



**Pareto Securities’
17th Annual Oil & Offshore Conference**

1st of September 2010

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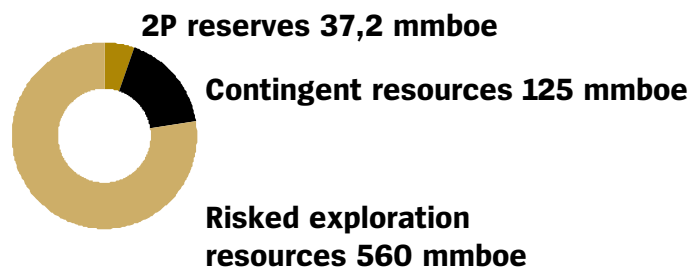
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Our Business Today

- Activities in Norway, Denmark and UK
- 100 employees
- Extensive forward exploration program
- History of exploration success
- 4 near term developments
- Production from 8 fields



Noreco's strategic focus

Create value with
Exploration

Monetize value
through developments
and sales

Optimize value
in Production

6507/7-14 S Zidane 1

- License PL435 Norway
- Noreco 20%, operated by RWE DEA
- Pre-drill recoverable volumes : 100-160 mmboe
- Discovered gas in the Middle Jurassic Fangst Group
- Current testing
- The Zidane 1 discovery has significantly lowered the risk of the Zidane 2 prospect

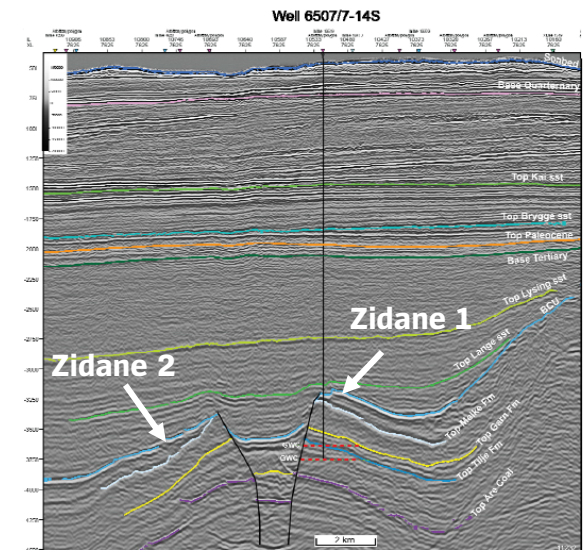
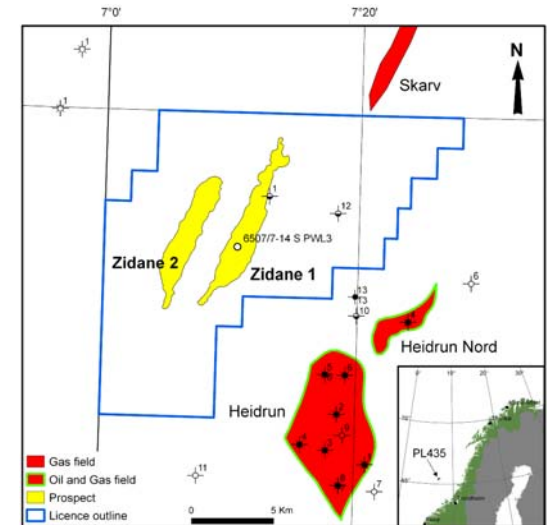
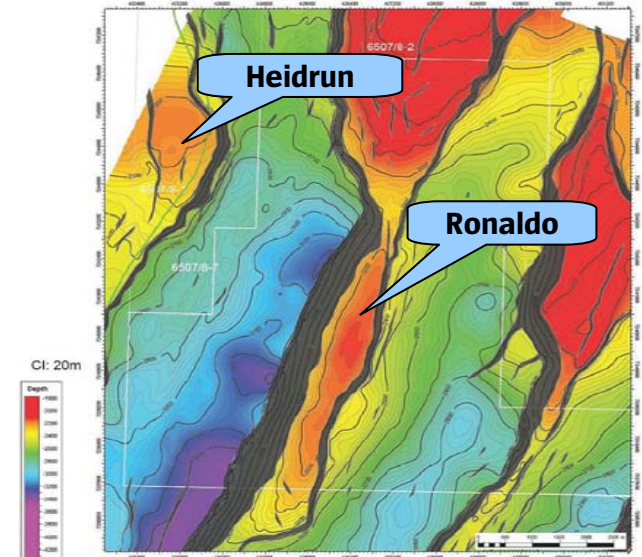
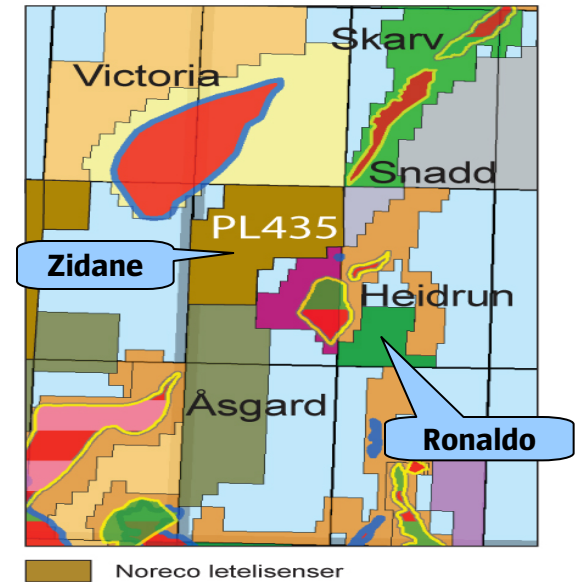


Figure 4-4: E-W Seismic Profile - Cross line 7626 close to target location PWL1

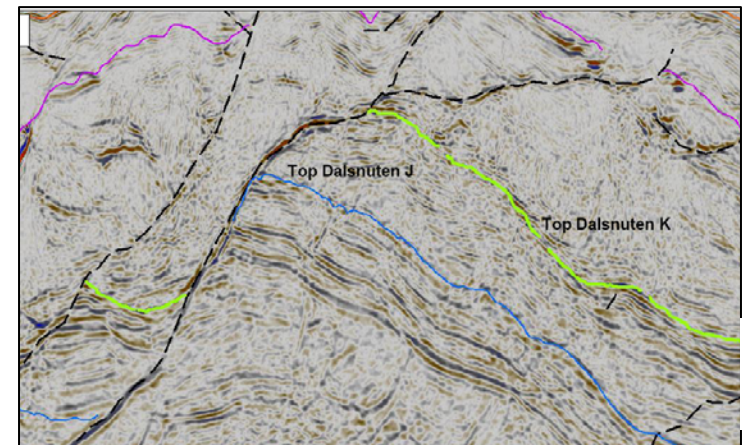
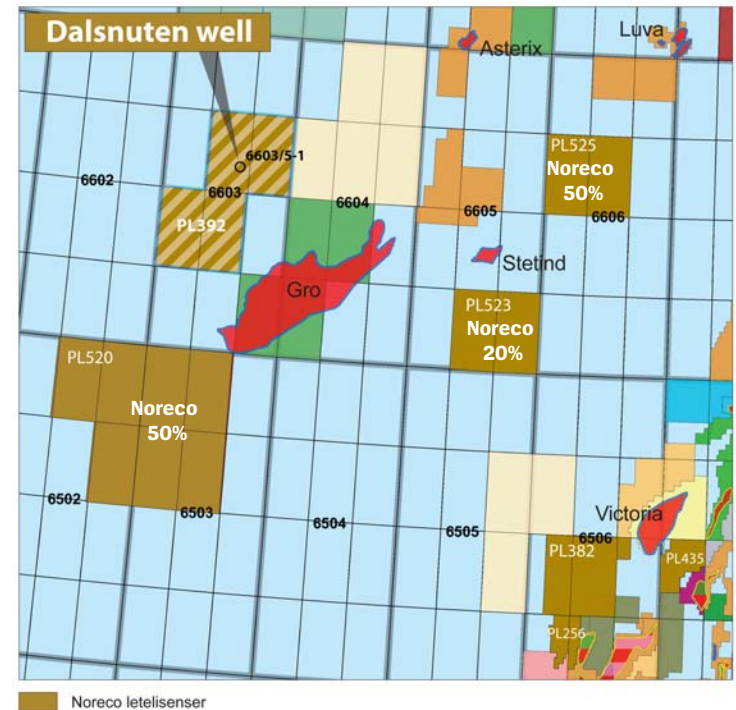
Ronaldo

- License PL434 Norway
- Noreco 20%, operated by Wintershall
- Target is in the Middle Jurassic Fangst Group
- Chance of success is 40% - main risk is migration
- Pre-drill recoverable volumes 50-100 mmboe
- Drilling planned for 1Q 2011



Dalsnuten

- License PL392 Norway
- Noreco 10%, operated by Shell
- Middle Jurassic and Lower Cretaceous plays
- Chance of success 25% - main geologic risks are reservoir and seal
- Total gross recoverable volumes 100 – 500 mmboe
- Strong Noreco position in the area.



Exploration track record so far

- Selective drilling has resulted in high success rate

- 19 exploration targets since 2007 have resulted in 11 discoveries

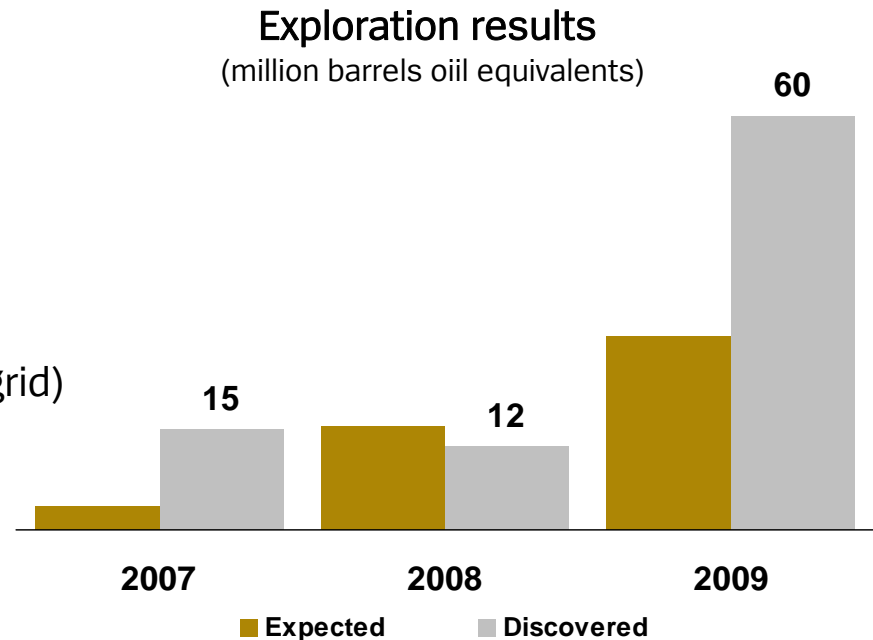
- Discovered volumes have exceeded the risked pre-drill estimates

- 2009 exploration results:

- 3 discoveries (Gita, Grosbeak, Gygrid)
- 2 dry wells

- 2010 wells

- 1 dry well, 1 discovery (Zidane)
- 3 wells upcoming

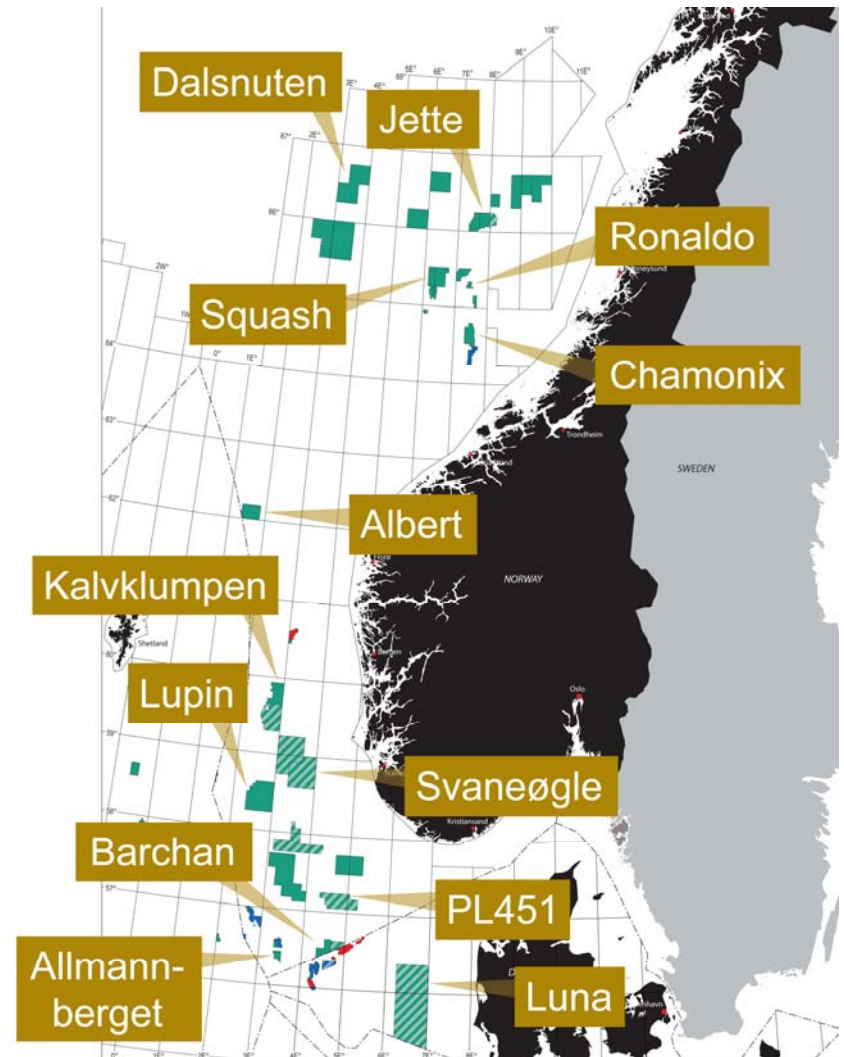


Exploration program next ~18 months

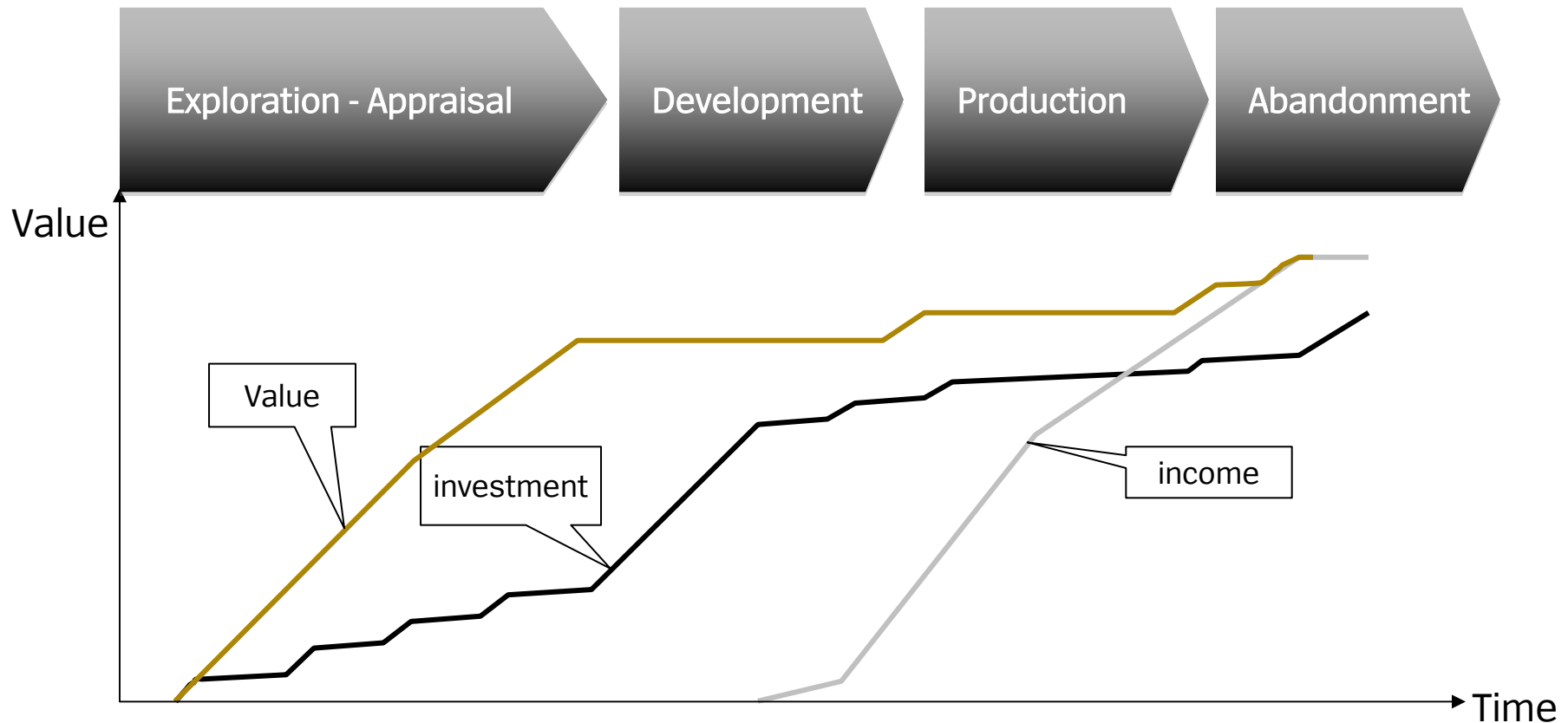
- Exposure to 100-150 mmbœ net risked resources



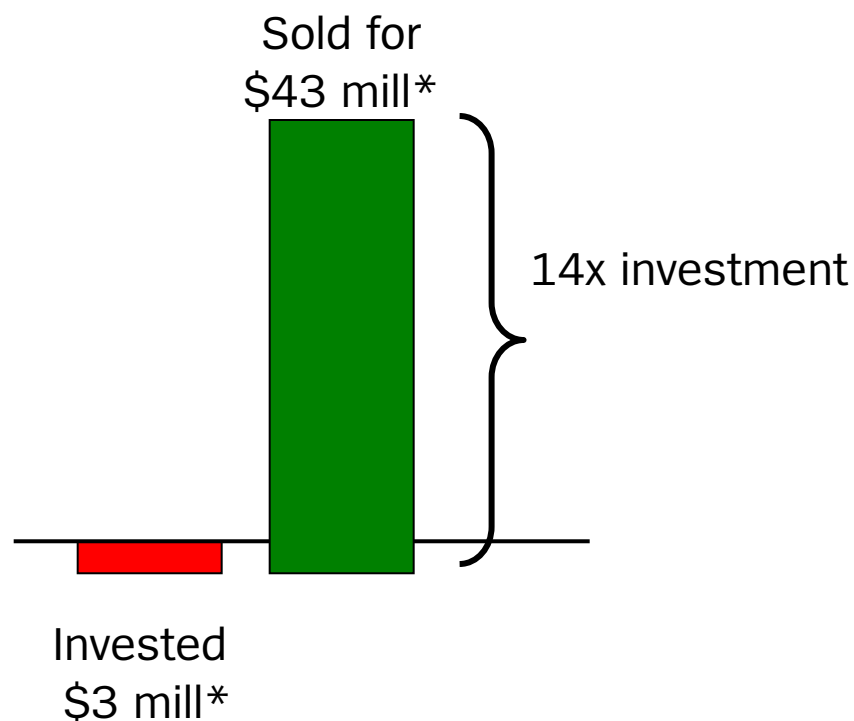
- 20-25% of exploration portfolio to be drilled in 18 months
- Exposure of more resources than we have done todate.



E&P Value Chain



Value Accretive Sales : Grosbeak



- Awarded in 1Q 2006
- Invested \$3m
- Sold effective date 1/1-2010
- Contingent resources: 6.8 mmboe
- Risked exploration resources: 11 mmboe
- 5 % of our Contingent Resources and 2 % of Exploration Resources

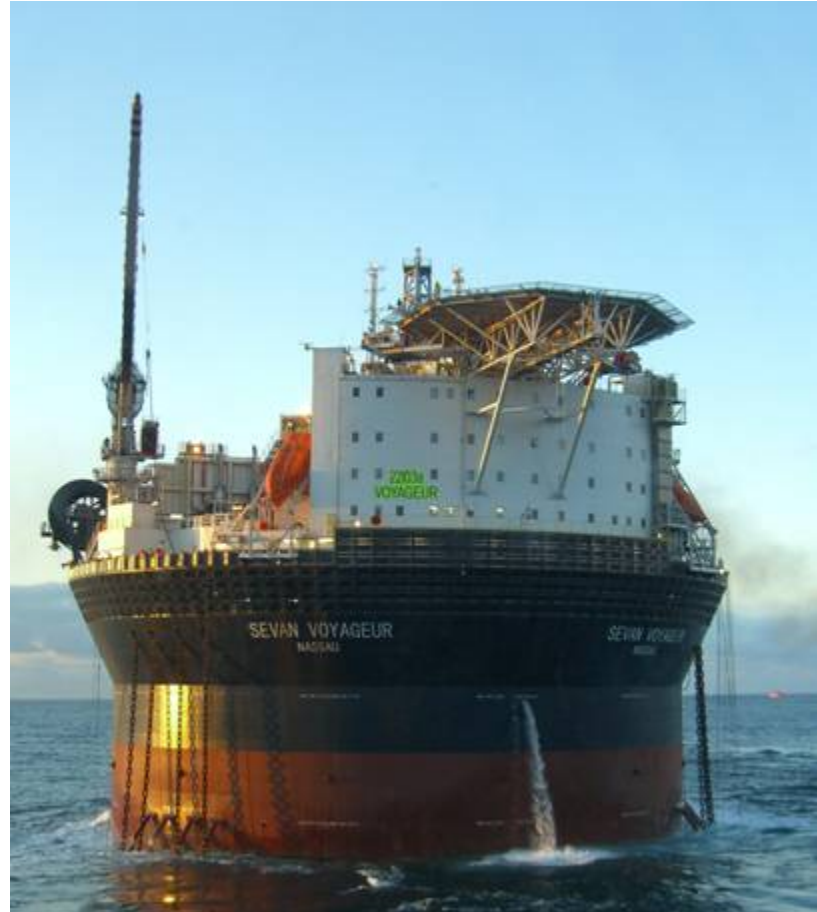
* After tax

** Gain on sale is expected to be reflected in the Q3 2010 accounts.

Huntington

FPSO concept selected

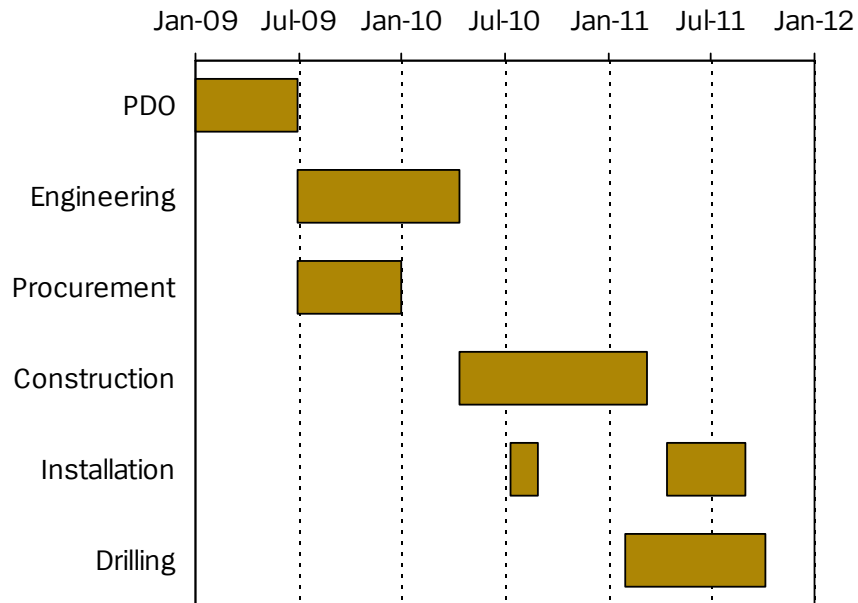
- Partnership working to finalize FPSO contract and documentation during Q3
- Preparing for other main contracts (drilling etc) to be signed when FPSO contract is completed
- Draft FDP submitted to UK authorities to prepare for approval



Oselvar development

On track for first oil in 2011.

Oselvar project plan

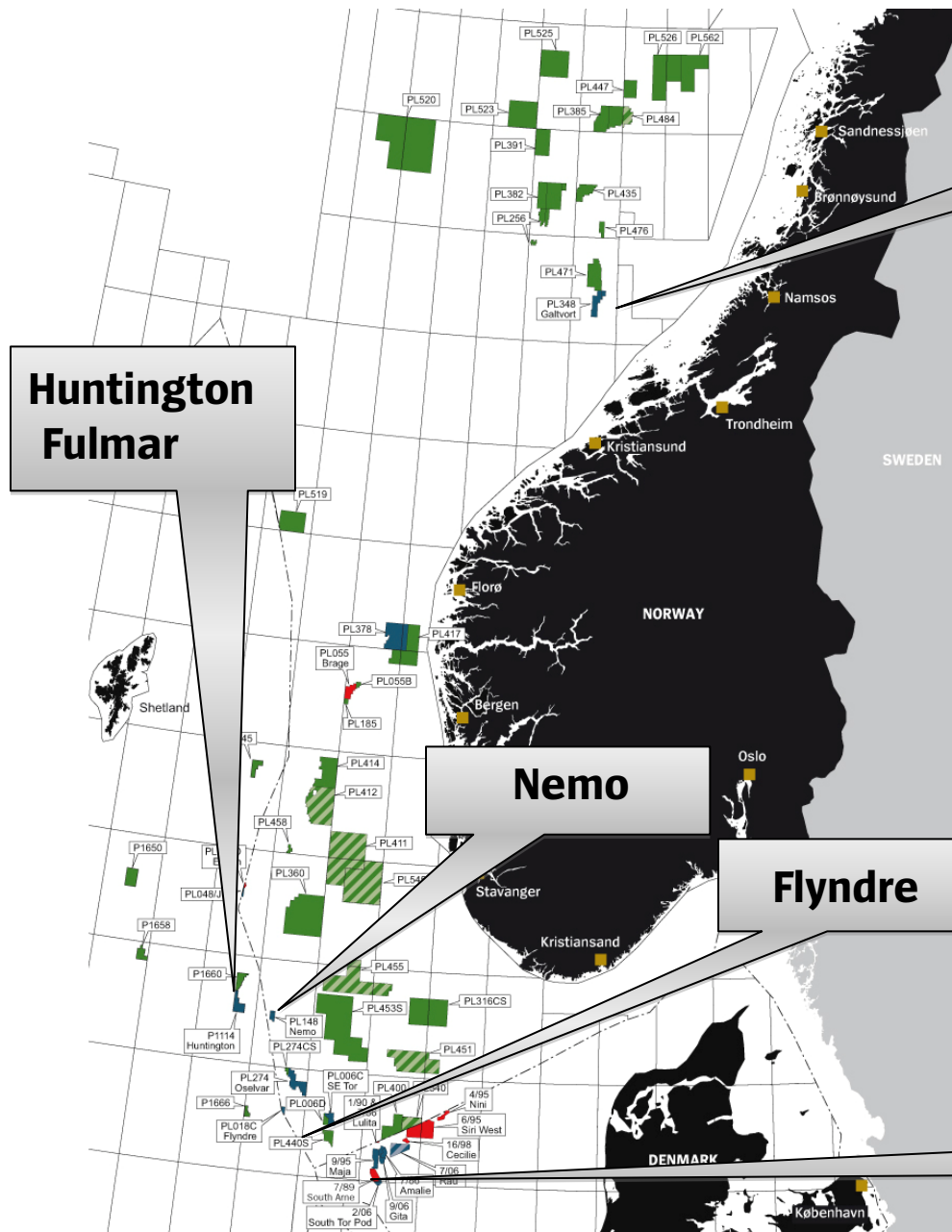


■ Project update:

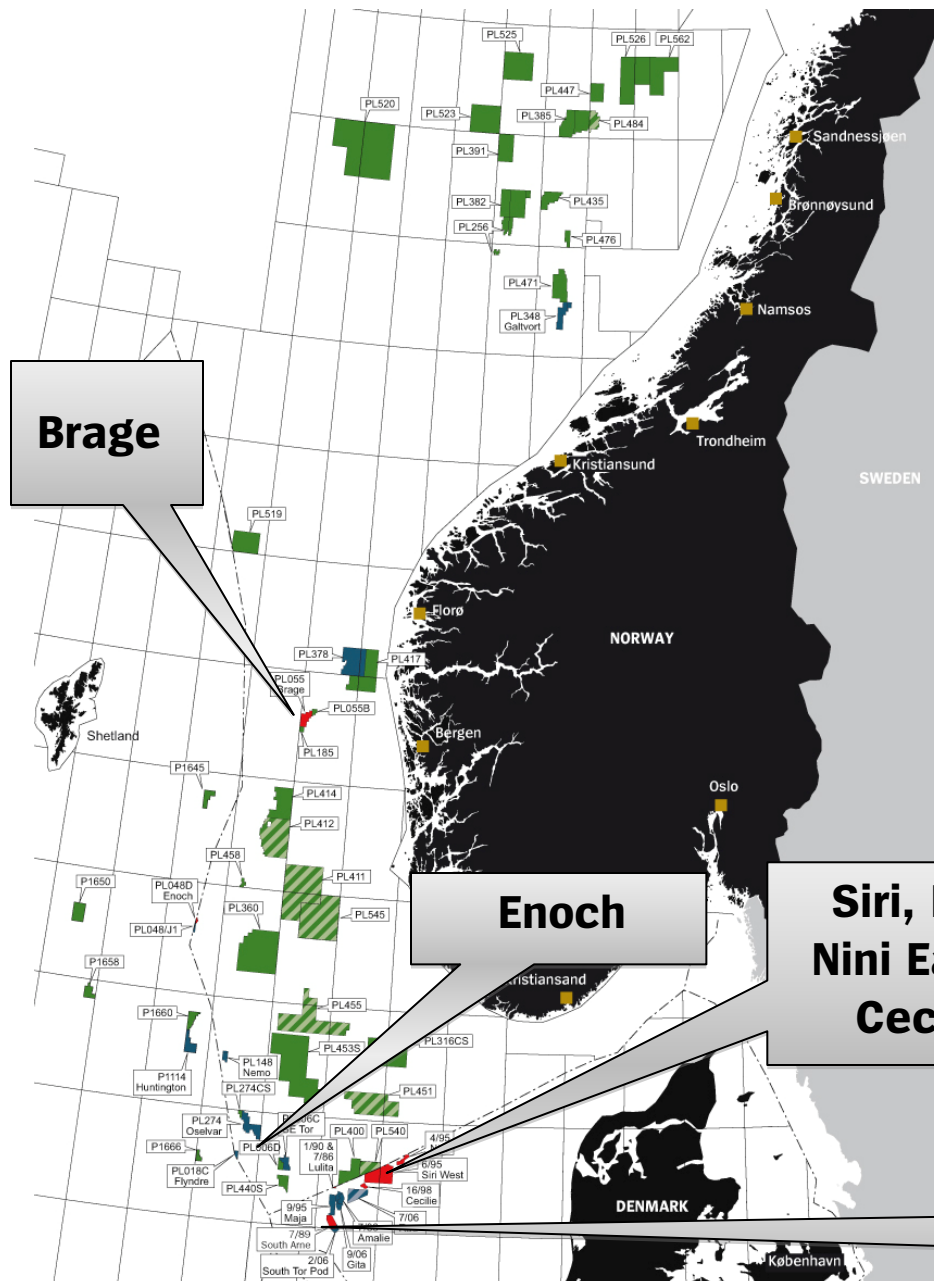
- Ula platform prepared for Oselvar tie-in during summer shutdown
- Subsea template installed in August.
- Process module being manufactured

■ Oselvar facts:

- Reserves 52 mmboe
- Noreco 15%
- Operator: Dong
- PDO approved June 2009
- Concept: Subsea tieback to Ula
- First oil H2 2011
- Total capex NOK 4.3 billion



Upcoming Development / Appraisal Projects

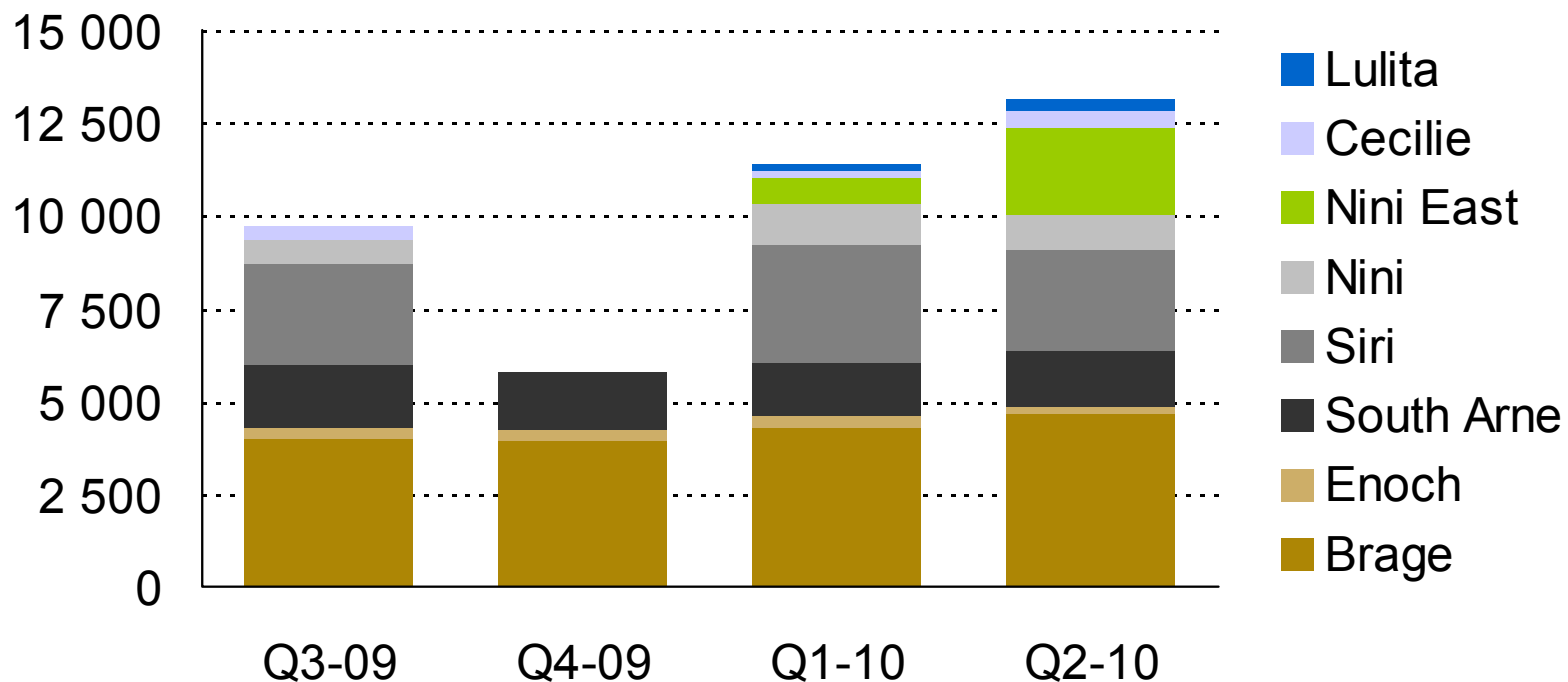


Producing Fields

**South
Arne**

Production per quarter

boe/day net



Volume

9 725

5 775

11 375

13 125

Price

\$65

\$68.5

\$74.0

\$75.4

The way forward

Create value with
Exploration

- Expand near term drilling opportunities
- Upcoming licensing rounds

Monetize value
through developments
and sales

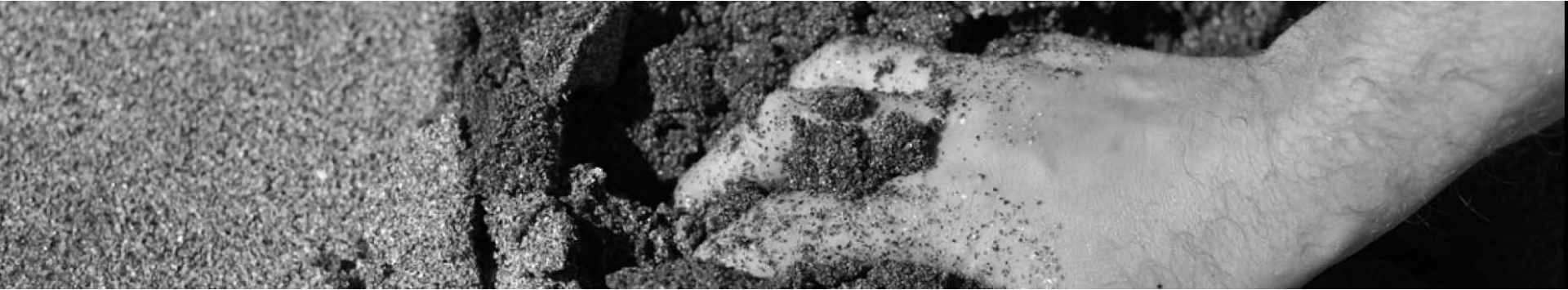
- Value accretive sales
- Progress developments

Optimize value
in Production

- Siri facilities up to capacity



– INSIGHT CHANGES REALITY



Additional information

Strategy and business model

Create value with
Exploration

Monetize value
through developments
and sales

Optimize value
in Production

KEY SUCCESS FACTORS

- Access to acreage
- Selective drilling
- Subsurface & drilling expertise
- G&G Data
- HSE

- Active portfolio management
- Subsurface, drilling projects and commercial expertise
- HSE

- Opportunity creation
- Subsurface, facilities and commercial expertise
- Risk management
- HSE

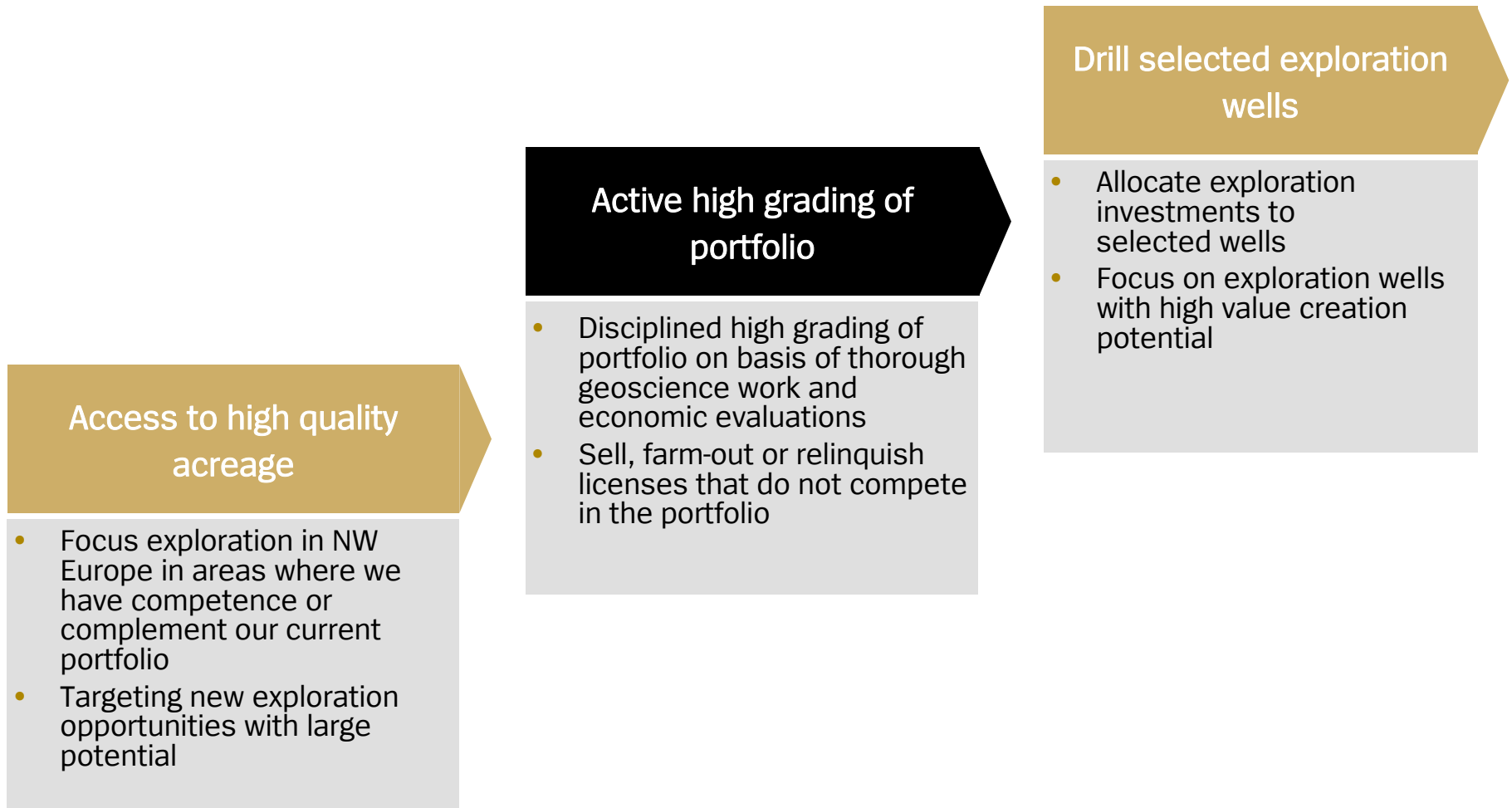
MAIN RISKS

- Dry wells
- Asset/financial market

- Schedule
- Costs
- Asset/financial market

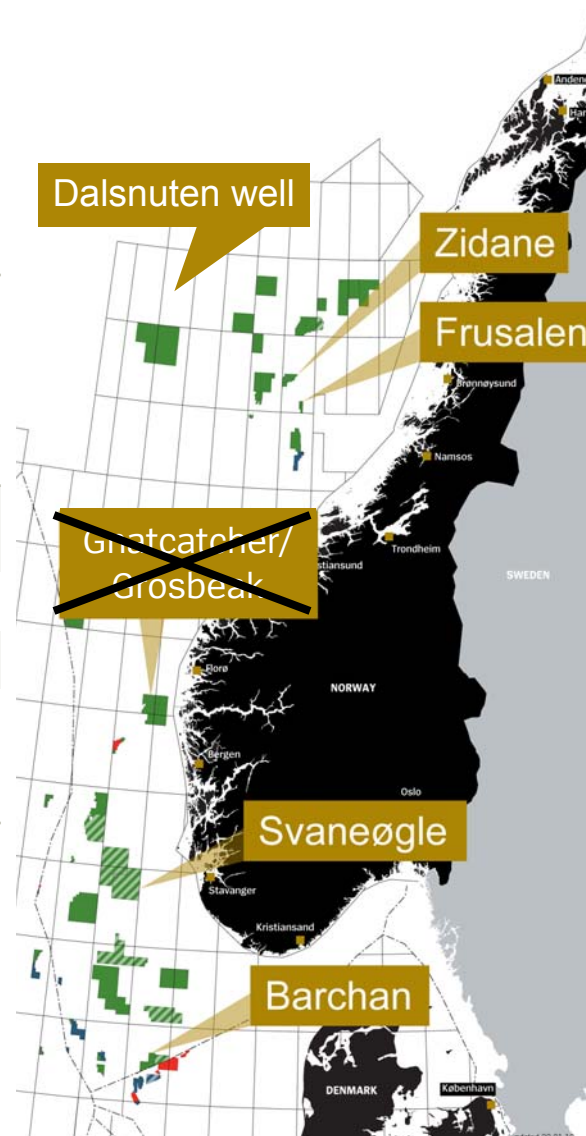
- Plant integrity
- Costs

Noreco's exploration model



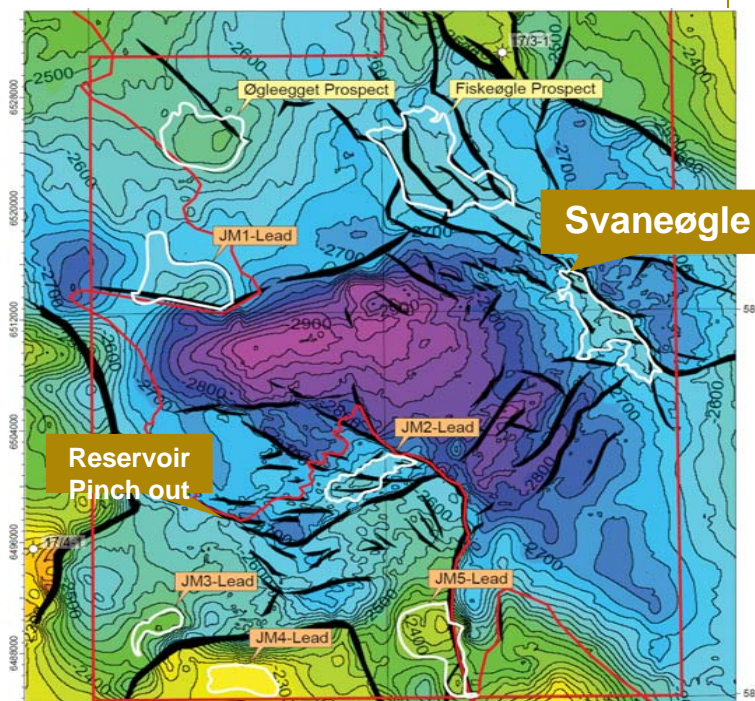
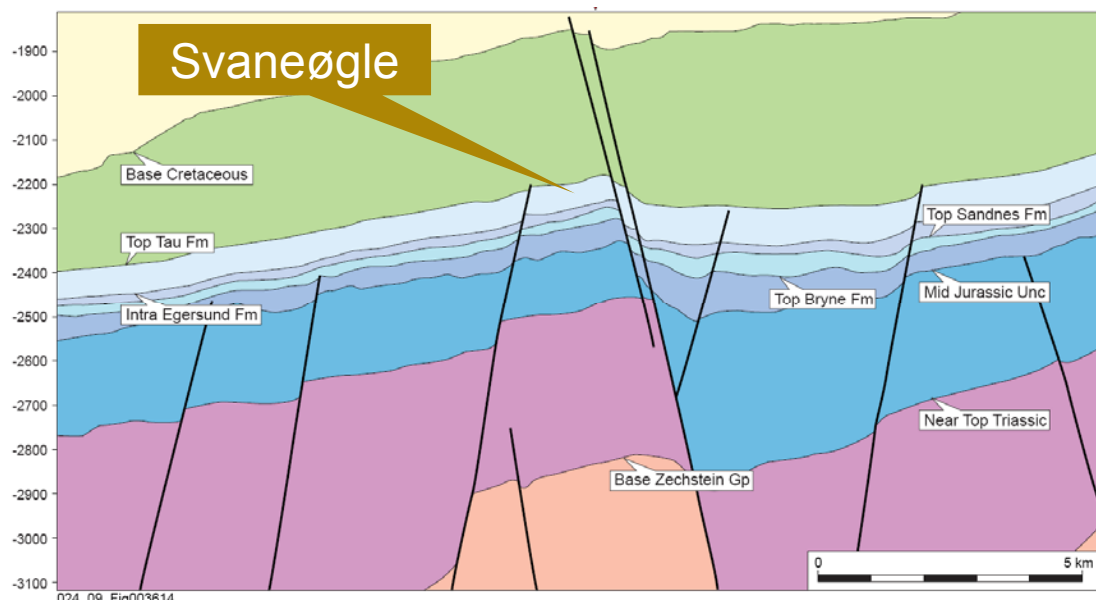
2010 exploration drilling

Well	License	Equity	Pre-drill gross unrisked resources (mmboe)	Chance of success	Expected drilled
Frusalen	PL476	30%	14-96	Dry	Complete
Zidane 1	PL435	20%	100-160	Discovery	Ongoing
Svaneøgle	PL545	50%	30-70	29%	Q4
Barchan	PL400	30%	50-325	18%	Q4
Dalsnuten	PL392	10%	100-500	25%	Q4



Svaneøgle prospect

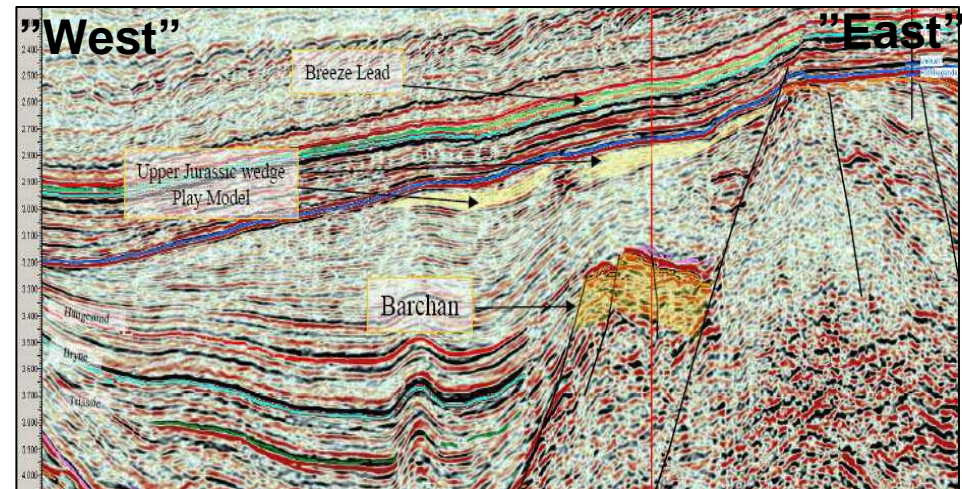
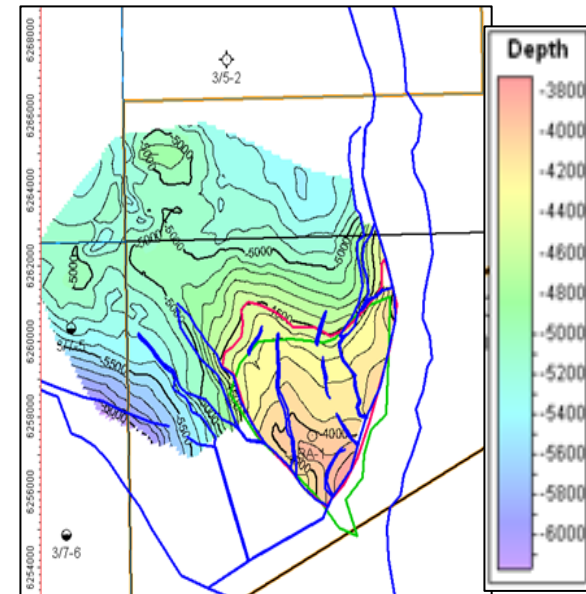
- License PL545 Norway
- Noreco 50% and operator
- Middle Jurassic play in the Åsta Graben
- Chance of success 29% - main geologic risk is source rock
- Total gross recoverable volumes
30 – 70 mmboe



Top Vestland Gp (meters TVD SS)

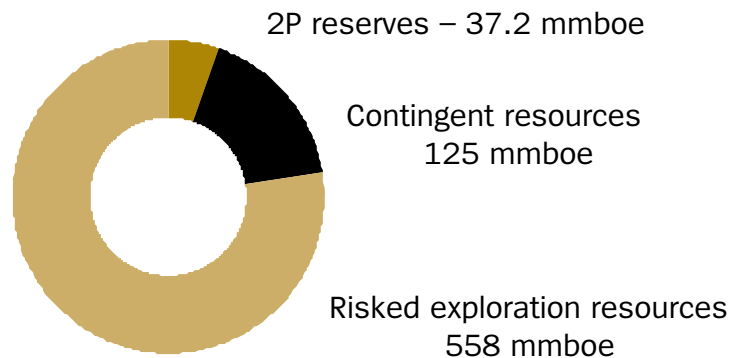
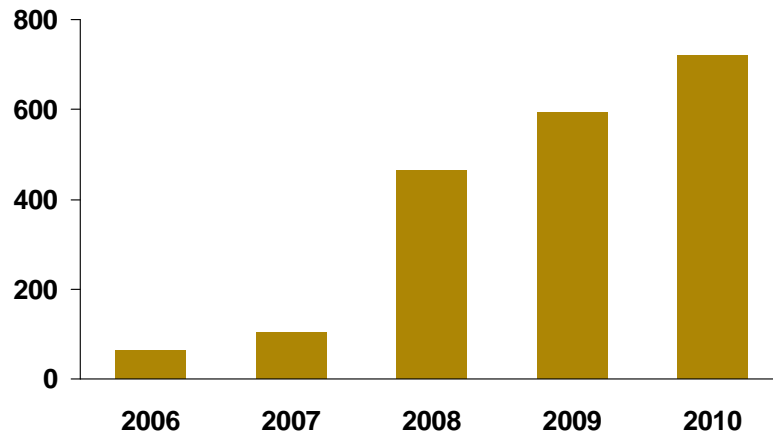
Barchan

- License PL400 Norway
- Noreco 30%
- Operator: Lundin
- Rotliegende play
- Chance of success 18%
- Main risk: reservoir quality
- Total gross recoverable volumes 50 – 325 mmboe



Strong resource base

Reserve/resource growth (million boe)



Noreco Portfolio

2P reserves: 37.2 million boe

As of 1 January 2010

Field	Country	Interest	2P reserves
Oselvar	NOR	15,0 %	7,8
Brage	NOR	12,6 %	7,4
South Arne	DK	6,6 %	6,4
Siri	DK	50,0 %	6,3
Nini East	DK	30,0 %	5,6
Nini	DK	30,0 %	2,1
Cecilie	DK	61,0 %	0,9
Lulita	DK	28,2 %	0,4
Enoch	NOR	4,4 %	0,4

2P reserves for all producing fields have been subject to a third party independent assessment by Degolyer and MacNaughton

Exploration resources: 560 million boe

As of end January 2010

Country	Net risked p50
NOR	513,0
UK	42,0
DK	3,0

Contingent resources: 125 million boe

Field	Country	Interest	Contingent resources
Developments			16,0
Huntington Palaeocene	UK	20,0 %	11,8
Nemo	NOR	20,0 %	4,2
Discoveries in producing fields/developments			34,6
Huntington Deep (Huntington)	UK	20,0 %	21,8
Rau (Siri Area)	DK	40,0 %	4,7
Phase III (South Arne)	DK	6,6 %	2,9
Ipswich (Oseltvar)	NOR	15,0 %	2,3
South Tor Pod (South Arne)	DK	6,6 %	1,8
Sofie (Siri Area)	DK	20,0 %	0,6
Connie (Siri area)	DK	61,0 %	0,5
Discoveries under appraisal/development planning			69,5
Gita M Jura	DK	12,0 %	28,7
Amalie Disc	DK	29,9 %	10,5
Gygrid	NOR	17,5 %	7,3
Grosbeak	NOR	20,0 %	6,8
S.E Tor	NOR	15,0 %	5,5
Galtvort	NOR	17,5 %	4,3
Flyndre	NOR	13,3 %	3,8
J1	NOR	21,8 %	1,4
Tau	NOR	17,5 %	1,2
Discoveries dependent on exploration success			5,0

Highlights Q2-2010

- Production 13,125 boed
 - Below potential due to Siri facility issues – no impact on reserves
 - New 2010 estimate: 12,100 boe/day
- Improved financial position
 - Strong operating cash flow in Q2
 - Grosbeak discovery monetized (Q3)
- Exploration activity underway
 - Zidane-1 exploration well currently being drilled
 - Seismic surveys ongoing in three licenses
- Development projects progressing
 - Oselvar on track
 - Concept selection made for both Huntington and Nemo

Q2 2010 income statement

NOK million	Q2-10	Q1-10	Q2-09	2009
Operating revenues	560	481	401	1 547
Production cost	1) 132	121	117	452
Exploration cost	2) 100	123	139	525
Salary and other expenses	59	68	60	229
Loss on sale of licenses				56
EBITDA	269	170	85	285
Depreciation and amortization	176	135	282	640
EBIT	94	35	(197)	(355)
Net financial items	(121)	(121)	(107)	(581)
EBT	(27)	(87)	(304)	(936)
Tax	(21)	(66)	(203)	(568)
Profit/(loss) for the period	(6)	(21)	(101)	(368)

1) Production cost included NOK 9 million related to the shutdown of the Siri area fields (NOK 17 million in Q1).

2) Exploration cost included costs related to seismic surveys in PL484, PL520 and PL525.

Balance sheet

NOK million	30.06.10	31.03.10	30.06.09
Assets			
Fixed assets	10 540	10 203	10 426
Receivables	1) 1 447	1 551	1 137
Cash	441	409	648
Total assets	12 429	12 162	12 211
Equity and liabilities			
Total equity	3 777	3 708	2 789
Total long-term liabilities	6 704	6 572	7 445
Total current liabilities	1 948	1 882	1 977
Total liabilities	8 651	8 454	9 422
Total equity and liabilities	12 429	12 162	12 211

1) Receivables includes NOK 407 million in expected insurance recovery related to the Siri area fields.

Siri Area

Siri 50%, Nini East 30%, Nini 30%, Cecilie 61%

■ Gas handling limitations

- Compressor parts replaced in June, function improved, still capacity constrained
- Solution: compressor upgrade (December)

■ SCB-1 well

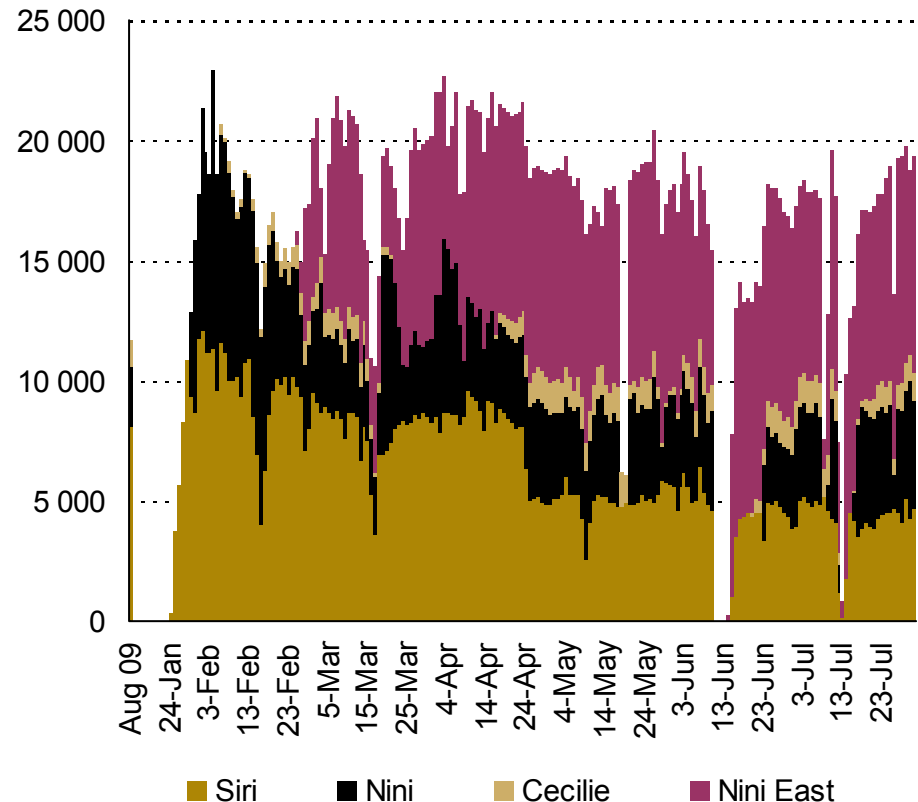
- Downhole safety valve does not respond properly
- Solution: Replace subsea control module (October)

■ Siri caisson status

- Temporary solution is working well
- Permanent solution postponed to 2011 or later

Gross production Siri area

boe/day



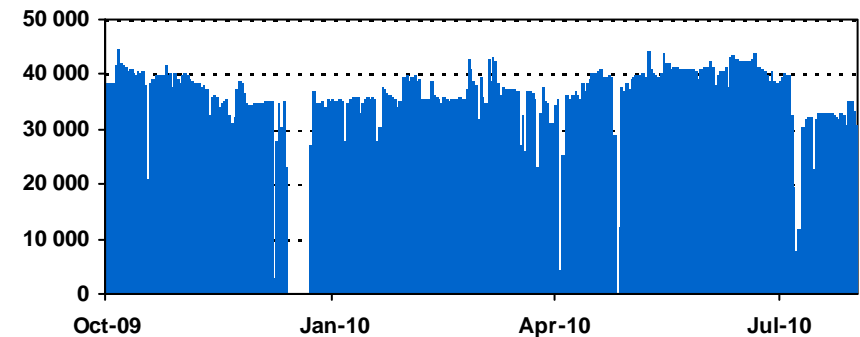
Other producing fields

■ Brage (Noreco 12.26-13.2%)

- Strong Q2 production
- Lower in Q3 due to gas injection and natural decline
- Drilling third 2010 well

Gross production Brage

boe/day

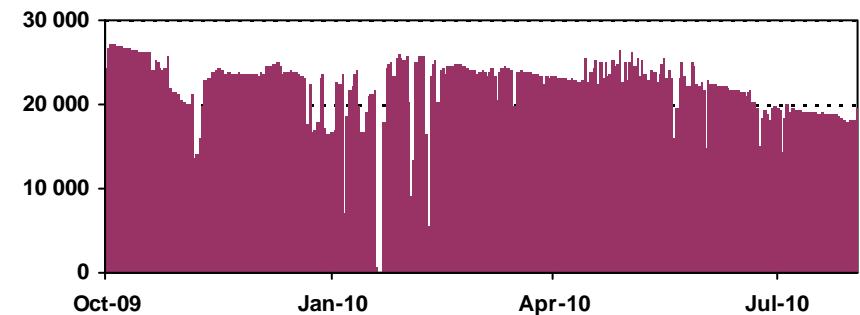


■ South Arne (Noreco 6.56%)

- Currently drilling two new production wells
- South Arne Phase III Field Development Plan submitted

Gross production South Arne

boe/day



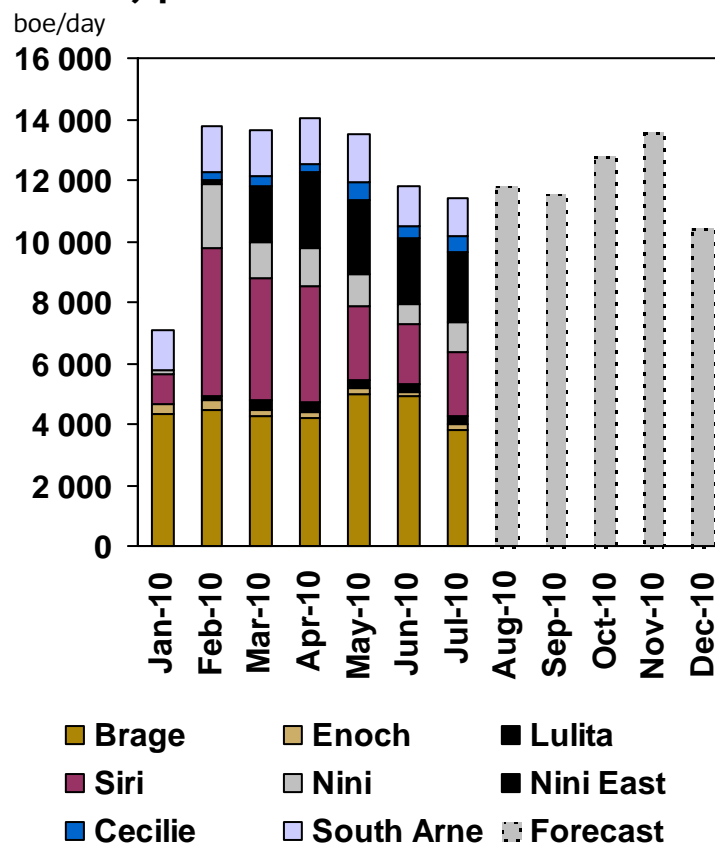
2010 production estimate

- 2010 production estimate:
 - ~12,100 boed
 - Down ~900 boed since Q1

- Siri Area down ~700 boed
 - SCB-1 well shut in until mid October
 - Gas handling limitations to be corrected in December (partial shutdown)

- South Arne down ~150 boed
 - Delayed startup of new wells
 - Temporary decline as drilling rig blocks ordinary well intervention programme

Monthly production and forecast 2010

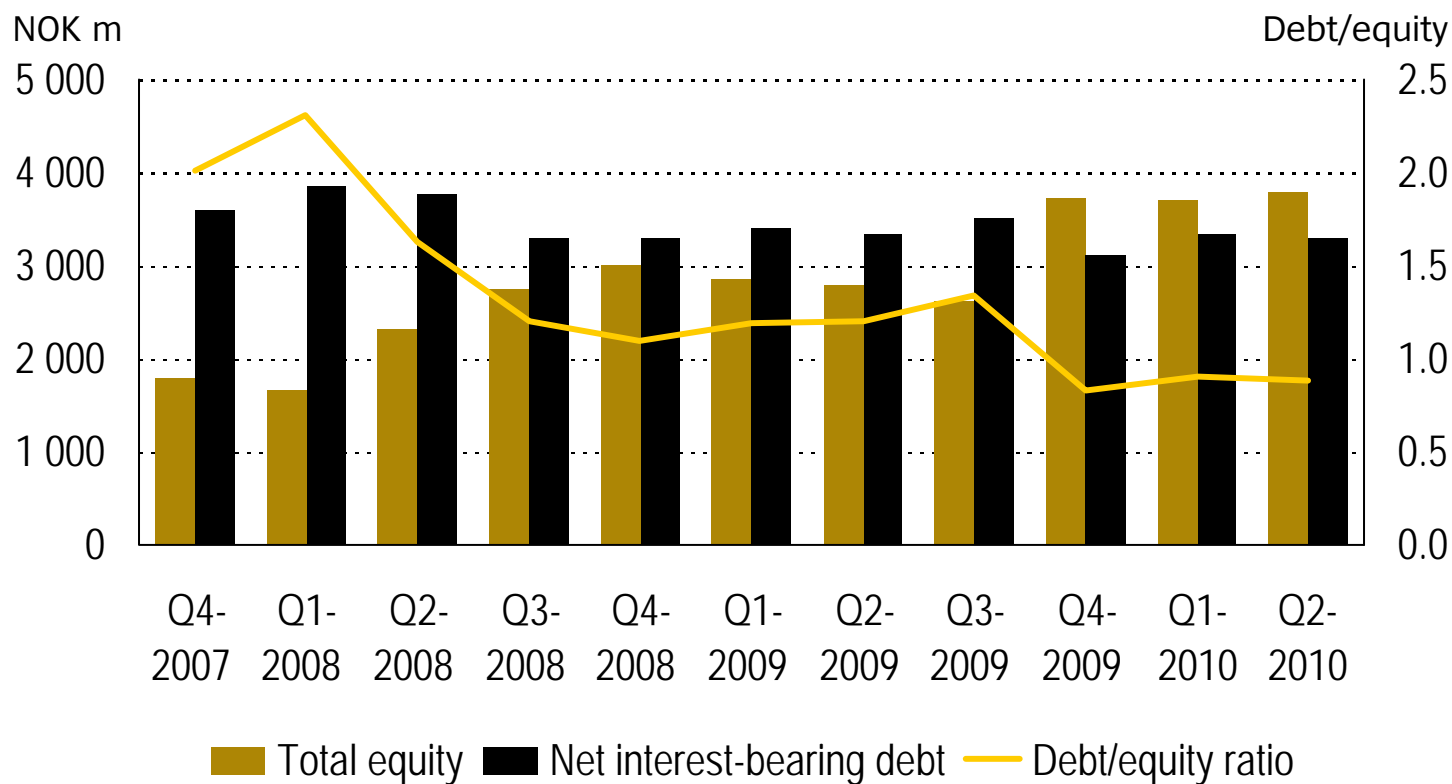


Noreco production per field

boe/day

Field	Noreco ownership	Q2 2010	Q1 2010	2009	2008
Brage	12.26/13.2%	4 700	4 325	4 100	4 450
Siri	20% until 18 June 2008 50% from 19 June 2008	2 725	3 200	2 750	3 850
Nini East	30%	2 350	675		
South Arne	6.56%	1 475	1 425	1 575	1 500
Nini	30%	950	1 100	825	1 825
Cecilie	61%	450	200	400	675
Lulita	28.2%	300	175	200	375
Enoch	4.36%	175	275	275	275
Total		13 125	11 375	10 125	12 950

Financial position



Net interest-bearing debt = Gross interest-bearing debt less cash and cash equivalents less tax receivables.

Debt/equity ratio = Net interest-bearing debt divided by Total equity.

P&L analysis

	Q2 2010	Q1 2010	Q4 2009	Q3 2009	Q2 2009
Production (boe/day)	13,125	11,375	5,775	9,725	11,500
Realised price (\$/boe)	75.4	74.0	68.5	65	59
Realised price (NOK/boe)	469	434	389	397	383
Production cost (\$/boe)	17.8	20.5	33.5	22.0	17.1
Depreciation and amortisation (\$/boe)	23.6	22.5	23.5	21.9	22.9

Exploration and investment activity

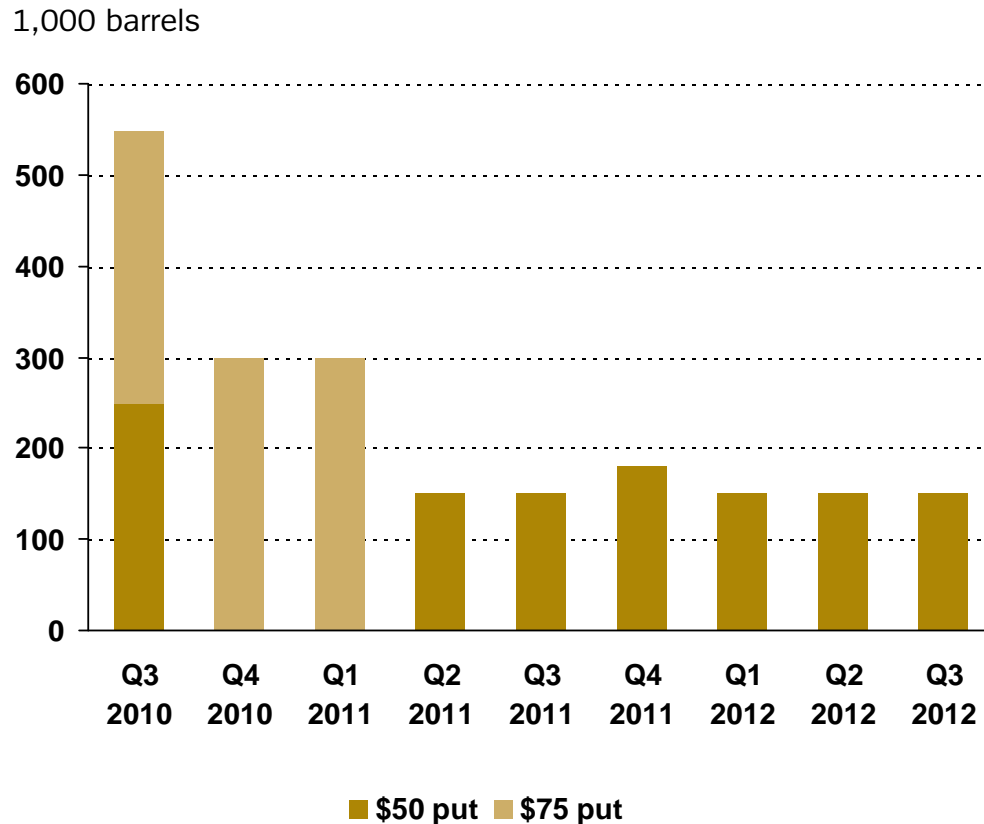
NOK million	Q2 2010	Q1 2010	Q4 2009	Q3 2009	Q2 2009
Exploration expenses	100	123	35	180	139
Exploration capitalized	41	15	1	-14	145
Investments in fields	138	198	94	236	335
Total	279	336	130	403	619

Interest bearing debt & equity

NOK million	Q2 2010	Q1 2010	Q4 2009	Q3 2009	Q2 2009
Bonds	2,267	2,314	2,311	2,550	2,539
Reserve Based Lending	1,500 (\$ 235)	1,379 (\$ 235)	1,359 (\$ 240)	1,358 (\$ 240)	1,466 (\$ 235)
Convertible bonds	201	199	197	194	192
Equity	3,777	3,708	3,722	2,623	2,789
Book equity/Total asset	30,4%	30,5%	31.3%	22.2%	22.8%

Note: Exploration financing and receivables not included

Oil price hedging with put options



- Noreco uses put options to protect cash flow against downside risk in oil price
- 24 months rolling forward programme
- Asian type puts based on monthly average Brent oil price

Shareholders

Top 20 shareholders as of 2 August 2010

Shareholders	Shares	% of top 20	% of total
GOLDMAN SACHS INT. - EQUITY -	30 192 825	20.8 %	12.4 %
LYSE ENERGI AS	23 647 460	16.3 %	9.7 %
IKM INDUSTRI-INVEST AS	12 647 604	8.7 %	5.2 %
FOLKETRYGDFONDET	11 500 000	7.9 %	4.7 %
CREDIT SUISSE SECURITIES (USA) LLC	9 540 957	6.6 %	3.9 %
AWILCO INVEST AS	7 073 179	4.9 %	2.9 %
UBS AG, LONDON BRANCH	6 637 285	4.6 %	2.7 %
MORGAN STANLEY & CO INTERNAT. PLC	5 688 234	3.9 %	2.3 %
SKAGEN VEKST	5 000 000	3.4 %	2.1 %
OM HOLDING AS	4 779 220	3.3 %	2.0 %
NORDEA BANK NORGE ASA MARKETS MARKET-MAKIN	4 483 461	3.1 %	1.8 %
AVANSE NORDEN,NOR VPF	3 401 894	2.3 %	1.4 %
TEIGEN FRODE	3 250 000	2.2 %	1.3 %
JPMORGAN CHASE BANK	3 146 566	2.2 %	1.3 %
DNB NOR SMB VPF	2 800 000	1.9 %	1.2 %
DNB NOR NORDEN (III) VPF	2 639 825	1.8 %	1.1 %
ODIN NORGE	2 471 400	1.7 %	1.0 %
KLP LK AKSJER	2 370 000	1.6 %	1.0 %
BANK OF NEW YORK MELLON SA/NV	2 122 006	1.5 %	0.9 %
HOLBERG NORGE	2 020 000	1.4 %	0.8 %
Total number owned by top 20	145 411 916	100 %	59.8 %
Total numbers of shares	243 038 047		