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April 30, 2007

Dr. Matthew Manson  
President  
Ashton Mining of Canada Inc.  
Unit 116, 980 West 1<sup>st</sup> Street  
North Vancouver, B.C.  
V7P 3N4

Dear Matt:

**Re: Coronation Gulf Diamond Properties Joint Venture**

We are finally in receipt of the mini-bulk sample results from SGS Lakefield Laboratories for the Artemisia and Perseus kimberlites. Unfortunately, the results from the mini-bulk sampling of both of the kimberlites were not what we had all hoped for. Processing of the 100 tonne sample from Artemisia resulted in a recovered grade of 14.77 cpht. Processing of approximately one tonne of kimberlite float from the Perseus dike failed to recover any commercial sized diamonds.

Till sampling and ground geophysics completed during our 2006 summer program did identify a number of small anomalies, however, these anomalies appear to be quite small, and in our opinion are not worthy of drill testing.

I have attached a short summary report by Paul Daigle, P. Geo. who supervised the exploration work completed by our contractor Apex Geoscience. Apex is preparing a summary report that will detail all of the exploration work completed, and the results. We hope that this report will be completed by the end of May, and we will instruct Apex to provide you with copies of the report for your review.

With respect to the continuation of our joint venture, given our high level of activities and commitments in Brazil, we have decided not to continue with a second year of exploration on your Coronation Gulf Properties.

During the coming weeks, we will be in touch with your office to provide you with the project accounting, and compilation of final results as soon as they are available from Apex and SGS Lakefield.

We would like to wish you the best of luck with your projects.

Yours truly,

VAALDIAM RESOURCES LTD.

A handwritten signature in black ink, appearing to be "Ken Johnson", written over a horizontal line.

Ken Johnson  
President and Chief Executive Office

Enclosure: