



DIAZ RESOURCES LTD.

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DIAZ ANNOUNCES FILING OF SECOND QUARTER 2011

Diaz Resources Ltd. (TSXV: DZR) announces that it has filed on SEDAR its Interim Financial Statements and MD&A for the six months ended June 30, 2011.

In late June 2011, Diaz completed an \$8.0 million private placement of secured convertible debentures. The financing allowed Diaz to repay its bank debt and to exit the quarter with positive working capital of \$317,000. Subsequent to the quarter, Diaz drilled three new Lloydminster heavy oil wells and has moved the rig to 15-7-48-1 W4 in the adjacent section for a fourth well. Initial production from the first two wells commenced at 80 bopd and final equipping of the third well is underway.

Subsequent to the quarter end, Diaz sold, through separate transactions, three non-core properties with a fourth transaction to close by August 30, 2011. The sale of the properties, which comprised minor production volumes, will generate approximately \$1.6 million. The Company's available bank line, currently undrawn, was reduced by \$200,000 to \$3.3 million as a result of the dispositions.

In addition, Diaz has farmed out part of its interest in a title preserving well in Section 7-48-1 W4, adjacent to its current Lloydminster development, to Tuscany Energy Ltd. As part of the farmout, Tuscany will fund 75% of the drilling, completion and equipment costs in the initial test well. Diaz will retain a 15% interest, until payout, after which Diaz will back-in for a 45% working interest. The test well is being drilled at the time of this report.

As a result of the non-core property disposals and the farmout arrangement, Diaz will be able to add four new wells to its Lloydminster production base without the need to draw on its bank line during the third quarter. This leaves Diaz well positioned to proceed with additional drilling in the fourth quarter, at Lloydminster and other heavy oil prospects, after the results of the current program have been assessed.

Diaz plans to continue development drilling in its Lloydminster heavy oil pool while commencing to exploit its inventory of lands prospective for heavy oil accumulations in Alberta and Saskatchewan.

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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