



CODE OF CONDUCT

The policies and procedures in this Code of Conduct are not intended to be contractual commitments by Divergent Energy Services Corp. (the “**Corporation**”), and Employees (as defined below) shall not construe them as such.

The policies and procedures are intended to be guides to management and are merely descriptive of suggested procedures to be followed. The Corporation reserves the right to revoke, change or supplement guidelines at any time without notice. References to Divergent Energy Services Corp. or the Corporation also include subsidiaries such as Extreme Pump Solutions, LLC, Karlington Artificial Lift, LLC, CDN Oilfield Technologies & Solutions S. DE R.L. DE C.V., FlexTek Oilfield Supply, LLC and American Oilfield Solutions Corp.

Every director, officer, employee and consultant of the Corporation (together, the “**Employee**” or “**Employees**”) shall be responsible for compliance with this Code of Conduct.

No policy is intended as a guarantee of continuity of benefits or rights. No permanent employment or employment for any term is intended or can be implied from any statements in this Code of Conduct.

1. Introduction:

One essential goal of the Corporation is to uphold ethical standards in all our corporate activities. The purpose of this Code of Conduct is to strengthen the Corporation's ethical climate and to provide basic guidelines to all Employees for many situations that may arise. However, standards of conduct cannot provide guidelines for every situation that occurs and when in doubt, discuss your ethical issues with the appropriate parties within the Corporation.

The Corporation strives to do business with customers and suppliers of sound business character and reputation. The Corporation will not knowingly support any public or private organization which practices discriminatory policies or practices. All Employees of the Corporation are expected to perform their work with honesty, objectivity, truthfulness and integrity.

It is the policy of this Corporation to comply with all applicable laws, including, without limitation, employment, discrimination, health, safety, antitrust, securities, and environmental laws.

Each Employee of the Corporation is responsible for compliance with this Code of Conduct. If any Employee has questions about any section of this Code of Conduct, he or she should direct all questions to his or her immediate supervisor/manager, to the President and CEO or to the CFO. As at the date of this document, the "Compliance Officers" relating to this Code of Conduct shall be the President and CEO and the CFO of the Corporation.

2. Reporting of Illegal or Unethical Behavior:

If you, in good faith, suspect or witness any violation of the Code, corporate policy or any applicable laws or regulations, you must report it. The Corporation will protect you from any work-related retaliation for taking such a step. You can make such a report without fear of negative job action of any kind, such as being discharged, demoted, suspended, threatened, harassed, victimized or in any other manner discriminated against in the terms and conditions of your employment or otherwise.

In other words, it is the Corporation's goal to reinforce a positive work environment where doing the right thing is the safe and natural thing to do.

These reports should be made to your immediate supervisor, if appropriate. If your supervisor is the subject of the report or if you believe that it would be more appropriate under the circumstances to take the matter to higher levels, due to either the nature of the breach or, if earlier reports through your immediate supervisor have not been acted upon, then the report should be made to a Compliance Officer. You also have the right to directly contact the Audit Committee of the Corporation's Board of Directors through the Ethics Hotline to report suspected illegal or improper activities within the Corporation. The Ethics Hotline is available 24 hours a day, seven days a week, 365 days a year, and is managed by an external company that is contractually bound to maintain callers' confidentiality. Employees need not identify themselves. To access the Ethics Hotline call 1-855-348-5002 (French language 1-855-350-9393), in Canada and the United States; call 001-855-348-5004 in Mexico. The Ethics Hotline can also be accessed online at www.ethicspoint.com.

3. Conflicts of Interest:

A conflict of interest may arise in any situation in which an Employee's loyalties are divided between business interests that, to some degree, are incompatible with the interests of the Corporation. All such conflicts must be avoided. The Corporation demands absolute integrity from all its Employees and will not tolerate any conduct that falls short of that standard. The Corporation expects that no Employee will knowingly place himself or herself in a position that would have the appearance of being, or could be construed to be, in conflict with the interests of the Corporation. Managers of the Corporation have a responsibility to inform subordinates as appropriate regarding the confidentiality of information acquired in the course of their work and monitor their activities to assure the maintenance of that confidentiality.

Some of the more sensitive areas of conflicts of interest and the Corporation's related guidelines are as follows:

4. Related Party Transactions:

The Corporation has an obligation to ensure all business transactions are on an arm's length basis. The Corporation shall not do business with a director, officer, employee or employee related party without prior approval from a Compliance Officer or the Board of Directors of the Corporation, as appropriate.

5. Accepting Gifts and Entertainment:

The Corporation's aim is to deter givers of gifts from seeking or receiving special favors from the Corporation's Employees. Accepting any gift of more than nominal value or entertainment that is more than a routine social amenity can appear to be an attempt to influence the recipient into favoring a particular customer, vendor, consultant, or the like. To avoid the reality and the appearance of improper relations with current or prospective customers, vendors and consultants, Employees should observe the following guidelines when deciding whether or not to accept gifts or entertainment:

6. Gifts:

Gifts such as merchandise or products, as well as personal services or favors may not be accepted unless they have a value of less than \$200. This dollar limit is intended to serve as a guideline, and Employees are urged to consult with a Compliance Officer before accepting any gifts of more than nominal value. Gifts of any amount may never be solicited. A gift of cash (or cash equivalent) or securities may never be accepted.

In some international business transactions, it is customary and lawful for business leaders in a host country to give gifts to employees. These gifts may be of more than nominal value and under the circumstances returning the gifts or paying for them may be an affront to the giver. In such a situation, the gift must be reported to the Employee's supervisor/manager. In all other instances where gifts cannot be returned and offering to pay for them would adversely affect continuing business relationships, supervisors\managers must be notified. In some cases, the gift may be retained by the Corporation, at its sole discretion, and not the individual.

7. Entertainment:

Normal business entertainment such as lunch, dinner, theater, a sporting event, and the like, is appropriate if of a reasonable nature and in the course of a meeting or another occasion, the purpose of which is to hold bona fide business discussions or to foster better business relations. All such entertainment should be reported (in advance, if practical) by the Employee to his or her supervisor/manager. No Employee may accept tickets or invitations to entertainment when the prospective host will not be present at the event with the Employee if the value is \$200 or greater.

8. Outside Activities:

It is the policy of the Corporation that no Employee is to have a "free-lance" or "moonlighting" activity that will materially encroach on the time or attention which should be devoted to the Employee's duties; adversely affect the quality of work performed; compete with the Corporation's activities; imply sponsorship or support by the Corporation of the outside employment or organization; or adversely affect the good name of the Corporation. All free-lance or moonlighting activities require the prior written approval of the Employee's supervisor/manager. Employees who free-lance or moonlight may not use Corporation time, facilities, resources, or supplies for such work.

9. Interests in Other Businesses:

The restrictions set out herein in section 3 *Conflicts of Interest* shall not be construed to prohibit the ownership by an Employee of not more than an aggregate of 5% of any class of securities of any business which would otherwise represent a conflict of interest, provided that such ownership represents a passive investment and that neither the Employee nor any group of persons including the Employee in any way, either directly or indirectly, manages or exercises control of any such conflicting business, guarantees any of its financial

obligations, otherwise takes any part in its business, other than exercising his/her rights as a shareholder, or seeks to do any of the foregoing.

10. Use of Corporation Property and Information:

All Employees are responsible for the proper use of the Corporation's physical resources and property, as well as its proprietary and other confidential information. Unless otherwise prohibited by an Employee's supervisor/manager, reasonable incidental use of a Corporation telephone, computer, or other equipment is permitted.

11. Corporation Properties and Facilities:

Corporation property, facilities, or physical resources may not be used for solicitation or distribution activities which are not related to an Employee's services to the Corporation, except for charitable activities that have been approved in writing in advance by the Corporation. Employees may not solicit any other Employee during working time, nor may Employees distribute literature in work areas at any time. Under no circumstances may an Employee disturb the work of others to solicit or distribute literature to them during their working time. Persons not employed by the Corporation may not solicit Corporation Employees for any purposes on Corporation premises.

Any Employee found to be engaging in, or attempting, theft of any property of the Corporation, including documents, equipment, intellectual property, and personal property of other Employees, cash or any other items of value will be liable to immediate summary dismissal and possible criminal proceedings against them. All Employees have a responsibility to report any theft or attempted theft to the Corporation's management.

12. Corporation Proprietary and Other Confidential Information:

The Corporation operates in many different and extremely competitive markets. Every Employee should be aware that in any competitive environment, proprietary information and trade secrets must be safeguarded in the same way that all other important Corporation assets are protected. All Employees of the Corporation must refrain from using or appearing to use confidential information acquired in the course of their work for unethical or illegal advantage either personally or through third parties.

Information concerning pricing, products and services that are being developed, and other such trade secrets, including information pertaining to any prospective Corporation acquisition or divestiture, must be held in the strictest confidence, and reasonable prudence and care should be exercised in dealing with such information in order to avoid inadvertent inappropriate disclosure. This information must not be used in any way other than as required in performing employment duties. All files, records, and reports acquired or created in the course of employment are the property of the Corporation. Originals or copies of such documents may be removed from the Corporation's offices for the sole purpose of performing the Employee's duties to the Corporation and must be returned at any time upon request. Employees must also abide by the provisions of the Corporation's Confidential and Proprietary Information Policy.

13. Privacy:

In conducting its business, the Corporation needs to maintain records and information about its Employees, agents, vendors, clients, shareholders and other business associates. We value and respect the rights of these individuals to personal privacy. We collect and use only information that is necessary for us to administer our business effectively, efficiently and in a safe and reliable fashion. This information is only for the appropriate internal use of the Corporation and will not be shared or used for other purposes, unless permitted or required by law.

14. Trademarks, Service Marks and Copyrights:

Trademarks and service marks - words, slogans, symbols, logos, or other devices used to identify a particular source of goods or services - are important business tools and valuable assets which require care in their use and treatment. No Employee may negotiate or enter into any agreement respecting the Corporation's

trademarks, service marks, or logos without first consulting a Compliance Officer. The Corporation also respects the trademark rights of others and any proposed name of a new product or service intended to be sold or rendered to customers must be submitted to a Compliance Officer for clearance prior to its adoption and use. Similarly, using the trademark or service mark of another company, even one with whom our Corporation has a business relationship, always requires clearance or approval by a Compliance Officer.

Employees must avoid the unauthorized use of copyrighted materials of others and should confer with a Compliance Officer if they have any questions regarding the permissibility of photocopying, excerpting, electronically copying, or otherwise using copyrighted materials. In addition, simply because material is available for copying, such as matter downloaded from the Internet, does not mean that it is permissible to copy or re-circulate (by, for example, email or posting to an intranet facility). All copies of work that is authorized to be made available for ultimate distribution to the public, including all machine readable works such as computer software, must bear the prescribed form of copyright notice.

The Corporation is legally entitled to all rights in ideas, inventions, and works of authorship relating to its business that are made by Employees during the scope of their employment with the Corporation or using the resources of the Corporation ("**Employee Developments**"). As a condition of employment, Employees are required to promptly disclose all Employee Developments to their supervisor/manager, and to execute the necessary documentation to transfer all Employee Developments to the Corporation to evidence their ownership, or to obtain legal protection for them.

15. Corporation Political Involvement:

Employees are free to exercise the right to make political contributions within legal limits, unless such a contribution is otherwise prohibited by other policies of the Corporation. The Corporation will not reimburse any Employee for political contributions, and Employees should not attempt to receive or facilitate such reimbursements. Generally, no contribution may be made with the expectation of favorable government treatment in return. In any event, all contributions, by whoever made, are subject to a series of complex and sometimes inconsistent sets of rules governing, among other things, the amount of, and manner in which, contributions may be made. Any questions about compliance should be directed to a Compliance Officer or the Corporation's legal counsel. In addition, any political activity or contribution by an Employee which might appear to constitute an endorsement or contribution by the Corporation must be approved in advance by a Compliance Officer or the Corporation's legal counsel.

16. Securities Laws and Insider Trading:

Employees may not trade in (or even recommend) the Corporation's stock based on inside information and are expected to comply with the Corporation's Insider Trading Policy. "**Insider Trading**" is the purchase or sale of a publicly traded security while in possession of important non-public information about the issuer of the security. Such information includes, for example, non-public information on Corporation earnings, significant gains or losses of business, or the hiring, firing, or resignation of a Director or Officer of the Corporation. Insider Trading and "tipping" (which is communicating information to anyone who might use it to purchase or sell securities), are prohibited by the securities laws. When in doubt, information obtained as an Employee of the Corporation should be presumed to be important and not public.

Employees who have questions pertaining to the sale or purchase of a security under circumstances that might involve confidential information or securities laws should consult with a Compliance Officer. The Compliance Officer may refer individuals to their personal attorneys.

17. Relationships with Public Officials:

Some Employees do business with federal, state, or local government agencies. All Employees engaged in business with a governmental body or agency must know and abide by the specific rules and regulations covering relations with public agencies. Such Employees must also conduct themselves in a manner that avoids any dealings, which might be perceived as attempts to influence public officials in the performance of their official duties.

The Corporation will not make payments of any sort to government officials to obtain a favorable decision or to attract or retain business. The Corporation will comply with the laws of Canada and other jurisdictions in which the Corporation may operate including but not limited to the *Corruption of Foreign Public Officials Act* (Canada) and the *Foreign Corrupt Practices Act* (U.S.) of prohibiting improper payments to domestic and foreign officials. These laws can be complicated and result in serious and adverse enforcement proceedings, including criminal charges, against the Corporation and individuals directly involved if violated. If you are in doubt about whether a particular practice may violate such a law, you should contact a Compliance Officer for guidance on proper conduct.

No government official shall be employed or retained as a consultant, agent or representative of the Corporation.

18. Bribery, Kickback and Fraud:

No funds or assets of the Corporation shall be paid, loaned, or otherwise disbursed as bribes, "kickbacks", or other payments designed to influence or compromise the conduct of the recipient; and no Employee of the Corporation shall accept any funds or other assets (including those provided as preferential treatment to the Employee for fulfilling their responsibilities), for assisting in obtaining business or for securing special concessions from the Corporation.

Employees should conduct their business affairs in such a manner that the Corporation's reputation will not be impugned if the details of their dealings should become a matter of public discussion.

Employees must not engage in any activity, which degrades the reputation or integrity of the Corporation.

To illustrate the strict ethical standard the Corporation expects every Employee to maintain, the following conduct is expressly prohibited:

- Payment or receipt of money, gifts, loans, or other favors which may tend to influence business decisions or compromise independent judgment;
- Payment or receipt of rebates or "kickbacks" for obtaining business for or from the Corporation;
- Payment of bribes to government officials to obtain favorable rulings; and
- Any other activity that would similarly degrade the reputation or integrity of the Corporation.

Any Employee found to be receiving, accepting, or condoning a bribe, "kickback", or other unlawful payment, or attempting to initiate such activities, will be liable to termination and possible criminal proceedings against them. Any Employee found to be attempting fraud or engaging in fraud will be liable to termination and possible criminal proceedings against them. All Employees have a responsibility to report any actual or attempted bribery, "kickback", or fraud to the Corporation.

19. Antitrust Laws:

The Corporation believes in fair and open competition and adheres to the requirements of antitrust laws. These laws generally prohibit collusion between firms and other unfair business conduct that would lessen competition.

20. Environmental Laws:

The Corporation takes its responsibility seriously to conduct its business in a safe and reliable manner while respecting the environment. The Corporation will comply with environmental legislation in all aspects of its work. The Corporation will monitor its environmental performance and will look for ways to reduce and prevent waste, emissions, spills and other releases from its operations so as to minimize, wherever possible, the impact on the environment.

21. Employment Policies:

The Corporation is committed to fostering a work environment in which all individuals are treated with respect and dignity. Each individual should be permitted to work in a business-like atmosphere that promotes equal employment opportunities and prohibits discriminatory practices, including harassment. Therefore, the Corporation expects that all relationships among persons in the workplace will be business-like and free of unlawful bias, prejudice, and harassment. It is the Corporation's policy to ensure equal employment opportunity without discrimination or harassment on the basis of race, color, national origin, religion, sex, age, disability, or any other status protected by law.

It is the Corporation's policy to comply with all applicable wage and hour laws and other statutes regulating the employer-employee relationship and the workplace environment.

No Employee may interfere with or retaliate against another Employee who seeks to invoke his or her rights under the laws governing labor and employee relations.

The Corporation is committed to providing a safe workplace for all Employees. In addition, several laws and regulations impose responsibility on the Corporation to safeguard against safety and health hazards. For that reason, and to protect the safety of themselves and others, Employees and other persons who are present at Corporation facilities are required to follow carefully all safety instructions and procedures that the Corporation adopts. Questions about possible health and safety hazards at any Corporation facility should be directed immediately to the Employee's supervisor/manager.

22. Employee Education on Anti-Corruption Business Practices:

The Corporation shall provide its Employees with resources, education and training on anti-corruption business practices (for both domestic and international operations) to assist Employees with their knowledge and confidence in dealing ethically with business partners on behalf of the Corporation.

COMPLIANCE WITH THE CODE OF CONDUCT

All Employees have a responsibility to understand and follow the Code of Conduct. In addition, all Employees are expected to perform their work with honesty and integrity in any areas not specifically addressed by the Code of Conduct. A violation of this Code of Conduct may result in appropriate disciplinary action including the possible termination from employment with the Corporation, without additional warning.

The Corporation strongly encourages dialogue among Employees and their supervisors/managers to make everyone aware of situations that give rise to ethical questions and to articulate acceptable ways of handling those situations. In addition, each Employee of the Corporation has an obligation to annually certify that he or she has read and reviewed this Code of Conduct with his or her subordinates, and every Employee must certify that he or she has read this Code of Conduct and to the best of his or her knowledge is in compliance with all its provisions.

The Code of Conduct reflects general principles to guide Employees in making ethical decisions and cannot and is not intended to address every specific situation. As such, nothing in this Code of Conduct prohibits or restricts the Corporation from taking any disciplinary action on any matters pertaining to Employee conduct, whether or not they are expressly discussed in this Code. The Code of Conduct is not intended to create any expressed or implied contract with any Employee or third party. In particular, nothing in this document creates any employment contract between the Corporation and any of its Employees.

[Signature page follows.]

Please indicate that you have received, read, and will abide by this Code of Conduct by signing your name and dating the attached acknowledgment and returning it promptly to your supervisor/manager.

Acknowledgment

I certify that I have received and read and that I will abide by the Corporation's Code of Conduct distributed to me.

Signature	Date
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Name: [Please Print]

Witness Signature	Date
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Witness Name: [Please Print]