



NEWS RELEASE

February 2, 2007

Diversified Adds Reg Allen to Board of Directors

Vancouver, BC - Diversified Industries Ltd. (TSX-Venture: DVS) is pleased to announce the addition of Mr. Reg Allen to the Board of Directors of Diversified Industries Ltd.

Mr. Allen has a background in all aspects of growing and managing technology companies. He is a professional engineer, starting his career in research, then progressing through technical management, international sales and marketing, and business leadership.

His most recent position was President and C.E.O. of a Vancouver high tech company, where he stepped down upon achieving a successful acquisition by a US public semiconductor equipment manufacturer.

During his corporate experience of over thirty years he has been instrumental in founding and growing two other high tech companies to international status. Through his broad engineering background he has leaned towards developing technology companies, where he has negotiated collaborative agreements in both technical and business environments raising in excess of \$30 million in funding from Canada, the US and Europe.

“Mr. Allen has provided consulting services to Diversified over the last two years and will continue in that capacity as well as being a Director of the company.” Says Stephen Davis, President / CEO of Diversified. “I look forward to Mr. Allen getting more involved with the company. We will all benefit from the business experience and leadership he brings to Diversified”, says Davis.

Concurrent with the addition of Mr. Allen to Diversified’s Board of Directors, Mr. Raymond A. McLean is stepping down from the Board. On behalf of Diversified’s Board, Executives and its shareholders, I would like to thank Mr. McLean for his significant contributions as a Director and his dedicated service to the Company over the past two years. Mr. McLean will remain one of the Company’s largest shareholders and a close ally of the company.

Diversified continues to gain repeat orders for its scavenger product DVS 6000 due to its performance and ease of use. Shell Canada, Strike Oilfield Services and CCS Energy Services are three examples of regular repeat customers. Distributors such as Brenntag Canada and Univar Canada continue to have successes as well with their clients.

We are committed to building a family of oilfield chemicals and solutions by adding to our specialized H₂S scavengers and are currently looking at several opportunities with other companies to accomplish this through joint venture, merger or acquisition. We will continue executing this strategy until we are fully satisfied that we have engaged the right companies and developed the best synergistic partnerships.

On behalf of the Board of Directors:

“Stephen L. Davis”

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The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.