

Raymond McLean
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NEWS RELEASE

July 31, 2009

NEWS ANNOUNCEMENT

FOR IMMEDIATE RELEASE

Insider Shareholdings - **Diversified Industries Ltd.** (the "Company")

In accordance with the requirements of section 5.2 of MI 62-104 and section 3.1 of NI 62-103 Raymond McLean announces that, through a purchase of 4,166,667 units of the Company by way of a private placement, he now controls, indirectly through his control and direction of 570108 BC Ltd., an additional 4,166,667 common shares of the Company, representing 11.5% of the currently issued share capital of the Company. Mr. McLean now has beneficial ownership or control or direction over a total of 6,999,752 common shares of the Company representing 19.4% of the currently issued share capital of the Company. Mr. McLean also has control and direction over warrants (2,083,333 warrants acquired pursuant to the aforementioned private placement) and convertible debentures (the principle amount of the \$350,000 convertible debenture, previously issued on June 9, 2006, now is \$428,765 and is convertible, at \$0.09 per share, into 4,764,055 shares up to June 9, 2011) that would, upon their exercise or conversion, total an additional 6,847,388 common shares of the Company. Based on the issued and outstanding shares of the Company as at July 28, 2009, if these warrants and convertible debentures are exercised or converted in full, the resulting common shares received would represent 15.9% of the then issued and outstanding shares of the Company, on a partially diluted basis.

Taking into account all shares and the potential exercise or conversions of all warrants and convertible debentures of which Mr. McLean now has beneficial ownership or control or direction over, Mr. McLean would beneficially own or control or have direction over a total of 13,847,140 common shares of the Company, which would represent 32.2% of the then issued and outstanding shares of the Company on a partially diluted basis.

The foregoing security figures and percentages do not include any shares that may be received in the future upon the conversion of any interest that may be owing on the convertible debenture. Until June 9, 2011, any accrued and unpaid interest on the \$428,765 convertible debenture can be converted into common shares in the capital stock of the Company at a conversion price based on the market price of the Company at the time of conversion, subject to a minimum price of \$0.09 per share. Interest on the amount of unpaid debenture principal is calculated at seven (7%) percent per annum.

The private placement transaction referred to above was carried out privately, and not through the facilities of any stock exchange or any other marketplace. The consideration for each unit was CDN\$0.06 per Unit. The convertible debenture was originally issued on June 9, 2006 to 570108 BC Ltd. The securities giving rise to the filing of this news release were purchased or acquired for investment purposes. As of the date hereof, Mr. McLean does not intend to increase his ownership of, or control or direction over, any of the securities of the Company. A copy of the underlying report as filed with the regulatory authorities may be obtained from the Company at Parkland Mall, Suite 915, 4747-67th St., Red Deer, Alberta, T4N 6H3, phone (403) 346-2214. The Company is listed on the TSX Venture Exchange under the symbol "DVS".

"Raymond McLean"
Raymond McLean