



TSX Venture Symbol: DIG.H  
[www.diggerresources.com](http://www.diggerresources.com)

**DIGGER RESOURCES INC. ANNOUNCES FINANCIAL AND OPERATING RESULTS  
 FOR THE NINE MONTH PERIOD ENDED APRIL 30, 2012**

**CALGARY**, June 20, 2012 – Digger Resources Inc. (“DIG” or the “Company”) announces that for the nine (9) month period ended April 30, 2012, net income and comprehensive income amounted to \$36,399 (\$0.003 per share) compared to net income and comprehensive income of \$77,177 (\$0.008 per share) for the same nine (9) month period last year. Revenues were \$19,302 for the third quarter of its 2012 financial year ended April 30, 2012 compared to \$NIL for the corresponding period last year. The net income and comprehensive income for the quarter amounts to \$14,306 or 0.001 per share compared to a net loss of \$6,785 or 0.001 per share for the corresponding period last year.

**Financial Highlights** - The following table includes selected financial data for the third quarter and nine-month period ended April 30, 2012 and 2011 (in **Canadian \$ - unaudited**).

<b>Information from the Consolidated Statements of Operations and Deficit</b>	Third Quarter Ended April 30	Third Quarter Ended April 30	Nine month period ended April 30	Nine month period ended April 30
	2012	2011	2012	2011
Revenues	19,302	-	70,974	124,110
Net Income (Loss) and comprehensive loss	14,036	(6,785)	36,399	77,177
Income (Loss) per share – basic and diluted	0.001	(0.001)	0.003	0.008
<b>Information from the Consolidated Statements of Cash Flows</b>				
Cash flows relating to operating activities	45,807	(3,333)	(10,639)	66,612
<b>Information from the Consolidated Balance Sheet</b>				
Cash equivalents and short term investments	133,759	1,108	133,759	1,108
Working Capital (deficiency)	133,051	(259,701)	133,051	(259,701)
Total Assets	136,660	3,486	136,660	3,486
Long term debt, including current portion	Nil	Nil	Nil	Nil
Total liabilities	982	261,204	982	261,204
Shareholder's equity (Deficiency)	135,678	(257,718)	135,678	(257,718)

The Company's unaudited interim condensed consolidated financial statements for the three and nine month periods ended April 30, 2012 have been prepared in accordance with International Financial Reporting Standards. The financial information in regards to the three and nine-month periods ended April 30, 2012 should be read in conjunction with the Company's unaudited interim

condensed consolidated financial statements and the Management's Discussion and Analysis dated June 20, 2012. These documents are available at [www.sedar.com](http://www.sedar.com) and on the Company's website at [www.diggerresources.com](http://www.diggerresources.com).

## Update

The Company's principal business activity is, through the application of its High Definition Reservoir Geochemistry technology ("HDRG"), the development of an effective exploration technique as an adjunct to existing seismic methods and to assist in the environmentally sound discovery and development of new oil and natural gas reserves through the detection of metallic and non-metallic ions in near surface soil profiles.

The presence of various metallic and non-metallic ions (geochemical signatures) directly above oil and gas accumulations has been well documented. In the past it has been difficult to measure these anomalies both accurately and with a high degree of repeatability, which has severely hampered its applicability and value for hydrocarbon exploration. HDRG works by detecting metallic and non-metallic ions that form geochemical signatures directly above oil and gas accumulations. The technology is based on the collection and analysis of near soil samples using a proprietary leachant and ultra low-level inductively coupled plasma analyses. The metallic and non-metallic ion geochemistry employed by DIG is a very different approach to the analysis of metals and non-metals in soils and involves the use of extremely weak chemicals rather than the conventional aggressive acid or fire assay techniques. Conventional techniques digest soils releasing metals that are chemically bound by strong atomic forces, either to each other or to clays and other mineral particles in the soil sample. By contrast the mobile metal ion extractant used by DIG contain chemicals to detach and hold in solution only the metallic/non-metallic ions that are loosely bound to the soil particles by weak atomic forces. This extractant deliberately avoids dissolving the bound forms of the metals and the metallic/non-metallic ions held in solution represent the chemically active or 'mobile' component of each element in a soil sample. These mobile forms occur in very low concentrations that can now be readily measured by modern commercially available inductively coupled plasma mass spectrometry analytical instrumentation. This delivers data with very high precision and accuracy, provided that the solution delivered to the machine is dilute and clean. DIG's HDRG leachant meet these criteria particularly well.

The rapid deployment of the Company's technology and its future growth depends in part on its ability to develop profitable strategic alliances. The October 2010 license agreement with the ALS Laboratory Group ("ALS") should go a long way in ensuring the further development of HDRG and the marketing of that technology. Under the terms of the agreement ALS granted to DIG the exclusive non-assignable right to market a specialized proprietary ALS partial extraction leachant developed for application to oil and gas exploration worldwide. In return DIG will use ALS as its sole global analytical service provider. ALS and DIG will further develop the leachant to optimize its application so as to best suit the needs of DIG's global clients. This new leachant has become a cornerstone of DIG's HDRG petroleum exploration technology. ALS is an internationally diversified testing services organization employing over 6000 staff in 160 locations and 40 countries with a presence on every continent, offering a broad range of analytical services to leading global companies, governments and academic institutions.

ALS has introduced DIG and HDRG to a number of ALS's clients in the Middle East and in Australia. In that regard an HDRG orientation survey for a fully integrated international petroleum company was completed in November 2011. The HDRG orientation survey consisted of 198 samples and resulted in net revenues to DIG of CDN \$30,690. In order to effectively evaluate the potential offered by HDRG the orientation survey was run over both dry and oil filled structures.

The goal of the HDRG survey was to template oil and gas accumulations in the area to see if there was a significant geochemical signal at surface that matched the subsurface hydrocarbon distribution. The orientation survey was subject to a rigorous chain of custody set of procedures thereby ensuring that there was no way in which DIG could interfere or tamper with the collection, shipping, analysis or interpretation of the results from this study. The fully integrated international petroleum company advised DIG that the HDRG survey results did in fact match the subsurface hydrocarbon distribution. As a consequence a significant 2012 follow-up HDRG survey is currently under consideration by the fully integrated international petroleum company.

## **Outlook**

The Company will continue to closely monitor its level of cash while targeting a capital structure allowing for the realization of its business plan including the sales and marketing of its HDRG technology. By increasing its visibility and brand awareness through its association with ALS, DIG believes that its business will eventually experience sustained growth.

The Company closed a non-brokered private placement financing in August 2011 and the gross proceeds from the private placement were used by the Company to strengthen the corporate balance sheet, to enhance the Company's marketing efforts of its HDRG technology, to re-pay unsecured advances to related parties and for general working purposes. The financing provided DIG with sufficient capital resources to ensure the continuity of its operations over the next twelve (12) months. By the end of 2012 the Company should see advancement in the use of HDRG technology and that DIG will then be able to raise funds through increased HDRG surveys on a fee for service basis and obtain additional equity financing to further develop and market its HDRG technology to vendors. While there can be no assurance that these initiatives will be successful, management believes that future HDRG surveys and management and related party funding will contribute adequate cash flow.

## **Investor Information**

Currently, DIG has 11,349,035 fully issued and outstanding common shares, 150,000 common share stock options are outstanding with an exercise price of \$0.40 per share and expire on August 1, 2012 and 2,000,000 share purchase warrants are outstanding with each warrant entitling the holder to purchase one common share of DIG at an exercise price of CDN \$0.26 per share until August 12, 2012.

The Company is a reporting issuer in Alberta and British Columbia and trades on the NEX board of the TSX Venture Exchange under the symbol "DIG.H". Additional information regarding DIG is available under the Company's profile at [www.sedar.com](http://www.sedar.com) or at the Company's website at [www.diggerresources.com](http://www.diggerresources.com).

## **Disclaimer in Regards to Forward-looking and Cautionary Statements**

Certain statements included herein, including those that express management's expectations or estimates of our future performance constitute "forward-looking statements" within the meaning of applicable securities laws. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management when formulated, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Investors are cautioned not to put undue reliance on forward-looking statements.

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