



May 14, 2004

## **Mitcham Industries Reports Completion of Internal Investigation**

HUNTSVILLE, Texas--(BUSINESS WIRE)--May 14, 2004--Mitcham Industries Inc. announced today that the Audit Committee of the Company's Board of Directors has completed its previously announced internal investigation and presented its findings to the Company's Board of Directors.

On April 23, 2004, the Company announced that the Audit Committee hired an independent firm to conduct an internal investigation regarding concerns raised by an employee about the sufficiency of the system of internal controls and procedures at the Company's Canadian subsidiary, Mitcham Canada, that might have compromised the integrity of receivables recognized in the unpublished fourth quarter results of operations. The Audit Committee, with the assistance of its independent counsel, Locke Liddell & Sapp LLP, and independent forensic accountants, conducted an investigation that included the interview of all of the Company's directors and officers, certain employees in the Company's offices in Huntsville, Texas, and Calgary, Canada, and other parties. The investigation also involved the review and analysis of unaudited financial statements, work papers and other relevant documents.

In connection with the internal investigation, the Company does not anticipate any material adjustment to the unpublished fourth quarter results of operations, or to the results of operations for previous fiscal periods or years. The Company will provide additional detail about the specific findings and recommendations of the Audit Committee in its Form 10-K for the fiscal year ended Jan. 31, 2004.

The Company's auditor, Hein + Associates LLP, is working to finalize its audit of the Company's financial statements for the fiscal year ended Jan. 31, 2004. Though the Company is working diligently with its auditor to file its Form 10-K, the Form 10-K cannot be filed until the auditor has completed its work.