



News Release

SUPERIOR REPORTS SIGNIFICANT HISTORICAL AND CURRENT GOLD ASSAY RESULTS FROM THE TI-PA-HAA-KAA-NING (CANOPENER) PROJECT, NORTHWESTERN ONTARIO

January 21, 2008

Vancouver, BC – **Superior Diamonds Inc. (SUP-TSX.V)** ("Superior" or "the Company") is pleased to announce gold assay results from its Canopener Project, Northwestern Ontario. Superior is working closely with Neskantaga First Nation, whose Traditional Territory is where the Project is located. Out of respect for, and at the request of the community, the Canopener project is being re-named Ti-pa-haa-kaa-ning, which means "that mining place" or "that exploration place".

Dr. Thomas Morris, President and CEO of Superior, states: "The gold assay values reported here are significant and support our original interpretation that the gold grain dispersal apron, which measures approximately two kilometres long, was derived from a potential fertile strike length of six kilometres. We now believe, based on the distribution of these anomalous gold assay results and Superior's reinterpretation of the bedrock geology, that the fertile strike length could be as long as ten kilometres."

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

The gold assay results reported here are from several sources: a) bedrock grab samples collected from old gold showings to verify previously reported gold values; b) review of Superior's extensive proprietary database; c) extensive review of Government assessment reports; and d) drill core and bedrock grab samples obtained during Superior's 2007 preliminary field exploration and drill program.

A bedrock grab sample collected by Superior this past summer from the historical Rowlandson Lake gold showing (the "Rowlandson Trench"), located on the northeast part of the Project returned a gold assay result of 9.57 grams gold per tonne. In addition, one drill hole located 10 kilometres west of the Rowlandson Trench, returned an intersection grading 2.063 grams gold per tonne associated with a sulphide-rich fracture hosted in a gabbro.

Superior's review of its proprietary database and Government assessment files has uncovered several additional significant gold assay values within the same target area. A channel sample taken from the Rowlandson Trench returned 42.24 grams gold per tonne gold over 1.27 metres with individual grab samples returning up to 154.1 grams gold per tonne reported. There are also two historical diamond drill holes that undercut the trench and returned 3.17 grams gold per tonne over 1.3 metres and 2.25 grams gold per tonne over 1.5 metres. A third historic diamond drill hole located approximately 120 metres east of the trench intersected 3.36 grams gold per tonne over 2.59 metres.

Superior's 10 hole preliminary diamond drill program tested stratigraphy and structures in the eastern part of the Project, prior to the discovery last October of the significant gold in till results on the west and northern parts of the Project¹. The results of this drill program used in combination with Superior's proprietary airborne magnetic survey, dispels the notion that the area of interest consists of primarily granitic intrusive rocks. The Project is apparently underlain by a series of west-striking metavolcanic rocks with minor oxide facies iron formation and mafic to felsic intrusive rocks bounded by granite to tonalite batholith complexes. Superior's interpretation is that a possible west-trending splay of the regionally significant Stull-Wunnimmin Fault Zone extends through the Project. Many large economic gold deposits are associated with splays or subordinate structures to major regional fault zones as observed along the Porcupine-Destor fault in the Timmins mining camp or the Larder Lake-Cadillac fault in the Kirkland Lake mining camp.

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.

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.

For more information, please contact:

Thomas F. Morris
President and CEO
Superior Diamonds Inc.
(705) 525-0992

Meghan Brown
Manager, Investor Relations
Superior Diamonds Inc.
(604) 685-4644

e-mail: info@superiordiamonds.ca
www.superiordiamonds.ca

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.

¹ For details, refer to the Company's news release dated 15 October 2007 at www.superiordiamonds.ca