



June 22, 2004
Toronto, Ontario

VAA-TSX.VN
vaapr2004-09

PRESS RELEASE

ANOTHER KIMBERLITE DISCOVERED AT PIMENTA BUENO

Vaalldiam Resources Ltd. (VAA-TSX.VN) has discovered a new kimberlite in the Cosmos-Tumeleiro kimberlite cluster, situated on the Company's 176,000 hectare Pimenta Bueno property in the State of Rondonia, Brazil. The new kimberlite was intersected in two auger holes that were drilled to test a 12 hectare electromagnetic anomaly situated approximately 400 metres to the south of the diamond-bearing 9 hectare Cosmos 1 pipe. This discovery is significant, given that it is the first time that a kimberlite has been located from electromagnetic data in the Pimenta Bueno district. The kimberlite shows no magnetic response and was therefore not apparent in the airborne magnetic data.

In addition, Vaalldiam's electromagnetic survey identified two other anomalies, which are also non-magnetic, and lie within the Cosmos-Tumeleiro cluster. This initial electromagnetic survey covered only a very small area of the Cosmos-Tumeleiro cluster, which is comprised of 25 pipes, 13 of which are diamondiferous. The pipes in the cluster range in size from 1 hectare to 25 hectares. Most of the pipes are hidden under a thin layer of Carboniferous age siltstone which has protected them from erosion and has hindered exploration using traditional sampling methods.

Vaalldiam is a Canadian based diamond exploration company with the objective of becoming a leading producer of superior quality diamonds, through the systematic exploration and development of properties situated in the most prospective areas. Vaalldiam's primary focus at present is the development of the Pimenta Bueno diamond property in Brazil, where 15 of the 31 kimberlite pipes found thus far are diamond bearing.

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

- 30 -

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