



DIAZ RESOURCES LTD.

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The following is for immediate release in Canada, Wednesday, May 11, 2005.

DIAZ ANNOUNCES HARMATTAN 7-29 WELL ABANDONED

Diaz Resources Ltd. today announced that the 7-29-31-2 W5 well, the second well in the multi-well Harmattan program, was plugged and abandoned yesterday. This well located approximately 1.7 kilometres south of the first Harmattan discovery well encountered gas charged sands with low permeability. The targeted multi-zone pay horizons were not productive in this wellbore. The Company holds a 45% working interest in this well.

Diaz is currently moving a rig to the next follow-up drilling location, approximately 1.6 kilometres east of the first discovery well, and expects to spud this week.

Diaz's first Harmattan discovery well, 40% working interest, drilled late in 2004 resulted in a multi-zone discovery of oil and gas. Production facilities and pipelines were installed and production commenced on April 15, 2005. The well is capable of flowing 600 Bopd with 960 Mcfd gas but will be restricted to its initial allowable rate of 126 Bopd. Diaz has applied for Good Production Practice which, when approved, would allow it to produce the well at substantially increased rates.

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.

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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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