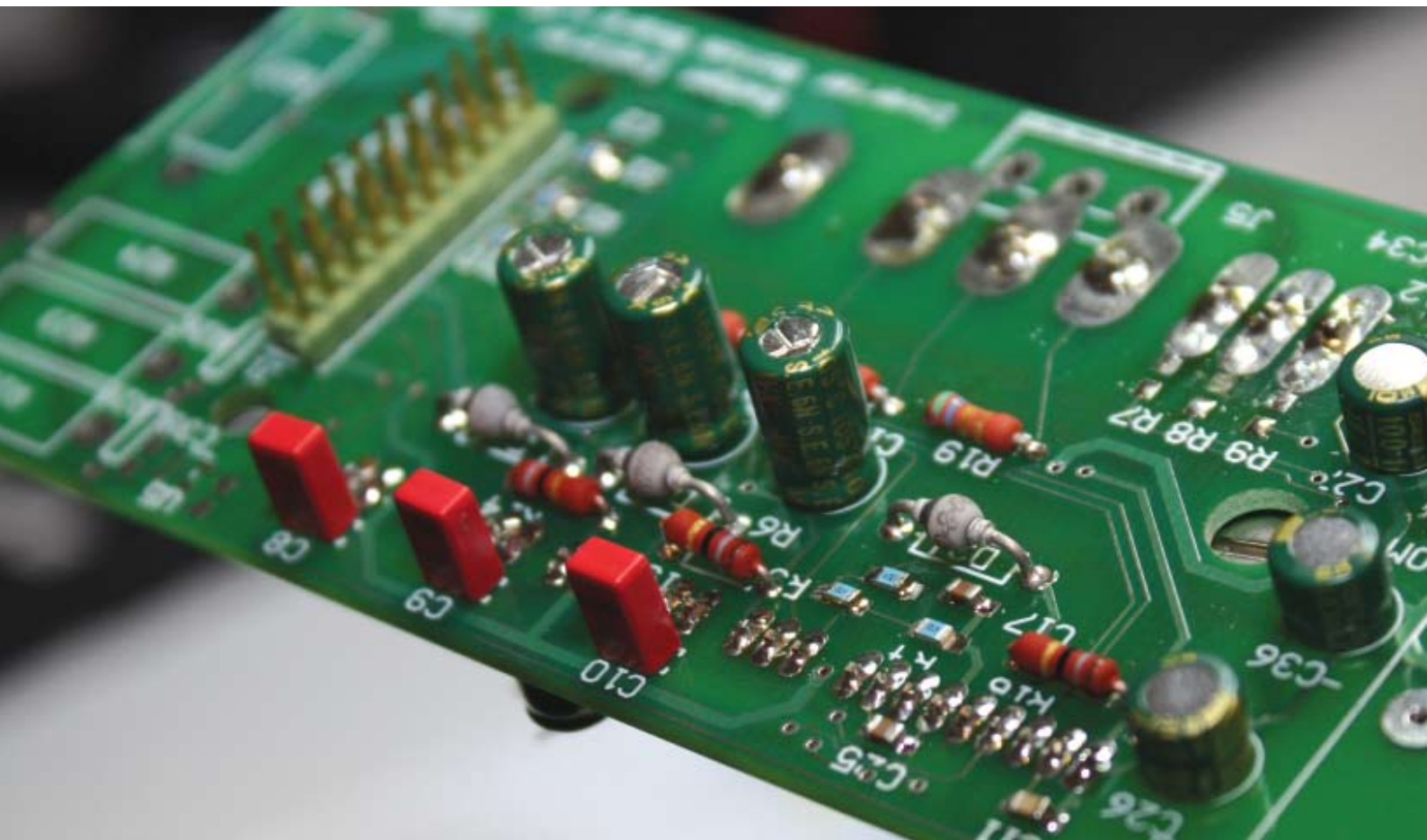




**BADGER**  
EXPLORER



Quarterly Report 1Q 2009

### MOBILISATION FOR THE 3-6 MONTHS DRILLING TEST PERIOD

Badger Explorer ASA has during 1Q 2009 made further important and valuable progress and the project development is in line with the overall plan. The target for the Company is to have a commercial service available for late 2010. Preparations are well underway for the next phase of the Demo50 test program which is planned to commence June/July 2009, lasting 3-6 months. The ultimate purpose of this program will be to test the self-burying capabilities of the tool. In parallel the development of the Demo125 version is ongoing. During spring 2009 specific attention has been given to improvement of cuttings separation, transport and compaction functionality.

Badger Explorer ASA retains its solid financial position and combined with a strong organisation and the partner agreements with the major oil companies Shell, ExxonMobil and StatoilHydro, the Company is well positioned for reaching its objectives for the years ahead.

### 1Q 2009 - AN OVERVIEW

During the first months of 2009, the Badger Explorer Prototype project has progressed on the basis of the results achieved in the last quarter of 2008. Through the establishment of two internal specialist groups, one focusing on cuttings separation, the other on compaction, the Company has taken important steps towards its near term goal of completing a self burying test.

Following the initial module and systems based surface testing through 2007 and 1H 2008, the first complete Badger Explorer Prototype was tested in October 2008 at a test site in Denmark. The test results were valuable and provided reasons for continued optimism in spite of the fact that the geology proved not to be as relevant as anticipated. During the test, the Company gained important insight related to several of the technological solutions, some of which are being redesigned prior to the next scheduled self-burial test. This insight will also provide a basis for improved solutions for the Demo125 version.

BXPL's resources with the support of Calidus Engineering Ltd. (50 % subsidiary) are focusing on two main activity areas;

- Engineering of the DEMO50 prototype version #2
- Test site selection and qualification



Main activities in 1Q 2009 include;

- Selection of principle solutions for the DEMO50 version #2 separation and compaction modules and the execution of detailed engineering.
- Redesign of the DEMO50 hydraulic and electronic control systems and production kickoff.
- Identification of potential test sites in Norway and several other places in Europe. Site visits have been performed, rock samples obtained and screening tests run to assess their suitability.
- Motor and electronics design for the DEMO 125 is in progress at SmartMotor and Calidus Engineering Ltd.
- Initiation of detailed technical studies at Sintef.

Some of the solutions may function well during the Demo50 tests but will need to be redesigned for the Demo125. This work is ongoing.

In 2009 the Company's goal is to design and build a higher specification prototype, Demo 125 able to reach a significant subterranean depth, thus providing a further basis for developing a commercial service.

Badger Explorer ASA has entered into partnership agreements with the three oil majors ExxonMobil, StatoilHydro and Shell. ExxonMobil and StatoilHydro have named the development work carried out by Badger Explorer ASA as a "potential game changer" within exploration for Oil & Gas. Yet, the ground breaking nature of the Badger Explorer concept has as anticipated proven to provide significant technological challenges and even if the development is in line with the overall plan, important functions still need to be improved and some need to be developed. For several of the Badger Explorer functions, experience data is not readily available, hence solutions must be created through an iterative process of concept development and testing by the Company. A focal area for the project team has been to construct test cells and experimental apparatus that can be used to rapidly investigate the functions required for the Badger Explorer. The cooperation with the three oil companies is working well and will be further developed during the remainder of 2009.

The technical deliveries and contributions from Badger Explorer's 50 % owned subsidiary Calidus Engineering Ltd. are



significant and of a high standard. Calidus has become an integral part of the development program and further utilisation of its capabilities will take place.

The project team has developed a highly advanced prototype robotic system that can be used as a down hole laboratory for testing improved design solutions. In addition many of the technological solutions developed specifically for this project can be applied for other industrial applications.

The results so far delivered from the execution of the project have brought Badger Explorer ASA closer to its goal of supplying a commercial service to the market late 2010. The Company and its partners acknowledge that this is an ambitious target. However, the Company with its competent and flexible organisation and robust financial position, has to date managed to keep the overall time line and firmly believes that this goal is achievable.

#### FINANCIAL STRENGTH

Badger Explorer ASA and the development program up to commercial launch are fully financed. This, combined with the agreements with the oil industry majors StatoilHydro, ExxonMobil and Shell, allow for the Company to focus entirely on successfully completing the development program.

The company raised equity totalling MNOK 235 in 2005 and 2007. In addition, the extended partner agreements with StatoilHydro, Shell and ExxonMobil will include financial support as well as technical support. In the present financial climate the partnerships and the financial strength provide a unique position, opening for full focus on further technological development and the upcoming commercial phase.

As of 31.03.2009 the Badger Explorer Group had a net equity of MNOK 210.1 equivalent to an equity ratio of 92.0 %. Net cash position was MNOK 92.4. In addition the Company holds MNOK 79.0 in bank bonds. MNOK 39.7 was transferred from cash to bank bonds during 1Q 2009. Combined with the partner agreements this is regarded to be sufficient cash to reach a commercial stage.

Through 2009 and 2010 the activity level will be increased aiming for planned commercialisation late 2010. During 2009 the Company plans to spend (direct and capitalised costs) a total of MNOK 83, compared to MNOK 39 through 2008. The anticipated cash position per year end 2009 is expected to be MNOK 133 including bank bonds.

The Oil & Gas market is developing in favour of Badger Explorer through the oil companies intensified exploration programs and mapping of new acreage, and increased focus on fields that are in production. The Company experiences strong industry interest and see that the demand for a viable concept as the Badger Explorer is continuously being strengthened.

#### BADGER PLASMA TECHNOLOGY AS, 100 % SUBSIDIARY

Through 1Q 2009 the activity level in the subsidiary has been at a minimum, allowing for transfer of resources to the Badger Explorer project. In 2009 a strategy will be developed including business plan and partner policy, as well as securing necessary technology rights.

#### CALIDUS ENGINEERING LTD., 50 % SUBSIDIARY

Calidus Engineering Ltd., UK, (Calidus) is a well reputed multi-discipline engineering company specialised in designing down hole equipment for harsh environments. Calidus has become a vital supplier to Badger Explorer ASA within these areas, and project development work related to the Badger Explorer development is ongoing. Calidus has a staff of 20 skilled employees.

In addition to modelling and engineering design services, the company runs a prototype based machine shop. Calidus' clients mainly come from the oil industry, the thermal industry as well as from the R&D field.

Calidus's turnover as of 31.03.2009 was MNOK 3.9, out of which 36 % were deliveries to Badger Explorer ASA compared to MNOK 2.7 per 31.03.2008. The net result before tax was MNOK 1.4, compared to MNOK 0.5 for 1Q 2008. The company's equity ratio is 86.5 %. Calidus' order back log is strong, which opens for considerable continued growth during 2009.

## INVESTOR RELATIONS

The BXPL shares have been traded at stock prices between NOK 10.00 and NOK 7.00 during 1Q 2009. Approximately 0.9 million shares have been exchanged in 1Q 2009 through 257 quoted transactions, which is a higher number of transactions than previous quarters.

The number of shareholders is stable at around 600 investors. The 20 largest shareholders have a total stake of about 81 %, and have been around this level since the listing on the Oslo Axess in June 2007. In February quarterly investor presentations were held in Oslo and Stavanger.

At the Annual General Meeting in April a new Board of Directors were elected. The new Board of Directors is comprised of: Rolf E. Ahlqvist (Chairman), Christian Bull Eriksson, Bjørge Gretland, Kristine Holm and Tone Kvåle.

The Company wishes to thank the members of the Board of Directors who has stepped down, and with a special recognition to the retired Chairman Knut Åm who has followed and supported the Company since its incorporation.

## BADGER EXPLORER GROUP

Gross spending has been below budget and cash position is stronger than forecasted. The cash position, equity ratio of 92 % and the comprehensive partner agreement secure the funding position into the planned commercial phase.

The magnitude of the Badger Explorer Group operations now consists of between 40 and 50 people when including the Calidus' engineers. The core staff of Badger Explorer ASA consists of 19 persons.

The group is seeking more project personnel, specialists and technical support staff, and the number of employees will as planned continue to increase.

Badger Explorer Group makes use of testing facilities and workshops in the Stavanger area and at Calidus Engineering Ltd. in Cornwall, UK.

## MAIN FIGURES (GROUP LEVEL)

Revenues for 1Q 2009 amounted to kNOK 2 532 compared to kNOK 1 967 for 1Q 2008. Operating expenses for 1Q 2009 amounted to kNOK 5 254 compared to kNOK 4 440 for 1Q 2008. EBITDA for 1Q 2009 amounted to kNOK -2 722 compared to kNOK -2 473 for 1Q 2008.

Total project development costs mainly related to the Badger Explorer amounted to kNOK 7 922 of which kNOK 6 634 was capitalised for 1Q 2009.

No applications for public grants have been filed for 2009. Public grants amounted to kNOK 312 for 1Q 2008. All public grants was capitalised together with the project costs.

Earnings per share amounted to NOK -0.113 per share for 1Q 2009. Cash reserves per 31.03.2009 were MNOK 92.4. In addition the Company holds MNOK 79.0 in bank bonds. Efforts have been made in both Norway and UK to secure the deposits.

CONSOLIDATED SUMMARY (Unaudited figures in NOK 1000)	1Q 2009	1Q 2008	31.03. 2009	31.03. 2008
Revenues	2 532	1 967	2 532	1 967
Operating expenses	5 254	4 440	5 254	4 440
EBITDA	-2 722	-2 473	-2 722	-2 473
Earnings per share (figures in NOK)	-0,113	-0,005	-0,113	-0,005
Projects development costs	7 922	5 101	7 922	5 101
Public grants for projects dev.	0	312	0	312
Cap. of dev. costs and public grants	6 634	4 078	6 634	4 078



## OUTLOOK AND SUMMARY

The results from the Badger Explorer development program through 2008 and 1Q 2009 have brought Badger Explorer ASA closer to its goal of supplying a commercial service to its partners and the Oil & Gas exploration market in general.

A highly advanced prototype robotic system has been developed, which provides a unique platform for qualifying the complex design solutions required to be implemented in a Badger Explorer commercial service.

A considerable volume of new knowledge and technology, with ground breaking potential and which represents significant value has been developed through the project execution. These efforts and development results are expected to continue in 2009 and onwards. Badger Explorer ASA has developed into a technology company with multi-discipline research and engineering resources of high quality. The Company expects that many of the technological solutions developed specifically for the Badger Explorer tool can be applied for other industrial applications.

The scope for the development work for the remainder of 2009 comprises the further development of the Demo50 tool system to include improved separation and compaction functionality. An improved version is aimed to be tested during the summer. In parallel, development of a higher temperature rated tool, the Demo 125, is underway. The aim for this part of the overall development is to build a higher specification tool in order to be able to reach significant subterranean depth and provide the basis for a future commercial service. As a consequence of the Company's gradual shift from a concept development phase toward preparations for a commercial launch, the future communication from Badger Explorer ASA will be more market and commercially focused. The Company will thus provide less detailed technical information.

Calidus Engineering Ltd., 50 % owned by Badger Explorer ASA, is expected to continue its growth. The present order back log is strong and deliveries to Badger Explorer will increase. Calidus Engineering Ltd. plans to move to new premises in 2010 and the number of employees will continue to grow.

Badger Explorer ASA experiences strong partner support, it has a solid cash position and a dedicated optimistic team which in total enables the Company to progress its development program uninterrupted.

Rolf E. Ahlqvist  
Chairman

Bjørge Gretland  
Director

Kristine Holm  
Director

Christian Bull Eriksson  
Director

Tone Kvåle  
Director

Kjell Erik Drevdal  
President & CEO

## ACCOUNTING POLICIES

Badger Explorer ASA is a public limited company registered in Norway and listed on the Oslo Axess stock exchange. The company's head office is located at Jåttåvågeveien 7, N-4020 Stavanger, Norway.

The consolidated financial statement of Badger Explorer ASA and all its subsidiaries (the Group) have been prepared on an historical cost basis and in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU as of 31.12.2008.

The Group's consolidated financial statement comprises Badger Explorer ASA (100 %), Badger Plasma Technology as (100 %) and Calidus Engineering Ltd. (50 %). Intercompany sales and expenses, intercompany receivables and payables are eliminated. Purchase of shares is eliminated towards share capital. Excess value of purchase of shares in Calidus is recognised in the balance sheet as goodwill.

The interim financial statement do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the financial statements as at 31.12.2008. The accounting policies adopted in the preparation of the interim financial statements are consistent with those followed in the preparation of the financial statements for the year ended 31.12.2008.

Income statements in foreign subsidiaries are translated into NOK using the average exchange rate for the period (month). Assets and liabilities in foreign subsidiaries, including goodwill and adjustments for fair value included in the consolidation are translated into NOK using exchange rate at the balance sheet date. The exchange differences arising from the translation are recorded against the equity.

Inventories are valued at the lower of cost and net realisable value. Cash includes cash in hand and at bank. Accounts receivable are recognised in the balance sheet at nominal value less provisions for doubtful debts.

Fixed assets are carried at cost less accumulated depreciations and impairment losses. The gross carrying amount of fixed assets is the purchase price, including duties/taxes and direct acquisition costs relating to making the asset ready for use.

Depreciation is calculated using the straight-line method. Intangible assets are capitalised if it is probable that the expected future financial benefits referred to the asset will accrue to the company, and that the cost can be calculated in a reliable matter.

Cost relating to development are capitalised following criteria's are met in full

- the product or the process is clearly defined and the cost elements can be identified and measured reliably;
- the technical solution for the product has been demonstrated;
- the product or the process will be sold or used in the company's operations;
- the asset will generate future financial benefits; and
- sufficient technical, financial and other recourses for completing the project are present

Costs that have been charged as expenses in previous accounting periods are not recognised in the balance sheet. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.



Revenue from sale of engineering services is recognised on a monthly basis based on completed monthly time sheets completed by the employee at the rate agreed with the customer. Interest income is recognised in the income statement based on the effective interest method as they are earned.

Subsidies from the authorities are not recognised until it is reasonably certain that the company will meet the conditions stipulated in connection with the receipt of the subsidies and that the subsidies will be granted. The recognition of subsidies is postponed and depreciated over the period that the costs relating to that which the subsidies are intended for are incurred. Subsidies are recognised as deductions from the cost that the subsidy is meant to cover.

Contributions from partners are recognised in the balance sheet as long term liabilities as the contributions are subject to repayment. Ref. note 14 in the annual accounts.

Options granted in 2006 entitle the employees to receive shares during a 3 year period. This is an equity based option agreement and are recognised on the P&L under personnel costs and on the balance sheet under other paid in equity by 1/36 of the option value per month starting from 01.01.2007. In August 2007 an additional option was granted which entitles the employees to receive shares during a 3 year period. The option value is based on a third party evaluation of the options at the grant date where the Black-Scholes model was used for calculation.

## CONSOLIDATED INCOME STATEMENT

Unaudited figures in NOK 1000

	1Q 2009	1Q 2008	Note	31.03. 2009	31.03. 2008
<b>Revenues</b>					
Other Income	2 532	1 967	4	2 532	1 967
Public grants	0	312	1	0	312
Capitalised public grants	0	-312	2	0	-312
<b>Total Revenues</b>	<b>2 532</b>	<b>1 967</b>		<b>2 532</b>	<b>1 967</b>
<b>Operating Expenses</b>					
Cost of goods sold	535	654		535	654
External services for dev. project	4 317	3 113	4	4 317	3 113
Salary	4 337	3 300		4 337	3 300
Other Operating Expenses	2 699	1 764	4,10	2 699	1 764
Capitalised development cost	-6 634	-4 391	3	-6 634	-4 391
<b>Total Operating Expenses</b>	<b>5 254</b>	<b>4 440</b>		<b>5 254</b>	<b>4 440</b>
<b>EBITDA</b>	<b>-2 722</b>	<b>-2 473</b>		<b>-2 722</b>	<b>-2 473</b>
Depreciation	292	211		292	211
<b>EBIT</b>	<b>-3 014</b>	<b>-2 685</b>		<b>-3 014</b>	<b>-2 685</b>
Net financial income	1 626	2 830	11	1 626	2 830
<b>EBT</b>	<b>-1 388</b>	<b>145</b>		<b>-1 388</b>	<b>145</b>
Tax	0	0		0	0
<b>Net profit/loss from operations</b>	<b>-1 388</b>	<b>145</b>		<b>-1 388</b>	<b>145</b>
Profit (loss) attributable to minority interests	690	234		690	234
<b>Profit (loss) attributable to equity holders of the parent</b>	<b>-2 078</b>	<b>-89</b>	9	<b>-2 078</b>	<b>-89</b>
<b>Earnings per share</b>	<b>-0,113</b>	<b>-0,005</b>		<b>-0,113</b>	<b>-0,005</b>
<b>Earnings per share diluted</b>	<b>-0,113</b>	<b>-0,005</b>		<b>-0,113</b>	<b>-0,005</b>

## CONSOLIDATED BALANCE SHEET

<b>ASSETS</b> (Unaudited figures in NOK 1000)	<b>31.03. 2009</b>	<b>31.03. 2008</b>	<b>Notes</b>	<b>31.12. 2008</b>
<b>FIXED ASSETS</b>				
Development costs	42 060	17 433	3	35 426
Patent rights	387	387		387
Goodwill	5 853	6 200	4	6 203
<b>Total intangible assets</b>	<b>48 300</b>	<b>24 020</b>		<b>42 015</b>
Machinery, fixtures, etc.	3 366	2 568		3 426
<b>Total tangible assets</b>	<b>3 366</b>	<b>2 568</b>		<b>3 426</b>
Bank bonds	79 023	0	11	39 373
<b>Sum financial assets</b>	<b>79 023</b>	<b>0</b>		<b>39 373</b>
<b>TOTAL NON-CURRENT ASSETS</b>	<b>130 689</b>	<b>26 587</b>		<b>84 814</b>
<b>CURRENT ASSETS</b>				
Inventory	1 027	1 192		355
<b>Sum Inventory</b>	<b>1 027</b>	<b>1 192</b>		<b>355</b>
Accounts receivable	968	1 044	4	1 802
Other receivables	3 380	3 493	4	6 389
<b>Total receivables</b>	<b>4 348</b>	<b>4 537</b>		<b>8 191</b>
<b>Cash and cash equivalents</b>	<b>92 381</b>	<b>195 079</b>		<b>137 573</b>
<b>TOTAL CURRENT ASSETS</b>	<b>97 756</b>	<b>200 807</b>		<b>146 119</b>
<b>TOTAL ASSETS</b>	<b>228 445</b>	<b>227 395</b>		<b>230 933</b>

<b>EQUITY AND LIABILITIES</b> (Unaudited figures in NOK 1000)	<b>31.03. 2009</b>	<b>31.03. 2008</b>	<b>Notes</b>	<b>31.12. 2008</b>
<b>EQUITY</b>				
Share capital	2 305	2 305	4,5,10	2 305
Share premium reserve	217 100	217 100	5	217 100
Other paid in equity	276	154	4,6	262
<b>Total paid in equity</b>	<b>219 680</b>	<b>219 559</b>		<b>219 667</b>
Other equity	-13 402	-8 935		-10 620
<b>Total retained earnings</b>	<b>-13 402</b>	<b>-8 935</b>		<b>-10 620</b>
<b>Minority Interest</b>	<b>3 803</b>	<b>2 213</b>		<b>3 113</b>
<b>TOTAL EQUITY</b>	<b>210 081</b>	<b>212 838</b>		<b>212 160</b>
<b>LIABILITIES</b>				
Capitalised grants	13 855	10 397	7	13 855
<b>Total long term liabilities</b>	<b>13 855</b>	<b>10 397</b>		<b>13 855</b>
Accounts payable	2 608	1 384	4,10	2 500
Public duties payable	-192	63		388
Taxes payable	105	25		202
Other short term liabilities	1 988	2 689		1 828
<b>Total short term liabilities</b>	<b>4 509</b>	<b>4 160</b>		<b>4 918</b>
<b>TOTAL LIABILITIES</b>	<b>18 364</b>	<b>14 557</b>		<b>18 773</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>228 445</b>	<b>227 395</b>		<b>230 933</b>



**CONSOLIDATED CASH FLOW**

Unaudited figures in NOK 1000	31.03. 2009	31.03. 2008	31.12. 2008
Net cash flow from operating activities	53	-2 514	-13 048
Net cash flow from investment activities	-46 516	-4 444	-65 921
Net cash flow from financing activities	1 626	3 142	17 708
<b>Total net changes in cash flow</b>	<b>-44 837</b>	<b>-3 816</b>	<b>-61 261</b>
Net foreign differences	-355	-250	-312
Cash balance at beginning of period	137 573	199 145	199 145
<b>Cash and cash equivalents at end of period</b>	<b>92 381</b>	<b>195 079</b>	<b>137 573</b>

**CONSOLIDATED EQUITY RECONCILIATION**

Unaudited figures in NOK 1000	31.03. 2009	31.03. 2008	31.12. 2008
Equity at beginning of period	212 160	205 595	205 595
Total comprehensive income	-2 796	-1 629	-2 473
Employee options	13	27	135
<b>Equity at end of period</b>	<b>209 377</b>	<b>203 993</b>	<b>203 256</b>

**Total comprehensive income**

Unaudited figures in NOK 1000	31.03. 2009	31.03. 2008	31.12. 2008
Profit (loss) attrib. to equity holders of the parent	-2 782	-1 188	-2 874
Translation differences	-704	-675	-734
Minority interest	690	235	1 134
<b>Comprehensive income at end of period</b>	<b>-2 796</b>	<b>-1 629</b>	<b>-2 473</b>

**Distribution of total comprehensive income**

Unaudited figures in NOK 1000	31.03. 2009	31.03. 2008	31.12. 2008
Majority interest	-3 487	-1 864	-3 608
Minority interest	690	235	1 134
	<b>-2 796</b>	<b>-1 629</b>	<b>-2 473</b>

**NOTES**

1. The Badger Explorer Prototype project and the Plasma Channel Drilling project was supported by the Research Council of Norway and "Skattefunn" with a percentage of the total project cost in 2008. No application for support has yet been filed for 2009.
2. The cost and the grants for the development of Badger Explorer Prototype project and Plasma Channel Drilling project are capitalised.
3. The project development costs are capitalised in accordance with the IFRS regulations. Additional project cost not capitalised this year due to the restriction in the IFRS standard for the Badger Explorer Prototype project amounts to 1 288 kNOK per 31.03.2009.
4. The 100 % owned subsidiary, Badger Plasma Technology AS and the 50 % owned subsidiary, Calidus Engineering Ltd. have been consolidated with the mother company Badger Explorer ASA starting from 01.12.2007. Intercompany sales and purchases, intercompany receivables and payables, intercompany investments and share capital are eliminated.

5. The general assembly decided in meeting on 09.05.2007 to split the existing shares which gave an increase in number of shares from 6.719.520 to 13.439.040. A total of 5.000.000 additional shares were issued in connection with the emission of NOK 160 000 000 and listing on Oslo Axess on 12.06.2007. The total number of shares per 31.03.2009 is 18.439.040 at par value of 0,125 per share.
6. Options granted in 2006 entitle the employees to receive shares during a 3 year period until 15.12.2009. Additional options granted in 2007 entitle the employees to receive shares during a 3 year period until 15.12.2010. These are equity based option agreements and are recognised on the P&L under personnel costs and on the balance sheet under other paid in equity by 1/36 of the option value per month starting from 01.01.2007. The option value is based on a third party evaluation of the options at the grant date where the Black-Scholes model was used for calculation. After the split of the shares the number of options amounts to 76 000.
7. The Group has received contribution from the three industrial partners amounting to a total of NOK 13 855 200. This contribution shall be repaid to the partners by paying 5 % of all technology related sales in the future. This royalty is limited to 150 % of received contribution.
8. Deferred tax asset has not been recognised.
9. Below table shows the segments of which the management is reporting to the Board of Directors. The segments are the main projects; Badger Explorer and Plasma Channel Drilling, engineering; Calidus Engineering Ltd. and other activities (mainly administration).

The column "other" includes all administration support and other costs not allocated directly to any of the other segments. All office equipment and cash in the Norwegian companies are included in this segment.

<b>31.03.2009 - Business segments</b>	Badger	Badger	Engineer-		Elimin-	
Unaudited figures in NOK 1000	Explorer	Plasma	ing	Other	ation	Total
Total revenue	0	0	3 939	21	-1 428	2 532
Segment profit (loss)	-1 288	0	690	-1 501	20	-2 078
Total assets	37 131	6 573	16 900	176 965	-9 124	228 445

<b>31.03.2008 - Business segments</b>	Badger	Badger	Engineer-		Elimin-	
Unaudited figures in NOK 1000	Explorer	Plasma	ing	Other	ation	Total
Total revenue	0	0	2 700	887	-1 620	1 967
Segment profit (loss)	-710	0	234	386	0	-89
Total assets	14 152	5 246	13 665	203 610	-9 278	227 395

<b>1Q 2009 - Business segments</b>	Badger	Badger	Engineer-		Elimin-	
Unaudited figures in NOK 1000	Explorer	Plasma	ing	Other	ation	Total
Total revenue	0	0	3 939	21	-1 428	2 532
Segment profit (loss)	-1 288	0	690	-1 501	20	-2 078

<b>1Q 2008 - Business segments</b>	Badger	Badger	Engineer-		Elimin-	
Unaudited figures in NOK 1000	Explorer	Plasma	ing	Other	ation	Total
Total revenue	0	0	2 700	887	-1 620	1 967
Segment profit (loss)	-710	0	234	386	0	-89

## 10. Related party transaction

Unaudited figures in NOK 1000

Transaction with shareholders	31.03.2009	31.03.2008
Accounts payable	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

Purchased services from Procom Venture AS	31.03.2009	31.03.2008
Administration services	14	45
Board of director's fee	0	0
<b>Total</b>	<b>14</b>	<b>45</b>

The Company has in 2008 hired personnel from Procom Venture AS. The work was executed by the Executive Chairman of the Board until the 28.02.2008. In 2009 the cost is related to travels for member of the election committee.

Shares held by members of the Board and Management group	31.03.2009	31.03.2008
Convexa Capital IV AS (Bjørge Gretland)*	3 300 780	3 300 780
Ahlqvist Invest AS (Rolf E. Ahlqvist)**	454 407	446 407
CFO - Gunnar Dolven	301 872	286 872
Knut Åm***	242 600	222 600
CEO - Kjell Erik Drevdal	222 600	222 600
5K International (CEO - Kjell Erik Drevdal)	10 000	-
Invest OK AS (Kristine Holm)	15 000	-
Chevni AS (Christian Bull Eriksson)	6 000	-
Kristijane Cook Bulukin***	1 800	-
CTO - Erling Woods	1 000	-

\* Bjørge Gretland does not have decisive influence in Convexa Capital IV AS and he entered the Board of Director on the 24th of April 2009.

\*\* Rolf E. Ahlqvist entered the Board of Director on the 24th of April 2009.

\*\*\* Knut Åm and Kristijane Cook Bulukin left the Board of Directors on the 24th of April 2009.

## 11. Bank bonds

The Company owns bonds in 13 Norwegian banks with a total nominal value of MNOK 80. The bonds are classified under IAS39 as "loans and receivables" and are carried at amortised cost using the effective interest rate method. All bonds are due in approx. 1,5 years.

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