

# North Energy

## Stockholm 17 March 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 653 million in equity raised
  - Experienced organization with 42 employees in Alta and Oslo
  - Participant in 13 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

# North Energy highlights

## Fully funded exploration program

- 8 well exploration program fully funded
  - Targeting average prospect size of 50 mmboe<sup>1</sup> net to North Energy
  - Expecting to make two to three discoveries
  - 90% probability of making at least one discovery
- Focus on high PoS<sup>2</sup> prospects with short lead time to production

## Focused strategy – unique position

- 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

# Rapid build-up

● NOVEMBER 2007

~2,5 YEARS

MARCH 2010 ●

## Organization

- CEO, Erik Karlstrøm, hired – November 2007
- Experienced organization with 42 employees in Alta and Oslo

## Capital

- A total of MNOK 253 equity capital raised from investors in Northern Norway and 400 MNOK in recent IPO

## Pre-qualification

- Pre-qualified as licensee in Norway – August 2008
- Pre-qualified as operator in Norway – March 2009

## Portfolio

- Two licences in the APA 2008<sup>1</sup> round – December 2008
- Four licenses, incl. one as operator, in the 20<sup>th</sup> round – April 2009
- Two farm-ins; 12% of PL 433 from Centrica – July 2009  
15% of PL 385 from Statoil – October 2009
- Acquired 4sea energy, incl. two licenses – November 2009
- Three licenses in the APA 2009<sup>1</sup> round – January 2010



# Unique position

## Awards in the 20<sup>th</sup> 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
<b>Total excluding SDFI</b>	<b>67</b>	<b>21</b>	<b>35</b>	<b>32</b>
<b>SDFI</b>	<b>7</b>		<b>4</b>	<b>3</b>
<b>Total including SDFI</b>	<b>74</b>	<b>21</b>	<b>39</b>	<b>35</b>

## 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 Order of St. Olav in November 2009 for his contributions to the development of industry and commerce in Northern Norway



## **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



## **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



## **Vigdis Wiik Jacobsen, Deputy CEO and Exploration Manager for the Barents Sea**

- More than 30 years experience from technical and managerial positions within the E&P industry, incl. Statoil and GdF
- During her career, Jacobsen has worked as Exploration Manager both on the NCS and in the Caspian Sea
- Chairman of the Exploration Committee of the Norwegian Oil Industry Association (OLF) from 2006 to 2008



## **Svein Johansen, Exploration Manager for the Norwegian Sea**

- 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

# Solid financial situation

## Liquidity as of Q4 2009

- Cash balance of MNOK 46
  - Expected tax reimbursement of MNOK 149
  - MNOK 45 drawn on a NOK 300 million exploration loan facility with SEB
- Net cash of NOK 150 million

## 4sea energy acquisition

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

## IPO successfully completed Q1 2010

- Equity strengthened by NOK 350 million
- Exploration program fully funded before first well
- Debt bridge funding of tax reimbursement
- More than NOK 2,2 billion to spend on wells and seismic beyond 2012

# Fully funded exploration program




## Operational targets

- Build a portfolio of between 14 and 20 licenses before the end of 2010
  - Existing portfolio: 13 licenses<sup>1</sup>
  - Acquisitions/farm-ins: Up to 7 licenses
- Drill a minimum of 8 wildcat wells before the end of 2012
- Total net risked mean resource base of 201 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	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			

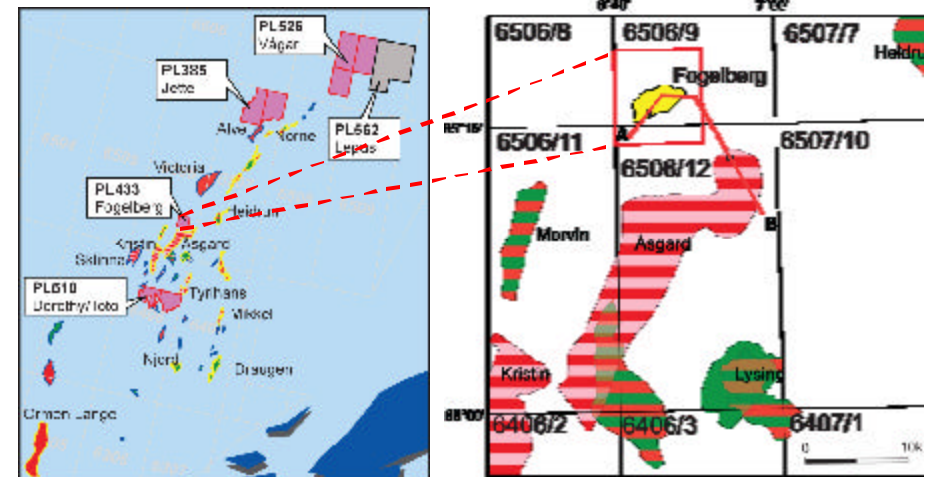
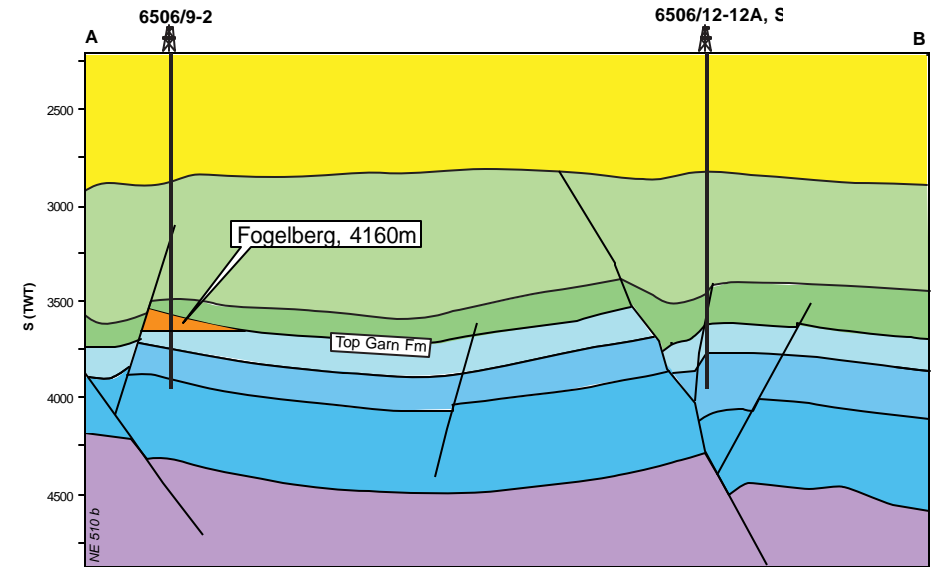
	Firm well
	Future farm-in with firm well
	Likely well (drill-or-drop)

# Fogelberg – North Energy's first well (ongoing)

## PL 433 in the Norwegian Sea

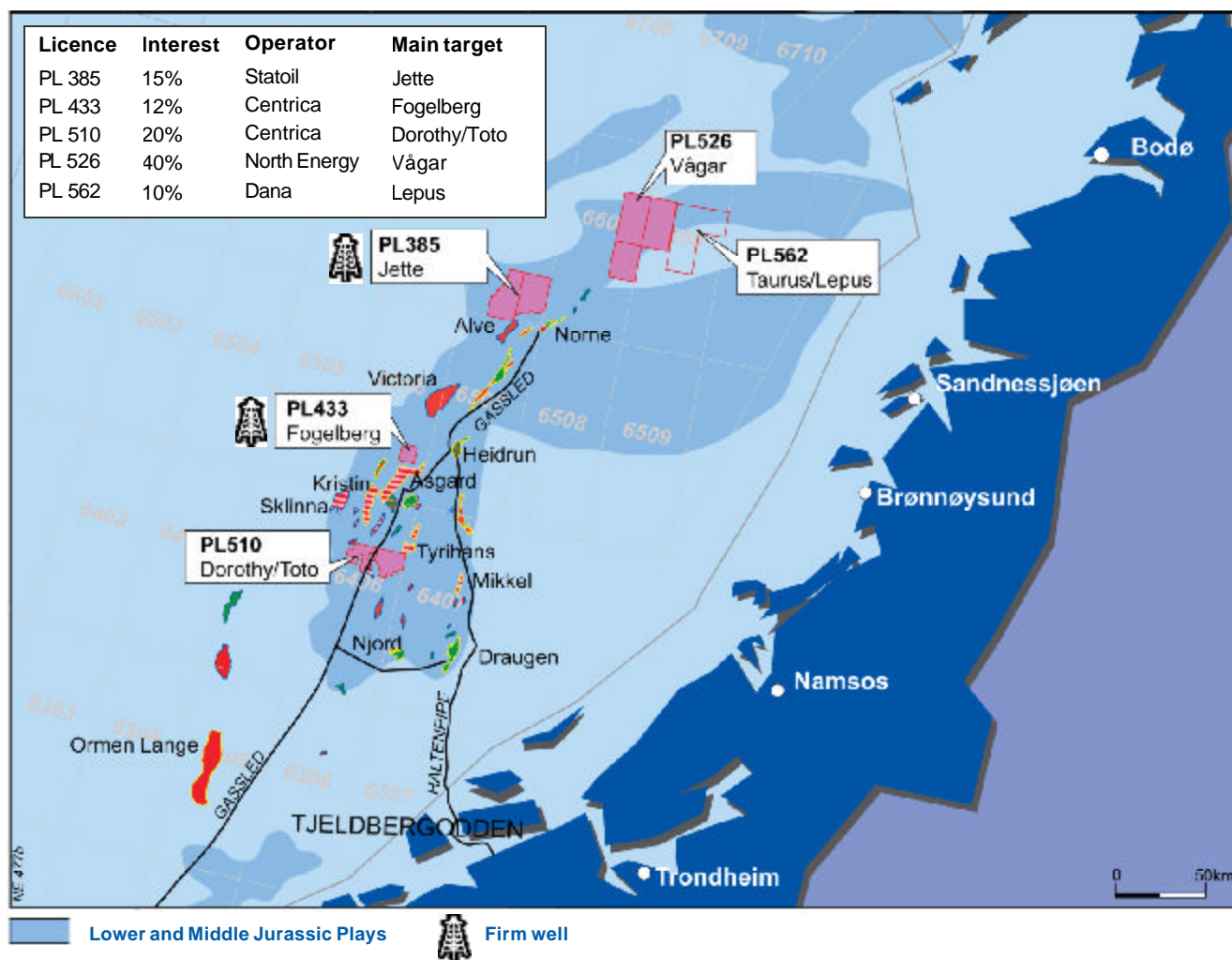
<b>Acquired</b>	2009	<b>Main prospect</b>	Fogelberg
<b>Operator</b>	Centrica (28%)	<b>Hydrocarbons</b>	Gas Cond.
<b>Partners</b>	North Energy (12%)	<b>Expected drilling</b>	Q1 2010
	Faroe Petroleum (15%)	<b>Prob. of success</b>	57%
	E.ON Ruhrgas (15%)	<b>Gross mean unrisked</b>	196 mmbœ
	Petro-Canada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

- PL 433 is located on the 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



# In total, two firm wells in the Norwegian Sea in 2010

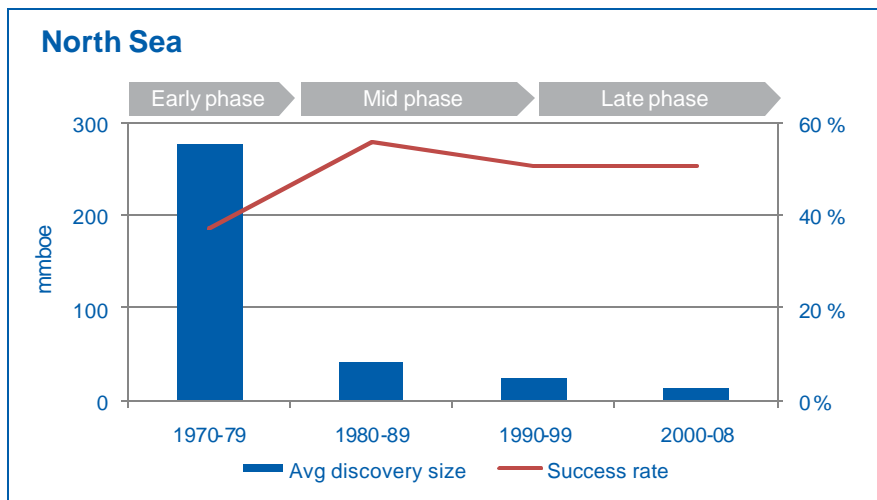
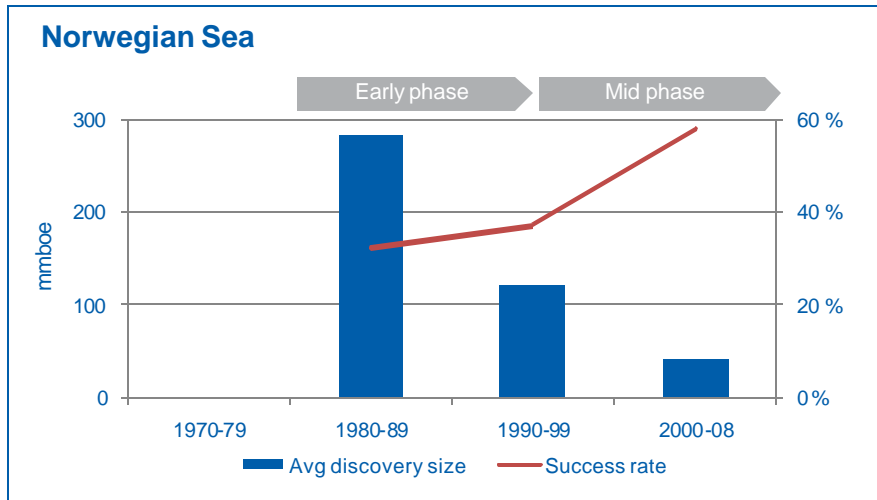
## Norwegian Sea license map



- Two licenses with firm wells close to infrastructure
- Net risked mean resources of 105 mmboe in Norwegian Sea portfolio
- 49% historic discovery rate in Lower-Middle Jurassic plays on the Halten/Dønna Terraces
- Processing and transport capacity available from 2014
- Fast track access for high liquid content discoveries

# The Norwegian Sea is in its golden phase of exploration

## Discovery rates and sizes

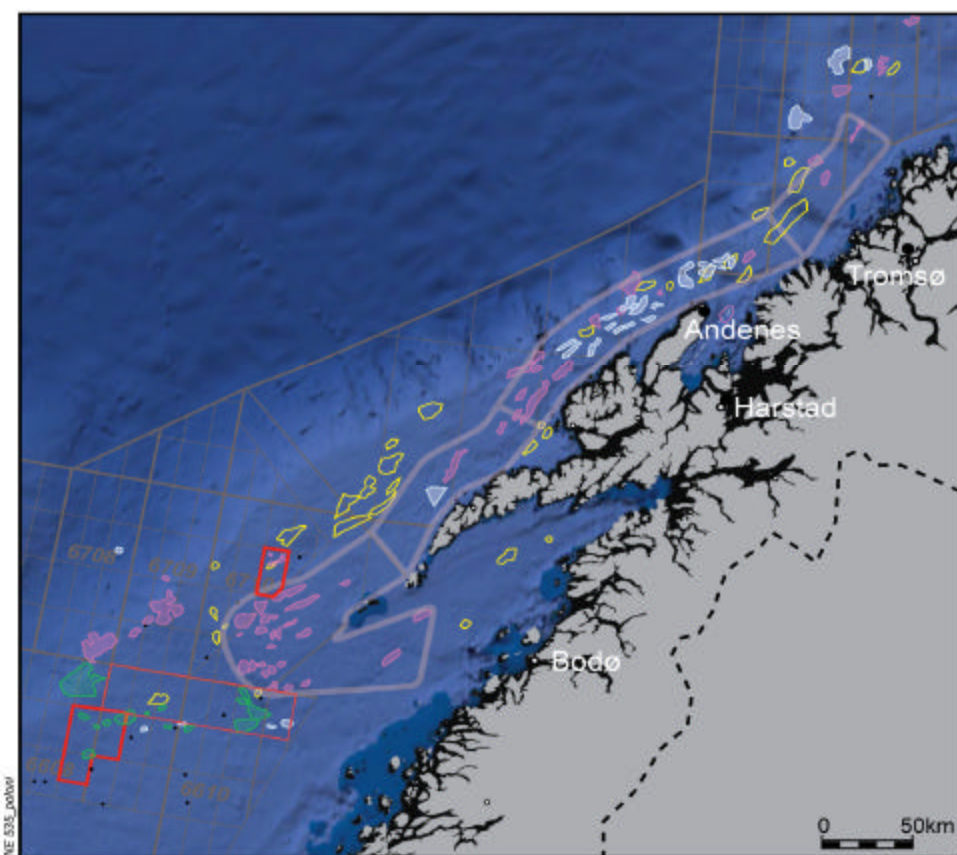


## Mid/golden phase

- The Norwegian Sea is in its golden phase of exploration – where the North Sea was in the eighties
- The **early phase** is characterized by low success rates, large prospects, no infrastructure and high commercial risk
- The **mid phase**, also called the golden phase, is characterized by very high success rates, mid size prospects, existing infrastructure and high profitability
- The **late phase** is characterized by lower success rates, small prospects and marginal project economics

# Highly promising areas outside Lofoten and Vesterålen

## High upside, untouched exploration acreage



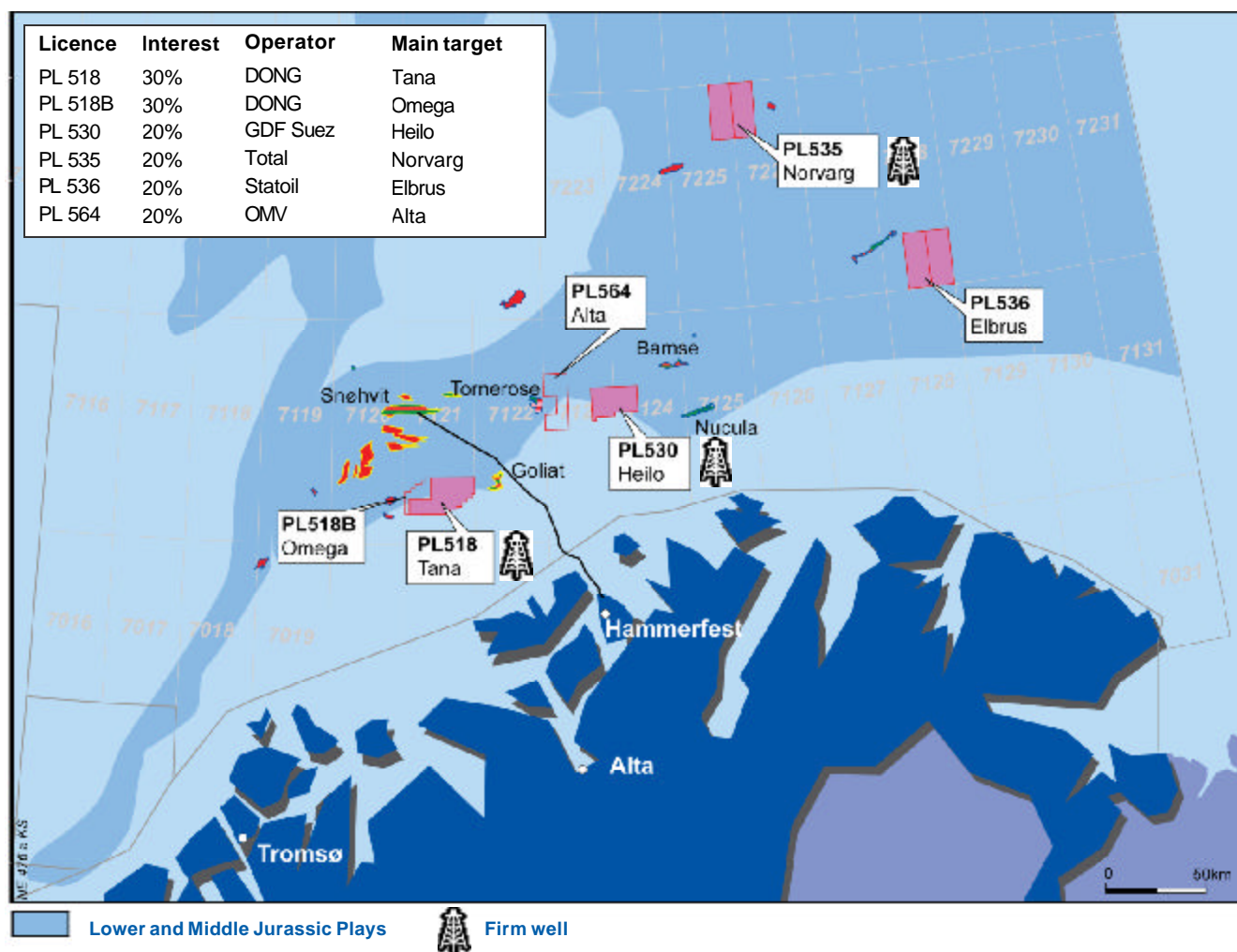
-  Tertiære
-  Kritt
-  Jura
-  Seismisk anomali
-  Nominerte blokker for 21. runde

- The areas outside Lofoten and Vesterålen are regarded as the most promising, untouched exploration acreage on the NCS
  - North Energy has mapped that these areas may hold resources in the order of 2 - 3 billion boe
- Over the past summers, the NPD has carried out seismic surveys to better understand the geology and resource potential in this area
  - The NPD has indicated that results from these studies support the industry's high expectations
- The decision on whether to initiate environment impact assessments will be made in 2010
  - This would be a first step towards opening Lofoten and Vesterålen for petroleum activities



# Three firm wells in the Barents Sea in 2011

## Barents Sea license map



- Three firm, high impact wells in 2011
- Net risked mean resources of 83 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
- Some gas offtake capacity from 2015 and larger volumes from 2017 through Snøhvit LNG

# 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
- Active team on M&A

## Near time news flow and upside

- Targeting three exploration wells in 2010, two of which are already firm;
  - The Fogelberg prospect (ongoing) – 24 mmboe net unrisked mean
  - The Jette prospect in Q4 2010 – 14 mmboe net unrisked mean

## Longer term plans

- Working on applications for the APA 2010 round
- Focus on 21<sup>st</sup> and 22<sup>nd</sup> licensing rounds – the latter may include acreage in promising areas outside Lofoten and Vesterålen

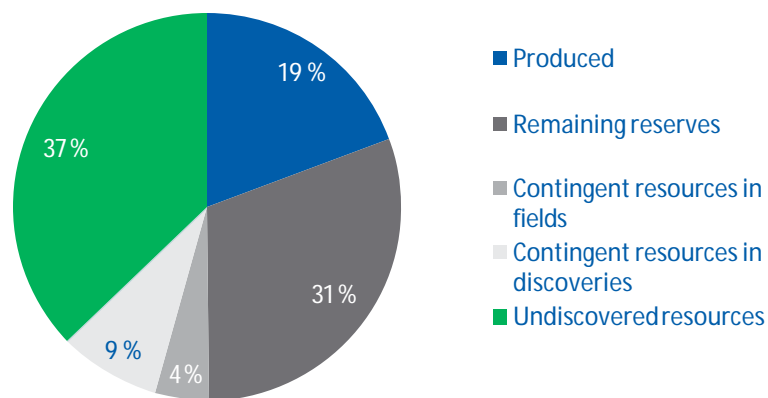
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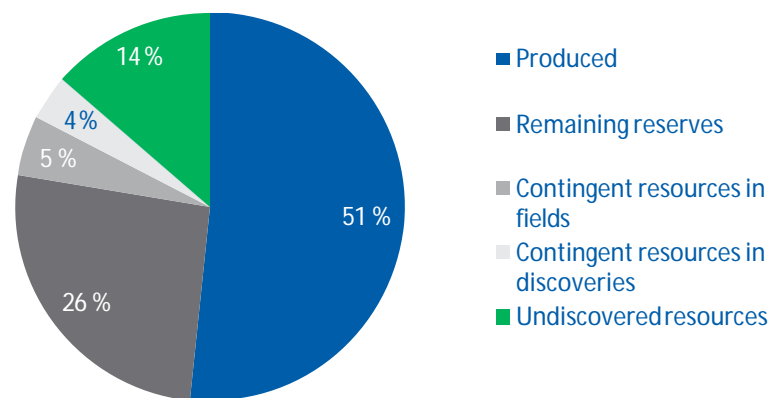
# Still vast undiscovered resources

## Total resources on the Norwegian continental shelf

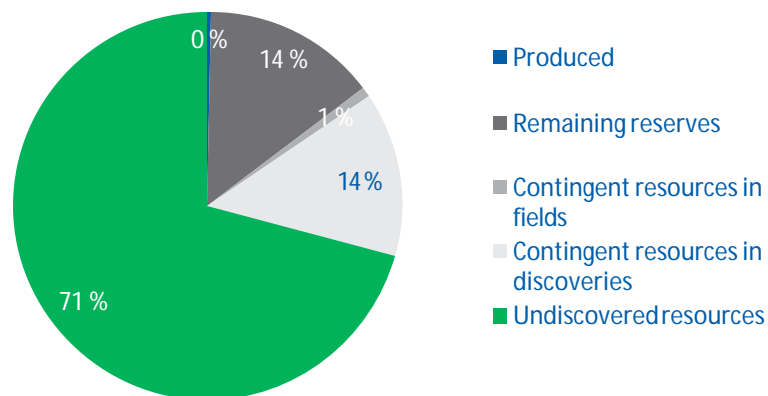
Resources in the Norwegian Sea (20.2 bn. bbl o.e.)



Resources in the North Sea (54.0 bn. bbl o.e.)



Resources in the Barents Sea (8.1 bn. bbl o.e.)



- The Norwegian Petroleum Directorate estimates that around 21 billion barrels o.e. remains to be found on the Norwegian continental shelf
  - 7.4 billion boe in the North Sea
  - 7.5 billion boe in the Norwegian Sea
  - 6.5 billion boe in the Barents Sea

# Regular access to more exploration acreage

## Licensing rounds

**MINISTRY OF  
PETROLEUM AND ENERGY**

**Press release, 05.11.2009**  
No.: 135-09

### Initiates 21st licensing round

Mr. Terje Riis-Johansen, Norwegian Minister of Petroleum and Energy, has invited oil companies to nominate blocks that ought to be included in the 21st licensing round on the Norwegian continental shelf. The invitations have been sent to all licensees on the shelf and pre-qualified companies.

Numbered licensing rounds include mainly frontier areas of the Norwegian continental shelf with potential for large discoveries.

**With the 21st licensing round I seek to give the oil industry access to attractive areas which are less explored. It is important to provide the industry access to frontier areas through predictable licensing rounds. This contributes to maintain the activity level on the Norwegian continental shelf and secure the shelf's attractiveness. The nominated areas will hopefully contribute to long term value creation in the petroleum industry, says Terje Riis-Johansen, Norwegian Minister of Petroleum and Energy.**

The companies' nominations will be an important part of which the decision is based upon when the Ministry announces the 21st licensing round. This announcement is intended to take place before summer 2010. Awards of new production licenses are planned for spring 2011.

The deadline for submitting nominations is noon, 13 January 2010.

- Annual awards of licenses in mature areas in the APA-rounds (Awards in Predefined Areas)
- Ordinary licensing rounds in frontier areas every second or third year
- Next opportunity to apply for licences in frontier areas is the 21<sup>st</sup> ordinary round in 2010/2011
  - 43 companies nominated blocks for the 21<sup>st</sup> round within the deadline on 13 January 2010
  - 307 blocks or part of blocks were nominated, of which 138 were nominated by more than one
  - The 21<sup>st</sup> round is expected to be announced before the summer this year with awards in the spring of 2011

# Attractive tax system for exploration companies

## Tax on profit

- The petroleum tax system is a profit based tax system, where the tax is based on the net profits from E&P activities
- The marginal tax rate on the NCS is 78 %, of which 28 % Corporate Tax and 50 % Special Tax

## Tax on sale of licences

- Sale of license interests/assets is made on an after tax basis – meaning that there is no tax on any profits from license sales
- This applies to all licenses, including exploration acreage, discoveries and producing assets

## Tax reimbursement

- For companies out of tax paying position, the state will pay out the tax value of direct and indirect exploration costs (except interest costs)
- This means that companies like North Energy gets up to 78% of nearly all costs related to the exploration activity reimbursed from the state

## Exploration financing

- The reimbursement is paid in cash the year after, however, the expected tax payout can be used as collateral to secure exploration financing
- In practice, the bank pays the tax reimbursement in advance – usually around 65 % (maximum 78 %) of annual exploration costs

# Attractive prospect inventory

License	Equity	Area	Prospect Name	Operator	Probability of Success <i>aggregated</i>	Main Hydrocarbon Phase	Gross Mean Unrisked <i>mmboe</i>	Net Mean Risked <i>mmboe</i>
<b>Firm wells 2010 – 2012</b>								
PL 433 <sup>1</sup>	12 %	Norwegian Sea	<b>Fogelberg</b>	Centrica	57 %	Gas Condensate	196	13
PL 385 <sup>2</sup>	15 %	Norwegian Sea	<b>Jette</b>	Statoil	37 %	Gas Condensate	95	5
PL 530	20 %	Barents Sea	<b>Heilo</b>	GDF Suez	39 %	Oil with gas cap	308	24
PL 535	20 %	Barents Sea	<b>Norvarg</b>	Total	29 %	Gas	226	13
PL 518	30 %	Barents Sea	<b>Tana</b> <sup>3</sup>	DONG	14 %	Oil	440	18
<b>Total</b>							<b>1,265</b>	<b>73</b>
<b>Drill-or-Drop 2010 – 2012</b>								
PL 498	25 %	North Sea	<b>Skagen</b>	Lotos	36 %	Oil	84	8
PL 510	20 %	Norwegian Sea	<b>Dorothy/Toto</b>	Centrica	54 %	Gas Condensate	279	30
PL 526	40 %	Norwegian Sea	<b>Vågar</b>	North Energy	17 %	Oil with gas cap	133	9
PL 536	20 %	Barents Sea	<b>Elbrus</b>	Statoil	20 %	Gas	289	11
PL 564 <sup>4</sup>	20 %	Barents Sea	<b>Alta</b>	OMV	24 %	Oil with gas cap	155	8
<b>Total</b>							<b>940</b>	<b>66</b>
<b>Additional resources (see appendix)</b>							<b>945</b>	<b>62</b>
<b>Grand total</b>							<b>3,150</b>	<b>201</b>

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

2) Carry of exploration costs (22.5% of which 15.0% own share)

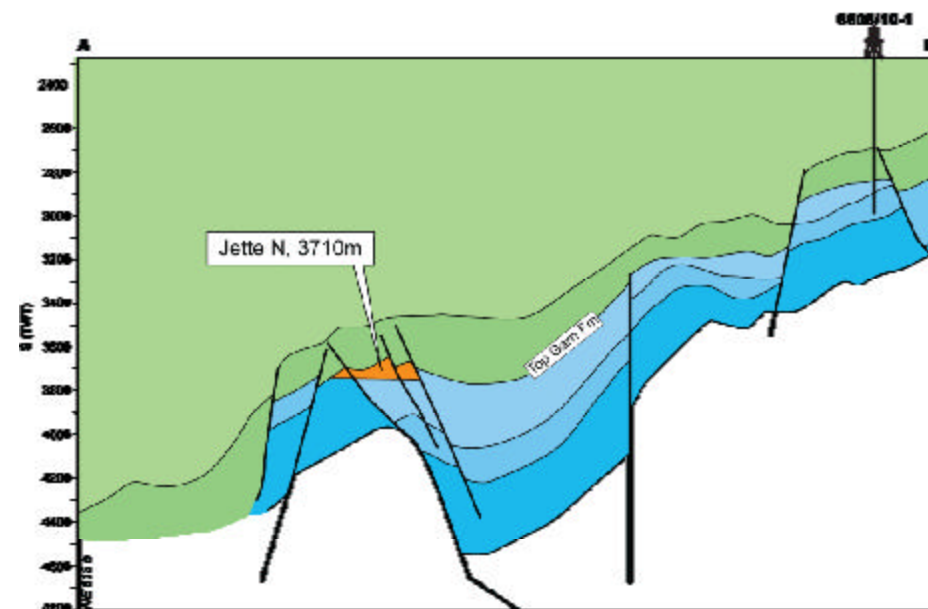
3) Operator's main prospect and estimates

4) Offered in the APA 2009 round announced on 19 January 2010

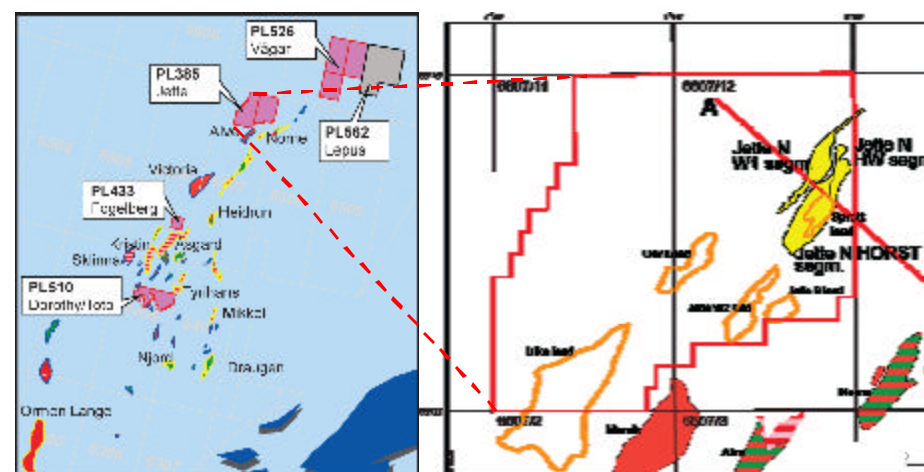
# Jette – second firm well in 2010

## PL 385 in the Norwegian Sea

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



- PL 385 is located on the 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



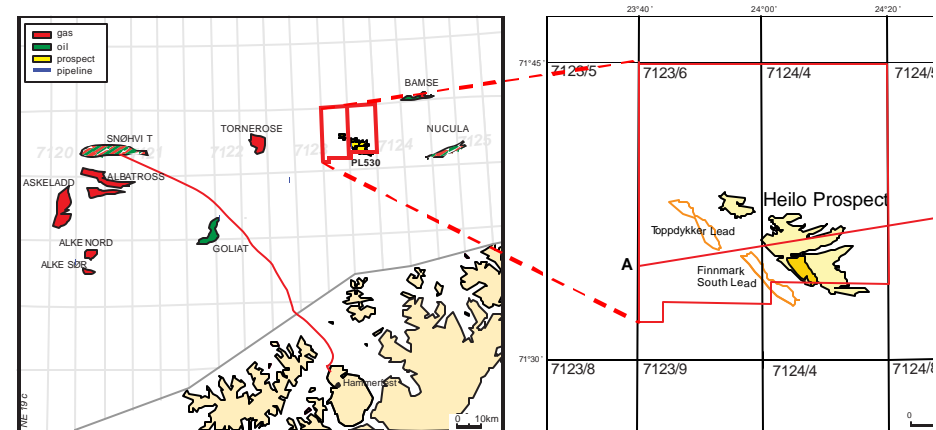
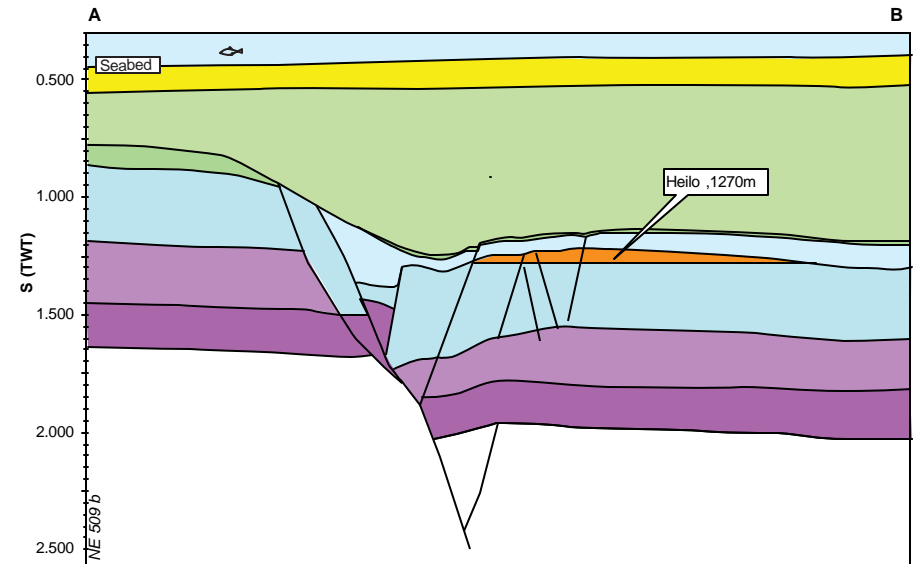
# Heilo – first of three high impact wells in 2011

## PL 530 in the Barents Sea

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

**Work program** One firm well within two years and one contingent well

- PL 530 is located along the southern flank of the 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

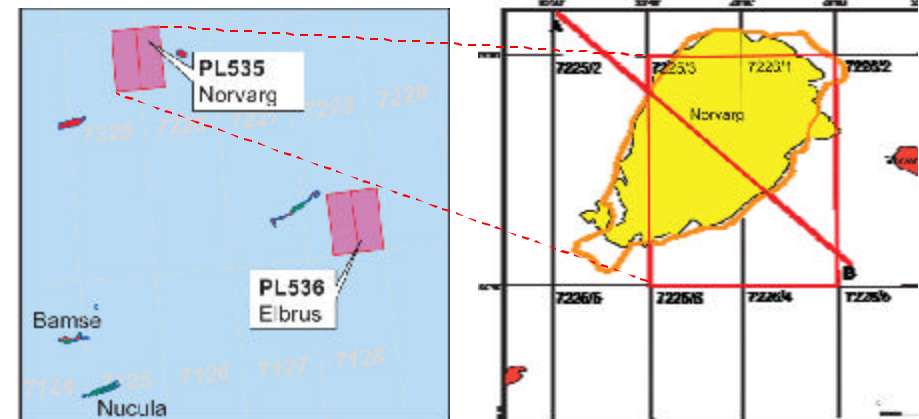
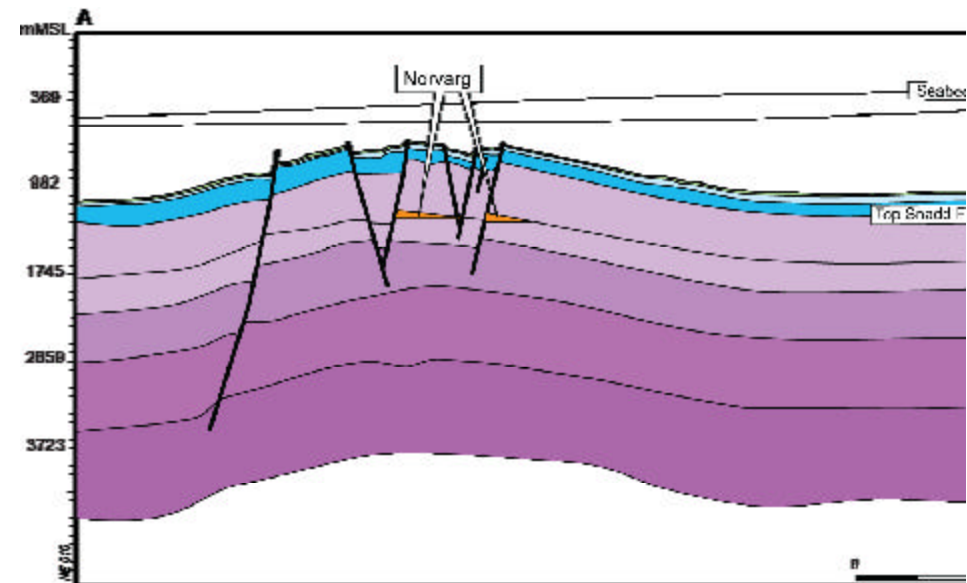


# Norvarg – third of three high impact wells in 2011

## PL 535 in the Barents Sea

<b>Awarded</b>	20th round (2009)	<b>Main prospect</b>	Norvarg
<b>Operator</b>	Total (40%)	<b>Hydrocarbons</b>	Gas
<b>Partners</b>	North Energy (20%)	<b>Expected drilling</b>	2011
	Det norske (20%)	<b>Prob. of success</b>	29%
	Rocksource (20%)	<b>Gross mean unrisked</b>	226 mmboe
		<b>Net mean unrisked</b>	34 mmboe
<b>Work program</b>	Acquire a minimum of 500 km <sup>2</sup> 3D seismic One firm well within four years		

- PL 535 is located on the gas prone Bjarmeland Platform, between the Ververis and Arenaria gas discoveries
- The license contains the Norvarg prospect
- A discovery on Norvarg could be developed in combination with Ververis and/or Arenaria, alternatively offshore LNG or as part of a second LNG train on Melkøya (Snøhvit onshore facilities)

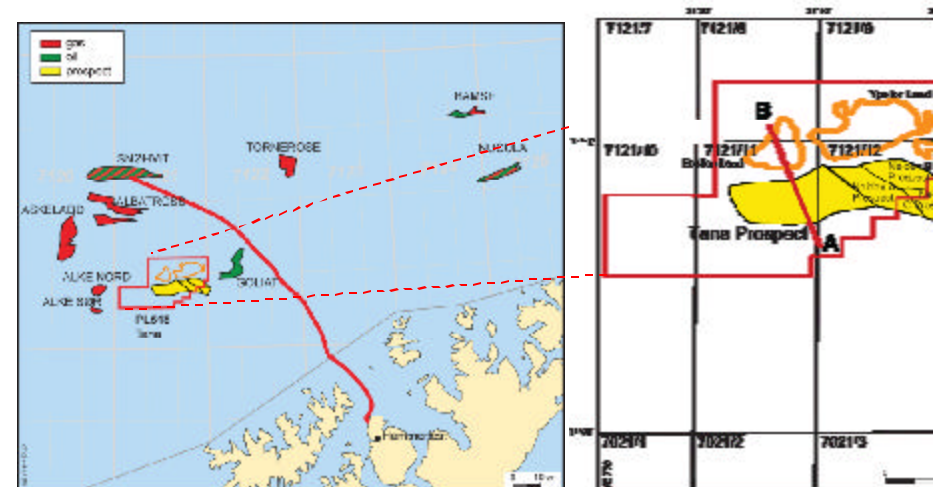
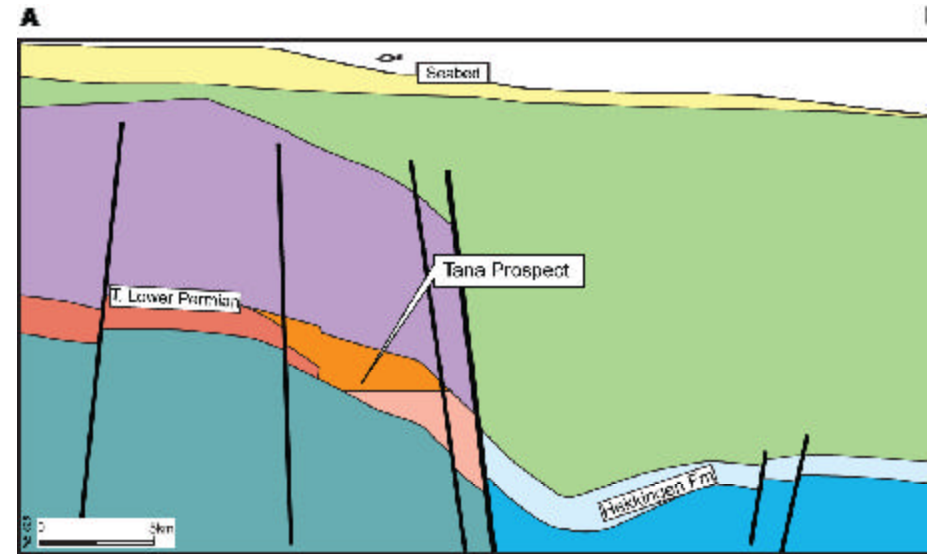


# Tana – second of three high impact wells in 2011

## PL 518 in the Barents Sea

<b>Awarded</b>	APA 2008	<b>Main prospect</b>	Tana
<b>Operator</b>	DONG (40%)	<b>Hydrocarbons</b>	Oil
<b>Partners</b>	North Energy (30%)	<b>Expected drilling</b>	2011
	Discover (20%)	<b>Prob. of success</b>	14%
	Sagex (10%)	<b>Gross mean unrisked</b>	440 mmboe
		<b>Net mean unrisked</b>	132 mmboe
<b>Work program</b>	Acquire 3D seismic One firm well within two years and one contingent well		

- PL 518 is located along the southern flank of the Hammerfest basin between the Goliat discovery (under development) and the Alke discovery
- The license contains the Tana and Neiden prospects as well as several leads
- A discovery on Tana could be tied back to Goliat or to Snøhvit should the well prove gas instead of oil

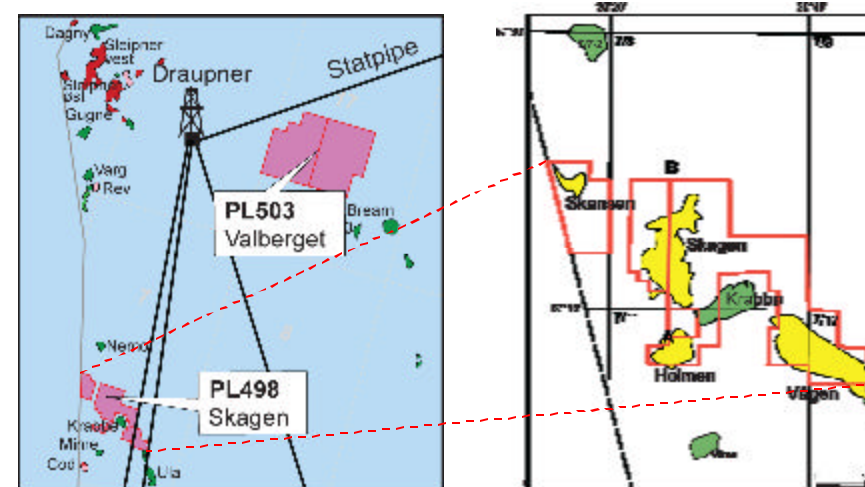
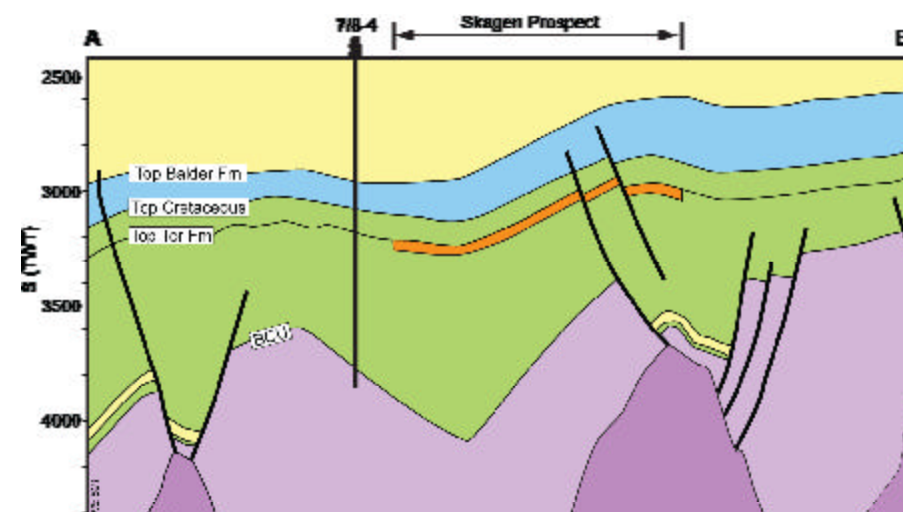


# Skagen – first well anticipated in 2011

## PL 498 in the North Sea

<b>Acquired</b>	2009 <sup>1</sup>	<b>Main prospect</b>	Skagen
<b>Operator</b>	Lotos (25%)	<b>Hydrocarbons</b>	Oil
<b>Partners</b>	4sea energy/NE (25%)	<b>Expected drilling</b>	2011/2012
	Edison Int. (25%)	<b>Prob. of success</b>	36%
	Skagen 44 (25%)	<b>Gross mean unrisked</b>	84 mmboe
		<b>Net mean unrisked</b>	21 mmboe
<b>Work program</b>	Geological and geophysical studies Drill-or-drop by Q4 2010		

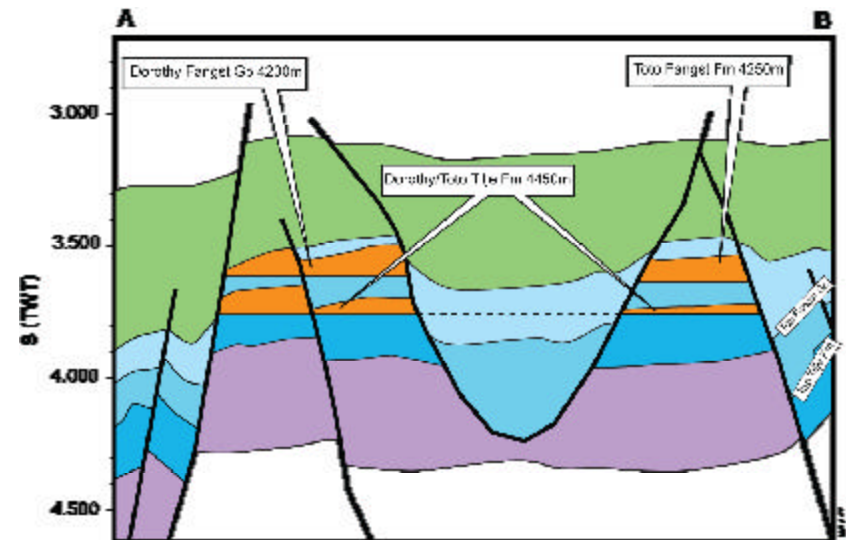
- PL 498 is located in an oil producing area close to the Ula and Gyda fields as well as the Nemo, Mime and Krabbe discoveries
- The license contains the Skagen chalk prospect, several sandstone prospects and an extension of the Krabbe oil discovery
- A discovery on Skagen is assumed developed with an unmanned wellhead platform as a satellite to the Ula field – provided the first exploration well is completed by end of 2011, a discovery could be in production by end of 2014



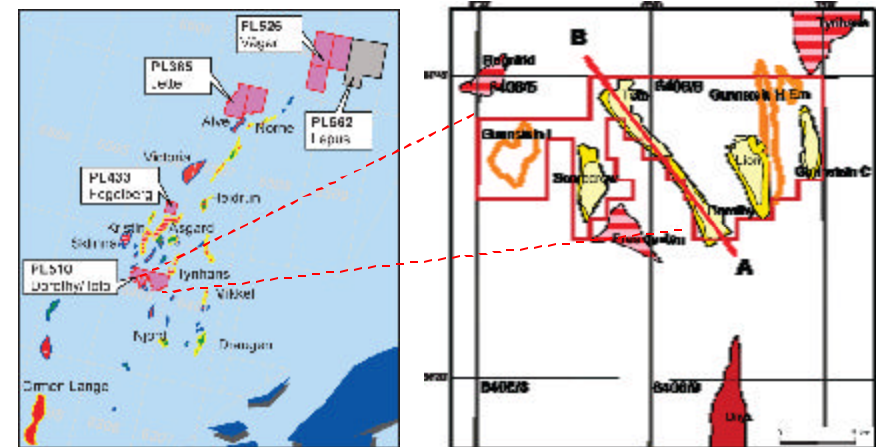
# Dorothy/Toto – possible well in 2012

## PL 510 in the Norwegian Sea

<b>Awarded</b>	APA 2008	<b>Main prospect</b>	Dorothy/Toto
<b>Operator</b>	Centrica (40%)	<b>Hydrocarbons</b>	Gas Cond.
<b>Partners</b>	North Energy (20%)	<b>Expected drilling</b>	2012
	Faroe Petroleum (20%)	<b>Prob. of success</b>	54%
	E.ON Ruhrgas (20%)	<b>Gross mean unrisked</b>	279 mmboe
		<b>Net mean unrisked</b>	56 mmboe
<b>Work program</b>	Reprocess 3D seismic Drill-or-drop within two years		



- PL 510 is located on the Halten Terrace in the vicinity of several producing fields
- The license contains five prospects with multiple targets in each prospect
- If successful, a discovery could be tied back to the Kristin field with first gas in 2017/2018

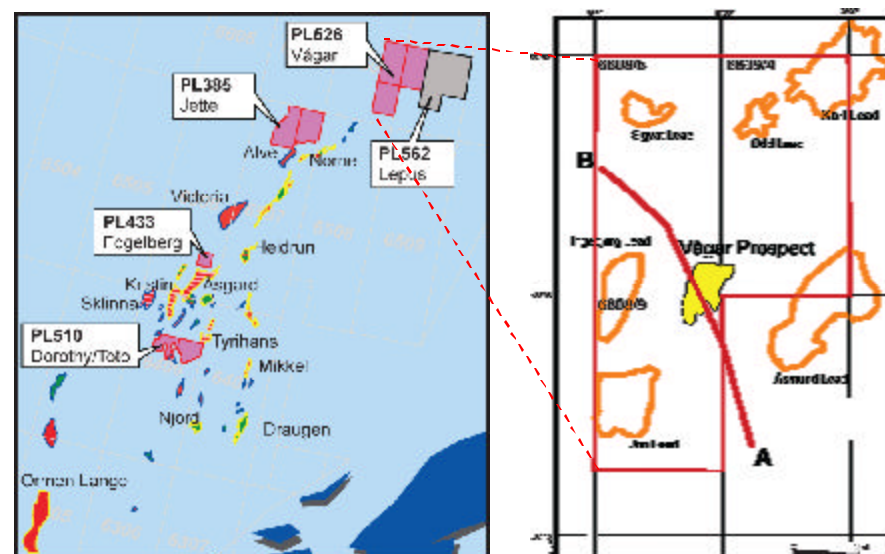
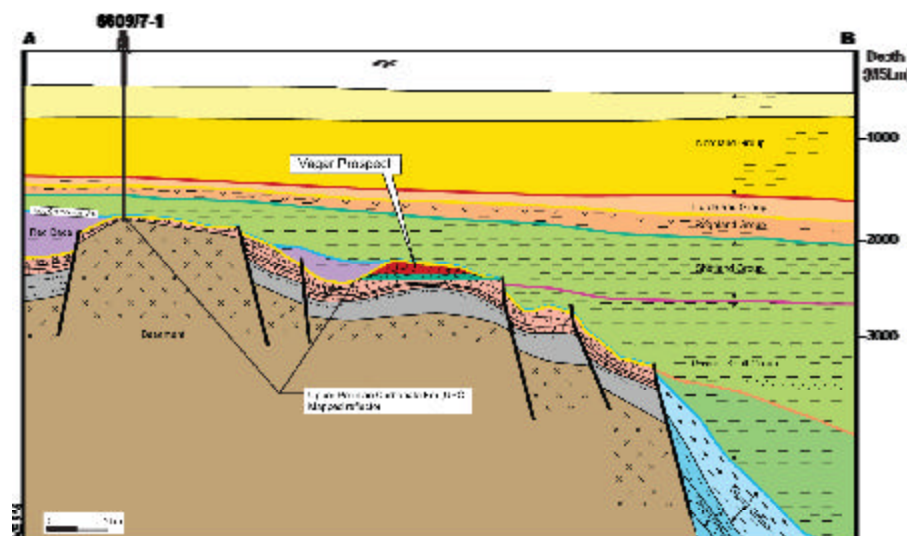


# Vågar – possible well in 2012

## PL 526 in the Norwegian Sea

<b>Awarded</b>	20th round (2009)	<b>Main prospect</b>	Vågar
<b>Operator</b>	North Energy (40%)	<b>Hydrocarbons</b>	Oil w/gas cap
<b>Partners</b>	Noreco (20%)	<b>Expected drilling</b>	2012
	Dana Petroleum (20%)	<b>Prob. of success</b>	17%
	E.ON Ruhrgas (20%)	<b>Gross mean unrisks</b>	133 mmboe
		<b>Net mean unrisks</b>	53 mmboe
<b>Work program</b>	Reprocess 3D seismic Drill-or-drop within 2 years		

- PL 526 is located northeast of the Norne field
- The license contains the Vågar prospect and multiple leads
- A discovery on Vågar could be tied back to the Norne FPSO

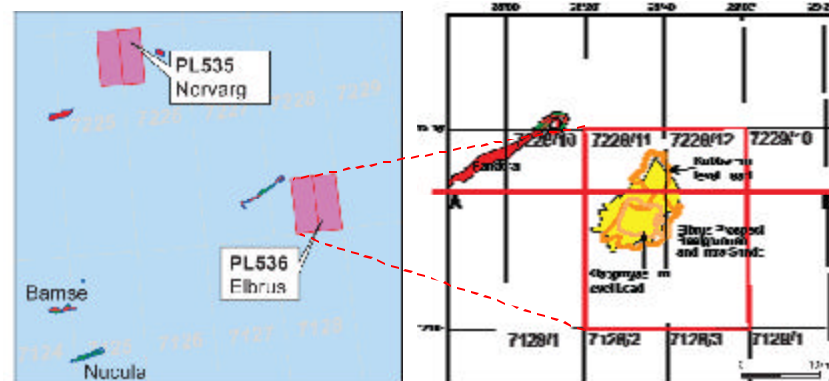
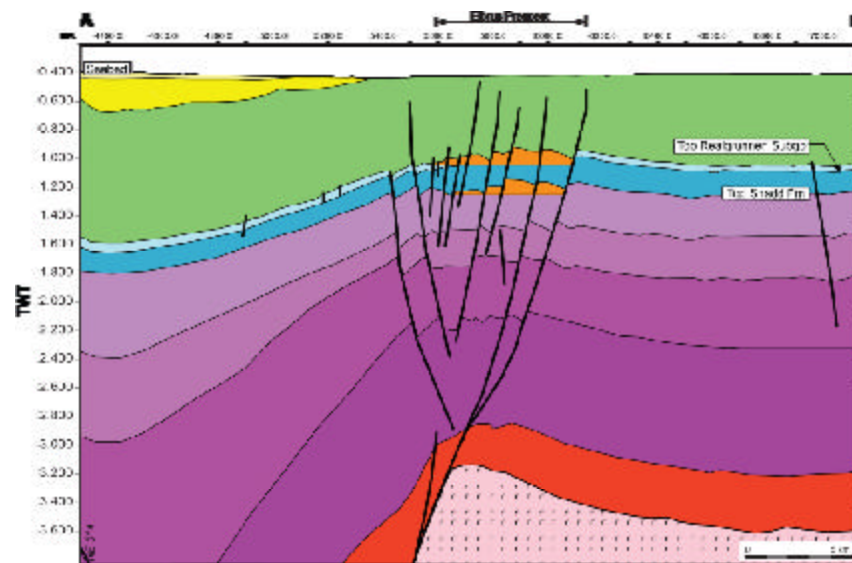


# Elbrus – future gas for second LNG train on Melkøya

## PL 536 in the Barents Sea

<b>Awarded</b>	20th round (2009)	<b>Main prospect</b>	Elbrus
<b>Operator</b>	Statoil (40%)	<b>Hydrocarbons</b>	Gas
<b>Partners</b>	North Energy (20%)	<b>Expected drilling</b>	N/A
	Discover (20%)	<b>Prob. of success</b>	20%
	Petoro/SDFI (20%)	<b>Gross mean unrisked</b>	289 mmboe
		<b>Net mean unrisked</b>	58 mmboe
<b>Work program</b>	Acquire a minimum of 600 km <sup>2</sup> 3D seismic Drill-or-drop within three years		

- PL 536 is located on the Finnmark platform, immediately east of the Pandora oil and gas discovery (7228/7-1-A)
- The license contains the Elbrus prospect with two prospective intervals
- A discovery on Elbrus would be developed in combination with other future discoveries in the area, e.g. PL 535

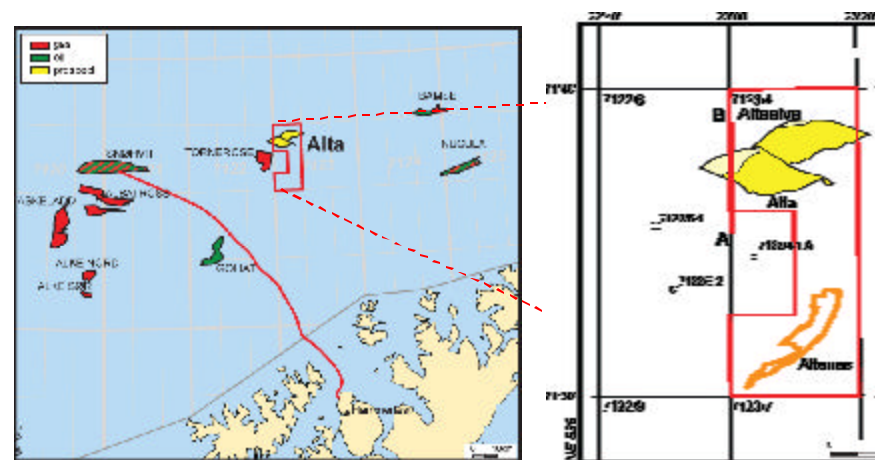
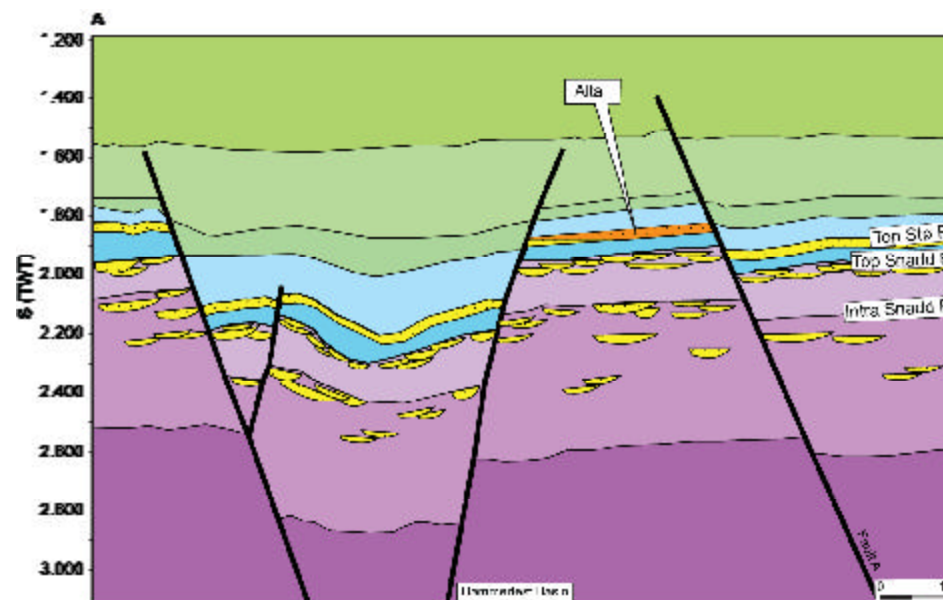


# Alta – promising prospect in the Hammerfest basin

## PL 564<sup>1</sup> in the Barents Sea

<b>Awarded</b>	APA 2009	<b>Main prospect</b>	Alta
<b>Operator</b>	OMV (50%)	<b>Hydrocarbons</b>	Oil w/gas cap
<b>Partners</b>	North Energy (20%) Wintershall (30%)	<b>Expected drilling</b>	N/A
		<b>Prob. of success</b>	24%
		<b>Gross mean unrisked</b>	155 mmboe
		<b>Net mean unrisked</b>	31 mmboe
<b>Work program</b>	Acquire 3D seismic and perform G&G studies Drill-or-drop within two years		

- PL 564 is located in the Hammerfest basin 10km northeast of the Tornerose gas discovery
- The license contains two oil prospects (rotated Jurassic fault blocks) and one lead
- A discovery on Alta could be developed as a subsea tie-back to Goliat (under development) some 50km to the southwest



# Additional resources table

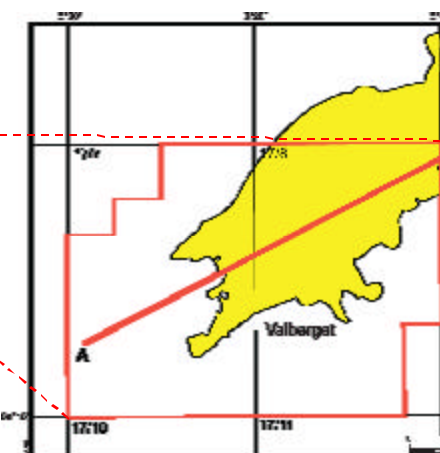
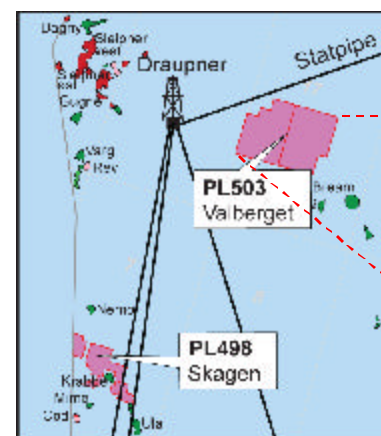
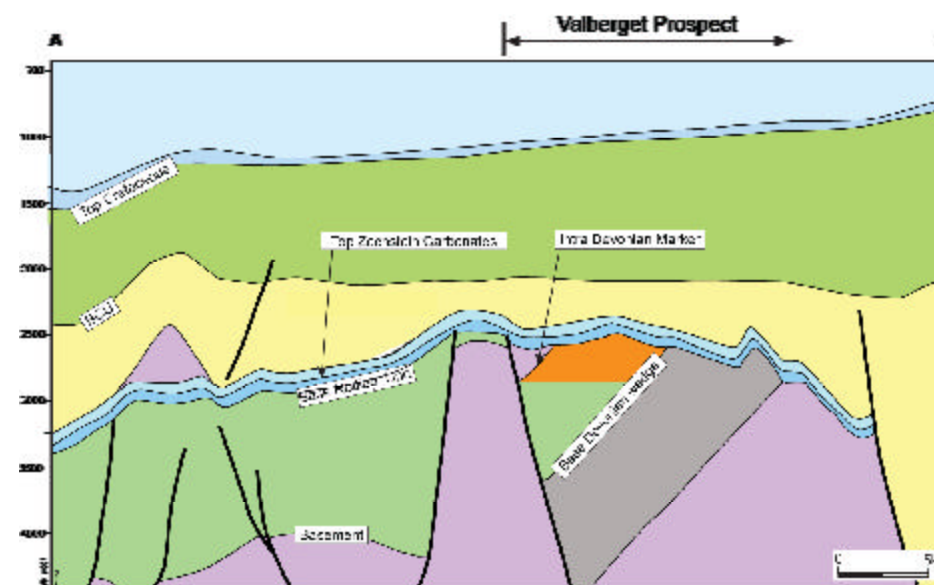
License	Equity	Area	Prospect/ Lead Name	Operator	Probability of Success <i>aggregated</i>	Main Hydrocarbon Phase	Gross Mean Unrisked <i>mmboe</i>	Net Mean Risked <i>mmboe</i>
<b>Additional resources</b>								
PL 498	25 %	North Sea	Vågen	Lotos	22 %	Oil	99	5
PL 503	25 %	North Sea	Valberget <sup>1</sup>	Lotos	Lead	Oil	N/A	N/A
PL 510	20 %	Norwegian Sea	Lion/Scarecrow	Centrica	50 - 54 %	Gas Condensate	421	44
PL 518 B	30 %	Barents Sea	Omega <sup>1</sup>	DONG	Lead	Oil	N/A	N/A
PL 530	20 %	Barents Sea	Heilo West	GDF Suez	39 %	Oil	18	1
PL 562 <sup>2</sup>	10 %	Norwegian Sea	Lepus	Dana	18 %	Oil w/ gas cap	128	2
PL 562 <sup>2</sup>	10 %	Norwegian Sea	Taurus	Dana	14 %	Gas	120	2
PL 564 <sup>2</sup>	20 %	Barents Sea	Altaelva	OMV	24 %	Oil w/ gas cap	159	8
<b>Total</b>							<b>945</b>	<b>62</b>

# Valberget – high risk/high reward lead

## PL 503 in the North Sea

<b>Acquired</b>	2009 <sup>1</sup>	<b>Main prospect</b>	Valberget
<b>Operator</b>	Lotos (25%)	<b>Hydrocarbons</b>	Oil
<b>Partners</b>	4sea energy/NE (25%)	<b>Expected drilling</b>	2013
	Edison Int. (25%)	<b>Prob. of success</b>	Lead
	Skagen 44 (25%)	<b>Gross mean unrisks</b>	N/A <sup>2</sup>
		<b>Net mean unrisks</b>	N/A <sup>2</sup>
<b>Work program</b>	Acquire 3D seismic Drill-or-drop by Q4 2012		

- PL 503 is located northwest of The Bream and Brisling discoveries
- The license contains the high risk/high reward Valberget lead with the main reservoir interpreted to be Devonian sandstone
- A discovery on Valberget is assumed developed as a new stand alone field center with oil exported through the Ekofisk facilities and gas through Statpipe

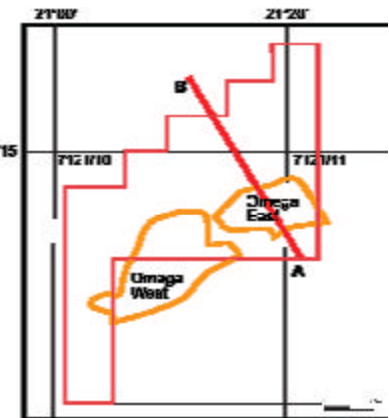
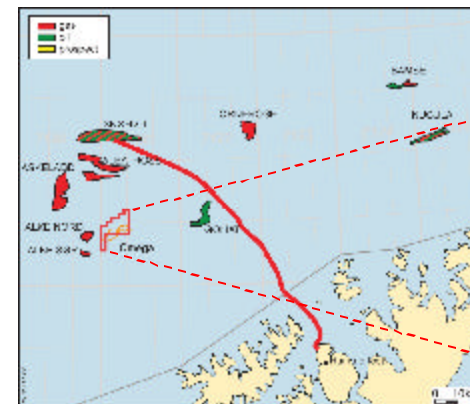
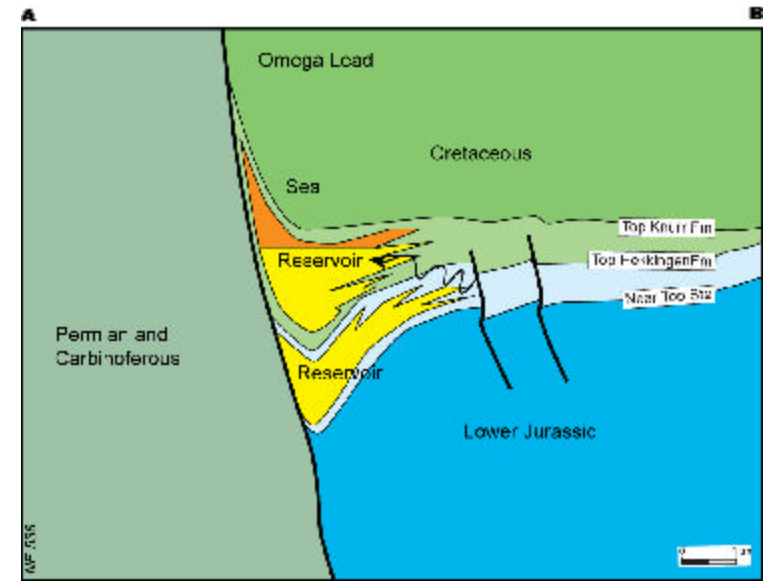


# Omega – additional Hammerfest basin prospectivity

## PL 518 B<sup>1</sup> in the Barents Sea

<b>Awarded</b>	APA 2009	<b>Main prospect</b>	Omega
<b>Operator</b>	DONG (40%)	<b>Hydrocarbons</b>	Oil
<b>Partners</b>	North Energy (30%)	<b>Expected drilling</b>	N/A
	Discover (20%)	<b>Prob. of success</b>	Lead
	Sagex (10%)	<b>Gross mean unrisks</b>	N/A
		<b>Net mean unrisks</b>	N/A
<b>Work program</b>	Same as for PL 518		

- PL 518 is located along the southern flank of the Hammerfest basin between the Goliat discovery (under development) and the Alke discovery
- The license contains the Omega West and Omega East leads
- A discovery on Omega could be tied back to Goliat or to Snøhvit should the well prove gas instead of oil

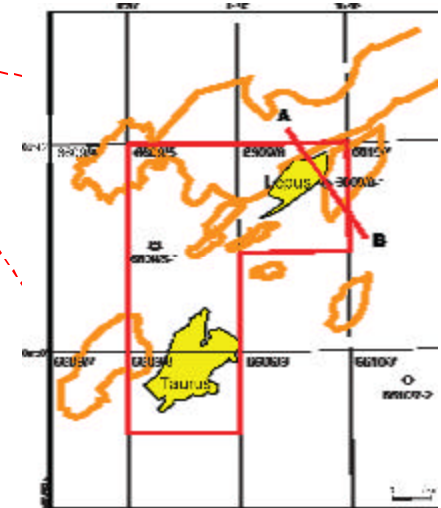
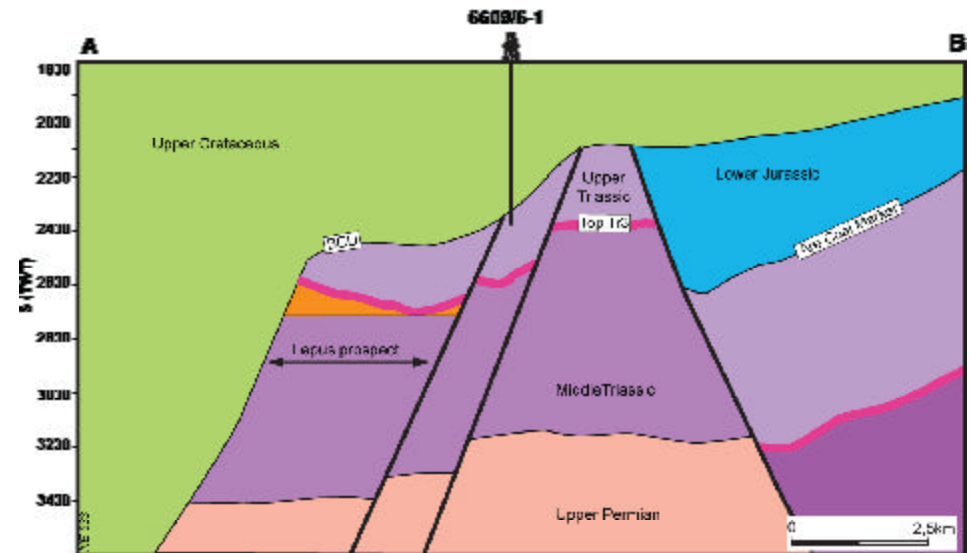


# Lepus – potential play opener

## PL 562<sup>1</sup> in the Norwegian Sea

<b>Awarded</b>	APA 2009	<b>Main prospect</b>	Lepus
<b>Operator</b>	Dana Petroleum (30%)	<b>Hydrocarbons</b>	Oil w/gas cap
<b>Partners</b>	North Energy (10%)	<b>Expected drilling</b>	N/A
	E.ON Ruhrgas (20%)	<b>Prob. of success</b>	18%
	Noreco (20%)	<b>Gross mean unrisked</b>	128 mmboe
	Petoro/SDFI (20%)	<b>Net mean unrisked</b>	13 mmboe
<b>Work program</b>	Acquire 3D seismic and perform G&G studies Drill-or-drop within three years		

- PL 562 is located on the Nordland Ridge, immediately east of PL 526
- The license contains two prospects and a number of leads
- The Lepus prospect represents a new triassic play on the Nordland Ridge
- A discovery on Lepus could be tied back to the Norne FPSO





**north**  
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