



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

**DIGGER RESOURCES INC. ANNOUNCES FINANCIAL AND OPERATING RESULTS  
 FOR THE TWELVE MONTH PERIOD ENDED JULY 31, 2012**

**CALGARY**, October 22, 2012 – Digger Resources Inc. (“DIG” or the “Company”) announces that for the twelve (12) month period ended July 31, 2012, net income and comprehensive income amounted to \$6,620 (0.001) compared to net income and comprehensive income of \$34,174 (\$0.004 per share) for the same twelve (12) month period last year. Revenues were \$Nil for the fourth quarter of its 2012 financial year ended July 31, 2012 compared to \$690 for the corresponding period last year. The net loss for the quarter amounts to \$29,779 or (0.002) per share compared to a net loss of \$43,003 or (0.004) per share for the corresponding period last year.

**Financial Highlights** - The following table includes selected financial data for the fourth quarter and twelve-month period ended July 31, 2012 and 2011 (in Canadian \$ - audited).

Period ended July 31	Fourth Quarter		Twelve-month period	
Information from the Consolidated Statements of Operations and Deficit	2012	2011	2012	2011
Revenues & Other Income	-	690	70,974	124,800
Net Income (Loss) and comprehensive loss	(29,779)	(43,003)	6,620	34,174
Loss per share – basic and diluted	(0.002)	(0.004)	0.001	0.004
Information from the Consolidated Balance Sheet				
Cash equivalents and short term investments	129,603	59,933	129,603	59,933

**Additional Information in Regards to the Three and Twelve-month Periods Ended July 31, 2012**

The financial information in regards to the three and twelve-month periods ended July 31, 2012 should be read in conjunction with the Company's audited consolidated financial statements for the period ended July 31, 2012 and the Management's Discussion and Analysis dated October 22, 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 rapid deployment of the Company's technology and its future growth depends in part on its ability to develop profitable strategic alliances. The license agreement with the ALS Laboratory Group ("ALS") will go a long way in the further development of HDRG and the marketing of that technology. ALS is an internationally diversified testing services organization employing over 6,000 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 order to effectively evaluate the potential offered by HDRG an orientation survey over both dry and oil filled structures was undertaken for a fully integrated international petroleum company in late 2011. The HDRG orientation survey consisted of 198 samples and will result in net revenues to DIG of approximately CDN \$31,000. The goal of the HDRG survey was to template oil and gas accumulations in the area to see if there is a significant geochemical signal at surface that matches the subsurface hydrocarbon distribution. The orientation survey was subject to a rigorous chain of custody set of procedures thus ensuring that there is no way in which DIG could interfere or tamper with the collection, shipping, analysis or interpretation of the results from this study. In the view of the fully integrated international petroleum company HDRG survey matches the subsurface hydrocarbon distribution in all respects. A proposed follow-up Phase 1 HDRG sampling program of 3,270 samples is under consideration by the fully integrated international petroleum company and if the sample program should go forward net revenues to DIG of approximately CDN \$500,000 would be realized.

## 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 Company's financing has provided DIG with sufficient capital resources to ensure the continuity of its operations over the next twelve (12) months whilst the Company attempts to secure future HDRG sampling contracts.

## Investor Information

Currently, DIG has 11,349,035 fully issued and outstanding common shares, 950,000 common share stock options outstanding and 2,000,000 share purchase warrants that are outstanding.

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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