



## NEWS RELEASE

DATE: April 13, 2006

# **DIVERSIFIED RETAINS B&D CAPITAL PARTNERS AND ANNOUNCES FURTHER \$600,000 FINANCING**

Vancouver, British Columbia -- Diversified Industries Ltd. (TSX Venture: DVS) has entered into a Corporate Consulting Agreement with B&D Capital Partners of Vancouver, B.C. B&D will assist the Diversified Management team in building a comprehensive corporate development plan which will include addressing the public side of the business and matching shareholders value to the growth of the business development program. The agreement is for an initial period of 24 months and is renewable. The agreement may be terminated after August 11th, 2006, at the election of either party.

As compensation for the consulting services provided by the consultant, Diversified will pay a monthly fee of \$3,000 and has granted corporate consultant options to purchase a total of 240,000 common shares at \$0.30 cents per share. The options vest in blocks of 60,000 with the first block vesting immediately and subsequent blocks vesting on each of the 6, 12, and 18 month anniversaries. The options expire on April 11th, 2008.

In August of 2005 Diversified brought on Source One Capital Corporation, a company specializing in investor lead generation. Source One was successful in building a database of investor leads for Diversified. The Company's engagement of B&D Capital will investigate various options to move public awareness to the next level. Diversified is no longer engaging the services of Source One.

Diversified is also pleased to announce a \$600,000 private placement financing in addition to the \$700,000 financing announced on March 3, 2006. The new financing will be in the form of a non-brokered private placement at a price of \$0.30 per unit ("Unit") for up to 2,000,000 Units or \$600,000. Each Unit will be comprised of one common share and one non-transferable share purchase warrant ("Warrant"). Each Warrant will give the holder the right to purchase one common share at a price of \$0.35, exercisable for a period of up to one year from the date of closing. The private placement funds will come from insiders of the company as well as accredited investors, and will be used for general working capital and to finance acquisition initiatives. The TSX Venture Exchange ("Exchange") has not yet reviewed or accepted the terms of the financing. All securities issued in conjunction with the private placement will have a four month hold period.

The prior \$700,000 financing, in the form of a convertible debenture, announced on March 3, 2006 has been filed with the TSX Venture Exchange ("Exchange") and is currently being processed. Diversified expects to announce Exchange acceptance of the convertible debenture financing this week.

Diversified Industries specializes in the development and commercialization of innovative products and, at present, has several technologies in various stages of negotiations, research, development and commercialization. The company's lead product is DVS 6000, an innovative hydrogen sulphide scavenger, currently used in the Oil and Gas sector, with sales in western Canada, the U.S. and select international markets.

On behalf of the Board of Directors:

*“Stephen L. Davis”*

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Stephen L. Davis, President & C.E.O.

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*Statements made in this news release that relate to future plans, expectations, events or performances are forward-looking statements. Such statements involve risks and uncertainties and are based on current expectations. Consequently, actual results could differ materially from the expectations expressed in these forward-looking statements.*

*The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.*

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