

# WEBCAST PRESENTATION

## 2011 2Q RESULT

17<sup>th</sup> August 2011



ATLANTIC PETROLEUM

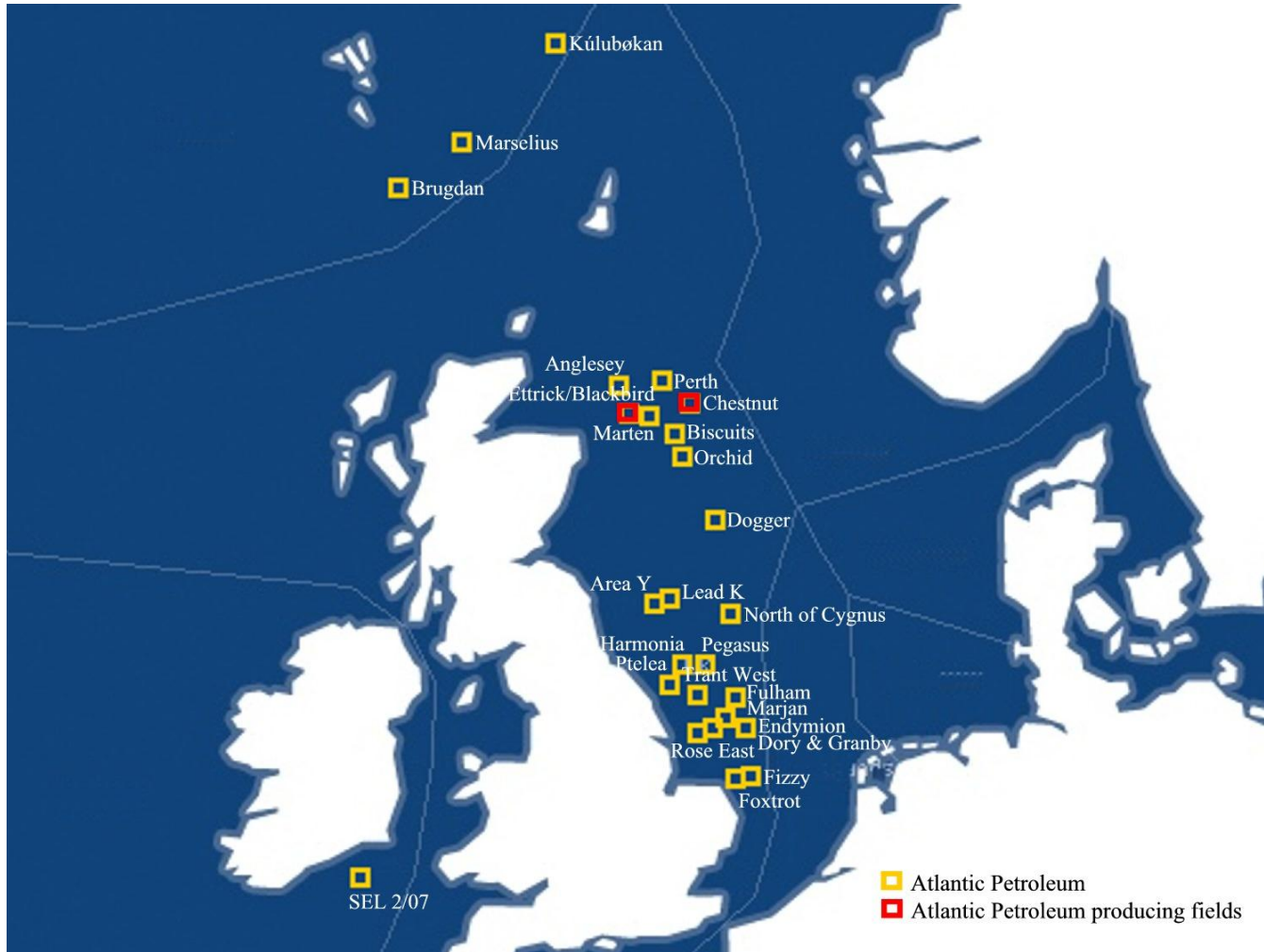


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# ATLANTIC PETROLEUM LICENCES AUGUST 2011



ATLANTIC PETROLEUM





- Total production in 1H 2011 429,000 boe – 2,370 boepd net to AP
- EBIT in 2Q 2011 of DKK 50.3MM (2Q 2010: DKK 35.8MM)
- EBIT 1H 2011 DKK 77.0MM (1H 2010: DKK 58.1MM)
- Net Cash from operating activities 1H DKK 168.2MM (1H 2010: DKK 132.8MM)
- Net Cash at end 1H 2011 was DKK 123.8MM (At year end 2010: DKK 74.3MM)
- Spudded Foxtrot exploration well 5<sup>th</sup> August – AP 35% equity
- Firm well on Spaniards prospect planned to be drilled in 2012
- Acquired Volantis Exploration Ltd and added 15 exploration licences to portfolio including Pegasus and Fulham discoveries
- Blackbird tie-in to the Etrick field commenced and first oil is expected late 2011. Blackbird equity increased from 8.27% to 9.40%
- Farmed in to Orchid with 10%, and well planned to be drilled in 4Q 2011

# INCOME STATEMENT

2Q 2011



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	3 months to 30 <sup>th</sup> June 2011 DKK	3 months to 30 <sup>th</sup> June 2010 DKK
Revenue	129.017.237	104.236.391
Cost of sales	-66.366.280	-64.742.349
<b>Gross profit</b>	<b>62.650.957</b>	<b>39.494.042</b>
Exploration expense	-6.324.950	-147
Pre-licence exploration costs	-288.895	-212.368
General and administration costs	-5.763.783	-3.536.940
Other operating income	0	9.000
<b>Operating profit</b>	<b>50.273.329</b>	<b>35.753.587</b>
Interest revenue and finance gains	8.144.114	44.578.794
Interest expenses and other finance costs	-16.418.853	-3.647.075
<b>Profit before taxation</b>	<b>41.998.591</b>	<b>76.685.307</b>
Taxation	-36.633.456	-16.258.206
<b>Profit after taxation</b>	<b>5.365.135</b>	<b>60.427.100</b>

# INCOME STATEMENT

## 1H 2011



ATLANTIC PETROLEUM

	<b>6 months to 30<sup>th</sup> June 2011 DKK</b>	6 months to 30 <sup>th</sup> June 2010 DKK
Revenue	241.043.078	181.090.994
Cost of sales	-145.463.749	-115.552.289
<b>Gross profit</b>	<b>95.579.328</b>	<b>65.538.705</b>
Exploration expense	-6.324.950	-7.534
Pre-licence exploration costs	-504.606	-308.578
General and administration costs	-11.764.853	-7.172.308
Other operating income	0	22.552
<b>Operating profit</b>	<b>76.984.919</b>	<b>58.072.837</b>
Interest revenue and finance gains	11.718.965	55.790.053
Interest expenses and other finance costs	-30.522.945	-8.775.345
<b>Profit before taxation</b>	<b>58.180.939</b>	<b>105.087.545</b>
Taxation	-37.958.958	-24.168.130
<b>Profit after taxation</b>	<b>20.221.981</b>	<b>80.919.415</b>

# BALANCE SHEET AND CASH FLOW

2nd Quarter 2011



ATLANTIC PETROLEUM

DKK MM

<b>Balance Sheet</b>	<b>At end 1H 2011</b>	<b>At end 2010</b>
Total assets	679.5	671.8
Equity	365.9	377.9
Bank debt	140.2	182.1
- Long term	97.5	97.5
- Short term	42.7	84.6

<b>Cash Flow</b>	<b>1H 2011</b>	<b>1H 2010</b>
Net cash from operating activities	168.1	132.8
Net cash from investing activities	-61.9	-55.9
Net cash from financing activities	-68.2	-45.9
Cash and cash equivalents	123.8	48.9

- Production is expected to be towards the lower end of the guidance which was 2,100 - 2,600 boepd
- Operating profit (EBIT) for the year 2011 is expected to be in the range DKK 90MM - 150MM
- The Blackbird field development has commenced. First oil expected by late 2011
- Submit a Field Development Plan for the Perth field in 3Q
- The Foxtrot exploration well was spudded 5<sup>th</sup> August, and results expected in late 3Q 2011
- The drilling of the Orchid prospect is expected to commence in 4Q 2011
- Drill two water injector wells on the Chestnut and Ettrick fields
- Investments in exploration and appraisal activities in 2011 are estimated to be around DKK 48MM, and in field developments and producing assets around DKK 134MM
- Debt is expected to be reduced by around DKK 50MM in 2011

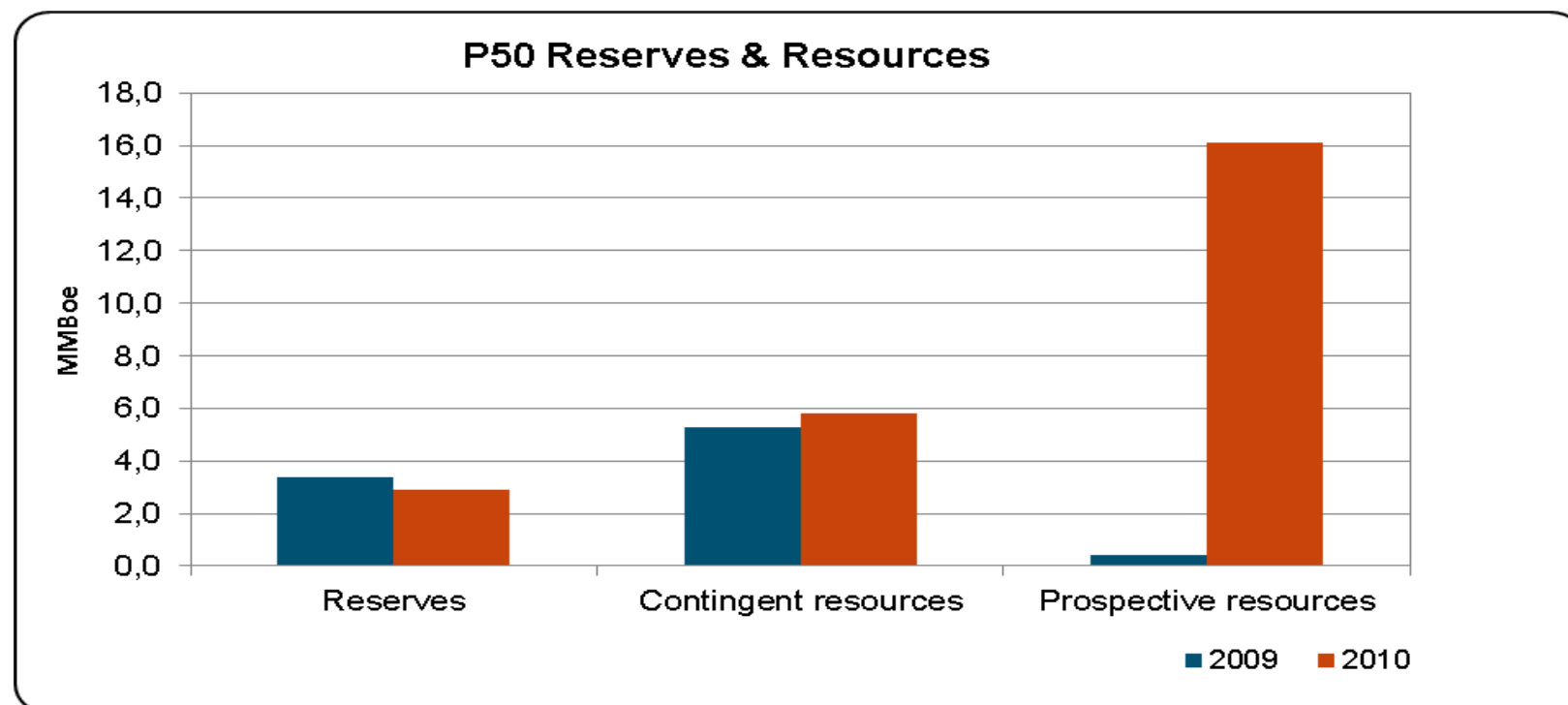


# RESERVES



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	Proven reserves	Contingent resources	Prospective resources (risky)
	MMBoe	MMBoe	MMBoe
Start of 2010	3.4	5.3	0.4
Production	-0.96		
Net additions & revisions	0.5	0.5	15.8
End of 2010	2.9	5.8	16.2

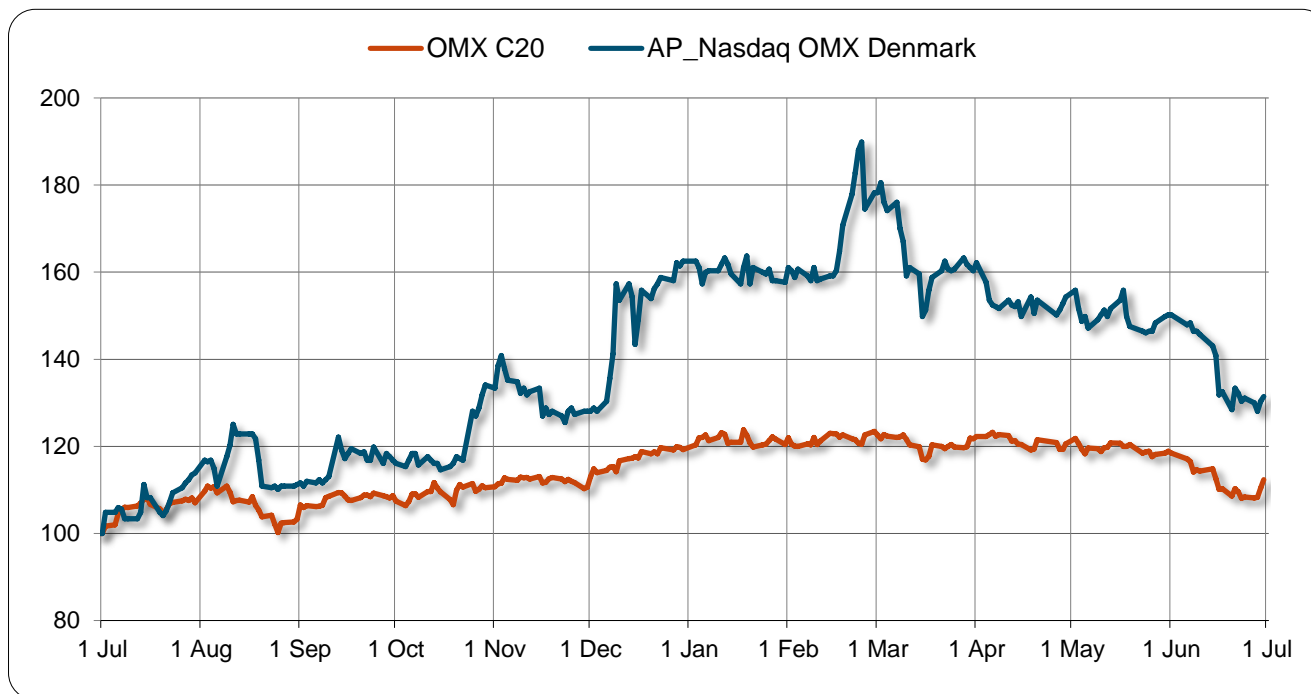


# SHARE PERFORMANCE

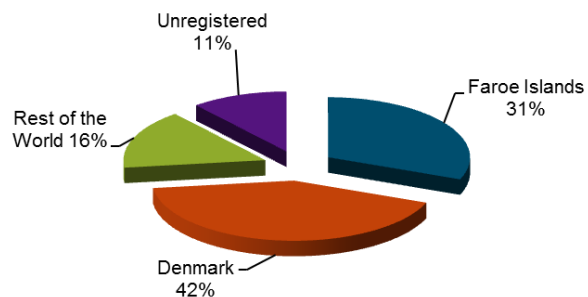
## 1H 2010 – 1H 2011



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**Geographical Distribution of Sharecapital**



**Institutional / Non-Institutional Sharecapital**



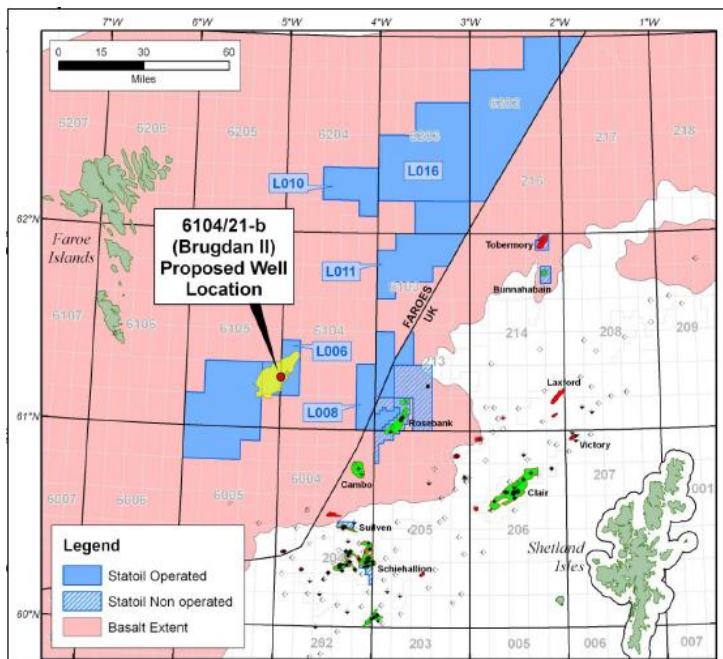
### The Volantis acquisition was completed in 2Q 2011

- 15 new licenses
- 6 Licences pending – 5 UK & 1 Holland
- Staff expansion
  - With the addition of Volantis staff Atlantic Petroleum has built a very strong technical team to evaluate and create growth opportunities in the North Sea and elsewhere
- Expanding partnerships and entering into new partnerships – Centrica & Tullow
- Extensive database
- Fulham and Pegasus discoveries added to Atlantic Petroleum's portfolio
- Foxtrot exploration well ongoing

# AP LICENCES & WELLS PLANNED FOR 2011-2012



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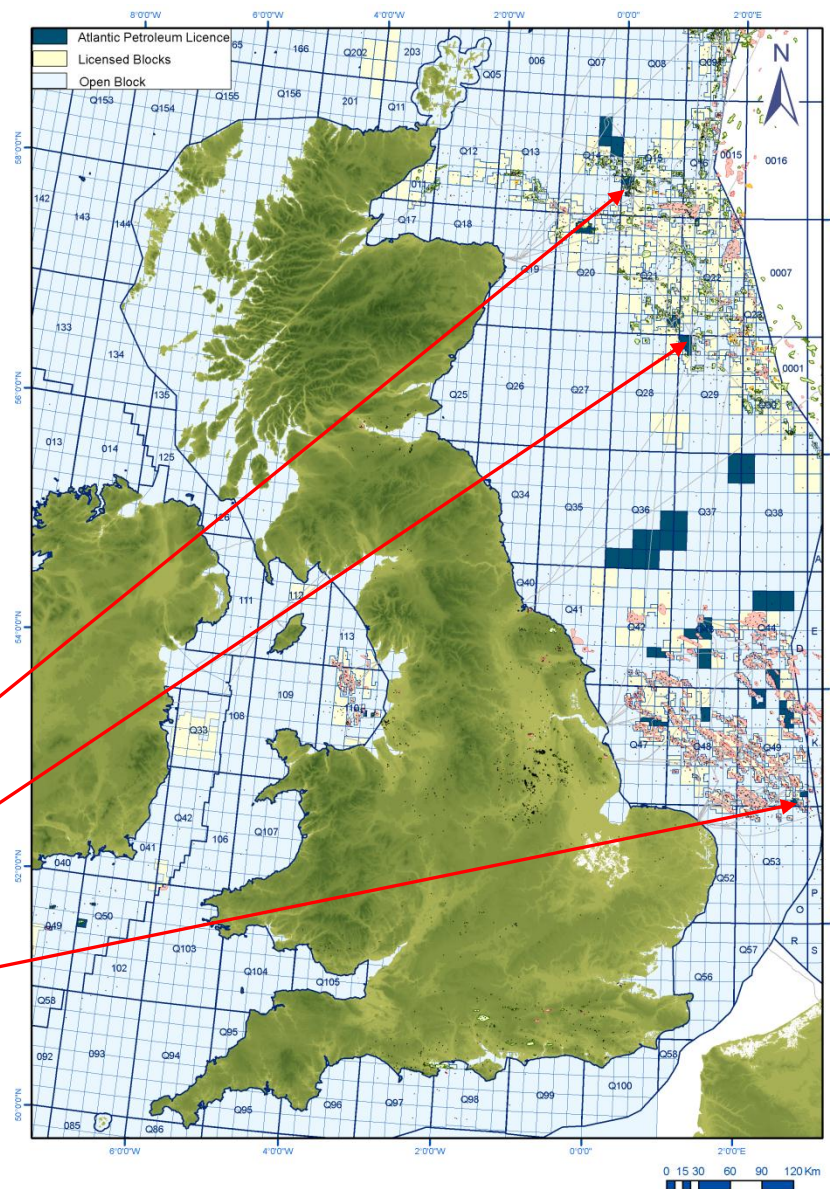


Brugdan II – 2012 well

Spaniards – 2012 well

Orchid – October 2011 well

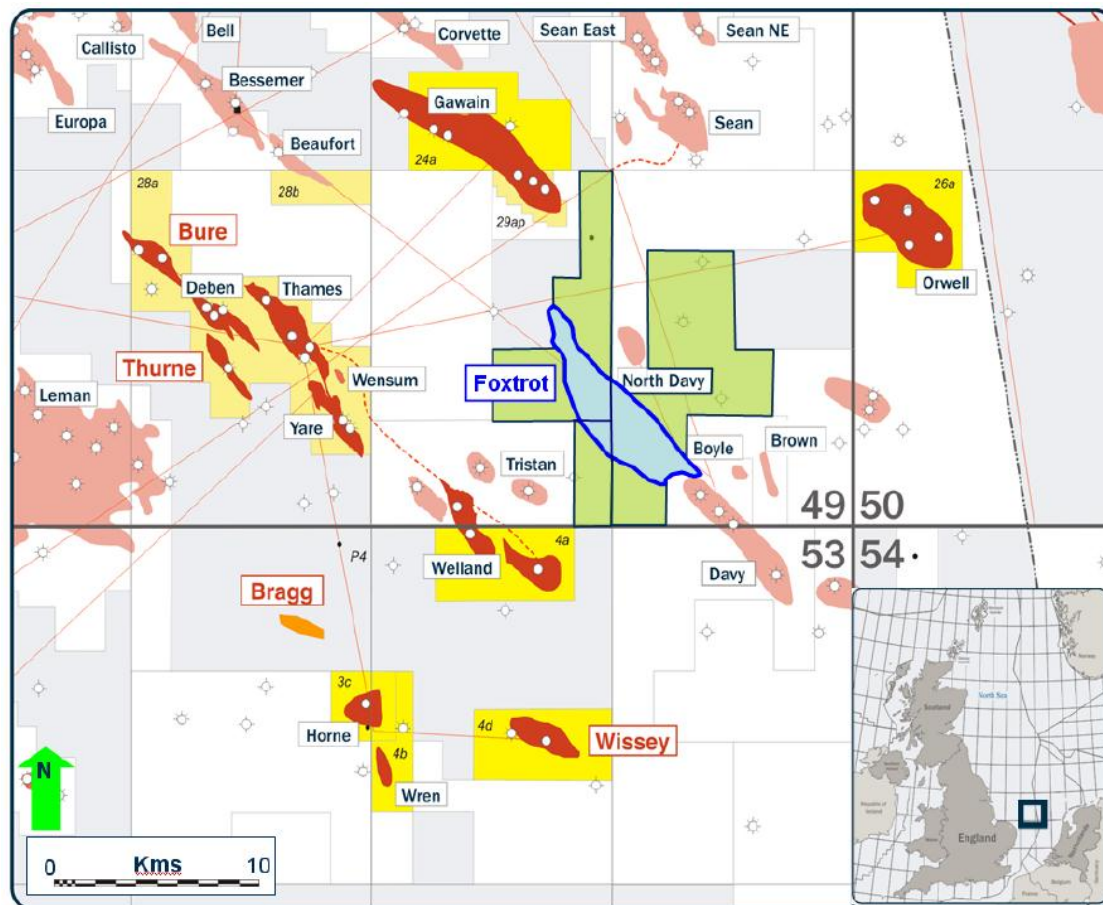
Foxtrot – August 2011 well



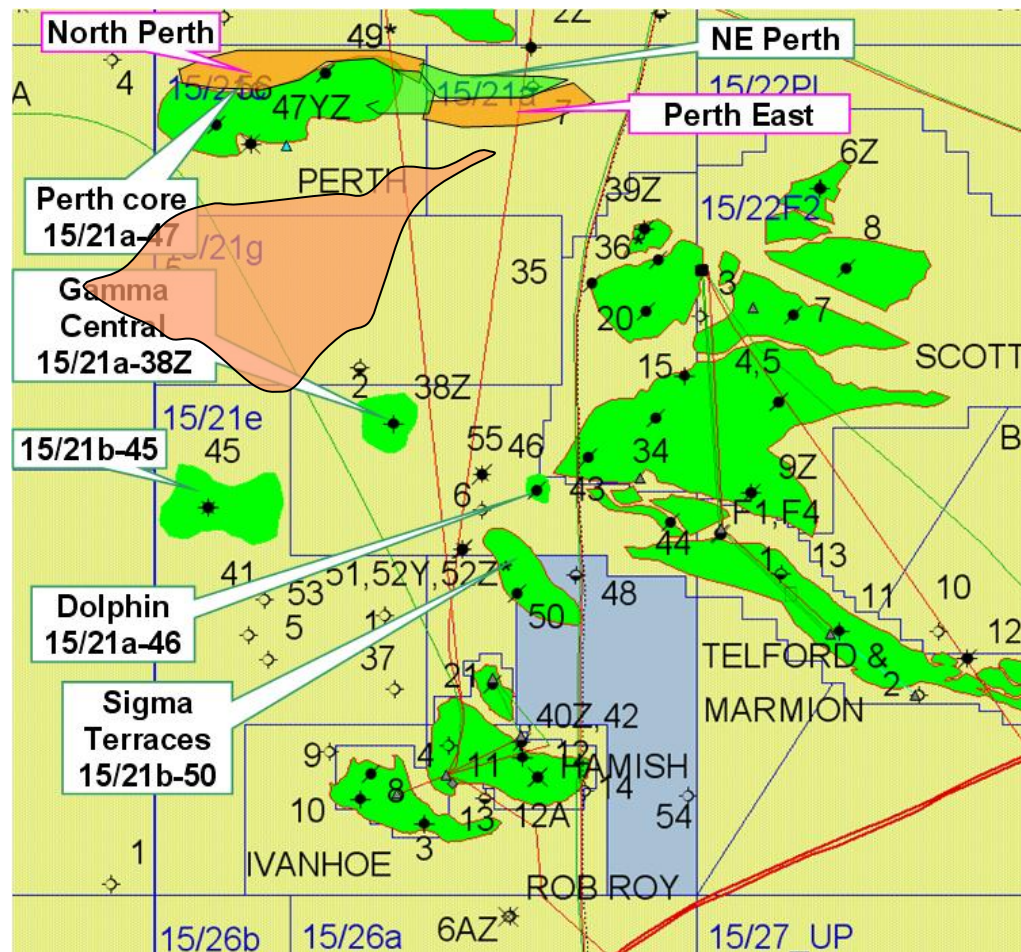
# UK P.1716, BLOCKS 49/29e & 49/30b, FOXTROT



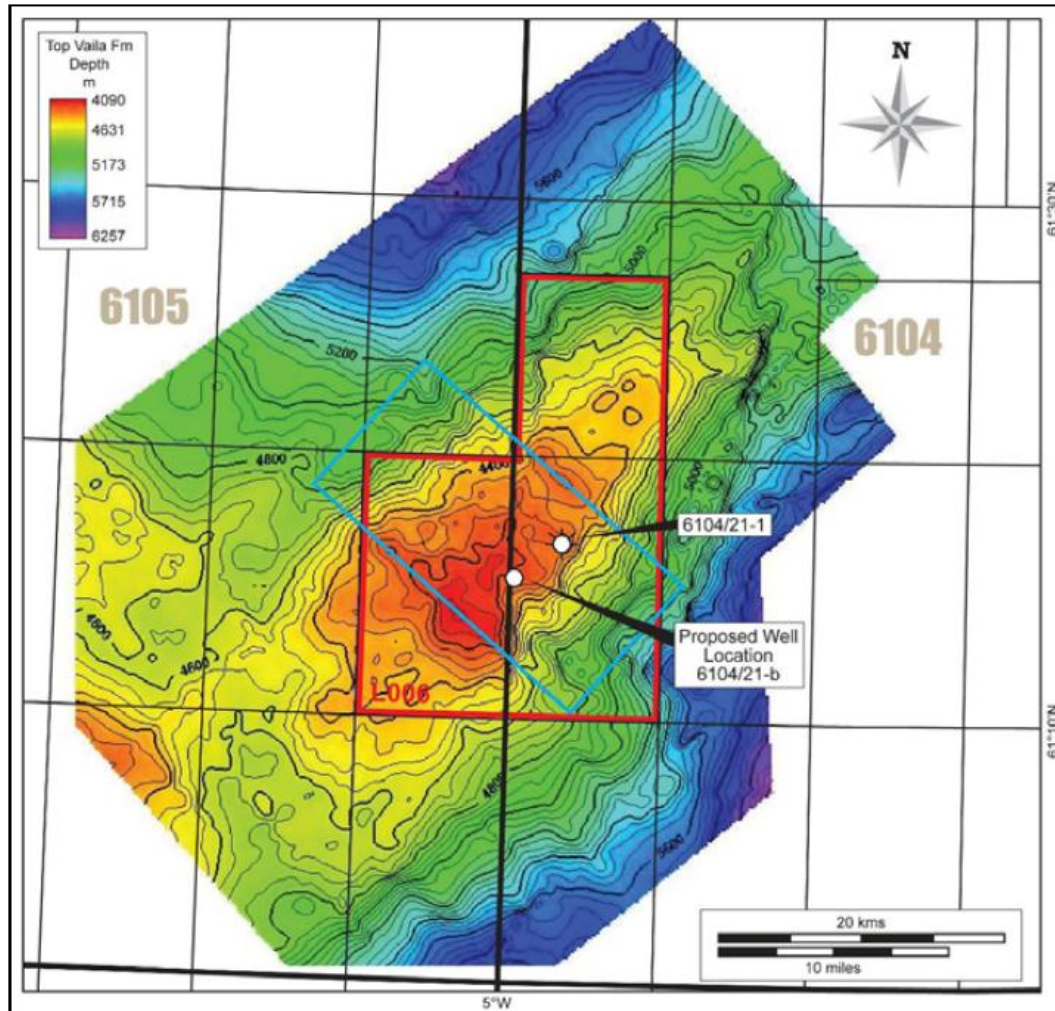
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- Tullow farmed into the licence in February 2011
- Well spudded 5<sup>th</sup> August 2011
- The Foxtrot prospect is a 4 way dip closed Bunter sand
- Estimated resources of over 100BCF at 50% POS (approximately 70% on block)
- The Bunter sandstone is at approximately 4,500 feet
- Simple development via a subsea tie back to the Thames platform (16km)



- 2012 well
- 100% carried by EnCore Group
- Spaniards equities EnCore 28% (op), Nautical 21%, Serica 21%, DEO 12.62%, Faroe Petroleum 8.4%, Maersk 5.74%, AP 3.24%
- Spaniards well will be appraising the Gamma structure where a well flowed at 2,600 barrels per day in 1989

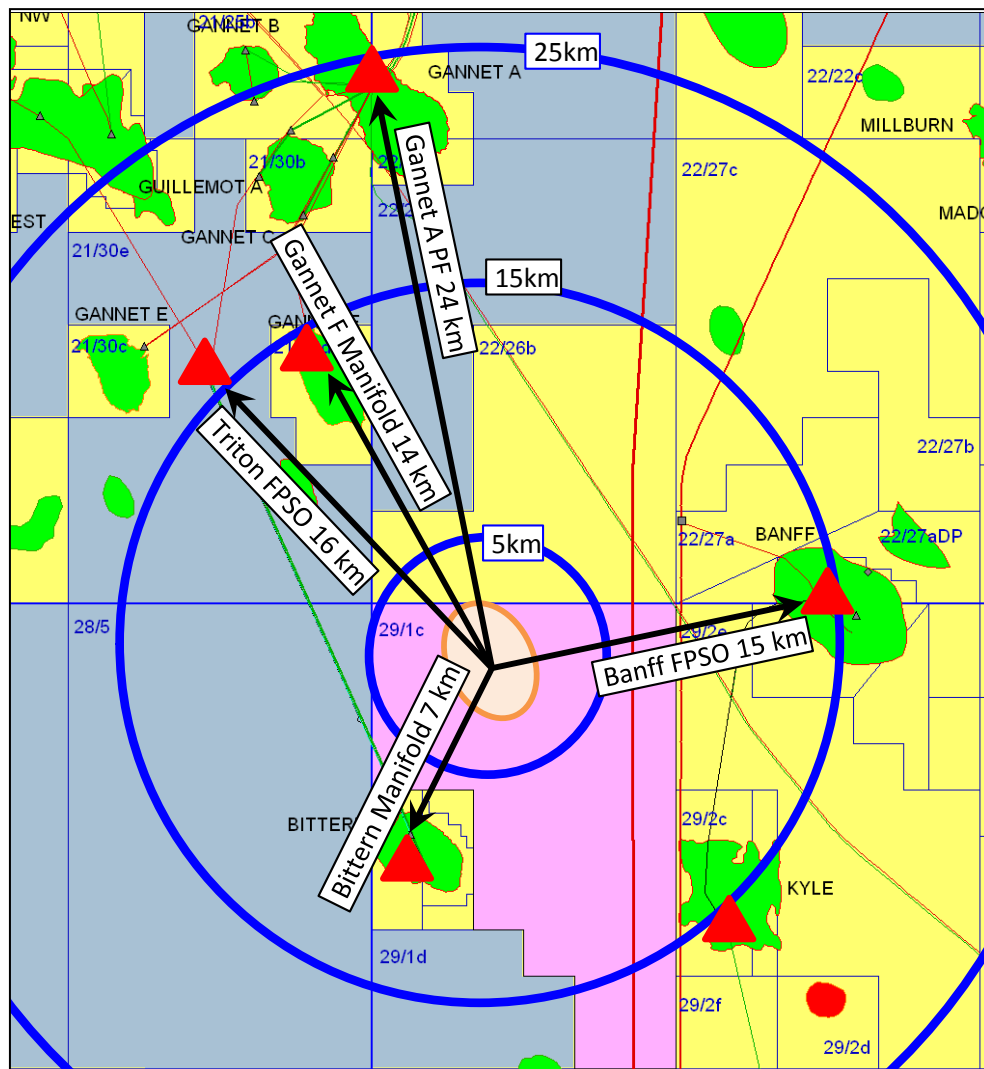


- Brugdan Deep well planned for spudding April 2012
- Water Depth 400 – 500m
- Partners: Statoil 50%, ExxonMobil 49%, Atlantic Petroleum 1%
- P50 prospective resources net to AP 9.2mmboe unrisked. Risked: 1.2mmboe

# UK P.1556, 29/1c, ORCHID PROSPECT



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- Summit 45%, Reach 5%, Valiant 30%, Trap Oil 10%, AP 10% WI
- 4 way dip closure at Andrew sand & Chalk
- Drill well end Q3 2011
- Resources base of 57 - 91 MMboe



# TIMELINE – FIRM EXPLORATION WELLS

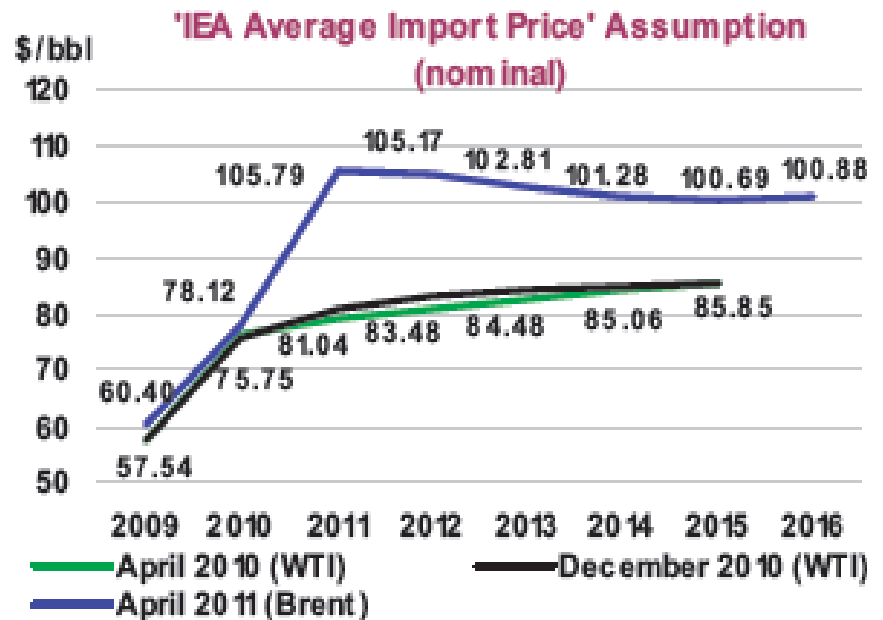
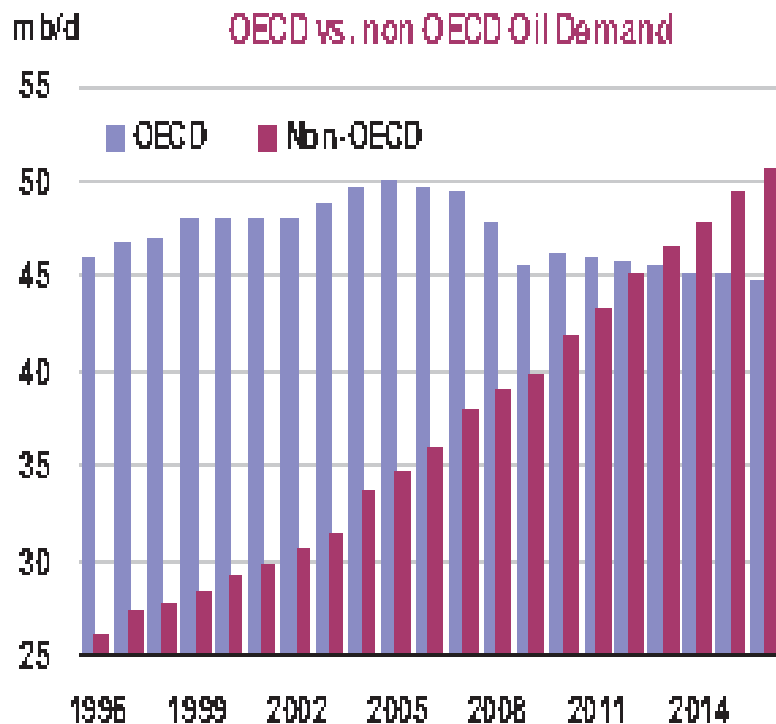


**ATLANTIC PETROLEUM**

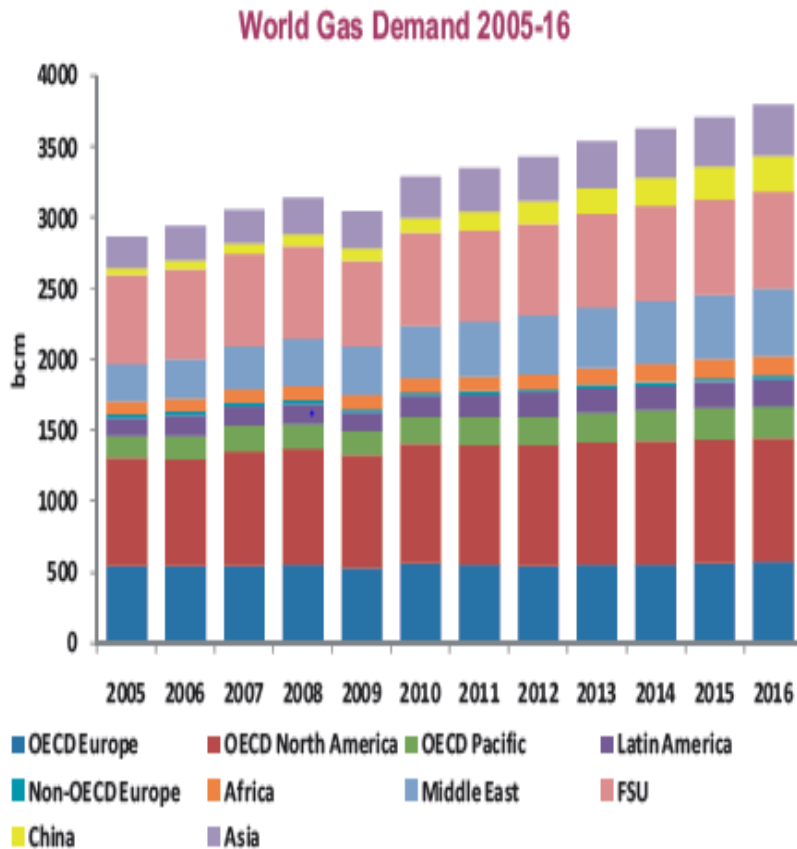
	2nd Half 2011						1st Half 2012						2nd Half 2012					
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
	UK Orchid 10% WI		■	■														
UK Foxtrot 35% WI		■	■															
UK Spaniards/Gamma 3,24% WI												■	■					
Faroes Brugdan II 1% WI										■	■	■						
	Q3 2011			Q4 2011			Q1 2012			Q2 2012			Q3 2012			Q4 2012		



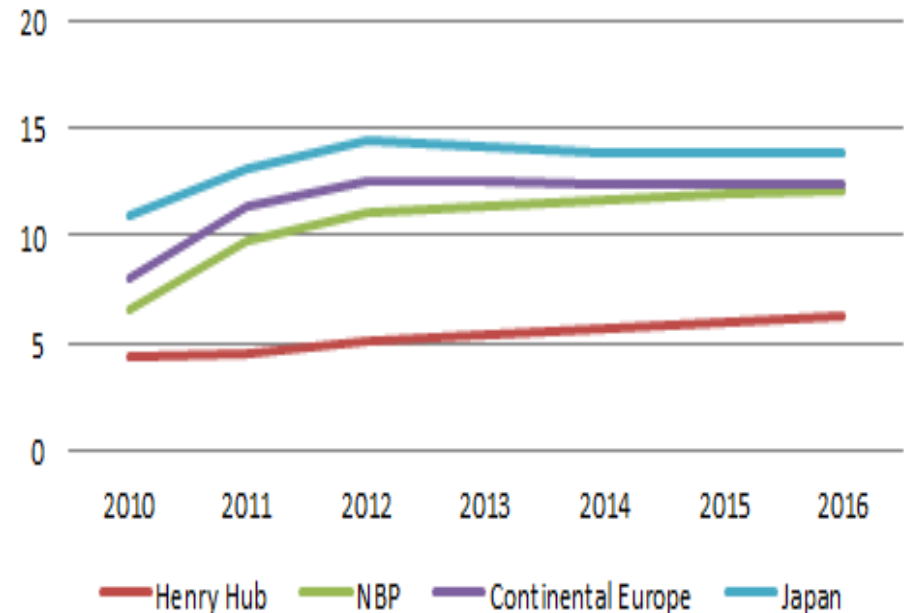
“IEA foresee higher mid-decade demand of +1,2mb/d per year during 2010-2016” IEA Oil&Gas Markets 2011, page 3



“World Gas demand is anticipated to grow at rapid pace (2,4%/y) during 2010-2016” IEA Oil&Gas Markets 2011, page 170



### Gas (\$/M Btu) price assumptions (nom. prices)



### Increase production from existing assets

- Bring Blackbird and Perth developments on stream

### New asset acquisition

- Farm in or acquire new development and appraisal fields
- Acquire new exploration acreage

### Create value through focused exploration and appraisal

- Derisk existing projects with contingent resource base
- Continue exploration program in the Faroe Islands
- Drill at least 3 exploration wells within the next year
- Drill 10+ exploration and appraisal wells in the next 3 years

# INVESTMENT RATIONALE

*Atlantic Petroleum is an attractive investment opportunity in an attractive industry*





We are embarking on the next step which will secure further value for the shareholders and secure Atlantic Petroleum's place as a leading independent European E&P company.

