



FOR IMMEDIATE RELEASE RED DEER, ALBERTA DECEMBER 28, 2010

Diversified Expects Late Filing of Annual Audited Financial Statements and Related Management Discussion & Analysis

Diversified Industries Ltd. (“Diversified” or the “Company”) (DVS/TSX-V) announces that it expects to be late in the filing of its Annual Audited Financial Statements and related Management Discussion & Analysis, due for filing on or before December 29, 2010.

The late filing is due to the recent matters relating to its Proposal to Creditors (the “Proposal”) under the Bankruptcy and Insolvency Act, R.S.C. 1985, as further set out in its news releases of November 24 and December 17, 2010, and due to the complexities of accounting in the audit process, due, in part, to a change of auditors from Pawluk, Voigt, Kaye & Such, Chartered Accountants, of West Vancouver, B.C. to BDO Canada LLP, Chartered Accountants, of Calgary Alberta in February of 2010. The Company is currently subject to a stay of proceedings under the Bankruptcy and Insolvency Act, R.S.C. 1985. The Company is working diligently with its auditors to complete the audit and expects to file the required documentation in early January. The filing is expected to be completed well prior to the Court review of the Proposal, currently anticipated for approximately mid to late January 2011.

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)

For investor information, please contact;
Larry Malazdrewicz, President/CEO (Interim)
Tomas Marshall, CFO
Phone: (403) 346-2149
e-mail: larry@cgcommit.com
e-mail : tmarshall@cfrchemicals.com

**Parkland Mall, Suite 915
4747 – 67th Street
Red Deer, AB T4N 6H3**

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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