

SeaBird Exploration

Fourth Quarter Presentation
27 February 2012



Forward-looking statements

All statements contained in this presentation that are not statements of historical facts, including statements on projected operating results, financial position, business strategy and other plans and objectives for future results, constitute forward-looking statements and are prediction of, or indicate, future events and future trends which do not relate to historical matters. No person should rely on these forward-looking statements because they involve known and unknown risks, uncertainties and other factors which are, in many cases, beyond the company's control and may cause its actual results, performance or achievements to differ materially from anticipated future results, performance or achievements expressed or implied by the forward-looking statements and from past results, performance or achievements. These forward-looking statements are made as of the date of this presentation and are not intended to give any assurance as to future results. None of the company, its employees and representatives assumes any obligation to update these statements. This presentation includes historical financial data. Your attention is directed to the notes to such data for a description of the accounting principles used to prepare historical data. This presentation must be viewed only in connection with the company's separately distributed Q4 2012 earnings release.

Highlights

Financial results

- Revenues of \$34.9 million, down 23% from Q3 2012
- EBITDA of \$6.8 million, down from \$11.7 million in Q3 2012
- EBIT of \$0.9 million compared with \$4.2million for Q3 2012

Operational observations

- Repositioning following the end of the North Sea season and permit delays in Africa negatively impacted the quarter
- The fourth quarter was weaker than Q3. However, day rates remained firm
- Signs that the market is testing further day rate increases
- Vessel utilization for the period was 64%
- The addition of the Geo Pacific further expands the company's niche 3D business segment
- Completed share offering and subsequent repurchase issue (gross proceeds \$16.7 million)

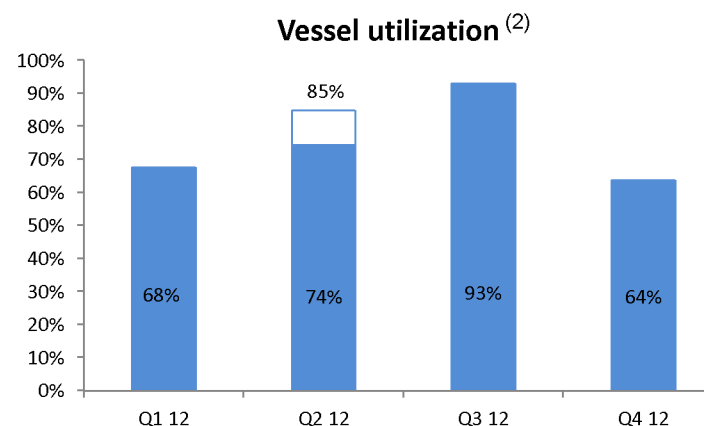
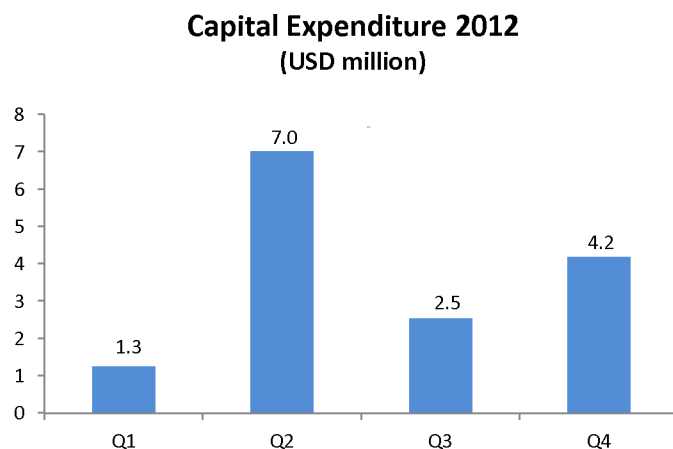
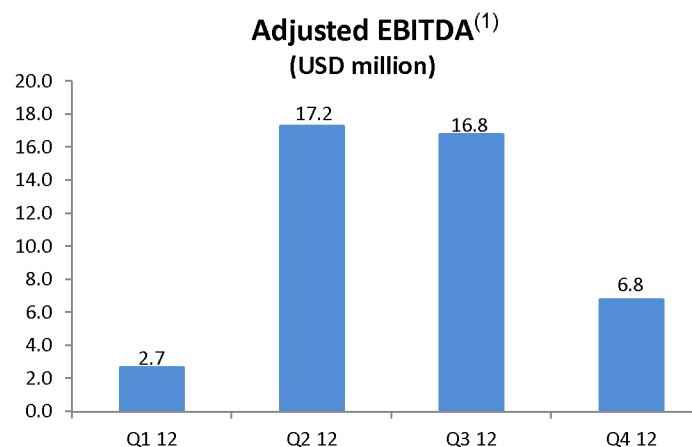
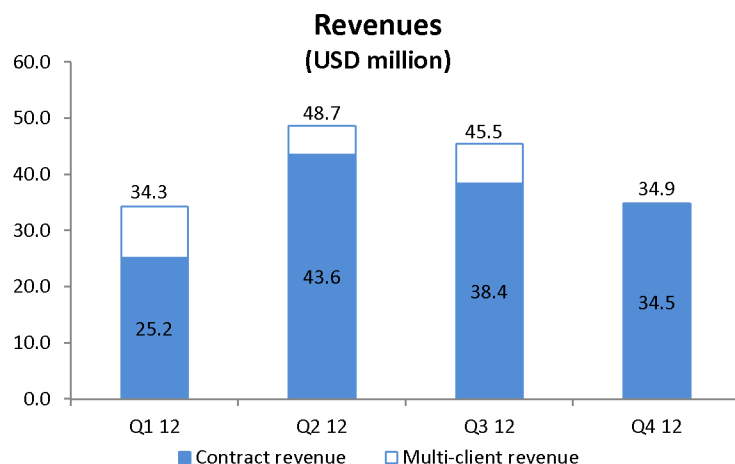
2012 - a year of change

- New management
- New strategy
- Restructuring and turnaround
- Fleet renewal
 - Two vessels redelivered
 - One new vessel chartered
- Market recovery
- Renewed confidence from:
 - Employees
 - Clients
 - Sub-contractors
 - Investors
 - Creditors

Financial summary



Historical operating comparison



- (1) Excluding the restatement of \$5.1m from sales amortization to multi client cost of sales
 (2) Q1 2012 utilization revised from 65% as reported

Income statement

Consolidated interim statement of income

<i>USD millions (except for EPS)</i>	Quarter ended 31 December		Year ended 31 December	
	2012	2011	2012	2011
Contract	34.5	19.2	141.7	71.9
Multi-client	0.4	5.2	21.6	9.8
Total revenues	34.9	24.4	163.3	81.7
Cost of sales	(24.4)	(24.0)	(103.8)	(67.6)
SG&A	(4.1)	(8.4)	(16.8)	(24.5)
Other income (expenses), net	0.3	0.7	0.8	1.0
EBITDA	6.8	(7.3)	38.4	(9.4)
Adjusted EBITDA (1)	6.8	(7.3)	43.5	(9.4)
Depreciation	(4.8)	(5.1)	(18.5)	(24.3)
Amortization	(1.1)	(2.3)	(15.8)	(4.2)
Impairment	-	-	-	(54.3)
EBIT	0.9	(14.8)	4.2	(92.2)
Interest and finance expense	(3.6)	1.5	(13.5)	(21.2)
Income tax	(2.7)	(1.5)	(8.9)	(2.6)
Profit/(loss)	(5.4)	(14.8)	(18.2)	(116.0)
Earnings per share from continued operations				
Basic	(0.17)	(0.79)	(0.56)	(6.22)
Diluted	(0.17)	(0.79)	(0.56)	(6.22)

Cash flow statement

CONSOLIDATED INTERIM STATEMENT OF CASH FLOW

<i>USD millions</i>	Quarter ended 31 December		Year ended 31 December	
	2012	2011	2012	2011
Profit/(loss) before income tax	(2.7)	(13.3)	(9.3)	(113.4)
Non cash items	8.4	(2.6)	44.6	79.7
Working capital changes	(7.0)	(27.2)	(22.0)	(30.9)
Net cash from operating activities	(1.3)	(43.1)	13.4	(64.6)
Capital expenditures	(4.2)	(3.9)	(15.0)	(12.0)
Net cash flow on disposal of subsidiaries	-	121.4	-	121.4
Net cash from investing activities	(4.2)	117.5	(15.0)	109.3
Proceeds from issuance of ordinary shares	14.0	5.6	14.0	5.6
Borrowings	(2.9)	(73.1)	(5.5)	(53.8)
Other financial items	(2.8)	(0.4)	(5.5)	15.6
Net cash from financing activities	8.3	(67.9)	3.1	(32.6)
Net (decrease)/increase in cash and cash equivalents	2.8	6.6	1.4	12.2

Balance sheet

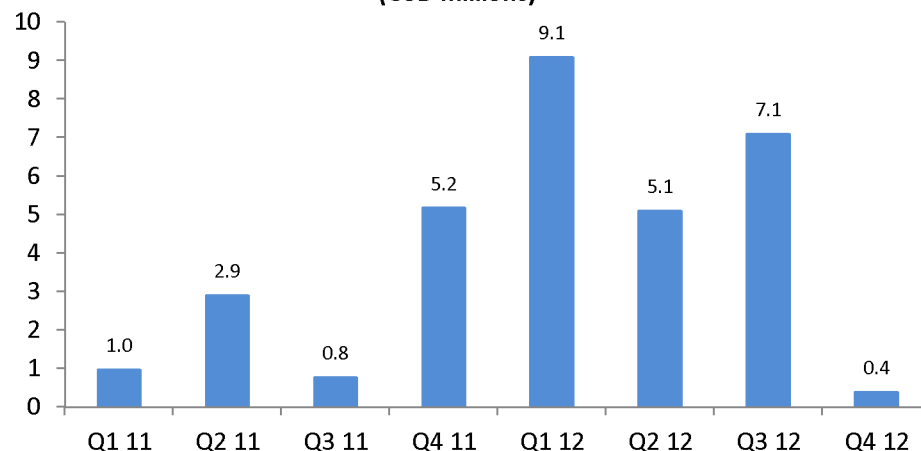
CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

<i>USD millions</i>	As of 31 December	
	2012	2011
Property, plant and equipment	130.8	137.0
Multi-client library	3.4	16.6
Other non-current assets	1.3	1.3
Inventories	3.9	4.7
Trade receivables	33.1	31.3
Other current assets	10.2	15.2
Cash and cash equivalents	14.7	13.3
Total Assets	197.4	219.3
Equity	52.8	49.3
Non-current loans and borrowings	94.3	99.6
Other long-term liabilities	0.8	1.2
Trade and other payables	41.6	47.8
Current loans and borrowings	7.9	21.5
Total equity and liabilities	197.4	219.3
Net interest bearing debt	87.4	107.7
Equity ratio %	26.8%	22.5%

Multi-client operations

- Multi-client sales for the quarter was a modest \$0.4 million
- The limited size of the remaining portfolio makes it difficult to forecast the timing of future revenues with any precision
- The company is actively reviewing a number of potential surveys and we will be investing more actively in this segment of the business
- No new surveys were commenced during the fourth quarter

Multi-client revenues
(USD millions)



Multi-client book value

<i>USD millions</i>	Q4 2012	Q3 2012	Q2 2012	Q1 2012
Beginning balance	4.5	9.6	12.9	16.6
Capitalized cost	-	2.7	1.1	3.1
Capitalized depreciation	-	0.1	-	0.7
Cost of multi-client sales	-	(5.1)	-	-
Amortization	(1.1)	(2.8)	(4.4)	(7.5)
Book value	3.4	4.5	9.6	12.9

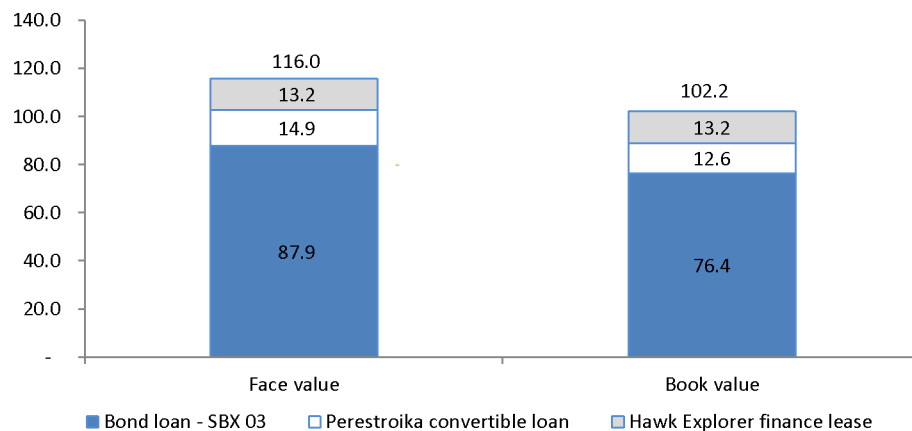
Equity issuance

- Equity private placement completed during Q4 2012
 - 11,000,000 new shares at a subscription price of NOK 7.50 per share
 - Total gross proceeds NOK 82.5 million (\$14.7 million)
- Repair issue for an additional 1,500,000 new shares at a subscription price of NOK 7.50 per share completed in February 2013
 - Total gross proceeds NOK 11.3 million (\$2.0 million)
 - Targeted towards shareholders who did not have the opportunity to participate in the private placement of 2012
- Strengthens the company's balance sheet and liquidity position
- Intended for capital investments in seismic equipment, including a possible 3D upgrade of Aquila Explorer

Funded debt review

<i>USD millions</i>	AP +60	Equity ratio	Cash
31 December 2012	\$2.9	26.8%	\$14.1
Restrictions			
31 December 2012	< \$5.0	22.5%	≥ \$10.0
31 December 2013 onwards	< \$2.5	25.0%	≥ \$10.0

Funded debt profile
(USD millions)



Finance related updates

- Tax review continuing
 - Review of current structures; tax efficiency can be improved significantly
 - Review of historical exposures; tax filing in Norway and accrual of \$1.8 million
 - More work to be completed in this area
- Continued push on process automation and systems integration
 - Centralized finance function (Dubai, Norway, USA and Singapore)
 - New ERP structure is almost ready for implementation
 - Expect a careful and gradual introduction
- Closer integration between finance, sales and operations
 - Use financial information to improve decision making

Company update



SeaBird at a glance

- Market leader in the high-end 2D segment
- Core focus on quality systems and industry-leading operations
 - Pre qualified to work for the major oil companies
 - Extensive experience with challenging operating environments
 - Security systems in place to operate in more difficult frontier markets
- The company has established a solid position in the niche 3D market
 - The Voyager Explorer provided a successful entry
 - The Geo Pacific expands the company's footprint in this market segment
- Growing source vessel demand has provided an additional expansion channel for the company
 - Longer term market dynamics are favourable
 - The Kondor Explorer offers additional capacity; the rest of the fleet can be utilized
- Multi-client surveys balance fleet utilization and offers attractive investment opportunities

Business segments aligned for growth

2D market

- Growing interest in frontier markets is driving demand
- New technology offers opportunity to update existing surveys
- Larger players increasingly focusing on their core markets

Niche 3D market

- Targeting 4-8 streamer market
- Smaller areas
- Challenging operating environments
- Shallow water

Source market

- Industry trends driving growing demand
- Wide azimuth; long offset
- Ocean bottom nodes; ocean bottom cables
- Permanent reservoir monitoring

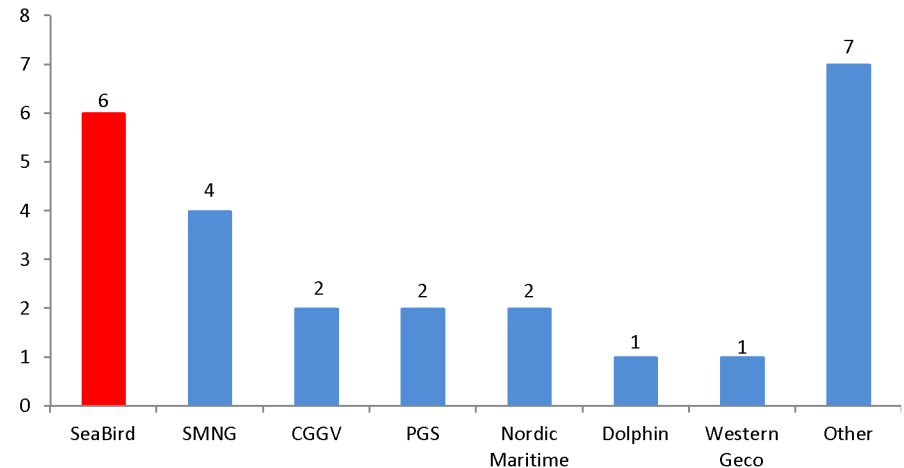
Multi client

- A significant amount of 2D data sold on a multi-client basis
- Natural expansion opportunity for the company

2D market

- Market has shown rapid improvement in 2012; expected to continue throughout 2013
 - Increased demand from non-vessel owning multi-client companies
 - Increasing focus on frontier exploration from oil companies
- Major seismic companies have limited 2D capacity at present, leaving SeaBird well placed to benefit from the market upturn
- Chinese and Russian operators concentrating on multi-client sector and domestic market
 - Generally limited qualities to work for oil companies

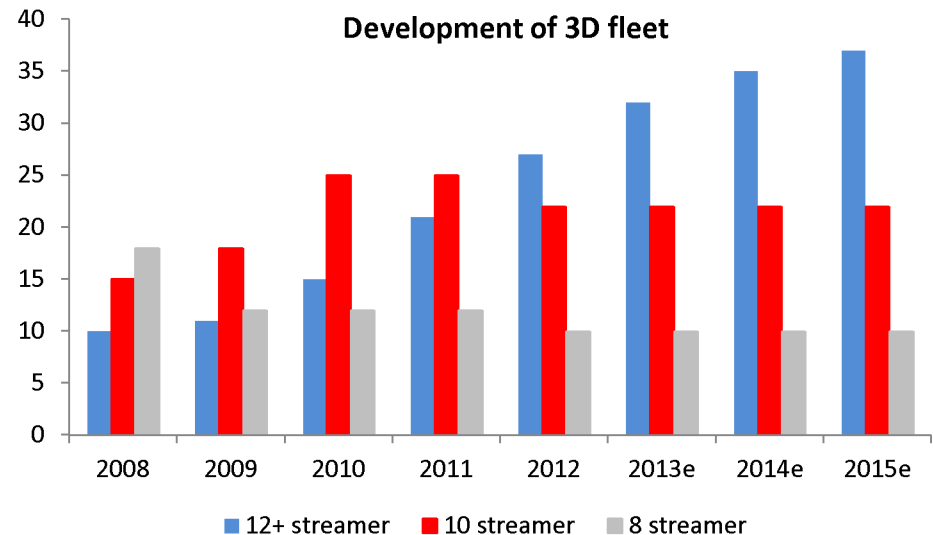
2D vessels in the market



Source: Pareto

Positioned for further expansion in the niche 3D market

- 4-8 streamer vessels cost efficient for shorter and more complex surveys
 - Low mobilization costs and short deployment time
 - More economic on smaller surveys
- Major seismic operators are exiting this segment, providing an opportunity for SeaBird
- Substantial portion of this market is contract work for oil companies and does require prequalification



Source: CGG

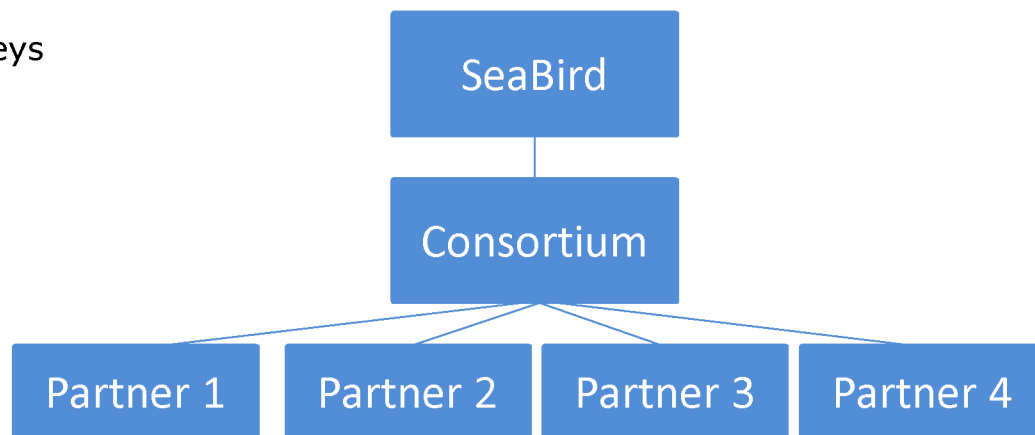
Creating solutions – Asia Pacific

- Multi-contract campaign
 - Mobilization and demobilization borne by consortium
 - Individual agreements with each partner
 - Possibility for more partners to enter into the consortium
- SeaBird expertise
 - Pragmatic approach; Offered solution not otherwise available to oil company clients
 - Flexibility
 - Vessels suited to shorter 3D surveys

Voyager Explorer

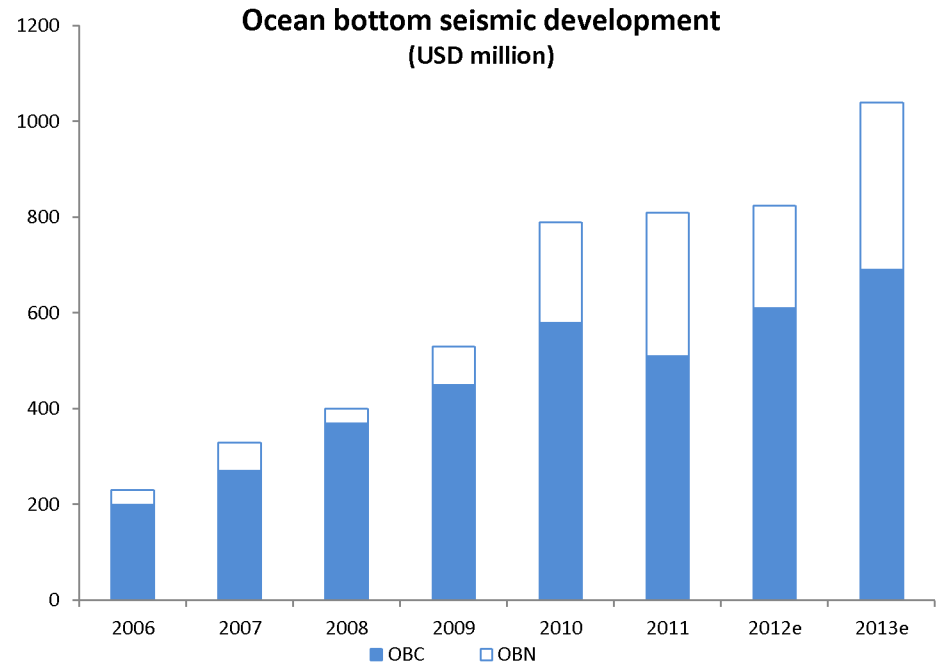


Contract structure



Aligning capacity with growing source market demand

- Ocean bottom seismic (OBS) is a rapidly growing market
 - Demand of high quality data by major oil companies
 - Node and cable capacity fully booked for 2013
- Source vessel demand will increase as result of growing deployment of ocean bottom seismic
 - Larger operators not targeting this market; reducing their fleet of smaller vessels
- SeaBird is naturally suited for this market
 - Targeting short and long-term contracts

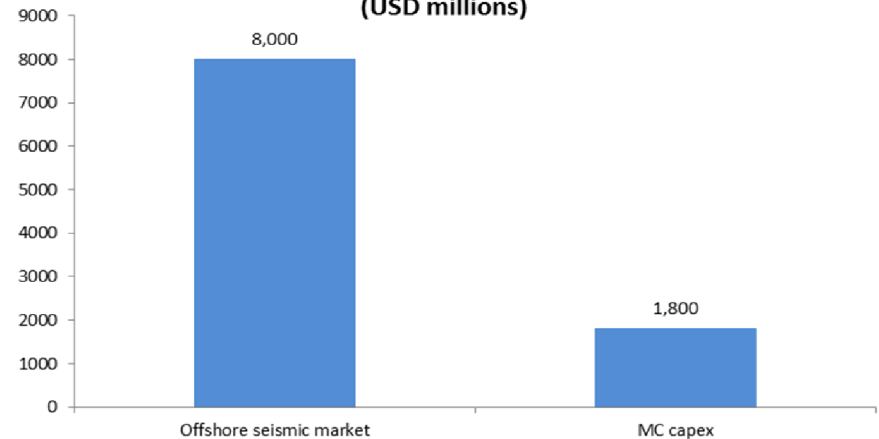


Source: Pareto

Expanding focus on multi client

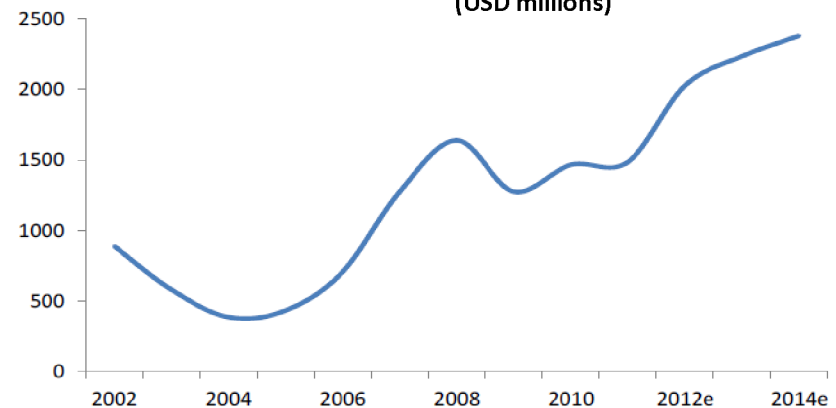
- Investing in multi-client projects is a natural part of a the seismic vessel operator business
 - Optimize vessel utilization and revenues
- Plan to increase investment in 2D multi-client surveys
 - MC partner strategy
 - Multiple projects targeted for 2013

2012 offshore market
(USD millions)



Source: Pareto & ABG

Multi-client investment
(USD millions)



Source: Pareto

Developing new technology

- 2D technology development
 - Working on developing the “Wide Azimuth” equivalent to the 2D market: 20 km cable with continuous recording improving seismic data quality
 - Lab tests and modelling near completed
 - In-water testing end Q1
 - Solid industry interest
- 3D technology development
 - New efficient towing configurations (increase number of streamers per vessel)
 - Reducing emissions
 - Saving fuel

Well positioned fleet mix

2D Vessels and source vessels

3D Vessels



Geo Pacific, 6 X 8000m

Shallow Water
3D Vessels



Kondor Explorer



Munin Explorer



Aquila Explorer
4 X 8000m



Voyager Explorer
4 X 6000m



Harrier Explorer



Northern Explorer



Hawk Explorer



Osprey Explorer

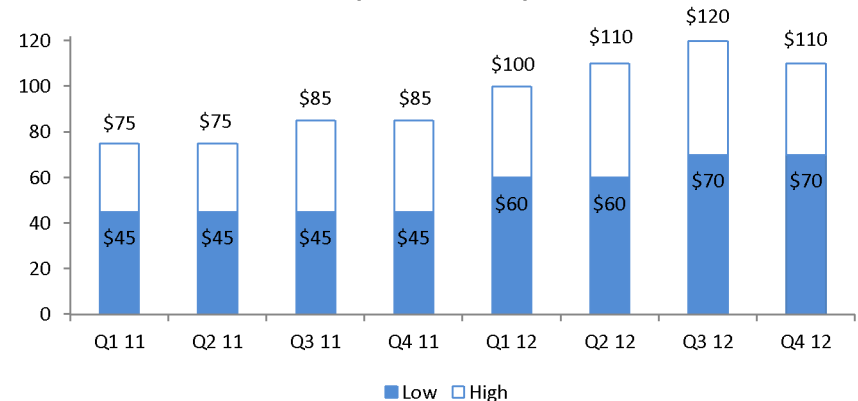
Outlook



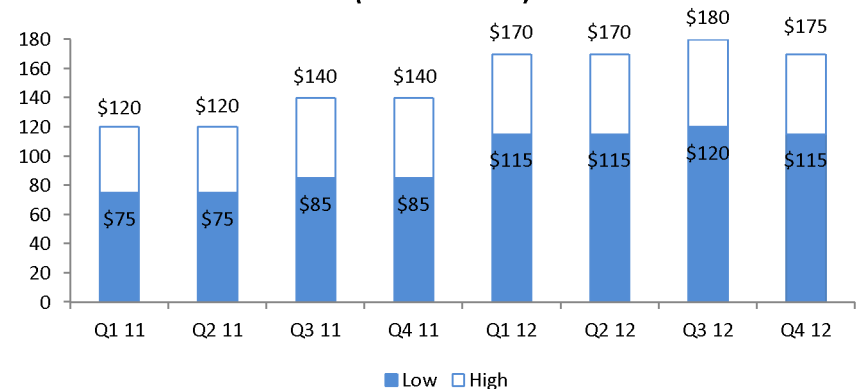
Day rates remain strong

- 2D high end day rates currently at \$75-\$85k per day, up from \$55k per day in Q1
- Short-term undershoot contracts at \$100k+ per day, mob and demob fully paid
- SeaBird expect day rates to peak in Q2 and Q3
- The company's backlog is in line with recent quarters
- Target to balance the vessel capacity between multi-client, longer-term contracts and shorter-term work

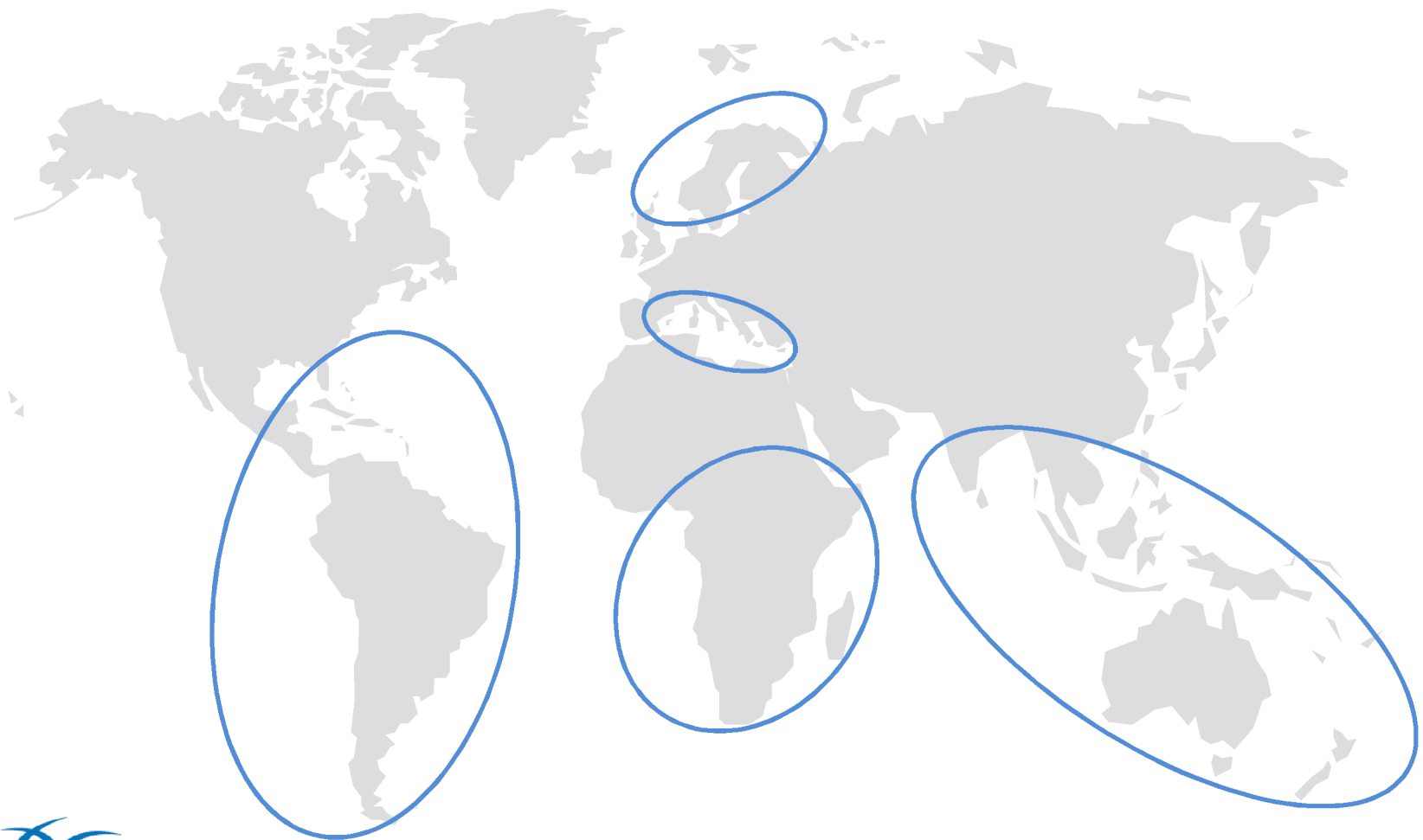
**2D High End
(USD thousand)**



**3D Low end
(USD thousand)**



Regional areas of focus



Q&A

