

Longboat Energy plc

Interim Results Presentation

September 2021

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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 mmboe¹
- Total net upside case potential of 324 mmboe²
- Gas weighted prospect portfolio (~75%)

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

- Fully funded through the initial drilling programme³
- Strong support from both existing and new shareholders, aligned management

Completed transactions, reverse takeover and qualified as licence holder on the NCS⁴

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

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

(3) 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

(4) Post period end event

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>Further 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:

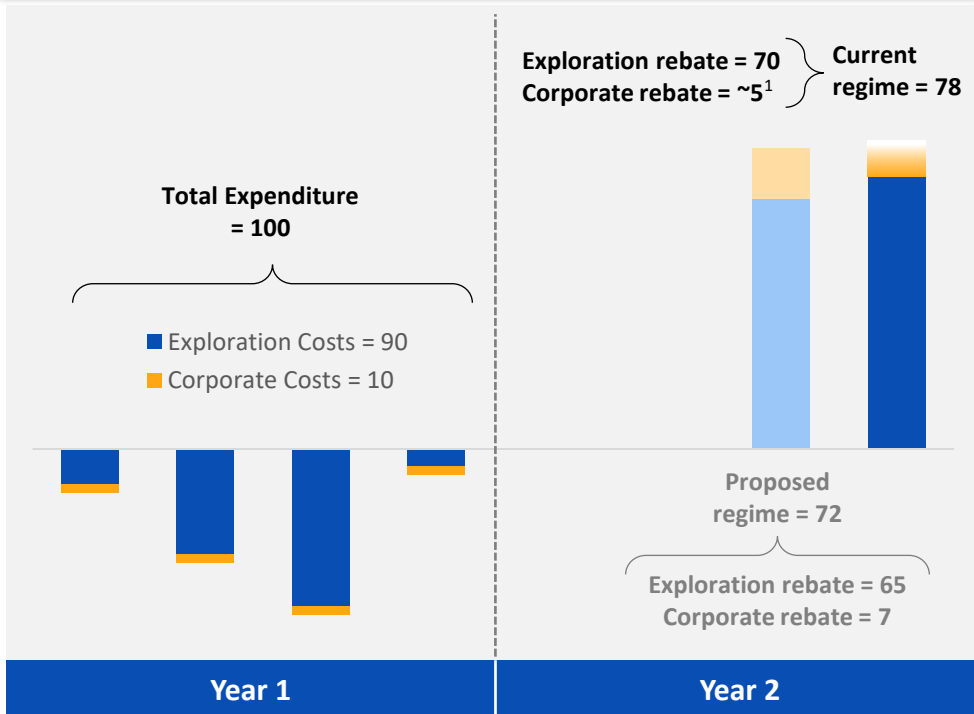
- Continued ability to pledge tax refund (as with EFF) – authorities have acknowledged importance
- Potential for a transition period if new system introduced retroactively (Q2-22 approval, 1-Jan-22 effective)
- Longboat has proactively engaged with its lenders to make any necessary adjustments to the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

Company remains fully funded for its exploration programme

Proposed Norwegian tax change impact

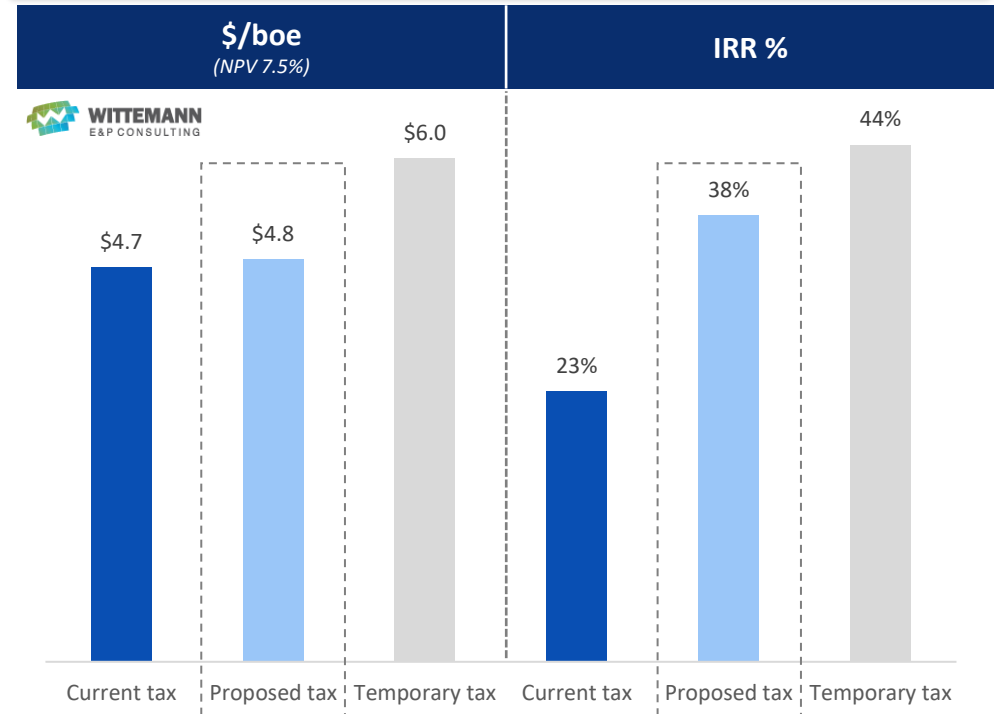
Small increase in near-term cash costs offset by improved development economics

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

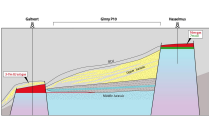
Norwegian tax changes expected to be broadly neutral and to provide long term regime stability

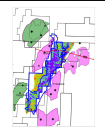
(1) Assumes ~2/3 of the corporate costs are eligible for 78% exploration rebate (i.e. total refund of ~50% of corporate costs)

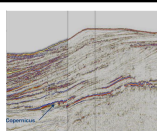
(2) Based on the government tax proposal announced 31 Aug-21. Assumptions include 1 Jan-22 effective date, \$60/bbl, owner is in a full tax paying position

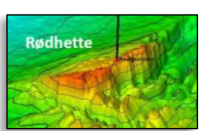
Operations

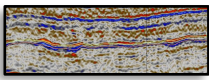
Seven high quality, near-term exploration wells

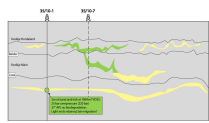
| Ginny/Hermine | |
|--|--|
|  | Longboat (9%) Equinor Harbour OKEA |
| Mean mmboe 68 | 3U Upside 129 |

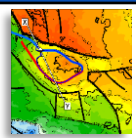
| Egyptian Vulture | |
|---|---|
|  | Longboat (15%) Equinor PGNiG |
| Mean mmboe 103 | 3U Upside 208 |

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

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

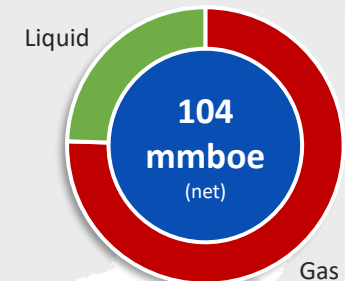
| Cambozola | |
|--|--|
|  | Longboat (25%) Equinor Petoro Spirit |
| Mean mmboe 159 | 3U Upside 307 |

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

| Mugnetind | |
|--|--|
|  | Longboat (20%) AkerBP DNO |
| 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 | Risk | 2021 | | 2022 | | | |
|------------------|----------|---------|----------------------------------|---------------------|--------|--|----|------|----|----|----|
| | | | | | | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| Egyptian Vulture | Equinor | 15% | \$31/\$5 | 103/15 | 25% |  | | | | | |
| Rødhetta | Vår | 20% | \$35/\$7 | 41/8 | 41% |  | | | | | |
| Ginny/Hermine | Equinor | 9% | \$25/\$2 | 68/6 | 27/22% |  | | | | | |
| Kveikje | Equinor | 10% | \$31/\$3 | 36/4 | 55% |  | | | | | |
| Mugnetind | AkerBP | 20% | \$33/\$7 | 24/5 | 51% |  | | | | | |
| Cambozola | Equinor | 25% | \$64/\$16 | 159/40 | 15% |  | | | | | |
| Copernicus | PGNiG | 10% | \$38/\$4 | 254/25 | 26% |  | | | | | |
| Appraisal(s)? | | | | | | | | | | | |

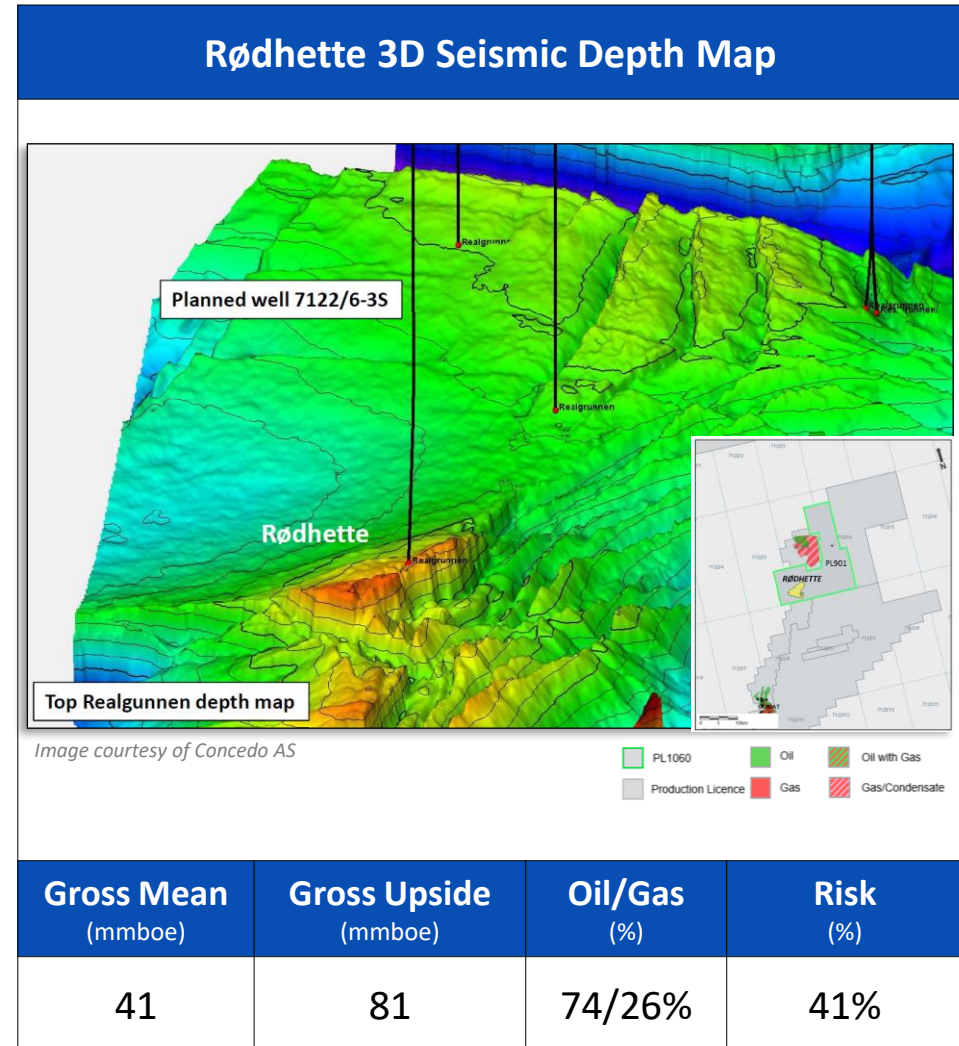
- All wells now firm following positive drill decision on Copernicus
- Up to four wells drilling prior to YE21 – each anticipated to take ~6-7 weeks
- In success case, potential for follow-on appraisal wells 2022-2023

Prolific Barents play: Rødhetta

Goliat tie-back potential with high chance of success

| | |
|-------------|---|
| Licence | PL901 |
| Prospect(s) | Rødhetta |
| 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
- Rødhetta 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



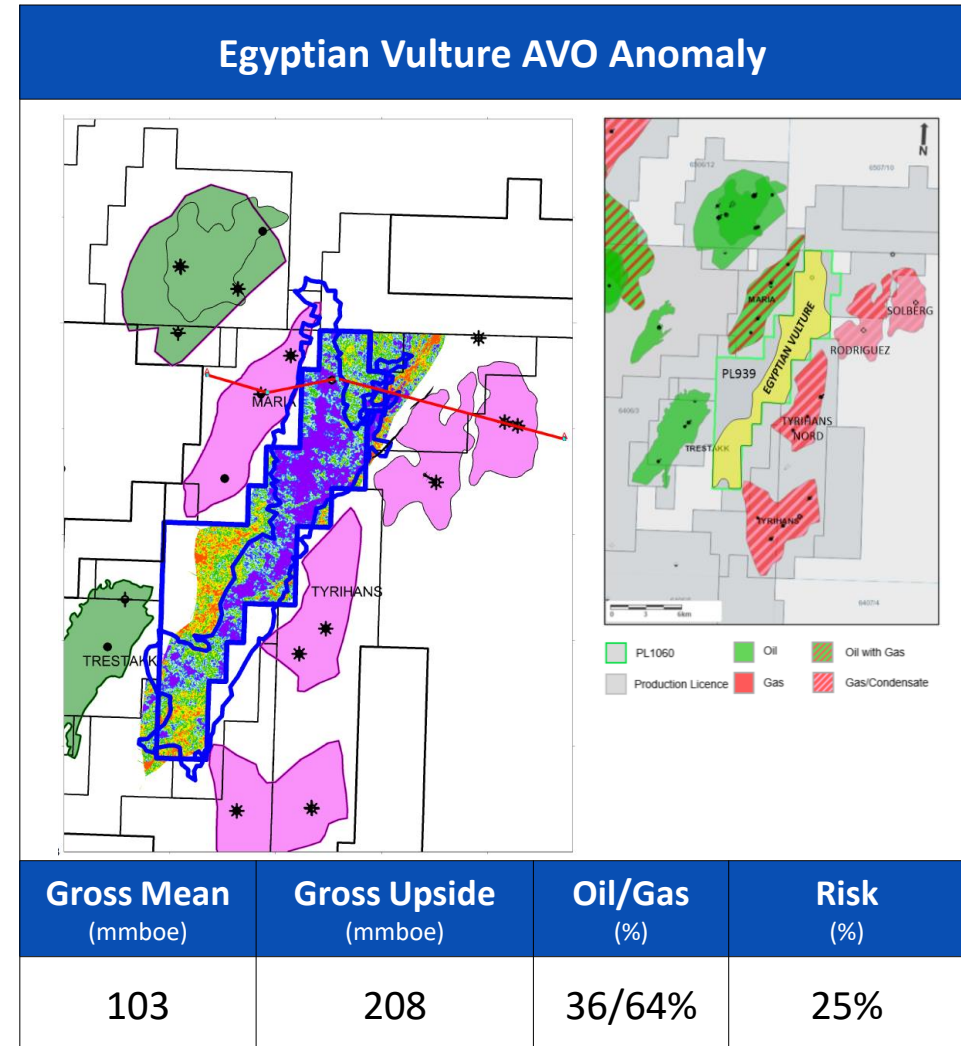
Source: ERCE CPR

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



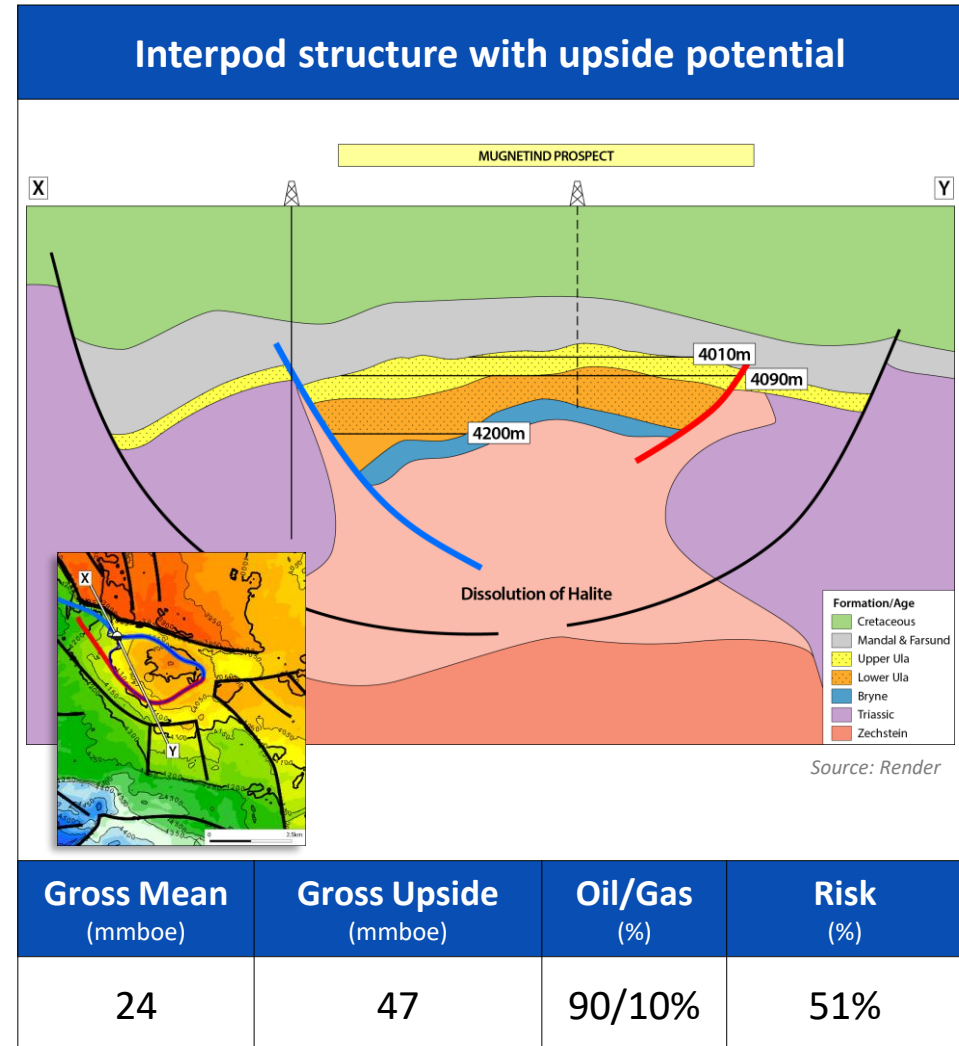
Source: ERCE CPR

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



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

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

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

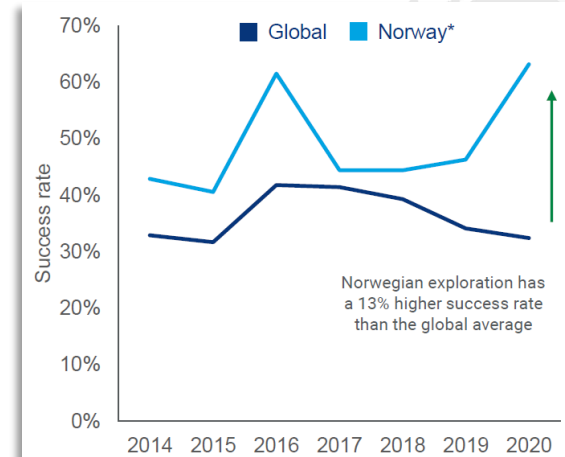
4 Clear route to monetisation

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

5 Seeking further deals

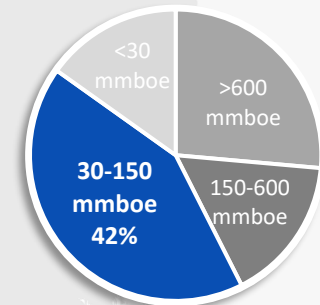
- Build on momentum generated from initial acquisitions

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:

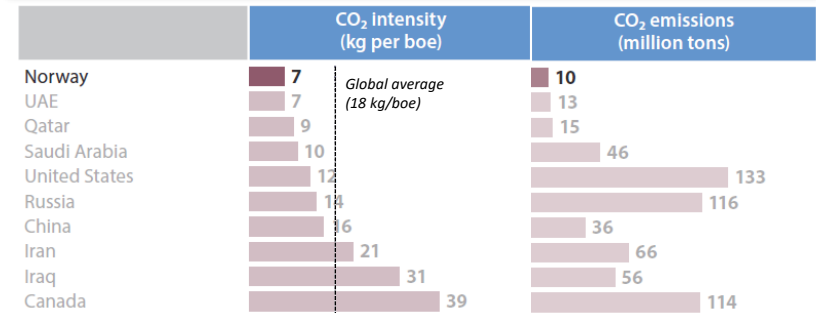
- Hydroelectric power-from-shore projects to reduce offshore CO₂ emissions
- World's first floating wind farm (Hywind Tampen) to power offshore platforms
- Northern Lights project providing open and flexible infrastructure for CO₂ storage and sequestration

Actively contribute to Norwegian decarbonisation and 'Net Zero' targets

Longboat committed upholding high standards of corporate governance

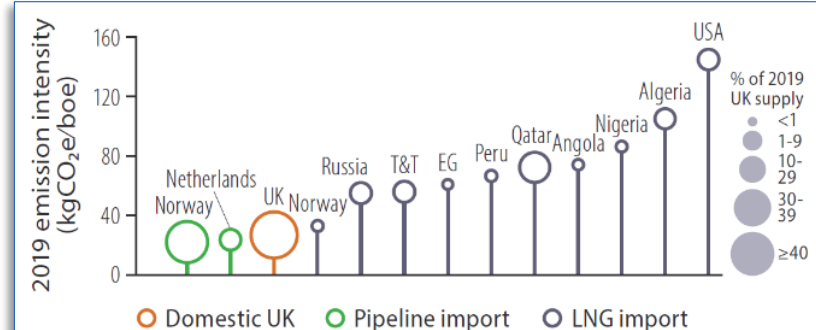
Strongly held principles of diversity and inclusion

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

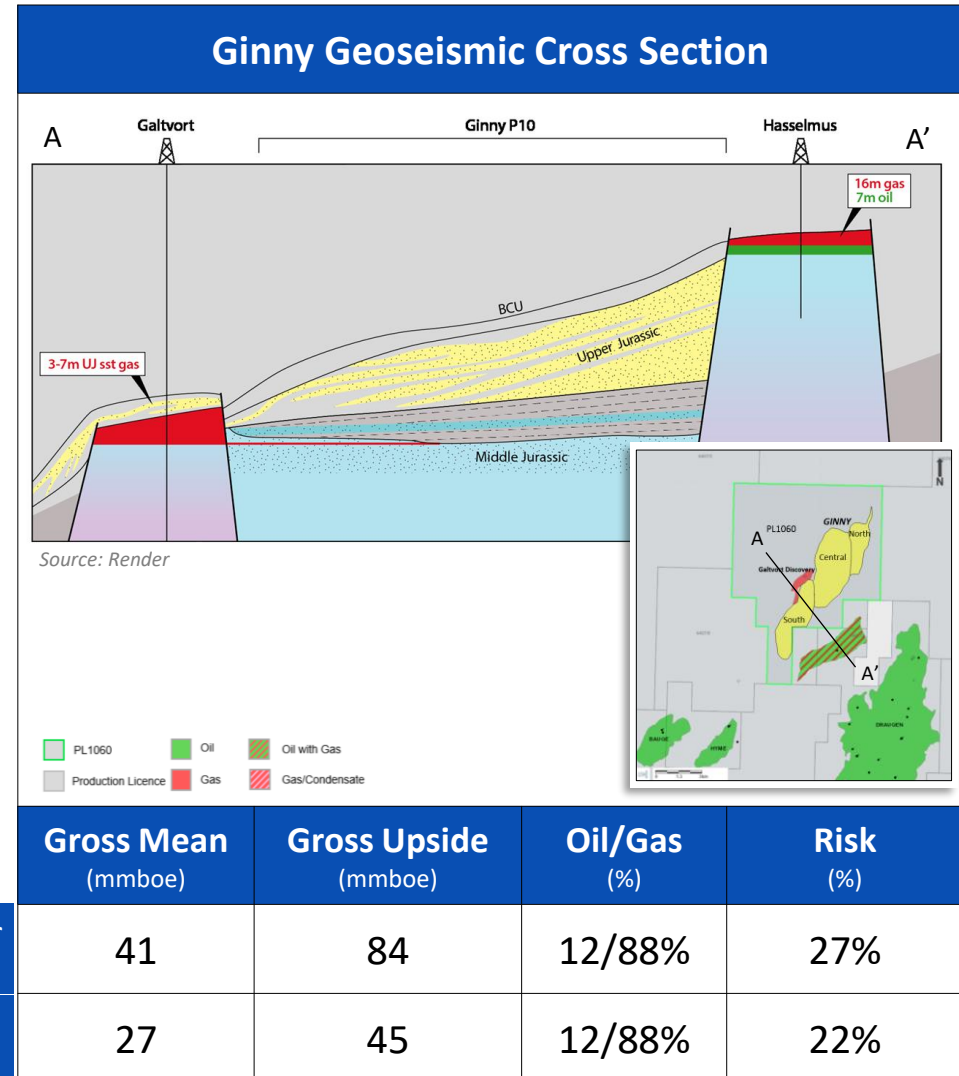


Infrastructure Led Exploration: Ginny/Hermine

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

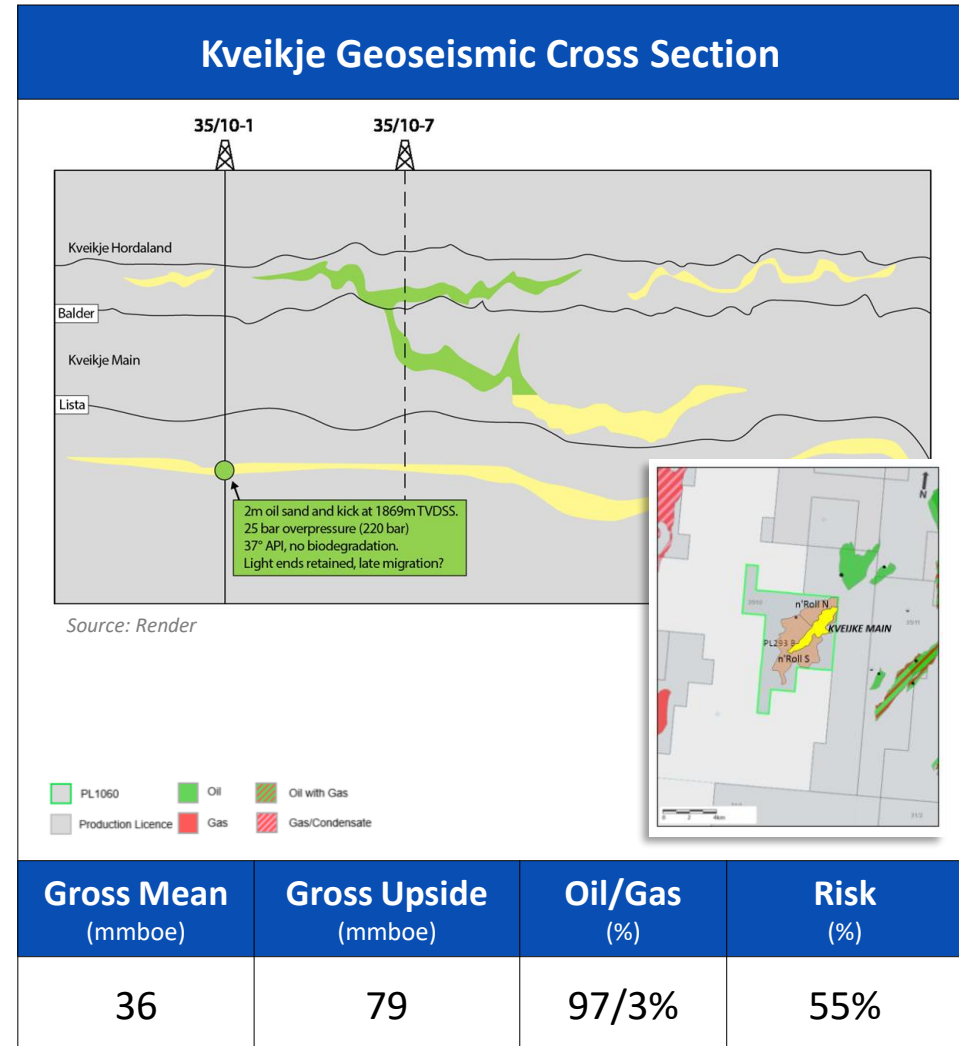


Emerging play: Kveikje

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

Cambozola Seismic Cross Section

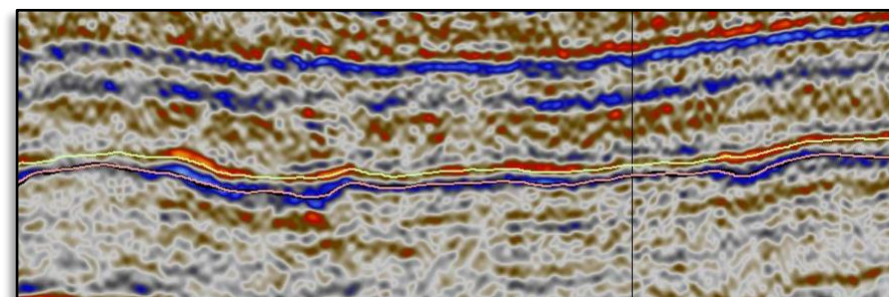
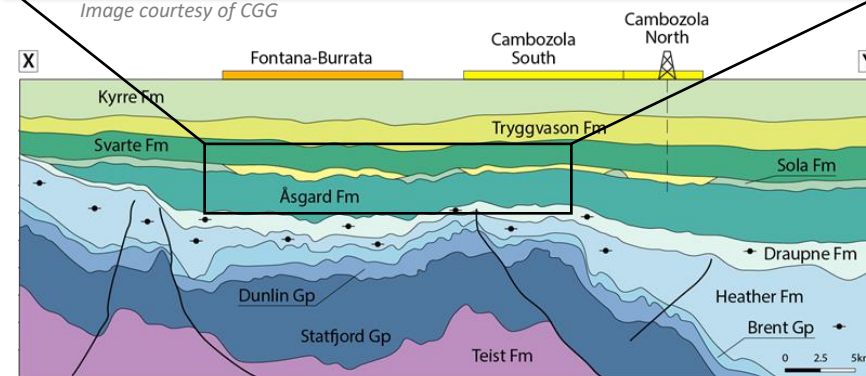


Image courtesy of CGG



Source: Render

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

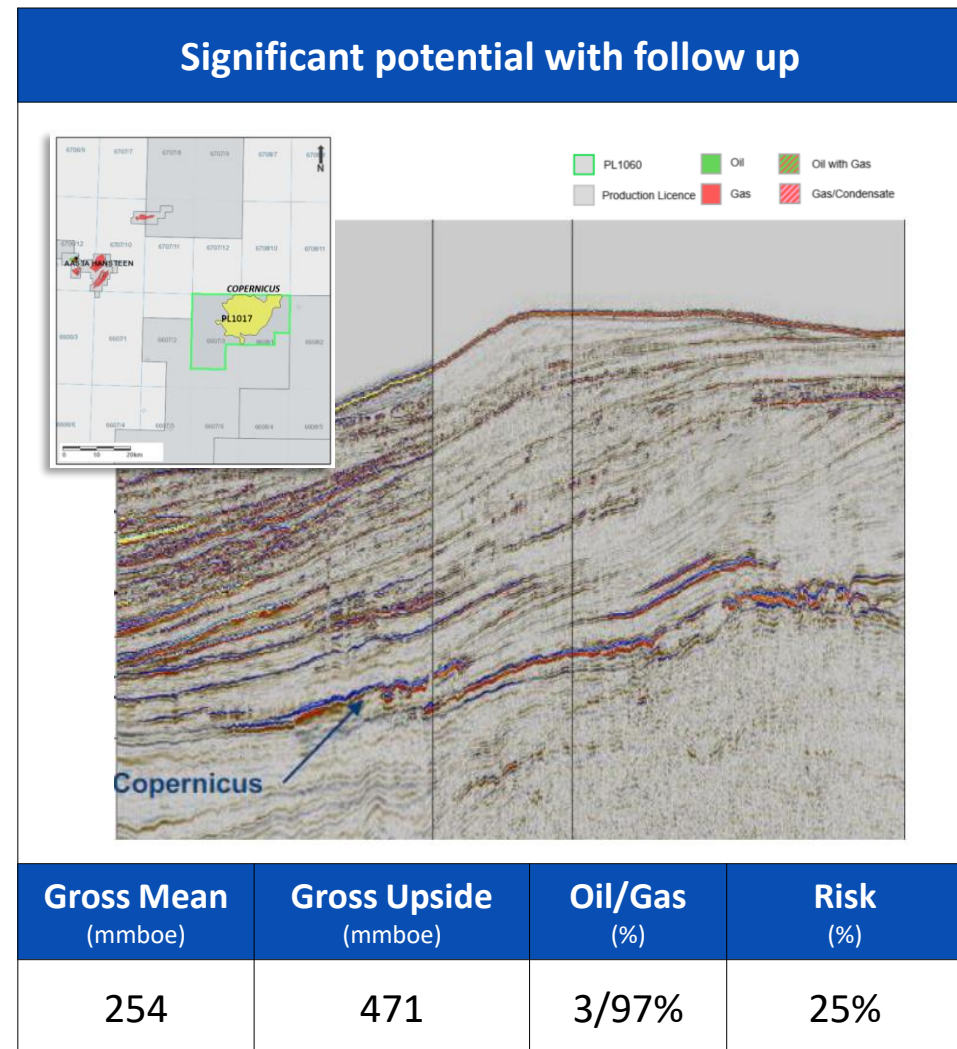
Source: ERCE CPR

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