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Diamonds North proves its name

While it's still a ways off **Diamonds North Resources** (DDN-V) is moving closer to its goal of finding Canada's next big diamond mine by pulling up over 500 diamonds from one kimberlite at its Amaruk property in Nunavut.

The news set Diamonds North's share price alight as they shot up almost 100% or 77¢, moving up to \$1.55 on over 10 million shares traded.

In all 550 diamonds were pulled from 81.75 kg of rock at the Tuktu-1 kimberlite – the third diamond rich kimberlite found within the 1,600 sq. km central block at Amaruk (the other two being the Char and Qavvik kimberlites). The entire property is roughly 8,000 sq. km.

The breakdown of diamond recoveries were as follows: the 0.106 mm sieve recovered 269 diamonds, the 0.15 mm sieve recovered 158 diamonds, the 0.212 mm recovered 73 diamonds, the 0.30 mm recovered 37 diamonds, the 0.425 mm recovered 11 mm and the 0.6 mm sieve recovered two diamonds.

The total amount of diamonds averages out to 7 diamonds per kilogram – much higher than the 1 diamond per kilogram that is often used as a benchmark.

Also positive is the quality of the diamonds with over 90% of the diamonds recovered from the 0.30 mm mesh being white with the majority being clear octahedral crystals forms, according to Diamonds North.

The company says it plans to do a bulk sample on the kimberlite in the near future.

In all 22 kimberlites have been discovered on the property and results from 18 of those are pending -- 8 of which are situated in the Tuktu area.

The Tuktu-1 kimberlite sits roughly 15 km from the Qavvik kimberlite which also lies on the property.

Back in March of 2007 Diamonds North announced that 515 diamonds were recovered from 397 kg. of kimberlite there. The Char kimberlite yielded 178 diamonds from 159.35 kg. of rock and sits roughly 30 km from Tuktu.

Amaruk sits in the Pelly Bay diamond district of Nunavut.

Diamonds North has roughly \$9.4 million in cash and marketable securities available -- \$7 million of which is cash.

Nancy Curry, a spokesperson for Diamonds North, says while the company feels it has sufficient funds for its immediate exploration needs, the exact dollar figure for the 2008 exploration budget won't be known until results from the 18 kimberlites and the larger samples from Char and Qavvik come in.

She says results from Qavvik should be in by the end of the month with Char's results coming in roughly a month after that.