



TSX-V Trading Symbol: DVS

December 23, 2003

\$405,000 PRIVATE PLACEMENT COMPLETED

Diversified Industries Ltd. ("Diversified" or "the Company") is pleased to report that the non-brokered private placement announced December 2, 2003 at the price of \$0.60 per unit in the capital stock of the Company has been completed. A total of 675,355 units will be issued for proceeds of \$405,213, with each unit consisting of one common share and one one-year non-transferable share purchase warrant (the "Warrant"). Each Warrant is exercisable into one common share at a price of \$0.75 if exercised by December 22, 2004. All common shares and Warrants are subject to a hold period expiring April 22, 2004. A finder's fee of 10,833 common shares will be paid in connection with the private placement, these shares will be subject to the same 4 month hold period expiring April 22, 2004. The individual receiving the finder's fee is not an employee or insider of the Company. Upon completion of this private placement, including the settlement of the finder's fee, but before the exercise of warrants, the new total number of common shares issued and outstanding is 7,210,859.

Funds received from the private placement will be used: to complete the acquisition of the thermal light energy technology (announced October 3, 2003) and the separate lightweight technology acquisition (announced September 11, 2003); to continue with the ongoing research and development programs for all Diversified technologies (including the DVS 6000 H₂S scavenger, the lightweight technologies and the thermal light energy technology); and to continue with the ongoing market development efforts on the DVS 6000 H₂S scavenger technology. These proceeds will also be used to contract with a number of qualified individuals in order to advance these technologies in all areas.

Diversified is a product development and marketing company specializing in unique technologies and solutions that target a cross-section of industries. Our corporate strategy is to acquire, fund and aid in the commercialization of these unique technologies and products to provide long-term share appreciation.

For further information, please visit the Company's new website at www.dvsind.com, or contact the Company and its investor relations firms as indicated below.

ON BEHALF OF THE BOARD OF DIRECTORS OF DIVERSIFIED INDUSTRIES LTD.

"STEPHEN L. DAVIS"

Stephen L. Davis
President / CEO

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of the foregoing.

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