



## **PRESS RELEASE**

### **DIVESTCO INC. ANNOUNCES ASSET PURCHASE OF THE PROCESSING DIVISION OF GEO-X SYSTEMS LTD.**

Calgary, Alberta, April 12, 2006 - DIVESTCO INC. (TSX VENTURE: DVT) ("Divestco" or the "Corporation") is pleased to announce that it has entered into an Acquisition Agreement to purchase the Processing Division business of Calgary based Geo-X Systems Ltd. ("Geo-X") for consideration of C\$11.5 million (C\$10.5 million in cash at closing and C\$1 million in common shares of Divestco to GEO-X at a deemed price per share of \$4.69) on terms and subject to conditions set out in the Acquisition Agreement. Concurrent with asset purchase, Divestco is in the process of finalizing employment offers to all 101 employees of the Processing Division. We are pleased to report that we have successfully retained all the key management and personnel of the Processing Division. Oliver Kuhn, B.Sc., who has been employed with GEO-X since 1984, most recently as the General Manager of the Processing Division, will continue to lead the division and will assume the role of Vice President Processing.

On a go forward annualized basis, it is expected that once operational synergies are achieved, the Processing Division will contribute to the Corporation approximately \$15 million in revenue and in excess of \$3 million in EBITDA. Divestco will operate the Processing Division as an independent division within our Services segment.

This acquisition is conditional on the Corporation's due diligence and the approval of the TSX Venture Exchange. Closing is scheduled to occur on or before May 1, 2006. As previously announced, the Corporation is in the process of disposing of its short-term investments and expects to fund the acquisition from the sale proceeds, internally generated cash flow and existing bank lines (if required).

Geo-X Systems Ltd. was formed in 1971 by Don Chamberlain, and has established itself as one of Canada's leading seismic service companies. Since inception, Geo-X has evolved from a seismic data processing software developer into a company with two separate divisions: The ARAM Division (design and manufacture of seismic data recording systems) and the Processing Division. Mr. Chamberlain will continue to own and operate the ARAM Division which will have no association with the Processing Division other than a normal business relationship after closing.

Geo-X's Processing Division is Canada's leading seismic processing service provider. The main strength of the division is its expertise in full-range high resolution onshore processing. Its strong R&D group allows it to take seismic projects beyond generic commodity processing, and offer real competitive advantages through the application of advanced processing algorithms and expertise. For more information, please visit their website at: [www.geoxsystems.com](http://www.geoxsystems.com)

Mr. Stephen Popadynetz, Chief Executive Officer of Divestco commented: "This acquisition is a perfect fit with our seismic acquisition business, and provides a natural augmentation to our existing broad product and service suite. The Geo-X Processing Division is highly respected throughout the industry and we look forward to the opportunities for growth and expected synergies. I welcome all the Processing Division employees into the fold as new members of an exciting, dynamic Divestco team."

Mr. Chris Chamberlain, President of Geo-X Systems Ltd. commented: “I am very pleased to turn over the division to a company with vision, leadership and a core value of putting its employees first. With the combined management and Divestco’s history of successful integrations, I am confident that the Processing Division will continue to grow and provide exceptional service to our customers.”

Divestco is an innovative software, data, services, brokerage and consulting company providing integrated solutions for the oil and gas industry. By implementing a strategy of integration between our software, services, and datasets, and potentially all three together, we are creating a unique set of offerings. Divestco is headquartered in Calgary, Alberta, Canada and trades on the TSX Venture Exchange under the symbol “DVT”.

**For more information please contact:**

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*The TSX Venture Exchange has not reviewed nor accepts responsibility for the adequacy or accuracy of this news release.*

*Statements in this document that may be considered forward-looking are based on management's current expectations that involve a number of risks and uncertainties, which could cause actual results to differ from those anticipated.*

*Earnings before interest, taxes, depreciation and amortization (“EBITDA”); “operating income”; “funds from operations”, and “funds from operations per share (basic and diluted)” are not measures that have any standardized meaning prescribed by Canadian GAAP and are considered non-GAAP measures. Therefore, these measures may not be comparable to similar measures presented by other issuers. These measures have been described and presented in this press release in order to provide shareholders and potential investors with additional information regarding the Corporation’s results, liquidity, and its ability to generate funds to finance its operations.*

*Divestco Inc. was recognized as a TSX Venture 50<sup>TM</sup> company in 2005. TSX Venture 50 is a trademark of TSX Inc. and is used under license. The TSX Venture 50<sup>TM</sup> are the top 10 companies in each of five major industry sectors – mining, oil & gas technology, life science and diversified industries – based on a ranking formula with equal weighting given to one-year revenue (last reported 12 months), return on investment, market cap growth and trading volume. All data was as of August 31, 2005. The 2005 TSX Venture 50<sup>TM</sup> is not an invitation to purchase securities listed on Toronto Stock Exchange and/or TSX Venture Exchange. TSX Group Inc. and its affiliates do not endorse or recommend any securities referenced in this ranking. Neither TSX Group Inc. nor its affiliated companies represent, warrant or guarantee the accuracy or the completeness of the information. You should not rely on this information contained herein for any trading, business or financial purposes. TSX Group Inc. and its affiliates assume no liability for any errors or inaccuracies herein or any use or reliance upon this information.*