

Longboat Energy plc

Interim Results Presentation

September 2021

DISCLAIMER

The information contained herein has been provided solely for information purposes and does not purport to be comprehensive or contain all the information that may be required by recipients to evaluate Longboat Energy plc (the “Company”). This presentation and the information contained in it has not been independently verified and no reliance should be placed on it or the opinions contained within it. In furnishing the presentation, the Company reserves the right to amend or replace the presentation at any time and undertakes no obligation to provide the recipient with access to any additional information. The Company may, but shall not be obliged to, update or correct the information set forth in this presentation or to provide, update or correct any additional information.

The Company does make any representation or warranty, express or implied, as to the accuracy or completeness of this presentation or the information contained herein and, except in the case of fraud, the Company shall not have any liability (direct, indirect, consequential or otherwise) for the information contained in, or any omissions from, this presentation.

This presentation does not constitute a prospectus or offering memorandum or offer in respect of any securities and should not be considered as a recommendation by the Company, its affiliates, representatives, officers, employees or agents to acquire an interest in the Company. This presentation does not constitute or form part of any offer or invitation to sell or issue or any solicitation of any offer to purchase or subscribe for any securities in any jurisdiction, nor shall it (or any part of it) or the fact of its distribution, form the basis of or be relied upon in connection with, or act as any inducement to enter into, any contract or commitment or engage in any investment activity whatsoever relating to any securities.

The contents of this presentation have not been approved by any person for the purposes of section 21 of the Financial Services and Markets Act 2000, as amended (“FSMA”). Reliance on the presentation for the purpose of engaging in any investment activity may expose an individual to a significant risk of losing all of the property or other assets invested. Any person who is in any doubt about the subject matter to which the presentation relates should consult a person duly authorised for the purposes of FSMA who specialises in the acquisition of shares and other securities.

This presentation contains forward-looking statements which involve known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Certain forward-looking statements are based upon assumptions of future events which may not prove to be accurate. These forward-looking statements speak only as to the date of the presentation and neither the Company nor any of its members, directors, officers, employees, agents or representatives assumes any liability for the accuracy of such information, nor is the Company under any obligation to update or provide any additional information in relation to such forward-looking statements. Nothing in this presentation is, or should be relied upon as, a promise or representation as to the future.

Recipients of this presentation outside the United Kingdom should inform themselves about and observe any applicable legal restrictions in their jurisdiction which may be relevant to the distribution, possession or use of this presentation and recognise that the Company does not accept any responsibility for contravention of any legal restrictions in such jurisdiction. The Company's securities have not been and will not be registered under the United States Securities Act of 1933, as amended (“Securities Act”), or under the securities legislation of any state of the United States nor under the relevant securities laws of Australia, Canada, Japan or the Republic of South Africa and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable state securities laws.

Interim highlights 2021

Company now operational having completed its first transaction

Successfully launched business through three bilateral transactions to acquire a significant, near-term, low-risk exploration drilling programme on the Norwegian Continental Shelf (NCS)

- Seven (7) firm wells drilling over the next 18 months
- Net mean resource potential of 104 mmboe²
- Total net upside case potential of 324 mmboe³
- Gas weighted prospect portfolio (~75%)

£35 million equity raise and NOK 600 million (£50 million) Exploration Finance Facility

- Fully funded through the initial drilling programme⁴
- Strong support from both existing and new shareholders, aligned management

Completed transactions, reverse takeover and qualified as licence holder on the NCS¹

- One of only 38 companies qualified on the NCS (vs >130 on the UKCS)
- New status removes transaction hurdles, positioning Longboat for further value accretive M&A

Replicates Faroe's first steps building a full-cycle E&P company through the drillbit

(1) Post period end events

(2) Mean unrisks prospective and contingent resources net to Longboat (ERCE CPR)

(3) Based on net unrisks "3U" high volumes in ERCE CPR plus operator high unrisks estimates of Fontina-Burrata

(4) Under both the existing and proposed Norwegian tax legislation, the latter assuming that the Exploration Finance Facility is amended as referenced in the interim report

Results H1 2021

Strong balance sheet following successful fundraise

	£ million	Notes
Cash	£38.7	<i>Includes fundraise (£32.5 million net) and pre-deal completion payments, excludes first £5.8 million¹ “negative tax instalment” received in August</i>
Debt	£0.0	<i>No drawings on Exploration Finance Facility required until 2022</i>
Operating loss		
Staff costs	£0.5	
Screening & professional fees	£0.8	<i>Excludes capitalised acquisition costs (£0.5 million) and capitalised EFF fees (£0.5 million) released over the facility term</i>
Other	£0.2	<i>Includes IFRS 2, foreign exchange and administrative expenses</i>
Total operating loss	£1.5	
Tax income	£0.6	<i>Credit of £0.9 million related to 2020 “negative instalments” under Norwegian temporary tax regime offset by £0.3 million deferred tax</i>
Loss for the period	£0.9	

Source: Longboat interim results for the period to 30 June 2021

(1) Assumes 1 GBP = 12 NOK on NOK 69.7 million receipt

Proposed Norwegian tax change summary

Move to a 'cash based' system seems to have broad political support

Proposal recently announced to change Norwegian petroleum tax system from 2022 onwards

- Move to a 'cash based' system (i.e. immediate expensing of investments)
- Improved alignment between government and industry (less difference on pre-vs-post-tax economics)
- Seems to have broad political support

Same marginal rate (78%), different calculation

- Special Petroleum Tax (SPT) increases to 71.8% (from 56%)
- Corporation Tax (CT, 22%) fully deductible from SPT, investment uplift removed
- Exploration refund (78%) removed – replaced with 71.8% repayment of all losses (including capex) in Y+1
- Residual CT element (6.2%) carried forward until profitable

Industry requires further clarifications on aspects of the proposal, including:

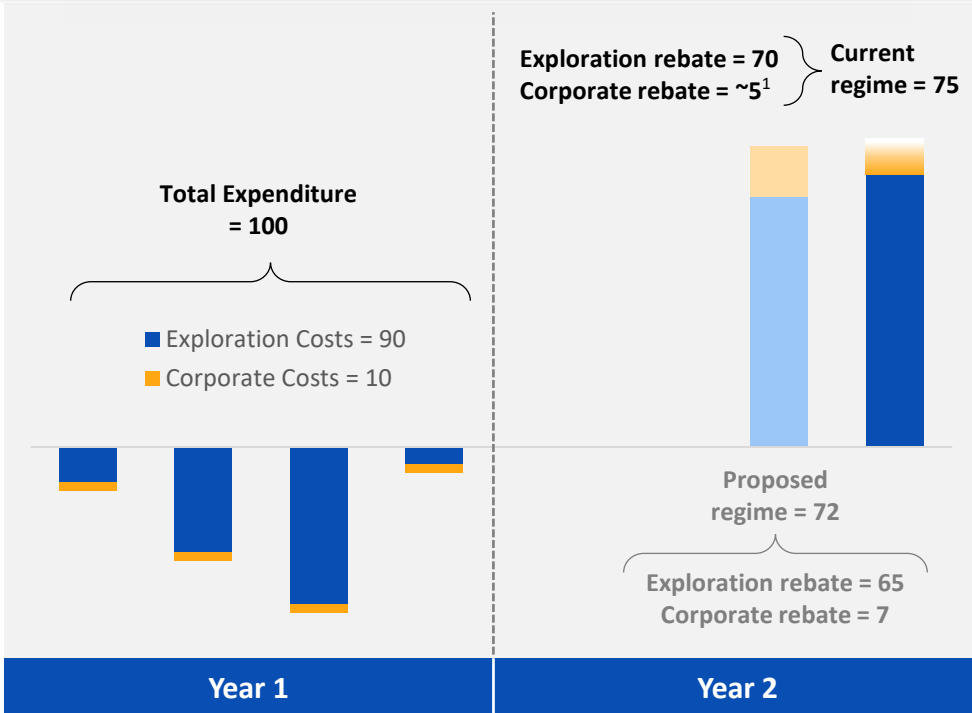
- Continued ability to pledge tax refund (as with EFF) – authorities have acknowledged importance
- Potential for a transition period if new system introduced retroactively (Q2-22 approval, 1-Jan-22 effective)
- Longboat has proactively engaged with its lenders to make any necessary adjustments to the EFF

Company remains fully funded for its exploration programme

Proposed Norwegian tax change impact

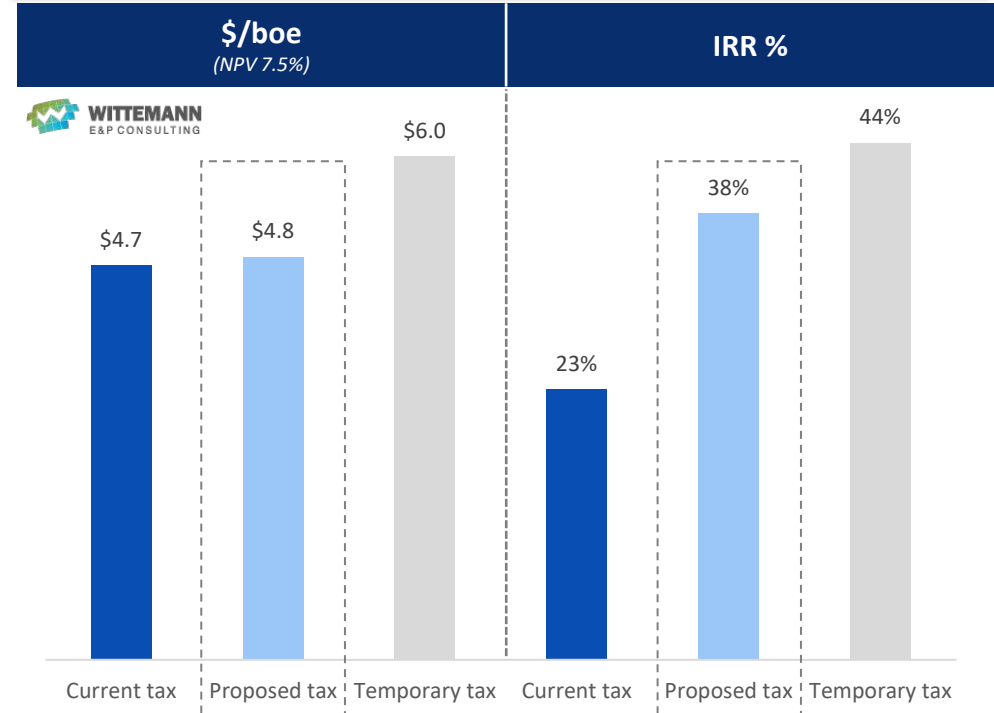
Small increase in near-term cash costs offset by improved development economics

Cash impact of Proposed Fiscal Regime



Source: Company estimates based on Norwegian government proposal 31 Aug-21

Fiscal Regime Comparison: Subsea tie-back²



Source: Wittemann E&P Consulting

Norwegian tax changes expected to be broadly neutral and to provide long term regime stability

(1) Assumes ~2/3 of the corporate costs are eligible for 78% exploration rebate (i.e. total refund of ~50% of corporate costs)

(2) Based on the government tax proposal announced 31 Aug-21. Assumptions include 1 Jan-22 effective date, \$60/bbl, owner is in a full tax paying position

Operations

Seven high quality, near-term exploration wells

Ginny/Hermine	
	Longboat (9%) Equinor Harbour OKEA
Mean mmboe 68	3U Upside 129

Egyptian Vulture	
	Longboat (15%) Equinor PGNiG
Mean mmboe 103	3U Upside 208

Copernicus	
	Longboat (10%) Equinor PGNiG
Mean mmboe 254	3U Upside 471

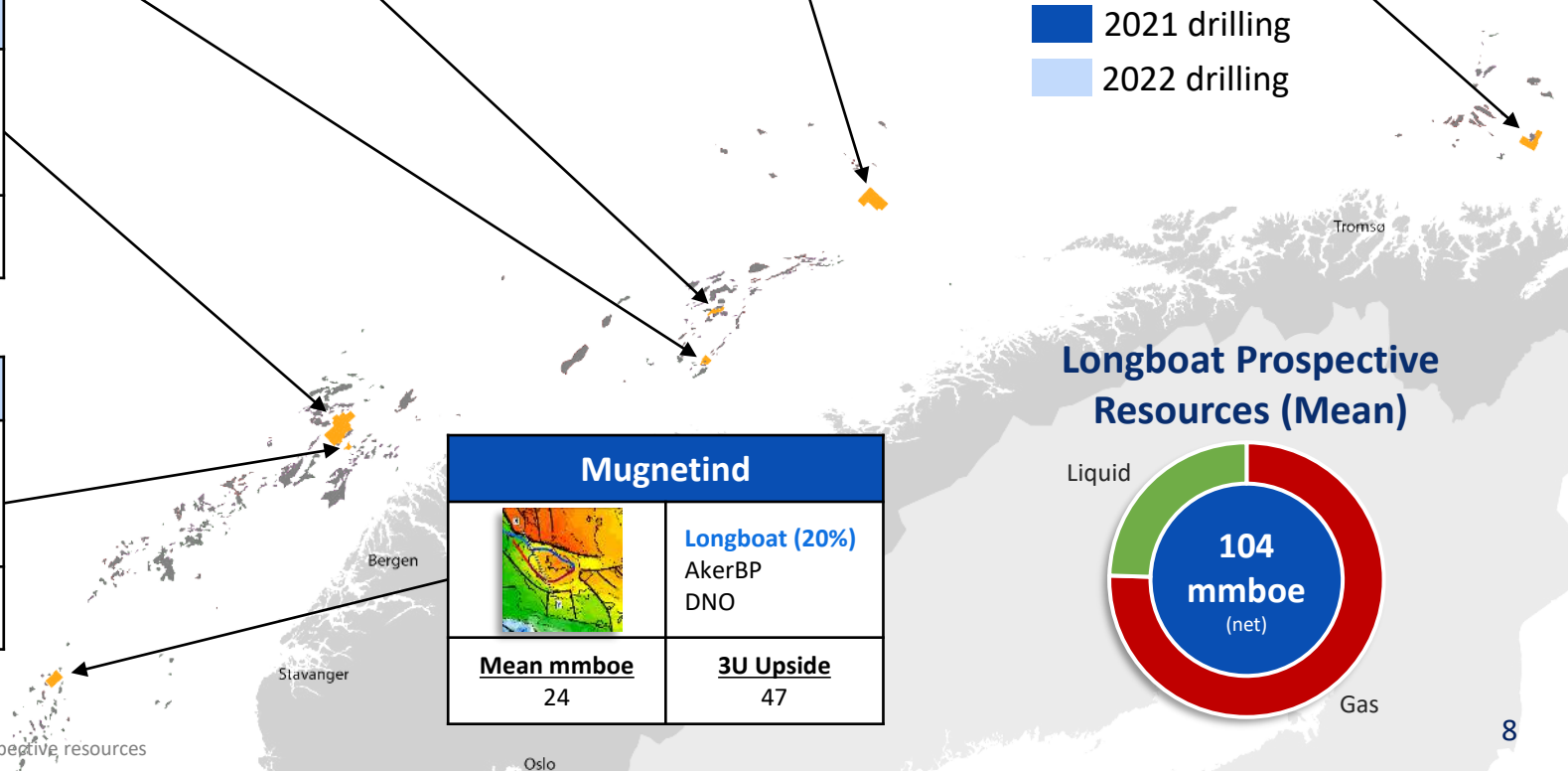
Rødhetta	
	Longboat (20%) Concedo Equinor Vår
Mean mmboe 41	3U Upside 81

Cambozola	
	Longboat (25%) Equinor Petro Spirit
Mean mmboe 159	3U Upside 307

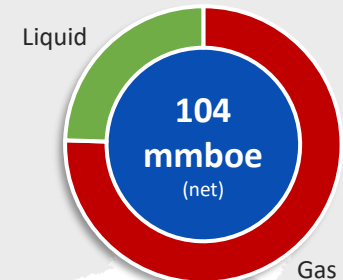
Kveikje	
	Longboat (10%) DNO Equinor Idemitsu
Mean mmboe 36	3U Upside 79

Mugnetind	
	Longboat (20%) AkerBP DNO
Mean mmboe 24	3U Upside 47

■ 2021 drilling
■ 2022 drilling






















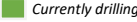
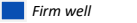

Longboat Prospective Resources (Mean)



Confirming high activity levels

Updated drilling schedule with up to four wells drilling H2-21, Copernicus now firm

Prospect	Operator	LBE WI%	Gross/Net Well Cost ¹	Gross/Net Resources	CoS%	2021		2022			
						Q3	Q4	Q1	Q2	Q3	Q4
Egyptian Vulture	Equinor	15%	\$31/\$5	103/15	25%			West Hercules			
Rødhetta	Vår	20%	\$35/\$7	41/8	41%			Scarebeo 8			
Ginny/Hermine	Equinor	9%	\$25/\$2	68/6	27/22%			West Hercules			
Kveikje	Equinor	10%	\$31/\$3	36/4	55%			Deepsea Stavanger			
Mugnetind	AkerBP	20%	\$33/\$7	24/5	51%				Maersk Integrator		
Cambozola	Equinor	25%	\$64/\$16	159/40	15%			Deepsea Stavanger			
Copernicus	PGNiG	10%	\$38/\$4	254/25	26%						
<i>Appraisal(s)?</i>											

-  Currently drilling
-  Firm well
-  Potential well

- All wells now firm following positive drill decision on Copernicus
- Up to four wells drilling prior to YE21 – each anticipated to take ~6-7 weeks
- In success case, potential for follow-on appraisal wells 2022-2023

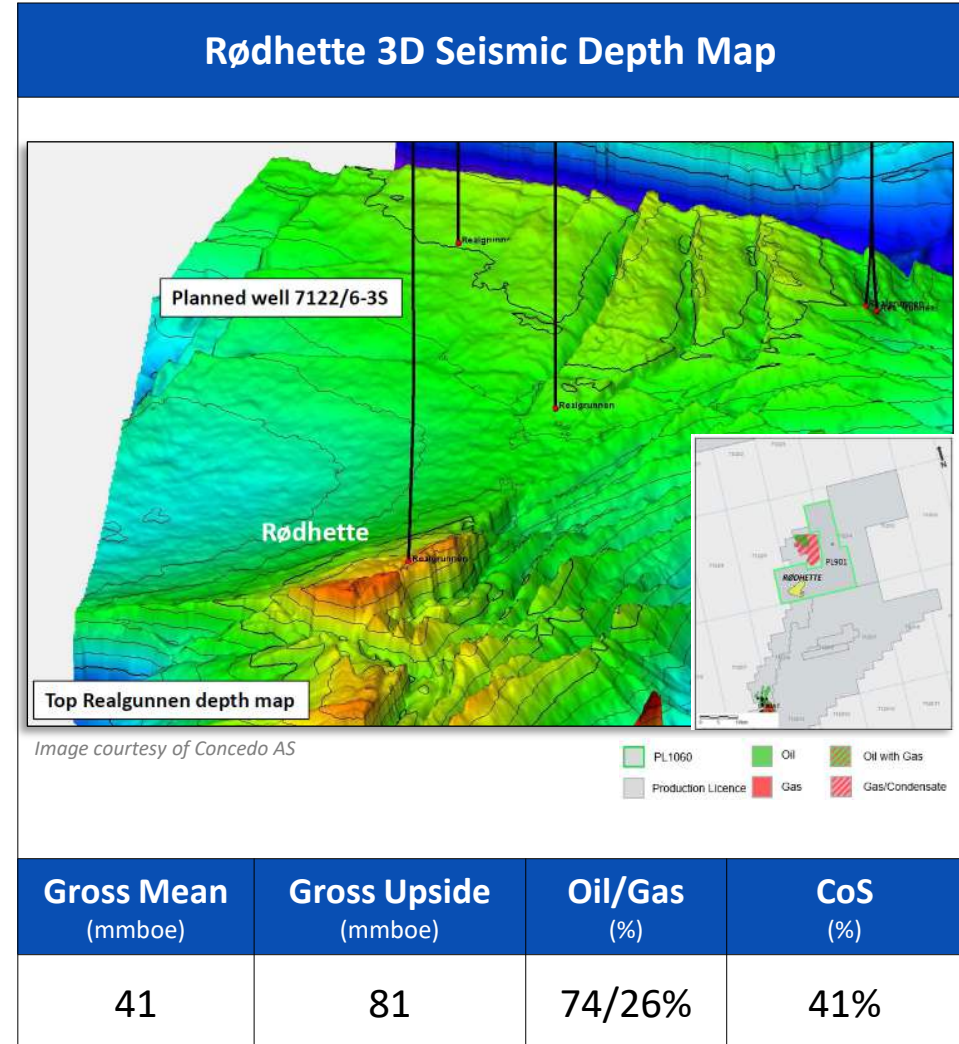
1) Pre-Norwegian tax refund figures, excludes transaction carry costs.

Prolific Barents play: Rødhette

Goliat tie-back potential with high chance of success

Licence	PL901
Prospect(s)	Rødhette
Partners	Longboat (20%), Vår (50%), Concedo (20%), Equinor (10%)

- Proven Jurassic Play in Hammerfest Basin
- Structural trap – rotated fault block
- Proven Trend – Snøhvit and Goliat Fields
- Rødhette 30km tie-back to Goliat for early monetization
- Gas cap DHI de-risk trap and charge
- Upside and uncertainty related to size of oil leg and degree of trap fill (fault seal)
- Key risks related to fault seal and phase risk



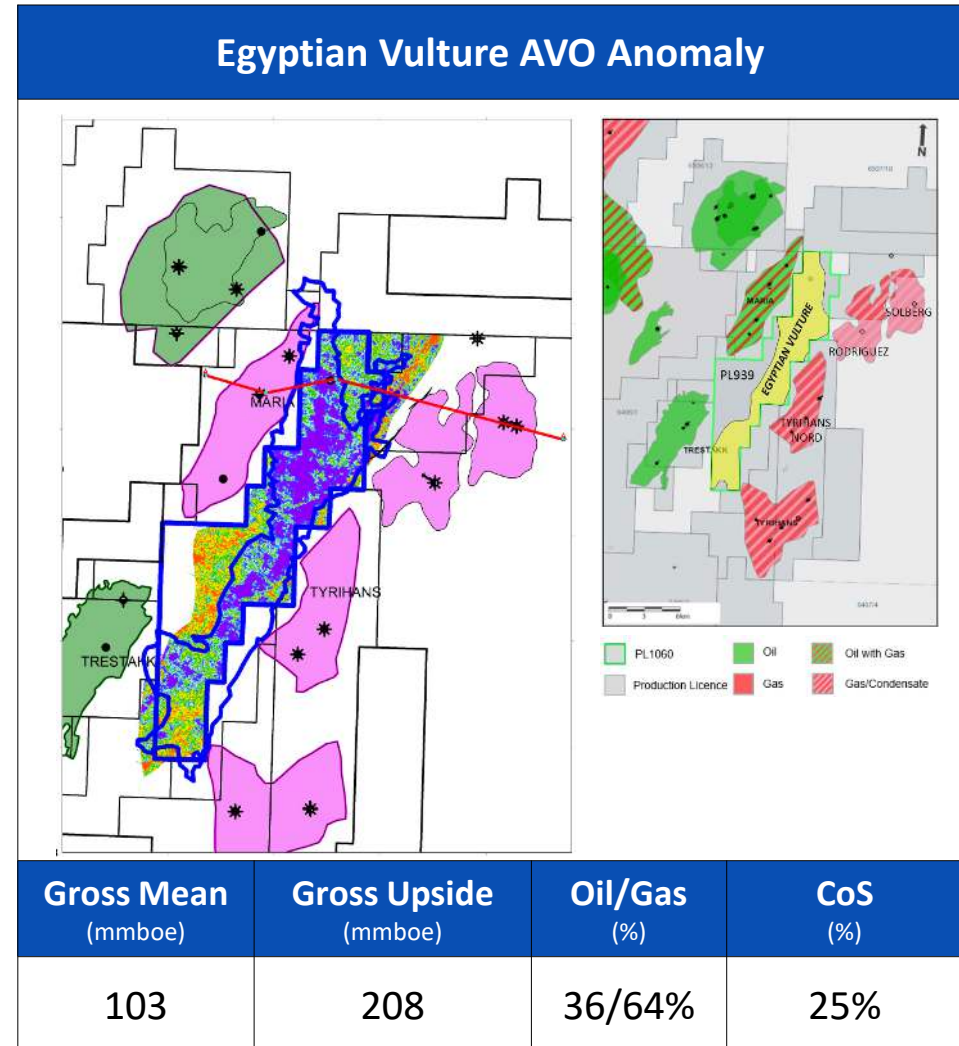
Source: ERCE CPR

Following a successful play: Egyptian Vulture

Medium risk, high reward in prior Faroe play

Licence	PL939
Prospect(s)	Egyptian Vulture
Partners	Longboat (15%) , Equinor (55%), PGNiG (30%)

- Upper Cretaceous turbidite play bounded within a regional graben
- Located in the prolific Halten-Dønna Terrace
- De-risked from strong AVO anomaly
- Several nearby Faroe discoveries (Solberg, Rodriguez, T-Rex) and analogous to the large Hades discovery made by Faroe (2018)
- Upside could double size of a discovery
- Potential to provide low-CO2 blending gas into nearby Equinor infrastructure (Åsgard)
- Key risks related to reservoir quality/thickness



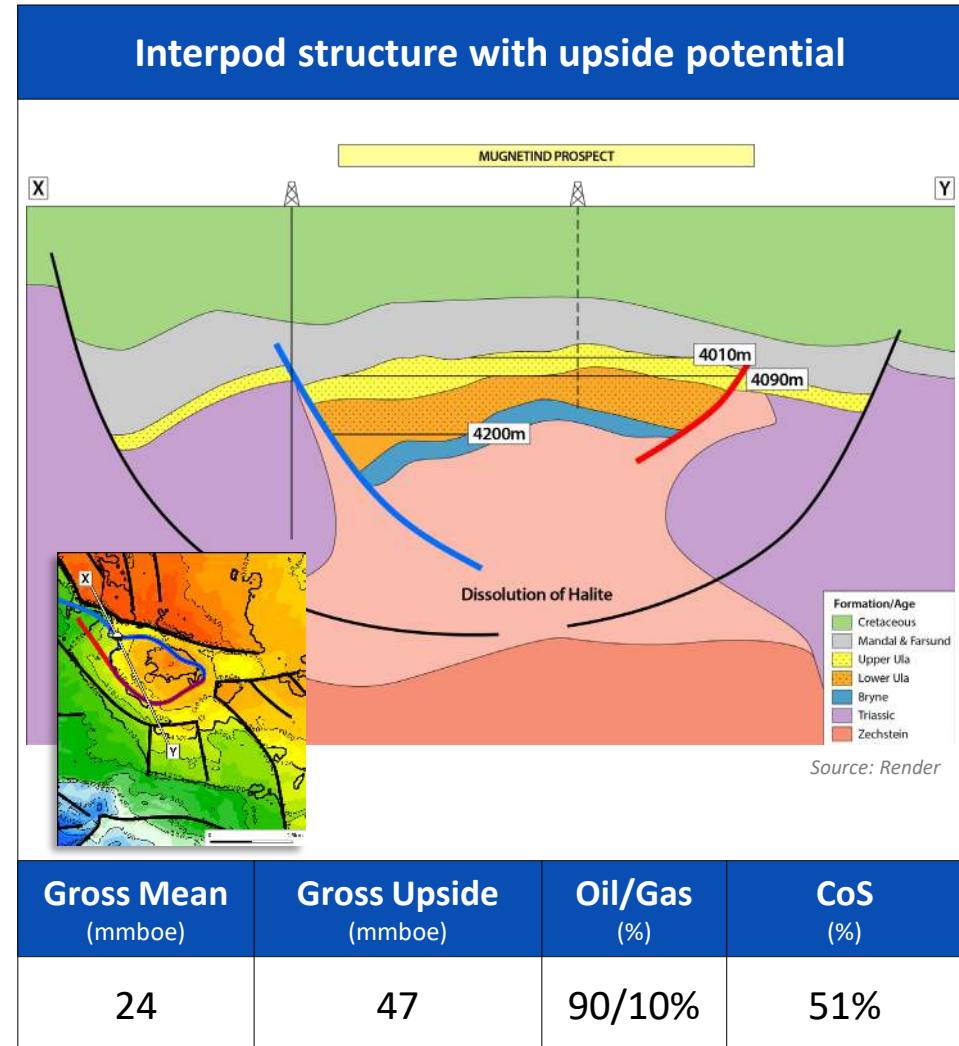
Source: ERCE CPR

Leveraging experience: Mugnetind

Low risk amplitude support in salt cored interpod setting

Licence	PL906
Prospect(s)	Mugnetind
Partners	Longboat (20%), AkerBP (60%), DNO (20%)

- Upper Jurassic Ula reservoir in interpod basin
- 4-way structural trap with fault dependent significant up-side
- Acreage previously held by Faroe
- Amplitude anomaly conform to structure - DHI up-lift
- On trend with Mime, Ula and Oda Fields
- Tie-back to Ula Field (Norway) or Blane (UK/Norway) – 11 km to host for rapid commercialization
- Key risks related to reservoir presence/quality



Source: ERCE CPR

Outlook & Summary

Market outlook

Increased M&A opportunities driven by market and Longboat positioning

North Sea M&A market for production dominated in H1-21 by private buyers

- Private companies accounted for ~2/3 of announced transactions
- Heavily weighted towards UK deals – only one Norwegian deal
- Significant number of stalled/failed transactions

Activity levels anticipated to increase significantly in H2 2021

- Market likely to be dominated by auctions for large portfolios
- ‘Mid market’ deals (\$100-200 million) could see less competition
- Several PE-backed companies coming to maturity in next ~12 months
- Proposed changes to Norwegian tax regime could create opportunities along the value chain

Longboat building on momentum generated from initial acquisitions

- Transaction completion with Major and successful fundraise viewed positively by counterparties

Dutch company ONE-Dyas seeks to sell all assets as part of strategic review

Private Dutch oil and gas company hires Jefferies International to handle sales process for portfolio of interests in North Sea and Gabon

Upstream, Jul 2021



JX Nippon seeks \$1.5 bln for UK North Sea oil, gas fields

JX Nippon has hired Bank of America and Kirk Lovegrove as advisers for the sale of the portfolio

Reuters, May 2021

Ithaca Energy agrees to buy Marubeni's North Sea assets for \$1 bln

Israeli energy company Delek Group said last year it wanted to list the North Sea-focused energy company

Reuters, Sep 2021



Our plan remains to build Longboat in to a full-cycle, North Sea E&P company

Delivering the potential

Seven prospects with more follow-on potential

1 High activity levels targeting significant upside

- Seven wells drilling between prior to year end 2022
- 73 mmboe follow-on prospectivity derisked by success¹
- Additional net incremental upside of 147 mmboe²

2 Low risk portfolio

- Risk range 22-55% for all-but-one high-impact prospect
- Norwegian success rates of 63% almost double global rates in 2020

3 Matches Longboat ESG objectives

- Norway a global leader on low CO₂ intensity/boe
- Volumes into mature hubs further reduces CO₂/boe

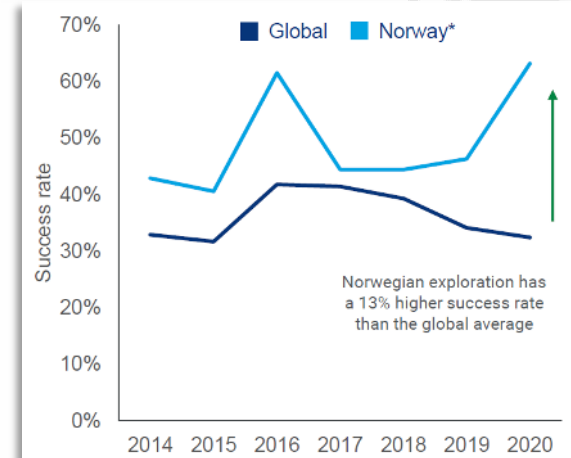
4 Clear route to monetisation

- All prospects within tieback distance of existing infrastructure
- Overlap between exploration partners and infrastructure owners

5 Seeking further deals

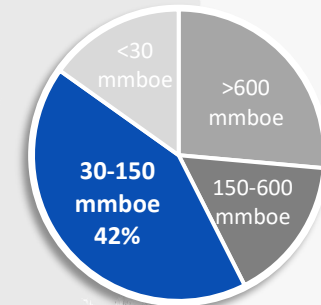
- Build on momentum generated from initial acquisitions

Exploration Technical Success Rates



Source: Woodmac (*Norway data excludes West Barents Sea basin)

NCS Value Creation by Discovery Size



Source: NPD Exploration Resource report 2020

1) Based on operator mean unrisked estimates of follow-on Fontina-Burrata prospect

2) Based on net unrisked "3U" high volumes in ERCE CPR plus operator high unrisked estimates of follow-on Fontina-Burrata prospect

Appendix

Delivering energy responsibly

Longboat is committed to supporting the energy transition

Longboat is committed to delivering energy responsibly

Corporate ‘Net Zero’ target (Scope 1 & 2) by 2050

- Exploration success crucial to reducing CO₂/boe through maximising mature infrastructure

Norwegian commitment to decarbonisation, including:

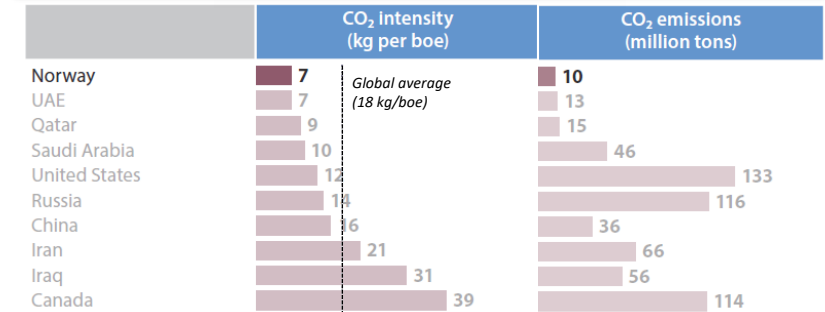
- Hydroelectric power-from-shore projects to reduce offshore CO₂ emissions
- World’s first floating wind farm (Hywind Tampen) to power offshore platforms
- Northern Lights project providing open and flexible infrastructure for CO₂ storage and sequestration

Actively contribute to Norwegian decarbonisation and ‘Net Zero’ targets

Longboat committed upholding high standards of corporate governance

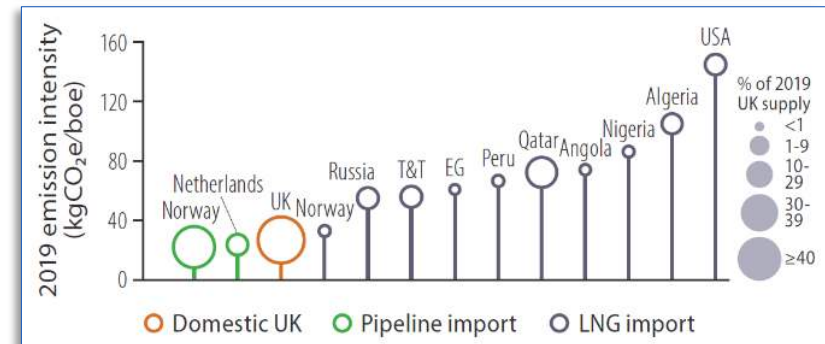
Strongly held principles of diversity and inclusion

Global CO₂/boe Ranking



Source: NPD Exploration Resource report 2020

Emission Intensity for Gas Deliveries to the UK



Source: NPD Exploration Resource report 2020

Longboat team

Ex-Faroe team has a proven track record of resource growth on the NCS

Executives



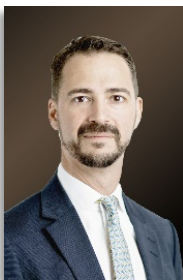
Helge Hammer - *Chief Executive Officer*

- COO of Faroe Petroleum since entry into Norway in 2006 until 2019 sale
- Over 30 years' technical & business experience, incl. Shell (Norway, Oman, Australia and Holland) and Paladin Resources
- Petroleum Engineering degree (NTH University of Trondheim), Economics degree (Institut Français du Pétrole, Paris)



Jonathan Cooper - *Chief Financial Officer*

- CFO of Faroe Petroleum from July 2013 until 2019 sale
- Formerly CFO at Gulf Keystone, Sterling Energy and Lamprell plc
- Former Director of the Oil and Gas Corporate Finance Team of Dresdner Kleinwort Wasserstein
- PhD Mechanical Engineering (University of Leeds)



Nick Ingrassia – *Corporate Development Director*

- Group BD Head at Faroe Petroleum from 2017 until 2019 sale and remained with DNO as UK Country Head until 2020
- Prior BD roles at Valiant Petroleum, Salamander Energy
- Previously held banking roles with Morgan Stanley and RBS
- MA Hons Ancient History (University of St Andrews)

Non-Executives



Graham Stewart
Non-Executive Chairman



Brent Cheshire CBE
Senior Independent Non-Executive Director



Jorunn Saetre
Independent Non-Executive Director



Katherine Roe
Independent Non-Executive Director

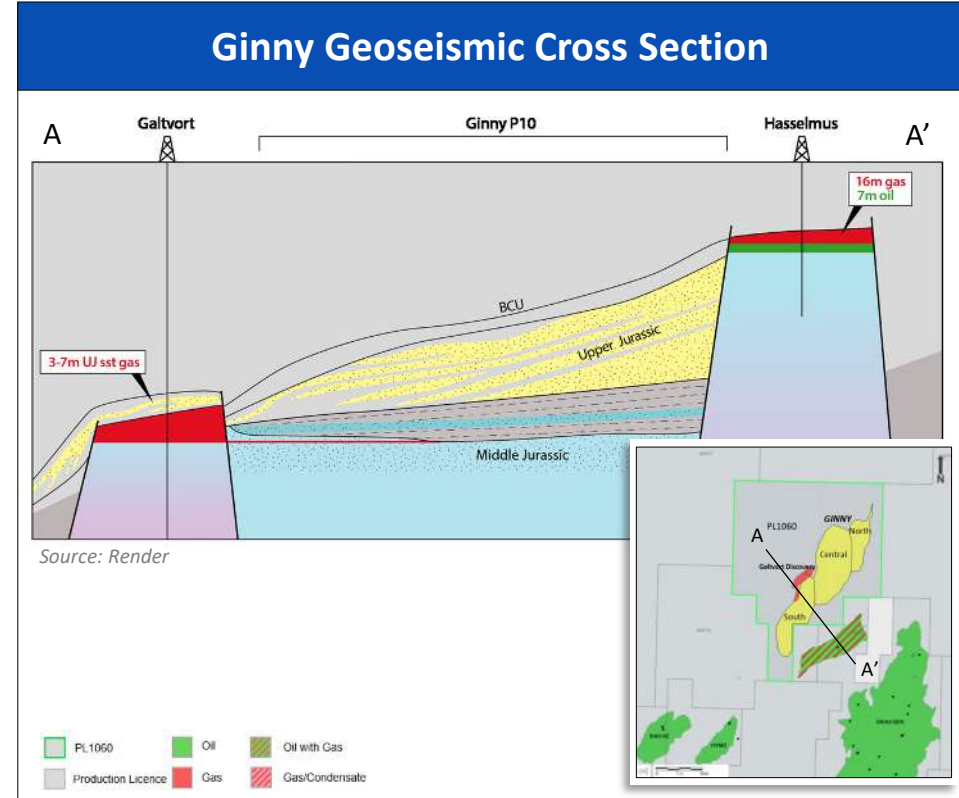


Infrastructure Led Exploration: Ginny/Hermine

Fenja analogue on the migration route to Draugen

Licence	PL1060
Prospect(s)	Ginny, Hermine
Partners	Longboat (9%), OKEA (40%), Equinor (31%), Harbour (20%)

- Upper Jurassic Ginny prospect on trend and analogue to Fenja (Faroe discovery)
- Stacked with Middle Jurassic Hermine
- Galtvort Gas discovery within the licence (58 bcf)
- Prolific petroleum system, on migration route to Draugen Field 1 Bboe
- Oil tie-back to Njord re-development, Gas to area infrastructure
- Key risks related to fault seal and phase risk



	Gross Mean (mmboe)	Gross Upside (mmboe)	Oil/Gas (%)	CoS (%)
Ginny	41	84	12/88%	27%
Hermine	27	45	12/88%	22%

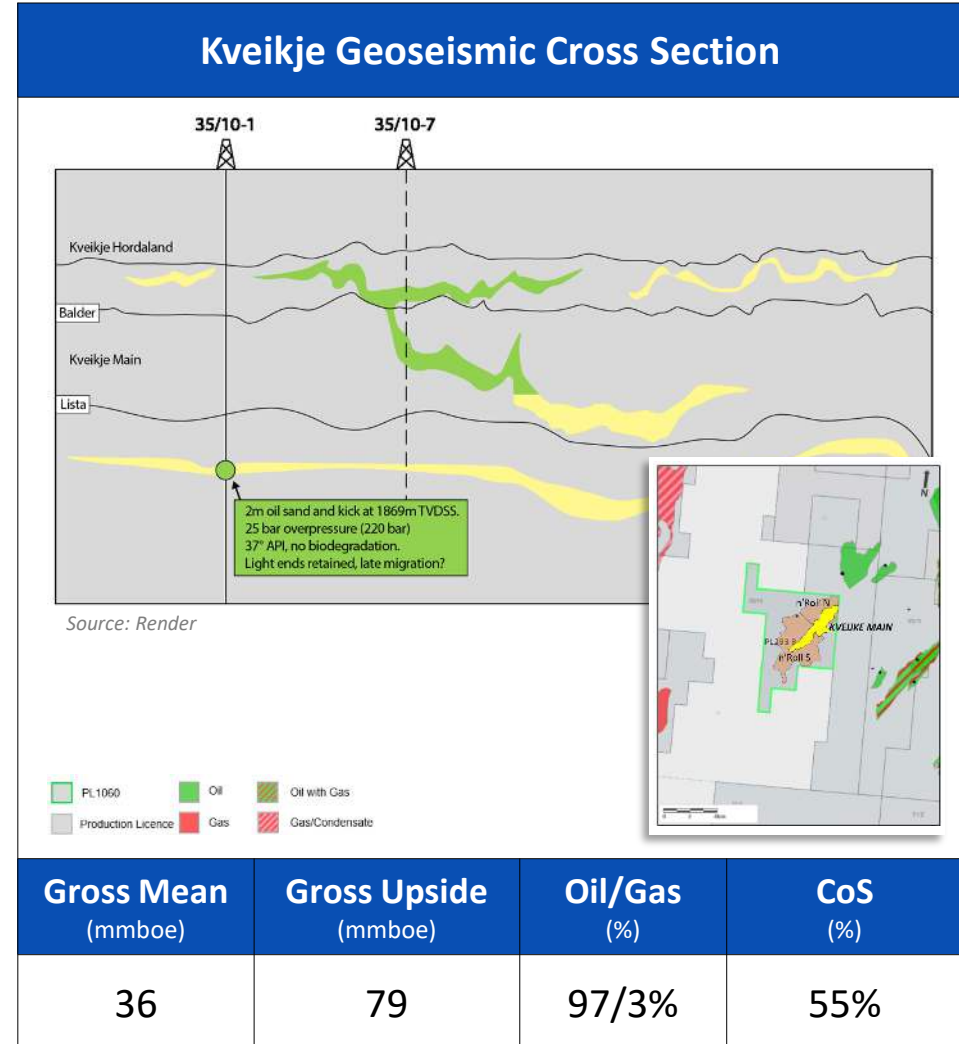
Source: ERCE CPR

Emerging play: Kveikje

Low risk, medium reward in emerging injectite play

Licence	PL293B
Prospect(s)	Kveikje
Partners	Longboat (10%) , Equinor (51%), DNO (29%), Idemitsu (10%)

- **Paleocene injectite play with multiple targets**
- **Located near recent Røver North discovery and analogous to multiple recent successes in Alvheim-Frosk area**
- **De-risked from strong AVO anomaly with conformance to depth**
- **P10 upside could double size of a discovery**
- **Nearby Fram infrastructure offers opportunity for commercialization**
- **Key risks related to reservoir presence/quality and trap**



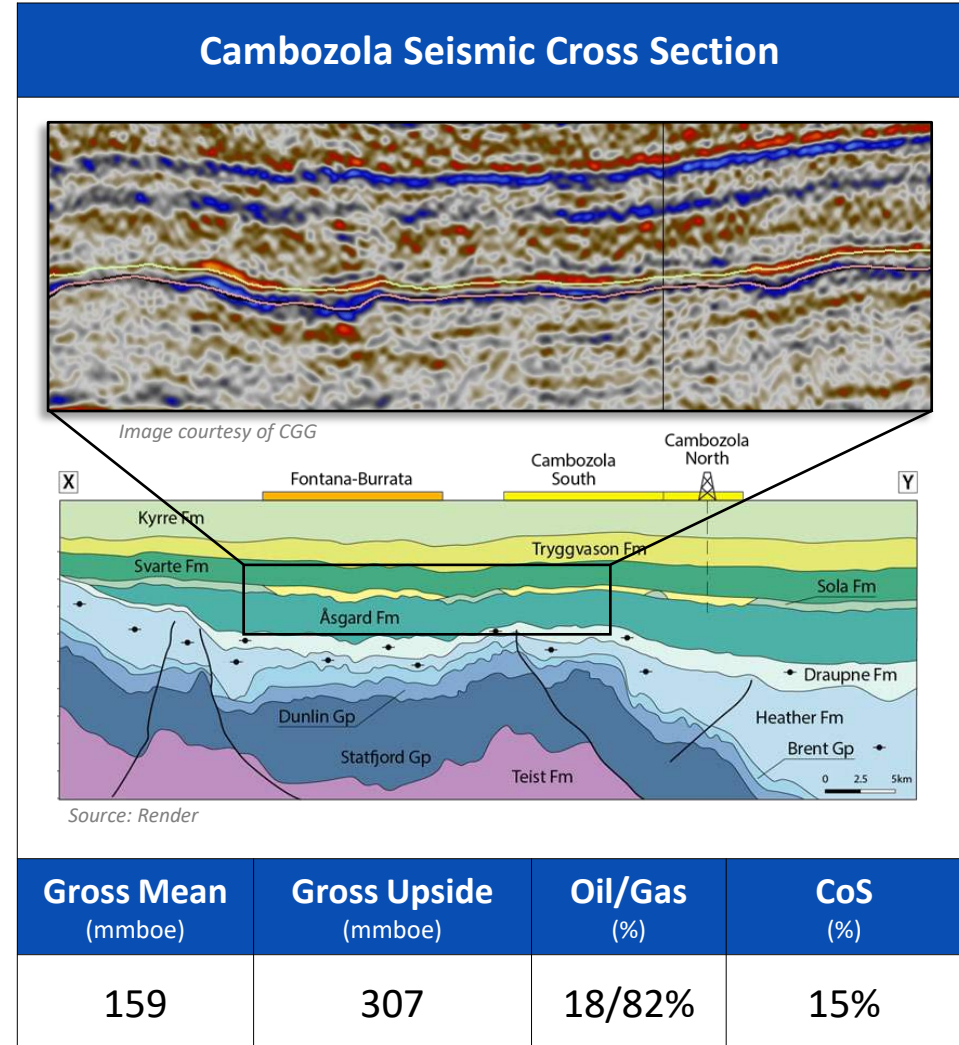
Source: ERCE CPR

Play opener: Cambozola

Higher risk, higher reward in newly-identified play

Licence	PL1049, PL1049B
Prospect(s)	Cambozola, Fontina-Burrata
Partners	Longboat (25%) , Equinor (35%), Petoro (20%), Spirit (20%)

- Cretaceous fan system fed from nearby structural highs (Gullfaks, Kvitebjørn, Visund)
- Prolific Tampen area
- Stratigraphic pinch-out with some potential structural trapping element
- Clear amplitude anomaly with possible gas chimneys visible on seismic
- All regional wells drilled beyond prospect extent – play opener
- Significant follow-on Fontina-Burrata prospect estimated by operator to have gross mean resources of 279 mmboe
- Key risks related to reservoir presence/quality and trap



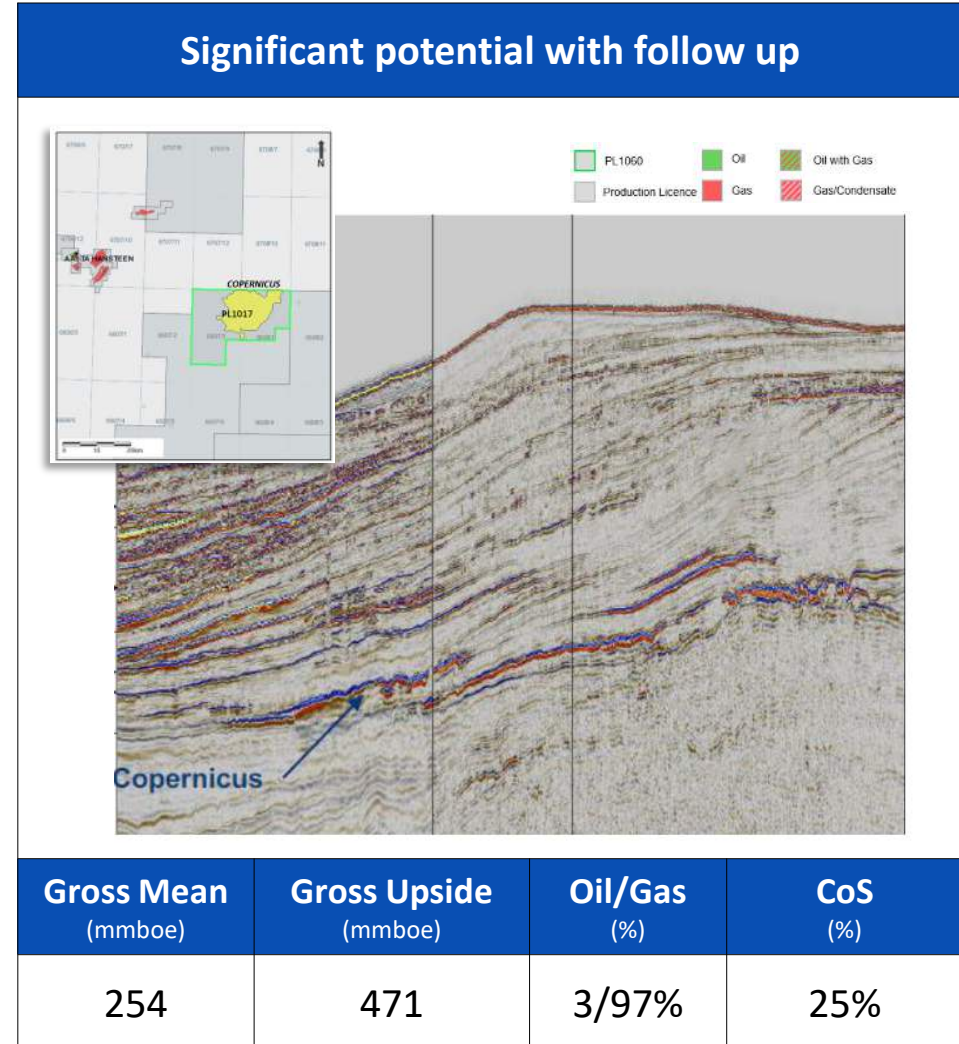
Source: ERCE CPR

Significant gas potential: Copernicus

Medium risk – high reward opportunity

Licence	PL1017
Prospect(s)	Copernicus
Partners	Longboat (10%) , PGNiG (50%), Equinor (40%)

- **Miocene – Pliocene lowstand wedge with amplitude anomaly**
- **Play-opener with large potential and follow-up opportunities**
- **Tie-back to Aasta Hansteen Field and Polarled gas pipeline with available capacity**
- **On the shelf break: 400–700m water depth**
- **Reservoir depth 2,140 – 2,300m – high porosity reservoir expected**
- **Possible gas DHI**
- **Key risks with trap and reservoir**



Source: ERCE CPR