



PETRONOR E&P

Corporate Presentation

**SpareBank 1 Markets – E&P Outlook Seminar
Stavanger, Norway**

9 January 2020



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Competent person statements

The information in this Presentation relating to hydrocarbon resource estimates for Gambia and Senegal includes information compiled by Dr Adam Law, Geoscience Director of ERC Equipose 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. 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.

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Company Overview



OSLO BØRS

OSLO STOCK EXCHANGE

OSLO BØRS

OSLO STOCK EXCHANGE



PETRONOR E&P

OSLO AXESS



Company Overview







- > Full cycle Sub-Saharan Africa focused independent
- > Diversified portfolio: 4 countries, 6 licences
- > Listed on Oslo Axess since May 2014
- > Supportive strategic shareholder: Petromal, part of the Abu Dhabi based National Holding Group
- > Active retail shareholder base to promote liquidity

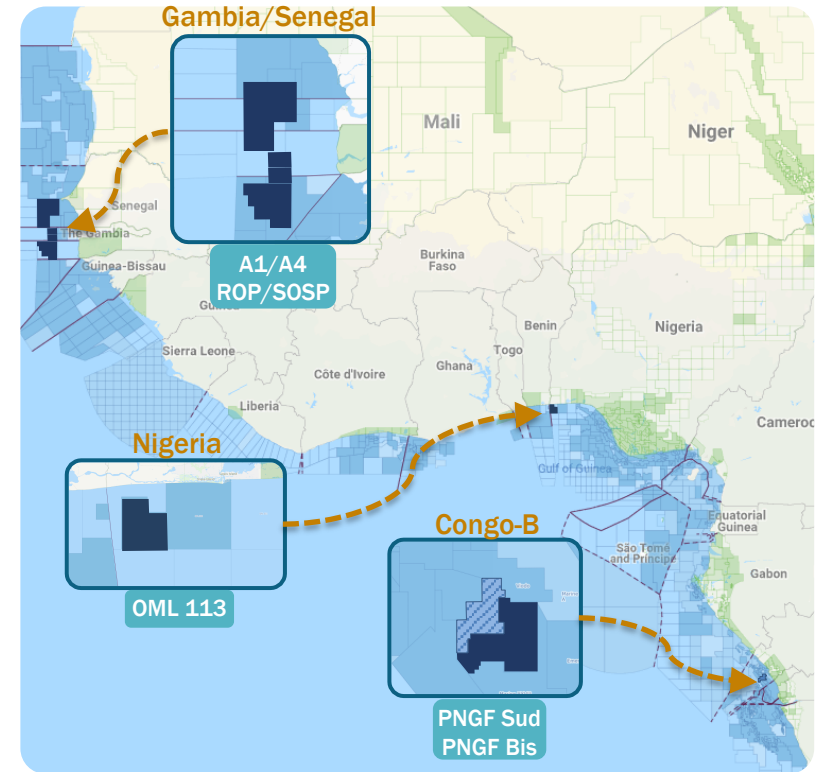
Snapshot

Listing	OAX (PNOR)
Shares on Issue	971,665,288
Market Cap ⁵	NOK 989M USD 111M
Share Price ⁵	NOK 1.02
Stock Options	3,266,470
Debt ⁴	USD 12.9M
Group Cash ⁴	USD 26.9M
No. of employees	24

Key Metrics

	
11.1mmbbl net 2P Reserves ¹	~2,640 bbl/d net oil production ³
	
26.0mmbbl net 2C Resources ¹	4.9bnbbl net unrisked prospective resources ²

Portfolio Footprint



Strategic Shareholder



1) Congo-B: Independent competent person's report prepared by AGR, volumes as of 1 Jan 2019 adjusted to 1 Jan 2020 by subtracting estimated 2019 production (actuals including October plus Nov-Dec budget), Nigeria: company numbers, subject to completion of contract; 2) ERC Equipoise, assets in dispute; 3) Includes 314 bbl/d from OML 113 interest which is subject to contract completion; 4) Unaudited consolidated group figures as at 31 Dec 2019, cash figure excludes restricted cash, debt refers to bank debt; 5) Closing price 8 January 2020

PetroNor History



2016

NOR Energy and Petromal joined forces

PetroNor established

Acquired PNGF Sud interest in Congo following Total's exit

2017

Entered 2017 with PNGF Sud gross production of circa 14,000 bbl/d

Together with new operator Perenco, initiated significant operational efforts to reduce costs and increase production

2019

Completed business combination with African Petroleum Corp and re-listed as PetroNor on Oslo Axess

PNGF Sud reaches production of 22,000 bbl/d, up > 7,000 bbl/d (~50%) since licence acquisition

Litanzi infill drilling program approved

Announced Aje transaction with Panoro – low cost entry into producing asset with significant unlocked potential. Strengthens the PetroNor shareholder base through share consideration

2020 onwards

Develop PNGF Sud, initially through 2020 infill drilling program

Finalise PNGF Bis contract and commence drilling

Rejuvenate OML 113 partnership and Aje development plan

Resolve Senegal and The Gambia disputes

Grow PetroNor into a leading E&P independent through M&A

Target 30,000 boe/day net production by 2023

Experienced Board and Management Team



Management



Jens Pace: CEO & Executive Director

- > 30 years at BP, and heritage company Amoco, gaining E&P leadership experience in Africa, Europe and Russia
- > Managed an active exploration portfolio for BP in North Africa
- > Additional experience in the areas of field development and as commercial manager



Knut Søvold: COO & Executive Director

- > 30 years' E&P experience (executive and technical)
- > Worldwide field & license experience. Previously part of mgt team of Snorre Field producing 200kboepd, West Africa focus since 2000
- > MSc in Petroleum from The Institute of Technology in Trondheim



Michael Barrett: Exploration Director

- > 20+ years global exploration experience incl. Chevron and Addax
- > Specialised in Play and Prospect risk assessment, volumetric analysis, commercial evaluation and portfolio management
- > Background in quantitative geophysics, stratigraphic interpretation workflows and 3D visualisation



Stephen West: CFO & Executive Director

- > 25+ years of financial and corporate experience from public practice, oil & gas, mining and investment banking
- > Chartered Accountant with Bachelor of Commerce (Accounting and Business Law)
- > Proven track record working with listed growth companies, particularly in the resource sector



Gerhard Ludvigsen: Business Development Manager

- > Founder of several companies in Norway and internationally within oil & gas and other ventures
- > Instrumental in establishing Pangea LNG
- > Strong network in the international E&P industry with extensive experience in deal sourcing



Claus Frimann-Dahl: Chief Technical Officer

- > 30 years' E&P experience (technical & management)
- > Operator experience incl. Phillips Petroleum, Norsk Hydro & Hess
- > Co-founder of Ener Petroleum, subsequently acquired by Dana/KNOC
- > BSc in Petroleum Engineering from Texas A&M University and an MSc from The Institute of Technology in Trondheim

Board



Eyas Alhomouz: Chairman



- > 20+ years international E&P experience (full-cycle), including several years with Schlumberger
- > Currently the CEO of Petromal - part of National Holding Group
- > Master in Energy and Mineral Economics from Colorado School of Mines and a BSc in Chemical Engineering



Joseph Iskander: Non-Executive Director



- > 20 years of experience in the financial services industry, covering asset management, private equity, portfolio management, financial restructuring, research, banking, and audit
- > Currently Director of Private Equity at EIIC – part of the National Holding Group

Other Non-Executive Board Members: David King & Timothy Turner

Demonstrated Ability to Create Shareholder Value

- > ~29x Return On Investment in less than three years on PNGF Sud
- > Determined to continue value accretive growth from both organic and inorganic growth opportunities
- > Increase net production from 2,640 bbl/d to 30,000 boe/d within 3 years

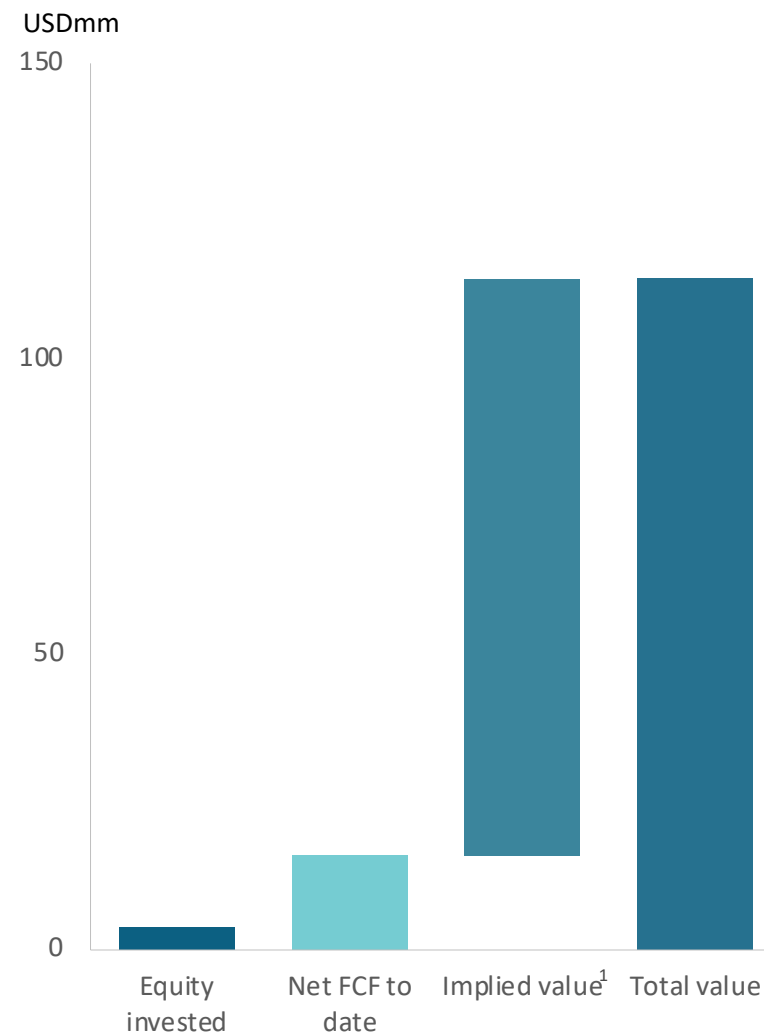
Significant Organic Growth Potential

- > Further increase production and prolong production plateau through infill drilling programme in PNGF Sud
- > Re-development of Aje Field (OML 113) to realise full field potential
- > Expand asset base through finalisation of PNGF Bis licence
- > Resolve disputed exploration blocks in The Gambia and Senegal

Grow PetroNor Into a Leading E&P Independent Through M&A

- > Utilise extensive Sub-Saharan network and government relations, strategic shareholder, existing listing and strong cash flow to access opportunities leading to transformational growth in reserves and production

PetroNor Value Creation Case Example

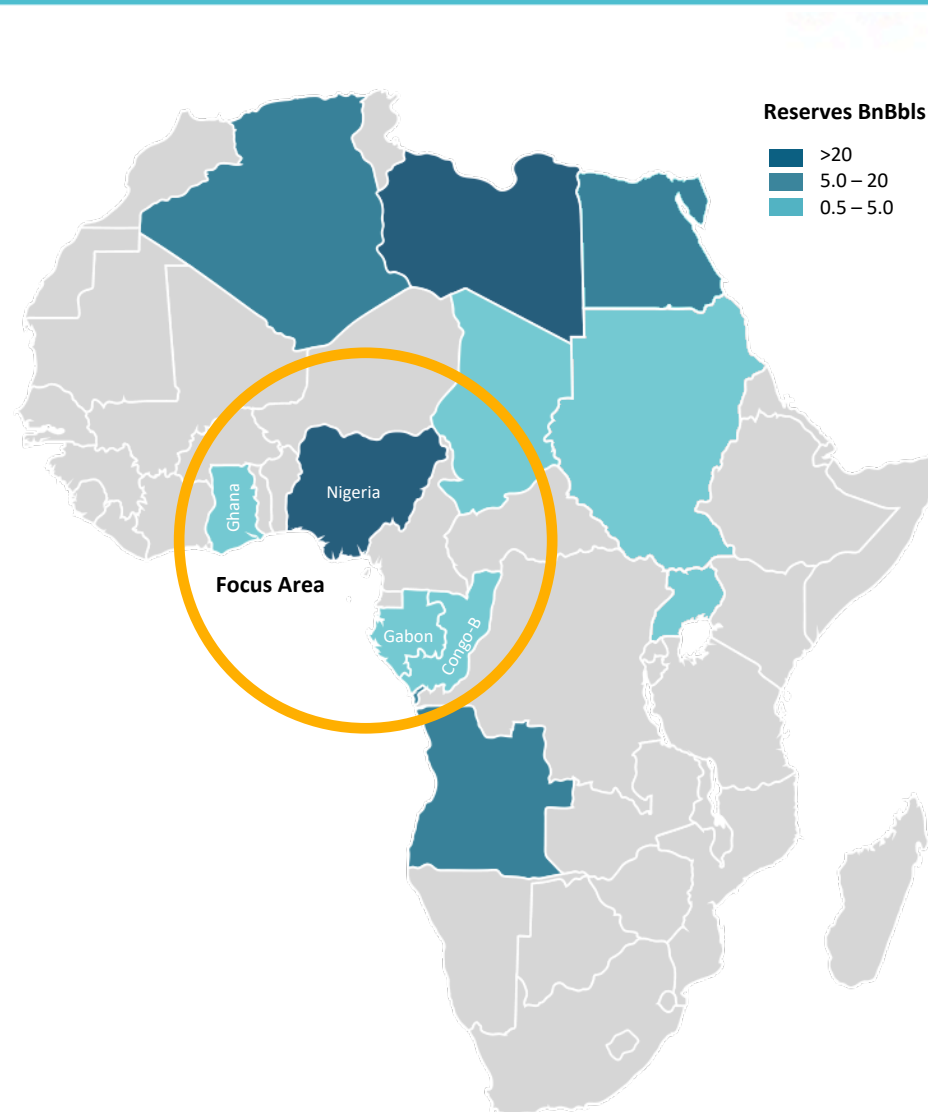
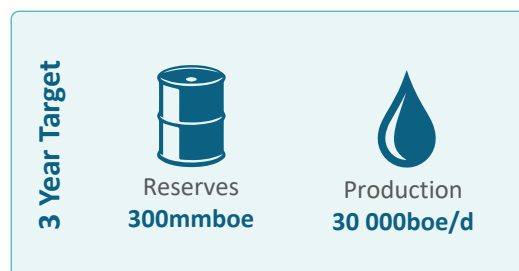


1) 84% of current PNOR market capitalization

New Ventures: Targeting Transformational Growth



- > Focused on production enhancement and targeted exploration opportunities in Sub-Saharan Africa
- > Leveraging expertise in improved recovery and gas monetisation to identify undeveloped potential in currently producing assets
- > Capitalise on management and major shareholder's relationships in various jurisdictions
- > Manageable entry costs with robust economics to support project financing
- > Access to operatorship roles to control scope and pace of investment



Environmental

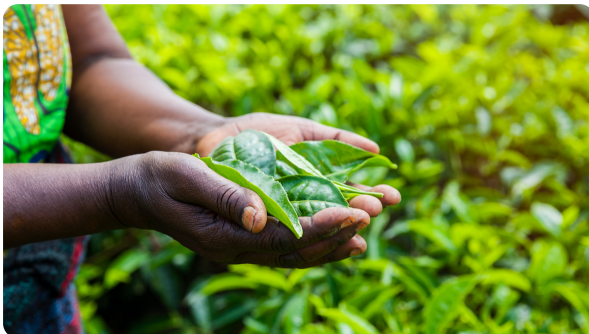
- > We strive to minimize any adverse impact on the environment
- > We always undertake Environmental Social Impact Assessments (ESIA) prior to all major activities & communicate results to stakeholders
- > In Nigeria, our plans for the Aje project have a positive impact through the elimination of existing gas flaring (equivalent to removing the CO₂ produced by 55,000 cars)
- > Gas development will also lead to displacement of gasoline used for power generation in Lagos

Social

- > Our commitment to operating responsibly is evidenced by a history of social projects undertaken by the leadership
- > The Power to Educate initiative is focused on improving conditions for families in areas with no access to electricity
- > Other projects include human capacity development and access to quality health care
- > In Congo-B, 5% of net profits are invested in local community education initiatives

Governance

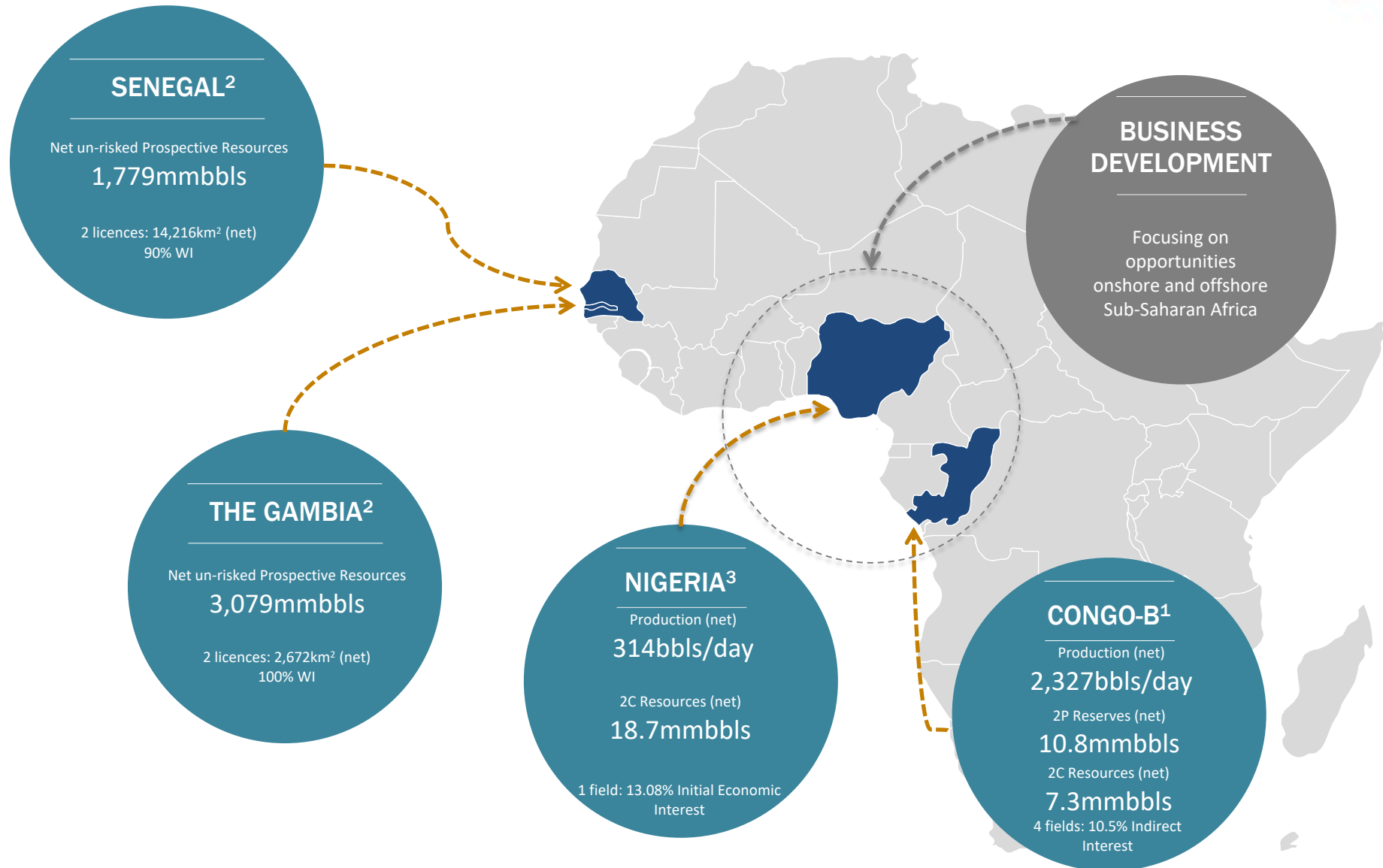
- > We adhere to best practice corporate governance standards
- > Our business development model includes increased access to opportunities through the formation of subsidiary companies with local partners
- > This indirect ownership is supported by careful selection of local leadership and strong representation on subsidiary boards to ensure high quality governance
- > Use contemplated re-domiciliation to improve Board of Directors diversity



Asset Overview



Diversified Portfolio in Sub-Saharan Africa



1) Independent competent person's report prepared by AGR, volumes as of 1 Jan 2019 adjusted to 1 Jan 2020 by subtracting estimated 2019 production (actuals including October plus Nov-Dec budget); 2) ERC Equipoise, assets in dispute; 3) Subject to contract completion

Portfolio Overview



High Margin Production From Congo-Brazzaville Assets

- > Net production of ~2,300bbl/d (OPEX ~USD 12/bbl)
- > 2018 free cash flow from operations of USD 11.5M
- > Operated by Perenco since Jan 2017, production increased by 50% and OPEX decreased by 40%
- > 2020 infill drilling program targeting to increase production to 2,700bbl/d

Producing Asset With Significant Upside in Nigeria

- > 13.08% initial economic interest in OML 113 (Aje Field)¹
- > Forming new SPV with Operator (YFP) to provide technical assistance, align partners and progress development of gas resources
- > Initial net production of 314bbls/d with significant upside potential through phased development of 2C resource

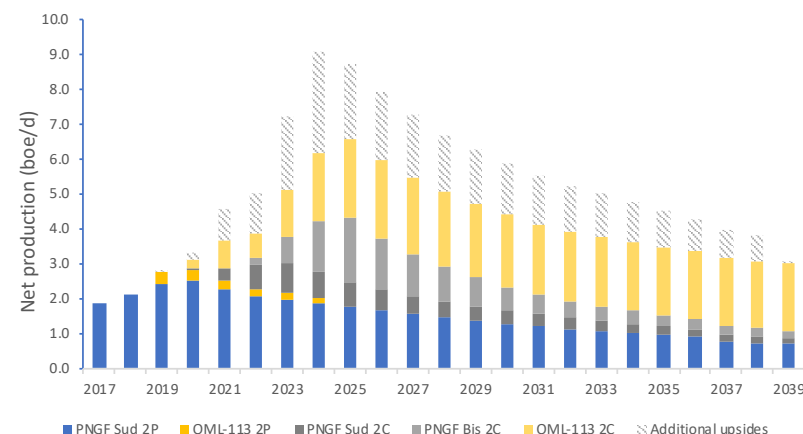
Material Exploration Potential From Disputed Assets

- > The Gambia/Senegal licences in dispute & subject to ICSID arbitration regarding title status
- > Expect to resolve disputes either through arbitration or settlement

Resource and Production Overview

Net Resources (mmboe)			Net Production
2P	2C	Prospective	bbl/d
Congo Brazzaville – PNGF Sud & PNGF Bis²			
10.8	7.3	-	2,327
Nigeria - OML 113 (Aje Field)¹			
0.3	18.7	109	314
The Gambia – A1 & A4³			
-	-	3,079	-
Senegal – ROP & SOS³			
-	-	1,779	-
11.1	26.0	4,967	2,641

Production Profile



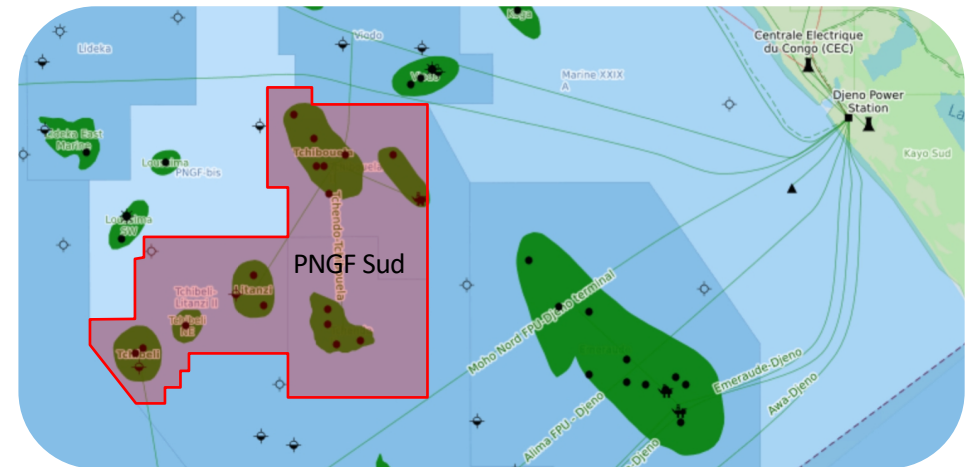
1) Subject to contract completion; 2) Independent competent person's report prepared by AGR, volumes as of 1 Jan 2019 adjusted to 1 Jan 2020 by subtracting estimated 2019 production (actuals including October plus Nov-Dec budget) and excludes gas; 3) ERC Equipoise, net unrisked mean prospective resources, assets in dispute

Congo-Brazzaville: PNGF Sud (10.5% net interest)



- > New license group from 1 January 2017 with Perenco as new operator - production increased 50% combined with significant cost improvements
- > Shallow waters (80-100m) - seven steel jackets as drilling or processing centers
- > Further potential to increase production through workover and infill drilling
- > 2018 actual gross production 20,241 bbl/d
- > Operator gross production budget for 2019 of 21,239 bbl/d (YTD average 22,093 bbl/d)
- > Oil exported through the Djeno terminal
- > Off-take agreement with ENI in place effective from January 2019

Operator					
PERENCO 40%		PETRONOR E&P	20% ¹	AOGC E&P GROUPE AOGC	10%
		SNPC	15%	PETROBRAS	5%
				Continent Congo S.A.	10%

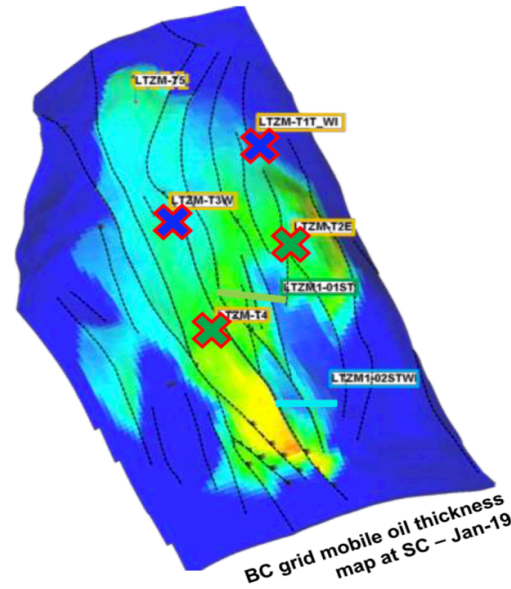


Key Details (gross)²

Field	Start year	Reserves & resources		Current Production ³	Producing wells	STOOIP	Recovery Factor ⁴
		2P	2C				
		mmbbl	mmbbl	bbl/d	#	mmbbl	%
Tchibouela	1987	56.6	8.8	13,960	34	902	38
Tchendo	1991	19.0	10.7	4,115	18	790	9 (2 - 35)
Tchibeli	2000	14.1	9.7	2,750	3	144	16
Litanzi	2006	12.8	-	1,100	1	74	13
Total		102.5	29.2	21,925	56	1,910	

1) PNGF Sud indirect interest of 10.5% to PetroNor and PNGF BIS 14.7% through ownership in Hemla E&P Congo; 2) Independent competent person's report prepared by AGR as of 1 Jan 2019, volumes above adjusted to 1 Jan 2020 by subtracting estimated 2019 production (actuals including October plus Nov-Dec budget); 3) 2019 production outlook; 4) as at 1 Jan 2019

- > Litanzi currently developed by one producing well and one water injector drilled from the Tchendo platform
- > Current production 1,100 bbl/d gross (115 bbl/d net) with ~9 mmbbls recovered from a STOIP of 54-74 mmbbls
- > Infill drilling commencing 2020 with estimated increase in production to 4,000 bbl/d gross (420 bbl/d net)
- > Drilling two infill producing wells and two infill injector wells to target proven undeveloped reserves in unswept fault terraces
- > Estimated improved recovery of 8-12 mmbbls over 'do nothing' case of continued one well production
- > Forecast increased recovery factor from current 13% up to 27%
- > Efficient development plan includes re-purposing of jack-up rig as a low cost well head platform
- > Total expected capex of USD 100M gross (USD 10.5M net)
- > Economics attractive for reserve additions with between \$8.33 and \$12.50/bbl capex



Litanzi Field oil thickness map showing new producing wells **X** and injectors **X**

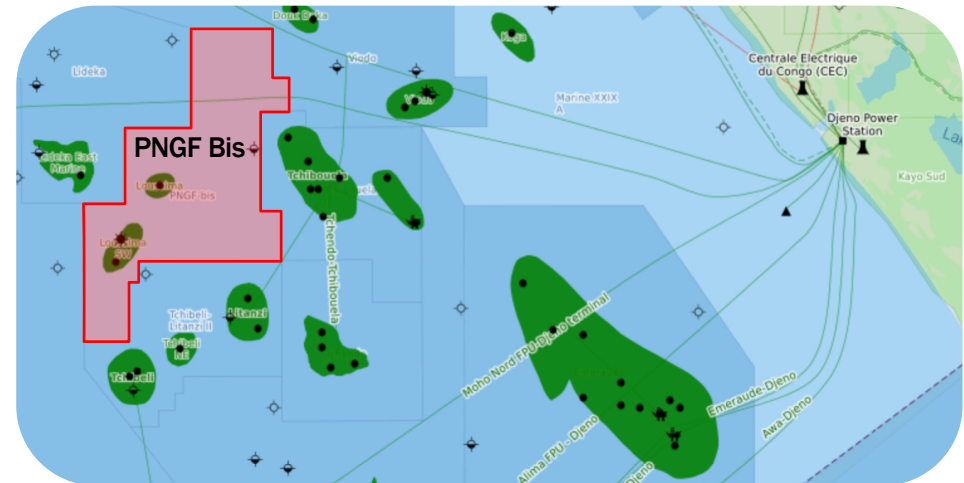
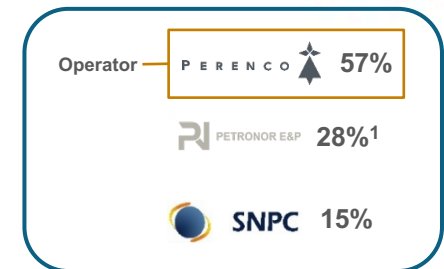


Jack-up Ben Rinnes (Dagda), built in 1973 to be converted for Litanzi production platform

Congo-Brazzaville: PNGF Bis (14.7% net interest)



- > Adjacent to PNGF Sud, containing the Louissima and Louissima SW discoveries
- > Louissima SW 2C Resource estimate of 29 mmbbls of 41° API oil in 2019 CPR
- > PetroNor has right to enter the licence with operator (Perenco) subject to agreement on final terms with the government
- > Perenco is leading the negotiations, expected to conclude during 2020
- > Proven reserves in Louissima SW to be appraised and developed in a phased approach to manage uncertainty
- > Early production scheme planned prior to decision to proceed with full development
- > Development plan is to use low cost jack-up with minimum topside upgrading and 11 km catenary pipeline to Tchibouela
- > Significant potential upside from Louissima discovery of 46° API oil to be appraised



Project	Resources 2C mmbbl	STOIIP mmbbl	ESTIMATED CAPEX USDm
Test well	1.9		~37
Full field development	27		~240
Total	28.9	101	~277

1) PetroNor, Perenco and SNPC have the right to negotiate with the Republic of Congo, in good faith, license terms to enter into PNGF Bis; 2) Independent competent person's report on Louissima prepared by AGR as of 1 Jan 2019

Nigeria: OML 113 (Aje Field) – Transaction Summary

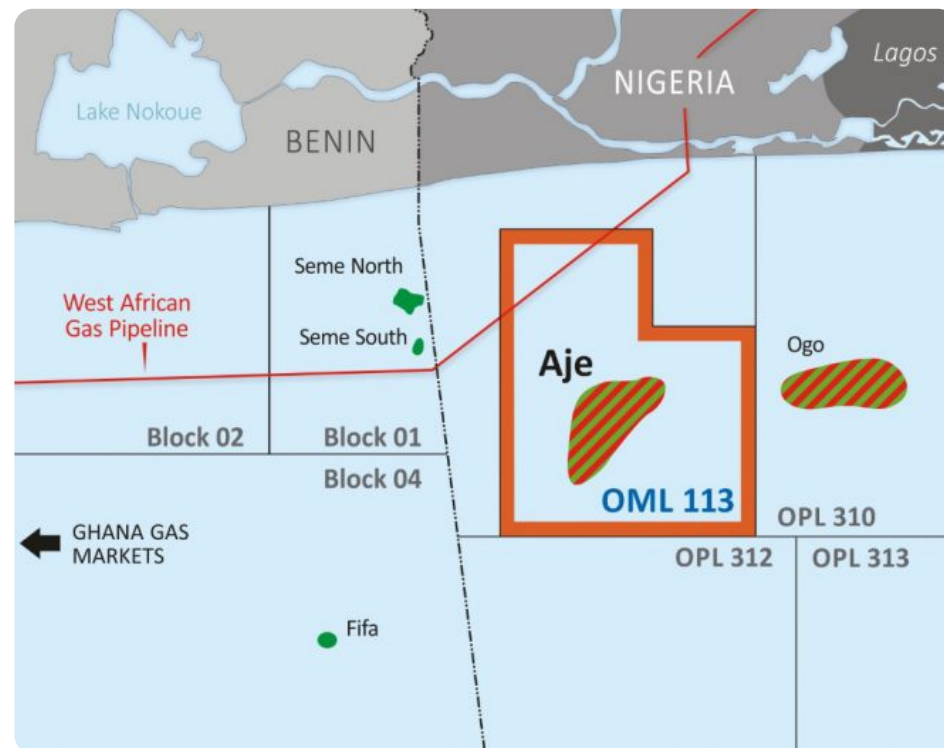


Transaction Rationale

- > Low cost entry ticket via acquisition of Panoro's Nigerian entities to access significant proven resource potential
- > USD 10M payable in PetroNor shares¹ for
 - 34% participating interest in OML 113
 - PetroNor economic interest starting at 13.08%² and expected to reach 24% within 3 years based on project payout phases
 - Future consideration of up to USD 25M based on gas production royalty in a success case
- > New SPV being formed with Operator (YFP) to provide technical assistance, align partners and progress development of liquid and gas resources
- > Delivers initial net production rate of 314 bbl/d to PetroNor

Partners

Yinka Folawiyo Petroleum



1) option to pay partly in cash should the PetroNor share price fall below US\$0.13 per share; 2) PetroNor will hold a 45% interest in the SPV and the SPV will hold a 29.066% economical interest in OML 113 upon completion

Nigeria: OML 113 (Aje Field) – Forward Plan



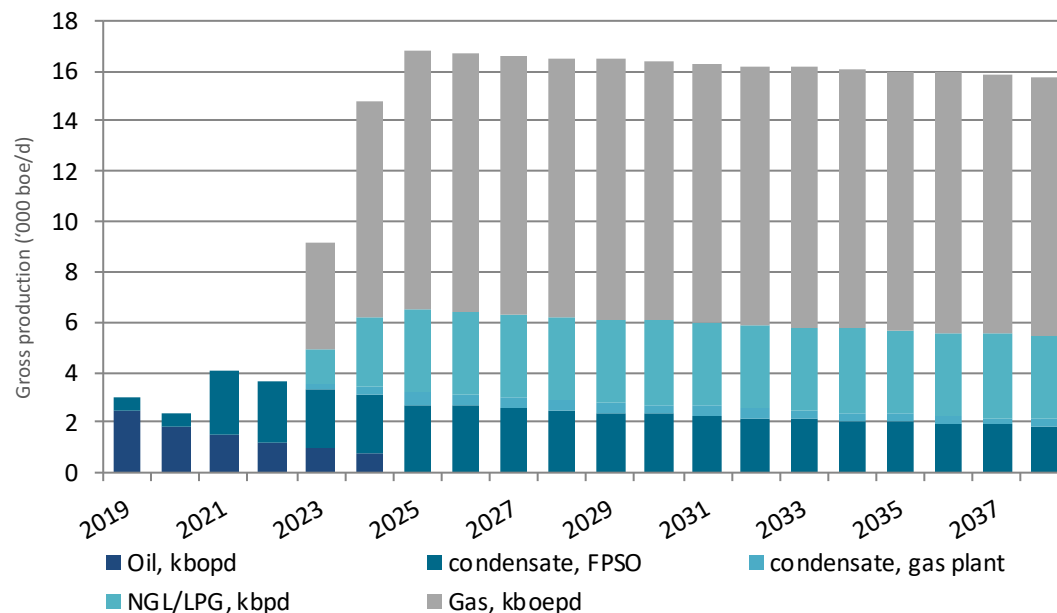
Current Status and Challenges

- > Underperforming field with material potential
- > History of disputes between shareholders

Value Creation Opportunities

- > Updated field development plan
- > Align and establish common interest amongst shareholders
- > Apply technical solutions for FPSO and gas production / reinjection
- > Net 2C resource of 18.7 mmboe, expected to be converted to 2P reserves upon approval of development plan
- > Successful development of condensate and associated gas could increase net production up to 3,000 boepd
- > Favourable tax regimes with indigenous partner in PSA (YFP)

Production Profile



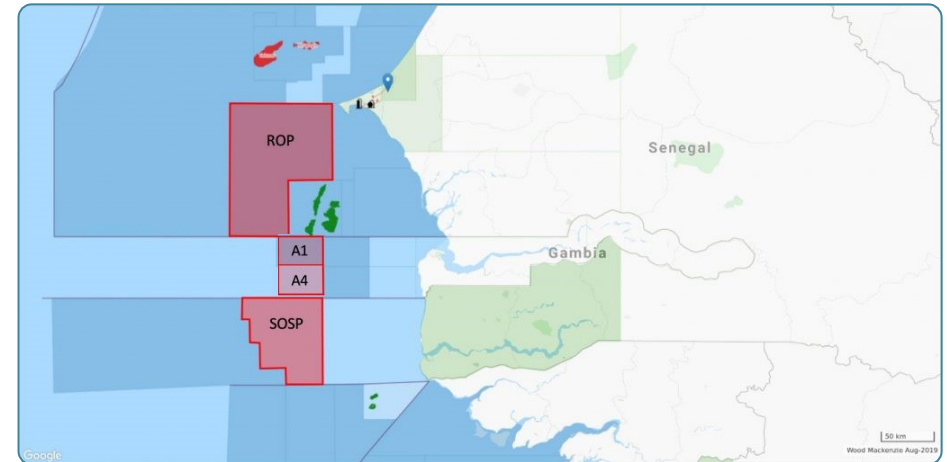
Rubicon Offshore's "Front Puffin" FPSO on the Aje field

The Gambia and Senegal – Disputed High Impact Assets



History

- > Early entry into The Gambia / Senegal margin as a high risk frontier exploration opportunity
- > 90% working interest in Senegal, 100% The Gambia¹
- > USD 100M invested historically on seismic, technical work and licence fees
- > Multiple prospects identified and promoted to potential partners and subsequently de-risked by discoveries in neighbouring licences
- > Industry wide oil crisis in 2015/16 impacted funding for delivery of work program leading to breakdown in government relations
- > Disputed licence status escalated to ICSID arbitration as per specified resolution mechanism in respective agreements
- > PetroNor is reserving rights to all blocks including those re-awarded to Total (Senegal) in 2017 and BP (The Gambia) in 2019



Way Forward

- > Progression of legal process to conclusion by 2023 with respective ICSID tribunal rulings
- > Preference for early negotiated settlement that is acceptable to all parties

1) Subject to ongoing ICSID arbitration processes

- > Sub-Saharan Africa focused E&P independent with proven track record
- > Full-cycle platform with significant upside
- > Near term reserves and production growth from existing assets
- > Strong operational experience and partnerships
- > Extensive network in Africa ensuring strong deal pipeline
- > Targeting transformational growth through focused M&A
- > Well positioned to deliver near-term growth and shareholder value

Q & A Session



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