



2020 Interim Results Presentation



2020 operational and financial highlights

2020 operational highlights

- Net production of 95,100 barrels of oil equivalent per day (boepd) across portfolio in 2020 (93,000 boepd in Q4), notwithstanding reduced spending to preserve cash following the market turmoil triggered by the Covid-19 pandemic
- Gross operated production from Tawke license in the Kurdistan region of Iraq averaged 110,300 barrels of oil per day (bopd) (110,200 bopd in Q4) of which 77,700 bopd net to DNO's interest (77,700 bopd in Q4)
- Non-operated North Sea assets contributed 17,400 boepd net in 2020 (15,300 boepd in Q4)
- Replaced 64 percent of the 35 million barrels of oil equivalent (mmboe) produced in 2020 and exited the year with net 2P reserves (proven plus probable) totaling 332 mmboe and 2C contingent resources (discovered but not yet committed to development) totaling 152 mmboe
- Participated in spudding of 17 wells across portfolio in 2020 of which five in Kurdistan and balance in the North Sea
- Six of which were exploration wells resulting in three exciting discoveries, two in Norway (Bergknapp and Røver Nord) and one in Kurdistan (Zartik)

2020 financial highlights

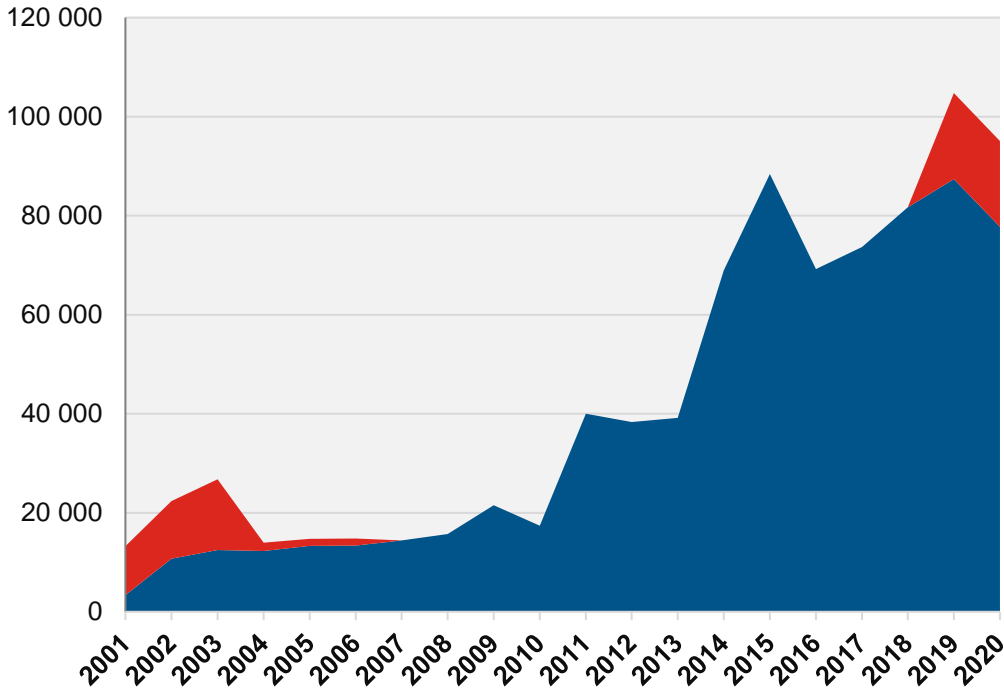
- 2020 revenues of USD 615 million (USD 174 million in Q4) down about one-third from 2019 following oil and gas price crash early in the year
- Lower revenues and non-cash impairments led to net loss of USD 286 million in 2020 (net loss of USD 60 million in Q4)
- USD 236 million in North Sea tax refunds contributed to solid 2020 netback at USD 559 million (USD 310 million in Q4)
- Exited 2020 with cash balance of USD 477 million, essentially unchanged from the start of the year
- Repaid DNO01 (USD 140 million) and FAPE01 (USD 21 million) bonds
- Cancelled 108,381,415 own shares held by DNO in September, reducing number of outstanding shares by 10 percent
- In December a plan was put in place by the Kurdistan Regional Government (KRG) in respect of the Tawke license 2019 and 2020 withheld entitlement and override payments (USD 259 million DNO share) such that if Brent prices exceed USD 50 per barrel in any month, one-half of the incremental revenue will be paid by the KRG towards the withheld amounts

2021 outlook

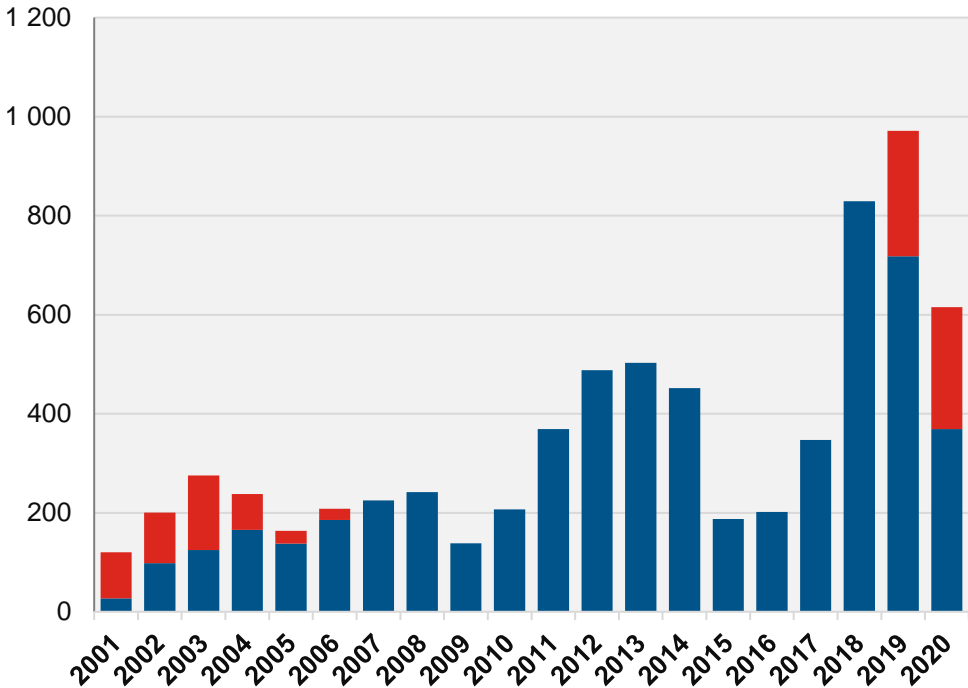
- DNO will remain a growth-oriented oil and gas exploration and production company
- While continuing to conduct business in a socially and environmentally responsible manner
- Among most active explorers in Norway, prioritizing lower risk prospects in mature areas with existing infrastructure
- Two potentially high impact 2021 exploration wells are Edinburgh (cross-border UK/Norway) and Gomez (Norway)
- Working with license partners to sanction development of existing discoveries ahead of yearend 2022 submission deadline to capitalize on temporary tax incentives provided by the Norwegian parliament
- Stepping up spending with 27 wells in 2021 (17 wells in 2020), including 15 wells in Norway and the rest in Kurdistan
- DNO committed to retain position as the leading international oil company in Kurdistan
- With new drilling and continued gas injection, gross operated production from Tawke license to average over 100,000 bopd for the seventh consecutive year
- Plans to fast track early production from new discovery at Baeshiqa license initially utilizing existing wells

Historical production and revenue trends

Net production
boepd



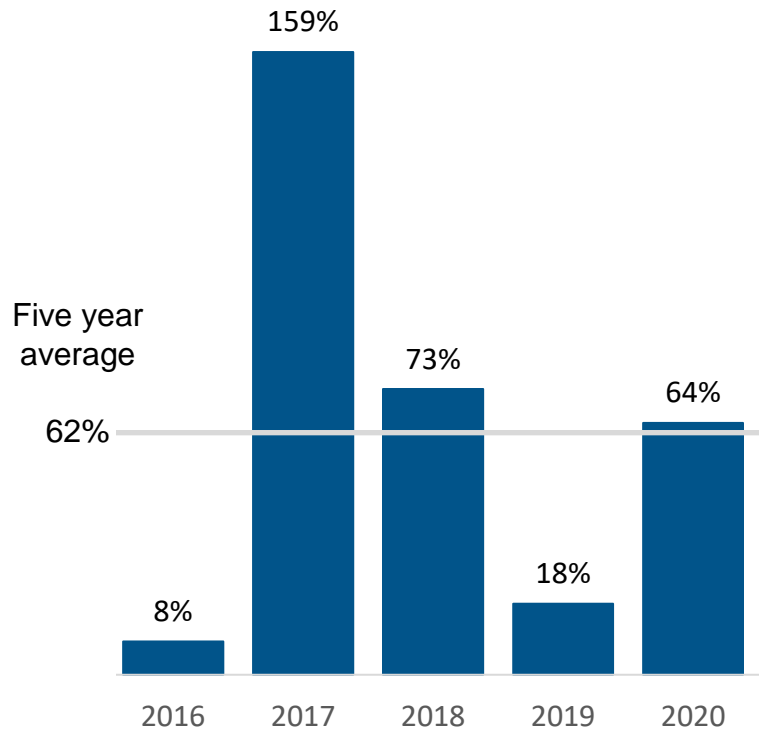
Revenue from oil and gas
USD million



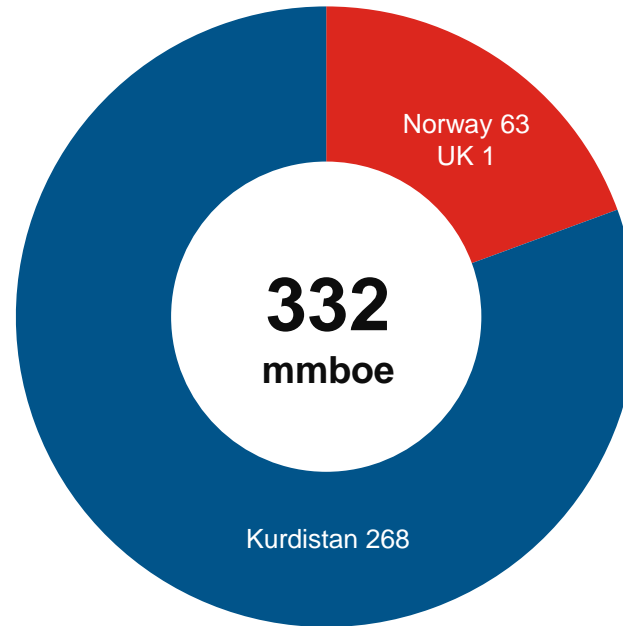
■ Middle East ■ North Sea

Reserves and resources overview

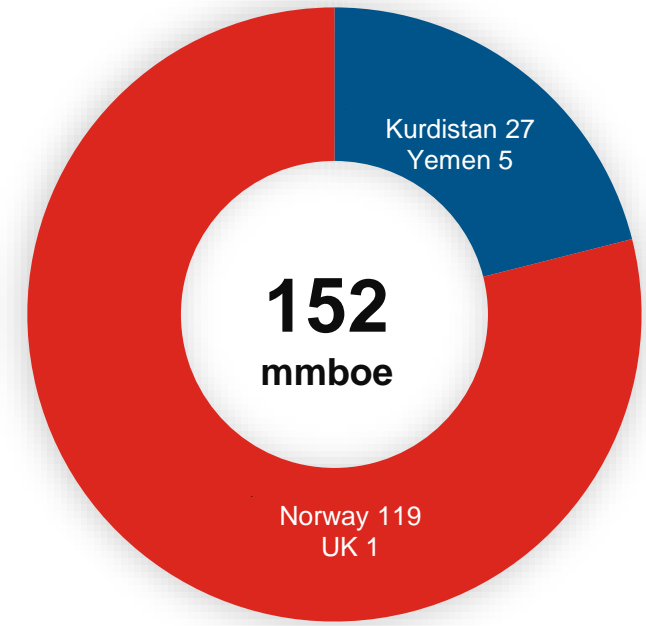
2P Reserves Replacement Ratio



2P Reserves



2C Contingent Resources



■ Middle East ■ North Sea

Net to DNO at yearend 2020 in million barrels of oil equivalent (mmboe)

2020 Kurdistan operations



PRODUCTION



77,700 bopd
net production

FIELDS

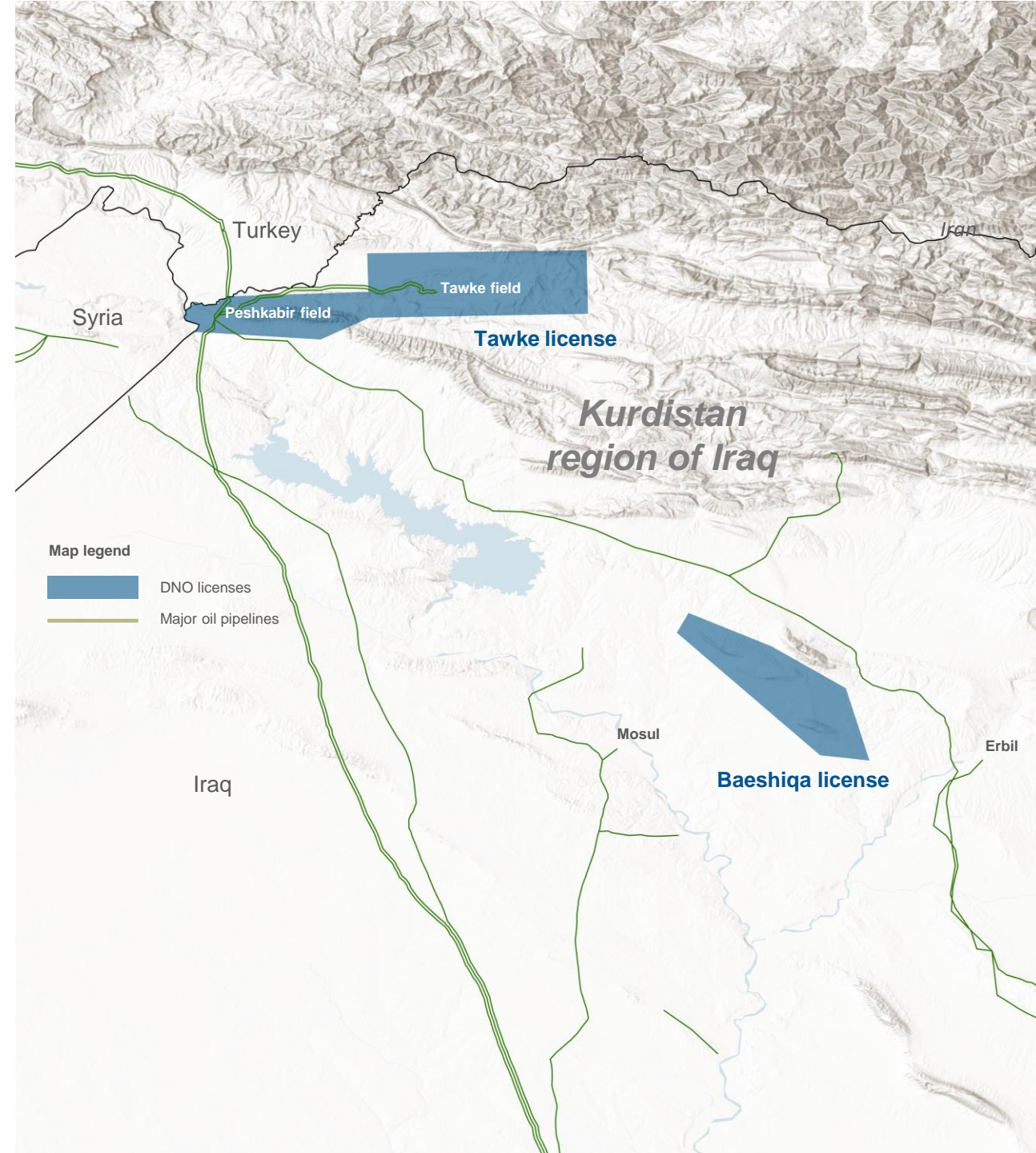


Tawke
Peshkabir

EXPLORATION



Baeshiqa
license



Promising discovery in Baeshiqa license

- Zartik-1 exploration well testing completed, confirming hydrocarbons to surface from several Jurassic zones, with one zone flowing naturally at rates averaging over 2,000 bopd of medium gravity oil
- Recent lab tests of Baeshiqa-2 well (drilled in 2019) confirm light gravity oil and sour gas to surface from all Triassic zones
- Two Baeshiqa-2 zones flowed naturally at rates averaging over 3,000 bopd of light gravity oil each, with a third over 1,000 bopd of light gravity oil
- Working with partners to achieve fast-track development and early production from existing wells, subject to government approvals
- DNO has already demonstrated proof of concept of producing through temporary test facilities, having delivered 15,000 barrels of 40° API oil and 22° API oil for export from the Baeshiqa-2 and Zartik-1 wells, respectively



Tawke license delivers in difficult year

- Achieved gross production of 110,300 bopd despite capex cuts and Covid constraints
- By mid-December 2020 the Tawke license passed the milestone of 350 million barrels of oil produced, including 300 million from the Tawke field and 50 million from the Peshkabir field
- Achieved 76 percent net reserve replacement ratio (2P) at Tawke license in 2020 despite limited drilling, ending the year with 268 million barrels of oil net (2P)
- In second half of 2020, DNO captured, piped and reinjected 2.4 billion cubic feet (bcf) of Peshkabir field gas, which otherwise would have been flared, into the Tawke field for pressure maintenance, leading to an estimated 200,000 barrels of incremental oil recovery
- DNO delivered industry-leading safety performance with Total Recordable Injury Rate at 0.62, representing a 46 percent reduction over the past three years and comparing favorably to a 2019 oil industry average of 0.92



2020 North Sea operations



PRODUCTION



17,400 boepd
net production

LICENSES

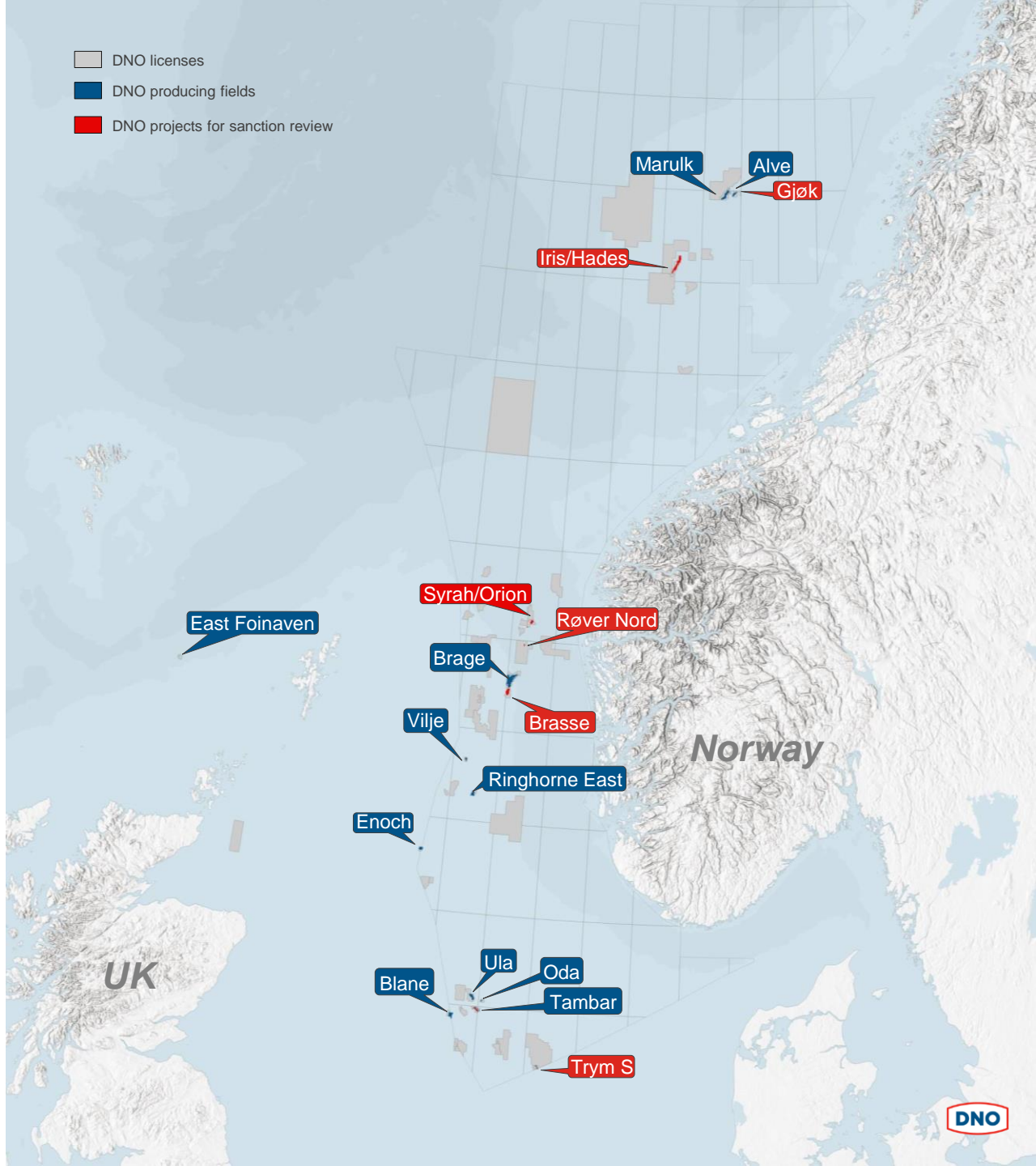


95 existing
(11 producing fields)

EXPLORATION

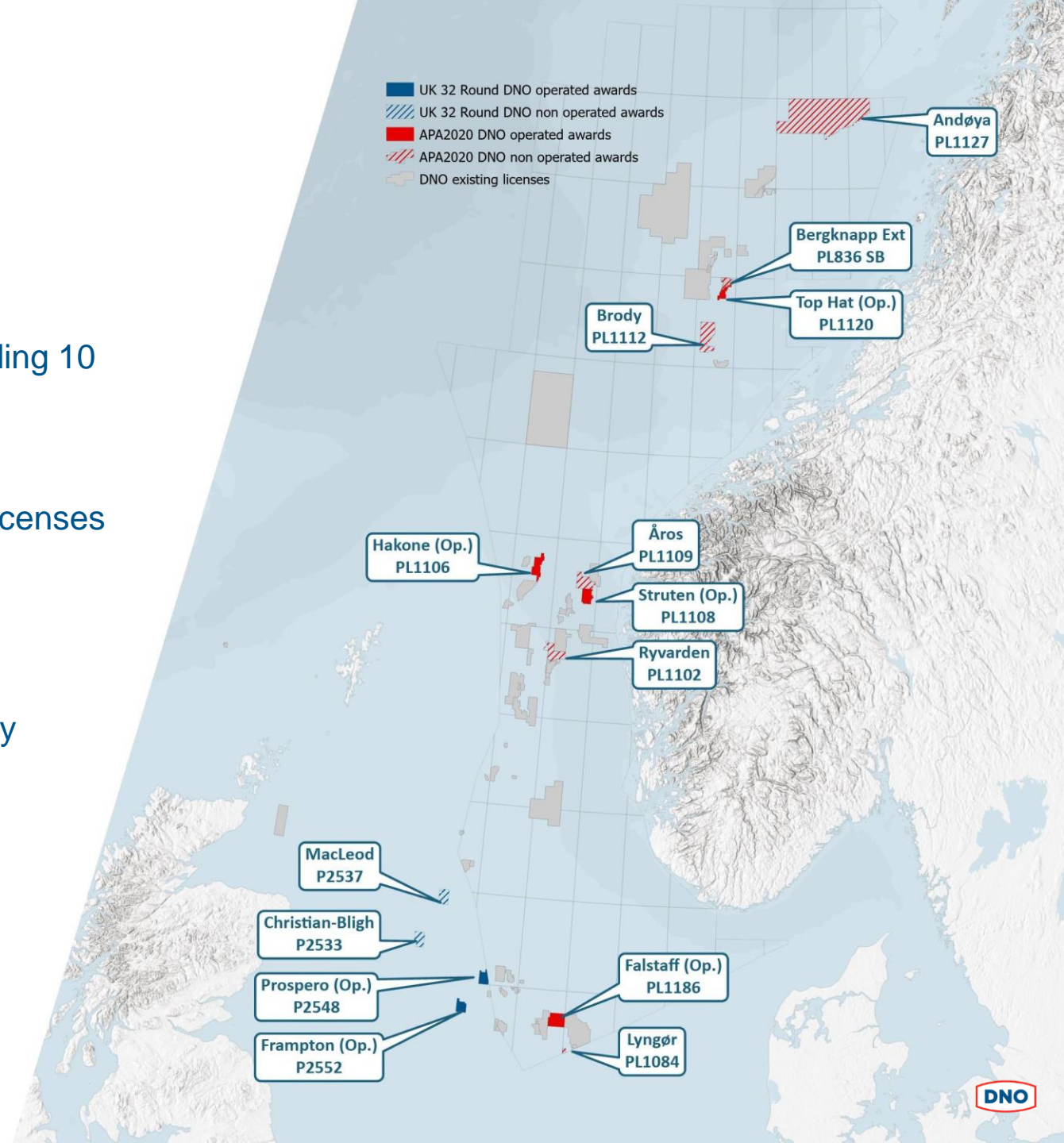


12 wells planned
in 2021-2022



New awards and high grading improve portfolio

- DNO holds 86 licenses in Norway (23 operated) including 10 licenses from the January 2021 APA awards
- DNO also holds 16 licenses in the UK, including four licenses awarded in the fall of 2020, all with prior discoveries
- Continuing to high grade acreage position to focus on high-value, near-infrastructure targets and larger equity stakes to provide materiality on discovery



2021-2022 exploration drilling in core areas

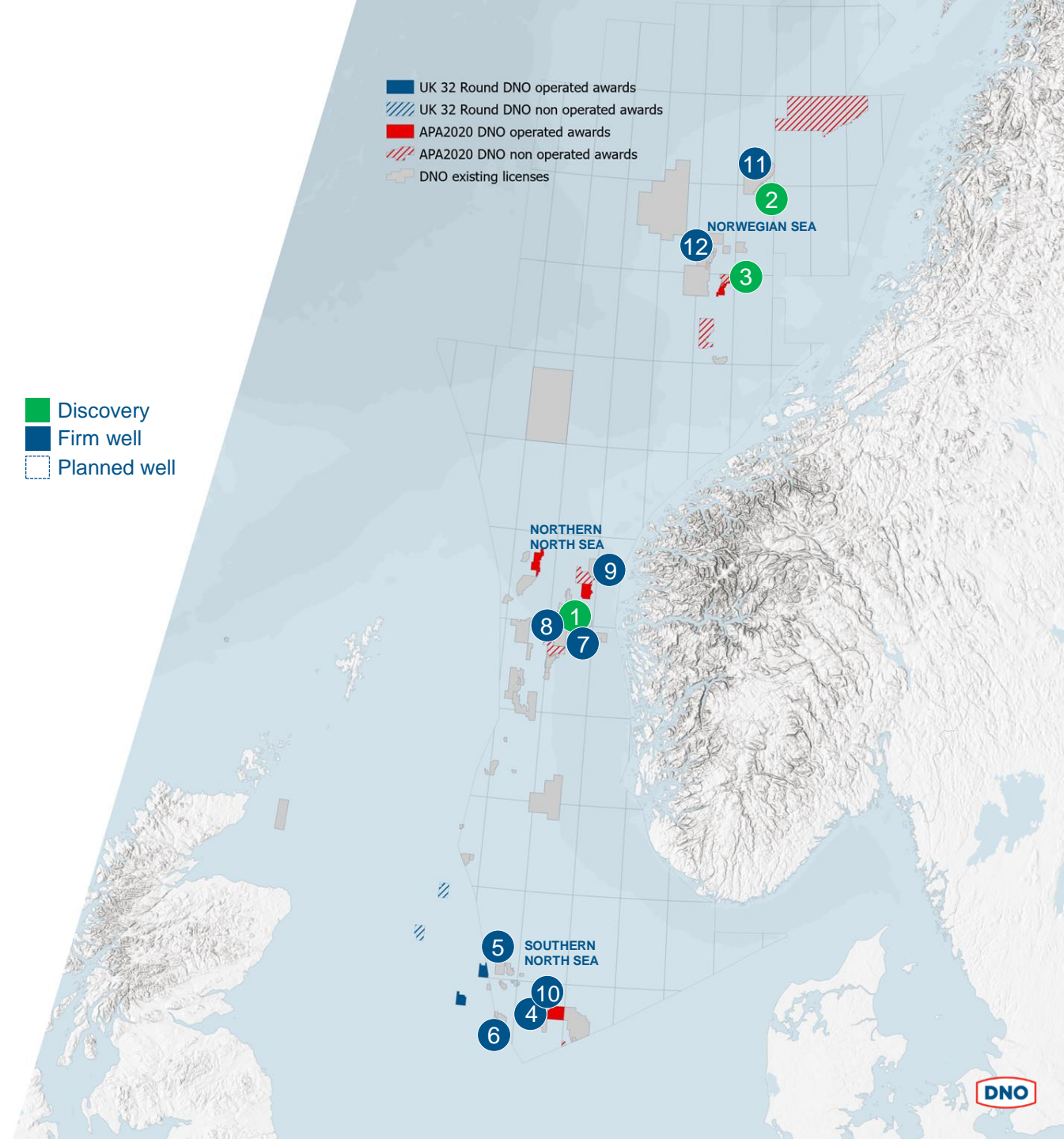
Name	Type	Gross Volume Range	2021				2022				
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
1 Røver Nord	Discovery	45-70	█								
2 Black Vulture	Appraisal well	10-40		█							
3 Bergknapp	Appraisal/DST	32-83		█							
4 Gomez	Exploration	25-80				█					
5 Mugnetind	Exploration	10-50					█				
6 Edinburgh	Exploration	100-675					█	█			
7 Røver Sør	Exploration	10-40							□		
8 Kveikje	Exploration	10-25							□		
9 Ofelia	Exploration	10-40								█	
10 Portishead	Exploration	15-130									□
11 Sunstone	Exploration	15-650									□
12 Elysium	Exploration	20-550									□

█ Discovery
█ Firm well
 Planned well

DISCOVERED RESOURCES
~ 35
 mboe net

PROSPECTIVE RESOURCES FIRM WELLS
20-120
 mboe net (risked)

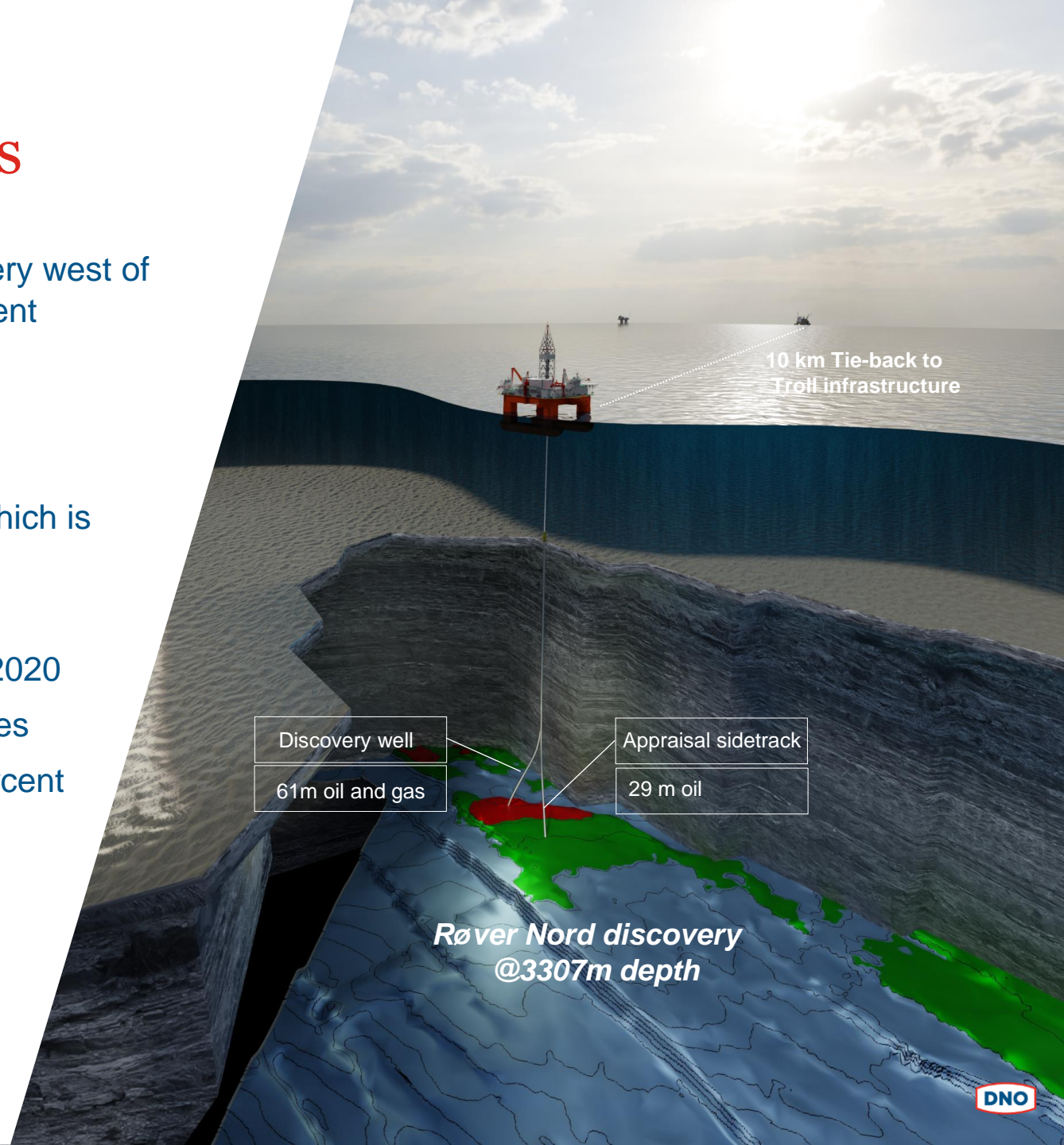
PROSPECTIVE RESOURCES PLANNED WELLS
10-150
 mboe net (risked)



Recent commercial discoveries

- **Røver Nord** is a recently announced near-field discovery west of Troll with estimated 45-70 million barrels of oil equivalent (mmboe) in gross recoverable resources
- Operated by Equinor with DNO holding 20 percent
- Tie-back, fast track candidate for 2022 PDO
- Further upside potential in nearby prospects, one of which is under consideration for drilling

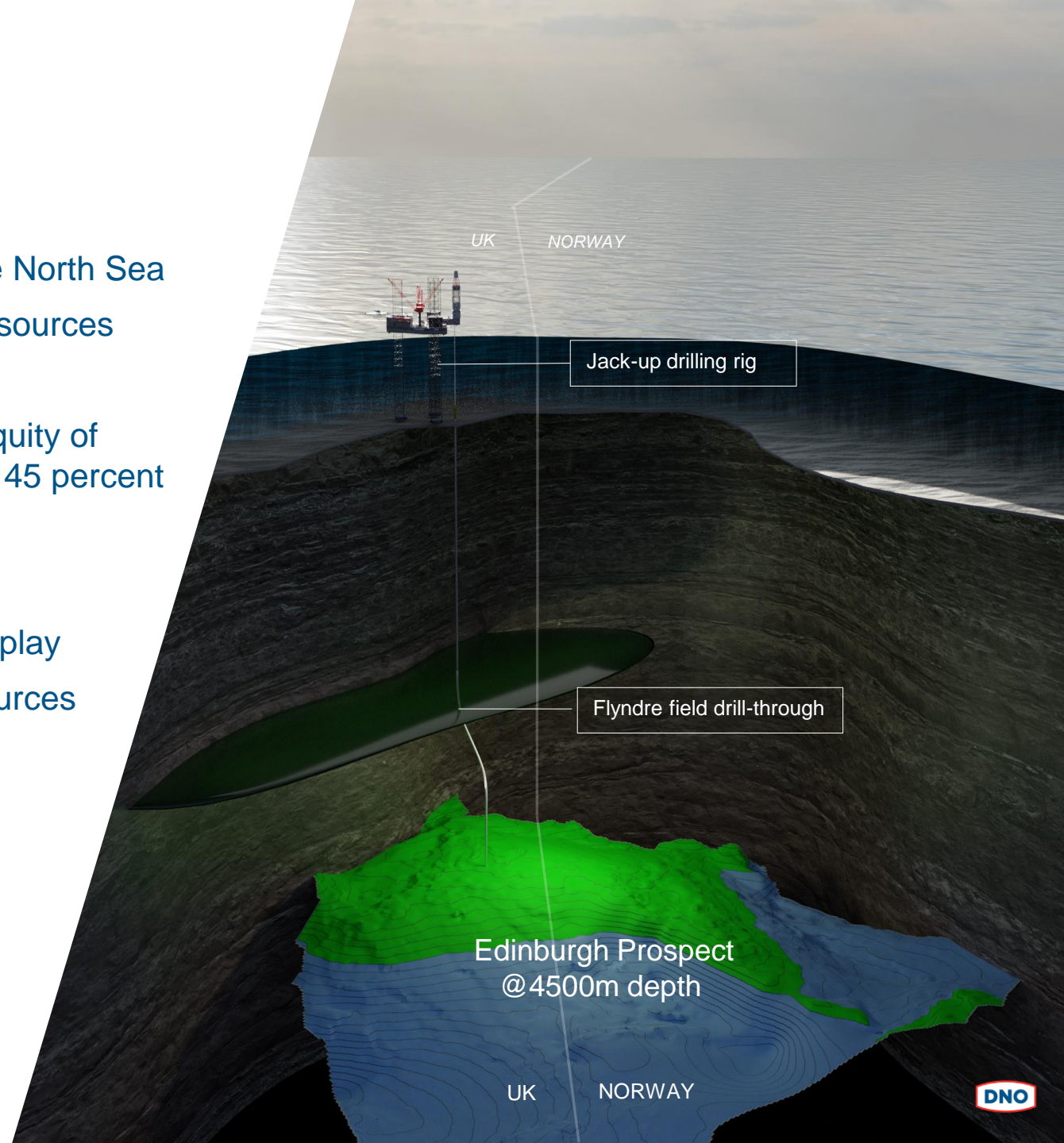
- **Bergknapp** was the third largest Norway discovery in 2020
- Estimated 32-83 mmboe in gross recoverable resources
- Operated by Wintershall Dea with DNO holding 30 percent
- Attractive tie-back options to nearby fields
- Further appraisal in Q2 2021



2021 high potential wells

- **Edinburgh** one of the largest undrilled structures in the North Sea
- Pre-drill estimate of 100-675 mmboe in prospective resources
- Straddles Norway/UK border
- DNO pushed cross-border alignment and equalized equity of partners across all four UK/Norway licenses, retaining 45 percent
- Shell UK Ltd holds 40 percent as operator

- **Gomez** is a prospect in an under-explored Paleocene play
- Pre-drill estimate of 26-80 mmboe in prospective resources
- Close to existing infrastructure (Tor, Ekofisk)
- DNO holds 85 percent interest as operator



Multiple discoveries considered for project sanction in 2022

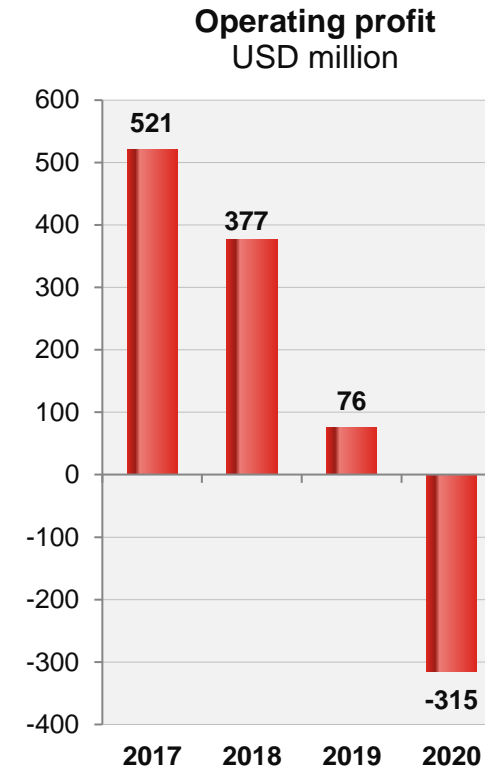
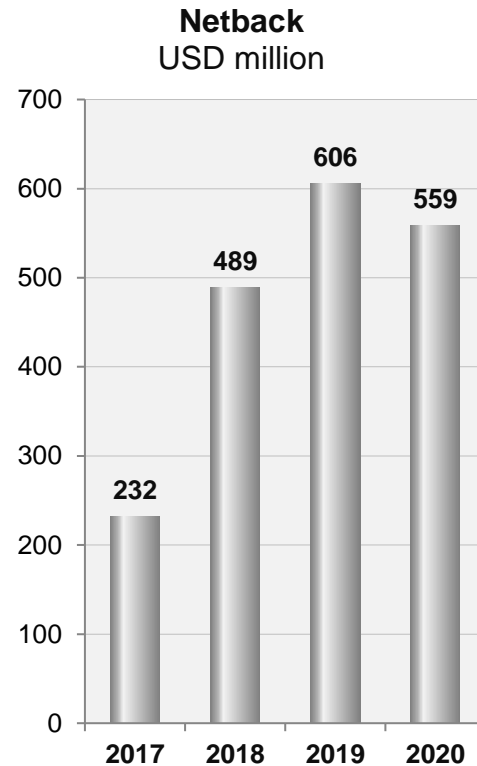
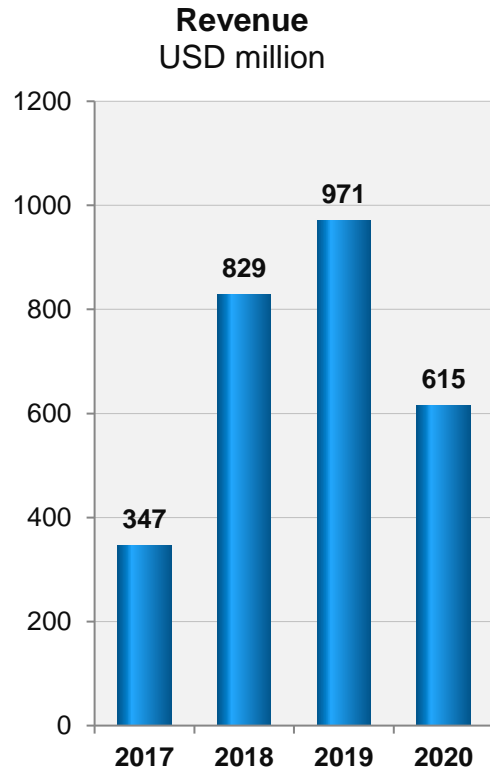
- Brasse (DNO 50 percent and operator) development moving to concept selection with either Brage or Oseberg as host platform: 17 mmboe net to DNO (2P)
- Iris/Hades (DNO 20 percent) being matured as a tie-back to the Åsgard platform: 12 mmboe net to DNO (2C)
- Røver Nord (DNO 20 percent) candidate for simple development solution: 11 mmboe net to DNO (2C)
- Alve Gjøk discovery (DNO 32 percent) candidate for simple development solution: 4 mmboe net to DNO (2C)
- Trym South (DNO 50 percent and operator) satellite field moves towards DG2 decision: 2 mmboe net to DNO (2C)
- Orion/Syrah (DNO 20 percent): 4 mmboe net to DNO (2C)

Brasse concept:

Likely development solution is a subsea template with three producing wells and a tie-back to either the Brage or Oseberg platform

2020 financial review

DNO financial results – key figures



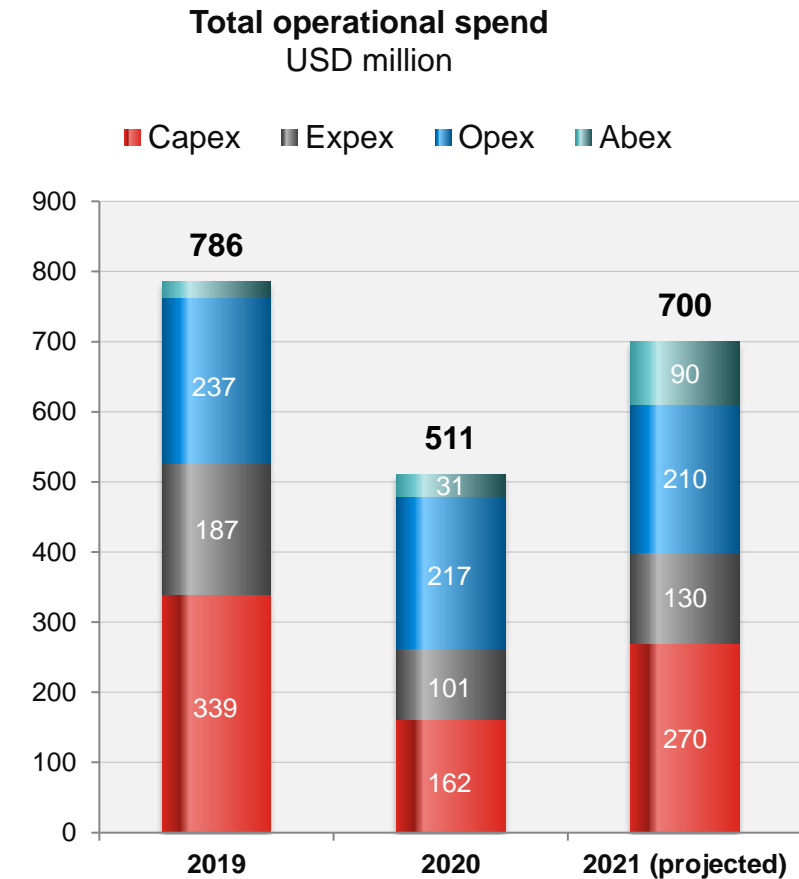
- Lower oil prices reduced revenues in 2020
- Norway tax refunds contributed to solid netback at USD 559 million
- North Sea non-cash asset impairments contributed to 2020 operating loss

Financial summary

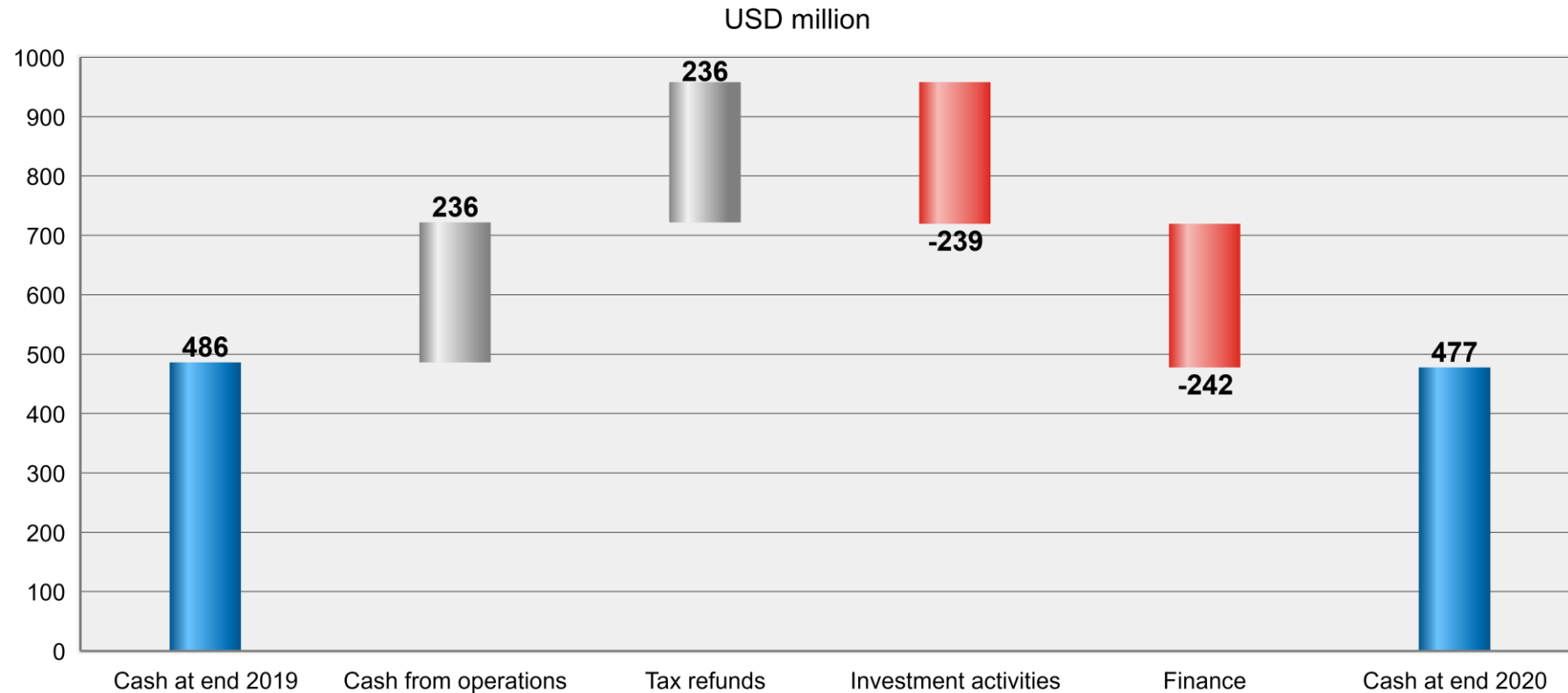
USD million	Q4 2020	Q3 2020	Q4 2019	2020	2019
Revenues	174.2	163.0	274.6	614.9	971.4
Production costs	-51.8	-48.9	-66.0	-217.3	-236.8
Movement in overlift/underlift	-7.6	-27.1	3.2	-11.3	7.2
Depreciation, depletion and amortization	-79.8	-82.0	-88.9	-361.4	-311.8
Cost of goods sold	-139.1	-158.1	-151.7	-590.0	-541.4
Gross profit	35.1	4.9	123.0	24.9	430.0
Expensed exploration	-15.5	-8.7	-47.9	-55.9	-146.4
Administrative expenses	0.5	-1.7	-6.1	-4.8	-26.1
Other operating income/-expenses	-1.2	-0.4	-0.9	-2.7	-19.8
Impairment of oil and gas assets	-33.0	-202.2	-23.7	-276.0	-162.0
Profit/-loss from operating activities	-14.2	-208.1	44.4	-314.5	75.6
Net finance	-24.3	-21.5	-25.6	-111.2	-123.5
Profit/-loss before income tax	-38.5	-229.6	18.8	-425.8	-47.8
Tax income/-expense	-21.9	107.1	32.1	139.8	121.3
Net profit/-loss	-60.4	-122.5	50.9	-285.9	73.5

Ramping up operational spend

- Planned operational spend of USD 700 million in 2021, an increase of USD 189 million from 2020, driven by ramp up of development drilling in Kurdistan and North Sea
- And abandonment expense (abex) in connection with the Oselvar decommissioning project in Norway and the restart of the Schooner and Ketch plugging and abandonment program in the UK
- Onshore Kurdistan capex can be quickly adjusted up or down as warranted
- North Sea share of total operational spend before adjustments for tax refunds, but including transport and processing tariffs

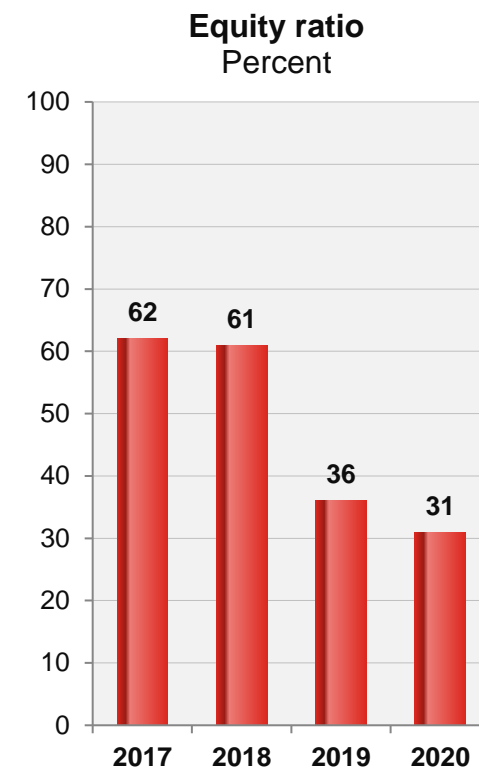
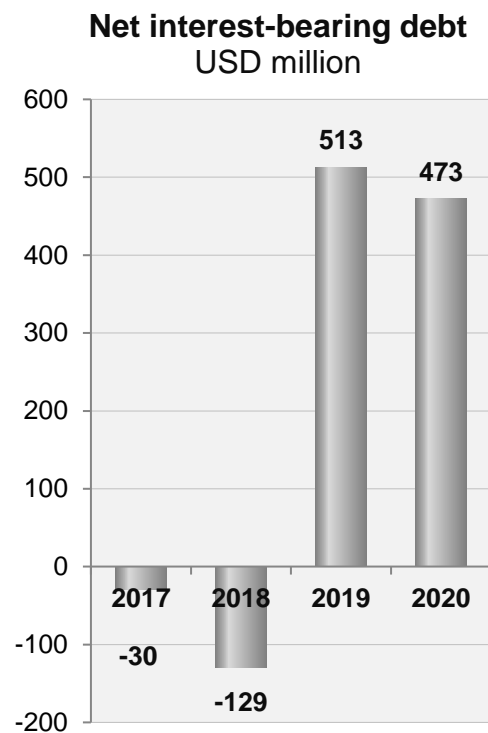
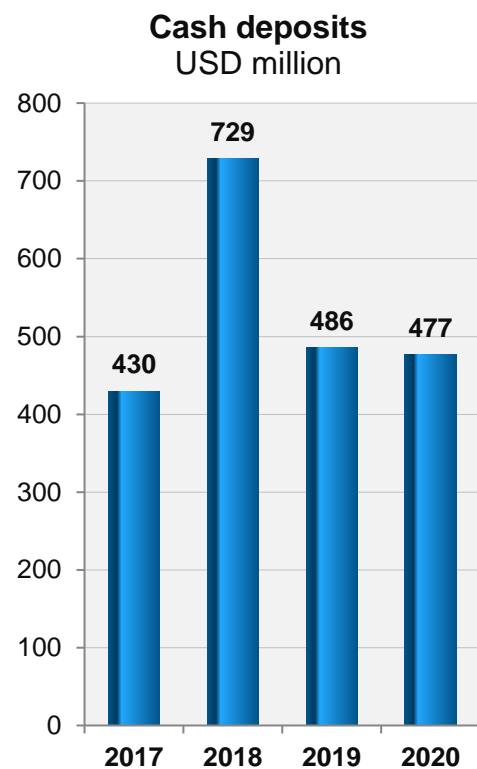


2020 cash flow



- Solid cash flow from operations of USD 236 million
- North Sea tax refunds contributed another USD 236 million to cash flow
- Payment of USD 242 million towards debt retirement, interest payments and share buybacks

Capital structure



- Cash deposits and equity ratio decreased following the acquisition of Faroe Petroleum plc in 2019

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