



PRESS RELEASE

## DIVERGENT Energy Services Announces Update on the Linear Pump

Symbol (DVG: TSX-V)

CALGARY, ALBERTA – May 15, 2017. DIVERGENT Energy Services Corp. (“Divergent” or “the Corporation”) is pleased to provide the following update on the Linear Electromagnetic Submersible Pump (the “Linear Pump”).

The Linear Pump installed on March 24, 2017 continues to operate consistently with production rates and operating parameters having little variance from day to day. The current size of pump is capable of rates up to 24 m<sup>3</sup>/day (150 bbl/day). The pump was initially set to run at 16 m<sup>3</sup>/day (100 bbl/day) for the first 47 days and then increased to 20 m<sup>3</sup>/d (125 bbl/d) and is still pumping at that rate. Divergent offers various sizes of pumps that can be used with the same electromagnetic motor, making the system very flexible and easy to tailor to specific well requirements. The electromagnetic motors will have a range of power ratings as well as the ability to stack two motors together in tandem, increasing the number of wells that Divergent can service.

With over 50 days of operating time, the Linear Pump will attract new clients with different oil well types (depths and rates) that will validate numerous benefits:

- Operating cost reductions through reduced service rig interventions to repair worn and broken sucker rods.
- Reduced power consumption using a high efficiency electromagnetic motor vs surface lifting equipment (pump jack).
- Increased production rates when installed lower in the well - a challenging installation for conventional rod pumps. The linear pump can be installed vertically, slant, or horizontal which allows for the pump to be placed lower in the well. The deeper a pump is installed, the lower the fluid level can be drawn down resulting in increased oil production.
- Reduced environmental impact with the elimination of surface lifting equipment.
- Lower carbon footprint with the reduction of steel used.

Encouraged by the continued interest in the Linear Pump by industry participants, we believe the ongoing results of the current installation will help to create greater awareness and opportunity for commercialization.

The Corporation’s vision is to be a premier supplier of submersible pumping products that increase production while reducing costs and carbon footprint. The commercialization of our Linear Pump is complimentary to our existing electric submersible pump (“ESP”) business, and will provide oil and gas companies the opportunity to capitalize on the Linear Pump’s many benefits while differentiating Divergent within a competitive and growing market.

**ABOUT THE PUMP**

The Linear Pump eliminates the ongoing cost of rod and tubing wear in oil wells, which will help producers drive down operating costs, enhance field efficiencies and improve well economics. In the current commodity price environment, such cost savings will represent a significant benefit to producers seeking to maximize netbacks and control operating and capital costs.

The electromagnet motor duplicates the reciprocating motion currently created by pumpjacks, but does it at the bottom of the well, eliminating the rod strings and surface lifting equipment typically used in oil wells. The Pump's power is generated by a magnetic field that causes the magnetic shaft of the motor to move in a back and forth, or linear, motion. All moving parts are contained within the submersible housing, allowing the Pump to be placed lower in the well than traditional rod pumps. Placing pumps lower in a well typically maximizes "draw down" and increases production.

**ABOUT DIVERGENT ENERGY SERVICES CORP.**

Headquartered in Calgary, Alberta, DIVERGENT Energy Services Corp. provides an array of artificial lift products and services that are used in the oil and gas industry, including its revolutionary Linear Electric Submersible Pump. Divergent's Pump is approaching commercialization and is targeted to replace traditional oil pumpjacks. Other Divergent products currently in use by its oil and gas industry customers include Electric Submersible Pumps and Electric Submersible Progressing Cavity Pumps.

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Forward-looking information and financial outlook is based on current expectations, estimates, projections and assumptions, which we believe are reasonable but which may prove to be incorrect and therefore such forward-looking information and financial outlook should not be unduly relied upon. In addition to other factors and assumptions which may be identified in this document, assumptions have been made regarding, among other things: industry activity; the general stability of the economic and political environment; effect of market conditions on demand for the Company's products and services; the ability to obtain qualified staff, equipment and services in a timely and cost efficient manner; the ability to operate its business in a safe, efficient and effective manner; the performance and characteristics of various business segments; the effect of current plans; the timing and costs of capital expenditures; future oil and natural gas prices; currency, exchange and interest rates; the regulatory

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