



Axxis Geo Solutions update – solid operational progress

Lysaker, Norway, 31 July 2019: On 3 July 2019 AGS was listed on Oslo Axess. The day marked the successful completion of the merger between Axxis Geo Solutions AS and Songa Bulk ASA, and change of company name to Axxis Geo Solutions ASA.

AGS will disclose complete operational and financial interim results on quarterly basis from third quarter and onwards. Third quarter announcement is planned on 13 November 2019.

This release contains an operational update of key events year to date including selected key financials.

Operational and financial highlights

- AGS successfully merged and listed on Oslo Axess
- Utsira OBN multi-client project extension fully funded
- Start-up of this seasons Utsira multi-client OBN program
- Signing of Global Master Service Agreement with Major International Oil Company
- Axxis Geo Solutions (AGS) completes successful OBN survey offshore India
- Revenue of NOK 356 million in Q2, and NOK 584 million in first half 2019
- EBITDA of NOK 145 million in Q2, and NOK 146 million in first half 2019

“We have had solid operational progress so far this year. We completed the ONGC project in India, signed an important Global Master Service Agreement and added an extension to the Utsira Ocean Bottom Node (OBN) multi-client survey in the North Sea of Norway. Becoming a listed company reinforce AGS’ ambition to grow and strengthen its position as a pure-play ocean bottom node seismic company”, says Lee Parker, the CEO of AGS.

The Utsira multi-client OBN program has been extended. The extension is fully funded and makes the Utsira OBN multi-client survey in excess of 1.600 km² with full fold data. The extension will have the same technical specifications as the main survey with high data density and seamless integration.

“We are pleased to note that our customers confirm the value of OBN data in the Utsira region by adding a new area to the original survey outline.”, says Parker

On 3 July this seasons Utsira multi-client OBN program commenced. The source vessel Sanco Sword and node handling vessel Havila Aurora started operations in the vicinity of the Ivar Aasen license. Later this month these two vessels were joined by source vessel Neptune Naiad and node handling vessel Havila Fortune. When fully operational, the fleet of vessels will use around 9.000 nodes laid in a continuously balanced roll.

On 13 June AGS announced the signing a Global Master Service Agreement covering marine services for a Major International Oil company. AGS expects to execute on the work program during 2019 or 2020 North Sea seasons. New contract awards from this customer will be under



this agreement. The agreement positions AGS to efficiently respond to further invitations to tender for new contracts from this major international oil company.

On 7 June AGS announced the successful completion of a major seismic OBN field acquisition on behalf of ONGC, the largest energy company in India. The acquisition covered over 2,000 km² close to existing oil fields and infrastructure on the Western continental shelf of India. The contract value was around USD 70 million, providing a significant contribution to the Q2 and first half revenues and EBITDA.

Revenues in Q2 was NOK 356 million, and NOK 584 million for the first half of 2019, only driven by completion of the ONGC project in India. EBITDA was NOK 145 million for Q2 and NOK 146 million for the first half of this year. For the full year 2018 the revenue and EBITDA were respectively NOK 53 million and NOK -40 million. All 2019 figures are preliminary and unaudited and from the company's segment reporting.

"We are satisfied with the performance during first half of this year. We have proven our delivery concept with the ONGC and Utsira project, and believe AGS is well positioned for new OBN contract and multi-client projects in Norway and internationally", says Parker

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About AGS

Axxis Geo Solutions (AGS) is a pure-play ocean bottom node seismic company uniquely positioned to pursue both contract and multi-client seismic. AGS specializes on delivering tailored seismic solutions and flexible project management and execution to oil and gas companies world-wide. Its operations are based on a scalable asset-light setup through chartering of vessels and nodes to complete seismic surveys.

AGS is listed on Oslo Axxess and traded under the ticker AGS.

More information on www.axxisgeo.com