



DIAZ RESOURCES LTD.

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DIAZ UPDATES LLOYDMINSTER HEAVY OIL DEVELOPMENT PROJECT

Diaz Resources Ltd. (TSX: DZR) has been informed by Harvest Operations Corp., the interim operator, that the three additional horizontal heavy oil wells drilled in the first quarter of 2010, at Lloydminster, Alberta, began producing on May 20, 2010. This now brings to a total of seven wells producing in section 18-48-1 W4, in which Diaz holds a 50% working interest.

Diaz anticipates taking over as operator in July, 2010 at which time it will update the production from the three new wells.

Diaz plans to drill up to five more horizontal heavy oil wells in section 18-48-1 W4 in 2010.

In addition to section 18-48-1W4, Diaz has acquired an 80 % working interest in 2000 gross acres in the Lloydminster area, in close proximity to its current development.

A key parcel, comprised of 400 acres, is located in the north and eastern part of section 7-48-1 W4, on which two older abandoned wells show bypassed oil pay based on electric log analysis. This parcel is situated immediately south of a Diaz operated well, 2-18-48-1 W4 which is currently producing at approximately 65 barrels of oil per day.

Diaz is an oil and gas exploration and production company based in Calgary, Alberta. Diaz's current focus is on oil development and exploration in Alberta and Saskatchewan.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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ADVISORY: This press release contains forward looking statements. Although Diaz believes that the expectations reflected in these forward looking statements are reasonable, undue reliance should not be placed on them because Diaz can give no assurance that they will prove to be correct. Since forward looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties.

The forward looking statements contained in this press release are made as of the date hereof and Diaz undertakes no obligations to update publicly or revise any forward looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

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