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PRESS RELEASE

VAALDIAM ACQUIRES 100% OF DUAS BARRAS MINE

Vaalldiam Resources Ltd. (VAA – TSX) reports that it has exercised its option to purchase the minority 25% interest in the Duas Barras mine from its joint venture partner Mineração Marly Ltda., thereby increasing Vaalldiam's interest in the mine to 100%. The Duas Barras deposit contains an indicated resource of approximately 1.7 million bank cubic metres at an estimated grade of 0.16 carats/m³ and 0.18 grams Au/m³, representing an in-situ diamond resource of 270,000 carats and 306 kilograms (9,838 ounces) of gold. In addition, the deposit contains an inferred resource of approximately 1 million bank cubic metres at an estimated grade of 0.16 carats/m³ and 0.18 grams Au/m³, representing an in-situ diamond resource of 160,000 carats and 180 kilograms (5,787 ounces) of gold. A recent independent valuation of 169.15 carats of diamonds recovered during the bulk sampling program indicated an average value of US \$197 per carat. Vaalldiam is currently constructing a diamond recovery plant on the property designed to process about 80 m³/hour of gravel, equivalent to an annual rate of 240,000 bank m³, to recover an estimated 38,000 carats of diamonds and 43 kilograms of gold per year.

Ken Johnson, President of Vaalldiam said that “the purchase of our partner's 25% interest in the Duas Barras mine provides Vaalldiam with ownership of an additional 107,500 carats of in-situ indicated and inferred diamond resources. This purchase gives Vaalldiam 100% ownership of the Duas Barras mine which will provide the Company with flexibility in terms of the development of the mine, and the potential for additional cash flow to fund our kimberlite exploration activities and the development of further alluvial diamond deposits in Brazil.”

Vaalldiam purchased the minority interest in the Duas Barras property in accordance with the terms of its January 2005 agreement which provided Vaalldiam with an option to purchase Marly's interest. Marly will receive payment for its interest according to the following events:

- US\$200,000 to be paid to Marly upon their submission of an application to the Departamento Nacional de Produção Mineral (DNPM) for the cession of the Duas Barras Mining Licence to Vaalldiam's subsidiary Mineração Montes Claros Ltda.;
- US\$400,000 to be paid to Marly upon the DNPM's approval and registration of the Duas Barras mineral rights in the name of Mineração Montes Claros Ltda. and
- US\$350,000 to be paid to Marly upon the sale of the first diamond production from the Duas Barras deposit, which is expected during the first quarter of 2007.

This release has been reviewed by José Ricardo Pisani, Vice President, Exploration and Paul Daigle, P.Geo. Senior Project Geologist who are both qualified persons under National Instrument 43-101. For additional information regarding Vaalldiam please visit www.vaalldiam.com, or contact Ken Johnson, President and Chief Executive Officer or Janet Reid, Manager, Investor Relations at (416) 363-6927.

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