

4th Quarter 2008

Reservoir Exploration Technology ASA

26th February 2009

William McCall, Chairman and temp CEO

Larry Wagner, COO

Odd Erik Rudshaug, CFO



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.

Funding requirement

- Funding requirement due to:
 - Decommissioning of RXT1 in the GOM
 - Weak results in Q4 2008
 - Later payment from certain clients than earlier expected
 - Delayed startup for RXT4 and RXT5
- Received term sheet from Lime Rock for a short term loan facility
 - Will require certain waivers from RXT lenders
 - Subject to raising \$30m in new equity
- Mandated DNB NOR Markets to assist the company to evaluate the future capital structure
- Pareto will assist in the matters around Bond Holders

Make \$450m backlog profitable

- “Right size” the organisation
- Focus on existing capacity
- Cost reduction
- Improve operational efficiency
- Capex limited to absolute minimum

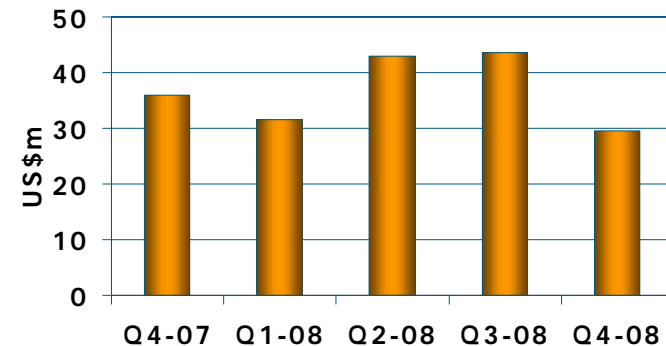
Changes in RXT Management

- CEO Michael Scott is stepping down
 - Hope and intention by Board that he will consult to RXT
 - Search for new CEO ongoing
 - Chairman of the Board William McCall will temporarily act as the CEO in RXT
- New COO: Larry Wagner
 - Earlier VP North and South America in RXT
 - 34 years experience from the marine seismic business
- New VP Acquisition: Laurie Wigle
 - 22 years experience from seismic industry
 - 9 years in Western and WesternGeco

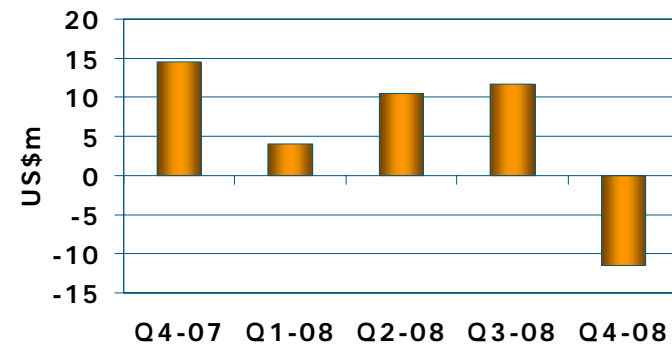
4th Quarter 2008 Financial Headlines

- Revenues of \$29.6m
 - Down from 43.6m in Q3 2008
 - No work for RXT1 in Q4 2008
 - Down from 36.0m in Q4 2007
- EBITDA of minus \$11.5m
 - Down from 11.7m in Q3 2008
 - No work for RXT1 in Q4 2008
 - Less profitability in Nigeria due to higher cost and 10 days stop in production
 - Low production for RXT3 in Caspian due to poor weather
 - Down from 14.4m in Q4 2007

Revenues by Quarter



EBIDTA by Quarter



Income Statements

| In US\$ 000' | Quarter ended Dec 31, | | Year ended Dec 31, | |
|---|--------------------------|---------------|-----------------------|----------------|
| | 2008 | 2007 | 2008 | 2007 |
| Revenues | 29 584 | 35 984 | 147 622 | 102 048 |
| Cost of Sales | -37 658 | -18 649 | -118 113 | -67 756 |
| Selling, general and administrative cost | -3 393 | -2 938 | -14 266 | -10 277 |
| EBITDA | -11 468 | 14 397 | 15 242 | 24 015 |
| Impairment charges | -18 348 | 0 | -18 348 | 0 |
| Amortisation MCS | -1 701 | 0 | -1 701 | 0 |
| Depreciation | -9 589 | -8 685 | -38 481 | -23 677 |
| EBIT | -41 106 | 5 712 | -43 288 | 338 |
| Net financial items | -14 650 | -2 949 | -31 824 | -18 844 |
| Variance on derivative of CB | 0 | -1 444 | 3 264 | -1 793 |
| Net result before tax | -55 756 | 1 319 | -71 848 | -20 300 |
| Income tax expense (benefit) | -12 787 | -2 832 | -13 385 | 3 238 |
| Net profit (loss) | -68 543 | -1 512 | -85 233 | -17 063 |
| Earnings per share (US\$) - Basic | -2,44 | -0,06 | -3,10 | -0,67 |
| Earnings per share (US\$) - Diluted | -2,44 | -0,06 | -3,10 | -0,67 |
| Average shares outstanding | 28 126 108 | 25 552 020 | 27 534 895 | 25 763 900 |
| Average shares outstanding - Diluted | 30 590 645 | 30 110 471 | 30 506 964 | 30 110 471 |

- Cost of sales increase:
 - Higher opex in Nigeria and Caspian Sea
- Impairment charges:
 - \$10m related to decommissioning of RXT1 early Jan 09 and RXT3 mid 2009.
 - \$5.9m write down of EM-investments
 - \$2.4m multi-client seismic shot in early 2007 in the North Sea
- Net financial items:
 - \$10m unrealised exchange expense in Q4 2008



Balance Sheet

| In US\$ 000' | Dec 31, 2008 | December 31, 2007 |
|-------------------------------------|-----------------|----------------------|
| ASSETS | | |
| Deferred tax asset | 0 | 8 393 |
| Long term assets | 240 100 | 143 447 |
| Other current assets | 49 559 | 57 911 |
| Cash and cash equivalents | 7 145 | 32 511 |
| TOTAL ASSETS | 296 804 | 242 262 |
| EQUITY AND LIABILITIES | | |
| Equity | 78 117 | 75 817 |
| Bond loans | 79 432 | 102 127 |
| Bond loan with warrants | 24 588 | 0 |
| Convertible bond | 10 719 | 12 940 |
| Fair value of conversion right CB | 0 | 15 625 |
| Other long-term liabilities | 7 263 | 5 820 |
| Deferred tax liabilities | 4 151 | 0 |
| Short term interest bearing debt | 17 400 | 2 733 |
| Current liabilities | 75 133 | 27 201 |
| TOTAL EQUITY AND LIABILITIES | 296 804 | 242 262 |

- Utilised most of the NOK 110m credit line from bank
- \$60m share issue and bond issue in December 2008
- In breach with equity to capital deployed requirement in bond covenants

Cash Flow

| In US\$ 000' | Quarter ended Dec 31, | | Year ended Dec 31, | |
|---|--------------------------|---------------|-----------------------|----------------|
| | 2008 | 2007 | 2008 | 2007 |
| Net cash flow from operating activities | 25 548 | 14 132 | 66 767 | (8 443) |
| Investments in multi-client library | (11 752) | (2 562) | (11 752) | (4 489) |
| Capex | (68 077) | (28 557) | (132 094) | (77 151) |
| Equity investment | - | (17 386) | - | (7 386) |
| Proceeds from new equity raised | 19 061 | 14 999 | 20 273 | 6 519 |
| Proceeds from debt raised | 39 379 | 29 744 | 50 973 | 101 238 |
| Other financing activities | (4 169) | (1 338) | (19 532) | (13 301) |
| Net change in cash | (11) | 9 031 | (25 365) | (3 012) |
| Cash beginning of period | 7 156 | 23 481 | 32 511 | 35 523 |
| Cash end of period | 7 145 | 32 511 | 7 145 | 32 511 |

- Investment in seismic equipment
 - \$68.1m in Q4 2008
 - \$132.1m in full year 2008
 - \$21.7m of this is capitalised cost during rigging

Operations

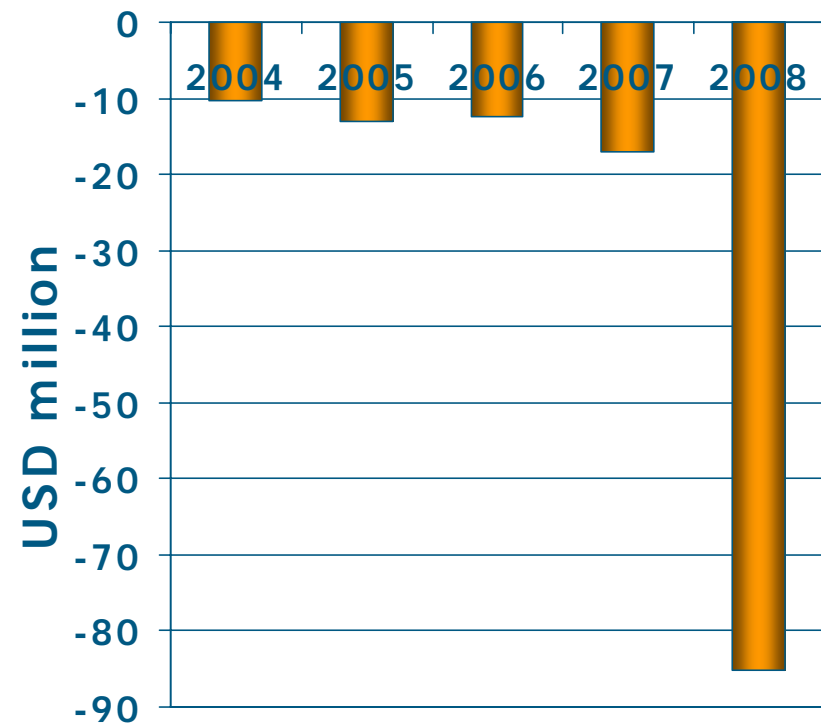
- RXT1
 - Acquired a non-funded program in cooperation with another seismic company from early October 2008 to early January 2009
 - Decommissioned in January 2009
- RXT2
 - Significant increase in production from mid December 2008
 - 10 days without production in December 2008 due to an incident with one of the vessels
- RXT3
 - Low production in Q4 2008 due to poor weather
- RXT4
 - Mobilised in North Sea late December 2008, but no production until late January 2009 due to technical problems with equipment and poor weather
- RXT5
 - Mobilised on the Albacora field in Brazil after clearance into Brazil in late February 2009.



What have we done wrong

- Consistently poor financial results
- Optimistic forecasting
- Stock price fell from 79 to 2 NOK
- Insufficient balance sheet
- Operational efficiency less than hoped

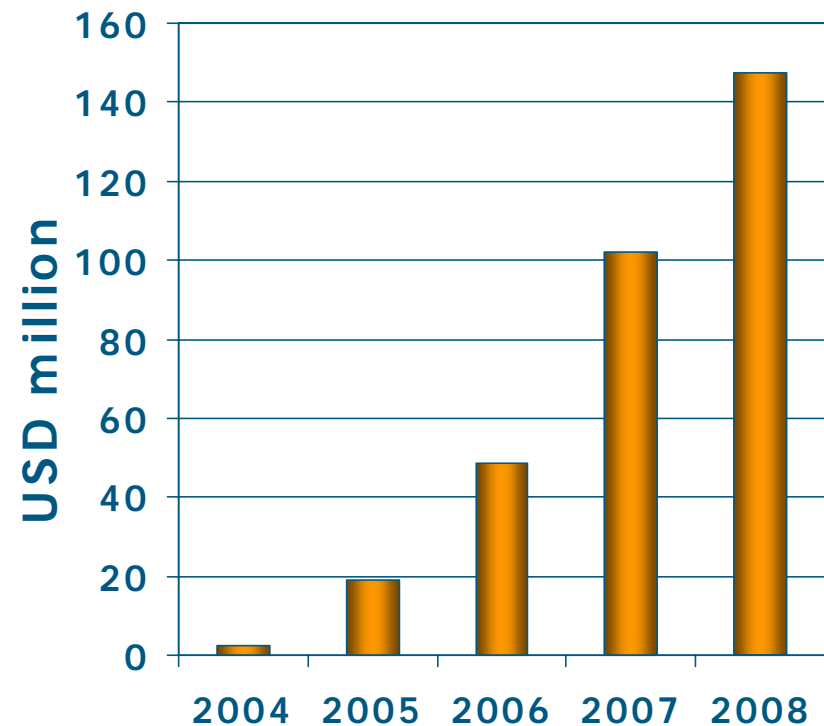
Net Result



What have we done right

- Commercialized leading edge OBC technology
- Grew market share to 50%
- Blue chip client list
- Revenue increased from zero to \$147 million
- Core technical competence established
- Solid backlog - \$450m

Revenue



RXT going forward

What are we doing today

- Stabilize the company financially
 - Bridge loan
 - Equity raise
 - Cut Capex
- Reorganize to
 - Reduce operating cost
 - Focus must change to cost control
 - “right size” the organisation
 - Salary reductions
 - Improve operating efficiency
 - Reduced downtime from all systems
 - Creative operations approach like hybrid
- Preserve options for future
 - Restart crews 1 and 3 if necessary
 - Suspend but don't abandon EM



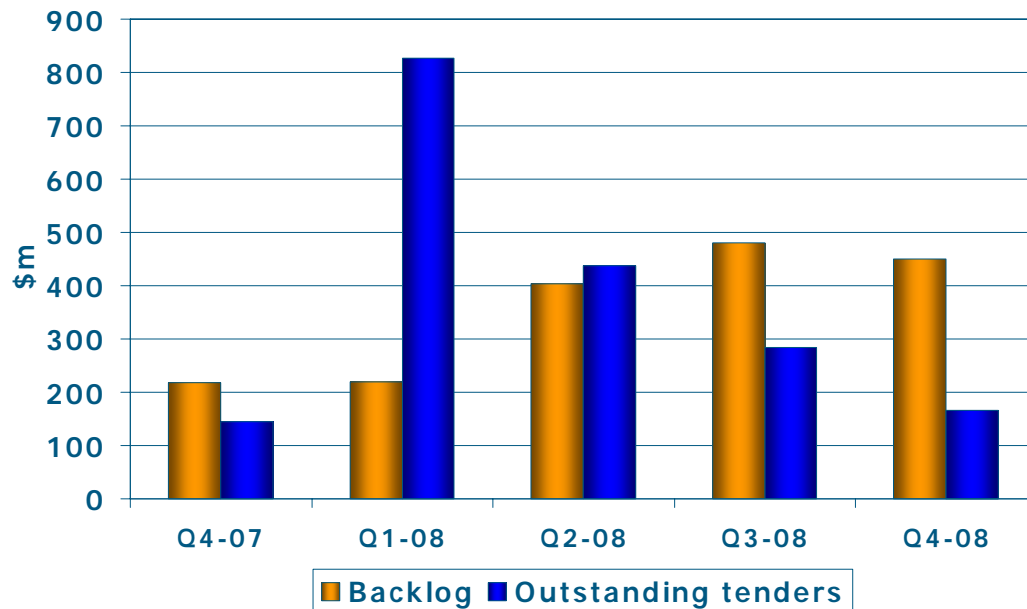
Operations

| | | 2009 | Jan. | Feb. | Mar. | Apr. | May | Jun. | Jul. | Aug. | Sep. | Oct. | Nov. | Dec. |
|----------|----------------|------|----------------|----------------|--------------------|------|-----|-----------------|------|------|------|------|------|------|
| RXT 1 | Bourbon | | | | | | | | | | | | | |
| GOM CREW | Beulah | | | | | | | | | | | | | |
| RXT 2 | Ocean Pearl | | MPN - Nigeria | | | | | | | | | | | |
| | Ramco Express | | | | | | | | | | | | | |
| | Ark Phil | | | | | | | | | | | | | |
| RXT 3 | Pacific Wyvern | | CKNG - Caspian | | | | | | | | | | | |
| | Neftegaz 64 | | | | | | | | | | | | | |
| RXT 4 | Vikland | | | BP - North Sea | | | | ENI - North Sea | | | | | | |
| | | | | | | | | | | | | | | |
| RXT 5 | Sanco Star | | | | Petrobras - Brazil | | | | | | | | | |
| | Ocean Europe | | | | | | | | | | | | | |

Sanco Spirit to complement existing operations as source vessel



Solid backlog - very high tendering activity



Future opportunities:

- Kashagan
- Gulf of Mexico
- Abu Dhabi
- Saudi Arabia
- Brazil

Summary

- \$450m backlog with blue chip clients
- Make backlog profitable:
 - Fokus on cost reduction and improve operational efficiency
- Capex limited to absolutely minimum
- EM development suspended
- Sanco Star will be equipped as a source vessel
- Operate 3 crews from mid 2009
 - Equipment for 5
- Prepare for future opportunities – large tenders coming in 2009