



02.07.18

Investor Briefing Acquisition of VNG Norge AS

Transaction Highlights

1. Sale & Purchase agreement signed on 28 June 2018 with VNG AG to acquire 100% of the shares of VNG Norge AS
2. Closing conditional on:
 - VNG AG Supervisory Board approval
 - Customary regulatory and Government consents
3. Closing expected Q4 2018
 - VNG Norge will then be merged into Neptune Energy Norge AS
4. Economic effective date 1 January 2018
5. Consideration: cash of \$352 million as at effective date, including \$22 million for acquired cash and working capital
 - Will be adjusted by additional capital provided to VNG Norge by seller between effective date and closing, expected to be approx. \$80-90 million
 - Additional contingent consideration of up to \$50 million by 2021 based on milestones around contingent resources
 - Includes substantial tax losses and allowances (\$230 million Norwegian tax value, at 78% tax rate, undiscounted, 1.1.2018)
6. Neptune funding at closing from existing facilities and resources

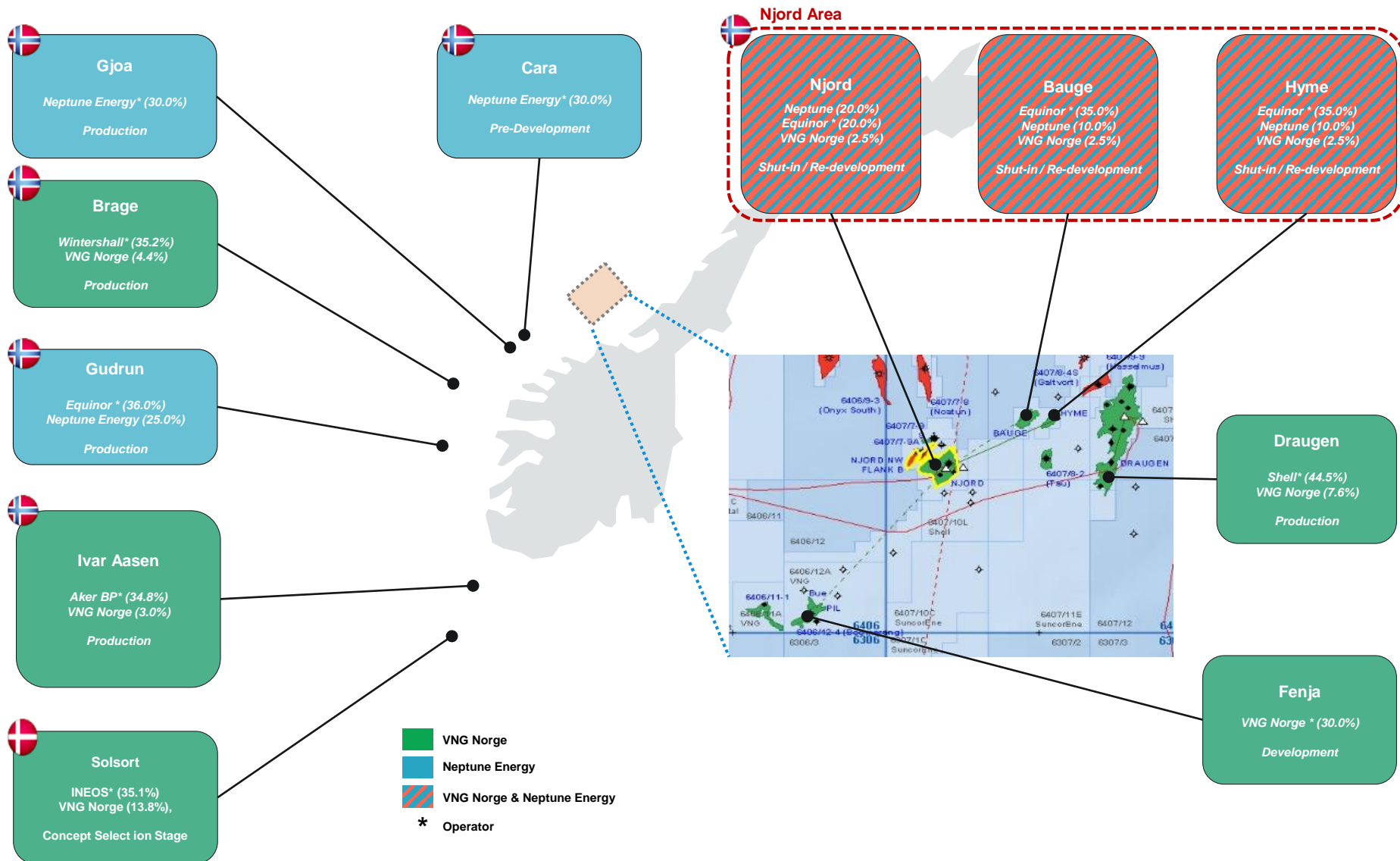
VNG Norge highlights

Adds oil-weighted Norwegian portfolio with growth and synergies

- 42 licences, five producing fields and three development projects
- Net production for 2017 was 4,000 boepd. Significant increase targeted to approx. 14,000 boepd by 2022
- Net 2P reserves and 2C resources as at 31 December 2017 of over 50 mmboe
- Growth profile and reserve life extension: material stake in Fenja development due onstream in 2021
- Consolidation around existing Njord hub (Neptune 20%, VNG 2.5%)
 - Njord hub re-development, including Bauge, Hyme
- Adds operatorship of the flagship Fenja sub-sea project
- Strengthens exploration portfolio
 - 25 exploration licences & successful exploration track record
- Significant synergies and potential further upsides
- Respected and skilled local organisation, will be merged with Neptune Norge

VNG Norge assets

Excellent strategic fit and portfolio enhancing bolt-on acquisition



Source: Woodmackenzie, Company

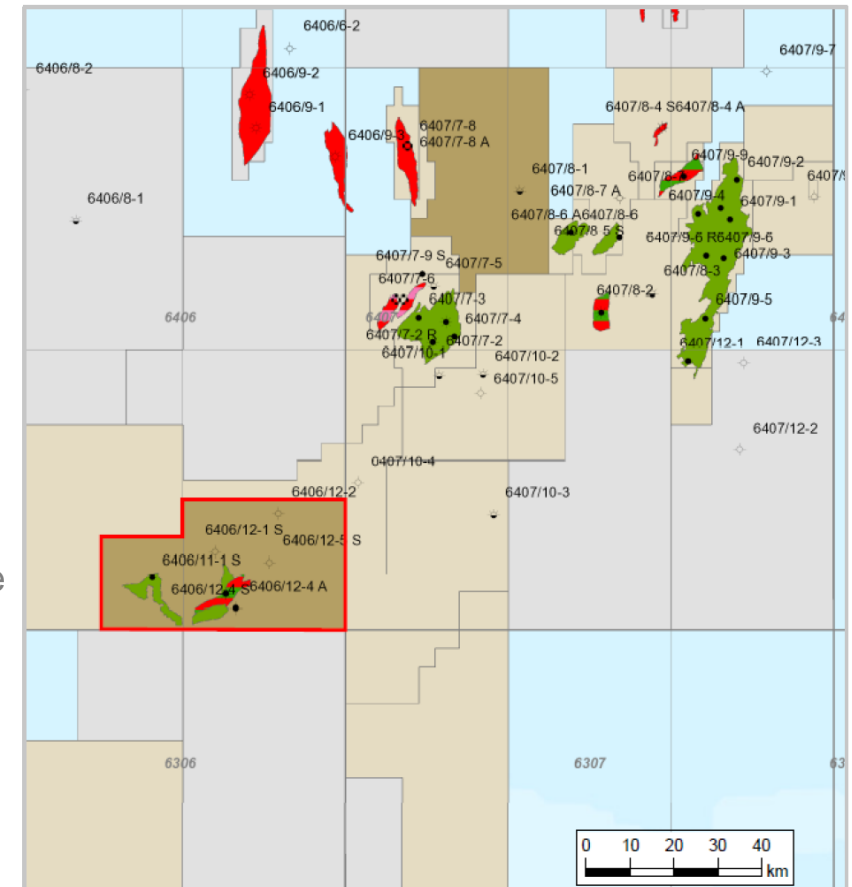
Fenja

PL586, with tie-back to Njord A

Key Statistics

Licence Number	• PL 586
Licence Expiry	• 2037 ⁽¹⁾
Partners (WI %)	• VNG Norge AS (30%, Operator) • Point Resources AS (45%) • Faroe Petroleum Norge AS (25%) ⁽²⁾
Production Start-up	• 2021
Net Company Reserves & Resources	• 30.3 MMboe ⁽³⁾

- Oil and gas discovery on the Halten Area in the Norwegian Sea, a core area for VNG Norge
- 35 km SW of the Njord field, 65 km SW of Draugen field
- Discovered by well 6406/12-3 S in 2014
- Passed DG3, with 35 km tie-back to Njord A as the selected development concept
- 6 well sub sea development (3 producers and 3 injectors)
- PDO approval in April 2018



(1) Licence extension to 2037 has been applied for

(2) Faroe announced in February 2018 transaction of 17.5% interest to Suncor Energy, completion expected Q3 2018

(3) PDO 2P case of 29 Mmboe, excl. Bue and Boomerang

Strategic rationale

- **Excellent fit with strategy and M&A priorities we have articulated:**
 - Add bolt-on development opportunities
 - Production growth from 2020s. Extends reserve life (R/P)
 - Operational fit – strengthens position in and around Njord hub
 - Tax synergies – accelerates use of VNG allowances; efficient use of tax-paying capacity in Neptune Norge to shelter development spend
 - Adds operated development – leverages combined sub-sea tie-back capabilities
 - Adds technical resources in Norway
 - Strengthens exploration portfolio

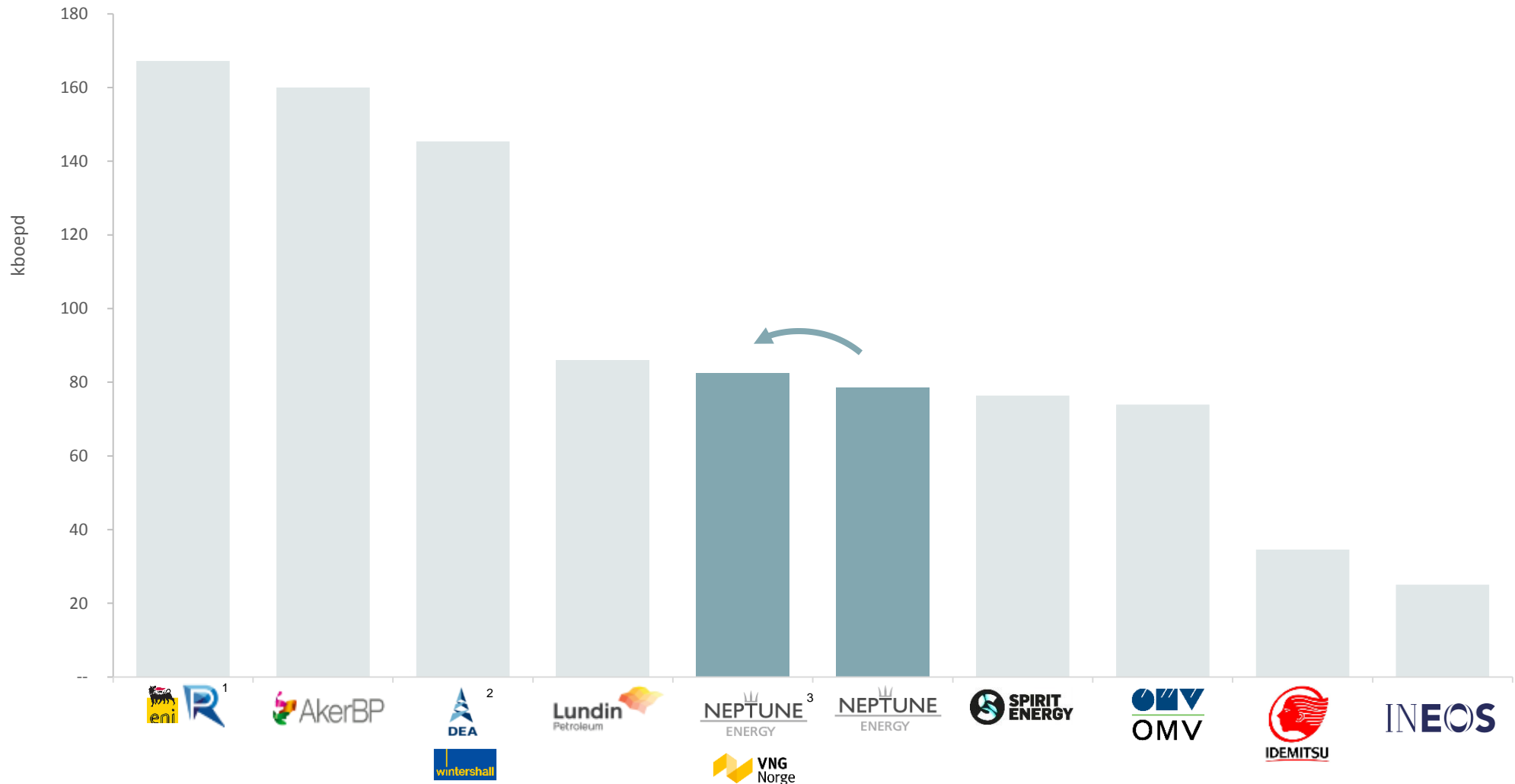
Neptune Energy: current trading

- Current trading in line with guidance
- 2018 production on net entitlement basis to end May 2018 = 167 kboepd
 - Planned summer maintenance shutdowns to come. Full year guidance remains low single digit growth on 2017 (154.3 kboepd)
- Projects & Exploration
 - Njord: On schedule & budget
 - Touat: First production by end 1H 2019
 - Cara & P1: Planning proceeding for accelerated development, targeting 2020 first production
 - Exploration: Sigrun appraisal well currently being drilled; Cygnus FB9 appraisal due to spud early September 2018. New awards in UK and Norwegian rounds confirmed in 1H 2018.

Questions?

Creating a leading E&P company on the NCS

5th largest independent producer on the NCS by 2017 Working Interest production



Source: Company information, Wood Mackenzie

1. Pro Forma merger between Eni Norge and Pont Resources (Vår Energi)
2. Pro Forma merger between Wintershall and DEA Group
3. Pro Forma acquisition of VNG Norge by Neptune Energy