

SAEXPLORATION HOLDINGS, INC.

FORM 8-K (Current report filing)

Filed 12/26/17 for the Period Ending 12/21/17

Address	1160 DAIRY ASHFORD RD. SUITE 160 HOUSTON, TX, 77079
Telephone	281-258-4400
CIK	0001514732
Symbol	SAEX
SIC Code	1382 - Oil and Gas Field Exploration Services
Industry	Oil Related Services and Equipment
Sector	Energy
Fiscal Year	12/31

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): December 21, 2017

SAEXPLORATION HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

001-35471

(Commission file number)

27-4867100

(IRS Employer Identification No.)

1160 Dairy Ashford Rd., Suite 160, Houston, Texas 77079

(Address of principal executive offices) (Zip Code)

(281) 258-4400

(Company's telephone number, including area code)

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14(d)-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement.

On December 21, 2017, SAExploration Holdings, Inc. (the “Company”) entered into Amendment No. 1 to First Amended and Restated Credit and Security Agreement (the “Credit Agreement Amendment”) among SAExploration, Inc., as borrower, the Company and the other guarantors party thereto, the lenders party thereto (the “Lenders”) and Cantor Fitzgerald Securities, as administrative agent and collateral agent for the Lenders (the “Credit Agreement”). The Credit Agreement Amendment, among other things, (i) increases the maximum amount of borrowings under the Credit Agreement to \$20 million (from \$16 million), and (ii) adds new lenders to the Credit Agreement and the other loan documents related thereto.

The foregoing summary is qualified in its entirety by reference to the Credit Agreement Amendment, which is attached as Exhibit 10.1. The representations and warranties of the Company in the Credit Agreement Amendment were made only for purposes of that agreement and as of specific dates and were solely for the benefit of the Lenders. The Credit Agreement Amendment is a contractual document that establishes and governs the legal relations among the parties thereto and is not intended to be a source of factual, business, or operational information about the Company and its subsidiaries. The representations and warranties made by the Company in the Credit Agreement Amendment may be subject to standards of materiality applicable to the contracting parties that differ from those applicable to investors. Accordingly, investors and security holders should not rely on such representations and warranties as characterizations of the actual state of facts or circumstances.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information set forth in Item 1.01 is incorporated into this Item 2.03 by reference.

Item 8.01 Other Events.

On December 22, 2017, the Company issued a press release announcing the commencement of an exchange offer and consent solicitation related to the Company’s outstanding 10.000% Senior Secured Notes due and the Company’s outstanding 10.000% Senior Secured Second Lien Notes due 2019. A copy of the press release is filed herewith as Exhibit 99.1 and incorporated by reference herein.

This Current Report on Form 8-K shall not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of any of these securities, in any jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This report contains “forward-looking statements” within the meaning of the U.S. federal securities laws, with respect to the Company’s financial condition, results of operations, cash flows and business, and expectations or beliefs concerning future events. These forward-looking statements can generally be identified by phrases such as “expects,” “anticipates,” “believes,” “estimates,” “intends,” “plans to,” “ought,” “could,” “will,” “should,” “likely,” “appears,” “projects,” “forecasts,” “outlook” or other similar words or phrases. There are inherent risks and uncertainties in any forward-looking statements. Although the Company believes that its expectations are reasonable, it can give no assurance that these expectations will prove to have been correct, and actual results may vary materially. Except as required by law, the Company undertakes no obligation to update, amend or clarify any forward-looking statements to reflect events, new information or otherwise. Some of the important factors that could cause actual results to differ materially from the Company’s expectations are discussed below. All written and oral forward-looking statements attributable to the Company, or persons acting on its behalf, are expressly qualified in their entirety by these cautionary statements.

Factors that could cause actual results to vary materially from the Company’s expectations include the following:

- the ability to satisfy, or effectively waive, the conditions to the exchange offer and consent solicitation;
- the ability to succeed in and the timing to complete any of the restructuring and recapitalization transactions described in this report;

-
- the ability to effectively manage the Company's operations during the significant cash flow and liquidity difficulties it is currently experiencing;
 - negative events or publicity associated with the Company's restructuring and recapitalization transactions could adversely affect our relationships with our suppliers, service providers, customers, employees, and other third parties, which in turn could adversely affect our operations and financial condition;
 - the ability to negotiate the definitive documentation with respect to the restructuring transactions or to do so effectively;
 - the negative consequences if the Company is unsuccessful in achieving a successful restructuring transaction;
 - the negative consequences if the Company is successful in achieving a restructuring transaction, including the possibility of significant dilution to the Company's existing stockholders;
 - developments with respect to the Alaskan oil and natural gas exploration tax credit system that may continue to affect the willingness of third parties to participate in financing and monetization transactions and the Company's ability to timely monetize tax credits that have been assigned to it by its customer;
 - changes in the Alaskan oil and natural gas exploration tax credit system that may significantly affect the level of Alaskan exploration spending;
 - fluctuations in the levels of exploration and development activity in the oil and natural gas industry;
 - intense industry competition;
 - limited number of customers;
 - credit and delayed payment risks related to the Company's customers;
 - the availability of liquidity and capital resources, including the Company's ability to make capital expenditures due to its current liquidity and cash flow situation and the potential impact this has on the Company's business and competitiveness;
 - need to manage rapid growth and contraction of the Company's business;
 - delays, reductions or cancellations of service contracts;
 - operational disruptions due to seasonality, weather and other external factors;
 - crew availability and productivity;
 - whether the Company enters into turnkey or term contracts;
 - high fixed costs of operations;
 - substantial international business exposing the Company to currency fluctuations and global factors, including economic, political and military uncertainties;
 - ability to retain key executives; and
 - need to comply with diverse and complex laws and regulations.

You should refer to the risk factors from the Company's Annual Report on Form 10-K for the year ended December 31, 2016 and the Company's Quarterly Reports on Form 10-Q for the quarters ended March 31, 2017, June 30, 2017 and September 30, 2017 for specific risks which would cause actual results to be significantly different from those expressed or implied by any of the Company's forward-looking statements. It is not possible to identify all of the risks, uncertainties and other factors that may affect future results. In light of these risks and uncertainties, the forward-looking events and circumstances discussed in this report may not occur and actual results could differ materially from those anticipated or implied in the forward-looking statements. Accordingly, readers of this report are cautioned not to place undue reliance on the forward-looking statements.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
10.1	<u>Amendment No. 1 to First Amended and Restated Credit and Security Agreement, dated as of December 21, 2017, among SAExploration, Inc., as Borrower, the Guarantors party thereto, the Lenders party thereto, and Cantor Fitzgerald Securities, as Agent.</u>
99.1	<u>Press Release dated December 22, 2017</u>

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: December 26, 2017

SAExploration Holdings, Inc.

By: /s/ Brent Whiteley

Name: Brent Whiteley

Title: Chief Financial Officer, General Counsel and Secretary

**AMENDMENT NO. 1
TO
FIRST AMENDED AND RESTATED CREDIT AND SECURITY AGREEMENT**

This AMENDMENT NO. 1 TO FIRST AMENDED AND RESTATED CREDIT AND SECURITY AGREEMENT (this “Amendment”) dated as of December 21, 2017, is entered into among SAExploration, Inc., a Delaware corporation (“Borrower”), the Guarantors party hereto, the Lenders party hereto, and Cantor Fitzgerald Securities, as administrative agent and collateral agent for the Lenders (in such capacity, the “Agent”), and amends that certain First Amended and Restated Credit and Security Agreement dated as of September 22, 2017 (as so amended, the “Agreement”), entered into among the Borrower, the Guarantors, the Lenders party thereto and Agent. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Agreement.

WITNESSETH:

WHEREAS, the Borrower has requested that all of the Lenders party to the Agreement on the date hereof (including after giving effect to this Amendment) (such Lenders, “All Lenders”) amend the Agreement to effect the changes described below; and

WHEREAS, All Lenders have agreed to amend the Agreement to effect such changes subject to the terms and conditions hereof;

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the parties hereto hereby agree as follows:

1. New Lenders. 1992 MSF International Ltd. and 1992 Tactical Credit Master Fund, L.P., each, is hereby joined as a “Lender” to the Agreement and each of the other Loan Documents (each, a “New Lender”), as applicable, and each such New Lender hereby joins in, ratifies and confirms all terms, conditions and other provisions set forth in the Agreement and the other Loan Documents made by or pertaining to the “Lenders”. Each New Lender hereby (a) represents, warrants, and covenants that (i) it shall be bound by the provisions of the Agreement and the other Loan Documents and other instruments or documents furnished pursuant thereto as a Lender thereunder and shall have the obligations of a Lender thereunder, (ii) it has received a copy of the Agreement, together with copies of the most recent financial statements delivered pursuant to Section 6.1 of the Agreement, if any, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Amendment (and become a Lender under the Agreement and the other Loan Documents); and (b) agrees that (i) it will, independently and without reliance on the Agent or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations that by the terms of the Loan Documents are required to be performed by it as a Lender. Each New Lender acknowledges and agrees that, as of the date hereof, (x) it is not a Lender in regards to the Existing Obligations or the First Amended and Restated Effective Date Advance and no such Obligations are owed to it (or will be owed to it as a result of joining as a “Lender” to the Agreement in accordance with the provisions hereof) and (y) it shall not be required to issue any Commitments, other than Subsequent Advance Commitments (solely to the extent it agrees to do so) pursuant to Section 2.1(c) of the Agreement, or make any Advances, other than Subsequent Advances (solely to the extent it agrees to do so) pursuant to Section 2.1(c) of the Agreement, in each case, subject to the terms and conditions set forth in the Agreement.

2. Amendments.

a) The following defined term is added to Schedule 1.1A to the Agreement in the appropriate alphabetical order:

“First Amendment Effective Date” shall mean December 22, 2017.”

“RSA” means that certain Restructuring Support Agreement dated as of December 19, 2017, among the Borrower, the Guarantors and the other Persons party thereto, pursuant to which the Borrower has agreed to enter into certain transactions, including the exchange of certain Indebtedness of the Parent for Equity Interests issued by the Parent, as in effect on the date hereof.

b) The following defined terms in Schedule 1.1 A to the Agreement are hereby amended and restated as follows:

“Intercompany Canadian Note” means the Secured Promissory Note dated December 5, 2012, issued by SAExploration (Canada) Ltd. to the Borrower in the original principal amount of U.S. \$50,000,000, as the same may be amended, restated, supplemented or otherwise modified from time to time.

“Interest Rate” means an interest rate equal to (i) ten and one quarter percent (10.25%) per annum for the period from the Funding Date in regards to the First Amended and Restated Effective Date Advance through and including March 22, 2018, (ii) ten and three quarter percent (10.75%) per annum for the period from March 23, 2018 through and including September 22, 2018, and eleven and three quarter percent (11.75%) per annum, thereafter, *provided* that upon the occurrence of a Chapter 11 Trigger Event (as defined in the RSA), the Obligations shall automatically bear interest at a per annum rate equal to two percent (2%) above the per annum rate otherwise applicable hereunder.

“Maximum Amount” means \$20,000,000.00.

“Subsequent Advance Amount” means an aggregate amount equal to \$15,000,000, which amount shall be uncommitted as of the First Amendment Effective Date.

c) The following sentence is hereby added after the last sentence in Section 2.1(c) of the Agreement:

“As of the First Amendment Effective Date, (i) no Subsequent Advance Commitments have been issued hereunder and (ii) the maximum amount of Subsequent Advance Commitments that may be issued by the Lenders hereunder and the allocations of the Lenders with respect thereto, in each case, is set forth on Schedule 2.1(c) attached hereto. Each Lender’s pro rata or ratable portion of Subsequent Advance Commitments shall be based upon the allocations set forth in Schedule 2.1(c) attached hereto.”

Section 2.5(b) of the Agreement is hereby amended and restated, in its entirety, as follows:

(b) **Overadvances** . If at any time, the aggregate principal amount of the Advances made hereunder exceeds the Maximum Amount (such overage, the “Overadvance Amount”), then the Borrower shall immediately, upon demand of the Agent (at the direction of the Required Lenders) pay the Obligations in an aggregate amount equal to the Overadvance Amount.

d) Schedule 2.1(c) attached hereto is hereby added to the Agreement immediately after Schedule 2.1.

e) Schedule 5.1(b)(i), (ii), (iv) attached hereto amends, restates and replaces the existing Schedule 5.1(b)(i), (ii), (iv) to the Agreement.

f) Exhibit G attached hereto amend, restates and replaces the existing Exhibit G to the Agreement.

3. Reserved.

4. Conditions Precedent. As a condition to the effectiveness of this Amendment, the Agent and the Lenders shall have received, in form and substance satisfactory to the Agent and All Lenders, the following:

a) this Amendment, duly executed by the Borrower, the Guarantors, All Lenders and the Agent;

b) evidence that the execution, delivery and performance of this Amendment by the Borrower and the Guarantors has been duly authorized by all necessary corporate action, including without limitation the approval of the Board of Directors of the Borrower and the Guarantors;

c) the consent of the Term Lenders, in form and substance satisfactory to Agent and All Lenders, to this Amendment (and the amendments and other provisions set forth herein, including, without limitation, the increase in the maximum amount of Subsequent Advance Commitments that may be issued by the Lenders);

d) payment of all costs and expenses of Agent and Lenders (i) incurred by or on behalf of the Agent or Lenders (including reasonable attorneys' fees and expenses) arising under or in connection with the preparation, execution and delivery of this Amendment and the other documents contemplated thereby and (ii) outstanding on the date hereof (to the extent that such costs and expenses are reimbursable and/or payable under the Agreement and/or the other Loan Documents).

For purposes of determining compliance with the conditions specified in this Section 4, each Lender shall, by delivery of its executed signature page (or executed counterpart of a signature page) be deemed to have consented to, approved or accepted or to be satisfied with each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to the Lenders.

5. Borrower Acknowledgement. The Borrower and Guarantors, each, hereby acknowledges and agrees that it is unconditionally liable to the Agent and Lenders for the full and immediate payment of each of the Obligations set forth at Schedule A attached hereto and incorporated herein by reference, and that the Borrower and Guarantors have no offsets, defenses, counterclaims or set-offs with respect to the full and immediate payment and performance of any or all Obligations and Guaranteed Obligations, as applicable, under the Loan Documents, all of which offsets, defenses, counterclaims are set-offs are hereby waived. The Borrower and Guarantors acknowledge and agree that, as of the date hereof, (i) no Subsequent Advance Commitments have been issued and (ii) the Subsequent Advance Amount is uncommitted.

6. Enforceability of Obligations; Waiver and Consents. The Borrower and each of the Guarantors agrees that the Loan Documents are in full force and effect, and enforceable against Borrower and Guarantors in accordance with their respective terms (other than as amended hereby). The Borrower and each Guarantor hereby waives and affirmatively agrees not to challenge or otherwise pursue any and all defenses, affirmative defenses, counterclaims, claims, cause of actions, setoffs or other rights that it may have relating to the Obligations, Guaranteed Obligations, the Loan Documents, or the Collateral, including, but not limited to, the liens and security interests in favor of Agent and Lenders, or the conduct of Agent and Lenders in administering any such Obligations, Guaranteed Obligations or any other agreements.

7. Release. Each Loan Party hereby absolutely and unconditionally releases and forever discharges, the Agent and each Lender (including for the avoidance of doubt, the Original Lender, whether in its capacity as Lender, Agent, ABL Agent or otherwise), and any and all participants, parent corporations, subsidiary corporations, affiliated corporations, insurers, indemnitors, successors and assigns thereof, together with all of the present and former directors, officers, agents and employees of any of the foregoing, from any and all claims, demands or causes of action of any kind, nature or description, whether arising in law or equity or upon contract or tort or under any state or federal law or otherwise, which each Loan Party has had, now has or has made claim to have against any such person for or by reason of any act, omission, matter, cause or thing whatsoever arising from the beginning of time to and including the date of this Amendment (including, without limitation, related to the Loan Documents, the transactions contemplated hereunder, the Original Credit Agreement, the Loan Documents (as defined in the Original Credit Agreement) or any act or omission of the Original Lender in any capacity under such Loan Documents), whether such claims, demands and causes of action are matured or unmatured or known or unknown.

8. Confirmation of Compliance with Section 15.1 of the Agreement. The Borrower and the Lenders party hereto hereby confirm that all of the actions required to be taken by the Lenders and Borrower pursuant to Section 15.1 of the Agreement have been taken in accordance with the provisions of such Section. The Borrower confirms that this Amendment is permitted under the Agreement, the Intercreditor Agreement and the Junior Documents (as defined in the Intercreditor Agreement).

9. Representations and Warranties. Each of the Loan Parties hereby represents and warrants that the execution and delivery of this Amendment and, after giving effect to the amendments contained herein, the performance by each of them of their respective obligations under the Agreement, in each case, are within its powers, have been duly authorized, are not in contravention of applicable law or the terms of its operating agreement or other organizational documents and except as have been previously obtained, do not require the consent or approval of any governmental body, agency or authority, and this Amendment and the Agreement (as amended hereby) will constitute the valid and binding obligations of the Loan Parties, as applicable, enforceable in accordance with their terms, except as enforcement thereof may be limited by applicable bankruptcy, reorganization, insolvency, moratorium, fraudulent conveyance, ERISA or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity (whether enforcement is sought in a proceeding in equity or at law).

10. Reference to and Effect on the Agreement. Each of the Loan Parties hereby reaffirms, confirms, ratifies, covenants, and agrees to be bound by each of its covenants, agreements, and obligations under the Agreement (as amended hereby), and each other Loan Document previously executed and delivered by it. Each reference in the Agreement to "this Agreement" or "the Loan Agreement" shall be deemed to refer to the Agreement after giving effect to this Amendment. This Amendment is a Loan Document.

11. Execution in Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement. Delivery of an executed counterpart of a signature page to this Amendment by telecopier or electronic mail shall be effective as delivery of a manually executed counterpart of this Amendment.

12. Direction; Indemnity; Expenses. Each of the Lenders party hereto hereby (i) authorizes and directs the Agent to execute and deliver this Amendment, and (ii) acknowledges and agrees that the foregoing directed action constitutes a direction from the Lenders under Article 17 of

the Agreement, including, without limitation, Section 17.1 and Section 17.3 of the Agreement. The Borrower, the Guarantors party hereto and the Lenders party hereto expressly agree and confirm that the Agent's right to indemnification, as set forth in Sections 11.3 and 17.5 of the Agreement shall apply with respect to any and all losses, claims, liabilities costs and expenses that the Agent suffers, incurs or is threatened with relating to actions taken or omitted by the Agent (in accordance with the Agreement) in connection with this Amendment and the other documents contemplated hereby. The Borrower hereby agrees to pay on demand all costs and expenses in accordance with Section 19.9 of the Agreement, in each case, incurred in connection with the preparation, negotiation and execution of this Amendment and all related documents.

13. Governing Law. This Amendment shall be a contract made under and governed by the laws of the State of New York without giving effect to its principles of conflicts of laws.

14. Guarantor Acknowledgement. Guarantors, for value received, hereby consent to the Borrower's execution and delivery of this Amendment, and the performance by the Borrower of its agreements and obligations hereunder. This Amendment and the performance or consummation of any transaction that may be contemplated under this Amendment, shall not limit, restrict, extinguish or otherwise impair the Guarantors' liabilities and obligations to Agent and Lenders under the Loan Documents (including without limitation the Guaranteed Obligations). Each of the Guarantors acknowledges and agrees that (i) the Guaranty to which such Guarantor is a party remains in full force and effect and is fully enforceable against such Guarantor in accordance with its terms and (ii) it has no offsets, claims or defenses to or in connection with the Guaranteed Obligations, all of such offsets, claims and/or defenses are hereby waived.

15. Notices. For purposes of the Agreement, in case of notices to any Lender, they shall be sent to the respective address set forth below the signature of each Lender on the signature pages hereto.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed and delivered under seal as of the date first above written.

BORROWER :

SAEXPLORATION, INC.

By: /s/ Brent Whiteley
Name: Brent Whiteley
Title: Chief Financial Officer, General Counsel and Secretary

GUARANTORS :

SAEXPLORATION HOLDINGS, INC.

By: /s/ Brent Whiteley
Name: Brent Whiteley
Title: Chief Financial Officer, General Counsel and Secretary

SAEXPLORATION SUB, INC.

By: /s/ Brent Whiteley
Name: Brent Whiteley
Title: Chief Financial Officer, General Counsel and Secretary

NES, LLC

By: /s/ Brent Whiteley
Name: Brent Whiteley
Title: Chief Financial Officer, General Counsel and Secretary

SAEXPLORATION SEISMIC SERVICES (US), LLC

By: /s/ Brent Whiteley
Name: Brent Whiteley
Title: Chief Financial Officer, General Counsel and Secretary

[Signature Page to Amendment No. 1 to First Amended and Restated Credit and Security Agreement]

AGENT:

CANTOR FITZGERALD SECURITIES, as Agent

By: /s/ James Bond

Name: James Bond

Title: Chief Operating Officer

[Signature Page to Amendment No. 1 to First Amended and Restated Credit and Security Agreement]

LENDERS:

WHITEBOX ASYMMETRIC PARTNERS, L.P.

By: /s/ Mark Strefling
Name: Mark Strefling
Title: Chief Executive Officer

Notice Address :

c/o Whitebox Advisors LLC
3033 Excelsior Boulevard, Suite 300
Minneapolis, Minnesota 55416
Attention: Jake Mercer
Facsimile: (612) 253-6149

WHITEBOX MULTI-STRATEGY PARTNERS, L.P.

By: /s/ Mark Strefling
Name: Mark Strefling
Title: Chief Executive Officer

Notice Address :

c/o Whitebox Advisors LLC
3033 Excelsior Boulevard, Suite 300
Minneapolis, Minnesota 55416
Attention: Jake Mercer
Facsimile: (612) 253-6149

WHITEBOX CREDIT PARTNERS, L.P.

By: /s/ Mark Strefling
Name: Mark Strefling
Title: Chief Executive Officer

Notice Address :

c/o Whitebox Advisors LLC
3033 Excelsior Boulevard, Suite 300
Minneapolis, Minnesota 55416
Attention: Jake Mercer
Facsimile: (612) 253-6149

[Signature Page to Amendment No. 1 to First Amended and Restated Credit and Security Agreement]

1992 MSF INTERNATIONAL LTD.

By: Highbridge Capital Management, LLC as Trading Manager
and not in its individual capacity

By: /s/ Jonathan Segal
Name: Jonathan Segal
Title: Managing Director

Notice Address :

c/o Highbridge Capital Management, LLC
40 West 57th Street 32nd Floor
New York, NY 10019
hcmbankdebt@hcmny.com
HS_HighbridgeBankDebt@hedgeserv.com
Facsimile: (646) 495-4382
(646) 438-6510

1992 TACTICAL CREDIT MASTER FUND, L.P.

By: Highbridge Capital Management, LLC as Trading Manager
and not in its individual capacity

By: /s/ Jonathan Segal
Name: Jonathan Segal
Title: Managing Director

Notice Address :

c/o Highbridge Capital Management, LLC
40 West 57th Street 32nd Floor
New York, NY 10019
hcmbankdebt@hcmny.com
HS_HighbridgeBankDebt@hedgeserv.com
Facsimile: (646) 495-4382
(646) 438-6510

[Signature Page to Amendment No. 1 to First Amended and Restated Credit and Security Agreement]

/s/ Jeff Hastings

Jeff Hastings

Notice Address:

SAExploration Holdings, Inc.

1160 Dairy Ashford, Suite 160

Houston, TX 77079

email: jhastings@saexploration.com

Facsimile: (281) 258-4418

[Signature Page to Amendment No. 1 to First Amended and Restated Credit and Security Agreement]

/s/ John Pecora

John Pecora

Notice Address:

130 Montadale Dr.

Princeton, NJ 08540

email: pecora5@aol.com

Facsimile:

[Signature Page to Amendment No. 1 to First Amended and Restated Credit and Security Agreement]

SCHEDULE A

Obligations

As of December 21, 2017

First Amended and Restated Effective Date Advance:	\$2,351,375.55
Existing Obligations:	\$2,648,624.45
TOTAL	\$ 5,000,000*

* plus accrued and accruing interest, fees, costs, expenses, attorneys' fees, disbursements and costs of collection and other charges as provided under the Loan Documents

Schedule 2.1(c)

MAXIMUM AMOUNT OF SUBSEQUENT ADVANCE COMMITMENTS THAT MAY BE ISSUED AS OF THE FIRST AMENDMENT EFFECTIVE DATE

Lender	Maximum Amount of Subsequent Advance Commitments that may be issued by each Lender as of the First Amendment Effective Date	Percentage of Aggregate amount of Subsequent Advance Commitments that may be issued by the Lenders as of the First Amendment Effective Date
Whitebox Multi-Strategy Partners, L.P.	\$ 7,787,041.32	51.91360880%
Whitebox Credit Partners, L.P.	\$ 2,349,926.37	15.66617580%
Whitebox Asymmetric Partners, L.P.	\$ 1,725,532.31	11.50354873%
Jeff Hastings	\$ 375,000.00	2.50000000%
John Pecora	\$ 937,500.00	6.25000000%
1992 MSF International Ltd.	\$ 1,338,637.50	8.92425000%
1992 Tactical Credit Master Fund, L.P.	\$ 486,362.50	3.24241667%
Total:	\$ 15,000,000.00	100.00%

Schedule 5.1(b)(i), (ii), (iv)

Capitalization of Loan Parties
and Subsidiaries
Organization Chart

<u>Loan Party</u>	<u>Certificate No(s).</u>	<u>Holder</u>	<u>Type of Rights/Stock (common/preferred/option / class)</u>	<u>Number of Shares (after exercise of all rights to acquire shares)</u>	<u>Percent Interest (on a fully diluted basis)</u>
SAExploration Holdings, Inc.	—	Public Stockholders and Warrant Holders	Common Stock, Warrants to Purchase, Options to Purchase Preferred Stock	Common Stock: 55,000,000 shares authorized; 17,451,353 shares outstanding Warrants to purchase 581,807 shares of common stock outstanding Options to purchase 241,642 shares of common stock outstanding Preferred Stock: 1,000,000 shares authorized; 0 shares outstanding	—
SAExploration Sub, Inc.	2*	SAExploration Holdings, Inc.	Common Shares	100 shares	100%
SAExploration, Inc.	(a) 18*	SAExploration Sub, Inc.	Common Shares	(a) 948,750 common shares	(a) 100%
	(b) A-4*		Series A preferred shares	(b) 5,000,000 Series A preferred shares	(b) 100%
SAExploration Seismic Services (US), LLC	1*	SAExploration, Inc.	Membership Interest	100% Membership Interest	100%
NES, LLC	1*	SAExploration, Inc.	Membership Interest	100% Membership Interest	100%

First Tier Subsidiaries	Certificate No(s).	Holder	Type of Rights/Stock (common/preferred/option / class)	Number of Shares (after exercise of all rights to acquire shares)	Percent Interest (on a fully diluted basis)
SAExploration México S. de R.L. de C.V.	N/A	SAExploration, Inc. – 99% SAExploration Seismic Services (US), LLC – 1%	Membership Interest	100% Membership Interest	SAExploration, Inc. – 99% SAExploration Seismic Services (US), LLC – 1%
SAExploration (Australia) Pty. Ltd.	N/A	SAExploration, Inc.	Shares	100 shares	100%
SAExploration (Malaysia) Sdn. Bhd.	(a) 003	SAExploration, Inc.	Shares	(a) 2 Shares	(a) 0.0004%
	(b) 004*			(b) 325,000 Shares	(b) 65%
	(c) 005			(c) 174,998 Shares	(c) 34.9996%
Southeast Asian Exploration Pte. Ltd.	(a) 3	SAExploration, Inc.	Shares	(a) 35 Shares	(a) 35%
	(b) 4*			(b) 65 Shares	(b) 65%
Calgary Finance Company Ltd.	(a) A-1*	SAExploration, Inc.	Shares	(a) 650 Shares	(a) 65%
	(b) A-2			(b) 350 Shares	(b) 35%
1623739 Alberta Ltd.	(a) A-1	SAExploration, Inc.	Shares	(a) 350 Shares	(a) 65%
	(b) A-2*			(b) 650 Shares	(b) 35%
SAExploration (Brasil) Serviços Sísmicos Ltda.	N/A	SAExploration, Inc. – 99.9% SAExploration Seismic Services (US), LLC - .1%	Membership Interest	100% Membership Interest	SAExploration, Inc. – 99.9% SAExploration Seismic Services (US), LLC - .1%
Kuukpik/SAExploration LLC	N/A	SAExploration, Inc.	Membership Interest	49% Membership Interest	49%
SAExploration Global Holdings (UK) Ltd.	(a) 1	SAExploration, Inc.	Ordinary Shares	(a) Cancelled	Certificates 3 and 5 represent 35% of shares issued and outstanding. Certificates 2* and 4* represent 65% of shares issued and outstanding.
	(b) 2*			(b) 650 Shares	
	(c) 3			(c) 350 Shares	
	(d) 4*			(d) 3,117,446 Shares	
	(e) 5			(e) 1,678,624 Shares	

* Pledged Certificated Stock certificate delivered to Agent.

EXHIBIT G

[FORM OF] BORROWING CERTIFICATE

[Date]

To: Cantor Fitzgerald Securities,
as Agent

Ladies and Gentlemen:

Reference is made to that certain First Amended and Restated Credit and Security Agreement (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") dated as of September 22, 2017, by and among SAExploration Inc., a Delaware corporation ("Borrower"), the guarantors party thereto from time to time, the lenders party thereto from time to time, and Cantor Fitzgerald Securities, in its capacity as Agent. Capitalized terms used in this Borrowing Certificate have the meanings set forth in the Credit Agreement unless specifically defined herein.

1. The requested Funding Date is [], 20¹ (for the avoidance of doubt, such Funding Date shall be a Business Day).
2. (select one)
 - A Borrowing constituting the First Amended and Restated Effective Date Advance
 - A Borrowing constituting a Subsequent Advance
3. The principal amount of the Borrowing to which this notice applies is \$[]².
4. The account to be credited with the proceeds of the Borrowing is the Designated Account, located at [].³
5. The undersigned hereby certifies on behalf of Borrower and the other Loan Parties that, as of the date hereof, [the conditions set forth in Sections 4.1 and 4.4 of the Credit Agreement have been satisfied]⁴ [the conditions set forth in Sections 4.3 and 4.4 of the Credit Agreement have been satisfied]⁵ and that such conditions shall be satisfied as of the requested Funding Date.
6. The undersigned hereby certifies on behalf of Borrower and the other Loan Parties that the following statements are true and correct on the date hereof and shall be true on the requested

- 1 The Borrowing Certificate for the First Amended and Restated Effective Date Advance must be received by the Administrative Agent not later than 9:00 a.m. (New York City Time) on the First Amended and Restated Effective Date. The Borrowing Certificate for any Subsequent Advance must be received by the Administrative Agent not later than 9:00 a.m. (New York City Time) at least Five (5) Business Days (or such shorter period as the Required Lenders may agree) prior to the date that is the requested Funding Date.
- 2 The First Amended and Restated Effective Date Advance shall not exceed \$5,00,000 less Existing Obligations; and the maximum aggregate amount of all Subsequent Advances shall not exceed an aggregate amount equal to \$15,000,000.
- 3 Insert wire instructions for Designated Account.
- 4 To be used for the First Amended and Restated Effective Date Advance.
- 5 To be used for a Subsequent Advance.

Funding Date, before and after giving effect thereto and to the application of the proceeds thereof:

(a) the representations and warranties of Borrower and each other Loan Party or its Subsidiaries contained in the Credit Agreement or in the other Loan Documents are true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof) on and as of such date, as though made on and as of such date (except to the extent that such representations and warranties relate solely to an earlier date, in which case such representations and warranties shall continue to be true and correct in all material respects as of such earlier date); and

(b) no Default or Event of Default has occurred and is continuing, nor shall either result from the making of the requested Advance.

This Borrowing Certificate complies with Section 2.3(a) of the Credit Agreement.

SAEXPLORATION, INC.,

By: _____
Name: _____
Title: _____



FOR IMMEDIATE RELEASE

SAEXPLORATION ANNOUNCES COMMENCEMENT OF EXCHANGE OFFER AND CONSENT SOLICITATION

December 22, 2017 – Houston, TX – **SAExploration Holdings, Inc. (NASDAQ: SAEX, OTCBB: SAEXW)** (the “Company”) today announced the commencement of an exchange offer and consent solicitation related to its outstanding 10.000% Senior Secured Second Lien Notes due 2019 issued July 27, 2016 (the “Existing Notes”) and 10.000% Senior Secured Notes due 2019 issued July 2, 2014 (the “Stub Notes”).

The exchange offer and consent solicitation will be made, and the exchange consideration is being offered and will be issued, only to holders (1) who are (x) “qualified institutional buyers” (or “QIBs”), as defined in Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”), or (y) “accredited investors” as defined in Regulation D (“Regulation D”) of the Securities Act, in each case, in a private transaction in reliance upon the exemption from the registration requirements of the Securities Act provided by Section 4(a)(2) and/or Regulation D and (2) outside the United States, who are not “U.S. persons”, as defined in Regulation S (“Regulation S”) under the Securities Act, in offshore transactions in reliance upon the exemption from the registration requirements of the Securities Act provided by Regulation S. The exchange offer and consent solicitation is not being made to holders of Existing Notes or Stub Notes in any jurisdiction in which the making or acceptance thereof would not be in compliance with the securities, blue sky or other laws of such jurisdiction. Holders who desire to obtain and complete an eligibility certification should contact the information agent for the exchange offer and consent solicitation, Epiq Corporate Restructuring, toll-free at (866) 897-6433 or via the following website: <http://dm.epiq11.com/SAE>. The exchange offer and consent solicitation will be made upon the terms and subject to the conditions set forth in the Company’s exchange offer memorandum and consent solicitation statement (the “Memorandum”) and related letter of transmittal and consent (the “Letter of Transmittal”), each dated December 22, 2017. In connection with the restructuring, the Company has also reached an agreement in principle to increase the face amount of its revolver to \$20 million, which will allow the Company to, among other things, make the January 15 interest payment to holders of the Existing Notes and the Stub Notes on or prior to the close of the exchange offer, assuming consummation of the exchange offer.

If Existing Notes and Stub Notes in an aggregate principal amount of at least \$86,239,643 are tendered and accepted for exchange by the Company in the exchange offer, the Company will issue 1,883,964 newly issued shares (the “New Common Shares”) of the Company’s common stock, 35,000 newly issued shares (the “Series A Preferred Shares”) of the Company’s Series A perpetual convertible preferred stock, 945,000 newly issued shares (the “Series B Preferred Shares”, and together with the Series A Preferred Shares, the “Preferred Shares”) of the Company’s Series B convertible preferred stock (which is mandatorily convertible into 20,542,196 shares of common stock upon receipt of the requisite stockholder approval), and 8,169,822

warrants (the “Series C Warrants”) to purchase 8,169,822 shares of common stock, subject to certain adjustments as provided in the Memorandum.

Concurrently with the exchange offer, the Company is soliciting consents from eligible holders of record of the Existing Notes (i) to adopt certain proposed amendments to the indenture under which the Existing Notes and the existing guarantees of such Existing Notes were issued and (ii) to release all of the collateral from the liens securing the Existing Notes. Holders of a majority of the principal amount of Existing Notes then-outstanding will be required to deliver such consents in order for the Company to adopt the proposed amendments. Holders of at least 66 2/3% of the principal amount of Existing Notes then-outstanding will be required to effect the collateral release. No additional consideration will be offered or paid for the delivery of the consents. As of the date of this announcement, there is outstanding approximately \$85.0 million aggregate principal amount of Existing Notes.

Concurrently with the exchange offer, the Company is soliciting consents from eligible holders of record of the Stub Notes (i) to adopt certain proposed amendments to the indenture under which the Stub Notes and the existing guarantees of such Stub Notes were issued and (ii) to release all of the collateral from the liens securing the Stub Notes. Holders of a majority of the principal amount of Stub Notes then-outstanding will be required to deliver such consents in order for the Company to adopt the proposed amendments. Holders of at least 66 2/3% of the principal amount of Stub Notes then-outstanding will be required to effect the collateral release. No additional consideration will be offered or paid for the delivery of the consents. As of the date of this announcement, there was outstanding approximately \$1.9 million aggregate principal amount of Stub Notes.

The exchange offer and consent solicitation will expire at 5:00 p.m., New York City time, on January 24, 2018 (the “Expiration Time”), unless extended or earlier terminated by the Company in its sole discretion. The settlement date will occur promptly after the Expiration Time, which the Company expects to be within three business days of the Expiration Time, subject to all conditions to the exchange offer and consent solicitation having been satisfied or, where possible, waived by the Company (the “Settlement Date”). Except as otherwise described in the Memorandum, Existing Notes and Stub Notes may be withdrawn and consents revoked at any time on or prior to the Expiration Time, by following the procedures described in the Memorandum and the Letter of Transmittal, subject to the Restructuring Support Agreement.

In exchange for each \$1,000 principal amount of Existing Notes plus accrued and unpaid interest from and including January 15, 2018 thereon or \$1,000 principal amount of Stub Notes plus accrued and unpaid interest from and including January 15, 2018 thereon that are tendered by holders at or before the Expiration Time and accepted for exchange by the Company, holders will receive the “Exchange Consideration”, which consists of (i) 21.8457 New Common Shares, (ii) 0.4058 Series A Preferred Shares, (iii) 10.9578 Series B Preferred Shares and (iv) 94.7339 Series C Warrants, subject to certain adjustments as provided in the Memorandum.

The adoption of the proposed amendments and the consummation of the exchange offer and consent solicitation are subject to satisfaction or, where possible, waiver of certain conditions, including participation in the exchange offer by at least 95% of the outstanding principal amount of Existing Notes as of the Expiration Time. The consummation of the exchange offer is conditioned on, among other things, the consummation of the Existing Notes consent solicitation, and the consummation of the consent solicitation

is conditioned on, among other things, the consummation of the exchange offer. The Company may terminate, amend or extend the exchange offer and consent solicitation.

The Company is making the exchange offer and consent solicitation only through, and pursuant to, the terms of the Memorandum and the Letter of Transmittal. None of the Company, the trustee for the Existing Notes, the trustee for the Stub Notes, the solicitation agent, the information agent, the exchange agent or any of their respective affiliates or employees makes any recommendation in connection with the exchange offer or consent solicitation. Each Holder must make its own decision as to whether to exchange its Existing Notes and Stub Notes and deliver consents and, if so, the principal amount of the Existing Notes and Stub Notes as to which action is to be taken.

The Company has not registered the New Common Shares, Preferred Shares, the Series C Warrants or the common stock issuable upon conversion of the Preferred Shares or exercise of the Series C Warrants under the Securities Act, or with any securities regulatory authority of any state or other jurisdiction. The New Common Shares, Preferred Shares, Series C Warrants or the common stock issuable upon conversion of the Preferred Shares or exercise of the Series C Warrants may not be offered or sold in the United States or to or for the account or benefit of any U.S. persons except pursuant to an offering or sale registered under, an exemption from or in a transaction not subject to the registration requirements of the Securities Act. The New Common Shares, Preferred Shares, Series C Warrants or the common stock issuable upon conversion of the Preferred Shares or exercise of the Series C Warrants are also subject to further restrictions on transfer as set forth in the Memorandum.

This press release is not an offer to sell the New Common Shares, Preferred Shares or the Series C Warrants or a solicitation of an offer to buy any of the Existing Notes or Stub Notes. The Company is making the exchange offer and consent solicitation only through, and pursuant to, the terms of the Memorandum and the Letter of Transmittal.

About SAExploration Holdings, Inc.

SAE is an internationally-focused oilfield services company offering a full range of vertically-integrated seismic data acquisition and logistical support services in remote and complex environments throughout Alaska, Canada, South America, Southeast Asia and West Africa. In addition to the acquisition of 2D, 3D, time-lapse 4D and multi-component seismic data on land, in transition zones and offshore in depths reaching 3,000 meters, SAE offers a full suite of logistical support and in-field data processing services, such as program design, planning and permitting, camp services and infrastructure, surveying, drilling, environmental assessment and reclamation and community relations. SAE operates crews around the world, performing major projects for its blue-chip customer base, which includes major integrated oil companies, national oil companies and large independent oil and gas exploration companies. Operations are supported through a multi-national presence in Houston, Alaska, Canada, Peru, Colombia, Bolivia, Brazil and New Zealand. For more information, please visit SAE's website at www.saexploration.com.

The information in SAE's website is not, and shall not be deemed to be, a part of this notice or incorporated in filings SAE makes with the Securities and Exchange Commission.

Forward Looking Statements

This press release contains certain “forward-looking statements” within the meaning of the U.S. federal securities laws with respect to SAE. These statements can be identified by the use of words or phrases such as “expects,” “estimates,” “projects,” “budgets,” “forecasts,” “anticipates,” “intends,” “plans,” “may,” “will,” “could,” “should,” “believes,” “predicts,” “potential,” “continue,” and similar expressions. These forward-looking statements include statements regarding SAE’s financial condition, results of operations and business and SAE’s expectations or beliefs concerning future periods and possible future events. These statements are subject to significant known and unknown risks and uncertainties that could cause actual results to differ materially from those stated in, and implied by, this press release. Risks and uncertainties that could cause actual results to vary materially from SAE’s expectations are described under “Risk Factors” and “Cautionary Note Regarding Forward-Looking Statements” in SAE’s filings with the Securities and Exchange Commission. Except as required by applicable law, SAE is not under any obligation to, and expressly disclaims any obligation to, update or alter its forward looking statements, whether as a result of new information, future events, changes in assumptions or otherwise.

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