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**PRESS RELEASE**

**VAALDIAM TO DRILL PRIORITY KIMBERLITE PIPES**

Vaalldiam Resources Ltd. (VAA-TSXV) is in the process of mobilizing a drill rig to its 100%-owned Pimenta Bueno property to delineate and sample up to nine kimberlite pipes. The selection of the nine kimberlite pipes was based on favorable microdiamond and mineral chemistry results produced during preliminary sampling efforts. Seven of the kimberlite pipes selected for drill testing lie within a 2 kilometre radius and form part of a larger cluster of 24 kimberlite pipes that have been found in the southern half of the Pimenta Bueno property.

Drilling is expected to commence in early April and will involve the completion of four to six drill holes into each kimberlite pipe. The drill holes will be positioned on a grid pattern to test different areas of each pipe and the holes will be drilled to a vertical depth of approximately 150 metres. It is anticipated that approximately 2 tonnes of kimberlite will be collected from each pipe for microdiamond analysis.

In addition to the delineation drilling to be completed on the nine kimberlite pipes, Vaalldiam will also drill nine, previously untested magnetic anomalies that were identified during the 2004 exploration program. These nine anomalies represent high interest dipole and tripole magnetic responses that are usually indicative of kimberlite pipes in the Pimenta Bueno district. High interest kimberlitic chromites and G10 garnets have been recovered in both alluvial and soil samples that have been collected from the anomalies. Soil sampling over one of the magnetic anomalies produced two +0.300 mm diamonds in addition to the G10 garnets and other kimberlitic indicator minerals.

In addition to the planned drill program, Vaalldiam is continuing with its reconnaissance exploration program and is focusing on an area to the west of the Cosmos-Tumeleiro-Clara kimberlite cluster, where a 200 litre alluvial sample has resulted in the recovery of abundant G10 garnets, including eclogitic garnets which as yet cannot be sourced back to a known pipe. Kimberlitic chromites and ilmenites, whose mineral chemistry falls within the Diamond Stability Field, were also recovered in this sampling. The fresh surface textures of the indicator minerals that were recovered suggest that a source pipe might lie within 2 kilometres of the sample location, likely along the northwest-trending structural lineament that appears to control the emplacement of the diamondiferous Cosmos 3 and 4 pipes to the southeast. Detailed follow-up sampling and ground geophysics is presently underway in an attempt to isolate the source of these high interest indicator minerals.

Vaalldiam is a Canadian based diamond exploration company primarily involved in the exploration and development of the 176,000 hectare Pimenta Bueno diamond property in the State of Rondônia, Brazil. To date, 33 kimberlite pipes have been discovered within the property area. Twenty-four of the 33 known pipes occur in one large cluster and 15 of the 33 pipes have been found to be diamond-bearing on the basis of macro and micro diamond analyses.

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

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