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VAA-TSX  
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### PRESS RELEASE

#### **80% INTEREST IN BRAÚNA PROJECT SOLD FOR \$5 MILLION**

**Vaalldiam Resources Ltd. (VAA-TSX)** announces the sale of an 80% equity interest in the Braúna diamond project to a private group for total consideration of \$5 million. Under the terms of agreement, Vaalldiam will receive a cash payment of \$3.7 million and will be carried through the next phase of development on the Braúna property, of which Vaalldiam's share payable by the purchasers is \$0.4 million for a bulk sampling program with an estimated cost of \$2 million. The purchaser will also assume \$0.9 million of Vaalldiam's current liabilities associated with capital equipment purchases that are also included in the bulk sampling program budget for the Braúna project. Vaalldiam will remain operator of the joint venture.

The cash component of the transaction is payable in tranches as follows:

- i) \$741,000 (US\$660,000) upon execution of the Letter of Intent;
- ii) \$1,111,000 (US\$990,000) payable upon the execution of the formal agreements relating to the transaction, which is expected to be completed within 30 days; and
- iii) \$1,852,000 (US\$1,650,000) 30 days following the execution of the formal agreements.

Vaalldiam can increase its interest in the project to 49% following the completion of the next phase of development by reimbursing the private group 100% of their costs incurred to that date.

Vaalldiam will retain the rights relating to the gold potential of the Braúna project area, however the purchasers will have ownership of any by-product gold recovered as a consequence of diamond mining activities. In addition to having the potential of becoming South America's first kimberlite diamond mine, prospecting, trench sampling and reviews of geological data have revealed significant gold potential. Vaalldiam's Braúna claims are located within an important gold-producing Rio Itapicuru Greenstone Belt, which hosts Yamana Gold's Fazenda Brasileiro Mine and several advanced exploration projects where both open pit and underground gold reserves and resources have been delineated. Vaalldiam will provide investors with an overview of the gold potential of the Braúna project area in a subsequent news release.

Ken Johnson, President and Chief Executive Officer of Vaalldiam commented that "*this transaction ensures that the Braúna diamond project can rapidly advance through the next phase of its development, while providing Vaalldiam with an opportunity to increase its interest in the project. The agreement provides our Company an important injection of working capital, which will greatly assist the Company in weathering the current economic downturn.*"

This release has been reviewed by Brent Jellicoe, P. Geo., a qualified person under National Instrument 43-101. For additional information regarding Vaalldiam please visit [www.vaalldiam.com](http://www.vaalldiam.com) or contact Ken Johnson, President and Chief Executive Officer at (416) 363-6927.

*This press release contains certain forward-looking statements. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to international operations; risks related to joint venture operations; actual results of current exploration activities; changes in project parameters as plans continue to be refined, future prices of resources; possible variations in reserves, grade or recovery rates, accidents, labour disputes and other risks of the mining industry; and delays in obtaining governmental approvals or financing or in the completion of development or construction activities. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.*