

Xtrainvestor Webinar : 2021 H1 Update

**August 31st 2021, E. Alhomouz (Chairman), K. Søvold (CEO), Chris Butler (Group Financial Controller)
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Growth



Organic growth through upcoming infill drilling in PNGF SUD and Aje field development

Targeted M&A strategy towards our 30,000 boepd goal

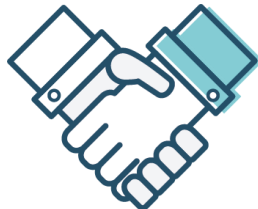
Financials



A solid 1H 2021 with an EBITDA of USD 27.5m

Successful raise of NOK 340m

ESG



Focus on monetize gas to energy – as per UN - gas is an important transition fuel for Africa

PetroNor – active M&A strategy

Financial platform and key principles for growth

Listed in Oslo with strong and supportive shareholders

- > Political support through Abu Dhabi shareholder Petromal (38%), part of National Holding (Abu Dhabi)

Substantial cash flow to be invested in further growth

- > Estimated cash flow from PNGF SUD of USD ~40m next 2 years¹ to be recycled into further organic growth and M&A

Robust capital structure

- > Healthy balance sheet with limited leverage

M&A growth pursued with Tier 1 strategic and financial partners

- > Focused Business development activity towards 30,000 boepd target
- > Strong support from major traders

Positions PetroNor with the financial capacity and flexibility to:

- > Execute our **organic growth strategy**
- > Execute **transformational and accretive M&A deals**
- > Whilst maintaining a **conservative risk profile**
- > Focused on delivering sustainable long term value



1) Assumed average oil price 2021-22: USD 55/bbl

Balanced portfolio across the E&P value chain



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



- > Current net production of 3.5 kbopd
- > Low cost and high margin production with significant organic growth potential
- > Operated by Perenco, a world-class operator of mature assets in emerging markets

2 Redevelopment – Nigeria – Aje Field (OML 113)



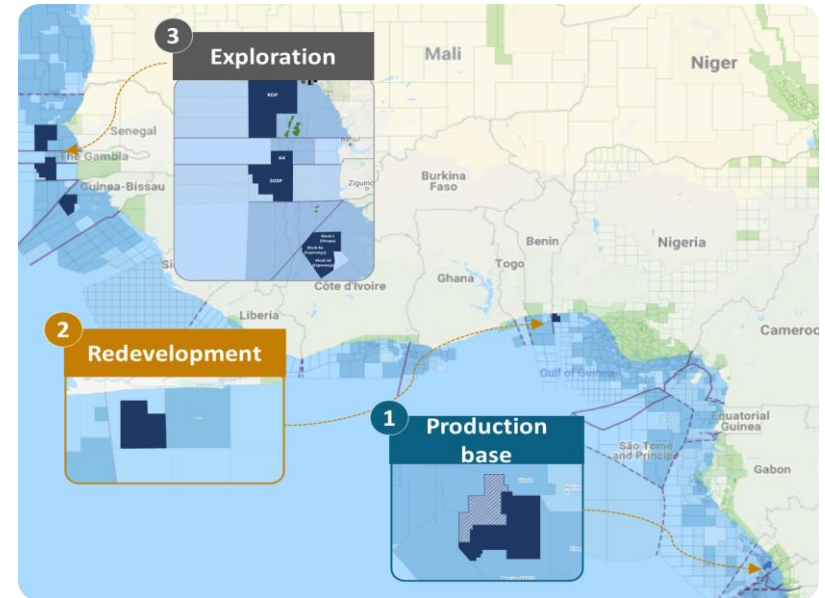
- > Producing asset with significant upside potential, acquired at a low entry cost
- > Preparing a revised development plan to increase field production to 25 kbopd
- > Transaction with Panoro and YFP – awaiting governmental approval

3 Exploration – The MSGBC "hot-spot"

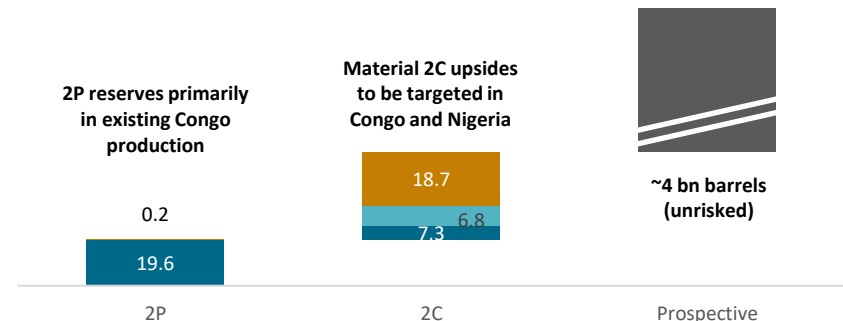


- > Exploration assets with significant potential ~4 bn bbls prospective resource³
- > Sinapa and Esperança 4A/5A in Guinea Bissau; A4 exploration block in Gambia; ROP & SOSP disputed blocks in Senegal

Portfolio Overview



Reserves and Resources (mmbbl, net)^{1, 2, 3}



1) 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. Nigeria: Estimates according to independent competent person's report prepared by AGR. Volumes as of 1 Jan 2021 on PNGF Sud (AGR 10/3/2021); Corrected for production until 1.7.21

2) Nigeria: Resources are subject to completion of the Aje transaction (initial net working economic interest of 13.08%, 17.4% within three years based on project payout phases).

3) Exploration: Sum Net Unrisked Mean Case Prospective Recoverable Resources, based on ERC Equipose, net unrisked mean prospective resources (Gambia/Senegal), Company management estimate, SPE Guinea Bissau AB estimate

Period & post period highlights

- > Completed Equity raise of NOK 340 million capital
 - Tranche 1 and Tranche 2a and 2b Offer shares issued and listed
 - Injected USD 11 million cash post period for Tranche 2b
- > Repair Offering of up to NOK 66 million (60 million shares) commenced 24 August 2021, towards shareholders that were unable to take part in the Private Placement.
- > Increased our indirect ownership in PNGF Sud up to 16.83% through increase of the shareholding in Hemla E&P Congo SA and Hemla Africa Holding AS.
 - USD 18 million in company shares for 27.273% of subsidiary HAH
 - USD 3.6 million other receivable settled for 9.9% of subsidiary HEPCO
- > USD 1.1 million CAPEX investment in PNGF SUD for H1 2021, planned investment outflows now skewed to Q4 2021 and start of 2022.
- > Completion of SPE Guinea Bissau AB acquisition from Svenska Petroleum Exploration AB, further enhances a highly attractive exploration portfolio through the entry into the Esperança and Sinapa licenses in Guinea-Bissau.
 - Inventories increased by USD 1.7 million for long lead items for drilling campaign, first planned by Svenska
 - Acquired 3D seismic over the license from TGS for USD 1.3 million
- > Arbitration proceedings for Senegalese licences resumed in April 2021

Key figures - 1 Jan 2021 to 30 Jun 2021

Total revenue²
USD 48.2m
(H1 2020: USD 30.1m)

Cash and cash equivalents
USD 20.4m
(Dec 2020: USD 14.1m)

EBITDA
USD 27.5m
(H1 2020: USD 13.6m)

Interest bearing debt
USD 18.1m
(Dec 2020: USD 18.9m)

Net profit
USD 8.9m
(H1 2020: USD 2.9m)

Equity
USD 38.3m
(Dec 2020: USD 22.3m)

Quantity of oil lifted²
420,360 barrels
(H1 2020: 467,003 barrels)

Average selling price
USD 63.0/bbl
(H1 2020: 37.4/bbl)

Number of liftings
4
(H1 2020: 3 liftings)

1) H1 2021 figures: Management estimates (unaudited figures)

2) Under the PSC, the profit oil tax and royalties' payments are settled in-kind with revenue grossed up for the crude lifted entitled to the government

Completed the successful private placement of NOK 340 m - Increasing ownership in PNGF Sud to 16.8%



Overview of transactions

- > **NOK 340m equity financing strongly supported by key shareholders**
 - > Petromal and Nor Energy strongly supported the capital raise
 - > Two tranches due to EGM approval requirement for the transaction
 - > Tranche 1 of ~84m shares completed in March
 - > Tranche 2 of ~224m shares completed and listed in August after Prospectus published
 - > Increasing net indirect interest in PNGF Sud to 16.83% (EGM approved)
 - > Finance drilling of infill wells and IOR on PNGF Sud and general corporate purposes
- > **Attractive characteristics in assets well known to PetroNor**
 - > Low-cost and-high margin production with significant growth potential
 - > Operated by Perenco, a world-class operator of in emerging markets
- > **Repair offering of up to 60m shares to be closed in mid September**
 - > The two (2) weeks subscription period started 24th of August
 - > Eligible shareholders allocated 0.23770 rights for each share held on record date in March
 - > Over-subscription permitted but no assurance of shares available for oversubscription
 - > Subscription without rights permitted, but allocated only if available after allocation to Eligible shareholders that have oversubscribed

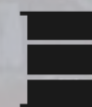
Key information PNGF Sud



PetroNor entry in 2017 at attractive terms



PetroNor net production increasing to 3,372 bopd¹



Net 2P reserves of 19.6 mmbbl



Continuous improvements since entry:

- **Production increased 33%**
- **OPEX reduction per boe 58%**
- **Gross reserves increased ~2.4x²**

1) Average production in H1 2021, Symero full year, MGI from January 25th – 2P reserves as per 1.7.2021
2) The increase included produced volume during the period from 2017 to end of 2020

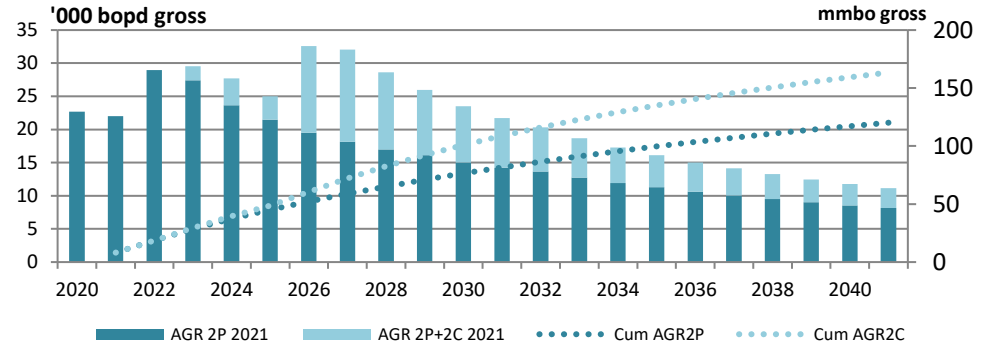
Production Base – PNGF Sud¹



High margin producer with growth potential

- > Mature oil asset which came on stream in 1987 and holds a significant remaining potential
- > Located in shallow waters (80-100m) with significant infrastructure in place
 - Seven steel jackets as drilling or processing centers
 - 61 producing wells across five fields
- > New partnership established in Jan 2017 - operated by Perenco², a world leading operator of mature assets in emerging markets
- > Asset revamped with new partnership with further potential to increase production through workovers and infill drilling
 - Substantial scope for increased oil recovery
 - Strong IRR from incremental low-effort measures

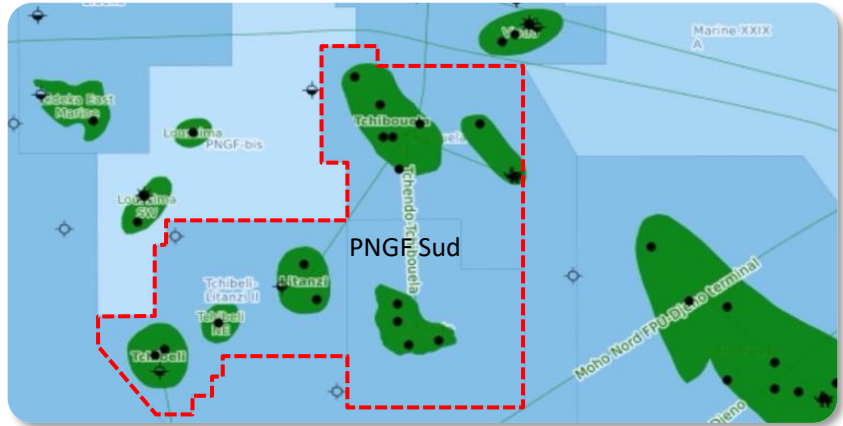
Key facts PNGF Sud



Reserves and resources⁴
 2P (gross) 116.5 mmbbl
 2C (gross): 43.4 mmbbl
 STOIP: 2,029 mmbbl
 Accumulated produced 01.07.21: 464 mmbbl

Production
 2021 1H production (gross):
 ~20.3 kbopd

Operator			
PERENCO	40%	SNPC	15%
		AOGC E&P GROUPE AOGC	10%
		Continent Congo S.A.	10%
		PETRONOR E&P	16.83% ³
		PETROBRAS	5%



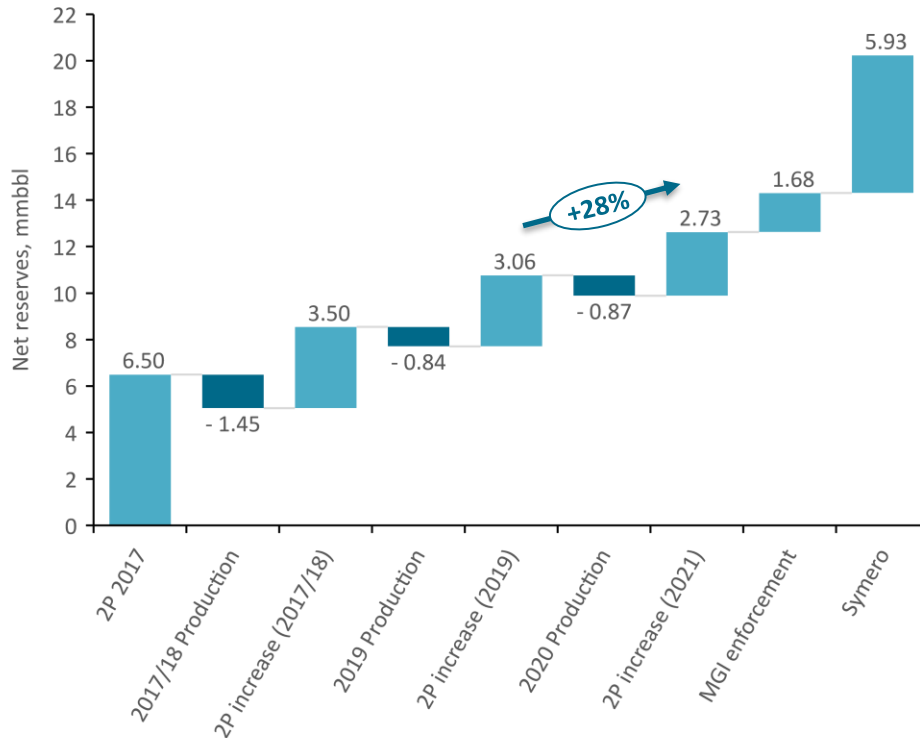
1) Consisting of three Production sharing Agreements: Tchibouela II, Tchibeli-Litanzi II and Tchendo II
 2) A private held French oil & gas company with current production of 465 kbopd
 3) PNGF Sud indirect interest of 16.83% to PetroNor through Hemla E&P Congo's 20% interest
 4) Independent competent person's report as of 1 Jan 2021 prepared by AGR 10/3/2021; Corrected for production until 1.7.21

Consistent y-o-y reserves growth driven by strong production performance



Gross / net reserves increased 2.4x / 3.6x respectively¹

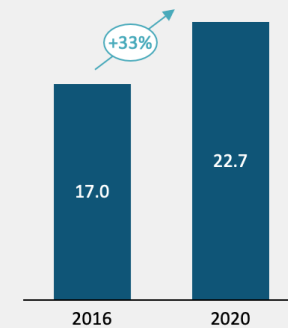
2020 : 2P reserves replacement ratio of ~300%



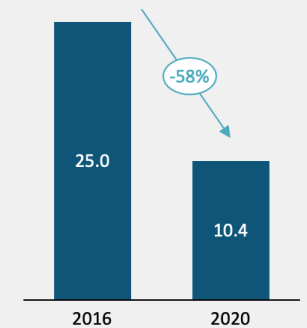
Reserves have increased consistently every year since license entry based on production performance and approved infill drilling programmes

Significant historical operational improvements

Gross field production (kbopd)



OPEX (USD/bbl)

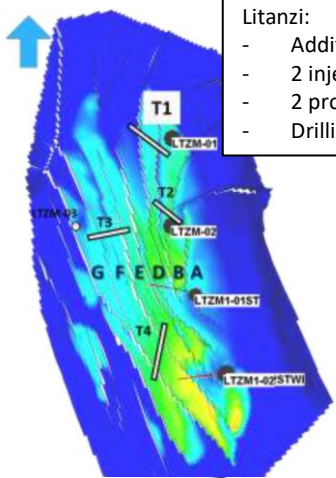


PNGF Sud embarking on infill drilling programs expecting continued reserves and production increase into 2021 - 2022

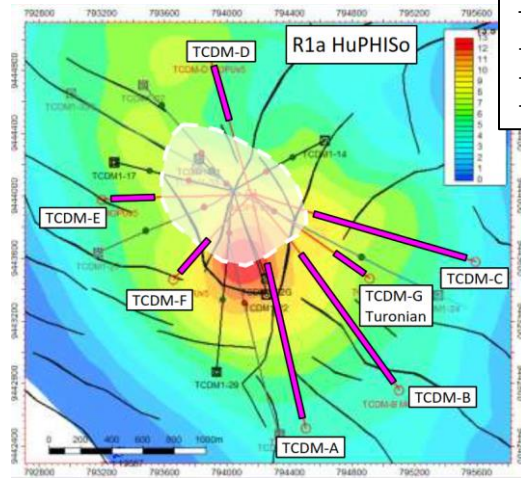
All production growth to date from work-over Highly efficient operations with Perenco

¹) Independent competent person's report prepared by AGR March 10, 2021 (and 2018 and 2019),

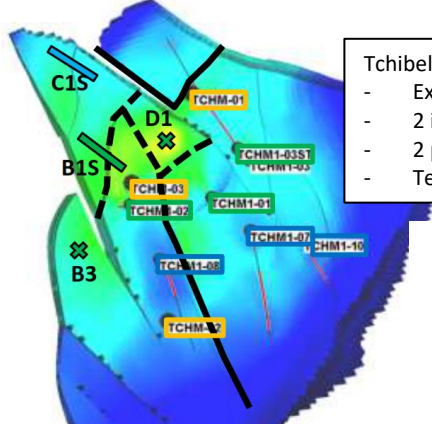
Infill drilling concepts



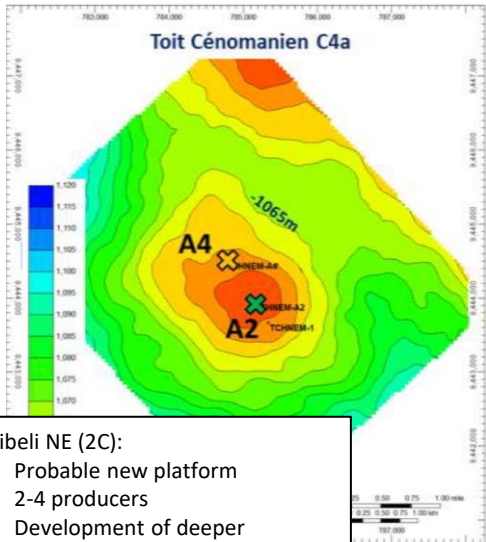
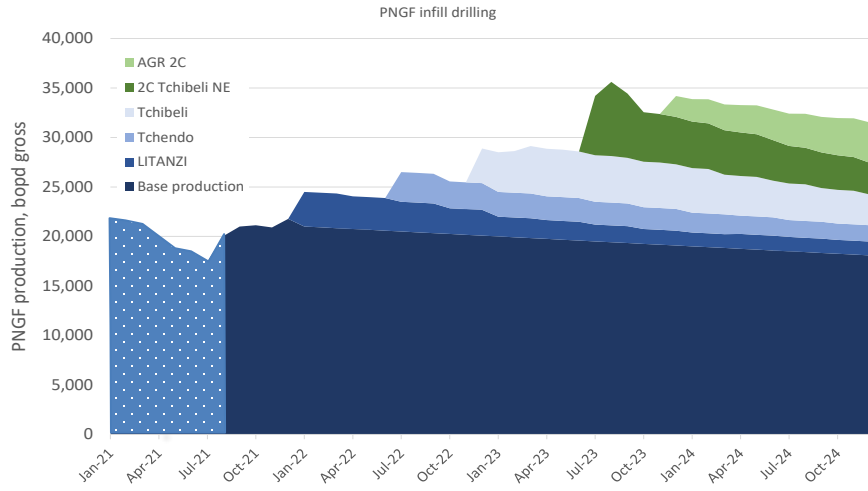
- Litanzi:**
- Additional platform for dry trees
 - 2 injectors
 - 2 producers
 - Drilling start December 2021



- Tchendo:**
- Additional 14 slot platform for dry trees
 - 7 producers
 - Tentative drilling start July 2022



- Tchibeli:**
- Existing platform
 - 2 injectors
 - 2 producers
 - Tentative drilling start end 2022



- Tchibeli NE (2C):**
- Probable new platform
 - 2-4 producers
 - Development of deeper horizons
 - Tentative drilling start in 2023



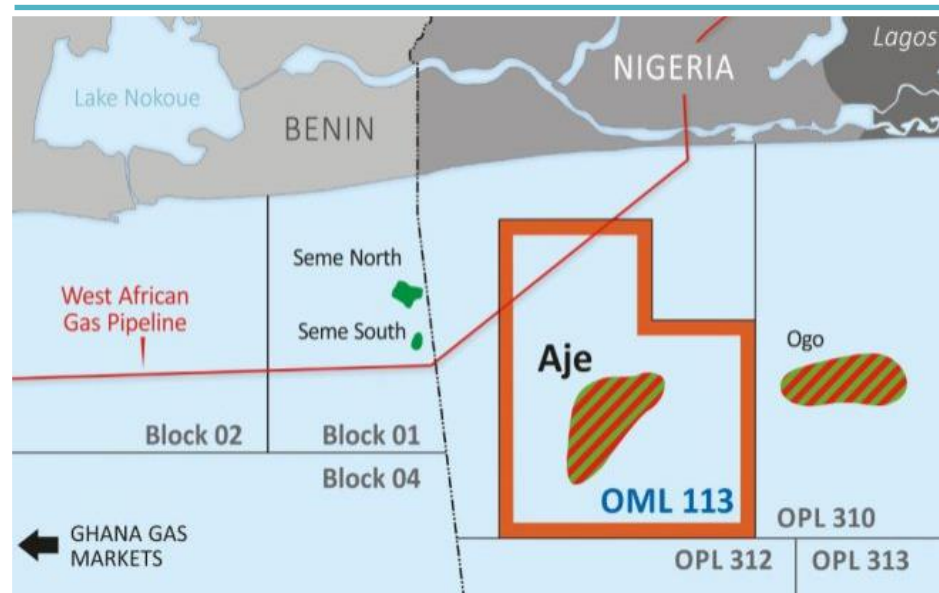
The Aje field: Intention to revitalize license



Key redevelopment

- > Participating interest pending ministerial approval - process well advanced and conducted Due Diligence session with DPR in early June 2021 with positive feedback
- > Producing asset¹ with significant upside potential to be unlocked through new partnership and different technical approach
- > During Q4 2019, PetroNor acquired an interest in OML 113 through two separate transactions:
 - Acquisition of Panoro’s non-operated interest for USD 10m payable in PetroNor shares²
 - Share consideration to be distributed to Panoro shareholders
 - Partnership with existing operator YFP to revitalize the Aje field through Aje Petroleum SPV
 - PetroNor to hold 45% interest in Aje Petroleum SPV – economic interest in OML 113 starting at 13.08% and expected to reach 17.4% within 3 years based on projected payout phases
 - PetroNor to be engaged by YFP as the operator of OML 113, serving as a technical service company
- > Field redevelopment being planned with replacement of FPSO, increased liquids production and extraction of large gas resources

Aje field location and partnership overview



Partners

Yinka Folawiyo Petroleum

PETRONOR E&P

NewAge

EER
Energy Equity Resources

admenergy

New SPV formed with Operator (YFP) to provide technical assistance, align partners and progress development of liquid and gas resources

1) Assumed 2020 production of 259 bopd (net)
 2) 6.502% participating interest, with 16.255% cost bearing interest, representing an economic interest of 12.1913% in OML 113. Option to pay partly in cash should the PetroNor share price fall below USD 0.13 per share; Future consideration of up to USD 16.67m based on gas production royalty in a success case

West African exploration “hotspot” – the MSGBC basin

The MSGBC exploration hotspot

The MSGBC Basin

- Mauritania - Senegal - Gambia - Guinea Bissau - Guinea Conakry
- Sangomar Field¹ is the key analogue for the MSGBC basin

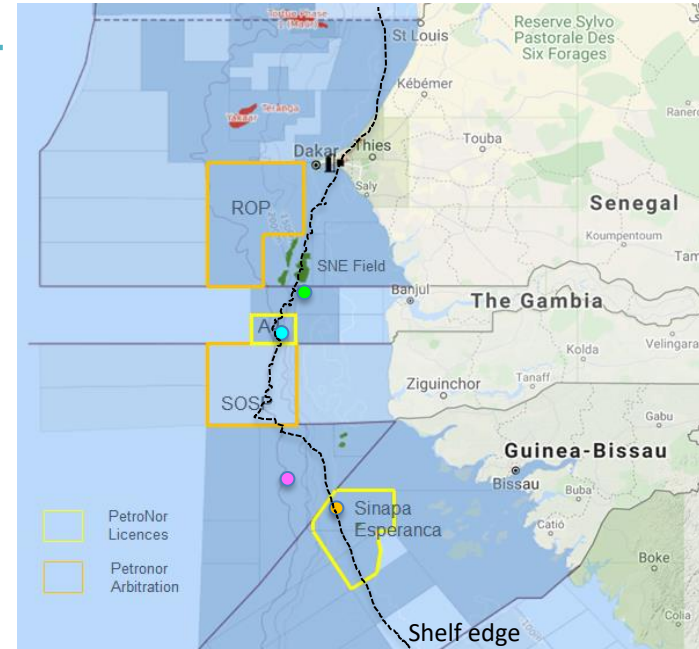
PetroNor

- Re-established a strong exploration portfolio across Guinea-Bissau and The Gambia

Region in focus through 2021

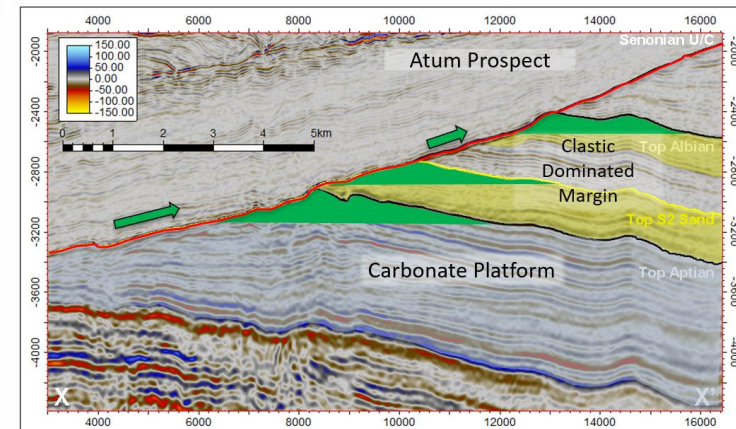
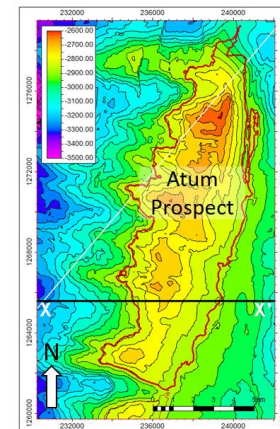
- Woodside currently executing Sangomar Field Development Phase 1, targeting production of 100.000 bopd with first oil in 2023
- Far and Partners PETRONAS drilling the Bambo-1 well in The Gambia, A2 block (Q4 2021) to test the “Bambo” prospect and “Soloo” possible southern extension of the Sangomar field
- Additional wells in A4, AGC and Sinapa
- Farm-out discussions with several IOC’s across the portfolio
- Revival in exploration expected with strengthening oil price
- Senegal arbitration hearing scheduled March 2022

Upcoming Drilling Activity



1	FAR / Petronas	Gambia, A2	●
2	CNOOC / Impact	AGC	●
3	PetroNor / FAR	Guinea-Bissau, Sinapa	●
4	PetroNor	Gambia, A4	●

Guinea Bissau Sinapa Licence Shelf Edge Play



1) Source ; Half Year Results presentation , September 2019 by Cairn

Robust financial position enables further growth

Financial platform and key principles for growth

Robust capital structure

- > Healthy balance sheet
- > PetroNor aims to maintain a low financial leverage and conservative capital structure

Substantial cash flow to be invested in further growth

- > Cash flow from producing fields forms the back-bone of the Company
- > Estimated operating cash flow of USD ~40m next 2 years¹ to be recycled into further organic growth and M&A

Listed in Oslo with strong and supportive shareholders

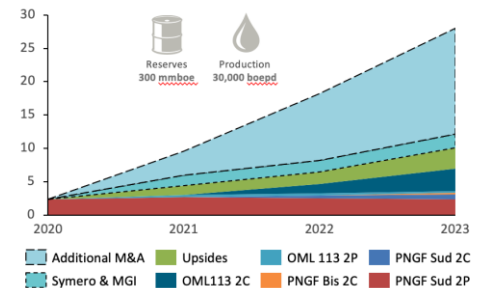
- > Supportive strategic shareholder in Petromal (38%), part of National Holding (Abu Dhabi), providing access to further growth capital if the right accretive opportunities are identified

M&A growth pursued with Tier 1 strategic and financial partners

- > In discussions with several RBL banks and debt providers regarding the Aje field development
- > Active discussions with numerous Tier 1 parties, including off-take counterparties, strategic co-investors and financial sponsors

Positions PetroNor with the financial capacity and flexibility to:

- > Execute its **organic growth strategy**
- > Execute **transformational and accretive M&A deals**
- > Whilst maintaining a **conservative risk profile**



1) Assumed average oil price 2021-22: USD 55/bbl

PetroNor 3-Year Target



Reserves
300 mmbbl



Production
30,000 boepd