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VAA-TSXV  
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## **PRESS RELEASE**

### **VAALDIAM FILES PRELIMINARY PROSPECTUS**

*This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless an exemption from such registration is available.*

**Vaaldiam Resources Ltd. (VAA – TSXV)** announces that it has filed a preliminary short form prospectus with the securities commissions in British Columbia, Alberta, Saskatchewan, Manitoba and Ontario in connection with the qualification of common shares of Vaaldiam issuable on the exercise of 7,777,778 Common Share Special Warrants and 476,191 Flow-Through Special Warrants, all of which were issued on February 9, 2006. The prospectus also qualifies broker warrants issuable on the exercise of compensation options which were issued to Wellington West Capital Markets Inc., National Bank Financial Inc. and Westwind Partners Inc. in their capacity as underwriters for this financing.

Each Common Share Special Warrant is exercisable into one common share of Vaaldiam at no additional cost and each Flow-Through Special Warrant is exercisable into one flow-through common share of Vaaldiam at no additional cost. The Special Warrants are exercisable by the holders thereof at any time and will be automatically exercised at 5:00 p.m. EST on the earlier of: (i) the third business day after a receipt is issued by the last of the securities regulatory authorities in each of the jurisdictions in Canada in which purchasers of the Special Warrants are resident for a final prospectus qualifying the common shares and flow through common shares to be issued upon exercise of the Special Warrants; and (ii) June 10, 2006. If Canadian provincial securities regulators have not issued a receipt for a final prospectus by April 10, 2006, each Common Share Special Warrant shall entitle the holder thereof to acquire 1.1 common shares and each Flow-Through Special Warrant shall entitle the holder thereof to acquire 1.1 flow-through common shares.

#### **About Vaaldiam**

Vaaldiam is a Canadian based diamond exploration company primarily involved in the exploration and development of its 100%-owned 247,085 hectare Pimenta Bueno diamond property in the state of Rondônia, Brazil currently under option to Rio Tinto. To date, 34 kimberlite pipes have been discovered within the property area. Twenty-four of the 34 known pipes occur in one large cluster and 15 of the 34 pipes have been found to be diamond-bearing on the basis of macro and micro diamond analyses. In an initiative aimed at generating early cash flow, Vaaldiam is also advancing development of its Duas Barras alluvial diamond property in Minas Gerais state, Brazil, targeting production in Q3 – 2006. A drilling program is also underway on the Brauna property in the state of Bahia in Brazil, where four kimberlite pipes are being delineated in advance of a mini-bulk sampling program scheduled for later this year. Vaaldiam also has an exploration option on the Hotish property in the Otish Mountain District of the Province of Quebec.

For additional information regarding Vaaldiam please visit [www.vaaldiam.com](http://www.vaaldiam.com), or contact Ken Johnson, President and CEO or Robert Yeoman, Chief Financial 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.*