



PRESS RELEASE

DIVESTCO REPORTS 593% INCREASE IN DATA LIBRARY SALES AND 16th CONSECUTIVE PROFITABLE QUARTER

November 08, 2007, Calgary, AB (TSX: DVT) – Divestco Inc. (“Divestco” or the “Company”) is pleased to announce its operating results for the three and nine months ended September 30, 2007. Divestco earned \$4.2 million (10 cents per share – diluted) in net income for the third quarter of 2007 compared to \$3.8 million in 2006 (11 cents per share – diluted). For the nine months ended September 30, 2007, the Company earned \$12.4 million of net income (30 cents a share-diluted) compared to \$10.9 million (33 cents a share-diluted) in 2006.

Divestco generated revenue of \$26.2 million for the third quarter of 2007, a decrease of \$12.1 million (31%) from \$38.3 million for the same period in 2006. The primary reason for the revenue decrease was Divestco delivered \$26.7 million in new participation shoots in Q3 of 2006 versus no participation revenue in Q3 of 2007. Most of the programs that were delayed due to the unusually heavy snowpack and wet weather last winter and spring, have now commenced and are underway in the field with anticipated deliveries in Q4 of 2007. These surveys are located in our core seismic data areas of Debolt (Alberta) and Cutbank Ridge (BC) and will augment or existing databases. Offsetting the reduction in participation revenue were aggregate data library sales which increased by \$13.3 million (593%) in the third quarter of 2007 to \$15.5 million from \$2.2 million for the same quarter in 2006.

Earnings before interest, taxes and amortization (“EBITDA”) were \$13.1 million, a \$13.5 million (51%) decrease over the same period in 2006. The Company generated funds from operations of \$11.7 million for the third quarter, a decrease of \$14.7 million (56%) as compared to \$26.4 million for the same period in 2006.

Despite delays in field data acquisitions, the Company is pleased to report that it was able to increase its data library by approximately 1,140 net square kilometers of 3D seismic and 290 linear kilometers of 2D data valued at approximately \$13.1 million in the third quarter. This data is strategic in nature and compliments our existing seismic datasets in three core areas; Gunnell (BC), Cutbank Ridge (BC) and Debolt (Alberta). With these data acquisitions complete, Divestco now controls the largest independent 3D seismic library in British Columbia.

Divestco generated revenue of \$80.5 million for the nine months of 2007, an increase of \$4.6 million (6%) from \$75.9 million for the same period in 2006. EBITDA were \$39.9 million, a \$6.9 million (15%) decrease over the same period in 2006. The Company generated funds from operations of \$31.2 million for the nine months, a decrease of \$15.2 million (33%) as compared to \$46.4 million for the same period in 2006.

Divestco is pleased to report that despite the delayed participation revenue, the Company has achieved record year to date aggregate data library sales totaling approximately \$36 million for the first nine months of 2007. This represents an increase of \$28.7 million (391%) compared to \$7.3 million of aggregate library sales for the same period in 2006. The increases in data library sales are a validation to the quality of the library Divestco has been building over the last few years and the focus of our library on a less cyclical area of the Western Canadian basin, such as British Columbia. We expect this trend of increased demand to continue, especially in light of the new Alberta Royalty plan.

Excluding the current portion of deferred revenue of \$9.6 million (December 31, 2006 – \$11.6 million), Divestco exited the third quarter with a minor \$4.0 million working capital deficiency compared to a \$4.6 million deficiency at the end of the second quarter, a \$0.6 million dollar improvement. The working capital deficiency is mainly attributed to \$6.3 million in current taxes payable primarily associated with the Company's limited partnership. This minor working capital shortfall is expected to be temporary, given the results expected throughout the remainder of the year combined with the new banking arrangements closed in the second quarter that appropriately match asset classes.

Comment on Alberta Royalty Changes and Divestco Reaction

With the recent royalty changes announced by the Alberta government and continued depressed natural gas prices, Divestco has witnessed a moderate slowdown in portions of our service segments consistent with the overall reduction in our clients' cash flows. In January of 2009, when the new Alberta royalties are expected to take effect, Divestco is forecasting continued erosion of its Alberta customers' capital budgets, and as such, a corresponding reduction in demand for some of its services in Alberta. As Divestco maintains a strong data and service presence outside of Alberta, the Company has witnessed an increase in activity in British Columbia and Saskatchewan which is expected to partially offset the expected decreases in the Alberta related revenue. Divestco has positioned many of its assets in areas where oil and gas investments must be made, thus providing a hedge to potential slowing in general oil and gas business levels. In addition, given the appreciation of the Canadian dollar the Company has refocused its attention on expanding its strategic assets and business lines in the United States.

Despite the fact that Divestco has continued to deliver substantial positive returns and growth, the stock price has not been immune to the overall downgraded market perception of the oil and gas service industry. To create greater flexibility when favorable market conditions return, Divestco has begun to explore a more focused and less expansive strategy. By concentrating on our core business lines and strategic assets, Divestco expects to be well positioned for future growth during the next market up cycle.

Mr. Stephen Popadynetz, CEO of Divestco commented: "I am proud of our accomplishments to date which have been many. This is Divestco's 16th consecutive quarter of profitability. In times of economic uncertainty, it is verification of the solid foundation that Divestco has built to be able to maintain its positive track record. Indeed, already as a result of the new Alberta Royalty program, Divestco has seen the cancellation of two large seismic programs contemplated in the Grande Prairie region slated for 2008. Divestco has recognized that our marketplace has changed, and as such, we are adapting our business to address such changes. As we adjust for the potential of a prolonged downturn, we have begun to alter our strategy to tailor it for our current economic landscape. It is crucial that Divestco manage all aspects of its

business and take advantage of its diverse product and service offering so as to allow us to remain a leader, be well positioned for the inevitable recovery, and maintain positive returns for our shareholders.”

Financial Results (Thousands, Except Per Share Amounts)						
	Three Months Ended Sept 30			Nine Months Ended Sept 30		
	2007	2006	<i>% Change</i>	2007	2006	<i>% Change</i>
Revenues	\$ 26,220	\$ 38,257	-31%	\$ 80,543	\$ 75,918	6%
Operating Expenses	13,100	11,685	12%	40,620	29,107	40%
EBITDA	13,120	26,572	-51%	39,923	46,811	-15%
Interest	1,181	340	247%	2,609	836	212%
Depreciation and Amortization	5,733	20,436	-72%	18,678	32,345	-42%
Operating Income	6,206	5,796	7%	18,636	13,630	37%
Other Income (loss)	(183)	(48)	N/A	(233)	2,060	N/A
Income Tax Expense	1,835	1,965	-7%	5,978	4,766	25%
Net Income	\$ 4,188	\$ 3,783	11%	\$ 12,425	\$ 10,924	14%
Per Share - Basic	0.10	0.11	-9%	0.32	0.34	-6%
Per Share - Diluted	0.10	0.11	-9%	0.30	0.33	-9%
Funds from Operations	\$ 11,729	\$ 26,440	-56%	\$ 31,164	\$ 46,400	-33%
Per Share - Basic	0.29	0.78	-63%	0.81	1.45	-44%
Per Share - Diluted	0.27	0.74	-64%	0.76	1.39	-45%
Shares Outstanding	41,500	34,221	21%	41,500	34,221	21%
Weighted Average Shares Outstanding						
Basic	41,096	33,972	21%	38,435	31,907	20%
Diluted	43,624	35,778	22%	41,083	33,368	23%

Segment Review Summary

For the three months ended September 30, 2007 (Thousands)						
	Software	Services	Data	Consulting	Corporate & Other	Total
Revenue	\$ 2,023	\$ 5,558	\$ 15,501	\$ 3,138	\$ -	\$ 26,220
EBITDA	892	760	13,204	305	(2,041)	13,120
Interest (net of interest revenue)	-	-	218	(18)	981	1,181
Depreciation and Amortization	336	654	4,393	311	39	5,733
Operating Income (loss)	556	106	8,593	12	(3,061)	6,206

For the three months ended September 30, 2006 (Thousands)						
	Software	Services	Data	Consulting	Corporate & Other	Total
Revenue	\$ 1,752	\$ 5,092	\$ 28,895	\$ 2,518	\$ -	\$ 38,257
EBITDA	649	876	27,163	(217)	(1,899)	26,572
Interest (net of interest revenue)	-	-	79	(14)	275	340
Depreciation and Amortization	300	512	19,306	278	40	20,436
Operating Income (loss)	349	364	7,778	(481)	(2,214)	5,796

For the nine months ended September 30, 2007 (Thousands)						
	Software	Services	Data	Consulting	Corporate & Other	Total
Revenue	\$ 5,803	\$ 17,557	\$ 47,327	\$ 9,856	\$ -	\$ 80,543
EBITDA	2,350	2,409	41,032	1,062	(6,930)	39,923
Interest (net of interest revenue)	3	-	474	(39)	2,171	2,609
Depreciation and Amortization	1,064	1,790	14,749	952	123	18,678
Operating Income (loss)	1,283	619	25,809	149	(9,224)	18,636

For the nine months ended September 30, 2006 (Thousands)						
	Software	Services	Data	Consulting	Corporate & Other	Total
Revenue	\$ 5,181	\$ 11,942	\$ 53,273	\$ 5,429	\$ 93	\$ 75,918
EBITDA	2,257	2,252	47,942	(537)	(5,103)	46,811
Interest (net of interest revenue)	-	-	188	(14)	662	836
Depreciation and Amortization	856	1,031	30,047	304	107	32,345
Operating Income (loss)	1,401	1,221	17,707	(827)	(5,872)	13,630

Divestco Inc.
Consolidated Balance Sheets

As at	Sep 30, 2007	Dec 31, 2006
(Thousands - Unaudited)		
Assets		
Current Assets		
Cash and cash equivalents	\$ 4,257	\$ 1,437
Accounts receivable	33,128	21,875
Prepaid expenses, supplies and deposits	906	923
Investment tax credits recoverable	-	651
	38,291	24,886
Long-term accounts receivable	140	560
Investment in affiliated company	80	68
Data libraries	144,145	71,201
Participation surveys in progress	1,363	2,721
Property and equipment	6,009	6,069
Deferred development costs	4,267	2,877
Deferred finance costs	-	323
Intangible assets	20,548	15,719
Goodwill	10,090	8,518
	\$ 224,933	\$ 132,942
Liabilities and Shareholders' Equity		
Current Liabilities		
Bank indebtedness	\$ -	\$ 6,451
Accounts payable and accrued liabilities	29,553	14,147
Income taxes payable	6,330	345
Current portion of deferred revenue	9,559	11,603
Current portion of long-term debt obligations	6,364	3,295
	51,806	35,841
Deferred revenue	1,221	260
Long-term debt obligations	37,379	6,636
Convertible debentures	7,533	-
Future income taxes	13,780	12,968
	111,719	55,705
Shareholders' Equity		
Equity instruments	68,486	46,854
Contributed surplus	3,319	2,008
Equity portion of convertible debentures	609	-
Retained earnings	40,800	28,375
	113,214	77,237
	\$ 224,933	\$ 132,942

Divestco Inc.

Consolidated Statements of Income, Comprehensive Income and Retained Earnings

(Thousands, except per share amounts - Unaudited)	For the three months ended		For the nine months ended	
	2007	2006	2007	2006
Revenue	\$ 26,220	\$ 38,257	\$ 80,543	\$ 75,918
Operating expenses				
Salaries and benefits	8,113	7,831	26,417	18,594
General and administrative	4,582	3,519	13,039	9,827
Stock compensation expense	405	335	1,164	686
	13,100	11,685	40,620	29,107
Interest expense	1,181	340	2,609	836
Depreciation and amortization	5,733	20,436	18,678	32,345
Other income (loss)	(183)	(48)	(233)	2,060
Income before income taxes	6,023	5,748	18,403	15,690
Income taxes				
Current	878	99	8,358	277
Future (reduction)	957	1,866	(2,380)	4,489
	1,835	1,965	5,978	4,766
Net income and comprehensive income for the period	4,188	3,783	12,425	10,924
Retained earnings, beginning of period	36,612	15,901	28,375	8,760
Retained earnings, end of period	\$ 40,800	\$ 19,684	\$ 40,800	\$ 19,684
Earnings per share				
Basic	\$ 0.10	\$ 0.11	\$ 0.32	\$ 0.34
Diluted	\$ 0.10	\$ 0.11	\$ 0.30	\$ 0.33
Weighted average number of shares				
Basic	41,096	33,972	38,435	31,907
Diluted	43,624	35,778	41,083	33,368

Divestco Inc.
Consolidated Statements of Cash Flows

(Thousands - Unaudited)	For the three months ended September 30		For the nine months ended September 30	
	2007	2006	2007	2006
Cash flows from operating activities				
Net income for the period	\$ 4,188	\$ 3,783	\$ 12,425	\$ 10,924
Items not affecting cash:				
Equity investment loss (gain)	(12)	(7)	(4)	3
Depreciation and amortization of data libraries, property and equipment and intangible assets	5,569	20,270	18,139	31,911
Amortization of deferred development costs	164	166	539	434
Accretion of deferred finance costs	106	22	503	65
Future income taxes (reduction)	957	1,866	(2,380)	4,489
Gain on sale of investment securities	-	-	-	(2,132)
Loss on sale of property and equipment	167	-	167	-
Unrealized foreign exchange loss	(90)	5	-	20
Non-cash retention bonus	275	-	611	-
Stock compensation expense	405	335	1,164	686
	11,729	26,440	31,164	46,400
Changes in non-cash working capital balances	(8,573)	(23,833)	(13,198)	372
Increase (decrease) in non-current deferred revenue	1,055	(725)	961	641
Decrease in long-term accounts receivable	140	300	420	300
	4,351	2,182	19,347	47,713
Cash flows from financing activities				
Bank indebtedness	-	3,721	(6,451)	12,591
Advances to affiliated company	-	-	(8)	-
Issue of common shares, net of related expenses	1,335	(461)	2,548	13,404
Repayment of long-term debt obligations	(2,258)	(818)	(13,753)	(2,188)
Deferred financing costs	-	-	(1,340)	-
Proceeds received from long-term debt obligations	1,362	-	43,597	-
	439	2,442	24,593	23,807
Cash flows from investing activities				
Purchase of data libraries	(13,121)	(46,463)	(46,456)	(69,332)
Decrease (increase) in participation surveys in progress	(889)	44,604	1,358	2,331
Purchase of property and equipment	(180)	(737)	(1,182)	(1,264)
Purchase of intangibles	-	-	-	(176)
Acquisitions	(16)	(3,514)	(3,869)	(15,001)
Purchase of investment securities	-	-	-	(109)
Proceeds on sale of investment securities	-	-	-	7,753
Proceeds on sale of property and equipment	177	-	177	-
Deferred development costs	(651)	(409)	(1,929)	(1,209)
Changes in non-cash working capital balances	12,455	(6,221)	10,777	5,033
	(2,225)	(12,740)	(41,124)	(71,974)
Foreign exchange gain (loss) on cash held in a foreign currency	90	(5)	4	(26)
Increase in cash and cash equivalents	2,655	(8,121)	2,820	(480)
Cash and cash equivalents, beginning of period	1,602	9,023	1,437	1,382
Cash and cash equivalents, end of period	\$ 4,257	\$ 902	\$ 4,257	\$ 902

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 under the symbol "DVT".

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The TSX 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.

“Working Capital”; 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 Company’s results, liquidity, and its ability to generate funds to finance its operations.

Management believes that in addition to net income, EBITDA and operating income are useful supplemental measures for providing an indication of the results generated by the Company’s principle business activities prior to the consideration of how those activities are financed or how the results are taxed. Management also utilizes funds from operations and funds from operations per share – basic and diluted as key measures to assess the ability of the Company to finance operating activities and capital expenditures.

Non-GAAP measures are calculated as follows:

Working capital: current assets less current liabilities

EBITDA: earnings before interest, income taxes, depreciation and amortization

Operating income: EBITDA less interest, depreciation and amortization

Funds from operations: cash flow from operating activities as prescribed by Canadian GAAP, but excluding the impact of items not affecting cash