

SeaBird Exploration

Third Quarter Presentation
28 November 2014

| | |
|-----|----------------|
| CEO | Dag Reynolds |
| CFO | Nils Haugestad |



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 Q3 2014 earnings release.

Highlights

Financial results

- Revenues of \$22.7 million (\$44.7 million Q2 2014)
- EBITDA of negative \$2.1 million (positive \$12.6 million Q2 2014)

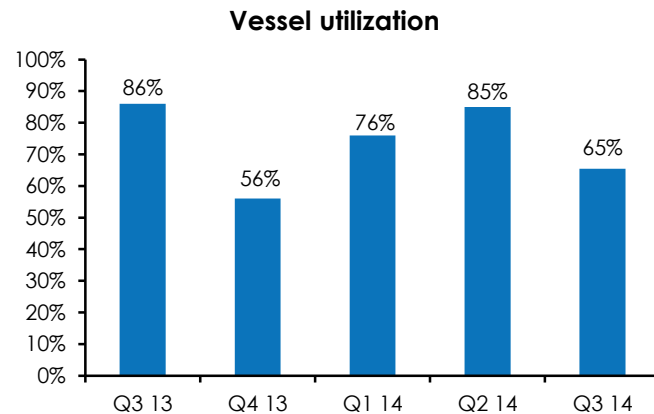
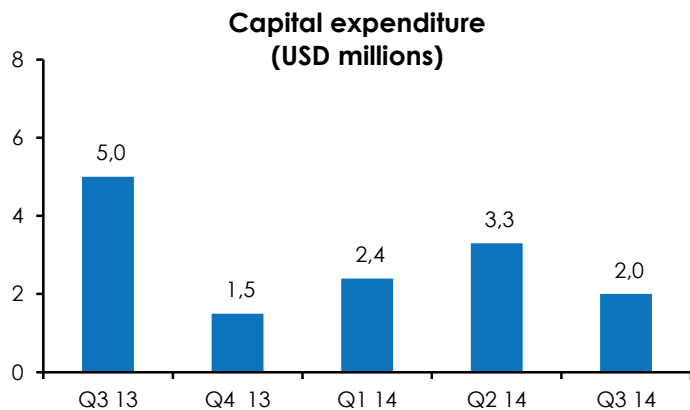
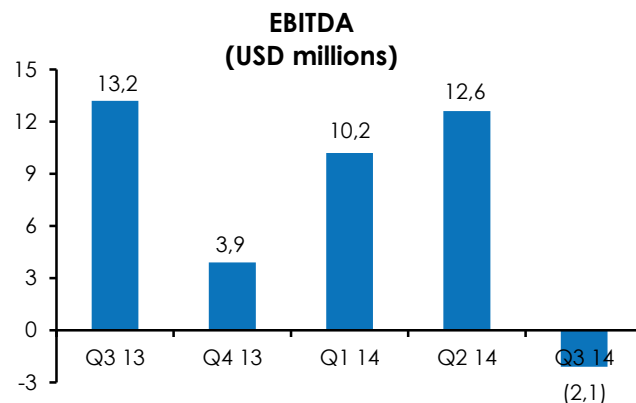
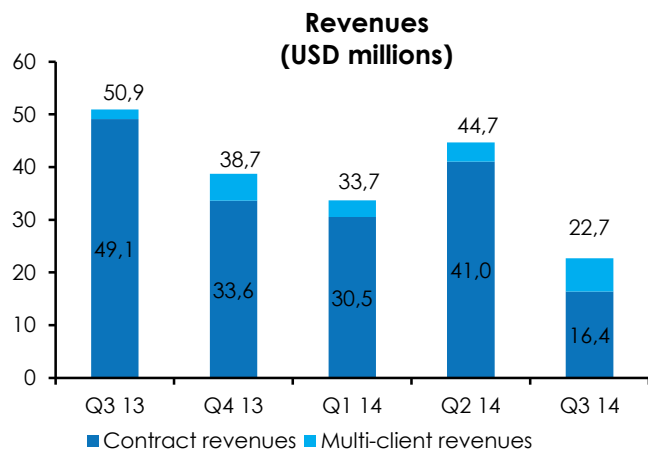
Quarterly observations

- Market softness impacting results and utilization
 - Reduction in contract revenue
 - 65% fleet utilization in the third quarter
- Increased multi-client activity
 - Vessels utilized on five multi-client projects during the quarter
 - Substantial prefunding
- Ongoing refinancing and restructuring efforts

Financial summary

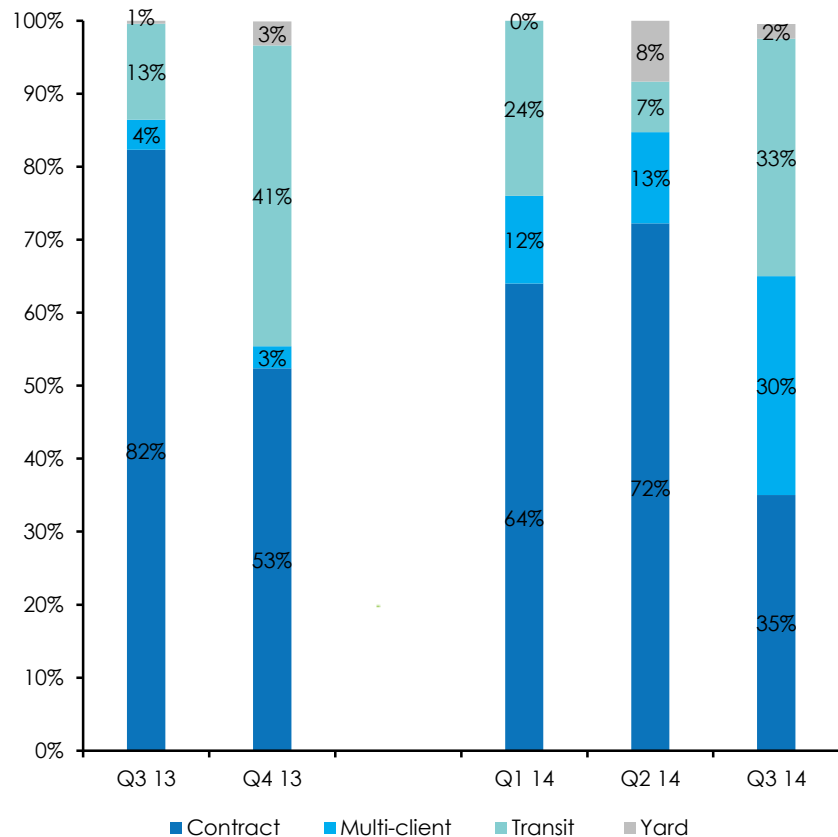


Historical operating comparison



Note: restated revenues and EBITDA for 2013

Vessel utilization



- Increased multi-client utilization
 - 30% in Q3 2014 compared to 13% in Q2 2014
- Q3 contract utilization of 35%, down from 72% in Q2
- Transit time 33% of fleet capacity
- Yard stays account for 2% of vessel utilization in Q3

Improving backlog

Firm contracts¹⁾

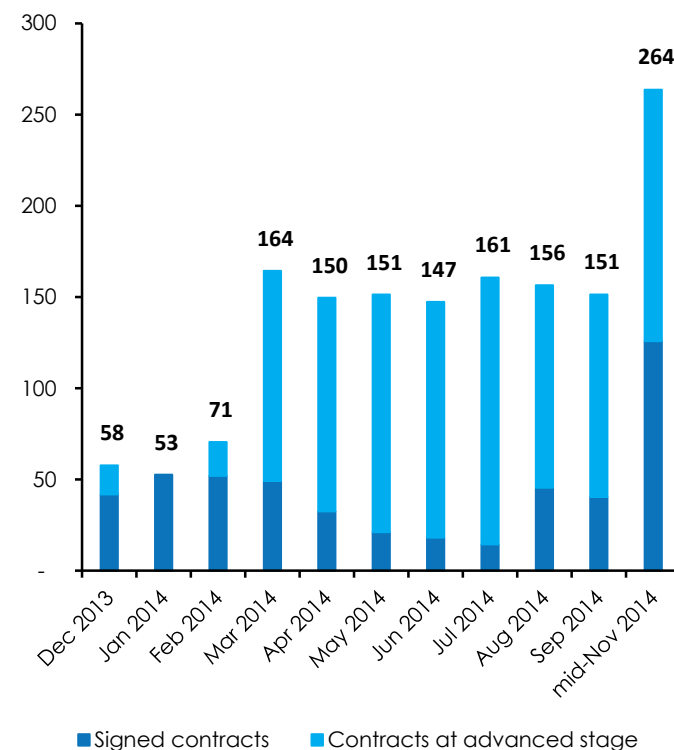
| Vessel | Client/Project | Vessel months | Expected start-up | Expected completion | Amount (USD millions) |
|------------------|--|---------------|-------------------|---------------------|-----------------------|
| Up to 6 vessels | TGS Nopec - Mexico / US East coast (MIN program) | 40 | Q1 2015 | | 88 |
| 1 vessel | Caribbean | 5 | Feb-15 | Jul-15 | 12 |
| Aquila Explorer | Australasia (MIN program) | 3 | Dec-14 | Feb-15 | 10 |
| Geo Pacific | West Africa | 3 | ongoing | Jan-15 | 7 |
| Munin Explorer | Seabed Geosolutions | 4 | ongoing | Feb-15 | 4 |
| Osprey Explorer | TGS Nopec - Gulf of Mexico | 3 | ongoing | Jan-15 | 3 |
| Harrier Explorer | West Africa | 1 | Nov-14 | Dec-14 | 2 |
| Sum | | 59 | | | 126 |

Contracts at advanced stage²⁾

| Vessel | Client/Project | Vessel months | Expected start-up | Expected completion | Amount (USD millions) |
|-----------------|--|---------------|-------------------|---------------------|-----------------------|
| Up to 6 vessels | TGS Nopec - Mexico / US East coast (MAX program) | 40 | Q1 2015 | | 88 |
| 1 vessel | Caribbean | 8 | Jul-15 | Mar-16 | 18 |
| 1 vessel | South East Asia | 4 | Jan-15 | | 13 |
| 1 vessel | Asia Pacific | 4 | Dec-14 | | 12 |
| Aquila Explorer | Australasia (MAX program) | 2 | Feb-15 | Apr-15 | 7 |
| Sum | | 58 | | | 138 |

Grand total **117** **264**

**Backlog
(USD millions)**



Income statement

| CONSOLIDATED INTERIM STATEMENT OF INCOME | | | | |
|--|-------------------------------|------------------|-----------------------------------|------------------|
| All figures in USD millions (except for EPS) | Quarter ended 30 September | | Nine months ended 30 September | |
| | 2014 | Restated 2013 | 2014 | Restated 2013 |
| Contract | 16.4 | 49.1 | 87.9 | 132.6 |
| Multi-client | 6.3 | 1.8 | 13.3 | 5.9 |
| Total revenues | 22.7 | 50.9 | 101.2 | 138.5 |
| Cost of sales | (19.8) | (33.7) | (67.9) | (97.8) |
| SG&A | (5.1) | (4.7) | (15.1) | (14.2) |
| Other income (expenses), net | 0.1 | 0.6 | 2.5 | 1.2 |
| EBITDA | (2.1) | 13.2 | 20.7 | 27.7 |
| Depreciation | (4.3) | (5.8) | (15.2) | (14.9) |
| Amortization and impairment | (4.7) | (0.6) | (16.8) | (3.7) |
| EBIT | (11.1) | 6.7 | (11.3) | 9.1 |
| Interest and finance expense | (8.4) | (3.4) | (15.7) | (9.0) |
| Income tax | (0.7) | 0.6 | (1.7) | 1.5 |
| Profit/(loss) | (20.2) | 4.0 | (28.6) | 1.7 |
| Earnings per share from continued operations | | | | |
| Basic | (0.35) | 0.09 | (0.50) | 0.04 |
| Diluted | (0.35) | 0.09 | (0.50) | 0.04 |

Cash flow statement

| CONSOLIDATED INTERIM STATEMENT OF CASH FLOW | | | | |
|---|-------------------------------|------------------|-----------------------------------|------------------|
| All figures in USD millions | Quarter ended 30 September | | Nine months ended 30 September | |
| | 2014 | Restated 2013 | 2014 | Restated 2013 |
| Profit/(loss) before income tax | (19.5) | 3.4 | (26.9) | 0.1 |
| Non-cash items | 16.6 | 8.9 | 45.1 | 26.0 |
| Paid income tax | (0.4) | (0.2) | (1.6) | (1.5) |
| Working capital changes | 17.6 | (4.6) | 25.8 | 1.8 |
| Net cash from operating activities | 14.3 | 7.4 | 42.4 | 26.5 |
| Capital expenditures | (2.0) | (5.0) | (7.8) | (15.5) |
| Multi-client investments | (13.5) | (1.0) | (28.3) | (4.9) |
| Long-term investments | - | (0.1) | - | (0.1) |
| Net cash from investing activities | (15.4) | (6.1) | (36.1) | (20.5) |
| Proceeds from share issuance | - | - | - | 1.9 |
| Borrowings | (1.0) | (1.0) | (5.1) | (4.8) |
| Other financial items | (0.4) | (0.1) | (3.4) | (3.8) |
| Net cash from financing activities | (1.4) | (1.1) | (8.5) | (6.7) |
| Net (decrease)/increase in cash and cash equivalents | (2.5) | 0.2 | (2.1) | (0.8) |

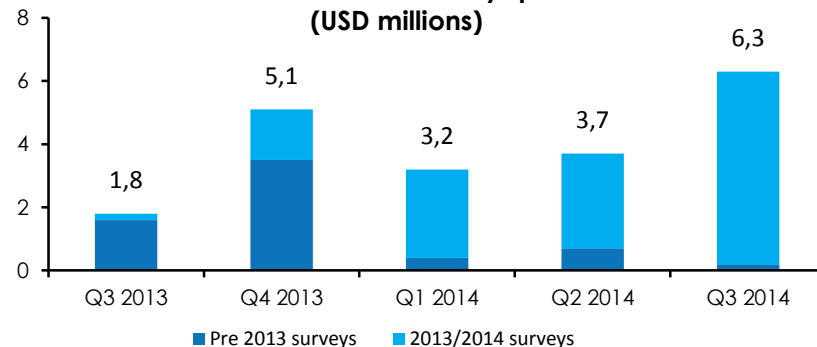
Balance sheet

| CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION | | | |
|---|-----------------------|------------------|----------------------|
| All figures in USD millions (except for equity ratio) | As of 30 September | | As of 31 December |
| | 2014 | Restated 2013 | Restated 2013 |
| Property, plant and equipment | 112.9 | 129.4 | 122.8 |
| Multi-client library | 21.1 | 6.6 | 7.1 |
| Other non-current assets | 1.3 | 1.3 | 1.3 |
| Inventories | 4.7 | 4.9 | 4.4 |
| Trade receivables | 16.5 | 27.1 | 24.7 |
| Other current assets | 21.5 | 29.8 | 16.9 |
| Cash and cash equivalents | 10.0 | 14.0 | 12.2 |
| Total Assets | 188.1 | 213.0 | 189.4 |
| Equity | 30.2 | 55.6 | 57.7 |
| Non-current loans and borrowings | 2.0 | 73.1 | 72.0 |
| Other long-term liabilities | 1.0 | 1.0 | 1.1 |
| Trade and other payables | 53.9 | 55.4 | 31.4 |
| Current loans and borrowings | 100.9 | 27.9 | 27.3 |
| Total equity and liabilities | 188.1 | 213.0 | 189.4 |
| Net interest bearing debt | 92.9 | 87.0 | 87.1 |
| Equity ratio % | 16.1% | 26.1% | 30.4% |

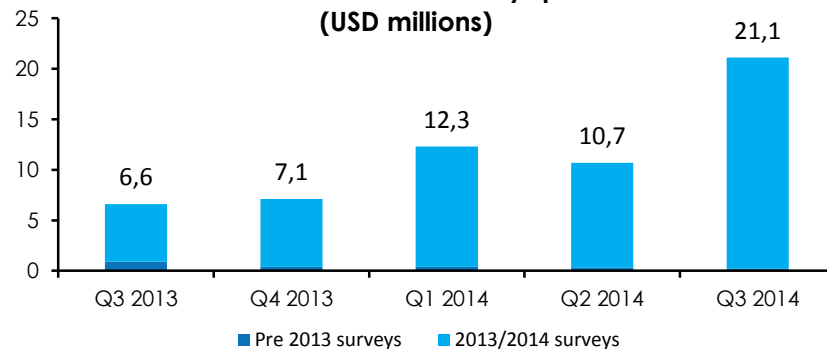
Multi-client update

- Multi-client revenues in Q3 of \$6.3 million
 - Revenues from eight different projects
 - Predominantly relates to prefunding for 2014 surveys
- Multi-client investment¹⁾ was \$15.1 million in the third quarter
- Vessels utilized on five multi-client projects during the quarter
 - Geo Pacific completed its West Africa 3D survey
 - Four new 2D surveys commenced

Multi-client revenues by quarter (USD millions)



Multi-client book value by quarter (USD millions)



¹⁾ including capitalized depreciation

Refinancing update

Status update

- Hawk Explorer lease extended to 29 February 2016
- Perestroika convertible bond (\$14.9 million) and SBX03 bond (\$81.9 million) classified as short term debt due to breach of covenants
 - Revaluation of SBX03 principal from amortized costs to nominal value; impacting finance costs negatively with \$5.1 million
- Active dialogue with major stakeholders regarding refinancing

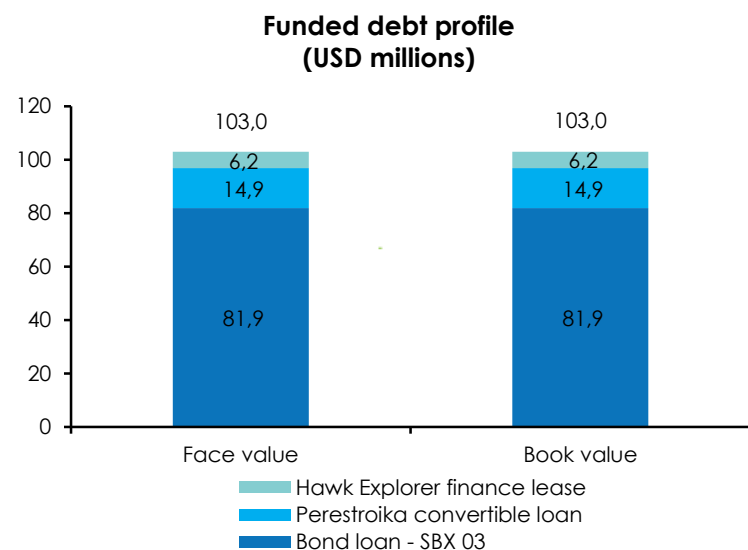
Ongoing restructuring efforts

- Restructuring of onshore activities to Oslo and Cyprus; streamlining functions and close down Dubai office
- Improved business processes and project execution to save operational costs
- Continued efforts to balance fleet between longer-term contracts and spot market
 - Improved vessel utilization
 - Better cost management
 - More predictable contract backlog

Review of financing

| COVENANT RESTRICTIONS | | | |
|-----------------------|---------|--------------|---------|
| USD millions | AP +60 | Equity ratio | Cash |
| 30 September 2014 | \$6.8 | 16.1% | \$10.0* |
| Restrictions | | | |
| 30 September 2014 | < \$2.5 | 25.0% | ≥\$10.0 |

*Includes \$3.5 million of restricted cash



Restructure to improve efficiency and reduce costs

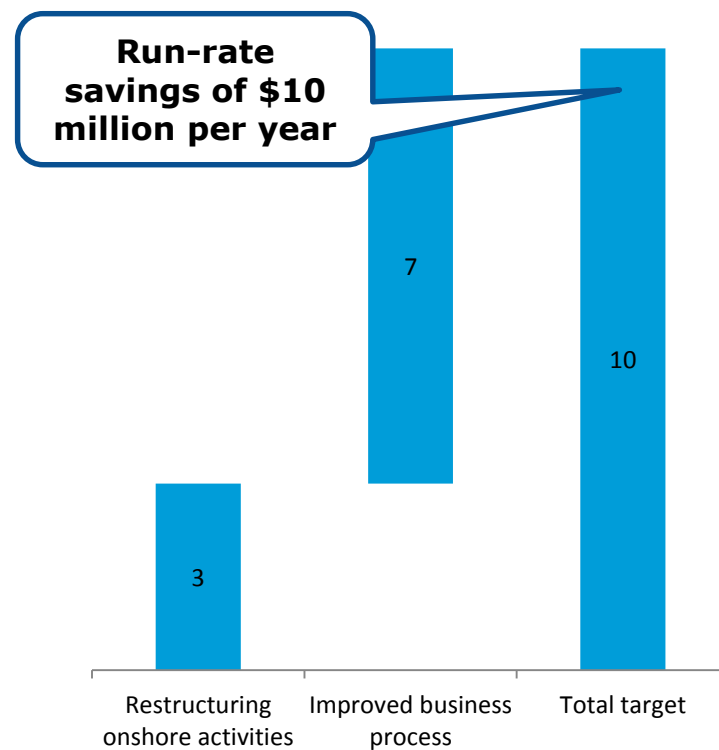
Restructuring of onshore activities

- Consolidate offices to improve efficiency and cost structure
 - “One company” with primary functions in Oslo
- Removing costly expat set-up in Dubai
- Reduce onshore headcount and streamline operating functions
- SG&A cost reductions estimated to take effect from 2015
 - Target savings of \$3 million per year

Improved execution of key business processes

- Review of key operational procedures
- Initial cost areas represent ~\$60 million in annual spending
- Target savings of \$7 million per year

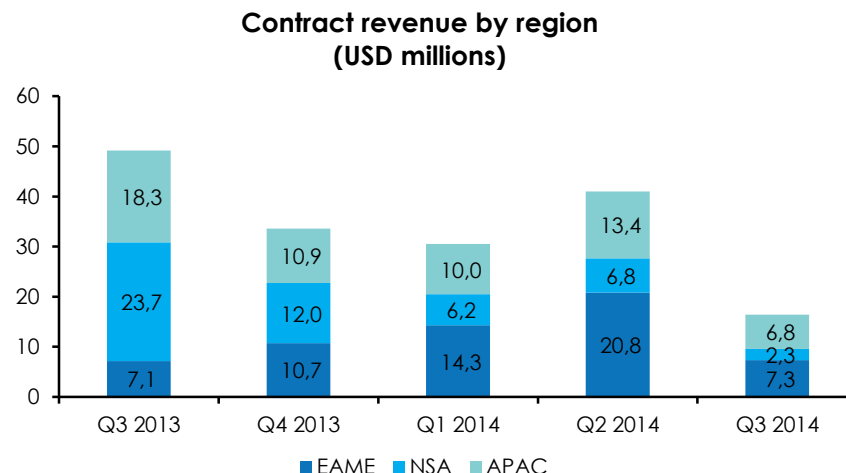
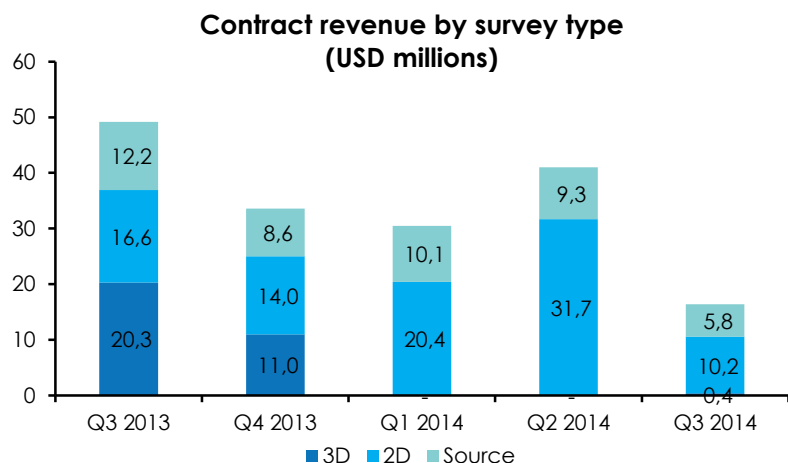
Targeted savings (USDm)



Operational review



Segment operating activity



- Decreased 2D and source revenues
 - Weakened seismic market demand impacting fleet utilization
 - Increased multi-client activity
- Geo Pacific on new 3D contract in West Africa
 - Production commenced late September

Excess 3D supply in 2D market

- Approximately thirteen vessels up to 12-streamers operating in SeaBird's core segments during 2014
- 3D providers focusing on 12+ streamer vessels
- Inefficient capacity being retired
- SeaBird's market position further improved as excess capacity exits

| Vessels removed or converted to source in 2013 | | |
|---|----------------|-------------------------------|
| Vessel | Owner/Operator | Operational streamer capacity |
| Geo Barents | CGG | 8 |
| Western Pride | Western Geco | 8 |
| Western Patriot | Western Geco | 8 |
| 3 vessels | | 24 streamers |
| Vessels removed or converted to source in 2014 | | |
| Vessel | Owner/Operator | Operational streamer capacity |
| CGG Symphony | CGG | 10 |
| Geowave Voyager | CGG | 10 |
| CGG Vantage | CGG | 8 |
| Western Spirit | Western Geco | 8 |
| Nordic Explorer | PGS | 6 |
| Atlantic Explorer | PGS | 6 |
| Pacific Explorer | PGS | 6 |
| 7 vessels | | 54 streamers |
| Potential removals and conversions in 2015-2016 | | |
| Vessel | Owner/Operator | Operational streamer capacity |
| Viking Vision | CGG | 10 |
| CGG Viking | CGG | 8 |
| CGG Viking II | CGG | 8 |
| CGG Amadeus | CGG | 8 |
| Western Regent | Western Geco | 8 |
| Western Monarch | Western Geco | 8 |
| 6 vessels | | 50 streamers |

Source: RS Platou Markets and company interpretation of the market

Fleet review

- SeaBird natural market leader in 2D and niche 3D
- Vessel lease agreements extended
 - Hawk Explorer lease extended until February 2016; the remaining principal of \$6.2 million to be repaid over the remaining lease period
 - Bareboat charter agreement for Voyager Explorer renewed for two more years and with three one year extension options
- Planned dry dockings for Hawk Explorer and Osprey Explorer completed late Q2 and early Q3 respectively
- Reviewing temporary lay-up of vessels to reduce costs

TGS letter of award

- Expected start-up in 1H 2015
- Up to six vessels active for a period of up to three years
- Revenues estimated at \$88 - \$176 million
 - Minimum 150,000 km, up to 300,000 km
 - Approximately 40-80 vessel months

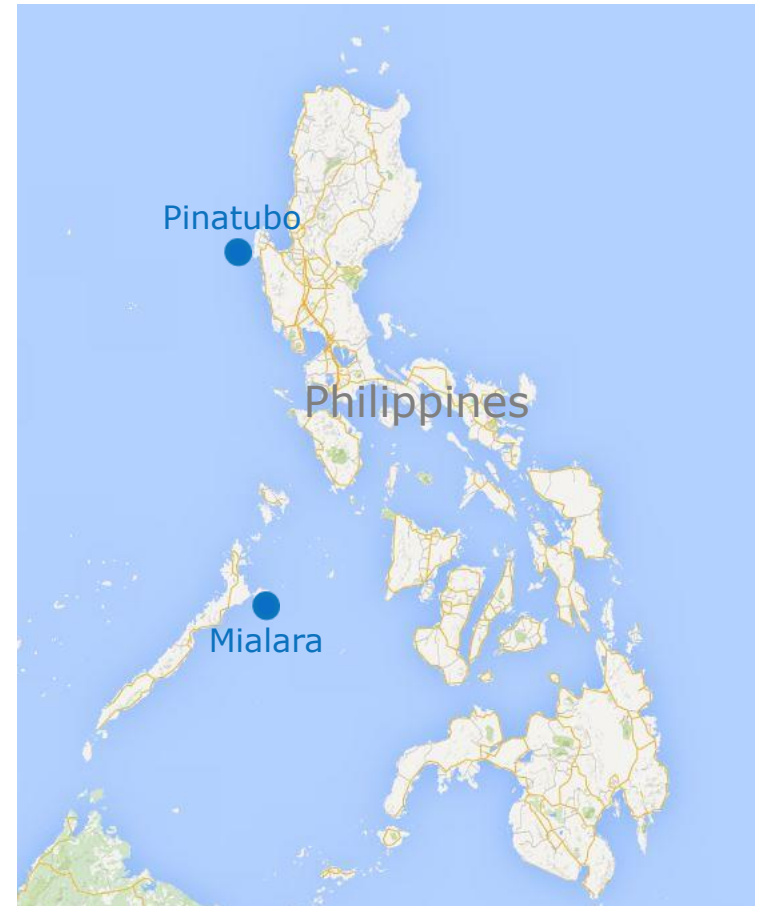


Multi-client developments

- Increased multi-client activity in the quarter
- Three multi-client projects completed and two commenced in the third quarter
 - Geo Pacific completed 3D project in West Africa early September
 - Voyager Explorer completed the Pinatubo survey in the Philippines late August
 - Aquila Explorer started production on the Mialara survey also in the Philippines mid-September
 - Harrier Explorer completed the Rockall II project and immediately commenced production on the South Porcupine Basin survey offshore Ireland mid-August
 - All surveys were performed in collaboration with partners

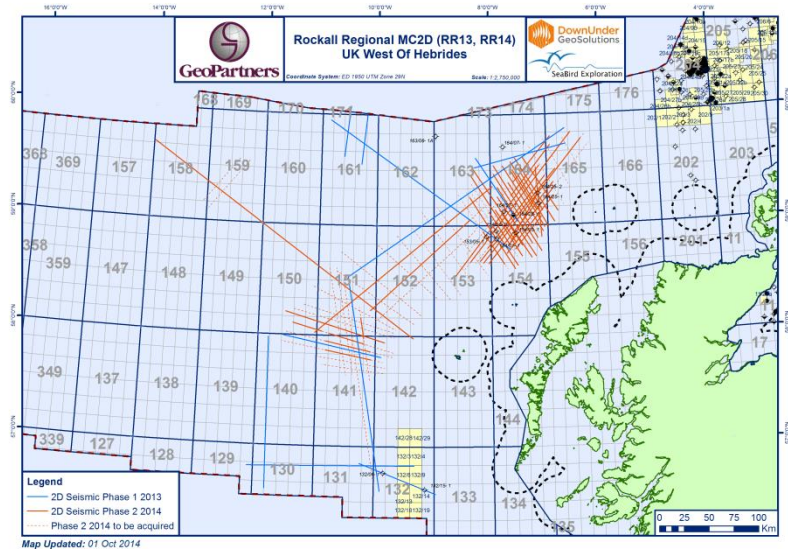
Philippines multi-client surveys

- Pinatubo broadband 2D seismic survey in the West Luzon Basin North-West of the Philippines
 - 3,474 km of seismic data aquired
 - Survey completed August 2014
 - Includes coverage over the PECR5 bid round blocks 8,9,10 & 11.
- Mialara broadband 2D seismic survey in the East Palawan Basins in the West-Philippines
 - 4,958 km of seismic data aquired
 - Survey completed October 2014
 - Includes coverage over the PECR5 bid round blocks 4, 5 and 6



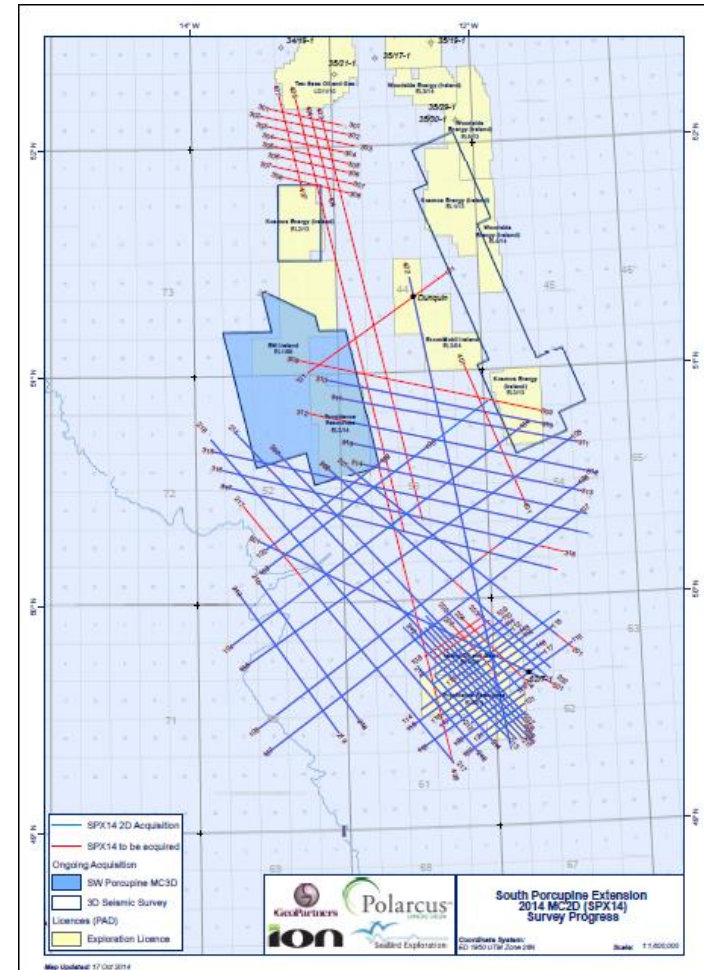
Rockall multi-client survey

- 2D broadband seismic survey in the North Rockall Basin West of the Hebrides
 - 4,775 km of seismic data acquired in two phase
 - Survey completed August 2014
- Seismic survey is matching the 28th UK offshore licensing, announced in mid November



South Porcupine multi-client survey

- 2D broadband seismic survey in the South Porcupine Basin offshore South-West Ireland
 - 4,878 km of seismic data acquired
 - Survey completed October 2014
- Final processed data available to clients in February for the upcoming Q2-2015 Ireland Licensing Round

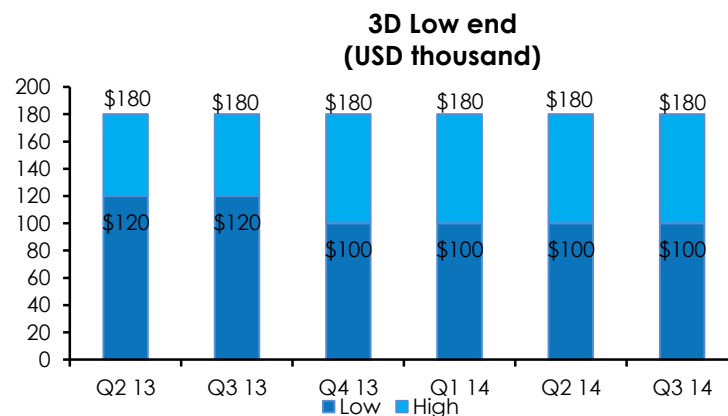
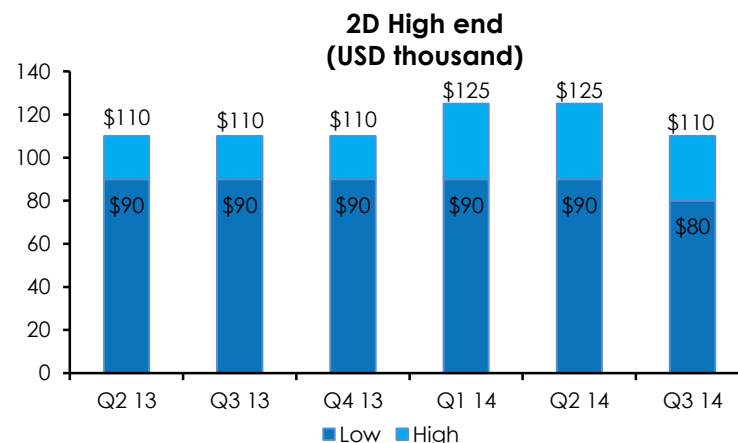


Multi-client library



Market outlook

- Current market softness likely to impact rates and earnings for remainder of 2014
 - 2D market demand substantially weaker; however, seeing healthy interest in long term 2D contract opportunities
 - Cautious spending behavior by oil companies continues to have a negative impact
- Seismic majors accelerating fleet reduction programs
 - Inefficient capacity being retired
 - The scheduled exit of 3D vessels operating in our markets expected to improve 2D market supply dynamics



Source: Petrodata