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DIAZ ANNOUNCES FIRST QUARTER 2009 RESULTS

Diaz Resources Ltd. (TSX:DZR) (“Diaz”) announces that it has filed its Interim Report for the three months ended March 31, 2009.

Diaz’s revenue and cashflow results for the three months ended March 31, 2009, were lower when compared with Q1 2008, as improved natural gas production results in Canada were offset by a drop in U.S. production and a significant decline in oil and natural gas prices both in the U.S. and in Canada.

During the last quarter of 2008, Diaz drilled and completed a significant oil well at Lloydminster, Alberta, 50% WI. Diaz has been producing this well and closely monitoring its productivity over the past few months, and is pleased with recent improvements in oil production due to optimizing the well’s downhole configuration.

Financial

Revenue for the three months ended March 31, 2009, lowered to \$2.2 million compared with \$3.2 million for Q1 2008. Cash flow from operations decreased to \$614,000 or \$0.01 per share compared with \$1.6 million or \$0.02 per share in Q1 2008. Diaz reported a loss for the three month period of \$9.8 million or (\$0.15) per share versus a loss of \$381,000 or (\$0.01) per share in Q1 2008, as it took an impairment write down against its oil and gas assets of \$11.4 million.

Capital expenditures for the first quarter of 2009 totaled \$949,000 compared with \$2.5 million for Q1 2008. Capital expenditures were financed from cash flow from operations and debt. Diaz completed Q1 2009 with net current debt of \$8.7 million versus \$8.5 million at the beginning of the quarter. Diaz also had convertible debentures outstanding of \$7.1 million that mature on March 26, 2012.

Production

The Company’s production for the three month period ended March 31, 2009, decreased 3% to 791 BOEd compared with the Q1 2008 average of 816 BOEd. In Canada, natural gas production rates in the quarter were 31% higher than in the prior year, averaging 3.0 MMcfd compared with 2.3 MMcfd. The increase in Canadian gas production was offset by a reduction during the quarter of Canadian oil production by 28% and U.S. production by 37%.

Land Acquisition and Property Sale

During 2009, Diaz has acquired 9,611 acres (6,795 net acres) in Alberta and Saskatchewan. The Alberta lands were acquired to expand existing holdings at Big Bend. Diaz’s primary exploration focus is in Saskatchewan where the Company now has acreage on prospective Viking, Shaunavon and Bird Bear oil plays.

In May 2009, Diaz completed the sale of its interest in a non-operated oil property in the Carmangay, Alberta area for \$1.0 million. Diaz’s net production from the area was 16 Bopd and the sale equated to \$62,500 per flowing barrel. The proceeds from the sale were used to reduce Diaz’s bank debt.

Business Outlook

A weak natural gas pricing environment has led to a sharp reduction in the number of rigs drilling for natural gas over the last six months. The drop of rig activity in Canada and the U.S. should decrease domestic supply as rates from producing wells decline without new well production replacing the declines. However, even though natural gas prices have shown signs of strengthening recently, there is still considerable uncertainty as to when prices will again rise to above \$7.00 Mcf. Because of the uncertainty in the gas market and the underlying economy Diaz expects that natural gas prices will stay in the range of \$4.00 to \$6.00 per Mcf for the remainder of 2009.

Diaz plans to match capital spending to operating cashflows and has halted new projects until gas prices improve over current levels. Diaz's future exploration program will focus on developing its Canadian properties which can be managed within the Company's capital budget. However, Diaz is also considering various alternatives to its normal operations such as the selling of assets, a reduction of overhead costs, and other Corporation transactions to optimize shareholder value.

<i>(Thousands, except per share amounts, unaudited)</i>	Three Months Ended	
	2009	2008
		March 31
Financial		
Revenue	\$ 2,248	\$ 3,170
Cash flow from operations	614	1,643
per share, diluted	0.01	0.02
Loss for the period	(9,754)	(381)
per share, diluted	(0.15)	(0.01)
Capital additions	949	2,479
Dispositions	113	-
Net current debt	8,657	9,404
Convertible debentures*	6,163	5,896
Total assets	43,264	61,221
Total shares outstanding at period end	67,178	67,239
Operations		
Production		
Gas (MMcfd)	4.1	4.0
Oil (Bopd)	111	155
BOEd (6 Mcf = 1 Bbl)	791	816
Product Prices		
Gas (\$/Mcf)	\$6.01	\$7.82
Oil (\$/Bbl)	\$35.13	\$71.43

* Convertible debentures issued in Q1 2007, have a face value of \$7.1 million and mature on March 26, 2012. See Note 8, "Convertible Debentures", in the notes to the financial statements for the three months ended March 31, 2009.

Diaz is an oil and gas exploration and production company based in Calgary, Alberta. Diaz's current focus is on gas and oil development and exploration in Alberta, Saskatchewan and Texas.

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ADVISORY: Certain information regarding the Company in this News Release including management's assessment of future plans and operations, the use of proceeds from the offering and the anticipated closing date of the offering, may constitute forward-looking statements under applicable securities laws and necessarily involve risks including, without limitation, risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation, loss of markets, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other producers, inability to retain drilling rigs and other services, capital expenditure costs, including drilling, completion and facilities costs, unexpected decline rates in wells, wells not performing as expected, incorrect assessment of the value of acquisitions, failure to realize the anticipated benefits of acquisitions, delays resulting from or inability to obtain required regulatory approvals and ability to access sufficient capital from internal and external sources. As a consequence, actual results may differ materially from those anticipated in the forward-looking statements. Readers are cautioned that the foregoing list of factors is not exhausted. Additional information on these and other factors that could effect the Company's operations and financial results are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com) and at the Company's website (www.diazresources.com). Furthermore, the forward-looking statements contained in this news release are made as at the date of this news release and the Company does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

Where amounts are expressed on a barrel of oil equivalent (boe) basis, natural gas volumes have been converted to barrels of oil at six thousand cubic feet (mcf) per barrel (bbl). Boe figures may be misleading, particularly if used in isolation. A boe conversion of six thousand cubic feet per barrel is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. References to oil in this discussion include crude oil and natural gas liquids (NGLs).

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