

CALL FOR ANNUAL GENERAL MEETING
ELECTROMAGNETIC GEOSERVICES ASA

To the shareholders of Electromagnetic Geoservices ASA:

Notice is hereby given of an Annual General Meeting of Electromagnetic Geoservices ASA (the “Company”) in the Company’s offices on the 7th floor of Dronning Mauds gt 15, 0250 Oslo to be held on

Tuesday 25 April 2017 at 10:00

The Annual General Meeting will be opened by the Chairman of the Board of Directors.

Agenda:

1 Election of a chairperson of the meeting and one person to co-sign the minutes

2 Approval of the notice and agenda

3 Approval of the 2016 annual accounts and 2016 directors’ report

EMGS annual report for 2016, which includes the 2016 annual accounts and 2016 directors’ report, can be downloaded from the Company’s website or may be obtained by contacting the Company as set out above.

The Board recommends that the Annual General Meeting passes the following resolution:

The annual accounts and directors’ report for 2016 are approved.

4 Statement on the determination of salaries and other remuneration for leading personnel

In accordance with section 6-16a of the Norwegian Public Limited Liability Companies Act, the Board of Directors has issued a statement on the principles for remuneration for senior executives of the Company. The statement is included in the Company’s annual report for 2016, which can be downloaded from the Company’s website, or may be obtained by contacting the Company, as set out above.

Proposed resolution:

The general meeting endorses the statement of the Board pursuant to section 6-16a of the Norwegian Public Limited Liability Companies Act regarding remuneration for senior management.

The guidelines in the Board statement for remuneration related to the shares or the development of the share price of the Company is approved.

5 Corporate governance statement

In accordance with section 3-3b of the Norwegian Accounting Act, the Board has prepared a statement on its principles and practice for corporate governance in the Company. The statement is included in the annual report for 2016, which can be downloaded from the Company's website, or may be obtained by contacting the Company, as set out above.

It follows from section 5-6 (4) of the Norwegian Public Limited Liability Companies Act that the corporate governance statement shall be dealt with, but the statement is not subject to the approval of the Annual General Meeting. The corporate governance statement will therefore be presented at the Annual General Meeting as a non-voting item.

6 Auditor's fees for 2016

It is proposed that the annual auditor's fees for the Company totalling NOK 1,200,000 (approximately USD 150,000) for 2016 are approved.

Proposed resolution:

The Annual General Meeting approves the annual auditor's fees for 2016.

7 Reduction in share capital and new par value

As of the date of this Notice, the price for the Company's share is NOK 5.35 and the par value of each share is NOK 10. Since Norwegian law prevents the Company from issuing new shares at a price below their par value, the present par value effectively prevents the Company from carrying out share issues.

Given the proposal for the rights issue described below, the Board of EMGS resolved on 29 March 2017 to recommend a reduction of the par value of the shares by reducing the Company's share capital.

It is suggested that the share capital is reduced by NOK 295,147,251 to NOK 32,794,139 and that the par value of each share is reduced from NOK 10 to NOK 1 per share. The number of outstanding shares will remain the same.

The Board proposes that the Annual General Meeting passes the following resolution:

- (1) The Company's share capital shall be reduced by NOK 295,147,251 to NOK 32,794,139 through a reduction of the nominal value of the Company's shares from NOK 10 to NOK 1.*
- (2) The reduction amount shall be allocated to reserves to be used in accordance with the resolution of the annual general meeting.*
- (3) Section 4 of the articles of association shall be amended to reflect the share capital and the nominal value of the shares after the share capital reduction.*

8 Approval of fully underwritten rights issue

Reference is made to the stock exchange release dated 29 March 2017. As part of the refinancing of the Company, the Board of Directors proposes that the shareholders approve a fully underwritten rights issue of new shares. The rights issue will (subject to any delays) be directed towards existing shareholders as of end of Monday 19 June 2017 as registered with the VPS on 21 June 2017, and who are not resident in a jurisdiction where such offering would be unlawful, or would (in jurisdictions other than Norway) require any prospectus filing, registration or similar action ("Eligible Shareholders"). Tradable subscription rights will be issued to Eligible Shareholders and such subscription rights will be listed on Oslo Børs under a separate ISIN. The proposed rights issue will have gross proceeds in the range of the NOK equivalent of USD 17 million.

The subscription price for the new shares and the number of new shares to be issued will be determined by the Board of Directors before the start of the subscription period. The Board (represented by only the Board members who are independent of the underwriters) shall set the Subscription Price in the interval between NOK 2 and NOK 10 per share based on market practice .

Shareholders are warned that an investment in the Company is associated with inherent risks, including the risks of losing the investment in its entirety. For developments after the date of the last balance sheet date, reference is made to the Company's quarterly reports at http://www.emgs.com/quarterly_reports/.

The last annual accounts, annual report and auditor report is available at the Company's office address at Stiklestadveien 1, 7041 Trondheim, and at www.emgs.com.

The implementation of the proposed resolution is subject to the completion of the share capital reduction set out in item 7 above.

The Board of Directors proposes the following resolution:

- 1) The share capital shall be increased by a minimum of NOK 11,900,000 and a maximum of NOK 80,750,000, by issue of minimum 11,900,000 and maximum 80,750,000 new shares, each having a face value of NOK 1 (the "New Shares").*
- 2) The Board of Directors may decide the subscription price for the new shares within a range of a minimum of NOK 2 per share and a maximum of NOK 10 per shares (the "Subscription Price"). The Board of Directors shall select the Subscription Price based on market practice, taking into account the dilution by the actual number of New Shares*
- 3) Shareholders as of end of 19 June 2017 as registered with the VPS on 21 June 2017 (the "Record Date"), and who lawfully may receive subscription rights and New Shares without the Company having to file for registration pursuant to local laws and regulations ("Eligible Shareholders") will receive preferential rights to subscribe for and be allotted the New Shares in proportion to their registered holdings of shares in the Company as of the Record Date. Transferable subscription rights will be issued to Eligible Shareholders. In case of any delay in the registration of the completion of the share capital reduction or in the approval of the prospectus required in connection with the rights issue, these dates will be delayed accordingly as the Board of Directors may decide.*
- 4) The New Shares must be subscribed from 22 June 2017 and no later than 6 July 2017 (the "Subscription Period"). In case of any delay in the registration of the completion of the share capital reduction or in the approval of the prospectus required in connection with the rights issue, these dates will be delayed accordingly as the Board of Directors may decide.*
- 5) The issue of the New Shares is underwritten by Siem Investments Inc., Perestroika AS, and RWC European Focus Master Inc (the "Underwriters"). The underwriting is regulated by underwriting agreements entered into between the Company and the respective Underwriters on or about 29 March 2017 (the "Underwriting Agreements"). According to the Underwriting Agreements, each of the Underwriters have, severally, and not jointly, and on a pro rata basis and up to the maximum amount undertaken by each of them, undertaken to subscribe for the New Shares not subscribed for during the Subscription Period. The underwriting obligation of each Underwriter does not include a guarantee for the payment by any subscriber or any other Underwriter of their subscription*

amount in the Rights Issue. The Underwriters will receive a guarantee commission of 1.5% of their guaranteed amount, subject to completion of the Rights Issue. Each Underwriter's obligation will be reduced on a share for share basis with the number of New Shares subscribed for in the Rights Issue and allocated to it.

- 6) Subscription of New Shares without Subscription Rights is not allowed. Holders of Subscription Rights may subscribe for a number of New Shares which exceeds the number of Subscription Rights held.*
- 7) If not all Subscription Rights are validly exercised in the Subscription Period, subscribers having exercised their Subscription Rights and who have over-subscribed will have the right to be allocated remaining New Shares on a pro rata basis based on the number of subscription rights exercised by the subscriber. In the event that pro rata allocation is not possible, the Company will determine the allocation by lot drawing.*
- 8) Any remaining new shares not allocated pursuant to the criteria set out in section (7) above will be subscribed by and allocated to the Underwriters to the extent the Underwriters have not fulfilled their underwriting obligations through subscription for shares in the Subscription Period, based on and in accordance with their respective underwriting obligations.*
- 9) Payment for New Shares shall take place no later than 10 July 2017 to the Company's share issue account no. 1503.27.95967. In case of any delay in the registration of the completion of the share capital reduction or in the approval of the prospectus required in connection with the rights issue, this date will be delayed accordingly as the Board of Directors may decide.*
- 10) The New Shares entitle the holder to dividend as from the time of registration with the Norwegian Register of Business Enterprises.*
- 11) The estimated fees for the Company associated with the rights issue, including the underwriting commission, is approximately NOK 3.2 million.*
- 12) Section 4 of the articles of association shall be amended so as to reflect the share capital and the number of shares after the share capital reduction.*

9 Board authorization to issue new shares

The Board of Directors proposes to, in principle, renew the authorizations to issue new shares that were granted at the Annual General Meeting in 2016.

In compliance with the principles of corporate governance, the Board of Directors proposes to continue the policy of having two separate authorizations:

- a) One authorization which i.a. can be used in relation to potential transactions and/or to finance general corporate purposes; and
- b) One authorization solely linked to the issuance of new shares in connection with the Company's share option program.

The Board is of the opinion that the general authorization is necessary to provide flexibility in terms of potential acquisitions and other corporate transactions and settlements thereof, and therefore, is in the best interest of the Company and its shareholders. It is further proposed to authorize the Board to waive existing shareholders' preemptive rights in order to allow the possibility for new shareholders subscribing shares provided that this is deemed by the Board to be in the best interest of the Company and its shareholders.

The general authorization is proposed to authorize an increase of up to 10% of the share capital after (i) the capital decrease in item 7 above and the (ii) capital issue in item 8 above.

9.1 Board authorization – transactions and general corporate purposes

Based on the above, the Board recommends that the Annual General Meeting passes the following resolution:

The Board is granted authorization to increase the share capital by up to NOK 32,794,136 being 10% of the registered share capital on the date hereof, through one or more share capital increases with the, at any given time, registered share capital. When the reduction of the share capital whereby the nominal value of the shares is reduced from NOK 10 to NOK 1, the size of the authorization will be reduced to NOK 3,279,413.80 When the capital increase referred to in 8 above has been performed, the authorisation shall be NOK 7,000,000 but maximum 10% of the share capital after the rights issue.

The Board is authorized to determine the price and terms of such share capital increases.

The existing shareholders' pre-emptive rights to subscribe for new shares may be set aside.

The authorization includes resolution to issue new shares in connection with mergers and acquisitions, whereunder to increase the share capital against contributions in assets other than cash.

The authorization may be utilized to raise financing or issue consideration shares in connection with potential acquisitions of companies or businesses within the oil and energy sector, including the oil service sector, and/or to finance general corporate purposes.

The authorization shall be effective from the date it is registered in the Norwegian Register of Business Enterprises and shall be valid until the annual general meeting in 2018, but in any event no later than 30 June 2018.

9.2 Board authorization – employee option program

Based on the above, the Board recommends that the Annual General Meeting passes the following resolution:

The Board is granted authorization to increase the share capital by up to 4,025,990 through the issue of up to 402,599 new shares through one or more share capital increases. The Board is authorized to determine the price and terms of such share capital increases. When the reduction of the share capital whereby the nominal value of the shares is reduced from NOK 10 to NOK 1, the size of the authorization will be reduced to NOK 402,599 through the issuance of 402,599 shares.

The existing shareholders' pre-emptive rights to subscribe for new shares may be set aside.

This authorization shall only be utilized for fulfilling the Company's obligations towards holders of options, should such options be exercised.

The authorization shall be effective from the date it is registered in the Norwegian Register of Business Enterprises and shall be valid until the annual general meeting in 2018, but in any event no later than 30 June 2018.

10 Employee option program

The Company operates a share option scheme for management and staff to provide a long term incentive ("Employee Option Program"). The Board proposes that the Annual General Meeting approves a maximum number of options which can be granted over the period from the Annual General Meeting in 2017 to the Annual General Meeting in 2019. The purpose of the proposal is to create a maximum threshold for dilution of

the shareholders following from the Employee Option Program. The vesting period for the Employee Option Agreement shall start 12 months or more after award with vesting of maximum 25% on each of the four anniversaries following the option grant date. The Board suggests that vesting is made subject to a target defined by the Board on the option grant.

The proposal means that during the period from the Annual General Meeting in 2017 until the Annual General Meeting in 2019, the Board may grant options to employees providing that the maximum number of options in the Employee Option Program do not exceed 7,5% of the registered number shares in the Company when granted.

The maximum outstanding options shall not at any time exceed 7.5% of the registered number of shares in the Company. As at today's date, there are 402,599 options outstanding in total (of which 144,900 are vested).

Proposed resolution:

During the period from the Annual General Meeting in 2017 to the Annual General Meeting in 2019, the Board may grant options in an amount which, together with the outstanding option never exceed 7,5% of the registered number of shares in the Company in the aggregate under the Employee Option Program. The maximum outstanding options shall not at any time exceed 7.5% of the registered number of shares in the Company. When options are cancelled (e.g. because an employee leaves the Company), such options shall be considered cancelled also in relation to the number of options the Board of Directors is authorized to issue, thereby allowing the Board of Directors to re-issue such options. The Board of Directors is delegated the authority to issue options where the vesting starts minimum 12 months after grant date and is subject to a target defined by the Board of Directors on the grant date with a maximum of 25% vesting on each anniversary of the grant date.

11 Re-election of current directors

The service period for two of the current directors expires in 2017.

To be in compliance with the principles for corporate governance, it is proposed to cast votes separately for each candidate.

The Nomination Committee proposes that the following are elected as the shareholder elected members of the Board of Directors for the periods set out opposite their names:

Item 11.1:	Eystein Eriksrud - Chairman	Two years
Item 11.2:	Anne Øian – Director	Two years

In addition, the Board will consist of two employee elected representatives with deputies after this Annual General Meeting.

12 Board compensation

The Board is, for 2016 and until the Annual General Meeting in 2017, remunerated as set out in note 6 in the Annual Report of Electromagnetic Geoservices ASA. The amounts are within the approval given by the Annual General Meeting in 2016. An overview of the compensation to the Board in 2016 is included in note 6 to the financial statements in the annual report of Electromagnetic Geoservices ASA for 2016, which can be downloaded from the Company's website.

For the period until the Annual General Meeting in 2018, the Nomination Committee proposes that the principles for Board compensation resolved in the 2016 Annual General Meeting shall continue to apply.

Proposed resolution:

For the shareholder elected directors (including the Chairman of the Board), the Annual General Meeting pursuant to section 6-10 of the Norwegian Public Limited Companies Act approves payment of a fixed quarterly remuneration as set out below which shall apply from the Annual General Meeting in 2017, or the date of election of the director in question if later than the Annual General Meeting in 2017, and until the Annual General Meeting in 2018, or the date of resignation from the the director in question, if prior to the Annual General Meeting in 2018 (unless waived by the individual director):

- *Shareholder elected directors (including the Chairman of the Board): USD 8,750 per quarter (which equals an annual remuneration of USD 35,000).*
- *Additional compensation to shareholder elected directors (including the Chairman of the Board) who are members of the Audit Committee: USD 2,500 per quarter (which equals an annual remuneration of USD 10,000). The compensation for the Chairman of the Audit Committee shall be USD 3,500 per quarter (which equals an annual remuneration of USD 14,000).*
- *Additional compensation to shareholder elected directors (including the Chairman of the Board) who are members of the Compensation Committee: USD 2,500 per quarter (which equals an annual remuneration of USD 10,000). The compensation for the Chairman of the Compensation Committee shall be USD 3,125 per quarter (which equals an annual remuneration of USD 12,500).*

The employee elected directors do not receive any compensation for their services as board members in addition to their ordinary remuneration as employees.

13 The Nomination Committee

The Nomination Committee was elected for two years in the Annual General Meeting in 2016 and consist of:

- *Kristian Siem, Chairman*
- *Frederik W. Mohn*

14 Compensation to the members of the Nomination Committee

The Board proposes not to pay any remuneration to the members of the Nomination Committee.

15 Resolution for two weeks calling notice

The Board proposes that the Annual General Meeting makes the following resolution for two weeks calling notice for Extraordinary General Meetings, ref. section 8 of the Articles of Association.

Proposed resolution:

Up to the next Annual General Meeting, the Company can call for Extraordinary General Meetings with two weeks notice, provided that the shareholders can participate in the Extraordinary General Meeting electronically.

At the date of this calling notice, there are 32,794,139 shares outstanding in the Company. As of the date of this calling notice, the Company does not own any treasury shares.

At the Company's Annual General Meeting, each share has one vote. A shareholder with shares registered through an approved share manager or custodian pursuant to section 4-10 of the Norwegian Public Limited Companies Act has voting rights equivalent to the number of shares covered by the share management assignment/custodian arrangement provided that the shareholder within two business days before the Annual General Meeting provides the Company with his name and address and presents confirmation from the share manager that the shareholder is the beneficial owner of the shares that are being

managed or held in custody, and provided further that the Board does not disapprove such beneficial ownership after receipt of such notification.

Shareholders who wish to take part in the Annual General Meeting must not later than two business days before the Annual General Meeting, i.e. by 16:00. (Norwegian time) on 21 April 2017 either (i) register at the website: www.emgs.com using the pin code included in the cover letter; (ii) give notice to DNB Bank ASA, Registrar's Department, P.O. Box 1600 Sentrum, 0021 Oslo, Norway or (iii) give written notice e-mail: genf@dnb.no or by regular mail to DNB Bank ASA, Registrar's Department, P.O.Box 1600 Sentrum, 0021Oslo, Norway. A registration form is attached hereto as Appendix 1.

A power of attorney for the shareholders who wish to grant a proxy to represent their shares at the Annual General Meeting is attached hereto as Appendix 2.

Oslo, 29 March 2017

Sign

Eystein Eriksrud
Chairman

Attachments:

Appendix 1: *Registration form*

Appendix 2: *Form of power of attorney*

Ref no:

PIN code:

Notice of Annual General Meeting

An Annual General Meeting of Electromagnetic Geoservices ASA will be held on 25 April 2017 at 10:00 Norwegian time at Dronning Mauds gt 15, 0250 Oslo, Norway

If the above-mentioned shareholder is an enterprise, it will be represented by:

Name of enterprise's representative
(To grant a proxy, use the proxy form below)

Notice of attendance

The undersigned will attend the Annual General Meeting on 25 April 2017 and vote for:

A total of _____
Own shares
Other shares in accordance with enclosed Power of Attorney
Shares

This notice of attendance must be received by DNB Bank ASA no later than 16:00 Norwegian time on 21 April 2017.

Notice of attendance may be sent electronically through the Company's website www.emgs.com or through VPS Investor Services. To access the electronic system for notification of attendance or to submit your proxy, through the Company's website, the above-mentioned reference number and PIN code must be stated.

Notice of attendance may also be sent by e-mail: genf@dnb.no, or by regular mail to DNB Bank ASA, Registrar's Department, P.O.Box 1600 Sentrum, 0021 Oslo, Norway.

Place Date Shareholder's signature
(If attending personally. To grant a proxy, use the form below)

Appendix 2



Proxy (without voting instructions)

Ref no:

PIN code:

This proxy form is to be used for a proxy without voting instructions. To grant a proxy with voting instructions, please go to page 2.

If you are unable to attend the Annual General Meeting in person, this proxy may be used by a person authorised by you, or you may send the proxy without naming the proxy holder, in such case, the proxy will be deemed to be given to the Chair of the Board of Directors or a person authorised by him.

The proxy form should be received by DNB Bank ASA, Registrar's Department no later than 16:00 Norwegian time on 21 April 2017.

The proxy may be sent electronically through Electromagnetic Geoservices ASA's website <http://www.EMGS.com> or through VPS Investor Services. It may also be sent by e-mail: genf@dnb.no. Regular mail to DNB Bank ASA, Registrar's Department, P.O.Box 1600 Sentrum, 0021 Oslo, Norway.

The undersigned _____
hereby grants (tick one of the two):

☐ the Chairman of the Board of Directors (or a person authorised by him), or

☐ _____
(Name of proxy holder in capital letters)

a proxy to attend and vote for my/our shares at the Annual General Meeting of Electromagnetic Geoservices ASA on 25 April 2017.

_____	_____	_____
Place	Date	Shareholder's signature
		(Signature only when granting a proxy)

With regard to rights of attendance and voting, reference is made to the Norwegian Public Limited Liability Companies Act, in particular Chapter 5. If the shareholder is a company, the company's certificate of registration must be attached to the proxy.

Proxy (with voting instructions)
Ref no:
PIN code:

This proxy form is to be used for a proxy with voting instructions. If you are unable to attend the Annual General Meeting in person, you may use this proxy form to give voting instructions. You may grant a proxy with voting instructions to a person authorised by you, or you may send the proxy without naming the proxy holder, in which case the proxy will be deemed to have been given to the Chair of the Board of Directors or a person authorised by him.

The proxy form must be received by DNB Bank ASA, Registrar's Department, no later than 16:00 Norwegian time on 21 April 2017. It may be **sent by e-mail: genf@dnb.no** /Regular mail to DNB Bank ASA, Registrar's Department, P.O.Box 1600 Sentrum, 0021 Oslo, Norway.

The undersigned: _____
hereby grants (tick one of the two):

☐ the Chair of the Board of Directors (or a person authorised by him), or

☐ _____
Name of proxy holder (in capital letters)

a proxy to attend and vote for my/our shares at the Annual General Meeting of Electromagnetic Geoservices ASA on 25 April 2017.

The votes shall be exercised in accordance with the instructions below. Please note that if any items below are not voted on (not ticked off); this will be deemed to be an instruction to vote "for" the proposals in the notice. However, if any motions are made from the floor in addition to or replacement of the proposals in the notice, the proxy holder may vote or abstain from voting at his discretion. In such case, the proxy holder will vote on the basis of his reasonable understanding of the motion. The same applies if there is any doubt as to how the instructions should be understood. Where no such reasonable interpretation is possible, the proxy holder may abstain from voting.

Agenda Annual General Meeting 25 April 2017	For	Against	Abstention	At proxy's discretion
Election of a person to co-sign the minutes of meeting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Approval of one person to co-sign the minutes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Approval of the notice and agenda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Approval of the 2016 annual accounts and 2016 directors' report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Statement on the determination of salaries and other remuneration for leading personnel	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Auditor's fees for 2016	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reduction in share capital and new par value	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Approval of fully underwritten rights issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Board authorization – transactions and general corporate purposes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Board authorization – employee option program	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Employee option program	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Re-election of Eystein Eriksrud - Chairman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Re-election of Anne Øian – Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Board compensation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution for two weeks calling notice				

Place	Date	Shareholder's signatur (Only for granting proxy with voting instructions)
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With regard to rights of attendance and voting, reference is made to the Norwegian Public Limited Liability Companies Act, in particular Chapter 5. If the shareholder is a company, the company's certificate of registration must be attached to the proxy.