

SeaBird Exploration

First Quarter Presentation
29 May 2019

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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 Q1 2019 earnings release.

Agenda

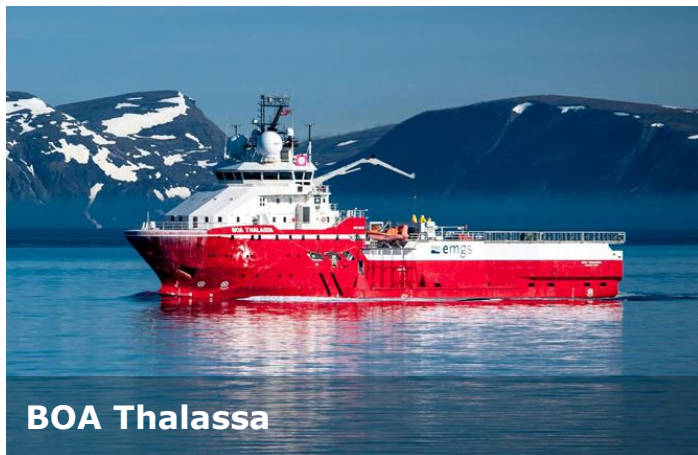
- Fleet update
- Highlights
- Market and operational review
- Financial review
- Summary and outlook
- Q&A

Fleet update



Fleet renewal completed in Q2 2019

Attractive acquisition economics for BOA Galatea and BOA Thalassa



- BOA Galatea (to be renamed Fulmar Explorer) and BOA Thalassa (to be renamed Petrel Explorer) are sister vessels built 2008/09 in Norway for USD 50m each
- Agreed acquisition price USD ~11 million/vessel
- Can be made 2D/Source capable at cost of approximately USD 11 million/vessel
- All-in cost of USD ~22 million/vessel¹ implies attractive EV/EBITDA of ~3.7x² at current source market rates
- BOA Thalassa is currently chartered by EMGS
 - Firm until March 2020, options to extend for 2 x 6 months
 - USD 3.3 million EBITDA p.a
 - Implying ~3.6x² EV/EBITDA in EM seabed logging mode
- Closing of vessel acquisition expected in June 2019

Two of very few vessels meeting high-end requirements in a growing OBS market

Adding capacity at favorable flexible terms

Charter-in agreement for vessel into 2D and niche 3D market recovery



Nordic Explorer

Vessel	2D/3D vessel built in 1986, rebuilt in 1993 Well suited for 2D, source & niche-3D projects (4 streamers)
Contract	Niche 3D survey in West Africa for approx. 80 days Total value approx. USD 6.5m
Charter period	120 days fixed + 150 days option

Highly attractive economics with limited downside – chartered back to back with first niche 3D contract in current cycle for SeaBird

Fleet overview

Flexible service offering - matching industry technical requirements

2D and source vessels



Aquila Explorer

2D - 1 X 12 Km
Source

Owned vessel



Osprey Explorer

2D - 1 X 12 Km
Source

Owned vessel

3D/2D and source vessels



Voyager Explorer

3D-SW - 4 X 6 Km
2D - 1 X 12 Km
Source

Chartered vessel



Eagle Explorer

3D - 6 X 8 Km
2D - 1 X 12 Km
Source

Owned vessel

EM vessel



Petrel Explorer

Configured for
Electromagnetic seismic

Owned vessel



Harrier Explorer

2D - 1 X 12 Km
Source

Owned vessel



Fulmar Explorer

To be converted to
2D/source vessel

Owned vessel



Nordic Explorer

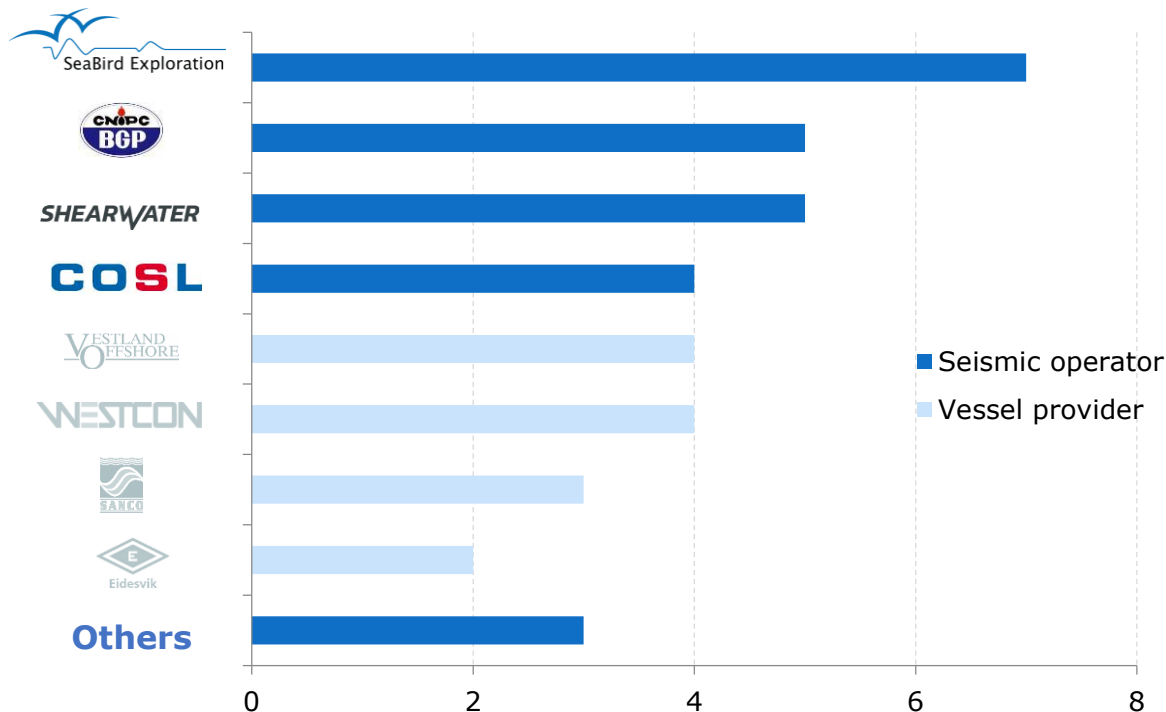
3D-SW - 4 X 8 km
2D - 1 X 12 Km
Source

Chartered vessel

SeaBird is the leader in an attractive niche market

Largest operator of active 2D/source vessels¹

Largest operator of active 2D/source vessels¹



SeaBird offers a large fleet through an integrated, full-service platform that achieves reduced mobilization costs compared to peers

Highlights



Q1-19 Highlights

Key financial & operational figures

- Revenues of \$12.3 million (\$6.8 million Q4 2018)
- EBITDA of positive \$2.7 million (negative \$1.2 million Q4 2018)
- EBIT of positive \$0.1 million (negative \$3.6 million Q4 2018)
- 76% fleet utilization (including stacked Aquila Explorer)
- CAPEX of \$0.5 million

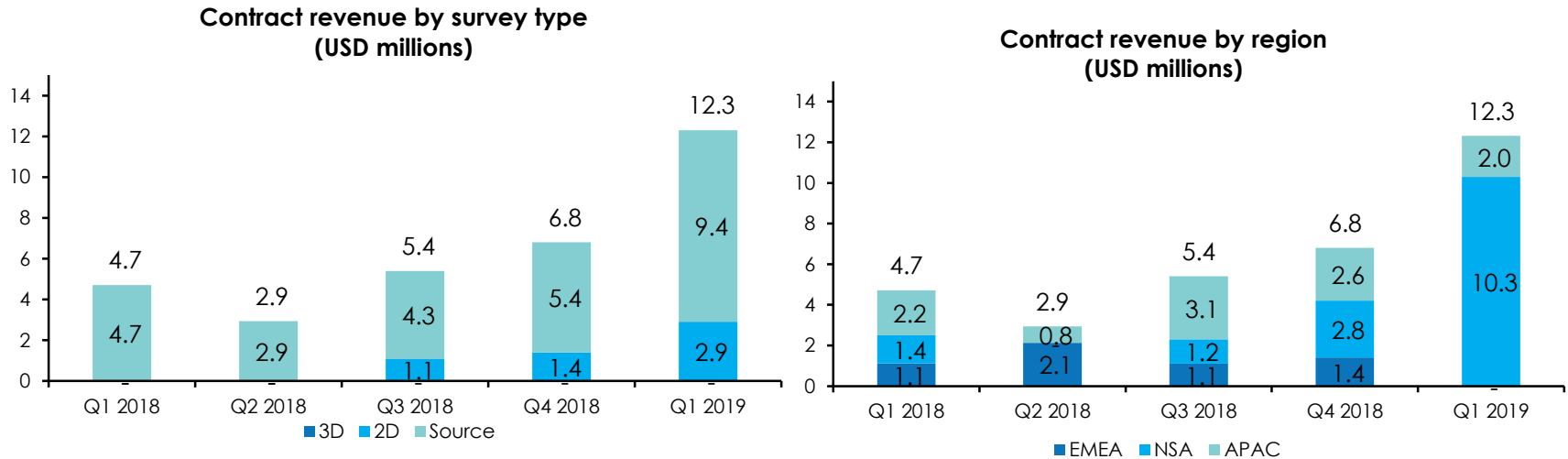
Major events during the quarter

- Increased vessel capacity during cyclical downturn at attractive prices and terms
 - Announced plans to acquire BOA Galatea and BOA Thalassa at USD 11 million per vessel
 - Chartered Nordic Explorer on flexible terms to perform 3D niche survey West-Africa and potential other contract opportunities
- 20-30% increased day rates over the last twelve months

Market and operational review



Segment operating activity



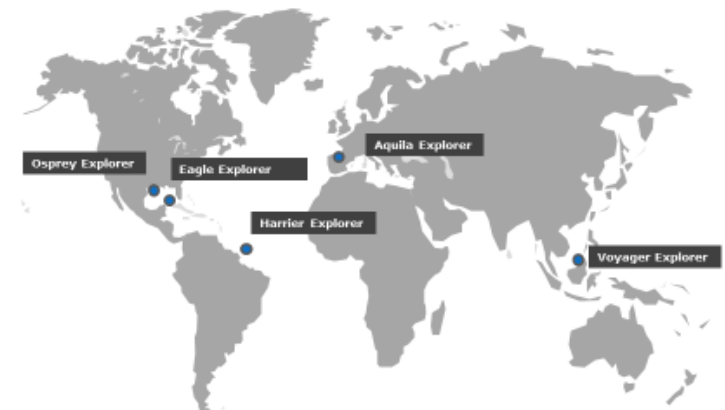
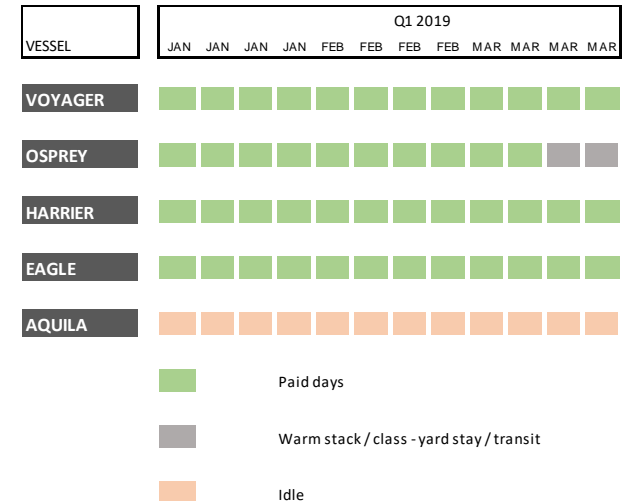
Key take-aways:

- Significant increase in revenues; source operations still largest revenue share, but increasing 2D project activity
- 4 (increasing to 5 in April) vessels in operation
- High activity in the NSA region

Operational update

Four vessels in operation during the quarter

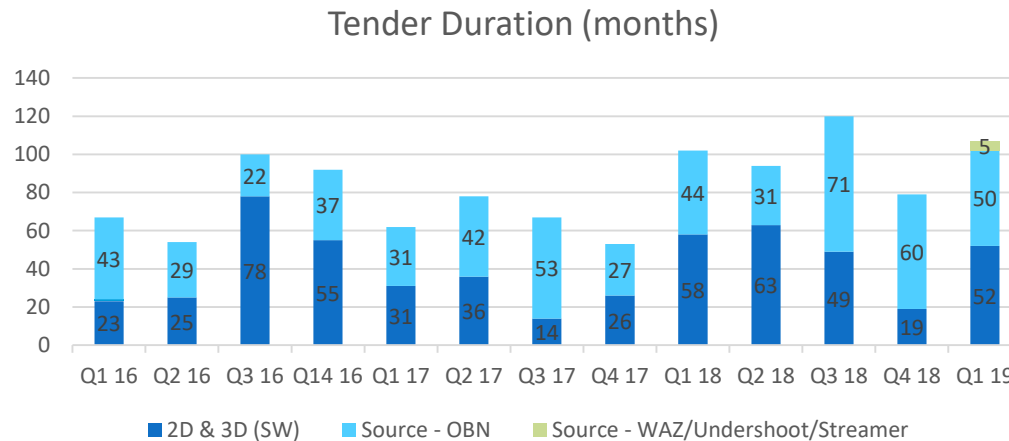
- Voyager Explorer (Asia Pacific)
 - Continuation of project which commenced in Q3 2018
 - Project extended into April 2019
- Osprey Explorer (GoM)
 - Source/OBN project in the US Gulf of Mexico
- Harrier Explorer (NSA)
 - 2D project in South America
 - Mobilization to North America to perform source/OBN project in the US Gulf of Mexico
- Eagle Explorer (GoM)
 - Source/WAZ project for CGG in Gulf of Mexico



Contract update

- Eagle Explorer source contract extended by 80 days; firm period until 15 August 2019, with further options for CGG to extend with up to 60 days
- Harrier Explorer working on 2D contracts with expected duration into Q3-19
- Voyager Explorer completed its source project in the Asia Pacific mid-April
- Osprey Explorer started on new 40 - 60 days source project medio May 2019 with estimated completion in July 2019
- Nordic Explorer to perform niche 3D survey in West Africa to commence in the 2nd quarter of 2019 with estimated completion in Q3-19
- Petrel Explorer is currently contracted with EMGS until March 2020 with options for EMGS to extend for two periods of six months each
- Wintershall Dea for 2D survey in Norway with expected duration of one month, vessel to be allocated

Tender activity in SeaBird markets

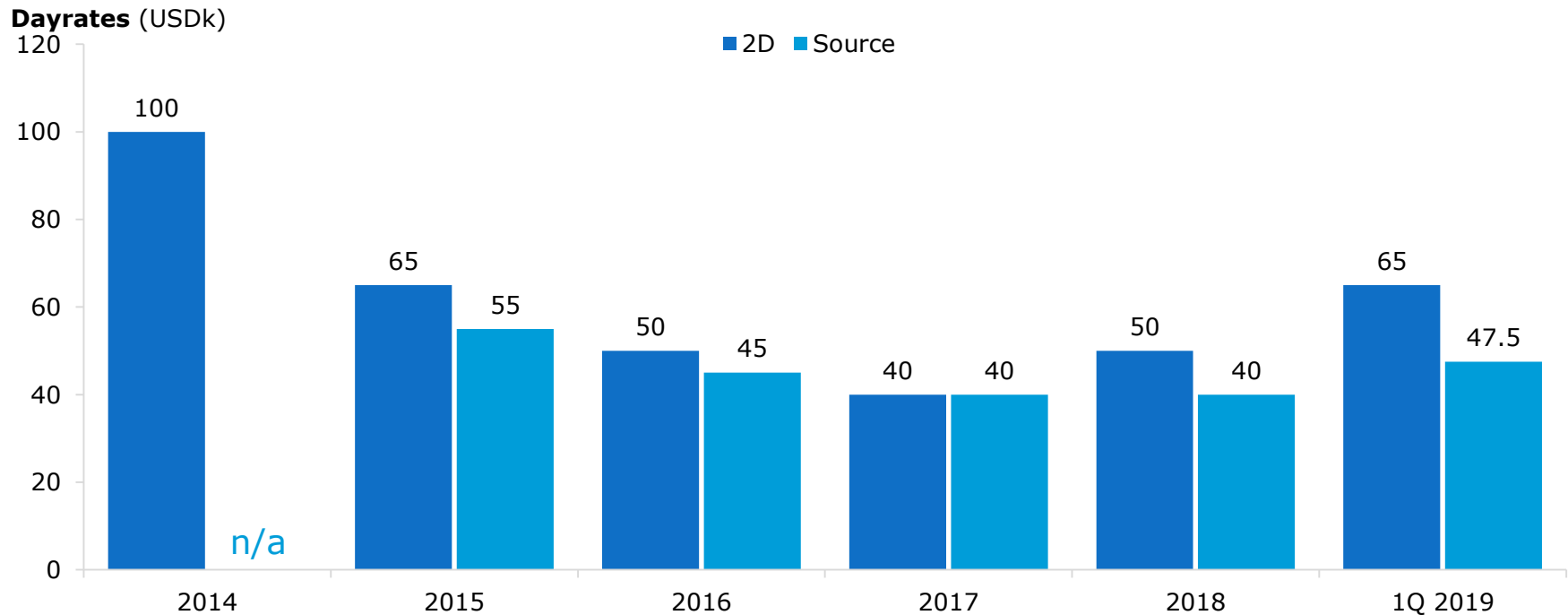


- OBN market continued strong activity levels with tenders coming from all regions
 - High OBN conversion rate (tenders resulting in source vessel awards)
- Increase in nominal 2D/3D tenders relative to Q4
- Expecting increased streamer utilization in the revenue mix going forward
- Supply-demand balance expected to tighten compared to previous years

Positive trend for 2D and source rates

2019 YTD reports indicate improved contract prices across all seismic segments

2D/Source day rates¹

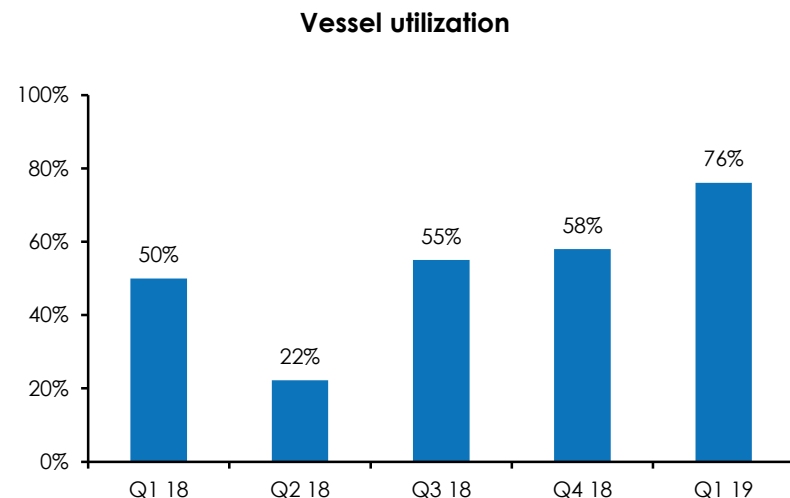
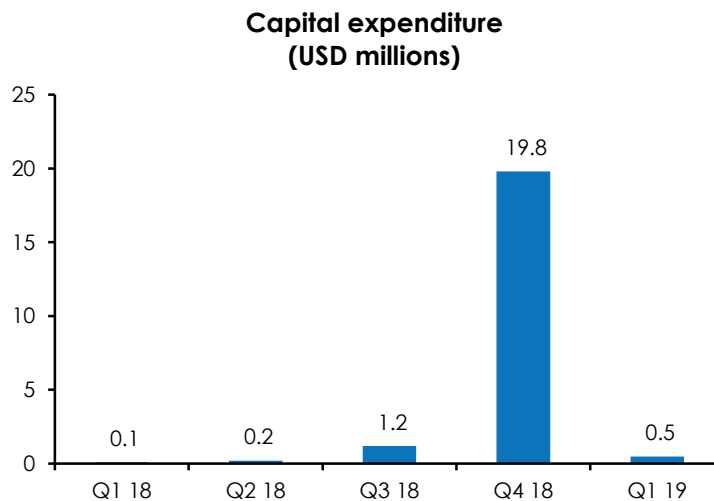
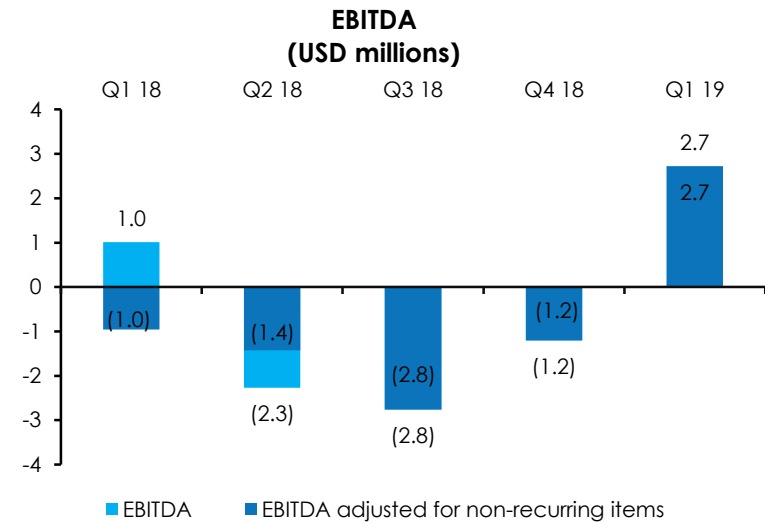
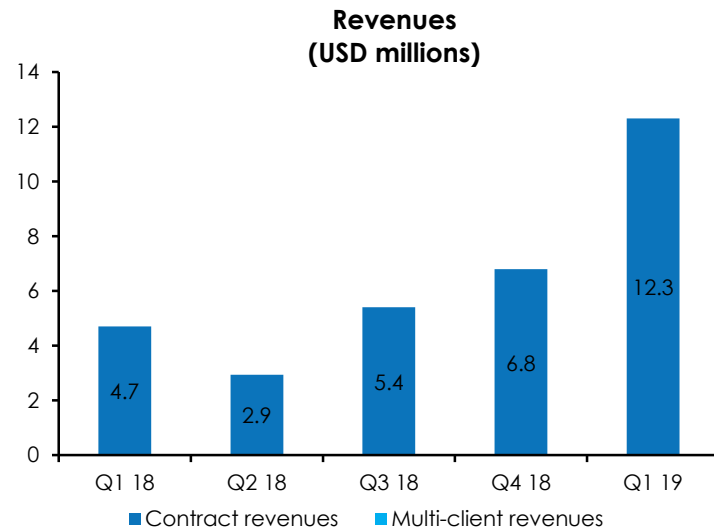


- 2D and source rates have remained cash positive throughout the downturn
- Day rates in 2019 increased across all segments in the range of 20-30% y-o-y

Financial review

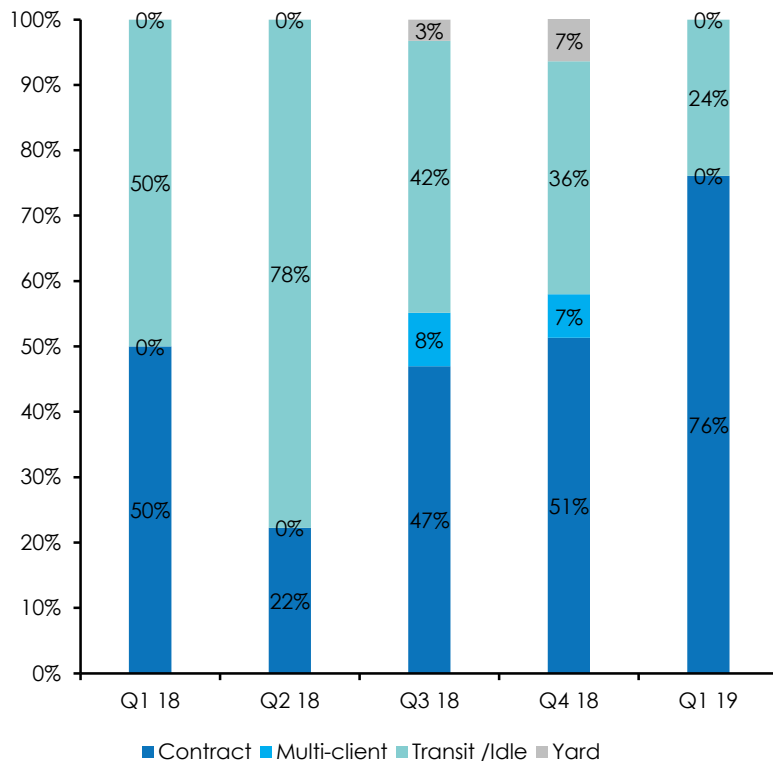


Historical operating comparison



Vessel utilization

Vessel utilization



- Q1 utilization of 76% for whole fleet
 - Four vessels active during the entire quarter
 - Aquila Explorer warm stacked
 - No yard stays

Income statement Q1 2019

CONSOLIDATED INTERIM STATEMENT OF INCOME		
	Q1 2019	Q1 2018
All figures in USD millions (except EPS)	Actual	Actual
Contract	12.3	4.7
Multi-client	-	-
Total revenues	12.3	4.7
Cost of sales	(8.4)	(3.1)
SG&A	(2.0)	(1.5)
Reversal of bad debt charges	0.7	0.2
Other income (expenses), net	0.2	0.7
Restructuring gain on leases	-	-
EBITDA	2.7	1.0
Depreciation	(2.5)	(1.7)
Amortization	(0.1)	-
Impairment	-	-
EBIT	0.1	(0.7)
Interest and finance expense	(0.4)	(0.1)
Restructuring gain	-	-
Income tax	(0.2)	(0.1)
Profit/(loss) continuing operations	(0.4)	(1.0)
Net profit/(loss) discontinued operation	-	-
Shareholders of the parent	(0.4)	(1.0)
Earnings per share from continued operations		
Basic	(0.00)	(0.01)
Diluted	(0.00)	(0.01)

- Revenues negatively affected by an agreed 21 day off-hire period for the Voyager Explorer related to a technical stop in January 2019
- Booked a non-recurring gain on reversal of bad debt cost of \$0.7 million in the quarter
- SG&A in the quarter includes:
 - \$0.1 million non-cash option expense

Cash flow statement

CONSOLIDATED INTERIM STATEMENT OF CASH FLOW		
	Q1 2019	Q1 2018
All figures in USD millions	Actual	Actual
Profit / (loss) before income tax	(0.2)	(0.9)
Depreciation, amortization and impairment	2.5	1.7
Movement in provision	-	(3.0)
Other items	(0.6)	-
Interest expense on financial liabilities	0.2	0.1
(Increase)/decrease in trade and other receivables	(3.2)	(2.9)
Increase/(decrease) in long term liabilities	(0.8)	1.8
Increase/(decrease) in trade and other payables	1.3	(1.4)
Increase/(decrease) in deferred income	0.0	-
Net cash from operating activities	(1.0)	(4.6)
Capital expenditures	(0.5)	0.6
Proceeds from disposal of PPE	-	-
Long term investment	0.0	-
Multi-client investment	(0.1)	-
Net cash used in investing activities	(0.5)	0.6
Proceeds from issuance of ordinary shares	-	-
Receipts from borrowings	-	-
Repayment of borrowings	-	(0.3)
Interest paid	-	-
Net cash from financing activities	-	(0.3)
Net (decrease)/increase in cash and cash equivalents	(1.5)	(4.3)

- Working capital build of approximately \$3 million related to general increase in fleet activity

Balance sheet

CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION		
	As of 31 March	
All figures in USD millions (except for equity ratio)	2019	2018
Property, plant and equipment	39.9	26.8
Multi-client library	1.6	-
Other non-current assets	0.6	0.1
Inventories	1.2	1.0
Trade receivables	4.9	3.1
Contract assets	3.3	1.3
Other current assets	3.4	2.4
Cash and cash equivalents	4.3	2.0
Restricted cash	0.2	1.2
Assets held for sale	-	-
Total assets	59.3	37.8
Equity	37.1	14.7
Non-current loans and borrowings	4.7	4.4
Non-current trade payable	0.4	-
Long term tax payable	1.2	1.2
Other long term provision	0.5	1.0
Current trade payable	4.9	3.3
Current other payable	8.3	9.5
Contract liability	0.7	-
Current tax payable	1.5	3.7
Total equity and liabilities	59.3	37.8
Net interest bearing debt	0.4	2.4
Equity ratio %	62.6%	38.9%

Raised gross NOK 305 million in additional equity in Q2-19

Overview of share issues	Gross amount	Issue price	Number of shares issued	Number of outstanding shares
Shares outstanding as per 31 March 2019				284,487,312
Q2 private placement	NOK 250.0 million	NOK 1.20	208,333,330	492,820,642
Shares to be issued to BOA bondholders	NOK 55.3 million	NOK 1.20	46,110,745	538,931,387

In addition, the company announced a subsequent repair issue of up to 25,000,000 shares raising proceeds of up to NOK 30 million (NOK 1.2 offer price)

Summary and outlook



Summary & Outlook



Q1 increased revenue and positive EBITDA with improved fleet utilization



Structural growth in OBN seismic – early cyclical growth in 2D/3D demand



Day rates increased 20-30% YoY



Fleet renewal completed – enlarged and versatile service offering



Market leading seismic contractor in attractive niche markets

Q&A

