



NEWS RELEASE

April 28, 2006

Diversified Acquires Oilfield Chemical Service Company

Diversified Industries Ltd. is pleased to announce the signing of a Term Sheet to acquire Spectro Chem Inc., an Alberta based oilfield chemical solutions and service company. Spectro Chem's products include iron sulphide inhibitors, scale inhibitors, emulsion breakers, dispersants, corrosion inhibitors and scavengers. Additional new products are being developed and readied for the market by their experienced oilfield chemists.

Spectro Chem's three principals have over 80 years combined experience in the oil and gas industry with specific focus in the areas of oilfield chemicals, applied oilfield chemistry and in providing solutions for oil and gas production problems. The combination of Spectro Chem's products along with DVS 6000 gives Diversified a strong product line in oilfield chemical solutions, which will greatly enhance sales and revenues for the company.

Incorporated in the province of Alberta, Spectro Chem was founded in response to client demand to provide oilfield water quality control, an innovative chemical treating alternative, and new insight to providing oil and gas production companies solutions to a wide variety of problems they currently experience. With its corporate motto "TECHNOLOGY WITH EXPERIENCE", Spectro Chem continually strives to supply its clients with better, more effective means of managing industrial waste waters, and the optimization of oil and gas production.

Spectro Chem is being acquired for 3 million common shares of Diversified at a deemed value of \$0.25 per share, to be issued over three years. The shares are to be divided on a prorata basis among the three principals of Spectro Chem, all of whom will become key operational, marketing and technical executives of Diversified. Compensation for the three principals will include 200,000 stock options each at a price of \$0.40 per common share, exercisable for up to 5 years. The President of Spectro Chem will also be appointed to the Board of Directors of Diversified.

"This acquisition provides Diversified with the oilfield chemical and sales expertise needed and a full range of technologically advanced oilfield chemicals to compliment DVS 6000, our hydrogen sulphide scavenger", said Stephen Davis. "These guys have a proven track record for success and are now getting focused on building Diversified and accelerating our growth." says Davis.

With the acquisition of Spectro Chem, Diversified will become a full service supplier and developer of a diverse range of oilfield chemicals. Services will include water management and treatment, applied oil and gas production enhancement technologies and other conventional oilfield chemical solutions. As well, the acquisition will give Diversified offices in Calgary and a full laboratory with a team of chemists for ongoing new product development and customer service support.

The acquisition is subject to due diligence, the acceptance of the TSX Venture Exchange and the approval of Diversified's Board of Directors. It is anticipated that the acquisition will close no later than July 31, 2006.

Diversified Industries specializes in the development and commercialization of innovative products and, at present, has several technologies in various stages of negotiations, research, development and commercialization. The company's lead product is DVS 6000, an innovative hydrogen sulphide scavenger, currently used in the Oil and Gas Industry, with sales in western Canada, the U.S. and select international markets.

On behalf of the Board of Directors:

"Stephen L. Davis"

Stephen L. Davis, President & C.E.O.

Phone: (250) 655-9209

E-mail: info@dvsind.com

www.dvsind.com

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 does not accept responsibility for the adequacy or accuracy of this release.

For additional information please contact:

B&D Capital Partners

Brad Aelicks and Don Mosher

Phone: (604) 685-6465

Email: info@bdcapital.com