

Press Release – Toronto, October 18, 2005

TAHERA DIAMOND CORPORATION ANNOUNCES MUSKOX AND ANURI KIMBERLITE EXPLORATION RESULTS; PLANNING FOR LARGE-SCALE MUSKOX KIMBERLITE EVALUATION PROGRAM UNDERWAY

Tahera is pleased to report further results from its spring 2005 exploration program.

Muskox Kimberlite

The Muskox kimberlite is made up of at least two volumetrically significant units; the MKU-A unit and MKU-B unit, both of which are highly diamondiferous. The kimberlite occupies a surface area of approximately 4-hectares, which is 2.5 times larger than that of the Jericho kimberlite, with each unit comprising roughly half of the volume of the pipe.

Excellent synergies exist with respect to potential development of the Muskox kimberlite, as it lies within trucking distance of the Jericho diamond processing plant. Tahera has the option to earn a 50 - 75% interest in the project from partner De Beers Canada Exploration Inc. (see press release dated June 8, 2004).

A 3,692-kilogram Muskox kimberlite sample derived from a combination of Tahera's 915-metre (four NQ and HQ core drill-holes) spring drilling program, and a De Beers sample (two HQ drill-holes totaling 500 metres), was processed by caustic dissolution at the Saskatchewan Research Council Geoanalytical Laboratory ("SRC") in Saskatoon, Saskatchewan. Core from all six holes was logged in detail and then split, with one half of the core being sampled, and the other half being retained for further geological analysis.

Tahera is very encouraged by the results returned from the current program. A 943-kilogram sample of the MKU-A unit (hypabyssal kimberlite) returned more than 30,000 stones > 0.075 mm, and a 2,749-kilogram sample of the MKU-B unit (volcaniclastic kimberlite) returned more than 42,000 stones > 0.075 mm. The following tables summarize the results:

Table 1: 2005 caustic fusion results for the Muskox MKU-A unit

Lower Sieve (mm square mesh)	Upper Sieve (mm square mesh)	Total Carats	Total Stones
0.075	0.105	0.15	17,015
0.105	0.150	0.19	8,466
0.150	0.212	0.18	3,154
0.212	0.300	0.20	1,325
0.300	0.425	0.17	399
0.425	0.600	0.19	150
0.600	0.850	0.22	56
0.850	1.180	0.28	30
1.180	1.700	0.39	16
1.700	2.360	0.37	6
2.360	3.350	0.58	3
MKU-A unit (942.95 kg)		2.91	30,620
MKU-A >0.85 mm		1.62	55

Table 2: 2005 caustic fusion results for the MuskoX MKU-B unit

Lower Sieve (mm square mesh)	Upper Sieve (mm square mesh)	Total Carats	Total Stones
0.075	0.105	0.20	22,768
0.105	0.150	0.27	12,127
0.150	0.212	0.26	4,399
0.212	0.300	0.30	1,920
0.300	0.425	0.28	617
0.425	0.600	0.28	202
0.600	0.850	0.41	112
0.850	1.180	0.36	38
1.180	1.700	0.44	18
1.700	2.360	0.27	4
2.360	3.350	-	-
MKU-B unit (2748.95 kg)		3.06	42,205
MKU-B >0.85 mm		1.07	60

The combined 3,692-kilogram sample returned 2.69 carats above a 0.85 mm cutoff.

The five largest stones recovered included a 5.0 x 3.05 x 2.0 mm (0.16 carats, amber, octahedron, fragment); a 4.3 x 3.3 x 2.5 mm (0.31 carats, colourless, octahedron); a 3.5 x 2.5 x 1.56 mm (0.064 carats, white, fragment); a 3.24 x 2.1 x 1.4 mm (0.098 carats, amber) and a 3.25 x 2.75 x 2.25 mm (0.102 carats, white octahedroid fragment) diamond.

Stones above 0.3 mm were described in detail by SRC for many physical properties including color, clarity and crystal morphology. Tahera is very encouraged with the diamond quality indications from the results. Over 95% of the stones have been described as transparent or translucent, colourless stones make up 61% of the parcel described, and a population of pink stones has been observed, accounting for 2% of the diamonds including several stones larger than 1.180 mm. More than 60% of the diamonds described from these samples are octahedrons or octahedroids while 31% remain unclassified.

The results from the MKU-A unit are higher than expected and confirm that the MuskoX kimberlite has significant diamond grade potential. The MKU-B unit has a lower diamond content, however the diamond quality indications are very encouraging.

Planning for large-scale evaluation program underway

Based on these encouraging results, Tahera has commenced planning activities with regard to a large-scale MuskoX kimberlite evaluation program. The goal of the program, which is set to commence in early 2006, is to develop a mineral resource estimate for the kimberlite over the next 24 months. The evaluation program will include an extensive core delineation drilling program and a bulk sample program to accurately outline the geology, tonnage, and diamond grade and value potential of the kimberlite.

A comprehensive environmental baseline program will be completed as part of the overall evaluation plan. The merits of constructing an all weather access road from the Jericho kimberlite to the MuskoX kimberlite will also be assessed. This road would pass by Tahera's JD-3 kimberlite, which lies approximately half way between the Jericho and MuskoX kimberlites. The diamondiferous JD-3 kimberlite requires further evaluation to determine its economic potential.

A formal decision with regard to the final details of the MuskoX evaluation program will be made during the fourth quarter, following a complete assessment of the MuskoX data.

Anuri Kimberlite

The Anuri kimberlite is a 3.5-hectare multi-phase body made up of two kimberlite lobes that coalesce into a single pipe near surface. Historical results from caustic dissolution of a 3,963-kilogram sample returned 5,725 diamonds greater than 0.15 mm, including a 0.79 carat colourless octahedron stone.

The Anuri kimberlite is located 90 kilometres northwest of the Jericho mine-site on the Rockinghorse property. Tahera is the operator and holds a 75% interest in the project, with partner Kennecott Canada Exploration Inc. holding a 25% interest.

Tahera conducted a five-hole NQ drilling program in the spring, resulting in the collection of a 1,900-kilogram sample from the west lobe of the kimberlite. A half-split of the drill core was sent to Saskatchewan Research Council Geoanalytical Laboratories ("SRC") in Saskatoon, Saskatchewan for caustic fusion processing.

The 944.4-kilogram sample yielded 3,900 stones > 0.075 mm including 25 stones greater than 0.85 mm. The following table summarizes the results:

Table 3: 2005 caustic fusion results for the Anuri kimberlite

Lower Sieve (mm square mesh)	Upper Sieve (mm square mesh)	Total Carats	Total Stones
0.075	0.105	0.01	1153
0.105	0.150	0.03	984
0.150	0.212	0.05	744
0.212	0.300	0.10	584
0.300	0.425	0.14	289
0.425	0.600	0.15	119
0.600	0.850	0.21	63
0.850	1.180	0.13	15
1.180	1.700	0.32	10
1.700	2.360	-	-
2.360	3.350	-	-
Western lobe (944.4 kg)		1.13	3961
Western lobe >0.85 mm		0.45	25

The three largest stones recovered included a 2.44 x 1.94 x 1.66 mm (0.048 carats, grey, octahedron); a 2.18 x 2.14 x 1.34 mm (0.056 carats, colourless, octahedron) and a 2.12 x 1.96 x 1.22 mm (0.040 carats, white, macle) diamond.

Tahera retains approximately 950 kilograms of the 2005 kimberlite material which will be utilized for further geological analysis. A 3 x 3 mm diamond was observed in this drill core split, and is not included in the above results. Although difficult to gauge accurately, the estimated sieve size and weight of this stone is greater than 2.36 mm sieve and between 0.1 to 0.3 carats.

Analysis of the diamond distribution and geology of the Anuri kimberlite will continue, leading to a decision regarding the next evaluation program for this highly diamondiferous kimberlite.

Mr. Eugene Flood, P. Geol., is Tahera's qualified person as defined in National Instrument 43-101 for its exploration programs.

Jericho Diamond Mine

The construction schedule for the Jericho Diamond Mine is on track. Substantial completion of mine construction is targeted by year-end, and commercial diamond production is forecast to begin at the end of the first quarter of 2006.

Tahera Diamond Corporation (www.tahera.com) is a unique Canadian diamond Company focused on developing its wholly-owned Jericho Diamond Project as CANADA'S NEXT and NUNAVUT'S FIRST DIAMOND MINE. Tahera recently entered into an arrangement with Tiffany & Co., one of the world's leading jewelers, with respect to a diamond purchase and marketing agreement, and a finance agreement for the Jericho Diamond Project. Tahera has several other prospective diamond projects in Canada's prolific Slave Craton. The common shares of the Company trade on the TSX under the symbol 'TAH'.

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