



NEWS RELEASE

May 2, 2007

DIVERSIFIED ENGAGES BOLDER INVESTMENT PARTNERS AS AGENT ON \$1,000,000 FINANCING

Vancouver, BC - **Diversified Industries Ltd. (TSXV: DVS)** ("Diversified" or "DVS") is pleased to announce the signing of a letter of agreement with Bolder Investment Partners, Ltd. ("Bolder") engaging Bolder as agent ("Agent") on the proposed \$1,000,000 financing announced on March 21, 2007.

The financing will be conducted concurrently on the same terms on both a brokered and non-brokered basis with the total offering being authorized for up to \$1,000,200. The offering will be for up to 3,334,000 Units at a price of \$0.30 per Unit, with each Unit consisting of one common share and one half a non-transferable common share purchase Warrant. Each whole Warrant will entitle the holder to purchase one additional common share of Diversified at a price of \$0.45 for a period of 12 months from the completion of the financing.

The Agent's compensation for acting as agent will be as follows: a cash commission equal to 8% of the gross proceeds of the brokered portion of the financing; warrants (the "Agent's Warrants") entitling the Agent to purchase up to such number of common shares of the Issuer equal to 12.5% of the total number of Units sold on a brokered basis, for a period of 12 months from the date of the closing. Each Agent's Warrant will be exercisable into one (1) common share of Diversified at \$0.30; a corporate finance fee payable by the issuance from Diversified's treasury to the Agent of 25,000 Units; a non-refundable work fee of \$5,000 plus GST; a retainer amount of \$5,000; and the reimbursement of all reasonable expenses, including legal, consulting and accounting costs. Diversified will announce any finders fees payable on the non-brokered portion of the financing upon closing.

As previously announced on March 21, 2007, Diversified is in the process of acquiring CFR Chemicals Inc. ("CFR") through a series of transactions. The parties continue to move the acquisition forward and are working through the necessary steps to complete the transaction as announced.

In addition to the engagement of Bolder and the further detail on the proposed financing, Diversified also announces the amendment of the expiry date and price on 2,000,000 warrants currently set to expire on June 9, 2007 and priced at \$0.35 per common share. Diversified intends to extend the expiry date by one year to June 9, 2008 while increasing the exercise price of the warrants to \$0.45 if exercised after June 9, 2007. This amendment is subject to Exchange acceptance. Insiders hold only 5% of the warrants. All warrant holders must first consent to the amendment.

Diversified halted its shares from trading in conjunction with the announcement of the CFR acquisition. The shares of Diversified will remain halted until such time as is deemed appropriate by the Exchange following the Company's submission for Exchange acceptance of the various transactions.

On behalf of the Board of Directors:

"Stephen L. Davis"

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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 has in no way passed upon the merits of the proposed acquisition and has neither approved nor disapproved the content of this press release.