



## **I/O Signs Multi-Year Agreement with Reservoir Exploration Technology** Demonstrating Increased E&P Industry Acceptance of Full-wave Imaging

**HOUSTON & OSLO, August 4** -- Input/Output, Inc. (NYSE:IO) and Reservoir Exploration Technology (NOTC: RXTA/RXTB), a marine seismic contractor headquartered in Oslo, Norway, jointly announced today the signing of a multi-year agreement for the purchase of I/O's VectorSeis Ocean™ (VSO) system. VSO is a redeployable, ocean bottom cable (OBC) seismic imaging system equipped with VectorSeis® digital, full-wave sensors for multicomponent data acquisition on the seabed. RXT previously purchased, and deployed in the Gulf of Mexico, the first commercial VSO system during June 2004.

RXT has issued a purchase order to I/O for the first system covered by the agreement, which I/O intends to deliver to RXT no later than the first quarter of 2006. In addition to the recently ordered system, the agreement provides the framework for RXT to purchase two more VSO systems in 2006 and another two systems in 2007, in exchange for worldwide exclusivity, with the geographical exception of the North Sea, through 2007. The purchase price of an individual VectorSeis Ocean system typically ranges from \$17-22 million, depending on the final system configuration.

Bob Peebler, President and CEO of I/O, stated, "The fact that RXT has committed their company to the VSO system is significant as it demonstrates increasing industry acceptance of full-wave imaging on the seabed. VectorSeis Ocean supports I/O's strategy of delivering technologies that enable our contractor customers to achieve step-change improvements in productivity, create value for their customers and investors, and differentiate themselves from competitors outfitted with legacy technology."

Mike Scott, CEO of RXT, commented, "RXT is focused on providing high quality marine OBC data at a competitive price to our oil & gas customers. RXT's unique and efficient operational techniques, coupled with VectorSeis Ocean imaging technology, are changing the game in seabed acquisition. We continue to be pleased with the increasing productivity we are realizing by utilizing the VSO system. With the five additional VSO systems, we will be capable of operating six full-wave OBC crews around the world by the end of 2007. With fewer than ten OBC crews operating worldwide today and only half of these with full-wave capability, RXT is clearly positioned to be one of the leading service providers in this rapidly growing segment of the seismic acquisition business. We fully intend to see this agreement through, thereby assuring our own clients that we are prepared to deliver the best solution for their complex needs."

Since the deployment of the initial VSO system, RXT has been acquiring full-wave data over several offshore fields for a US-based supermajor oil & gas company. GX Technology (GXT), an I/O subsidiary, has been serving as project manager for the imaging program.

Mick Lambert, President of GXT, stated, "GXT has worked closely with RXT to execute on this initial series of VectorSeis Ocean projects in the Gulf of Mexico. To date, the VSO data quality has been outstanding. The P-wave data is providing significantly improved seismic images compared to that delivered by conventional, analog OBC systems. GXT is currently processing both the P-wave and the converted wave (S-wave) data and we expect to achieve high quality imaging results for the E&P clients that are working with us to fully deploy this new technology."

#### About I/O

I/O is a leading, technology-focused seismic solutions provider. The company provides cutting-edge seismic acquisition equipment, software, and planning and seismic processing services to the global oil and gas industry. I/O's technologies are applied in both land and marine environments, in traditional 2D and 3D surveys, and in rapidly growing areas like time-lapse (4D) reservoir monitoring and full-wave imaging. Headquartered in Houston, Texas, I/O has regional offices in Canada, Latin America, Europe, China, Russia, Africa and the Middle East. Additional information is available at [www.i-o.com](http://www.i-o.com).

#### About RXT

Reservoir Exploration Technology is a marine geophysical company specialising in multicomponent sea-floor acquisition. The company was formed originally as Terra Seismic Services in April 2002 in Norway, and funded by the private equity funds 3i and Lime Rock Partners with \$18.8 million of committed capital in April 2004. A US entity was established in 2004, and the first operation started in the Gulf of Mexico in June 2004. In July 2005, RXT received a secondary capital commitment of \$35 million in a private placement. Additional information is available at [www.rxt.com](http://www.rxt.com).

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