

# SeaBird Exploration

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# SeaBird Exploration

2D Acquisition	3D Acquisition	Source	Multi-client
Global 2D market  Largest fleet	4-8 streamer market  Smaller areas; challenging environments; shallow water	Natural fit with fleet composition  Attractive market trends	Optimize fleet utilization  Capitalize on attractive opportunities
			

- Global market leader in core business segments with 8 vessels
- Offices in Cyprus, Oslo, Dubai, Houston and Singapore (closing Dubai office)
- Approximately 600 employees

**Global provider of marine 2D, source and niche 3D seismic**

# Well positioned fleet mix

2D vessels and source vessels

3D vessels



Geo Pacific, 8 X 6000m

Shallow water  
3D vessel



Voyager Explorer  
4 X 6000m



Northern Explorer



Munin Explorer



Harrier Explorer



Hawk Explorer

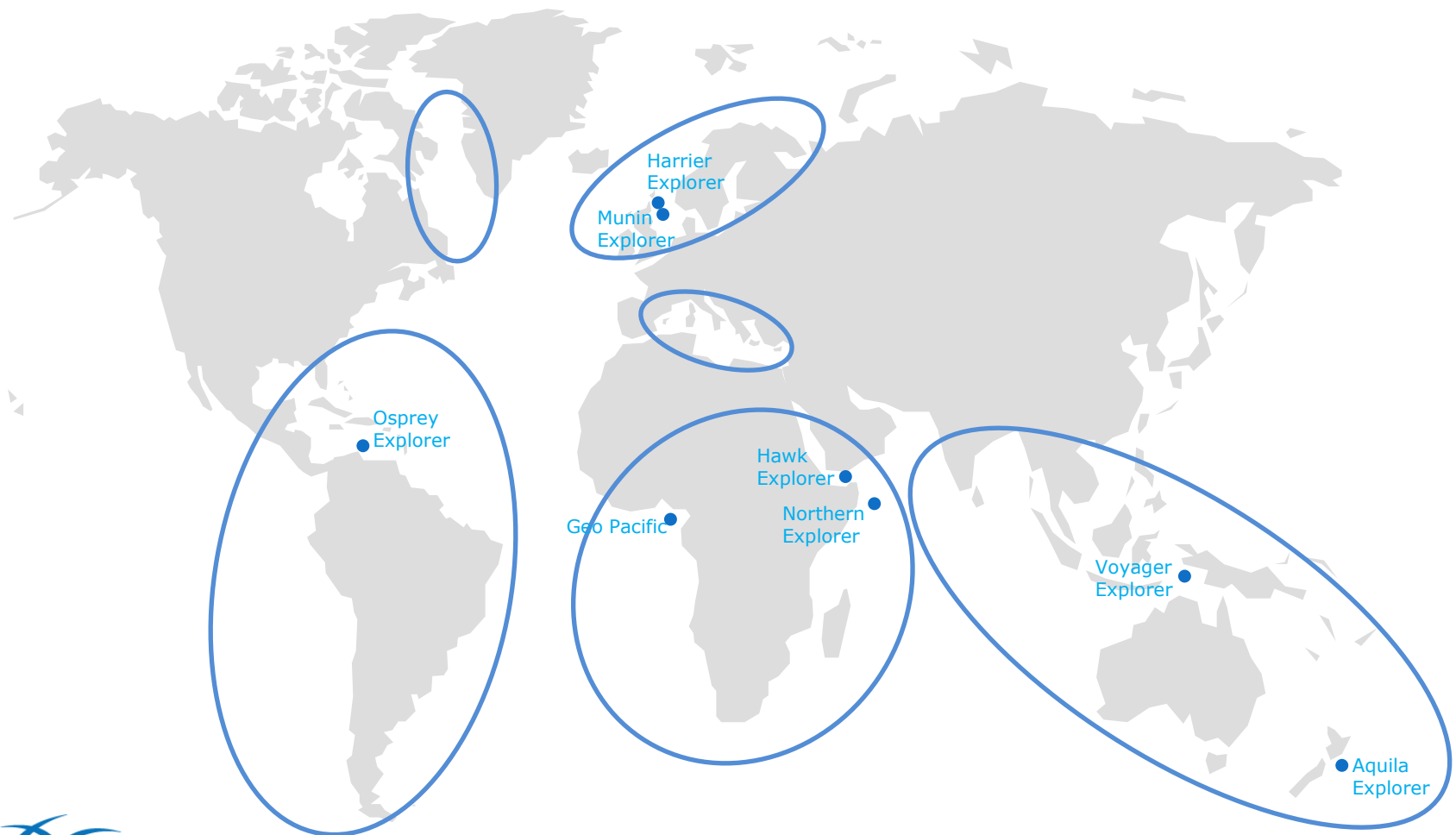


Aquila Explorer



Osprey Explorer

# Global footprint



# Blue-chip client base

- History of operational excellence ensures blue-chip client base
- Leading HSSEQ systems prequalifies the company to work with most oil majors, which sets SeaBird apart from competitors

Major oil



National oil

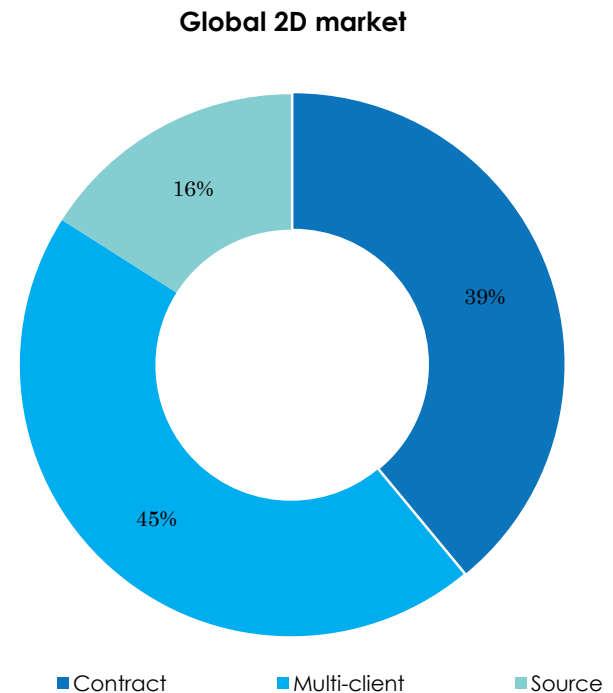


Independent oil / seismic



# Global 2D market around \$1.2 billion

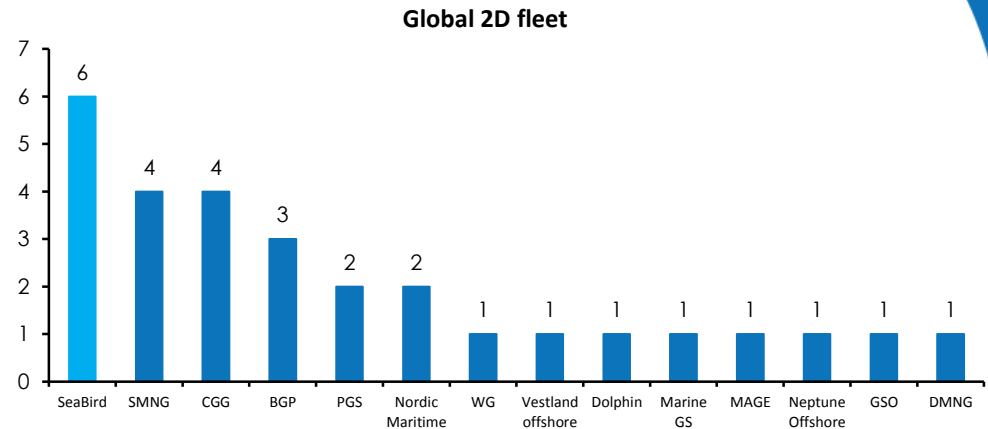
- Contract market; \$450–550 million in annual revenues
  - Assumed 80% utilization
- Multi-client market; \$550-610 million in annual revenues
  - A vital exploration tool
  - Large players use internal 2D capacity for multi-client
- Source market; \$180-230 million in annual revenues
  - Assumed 90% utilization
  - Around 10-12 operational source vessels
  - Retired low end 3D vessels remain a potential threat to the market
  - Source market has absorbed 9 lower end 3D vessels over the past 2 years and dayrates continue to improve



Source: RS Platou Markets, assumed 25 operational 2D vessels

# Seismic 2D players

- Market trends
  - Increased demand from non-vessel owning multi-client companies
  - Increasing focus on frontier exploration from oil companies
- Chinese and Russian operators concentrating on multi-client sector and domestic markets
- Multi-streamer vessels coming into 2D, source and niche 3D markets
  - Vessels as large as 12-streamers into 2D and source markets
  - 13 multi-streamer vessels in our core operating segments
  - These vessels are suboptimal



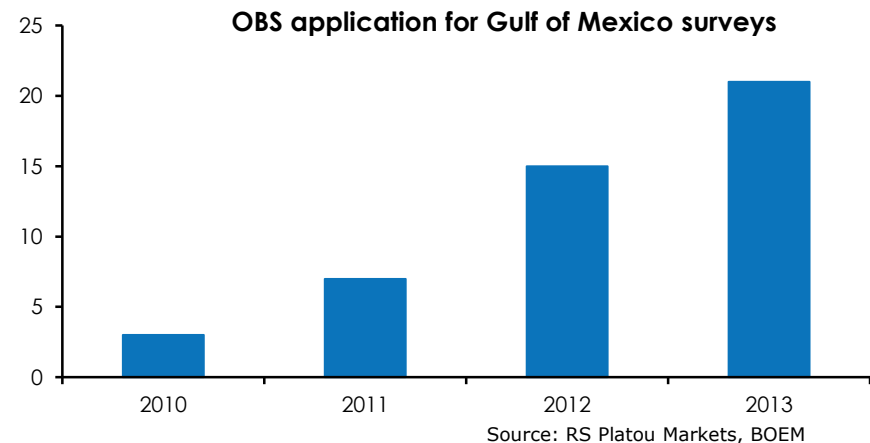
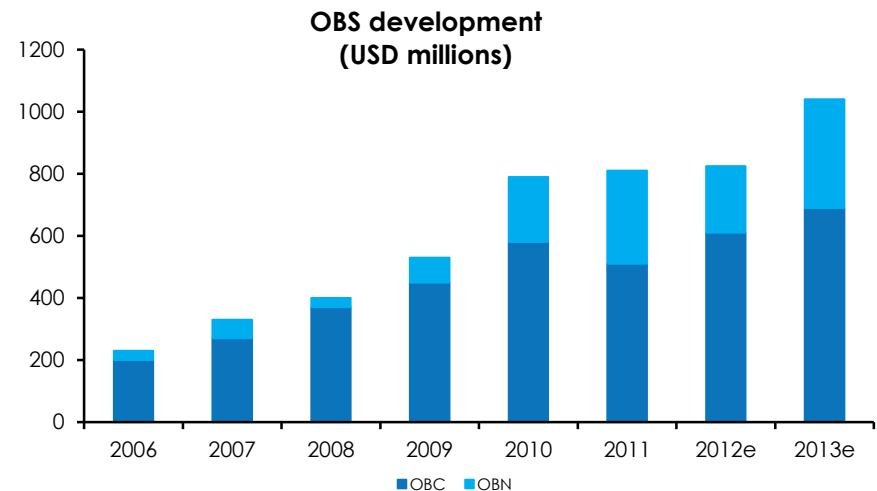
Source: RS Platou Markets, Petrodata, newsfeed, company reports

Five vessels+ expected decommissioned during next 12-18 months



# Growing source market demand

- Ocean bottom seismic (OBS) is a rapidly growing market
  - Simultaneous shooting on the rise
- Source vessel demand increasing as a result
  - Contracts mainly from major oil companies requiring accreditations
- Also seeing increasing demand in wide azimuth, long offset and reservoir monitoring



# Niche 3D market

- Major seismic operators focusing on 12+ streamer segment
- 4-8 streamer vessels cost efficient for shorter and more complex surveys
  - Low mobilization costs and short deployment time
  - More economic on smaller surveys
- Natural fit with Seabird's fleet
- Substantial portion of this market is contract work for oil companies and does require prequalification

This market will increase significantly over time

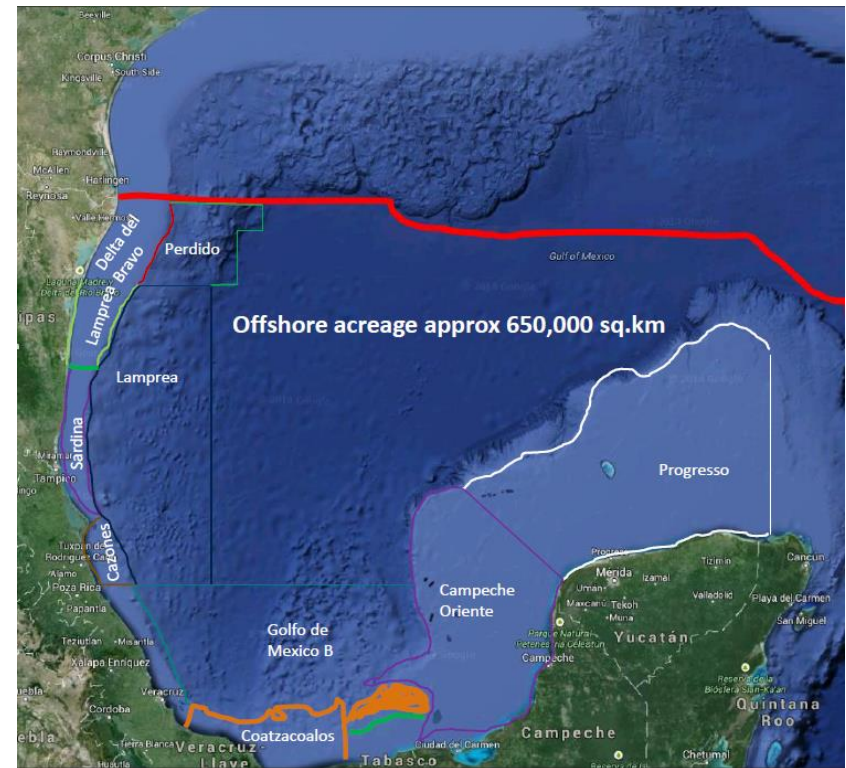
Vessels exited 3D market in 2013		
Vessel	Company	No of streamers
Geo Commander	CGG	8
Geo Barents	CGG	8
Western Patriot	Western Geco	8

Vessels exited 3D market in 2014		
Vessel	Company	No of streamers
Symphony	CGG	10
Geowave Voyageur	CGG	10
Vantage	CGG	10
Pacific Explorer	PGS	6
Western Spirit	Western Geco	8
Geco Triton	Western Geco	10

Vessels expected to exit the 3D market 2014 - 2016		
Vessel	Company	No of streamers
Viking	CGG	10
Viking II	CGG	10
Viking Vanquish	CGG	10
Amadeus	CGG	10
Artemis Arctic	DOLP	6
Atlantic Explorer	PGS	6
Western Regent	Western Geco	8
Gilavar	Western Geco	6

# New market opportunities

- Developed markets still evolving
- Frontier markets also providing expansion opportunities
- SeaBird has opened up Somalia for seismic exploration
- Mexico opening up for international oil companies; energy reform
  - Letter of intent with TGS-NOPEC for up to 200,000km of 2D seismic data



SeaBird is the market leader in challenging operating environments

# Initial restructuring efforts

- Sold the ocean bottom node business and financial restructuring at the end of 2011
- New management and board
- Expanded further into the 3D segment
- Redelivery and sale of three vessels
- New multi-client strategy
- Massive restructuring and improved organizational structure

# A refocused strategy

1. Continued focus on core operating segments
2. Renew fleet to maintain global reach and critical mass
  - Fleet renewal through lease of vessels
3. Improve cost-base and efficiency
  - Closing Dubai office
  - Further cost cuts
4. Improve risk/return profile by disciplined expansion of multi-client portfolio
5. Technology market leader in core areas

The most **reliable** and **productive** service provider in **focus areas**, based on **low cost** operations, **experienced** crews and unparalleled **technology** expertise in target segments

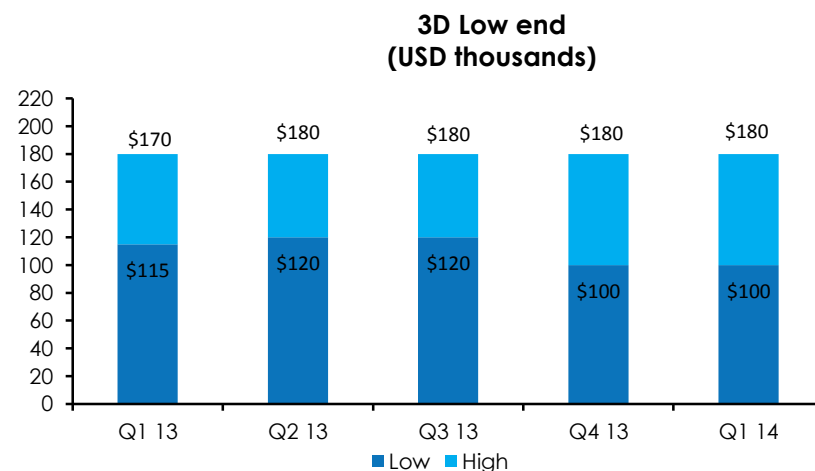
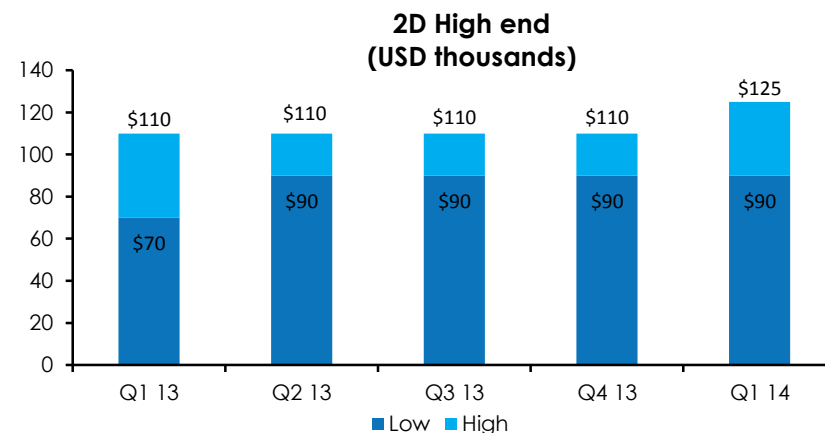
# Improved performance ahead

- Experienced and stable management team
- Restructuring of offices creates better management oversight, enhances business processes and reduces costs
- Revised business processes will lower cost of sales
- Growth in core markets and consolidation offer expansion opportunities
- Combining contract and conservative multi-client will enable SeaBird to increase utilization, a key driver of profitability

Implementation of company strategy will enhance performance compared to recent years

# Market pricing and outlook

- Pricing stable and expected to stay at current levels
- 2D market healthy first half of the year; third quarter appears uncertain
- Source market supported by growth in the ocean bottom seismic sector
- Niche 3D market continue slower than normal; low visibility
- Several prefunded multi-client projects in the pipeline



Source: Petrodata

# Q&A

