



January 2, 2008
Toronto, Ontario

VAA-TSX
vaapr2008-1

PRESS RELEASE

VAALDIAM ACQUIRES 87.2% OF GREAT WESTERN DIAMONDS CORP.

Vaalldiam Resources Ltd. (VAA-TSX) ("Vaalldiam") and Great Western Diamonds Corp. (GWD-TSXV) ("Great Western") are pleased to announce that approximately 87.2% of the common shares of Great Western have been validly tendered and taken up under Vaalldiam's offer to acquire all of the common shares of Great Western. When taken together with the 1,111,112 common shares and the 555,556 common share purchase warrants of Great Western that were held by Vaalldiam at the outset of the offer (representing 1.8% of the issued and outstanding common shares of Great Western), Vaalldiam now holds approximately 88.4% of Great Western's issued and outstanding common shares (assuming the exercise of the share purchase warrants held by Vaalldiam).

Under the Vaalldiam offer, holders of Great Western's common shares were offered 0.45 of a common share of Vaalldiam for every Great Western common share tendered. The aggregate number of Vaalldiam common shares to be issued will be approximately 37,141,182 in respect of the acquisition of the Great Western common shares taken-up.

As noted in the circular for the Great Western offer, Vaalldiam will immediately begin taking steps to acquire the remaining common shares of Great Western pursuant to a second stage transaction. Under the second stage transaction, the remaining holders of the Great Western common shares will also have the right to receive 0.45 of a common share of Vaalldiam for each Great Western common share.

Vaalldiam is South America's largest diamond producer through its 100% ownership in the Duas Barras and Chapada Mines in Brazil. Vaalldiam is also developing a number of advanced-stage kimberlite diamond deposits, including the Braúna deposits which are advancing towards a feasibility study later this year. Vaalldiam's principal office is located at 55 University Avenue, 11th Floor, Suite 1105, Toronto, Ontario, Canada M5J 2H7. 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.

Forward Looking Information

This news release may contain forward looking statements, being statements which are not historical facts, including, without limitation, statements regarding the proposed acquisition of Great Western by Vaalldiam and discussions of future plans and objectives. There can be no assurance that such statements will prove accurate. Such statements are necessarily based upon a number of estimates and assumptions that are subject to numerous risks and uncertainties that could cause actual results and future

events to differ materially from those anticipated or projected. Important factors that could cause actual results to differ materially from Vaaldiam's expectations are in Vaaldiam's documents filed from time to time with the Toronto Stock Exchange and provincial securities regulators, most of which are available at www.sedar.com. Vaaldiam disclaims any intention or obligation to revise or update such statements.

**NOT FOR DISSEMINATION IN THE UNITED STATES OR FOR DISTRIBUTION TO
U.S. NEWSWIRE SERVICES**