

## Q3 2023 Results Presentation

28<sup>th</sup> November 2023, Eyas Alhomouz (Chairman), Jens Pace (Interim CEO)



Tchendo platform

This Presentation has been prepared by PetroNor E&P ASA (Company).

## Summary information

This Presentation contains summary information about the Company and its subsidiaries (Company Group) and their activities. The information in this Presentation does not purport to be complete or comprehensive, and does not purport to summarise all information that an investor should consider when making an investment decision. It should be read in conjunction with the Company's other periodic and continuous disclosure announcements lodged with Oslo Børs, which are available at [www.euronext.com/nb/markets/oslo](http://www.euronext.com/nb/markets/oslo)

## Not financial product advice

This Presentation is for information purposes only and is not a prospectus, product disclosure statement or other offer document under Norwegian law or the law of any other jurisdiction. This Presentation is not financial advice, a recommendation to acquire Company shares or accounting, legal or tax advice. It has been prepared without taking into account the objectives, financial or tax situation or needs of individuals. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial and tax situation and needs and seek such legal, financial and/or taxation advice as they deem necessary or appropriate to their jurisdiction. The Company is not licensed to provide financial product advice in respect of Company shares.

## Future performance

This Presentation contains certain forward looking statements. The words anticipated, expected, projections, forecast, estimates, could, may, target, consider and will and other similar expressions are intended to identify forward looking statements. Forward looking statements, opinions and estimates provided in this Presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward looking statements including projections, indications or guidance on future earnings or financial position and estimates are provided as a general guide only and should not be relied on as an indication or guarantee of future performance. There can be no assurance that actual outcomes will not differ materially from these statements. This difference may be due to various factors, including, among others: general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities; actual results of reclamation activities; the outcome of negotiations, conclusions of economic evaluations and studies; changes in project parameters and returns as plans continue to be refined; future price of oil and gas; drilling risks; political instability; insurrection or war; arbitrary changes in law; delays in obtaining governmental approvals or financing or in the completion of development activities. The forward looking statements in this Presentation speak only as of the date of this Presentation. To the full extent permitted by law, the Company and its directors, officers, employees, advisers, agents and intermediaries disclaim any obligation or undertaking to release any updates or revisions to the information to reflect any change in expectations or assumptions. Nothing in this Presentation will under any circumstances create an implication that there has been no change in the affairs of Company Group since the date of this Presentation.

## Investment risk

An investment in the Company shares is subject to investment and other known and unknown risks, some of which are beyond the control of the Company Group. The Company does not guarantee the performance of the Company or any particular rate of return on the performance on the Company Group, nor does it guarantee the repayment of capital from the Company or any particular tax treatment.

## Not an offer

This Presentation is not and should not be considered an offer or an invitation to acquire Company shares or any other financial products and does not and will not form any part of any contract for the acquisition of the Company shares. This Presentation does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. Company shares have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

## Competent person statements

The information in this Presentation relating to hydrocarbon resource estimates for Congo-Brazzaville includes information compiled by AGR Petroleum Services AS ("AGR"). AGR has consented to the inclusion in this Presentation of the matters based on the information in the form and context in which it appears. In addition, this is supplemented with corporate management estimates for Nigeria. Further, hydrocarbon resource estimates for The Gambia includes information compiled by Dr Adam Law, Geoscience Director of ERC Equipoise Ltd. Dr Law, is a post-graduate in Geology, a Fellow of the Geological Society and a member of the Society of Petroleum Evaluation Engineers. He has 18 years relevant experience in the evaluation of oil and gas fields and exploration acreage, preparation of development plans and assessment of reserves and resources. Dr Law has consented to the inclusion in this Presentation of the matters based on the information in the form and context in which it appears.

## Disclaimer

The Company's advisers have not authorised, permitted or caused the issue, lodgement, submission, despatch or provision of this Presentation and do not make or purport to make any statement in this Presentation and there is no statement in this Presentation which is based on any statement by the advisers. To the maximum extent permitted by law, the Company, its representatives, advisers and their respective officers, directors, employees, agents or controlling persons (collectively, the Representatives) expressly disclaim all liabilities in respect of, and make no representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this Presentation or in any other documents furnished by the foregoing persons.

Statements made in this Presentation are made only at the date of this Presentation. The information in this Presentation remains subject to change without notice.

# Q3 2023: Positive production outlook and record oil sales



## Operational performance update:

- Q3 net working interest oil production of 5,113 bopd maintaining 1H average
- Current net production at ca 6,000 bopd as new infill wells were brought online in October
- 1.2m bbls of oil sold in 2023 realising USD 94m, an additional lifting of 360k bbls is scheduled early December
- The 100% farm-out of Guinea-Bissau acreage approved by the government, payment of USD 25m is expected soon
- Agreement signed to acquire New Age interest in Nigeria's Aje Field gas re-development
- Senegal licence dispute arbitration has concluded with claims by both parties rejected by ICSID tribunal



# Q3 2023 Financial Delivery: Positive outlook for year-end

## BALANCE SHEET

Cash at bank at 30 September 2023

**USD 23.7 million**

31 December 2022: USD 24.8 million

Net cash/-debt at 30 September 2023

**USD 16.8 million**

31 December 2022: USD 13.8 million

Gross assets at 30 September 2023

**USD 210.0 million**

31 December 2022: USD 184.5 million

## HIGHLIGHTS

Revenue for nine months ended 30 September 2023

**USD 112.6 million**

2022: USD 52.2 million

EBITDA for nine months ended 30 September 2023

**USD 71.1 million**

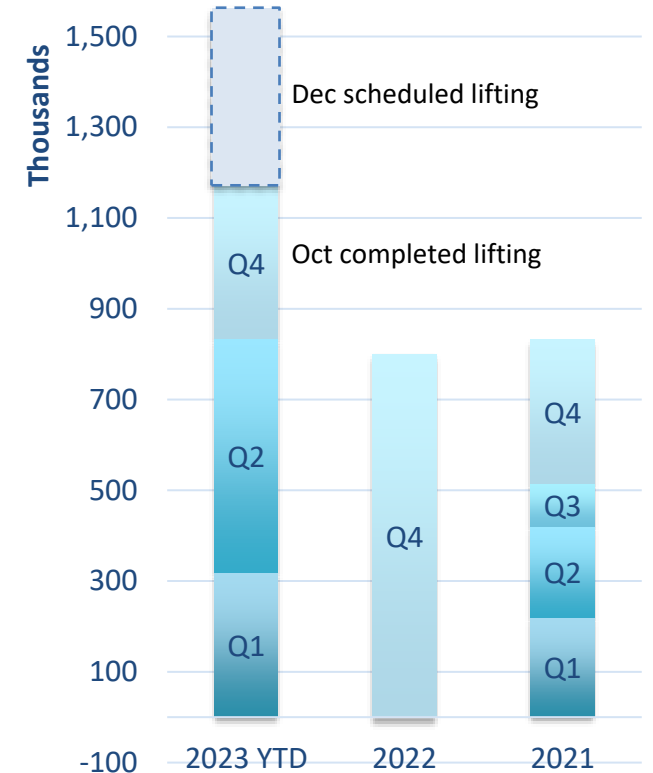
2022: USD 36.1 million

Cash flow from operations for nine months ended 30 September 2023

**USD 64.2 million**

2022: USD 41.9 million

## Oil sales from barrels lifted



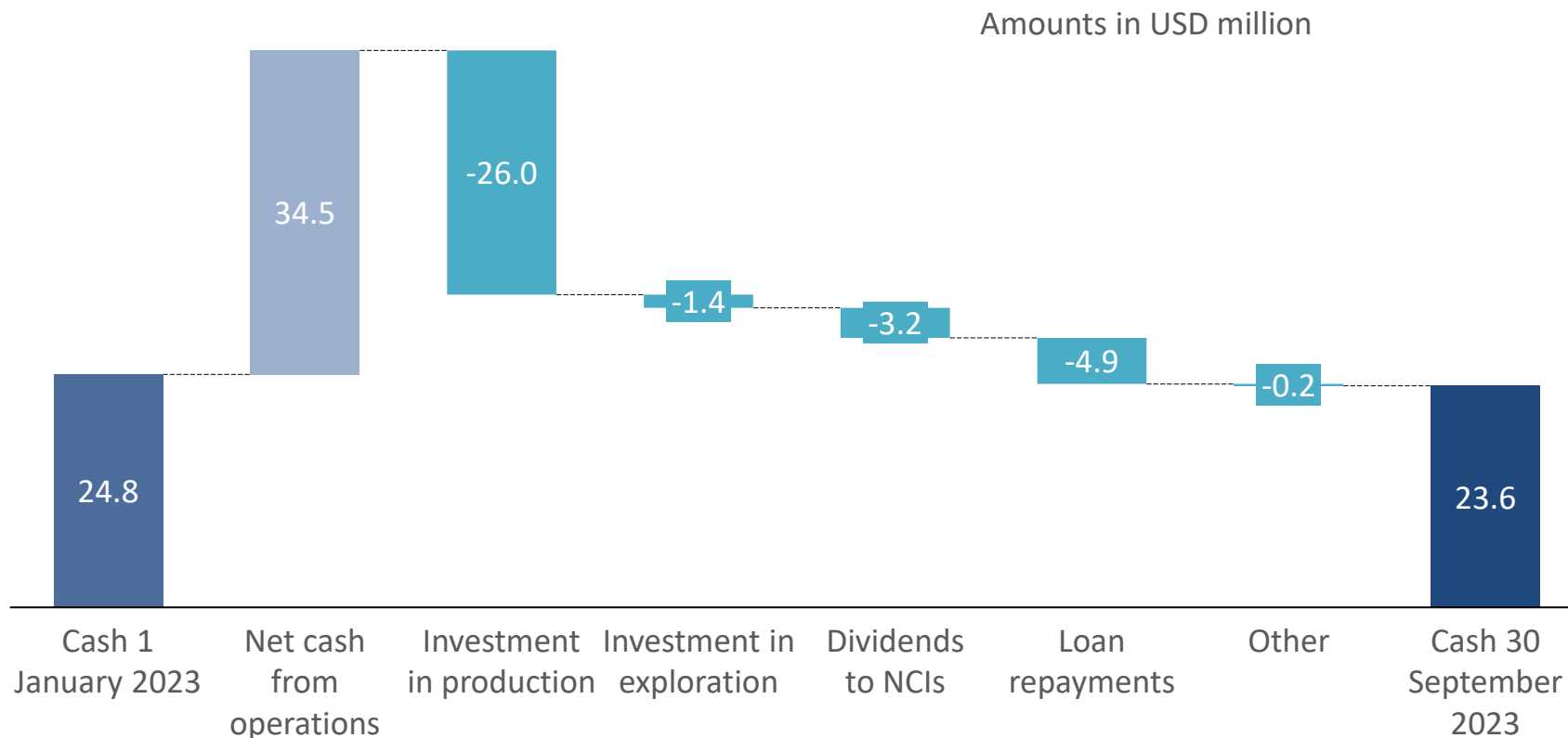
Realised average price USD /bbl

79.9

91.0

69.3

# 2023 to 30 September - Use of cash



# Balanced portfolio across the E&P value chain

## 1 Production base – Congo-Brazzaville – PNGF Sud/Bis



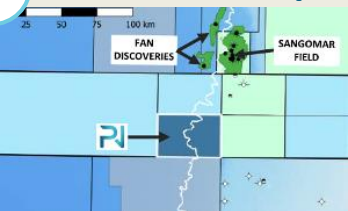
- > Gross field production of ~35,000 bopd
- > High margin production
- > Operated by Perenco

## 2 Re-development – Nigeria – Aje Field (OML 113)



- > Consolidating licence position via acquisition
- > Re-development plan of 25,000 boepd
- > Gas considered a transition fuel for Africa

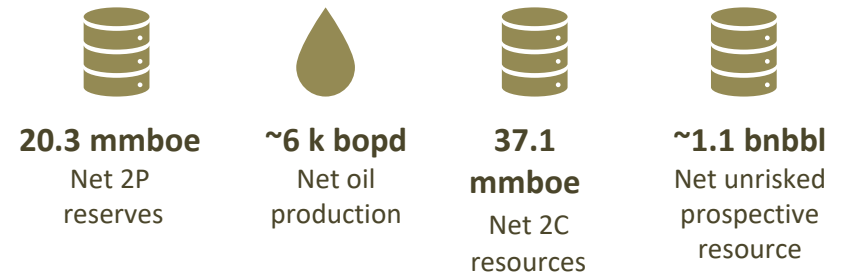
## 3 Exploration – Multiple prospects



- > Gambia A4 Licence
- > Proven basin
- > Bn bbl potential on trend with discoveries



### Key metrics<sup>1, 2</sup>

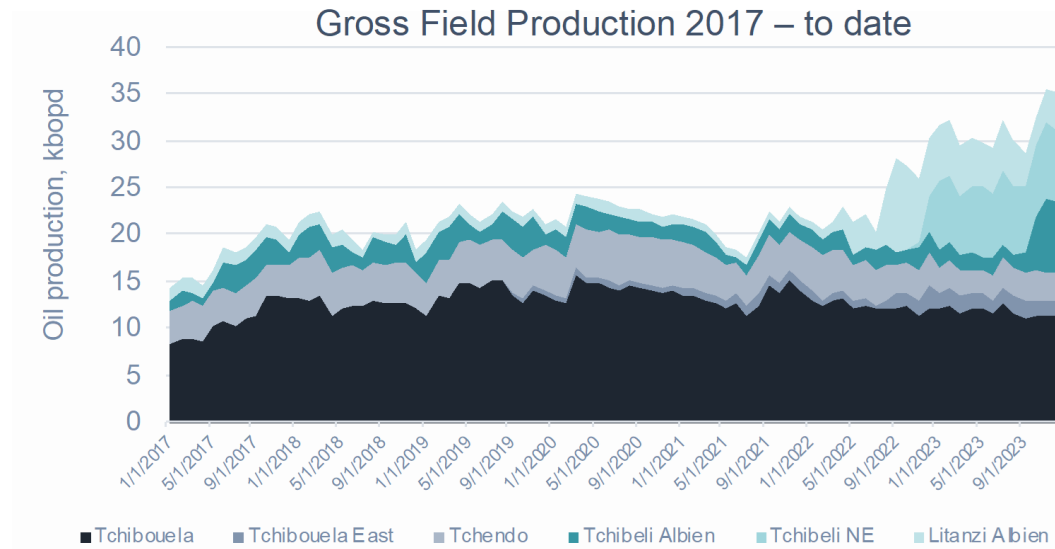
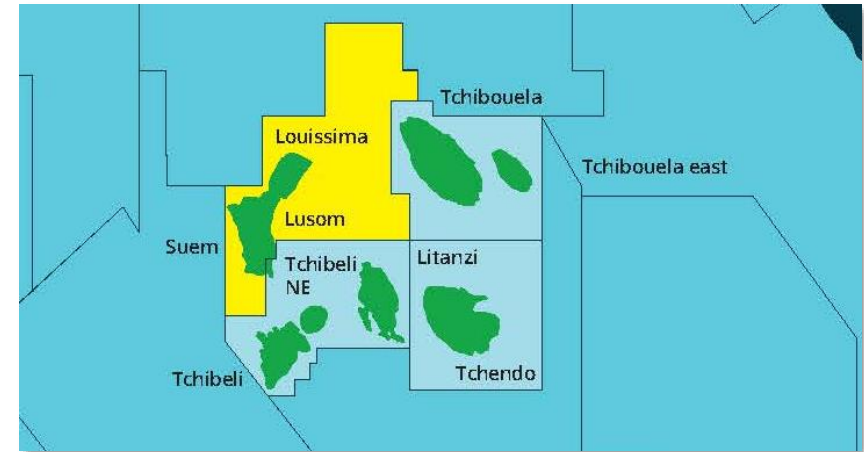


<sup>1)</sup> Congo: PNGF Bis constitutes 6.8 mmbbls of 2C resources in Congo. PetroNor has the right to enter into the PNGF Bis license with net working interest of 23.56% with Perenco as operator. Volumes as of 1 Jan 2023 on PNGF Sud (AGR 17/3/2023); <sup>2)</sup> Exploration: Sum Net Unrisks Mean Case Prospective Recoverable Resources, based on ERC Equipoise, net unrisks mean prospective resources.

# 1 Congo Production

## Strong operational delivery from PNGF Sud

- Field complex with ca 2 Bnbbls STOOIP and less than 500 mmbbls recovered to date
- Track record of adding production via work-overs of existing wells and infill drilling
- 11 of 17 planned infill wells completed since 2022 - all have exceeded expectations
- 2024 program:
  - Follow-up Vandji producer to 2022 discovery will be drilled in Tchibeli NE
  - Six infill wells in the Tchendo field
- Tchendo refurbished platform to be in field mid December

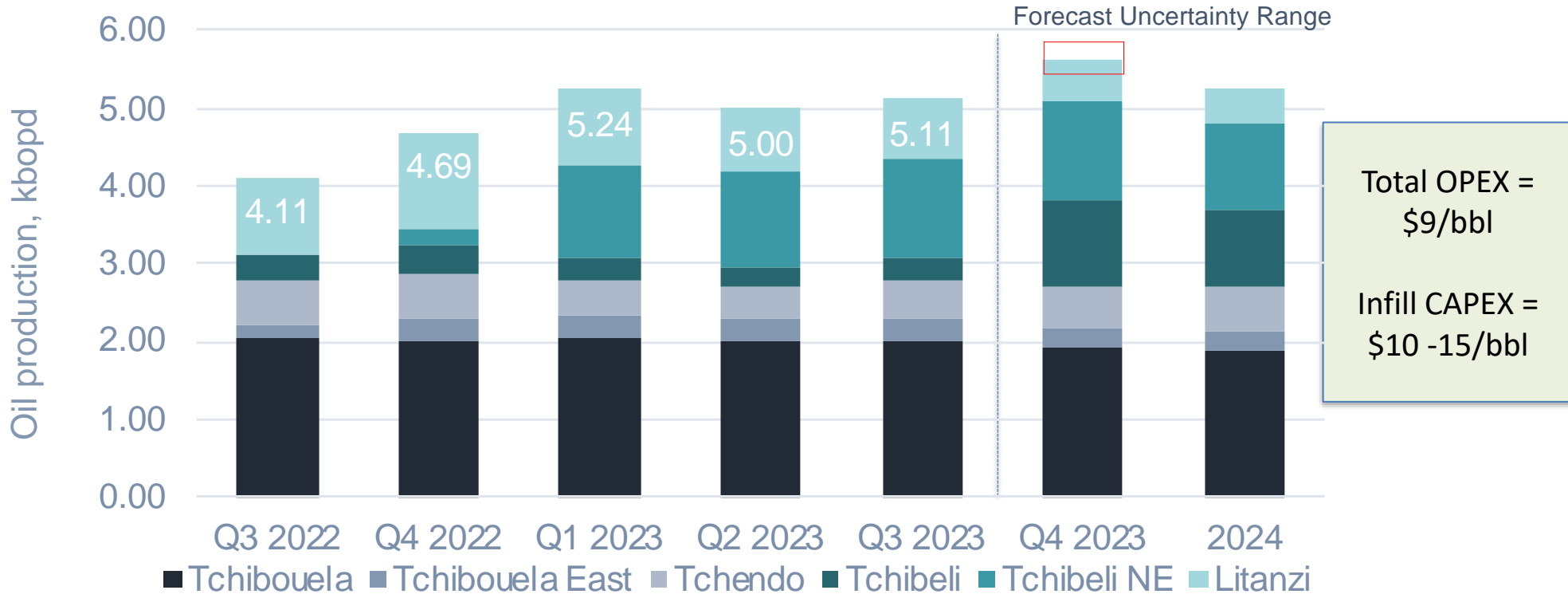


# Production growth from disciplined investment in a large field

PetroNor at net working interest 16.83%



## Net PetroNor Production, 2023 - 2024



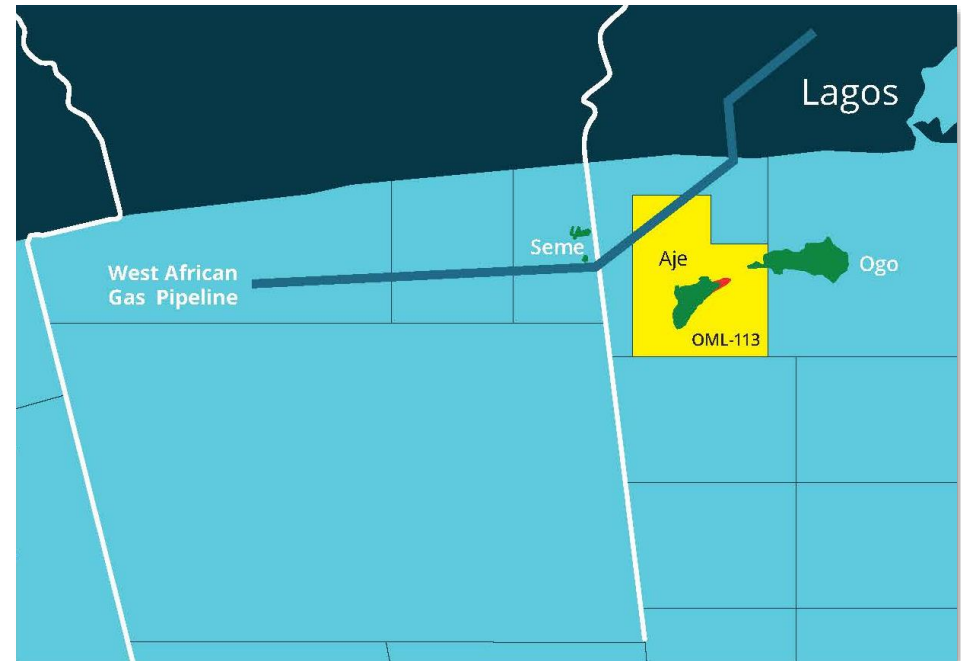


# Aje re-development as a gas field



## Aje re-development planning is advancing

- Consolidating interest in OML 113:
  - Completion of transaction with YFP to hold 52% in jointly owned Aje Production AS<sup>1</sup> expected
  - Agreement with New Age to acquire controlling interest subject to government approval
- Advancing plan for re-development with partners:
  - FPSO with gas processing capacity
  - Drilling 4-5 wells for gas and liquids production
  - 30 km gas pipeline from the FPSO to shore
  - Onshore LPG plant
- 3D seismic re-processing nearing completion
- Positive discussions with sources of project finance underpinned by gas as a transition fuel for the region



- Gross project appraised resource estimates:
  - 500 BCF Gas
  - 17 mmbbbls Condensate
  - 33 mmbbbls of LPG and Propane
  - 5 mmbbls Oil
- Exploration upside in licence area
- Nearby discoveries needing infrastructure

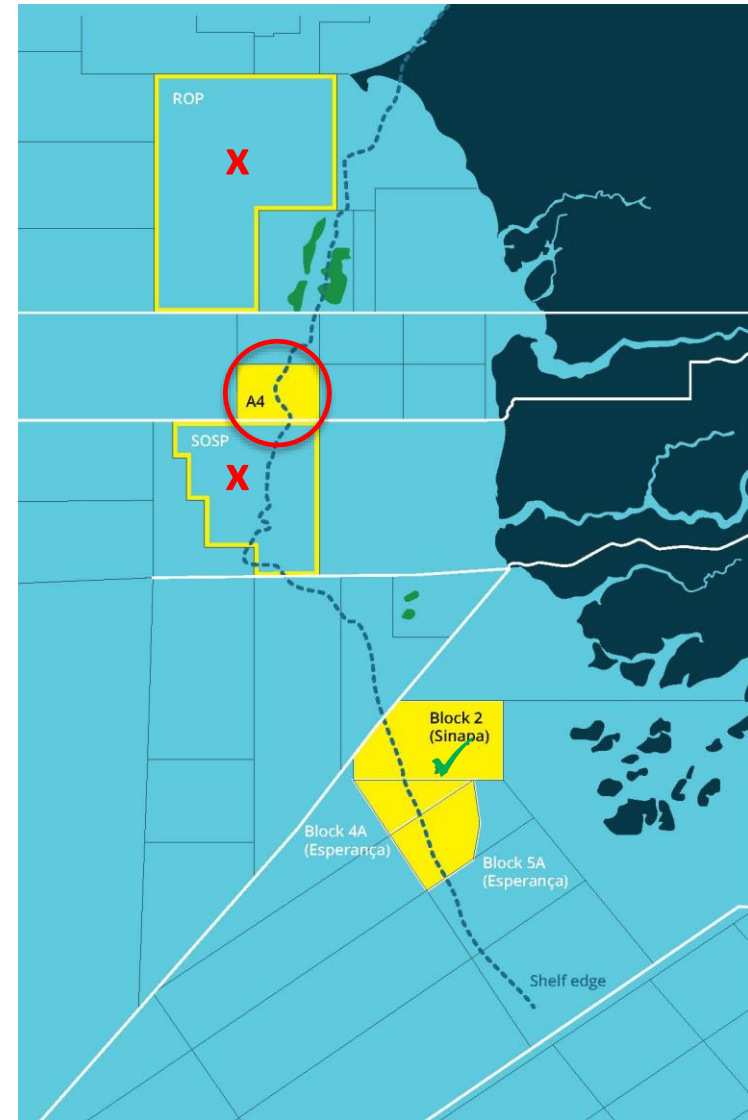
1) 6.502% participating interest, with 16.255% cost bearing interest, representing an economic interest of 12.1913% in OML 113.

# West African high impact exploration – focusing position



## Attractive exploration portfolio

- ✓ **Guinea-Bissau** transaction close to completion following government approval.
  - Receipt of \$25m consideration expected soon.
- ✗ The **Senegal** arbitration to resolve a legacy dispute resulted in a ruling rejecting claims on the licences, which are removed from the company portfolio.
- **The Gambia**, PetroNor is progressing a technical work program on A4 licence with partner GNPC.
  - A farm-out data-room is open with re-processed data and conversations are on-going with interested parties under NDAs.



## Q3 stays on track for the best year

- Continued strong operational delivery from Congo assets underpinned by regular liftings to sell oil inventory and generate cash flow
- Infill drilling programme represents an attractive investment to achieve long term reserve growth in a high margin asset
- Aje re-development planning is advancing with partners, the supply chain, and potential purchasers of gas
- Farm-out of the Guinea-Bissau position adds to current year balance sheet

Strengthening balance sheet and positive operational outlook provides PetroNor with the financial capacity to:

- > Execute **organic growth strategy** with re-investment into infill program fully funded
- > Provide equity for execution of **accretive business development** via un-leveraged Congo production
- > Consider other options for **shareholder value** such as a dividend or share buyback program in 2024

