



FOR IMMEDIATE RELEASE RED DEER, ALBERTA DECEMBER 17, 2010

Diversified Announces Unanimous Acceptance by Creditors of Its Proposal to Creditors

Red Deer, Alberta CANADA, December 17, 2010 - Diversified Industries Ltd. (DVS - TSX Venture), ("Diversified" or the "Company") announces, further to its news release on December 3, 2010, the Company's creditors have unanimously accepted its Proposal to Creditors (the "Proposal") under the Bankruptcy and Insolvency Act, R.S.C. 1985. G. Powroznik Group Inc., of G-Force Group, the Trustee under the Proposal, will apply to the Court to obtain its approval of the Proposal in January 2011.

A copy of the Proposal and relevant documents is posted on the Trustee's website, at <http://www.g-forcegroup.ca/current-projects/diversified-industries>.

If approved by the Court, implementation of the Proposal will eliminate the Company's debt, cause a sale of all of the Company's shares in CFR Chemicals Inc., all the Company's patents rights and certain contingent claims receivable, and preserve the tax pools as the only remaining material asset of the Company. If the Proposal is not approved by the Court, then the Company will immediately become bankrupt. The Company and the Trustee anticipate that the Proposal will be accepted by the Court.

For more information visit www.dvsind.com or www.cfrchemicals.com

On behalf of the Board of Directors:

"Larry Malazdrewicz"

Larry Malazdrewicz, President/CEO (Interim)

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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.

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