



DIAZ RESOURCES LTD.

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The following is for immediate release in Canada, Monday, October 4, 2004.

DIAZ PARTICIPATES IN DEEP TEXAS WILCOX GAS WELL

Diaz Resources Ltd. today reported that it has finalized an agreement with several U.S. exploration companies that have committed to drill a 16,800-foot Wilcox gas test on Diaz's Allen Ranch Prospect located in Colorado County, Texas. The well is targeting multiple Wilcox gas zones.

Diaz has received \$120,000 U.S. for its share of the farmout lands and will be participating for a 10% working interest and will be carried for an additional 10% working interest through the drilling, resulting in a 20% working interest at casing point.

Plans are underway to begin construction of the lease and the drilling rig is scheduled to spud the well in November 2004.

The Allen Ranch well is located 4 miles from Diaz's two Provident City wells, which are currently producing at a combined rate of 13.9 Mcfd. Diaz holds a 12.9% working interest in these wells.

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.

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