

Q2 2018 RESULTS

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Increase in revenues and Comprehensive refinancing completed

Operations

- Expanded the library in Norway
- Completed one prefunded survey in the North Sea
- Mobilised for a second prefunded survey in the North Sea

Financials

- Revenues of USD 7.9 million (USD 4.3 million in Q1)
- EBITDA of negative USD 0.8 million (negative USD 6.4 million in Q1)
- Rights issue of USD 12.5 million completed (oversubscribed)
- NOK 246 million bond refinanced with a USD 32.5 million convertible bond

Market

- Well positioned to capitalise on the 24th round in Norway
- Continuous upward momentum regarding international opportunities
- Caution required as no significant change to backlog recorded





Financial review

Spot the difference.

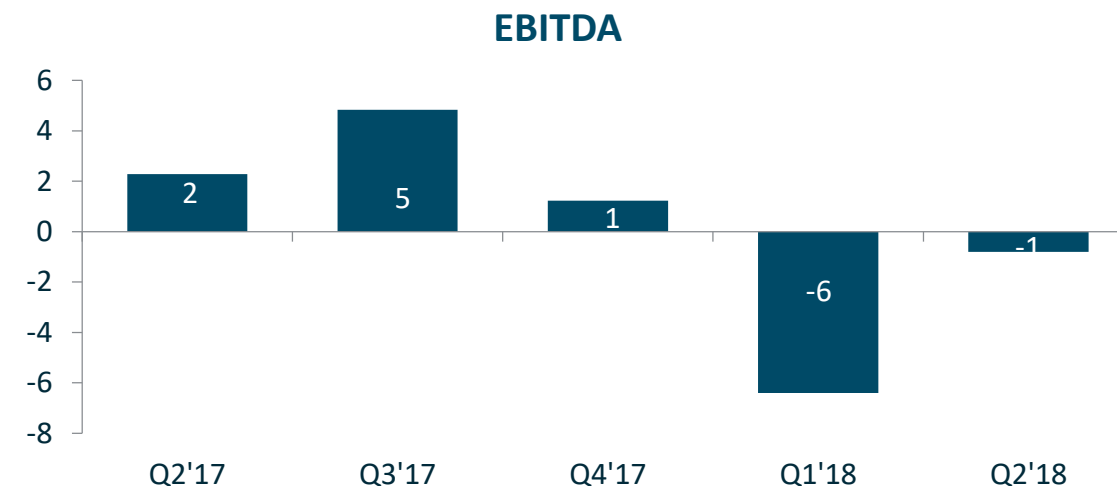
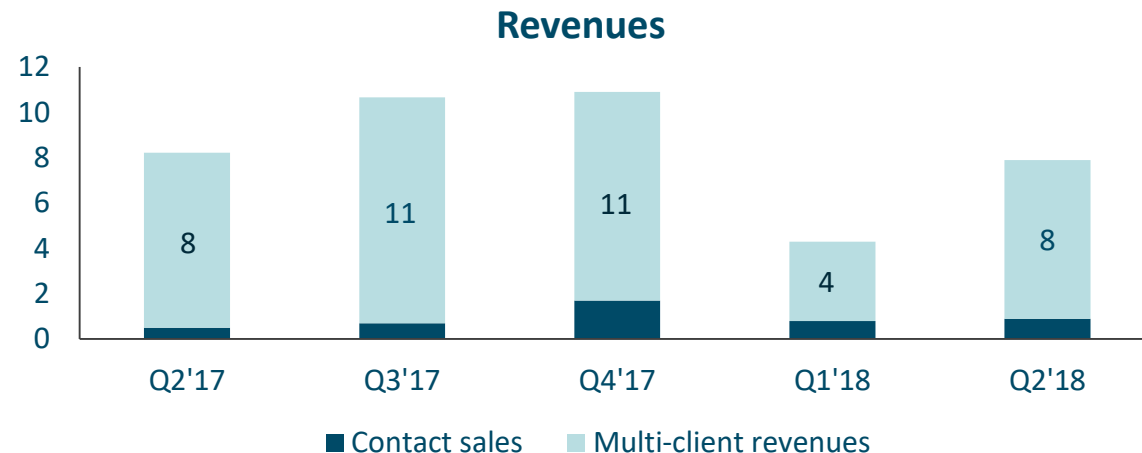
Second quarter performance | Increase in revenues and EBITDA

Key financial metrics

- Revenues
 - USD 7.9 million
 - New revenue recognition standard implemented last quarter
- Vessel utilisation of 31%
 - Two vessels on charter
 - Multi-client surveys in the Barents Sea and the North Sea
- EBITDA
 - Negative USD 0.8 million

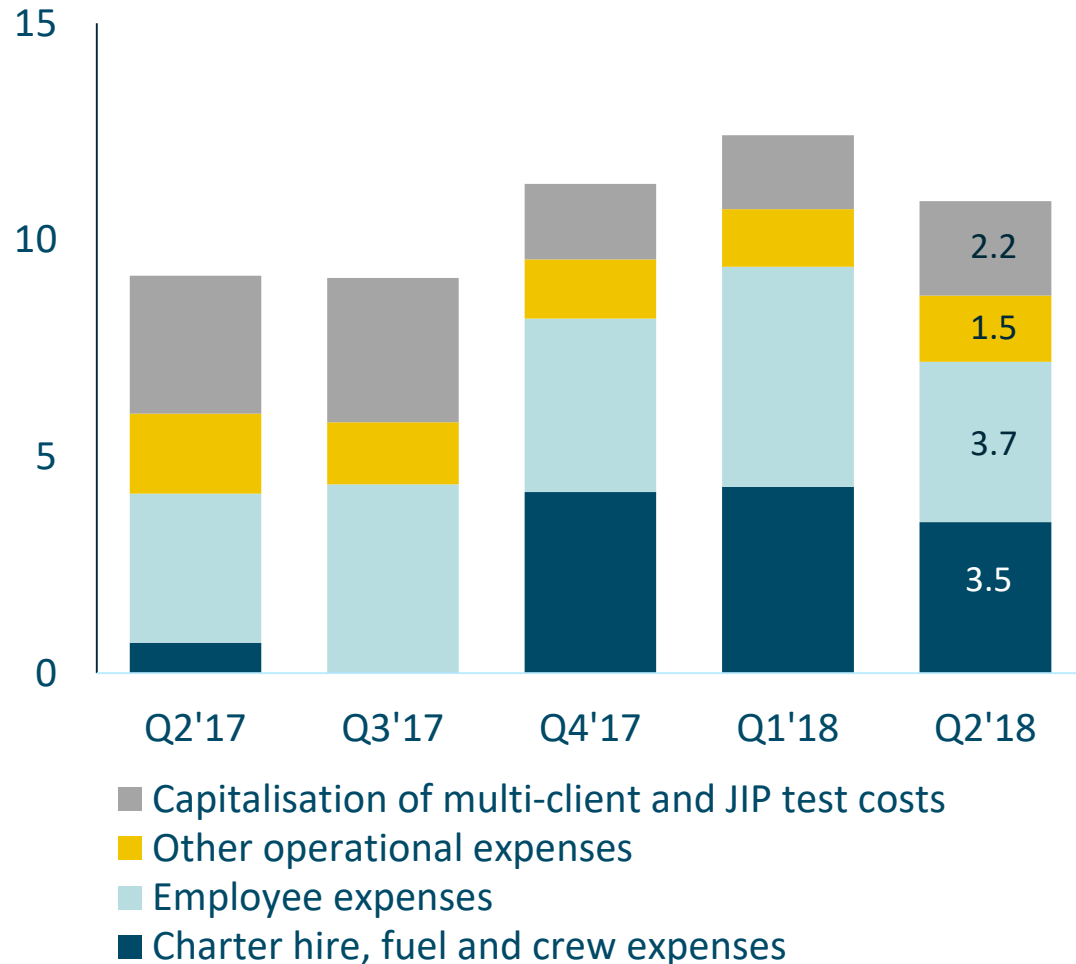
All 2017 financial figures in this presentation are restated applying IFRS 15

Quarterly development (USD million)



Operational costs

Quarterly operational cost base* development (USD million)



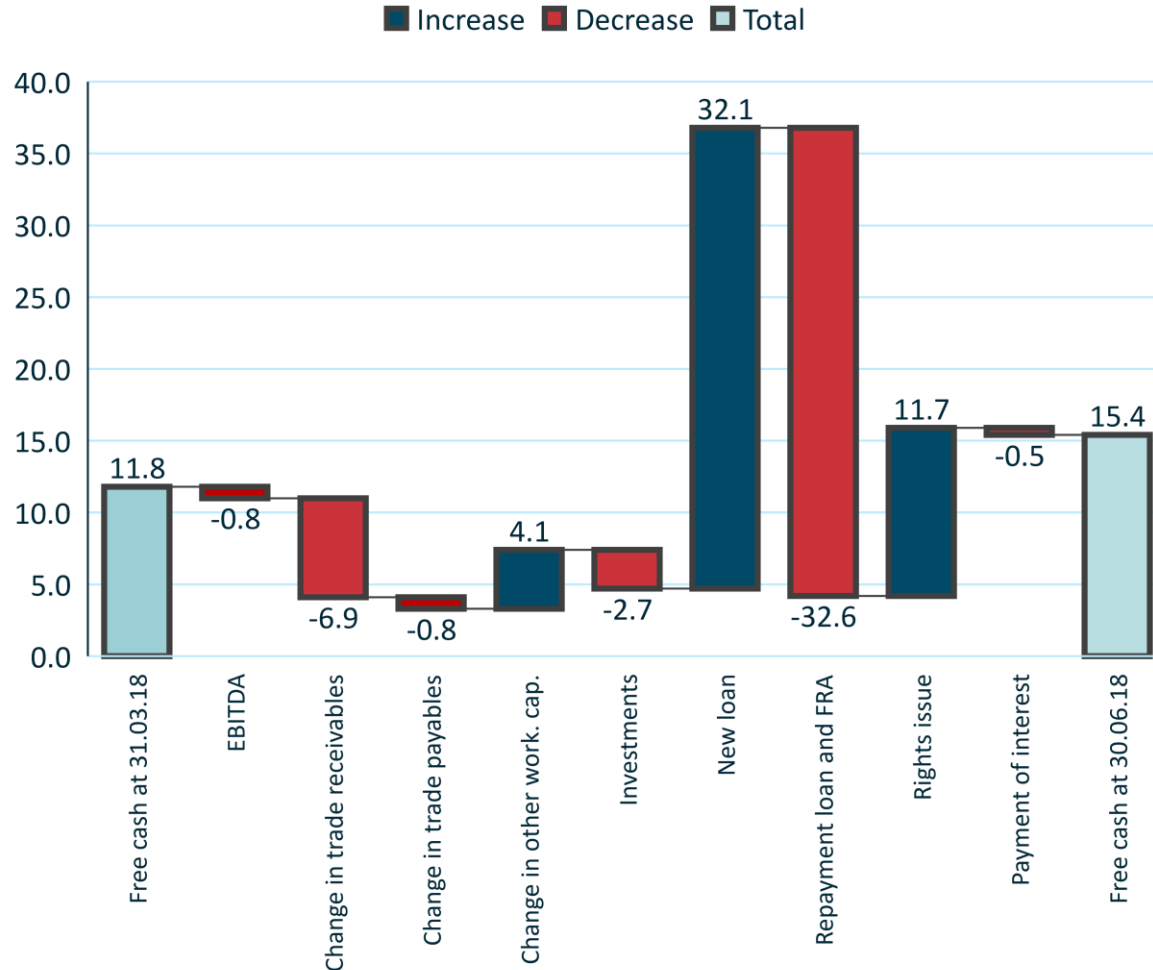
Comments

- Operational costs base in Q2 18 of USD 10.9 million
 - Higher than Q2 2017 as Thalassa was off-hire in Q2 last year
 - Lower than Q1 2018 as a result of Thalassa being idle and holiday pay in Q2
- Cost control
 - On track to reach 2018 target cost base of around USD 50 million (subject to operational activity)

*Cost base is defined as Operational costs (charter hire etc, employee expenses, other operating expenses) plus MC investments, less provision for onerous contract, restructuring charges and other extraordinary items

Increase in free cash in Q2

Quarterly free cash development (USD million)

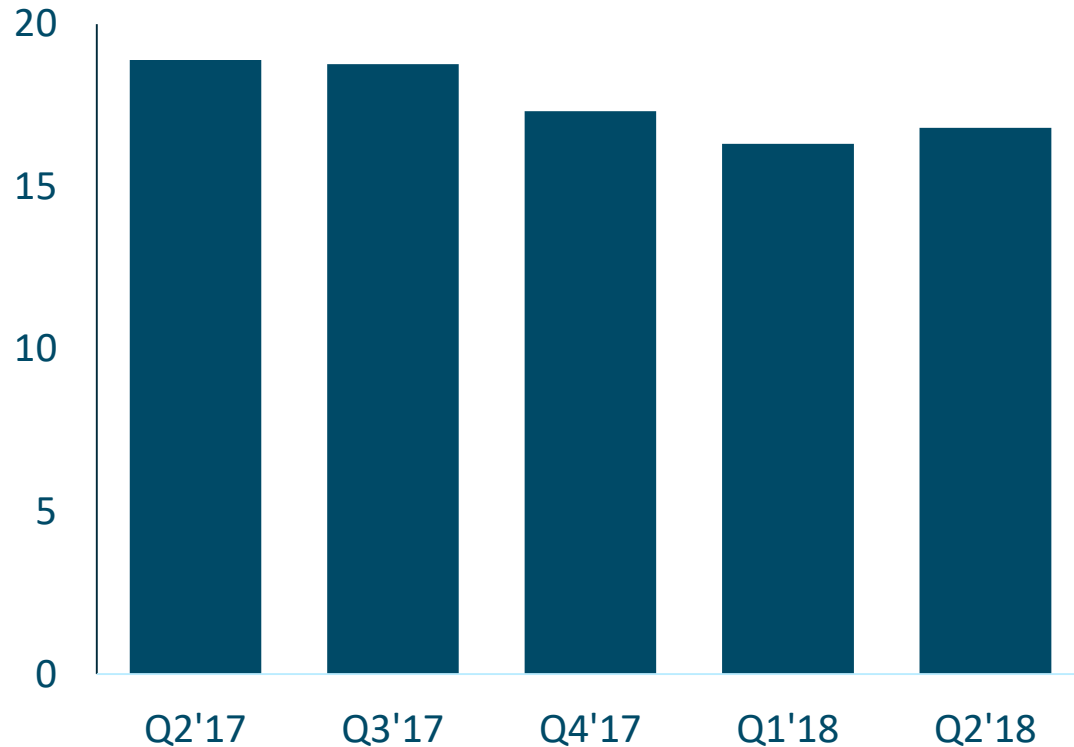


Comments

- Net increase in free cash of USD 3.6 million to USD 15.4 million
 - Comprehensive refinancing completed
 - USD 11.7 million net proceeds from the rights issue
 - New convertible bond of USD 32.5 million
 - Repayment of NOK 246 million loan
 - Trade receivables increased by USD 6.9 million to USD 10.4 million
- Total investments of USD 2.7 million

Multi-client book value of USD 16.8 million

Multi-client library – NBV (USD million)



Comments

- Increase in book value from USD 16.3 million previous quarter to USD 16.8 million
- Investments of USD 2.2 million
 - North Sea and Barents Sea
- Amortisation of USD 1.7 million
 - Straight-line amortisation



Operations, Market and Outlook

Spot the difference.

- 3D CSEM MC coverage
- Offered acreage 24th round

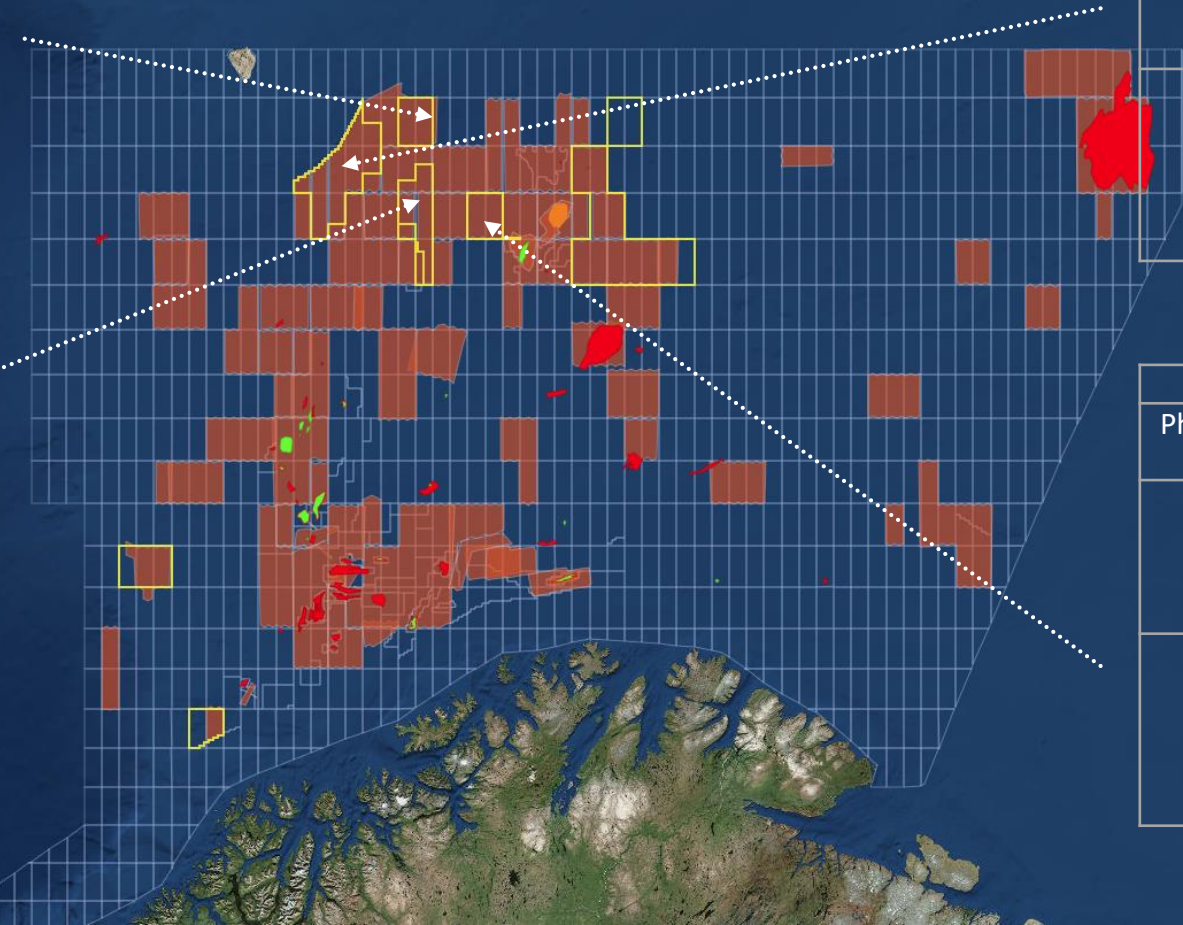
PL963		
Phase	Duration (years)	Activity / decision
1	2	Acquire 3D CSEM data Decision: Drill or Drop
2	3	Drill exploration well (The drilling commitment shall be fulfilled within 4 years of the award)

PL962		
Phase	Duration (years)	Activity / decision
1	3	Acquire new 3D seismic Reprocess 3D seismic EM feasibility study (CSEM) Decision: Drill or Drop
2	3	Drill exploration well (within 5 years of the award)

3D CSEM work commitments

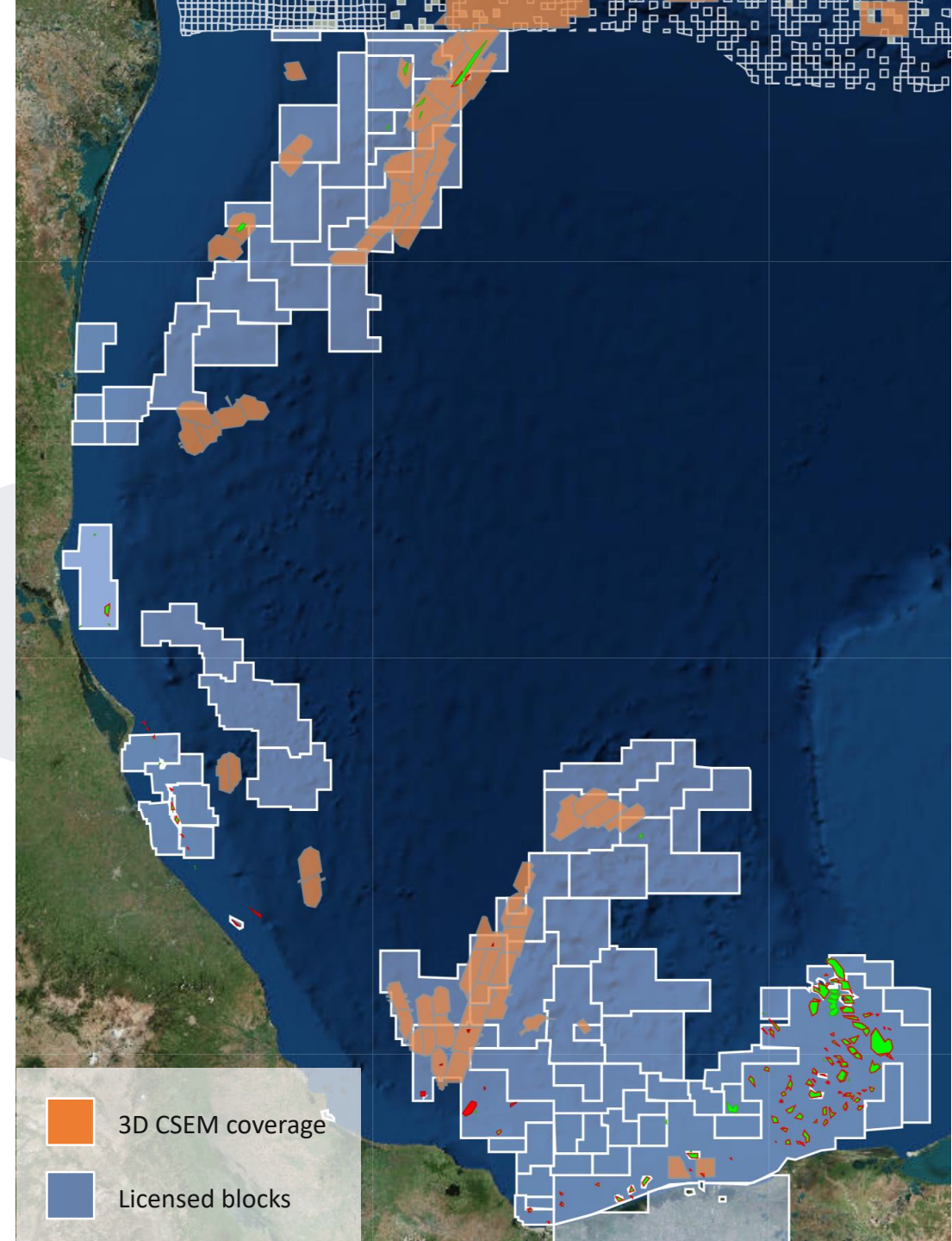
24th round Norway

7 out of 12 licenses have a CSEM work commitment



PL964		
Phase	Duration (years)	Activity / decision
1	3	Acquire 3D CSEM data Acquire 3D seismic (Across all prospective area) Reprocess 3D seismic (Across all prospective area) Acquire 2D seismic (High resolution 2D seismic over main structure) Decision: Drill or Drop
2	3	Drill exploration well (The drilling commitment shall be fulfilled within 5 years of the award)

PL965		
Phase	Duration (years)	Activity / decision
1	3	Acquire new 3D seismic (High-resolution seismic) EM feasibility study (CSEM) Decision: Drill or Drop
2	3	Drill exploration well (The drilling commitment shall be fulfilled within 5 years of the award)

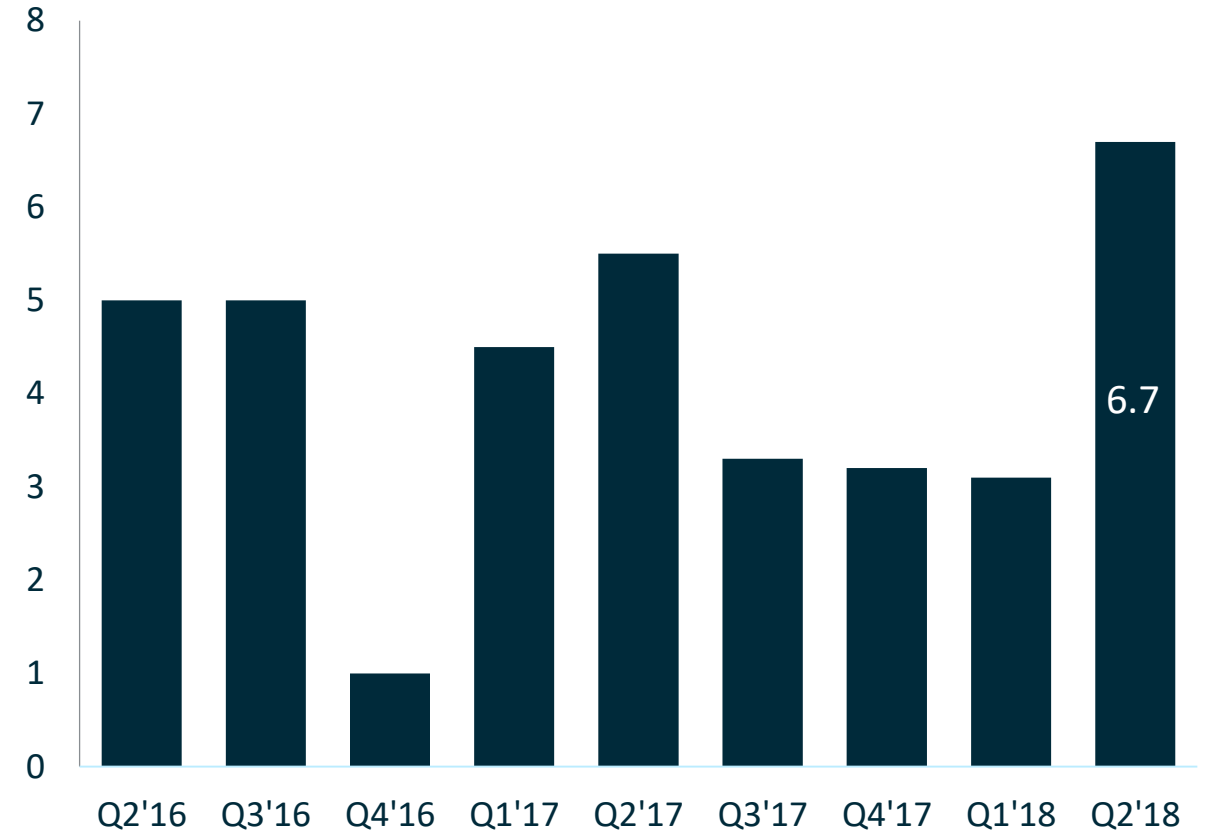


Market update | Continued limited visibility

Comments

- Prefunded and strategic data acquisition programs in the North Sea will keep the Atlantic Guardian busy through Q3 2018
- Well positioned to capitalise on the 24th round in Norway
- Upward momentum regarding international opportunities to improve utilisation
- Market expected to be more balanced between multi-client and proprietary in 2018
- Caution required as no significant change to backlog recorded

Order backlog - limited earnings visibility



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Questions?

Spot the difference.

Consolidated Income Statement

Amounts in USD 1 000	Q2 2018 Unaudited	Q2 2017 Unaudited	First half year 2018 Unaudited	First half year 2017 Unaudited	2017 Unaudited
		Restated*		Restated*	Restated*
Operating revenues					
Contract sales	197	474	312	1,175	2,583
Multi-client pre-funding	0	1,991	2,540	3,066	11,295
Multi-client late sales	7,009	5,800	7,971	8,186	19,132
Other revenue	691	0	1,370	0	886
Total revenues	7,896	8,265	12,192	12,427	33,896
Operating expenses					
Charter hire, fuel and crew expenses	3,488	700	7,784	3,466	7,655
Employee expenses	3,698	3,439	8,783	8,612	16,964
Depreciation and ordinary amortisation	1,919	1,502	4,041	2,909	6,779
Multi-client amortisation	1,680	2,498	4,398	4,789	10,345
Impairment of long-term assets	0	3,170	0	3,170	3,626
Other operating expenses	1,530	1,848	2,854	3,530	6,334
Total operating expenses	12,315	13,157	27,859	26,476	51,703
Operating profit/ (loss)	-4,418	-4,893	-15,667	-14,049	-17,807
Financial income and expenses					
Interest income	70	56	162	70	193
Interest expense	-1,194	-990	-2,422	-2,043	-4,088
Net gains/(losses) of financial assets and liabilities	-1,477	710	649	1,736	2,143
Net foreign currency income/(loss)	941	-822	-854	-1,838	-3,292
Net financial items	-1,660	-1,045	-2,466	-2,074	-5,043
Income/ (loss) before income taxes	-6,079	-5,938	-18,132	-16,123	-22,850
Income tax expense	115	34	118	67	356
Income/ (loss) for the period	-6,194	-5,972	-18,250	-16,190	-23,206

Consolidated Statement of Financial Position

Amounts in USD 1 000	30 June 2018 Unaudited	30 June 2017 Unaudited Restated*	31 December 2017 Unaudited Restated*
ASSETS			
Non-current assets			
Multi-client library	16,808	18,891	17,317
Other intangible assets	1,484	2,100	1,559
Property, plant and equipment	32,897	11,694	36,281
Assets under construction	3,319	29,403	3,112
Restricted cash	3,023	3,532	3,524
Total non-current assets	57,531	65,619	61,793
Current assets			
Spare parts, fuel, anchors and batteries	7,684	6,963	7,200
Trade receivables	10,418	9,413	11,075
Other receivables	6,326	6,536	5,957
Cash and cash equivalents	15,384	12,054	16,548
Restricted cash	315	1,338	2,997
Total current assets	40,128	36,304	43,778
Total assets	97,658	101,924	105,571

Amounts in USD 1 000	30 June 2018 Unaudited	30 June 2017 Unaudited Restated*	31 December 2017 Unaudited Restated*
EQUITY			
Capital and reserves attributable to equity holders			
Share capital, share premium and other paid-in equity	348,542	319,283	336,764
Other reserves	-1,591	-1,616	-1,617
Retained earnings	-327,011	-301,745	-308,761
Total equity	19,940	15,922	26,386
LIABILITIES			
Non-current liabilities			
Provisions	19,984	21,918	20,670
Financial liabilities	0	3,400	2,993
Borrowings	32,815	29,751	30,288
Total non-current liabilities	52,799	55,069	53,950
Current liabilities			
Trade payables	5,022	3,619	6,882
Current tax liabilities	5,398	5,853	6,299
Other short term liabilities	14,205	12,681	11,763
Borrowings	295	8,781	290
Total current liabilities	24,919	30,934	25,234
Total liabilities	77,718	86,002	79,184
Total equity and liabilities	97,658	101,924	105,571

Largest shareholders as of 25 July 2018

#	Shareholder	Shares	Holding
1	SIEM INVESTMENTS INC.	31 327 467	23.92
2	PERESTROIKA AS	29 452 795	22.49
3	MORGAN STANLEY & CO. LLC	25 891 805	19.77
4	BÆKKELAGET HOLDING AS	5 010 000	3.83
5	SPORTSMAGASINET AS	4 329 090	3.31
6	ROSENFONN INVEST AS	2 148 705	1.64
7	NHO - P665AK JP MORGAN CHASE BANK	1 293 422	0.99
8	DNB NAVIGATOR (II)	1 225 542	0.94
9	SIX SIS AG 25 PCT ACCOUNT	878 751	0.67
10	NORDNET LIVSFORSIKRING	816 990	0.62
11	STATOIL PENSJON	701 458	0.54
12	HAAV HOLDING AS	650 000	0.50
13	KRISTIAN FALNES AS	578 883	0.44
14	VESTVIK PRESERVERING AS	558 799	0.43
15	RAGE, PER EGIL	500 600	0.38
16	GALTUNG, LARS OTTO	475 000	0.36
17	NORDEA BANK AB CLIENTS ACCOUNT	469 190	0.36
18	SANDBÆK, RUNE	466 350	0.36
19	ØVERLAND, JARLE	457 039	0.35
20	RYGG JAN WIGGO	455 836	0.35