



DIAZ RESOURCES LTD.

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The following is for immediate release in Canada, Friday, August 13, 2004.

DIAZ ANNOUNCES NORMAL COURSE ISSUER BIDS

Diaz Resources Ltd. ("Diaz") announces that it has filed notice with The Toronto Stock Exchange ("the Exchange") to make Normal Course Issuer Bids (the "Bids"), to purchase through the facilities of the Exchange, from time to time, as it considers advisable, up to 2,550,000 of the issued and outstanding Class A Subordinate Voting Shares (the "Class A Shares") (being approximately 5% of the 51,159,831 Class A Shares outstanding at July 31, 2004), and up to 290,000 of the issued and outstanding Class B Multiple Voting Shares (the "Class B Shares") (being approximately 5% of the 5,973,055 Class B shares outstanding at July 31, 2004).

The Bids will commence on August 18, 2004 and terminate on the earlier of August 17, 2005 and the date on which Diaz acquires all of the shares sought pursuant to the Bids. The price which Diaz will pay for any shares purchased by it will be the prevailing market price of such shares on the Exchange at the time of purchase. Any shares acquired by Diaz pursuant to the Bids will be cancelled.

Pursuant to a normal course issuer bid through the facilities of the Exchange that commenced on August 11, 2003, during the prior 12 months Diaz purchased 249,000 Class A Shares at an average cost of \$0.45 per share, and 200,500 Class B Shares at an average cost of \$0.59 per share. All shares were purchased on the Exchange and have been cancelled.

Diaz believes that the price of the Class A Shares and Class B Shares may not reflect their underlying value, from time to time, and that, at such times, the purchase of Class A Shares or Class B Shares will increase the proportionate interest of, and be advantageous to, all remaining shareholders.

Diaz is a Calgary based oil and gas exploration Company with production in Alberta, Saskatchewan and Texas. Diaz is currently focused on exploring for natural gas in Alberta.

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.

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