



NEWS RELEASE

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SANATANA RECOVERS .55 CT DIAMOND FROM DHARMA KIMBERLITE

Vancouver, British Columbia, Canada, December 20, 2007. Sanatana Diamonds Inc., (“Sanatana” or the “Company”, AIM: **SAN**; TSX-V: **STA**) is pleased to announce that it has received the complete sample of caustic fusion diamond results from the Company’s newly discovered Dharma kimberlite pipe. These samples were processed at the Thunder Bay Laboratory¹ of Kennecott Canada Exploration Inc.

In a December 7, 2007 news release, the Company reported the caustic fusion results of the first 339.18 kg tested. The Company is now reporting the combined results of the total 1008.9 kg tested. Sixty-three separate samples from three drill holes were taken from split NQ2 size drill core.

In total, 536 diamonds greater than 0.106mm have been recovered. Table 1 below shows the stone size distribution for this group of samples.

TABLE 1: Diamond distribution in CIM sieves (mm)

Combined Weight (kg)	0.106 Sieve	0.15 Sieve	0.212 Sieve	0.3 Sieve	0.425 Sieve	0.6 Sieve	0.85 Sieve	1.18 Sieve	1.7 Sieve	2.36 Sieve	3.35 Sieve	TOTAL
1008.9	220	138	94	38	24	17	3	0	1	0	1 ²	536

¹ The Thunder Bay Laboratory of Kennecott Canada Exploration Inc. is assessed and registered by Intertek Testing Services NA Ltd. as conforming to the requirements of ISO 9001-2000.

² This diamond measured 5.10 x 4.50 x 3.5 mm and weighed 0.55 carats; it is described as an octahedral aggregate, grey in colour and translucent.

The five stones that sit above the 0.85mm sieve weigh, in aggregate, 0.76 carats.

The results between the separate holes and batches appear consistent. There are multiple kimberlitic phases within the Dharma kimberlite and some of the caustic fusion samples have two to three times the average stone count of the other samples. It is too early to see any pattern to this stone distribution.

The diamonds are described as being 54% white in colour and 32% have octahedral crystal habits. The largest stone² weighed 0.55 carats and measured 5.1 x 4.5 x 3.5 mm, falling on a 3.35mm sieve.

The Dharma kimberlite was intersected by four drill holes. The first hole was vertical, 180 metres in length and ended in kimberlite. The second was a 60 degree angle hole collared from the same location on an azimuth of 335 degrees that exited kimberlite at 43 metres into the country-rock, dolomite. The third hole, a vertical hole collared approximately 10 metres to the east, ended at 208 metres in kimberlite. The fourth hole, collared from the location of the third hole angled at 60 degrees on a due east azimuth, exited kimberlite after five metres. The samples referred to in this news release were taken from the first three holes. The Company instituted a chain of custody for the transport of these samples.

The management of Sanatana remains highly encouraged by these initial results.

Qualified Person

The Sanatana exploration programs are carried out under the supervision of Sanatana's Director and VP of Exploration, Mr. Buddy Doyle. Mr. Doyle meets the qualified person requirements (as defined by National Instrument 43-101) with 26 years of exploration experience, 16 years of which are in diamond exploration. Mr. Doyle has compiled, approved and reviewed the scientific and technical information in this press release.

For additional information on the Company, please contact:

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Forward Looking Statements

Some of the statements contained in this press release are forward-looking statements and information within the meaning of applicable securities laws. Forward-looking statements and information are not historical facts and are subject to a number of risks and uncertainties beyond Sanatana's control, and may include statements regarding resource estimates, potential mineralization, exploration results, completion or continuation of work programs and studies, and future plans and objectives. Resource exploration, development and operations are highly speculative, characterized by a number of significant risks, which even

a combination of careful evaluation, experience and knowledge may not eliminate, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral resources, but from finding mineral deposits that though present, are insufficient in quantity and quality to be economic or to return a profit from production. There can be no assurance that such statements and information will prove to be accurate and actual results could differ materially from those suggested by any forward-looking statements and information. Sanatana disclaims any obligation to update or revise such forward looking statements and information except as required by law.

About the Company

Sanatana Diamonds Inc. is focused on the exploration of its Mackenzie Diamond Project, comprised of approximately 5.9 million acres of ground under claims and permits, located north of Great Bear Lake and approximately 700 kilometres northwest of Yellowknife in the Northwest Territories of Canada. The Sanatana Mackenzie project is a joint venture between Kennecott Canada Exploration Inc. and Sanatana Diamonds Inc., which Sanatana operates and Kennecott has a participating 15% interest. As part of the joint venture arrangement, Kennecott has made available one of their project geologists and a geophysicist. Sanatana Diamonds, headquartered in Vancouver, is dual listed on the AIM Market of the London Stock Exchange plc and Toronto Venture Exchanges (AIM: **SAN**: TSX-V: **STA**).