

Company Presentation

January 2010



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Introduction to North Energy ASA



- North Energy is an independent E&P company headquartered in Alta in the province of Finnmark
 - Incorporated in the autumn of 2007 with capital from investors in Northern Norway
 - Financially solid with strong liquidity reserves – a total of NOK 253 million in equity raised
 - Experienced organization with 40 employees in Alta and Oslo
 - Participant in ten licenses in the Norwegian Sea, the Barents Sea and the North Sea
 - Operator of PL 526 offshore Mid Norway
- North Energy has taken a leading role in building an E&P industry based in Northern Norway

Process and timeline

Background

- North Energy is contemplating raising up to NOK 400 million equity capital
- Submitted application for listing on Oslo Axess on 23 December 2009

Road show and subscription period

- Domestic and international road show
- Monday 25 January – Wednesday 3 February

Listing

- Oslo Axess
- First day of trading on Friday 5 February

IPO calendar

Week 4	Mon 25 Jan Road show kick off and start of subscription period	Tue 26 Jan	Wed 27 Jan	Thu 28 Jan Oslo Børs board meeting	Fri 29 Jan
Week 5	Mon 1 Feb	Tue 2 Feb	Wed 3 Feb End of road show and subscription period	Thu 4 Feb	Fri 5 Feb First day of trading

Key investment considerations

Fully funded exploration program

- 8 well exploration program fully funded through proposed equity issue
 - Targeting average prospect size of 50 mmboe¹ net to North Energy
 - Expecting to make two to three discoveries
 - 90% probability of making at least one discovery
- Focus on high PoS² prospects with short lead time to production

Focused strategy – unique position

- Headquarter and current shareholder base in Northern Norway
- Focusing on exploration in northern parts of the Norwegian continental shelf
 - The Norwegian Sea and the Barents Sea
- Active in discussions regarding opening of Lofoten and Vesterålen, the most attractive, untouched exploration acreage in Norway

Experienced management team

- Recognised management team with proven track record
- Extensive experience from Norwegian and international E&P companies
- Strong ties and network within Northern Norway

Unique position

Awards in the 20th licensing round

20th LICENSING ROUND	Licenses	Operatorships	Norwegian Sea	Barents Sea
Statoil	7	5	4	3
Noreco	5		5	
North Energy	4	1	1	3
Aker Exploration	4		3	1
Eni	3	2		3
Discover	3		1	2
Idemitsu	3		2	1
Rocksource	3		1	2
BG Group	2	2	1	1
E.ON Ruhrgas	2	1	2	
Lundin	2	1	1	1
OMV	2	1		2
Shell	2	1	2	
Dana	2		2	
RWE Dea	2			2
Spring Energy	2		1	1
Wintershall	2			2
Chevron	1	1	1	
ExxonMobil	1	1	1	
GDF Suez	1	1		1
Hess	1	1	1	
Marathon	1	1		1
Petro-Canada	1	1	1	
Total	1	1		1
Centrica	1		1	
Concedo	1			1
ConocoPhillips	1		1	
Det norske	1			1
DONG	1			1
Faroe	1			1
Genesis	1		1	
PGNiG	1		1	
Svenska	1		1	
Talisman	1			1
Total excluding SDFI	67	21	35	32
SDFI	7		4	3
Total including SDFI	74	21	39	35

Recognised by the authorities

Minister of Petroleum and Energy, Mr. Terje Riis-Johansen emphasised the importance of Northern Norwegian companies being involved and, in particular, North Energy's contribution in that respect:

- *"It is positive for the diversity on the NCS that North Energy has proved competitive for operatorship in the 20th licensing round"*
- *"Originating in Northern Norway, North Energy can make an important contribution to developing petroleum activity in the region"*



Experienced management



Johan Petter Barlindhaug, Chairman

- Founder of Barlindhaug, the largest combined consulting, development and engineering group in Northern Norway
- Awarded the Royal Norwegian Order of St. Olav in November 2009 for his contributions to the development of industry and commerce in Northern Norway
- Graduate Engineer in Structural Engineering from the Norwegian Institute of Technology (NTH) in Trondheim



Erik Karlstrøm, CEO

- 27 years experience from technical and managerial positions within the E&P industry
- Deputy General Manager of RWE Egypt before becoming CEO of North Energy in 2007
- Chairman of the Exploration Committee of the Norwegian Oil Industry Association (OLF) from 2001 to 2004
- Graduate Engineer in Geophysics from the Norwegian Institute of Technology (NTH) in Trondheim



Knut Sæberg, CFO

- 10 years as CFO for two major trade companies, NMD (pharmaceuticals) and Optimera (building materials) before joining North Energy in 2009
- 11 years experience from the oil industry, working for Shell both within the upstream and downstream business areas
- Master in Business Administration from Agder University College



Svein Johansen, Exploration Manager

- 28 years experience from both the operational and research branch of the E&P business, including Norsk Hydro, Enterprise Oil, Chevron and Gaz de France
- Before joining North Energy, Johansen held the position as Exploration Manager of Svenska Petroleum Norge
- Master in Petroleum Studies from the University of Bergen

Rapid build-up



Solid financial situation

Liquidity as of Q3 2009

- Cash balance of NOK 41 million
 - Expected tax reimbursement of NOK 204 million
 - NOK 96 million drawn on a NOK 300 million exploration loan facility with SEB
- Net cash of NOK 149 million

4sea energy acquisition

- The 4sea energy acquisition provides North Energy with NOK 40 million in cash and NOK 10 million in expected tax reimbursement

Funding strategy

- Equity funding of exploration portfolio of 8 wells before first well
- Debt bridge funding of tax reimbursement


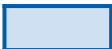

Fully funded exploration program

Operational targets

- Build a portfolio of between 14 and 16 licenses before the end of 2010
 - Existing portfolio: 10 licenses
 - Licensing rounds (APA): 2-4 licenses
 - Acquisitions/farm-ins: 2-4 licenses
- Drill a minimum of 8 wildcat wells before the end of 2012
- Total net risked resource base of 181 mmboe in current portfolio

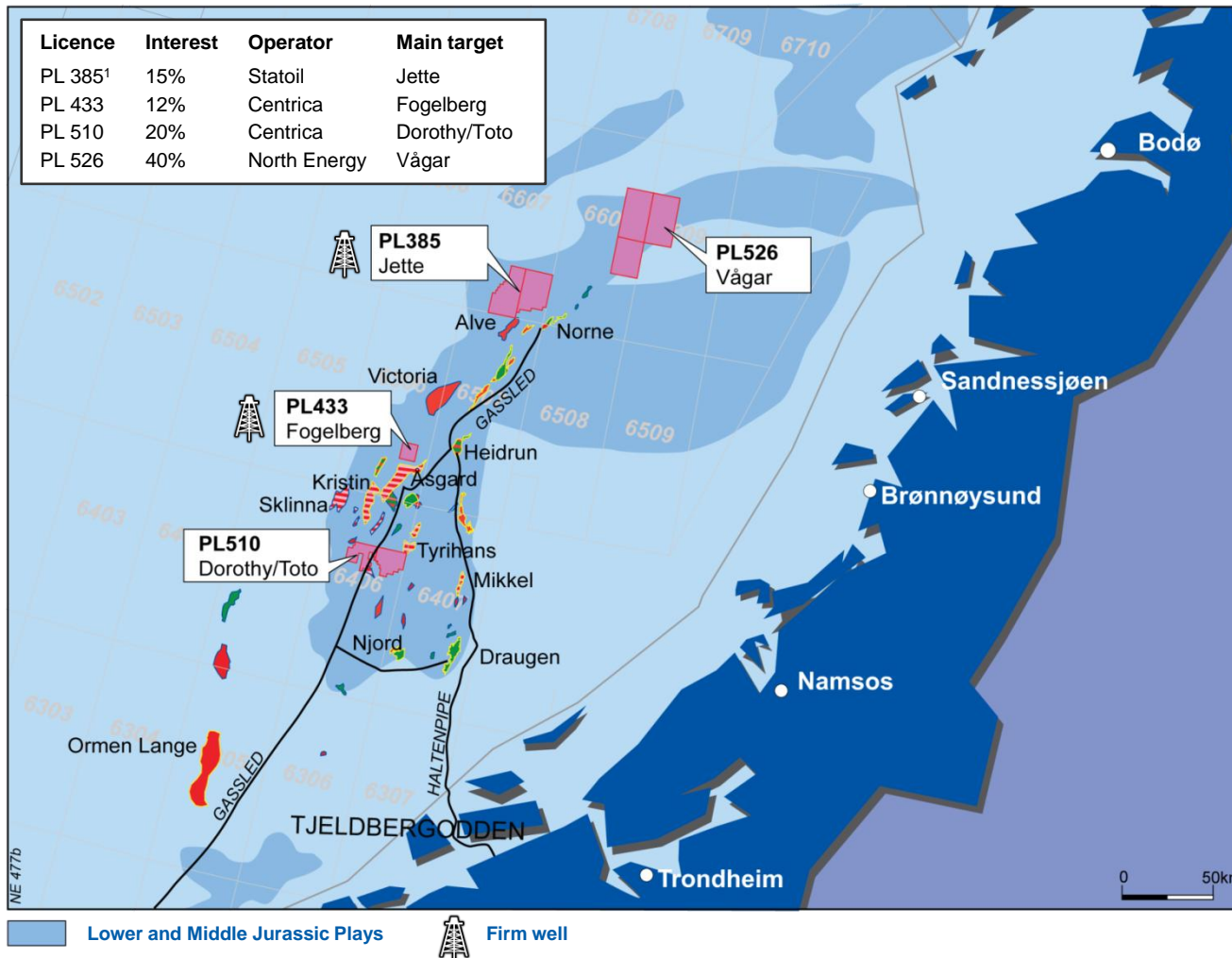
Current well program

Well Prospect	Licence	Interest	2010	2011	2012
1 Fogelberg	PL 433	12 %	February 2010	Rig: West Alpha	
2 Farm-in X	n/a	n/a			
3 Jette	PL 385 ¹	15 %	Q4 2010	Rig: TBA (Statoil rig pool)	
4 Heilo	PL 530	20 %			
5 Tana	PL 518	30 %			
6 Norvarg	PL 535	20 %			
7 Vågar	PL 526	40 %			
8 Award Y	n/a	n/a			

 Firm well
  Future farm-in with firm well
  Likely well (drill-or-drop)

Two firm wells in the Norwegian Sea in 2010

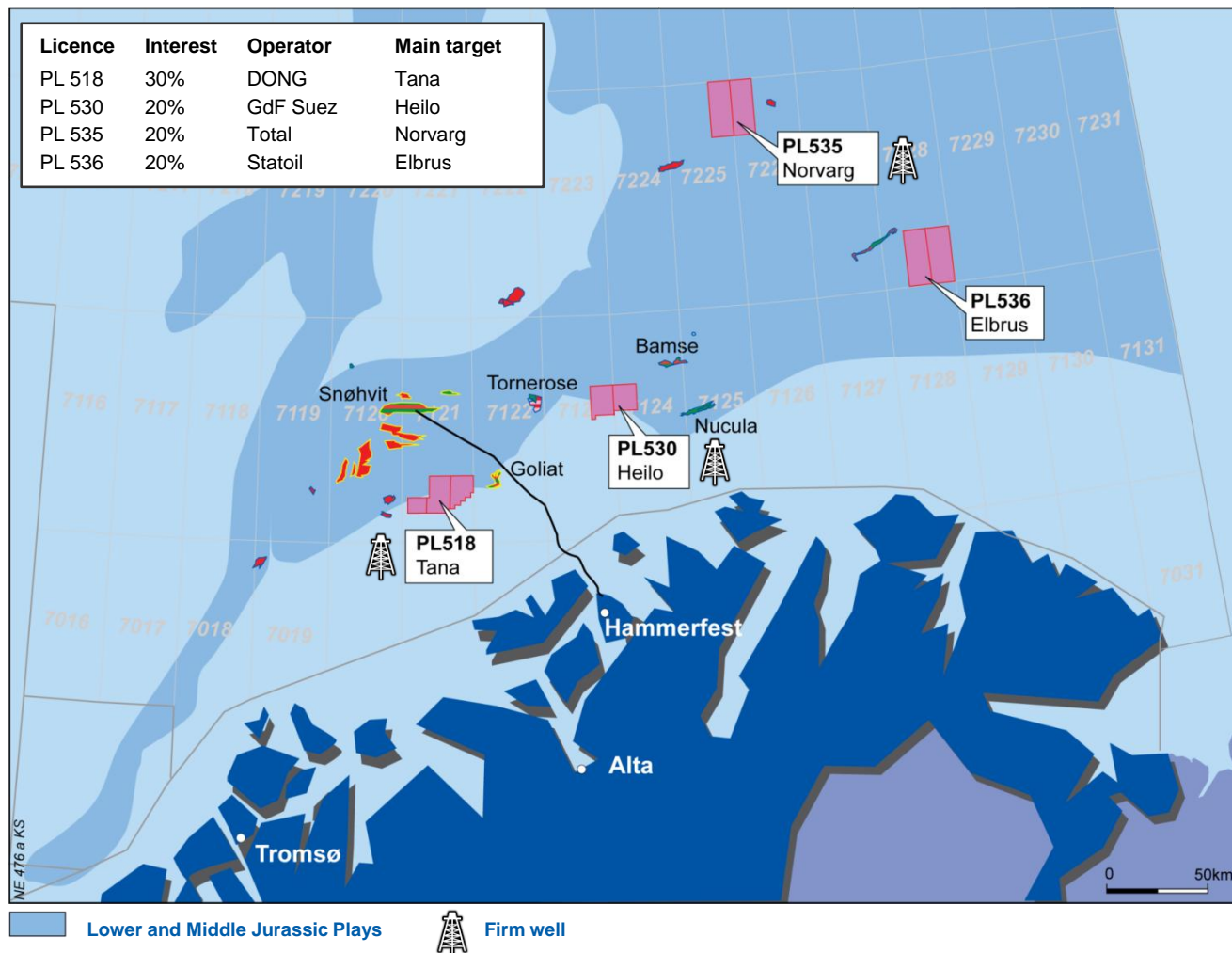
Norwegian Sea license map



- Two licenses with firm wells close to infrastructure
- Net mean risked resources of 101 mmboe in Norwegian Sea portfolio
- 49% historic discovery rate in Lower-Middle Jurassic plays
- Processing and transport capacity available from 2014
- Fast track access for high liquid content discoveries

Three firm wells in the Barents Sea in 2011

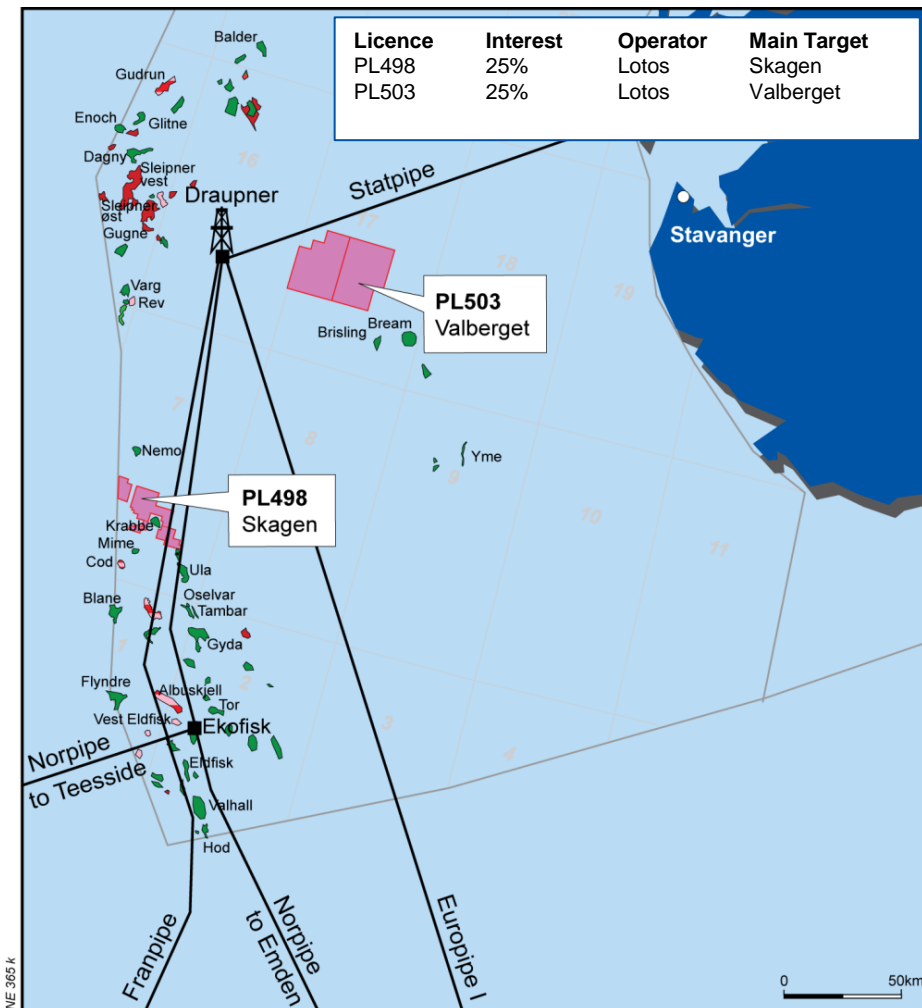
Barents Sea license map



- Two licenses with firm wells close to infrastructure
- Net mean risked resources of 67 mmboe in Barents Sea portfolio
- 59% historic discovery rate in Lower-Middle Jurassic plays in the Hammerfest Basin
- Processing and transport capacity available through Goliat from 2015
- Small gas from 2015 and larger volumes from 2017 through Snøhvit LNG

Interesting upside in the North Sea portfolio

North Sea license map



- Two licenses in the Norwegian part of the Central North Sea
- Net mean risked resources of 13 mmboe¹ in North Sea portfolio with significant additional upside in less mature exploration plays
- Upcoming drill-or-drop decisions in both licenses with limited remaining commitments
 - PL 498: Drill-or-drop in Q4 2010
 - PL 503: Drill-or-drop in Q4 2012
 - Decided to acquire 3D seismic in PL 503

Attractive prospect inventory

License	Equity	Area	North Energy Prospect Name	Operator	Probability of Success aggregated	Main Hydrocarbon Phase	Gross Mean Unrisked mmboe	Net Mean Risked mmboe
Firm wells 2010 – 2012								
PL 385 ¹	15 %	Norwegian Sea	Jette	Statoil	37 %	Gas Condensate	95	5
PL 433 ²	12 %	Norwegian Sea	Fogelberg	Centrica	57 %	Gas Condensate	196	13
PL 530	20 %	Barents Sea	Heilo	GDF Suez	39 %	Oil and Gas	308	24
PL 518	30 %	Barents Sea	Tana ³	DONG	14 %	Oil	440	18
PL 535	20 %	Barents Sea	Norvarg	Total	29 %	Gas	226	13
Total							1,265	73
Drill-or-Drop 2010 – 2012								
PL 510	20 %	Norwegian Sea	Dorothy/Toto	Centrica	54 %	Gas Condensate	279	30
PL 526	40 %	Norwegian Sea	Vågar	North Energy	17 %	Oil and Gas	133	9
PL 536	20 %	Barents Sea	Elbrus	Statoil	20 %	Gas	289	11
PL 498	25 %	North Sea	Skagen	Lotos	36 %	Oil	84	8
Total							785	58
Additional resources								
PL 510	20 %	Norwegian Sea	Lion/Scarecrow	Centrica	50 - 54 %	Gas Condensate	421	44
PL 530	20 %	Barents Sea	Heilo West	GDF Suez	39 %	Oil	18	1
PL 498	25 %	North Sea	Vågen	Lotos	22 %	Oil	99	5
PL 503	25 %	North Sea	Valberget ⁴	Lotos	Lead	Oil	NA	NA
Total							538	50
Grand total							2,588	181

1) Carry of exploration costs (22.5% of which 15.0% own share); pending authorities' approval

2) Carry of exploration costs (20.0% of which 12.0% own share)

3) Operator's main prospect and estimates

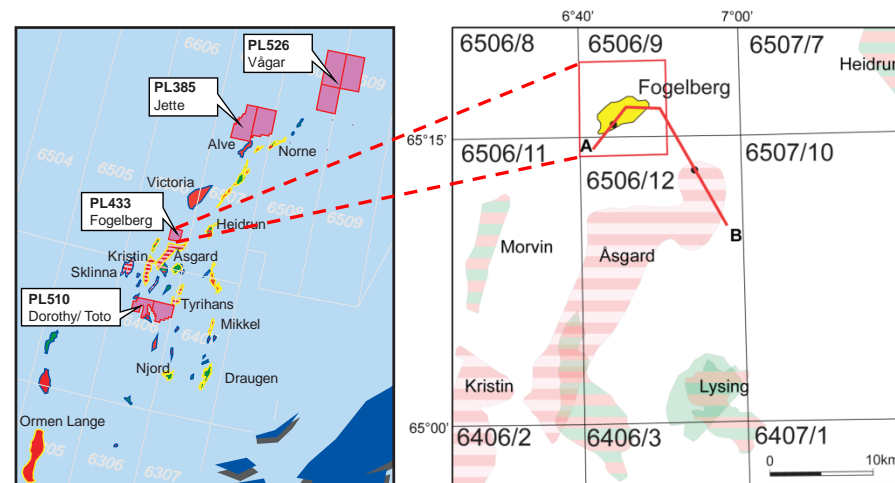
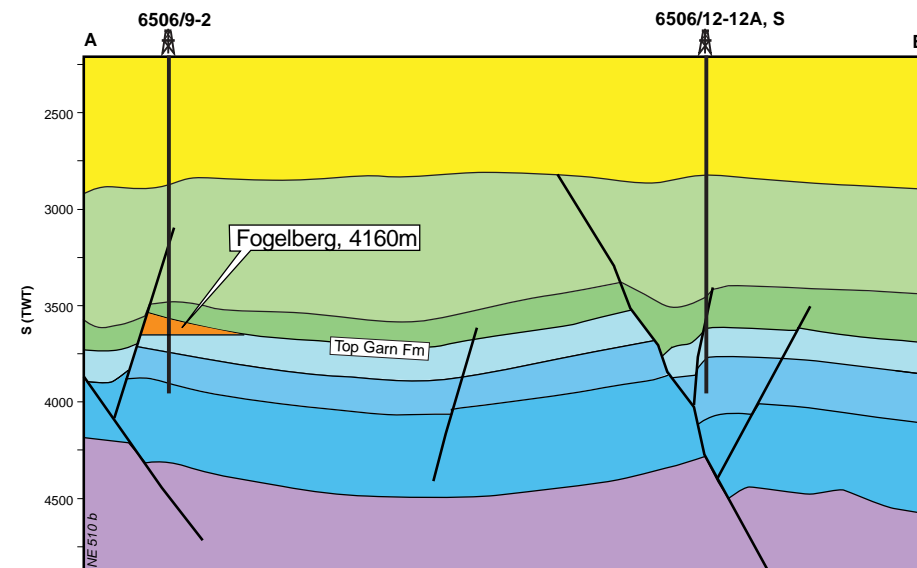
4) Yet not qualified by North Energy as a prospect, however, the operator estimates 17% PoS and 806 million boe gross mean unrisked

Fogelberg – first well to be drilled in 1Q 2010

PL 433 in the Norwegian Sea

Acquired	2009	Main prospect	Fogelberg
Operator	Centrica (28%)	Hydrocarbons	Gas Cond.
Partners	North Energy (12%)	Expected drilling	Q1 2010
	Faroe Petroleum (15%)	Prob. of success	57%
	E.ON Ruhrgas (15%)	Gross mean unrisked	196 mmmboe
	Petro-Canada (30%)	Net mean unrisked	24 mmmboe
Work program	Drill one firm well		

- PL 433 is located in the prolific Halten Terrace within 20 km of the Åsgard B platform
- The Fogelberg prospect contains multiple targets
- The Åsgard Transport System is capacity constrained for gas; high liquid (gas/condensate) discoveries given priority

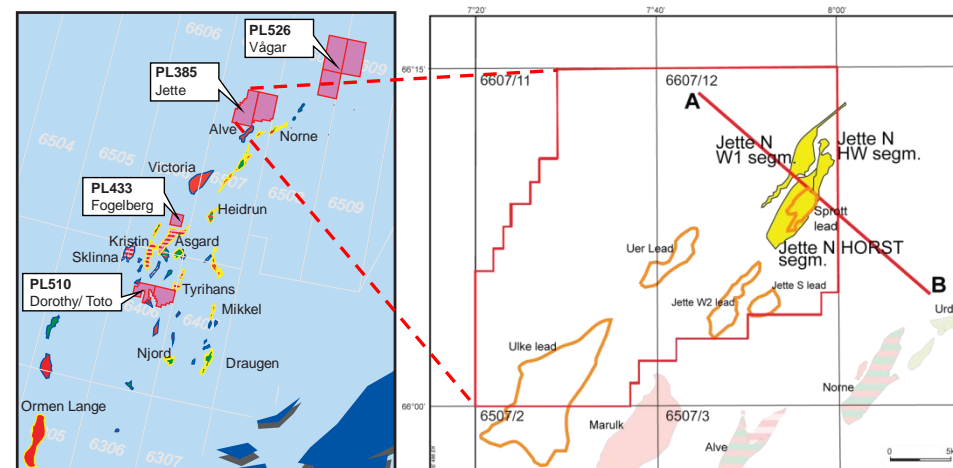
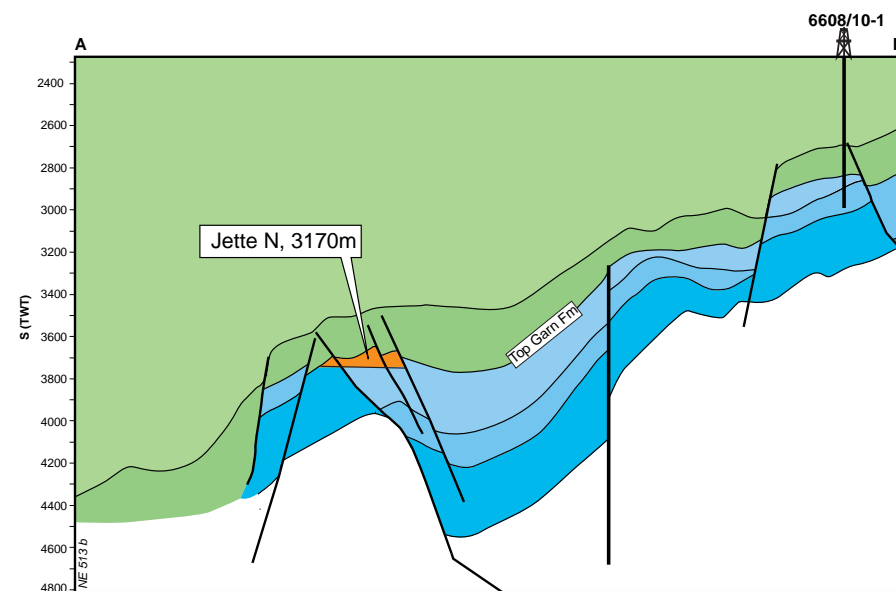


Jette – second firm well in 2010

PL 385 in the Norwegian Sea

Acquired	2009	Main prospect	Jette
Operator	Statoil (45%)	Hydrocarbons	Gas Cond.
Partners	North Energy (15%)	Expected drilling	Q4 2010
	Wintershall (20%)	Prob. of success	37%
	Noreco (20%)	Gross mean unrisks	95 mmboe
		Net mean unrisks	14 mmboe
Work program	Drill one firm well		

- PL 385 is located in the prolific Halten Terrace within 20 km of the Norne FPSO
- In addition to the Jette prospect with its multiple targets, the license also contains a series of leads
- According to Statoil, the operator of both Norne and PL 385, spare capacity will be available in 2014 for tie-ins to Norne; high liquid (gas/condensate) discoveries given priority

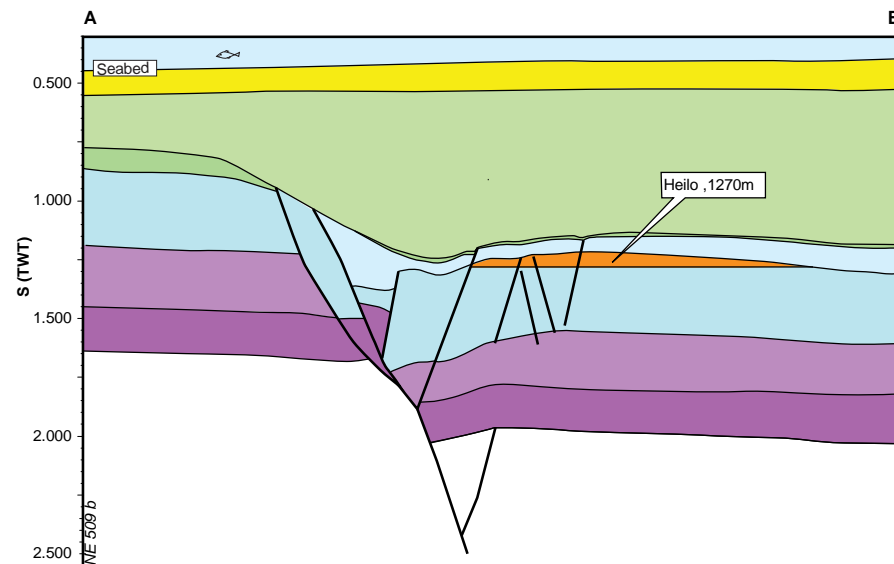


Heilo – one of three high impact wells in 2011

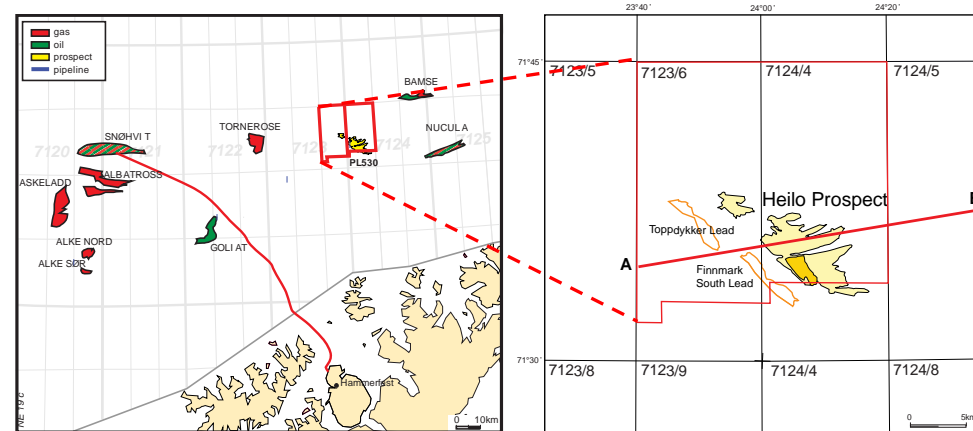
PL 530 in the Norwegian Sea

Awarded	20th round (2009)	Main prospect	Heilo
Operator	GDF Suez (40%)	Hydrocarbons	Oil and gas
Partners	North Energy (20%)	Expected drilling	Q1 2011
	Discover (20%)	Prob. of success	39%
	Rocksource (20%)	Gross mean unrisks	308 mmbbl
		Net mean unrisks	62 mmbbl

Work program One firm well within 2 years and one contingent well



- PL 530 is located along the southern flank of the prolific Hammerfest Basin between the Goliat and Nucula discoveries
- The block was one of the most attractive blocks in the recent 20th licensing round
- If successful, several development solutions are available incl. tie-back to the Goliat FPSO



Summary

Sound business case

- Uniquely positioned as a leading Northern Norwegian E&P player
- Focused on high PoS prospects with short lead time to production
 - 8 well exploration program fully funded through proposed equity issue
- Experienced management team

Near time news flow and upside

- Targeting three exploration wells in 2010, two of which are already firm;
 - The Fogelberg prospect in Q1 2010 – 24 million boe net unrisked
 - The Jette prospect in Q4 2010 – 14 million boe net unrisked

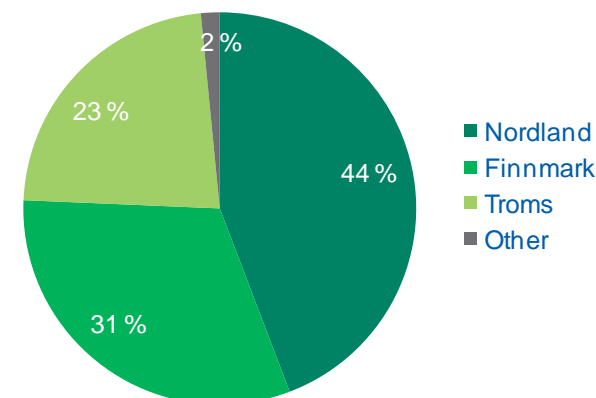
Oslo Axess listing

- Up to NOK 400 million in new equity capital
- Road show and subscription period from 25 January to 3 February
- First day of trading on Oslo Axess Friday 5 February

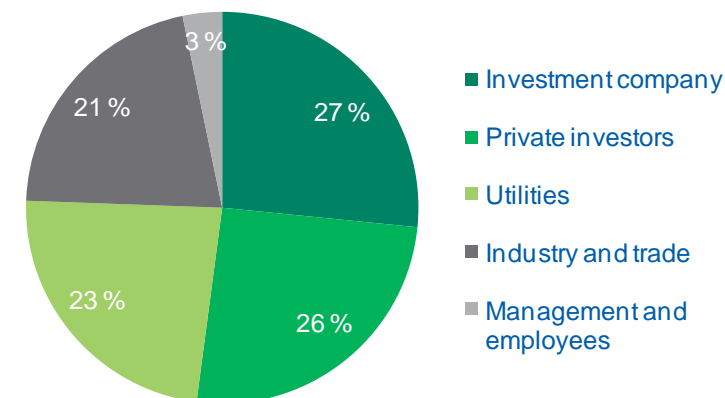
Broad shareholder base in Northern Norway

#	Shareholders ¹	Province	Number of shares	Ownership
1	JPB AS	Troms	133 821	14.5 %
2	Origo Kapital AS	Finnmark	124 810	13.6 %
3	SKS Eiendom AS	Nordland	113 821	12.4 %
4	Onshore Group Nordland AS	Nordland	80 000	8.7 %
5	KapNord Fond AS	Nordland	64 000	7.0 %
6	Alta Kraftlag AL	Finnmark	60 023	6.5 %
7	Perpetuum Invest AS	Troms	47 867	5.2 %
8	Leonhard Nilsen & Sønner AS	Nordland	43 121	4.7 %
9	Helgeland Vekst AS	Nordland	31 500	3.4 %
10	Petroinvest Nord AS	Nordland	29 680	3.2 %
11	Oljeinvest Alta AS	Finnmark	20 000	2.2 %
12	Sør Varanger Invest AS	Finnmark	18 666	2.0 %
13	Helgelandsbase AS	Nordland	13 334	1.4 %
14	Nord Troms Kraftlag AS	Troms	13 333	1.4 %
15	Elektro AS	Nordland	12 292	1.3 %
16	Karlstrøm, Erik	Finnmark	9 740	1.1 %
17	Harald Nilsen AS Entreprenørforretning	Finnmark	9 336	1.0 %
18	Repvåg Kraftlag A/L	Finnmark	9 143	1.0 %
19	Nordkyn Kraftlag AL	Finnmark	8 100	0.9 %
20	Rapp Invest AS	Nordland	8 000	0.9 %
20 largest shareholders			850 587	92.45 %
Other shareholders			69 510	7.55 %
Totalt			920 097	100.00 %

Geographic shareholder structure



Investor type



Balance sheet

Assets (1000 NOK)	IFRS Audited 31.12.08	IFRS Unaudited 30.09.09
Intangible assets	-	725
PP&E	15 597	14 472
Tax receivable from refund	-	111 526
LT receivables and other prepayments	4 507	7 306
Total non-current assets	20 104	134 029
Prepayments and other receivables	7 717	11 968
Tax receivable from refund	101 005	92 421
Cash and cash equivalents	13 331	40 711
Total current assets	122 053	145 100
TOTAL ASSETS	142 157	279 129

Liabilities and equity (1000 NOK)	IFRS Audited 31.12.08	IFRS Unaudited 30.09.09
Paid equity	161 531	259 695
Retained earnings	-52 588	-108 674
Total equity	108 943	151 021
Non-current liabilities	1 818	2 382
Current borrowings	9 289	95 955
Trade creditors	5 712	2 680
Other short-term liabilities	16 395	27 091
Total current liabilities	31 396	125 726
TOTAL LIABILITIES AND EQUITY	142 157	279 129

Pro forma balance sheet incl. 4 sea energy acquisition

Assets (1000 NOK)	Unaudited 30.09.09
Intangible assets	1 577
Tangible fixed assets	15 050
Long term receivables	118 835
Short term receivables and Bank deposit	202 100
TOTAL ASSETS	337 562

Liabilities and Equity (1000 NOK)	Unaudited 30.09.09
Total equity	201 022
Pension obligation	2 382
Short term liabilities	134 158
TOTAL LIABILITIES AND EQUITY	337 562



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