



TSX Venture Symbol: DIG.H
www.diggerresources.com

**DIGGER RESOURCES INC. ANNOUNCES FINANCIAL AND OPERATING RESULTS
 FOR THE TWELVE MONTH PERIOD ENDED JULY 31, 2013**

CALGARY, October 29, 2013 – Digger Resources Inc. (“DIG” or the “Company”) announces for the year ended July 31, 2013, net loss and comprehensive loss amounted to \$163,720 (\$0.014 per share) compared to net income and comprehensive income \$6,620 (\$0.001 per share) for the year ended December 31, 2012. For the fourth quarter of the 2013 fiscal year, net loss amounted to \$67,339 (\$0.006 loss per share) compared with a loss of \$29,779 (\$0.002 loss per share) for the fourth quarter of the 2012 fiscal year.

Financial Highlights - The following table includes selected financial data for the fourth quarter and twelve-month period ended July 31, 2013 and 2012 (in Canadian \$ - audited).

Information from the Consolidated Statements of Operations and Deficit	Fourth Quarter Ended July 31 2013	Fourth Quarter Ended July 31 2012	Twelve month period ended July 31 2013	Twelve month period ended July 31 2012
Revenues & Other Income	-	-	-	70,974
Net Income (Loss) and comprehensive loss	(67,339)	(29,779)	(163,720)	6,620
Income (Loss) per share – basic and diluted	(0.006)	(0.002)	(0.014)	0.001
Information from the Consolidated Statements of Cash Flows				
Cash flows relating to operating activities	(4,325)	(4,156)	(51,684)	(14,795)

It should be noted that share-based compensation for the twelve (12) period ended July 31, 2013 was \$111,371 as compared to \$Nil for the same period in 2012 resultant from the issuance of new options in September 2012. Share-based compensation represents a non-cash charge resulting from applying the fair value method on stock options issued. Management believes EBITDA (Earnings Before Interest, Income Taxes, Depreciation and Amortization), a measure that is not compliant with IFRS, to be an important measure as it excludes the effects of items, which primarily reflect the impact of long-term investment decisions, rather than the performance of the Company’s day-to-day operations. EBITDA was (\$51,669) for the year ending July 31, 2013 compared to \$7,576 in the year ending July 31, 2012. The adjusted EBITDA designates the net income before items not affecting cash, the foreign exchange gain or loss, financial expenses and

interest income and income taxes. This measure supplies useful and complementary information which allows amongst others to evaluate profitability and cash flows provided by operations.

The following table explains the reconciliation of the adjusted EBITDA to the net income.

	2013	2012
Net Income(Loss)	(163,720)	6,620
Amortization of property and equipment	680	956
Amortization of intangible assets		
Amortization of other assets		
Share-based payment expense	111,371	
Foreign exchange loss (gain)		
Financial results (financial expenses and interest income)		
Income taxes		
Adjusted EBITA	(51,669)	7,576

Additional Information in Regards to the Three and Twelve-month Periods Ended July 31, 2013

The financial information in regards to the three and twelve-month periods ended July 31, 2013 should be read in conjunction with the Company's audited consolidated financial statements for the period ended July 31, 2013 and the Management's Discussion and Analysis dated October 24, 2013. These documents are available at www.sedar.com and on the Company's website at 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 ALS Limited ("ALS") will assist in the further development of HDRG and the marketing of that technology. Under the terms of the agreement ALS has 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. This leachant has become a cornerstone of DIG's HDRG petroleum exploration technology. DIG maintains an active research and development program in conjunction with ALS in Perth, Australia. Specifically research has focused on the geochemistry of soil profiles, particularly their multi-element characteristics, and the various regolith/landscape situations in which geochemical anomalies/fingerprints can form. The work was directed at developing a detailed geochemical understanding of the 'processes of formation' of near surface soils, and in particular the behaviour

of key exploration elements as they relate to the initial formation of geochemical surface soil accumulations i.e. anomalies, and the subsequent processes of modification and redistribution caused by landscape evolution. DIG has spent over 10 years modifying, perfecting and then undertaking extensive field sampling programs trialing HDRG in a number of continents including Nth America, Australia and the Middle East, over differing oil and gas fields as part of its research and development programs.

The term of the agreement with ALS was for three years with two renewable terms thereafter of five years each based on successful achievement of performance objectives as follows:

- a) In the last full year of the first three year license term no less than 5,000 samples are delivered by DIG to ALS for analysis using a partial leach analytical technique. ALS and DIG subsequently agreed mutually to extend the original three year period for an additional period which will end on October 31, 2014.
- b) In the last full year of the first five year renewal period no less than 20,000 samples are delivered by Digger to ALS for analysis using a partial leach analytical technique.

October 5, 2013 through to October 31, 2014	5,000 samples to be delivered to ALS for analysis to extend license agreement for 5 years to October 4, 2018.
October 31, 2017 through to October 31, 2018	20,000 samples to be delivered to ALS for analysis to extend license agreement 5 years to October 31, 2023.

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. The HDRG orientation survey consisted of 200 samples and resulted in net revenues to DIG of CDN \$31,000. The samples were collected in October 2011 and the samples were analyzed in November 2011. The goal of this HDRG survey was to template oil and gas accumulations in the area to see if there was 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. The HDRG survey matched the subsurface hydrocarbon distribution and, after numerous follow-up presentations and additional refinement of HDRG technology, it is anticipated that there will be significant follow-up HDRG sampling programs for the fully integrated international petroleum company. A number of presentations have also recently been made to oil and gas operators in the Middle East. The Company is optimistic that this will lead to HDRG surveys.

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.

Investor Information

Currently, DIG has 11,349,035 fully issued and outstanding common shares and 950,000 common share stock options outstanding.

The Company is a reporting issuer in Alberta and British Columbia, trades on the NEX board of the TSX Venture Exchange under the symbol "DIG.H" and its registered office is Suite 700, 595 Burrard Street, Vancouver, B.C. Additional information regarding DIG is available under the Company's profile at www.sedar.com or at the Company's website at 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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