



## PRESS RELEASE

### DIVESTCO REPORTS 2009 Q4 RESULTS

March 26, 2010, Calgary, AB (TSX: DVT) – Divestco Inc. (“Divestco” or the “Company”) is pleased to announce its operating results for the three months and year ended December 31, 2009.

For the year ended December 31, 2009, Divestco generated revenue of \$62 million, a decrease of \$41 million (40%) from \$103 million for the same period in 2008. Earnings before interest, taxes, depreciation and amortization (EBITDA) were \$24.9 million, a \$26.5 million (52%) decrease from \$51.4 million in 2008. The Company generated funds from operations of \$24.1 million (57 cents per share – basic and diluted) in 2009, a decrease of \$23.3 million (49%) as compared to \$47.4 million (\$1.13 per share - basic and diluted) in 2008.

During the fourth quarter of 2009, Divestco generated revenue of \$10.3 million, a decrease of \$18.1 million (64%) from \$28.4 million for the same period in 2008. EBITDA was \$0.1 million, a \$15.9 million (99%) decrease from \$16 million for the same period in 2008. The Company had negative funds from operations of \$47,000 (0 cents per share – basic and diluted) for the fourth quarter of 2009, a decrease of \$15.0 million as compared to \$14.9 million (36 cents per share – basic and diluted) for the same period in 2008.

Divestco had a net loss for the fourth quarter 2009 of \$7.3 million (17 cents per share – basic and diluted) compared to a net loss of \$10.3 million (25 cents per share – basic and diluted) for the same period in 2008. For fiscal 2009 the net loss was \$6.2 million (15 cents per share – basic and diluted) compared to a net loss of \$9.3 million (22 cents per share – basic and diluted) for the same period in 2008.

The Company’s fourth quarter 2009 results included an intangible asset impairment charge of \$0.8 million (net of tax) and a general allowance for doubtful accounts provision of \$1.2 million (net of tax). The Company’s fourth quarter 2008 results also included certain one-time charges totaling \$16.3 million (net of tax). Excluding these charges, Q4 2009 adjusted net loss was \$5.3 million (13 cents per share – basic and diluted) compared Q4 2008 adjusted net income of \$6 million (14 cents per share – basic and diluted). For fiscal 2009 the adjusted net loss was \$4.2 million (10 cents per share – basic and diluted) compared to adjusted net income of \$7 million (17 cents per share – basic and diluted) for fiscal 2008.

Divestco generated \$3.1 million in aggregate library data (inventory) sales during the fourth quarter of 2009. This represents a decrease of \$11.6 million (79%) compared to \$14.7 million of aggregate library sales for the same period in 2008. There was no seismic participation revenue for Q4 2009. Seismic participation revenue for Q4 2008 was \$0.3 million. The balance of the data segment revenue was related to seismic brokerage.

For fiscal 2009, Divestco generated \$26.7 million in aggregate library data (inventory) sales. This represents a decrease of \$18 million (40%) compared to \$44.7 million of aggregate library sales for the same period in 2008. Seismic participation revenue for 2009 was \$5.7 million compared to \$13.1 million for the same period in 2008, a decrease of \$7.4 million (56%). The balance of the data segment revenue was related to seismic brokerage.

Excluding the current portion of deferred revenue of \$5.5 million (December 31, 2008 – \$11.2 million), Divestco ended fiscal 2009 with a \$6.2 million working capital deficiency compared to a \$9.7 million deficiency at the end of 2008 and \$28.1 million deficiency at the end of 2007. Overall, the Company's total funded debt was reduced by \$8.4 million (current and long-term portions) during the fourth quarter of 2009 and \$21.5 million since the end of 2008.

Although the Company's results continue to be affected by the worldwide economic recession, Divestco remains cash flow positive. During this time of uncertainty, Management was quick to act with austerity measures that reflected the new economic reality and reduced operating expenses by \$14.5 million (28%) year over year. Uncertainty in commodity prices and tighter credit has had the effect of reducing capital spending programs for most, if not all, of Divestco's clients. However, Divestco is seeing a modest trend of increased customer spending and loosening of credit and capital markets and, in conjunction with the recently announced adjustments to the Alberta New Royalty Framework, Management is cautiously optimistic in the near to medium term.

The Company has a history of profitable operations and generating positive funds from operations. Remaining cash flow positive during fiscal 2009 is a testament to the quality of the Company's products and services and bodes well for the Company as it makes its way out of this recession. Even more notable is the fact that Divestco significantly reduced its funded debt position by \$21.5 million through these tough times.

Divestco will continue to strengthen its balance sheet and eliminate its working capital deficit. The Company remains committed to a strategy of strict debt management, restricted capital spending and reducing expenses.

Mr. Stephen Popadynetz, CEO of Divestco commented: "We are pleased that the Alberta Government has recently amended its stance on Alberta royalties. We are seeing positive trends in the industry as well as in the credit and capital markets. We are cautiously optimistic and do expect better results in 2010 and 2011. The Company made a number of tough decisions to navigate through the recession. I would like to thank the Board of Directors, Senior Management and staff for all of their efforts. These tough decisions have resulted in dramatic improvements to the Company's balance sheet and, as a result, we are well positioned in the event favourable markets return."

## Non-GAAP Measures

Divestco uses EBITDA and operating income as key measures to evaluate the performance of segments, divisions and the Company, with the closest GAAP measure being net income. EBITDA and operating income are measures commonly reported and widely used by investors as indicators of the Company's operating performance and ability to incur and service debt, and as a valuation metric. The Company believes EBITDA and operating income assists investors in comparing the Company's performance on a consistent basis without regard to financing decisions, and depreciation and amortization, which are non-cash in nature and can vary significantly depending upon accounting methods or non-operating factors such as historical cost.

EBITDA and operating income are not calculations based on Canadian GAAP and should not be considered alternatives to net income in measuring the Company's performance; nor should they be used as exclusive measures of cash flow, because they do not consider the impact of working capital growth, capital expenditures, debt principal reductions and other sources and uses of cash, which are disclosed in the Consolidated Statements of Cash Flows. Investors should carefully consider the specific items included in Divestco's computation of EBITDA and operating income. While EBITDA and operating income have been disclosed herein to permit a more complete comparative analysis of the Company's operating performance and debt servicing ability relative to other companies, investors should be cautioned that EBITDA and operating income as reported by Divestco may not be comparable in all instances to EBITDA and operating income as reported by other companies.

Cash EBITDA is not a calculation based on Canadian GAAP and this measure may not be comparable to similar measures presented by other issuers. Accordingly, this measure has been represented in this press release to provide readers with additional information regarding the Company's financial position, results, liquidity and its ability to generate future cash flows excluding revenue generated from seismic participation (multi-client) surveys. Cash EBITDA is defined as EBITDA less seismic participation (multi-client) revenue.

EBITDA and Cash EBITDA are calculated as follows:

(Thousands)	Three Months Ended December 31		Year Ended December 31	
	2009	2008	2009	2008
<b>Net Loss</b>	\$ (7,291)	\$ (10,277)	\$ (6,197)	\$ (9,263)
Income Tax Expense (Reduction)	(1,442)	(1,932)	(3,316)	(1,339)
Other Income (Loss)	(19)	(103)	4,371	(1,602)
<b>Operating Loss</b>	\$ (8,714)	\$ (12,106)	\$ (13,884)	\$ (9,000)
Interest	473	1,627	2,941	5,412
Depreciation and Amortization	7,248	12,746	34,692	41,209
Impairment of goodwill and intangible assets	1,115	13,779	1,115	13,779
<b>EBITDA</b>	122	16,046	24,864	51,400
Less: seismic participation revenue	-	(293)	(5,733)	(13,064)
<b>Cash EBITDA</b>	\$ 122	\$ 15,753	\$ 19,131	\$ 38,336

For fiscal 2009, the company generated \$19.1 million in cash EBITDA, a \$19.2 million (50%) decrease from the \$38.3 million generated for fiscal 2008.

Divestco reports funds from operations because it is a key measure used by management to evaluate its performance and to assess the ability of the Company to finance operating activities and capital expenditures. Funds from operations excludes certain working capital changes and

other sources and uses of cash, which are disclosed in the Consolidated Statements of Cash Flows.

Funds from operations is not a calculation based on Canadian GAAP and should not be considered an alternative to the Consolidated Statements of Cash Flows. Funds from operations is a measure that can be used to gauge Divestco's capacity to generate discretionary cash flow. Investors should be cautioned that funds from operations as reported by Divestco may not be comparable in all instances to funds from operations as reported by other companies. While the closest GAAP measure is cash flows from operating activities, funds from operations is considered relevant because it provides an indication of how much cash generated by operations is available before proceeds from divested assets and changes in certain working capital items.

Funds from operations is calculated as follows:

(Thousands)	Three Months Ended December 31		Year Ended December 31	
	2009	2008	2009	2008
<b>Cash Flows from Operating Activities</b>	\$ 4,538	\$ 14,393	\$ 23,822	\$ 42,786
Changes in Non-Cash Working Capital Balances	(4,520)	761	354	4,316
Increase (Decrease) in non-current deferred revenue	-	(249)	263	267
Decrease in Long-Term Prepaid Expense	(65)	-	(354)	-
<b>Funds from Operations</b>	\$ (47)	\$ 14,905	\$ 24,085	\$ 47,369

## Financial Highlights

Financial Results (Thousands, Except Per Share Amounts)						
	Three Months Ended December 31			Year Ended December 31		
	2009	2008	% Change	2009	2008	% Change
Revenue	\$ 10,268	\$ 28,404	-64%	\$ 61,976	\$ 102,967	-40%
Operating Expenses	10,146	12,358	-18%	37,112	51,567	-28%
EBITDA	122	16,046	-99%	24,864	51,400	-52%
Interest	473	1,627	-71%	2,941	5,412	-46%
Depreciation and Amortization	7,248	12,746	-43%	34,692	41,209	-16%
Operating Loss	(8,714)	(12,106)	N/A	(13,884)	(9,000)	N/A
Other Income (Loss)	(19)	(103)	N/A	4,371	(1,602)	N/A
Income Tax Expense (Reduction)	(1,442)	(1,932)	N/A	(3,316)	(1,339)	N/A
Net Loss	\$ (7,291)	\$ (10,277)	N/A	\$ (6,197)	\$ (9,263)	N/A
Per Share - Basic	(0.17)	(0.25)	N/A	(0.15)	(0.22)	N/A
Per Share - Diluted	(0.17)	(0.25)	N/A	(0.15)	(0.22)	N/A
Funds from Operations	\$ (47)	\$ 14,905	N/A	\$ 24,085	\$ 47,369	-49%
Per Share - Basic	-	0.36	-100%	0.57	1.13	-50%
Per Share - Diluted	-	0.36	-100%	0.57	1.13	-50%
Shares Outstanding	41,958	41,958	0%	41,958	41,958	0%
Weighted Average Shares Outstanding						
Basic	41,958	41,848	0%	41,958	41,767	0%
Diluted	41,958	41,848	0%	41,958	41,767	0%
Cash EBITDA	\$ 122	\$ 15,753	-99%	\$ 19,131	\$ 38,336	-50%

## Segment Review Summary

For the three months ended December 31, 2009 (Thousands)						
	Software	Services	Data	Consulting	Corporate & Other	Total
Revenue	\$ 2,388	\$ 2,811	\$ 3,636	\$ 1,433	\$ -	\$ 10,268
EBITDA	1,533	317	641	(176)	(2,193)	122
Interest (Net of Interest Revenue)	-	-	-	-	473	473
Depreciation and Amortization	180	424	6,162	72	410	7,248
Impairment of goodwill and intangibles	-	1,115	-	-	-	1,115
Operating Income (Loss)	1,353	(1,222)	(5,521)	(248)	(3,076)	(8,714)

For the three months ended December 31, 2008 (Thousands)						
	Software	Services	Data	Consulting	Corporate & Other	Total
Revenue	\$ 2,274	\$ 7,544	\$ 15,611	\$ 2,975	\$ -	\$ 28,404
EBITDA	981	3,657	13,798	293	(2,683)	16,046
Interest (Net of Interest Revenue)	22	-	429	1	1,175	1,627
Depreciation and Amortization	585	1,550	7,718	2,762	131	12,746
Impairment of goodwill and intangibles	1,930	6,355	218	5,276	-	13,779
Operating Income (Loss)	(1,556)	(4,248)	5,433	(7,746)	(3,989)	(12,106)

For the twelve months ended December 31, 2009 (Thousands)						
	Software	Services	Data	Consulting	Corporate & Other	Total
Revenue	\$ 7,766	\$ 13,618	\$ 33,877	\$ 6,715	\$ -	\$ 61,976
EBITDA	4,288	1,987	26,557	(112)	(7,856)	24,864
Interest (Net of Interest Revenue)	17	1	21	(1)	2,903	2,941
Depreciation and Amortization	1,568	2,240	28,917	430	1,537	34,692
Impairment of goodwill and intangibles	-	1,115	-	-	-	1,115
Operating Income (Loss)	2,703	(1,369)	(2,381)	(541)	(12,296)	(13,884)

For the twelve months ended December 31, 2008 (Thousands)						
	Software	Services	Data	Consulting	Corporate & Other	Total
Revenue	\$ 8,356	\$ 21,618	\$ 60,648	\$ 12,345	\$ -	\$ 102,967
EBITDA	3,195	5,312	51,607	319	(9,033)	51,400
Interest (Net of Interest Revenue)	22	-	418	(16)	4,988	5,412
Depreciation and Amortization	1,874	3,346	31,716	3,786	487	41,209
Impairment of goodwill and intangibles	1,930	6,355	218	5,276	-	13,779
Operating Income (Loss)	(631)	(4,389)	19,255	(8,727)	(14,508)	(9,000)

Divestco Inc.  
Consolidated Balance Sheets

As at December 31	2009	2008
(Thousands)		
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 768	\$ 1,811
Funds held in trust	17	31
Accounts receivable	19,267	27,858
Prepaid expenses, supplies and deposits	708	2,361
Income taxes receivable	391	59
	21,151	32,120
<b>Long-term prepaid expense</b>	846	-
<b>Investment in affiliated company</b>	88	80
<b>Data libraries</b>	138,712	154,897
<b>Participation surveys in progress</b>	2,186	4,708
<b>Property and equipment</b>	2,747	4,942
<b>Deferred development costs</b>	6,699	6,201
<b>Intangible assets</b>	3,494	6,787
	\$ 175,923	\$ 209,735
<b>Liabilities and Shareholders' Equity</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities	\$ 21,184	\$ 27,235
Current portion of deferred revenue	5,543	11,206
Current portion of long-term debt obligations	6,217	14,622
	32,944	53,063
<b>Deferred revenue</b>	-	263
<b>Long-term debt obligations</b>	20,685	33,463
<b>Convertible Debentures</b>	3,602	-
<b>Future income taxes</b>	12,342	10,973
	69,573	97,762
<b>Shareholders' Equity</b>		
Equity instruments	70,518	70,518
Contributed surplus	5,473	4,955
Equity portion of convertible debentures	56	-
Retained earnings	30,303	36,500
	106,350	111,973
	\$ 175,923	\$ 209,735

Divestco Inc.  
Consolidated Statements of Loss, Comprehensive Loss and Retained Earnings

	Three Months Ended December 31		Year Ended December 31	
	2009	2008	2009	2008
<b>(Thousands, except per share amounts)</b>				
<b>Revenue</b>	<b>\$ 10,268</b>	<b>\$ 28,404</b>	<b>\$ 61,976</b>	<b>\$ 102,967</b>
<b>Operating expenses</b>				
Salaries and benefits	5,090	8,327	21,889	34,381
General and administrative	5,029	3,799	14,705	16,113
Stock compensation expense	27	232	518	1,073
	<b>10,146</b>	<b>12,358</b>	<b>37,112</b>	<b>51,567</b>
<b>Interest expense</b>	<b>473</b>	<b>1,627</b>	<b>2,941</b>	<b>5,412</b>
<b>Depreciation and amortization</b>	<b>7,248</b>	<b>12,746</b>	<b>34,692</b>	<b>41,209</b>
<b>Impairment of goodwill and intangible assets</b>	<b>1,115</b>	<b>13,779</b>	<b>1,115</b>	<b>13,779</b>
<b>Other income (loss)</b>	<b>(19)</b>	<b>(103)</b>	<b>4,371</b>	<b>(1,602)</b>
<b>Loss before income taxes</b>	<b>(8,733)</b>	<b>(12,209)</b>	<b>(9,513)</b>	<b>(10,602)</b>
<b>Income taxes</b>				
Current (recovery)	(217)	(158)	(4,685)	1,094
Future (reduction)	(1,225)	(1,774)	1,369	(2,433)
	<b>(1,442)</b>	<b>(1,932)</b>	<b>(3,316)</b>	<b>(1,339)</b>
<b>Net loss and comprehensive loss for the period</b>	<b>(7,291)</b>	<b>(10,277)</b>	<b>(6,197)</b>	<b>(9,263)</b>
Retained earnings, beginning of period	37,594	46,777	36,500	45,763
<b>Retained earnings, end of period</b>	<b>\$ 30,303</b>	<b>\$ 36,500</b>	<b>\$ 30,303</b>	<b>\$ 36,500</b>
<b>Earnings per share</b>				
Basic and diluted	<b>\$ (0.17)</b>	<b>\$ (0.25)</b>	<b>\$ (0.15)</b>	<b>\$ (0.22)</b>
<b>Weighted average number of shares</b>				
Basic	41,958	41,848	41,958	41,767
Diluted	41,958	41,848	41,958	41,767

Divestco Inc.  
Consolidated Statements of Cash Flows

	Three Months Ended December 31		Year Ended December 31	
	2009	2008	2009	2008
<b>(Thousands)</b>				
<b>Cash flows from operating activities</b>				
Net income (loss) for the period	\$ (7,291)	\$ (10,277)	\$ (6,197)	\$ (9,263)
Items not affecting cash:				
Equity investment gain	6	5	(8)	(8)
Depreciation and amortization of data libraries, property and equipment and intangible assets	7,140	12,484	33,211	40,221
Impairment of goodwill and intangible assets	1,115	13,779	1,115	13,779
Amortization of deferred development costs	108	262	1,481	988
Amortization of deferred finance costs	67	83	346	360
Accretion of liability portion of convertible debentures	4	-	6	609
Accretion of equity portion of convertible debentures	2	111	-	-
Future income taxes (reduction)	(1,225)	(1,774)	1,369	(2,433)
Data exchanges	-	-	(3,321)	-
Loss (gain) on sale of property and equipment	-	-	(4,435)	1,558
Non-cash retention bonus	-	-	-	485
Stock compensation expense	27	232	518	1,073
	(47)	14,905	24,085	47,369
Changes in non-cash working capital balances	4,520	(761)	(354)	(4,316)
Increase (Decrease) in non-current deferred revenue	-	249	(263)	(267)
Decrease in long-term prepaid expense	65	-	354	-
	4,538	14,393	23,822	42,786
<b>Cash flows from (used in) financing activities</b>				
Issue of common shares, net of related expenses	-	-	-	349
Repayment of long-term debt obligations	(5,817)	(3,103)	(14,572)	(8,143)
Deferred financing costs	(98)	-	(173)	-
Proceeds from Debenture issue	3,750	-	3,750	-
Proceeds received from long-term debt obligations (net of committed revolver repayments)	(2,606)	(5,510)	(6,971)	3,433
Repurchase of common shares	-	-	-	(59)
	(4,771)	(8,613)	(17,966)	(4,420)
<b>Cash flows from (used in) investing activities</b>				
Purchase of data libraries	(56)	(2,715)	(7,246)	(26,571)
Decrease (increase) in participation surveys in progress	(1,978)	(3,712)	2,522	(3,661)
Purchase of property and equipment	(81)	(36)	(1,500)	(398)
Proceeds on sale of property and equipment	-	-	3,340	3,089
Deferred development costs	(497)	(586)	(1,979)	(2,453)
Changes in non-cash working capital balances	2,260	488	(2,036)	(9,027)
	(352)	(6,561)	(6,899)	(39,021)
<b>Foreign exchange gain (loss) on cash held in a foreign currency</b>	2	(2)	-	-
<b>Increase (decrease) in cash and cash equivalents</b>	(583)	(783)	(1,043)	(655)
Cash and cash equivalents, beginning of period	1,351	2,594	1,811	2,466
<b>Cash and cash equivalents, end of period</b>	\$ 768	\$ 1,811	\$ 768	\$ 1,811

Divestco is an exploration services company that provides a comprehensive and integrated portfolio of software, services, data and consulting to the oil and gas industry. Through continued commitment to align and bundle products and services to generate value for customers, Divestco is creating an unparalleled set of integrated solutions and unique benefits for the marketplace. Divestco's breadth of software, services, data and consulting solutions offers customers the ability to access and analyze the information required to make business decisions and to optimize their success in the upstream oil and gas industry. Divestco is headquartered in Calgary, Alberta, Canada and trades on the Toronto Stock Exchange 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.*

*This press release contains forward-looking information related to the Company's capital expenditures, projected growth, view and outlook towards future oil and gas prices and market conditions, and demand for its products and services. Statements that contain words such as "could", "should", "can", "anticipate", "expect", "believe", "will", "may" and similar expressions and statements relating to matters that are not historical facts constitute "forward-looking information" within the meaning applicable by Canadian securities legislation. Although management of the Company believes that the expectations reflected in such forward-looking information are reasonable, there can be no assurance that such expectations will prove to have been correct because, should one or more of the risks materialize, or should the assumptions underlying forward-looking statements or forward-looking information prove incorrect, actual results may vary materially from those described in this press release as intended, planned, anticipated, believed, estimated or expected. Except where required by law, the Company does not assume any obligation to update these forward-looking statements or forward-looking information if conditions or opinions should change. Readers should not place undue reliance on forward-looking statements or forward-looking information. All of the forward-looking statements and forward-looking information of the Company contained in this press release are expressly qualified, in their entirety, by this cautionary statement.*

*In particular, this press release contains forward-looking statements pertaining to the following: the Company's ability to reduce debt, improve liquidity, correct its working capital deficiency and maintain profitability in the current economy; availability of external and internal funding for future operations; relative future competitive position of the Company; nature and timing of growth; future sales of the Company's seismic data library; oil and natural gas production levels; planned capital expenditure programs; supply and demand for oil and natural gas; future demand for products/services; commodity prices; fluctuations in interest rates; impact of Canadian federal and provincial governmental regulation on the Company; expected levels of operating costs, general administrative costs, costs of services and other costs and expenses; future ability to execute dispositions of assets or businesses; expectations regarding the Company's ability to raise capital and to add to seismic data through new seismic shoots and acquisition of existing seismic data; treatment under tax laws.*

*These forward-looking statements are based upon assumptions including: that future prices for crude oil and natural gas, future interest rates and future availability of debt and equity financing will be at levels and costs that allow the Company to manage, operate and finance its business and develop its software products and various oil and gas datasets including its seismic data library, and meet its future obligations; that the regulatory framework in respect of royalties, taxes and environmental matters applicable to the Company and its customers will not become so onerous on both the Company and its customers as to preclude the Company and its customers from viably managing, operating and financing its business and the development of its software and data; and that the Company will continue to be able to identify, attract and employ qualified staff and obtain the outside expertise as well as specialized and other equipment it requires to manage, operate and finance its business and develop its properties.*

*These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond the Company's control, including: general economic, market and business condition; volatility in market prices for crude oil and natural gas; ability of Divestco's clients to explore for, develop and produce oil and gas; availability of financing and capital; fluctuations in interest rates; demand for the Company's product and services; weather and climate conditions; competitive actions by other companies; availability of skilled labour; failure to obtain regulatory approvals in a timely manner; adverse conditions in the debt and equity markets; and government actions including changes in environment and other regulations.*