



SUPERIOR *Diamonds Inc.*

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News Release

SUPERIOR DIAMONDS INC. PROPOSES A CDN\$350,000 FINANCING

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March 3, 2006

Vancouver, BC – **Superior Diamonds Inc. (SUP-TSXV)** today announced that it proposes to sell by way of a non-brokered private placement up to 777,777 units at Cdn\$0.45 per unit. Each unit will consist of one common share and one half common share purchase warrant, with each full share purchase warrant entitling the holder to buy one common share at Cdn\$0.60 within 24 months after closing.

Gross proceeds of up to \$350,000, to be released to Superior Diamonds upon receipt of regulatory approval and closing, will be used for ongoing exploration on Superior Diamonds' Québec projects including in particular its Ville Marie and Lesperance Projects.

The two placees are SIDEX, Limited Partnership, a mining fund which 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, and the Fonds régional de solidarité Nord-du-Québec, whose mission is to invest in regional businesses and to provide technical support for the creation and maintenance of jobs in the region Nord-du-Québec.

This press release will not constitute an offer to sell or the solicitation of any offer to buy the securities in any jurisdiction. The shares have not been and will not be registered under the United States Securities Act of 1933 and may not be offered or sold in the United States without registration or an applicable exemption from the registration requirements.

Superior Diamonds is exploring in Québec in the Ville Marie and the Desmaraisville regions.

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 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 statement.

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