

ION Geophysical Corporation
Conflict Minerals Report
For The Calendar Year Ended December 31, 2014

This report for the calendar year ended December 31, 2014 is presented by ION Geophysical Corporation (the “Company”) to comply with Rule 13p-1 under the Securities Exchange Act of 1934 (the “Rule”). When used in this report, “Company,” “we,” “our,” and “us” refer to ION Geophysical Corporation and its consolidated subsidiaries, except where the context otherwise requires or as otherwise indicated.

The Rule was adopted by the Securities and Exchange Commission (the “SEC”) to implement reporting and disclosure requirements related to conflict minerals as directed by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. The Rule imposes certain obligations on SEC registrants whose manufactured products contain conflict minerals that are necessary to the functionality or production of their products. Conflict Minerals are defined as cassiterite, columbite-tantalite, gold, wolframite, or their derivatives, which are limited to tin, tantalum, tungsten, and gold (collectively, “3TG”). These requirements apply to registrants whatever the geographic origin of the conflict minerals and whether or not the minerals fund armed conflict.

I. Introduction

A. Company and Products Overview

The Company is a global, technology-focused company that provides geophysical technology services and solutions to the global oil and gas industry. The Company’s offerings are designed to allow oil and gas exploration and production companies to obtain higher resolution images of the earth’s subsurface during exploration, exploitation and production operations to reduce the risk in exploration and reservoir development, and to enable seismic contractors to acquire geophysical data safely and efficiently. The Company acquires and processes seismic data from seismic surveys in regional data programs, which then become part of its seismic data library. 3TG can be found in some of the electronic components and materials supplied to us for inclusion in marine hardware and geophone products manufactured by the Company.

B. Supply Chain Overview

The Company's supply chain is complex. The Company’s manufacturing processes for its marine hardware and geophone products require a large volume of components that the Company purchases from contract manufacturers as an alternative to the Company’s own manufacturing of products. The Company is many levels removed from the actual mining

of conflict minerals. Further, the Company does not make purchases of 3TG directly from smelters or refineries and makes no direct purchases of components in or from the Democratic Republic of the Congo and surrounding countries (“Covered Countries”). As a result of its extensive use of suppliers, the Company is required to rely upon its direct suppliers to provide information on the origin of the 3TG contained in products, components and materials supplied to the Company, including sources of 3TG that are supplied to the direct suppliers from lower tier suppliers.

C. Conflict Minerals Policy

The Company has adopted the Conflict Minerals Policy Statement set forth below, which governs the supply chain of conflict minerals from Covered Countries. The policy is publicly available in the Investor Relations – Corporate Governance portion of the Company’s website at www.iongeo.com.

**ION Geophysical Corporation
Conflict Minerals Policy Statement**

We support ending the violence and human rights violations in the mining of certain minerals from the eastern Democratic Republic of the Congo (“DRC”) and surrounding countries. As a result, the U.S. Securities and Exchange Commission (“SEC”) adopted rules to implement reporting and disclosure requirements related to “conflict minerals,” as directed by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. The rules require certain manufacturers to disclose whether the products they manufacture or contract to manufacture contain “conflict minerals” that are “necessary to the functionality or production” of those products.

The definition of “conflict minerals” refers to cassiterite (tin), columbite-tantalite (tantalum), gold and wolframite (tungsten), regardless of where they are sourced, processed or sold. The U.S. Secretary of State may designate other minerals in the future. We support these requirements to further the humanitarian goal of ending violent conflict in the DRC and in surrounding countries, which has been partially financed by the exploitation and trade of “conflict minerals.” We are committed to working with our global supply chain to ensure compliance with the SEC’s conflict minerals rules.

OUR COMMITMENT:

1. To support the objectives of U.S. law on the supply of “conflict minerals.”
2. To the extent practicable, not to knowingly procure conflict minerals that originate from the DRC or surrounding countries that are not certified as “conflict free.”

3. To ensure compliance with these requirements and to ask our suppliers to undertake reasonable due diligence with their supply chains to determine if conflict minerals are being sourced from:

- Mines and smelters outside the DRC and surrounding countries; or
- Mines and smelters that have been certified as “conflict free” if sourced within the DRC and surrounding countries.

This due diligence includes having our suppliers cooperate with our conflict minerals due diligence process, which includes providing us, from time to time, with written confirmation and other information concerning the origin of conflict minerals included in products and/or components supplied to us. Our goal is to determine if “conflict free” materials and components are used in products that we procure.

If we discover the use of conflict minerals that are considered not to be “conflict free” in any material, parts or components we procure, we will take appropriate actions to work with our suppliers to identify alternative sources, with a goal of transitioning product to be “conflict free.”

II. Due Diligence Performed

This section describes the measures the Company has taken to exercise due diligence on the supply chain of conflict minerals contained in electronic components and materials supplied to us for inclusion in marine hardware and geophone products manufactured by us.

A. Country of Origin Inquiries with Supply Chain

The Company conducted an analysis of its products and concluded that 3TG can be found in some of the electronic components and materials supplied to it for inclusion in its marine hardware and geophone products. The Company decided to send inquiries to all suppliers from whom relevant parts and components were purchased during the calendar year 2014, unless the Company was able to determine independently that the supplier’s part or component did not contain 3TG. Consequently, commencing in April 2015, the Company contacted approximately 135 of its direct suppliers. The Company believes that not all of the suppliers initially contacted provide parts or components containing 3TG.

B. Due Diligence Measures Performed

Tracing materials back to their mine of origin is a complex process, involving multiple layers of suppliers and sub-tier suppliers. In order to manage the scope of this task, the Company relied upon its direct suppliers to provide information on the origin of the 3TG contained in components and materials supplied to the Company, including sources of 3TG that are supplied to the Company’s suppliers by their direct suppliers and their indirect sub-tier suppliers. The communication with the suppliers explained the Rule and solicited responses

regarding the origin of the conflict minerals. Upon receiving a response from each supplier, the Company reviewed each response and followed up with the supplier as necessary as a result of any inconsistent or incomplete responses. The Company also sent reminders to suppliers who did not respond to the request for information. Most suppliers were contacted numerous times during the due diligence process.

Through the date of this report:

- A portion of the suppliers either provided an incomplete or inconclusive response or did not provide any response. Based on these results, the Company did not receive sufficient information to be able to formulate a reasonable conclusion as to whether the 3TG in its supply chain did not originate in the Covered Countries, or was from recycled or scrap sources.
- It was determined that 22% of the suppliers that responded do not supply the Company with parts or components containing 3TG.
- While no supplier has indicated to the Company that it has supplied parts or components to the Company containing 3TG from sources that support conflict in the Covered Countries and since not all suppliers responded, we are unable to formulate a reasonable conclusion as to whether the 3TG in our supply chain did not originate in the Covered Countries or was from recycled or scrap sources.

C. Future Due Diligence and Risk Mitigation Plans

The Company intends to continue to engage and work with its supply chain to perform and complete the due diligence process so that the Company is able to determine the origin of all of the 3TG used in its products. This due diligence process will be designed to conform with The Organisation for Economic Co-operation and Development's ("OECD") Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High Risk Areas, Second Edition and accompanying Supplements ("OECD" Framework"). We intend to take all steps in preparing our Conflict Minerals Report in accordance with the OECD Framework. Specifically, our due diligence efforts will include the following:

- Assemble an internal, cross-functional team to support supply chain due diligence;
- Review and maintain our strategy to respond to supply chain risks;
- Implement internal measures to strengthen Company engagement with suppliers;
- Engage the services of a third-party to contact the identified suppliers via email and telephone and manage responses;

- Request suppliers to confirm the presence of 3TG in their products;
- Request documentation from suppliers supporting their responses to our Conflict Minerals Questionnaire;
- Evaluate supplier responses for plausibility and consistency;
- Use government websites and smelters' or refiners' databases to verify companies identified;
- Establish a process to identify the smelters or refiners in the supply chain;
- Report risk management findings to senior management; and
- Report annually on supply chain due diligence.

In addition, the Company intends to include a conflict minerals flow-down clause in new contracts with suppliers. In accordance with the Company's Conflict Minerals Policy Statement, if the Company concludes that any of its suppliers are supplying it with 3TG from sources that support conflict in the Covered Countries, the Company would intend to engage the supplier to establish, whenever practicable, an alternative source of 3TG that does not support such conflict.