

News Release

DIAMCOR MINING INC. TSX.V Symbol (DMR)

June 22, 2004

Milestone Agreement Signed with Major South African Partner to Provide Access to Multiple New Exploration and Mining Opportunities in RSA and Joint Venture Financing

Kelowna, B.C. – Mr. Wayne Wolf, President of Diamcor Mining Inc. (“Diamcor”) is pleased to announce the Company has officially completed a share sale agreement with a South African Black Economic Empowerment Group (B.E.E.). Considered a milestone development, the agreement is expected to dramatically bolster the company’s ability to find and secure mining propositions in RSA. Effective immediately an agreement is now in place between Ongoza Mining & Exploration (Pty) Ltd. (“Ongoza”), Diamcor’s South African subsidiary, and Pholo Mining (Pty) Ltd. (“Pholo”).

The agreement gives Pholo a 26 % shareholding of Ongoza and fulfills Diamcor’s obligations for partnering with an economic empowerment group under the new socio-economic empowerment charter of the South African mining industry. The agreement between Ongoza and Pholo was reached far ahead of the Government’s projected time schedule and should set precedence for other foreign companies entering the Republic in search of mining ventures.

“The parties collectively hail this agreement as a major breakthrough and a victory for the spirit of consensus and the general quest for economic transformation in the South African exploration and mining market” stated Diamcor Manager of SA Operations Dean Del Frari. “Importantly, through the pioneering agreement, Diamcor will have the ability to potentially participate in a host of premier and advanced exploration projects that otherwise would not have been accessible for a Company of our status” said Del Frari.

Under the terms of agreement, Pholo will be responsible for providing its share of financing for new diamond mining projects initiated by Ongoza and will represent the companies when applying for prospecting and mining permits with the South African Department of Minerals and Energy.

Pholo is a broad-based empowerment company with expertise in the technical, geological, legal and business fields. It is majority owned by Letlhabile Minerals (Pty) Ltd. but a significant portion of the shares are held by South Africans from the communities in Northern Cape province. The rest of the equity is spread between South African organizations and black business people – the majority of which are women.

Pholo’s principal partner, Thelma Mathamelo, is an MBA graduate and a mining entrepreneur with extensive experience working with empowerment groups. Her many

current projects include working with Minrico, a subsidiary of Rand Gold & Exploration, on a project with Rio Tinto, Pan Palladium, Southern Era and Bathopele Resources (the empowerment company involved in a venture with De Beers).

The agreement between Ongoza and Pholo makes provisions for the establishment of a community development trust. This trust will provide money for infrastructure development, health care, education and other needs in the local communities where projects will be carried out therefore helping with economic development in these regions.

Diamcor is very pleased to welcome Pholo Mining as their new South African partner and looks forward to a prosperous future working together.

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.