

# Dolphin to seize opportunities within marine seismic services

**OSLO, Norway, November 29, 2010 -- Dolphin Interconnect Solutions ASA (OSE: DOLP)**

The Board of Directors (the “Board”) of Dolphin Interconnect Solutions ASA (“Dolphin” or the “Company”) is proposing to raise new equity of approximately NOK 360 million in a private placement in connection with a change of strategic direction, and Dolphin’s planned entrance into the marine seismic industry. The Company expects total investments in connection with establishing a marine seismic division within Dolphin to be in the area of NOK 800 million.

After a thorough strategic review of current business model and potential new business opportunities, Dolphin’s Board has concluded that the outlook in the offshore market looks very promising, with anticipated strong growth in demand for seismic services. Accordingly, the Company has decided to establish a division within Dolphin that will focus on offering marine seismic services to the global oil and gas industry. Dolphin will establish a full range of marine geophysical services, including contract seismic, multi client, and processing partnerships. The Company has attracted a tier-one management team with extensive industry to head and grow the new business division. Through their in-depth knowledge of the seismic market, this team has access to a high end fleet of seismic vessels, a multi-client group of people and has obtained debt financing at very attractive terms.

*Chairman of the Board of Dolphin, Atle Jacobsen, stated that: “The outlook in the offshore market looks promising and we expect strong growth in demand for seismic services. The agreement with GC Rieber Shipping will secure a high grade of vessel flexibility and low operational risk. The high capacity vessels will not add to the already known industry streamer count. Seismic industry is a people’s business and I very pleased that we have attracted a tier-one group of people with extensive experience from the seismic industry.”*

## **In connection with the new strategy, Dolphin has entered into the following agreements:**

### **Letter of intent with GC Rieber Shipping / Armada Seismic for chartering seismic vessels**

Dolphin has on 27<sup>th</sup> November signed a letter of intent with GC Rieber Shipping’s (“RISH”) to time charter the 2D seismic vessel Polar Explorer for a fixed period of 12 months, with extension options for up to four years. The vessel will be delivered to Dolphin fully equipped in January 2011

Simultaneously Dolphin signed a letter of intent with RISH’s 65% owned subsidiary Armada Seismic (“Armada”) to time charter the newbuild 3D seismic vessel Polar Duke (NB 532) for a fixed period of 5 years, with an extension option for six additional years. The vessel will be upgraded to 14 streamers prior to expected delivery to Dolphin in March 2011.

Dolphin has also signed a letter of intent with RISH’s 65% owned subsidiary Armada for an option to time charter the newbuild 3D seismic vessel NB 533 (TBN) for a fixed period of three years, with extension options for up to eight years. Dolphin must declare the option for the initial period before November 1<sup>st</sup> 2011. The vessel is currently under construction at Factorias Vulcano in Vigo (Spain). As the yard’s financial situation now is resolved, building of NB 533 will continue, and the vessel is expected to commence operation in Q1 2012.

### **Acquisition of seismic streamer packages**

Dolphin has collected valid offers from all in-sea equipment suppliers that allow an efficient and timely mobilization of the in-sea packages and related equipment for Polar Duke at a total cost of ~USD 50 million. This is state of the art equipment, and the Company has obtained 73 % debt financing. The equity part of the investment will be raised through the private placement.

*Financing offers from DnB NOR and Armada*

Dolphin has accepted an offer from DnB NOR to fund the acquisition of the above mentioned streamer packages. The loan will amount to maximum USD 32.5 million and will have an interest rate of LIBOR + 400 basis points. The loan will be repaid over a period of 5 years.

Furthermore, Dolphin has signed a letter of intent with Armada to fund the above mentioned streamer packages. The loan will be in the amount of maximum USD 6.5 million and will carry an interest rate of LIBOR + 800 basis points. The loan will be repaid over 5 years. The loan can be converted into equity at the equity issue price, subject to Dolphin's exercise of the NB 533 option.

Through the above mentioned agreements and successful completion of the private placement, Dolphin will control a fleet of high capacity seismic vessels (14 streamers at 100m separation), with well- proven design and significant cost benefits compared to other seismic vessels. These vessels offer high capacity and power on small, fast platforms, and are designed to move rapidly between jobs, cutting non-productive steaming time by several days. The Polar Duke and NB 533 vessels are estimated to be in the high end of the "relative cash cost efficiency per streamer per day" scale and hence among the most cost efficient vessels in the industry.

The charter agreements with a well reputed shipping company, secure a high grade of vessel flexibility and low operational risk. In addition, the delivery schedule enables Dolphin to gradually build a strong position, as NB 533 will enter the market in an anticipated strong recovery in 2012.

The Board underlines that the current IT business will be continued and that it sees future potential in the current business. Furthermore the Board sees interesting synergies with the two business areas as the marine seismic industry needs considerable data processing resources to acquire and process seismic data, and Dolphin will exploit if the current data interconnect solutions can improve the performance in the seismic applications.

Following a successful private placement the Board of Directors plans to complete a repair share issue to the existing shareholders of the Company where the terms will be the same as for the private placement.

**For further information, please contact:**

Atle Jacobsen  
Chairman, Dolphin Interconnect Solutions ASA  
Tel. + 47 977 15 336

Erik Hokholt  
Board member, Dolphin Interconnect Solutions ASA  
Tel. +47 907 56 064

Ketil Sundal,  
CFO, Dolphin Interconnect Solutions ASA  
Tel. + 47 959 22 104

Dolphin Interconnect Solutions ASA  
Olaf Helsetsvei 6  
0619 OSLO

[www.dolphinics.com](http://www.dolphinics.com)