

Winter 2009

newsletter



New Multi-Client Project Offshore Madagascar

Spectrum has announced the signing of an agreement with OMNIS, the state agency responsible for upstream activities in Madagascar to reprocess various seismic surveys offshore the west, south and east coasts of Madagascar. The surveys have a total volume of approximately 6000 line kilometres.

The surveys are located over the Cap Ste Marie, Ile Ste Marie, and the Morondava/Majunga basins.

Offshore the south and east coasts, the surveys are over open blocks while the long regional line offshore the west coast ties both awarded and open blocks.

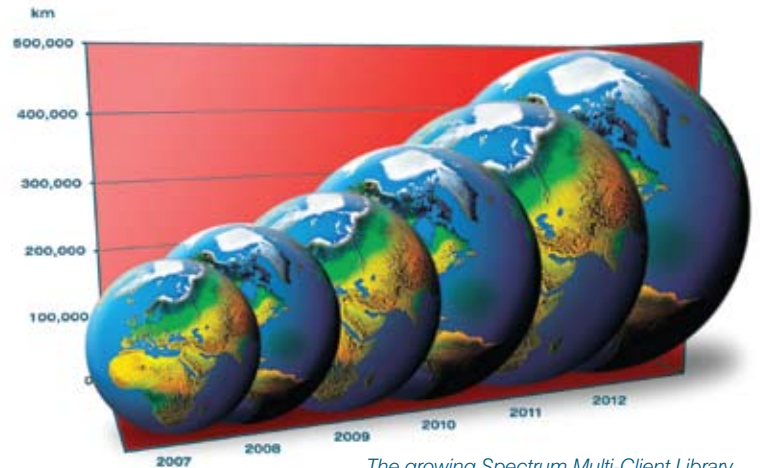
Spectrum's EVP of Multi-Client services, Charles Harmer stated, "Previous interpretation suggests that encouraging conditions are present in the survey areas for the occurrence of hydrocarbons. We feel that this project will present an exciting opportunity for oil companies with interest in the region.

Spectrum Announces Multi-Client Expansion Strategy

Spectrum unveiled plans for a dramatic growth in its worldwide Multi-Client library at the recent Pareto Securities Oil and Offshore conference held in Oslo. This is the second time that Spectrum has been invited to present to an audience of financial analysts and prospective investors at this prestigious annual conference.

Spectrum talked confidently about the first full year of trading as an independent seismic service company. Rhys Edwards (CFO) provided the financial information illustrating positive cash flow in each of the four quarters reported since flotation in July 2008. David Rowlands (CEO) provided a corporate update including details of the new additions to Spectrum's Multi Client library in 2009. Trading conditions remain tough in the seismic industry, but Spectrum anticipates the Multi Client market to recover before the contract seismic market.

Spectrum's focus moving forward is to provide an expanding library



The growing Spectrum Multi-Client Library

of Multi-Client products, particularly in frontier regions, together with high quality seismic data processing services. Spectrum will ensure the highest possible quality and consistency of Multi-Client data by using our own experienced and dedicated data processing facilities.

The CEO also confirmed the closure of the deal with Global Tender Barges ASA (GTB) to redeem the NOK 150 million loan at a price of NOK 50 million,

following the agreement signed in June 2009. Spectrum is positive about the future, particularly with cash in the bank and no long term debt.

Other seismic companies presenting at the Pareto conference include PGS, CGG-Veritas, TGS and Polarcus.

For a copy of Spectrum's presentation please visit the OSLO AXESS website (www.osloaxess.no) or Spectrum's own website (www.spectrumasa.com).

COME AND SEE US:

SEG Annual Meeting (Stand 908),
Houston, Texas
25-30th October 2009

Africa Oil Week (Stand G6),
Cape Town, South Africa
4th-6th November 2009

AAPG ICE (Stand 112),
Rio De Janeiro, Brazil.
15th-18th Nov 2009

Early Surprises in New Eastern GoM Big Wave Phase 2 Survey

Spectrum is currently acquiring the 12,000km Big Wave Phase 2 survey in the Eastern Gulf of Mexico. This extends Spectrum's previous coverage westwards and southwards from the Phase 1 area. In addition, Spectrum are also acquiring a 2,000 km Well Tie survey on the shallower Florida shelf.

The preliminary data processing has produced some extremely promising features that confirm the presence of a thick sedimentary sequence

outboard of the Florida escarpment and the Phase 1 survey area. Mini-basins and salt domes are evident, as was seen on Phase 1 data.

Difficult imaging challenges associated with the steeply dipping Florida escarpment and complex carbonate platform support the use of Spectrum's successful proprietary geologic driven workflow for deep, basin scale imaging.

Spectrum will provide a regional interpretation to include a 'well'

driven regional velocity model for both seismic calibration and regional pore pressure prediction. There is already significant industry interest in this multi-client product as a prerequisite background study for sub-regional proprietary exploration programs.

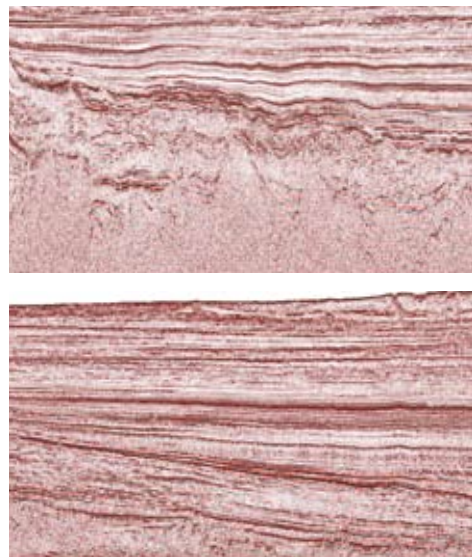
Shown here are 2 examples of data

at an un-migrated processing stage illustrating several of these interesting features. The first example illustrates structures below the Cretaceous/Tertiary (KT) boundary (running from 5000ms on the left to 6300ms on the right). On the left, we see evidence of salt and gravity tectonics at the foot of the escarpment, as well as several mini-basins and salt domes outboard of this. Both sections also indicate there is hydrocarbon potential in the Tertiary, with the development of mounding, onlap and brightening of amplitudes.

The whole survey will be processed through Pre Stack Time Migration and Pre Stack Depth Migration with both Kirchhoff and Wave Equation Depth Migration algorithms. This will significantly enhance the imaging of these exciting features. Data acquisition is scheduled for completion in November this year and data processing in Q1 2010.



Preliminary Sections from Phase 2 processing. Final products are expected Q1 2010



Spectrum Boosts Houston Data Processing Capacity by 50%

Spectrum has completed a series of computer facility upgrades at the regional data processing and imaging centre in Houston that will increase capacity by 50%

The technology upgrades implemented over the past 6 months will prepare Spectrum's largest computing facility for an increase in Multi-Client processing projects from Q4 2009 onwards, and help fulfill increased

international demand for pre-stack depth and time imaging services.

The number of CPU units was increased by 50% and a number of new master servers were added to accommodate the dramatic increase in utilization associated with the rising demand for services.

Other new equipment included a new 32 core Sun M5000 server with an additional 120Tb of high-specification Onstor primary disc

storage. The processing centre infrastructure has also been enhanced with additional electrical and air conditioning support to maintain optimum operating conditions.

The benefit to our clients of these upgrades is that we can process much larger surveys with quicker turnaround times.

DGH Reprocessing Deal for Andaman Islands

Spectrum has signed an agreement with India's Directorate General of Hydrocarbons (DGH) to reprocess 10,100 line km 2D of seismic data offshore the Andaman Islands on the East Coast of India, and to license the results to third parties.

The new agreement follows the Indian government's launch of the NELP VIII Licensing Round that comprises 8 blocks offshore Andaman Islands. Many of the lines to be reprocessed by Spectrum cross this frontier area.

This announcement follows the completion of Spectrum's highly successful reprocessing of 12,000kms seismic data offshore west coast of India in 2007. Charles Harmer, EVP of Spectrum Multi-Client, commented: "Our previous West Coast reprocessing project demonstrated that our combination of bespoke software and proprietary seismic reprocessing techniques can deliver dramatic improvements in data quality, particularly in sub basalt imaging."

Charles continued, "With this second project in India in conjunction with the DGH, Spectrum is continuing its commitment to the promotion of exploration in the Indian sub continent."



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