

News Release

DIAMCOR MINING INC. TSX.V Symbol (DMR)

September 27, 2004

SO VER'S MINORITY SHAREHOLDER DISCONTINUES BRITISH COLUMBIA LEGAL ACTION

Kelowna, B.C.: Mr. Wayne Wolf, President, Diamcor Mining Inc. ("Diamcor") is pleased to announce that further to their news release dated March 15, 2004, Nicolaas Van der Merwe has discontinued his British Columbia lawsuit against the Company. Mr. Van der Merwe originally alleged that he had suffered damages as a result of Diamcor's defamatory statements, its abuse of process and the breach of the contract relating to the acquisition of the So Ver mine. As a result of the withdrawal of the action, Diamcor will not have to proceed with its September 30, 2004 court application to have the claims dismissed.

Diamcor and Mr. Van der Merwe are now in negotiations to settle all remaining disputes between the parties which form the basis of the remaining South Africa litigation. A settlement will allow the Company to focus its efforts on operations at the So Ver diamond mine and on the acquisition and development of additional diamond assets.

Statements about the Company's future expectations and all other statements in this press release other than historical facts are "forward looking statements". The Company intends that such forward-looking statements be subject to the safe harbours created thereby. Since these statements involve risks and uncertainties and are subject to change at any time, the Company's actual results may differ materially from the expected results.

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