



DIAZ RESOURCES LTD.

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The following is for immediate release in Canada, Monday, October 6, 2003.

DIAZ UPDATES TEXAS DRILLING PROGRAM

Diaz reports that its second well on the Mustang Creek prospect, the Lehrer #2, has reached a depth of 14,125' and has encountered encouraging gas shows in each of the Wilcox 13 and Simpson sands. The well is planned to be drilled to 17,000' feet to test deeper Wilcox sands, identified on 3-D seismic. Diaz has a 9% working interest in the Lehrer #2 well.

Diaz will also be participating in a well, on the Hound Dog prospect, Lavaca County, a 15,500' lower Wilcox test which is planned to commence on approximately December 1, 2003. Diaz will pay 15% to casing point and will retain a 22.5% working interest in this well.

Diaz's Provident City #1 well on the same trend as the Mustang Creek and Hound Dog prospects, is producing gas at a rate of 12.2 million cubic feet per day, with a flowing tubing pressure of 6950 psi. This well has produced over 1.1 BCF in the last three months. Diaz holds a 12.7% interest in the well.

Finally, the Lehrer #1 well, the discovery well drilled on the Mustang Creek prospect, is producing at 1.8 million cubic feet per day, with a flowing tubing pressure of 1725 psi. This well was completed in three of the lowest Wilcox sands. Diaz holds an 8% working interest in the Lehrer #1.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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Forward looking statements – statements included in this press release that are not historical facts may be considered “forward looking statements.” All estimates and statements that describe the Company's objectives, goals or future plans are forward looking statements. Forward looking statements involve inherent risks and uncertainties where actual results could differ materially from those currently anticipated.

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