



DIAZ RESOURCES LTD.

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The following is for release in Canada, Monday, November 21, 2005.

DIAZ REPORTS UPDATED RESERVE EVALUATION AND CORPORATION'S NET PRESENT VALUE SUMMARY

Diaz Resources Ltd. today announced that an evaluation of the Company's oil and gas reserves effective September 30, 2005 has assigned total proved and probable reserves of 5,047 MBOE to the Company's properties, an increase of 4% from the December 31, 2004 evaluation. The reserves were assigned a net present value, before tax, of \$118.5 million based on forecast prices and cost, using a 10% discount rate, an increase of 80% from December 31, 2004.

The most significant change in the Company's reserves was in the United States, as a result of activity during 2005. The reserves in the United States increased by 31%, to 1,871 MBOE and the net present value, before tax, based on forecast prices and cost using a 10% discount rate, increased by 134%, to \$47.8 million (\$40.6 million U.S. dollars).

Company Net Present Value

The net present value is based on the engineering evaluation prepared by AJM Petroleum Consultants with an effective date of September 30, 2005 (the "AJM Report"). The present value of the Company's reserves, presented in the table below, discounted at 10% before income tax and 5% after income tax, is extracted from the AJM Report. Seaton Jordan & Associates Ltd. has evaluated undeveloped acreage at September 30, 2005, in compliance with National Instrument 51-101 Standards of Disclosure (the "Seaton Jordan Report"), after tax rates for the land value, assuming the land is sold at the report date.

The Company's net debt is based on its interim financial statements as at September 30, 2005 and does not include liability for future net income tax or asset retirement obligation.

The number of shares outstanding at September 30, 2005 was 59,815,000. Net asset value per share has been fully diluted by 3,558,000 options to purchase common shares at an average price of \$0.53 per share and the implied proceeds have been added to the net asset value.

It should not be assumed that net present value represents fair market value. Net present value is dependent upon a number of critical assumptions including the future price of commodities, the timing of production and the estimate of reserves.

NET PRESENT VALUE
EFFECTIVE SEPTEMBER 30, 2005

	Before Tax (Millions)	After Tax (Millions)
	Discount Rate:	
	10%	5%
RESERVES		
Proved	\$ 77.1	\$ 65.3
Probable	41.4	36.0
Total proved + Probable	118.5	101.3
UNDEVELOPED LAND ⁽¹⁾	6.3	4.0
NET DEBT	(7.7)	(7.7)
TOTAL NET PRESENT VALUE	\$ 117.1	\$ 97.6
TOTAL NET PRESENT VALUE PER SHARE	\$ 1.88	\$ 1.57
SHARES OUTSTANDING	59.8	59.8
OPTIONS	3.6	3.6
TOTAL FULLY DILUTED	63.4	63.4

⁽¹⁾ In the Seaton Jordan Report, fair value is determined based on the following factors:

1. the acquisition cost, provided that there have been no material changes in the unproved property, the surrounding properties, or the general oil and gas climate since the acquisition;
2. recent sales by others of interests in the same unproved property;
3. terms and conditions, expressed in monetary terms, of recent farm-in agreements;
4. terms and conditions, expressed in monetary terms, of recent work commitments related to the unproved property; and
5. recent sales of similar properties in the same general area.

Reserves

The following tables summarize the oil, liquids and natural gas reserves of the Corporation and the net present values of future net revenue for these reserves using constant prices and costs and forecast prices and costs as derived from the AJM Report. The Reserves Data conforms to the requirements of National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities ("NI 51-101").

All of the Corporation's reserves are in Canada and the United States and, specifically, in the provinces of Alberta and Saskatchewan, in Canada and in the United States, in Texas.

It should not be assumed that the estimates of future net revenues, whether calculated before or after tax or with or without a discount rate, presented in the tables below represent the fair market value of the reserves. There is no assurance that the constant prices and costs assumptions and forecast prices and costs assumptions will be attained and variances could be material. The recovery and reserve estimates of reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. The actual reserves may be greater or less than the estimates provided herein.

For the purpose of presentation in certain tables that follow, US dollar amounts in the AJM Report have been converted to Canadian dollars, at AJM's forecast exchange rate of \$0.85 US, unless otherwise stated.

Forecast Prices and Costs

SUMMARY OF OIL AND GAS RESERVES
AND NET PRESENT VALUES OF FUTURE NET REVENUE
AS OF SEPTEMBER 30, 2005
FORECAST PRICES AND COSTS

<u>COMPANY TOTAL</u>	RESERVES							
	LIGHT AND MEDIUM OIL		HEAVY OIL		NATURAL GAS		NATURAL GAS LIQUIDS	
	Gross (MBbl)	Net (MBbl)	Gross (MBbl)	Net (MBbl)	Gross (MMcf)	Net (MMcf)	Gross (MBbl)	Net (MBbl)
RESERVES CATEGORY								
PROVED								
Developed Producing	182	152	3	2	7,555	6,153	29	21
Developed Non-producing	-	-	-	-	1,483	1,189	1	0
Undeveloped	-	-	-	-	6,889	5,955	13	10
TOTAL PROVED	182	152	3	2	15,927	13,297	43	31
PROBABLE	41	33	9	7	12,597	10,281	17	12
TOTAL PROVED PLUS PROBABLE	223	184	11	9	28,524	23,578	59	43

<u>COMPANY TOTAL</u>	NET PRESENT VALUES OF FUTURE NET REVENUE ⁽¹⁾									
	BEFORE INCOME TAXES DISCOUNTED AT (% per year)					AFTER INCOME TAXES DISCOUNTED AT (% per year)				
	0	5	10	15	20	0	5	10	15	20
RESERVES CATEGORY										
PROVED										
Developed Producing	60.5	52.9	47.5	43.4	40.1	47.0	41.2	37.1	34.0	31.6
Developed Non-producing	10.0	8.6	7.4	6.5	5.9	6.3	5.3	4.7	4.2	3.7
Undeveloped	38.7	28.5	22.2	18.0	14.8	25.7	18.8	14.5	11.5	9.4
TOTAL PROVED	109.3	90.0	77.1	67.9	60.8	79.0	65.3	56.3	49.7	44.6
PROBABLE	80.1	55.9	41.4	32.3	26.0	51.9	36.0	26.7	20.5	16.5
TOTAL PROVED PLUS PROBABLE	189.4	145.9	118.5	100.1	86.8	130.9	101.3	82.9	70.2	61.1

SUMMARY OF OIL AND GAS RESERVES
AND NET PRESENT VALUES OF FUTURE NET REVENUE
AS OF SEPTEMBER 30, 2005
FORECAST PRICES AND COSTS (CDN \$)

<u>CANADIAN PROPERTIES</u>	RESERVES							
	LIGHT AND MEDIUM OIL		HEAVY OIL		NATURAL GAS & SOLUTION GAS		NATURAL GAS LIQUIDS	
	Gross (MBbl)	Net (MBbl)	Gross (MBbl)	Net (MBbl)	Gross (MMcf)	Net (MMcf)	Gross (MBbl)	Net (MBbl)
RESERVES CATEGORY								
PROVED								
Developed Producing	182	152	3	2	4,508	3,837	17	12
Developed Non-producing	-	-	-	-	507	439	1	0
Undeveloped	-	-	-	-	6,308	5,508	13	10
TOTAL PROVED	182	152	3	2	11,322	9,784	31	22
PROBABLE	41	33	9	7	6,054	5,288	15	11
TOTAL PROVED PLUS PROBABLE	223	184	11	9	17,376	15,072	46	33

<u>CANADIAN PROPERTIES</u>	NET PRESENT VALUES OF FUTURE NET REVENUE									
	BEFORE INCOME TAXES DISCOUNTED AT (% per year)					AFTER INCOME TAXES DISCOUNTED AT (% per year)				
	0	5	10	15	20	0	5	10	15	20
RESERVES CATEGORY	(MM\$)	(MM\$)	(MM\$)	(MM\$)	(MM\$)	(MM\$)	(MM\$)	(MM\$)	(MM\$)	(MM\$)
PROVED										
Developed Producing	38.9	33.4	29.6	26.8	24.6	33.1	28.6	25.6	23.3	21.6
Developed Non-producing	3.2	2.8	2.5	2.3	2.1	2.1	1.8	1.6	1.5	1.3
Undeveloped	36.1	26.3	20.2	16.1	13.2	24.2	17.4	13.2	10.3	8.3
TOTAL PROVED	78.2	62.6	52.3	45.1	39.8	59.4	47.8	40.3	35.1	31.2
PROBABLE	38.8	26.0	18.6	13.9	10.8	25.9	17.3	12.3	9.1	7.0
TOTAL PROVED PLUS PROBABLE	117.0	88.6	70.9	59.0	50.6	85.3	65.1	52.6	44.2	38.2

SUMMARY OF OIL AND GAS RESERVES
AND NET PRESENT VALUES OF FUTURE NET REVENUE
AS OF SEPTEMBER 30, 2005
FORECAST PRICES AND COSTS (U.S. DOLLARS)

<u>U.S. PROPERTIES</u>	RESERVES							
	LIGHT AND MEDIUM OIL		HEAVY OIL		NATURAL GAS		NATURAL GAS LIQUIDS	
	Gross (MBbl)	Net (MBbl)	Gross (MBbl)	Net (MBbl)	Gross (MMcf)	Net (MMcf)	Gross (MBbl)	Net (MBbl)
RESERVES CATEGORY								
PROVED								
Developed Producing	-	-	-	-	3,048	2,316	12	9
Developed Non-producing	-	-	-	-	976	750	-	-
Undeveloped	-	-	-	-	582	447	-	-
TOTAL PROVED	-	-	-	-	4,605	3,513	12	9
PROBABLE	-	-	-	-	6,543	4,993	1	1
TOTAL PROVED PLUS PROBABLE	-	-	-	-	11,148	8,506	13	10

<u>U.S. PROPERTIES</u>	NET PRESENT VALUES OF FUTURE NET REVENUE									
	BEFORE INCOME TAXES DISCOUNTED AT (% per year)					AFTER INCOME TAXES DISCOUNTED AT (% per year)				
	0	5	10	15	20	0	5	10	15	20
RESERVES CATEGORY	(MM\$)	(MM\$)	(MM\$)	(MM\$)	(MM\$)	(MM\$)	(MM\$)	(MM\$)	(MM\$)	(MM\$)
PROVED										
Developed Producing	18.4	16.6	15.2	14.1	13.2	11.8	10.7	9.8	9.1	8.5
Developed Non-producing	5.8	4.9	4.2	3.6	3.2	3.6	3.0	2.6	2.3	2.0
Undeveloped	2.2	1.9	1.7	1.6	1.4	1.3	1.2	1.1	1.0	0.9
TOTAL PROVED	26.3	23.4	21.1	19.3	17.8	16.8	14.9	13.5	12.3	11.4
PROBABLE	35.1	25.4	19.4	15.6	12.9	22.1	15.9	12.2	9.7	8.1
TOTAL PROVED PLUS PROBABLE	61.4	48.8	40.6	34.9	30.7	38.8	30.8	25.7	22.0	19.4

Constant Prices and Costs

SUMMARY OF OIL AND GAS RESERVES
AND NET PRESENT VALUES OF FUTURE NET REVENUE
AS OF SEPTEMBER 30, 2005
CONSTANT PRICES AND COSTS (CDN DOLLARS)

<u>COMPANY TOTAL</u>	RESERVES							
	LIGHT AND MEDIUM OIL		HEAVY OIL		NATURAL GAS		NATURAL GAS LIQUIDS	
	Gross (MBbl)	Net (MBbl)	Gross (MBbl)	Net (MBbl)	Gross (MMcf)	Net (MMcf)	Gross (MBbl)	Net (MBbl)
RESERVES CATEGORY								
PROVED								
Developed Producing	182	152	3	2	7,580	6,173	29	21
Developed Non-producing	\$ -	\$ -	\$ -	\$ -	1,484	1,191	\$ 0	\$ 0
Undeveloped	\$ -	\$ -	\$ -	\$ -	6,904	5,960	14	10
TOTAL PROVED	182	152	3	2	15,968	13,324	42	31
PROBABLE	41	33	10	8	12,666	10,337	17	12
TOTAL PROVED PLUS PROBABLE	223	185	12	10	28,633	23,661	59	43

<u>COMPANY TOTAL</u>	NET PRESENT VALUES OF FUTURE NET REVENUE ⁽¹⁾									
	BEFORE INCOME TAXES DISCOUNTED AT (% per year)					AFTER INCOME TAXES DISCOUNTED AT (% per year)				
	0	5	10	15	20	0	5	10	15	20
RESERVES CATEGORY	(MM\$)	(MM\$)	(MM\$)	(MM\$)	(MM\$)	(MM\$)	(MM\$)	(MM\$)	(MM\$)	(MM\$)
PROVED										
Developed Producing	87.1	75.8	67.5	61.0	55.9	64.2	55.8	49.9	45.4	41.8
Developed Non-producing	15.9	13.4	11.4	10.3	9.1	10.1	8.5	7.4	6.5	5.8
Undeveloped	59.5	45.1	35.5	29.1	24.3	39.7	29.6	23.2	18.8	15.6
TOTAL PROVED	162.6	134.3	114.4	100.3	89.4	114.0	93.9	80.5	70.6	63.2
PROBABLE	126.3	89.5	67.4	53.0	43.2	81.6	57.5	43.1	33.7	27.4
TOTAL PROVED PLUS PROBABLE	288.9	223.8	181.7	153.3	132.6	195.6	151.4	123.6	104.3	90.6

SUMMARY OF OIL AND GAS RESERVES
AND NET PRESENT VALUES OF FUTURE NET REVENUE
AS OF SEPTEMBER 30, 2005
CONSTANT PRICES AND COSTS (CDN DOLLARS)

<u>CANADIAN PROPERTIES</u>	RESERVES							
	LIGHT AND MEDIUM OIL		HEAVY OIL		NATURAL GAS & SOLUTION GAS		NATURAL GAS LIQUIDS	
	Gross (MBbl)	Net (MBbl)	Gross (MBbl)	Net (MBbl)	Gross (MMcf)	Net (MMcf)	Gross (MBbl)	Net (MBbl)
RESERVES CATEGORY								
PROVED								
Developed Producing	182	152	3	2	4,532	3,857	17	12
Developed Non-producing	-	-	-	-	508	441	0	0
Undeveloped	-	-	-	-	6,323	5,513	14	10
TOTAL PROVED	182	152	3	2	11,363	9,811	31	22
PROBABLE	41	33	10	8	6,123	5,344	16	11
TOTAL PROVED PLUS								
PROBABLE	223	185	12	10	17,486	15,155	46	33

<u>CANADIAN PROPERTIES</u>	NET PRESENT VALUES OF FUTURE NET REVENUE									
	BEFORE INCOME TAXES DISCOUNTED AT (% per year)					AFTER INCOME TAXES DISCOUNTED AT (% per year)				
	0	5	10	15	20	0	5	10	15	20
RESERVES CATEGORY	(MM\$)	(MM\$)	(MM\$)	(MM\$)	(MM\$)	(MM\$)	(MM\$)	(MM\$)	(MM\$)	(MM\$)
PROVED										
Developed Producing	52.2	44.5	39.1	35.0	31.8	41.9	35.9	31.8	28.8	26.4
Developed Non-producing	4.6	4.0	3.5	3.2	2.9	3.0	2.6	2.3	2.0	1.9
Undeveloped	54.6	40.5	31.4	25.2	20.8	36.5	26.8	20.6	16.4	13.4
TOTAL PROVED	111.4	89.0	74.0	63.4	55.5	81.4	65.3	54.7	47.2	41.6
PROBABLE	56.0	38.1	27.6	20.9	16.4	37.5	25.4	18.3	13.7	10.7
TOTAL PROVED PLUS										
PROBABLE	167.4	127.1	101.6	84.3	71.9	118.9	90.7	73.0	60.9	52.3

SUMMARY OF OIL AND GAS RESERVES
AND NET PRESENT VALUES OF FUTURE NET REVENUE
AS OF SEPTEMBER 30, 2005
CONSTANT PRICES AND COSTS (US DOLLARS)

<u>U.S. PROPERTIES</u>	RESERVES							
	LIGHT AND MEDIUM OIL		HEAVY OIL		NATURAL GAS		NATURAL GAS LIQUIDS	
	Gross (MBbl)	Net (MBbl)	Gross (MBbl)	Net (MBbl)	Gross (MMcf)	Net (MMcf)	Gross (MBbl)	Net (MBbl)
RESERVES CATEGORY								
PROVED								
Developed Producing	-	-	-	-	3,042	2,316	12	9
Developed Non-producing	-	-	-	-	976	750	-	-
Undeveloped	-	-	-	-	582	447	-	-
TOTAL PROVED	-	-	-	-	4,600	3,513	12	9
PROBABLE	-	-	-	-	6,543	4,993	1	1
TOTAL PROVED PLUS PROBABLE	-	-	-	-	11,142	8,506	13	10

<u>U.S. PROPERTIES</u>	NET PRESENT VALUES OF FUTURE NET REVENUE									
	BEFORE INCOME TAXES DISCOUNTED AT					AFTER INCOME TAXES DISCOUNTED AT				
	(% per year)					(% per year)				
RESERVES CATEGORY	0 (MM\$)	5 (MM\$)	10 (MM\$)	15 (MM\$)	20 (MM\$)	0 (MM\$)	5 (MM\$)	10 (MM\$)	15 (MM\$)	20 (MM\$)
PROVED										
Developed Producing	29.7	26.6	24.1	22.1	20.5	19.0	16.9	15.4	14.1	13.1
Developed Non-producing	9.6	8.0	6.7	6.0	5.3	6.0	5.0	4.3	3.8	3.3
Undeveloped	4.2	3.9	3.5	3.3	3.0	2.7	2.4	2.2	2.0	1.9
TOTAL PROVED	43.5	38.5	34.5	31.3	28.8	27.7	24.4	21.9	19.9	18.3
PROBABLE	59.8	43.7	33.8	27.3	22.8	37.5	27.3	21.1	17.0	14.2
TOTAL PROVED PLUS PROBABLE	103.4	82.2	68.3	58.6	51.5	65.1	51.8	43.0	36.9	32.5

Notes:

- "Gross" means the Company's total working interest (operating and non-operating) share before deduction of royalties payable to others and without including any royalty interests of the Company. "Net" reserves means the total working interest (operating and non-operating) share after deduction of royalty obligations plus the Company's royalty interests in reserves. Other definitions, including reserve categories, are as defined in National Instrument 51-101.
- Columns may not add due to rounding.

Pricing Assumptions

The following sets for the benchmark reference prices, as at September 30, 2005, reflected in the reserves information. These price assumptions were provided to the Corporation by AJM.

SUMMARY OF PRICING ASSUMPTIONS
AS OF SEPTEMBER 30, 2005
CONSTANT PRICES AND COSTS

YEAR	OIL ⁽¹⁾			NATURAL GAS ⁽¹⁾		NGL's ⁽¹⁾		
	WTI	Edmonton				Edmonton	Edmonton	Edmonton
	Cushing	Par Price	Hardisty	AECO	NYMEX	Par Price	Par Price	Par Price
	Oklahoma	40 ⁰ API	Lloyd Blend	Gas Price	Gas Price	Propane	Butane	Condensate
	(\$US/bbl)	(\$Cdn/bbl)	(\$Cdn/bbl)	(\$Cdn/Mcf)	(\$US/Mcf)	(\$Cdn/bbl)	(\$Cdn/bbl)	(\$Cdn/bbl)
2005 ⁽²⁾⁽³⁾	66.24	79.30	47.51	13.13	14.50	63.44	51.54	83.26

Notes:

- (1) These summary tables identify benchmark reference pricing schedules that might apply to a reporting issuer.
- (2) The exchange rate used to generate the benchmark reference prices in these tables is 0.8613 \$US/\$Cdn.
- (3) As at September 30.

SUMMARY OF PRICING AND INFLATION RATE ASSUMPTIONS
AS OF SEPTEMBER 30, 2005
FORECAST PRICES AND COSTS

YEAR	OIL			NATURAL GAS		NGL's		
	WTI Cushing Oklahoma (\$US/bbl)	Edmonton Par Price 40 ⁰ API (\$Cdn/bbl)	Hardisty Lloyd Blend (\$Cdn/bbl)	AECO Gas Price (\$Cdn/Mcf)	NYMEX Gas Price (\$US/Mcf)	Edmonton Par Price Propane (\$Cdn/bbl)	Edmonton Par Price Butane (\$Cdn/bbl)	Edmonton Par Price Condensate (\$Cdn/bbl)
Forecast								
2005	65.00	75.60	50.60	12.00	12.00	49.15	60.50	79.40
2006	65.00	78.40	53.40	11.00	10.00	50.95	62.70	82.30
2007	64.25	77.50	52.50	10.00	9.20	50.40	62.00	81.40
2008	62.45	75.30	50.30	8.90	8.30	48.95	60.25	79.05
2009	61.55	74.20	49.20	9.20	8.50	48.25	59.35	77.90
2010	59.55	71.80	46.80	9.35	8.65	46.65	57.45	75.40
2011	55.25	66.50	41.50	9.60	8.85	43.25	53.20	69.85
2012	56.35	67.85	42.85	9.80	9.00	44.10	54.30	71.25
2013	57.45	69.20	44.20	10.00	9.20	45.00	55.35	72.65
2014	58.60	70.60	45.60	10.20	9.35	45.90	56.50	74.15
2015	59.80	72.05	47.05	10.45	9.55	46.85	57.65	75.65
2016	60.95	73.50	48.50	10.70	9.75	47.80	58.80	77.20
2017	62.20	75.00	50.00	11.00	9.95	48.75	60.00	78.75
2018	63.45	76.50	51.50	11.20	10.15	49.75	61.20	80.35
2019	64.65	78.00	53.00	11.40	10.35	50.70	62.40	81.90
2020	65.95	79.60	54.60	11.70	10.55	51.75	63.70	83.60
2021	67.30	81.25	56.25	12.00	10.80	52.80	65.00	85.30
2022	68.65	82.85	57.85	12.20	11.00	53.85	66.30	87.00
2023	70.00	84.50	59.50	12.40	11.20	54.95	67.60	88.75
2024	71.45	86.30	61.30	12.75	11.45	56.10	69.05	90.60
2025+	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

Notes:

- (1) Inflation rates (for forecasting prices and costs) increasing at the rate of 2% per year.
- (2) Exchange rates (used to generate the benchmark reference prices in these tables) remaining constant at 0.85.

BOE Presentation

The term barrels of oil equivalent (BOE) may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf : 1 Bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. All BOE conversions in this press release are derived by converting gas to oil in the ratio of six Mcf of gas to one Bbl of oil.

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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THE ADEQUACY OR ACCURACY OF THIS RELEASE**