



# DIAZ RESOURCES LTD.

#1800, 633 Sixth Avenue S.W.  
Calgary, Alberta  
T2P 2Y5 Canada

The following is for immediate release Tuesday, October 20, 2009

## **DIAZ CLOSES PARKMAN SASKATCHEWAN PROPERTY SALE**

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**Diaz Resources Ltd. (TSX: DZR)** (“Diaz”) is pleased to report that it has closed the previously announced sale of its Parkman, Saskatchewan, property. Net proceeds from the sale totaled \$2.5 million and will be used to reduce bank debt and to accelerate the Company’s heavy oil drilling program at Lloydminster, Alberta.

This sale is the fourth transaction which Diaz has completed since April of this year to increase its exploration and development focus and reduce its bank debt. These transactions include:

- Sale of a Carmangay, Alberta, oil property for \$1.0 million
- Sale of undeveloped Texas acreage realizing \$0.8 million
- Closing of an equity issue for \$0.9 million and the
- Sale of the Parkman, Saskatchewan, property for \$2.5 million.

These financial transactions have raised \$5.2 million in total. Diaz has reduced its net current debt from \$8.5 million in January 2009 to approximately \$3.9 million currently.

With this substantial improvement in financial leverage the company can increase its heavy oil exploration and development efforts in East Central Albert and West Central Saskatchewan.

The Company plans to continue to rationalize non core assets with the sale of its remaining U.S. producing assets, which, being principally natural gas, will be marketed when natural gas prices recover to an acceptable level.

*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 proceeds from an asset sale. 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 sale might change if the board of directors*



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*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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