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PRESS RELEASE

Vaalldiam Resources Ltd. (VAA – TSX) reports the filing of an updated technical report for its Duas Barras Mine on SEDAR. The report entitled “*Technical Report on the RST Diamond Exploration Property and Duas Barras Diamond Mine, Minas Gerais State, Brazil, Presenting Details of Diamond Resources Compliant with Canadian National Instrument 43-101*” can be viewed under Vaalldiam’s profile at www.sedar.com. This technical report updates the March 30, 2007 technical report for the Duas Barras Mine that was previously filed on SEDAR, and includes a summary of the exploration and development potential of the exploration claims held by RST Recursos Mineração Ltda. (“RST”). As announced on July 2, 2008 Vaalldiam has agreed to acquire RST, a Brazilian-registered company and owner of the Peçanha Diamond Mine and their extensive exploration claims situated adjacent to Vaalldiam’s Duas Barras Mine.

Technical Report Highlights

- Duas Barras Mine - Mineral Resource Estimate of 1.639 million (“M”) m³ of Indicated Mineral Resource grading 0.16 ct/m³ of diamonds and 182 mg/m³ of gold, plus 0.811 Mm³ of Inferred Mineral Resource with the same grades;
- A detailed, but preliminary, economic analysis of the Duas Barras mine operations based on indicated and inferred resources reveals an expected payback of the initial US\$ 3.8 M capital investment in less than 2 years, with a profitable mine life extending to 2015, inclusive, assuming that further budgeted exploration confirms the existing Indicated Resources, promotes the Inferred Resource to Indicated status, and demonstrates that all the resources can be mined profitably. With total estimated operating costs of US\$14.86/m³, the mine is expected to yield a total, net after tax, cash flow of US\$ 26.24 M on total gross revenue of US\$ 81.09 M. The authors note that there is no certainty that this assessment will be realised in entirety because the economic analysis is based on indicated (68% of total resources) and inferred (32% of total resources) resources, and as such continuity of diamond grade and diamond quality cannot be confirmed with a high level of confidence;
- RST Exploration Property is comprised of 23 exploration and mining claims and 9 claims under application that adjoin the Duas Barras Mine and collectively encompass approximately 110 kilometres of the Jequitinhonha River;
- RST Peçanha Mine – Based on RST’s bulk sampling program and mining activity, a gravel volume ranging from 1.2 Mm³ to 2.2 Mm³ and diamond grades ranging from 0.08 ct/m³ to 0.16 ct/m³. The authors note that the potential quantity and grade is conceptual in nature, as there has been insufficient exploration to define a mineral resource and that it is uncertain if further exploration will result in the target being delineated as a mineral resource;
- An estimated 124 Mm³ of gravel may exist in areas that are held or under application by RST. These areas exhibit some geological characteristics similar to those of the Duas Barras deposit and the authors have recommended that further exploration be completed in these areas;
- The authors have recommended additional drilling and bulk sampling at Duas Barras to better define the indicated resources and advance the inferred resources to the indicated category; and

- Additional drilling and bulk sampling has also been recommended on the RST Exploration Property to delineate possible extensions of the Duas Barras deposit that may extend onto the RST Exploration Property at the Peçanha Mine, and test other priority exploration targets evident in the exploration and production records remaining from previous operators.

The technical report was authored by Dr. Richard H.T. Garnett, BSc. (Min. Eng.), PhD (Econ.Geol.), M.B.A., C.Eng., Katharine M. Masun, HBSoc., MSc (Geol), P.Geo., and Brent C. Jellicoe, BSc. (Hon. Geol.), P.Geo.

Please note that the corporate presentation regarding the proposed acquisition of RST referenced in Vaaldiam's press release dated July 2, 2008 and the associated material change report dated July 3, 2008 has been removed from Vaaldiam's website as certain of the disclosure contained therein was not in compliance with National Instrument 43-101 and therefore should not be relied upon. Those interested in obtaining further information on the RST properties should reference the technical report referred to herein which is available on sedar at www.sedar.com.

This release has been reviewed by Katya Masun, P.Geo., 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 & Chief Executive Officer 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.