



DIAZ RESOURCES LTD.

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The following is for immediate release in Canada, Thursday, December 21, 2006

DIAZ ANNOUNCES CLOSING OF \$2.0 MILLION FLOW-THROUGH SHARE FINANCING

Diaz Resources Ltd. announced today that it has closed its previously announced \$2.0 million Flow-Through Share financing. Research Capital Corporation acting as agent, on a bought-deal basis, exercised its option to increase the size of the offering by 500,000 Flow-Through Shares which resulted in the issuance of 2,000,000 Flow-Through Shares of the Company, at an issue price of \$1.00 per Flow-Through Share. Subsequent to the closing, Diaz has 63,852,919 common shares outstanding.

Proceeds from the issuance of the Flow-Through Shares will be used to incur exploration expenses on the Company's Canadian oil and gas properties prior to December 31, 2007, which expenses will be renounced to subscribers of the Flow-Through Shares effective December 31, 2006.

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
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