



PRESS RELEASE  
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## NEOS to Acquire the Multi-Physics Business from CGG

### Transformational transaction consolidates NEOS as global player

San Francisco – April 29, 2016. NEOS today announced an agreement with CGG SA (CGG:PAR,ADR:NYSE:CGG) to acquire its Multi-Physics business group, its General Geophysics Italy group and its data libraries for an undisclosed sum.

This acquisition will be transformational for NEOS. As a result of the transaction, the company will be able to offer its customers one of the largest fleets of airborne geophysical acquisition aircraft, one of the largest libraries of non-seismic geo-data, unique capabilities in electromagnetic and seismic imaging, and pioneering applications of predictive analytics techniques for oil, natural gas, metals, minerals, and groundwater exploration. The combined company will be run by NEOS CEO Jim Hollis.

Jonathan Faiman, Chairman of NEOS, who invested and became the largest shareholder in the company in May 2015, said: "We have travelled a long way in one year. This transaction transforms what NEOS can offer our customers, whether they be governments or oil and gas majors. NEOS is now a world leader in the detection of natural resources.

"By making this acquisition in a challenging environment for the natural resources industry, we are positioning NEOS ahead of the game. We are capitalizing on the growing demand and the technical challenges in accessing resources by making exploration less risky, more targeted and dramatically more efficient. This innovative approach will help governments and companies around the world realize the potential of natural resources and create value."

NEOS is a privately-owned, fast-growing company specialized in high-definition interpretation of subsurface data. Its innovative approach is based on a unique proprietary technology developed to improve dramatically the chances of success in identifying natural resources. In an industry traditionally dominated by seismic data, other more cost-effective and less environmentally challenging methods remained secondary and rarely used to their full potential. By integrating multiple layers of diverse data to draw a complete picture of the resources below the surface, NEOS is able to evaluate, with a superior level of accuracy, the geological attributes of oil & gas and mining resources.

Jim Hollis, President and CEO of NEOS, added: "This transaction is an investment in our vision of the future in times of growing pressure to realize the value of natural resources and replace the reserves following the recent slow-down in investment. The acquisition will allow us to offer the most complete and competitive solution available in the market to evaluate natural resource assets in the most efficient and accurate way. With our global footprint, we will be able to help de-risk and optimize exploration plans and potential prior to licensing rounds and drilling."

The transaction is subject to the customary regulatory reviews and approvals is expected to be completed by the summer. The commercial terms of the transaction remain confidential.

## About CGG Multi-Physics

CGG's Multi-Physics business is acknowledged for its advanced geophysical sensor technologies, efficient data acquisition platforms, and excellence in all facets of airborne operational execution, particularly in its HSE philosophy and performance. Their legacy roots were formed in the metals & mining sector, though they have done significant oil & gas work in recent years.

Multi-physics exploration methods integrate seismic and cost-effective, airborne-acquired, non-seismic measurements (e.g., gravity, magnetic, EM, radiometric and hyperspectral) for the purpose of developing a comprehensive 3-D image of the Earth's subsurface.

The combined company will feature:

- **Aircraft:** one of the world's largest fleets of geophysical acquisition aircraft;
- **Data libraries:** one of the largest non-exclusive libraries of gravity and magnetic data;
- **Gravity gradiometry:** industry's largest portfolio of gravity gradiometry systems;
- **EM technologies:** unique capabilities in electromagnetic (EM) data acquisition, imaging and interpretation;
- **Seismic imaging:** industry-leading capabilities in seismic data processing in complex geologic regimes, including subsalt, naturally fractured, and stacked-pay reservoirs;
- **Geophysical software:** proprietary geophysical software supporting multiphysics data integration and interpretation;
- **Marine acquisition services:** the leading provider of marine potential fields acquisition services to the oil & gas industry;
- **Analytic interpretation:** proprietary predictive analytics algorithms and methodologies used to highgrade exploration acreage and identify new exploration targets;
- **Global team:** 350 professionals positioned in key natural resource exploration centers in the United States, Canada, Australia, South Africa and Brazil.

With this acquisition, NEOS will be gaining CGG's Multi-Physics Business Line, which is comprised of: (a) non-seismic airborne acquisition systems for measuring magnetic, electromagnetic, radiometric and gravity gradiometry data; (b) marine magnetic and gravity data acquisition systems and associated processing and interpretation; (c) specialized gravity, magnetic and electromagnetic processing and modeling software.

### Acquired assets will include:

- A fleet of 16 geophysical acquisition aircraft with service centers located in Canada, Australia, South Africa and Brazil;

- 6 Airborne Gravity Gradiometry systems, including state-of-the-art FALCON Plus systems manufactured by Lockheed Martin;
- CGG's library of 14 million line km of aeromagnetic data and 2 million stations of land gravity data worldwide;
- A team of 270 highly talented personnel located in Toronto, Ottawa, Houston, Milan, Johannesburg, Rio and Perth.

## **About NEOS**

NEOS helps governments, energy ministries and exploration teams in the natural resources industries make faster, more informed decisions about where to explore, lease and drill. In partnership with its clients, NEOS acquires and simultaneously interprets multiple geological, seismic, non-seismic and geochemical datasets to identify valuable resources in the subsurface, including hydrocarbons, minerals and groundwater.

Before becoming Chairman at NEOS, Jonathan Faiman co-founded Ocado PLC, a U.K. business started in 2000. Investors in NEOS include Jonathan Faiman, Goldman Sachs, Kleiner Perkins Caufield & Byers and Passport Capital.

For more information, visit [www.neosgeo.com](http://www.neosgeo.com).

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