exploration company, primarily searching for diamonds in the under-explored and highly prospective regions of the Canadian Shield within the provinces of Ontario and Québec. Superior's highly skilled team has defined a number of promising target areas through grass roots exploration, and is now focused on prioritizing these targets for drilling. To diversify risk and balance its portfolio, the Company has adopted a strategy to explore for other commodities where management has a proven track record of expertise, including uranium. The Company is a reporting issuer in British Columbia, Alberta, Ontario and Québec, and trades on the TSX Venture Exchange under the symbol SUP.

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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