



DIAZ RESOURCES LTD.

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The following is for immediate release in Canada, Friday, June 10, 2005.

DIAZ CONFIRMS HARMATTAN OIL DISCOVERY AND ANNOUNCES CHANGE IN CAPITAL STRUCTURE

Diaz Resources Ltd. confirmed today that it had encountered 21 feet of oil pay in the Glauconite formation at its previously announced Harmattan discovery. The well tested at over 650 Bopd and 980 Mcfd and has since been granted Good Production Practice. This will allow Diaz to increase the production rate to approximately 400 Bopd and 900 Mcfd, effective immediately.

Diaz, operator of the well, holds a 40% working interest in the Harmattan well with partners Rally Energy Corporation – 50% and Sharon Energy Ltd. – 10%.

Diaz confirms that at its Annual and Special Meeting on June 9, 2005, the Shareholders approved a resolution to amend the articles of the Corporation to change the issued and outstanding Subordinate Voting Shares and Multiple Voting Shares into Common Shares on a one-for-one basis. The amended articles to reflect the change have been filed and the Common Shares have been conditionally approved for listing on the Toronto Stock Exchange. Upon receipt of final approval, Diaz anticipates the shares will trade as Common Shares under the symbol: DZR at mid-next week, at which time the Subordinate Voting Shares and Multiple Voting Shares will no longer trade.

Diaz also announces that Robert L. McPherson, President of KVR Resources Ltd. and John G.F. McLeod, President of Onco Petroleum Inc. have been appointed to the Company's Board of Directors.

Finally, the Corporation's Board of Directors approved a capital budget of \$12.6 million for 2005.

A copy of the Corporation's Annual and Special Meeting presentation may be viewed at www.diazresources.com.

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**