

NEWS RELEASE

EARLY WARNING REPORT IN RESPECT OF DIGGER RESOURCES INC.

August 16, 2011

Calgary, Alberta Mr. Norman Yeo ("Yeo") announces that further to announcements made by Digger Resources Inc. ("the "Corporation") on July 11 and August 12, 2011 that Yeo has acquired beneficial ownership and control over 1,000,000 common shares of the Corporation at a price of \$0.20 per common share pursuant to a non-brokered private placement, representing approximately 8.5% of all issued and outstanding common shares of the Corporation (the "Acquisition").

Immediately after the Acquisition, Yeo together with joint actors holds an aggregate of 1,900,022 common shares of the Corporation representing approximately 16.7% of the outstanding common shares (non-diluted) of the Corporation and share purchase warrants to acquire up to an additional 1,000,000 common shares of the Corporation upon exercise of the share purchase warrants. Of these totals, Allen Bradford Resources Inc. holds 791,667 common shares and Yeo holds 1,108,355 common shares of the Corporation and share purchase warrants to purchase up to 1,000,000 common shares of the Corporation. If Yeo were to exercise all of his share purchase warrants to purchase common shares of the Corporation he together with joint actors would beneficially own and control an aggregate of 2,900,022 common shares of the Corporation, representing approximately 23.5% of the issued and outstanding common shares of the Corporation, calculated on a partially diluted basis assuming the exercise of the share purchase warrants held by Yeo only (but not the exercise of any warrants or options to acquire common shares of the Corporation held by any other holder).

Yeo acquired the 1,000,000 common shares of the Corporation for investment purposes and alone or together with joint actors may, from time to time, depending on market and other conditions, acquire additional securities of the Corporation, dispose of some or all of the existing or additional securities of the Corporation or continue to hold his current position.

Yeo has served as a director and officer of the Corporation since 1989.

A copy of the Early Warning Report may be found on www.sedar.com.

About Digger Resources Inc.:

The Corporation's principal business activity is, through the application of its High Definition Reservoir Geochemistry ("HDRG") technology, 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 Corporation 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 currently has 11,349,035 common shares, 2,000,000 common share purchase warrants and 150,000 options outstanding.

For further information or to obtain a copy of the early warning report regarding the information contained in this news release, please contact Yeo at 403.290.1913.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

(Not for dissemination in the United States of America)