



**TALMORA DIAMOND INC.**  
**( TAI - CNSX )**

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**TALMORA DIAMOND COMPLETES \$280,000 PRIVATE PLACEMENT**

(Toronto, July 25, 2012) Talmora Diamond Inc. (CNSX: TAI) is pleased to announce that it has completed a part brokered and part non-brokered private placement of 5,600,000 Units, comprised of 1,800,000 Hard Dollar Units and 3,800,000 Flow-Through Units, that were sold at \$0.05 per Unit, for gross proceeds of \$280,000 effective July 24, 2012. Each Unit consists of one common share and one common share purchase warrant. Each common share purchase warrant ("Warrant") entitles the holder to acquire one common share for \$0.05 until July 24, 2013. If after four months and one day following the closing date the common shares of Talmora trade at or above Can. \$0.10 for a period of 20 consecutive trading days, the Company may notify the warrant holder to exercise the Warrants at a date no later than 30 calendar days after this notification date or forfeit any unexercised Warrants at that time. All securities issued pursuant to the financing are subject to a four month hold period which expires on November 24, 2012. Insiders acquired a total of 2,740,000 Units in the financing. The Company paid a cash commission of \$2,500 on the brokered portion of the placement.

The Company now has 54,031,679 common shares outstanding. On a fully-diluted basis after giving effect to the exercise of all outstanding share purchase warrants and incentive stock options granted under its stock option plan the Company would have 71,372,679 common shares outstanding.

The Flow-Through proceeds of the financing will be applied to exploration on the Company's property in the Northwest Territories and the Hard Dollar proceeds will be applied to working capital. Talmora urgently needs to drill some of its targets and prove that it has kimberlites. A major financing for a drill program must still be completed and its timing will depend on the global financial situation. It has not proved easy to raise funds this year.

The \$280,000 raised will enable Talmora to carry out assessment work required by the end of next summer. A Small packsack drill that does not require a helicopter but can be moved by ATV will be mobilized and be serviced by fixed wing aircraft. The drill will sample and test the thickness of overburden near kimberlite targets. An attempt will be made to reach the targets but the small drill may not have sufficient power.

**Project Summary**

Talmora holds 211 mineral claims (68,784 acres) straddling the 68<sup>th</sup> parallel on the east side of the Lena West diamond area of the Northwest Territories. Most of the claims are in the Inuvialuit Settlement Region with the remainder in the Sahtu Settlement Region.

Over \$75 million has been spent in the Lena West area by other companies with the recovery of numerous kimberlite indicator minerals (KIMs) and an unprecedented 18 diamonds in field samples. No kimberlites have been found except for the Darnley Bay and the Dharma kimberlites on a well-defined favourable structure that includes the Talmora property.

Sampling on the Talmora property shows a strong correlation between KIMs in till samples and magnetic anomalies with characteristics of kimberlite pipes. The majority of Lena West KIMs (those west of Talmora) are very similar to those from the Talmora property but differ from those of the Darnley Bay and Dharma properties.

There is every reason to believe that the Talmora property may be the source of the abundant KIMs and diamonds of the Lena West area. Talmora has targets ready for drilling.

The technical information contained in this release was compiled by Alan W. Davies, P.Eng., P.G., who is the Vice-President of Exploration for Talmora. Alan W. Davies is a qualified person as defined by National Instrument 43-101.

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#### **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.