

Mitcham Industries, Inc.



Sidoti & Company Fall 2019 Conference

September 25, 2019

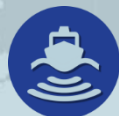
Forward-Looking Statement

Certain statements and information in this presentation may constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. The words “believe,” “expect,” “anticipate,” “plan,” “intend,” “foresee,” “should,” “would,” “could,” or other similar expressions are intended to identify forward-looking statements, which are generally not historical in nature. These forward-looking statements are based on our current expectations and beliefs concerning future developments and their potential effect on us. While management believes that these forward-looking statements are reasonable as and when made, there can be no assurance that future developments affecting us will be those that we anticipate. All comments concerning our expectations for future revenues and operating results are based on our forecasts for our existing operations and do not include the potential impact of future acquisitions. Our forward-looking statements involve significant risks and uncertainties (some of which are beyond our control) and assumptions that could cause actual results to differ materially from our historical experience and our present expectations or projections.

For additional information regarding known material factors that could cause our actual results to differ from our projected results, please see our filings with the SEC, including our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

You are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date hereof. We undertake no obligation to publicly update or revise any forward-looking statements after the date they are made, whether as a result of new information, future events or otherwise.

Mitcham Industries provides advanced technology and equipment to primarily marine industry applications



Hydrographic and
Oceanographic



Defense



Security



Seismic

Market Statistics

Exchange: Symbol	NASDAQ: MIND; MINDP
Stock Price ⁽¹⁾ (MIND; MINDP)	\$3.45; \$24.08
Avg. daily volume (50 day) ⁽¹⁾	36,240; 4,823
Mkt Capitalization (mm) ⁽¹⁾	\$41.6
Preferred Stock (mm) ⁽²⁾	\$20.3

(1) As of September 6, 2019

(2) As of July 31, 2019



World-wide operations with
presence in seven countries



30-year history

- **Undergoing a major transformation from historical roots as provider of short-term rental of land seismic equipment.**
- **Becoming leading manufacturer of specialized marine equipment for commercial and military applications.**
- **New technologies opening doors to expanded opportunities.**
- **Creating geographic and product diversification designed to de-risk the business model.**
- **Solid capital structure with no debt outstanding.**

Transformation



- Mitcham is in the process of a major transformation away from its historical roots of providing short-term rental of land seismic equipment acquired from other OEM's.
- Our focus now is to offer internally-owned and developed *technology and products* to the marine industry, providing for more value add and higher return on investment.





Equipment Leasing

- Historical basis of company
- Dependent upon oil and gas exploration, particularly land exploration
- Continues as a positive contributor
- Much smaller going forward and with a much smaller asset base and lower fixed cost structure

Marine Technology Products

- Primary focus going forward
- Technology and products for diverse marine applications
- Limit dependence on particular industries or applications

Hydrographic / Oceanographic



- Hydrographic survey companies
- Governmental research institutes

Security



- Homeland security, both U.S. and abroad
- Facility security
- Harbor security

Defense



- United States Navy
- NATO Navies
- Other foreign navies

Seismic

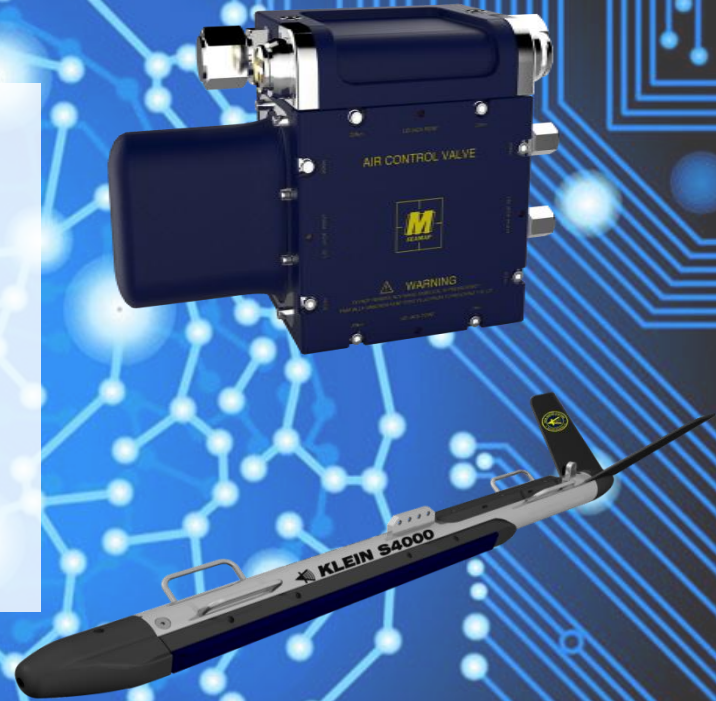


- Oil and gas
- Research
- Ocean survey



Photo by Michael Afonso on Unsplash

- Internally developed and purchased IP
 - Product designs
 - Patents
 - Proprietary software
- Extensive engineering and research and development activity
- Continue to expand portfolio and offerings



- **Acoustic sensor arrays**
 - Towed seismic streamers – 3D High Res applications
 - Passive arrays for military and security applications
- **Side scan sonar**
 - Underwater survey and object detection
 - Mine counter measure (MCM) applications
 - Unmanned vehicle applications
- **Seismic source controllers**
 - Dominant market share
- **RGPS positioning systems**



Photo by Payton Bissella on Unsplash

Product	Sample Applications	Target Customers
Towed streamers	Ocean sub-bottom surveys (wind farms, UXO detection)	Survey companies
	Sub-bottom hydrographic and scientific surveys	Research institutes
	Oil and gas exploration	Seismic contractors
Passive acoustic arrays	Anti-submarine warfare	Navies
	Site security	Harbor facilities, offshore facility operators
Seismic source controllers	Energy source control for towed and nodal seismic surveys	Survey companies, research institutes, seismic contractors
RGPS positioning systems	Towed streamer and seismic energy source positioning	Survey companies, research institutes, seismic contractors

Product Applications



Product	Sample Applications	Target Customers
Multi-beam side scan sonar	Mine counter measure (MCM)	Navies
	Q-Route surveys	Navies, survey companies, research institutes
	Geo-hazard surveys	Survey companies, research institutes
Single-beam side scan sonar	Hydrographic surveys	Survey companies, Navies, research institutes
	Search and recovery	First responders
	Underwater object detection	Survey companies, salvage operators
	Cable / pipeline surveys	Survey companies
Waterside security	Harbor facilities, offshore production platforms, wind farm installations	Facility operators, project integrators

Marine Technology Business Units



- **Seamap** – recognized as provider of high-quality products and best in class customer service
 - Seismic source controllers - GunLink™
 - Towed acoustic arrays - SeaLink™
 - RGPS positioning systems - BuoyLink™
 - Various ancillary products
- **Klein** – 50 year history, synonymous with side-scan sonar
 - Revolutionary gap-filler solution
 - MA-X View 600™
 - Multi-beam side scan sonars – “5900” / “5000v2”
 - Single-beam side scan sonars – “4900” / “4000”
 - Klein Blue™ transducer technology
 - Waterside security systems



Calgary
leasing support

United Kingdom
engineering / field service

Budapest
leasing support

Houston
headquarters

New Hampshire
engineering / manufacturing

Bogota
leasing support

Singapore / Malaysia
engineering / manufacturing / field service

- **Execute on existing markets (expand market share)**
- **Participate in market expansion**
 - Sonar
 - Seismic
- **Expand markets for existing products and technology**
- **Add new technology and products**
 - Internally developed
 - Acquired from others
 - Joint venture arrangements

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- A light blue world map is visible in the background of the slide, showing the continents and major landmasses.
- **No debt**
 - **Good liquidity**
 - **Positive cash flow**
 - **Access to additional capital**

Balance Sheet Data –July 31, 2019



(in thousands)

Cash and equivalents	\$7,489
Working capital	26,797
Total assets	63,047
Funded debt	-
Preferred equity – 9% perpetual preferred, redeemable by Company after 6-8-21	20,310
Common equity – 12,120 shares	31,704

Recent Operating Results



(in thousands, except per share data)

Three months ended
July 31, 2019

Three months ended
July 31, 2018

Year ended
January 31, 2019

Sale of marine technology products	\$6,723	\$5,877	\$25,571
Equipment leasing and sale of lease pool equipment	2,175	2,473	17,371 ¹
Total revenue	8,898	8,350	42,942
Operating loss	(3,062)	(4,576)	(13,020)
Loss per common share	(0.30) ²	(0.41) ²	(1.78) ²
Adjusted EBITDA	(952)	(1,114)	928

¹ Includes \$5,944 of lease pool sales

² Includes \$0.55 per share related to exit of Russian and Australian businesses and foreign tax matters, respectively

- **Continued improvement in Marine Technology Products Segment**
 - Backlog continues to grow - \$14.0 million at July 31
 - New technologies have expanded opportunities
 - Exposure to multi-year governmental programs
 - Exposure to improvement in marine seismic market
- Pursuing partnership/joint venture arrangements for further expansion of technology and products
- Expect leasing business to continue at reduced levels
- Expect positive operating income by fourth quarter this year

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- A faint, light blue world map is visible in the background of the slide, showing the continents and major landmasses.
- **Poised to demonstrate benefits of transformation**
 - **Solid and stable financial position**
 - **Exposure to multi-year governmental programs**
 - **Significant upside from current product offerings**
 - **Expansion of product and services (internal and external)**
 - **Global presence provides platform for expansion**

Thank you

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