



February 26, 2003

**Press Release**

**TESTING OF DVS 6000 YIELDS NON-TOXIC STATUS**

Diversified Industries Ltd. (“Diversified” or “the Company”) is pleased to announce that further testing of our DVS 6000 scavenger technology has once again produced positive results that will have a high impact for end users when disposing of the reacted or spent by-product. These new test results will give end users more options for low cost disposal of the by-product.

Results of independent laboratory testing indicate that the reacted or spent by-product generated by the chemical reaction between DVS 6000 and hydrogen sulphide (“H<sub>2</sub>S”) in natural gas, water or other mediums, is non-toxic. HydroQual Laboratories of Calgary, Alberta conducted these toxicity tests during the week of February 14 to 18, 2003 using rainbow trout. Diversified and HydroQual chose trout for this test as they are especially sensitive to toxins. During the 96-hour test period, 100% of the rainbow trout survived when exposed to a solution containing 2000 ppm of spent or reacted DVS 6000 by-product.

The test results will have a major impact on disposal, transportation, and handling options of DVS 6000 technology compared to that of competitors' products, which are toxic, corrosive, or flammable. DVS 6000 is non-flammable, non-corrosive, has a natural freeze point lower than -45°C, a mild odour, and its spent by-product is non-toxic according to the above-mentioned test. These results move the DVS 6000 by-product one step closer in determining its viability as a fertilizer (further testing will be necessary in order to confirm this potential). DVS 6000 is not only a safe replacement for ammonia, but field trials and regular customer use have also proven that DVS 6000 outperforms ammonia in a typical Am-Gas type truck scrubber by 4 to 8 times. DVS 6000 is user friendly and is not regulated under the federal *Transportation of Dangerous Goods Act*.

Diversified will engage the services of an independent, third-party professional corporation to write the disposal protocol as it relates to DVS 6000 by-product and landfill or disposal sites. The disposal protocol and toxicity results will be posted on the Company’s website ([www.dvsind.com](http://www.dvsind.com)) as soon as they are finalized.

Diversified is a product development and marketing company specializing in unique technologies and solutions targeting a cross section of industries. Diversified has developed its first technology, DVS 6000, for the removal of various contaminants from oil, gas, air and water. The most notable of these contaminants is H<sub>2</sub>S, which is a problem in 75 industries in North America. Diversified has spent the past year and a half developing this patent pending technology, conducting field trials, and beginning the commercialization process. The Company has targeted the Oil and Gas Industry, an industry that has significant H<sub>2</sub>S management challenges, as the first market to be launched. The DVS 6000 product has proven itself in several applications thus far within the Oil and Gas Industry.

Diversified is listed on the TSX Venture Exchange under the symbol "DVS". There are 5,748,771 common shares issued and outstanding. For further information, please e-mail [info@dvsind.com](mailto:info@dvsind.com), visit the Company's website ([www.dvsind.com](http://www.dvsind.com)) or phone Mr. Stephen Davis, President/CEO, at 250-655-9209 or Mr. John Arlitt, Communications Liaison, at 604-632-3880 or 877-448-8181.

**ON BEHALF OF THE BOARD OF DIRECTORS  
OF DIVERSIFIED INDUSTRIES LTD.**

*"STEPHEN L. DAVIS"*

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Stephen L. Davis  
President / CEO

The TSX Venture Exchange has not reviewed and does not accept responsibility  
for the adequacy or accuracy of the content of this Press Release.