

Noreco

Q1 2010

29 April 2010

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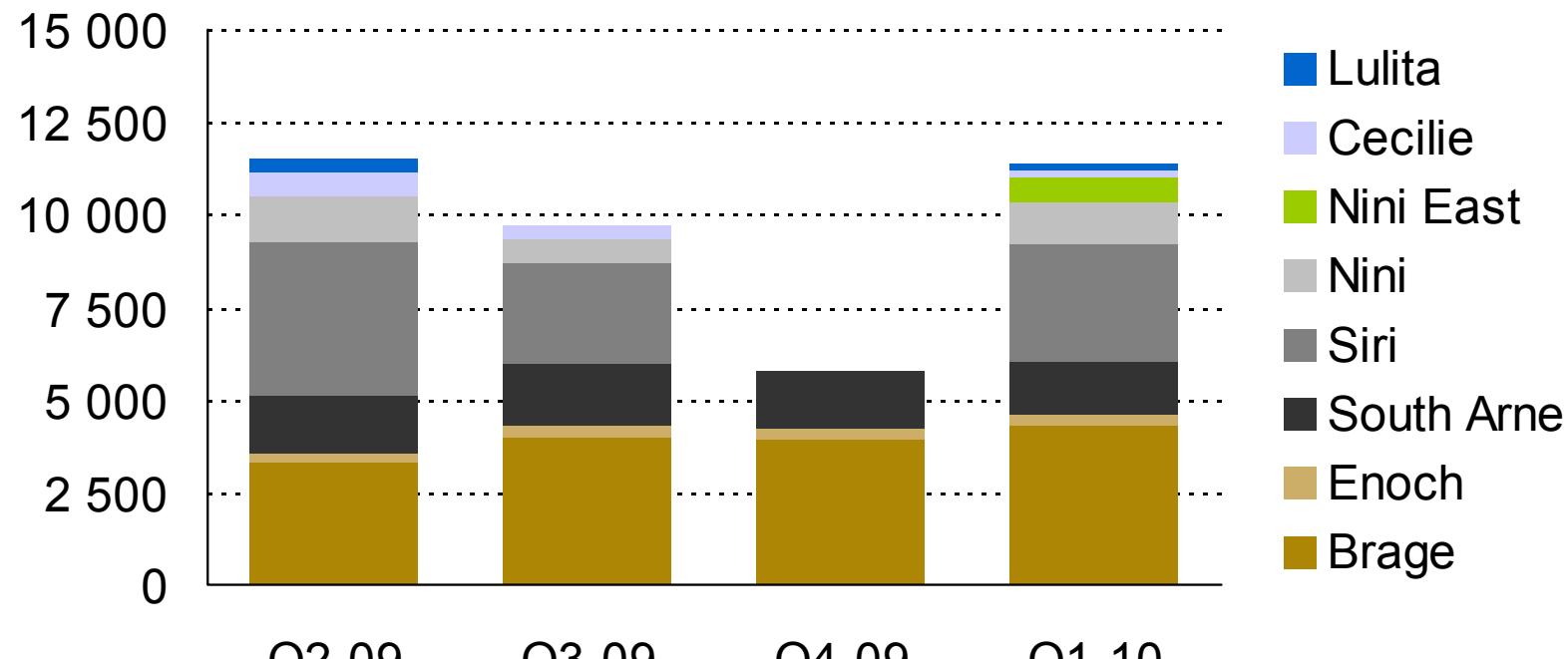
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Q1 2010 highlights

- All fields in production
- Field developments on track
- One dry exploration well
- Highgrading of portfolio continued

Production per quarter

boe/day net



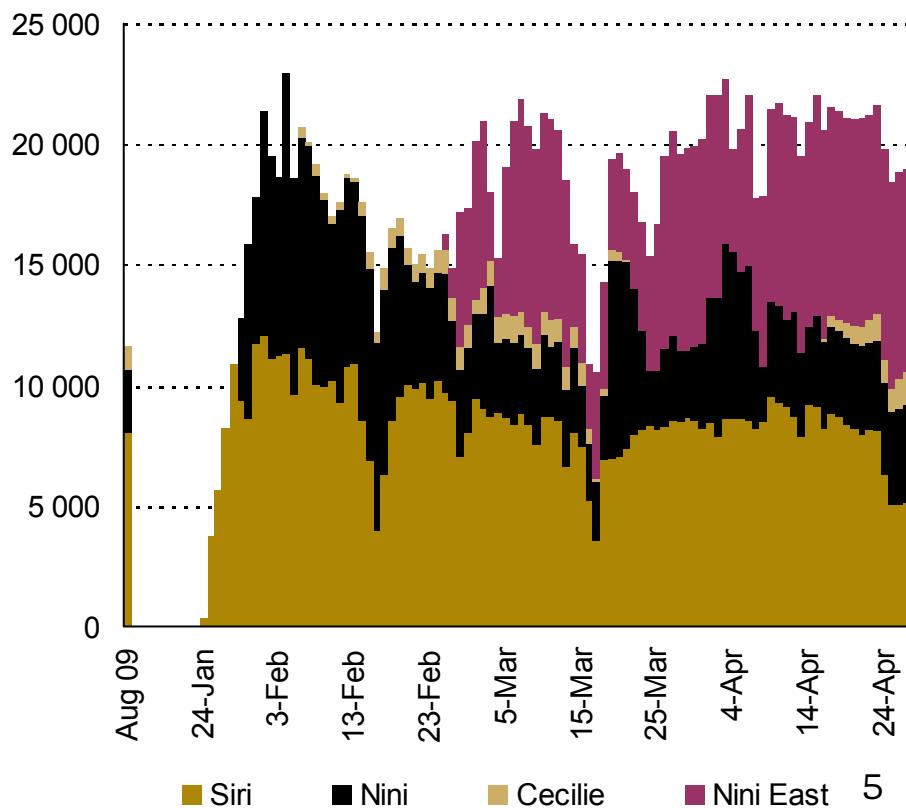
Volume	11 500	9 725	5 775	11 375
Price	\$60	\$65	\$68.5	\$74.0

Siri area operational status

- All fields on stream
- Production below plan due to limited gas capacity
 - Caused by lower than expected molecular weight of Nini East gas
 - Working on increasing compressor capacity
- Siri caisson status
 - Temporary solution is working well
 - Permanent solution is postponed to 2011

Gross production Siri area

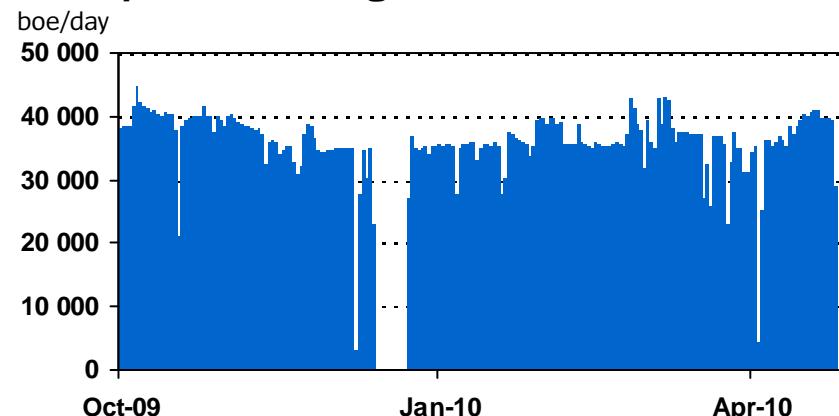
boe/day



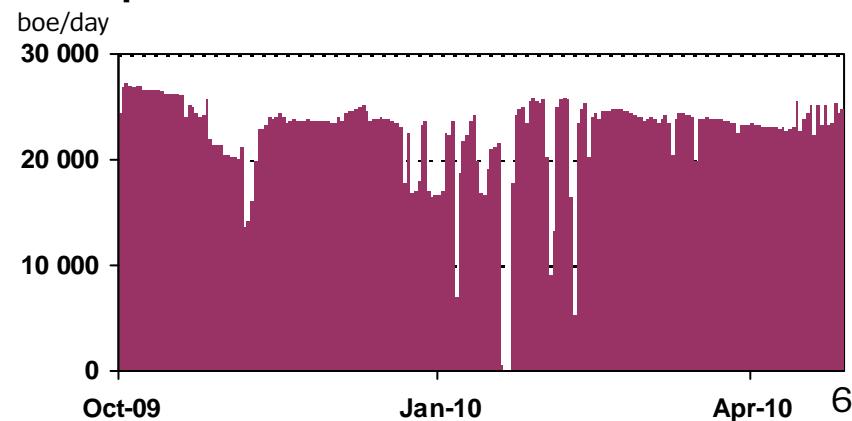
Production drilling 2010

- Brage infill drilling program with 3 new wells in 2010
 - A-34 (Statfjord) producer completed
 - A-32 (Statfjord) to be completed as water injector
 - Next well is A-19 in Fensfjord segment
- South Arne drilling ongoing
 - 2 new wells underway
 - Preparing for phase III development decision with ~40 mmboe of new reserves

Gross production Brage



Gross production South Arne



Q1 2010 income statement

NOK million		Q1-10	Q4-09	Q1-09	2009
Operating revenues	1)	481	322	469	1 547
Production cost	2)	121	101	114	452
Exploration cost	3)	123	35	172	525
Salary and other expenses		68	52	67	229
Loss on sale of licenses					56
EBITDA		170	134	116	285
Depreciation and amortization		135	71	167	640
EBIT		35	63	(51)	(355)
Net financial items		(121)	(211)	(107)	(581)
EBT		(87)	(148)	(158)	(936)
Tax		(66)	(61)	(111)	(568)
Profit/(loss) for the period		(21)	(87)	(46)	(368)

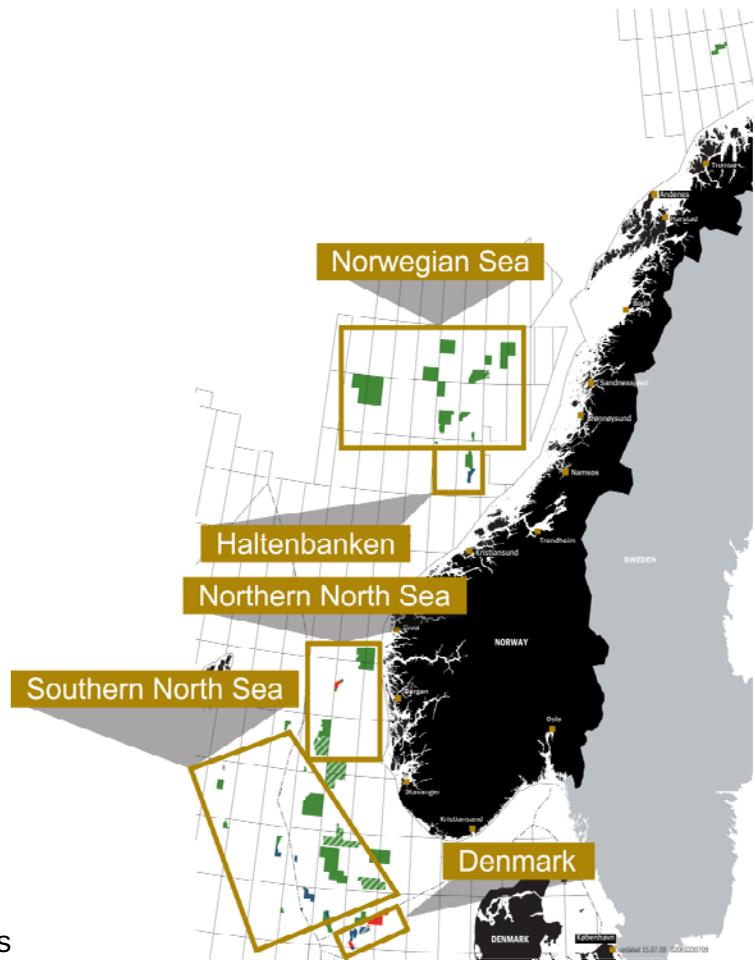
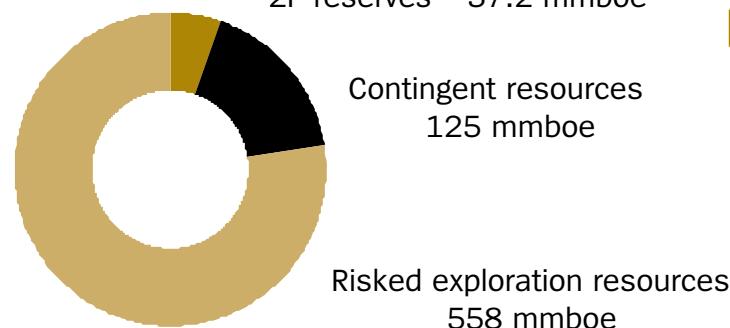
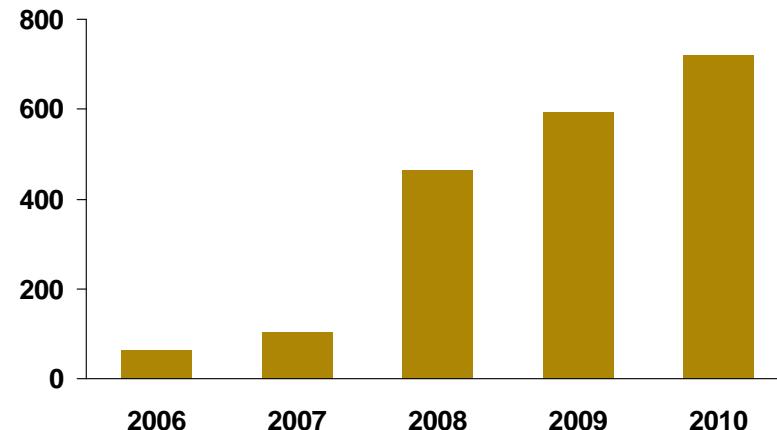
- 1) Revenues included NOK 37 million in anticipated insurance coverage for loss of production at the Siri area fields.
- 2) Production cost included NOK 17 million related to the shutdown of the Siri area fields.
- 3) Exploration cost included dry well cost of NOK 85 million related to Frusalen.

Balance sheet

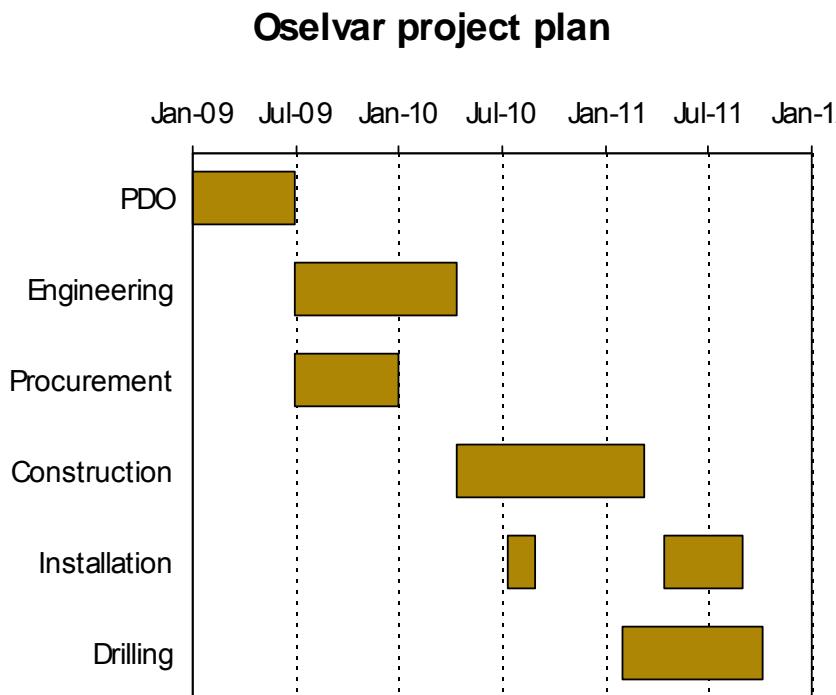
NOK million	31.03.10	31.12.09	31.03.09
Assets			
Fixed assets	10 203	9 977	10 036
Receivables	1 551	1 269	1 327
Cash	409	660	562
Total assets	12 162	11 906	11 925
Equity and liabilities			
Total equity	3 708	3 722	2 853
Total long-term liabilities	6 572	6 777	7 184
Total current liabilities	1 882	1 407	1 888
Total liabilities	8 454	8 184	9 072
Total equity and liabilities	12 162	11 906	11 925

Strong resource base

Reserve/resource growth (million boe)



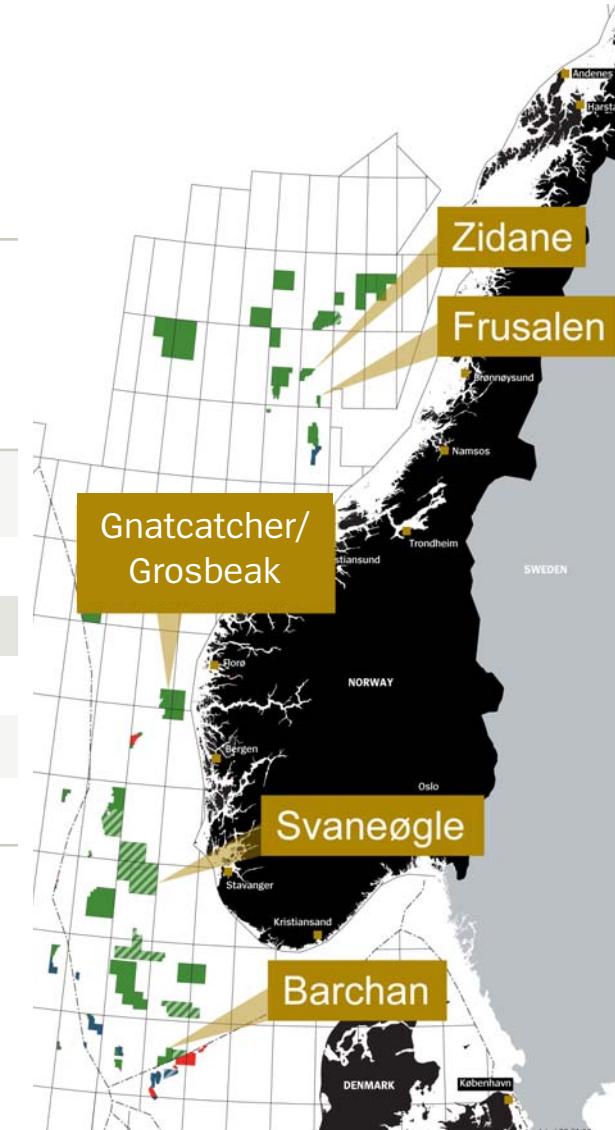
Oselvar development



- Project status: 25% completed
 - On schedule
 - Within budget
- Development project:
 - PDO approved June 2009
 - Subsea tieback to Ula
 - First oil H2 2011
 - Total capex NOK 4.3 billion
- Oselvar field:
 - Reserves 52 mmboe
 - Noreco 15%
 - Operator: Dong

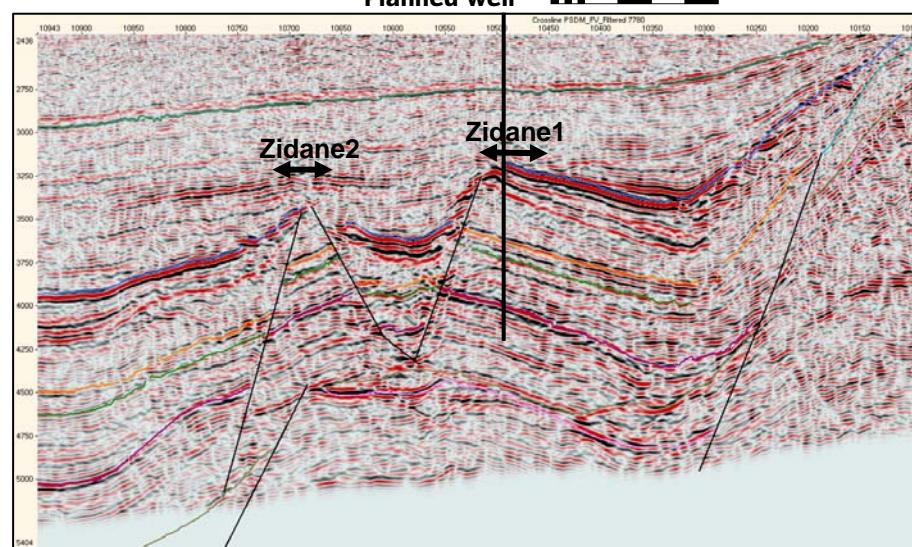
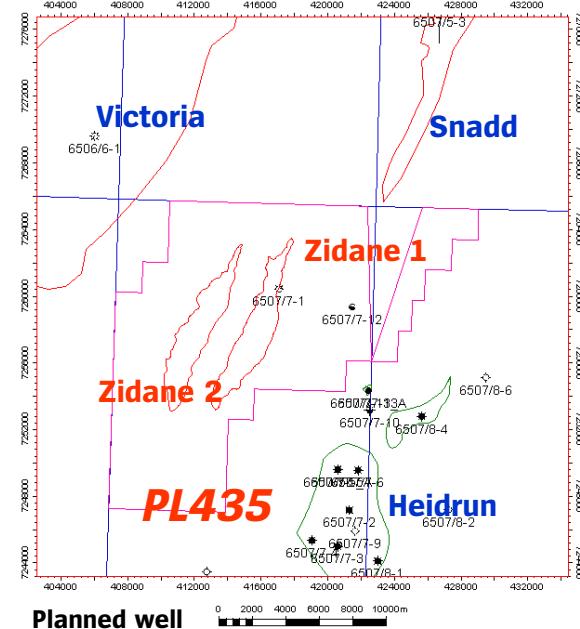
Exploration and appraisal wells in 2010

Well	License	Equity	Pre-drill gross unrisked resources (mmboe)	Chance of success	Expected drilled
Frusalen	PL476	30%	14-96		Dry
Zidane 1	PL435	20%	101-155	50%	Q3
Svaneøgle	PL545	40%	30-70	29%	Q3
Barchan	PL400	30%	50-325	18%	Q4
Gnatcatcher	PL378	20%	65-193	28%	Q4
Grosbeak	PL378	20%	60-162	100%	Q4



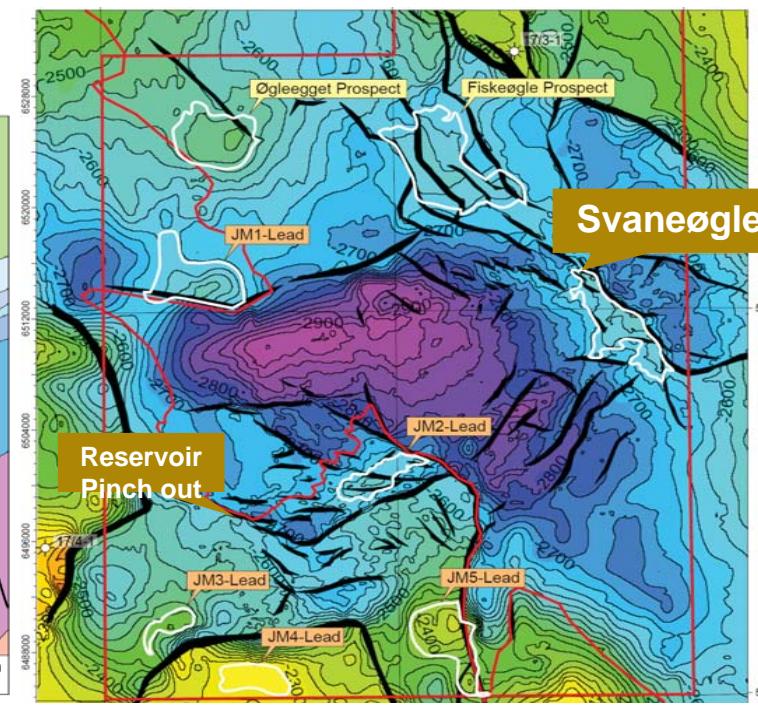
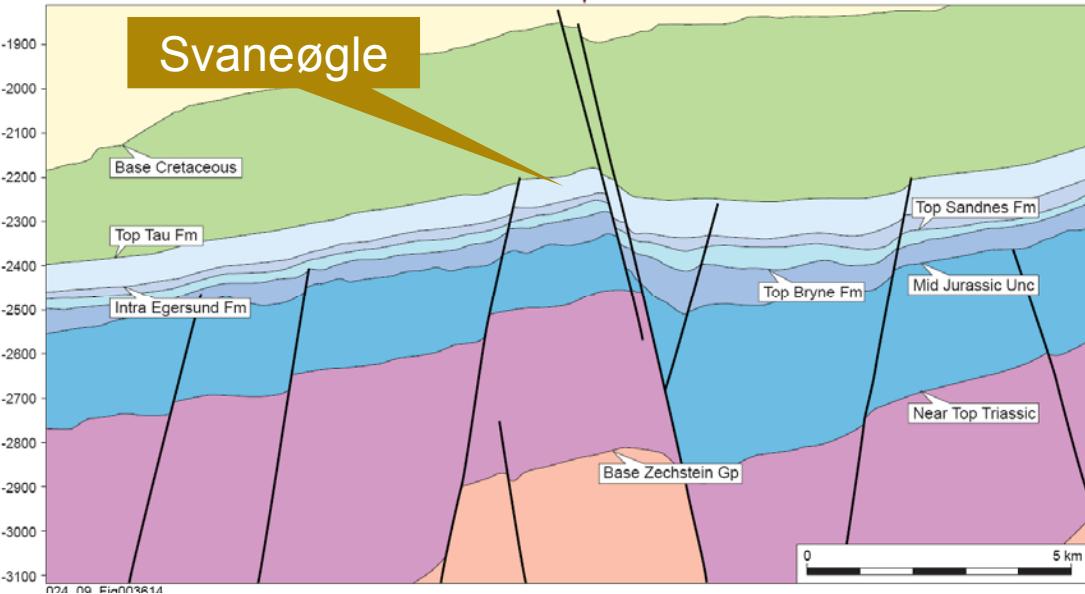
Zidane 1

- License PL435 Norway
- Noreco 20%
- Operator: RWE Dea
- Middle Jurassic play
- Chance of Success 50%
- Main risk: trap
- Total gross recoverable volumes 100 -160 mmboe (gas/condensate is most likely phase)



Svaneøgle prospect

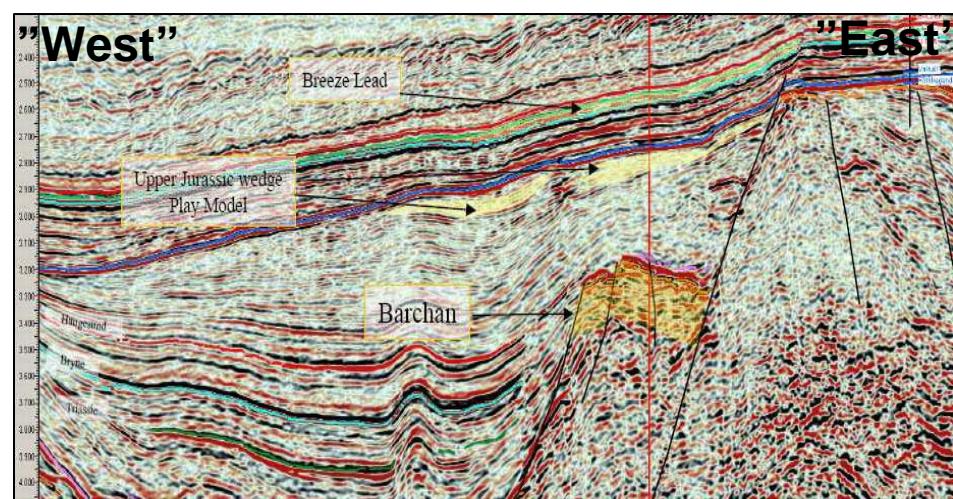
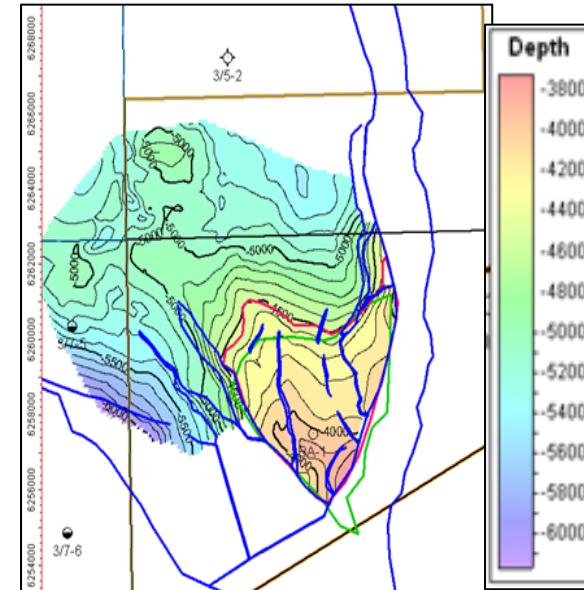
- License PL545 Norway
- Noreco 50% and operator
- Middle Jurassic play in the Åsta Graben
- Chance of success 29% - main geologic risk is source rock
- Total gross recoverable volumes
30 – 70 mmboe



Top Vestland Gp (meters TVD SS)

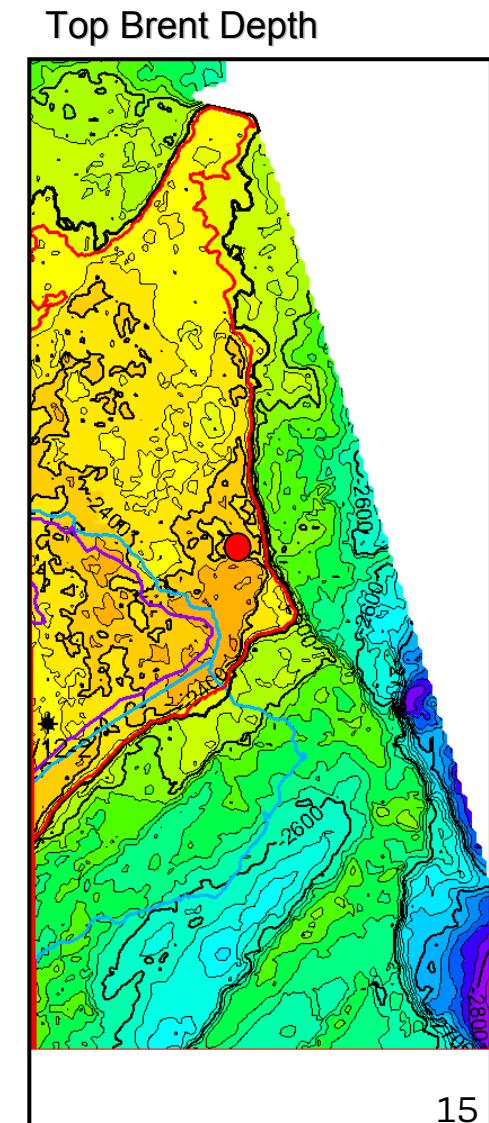
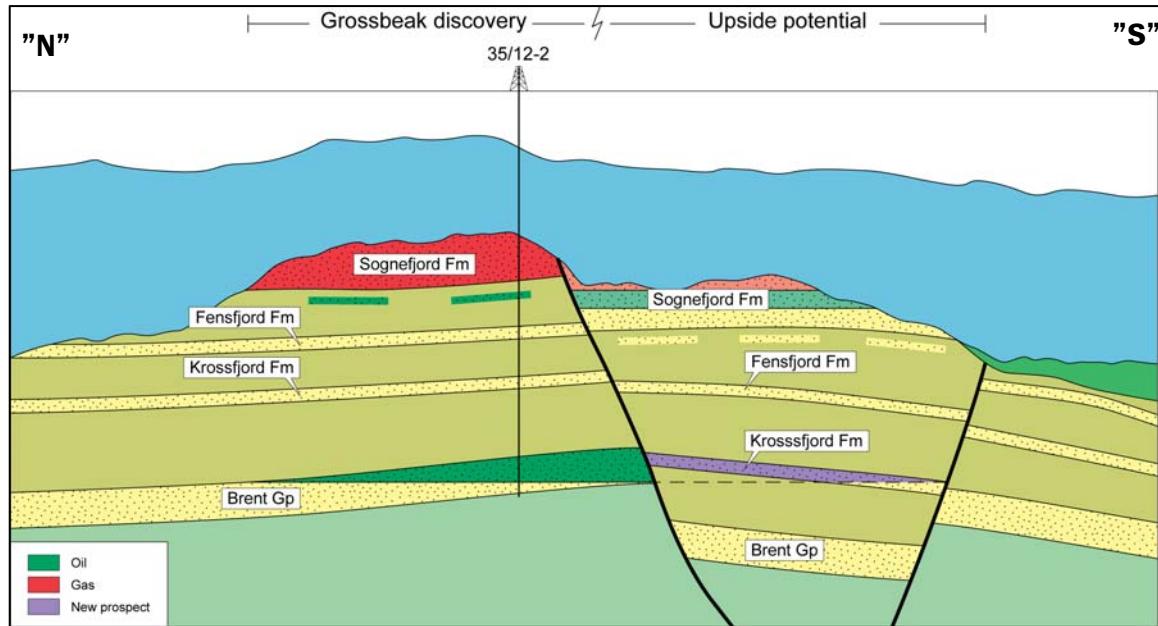
Barchan

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



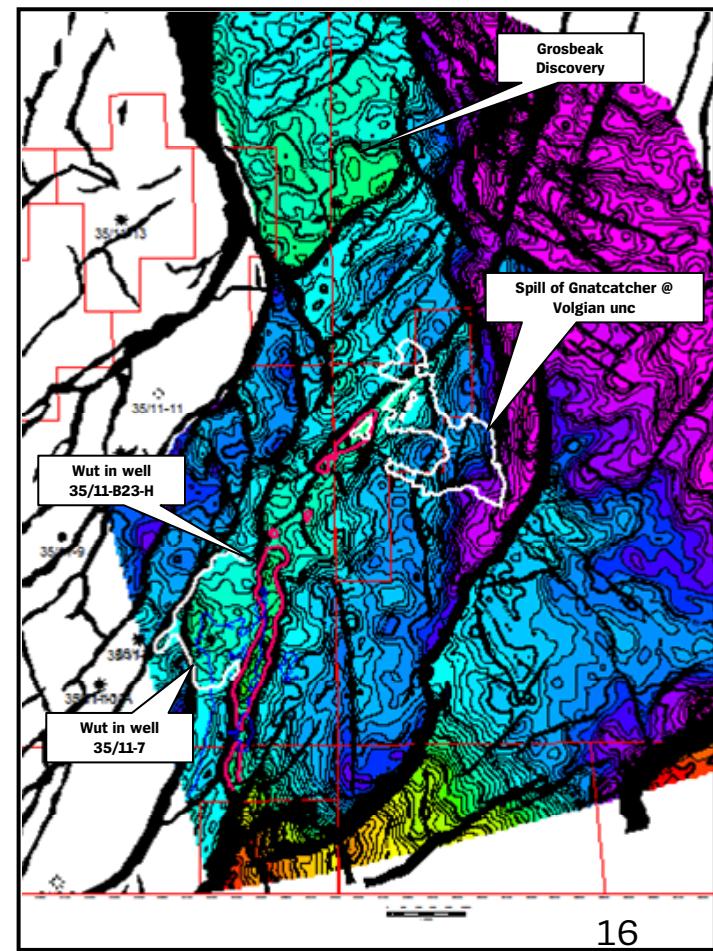
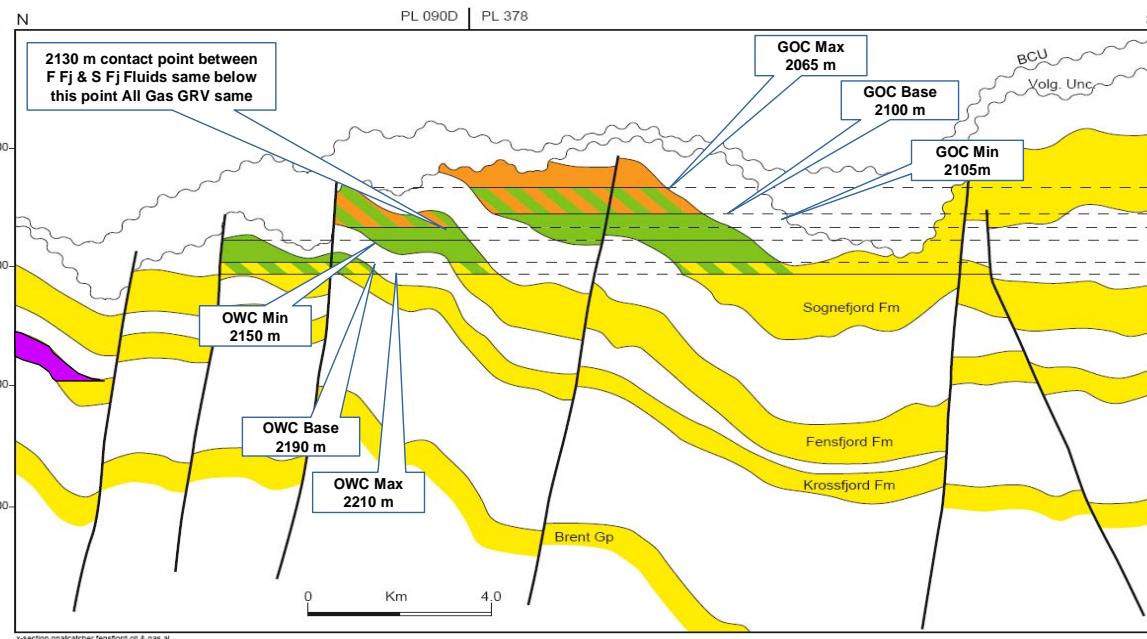
Appraisal of Grosbeak discovery

- License PL378 Norway, Noreco 20 % and Wintershall is operator
- Hydrocarbons discovered in both targets for the Grosbeak exploration well
- Contingent resource (2C) 6.8 mmboe net to Noreco with upside
- Primary goal of the appraisal well is to reduce uncertainty in the resource estimate



PL 378 Gnatcatcher prospect

- Upper Jurassic play
- Chance of success 28%
- Main geologic risk: trap
- Total gross recoverable volumes
65 – 193 mmboe



Key milestones

Create value with
Exploration

Monetize value
through developments
and sales

Optimize value
in Production

2010

- 5 exploration & appraisal wells
- 3-4 license rounds
- Comprehensive seismic program

- Huntington concept select
- Oselvar subsea installation
- Nemo concept select
- Gygrid development planning

- Debottlenecking Siri
- Infill drilling Brage and South Arne

2011

- Up to 10 exploration wells
- 2-3 appraisal wells, including Gita

- Development planning and PDO other discoveries

- Siri permanent repair
- Infill drilling
- Oselvar production start

Summary

- All fields in production
- Developments progressing as planned
- Additional growth from existing discoveries
- Large exploration portfolio offers substantial upside through selective drilling program
- Strong financial position



– INSIGHT CHANGES REALITY





– INSIGHT CHANGES REALITY



Additional information

Noreco today

– an established North Sea independent

8 producing fields



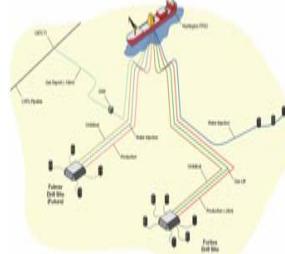
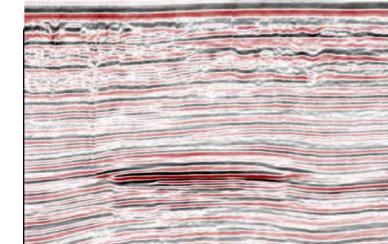
3 developments



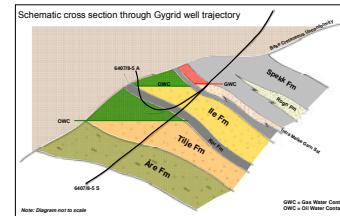
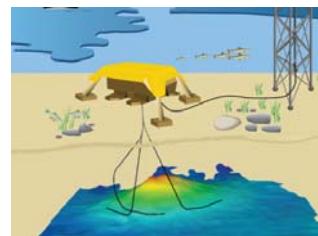
19 discoveries



57 licenses



89 employees



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 production per field

boe/day

Field	Noreco ownership	Q1 2010	Q4 2009	FY 2009	FY 2008
Brage	12.26/13.2%	4 325	3 950	4 100	4 450
Siri	20% until 18 June 2008 50% from 19 June 2008	3 200	0	2 750	3 850
South Arne	6.56%	1 425	1 525	1 575	1 500
Nini	30%	1 100	0	825	1 825
Cecilie	61%	200	0	400	675
Lulita	28.2%	175	0	200	375
Enoch	4.36%	275	300	275	275
Nini East	30%	675			
Total		11 375	5 775	10 125	12 950

Reserves and resources

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

Contingent resources: 125 million boe

Field	Country	Interest	Contingent resources
Developments			
Huntington Palaeocene	UK	20,0 %	11,8
Nemo	NOR	20,0 %	4,2
Discoveries in producing fields/developments			
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 (Oselvar)	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			
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 24

Exploration resources: 558 million boe

As of end January 2010

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

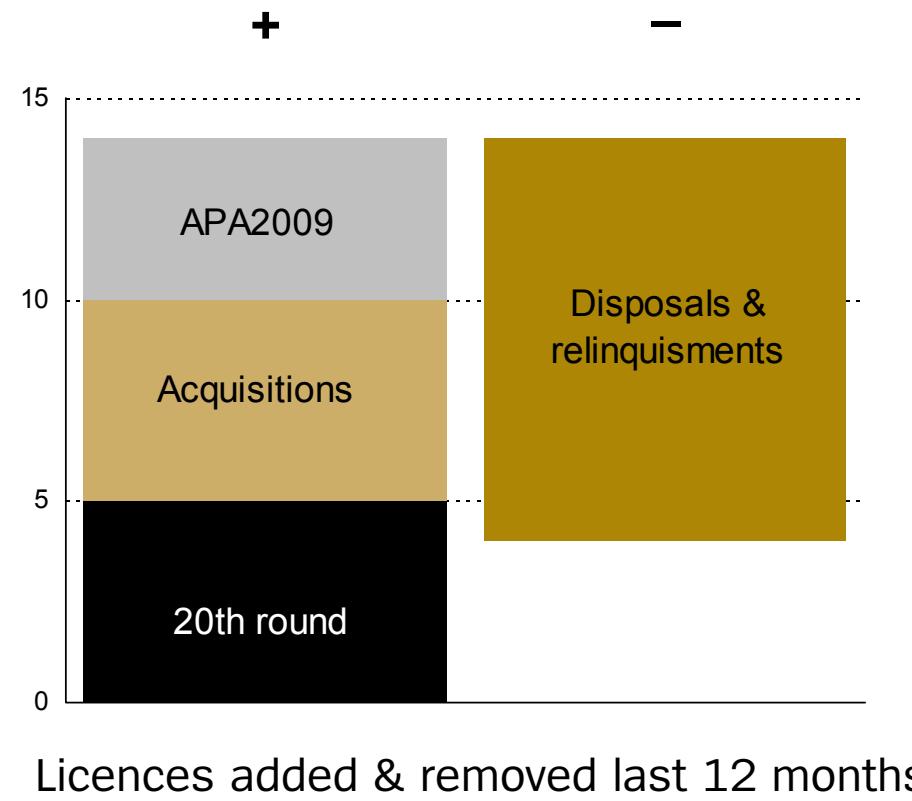
Active portfolio management

■ New acreage 2010:

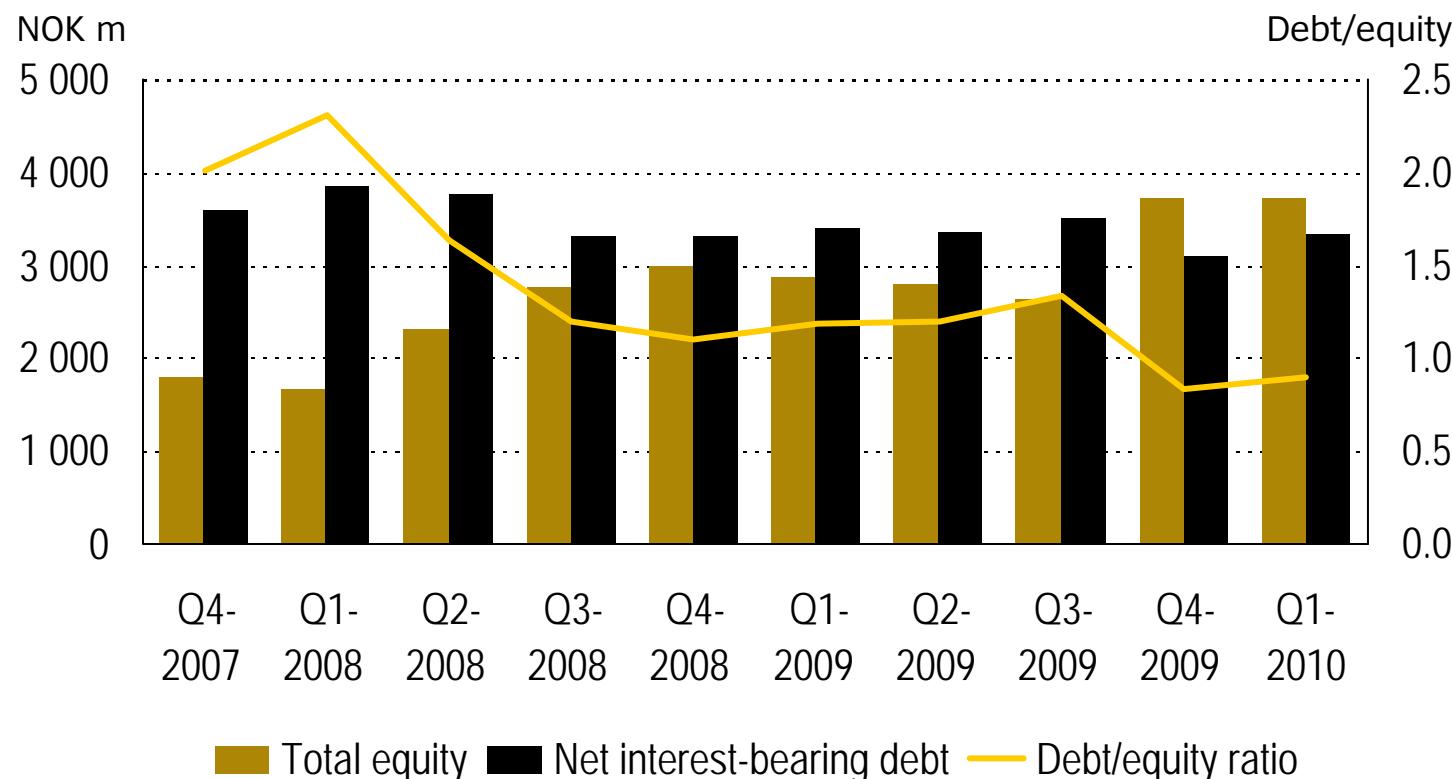
- PL396 (Acquired)
- PL540 (APA 2009)
- PL545 (APA 2009)
- PL562 (APA 2009)
- PL563 (APA 2009)

■ Relinquished 2010:

- PL391
- PL417
- PL458



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

	Q1 2010	Q4 2009	Q3 2009	Q2 2009	Q1 2009
Production (boe/day)	11,375	5,775	9,725	11,500	13,625
Realised price (\$/boe)	74.0	68.5	65	60	55
Realised price (NOK/boe)	434	389	395	385	380
Production cost (\$/boe)	20.5	33.5	22.0	17.2	13.5
Depreciation and amortisation (\$/boe)	22.5	23.5	21.9	22.9	19.8

Exploration and investment activity

NOK million	Q1 2010	Q4 2009	Q3 2009	Q2 2009	Q1 2009
Exploration expenses	123	35	180	139	172
Exploration capitalized	15	1	-14	145	58
Investments in fields	198	94	236	335	135
Total	336	130	403	619	365

Interest bearing debt & equity

NOK million	Q1 2010	Q4 2009	Q3 2009	Q2 2009	Q1 2009
Bonds	2,314	2,311	2,550	2,539	2,527
Reserve Based Lending	1,379 (\$ 235)	1,359 (\$240)	1,358 (\$240)	1,466 (\$235)	1,432 (\$220m)
Convertible bonds	199	197	194	192	189
Equity	3,708	3,722	2,623	2,789	2,853
Book equity/Total asset	30,5%	31.3%	22.2%	22.8%	23.9%

Note: Exploration financing and receivables not included

Shareholders

Top 20 shareholders as of 27 April 2010

Shareholders	Shares	% of top 20	% of total
GOLDMAN SACHS INT. - EQUITY -	26 586 564	18,4 %	10,9 %
LYSE ENERGIAS	23 647 460	16,4 %	9,7 %
IKM INDUSTRI-INVEST AS	12 647 604	8,8 %	5,2 %
UBS AG, LONDON BRANCH	11 958 537	8,3 %	4,9 %
FOLKETRYGDFONDET	11 500 000	8,0 %	4,7 %
CREDIT SUISSE SECURITIES (USA) LLC	10 081 957	7,0 %	4,1 %
AWILCO INVEST AS	7 580 000	5,2 %	3,1 %
SKAGEN VEKST	5 000 000	3,5 %	2,1 %
BANK OF NEW YORK MELLON SA/NV	4 609 499	3,2 %	1,9 %
NORDEA BANK NORGE ASA MARKETS MARKET-MAKIN	4 379 720	3,0 %	1,8 %
JPMORGAN CHASE BANK	3 321 884	2,3 %	1,4 %
TEIGEN FRODE	3 000 000	2,1 %	1,2 %
BGL BNP PARIBAS	2 808 035	1,9 %	1,2 %
OM HOLDING AS	2 645 300	1,8 %	1,1 %
AVANSE NORDEN,NOR VPFF	2 589 928	1,8 %	1,1 %
BNP PARIBAS SECS SERVICES PARIS	2 512 231	1,7 %	1,0 %
ODIN NORGE	2 479 900	1,7 %	1,0 %
BANK OF NEW YORK MELLON SA/NV	2 402 173	1,7 %	1,0 %
EUROCLEAR BANK S.A./N.V. ('BA')	2 343 972	1,6 %	1,0 %
KLP LK AKSJER	2 340 000	1,6 %	1,0 %
Total number owned by top 20	144 434 764	100 %	59,4 %
Total numbers of shares	243 038 047		