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PRESS RELEASE

VAALDIAM ACQUIRES CATALÃO KIMBERLITES FROM RIO TINTO

Vaaldiam Resources Ltd. (VAA – TSX) has acquired the diamond-bearing Catalão kimberlite pipes from Rio Tinto Desenvolvidos Minerais Ltda. (Rio Tinto). The Catalão kimberlites are located in the state of Goiás, approximately 280 kilometres south of Brazil's capital city, Brasilia. The Catalão 1 kimberlite cluster covers a surface area of 0.75 hectares and is comprised of three pipe-like deposits named Catalão 1A, 1B and 1C. These pipe-like deposits are approximately 0.30, 0.25 and 0.20 hectares respectively. The kimberlite cluster was discovered in the 1970s by a subsidiary of De Beers Consolidated Mines Limited. Rio Tinto acquired an exploration licence covering an area surrounding the kimberlite in 1998 and completed a detailed exploration program over the following two years which included airborne and ground geophysical surveys, core drilling and mini-bulk sampling. Rio Tinto's mini-bulk sampling program focused on a surface exposure of the Catalão 1A pipe, where three mini-bulk samples with a total weight of approximately 3.6 tonnes resulted in the recovery of 52 diamonds with a total weight of 0.848 carats. Rio Tinto's mini-bulk sample results are presented in the following tables:

Sample Number	Total Weight (kg)	Number of Diamonds Recovered	Total Weight (carats)
RCL 001/2	734.62	21	0.084
JRCTR 146/147	2844.36	31	0.764
Totals	3578.98	52	0.848

Sample Number	Size Cut-off mm	Number of Diamonds Retained Per Sieve Size (mm Square Mesh Sieve)									
		>0.125 mm sieve	>0.150 mm sieve	>0.212 mm sieve	>0.300 mm sieve	>0.425 mm sieve	>0.600 mm sieve	>0.850 mm sieve	>1.18 mm sieve	>1.70 mm sieve	>2.36 mm sieve
RCL 001/2	0.125	5	0	4	2	7	1	1	1	0	0
JRCTR 146/147	0.500	NA	NA	NA	NA	5	12	3	8	2	1
Totals						12	13	4	9	2	1

The 734.62 kilogram mini-bulk sample from Catalão 1A was processed using the caustic fusion process at Rio Tinto's facility in Brazil. The 2.84 tonne mini-bulk sample from Catalão 1A was initially treated at Rio Tinto's facility in Brazil by scrubbing and screening to liberate the diamonds and reduce the volume of the sample. Following attrition, the >0.500 mm fraction was passed through a bromoform solution to produce a heavy mineral concentrate containing diamonds, which were picked under the microscope.

Rio Tinto also completed a drilling program comprising 16 core holes totalling 1,050 metres to define the limits of the Catalão 1A, 1B and 1C bodies to a maximum depth of 201 metres. A total of 5.14 tonnes of kimberlite was processed for total diamond recovery by caustic fusion resulting in the recovery of 145 diamonds with a total weight of 0.51 carats. The following table presents the diamond recoveries from the drill core by caustic fusion analyses.

Sample Location	Total Dry weight (kg)	# of Stones	Total weight (cts)	Number of Diamonds Retained Per Sieve Size (mm Square Mesh Sieve)							
				>0.125 mm	>0.212 mm	>0.300 mm	>0.425 mm	>0.600 mm	>0.850 mm	>1.18 mm	>1.70 mm
Catalão 1A	3496.34	98	0.42	24	27	14	14	7	6	5	1
Catalão 1B	1207.42	39	0.06	10	7	10	6	4	2	0	0
Catalão 1C	436.00	8	0.03	2	3	0	1	1	0	1	0
Totals	5139.76	145	0.51	36	37	24	21	12	8	6	1

Under the terms of the acquisition agreement for the Catalão Property, Vaaldiam will hold 100% ownership of the Property, subject to Rio Tinto retaining an option to acquire a 60% interest in any kimberlite pipe that has been bulk sampled, resulting in the recovery of at least 200 carats of commercial sized diamonds. Rio Tinto would exercise this option by fully funding a feasibility study relating to the kimberlite and, should the feasibility study be successful, by providing Vaaldiam with a non-recourse project loan to finance Vaaldiam's share of mine development costs, thereby allowing Vaaldiam to retain a 40% equity interest in cash flow from the mine without the need to raise development equity funding. This non-recourse loan would be repaid to Rio Tinto from a portion of Vaaldiam's share of cash flow from the deposit. Should Rio Tinto not exercise its option then Vaaldiam would continue to own 100% of that kimberlite deposit to be dealt with at Vaaldiam's sole discretion. Any alluvial deposits developed on the property would be 100% owned by Vaaldiam.

Vaaldiam plans to pursue an aggressive evaluation program which includes definition drilling to further define the known kimberlites on the Property, and the completion of an additional bulk sampling program recovering approximately 150 tonnes of kimberlite from the Catalão diamond bearing kimberlites. It is expected that the processing of the mini-bulk sample will be completed at Rio Tinto's diamond recovery facility in Brasília, or at Vaaldiam's diamond recovery facility located at its Braúna property in the State of Bahia.

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 & 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.