



PRESS RELEASE

DIVERGENT Energy Services Announces Conditional Approval of its Debenture Restructuring Initiatives and Anticipated First Day of Trading

Symbol (DVG: TSX-V)

CALGARY, ALBERTA – January 15, 2021. **DIVERGENT Energy Services Corp.** ("**Divergent**", the "**Company**", or "**DVG**") is pleased to announce that following the previously announced shareholder approval at its special meeting of shareholders on December 28, 2020 for the consolidation of its issued and outstanding common shares (the "**Shares**") on the basis of ten (10) pre-consolidation Shares for one (1) post-consolidation Share (the "**Consolidation**"), it has received conditional approval from the TSX Venture Exchange (the "**TSX-V**") for the Consolidation and will file articles of amendment implementing the Consolidation.

The Shares will continue to be listed on the TSX-V under the symbol "DVG", and the Shares are expected to begin trading on a post-Consolidation basis on the TSX-V on or about January 19, 2021. Following the Consolidation, the new CUSIP number for the Shares is 255051203 and the new ISIN for the Shares is CA2550512032.

As a result of the Consolidation, the 186,298,848 Shares issued and outstanding prior to the Consolidation have been reduced to approximately 18,629,885 Shares. Where the Consolidation would otherwise result in a shareholder being entitled to a fractional Share, the number of post-Consolidation Shares issued to such shareholder shall be rounded up to the nearest whole number of Shares.

The Company's transfer agent, Computershare, will act as the exchange agent for the Consolidation. In connection with the Consolidation, Computershare has sent a letter of transmittal to registered shareholders which will enable them to exchange their old share certificates for new share certificates, or alternatively, a Direct Registration System ("**DRS**") Advice/Statement, representing the number of new post-Consolidation Shares they hold, in accordance with the instructions provided in the letter of transmittal. Registered shareholders will be able to obtain additional copies of the letter of transmittal through Computershare. Until surrendered, each share certificate representing pre-Consolidation Shares will represent the number of whole post-Consolidation Shares to which the holder is entitled as a result of the Consolidation.

Following the Consolidation, the Company also received final approval from the TSX-V for the previously announced restructuring of its existing debentures. The restructuring included the conversion of 75% of the existing debenture's principal amount outstanding, or CAD \$4,312,500, into common shares of the Company at a conversion price of \$0.30 on a post-consolidation basis and will result in the issuance of approximately 14,375,000 new common shares (the "**Debenture Conversion**").

Certain "related parties" (as such term is defined in Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**")) of the Company own approximately \$1,787,750 of the amount of debentures to be converted as part of the Debenture Conversion, resulting in the issuance of

approximately 5,942,500 new common shares to these "related parties" (the "**Related Party Debenture Conversion**"). Pursuant to MI 61-101, the Related Party Debenture Conversion constitutes a "related party transaction". The Related Party Debenture Conversion, however, is exempt from the valuation requirement of MI 61-101 by virtue of the exemption contained in section 5.5(b) of MI 61-101 – Issuer Not Listed on Specified Markets, as no securities of the Company are listed or quoted on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., the New York Stock Exchange, the American Stock Exchange, the NASDAQ Stock Market, or a stock exchange outside of Canada and the United States.

The post-consolidation shares have been listed for trading on the TSX-V and are anticipated to begin trading at the open of markets on or about January 19, 2021. The Company anticipates the issued and outstanding shares available for trading to be approximately 33,004,885 as a result of the above transactions.

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For Further Information:

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ABOUT DIVERGENT ENERGY SERVICES CORP.

Headquartered in Calgary, Alberta, Divergent provides Artificial Lift products and services that are used in the oil and gas industry. Product lines including Electric Submersible Pumps, Electric Submersible Progressing Cavity Pumps, and the future development of an Electromagnetic Pump technology.

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FORWARD LOOKING STATEMENTS

This press release contains forward-looking statements, including, without limitation, statements pertaining to the date of anticipated trading following the Consolidation. All statements included herein, other than statements of historical fact, are forward-looking information and such information involves various risks and uncertainties. There can be no assurance that such information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such information. A description of assumptions used to develop such forward-looking information and a description of risk factors that may cause actual results to differ materially from forward-looking information can be found in the Company's disclosure documents on the SEDAR website at www.sedar.com. The Company may, as considered necessary in the circumstances, update or revise such forward-looking statements, whether as a result of new information, future events or otherwise, but the Company undertakes no obligation to update or revise any forward-looking statements, except as required by applicable securities laws.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

(Not for dissemination in the United States of America)