

TALMORA RESOURCES INC.

6 Willowood Court
Toronto, Ontario
M2J 2M3
Tel: 416-491-6771

TALMORA ANNOUNCES PROPOSED ACQUISITION AND REORGANIZATION

Acquisition of Three Permits in Horton River Diamond Area

(Toronto, July 27, 2005) The Board of Directors of Talmora Resources Inc. (“Talmora”) is pleased to announce that it has entered into a letter of intent dated June 30, 2005 to amalgamate with Canadian Diamind Limited (“CDL”) to continue as Talmora Diamond Inc. (“Amalco”), subject to shareholder and regulatory approval.

Talmora shareholders will be issued one (1) Amalco share for each Talmora share currently held and CDL shareholders will be issued one (1) Amalco share for five (5) CDL shares currently held. After amalgamation, current Talmora shareholders will hold 5,142,105 Amalco shares (52.0%) and current CDL shareholders will hold 4,752,830 Amalco shares (48.0%) for a total of 9,894,935 issued and outstanding shares. The shares of Amalco are being issued at a deemed value of \$0.05 per share. Accordingly, with 9,894,935 shares issued and outstanding, Amalco would have a deemed value of approximately \$495,000.

Canadian Diamind Limited

CDL is a private Ontario junior exploration company established to explore for diamonds. CDL has a total of eleven shareholders none of whom own more than 20% of the issued and outstanding shares of CDL. The balance sheet as of March 31, 2005 (unaudited) shows that CDL has \$273,642 in share capital, of which approximately \$203,698 has been spent on exploration, and has approximately \$59,874 in cash. CDL has no revenues and no liabilities. Talmora has agreed to advance \$25,000 to CDL as a non-refundable deposit to fund ongoing property administration costs.

The following description of the Horton River mineral properties (the “Property”) is summarized in part from a report dated May 5, 2005 prepared by MacDonald J. Millard, M.Sc., P.Eng., P.Geo., in accordance with National Instrument 43-101, entitled, “Report on the Horton River Prospecting Permits of Canadian Diamind Limited, Northwest Territories”. No geological work has been completed on the Property since that time and, accordingly, the information contained in the Report is current.

In 2003 CDL focused on Canada and acquired three prospecting permits (2827, 2828 and 2829) covering 213,433 acres in the Horton River area in the Inuvialuit Settlement

Region of the Northwest Territories. The Property is 120 kilometers south of Paulatuk, a village located on the arctic coast, and about 400 kilometers east of Inuvik. It is located on Crown Land and is completely surrounded by permits and claims held by Sanatana Diamonds and Diadem Resources Ltd./Darnley Bay Resources Limited.

The permits are valid until January 31, 2008 provided a performance deposit is made or further work is done amounting to \$9,920 before January 31, 2007. Performance deposits are refunded if approved work is subsequently performed. Claims may be staked within the permit area before January 31, 2008.

The permits were acquired as a diamond prospect on the basis of anomalous stream sediment samples and because the permits lie on the extension of a favourable zone of diabase dykes along which Darnley Bay has discovered 10 kimberlite pipes (6 known to be diamondiferous).

CDL believes that the three permits lie on a trend that is the northern projection of the Slave Diamond Corridor displaced to the west on a pre-Paleozoic fault running along the north shore of Great Bear Lake and through Coronation Gulf. The Slave Diamond Corridor includes the Diavik and Ekati diamond mines and the Snap Lake, Kennedy Lake and Jericho deposits being permitted for production.

Diamondex Resources Ltd. acquired 6 million acres (known as the West Lena project) in 2003 about 175 kilometers west of the CDL permits and have reported significant results in press releases. In 2004 a record number of permits were awarded for diamond exploration in the Horton River – West Lena area as a result of the success of Darnley Bay and Diamondex.

CDL spent approximately \$150,000 on an orientation sampling survey of its permits in the fall of 2004. The work included the collection of 127 till and stream samples of ten liters each and examination of the -1.00mm to +0.30mm concentrate fractions. This confirmed the presence of anomalous numbers of kimberlite indicator minerals and produced a guide for further sampling.

Follow-up work planned for 2005/2006 is aimed at producing drill targets and includes examination of the -0.3mm to +0.25mm fractions of the orientation samples in order to define indicator mineral trains, more detailed stream and till sampling and an airborne magnetic survey. This program is estimated to cost \$1 million. Mr. MacDonald J. Millard, M.Sc., P.Eng., P.Geo. is the “qualified person” for the purposes of the above technical information pursuant to National Instrument 43-101.

Talmora Resources Inc.

Talmora is a Junior Capital Pool Company formed under the rules of the Alberta Stock Exchange. The Company was de-listed from the TSX Venture Exchange on July 3, 2001 for failing to complete Exchange listing requirements. Talmora remains a reporting

issuer in good standing in the Province of Alberta. The securities of Talmora are not listed or quoted on any recognized trading system.

As at March 31, 2005, Talmora had \$414,210 in share capital of which, \$83,274 was the initial share issuance cost, \$133,673 has been spent on maintaining the corporation and investigating potential Qualifying Transactions, and \$197,263 is the cash balance.

General

The Board of Amalco will initially consist of 5 members, including;

Raymond Davies, Ph.D., P.Eng., geologist, CEO and director of Talmora Resources Inc., director of Canadian Diamind Limited, director of Ditem Explorations Inc. and director of Dolly Varden Resources Inc.,
Richard M. Hogarth, retired stock broker, director of Talmora Resources Inc.,
Two nominees of CDL, and
One nominee independent of Talmora and CDL

This transaction is a “related party transaction” for the purposes of Ontario Securities Commission Rule 61-501 as Raymond Davies, President and director of Talmora, owns 17.3% of the issued and outstanding shares of CDL. Mr. Davies owns 14.4% of the issued and outstanding shares of Talmora and is a director of CDL.

The transaction is subject to definitive documentation, as well as other conditions including completion of satisfactory due diligence, completion of a private placement financing for an amount and on terms to be considered, the approval of disinterested shareholders and regulatory approval. Although there is no assurance this transaction will be completed as proposed or at all, it is anticipated that if it does go forward, completion should occur by December 31, 2005. The transaction cannot close until the required shareholder approval is obtained.

Investors are cautioned that, except as disclosed in the Management Information Circular to be prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of Talmora should be considered highly speculative.

No stock exchange, securities commission or other regulatory authority has in any way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

For further information please contact:

Raymond Davies,
President & CEO
Talmora Resources Inc.
Telephone 416-491-6771

CAUTIONARY STATEMENT

No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein. This News Release includes certain “forward-looking statements”. All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding potential mineralization and reserves, exploration results, and future plans and objectives of Talmora, are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from Talmora’s expectations are exploration risks detailed herein and from time to time in the filings made by Talmora with securities regulators.