

## Q4 2021 Presentation

2 March 2022, Eyas Alhomouz (Chairman), Jens Pace (CEO) and Claus Frimann-Dahl (CTO)



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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 and estimates by PetroNor E&P AB for the Guinea Bissau licenses. Further, hydrocarbon resource estimates for The Gambia and Senegal 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.

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# Q4 2021: Best quarter financial performance in company history



- > Production improving as forecast
- > Rising price realization throughout the year with double lifting achieved during Q4
- > Infill drilling program in Congo progressing as planned – self funded
- > PetroNor successfully redomiciled to Norway and up-listed to the main list on the Oslo Stock exchange
- > Government approval received for Aje transaction
- > Lifting agreement signed with ADNOC Trading



Successfully listed on the main market of the Oslo Stock Exchange

# Balanced portfolio across the E&P value chain



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



- > Gross field production of ~22,000 bopd
- > High margin production
- > Operated by Perenco (PetroNor 16.83%)

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



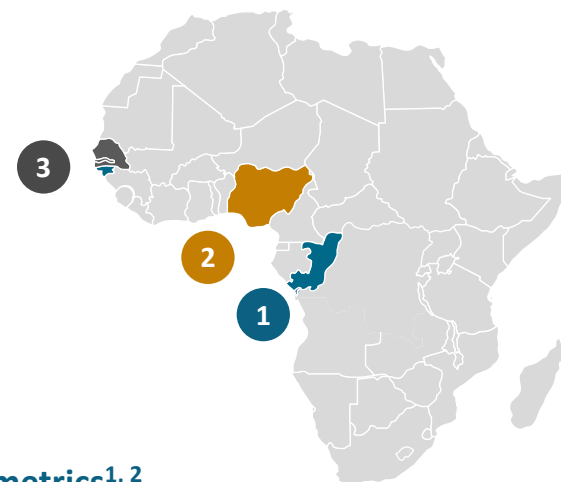
- > Development plan of 25,000 boepd
- > Government approval received
- > Completion scheduled Q2
- > A strong ESG profile

## 3 Exploration – large scale prospects

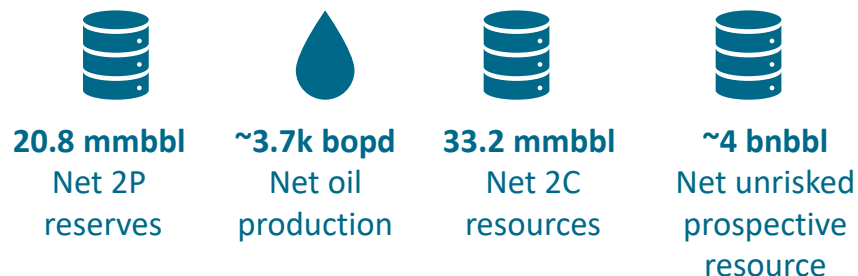


- > Multi billion bbl potential
- > Significant recent discoveries made along the Atlantic Margin

## Geographical target area



## 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 2021 on PNGF Sud (AGR 10/3/2021); Corrected for production until 31.12.21 and Tchibeli NE resources to reserves. <sup>2</sup>) Exploration: Sum Net Unrisked Mean Case Prospective Recoverable Resources, based on ERC Equipoise, net unrisked mean prospective resources (Gambia/Senegal), Company management estimate, SPE Guinea Bissau AB estimate.

# Q4 2021: Higher production, higher profits



	Q1-21	Q2-21	Q3-21	Q4-21	2021	2020
Average daily gross field oil production at PNGF Sud <sup>1</sup> (bopd)	21,528	18,994	20,007	22,016	<b>20,636</b>	<b>22,713</b>
Volumes sold (liftings) (1,000 bbl)	219	201	94	<b>317</b>	<b>831</b>	994
Average oil selling price (USD/bbl)	58.7	67.6	74.2	<b>76.3</b>	<b>69.3</b>	40.9
Revenue from sales of petroleum products (USD m)	12.8	13.6	7.0	<b>24.2</b>	<b>57.6</b>	40.6
Other revenues (USD m)	10.1	11.6	11.4	<b>15.8</b>	<b>48.9</b>	26.9
Total revenue (USD m)	22.9	25.2	18.3	<b>40.0</b>	<b>106.5</b>	67.5
Net comprehensive income (USD m)	4.9	3.9	0.1	<b>11.9</b>	<b>20.8</b>	10.1
EBITDA (USD m)	13.7	13.9	9.6	<b>24.4</b>	<b>61.9</b>	33.8

<sup>1</sup> PNGF Sud indirect interest of 16.83% to PetroNor through Hemla E&P Congo's 20% interest

## Q4 2021: Well capitalized for growth





- Cash build up in advance of PNGF Sud drilling campaign cost
- USD 19.2 million CAPEX spend on PNGF during H2 2021
- USD 1 million spend on Exploration activities
- Non-controlling Interest reduction through purchase of subsidiary HAH & HEPCO
- Net Assets increase due to equity issued for Private Placement and Repair Offer

Summary Financial Position (USD m)	Dec 2021	Jun 2021	Dec 2020	Jun 2020
Current assets	51.8	34.7	27.1	45.1
Non-current assets	73.4	53.2	51.9	27.4
<b>Total assets</b>	<b>125.2</b>	<b>87.8</b>	<b>79.0</b>	<b>72.5</b>
Current liabilities	39.2	23.7	26.4	24.1
Non-current liabilities	20.2	25.9	30.3	29.8
<b>Total liabilities</b>	<b>59.4</b>	<b>49.6</b>	<b>56.7</b>	<b>53.9</b>
<b>Net Assets</b>	<b>65.8</b>	<b>38.2</b>	<b>22.3</b>	<b>18.5</b>
<b>Non-controlling interest</b>	<b>6.5</b>	<b>16.7</b>	<b>14.4</b>	<b>12.8</b>
Net interest bearing debt	13.1	18.1	18.9	15.0
Cash balance	31.8	20.4	27.9	11.1

# High level of activity in coming years



	Asset	Comment	2021		2022		2023		
			Q3	Q4	Q1	Q2	Q3	Q4	Q1
<b>CORE ASSETS</b>	<b>PNGF Sud</b>	<ul style="list-style-type: none"> <li>Infill drilling commenced</li> <li>Continuous workover program</li> </ul>			Extensive infill drilling program				
	<b>PNGF Bis</b>	<ul style="list-style-type: none"> <li>Operator led negotiations expected to resume in 2022<sup>1</sup></li> <li>Pilot development</li> </ul>							Pilot
	<b>Aje</b>	<ul style="list-style-type: none"> <li>Field re-development: replace FPSO, pipeline to shore, PetroNor as technical service company</li> <li>Government approval received in January 2022; completion expected by end of April</li> </ul>					Development planning		
<b>OTHER ACTIVITIES</b>	<b>Exploration portfolio</b>	<ul style="list-style-type: none"> <li>Gambia A4</li> <li>Guinea Bissau, Sinapa/Esperança</li> <li>Senegal arbitration</li> </ul>	Farm-out prces		Well commitment		 		
	<b>M&amp;A / Business development</b>	<ul style="list-style-type: none"> <li>Several ongoing and identified M&amp;A initiatives</li> </ul>	Ongoing M&A activities						

<sup>1</sup> The license partners have the right to negotiate in good faith the PNGF Bis license agreement, with net working interest to PetroNor of 23.56%

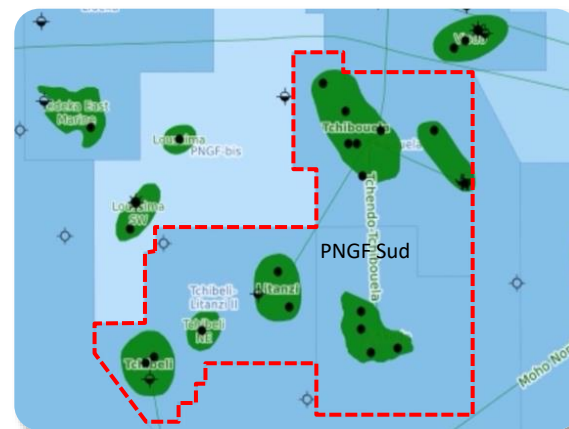
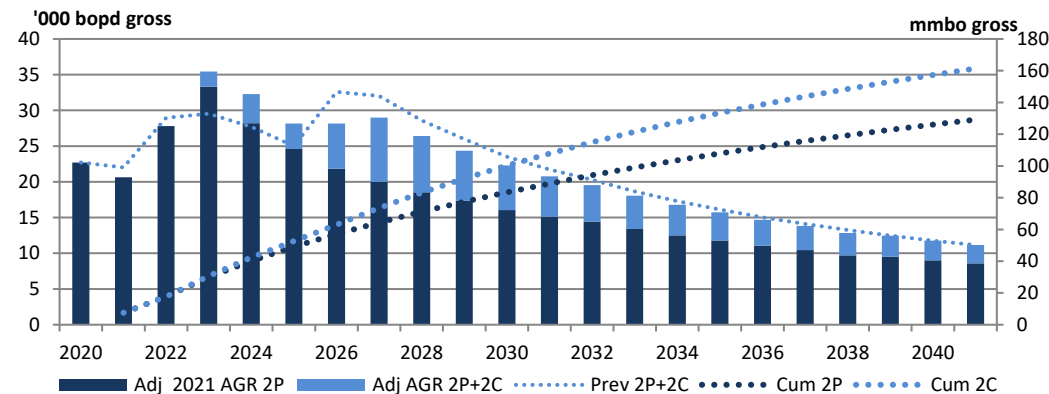


# Our production Base – PNGF Sud<sup>1</sup>

## High margin producer with growth potential

- > >2 Bn barrels mature oil asset which came on stream in 1987 and holds a significant remaining potential
- > Located in shallow waters (80 - 100 meters) with significant infrastructure in place
  - Seven steel jackets as drilling or processing centers
  - 67 active producing wells across five fields
- > New partnership established in Jan 2017 - operated by Perenco, 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 resources<sup>3</sup>**  
 2P (gross) 112.7 mmbbl  
 2C (gross): 43.4 mmbbl  
 STOIP: 2,029 mmbbl  
 Accumulated produced 31.12.21: 468 mmbbl

**Production**  
 2021 production (gross):  
 20.6 kbopd

Operator						
PERENCO	SNPC	15%	AOGC E&P GROUPE AOGC	10%	Continent Congo S.A.	10%
40%	PETRONOR E&P	16.83% <sup>2</sup>	PETROBRAS	5%		

<sup>1</sup> Consisting of three Production sharing Agreements: Tchibouela II, Tchibeli-Litanzi II and Tchendo II

<sup>2</sup> PNGF Sud indirect interest of 16.83% to PetroNor through Hemla E&P Congo's 20% interest

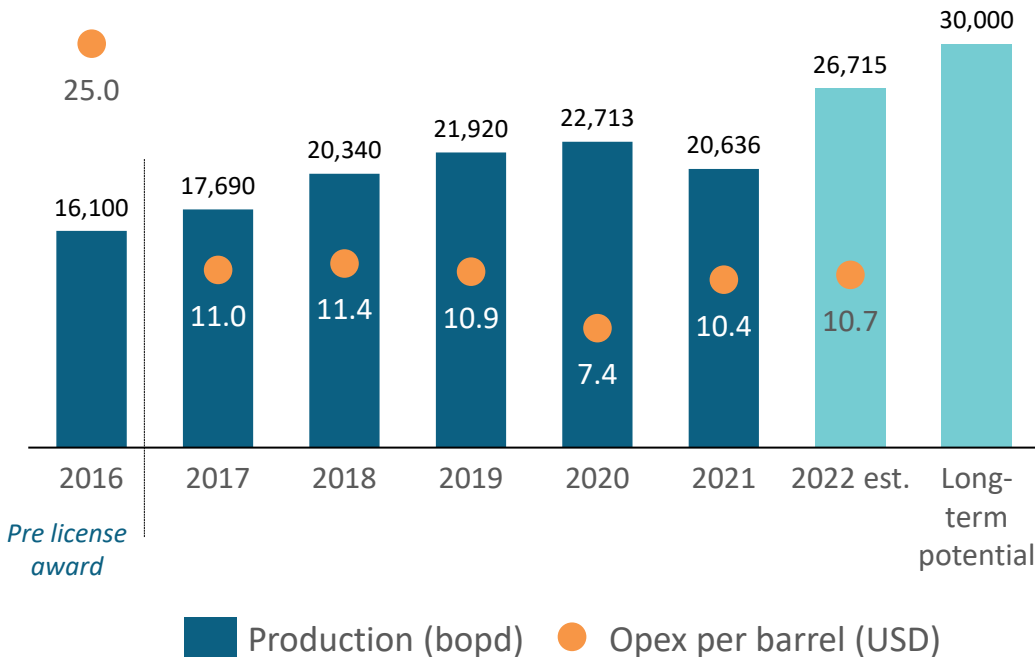
<sup>3</sup> Independent competent person's report as of 1 Jan 2021 prepared by AGR 10 Mar 2021; Corrected for production until 31 Dec 2021 and accelerated Tchibeli NE drilling – CPR revision ongoing



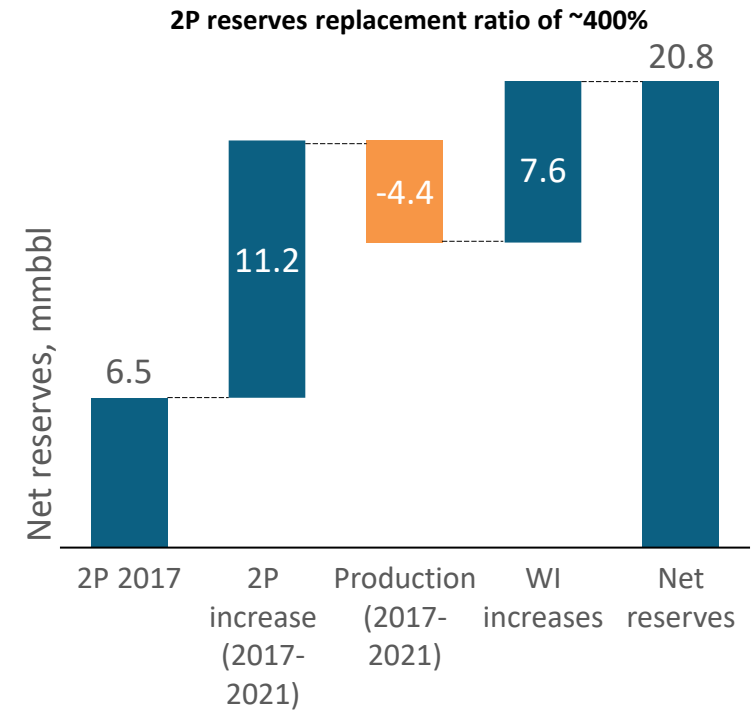
# PNGF Sud - Further growth expected in production and reserves



## Strong performance from Perenco partnership



## Gross / net reserves increased 3.9x / 3.2x respectively<sup>1</sup>



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

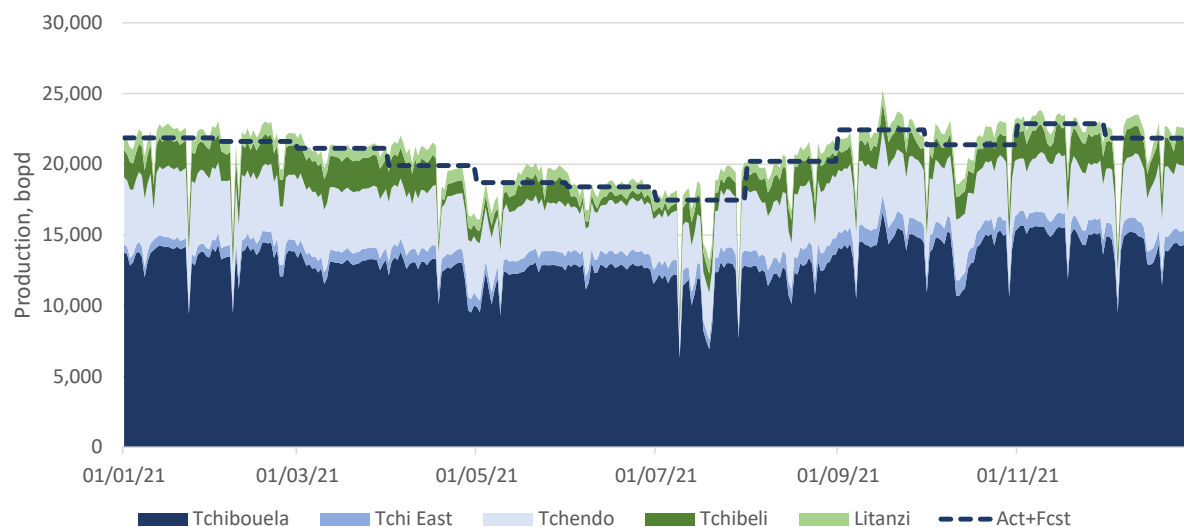
1) PNGF Sud indirect interest of 16.83% to PetroNor through Hemla E&P Congo's 20% interest

# Production increase - infill drilling started on PNGF Sud

## Well drilling campaign has started

- > Average production for the year (final allocation) 2021 of 20,636 bopd
  - Q3 and Q4 saw improved well workover performance
  - Strong entry rate into 2022
  
- > 17 well drilling campaign started November
  - Part batch drilling four Litanzi wells – four top-hole sections completed and one well successfully drilled through the reservoir section
  - Currently drilling second well 12 ½" section planned through reservoir
  - Production benefits to be seen from Q1 2022 and onwards

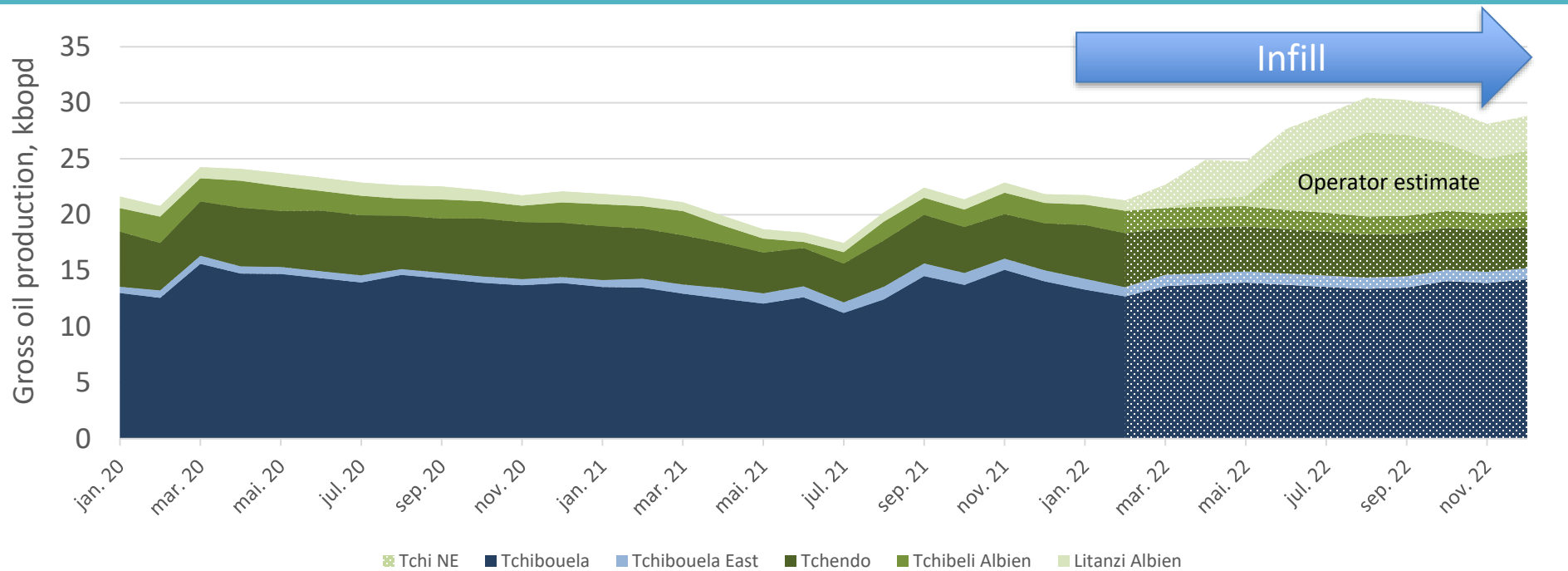
## Steady PNGF Sud Production<sup>1</sup>



	Q1-21	Q2-21	Q3-21	Q4-21	Year
Gross, bopd	21,528	18,994	20,007	22,016	20,636
Net to PN, bopd	3,623	3,197	3,367	3,705	3,473

# Production growth from infill drilling

17 wells - 2-year drilling program – Tchibeli NE is matured from 2C to 2P



Field	Litanzi	Tchibeli NE	Tchibeli	Tchendo
Target	Infill drilling	Development drilling	Infill drilling	Infill drilling
Producers	2	2	2	7
Injectors	2		2	
Gross capex, mill. USD	~105	~90	~50	~105

# Aje re-development – government consent for license transaction

## Key development<sup>1</sup>

- > Nigeria Upstream Petroleum Regulatory Commission approval for license transaction received
- > Expected completion by the end of April
- > Significant upside potential to be unlocked through new partnership and different technical approach
- > PetroNor ready to engage at the lease as Technical Service Company
- > PetroNor to hold 45% interest in Aje Production SPV and effective Economic Interest of 13.08% and expected to reach 17.4% within 3 years based on projected payout phases.

## Gas – the transition fuel for Africa

- > Aje will at re-development become a significant contributor to the CO<sub>2</sub> emission reduction for Nigeria
  - Potential to produce/replace +500MW power generated on diesel
  - Provide +10% of the country cooking gas (LPG)
- > Gas and LPG is important for Africa to reach several of the UN sustainability goals

Norad  
Final Report  
Study on the Potential of Increased Use of LPG for Cooking in Developing Countries

September 2020

With a fast-expanding population of about 27-million people, Lagos state receives an average of about 1,000MW for no more than 12 hours a day, he said. ***The state requires nine times as much power around the clock***, according to state commissioner for energy and mineral resources Olalere Odusote

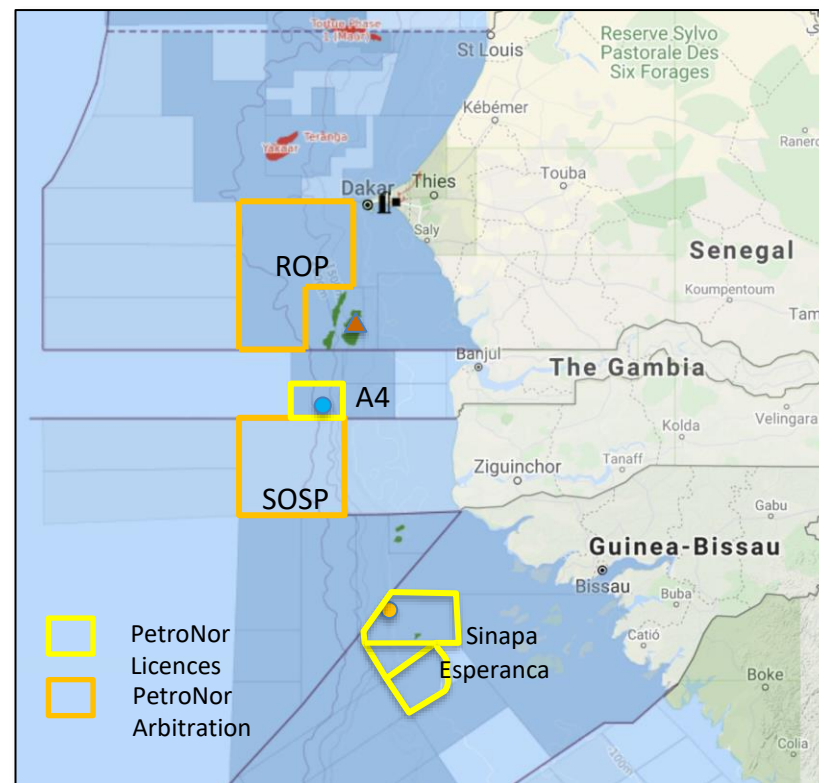
1) 6.502% participating interest, with 16.255% cost bearing interest, representing an economic interest of 12.1913% in OML 113. Option to pay partly in cash should the PetroNor share price fall below USD 0.13 per share; Future consideration of up to USD 16.67m based on gas production royalty in a success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



# West African exploration “hotspot”

## Attractive exploration portfolio

- > Regional activity
  - Significant discoveries made along the African Margin
  - BP/Kosmos LNG, Woodside Sangomar
- > PetroNor has re-established a strong exploration portfolio through 2021
  - Guinea Bissau advanced well planning
  - Gambia A4 license option extended to 18. October 2022
  - Farm-out discussions with International Oil Companies across the portfolio
  - Revival in exploration expected with strengthening oil price
- > Significant prospect sizes
  - Multiple prospects each >200million barrels recoverable
  - Attractive fiscal terms



# Strong quarter and good prospects for growth

## Best quarter financial performance in company history

- > Production improving as forecast
- > Rising price realization throughout the year with double lifting achieved during the year
- > Infill drilling program in Congo progressing as planned – self funded
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## Financial capacity for growth

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**

### 3-Year Target



**Reserves**  
300 mmbbl



**Production**  
30,000 boepd

