

Longboat Energy plc

Exploration Update

November 2021

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Exploration update

Significant exploration portfolio at unique point in time

1 Three wells drilled, three discoveries

- Egyptian Vulture: material discovery, significant upside potential
- Rødhette: potential commercialisation via existing infrastructure
- Mugnetind: sub-economic discovery
- Wells all delivered safely and on time/budget

2 Exploration activity levels remain high

- Four more exploration wells in next ~6 months targeting 75 mboe (net) and total upside of 267 mboe (net)
- Targeting primarily gas prospects (86%)

3 Infrastructure led (ILX) exploration portfolio

- All prospects within tieback distance of existing infrastructure
- Overlap between exploration partners and infrastructure owners
- Positive environmental impact and lower CO₂ per barrel

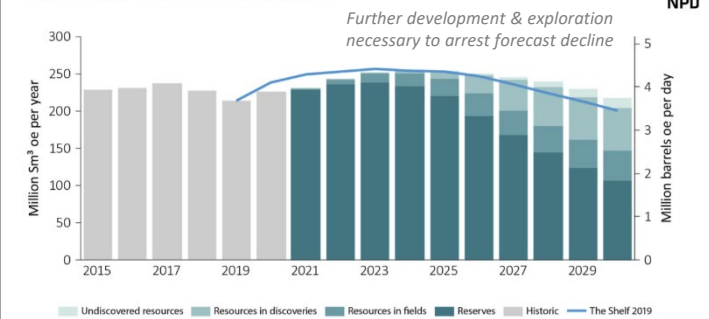
4 Using momentum to seek value-accretive opportunities

- Leveraging team, knowledge and market environment

Norwegian Production Forecast

Total production up to 2030

— approximately 4 million barrels of oe per day



Source: Norwegian Petroleum Directorate, Company notation



Egyptian Vulture discovery in line with Equinor's new strategy

With oil proven in Cretaceous sands close to existing infrastructure in the Norwegian Sea, Equinor successfully embarks on new vision to transform the shelf from an oil and gas province to a broad energy province.

expronews.com
2 November 2021

Key Well Results

Egyptian Vulture result summary

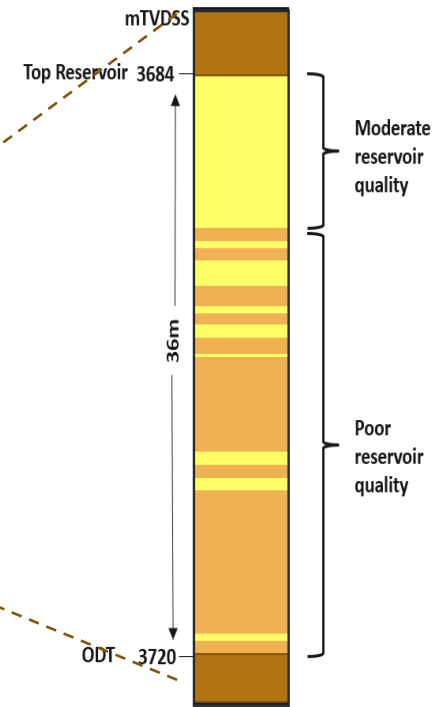
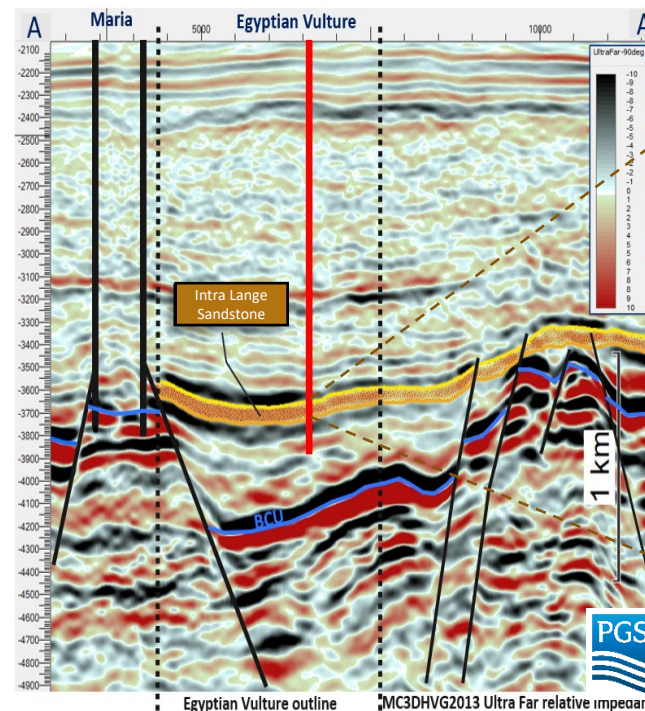
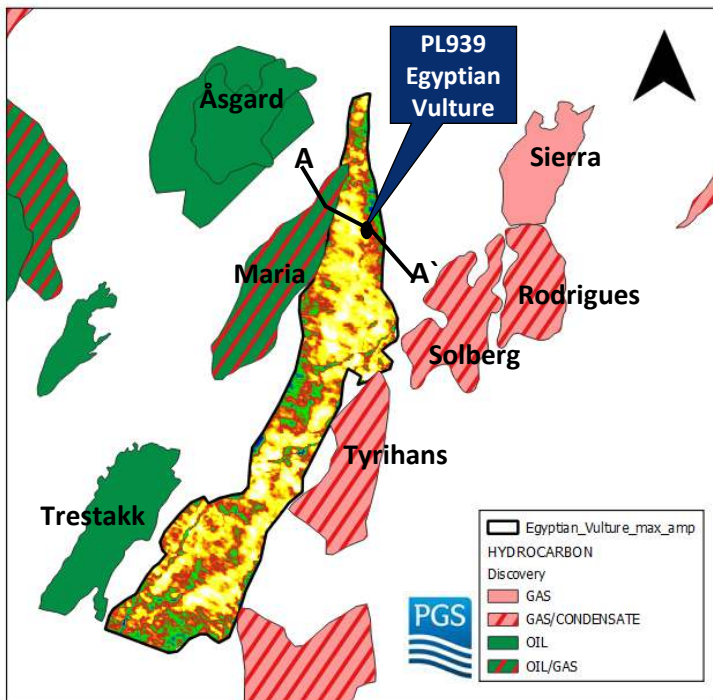
Material discovery with substantial upside

Lower Cretaceous Intra-Lange Formation

- 13m net sand in a 36m hydrocarbon filled gross interval
- High net-to-gross in upper reservoir section with porosities ~16%

Combination structural and stratigraphic trap, no oil-water contact encountered

Licence	PL939
Partners	Longboat (15%) Equinor (Op. 55%) PGNiG (30%)



Egyptian Vulture could extend over more than 80 km²

Egyptian Vulture: in the right postcode

Significant hub area actively focused on incremental tiebacks

Egyptian Vulture resources

- In-place volumes: 220-440 mboe
- Fluid type uncertainty – PVT analysis to determine fluid properties
- Significant upside to current operator recovery factor range of 9-14%

Working towards appraisal well decision

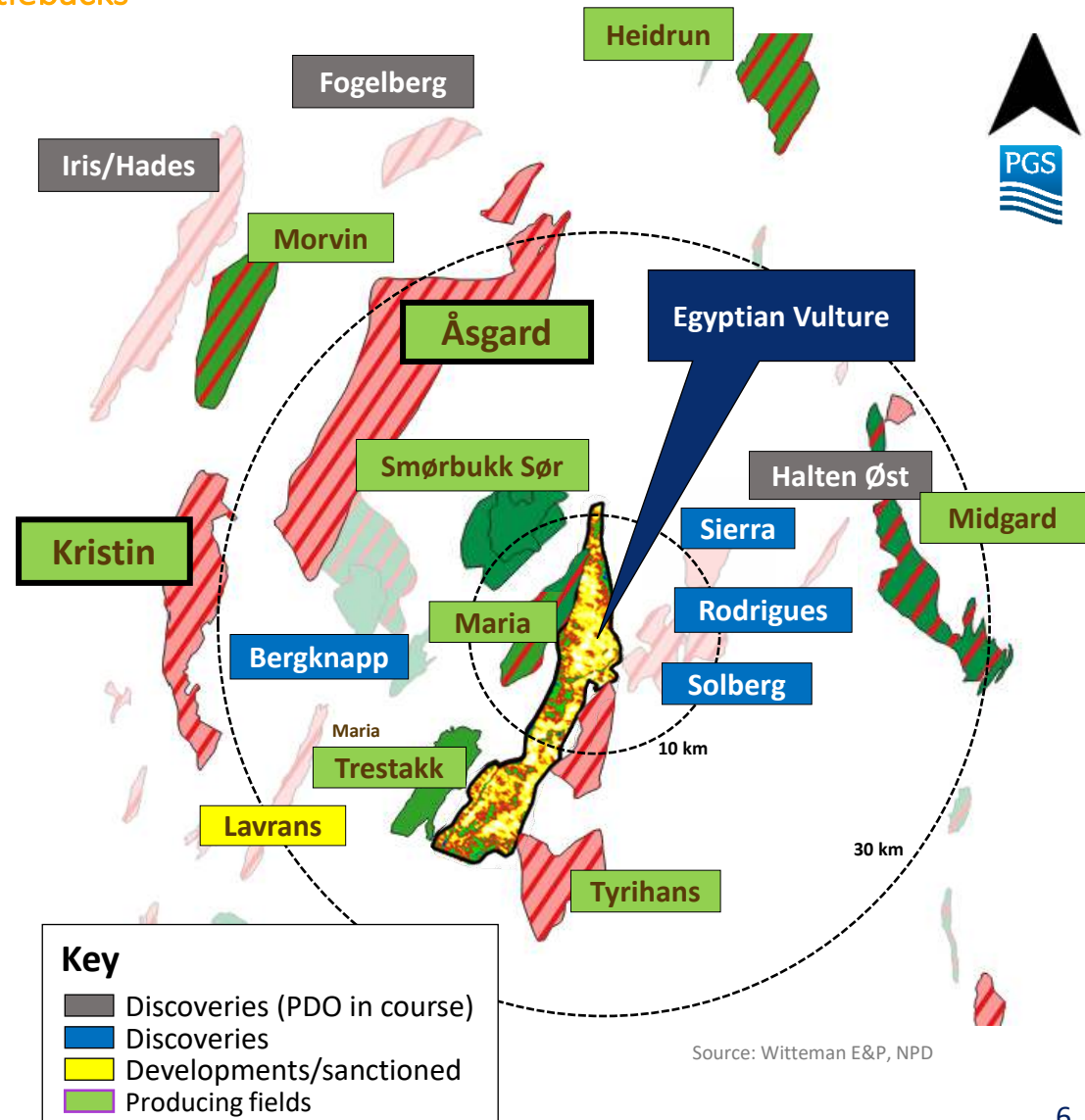
- Reservoir thickening and lateral extent
- Test reservoir flow potential
- Reduce fluid type uncertainty

Area hubs

- Åsgard (FPSO, Op: Equinor)
- Kristin (FPSO, Op: Equinor)

Significant area of development activity

- Significant resources planned for near term development



Rødhetta discovery

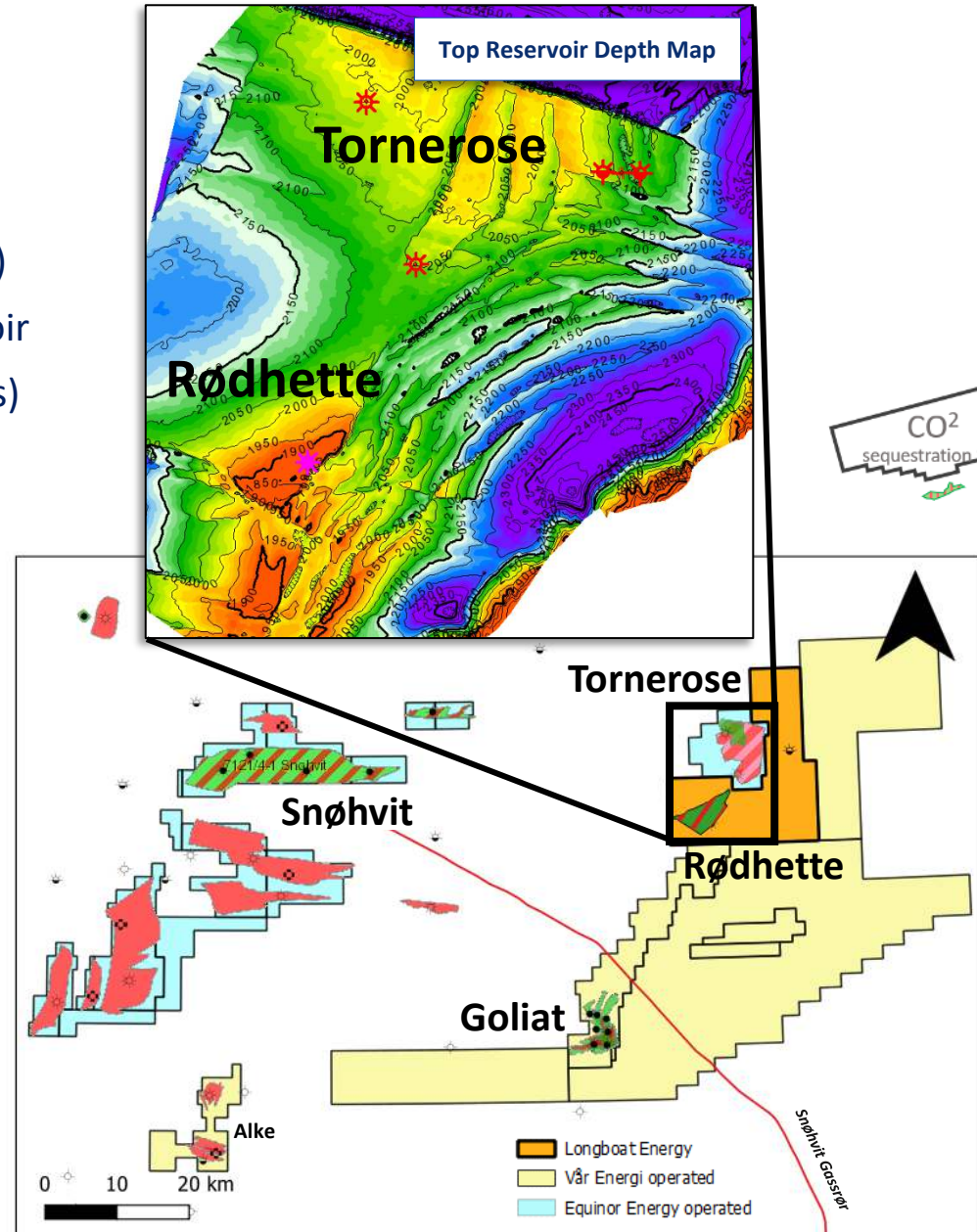
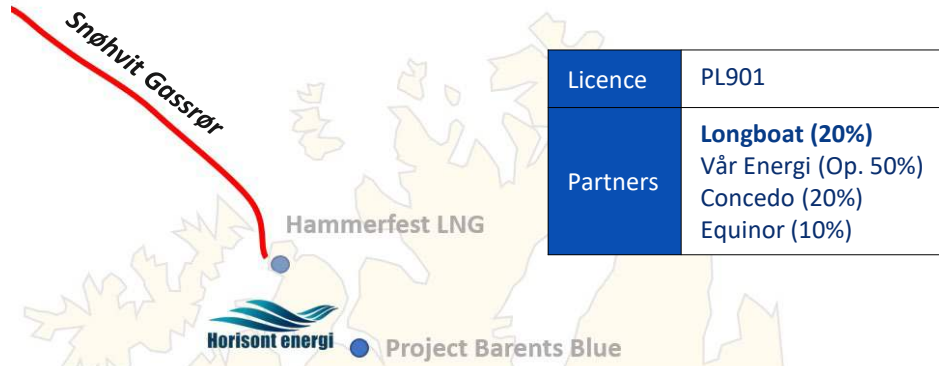
Minor oil & gas discovery near to infrastructure

Well results

- 29m hydrocarbon column in Stø Formation (11m oil)
- High net-to-gross, moderate-to-good quality reservoir
- Preliminary resource estimate at 9-12 mmboe (gross)

Activities & opportunities

- Goliat and Alke gas export solution expected
- Tornerose/Rødhetta area solution potential:
 - Tornerose: 24 mmboe (NPD resources)
- Snøhvit Future project
- Continued exploration efforts in Hammerfest basin
- Blue ammonia under evaluation in Hammerfest



Upcoming Wells

Longboat discoveries & near-term exploration wells

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

Egyptian Vulture	
	Longboat (15%) Equinor PGNiG
STOIIIP 220-440 mmboe	

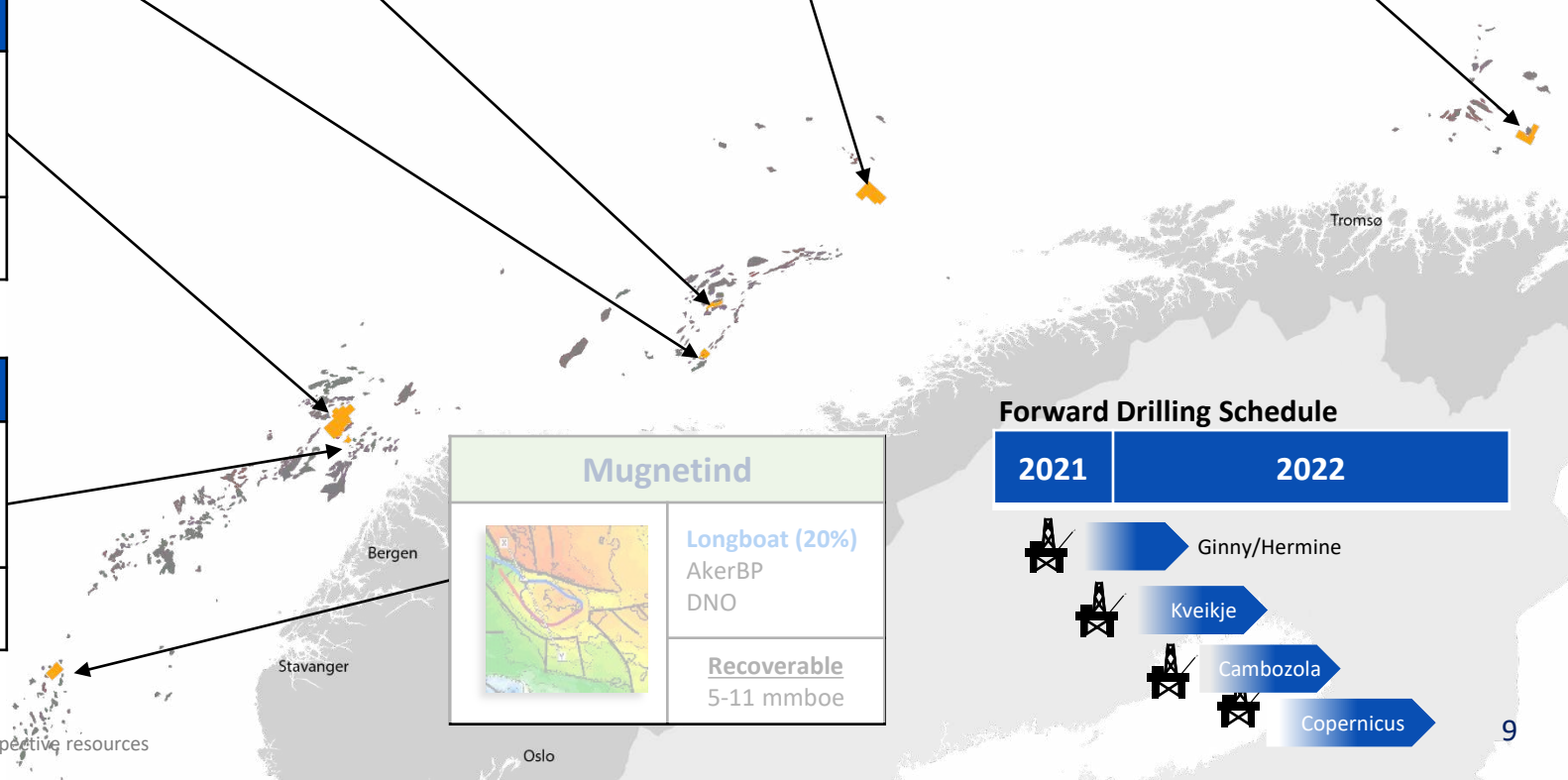
Copernicus	
	Longboat (10%) Equinor PGNiG
Mean mmboe 254	3U Upside 471

Rødhetta	
	Longboat (20%) Concedo Equinor Vår
Recoverable 9-12 mmboe	

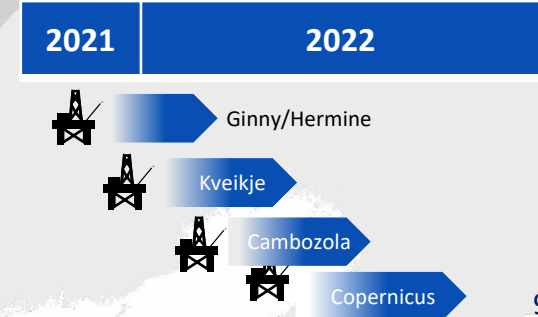
Cambozola	
	Longboat (25%) Equinor Petoro Spirit
Mean mmboe 159	3U Upside 307

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

Mugnetind	
	Longboat (20%) AkerBP DNO
Recoverable 5-11 mmboe	



Forward Drilling Schedule



Ginny – Expected spud in December

Multiple export routes to nearby infrastructure

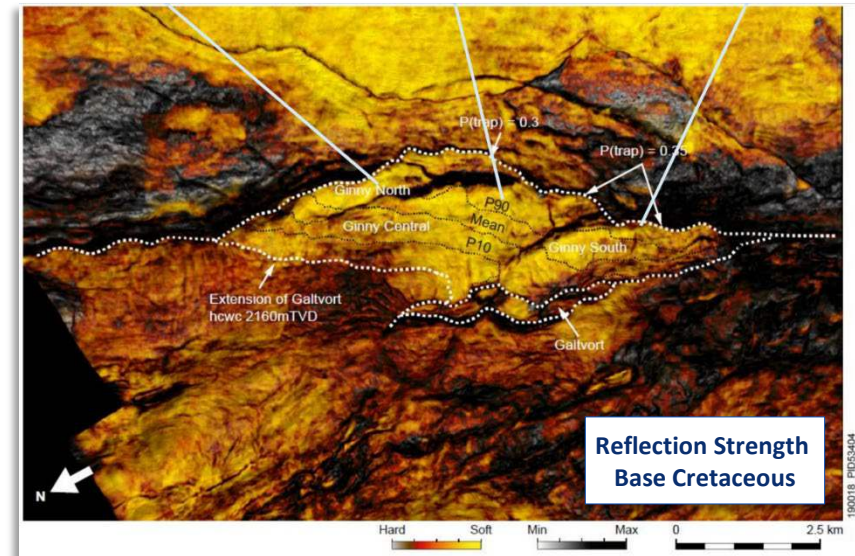
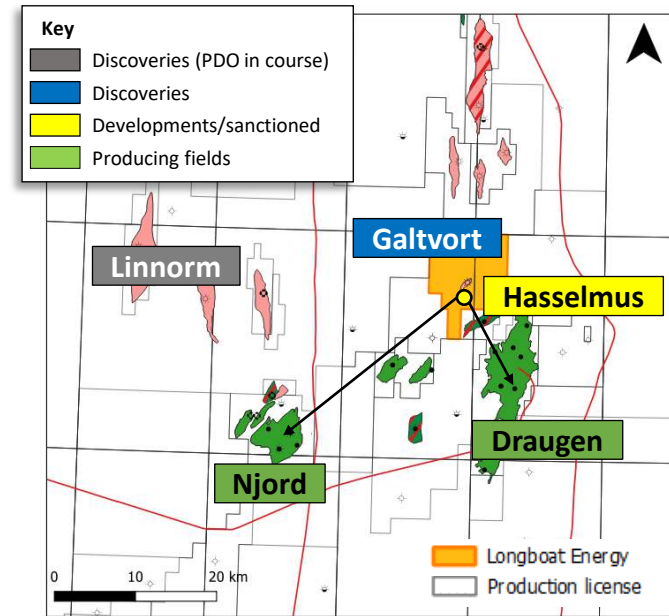
Licence	PL1060
Partners	Longboat (9%), Equinor (Op. 31%), OKEA (40%), Chrysaor (20%)

Prospects

- Stacked near field opportunity
- Ginny - Upper Jurassic Rogn shoreface sandstones
 - Gross resources mean-high 41 – 84* mmboc
 - CoS: 27%
- Hermine - Middle Jurassic Garn/Ile Fm
 - Gross resources mean-high 27 – 45* mmboc
 - CoS: 22%
- Key risks related to fault seal and fluid phase

Area

- Located between 2 existing discoveries
 - Galtvort and Hasselmus
- Hasselmus development decision taken June 2021
- Draugen and Njord provide attractive tie-back options



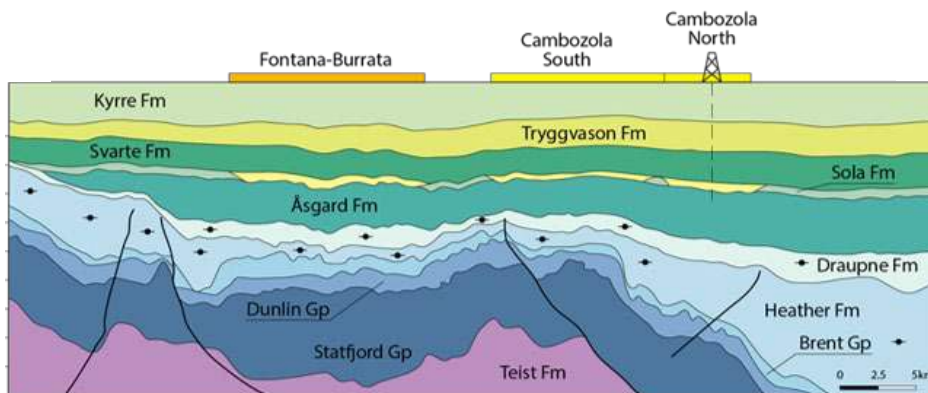
Cambozola

Play opener close to infrastructure

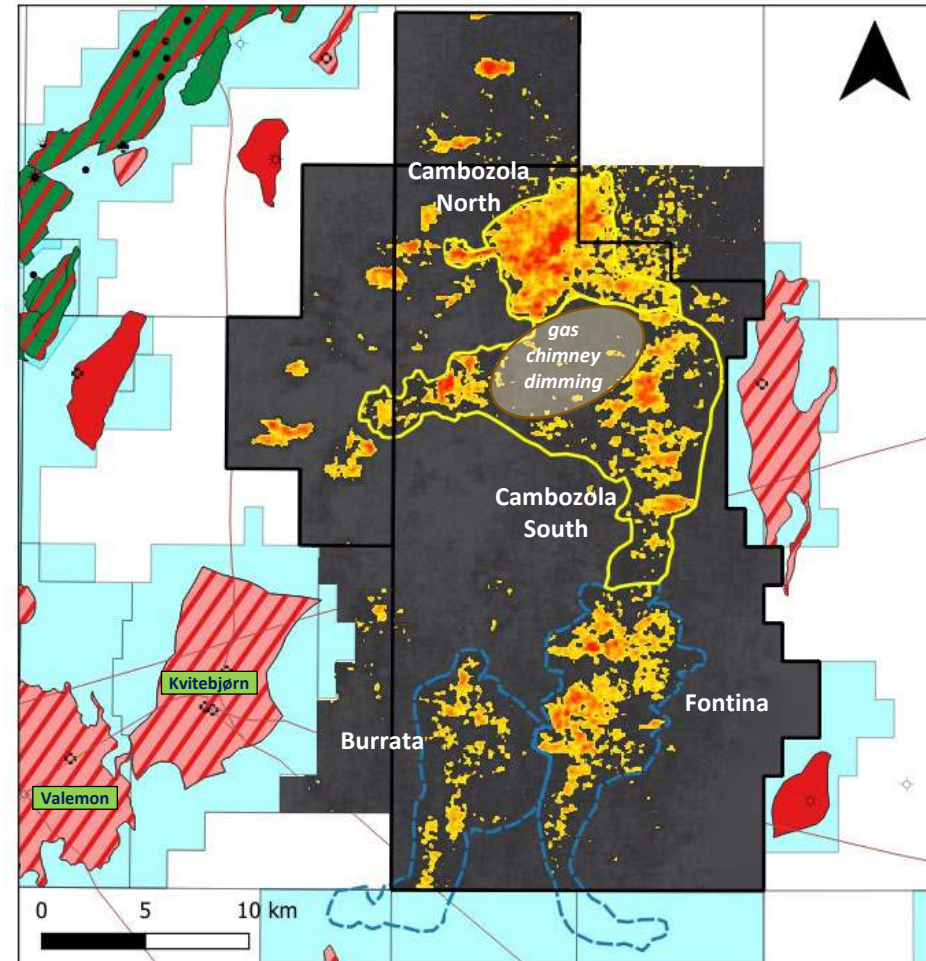
- Lower Cretaceous submarine fan in Magne Sub-basin sourced from Gullfaks High
- Stratigraphic trap with potential structural element
- Clear amplitude anomaly and possible gas chimneys
- Burial depth 3840m, planned as High Pressure High Temperature (HPHT) well
- Key risk on reservoir presence/quality and trap

Gross Mean (mmboe)	Gross Upside (mmboe)	Oil/Gas (%)	Risk (%)
159	307	18/82%	15%

Source: ERCE CPR



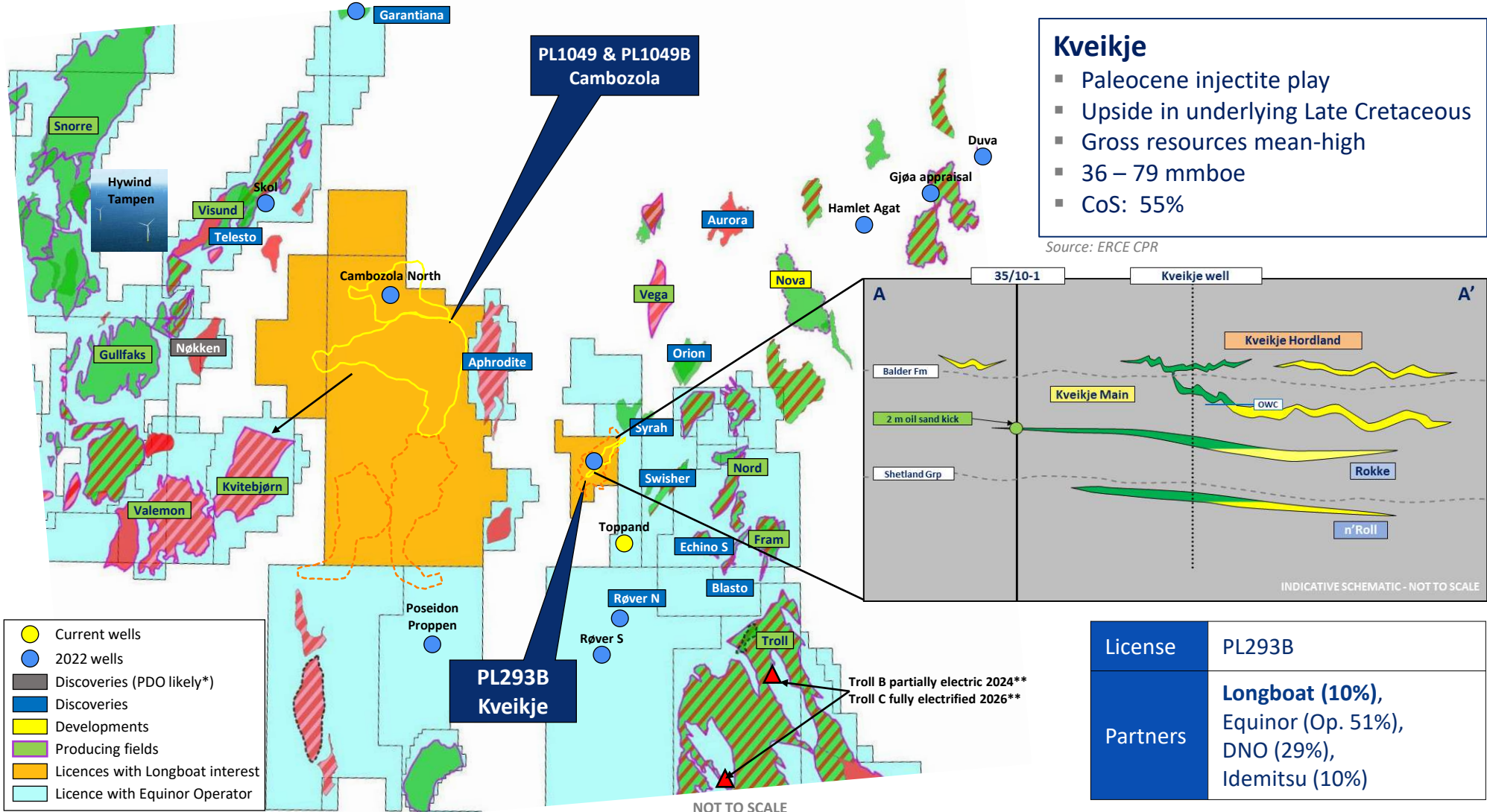
Licence	PL1049, PL1049B
Partners	Longboat (25%) , Equinor (Op. 35%), Petoro (20%), Spirit (20%)



Courtesy of CGG and Spirit

Kveikje & Cambozola – Expected in Q1

“Hub” area with high activity, close to Equinor operated infrastructure



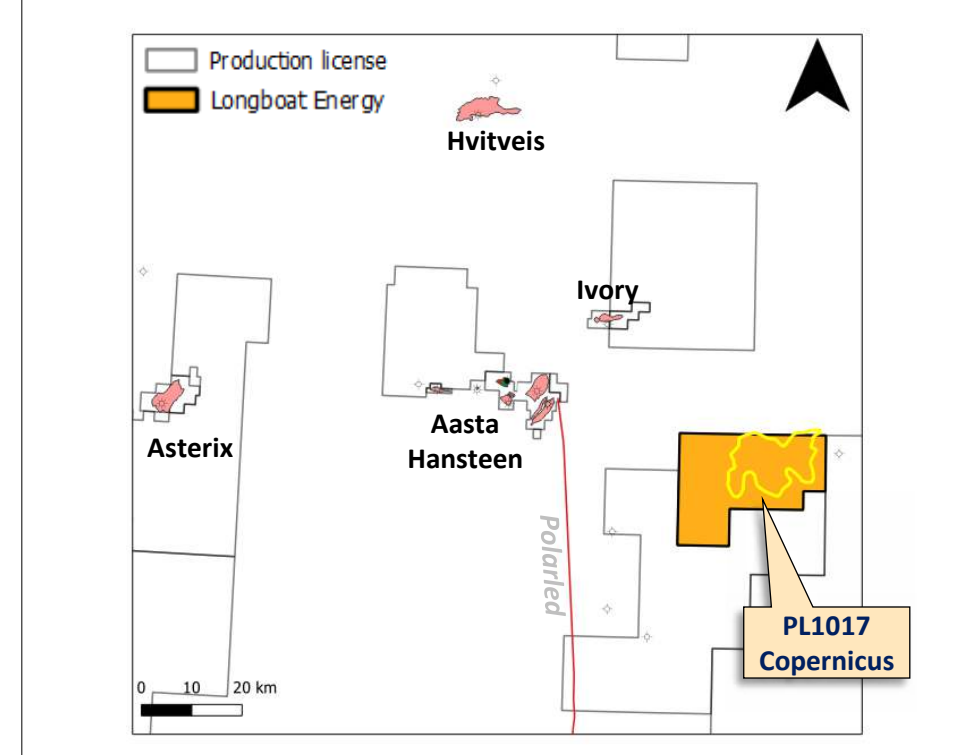
Significant gas potential: Copernicus

Medium risk – high reward opportunity

Licence	PL1017
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 2140–2300m – high porosity reservoir expected
- Possible gas Direct Hydrocarbon Indicator (DHI)
- Key risks with trap and reservoir
- Expected spud mid-2022

Significant potential with follow up



Gross Mean (mmboe)	Gross Upside (mmboe)	Oil/Gas (%)	Risk (%)
254	471	3/97%	25%

Source: ERCE CPR

Outlook & Summary

Longboat M&A strategy

Increased M&A opportunities driven by market and Longboat positioning

Signs of increased Norwegian M&A activity into H1 2022, UK investment climate uncertain

- Smaller deals (\$100-200 million) could see less competition
- Several PE-backed companies coming to maturity
- Norwegian tax changes could trigger portfolio adjustments and create opportunities
- UK initiatives largely on-hold awaiting more positive investment signals

Longboat keen to build on momentum generated from initial acquisitions

- Proven ability to transact and fundraise
- Focused on value-driven opportunities with potential to create high cash-on-cash returns without using excessive amounts of leverage
- History of innovative transactions at both Longboat and previously at Faroe (e.g. swaps)
- Adding value in a cooperative working relationship with our licence partners

Our plan is to build a full-cycle North Sea E&P company

Financial update

Expected new tax system lowers the hurdles for full-cycle investments

Cash and receivables

- Cash at 31 October 2021 £34.9 million (unaudited)
- Further expected Norwegian tax rebates for 2021 of £16 million (unaudited) under the temporary tax regime

Proposed change to Norwegian petroleum tax system from 2022 onwards

- Move to a 'cash based' system (i.e. immediate expensing of investments)
- Same marginal rate (78%), different calculation
 - Exploration refund (78%) to be replaced with 71.8% repayment of all losses (including capex) in Y+1
 - Residual CT element (6.2%) carried forward until profitable

Impact of proposed new tax system for growth companies like Longboat:

- Tax refund of all losses (including capex) significantly reduces working capital needs and lowers the financing hurdles for Longboat to invest in E&P projects
- However, industry requires further clarifications on aspects of the proposal, including:
 - Continued ability to pledge tax refund which is key and has been requested by industry
 - Potential transition period if new system introduced retroactively (Q2-22 approval, 1-Jan-22 effective)
- Longboat proactively engaged with its lenders and Ministry of Finance to seek clarity and make any necessary adjustments to its Exploration Finance Facility

Delivering the potential

Seven prospects – three wells drilled - one significant discovery – four wells to come

Three wells drilled, three discoveries

- Material discovery at Egyptian Vulture with significant upside potential
- Wells all delivered safely and on time/budget

Exploration activity levels remain high

- Four more exploration wells in next ~6 months
- Wells targeting 75 mmboe (net) and total upside of 267 mmboe (net)
- Targeting primarily gas prospects (86%)

Infrastructure led (ILX) exploration portfolio

- Overlap between exploration partners and nearby infrastructure owners
- Positive environmental impact and lower CO₂ per barrel

Using momentum to seek value-accretive opportunities

- Leveraging team, knowledge and market environment



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:

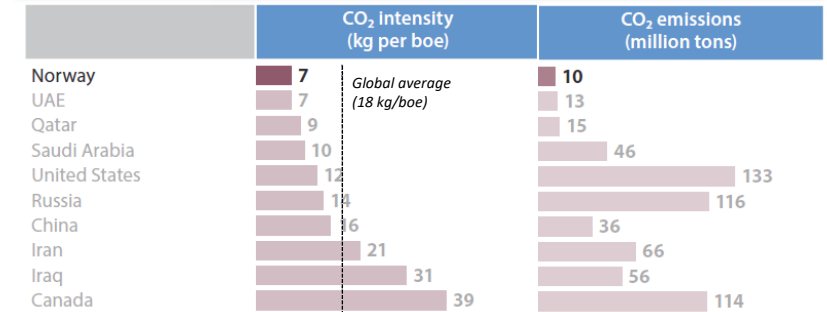
- Hydroelectric power-from-shore projects to reduce offshore CO2 emissions
- World’s first floating wind farm (Hywind Tampen) to power offshore platforms
- Northern Lights project providing open and flexible infrastructure for CO2 storage and sequestration

Actively contribute to Norwegian decarbonisation and ‘Net Zero’ targets

Longboat committed upholding high standards of corporate governance

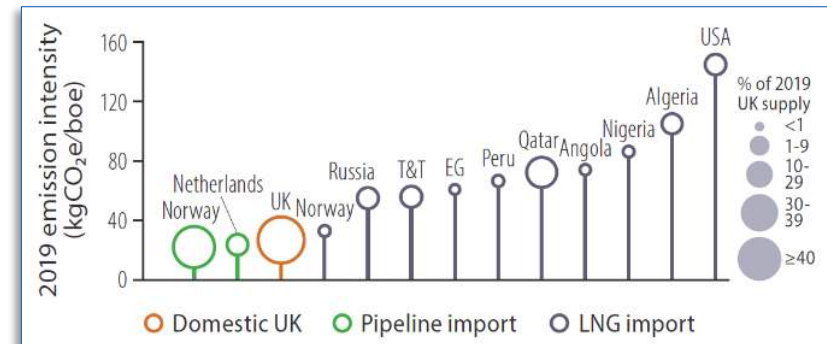
Strongly held principles of diversity and inclusion

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

Management



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)



Hilde Salthe – *Managing Director Norway*

- Subsurface Manager of DNO's North Sea Business Unit
- Key member of the Faroe technical team from 2008 until 2019
- Petroleum Geologist with 20 years' industry experience from Shell, Equinor, Talisman, Paladin and Faroe Petroleum
- Masters Degree from University of Trondheim (NTNU)

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

