

ELECTROMAGNETIC GEOSERVICES ASA

DECLARATION ON DETERMINATION OF SALARY AND OTHER COMPENSATION TO CHIEF EXECUTIVE OFFICER AND OTHER EXECUTIVE MANAGEMENT

The Board of Directors of ElectroMagnetic Geoservices ASA (“EMGS” or the “Company”) has prepared this declaration in accordance with the Norwegian Public Limited Liability Companies Act section 6-16a. This declaration shall be presented to the Annual General Meeting of EMGS to be held on 5 June 2008 in accordance with the Norwegian Public Limited Liability Companies Act section 5-6 subsection three.

1 Guidelines for determination of management remuneration for the financial year 2008

1.1 Main principles for determination of management remuneration for the financial year 2008

The goal of the Company’s policy on salary and compensation (“Remuneration”) for executive management (“management”) is to recruit and retain world-class, skilled leaders who have the capacity to develop, manage and lead EMGS at this time of rapid growth. The Remuneration shall consist of non-variable compensation (“Basic Salary”) and variable forms of compensation such as bonuses, options and special payments (“Additional Compensation”).

The Basic Salary will be competitive but not leading and will be set based on the manager’s skills, competence, capacity and level of responsibility in the organization. When determining the Basic Salary competitor data for companies that operate within the same businesses area as EMGS and in the country in which the manager resides will be taken into consideration.

The main element of the management Remuneration shall be the Basic Salary. The Basic Salary should be motivational and aimed to encourage management to strive for constant improvement and development of the Company’s operations and results.

Additional Compensation should be available to motivate managers' efforts on behalf of the Company. The bonus will be linked both to the performance of the Company and the manager and will be capped at a certain maximum percentage of the Basic Salary. A part of the total remuneration may also be in the form of shares and options in the company.

The Additional Compensation is directly tied to the Company's results during the year in question. For the Additional Compensation to provide incentives for additional efforts, the criteria must also be linked to factors which the individual manager is able to influence. EMGS aspires to have a Remuneration system based on teamwork and which encourages efforts that brings results beyond the individual manager's sphere of responsibility.

The Remuneration system will be simple and comprehensible and easy to administrate.

To achieve the stated goal of attracting and retaining top talent, the Remuneration system will be sufficiently flexible and allow for certain special solutions if required in particular circumstances. EMGS is involved in international businesses and it is important the the company attracts skilled managers resident in other countries than Norway. The Remuneration system will allow for special solutions to attract and retain such managers if considered to be in the best interest of the Company

1.2 Determination of Remuneration

Basis Salary and Additional Compensation

The management of the Company will receive a Basic Salary and may in addition be granted Additional Compensation. The Basic Salary is the main element of a manager's Remuneration. Total Remuneration is the aggregate of a manager's Basic Salary and Additional Compensation. This level is to be competitive and motivational, but not leading.

In the following the Board of Directors has commented on the individual benefits that are embraced by the Additional Compensation in more detail. Unless specifically mentioned, no special terms, conditions or allocation criteria apply to the benefits mentioned.

Additional Compensation

a) Benefits in kind

Managers will ordinarily be offered the benefits in kind that are common for comparable positions, e.g. free telephone service, home PC, free broadband service, newspapers, company car/car scheme and parking. No particular limitations apply on the type of benefits in kind that can be agreed.

a) The bonus scheme

The company has a bonus scheme for managers, which has been established by the Board of Directors. The current bonus scheme was adopted by the Board of Directors in 2007 and is reviewed annually. The Board of Directors intends to continue the scheme through 2008 and until the Annual General Meeting for 2008 in 2009, although adjustments may be made.

In the current bonus system the variable benefits according to the system is limited to a maximum of 40% of annual Basic Salary for the CEO and the other managers. The bonus is tied to the financial performance of the Company and other factors which the individual manager is able to influence. The level of bonus is tied to the achievement of agreed goals for the individual manager.

c) Shares, subscription rights, options and other remuneration related to shares or share price trends

The Company operates a share option scheme for management and staff to provide a long term incentive. Minimum exercise price is fair market value at the date of grant. The options may be exercised after a certain time, subject to still being in the Company's employment. Grants to Management will be at the discretion of the Board. The option period is 4 years.

d) Pension plans

Early retirement agreements have not been entered into. However, the company may sign early retirement agreements in the future.

Management personnel will normally belong to the company's collective pension plan which will provide pensions that are proportional to final salary levels.

e) Severance schemes

The CEO has a Severance Agreement which pays 24 months salary and benefits during the notice period if his/her employment is terminated. Other managers have Severance Agreements which cover the payment of 12 months salary and benefits during the notice period if his/her employment is terminated.

The severance scheme is structured to ensure that members of the executive management do not leave the Company in order to start working immediately for a competitor.

The company's CEO should ordinarily have an agreement that takes into account the company's possible need to ask the CEO to leave immediately if this is considered to be in the company's best interest. Consequently, the severance scheme must be sufficiently attractive for the CEO to accept an agreement involving a reduction in protection against dismissal.

Agreements may be signed regarding severance pay for other members of corporate management to attend to the company's needs at all times to ensure that the selection of managers is in commensuration with the company's needs. Pursuant to the Working Environment Act, such agreements may not have a binding effect on executives other than the CEO.

Efforts shall be made to devise severance schemes that are acceptable both internally and externally. In addition to salary and other benefits during the term of notice, such schemes will limit severance pay to 12 months.

f) Other benefits

It may be used other variable elements in the remuneration or awarded other special benefits than those mentioned above, provided this is considered expedient for attracting and/or retaining a manager. No special limitations have been placed on the type of benefits in kind that can be agreed.

2 Executive management wages in subsidiaries of EMGS

Other companies in the Group are to follow the main principles of the Group's managerial salary policy as described in section 1. It is a goal to coordinate wage policy and the schemes used for variable benefits throughout the Group.

3 Review of the executive management remuneration policy that has been carried out in the financial year 2007

As a result of the conversion from a private limited company to a public limited company in 2007, a declaration on executive management salaries and remuneration was not presented to the Annual General Meeting in 2007. However, the policies set out herein were followed in all respects for the year 2007.

4 Review of the effects for the Company and its shareholders of agreements on Remuneration entered into or amended in the financial year 2007

The Company entered into an agreement with the Chairman, Bjarte Bruheim which was approved by the Extraordinary General Assembly on 27 November 2007. This agreement is deemed to have been beneficial for the Company. The agreement with the CEO has not been amended in 2007.

Oslo 15 May 2008


Bjarte Bruheim

for and on behalf of the Board of Directors of EMGS