



# DIAZ RESOURCES LTD.

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## **DIAZ SPUDS LLOYDMINSTER WELL AND CLOSES FINANCING**

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**Diaz Resources Ltd. (TSX: DZR)** (“Diaz”) announces it has begun drilling operations at a second location, 102/06-18-48-1 W4, on its developing Lloydminster oil play. The second location is an offset to its initial oil well 11-18-48-1 W4 and is the first of a multi-well program in the area. Diaz is operator of the well and holds a 50% working interest.

Also, Diaz has closed its previously announced financing. Diaz raised \$939,900 by way of a non-brokered private placement of 9,399,000 common shares. In connection with the private placement, a significant shareholder of Diaz, Humboldt Capital Corporation (“Humboldt”), sold 3,131,000 common shares at \$0.10 per share pursuant to a “gypsy swap” over the facilities of the Toronto Stock Exchange, and then bought the same number of common shares under the private placement. In addition to the common shares purchased pursuant to the gypsy swap, Humboldt and R.W. Lamond, Humboldt’s controlling shareholder and the Chairman of Diaz, also purchased an aggregate of 6,048,000 common shares under the private placement for a purchase price of \$604,800. Humboldt and R.W. Lamond, own 29,549,467 common shares of Diaz representing approximately 38.6% of the outstanding common shares of Diaz. Total commissions of \$21,317 were paid to brokers related to the gypsy swap and private placement.

The common shares issued pursuant to the private placement will be restricted from trading for a period of four months ending February 16, 2010. Subsequent to the issue there are 76,576,752 common shares issued and outstanding.

Diaz intends to use the proceeds of the Private Placement to develop its Lloydminster heavy oil play in east central Alberta.

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

FOR FURTHER INFORMATION, PLEASE CONTACT:

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*ADVISORY: This press release contains forward looking statements. More particularly, this press release contains statements concerning the anticipated use of the proceeds of the Private Placement. Although Diaz believes that the expectations reflected in these forward looking statements are reasonable, undue reliance should not be placed on them because Diaz can give no assurance that they will prove to be correct. Since forward looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. The intended use of the proceeds of the Private Placement by Diaz might change if the board of directors of Diaz determines that it would be in the best interests of Diaz to deploy the proceeds for some other purpose.*

*The forward looking statements contained in this press release are made as of the date hereof and Diaz undertakes no obligations to update publicly or revise any forward looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.*

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