



State Participation in Denmark by Nordsøfonden

Opening Seminar 23. August 2018

Nordsøfonden - our role

- Partner in all licences awarded since 2005 and partner in DUC since July 2012
- Partner in licences to be awarded in the 8th Round with a 20% share
- Same rights and obligations as other companies - we are a paying partner
- Non-operator and we are not a competitor to private companies

Nordsøfonden - organization

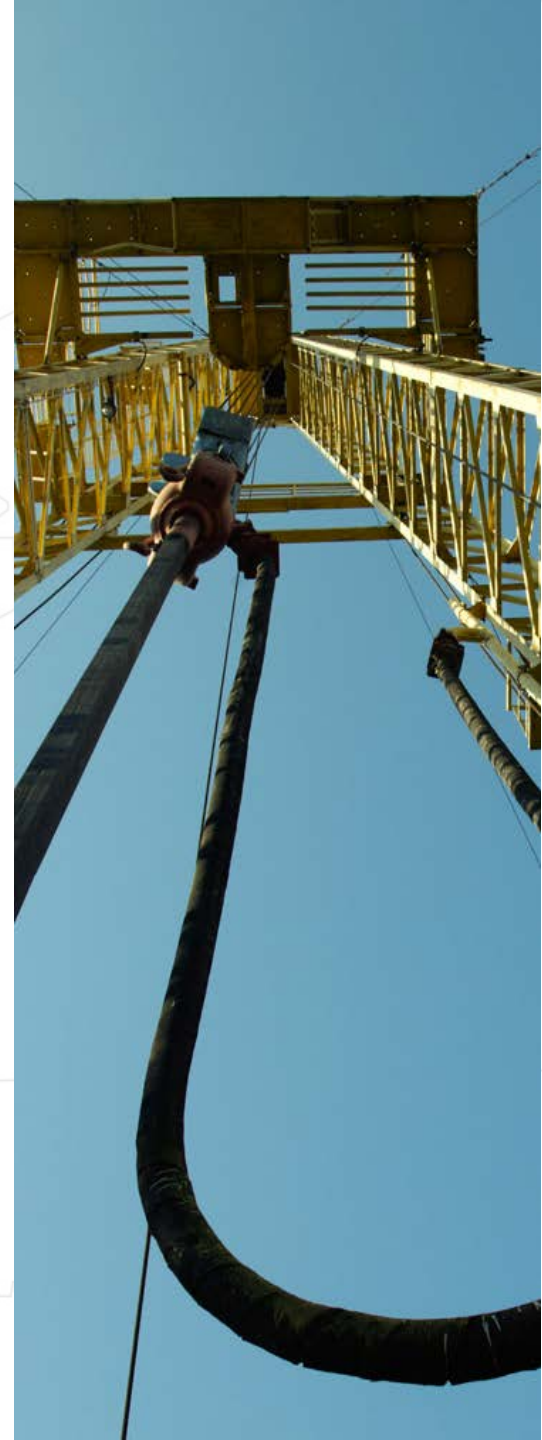
- Refer to the Ministry of Industry, Business and Financial Affairs
- Independent state owned company with a Board of Directors
- 19 dedicated professionals make today's Nordsøfonden
- Located in Copenhagen

Nordsøfonden - what we do

- Work as a full circle company - active in exploration, development and production
- Manage the sale of own share of produced oil and gas and various other commercial activities
- Active during execution of technical work programs and evaluations in the licences
- Wide expertise in legal and financial matters in relation to the business

Nordsøfonden - goals

- We strive to increase the value from oil and gas activities in Denmark
- We work for a long-term, innovative and financially sound business beneficial to Licensees as well as the State
- We facilitate cooperation between partners, licences and authorities



Nordsøfonden in numbers

In 2017 we produced

23,000

barrels of oil per day



billion DKK in revenue from sale of oil and gas in 2017

Operating expenses

1.5

billion DKK a year



largest oil and gas producer in Denmark

Taxes and dividends 2012-2017 around

17.5

billion DKK

Investments

0.5-1.5

billion DKK a year

Future collaboration - what to expect

- Experienced in the Danish subsurface
 - Take part in evaluations and decisions
 - Share your goals to work for
 - successful, effective and safe exploration and production
- We do not take part in AMI's and commercial discussions related to the application phase
 - We do not take part in the negotiation of start-up work programme with DEA during the award process

Licence start-up - what to expect

- Provide insight in terms and conditions
 - Provide insight in the Danish legislation
 - Experienced in entering the Joint Operation Agreement and Accounting Procedure
 - Can give advice in 'what to do' as soon as a licence is awarded and accepted
- We are not an authority
 - We are not carried
 - We do not fund acquisition of data already in hands of the Danish state

Nordsøfonden - activities

- Partner in 20 licences
- Partner in 15 producing fields
- Collaborating with 17 oil and gas companies
- Tyra rebuild - points to the future
 - Securing infrastructure for production
- 3rd party access

Nordsøfonden - activities

- 16 licences awarded in the 7th Round in 2016
 - Broad band seismic - 2 firm wells
 - 3 licences relinquished after first 2 years
- 14 licences awarded in the 6th Round in 2006
 - 1 producing field
 - 2 discoveries expected to be developed
 - 1 discovery under evaluation
- 1 Out-of-Round expected development
- DUC activities

Fields and infrastructure

Nordsøfonden equity

- Tyra
- Tyra SE
- Dan
- Halfdan
- Halfdan NE
- Gorm
- Skjold
- Kraka
- Regnar
- Dagmar
- Rolf
- Roar
- Valdemar
- Svend
- Harald
- Lulita
- Ravn

X Nordsøfonden not partner

Oil/gas:

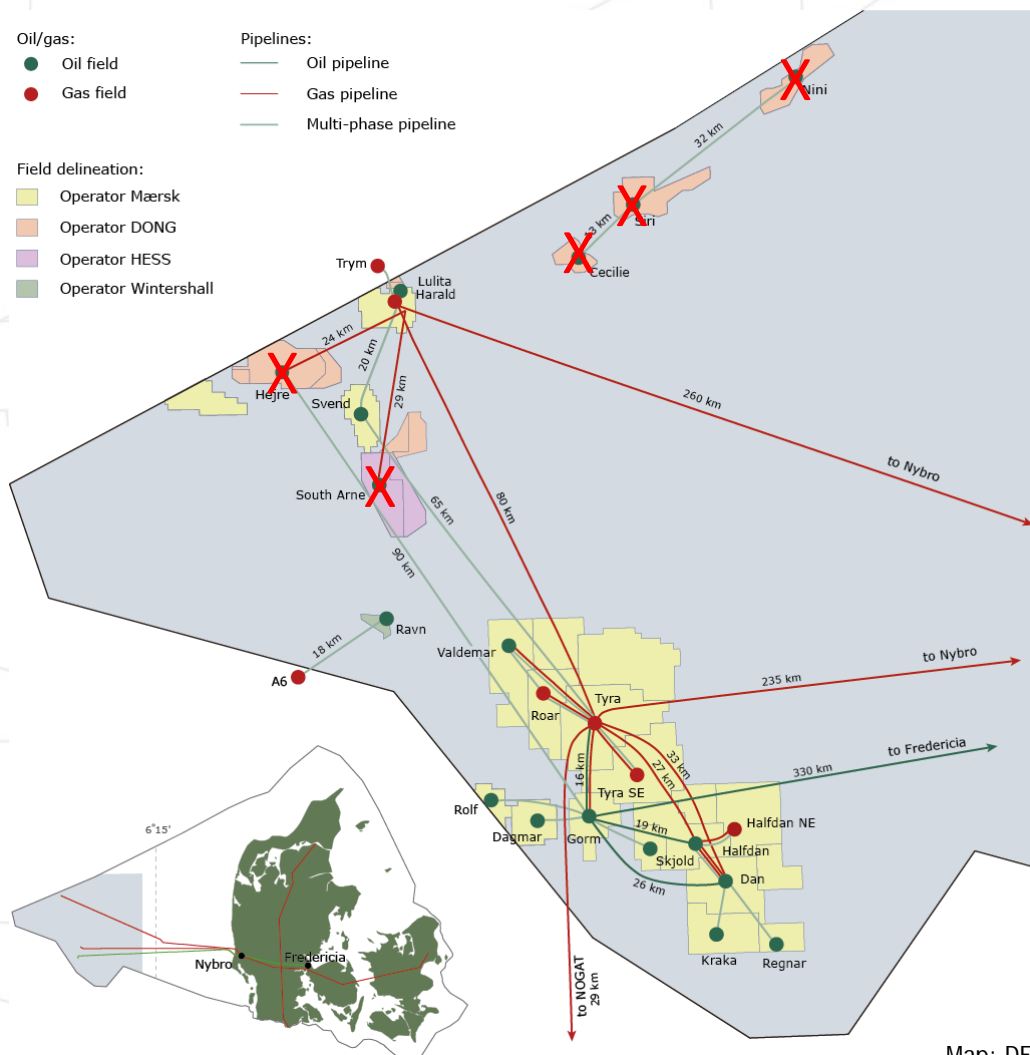
- Oil field
- Gas field

Pipelines:

- Oil pipeline
- Gas pipeline
- Multi-phase pipeline

Field delineation:

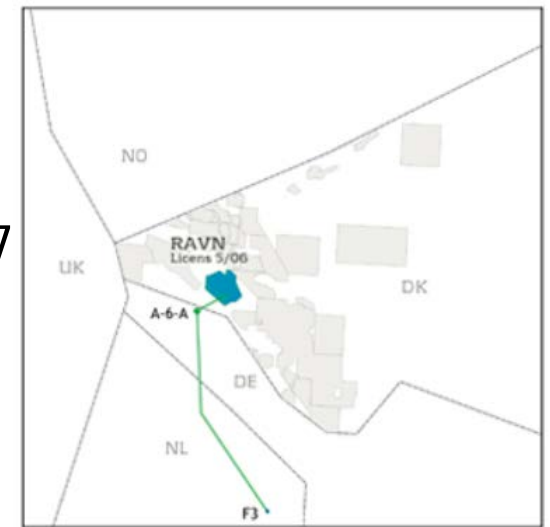
- Operator Mærsk
- Operator DONG
- Operator HESS
- Operator Wintershall



Value of 'fresh eyes'

Ravn Field - a 6th Round licence

- 2 exploration wells
- 1st production well in came on stream in 2017
- 2nd production well to be drilled in 2019
- Further development opportunities to be unlocked in the Greater Ravn Area

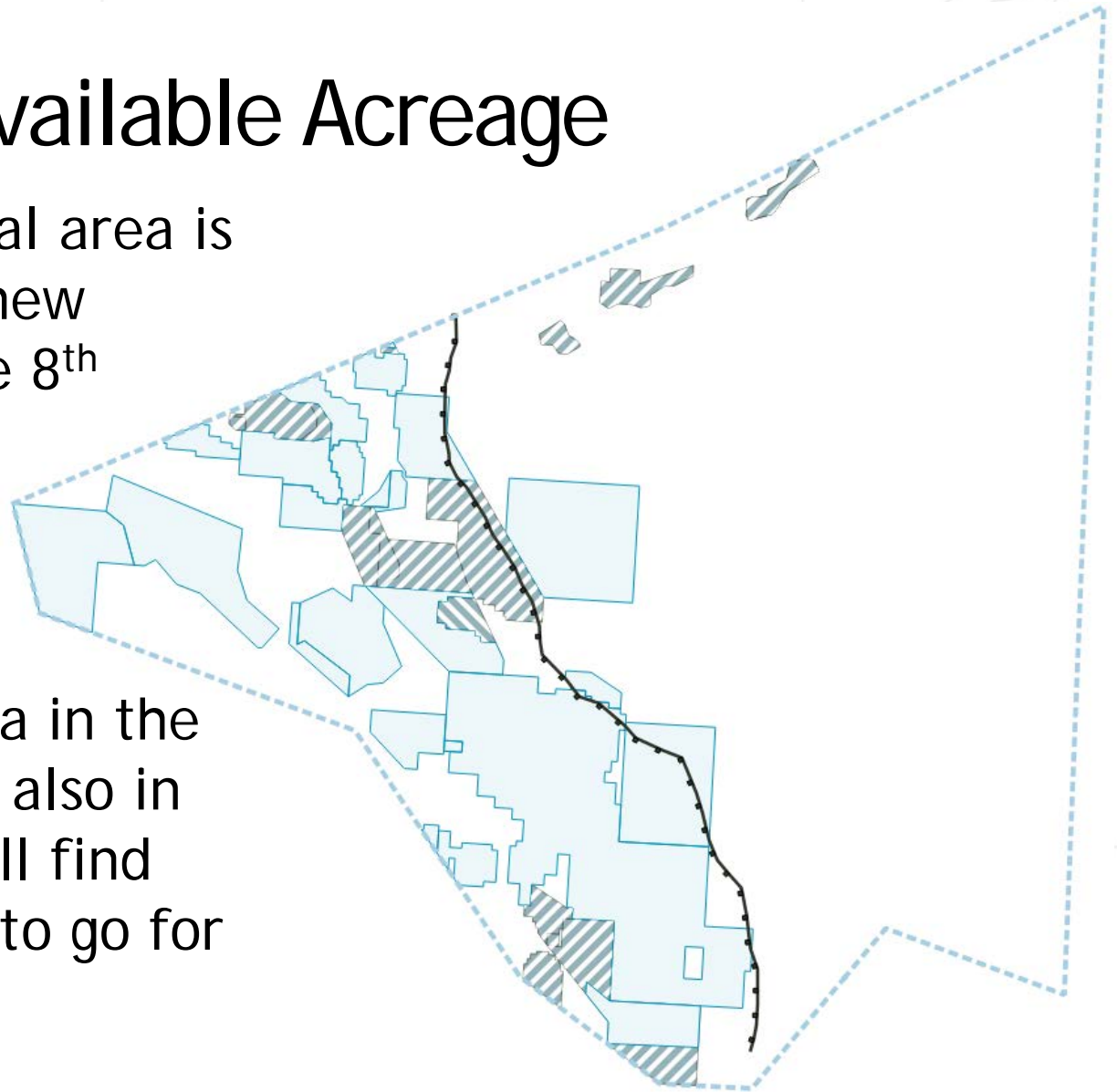


With production from Ravn it is 1st time, that:

- There is production from the Upper Jurassic reservoir
- There is production from wells deeper than 4,000 m
- There is production from the 6th Danish licensing round
- A new Danish field is put into production for more than 10 years

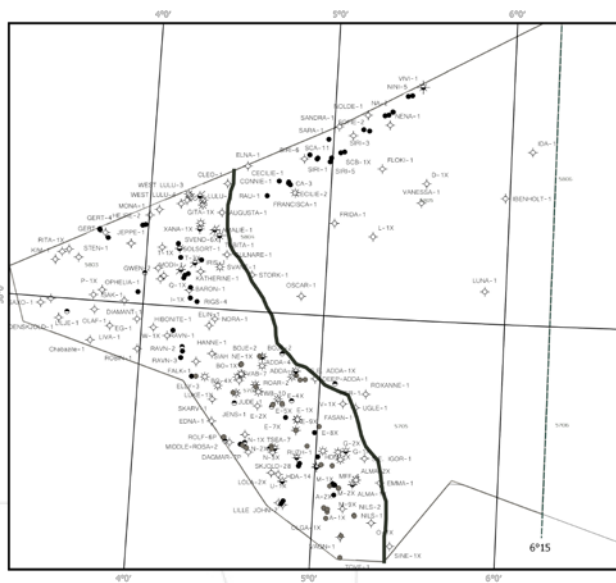
8th Round Available Acreage

- 3/4 of the total area is available for new licences in the 8th Round
- Most open area in the RFH area, but also in the CG you will find opportunities to go for



Data in a mature area

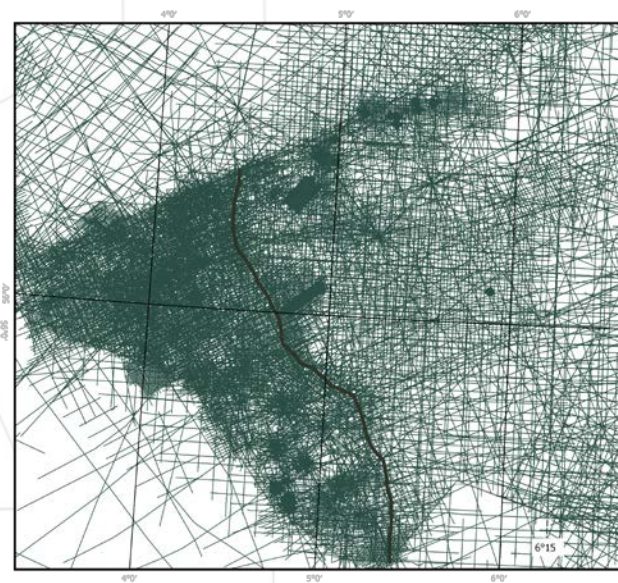
More than 250 deep wells



3D seismic coverage

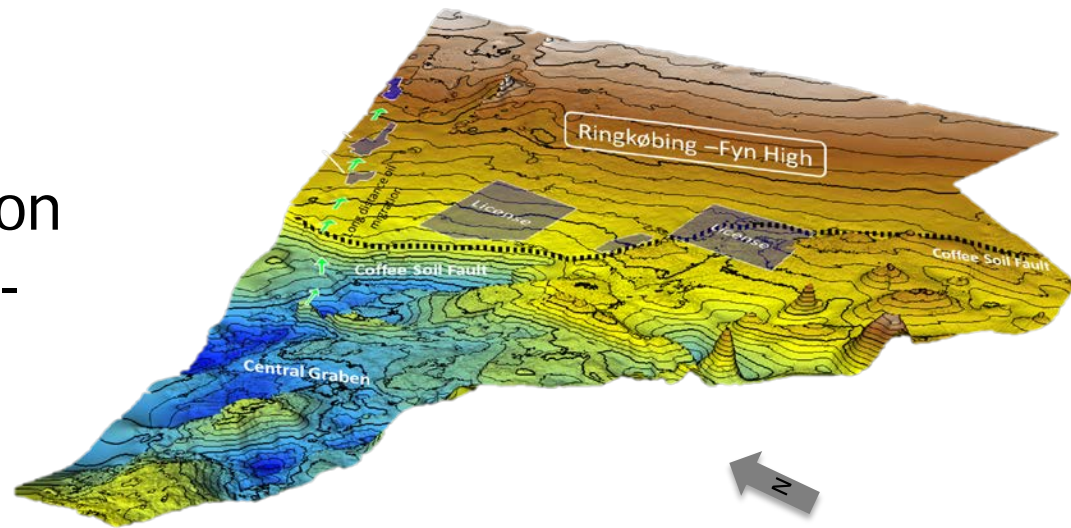


2D seismic coverage



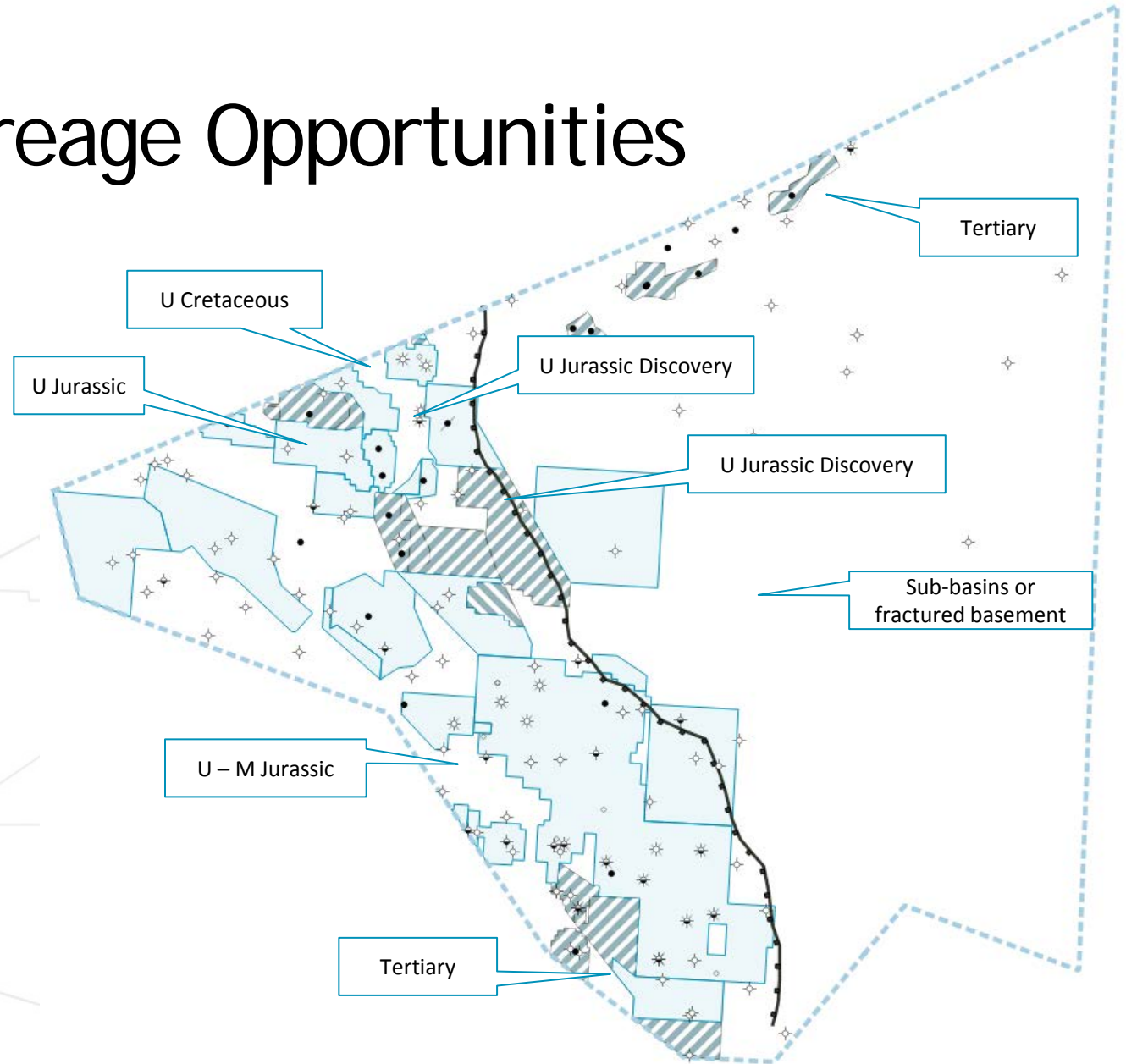
What to go for

- Frontier exploration on the Ringkøbing-Fyn High



- More work to be done outside of the proven chalk play
 - Cenozoic shallow potentials
 - Lower Cretaceous tight chalk or sandstone
 - Deep seated Middle and Upper Jurassic sandstones
 - Older reservoirs - older sources

Open Acreage Opportunities





Thank you for your interest in the
Danish 8th Round

www.nordsoefonden.dk