



News Release

July 30, 2008

DIVERSIFIED ANNOUNCES THIRD QUARTER RESULTS

Diversified Industries Ltd. (“Diversified”) (DVS/TSX-V) is pleased to announce that CFR Chemicals Inc. (“CFR”) has continued to experience strong growth compared to the same period one year ago.

CFR’s revenues for the 3rd quarter are \$4.3 million, an increase from revenues of \$2.35 million during same period last year. This represents a year over year increase of 83% in revenue. In addition, the gross profit is up 56% year over year and EBITDA is up \$277,000 from the previous year and Net profits are \$140,667 up from (\$205,210) from the same period the previous year.

CFR’s Year to Date revenues for the first three quarters is \$17,849,711 which is an increase of 113% over the previous YTD revenues of \$8,388,002.

Diversified and CFR President / CEO Darren Lamothe commented: “Our third quarter ended relatively strong even though April and May are traditionally slower months for the company. We have noticed a definite slow down in our customer’s activity and this has carried into our forth quarter as well. There has been significant volatility in the prices of many of the chemicals we buy and this has created some struggles in managing inventory costs. We are very optimistic about the upcoming 12 months as we have expanded our infrastructure, customer base, product line and sales team and anticipate it will result in significant gains in market share, revenue and profits.”

CFR’s Kuusamo facility is located 26 kilometres west of Red Deer, Alberta on a 22-acre parcel of industrial-zoned land purchased in March 2007. CFR has the unique and key advantage over its competitors as the property is serviced by 2,900 feet of single track CN railway siding, upgraded to handle dangerous goods. In addition, two of CFR’s satellite locations within the province also offer the distinctive benefit of rail car service to its customers. The Company currently has over 50 storage tanks between our Kuusamo and other facilities in Grande Prairie and High Level with a storage capacity of in excess of 7,500,000 litres.

CFR is a supplier of specialty chemical products primarily to the oil and gas industry. Additional services provided by CFR include custom blending, storage of chemical products and third party logistics. CFR’s growth is generated from management’s ability to capitalize on opportunities in the chemical market and to provide competitive advantages to its clients. An integral part of this strategy is an ongoing program in R & D of new and unique chemical products.

Diversified currently owns 50% of CFR Chemicals Inc with the option to own 100%. The option price is locked in, based on profits accrued over a three year period. **For complete details of this transaction please refer to the March 21, 2007 news release.**

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

On behalf of the Board of Directors:

"Darren J. Lamothe"

Darren J. Lamothe, President/CEO

For investor information please contact either of the following;

Diversified Industries Ltd

Phone: (250) 743-1734
E-mail: Stephen@dvsind.com

B&D Capital Partners

Phone: (604) 685-6465
Email: info@bdcapital.com

Corporate Head Quarters

Phone : (403) 346-2214
Email: dlamothe@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.

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.