



TSX-V: DVG  
[divergentenergyservices.com](http://divergentenergyservices.com)

# *Investor Presentation*

*JANUARY 2024*

# FORWARD LOOKING STATEMENTS



This presentation contains forward-looking statements, including, without limitation, statements pertaining to anticipated future operational activity levels of Divergent and of a majority of its customers, statements relating to the expectations of consistent and/or growing sales forecasts, statements relating to the expectation of upward pressure on natural gas prices as well as forecasts relating to spot pricing for 2023 and 2024, statements regarding the anticipated pursuit of new technologies (and the benefits to Divergent that can be implied therefrom), statements regarding regulatory outlook in the jurisdictions in which Divergent operates. All statements included herein, other than statements of historical fact, are forward-looking information and such information involves various risks and uncertainties.

In particular, this presentation contains the following forward-looking statements pertaining to, without limitation, the following: the Company's future business operations and activities and the timing thereof; the future liquidity and financial capacity of the Company; and its ability to fund its working capital and corporate development opportunities. With respect to the forward-looking statements contained in this presentation, the Company has made assumptions regarding: the ability to raise capital; the continued availability of capital; the ability to obtain financing on acceptable terms; Divergent's ability to successfully execute its plans and intentions including its ability to identify and acquire or participate in future business opportunities.

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](http://www.sedar.com). Forward-looking statements are based on estimates and opinions of management of the Company at the time the information is presented, including expectations provided to Divergent by its customers. 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.

## WHO WE ARE

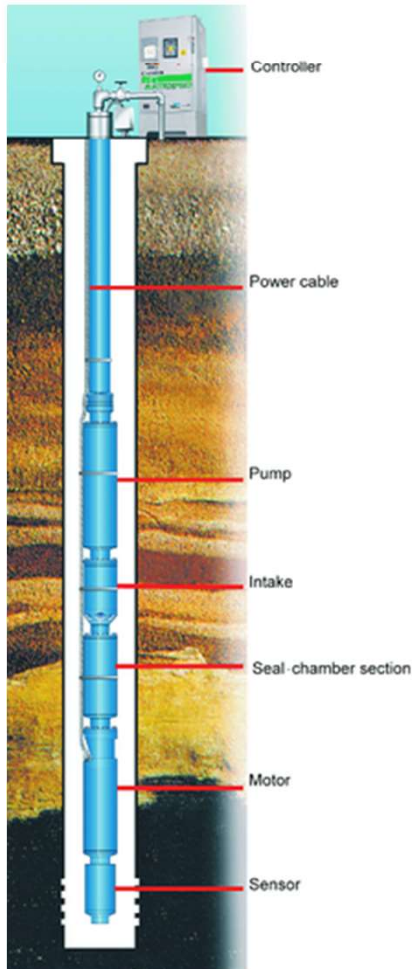


Through **INNOVATION** and **SCIENCE**, we help our clients, communities and governments ensure our natural resources are developed **RESPONSIBLY**, **EFFICIENTLY** and **SUSTAINABLY** while demanding **SAFETY** and **MINIMIZING** environmental impact.



- A leading innovator in reclaiming and refurbishing pumping equipment to drive cost savings and reduce environmental footprint.
- Our goal is to create an operations platform of significant scale as a catalyst for growth.

# WHAT WE CURRENTLY DO



## Our Products - Electric Submersible Pumps (ESP):

- A pump installed at the bottom of a well to lift high volumes of fluid to surface.
- Powered via an electric cable which runs outside the length of the tubing and connects to the electric motor at the bottom of the well.

## Our Services:

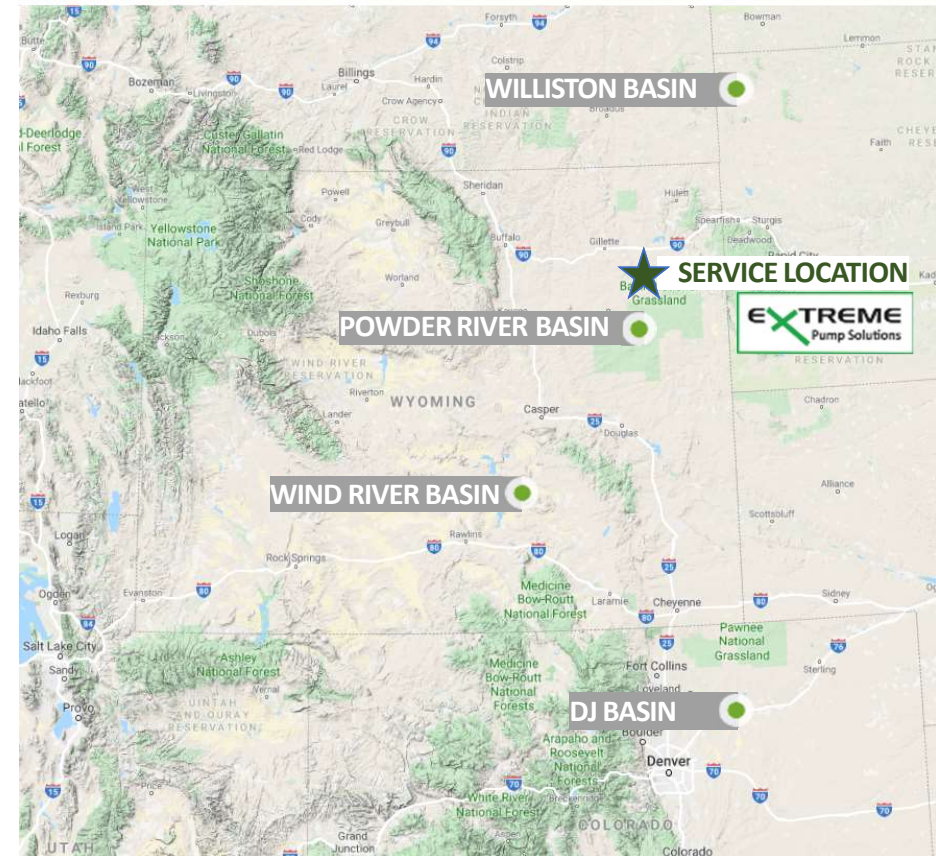
- Sales and service of new downhole equipment, power cable, and surface equipment for the ESP system.
- Service and refurbishment of used equipment. As part of our ESG commitments we refurbish, reuse, and **RECYCLE 100% OF EQUIPMENT** removed from our client's wells.
- Our field personnel are at the worksite to remove the existing pump, repair/replace any worn out equipment, and reinstall the pump into the well.

# WHERE WE OPERATE



## DIVERGENT:

- Has access to multiple resource producing basins
  - **GROWING CLIENT BASE** across Eastern Wyoming, North Dakota and Northern Colorado.
  - Revenue primarily generated from production maintenance and not reliant on drilling activity.
- Continues to **BUILD SCALE** across the region
  - Broader range of ESPs available.
  - Increased diversification within our customer base.
  - Added field equipment in Q2 2023 to **INCREASE CAPACITY**.



# OUR STRATEGIC PRIORITIES



**MAINTAIN**  
OPERATIONAL QUALITY

- Emphasis on innovation and **VALUE CREATION** for customers
- Strong commitment to **SAFETY**

**PRIORITIZE**  
CASH FLOW

- Deploying free cash flow to **DEBT REDUCTION** and **GROWTH** opportunities
- Growing margins through supply chain cost reductions

**DISCIPLINED**  
GROWTH STRATEGY

- **EXPAND CAPACITY** of existing products and services
- **DIFFERENTIATE** product offerings by bringing new technologies to market

**REDUCE**  
LEVERAGE

- Continuously strengthen financial leverage ratios
- Disciplined **CASH MANAGEMENT STRATEGY**

**PURSUE**  
ESG EXCELLENCE

- Committed to delivering ESG **PERFORMANCE**
- ESG initiatives incorporated into compensation structure

## INITIAL EVALUATION CRITERIA FOR NEW TECHNOLOGIES, SERVICES, AND PRODUCTS WITHIN THE ENERGY INDUSTRY





## DIVERGENT'S OPERATIONS - HOW WE ARE STRUCTURED



### **DIVERGENT Energy Services Corp.**

*Hub for Strategy & Innovation*

- Trades as "**DVG**" on TSX-V
- **33 mm shares** outstanding

### **Pumps Division (USA)**

*Fluid pumping solutions to the energy industry*

**Operating as Extreme Pump Solutions**

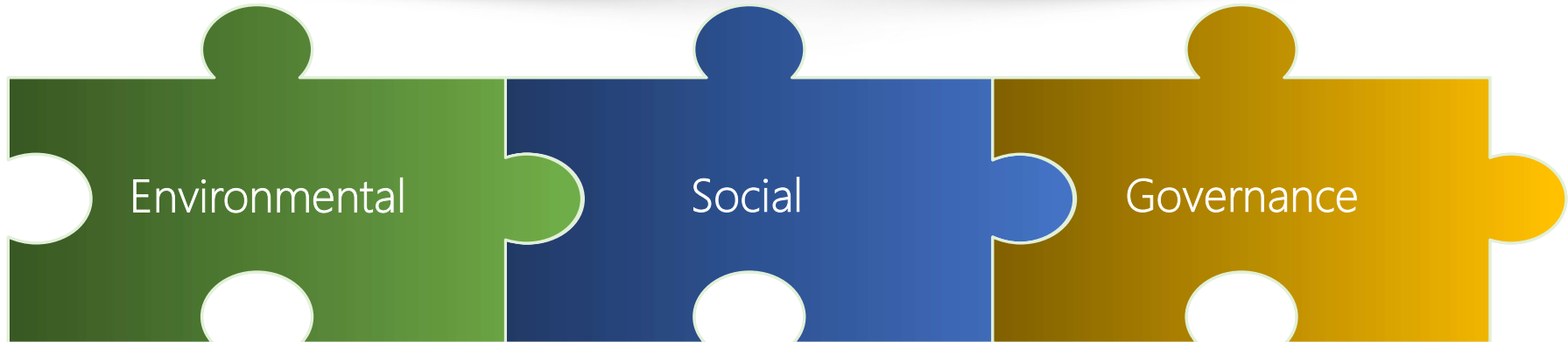






Divergent monitors earnings before interest, taxes, depreciation and amortization ("EBITDA") as a measure of cash flow available to the Company to grow the business. EBITDA is a non-GAAP / Non-IFRS measure and is adjusted to eliminate non-cash items included in earnings.

## HOW WE DELIVER ESG PERFORMANCE



- **RECYCLED** 100% of scrap steel.
- **REUSED** over 45% of steel and copper components as part of our ongoing client partnership to reduce waste.
- **WATER STEWARDSHIP** means using only food grade mineral oils as lubricants for our water pumps to protect ground and surface water quality.
- 1,500+ days with **ZERO** Safety Incidents.
- **PROVIDING SUPPORT** to our communities through volunteering and sponsorships.
- Compliance with the United States **AFFORDABLE CARE ACT**.
- Employee **ENGAGEMENT**
- Data **SECURITY** Policy
- ESG incorporated in **COMPENSATION STRUCTURE** (including safety & recycling metrics).
- **BOARD-LEVEL OVERSIGHT** of ESG goal-setting, performance & outreach.
- Annual **CODE OF CONDUCT** sign-off.
- **WHISTLE BLOWER** Policy and **ETHICS** Hotline.

SAFETY ● QUALITY ● SERVICE ● INNOVATION ● VALUE

# LEADERSHIP TEAM



## Board of Directors

**Kenneth Bagan** - Director  
*Past - Director of Trican Well Services, Director of PSAC*

**Cameron Barton** – Executive Chairman  
*Past – Director & CEO of Wentworth Resources*

**Ken Berg** - Director  
*President & CEO, Divergent*

**Geoff Bury** – Director  
*Current – President/Director of Northern Petrochemical.*  
*Past – Managing Director of Wentworth Resources*

**Robert Riecken** – Director  
*Past - VP of Repsol*

**Summary of Experience**  
*A seasoned Board of Directors that have careers spanning start-ups to large cap public companies, with a broad range of experiences from energy services, energy production, petrochemical, power generation, law and international finance.*

## Management Team

**Cameron Barton** – Executive Chair  
*Previous – Wentworth Resources, Sanjel, Direct Energy, TransAlta, KPMG*

**Ken Berg, P.Eng.** – President & CEO  
*Previous - Sanjel, Amoco Petroleum, Dome Petroleum*

**Ken Olson, CPA, CA** – CFO  
*Current – Director of Boreal Bioenergy & Absolute Combustion*  
*Previous – Zedcor Energy, High Arctic Energy Services, Sanjel, PWC*

**Summary of Experience**  
*The Management team has extensive experience in rapid growth, opening new markets, mergers & acquisitions, bringing technologies to market, and has deep connections within the capital markets and banking institutions to bring opportunities to life.*

## Technology Committee

The Technology and Corporate Development Advisory Committee was established on an “ad hoc” basis to:

- evaluate new/emerging technologies that have the potential to impact the Company’s activities and strategies, and
- make recommendations regarding the competitiveness, marketability, effectiveness, and growth potential of technologies.

The Committee, Chaired by Ken Berg, is comprised of five members with backgrounds in engineering, research & development, intellectual property protection (patents & trademarks), business development, marketing, and finance.

In 2022 and 2023, the committee assisted the Board and Management in identifying and evaluating several companies as possible acquisitions.

*(full bios available on the Company’s website)*



# ***DIVERGENT***

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