



DIAZ RESOURCES LTD.

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DIAZ UPDATES LLOYDMINSTER HEAVY OIL PRODUCTION

Diaz Resources Ltd. (TSX: DZR) is pleased to provide an update on production from the three previously announced Lloydminster horizontal heavy oil wells, which were drilled in the first quarter of 2010.

The three wells, which started producing May 21, 2010, are currently averaging 170 Bopd combined (Diaz : 85 Bopd net).

The addition of the three Lloydminster wells increases Diaz's current net production to approximately 600 Boepd, comprising 30 % oil.

Diaz has a 50 % working interest in section 18-48-1 W4 which now has 7 producing horizontal oil wells.

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

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.

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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.

Where amounts are expressed on a barrel of oil equivalent (boe) basis, natural gas volumes have been converted to barrels of oil at six thousand cubic feet (mcf) per barrel (bbl). Boe figures may be misleading, particularly if used in isolation. A boe conversion of six thousand cubic feet per barrel is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. References to oil in this discussion include crude oil and natural gas liquids (NGLs).

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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