



May 25, 2006
Toronto, Ontario

VAA-TSX
vaapr2006-17

PRESS RELEASE

NEW KIMBERLITE DISCOVERY ON BRAUNA PROPERTY

Vaalldiam Resources Ltd. (VAA – TSX) (60% interest) and partner Majescor Resources Inc. (MAJ – TSXV) (40% interest) report the discovery of a new kimberlite occurrence on the Brauna diamond property, situated in the state of Bahia, northeastern Brazil. More kimberlite discoveries are expected on this property, where three drills are currently working on a delineation program in advance of a mini-bulk sampling program scheduled to commence during Q3-2006.

The new kimberlite discovery, named Brauna 18, traced on surface over a distance of approximately 250 metres in four shallow surface trenches, remains open in both directions along strike. The trenching indicates the kimberlite body occurs as a northwest-trending dike or blow that is 15 to 25 metres wide. The discovery was made during follow-up testing of a magnetic anomaly identified as a result of a detailed survey completed last month over the entire property. A total of 8 untested magnetic anomalies have been identified as a result of the survey, and the testing of these anomalies is expected to lead to more kimberlite discoveries during the coming months.

The Brauna 18 discovery lies just 500 metres to the northwest of the diamondiferous Brauna 7 pipe, where delineation drilling is currently being conducted. To date, a total of 9 core holes totaling 1,154.2 metres have been completed at the Brauna 7 pipe. The drilling indicates that the Brauna 7 kimberlite pipe lies under approximately 12 metres of sand and soil, and has an elongated shape with a length of approximately 670 metres, and a width ranging between 30 and 50 metres. A plan map showing the location of the new discovery is available on Vaalldiam's website at <http://www.vaalldiam.com/pagefind.php?id=39>.

The Brauna project comprises three exploration concessions which now encompass four known kimberlite pipes associated with a system of kimberlite dykes traced over a distance of approximately 15 kilometres. Based only on the surface exposures, the pipes range in area from 0.50 hectares at the Brauna 7 pipe, to 1.7 hectares at the Brauna 3 pipe. Surface exposures of kimberlite within the dyke or fissure systems indicate widths ranging from 0.7 metres at the Brauna 6 occurrence, to 25 metres at the new Brauna 18 occurrence.

Delineation drilling is also nearing completion at the diamondiferous Brauna 3 pipe, where 20 core holes have been completed totaling 2,256.45 metres. The delineation drilling completed thus far indicates that Brauna 3 is an elongated body which stretches over a strike length of 325 metres and maintains widths of 80 to 110 metres. The pipe covers a surface area of approximately 1.7 hectares. The pipe is exposed at surface under a 3.0 metre calcrete cover at both the northern ("the north lobe") and southern ("the south lobe") ends of the deposit. The central portion of the pipe is buried under a 12 metre thick calcrete cap. Initially, Vaalldiam's drilling focused on the north and south lobes, with 9 holes and 8 holes being completed respectively in each of these areas. Three drill holes have been completed so far in the central portion of the body. To date the pipe has been tested by drilling only to a depth of 200 metres. A plan map and summary table showing the locations of all of the drill holes and a description of the geology intersected in both the Brauna 3 and Brauna 7 pipes is available on Vaalldiam's website at <http://www.vaalldiam.com/pagefind.php?id=39>.

Vaalldiam is currently making preparations to commence a mini-bulk sampling program during Q3-2006 to determine the diamond content of the pipes and dikes on the Brauna property.

This release has been reviewed by José Ricardo Pisani, Vice President, Exploration who is a qualified person under National Instrument 43-101. For additional information regarding Vaaldiam please visit www.vaaldiam.com, or contact Ken Johnson, President & C.E.O. or Janet Reid, Manager, Investor Relations 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.