

**NOTICE OF ORDINARY GENERAL MEETING 2002**

*To the Shareholders of TGS-NOPEC Geophysical Company ASA*

The ordinary General Meeting of TGS-NOPEC Geophysical Company ASA will be held on 11th June 2002 at Shippingklubben in Oslo, Haakon VII's gate 1, at 10.00 hrs.

**THE BOARD OF DIRECTORS HAS PROPOSED THE FOLLOWING AGENDA:**

- 1 Opening of the General Meeting**
- 2 Election of a chairman of the meeting and election of a person to sign the minutes of the General Meeting together with the chairman**
- 3 Approval of the notice and agenda for the meeting**
- 4 Approval of the annual accounts and annual report, including distribution of dividend**
- 5 Determination of Directors' fee**
- 6 Approval of the Auditor's fee**
- 7 Resolution to give authority to the Board of Directors to acquire the Company's shares**

On the basis that the authority given to the Board of Directors last year to purchase up to 10 % of the shares in the Company has been used and will expire 12 December 2002, the Board of Directors proposes that the shareholders resolve to cancel the existing authority and replace it with a new authority to expire 11 December 2003.

The Board of Directors proposes that the shareholders grant the Board of Directors a new authority to acquire the Company's own shares for an aggregate par value of NOK 15,000,000, provided that the holding of the Company's shares at no time shall exceed 10 % of the Company's share capital. The limit for the aggregate par value is proposed on the background that the Board of Directors shall have the possibility to acquire own shares several times provided the necessary amount of already purchased shares are sold.

The Board of Directors proposes the following resolution:

- 1. The authority given the Board last year to purchase the Company's own shares is hereby cancelled.*
- 2. The Board of Directors of the Company is hereby authorised to acquire, on behalf of the Company, the Company's own shares for an aggregate par value of NOK 15,000,000, provided that the total amount of own shares at no time exceeds 10 % of the Company's share capital.*
- 3. The price to be paid per share shall be minimum NOK 1 and maximum NOK 1,000, always provided that the price shall not exceed the price as quoted on the stock exchange by the time of the acquisition plus 5 %.*
- 4. Acquisition and sale of the Company's own shares can take place in the manner which the Board of Directors considers to be in the Company's best interest, but not through subscription of new shares.*
- 5. This authority shall be valid for 18 months from the resolution by the Shareholders' Meeting, to 11 December 2003.*
- 6. This authority may also be used if the Company becomes a target in a take-over bid, see the Securities Trading Act § 4-17.*

## **8 Resolutions to issue free-standing warrants**

The Board proposes that in connection with a stock option program for key-employees, the Company shall secure the options to be granted by two shareholders' resolutions to issue free-standing warrants to the optionees; one resolution relevant to warrants to be subscribed for prior to 31 August 2002 and one resolution to allow for warrants to be issued and subscribed for in connection with options offered during the course of 2002/2003 but to be subscribed for at the latest by 31 May 2003:

### **8.1 Warrants to be subscribed no later than 31 August 2002.**

- 8.1.1 The Company shall issue minimum 20,000 and maximum 1,000,000 warrants to give the right to subscribe for minimum 20,000 and maximum 1,000,000 shares, at a par value NOK 1 each.*
- 8.1.2 The warrants shall be subscribed for by employees who enter into share option agreements with the Company and the existing shareholders shall not have preferred rights to subscribe for warrants pursuant to the Public Limited Companies Act.*
- 8.1.3 Warrants shall be subscribed for on a subscription form when entering into and signing the share option agreements to take place at the latest 31 August 2002. No payment shall be made for the warrants.*
- 8.1.4 The price to be paid for the shares issued on the basis of the warrants shall be the price as set out in the underlying share option agreements which constitute the basis for subscription of the warrants, and which shall be at least the stock exchange value of the shares the day before the warrants are subscribed for and the share options are granted.*
- 8.1.5 The right to request the issuance of shares under the warrants follows from the separate option agreements but so that no warrant can be exchanged for shares later than 11 June 2007*
- 8.1.6 The holder of the warrant shall not have rights as shareholder with regard to capital increase, capital reductions, new resolutions on issue of warrants, dissolution, merger, demerger or reorganisation, except with respect to shares that have been issued to and paid for by the warrant holder.*
- 8.1.7 Shares issued on the basis of the warrants shall give right to dividend declared in the year the shares are issued.*
- 8.1.8 As part of the employee share option plan the warrants cannot be transferred other than as provided for in the underlying share option agreements and outstanding warrants shall be transferred back to the Company as and when the right to exercise the right to request shares in exchange for warrants is lost pursuant to the underlying share option agreement.*

### **8.2 Warrants to be subscribed at the latest by end of May 2003**

- 8.2.1 The Company shall issue minimum 20,000 and maximum 1,000,000 warrants to give the right to subscribe for minimum 20,000 and maximum 1,000,000 shares, at a par value NOK 1 each.*
- 8.2.2 The warrants shall be subscribed for by employees who enter into share option agreements with the Company and the existing shareholders shall not have preferred rights to subscribe for warrants pursuant to the Public Limited Companies Act.*
- 8.2.3 Warrants shall be subscribed for on a subscription form when entering into and signing share option agreements offered at the latest 31 May 2003. No payment shall be made for the warrants.*
- 8.2.4 The price to be paid for the shares issued on the basis of the warrants shall be the price as set out in the underlying share option agreements which constitute the basis for subscription of the warrants, and which shall be at least the stock exchange value of the shares the day before the warrants are subscribed for and the share options are granted.*

8.2.5 *The right to request the issuance of shares under the warrants follows from the separate option agreements but so that no warrant can be exchanged for shares later than 11 June 2007*

8.2.6 *The holder of the warrant shall not have rights as shareholder with regard to capital increase, capital reductions, new resolutions on issue of warrants, dissolution, merger, demerger or reorganisation, except with respect to shares that have been issued to and paid for by the warrant holder.*

8.2.7 *Shares issued on the basis of the warrants shall give right to dividend declared in the year the shares are issued.*

8.2.8 *As part of the employee share option plan the warrants cannot be transferred other than as provided for in the underlying share option agreements and outstanding warrants shall be transferred back to the Company as and when the right to exercise the right to request shares in exchange for warrants is lost pursuant to the underlying share option agreement.*

## **9 Proposal to freeze exercise price in share option granted to key employees in 1997 and 1999**

The exercise price in share options granted to key employees in 1997 and key employees resident in Norway in 1999 is subject to escalation in accordance with the Norwegian tax rules that applied at the time of grant of these options. Share options granted to key employees in the US at the same time and elsewhere are not subject to the same price escalation and the Board therefore proposes to freeze the escalating exercise price in the 1997 plan to the benefit of current key employees and in 1999 share option agreements with key employees resident in Norway at the price on the date that options in each plan were last exercised and with effect only for outstanding options held by current employees as of 11 June 2002.

The Board proposes the following resolution:

*The exercise price for the share options granted to employees on 30 June 1997 shall be NOK 50.25 for outstanding share options held by employees as of 11 June 2002.*

*The exercise price in the share option agreement granted on 5 July 1999 and under which in total 100,000 warrants have been subscribed based on the shareholders' resolution 24 June 1999 and of which 50,000 are still outstanding shall be NOK 51.80.*

## **10 Election**

The Board suggests that the following persons are elected to the Board until the shareholders meeting in 2003:

David W. Worthington, chairman

Henry Haywood Hamilton, director

Claus Kampmann, director

Arne K. Mæland, director

Nils B. Gulnes, director

Rabbe E. Lund, director

The annual accounts, the annual report and the auditor's report for 2001 and a form for registration to the General Meeting will be forwarded at the latest within one week in advance of the meeting.

Shareholders wishing to be represented by a proxyholder can give proxy to a named person or *in blanco*. In the latter case the Company will appoint the Chairman or the CEO as proxyholder. Please use the enclosed form of proxy. The proxy must be presented at the General Meeting.

Shareholders wishing to attend the General Meeting, either in person or by proxy, are requested to send in the enclosed form of registration to the Company *on telefax number: +47 31 29 20 39, attention Arne Helland, no later than 3 June 2002*. This is due to the practical carrying out of the General Meeting.

Questions may be addressed to Arne Helland at telephone +47 31 29 20 00.

28 May 2002

*The Board of Directors of TGS-NOPEC Geophysical Company ASA*

**PROXY**

The undersigned shareholder in TGS-NOPEC Geophysical Company ASA hereby gives

\_\_\_\_\_  
*Name of proxyholder or without a name (in blanco)*

proxy to attend the General Meeting of the Company at 11th June 2002 and cast vote for the shares.

Number of shares: \_\_\_\_\_

Date: \_\_\_\_\_

Name of the shareholder: \_\_\_\_\_

Signature by the shareholder: \_\_\_\_\_

**FORM OF REGISTRATION**

The undersigned shareholder in TGS-NOPEC Geophysical Company ASA will attend the General Assembly of the Company at 11th June and cast vote for the shares.

Name of the shareholder: \_\_\_\_\_

Attending representative: \_\_\_\_\_

*(Is to be filled out if the shareholder is an organisation or if the shareholder meets by proxy.)*

Number of shares: \_\_\_\_\_

Signature: \_\_\_\_\_

*Place/date*

*Signature*

*(repeat in capital letters)*