



DIAZ RESOURCES LTD.

#1800, 633 Sixth Avenue S.W.
Calgary, Alberta
T2P 2Y5 Canada

The following is for immediate release in Canada, Thursday, October 23, 2003.

DIAZ ANNOUNCES CLOSING OF \$4 MILLION PRIVATE PLACEMENT

Diaz Resources Ltd. is pleased to report that its previously announced offering of 9,756,097 Class A subordinate voting shares at an issue price of \$0.41 per share, was fully subscribed and has closed, resulting in gross proceeds of approximately \$4 million. The offering was led by Griffiths McBurney & Partners and included Canaccord Capital Corporation and Acumen Capital Finance Partners, as agents.

Humboldt Capital Corporation, an insider of Diaz and Diaz's largest shareholder, acquired 1,219,512 Class A Shares pursuant to the offering. Humboldt, together with R.W. Lamond, who owns 67% of Humboldt's outstanding shares, now own a total of 17,035,855 Class A shares and 4,240,862 Class B shares, or 38.3% of the outstanding shares of Diaz.

After giving effect to the offering, Diaz has 49,458,831 Class A shares outstanding and 6,173,555 Class B shares outstanding.

Net proceeds from the offering will be used to fund increased capital expenditures by Diaz in southern Alberta and in Texas.

Diaz is an oil and gas exploration and production company based in Calgary, Alberta. Diaz's current focus is on shallow gas developments in southern Alberta and deep gas exploration in Texas.

This press release should not constitute an offer to sell or the solicitation of an offer to buy the common shares in any jurisdiction. Such securities have not been registered under the United States Securities Act of 1933 and may not be offered or sold in the United States, or to a U.S. person absent registration, or an applicable exemption therefrom.

FOR FURTHER INFORMATION, PLEASE CONTACT:

Robert W. Lamond, Chairman

Charles A. (Tony) Teare, Executive V.P.

DIAZ RESOURCES LTD.

Telephone: (403) 269-9889

Fax: (403) 269-9890

Website: www.diazresources.com

Email: info@diazresources.com

TSX: DZR.a / DZR.b

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.

THE TORONTO STOCK EXCHANGE HAS NOT REVIEWED AND DOES NOT ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.