



NEWS RELEASE

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DIVERSIFIED SIGNS DISTRIBUTION AGREEMENT WITH BRENNTAG CANADA INC.

Edmonton, Alberta -- Diversified Industries Ltd. (TSX Venture: DVS) is pleased to announce the signing of a distribution agreement with Brenntag Canada Inc. (www.brenntag.ca), a division of Brenntag Holding GmbH & Co. KG, one of the largest specialty chemical distributors to the oil & gas sector world wide. Brenntag Canada has provided products and services to the Canadian Oil and Gas Industry for over 40 years.

To start, Brenntag will purchase and warehouse Diversified's proprietary hydrogen sulphide scavenger, DVS 6000, in four strategic locations in Alberta, Canada. This will give the clients of Diversified and Brenntag immediate access to the product. The initial order will be for 50 drums of DVS 6000 – a retail value of approximately \$70,000.

“This new relationship with Diversified is a strategic move for Brenntag. DVS 6000 will not only complete our line of scavenger products, but will give us a competitive advantage over our competition.” commented Joe Windle, Manager, Marketing and Technical Services, Brenntag Canada Inc.

Prior to signing the distribution agreement, Brenntag Canada conducted a series of internal tests to verify performance and product characteristics. “The unique features of DVS 6000 set it apart from all other H₂S scavengers” said Joe Windle. “We are looking forward to having this technology in our specialty product line at Brenntag.”

DVS 6000 contains no formaldehyde which offers safety to workers over formaldehyde-based and ammonia H₂S scavengers. As well, when reacted, the spent DVS 6000 is non-toxic, and can be easily disposed. Non-flammable and non-corrosive, with a natural freeze point below minus 45 degrees Celsius, DVS 6000 is being marketed by Diversified as the safest, fastest and easiest-to-use H₂S scavenger on the market.

“This is a tremendous opportunity for both Diversified and Brenntag. It gives Diversified a significant opportunity to capitalize on Brenntag's wide distribution network in Canada and abroad. At the same time, Brenntag is able to offer its clients a more complete product line” said Stephen Davis, President & CEO of Diversified. “Brenntag has several divisions that will be marketing the DVS 6000, but to start with, we will be working with the Oil and Gas divisions for the removal of H₂S and the associated odors from liquid hydrocarbons.”

Brenntag Canada Inc. is a wholly owned division of Brenntag Holding GmbH & Co. KG, a world market leader in chemical distribution and logistics. Brenntag supplies industrial and specialty chemicals as well as a variety of services to manufacturers and processors. The Brenntag Holding group employs approximately 8500 people world wide and carries out activities in over 30 countries.

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.

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.

For further information please contact:

Stephen L. Davis, President & CEO

Phone: (250) 655-9209

E-mail info@dvsind.com

www.dvsind.com

Source One Capital Corp.

Jayden Ashbee, President

Phone: (604) 502-0122

E-mail: jashbee@keystocks.com