

WEBCAST PRESENTATION – 21st MAY 2014



1Q 2014 RESULTS



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ATLANTIC PETROLEUM

1Q 2014 PERFORMANCE



TARGETS 2014

PRODUCTION

Production in 2014 average
between 1,650–1,900
boepd net

FINANCIAL

EBITDAX in the range DKK
125MM - 175MM

EXPLORATION

Drill 4 exploration/appraisal
wells targetting 86MMboe
of net unrisks resources



HIGHLIGHTS & OUTLOOK - 1Q 2014

- **Net production** to Atlantic Petroleum was 179,000 boe (1,993 boepd)
 - **Above** target 1,650-1,900 boepd
- **Revenue** of DKK 112.7MM (Average realized oil price USD 108.3)
- **EBITDAX** of DKK 47.5MM
 - **Within** guidance (Full year target: 125MM-175MM)
 - Exploration expenses DKK -81.3MM – Langlitinden write-off
- **Loss after taxation** of DKK -12.7MM
 - Tax repayable DKK 55.8MM – mainly related to the Langlitinden well
- **Total assets** increased to DKK 1,354.7MM (DKK 1,081.3MM 1Q 2013)
 - Increase in current assets: tax repayable DKK 124.1MM & Cash and cash equivalents DKK 173.2MM
- **Total equity** of DKK 594.9MM
- **Chestnut field** produced at stable rates at the high end of expectations. In may, the field life was extended for another year
- **Blackbird field** production has been stable and the second production well was spudded in April
- **Ettrick field** had relatively stable production increased by the new production well from 4Q 2013
- **Orlando field** development continues. First oil is expected to slip into 2016. To be financed with cashflow and debt.



INCOME STATEMENT - 1Q 2014

	3 months to 31 st March	3 months to 31 st March
DKK MM	2014	2013
Revenue	112.7	121.7
Costs of sales	-73.9	-67.5
Gross profit	38.8	54.2
Exploration expenses	-81.3	-35.7
Pre-licence exploration costs	-3.5	-3.4
General and administration costs	-14.2	-14.2
Depreciation PPE & Intangible assets	-3.9	-2.0
Operating loss	-64.0	-1.0
Interest income/expenses and finance gains/costs	-4.5	9.1
Loss/profit before taxation	-68.5	8.1
Taxation	55.8	-2.1
Loss/profit after taxation	-12.7	6.1
Earnings per share (DKK):		
Basic	-3.43	2.31
Diluted	-3.43	2.27

- **Operating loss** affected by lower production and the Langlitinden write-off

- **Costs of sales** affected by an increase in 'produced oil in inventory'



INCOME STATEMENT - 1Q 2014

ATLANTIC PETROLEUM

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- **Costs of sales** affected by an increase in 'produced oil in inventory'



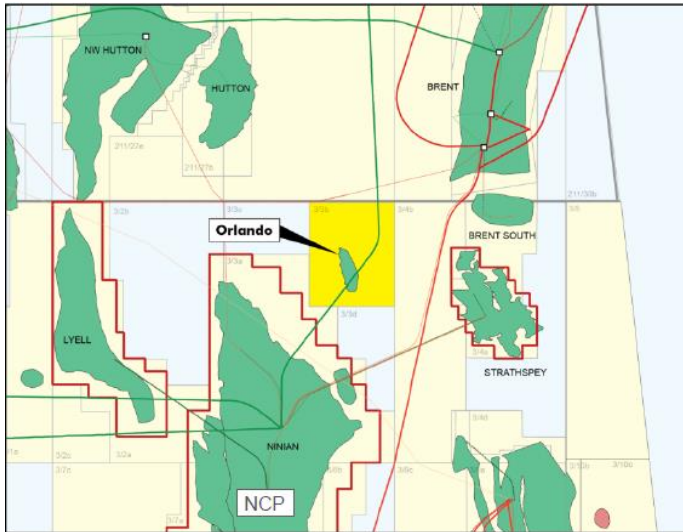
FINANCIAL POSITION & CASH FLOW - 1Q 2014

Balance sheet DKK MM	1Q 2014	1Q 2013
Total assets	1,354.2	1,081.3
– Cash and cash equivalents	173.2	73.1
Equity	594.9	519.3
Bank debt	119.3	78.0
– Long term	60.8	19.5
– Short term	58.5	58.5
Cash flow DKK MM	1Q 2014	1Q 2013
Net cash from operating activities	-32.7	60.8
Net cash from investing activities	1.8	-230.2
Net cash from financing activities	18.4	0

- **Total assets** increased by DKK 272.9MM
- **Equity** increased by DKK 75.6MM reflects the equity raise from 4Q 2013
- **Debt increase** DKK 41.3 MM reflects draw-down on Norwegian exploration facility



ORLANDO FIELD DEVELOPMENT



Orlando Field – UK Block 3/3b

- Iona Energy 75% (Operator), Atlantic Petroleum 25%

Development

- Re-entry of the existing 3/3b-13z well and completed as a horizontal producer with dual electric submersible pumps
- 10km subsea tie-back to Ninian Central Platform

Progress

- Continue working towards 2016 first oil
 - Line-pipe and tree manufacture substantially complete
- Negotiations for access to infra-structure continuing
- Expenditure will ramp up in 2015 and 2016 post completion of negotiations

Financing

- 2014/15 expenditure will be met from cash flow
- Additional finance will be put in place following completion of the negotiations on access to infra-structure
- Preliminary discussions on financing have been positive



Orlando provides production growth in 2016 of high value barrels



Comments

Perth – P588 15/21b & 15/21c

- Located in the UK sector of the Central North Sea

JV partners and interests:

- Parkmead Group (Operator) 52.13%
- Faroe Petroleum Limited 34.62%
- Atlantic Petroleum 13.35%

CPR Estimates

- 5.1MMBbl 2C contingent resources

Development Plans

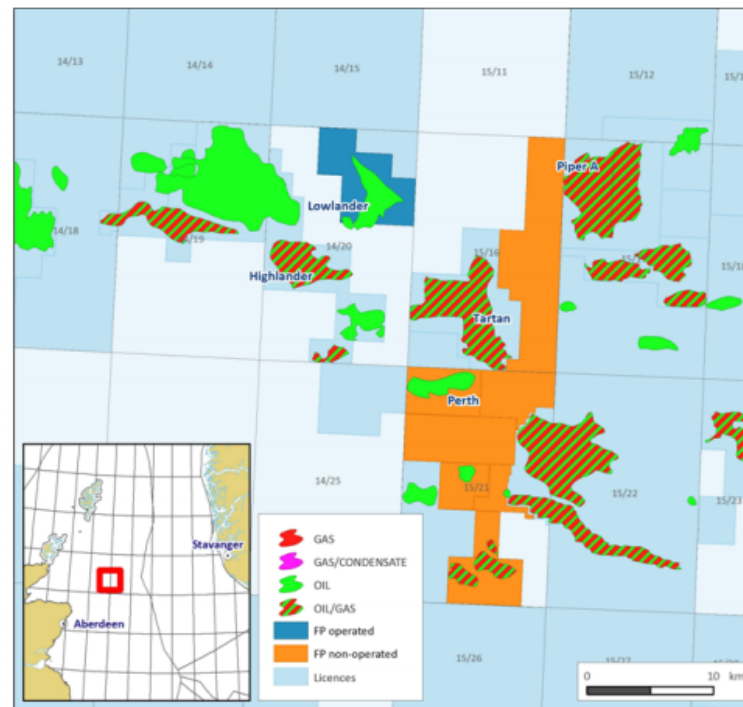
- Several sour oil fields lie within the proximity of Perth however there are no facilities capable of producing these discoveries
- Parkmead are co-operating with Faroe Petroleum, the operator of the nearby Lowlander Field to develop both fields using the same facilities to minimise costs
- Considerable upside comes from adding further fields to the development
- A FDP was submitted in 2011 and agreed in principle by the authorities
- Parkmead and Faroes Petroleum are working towards submitting a joint FDP in 2015

Development of a sour oil hub has the potential to add significant value

Converting Contingent into Reserves and Production Perth and Lowlander – significant upside



- No existing facilities in the area allow production of sour crude oil¹.
- Faroe and Parkmead plan to bring Perth and Lowlander to development as a joint project sharing the same facilities and benefiting from significant economies of scale
- Lowlander (Faroe 100%) and Perth (Faroe 34.62%) estimated² to contain 270 mmbœ of oil place, - ready appraised, 62 mmbœ recoverable
- Considerable value upside exists in adding additional volumes from the area
- An FDP for Perth was already submitted in 2011, agreed in principle by DECC
- Work underway towards preparing the joint FDP – scheduled for 2015



¹ Tartan is able to handle only limited amount of low-H₂S crude

² Source Senenergy

Source: Faroe Petroleum

Unlocking the assets has potential to generate exceptional return



BUILDING A POSITION AROUND NEW INFRASTRUCTURE

PL5228 Ivory (Blocks 6707/8,9,11 and 6707/10 (part)) – Farm in 2013

- See next slide

PL 763 Karius (Blocks 6606/2,3) – APA 2013 award

Repsol 40% (Op), Rocksource 30%, Atlantic 30%

- Several prospects and leads, and the main target is a robust structure associated with EM DHI.
- Short distance (15km) to the Aasta Hansteen SPAR

PL705 Napoleon (Blocks 6705/10 & 6704/12) – 22nd Round award

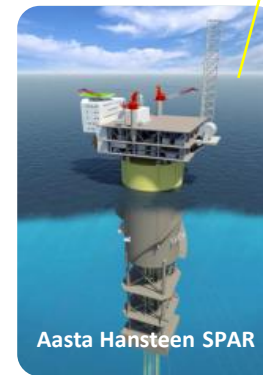
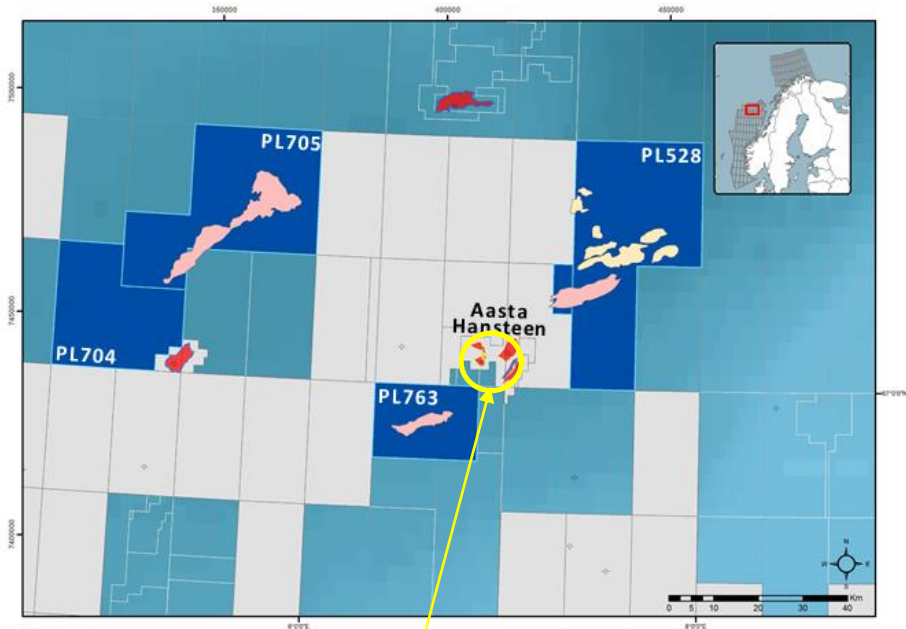
Repsol 40% (Op), Repsol 30%, Atlantic 30%

- Multiple structural closures with prospectivity at multiple levels
- Neighbouring license to the Asterix gas discovery and c. 70 km from Aasta Hansteen.

PL 704 Kjerag (Blocks 6705/10 & 6704/12) – 22nd Round award

Eon 40% (Op), Repsol 30%, Atlantic 30%

- Multiple structural closures with prospectivity at multiple levels.
- Neighbouring license to the Asterix gas discovery, and c. 70 km from Aasta Hansteen.



Gas export through the Polarled pipeline planned to be in operation from Aasta Hansteen to Nyhamna late 2016

Significant prospect inventory with multi TCF potential in vicinity of new infra-structure



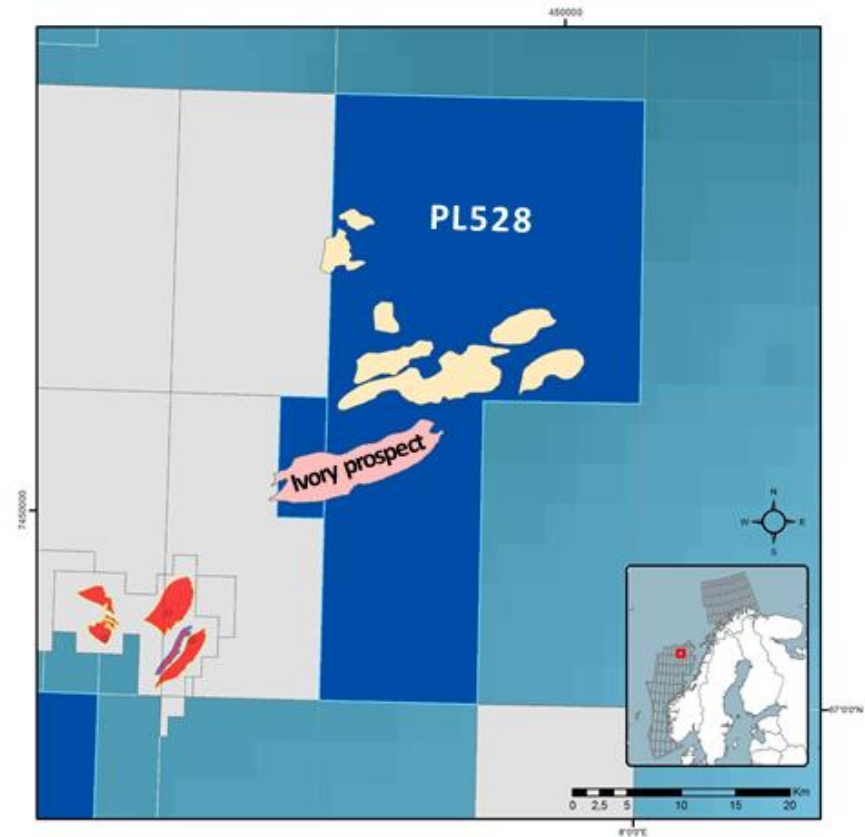
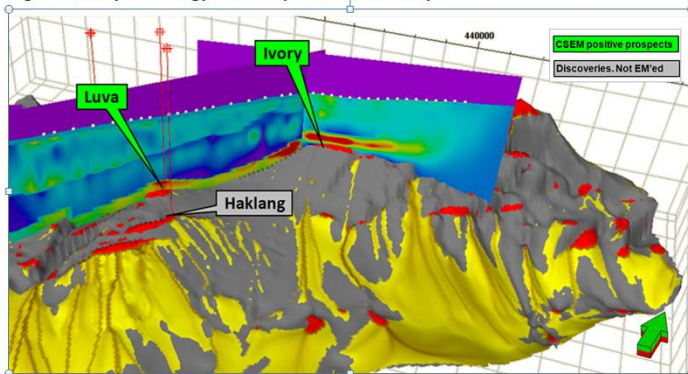
PL528/528B NORWEGIAN SEA – IVORY

Blocks 6707/8,9,11 and 6707/10 (part)

Centrica 40% (Op.), Statoil 35%, Rocksource 10%, Atlantic 15%

- Gross recoverable resources up to 306 MMboe
- Gas prone area with possibility for oil
- Adjacent to Aasta Hansteen field (2017 first gas)
- Seismic and EM DHI support
- Several other large prospects within the license with DHI support
- Earliest spud: Q3 2014 (West Navigator)
- Net cost exposure to AP DKK 10.5MM*

Figure from Rystad Energy BD Atlas (source Rocksource)

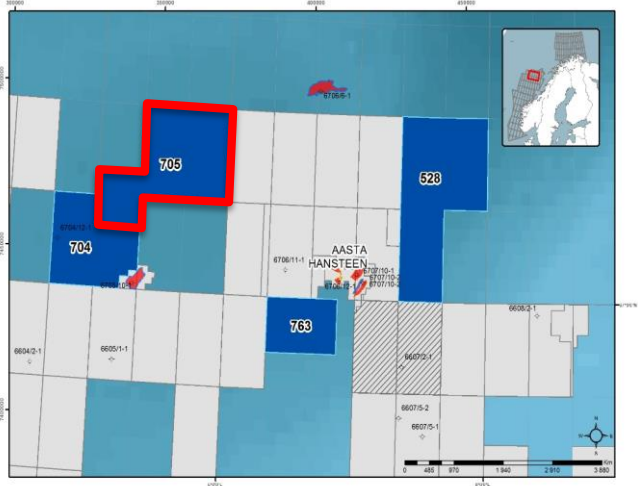


*) Assuming AP pays 7.5%

High impact exploration well with significant follow on potential



NORWAY Norwegian Sea – PL705

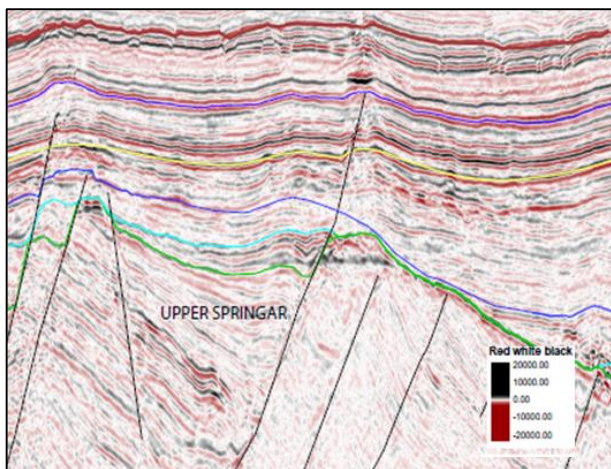


JV partners & equities:

- Repsol (operator) 40%
- E.ON Ruhrgas 30%
- Atlantic Petroleum Norge 30%

Area:

- 1039 Km² in the Vøring Basin.
- Multiple upper Cretaceous structures, Intra-Springar and Nise/Campanian deep marine fans, near existing gas discoveries some with oil shows.



Large untested prospect:

- Several prospects some with seismic flat spots similar to the Asterix gas discovery, about 70km from the Aasta Hansteen.
- Total un-risked rec. resources up to 2880 mmboc.

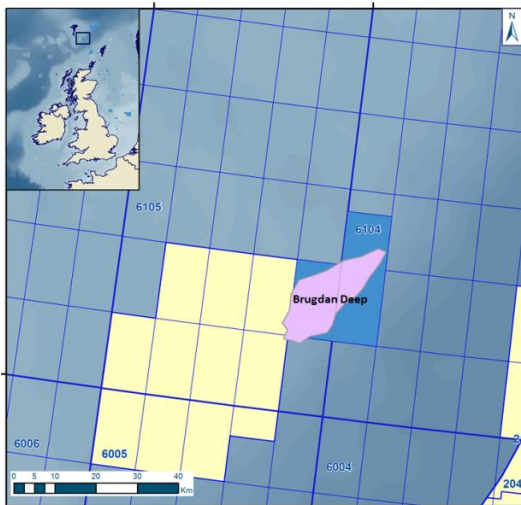
Commitment:

- Drill or Drop by June 2015.
- De-risking work program, including a CSEM survey to be shot in summer 2014.

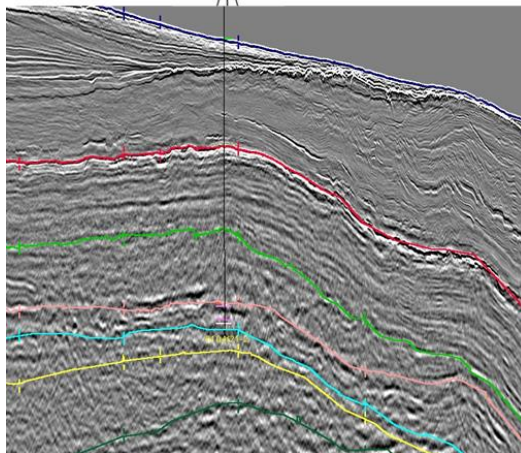
Underexplored Cretaceous play with large volumes at potentially low risk.



FAROES L006 - BRUGDAN



Brugdan 2
6104/21-2



JV partners & equities:

- Statoil (operator) 35%
- ExxonMobil 49%
- OMV 15%
- Atlantic Petroleum 1%

Area:

- Faroe Shetland Basin
- Extremely large four way dip closure with prognosed Palaeocene Vaila Formation reservoir

History:

- Brugdan I drilled in 2006:
 - Failed to reach Vaila target
- Brugdan II drilled in 2012:
 - Suspended due to onset of winter
 - Re-entry started on 12/05/14

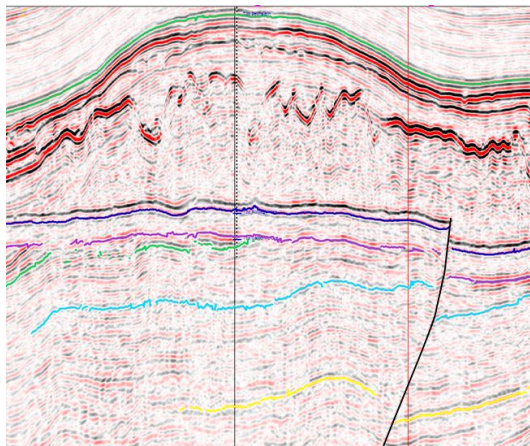
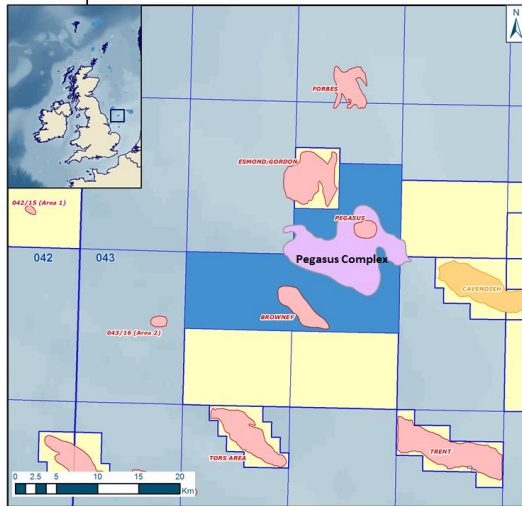
Resources:

- Operator P50: 4.6 TCF
- CoSg 14%

Net Dry Hole Cost Exposure to AP

- DKK 5MM

Large volume potential at low cost exposure



JV partners & equities:

- Centrica (operator) 55%
- Viking UK Gas (Third Energy) 35%
- Atlantic Petroleum (Volantis) 10% - 5% carried

Area:

- Southern North Sea, close to Cavendish Field Intra-Carboniferous structures, reservoirs & seals

Appraisal of 2011 Discovery:

- Pegasus North well drilled 2011 & discovered gas in Carboniferous Namurian sandstones
- Pegasus West well due to spud June 2014
- Andromeda contingent well commitment part of the same complex.

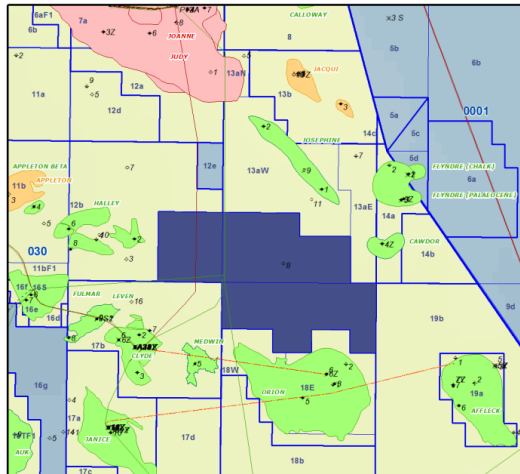
Resources:

- Operator P50 for Pegasus complex: 198 BCF
- CoSg 30%

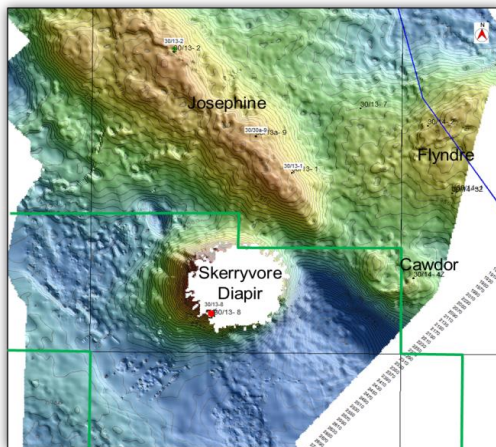
Net Dry Hole Cost Exposure to AP

- DKK15MM (50% of our costs are carried by Centrica)

The Pegasus area offers the potential for near term gas production



Legend:
Licensed Area
ATLANTIC PETROLEUM Operated
ATLANTIC PETROLEUM Non-Operated



JV partners & equities:

- Parkmead (operator) 30.5%
- Atlantic Petroleum 30.5%
- Bridge Energy 25%
- Dyas 14%

Area:

- Central North Sea, close to Orion, Affleck, Cawdor and Flyndre.
- Adjacent to salt diapir.

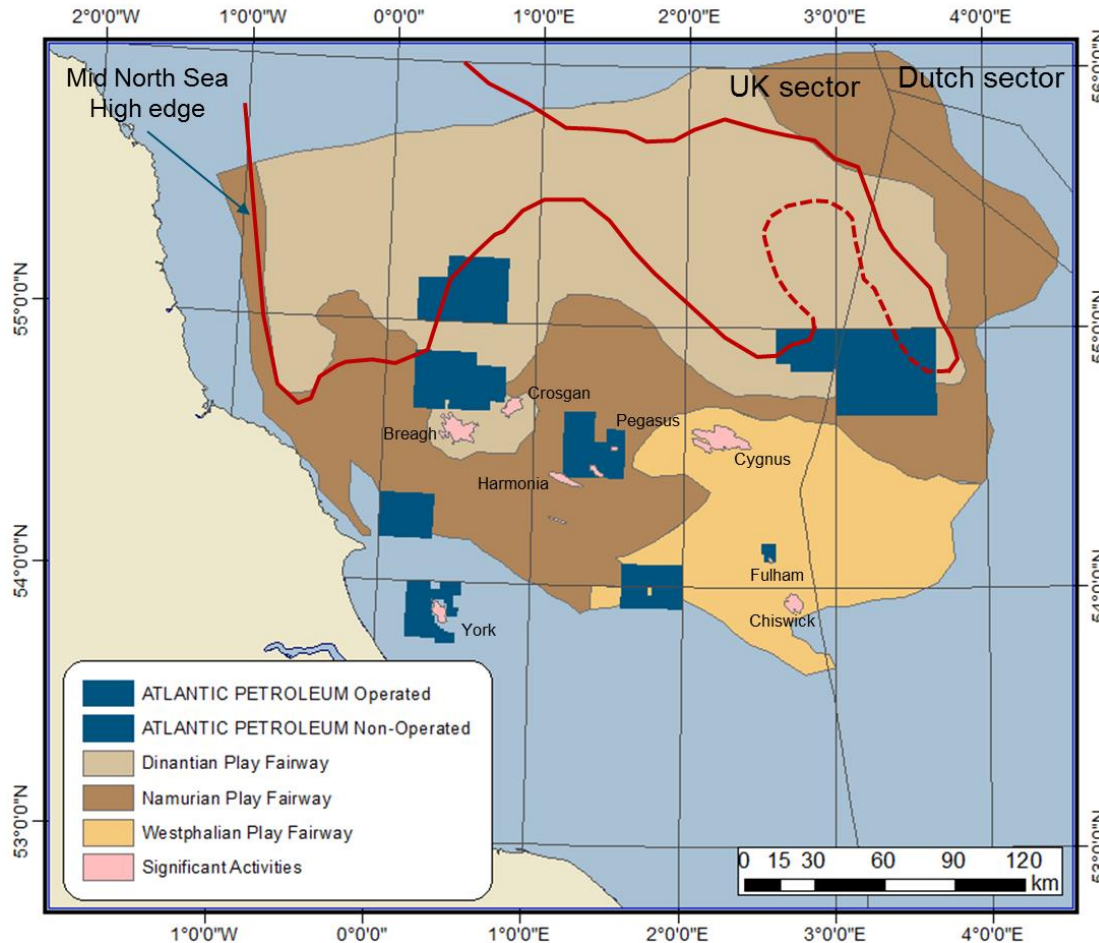
Multiple target levels:

- Two stacked prospects at the Palaeocene and Chalk level.
- The Skerryvore Palaeocene prospect is thought to be a southerly extension of the Talbot discovery to the north.
- The deeper Skerryvore Chalk prospect shows a similar seismic response to the neighbouring Cawdor discovery
- Skerryvore is a commitment well which is expected to be drilled in 2H 2015 or 1H 2016.
- GCA CPR states unrisks 25MM BOE net to AP in two targets. A further target is identified by AP.

The Skerryvore prospect offers the potential for near term oil production

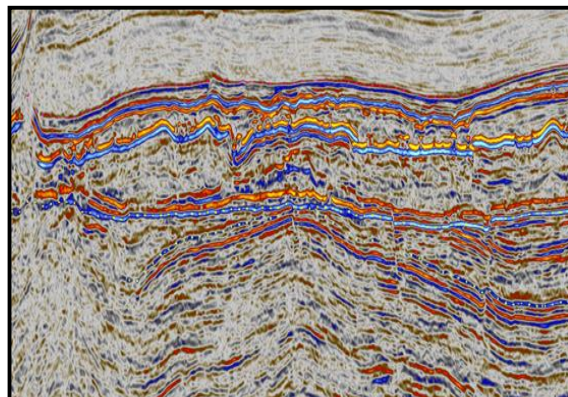
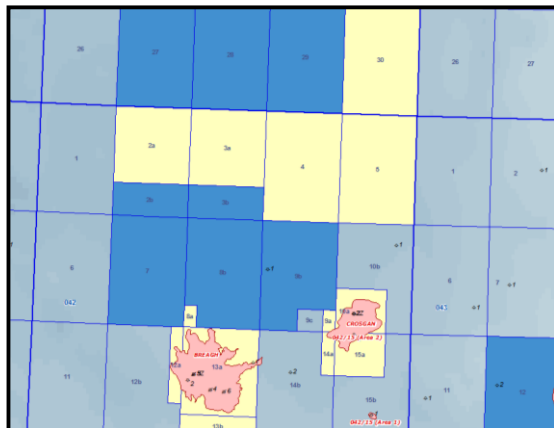


SNS CARBONIFEROUS PLAY FAIRWAY



- Atlantic Petroleum accessed considerable expertise and exposure to SNS, especially the emerging Carboniferous play fairway through its purchase of Volantis
- Several TCF of gas have been discovered in the Carboniferous play in recent years including the Pegasus (AP10%), Breagh, Crosgan and Cygnus discoveries
- AP has built a significant position in recent years to access the best opportunities to exploit this play

The Carboniferous play is relatively underexplored and offers volume potential



JV partners & equities:

- Centrica (operator) 45%
- GDF Suez 45%
- Atlantic Petroleum 10%

Area:

- Southern North Sea, close to Breagh Field
- Intra-Carboniferous structures, reservoirs & seals

Large untested prospect:

- Very large intra-carboniferous prospect identified on 2D data just north of Breagh Field.
- New 3D shot in 2013
- Currently being interpreted
- GCA CPR states unrisked 80.2 Bcf net to AP. Prospect upside is multiple TCF gross.

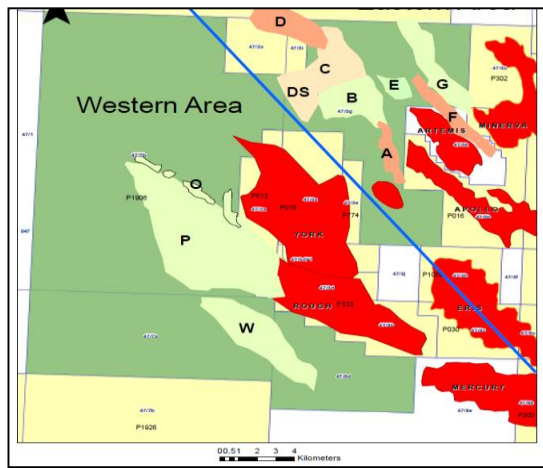
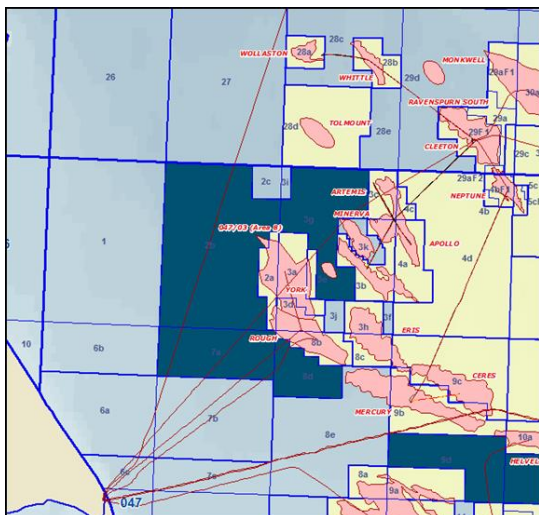
Commitment:

- Contingent well commitment
- Possible drilling end 2015 / early 2016

The Orchards prospect offers mutli-TCF potential in an emerging area.



UK P1906 - YORK AREA



JV partners & equities:

- Centrica (operator) 52.5%
- Serica 37.5%
- Atlantic Petroleum (Volantis) 10% - 5% carried

Area:

- Southern North Sea, close to York Field
- Rotliegend & Intra-Carboniferous structures, reservoirs & seals

Large untested prospect:

- Several structures identified on trend with York field, never previously covered by 3D seismic.
- New 3D shot in 2013
- Currently being interpreted

Commitment:

- Drill or Drop well
- Possible drilling end 2015 / early 2016

The York Area prospects offers early production potential through tie-back to York Field

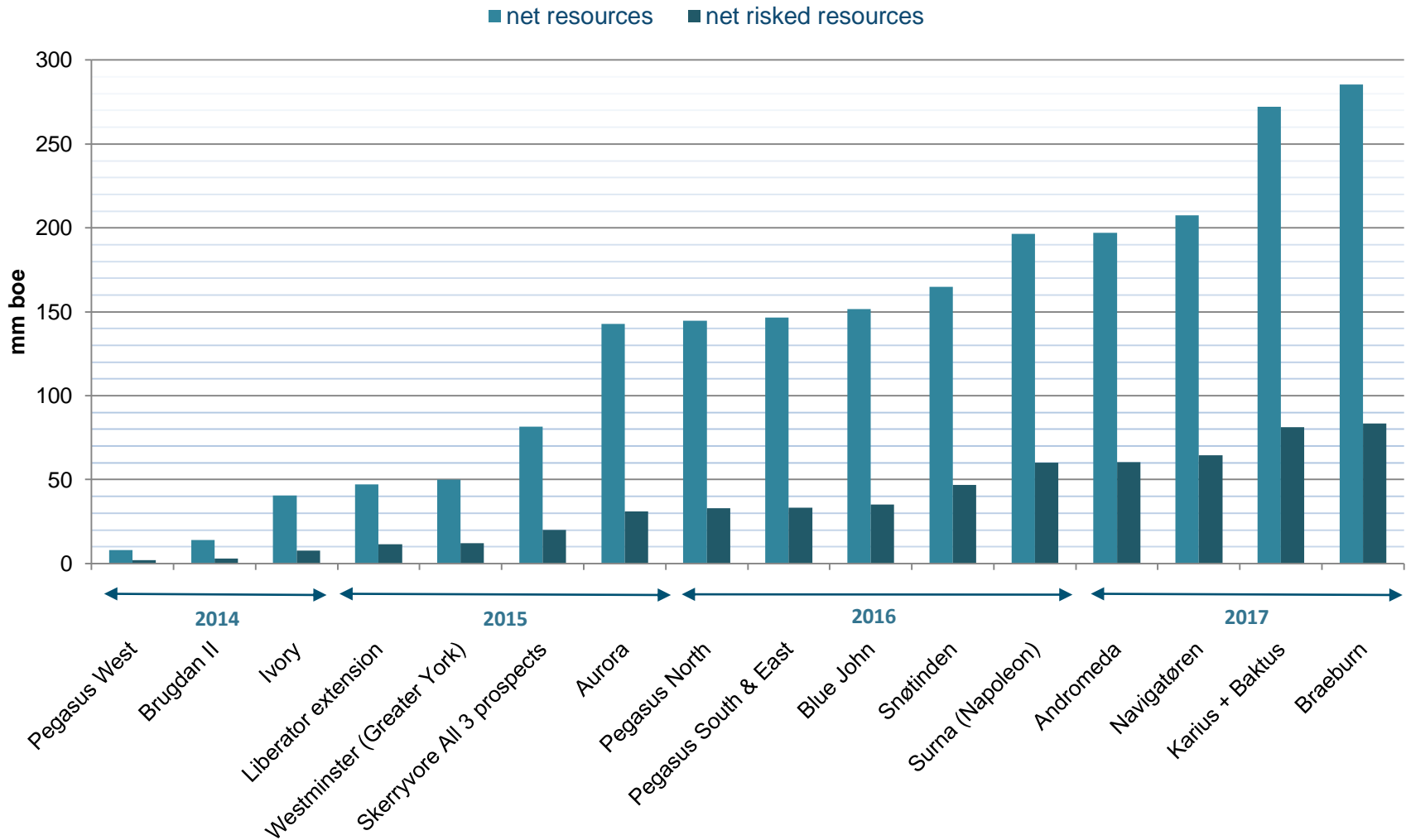


LICENCE				2014			
				1Q	2Q	3Q	4Q
Exploration	UK	P1724 Pegasus West (Committed)	Exploration well				
	Norway	PL528 Ivory (Committed)	Exploration well				
		PL659 Langlitinden (Committed)	Exploration well				
	Faroe Islands	L006 Brugdan II (Committed)	Exploration well				
Production	UK	P317, P273, & P1580 Blackbird (Committed)	Production well				



EXPLORATION PORTFOLIO (4 YEAR PROJECTION)

ATLANTIC PETROLEUM

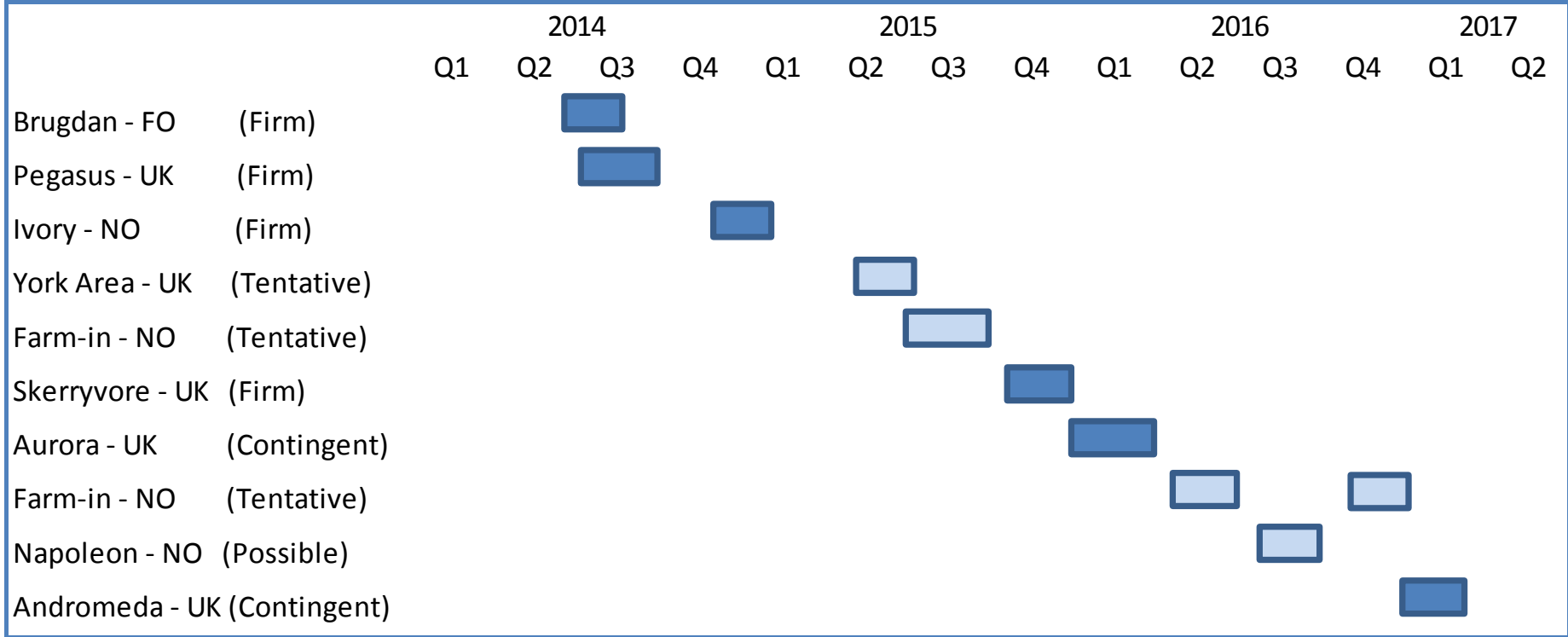




EXPLORATION PORTFOLIO (4 YEAR PROJECTION)

ATLANTIC PETROLEUM

Drilling programme



Firm 

Tentative 



- **Atlantic Petroleum is now covered by 3 analysts**
 - Nordea
 - Carnegie
 - ABG Sundal

- **Huge dispersion in valuations – Target price**
 - Nordea: (Sell – DKK 92)
 - Carnegie: (Buy – DKK 180)
 - ABG Sundal : (Buy – NOK 190)

- **Atlantic Petroleum expects further coverage in 2014**



SUMMARY

- **AP will continue to pursue a sustainable model where cashflow funds growth**
 - Aspire to high impact exploration with limited downside expenditure
 - AP will leverage its position to get carried exploration where possible
 - Current developments to be funded with cashflow and debt. Not new equity
 - Potential production acquisitions also to be funded with cashflow and debt

- **The Norway entry is for the long term**
 - Access to world class exploration acreage with beneficial terms
 - Increased attention with increased coverage
 - Exploration success in Norway – As recent examples in the market show the value increase from a commercial discovery can be triple digit percentages. The outcome from an exploration well is highly asymmetrical in terms of value in a success case and loss in a failure case.

- **The Oslo listing will be positive for Atlantic Petroleum in the long term, as Oslo Stock Exchange has a strong E&P focus. We believe that when we deliver the market will deliver.**



ATLANTIC PETROLEUM

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