2020 Q3 Interim Results Presentation

Corporate overview and operational highlights

Cover photo: DNO supervisor isolating down hole safety valve on Kurdistan well

DNO boosts Kurdistan output

- Increased Q3 2020 production notwithstanding COVID-19 imposed operational challenges and weak oil prices
- While expecting to replace significant share of reserves produced this year in Kurdistan
- And slashing per barrel carbon emissions by half in DNO operated fields
- All with a one-third reduction in 2020 spend versus original budget, which led to fewer drilled wells
- Instead launched well intervention campaign at Tawke and Peshkabir, with both fields outperforming expectations
- Stepping up North Sea investments following Norwegian petroleum tax incentives
- Kurdistan and North Sea yearend production exit guidance in line with Q3 2020 average
- With cash deposits recovering towards yearend 2019 levels

Q3 2020 operational highlights

- Q3 2020 operated production in Kurdistan of 113,700 barrels of oil per day (bopd), up from 102,000 bopd in Q2 2020
- Of which 80,200 bopd represented Company Working Interest (CWI) production net to DNO in Kurdistan in Q3 2020 (71,900 bopd in Q2 2020)
- North Sea contributed 17,700 barrels of oil equivalent per day (boepd) of CWI production in Q3 2020 (17,800 boepd in Q2 2020)
- Bringing total DNO Q3 2020 CWI production to 97,900 boepd (89,700 boepd in Q2 2020), with Kurdistan share continuing to average 80 percent and North Sea share 20 percent
- In Kurdistan, Q3 2020 production split 50:50 between the Tawke and Peshkabir fields
- Restarted Kurdistan drilling midyear with Zartik-1 exploration well in Baeshiqa license followed by Peshkabir-14 development well in Tawke license

Q3 2020 financial highlights

- Revenues more than doubled to USD 163 million in Q3 2020 up from USD 72 million in Q2 2020 on back of improved oil prices and higher cargo liftings of previously produced oil in the North Sea
- Netback of USD 101 million in Q3 2020 up from USD 13 million in Q2 2020 on higher revenues and Norway tax refunds
- North Sea non-cash impairments of USD 202 million pre-tax (USD 118 million post-tax) related principally to the South East Tor and Iris/Hades assets
- Leading to operating loss of USD 208 million in Q3 2020 (USD 81 million loss in Q2 2020)
- Exited Q3 2020 with cash balance of USD 373 million (USD 427 million at end Q2 2020) with USD 200 million in tax refunds expected in Q4 2020
- Purchased USD 7.2 million in bonds originally issued by Faroe Petroleum plc, with USD 7 million still outstanding
- Completed buyback program through cancellation of 108,381,425 (10 percent outstanding) own shares held by DNO

Gas capture and injection lifts oil recovery, cuts CO_2 emissions

- DNO's USD 110 million Peshkabir Gas Capture and Tawke Injection Project now onstream and has reached two billion cubic feet of gas injected
- Delivering positive reservoir response at Tawke field by adding up to 5,000 bopd of production without contribution of newly drilled wells
- While reducing field produced water and its disposal requirements
- Also cutting annual emissions from Company's operated production by over 300,000 tonnes of CO_2 equivalent, offsetting the emissions of some 150,000 automobiles annually
- Halves the average carbon intensity of DNO's operated production from 14 kilograms CO_2 equivalent for each barrel of oil equivalent produced (kg CO2e/boe) to an average of 7 kg CO_2e/boe
- Compares to target set by a group of 12 of the world's largest oil and gas companies to reduce average carbon intensity of their aggregated upstream operations to 20-21 kg CO_2e/boe by 2025 from 23 kg CO_2e/boe in 2017

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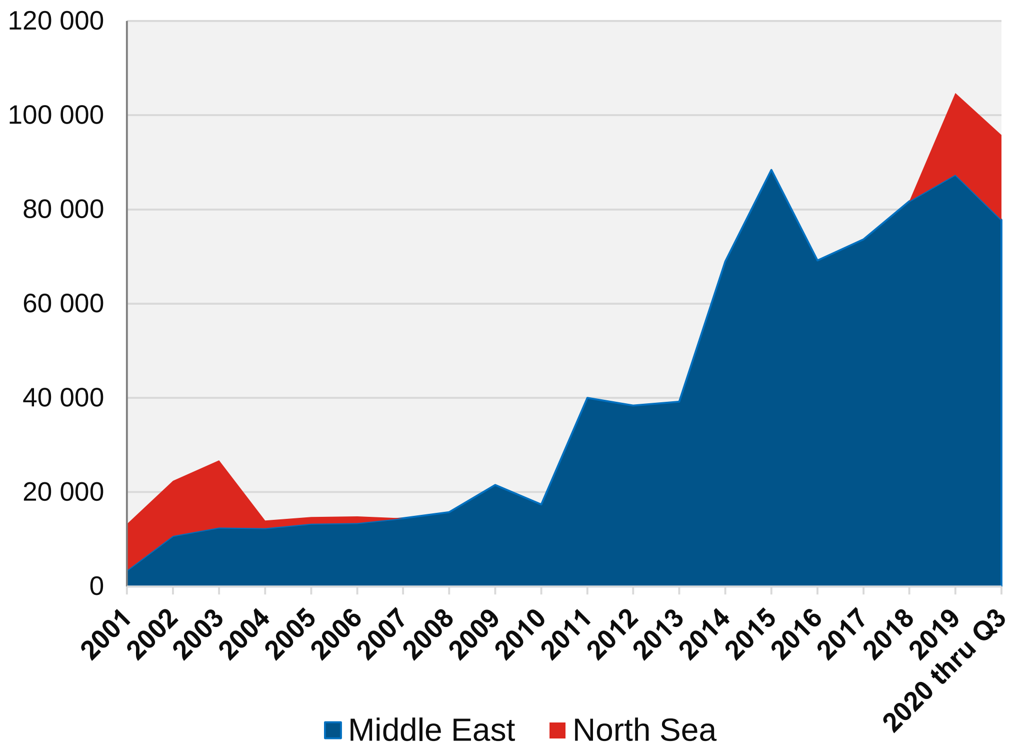
Activity picking up in North Sea

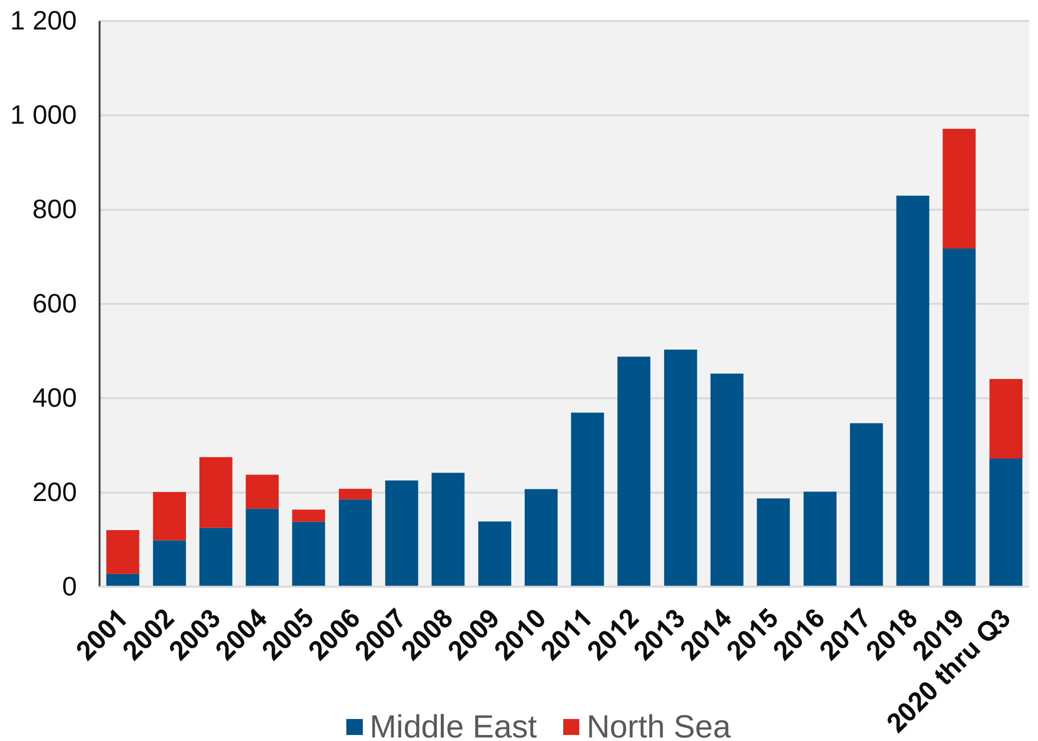
- North Sea CWI production essentially unchanged at 17,700 boepd in Q3 2020 (17,800 boepd in Q2 2020)
- Of which 12,900 bopd of oil and condensate and 29 million cubic feet a day (MMcfd) of gas in Q3 2020 (13,300 bopd and 27 MMcfd in Q2 2020)
- Two exploration wells scheduled in Q4 2020 with Polmak already drilling in Barents Sea (DNO 20 percent) and Røver Nord to spud shortly in Northern North Sea (DNO 20 percent)
- Active exploration program in 2021, including Bergknapp test (DNO 30 percent) and wildcat wells at Gomez in Southern North Sea (DNO 85 percent) and Edinburgh cross-border (UK-Norway) North Sea (DNO 45 percent)
- Advanced development options for Brasse field (2021 PDO) and evaluating Iris/Hades, Fogelberg and Trym South discoveries (2022 PDOs)
- Following latest UK round, DNO was awarded four licenses (two operated) all with previous discoveries

Historical production and revenue trends

CWI production
boepd

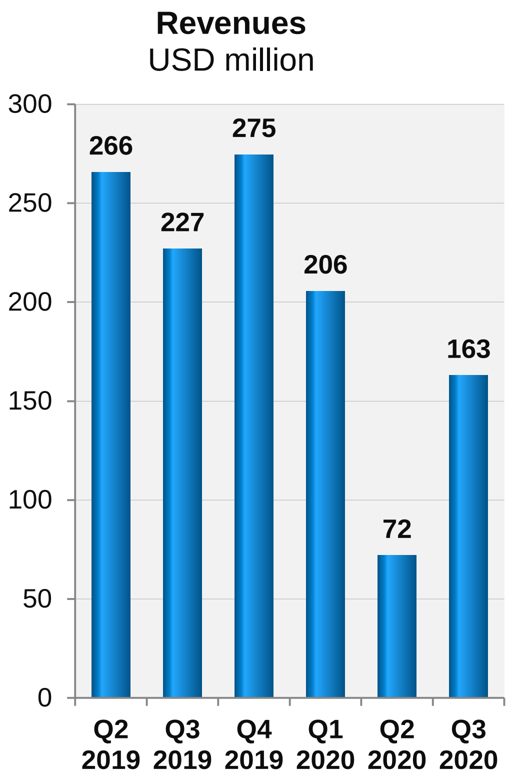


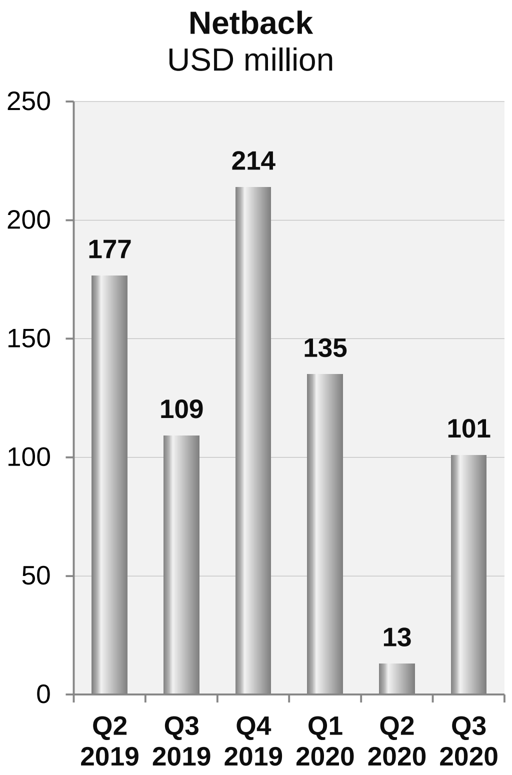
Oil and gas revenues
USD million

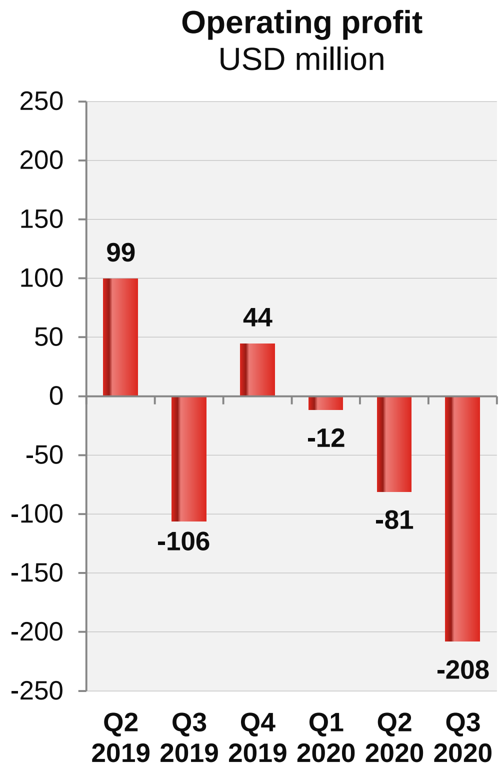


Financial review

DNO financial results – key figures







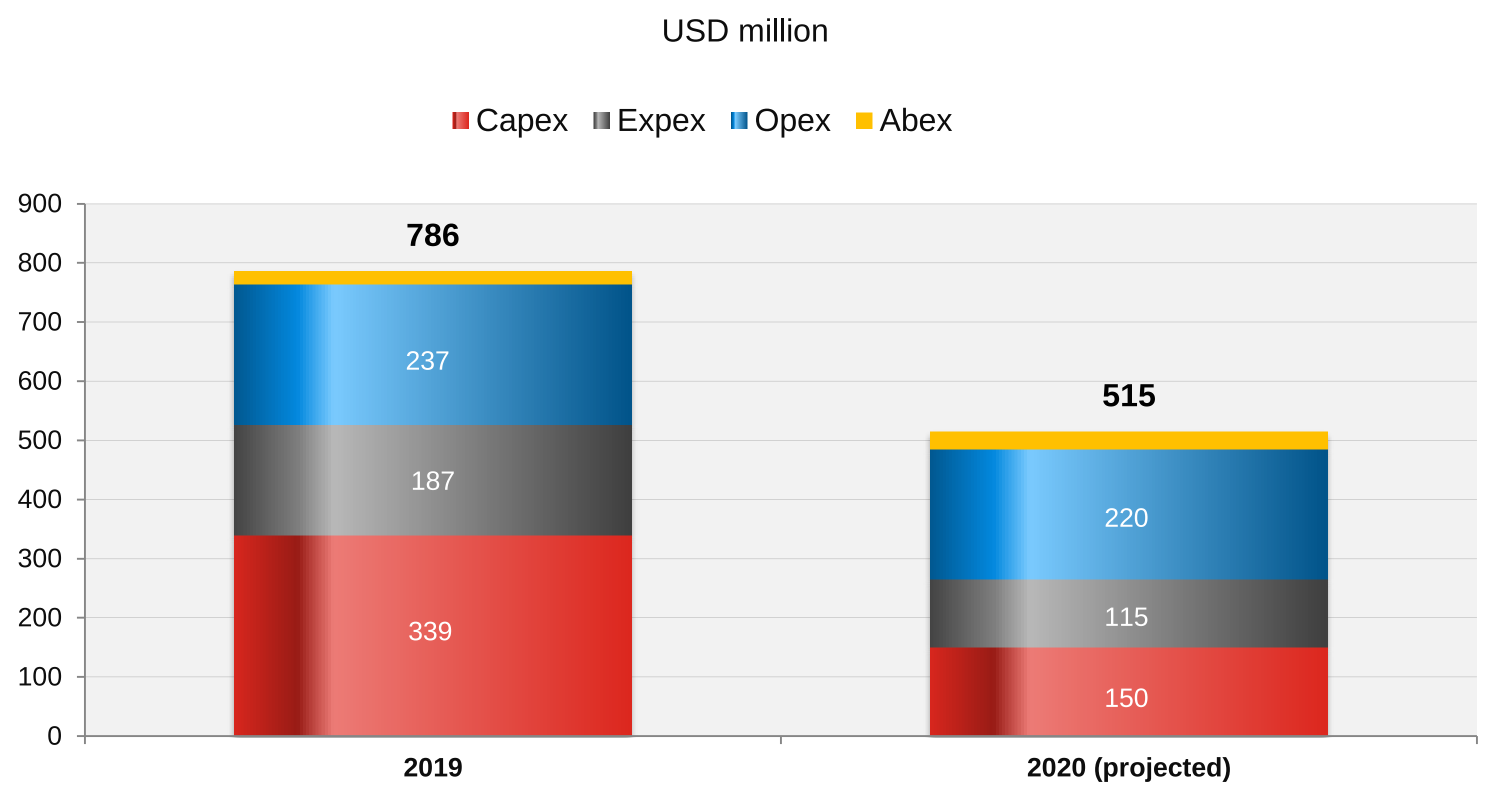
- Improved oil prices and higher cargo liftings in the North Sea more than doubled revenues in Q3 2020
- Higher revenues and Norway tax refunds drive USD 101 million netback increase in Q3 2020
- North Sea non-cash asset impairments of USD 202 million (pre-tax) lead to Q3 2020 operating loss

Financial summary

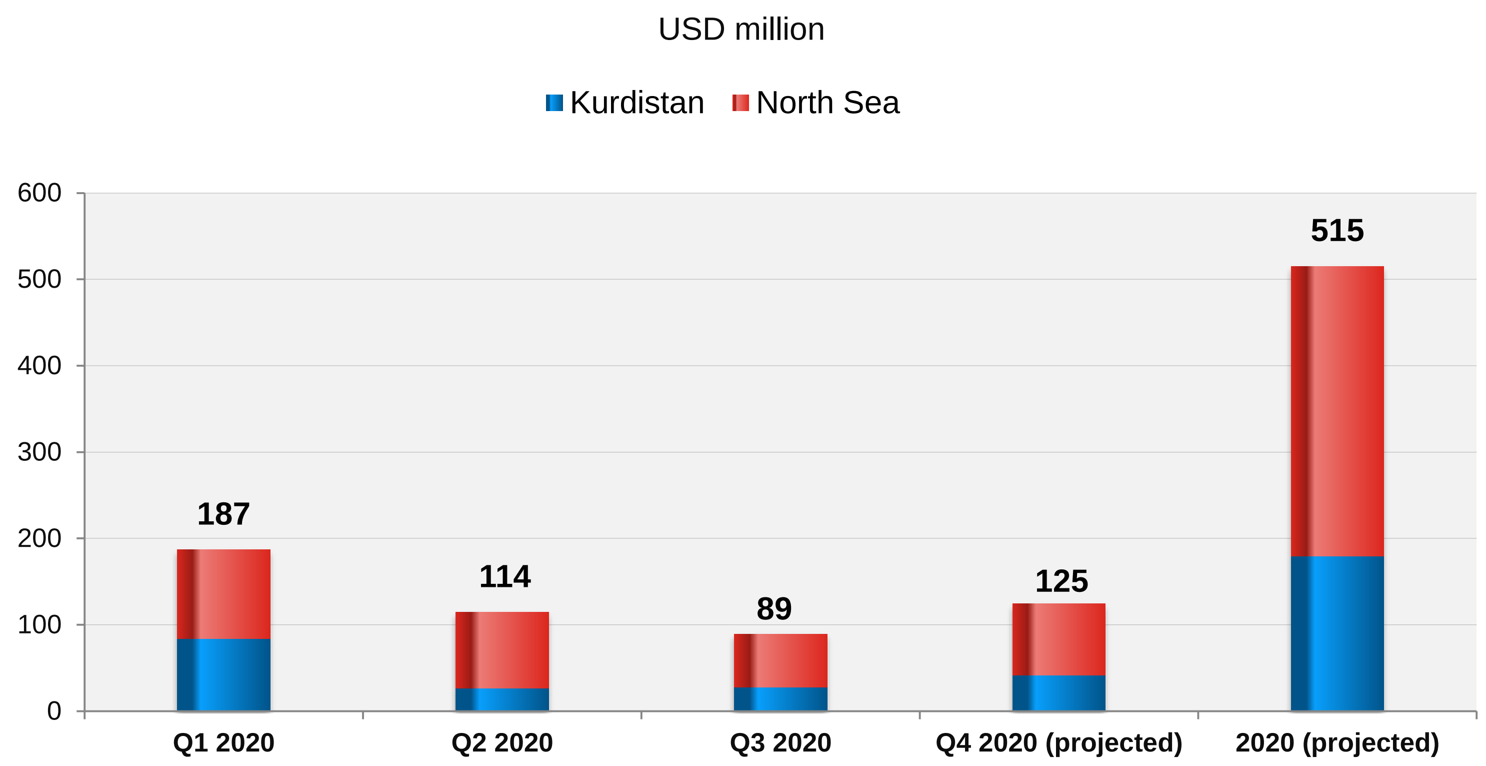
USD million	Q3 2020	Q2 2020	YTD 2020	YTD 2019
Revenues	**163.0**	**72.1**	**440.7**	**696.7**
Production costs	-48.9	-57.9	-165.5	-170.8
Movement in overlift/underlift	-27.1	24.4	-3.8	4.0
Depreciation, depletion and amortization	-82.0	-92.1	-281.6	-222.9
Cost of goods sold	**-158.1**	**-125.6**	**-450.9**	**-389.7**
Gross profit	**4.9**	**-53.5**	**-10.2**	**307.0**
Expensed exploration	-8.7	-17.0	-40.5	-98.5
Administrative expenses	-1.7	-8.2	-5.3	-20.1
Other operating income/-expenses	-0.4	-0.4	-1.5	-18.9
Impairment of oil and gas assets	-202.2	-1.6	-243.0	-138.2
Profit/-loss from operating activities	**-208.1**	**-80.8**	**-300.4**	**31.3**
Net finance	-21.5	-26.9	-86.9	-97.8
Profit/-loss before income tax	**-229.6**	**-107.6**	**-387.3**	**-66.6**
Tax income	107.1	44.0	161.7	89.2
Net profit/-loss	**-122.5**	**-63.6**	**-225.6**	**22.6**

- Higher cargo liftings of earlier produced North Sea oil added to cost of goods sold by USD 27 million in Q3 2020
- Non-cash impairments of USD 202 million (pre-tax) primarily related to the South East Tor and Iris/Hades assets

Annual operational spend

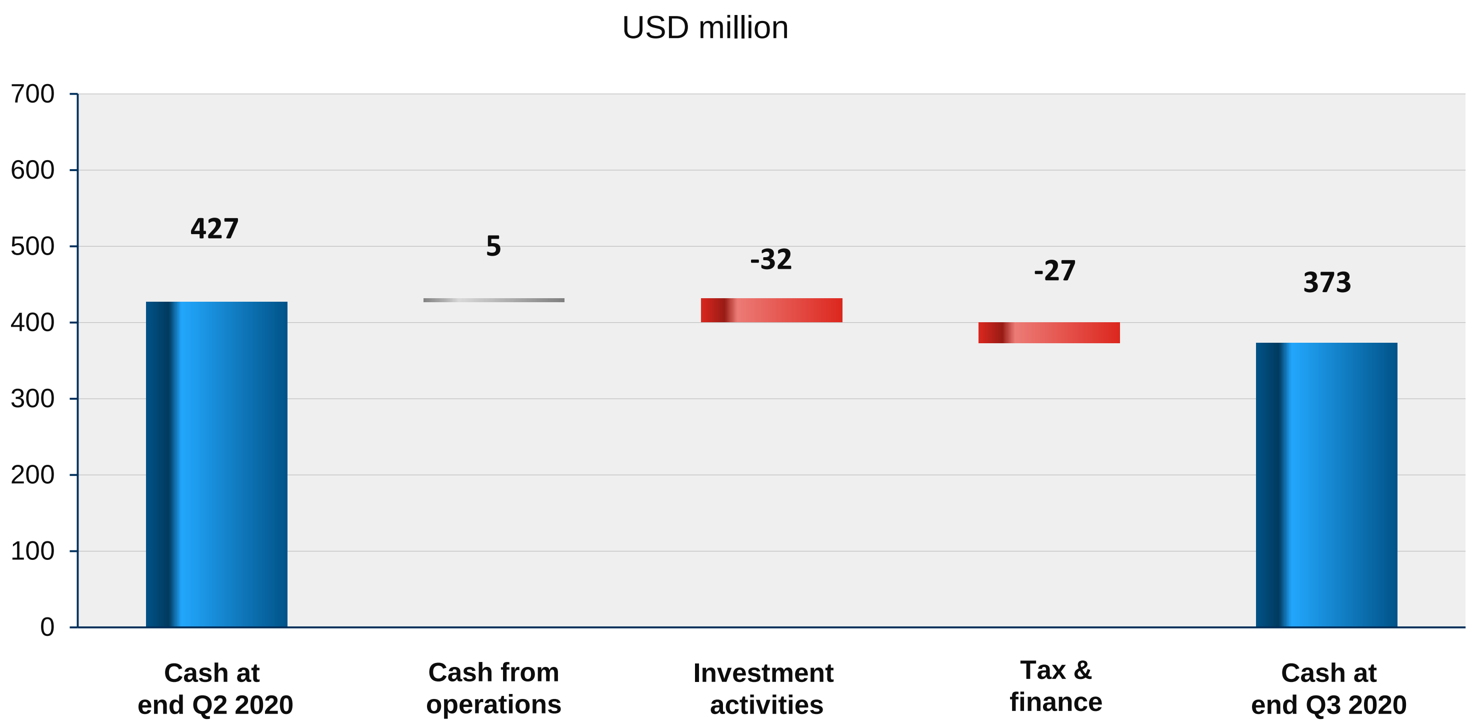


2020 operational spend by region



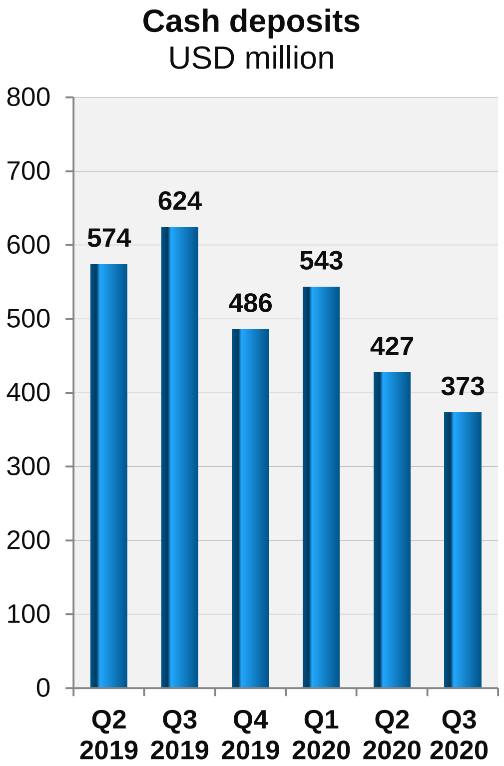
- North Sea operational spend shown before adjustments for tax refunds, but includes transport and processing tariffs

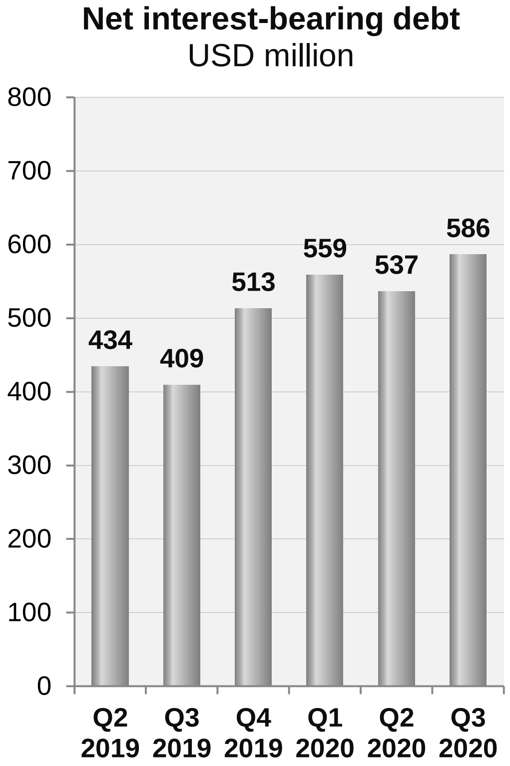
Q3 2020 cash flow

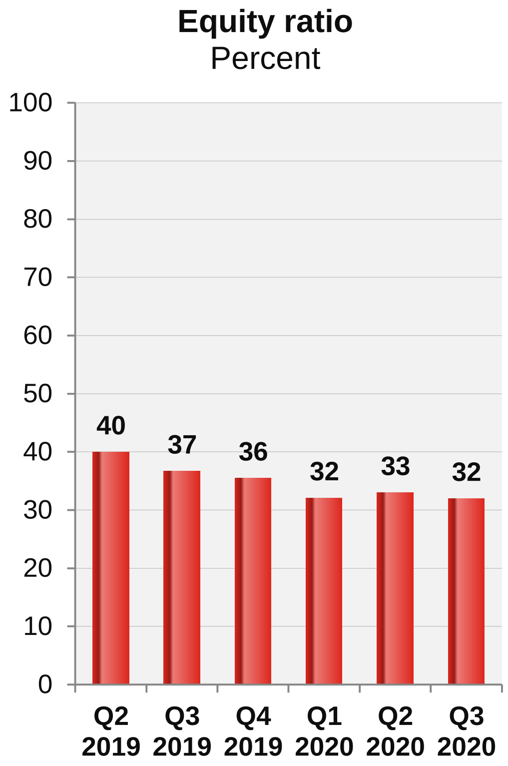


- Cash from operations reduced by USD 70 million change in working capital during Q3 2020

Capital structure







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