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Toronto, Ontario

VAA-TSX  
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**VAALDIAM RESOURCES CLOSES THE PREVIOUSLY ANNOUNCED  
PRIVATE PLACEMENT FINANCING**

**Not for distribution to United States newswire services or for dissemination in the United States**

Vaalldiam Resources Ltd. (the "Company" or "Vaalldiam") (TSX-VAA) is pleased to announce that it has closed the underwritten private placement offering (the "Offering") of 29,250,000 subscription receipts (the "Subscription Receipts") led by Canaccord Capital Corporation and a syndicate of underwriters including National Bank Financial Inc., Westwind Partners Inc. and Wellington West Capital Markets Inc. (collectively, the "Underwriters"). The Subscription Receipts were issued at a price of Cdn\$0.90 per Subscription Receipt resulting in aggregate gross proceeds to the Company of Cdn\$26,325,000.

Vaalldiam plans to use the net proceeds of the Offering to advance its mineral projects, including those proposed to be acquired pursuant to the planned acquisition by the Company of all of the outstanding shares of (i) Elkedra Diamonds NL (the "Elkedra Transaction"), and (ii) Great Western Diamonds Corp. (together with the Elkedra Transaction, the "Acquisitions") and for general corporate working capital purposes. The Acquisitions are described in more detail in the press release of Vaalldiam dated July 3, 2007.

Upon closing of the Offering, 25% of the gross proceeds of the Offering (less the fees and expenses of the Underwriters on such amount) were delivered to the Company, while the remaining 75% of the gross proceeds (the "Escrowed Funds") of the Offering were deposited into escrow.

The specific terms of the Offering, including the description of the conditions to the release to the Company of the Escrowed Funds were set out in the press release of the Company dated July 19, 2007.

**This news release is intended for distribution in Canada only and is not intended for distribution to United States newswire services or dissemination in the United States. The securities being offered have not, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from the U.S. registration requirements. This release does not constitute an offer for sale of securities in the United States.**

For additional information regarding Vaalldiam please visit [www.vaalldiam.com](http://www.vaalldiam.com) or contact Ken Johnson, President and 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.*