



January 11, 2005
Toronto, Ontario

VAA-TSXV
vaapr2005-01

PRESS RELEASE

99% OF VAALDIAM WARRANTS EXERCISED

Vaaldiam Resources Ltd. (VAA-TSXV) reports that 99% of its warrants, which were scheduled to expire on January 10, 2005, were exercised before the time of expiry. Of the total of 3,756,343 warrants (including broker warrants), issued in connection with the financing announced on November 6, 2003, 3,706,343 warrants were exercised. The exercise of these warrants provided a total of \$1,053,109 to Vaaldiam's treasury for exploration and property acquisitions in Brazil.

Following the exercise of these warrants Vaaldiam has 45,796,648 common shares outstanding.

For additional information regarding the Company please visit www.vaaldiam.com, or contact Kenneth W. Johnson, President and CEO, or Robert Yeoman, Vice President and Corporate Secretary, at (416) 363-6927.

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.