3rd Quarter 2011

Reservoir Exploration Technology ASA

8th November 2011

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rxt

The future is on the seafloor

RESERVOIR EXPLORATION TECHNOLOGY

DISCLOSURE

- This presentation includes and is based on, among other things, forward-looking information and statements.
- Such forward-looking information and statements are based on the current expectations, estimates and projections of RXT or assumptions based on information available to the company.
- Such forward-looking information and statements reflect current views with respect to future events and are subject to risks, uncertainties and assumptions.
- RXT cannot give any assurance as to the correctness of such information and statements.

3rd Quarter Headlines

- Agreement regarding strategic co-operation with Georadar in Brazil signed
- RXT 1 in full production in West Arica in the quarter
  - Revenue from RXT1 (continued operation) USD 31.6
  - EBITDA from RXT1 (continued operation) USD 8.2
- RXT 5 off hire
  - EBITDA from RXT 5 (discontinued operation) of USD minus 12.6 million
  - Will in the future be reported on a separate line taking in 45% of the Net profit/loss of Geo RXT
- Impressive HSE performance

Operations

- RXT1
  - The crew has been operating as a super crew in West Africa
  - Has been working for Afren Energy Resources outside Nigeria in the quarter
  - Excellent HSE performance
  - Both vessels can operate as cable handles and source vessel and can be split into two crews when market requires more capacity

- RXT5
  - RXT was transferred to GeoRXT in October
  - RXT5 transited to Las Palmas in quarter two after successful completion of the project with Petrobras.
  - The purpose of the stay is to do maintenance work on vessels and equipment after the completion of the survey.
  - The crew is expected to go back to Brazil and start working on new projects in Brazil before the end of the year.

Flexibility in Operations

- RXT currently has 2 crew operations with flexibility to expand
  - RXT 1 Ocean Pearl; Source and Cable Handler
  - RXT 4 Vikland; Source and Cable Handler

    Currently Paired Operation

  - RXT 5 Sanco Star; Cable Handler
  - RXT 5 Ocean Europe; Source

    In the JV with Georadar

- This flexibility allows RXT to operate 1 or 2 crews in addition to the crew that will is a part of the JV with Georadar.


Ocean Pearl


Vikland


Sanco Star


Ocean Europe

GEO RXT – JV between RXT and Georadar

- Georadar has invested $20 million in the new company and RXT has received a cash consideration of $10 million.
- GeoRXT will focus on South America, Angola and Middle East.
- The objective of the joint venture is to capitalize on RXT's unique multi-component seismic capability in the prospective markets of South America, Angola and some parts of the Middle East.
- GeoRXT will be under the management of Mr. Celso Carvalho Magalhães. Mr. Celso Carvalho Magalhães was formerly the CEO of Georadar.
- RXT has dedicate personnel who will use part of their time to give operational and technical support to GeoRXT.

GEO RXT – JV between RXT and Georadar

- Under the joint venture agreement, GeoRXT has taken over the running of RXT's operations in Brazil.
  - Geo RXT will employ the crew and equipment on RXT 5
  - Geo RXT is also to be guaranteed access to the dedicated OBC vessels Sanco Star and Ocean
  - The time charter agreements with Sanco Star and Ocean Europe will be transferred from RXT ASA to Geo RXT not later than 31.12.2012.
  - RXT ASA guarantees the payment of the charter hire to Sanco Star and Ocean Europe for 18 months after the closing.
  - The guarantee will expire after 12 months if GeoRXT at this point in time has more than 6 months backlog.

- The financial result from GeoRXT will in RXT be reported as Profit/loss from Associated Company

- The RXT group will concentrate its activities in the North Sea, Gulf of Mexico and West Africa

3rd Quarter reporting structure - Impacted by JV with Georadar

Crew		
RXT 1	Continued operation	
RXT5	Discontinued operation	

P&L	Reported	
Continued operation	Reported from Revenue to Net profit	
Discontinued operation	Reported only Net profit	
Total Operation	Summary Net Profit Continued and Discountinued operation	

Balance sheet	Reported	
Continued operation	Full balance sheet	
Discontinued operation	Specifed assets held for sale and liabilities held for sale	

3rd Quarter 2011 Financial Headlines
Continued business (RXT1)

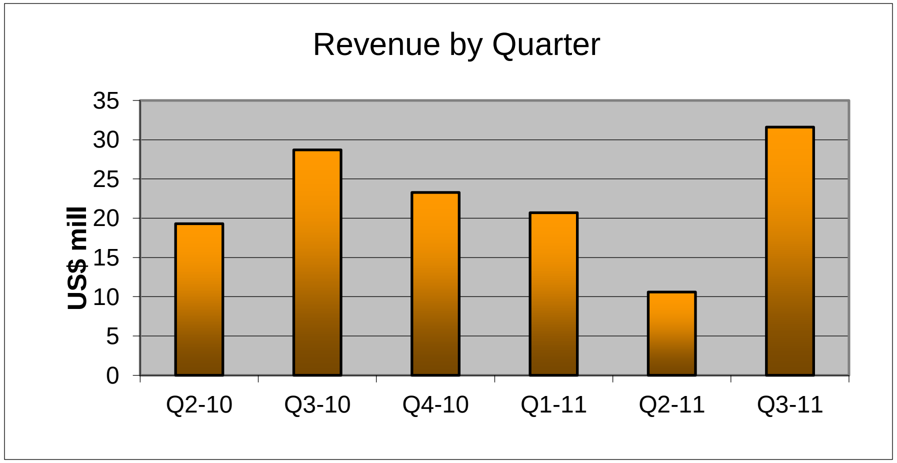
- Revenues of $31.6m
- EBITDA of $8.2m
- Net profit minus $ 1.0m

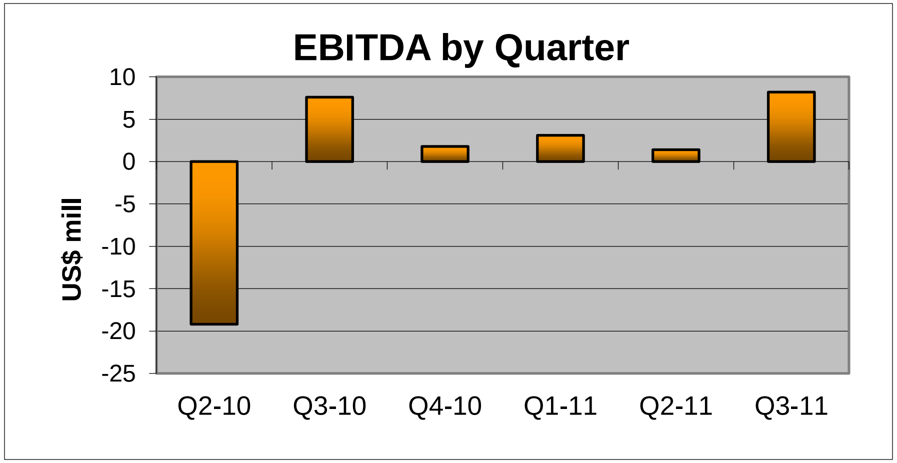
  Net profit includes effects from adjusting the anti-dilution liability of $ 0.9 million and exchange loss of $ 2.2 million.

- Cash $1.8 million
- Equity $ 30.5

  $ 15.6 million anti dilution liability will be added to equity when executed or expired

- Long term interest bearing debt $ 2.9 million





Income Statements

In US$ 000'	Note	Unaudited Quarter ended Sep 30 2011	Unaudited Quarter ended Sep 30 2010	Unaudited Nine months ended Sep 30 2011	Unaudited Nine months ended Sep 30 2010
CONTINUING OPERATIONS					
REVENUE:					
Sales revenue	5	31 571	29 173	62 941	66 387
Total revenue		**31 571**	**29 173**	**62 941**	**66 387**
OPERATING EXPENSES:					
Cost of sales		20 788	18 473	53 082	82 303
Selling, general and administrative cost		2 572	3 066	9 128	10 764
EBITDA		**8 211**	**7 634**	**730**	**(26 680)**
Result (loss) from equity accounted investees		-	(481)	-	(481)
Impairment charges		-	-	-	1 845
Depreciation	3	3 338	5 523	10 168	12 726
OPERATING PROFIT	5	**4 873**	**1 630**	**(9 437)**	**(41 732)**
FINANCIAL INCOME AND EXPENSES:					
Net foreign exchange gain (loss)		(2 242)	4	(5 276)	(4 381)
Financial income		6	151	27	164
Financial expenses		(375)	(611)	(1 377)	(5 938)
Net financial items		**(2 611)**	**(456)**	**(6 626)**	**(10 155)**
Net result before variances on financial derivat./restruct.		**2 262**	**1 174**	**(16 064)**	**(51 887)**
Gain (loss) on financial derivatives		(884)	(763)	(1 775)	(6 997)
Gain (loss) on restructuring		-	-	-	44 308
NET RESULT BEFORE TAX FROM CONTINUING OPERATIONS		**1 378**	**411**	**(17 839)**	**(14 576)**
Income tax expense (benefit)		2 369	1 475	4 315	3 293
NET PROFIT (LOSS) FROM CONTINUING OPERATIONS		**(991)**	**(1 064)**	**(22 154)**	**(17 869)**
DISCONTINUED OPERATIONS					
NET PROFIT (LOSS) FROM DISCONTINUING OPERATIONS	6	**(14 710)**	**14 296**	**(21 353)**	**(5 870)**
NET PROFIT (LOSS)		**(15 701)**	**13 232**	**(43 506)**	**(23 739)**

Balance Sheet

In US$ 000'		Unaudited Sept 30 2011	Unaudited Sept 30 2010
ASSETS			
Non-current assets:			
Multiclient library		10 016	12 520
Other intangible assets		-	122
Seismic equipment	3	22 898	90 625
Investment in equity accounted investees		-	2 447
Other fixed assets		13	-
Total non-current assets		**32 927**	**105 714**
Current assets:			
Accounts receivable		16 571	31 956
Other current assets	2	4 325	5 445
Cash and cash equivalents		1 751	10 933
Restricted cash		668	718
Total current assets		**23 315**	**49 052**
Assets classified as held for sale	6	**26 783**	**-**
TOTAL ASSETS		**83 025**	**154 766**

Balance Sheet

In US$ 000'		Unaudited Sept 30 2011	Unaudited Sept 30 2010
EQUITY AND LIABILITIES			
Shareholders' equity:			
Paid in capital:			
Share capital		148 660	148 660
Share premium reserve		82 340	82 340
Other equity		38 820	38 656
Translation differences			
Translation differences		(5 655)	(15 328)
Accumulated profits			
Retained earnings/(loss)		(233 672)	(159 908)
Total equity		**30 492**	**94 420**
Long-term liabilities:			
Financial liability anti-dilution mechanism	**4**	-	5 791
Bond loan with warrants	**4**	166	140
Bond loans	**4**	2 773	2 775
Deferred tax liabilities		37	38
Total long-term liabilities		**2 976**	**8 744**
Current liabilities:			
Financial liability anti-dilution mechanism	**4**	15 611	8 273
Financial lease obligation		-	3 981
Accounts payable		15 325	19 354
Other current liabilities	**2**	12 764	19 994
Total current liabilities		**43 700**	**51 602**
Liabilities held for sale	**6**	**5 857**	**-**
Total liabilities		**52 533**	**60 346**
TOTAL EQUITY AND LIABILITIES		**83 025**	**154 766**

Cash Flow

In US$ 000'	Unaudited Quarter ended Sep 30 2011	Unaudited Quarter ended Sep 30 2010	Unaudited Nine months ended Sep 30 2011	Unaudited Nine months ended Sep 30 2010
Cash flow from operating activities:				
Net result before income taxes	(13 332)	14 707	(39 192)	(20 446)
Depreciation and amortisation	5 444	7 805	16 667	22 887
Impairment	-	-	-	1 845
Fair value of conversion right CB/Restruct effects	884	763	1 775	(37 311)
Changes in current assets/ liabilities	4 651	(14 755)	4 222	656
Net finance expense	2 611	456	6 626	10 155
Equity-settled share-based payments	5	98	155	513
Share of loss (profit) of equity accounted investees	-	481	-	481
Income tax paid	(2 369)	(1 475)	(4 315)	(3 293)
Net cash flow from operating activities	**(2 107)**	**8 080**	**(14 062)**	**(24 513)**
Cash flow from Investing activities:				
Interest received	6	150	19	163
Purchase of seismic equipment	(27)	(29)	(244)	(1 136)
Sale of seismic equipment	-	-	-	-
Net cash flow from investing activities	**(21)**	**121**	**(225)**	**(973)**
Cash flow from financing activities:				
Proceeds from new equity raised	-	-	-	36 150
Proceeds from debt raised	-	-	-	5 000
Payment of interest	(156)	(171)	(468)	(2 502)
Payment of debt	-	(365)	(1 095)	(9 166)
Net cash flow from financing activities	**(156)**	**(536)**	**(1 563)**	**29 482**
Cash balance:				
Net change in cash	(2 284)	7 665	(15 849)	3 997
Cash beginning of period	4 035	2 784	17 600	6 936
Cash end of period	**1 751**	**3 268**	**1 751**	**10 933**

Financial Outlook

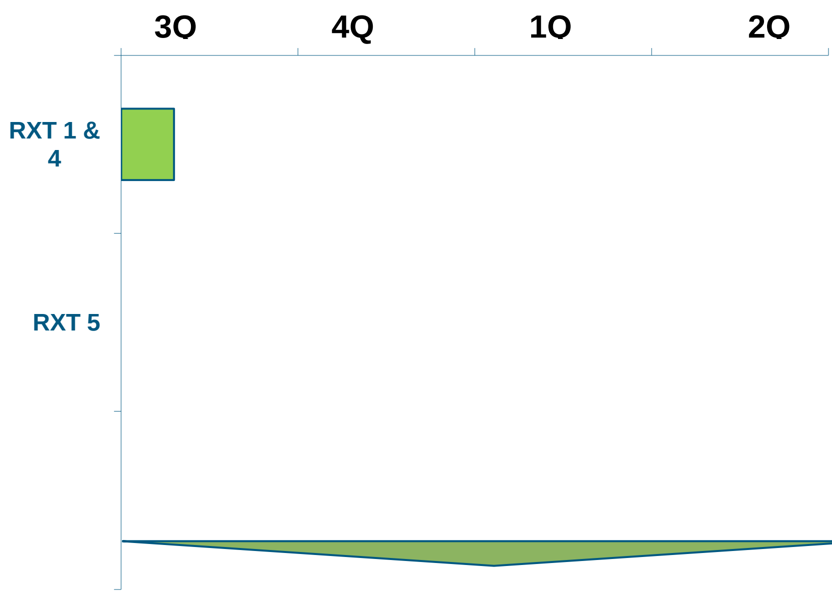
- Strict cost control to adjust to our current and planned activity
  - One crew will remain in RXT and one crew is transferred to the JV
- Maintain flexibility in cost base
- Capex in 2012 will be driven by market demand
- Focus on cash flow
  - Agreement with Georadar gave cash injection of USD 10 million to RXT
  - Expecting new backlog shortly to secure future cash flow

Market Outlook

- Africa
  - Strong interest for high quality 4C data
  - RXT has build up a strong client base through several successful projects
  - In negotiations with several oil companies for significant work in Nigeria
- North Sea
  - North Sea activity is high, several tenders has come out for 2012 work
- Gulf of Mexico
  - Increased demand for high quality data prior to lease sales expected to drive need for OBC
  - In discussions about potential long term contract with 2012 start-up
- Brazil
  - JV with Georadar with increased local content will improve the position in Brazil
  - Expected to be back in Brazil before end 2011
- Others
  - Increased demand for 4C seismic data in Middle East

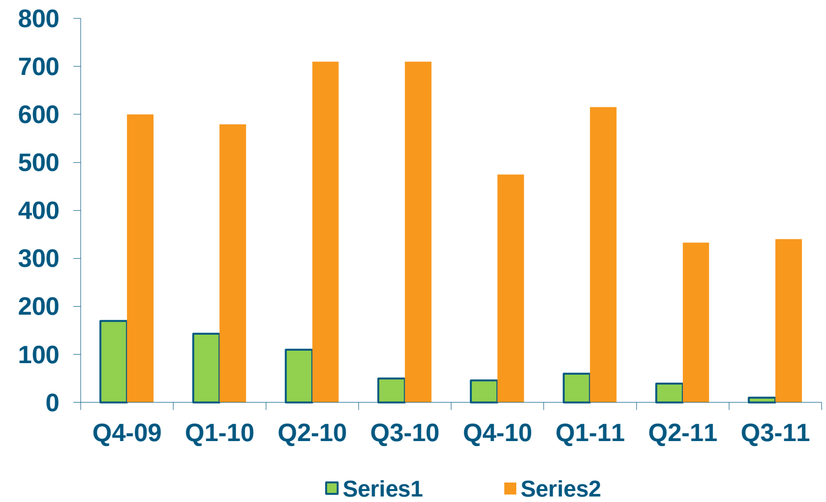
CONTRACT BACKLOG AND TENDERS

Current contract coverage



- The total backlog approximately 10m
- Oil companies in need for high quality seismic date to solve geological challenges
- High activity in West Africa and North Sea expected to improve backlog
- Expect to be operating in Brazil before end of 2011

Quarterly backlog and outstanding tenders (USDm)



- The total tenders outstanding currently amounts to USD 340m
- The outstanding tenders in 2011 with major areas
  - **North Sea**
  - **W Africa**
  - **Middle East**
  - **Gulf of Mexico**

Long term objectives

- OBC market expected to grow significantly
  - Atlantic corridor
  - OBC expected to grow relatively more than towed streamer
- Increase to 3-4 crews in high potential markets
  - Alone or with partners
    - Brazil and Angola together with Georadar
    - West Africa
    - GoM
    - North Sea
- New deep water technology
  - Operate down to minimum 2000m
  - Lower cost per cable
  - Increased efficiency with bigger footprint
  - HD data acquisition
- Target EBITDA USD 25 million per crew

RXT – Status

- JV with Georadar reduces risk and improves our position in Brazil
- Overall market conditions continues to improve
  - Bidding activity remains good
  - Clients expresses high satisfaction with data delivered
  - Decisions expected to be made on several tenders before end 2011
- Increased focus on sales and marketing
  - Strengthen sales force
  - Focus on Atlantic corridor
- Cost base aligned with the market
  - Potential to increase to three crews in 2012
- Improved efficiency
  - Consolidation of crews gives higher cable capacity per crew
  - Higher capacity drives down acquisition cost