



DIAZ RESOURCES LTD.

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The following is for immediate release in Canada at 10:00a.m., Thursday, March 31, 2005.

DIAZ ANNOUNCES PROPOSAL TO SIMPLIFY SHARE STRUCTURE

Diaz Resources Ltd. today announced that at Diaz's Annual and Special Meeting to be held on June 9, 2005, the Board of Directors will propose that the shareholders approve a special resolution to simplify the Company's share structure by changing the currently outstanding Class B Multiple Voting ("MV") Shares and the Class A Subordinate Voting ("SV") Shares into one class of Common Shares, on a one-for-one basis.

At present, the Corporation has issued and outstanding 5,963,055 MV Shares and 53,837,831 SV Shares. If approved, Diaz will have in total 59,800,886 Common Shares outstanding.

The change in the share structure of the Corporation is being proposed in order to simplify its corporate share structure. The Board believes the change will improve the liquidity of Diaz shares and will aid the Corporation's ongoing rationalization process. The change will align the Corporation's corporate governance with those of its peers and thereby expand the number of investors able to purchase Diaz shares. In addition, it will reduce certain reporting costs for the Corporation.

The Corporation's largest shareholders, R.W. Lamond and Humboldt Capital Corporation together presently own 72% of the outstanding MV Shares and 34% of the outstanding SV Shares and have indicated to Diaz that they propose to vote in favour of the amendment of this share structure.

Approvals Required

In accordance with applicable corporate law requirements, the Special Resolution is required to be passed by a majority of not less than two-thirds (2/3) of the votes cast by holders of the MV Shares and two-thirds (2/3) of the votes cast by holders of the SV Shares, voting separately as classes.

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, natural gas exploration in central and southern Alberta and deep gas exploration in Texas.

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.