



DIAZ RESOURCES LTD.

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The following is for immediate release in Canada, Friday, January 12, 2007

DIAZ ANNOUNCES AGREEMENT TO DRILL NEW DEEP WILCOX PROSPECT, COLORADO COUNTY, TEXAS

Diaz Resources Ltd. (TSX: DZR) announces that it has concluded an agreement with PETROHAWK Energy Corporation (NASDAQ: HAWK) to act as operator and drill a well on Diaz's "Cheney" deep Wilcox Prospect, Colorado County, Texas.

The prospect is situated 1.25 miles to the east of two of Diaz's current producing wells in the Allen Ranch field. In addition, the location lies 1 mile to the southeast of two recent Newfield Exploration Company wells, which have been announced by Newfield as deep Wilcox gas producers.

Drilling is expected to commence, on or about April 15, 2007. The well is to be drilled to a proposed depth of 18,100 feet and is targeting multiple Wilcox gas zones.

Diaz has a 20% working interest in 1,578 acres covering the prospect.

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.

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