



Diaz Resources Ltd.

June 3, 2010
SEPAC Presentation



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• Toronto Stock Exchange	DZR
• Common Shares	
– Basic:	86.0 mm
– Diluted:	97.6 mm
• Management Ownership:	42.8 %
• Market Capitalization	\$9.5 mm*
* (using May 31, 2010 price of \$0.11 per share)	
• Dec 31, 2009 reserves, Before Tax NPV @10% P+P	\$52.4 mm, 3.8 MMBOE
• Year-end 2009 net debt	\$12.2 mm
• Current Production	550 boepd

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Dec 31, 2009 Oil and Gas Reserves (Proved + Probable, NPV 10% before tax)	\$	52.4	mm
Undeveloped land (Seaton-Jordon Report)		2.2	mm
Total asset value		54.6	mm
Less: Dec 2009 net debt		(12.2)	mm
Net asset value	\$	42.4	mm
Shares outstanding		86.0	mm
NAV per share	\$	0.49	
NAV per share diluted	\$	0.47	
May 31, 2010 share price	\$	0.11	



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- Reduce net current debt
- Reduce exposure in the U.S.
- Focus on oil



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- 50/50 Joint Venture with Sharon Resources Inc. has ceased, resulting in:
 - No further active investment in the US
 - Reduction of almost all US overhead expenses
- Plan to sell US natural gas properties when gas prices have rebounded



- Drilled four horizontal heavy oil wells at Lloydminster, Diaz 50% WI.
- Diaz sold various properties during 2009 raising \$4.4 million.
- Diaz acquired 18,707 acres (14,048 net acres) in Alberta and Saskatchewan. In Saskatchewan, Diaz now has acreage on prospective Shaunavon, Birdbear, and various heavy oil plays.
- Sale of properties and a private placement has substantially reduced Diaz's debt and provides capital for the development of Diaz's oil properties.

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- Diaz's focus will be to exploit its Canadian inventory of oil development opportunities – primarily Lloydminster.
- Participated in drilling 3 new horizontal wells in Q1 2010 located in the NW quarter of section 18-48-1 W4, Diaz working interest 50%.
- An active land acquisition program is ongoing. In 2010, Diaz has acquired an additional 4,163 gross acres (1,873 net) of prospective oil properties in Saskatchewan.

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- 7 horizontal heavy oil wells drilled to date
 - 2009 reserve report, Lloydminster proved plus probable:
699,000 barrels (based on 24 of 35 potential wells) for section 18 and
192,000 barrels (based on 4 of 12 potential wells) for section 7 to the south
 - Installation of water disposal facilities and up to 5 more horizontal wells are planned to be drilled at Lloydminster in 2010.
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Lloydminster Section 18 Production

Updated as of: May 31, 2010

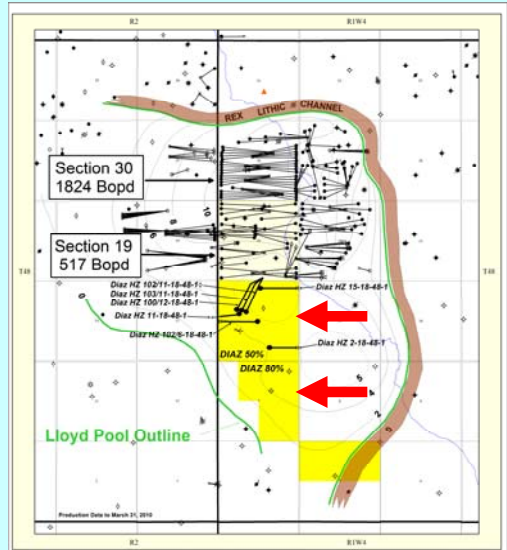
Well	Date on Production	Current Capability Bopd	Cumulative Sales Bbls
11-18-48-1	21-Oct-08	25	14,200
6-18-48-1	9-Nov-09	15	5,580
15-18-48-1	23-Dec-09	35	6,540
2-18-48-1	5-Jan-10	60	7,060

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Drilling 102/06-18 next to 11-18 producer

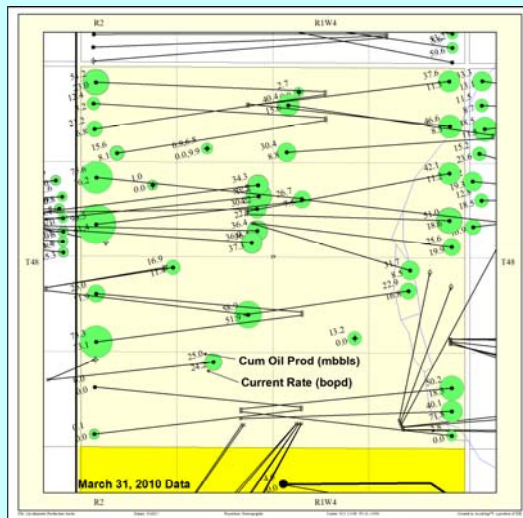
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Diaz's Lloydminster development is part of the Lloydminster "B" pool with multiple sections of development.

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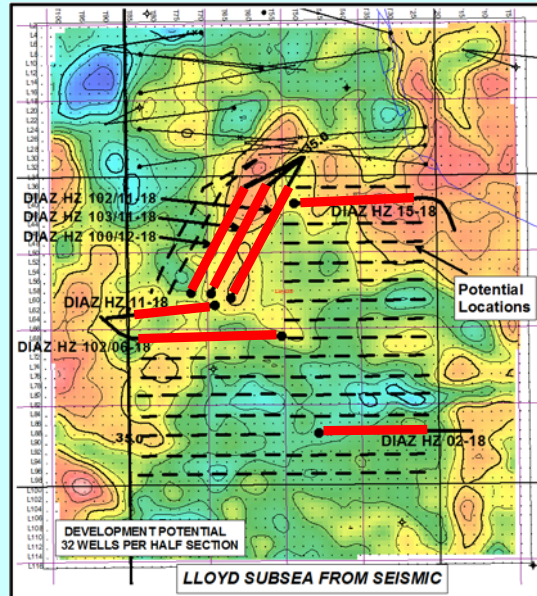
LLOYDMINSTER GROSS PAY (M)



Section 19, North of Diaz's Section 18 has produced over 1 million barrels to date.

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SECTION 19 PRODUCTION
517 BOPD
1,111,000 BBLS OIL PRODUCED



Diaz has 3D seismic coverage over the Lloydminster development.

Diaz has been approved by the ERCB to drill 64 wells on Section 18.

Drilled wells are in red.

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Reserves: 60,000 – 80,000 bbls of oil per well
5% royalty for first year

NPV 10: ~\$1.2 mm per well (gross)
(using AJM's Dec 09 forecast price deck)

Budget Assumptions:

- 60 bopd IP, with a 20% annual decline
- \$900,000 DC+E for a horizontal well, no frac needed
- Revenue based on \$65 per barrel.
- Operating costs per well - \$15 per barrel.
- Alberta royalty rate of 5% for the first year of production.
- Alberta drilling credits - \$200 per meter drilled prior to March 31, 2011. Estimate 1,300 M per well.

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Please refer to the forward looking statement disclaimer at the end of the presentation.



Diaz Resources Ltd. **Lloydminster Investment Timing**

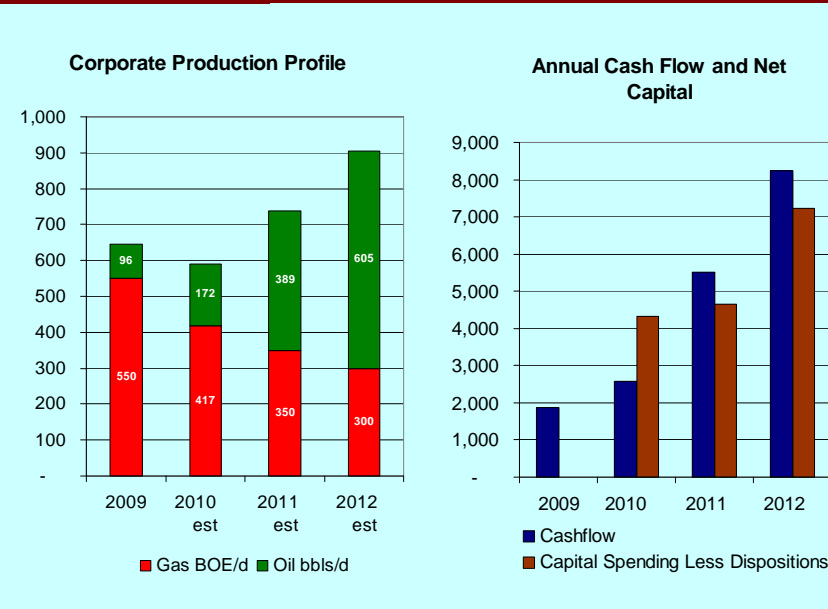
Year	Future Capital (net)	Wells
Existing wells		4
2010	3.4	8
2011	4.0	9
2012	6.5	14
TOTAL	13.8	35

- Next well is planned to spud in late Q2 2010.
- A water disposal well is planned for Q3 2010.

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Diaz Resources Ltd. **Lloydminster Development Impact**



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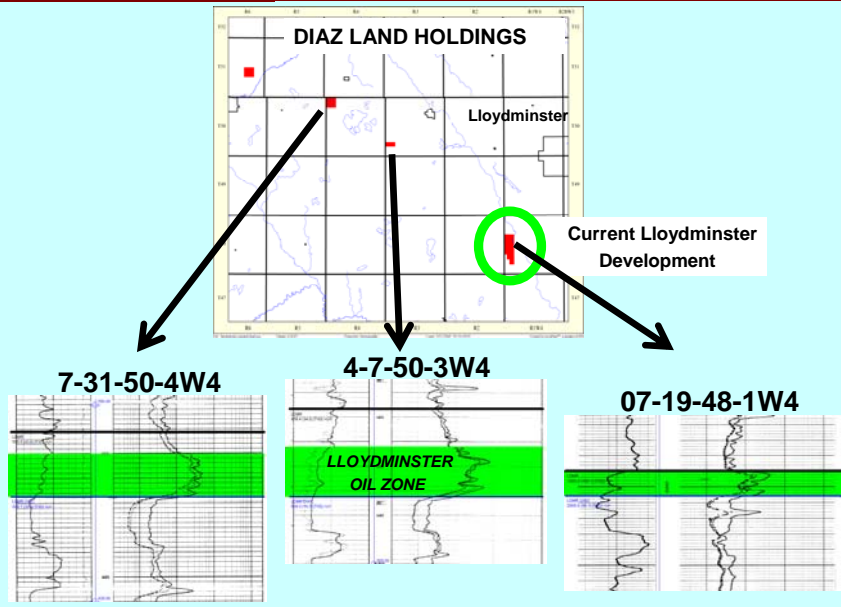


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- In addition to section 18-48-1 W4, Diaz 50% WI, Diaz has acquired an 80% WI in 2,000 acres of prospective lands in the Lloydminster area.
- The key parcel is 400 acres in section 7-48-1 W4 which is immediately south of section 18-48-1 W4.



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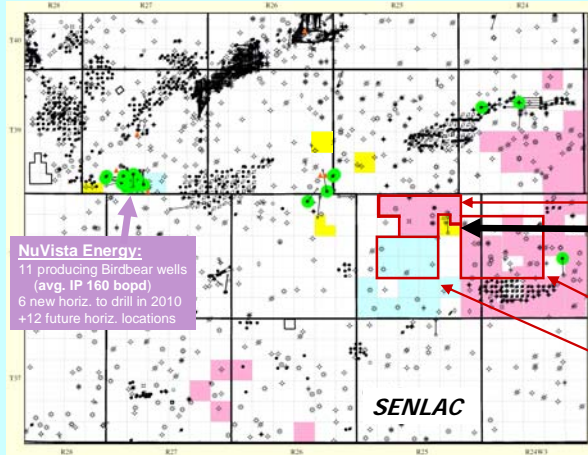
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- Diaz has acquired an interest in 14,243 acres (9,290 net) are oil prospects in Saskatchewan.
- Diaz has a 45% - 56% WI in 4,181 acres on the new Birdbear horizontal oil play in West Central Saskatchewan.
- Diaz has acquired an 80% WI in 8,088 acres in the Shaunavon horizontal oil play in S.W. Saskatchewan.
- Recent acquisitions of 1,974 gross acres (683 net) which are prospective for heavy oil development in a number of by-passed zones.



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- Diaz has a 45-56% WI in 4,181 acres on the new Birdbear horizontal oil play in West Central Saskatchewan.
- One vertical well has been licensed to test the zone.
- A horizontal well is planned for 2010.
- Diaz plans to farmout an interest in this play.



Green wells produced oil from the Birdbear zone.

Diaz 50-56% WI

Dec 2009 land sale

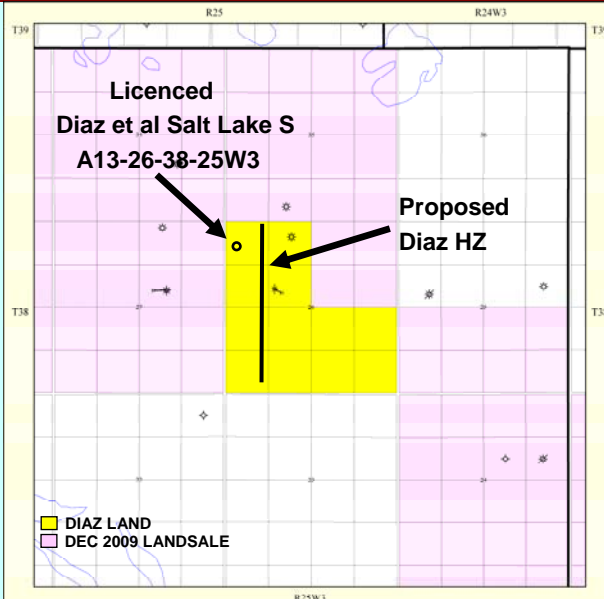
Feb 2010 land sale

\$1,531/ha, Dec '09

See next slide

\$1,550/ha, Dec '09

\$1,385/ha, Feb '10

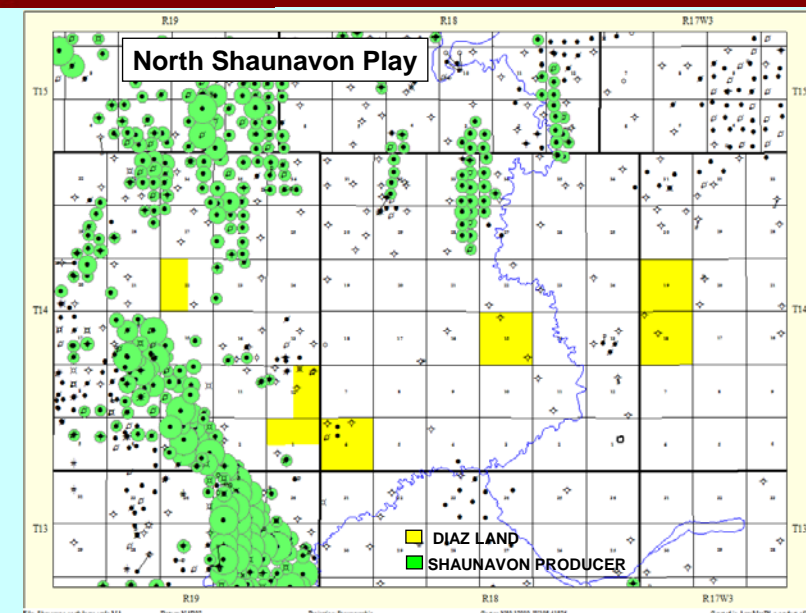


2010 proposed Birdbear development



- Diaz has acquired an 80% WI in 8,088 acres in the Shaunavon horizontal oil play in S.W. Saskatchewan.
- Diaz plans to drill a well in the second quarter of 2010.
- Diaz will be seeking a partner to participate in this development.

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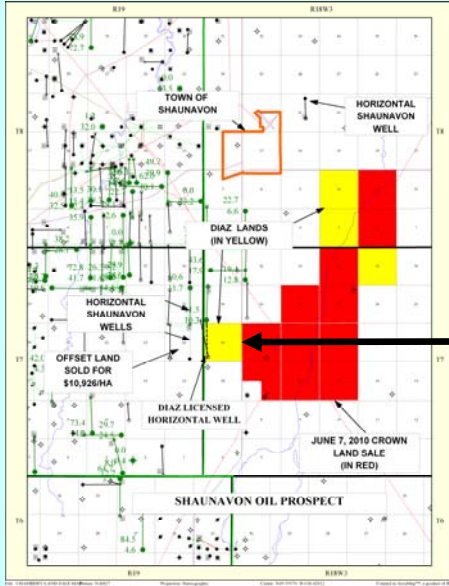
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Diaz Resources Ltd. Saskatchewan Shaunavon Oil Play



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Active Shaunavon area.

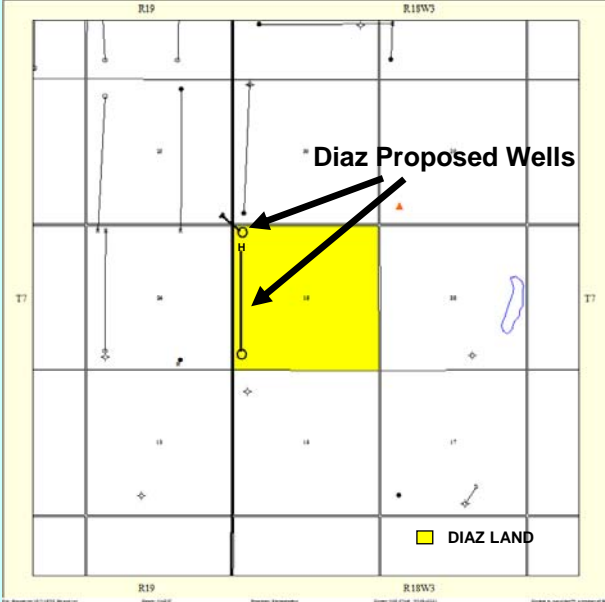
Adjacent lands bonus payments of \$10,900 / Ha or \$2.8 million per section.



Diaz Resources Ltd. Saskatchewan Shaunavon Oil Play



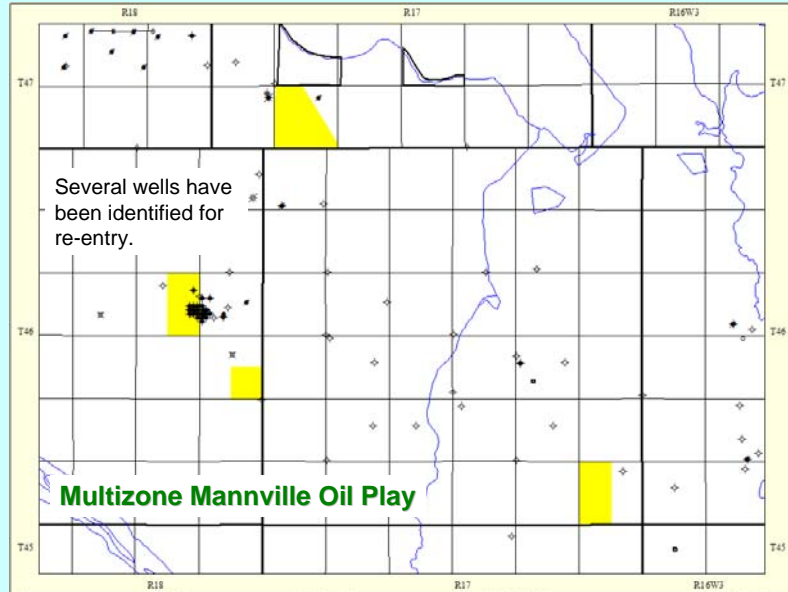
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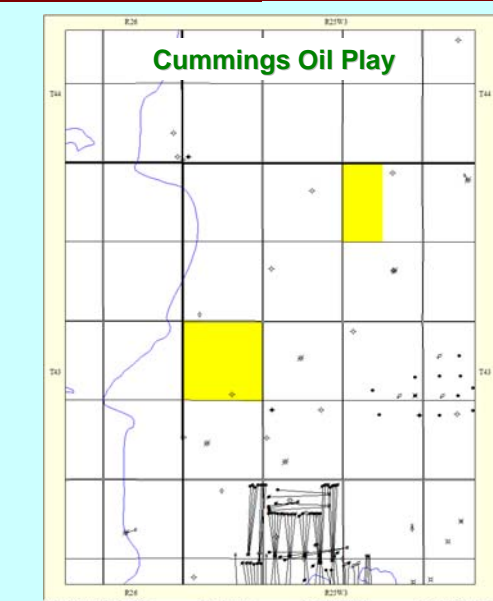
Proposed 2010 development



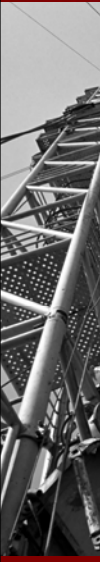
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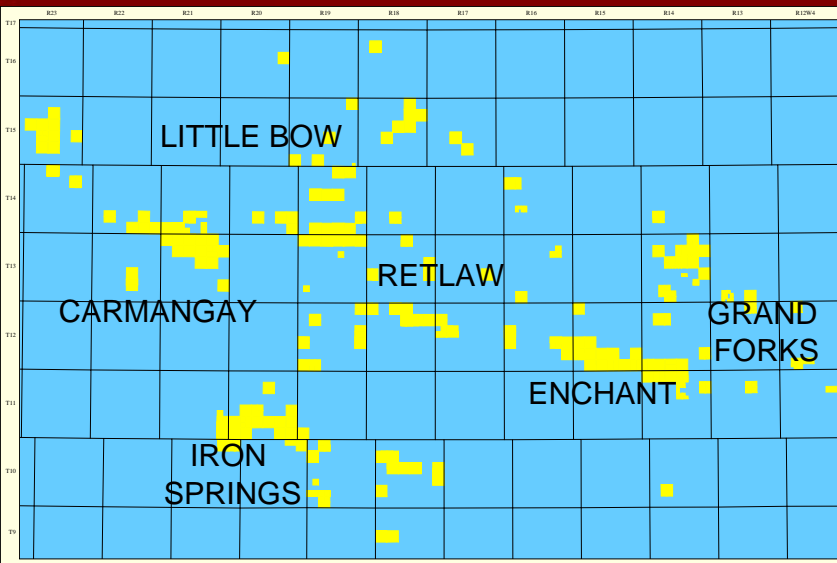
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Recent acquisitions in South West Saskatchewan.



- Diaz has an interest in 115,000 gross (49,000 net) acres in Southern Alberta.
- Over 30 potential shallow gas well locations have been identified to be developed when gas prices improve





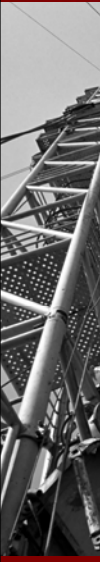
- New oil prospects: heavy oil in Alberta, light and heavy oil in Saskatchewan.
- Large inventory of development gas well locations in Canada when natural gas prices recover.
- Trading at a discount to net asset value



Forward-Looking Statements

•Certain of the statements contained herein including, without limitation, financial and business prospects and financial outlook, and production estimates, drilling plans, activities to be undertaken in various areas, timing of drilling, completion and tie-in of wells, planned capital expenditures, the timing thereof and the method of funding may be forward looking statements which reflect management's expectations regarding future plans and intentions, growth, results of operations, performance and business prospects and opportunities. Words such as "may", "will", "should", "could", "anticipate", "believe", "expect", "intend", "plan", "potential", "continue" and similar expressions have been used to identify these forward looking statements. These statements reflect management's current beliefs and are based on information currently available to management. Forward looking statements involve significant risk and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward looking statements including, but not limited to, changes in general economic and market conditions, 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, delays resulting from or inability to obtain required regulatory approvals and ability to access sufficient capital from internal and external sources and risk factors outlined under "Risk Factors" in Diaz's annual information form. The production estimates provided herein are estimates only and there is no guarantee that the estimated production will be recovered. As a consequence, actual results may differ materially from those anticipated in the forward-looking statements.

•Forward-looking statements or information are based on a number of factors and assumptions which have been used to develop such statements and information but which may prove to be incorrect. Although Diaz believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because Diaz can give no assurance that such expectations will prove to be correct.



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Forward-Looking Statements Continued

- In addition to other factors and assumptions which may be identified in this document, assumptions have been made regarding, among other things: the impact of increasing competition; the general stability of the economic and political environment in which Diaz operates; the timely receipt of any required regulatory approvals; the ability of Diaz to obtain qualified staff, equipment and services in a timely and cost efficient manner; drilling results; the ability of Diaz or the operator of the projects which Diaz has an interest in to operate the field in a safe, efficient and effective manner; the ability of Diaz to obtain financing on acceptable terms; field production rates and decline rates; the ability to replace and expand oil and natural gas reserves through development and exploration; the timing and costs of pipeline, storage and facility construction and expansion and the ability of Diaz to secure adequate product transportation; future oil and natural gas prices; currency, exchange and interest rates; the regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which Diaz operates; and the ability of Diaz to successfully market its oil and natural gas products.
- Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on these and other factors that could effect Diaz'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 Diaz's website (www.diazresources.com). Although the forward looking statements contained herein are based upon what management believes to be reasonable assumptions, management cannot assure that actual results will be consistent with these forward looking statements. Investors should not place undue reliance on forward looking statements. These forward looking statements are made as of the date hereof and the Corporation assumes no obligation to update or review them to reflect new events or circumstances except as required by applicable securities laws.
- Forward looking statements and other information contained herein concerning the oil and gas industry and the Corporation's general expectations concerning this industry is based on estimates prepared by management using data from publicly available industry sources as well as on assumptions based on data and knowledge of this industry which the Corporation believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions and performance characteristics. While the Corporation is not aware of any misstatements regarding any industry data presented herein, the industry involves risks and uncertainties and is subject to change based on various factors.



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Basis of Presentation

- The term barrels of oil equivalent (BOE) may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf : 1 Bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. All BOE conversions in this report are derived by converting gas to oil in the ratio of six Mcf of gas to one Bbl of oil.