



News Release

January 30, 2009

DIVERSIFIED ANNOUNCES

Q1 RESULTS

Diversified Industries Ltd. (“Diversified”) (DVS/TSX-V) is reporting a consolidated loss of \$255,000 compared to a loss of \$135,000 to November 30, 2007. The Corporation has had a slight decrease in revenue from \$4,925,000 to \$4,909,000 for the comparative quarter ended November 30, 2007, a difference of \$16,000.

EBITDA for the period was \$83,800 thousand or \$0.003 per share compared to an EBITDA of \$108,000 over the same period a year ago.

Diversified's Financial Statements and MD&A for the first quarter ending November 30, 2008 can be found at www.Sedar.com.

Diversified and CFR President / CEO Darren Lamothe commented: “Continued downward pressure of oil and gas prices has seen crude oil hitting a high of over \$140 per barrel in June 2008 and dropping to under \$50 per barrel today. This has resulted in a corresponding decrease in activity in our market which has proven to be a significant challenge over the past 3 months. With the prices of many of the petrochemicals that we sell falling dramatically and with the unprecedented weakening of the Canadian dollar over the similar time period, the Corporation has seen close to a \$215,0000 (4.3%) decrease in our gross margin from the same period last year. More recently prices for many of the Corporations products appear to be stabilizing, together with the Canadian/US dollar exchange rate, both of which should assist the Corporation in achieving a stronger bottom line as we move forward.”

OPTIONS REPRICING

Diversified announces that the exercise price of 1,650,000 the Company's existing incentive stock options entitling certain optionees to purchase shares has been re-negotiated to a price of \$0.15 per share. All other terms and conditions of such agreements remain unchanged.

The foregoing transaction is subject to acceptance by the TSX Venture Exchange. In addition, disinterested shareholder approval is being sought at the Company's Annual and Special General Meeting scheduled to be held in Vancouver on Thursday, February 12, 2009 in respect of the amendment to the exercise price of incentive stock options granted to insiders.

Shareholder approval is also being sought for the amendment of the Company's Stock Option Plan in order for the Company's Stock Option Plan to remain fully compliant with the current policies of the TSX Venture Exchange.

Diversified currently owns 50% with the option to own 100% of CFR Chemicals Inc. For more information visit www.cfrchemicals.com

On behalf of the Board of Directors:

"Darren J. Lamothe"

Darren J. Lamothe, President/CEO

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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.