

Corporate Presentation

May 2020



Lundin Energy

A Leading European Independent E&P Company

Best region

Norway focus play
World class assets

Long reserves life

>1 Bn boe resources
>10 year reserve life

Industry leading low costs

Opex 3.2–4.2 USD/boe
2020 onwards

Leading production growth

CAGR 2019–2023 >20%
Target >200 Mboepd

Financial discipline & strength

FCF b/even <17 USD/boe⁽¹⁾
1.0 USD/share dividend

Best in class industry emissions

Target Carbon Neutral
by 2030

⁽¹⁾2020–2026

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Coronavirus Crisis – Successfully Continuing Operations

Main Focus

Safeguarding well-being of our people
Minimise risk to operations

Mitigating Actions

Detailed contingency plans
Engaged in strong industry response

Minimising Offshore Activity

No disruptions to production

Project Deferrals

No impact on production guidance



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Resilient to Low Oil Prices

High Quality, Low Cost Assets

Industry Leading Low Operating Costs
2.80 USD/boe

Low Cash Flow Breakeven

<17 USD/boe
(average for next 7 years)

Improved Liquidity **>780 MUSD⁽¹⁾**

Cost Reductions and Deferrals in 2020
>300 MUSD

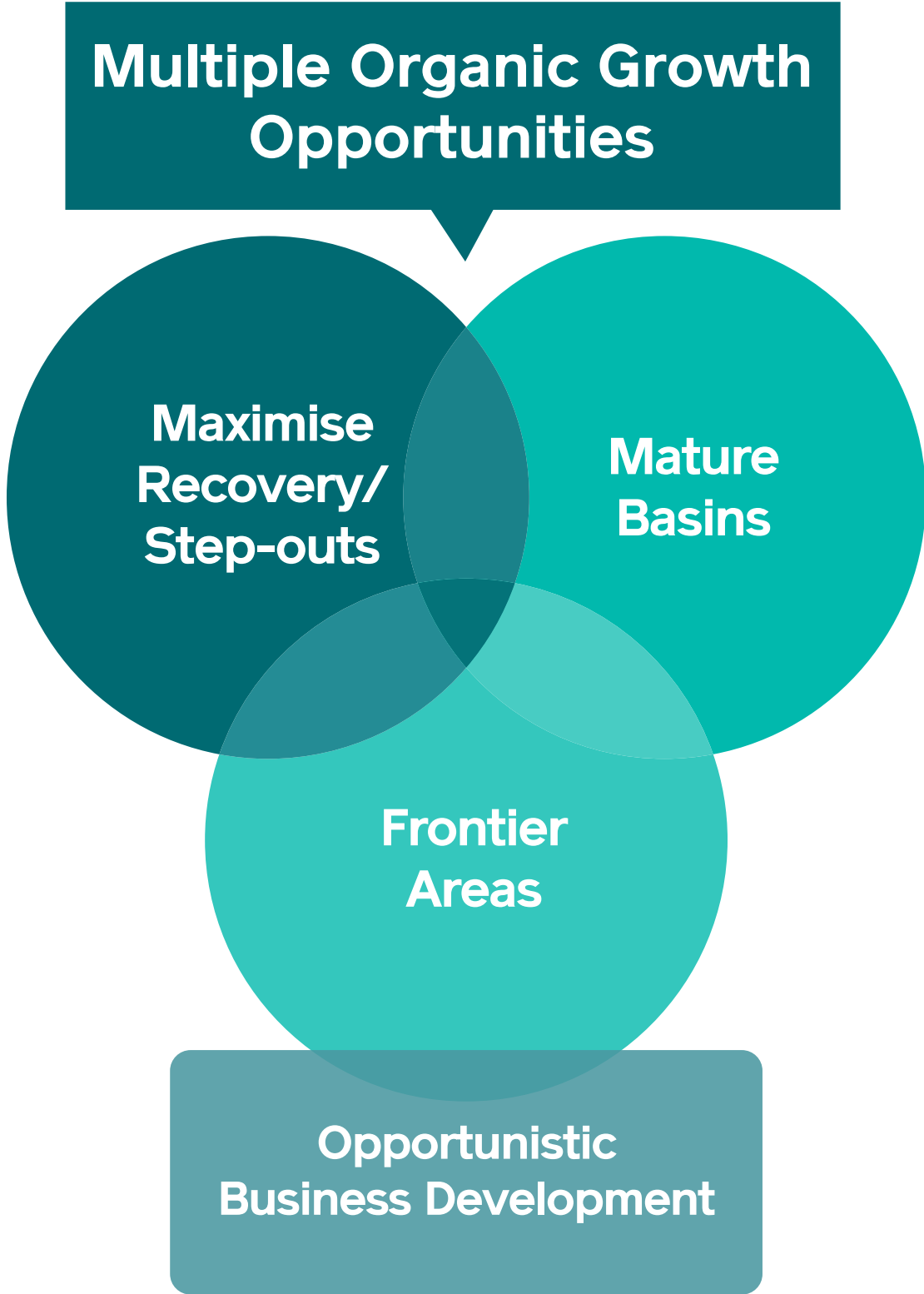
Additional Corporate Debt Facility
340 MUSD

Dividend Reduction
-45%

⁽¹⁾ Pre-tax

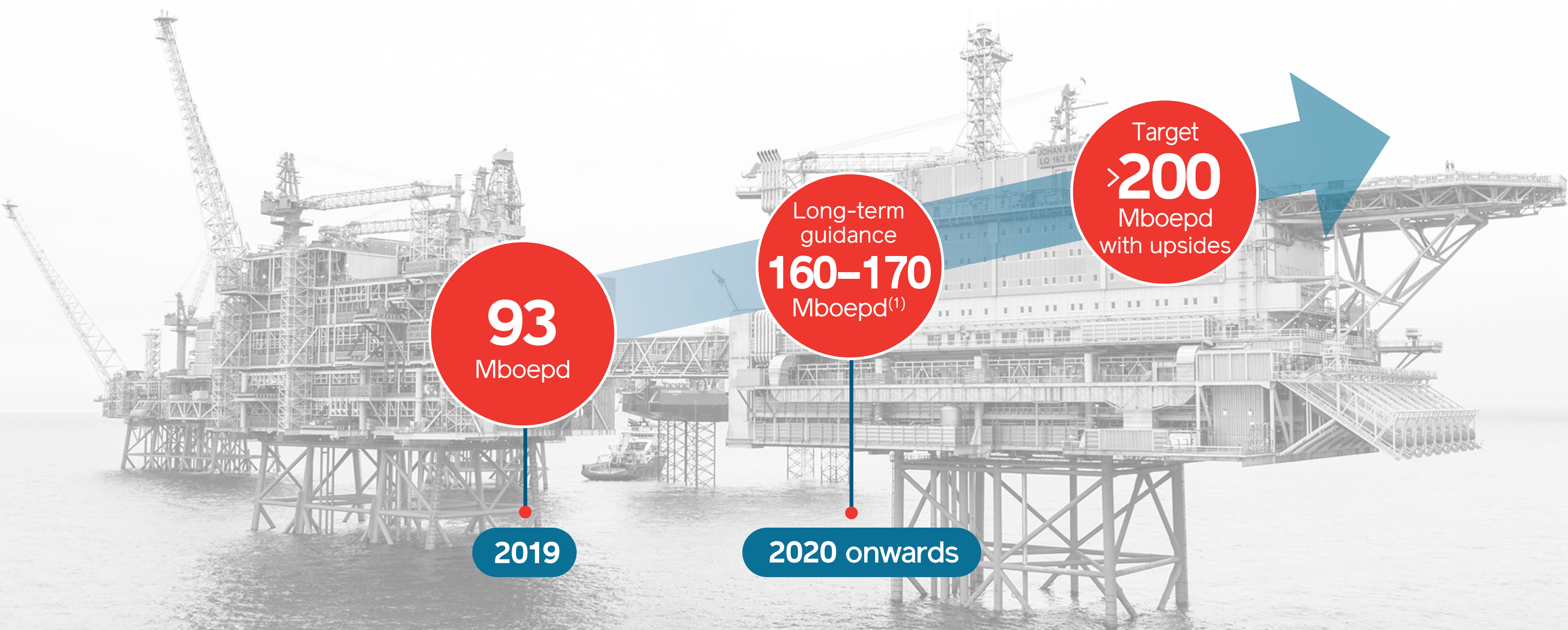
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Organic Growth Strategy



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Long-term Production Growth



Delivering guidance or better for **19** quarters running

⁽¹⁾Before Norwegian Government cut backs

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Financial Performance

Portfolio

- > **90**% of reserves onstream
- > **90**% oil - high quality
- < **3** USD/boe capex on remaining reserves

Cash Generation

- < **17** USD/boe FCF breakeven ⁽¹⁾
- > **90**% EBITDA margin

Financial robustness & liquidity

Liquidity

- End Q1'20 net debt **3.7** Bn USD
- Liquidity headroom **1.3** Bn USD
- Credit lines > **5** Bn USD

Low Costs

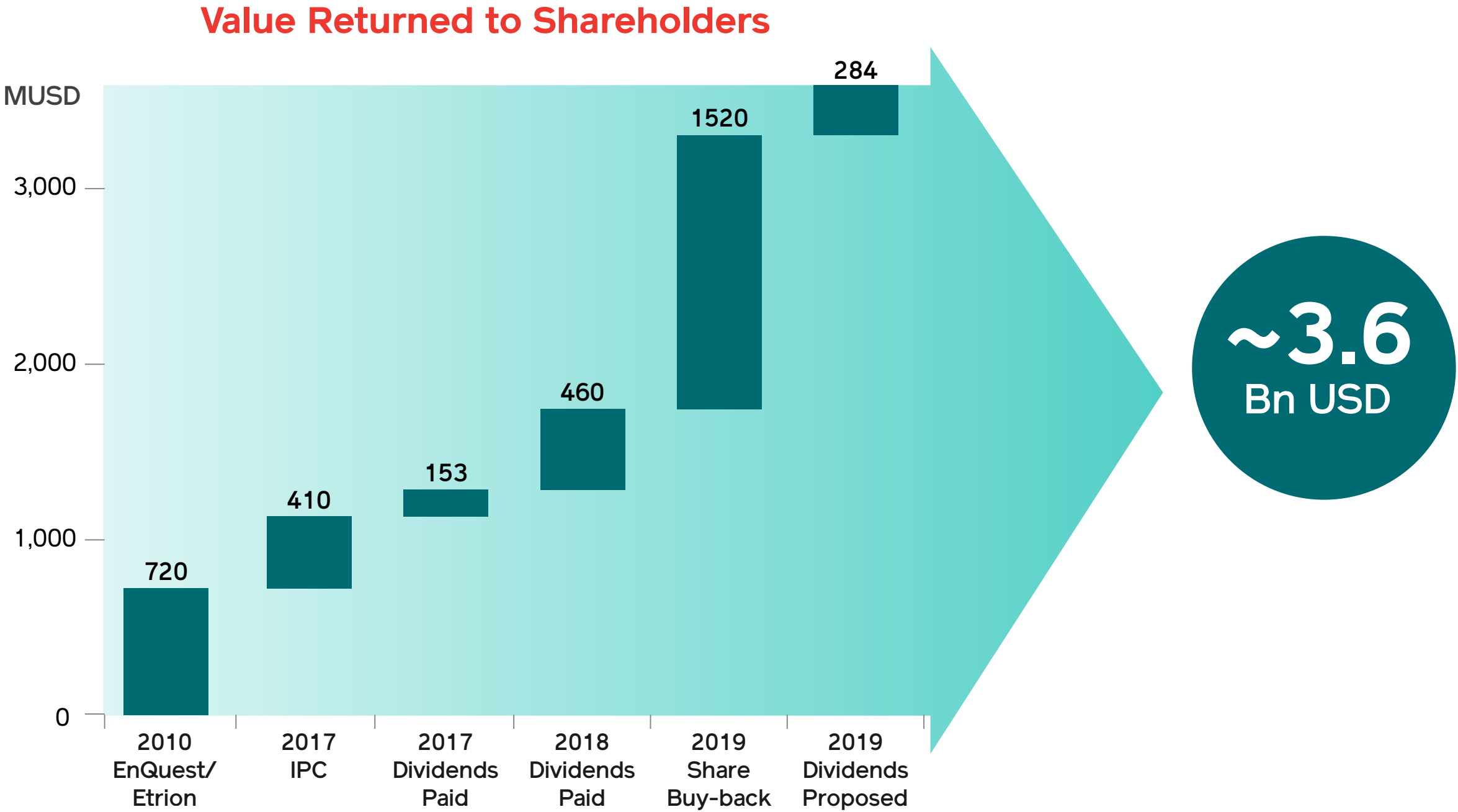
- 2.8** USD/boe opex in 2020
- 3.2-4.2** USD/boe opex long-term



⁽¹⁾ 2020-2026 average pre-dividend

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Shareholder Returns - Track Record

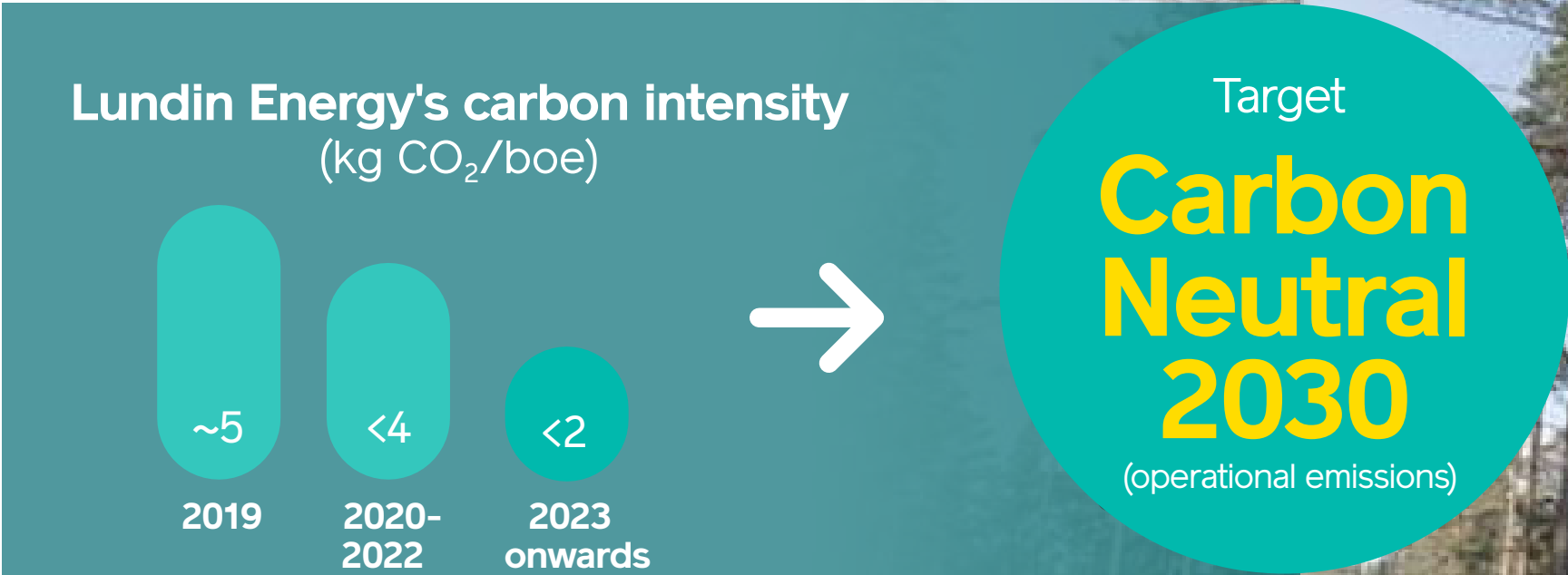
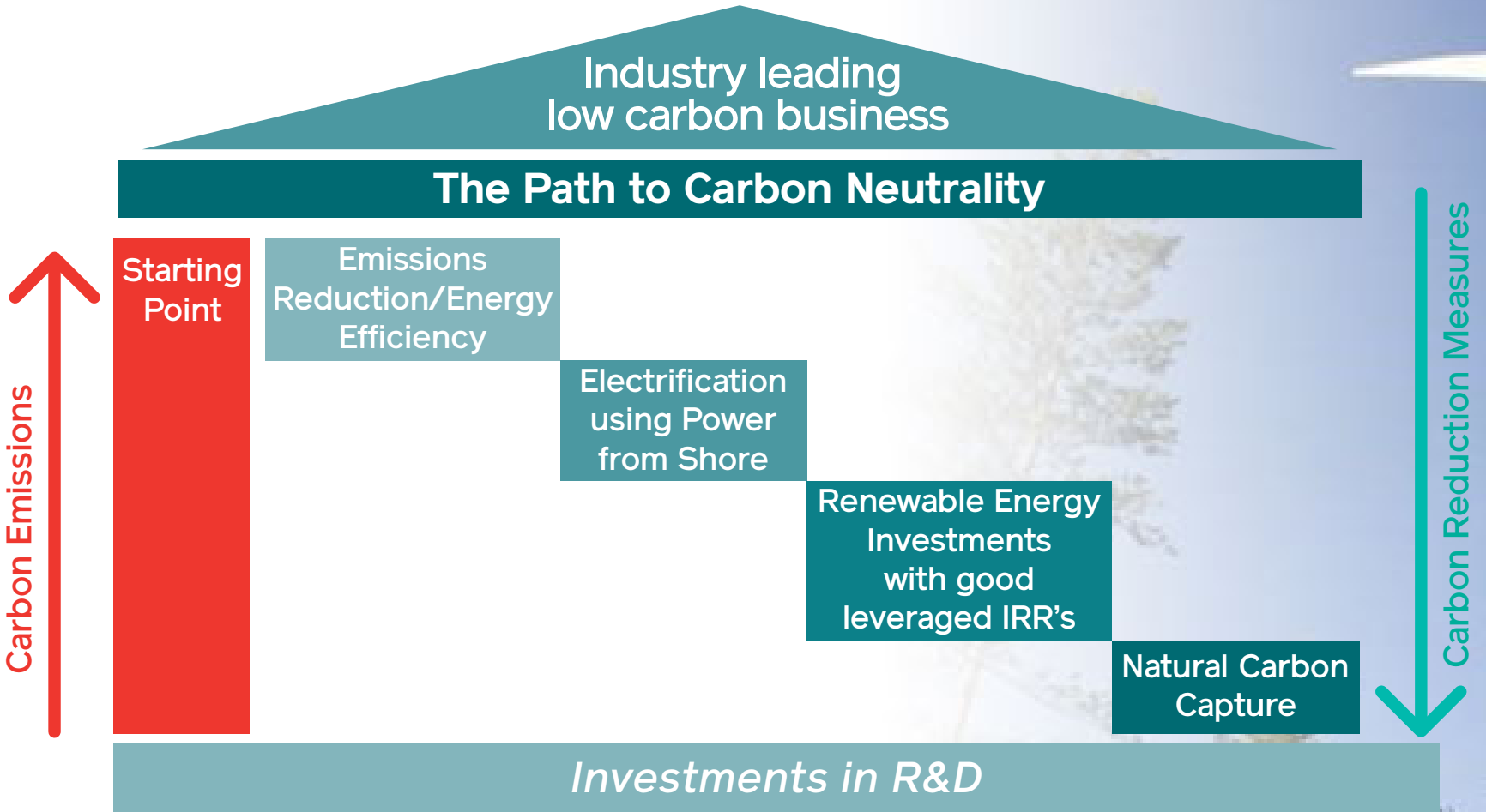


Total shareholder return 2001–2020⁽¹⁾ CAGR 26%

⁽¹⁾To March 2020

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Industry Leading Decarbonisation Strategy Roadmap



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Key Assets



Production/Development
Johan Sverdrup



Production
Alvheim



Production
Edvard Grieg

Alvheim Area

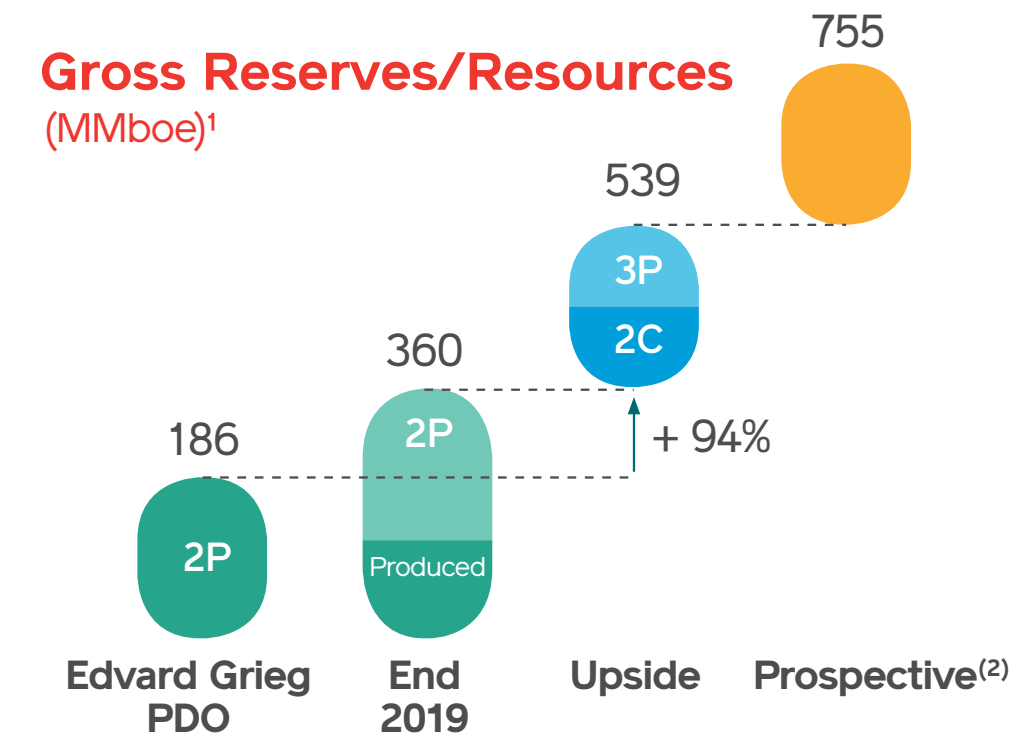
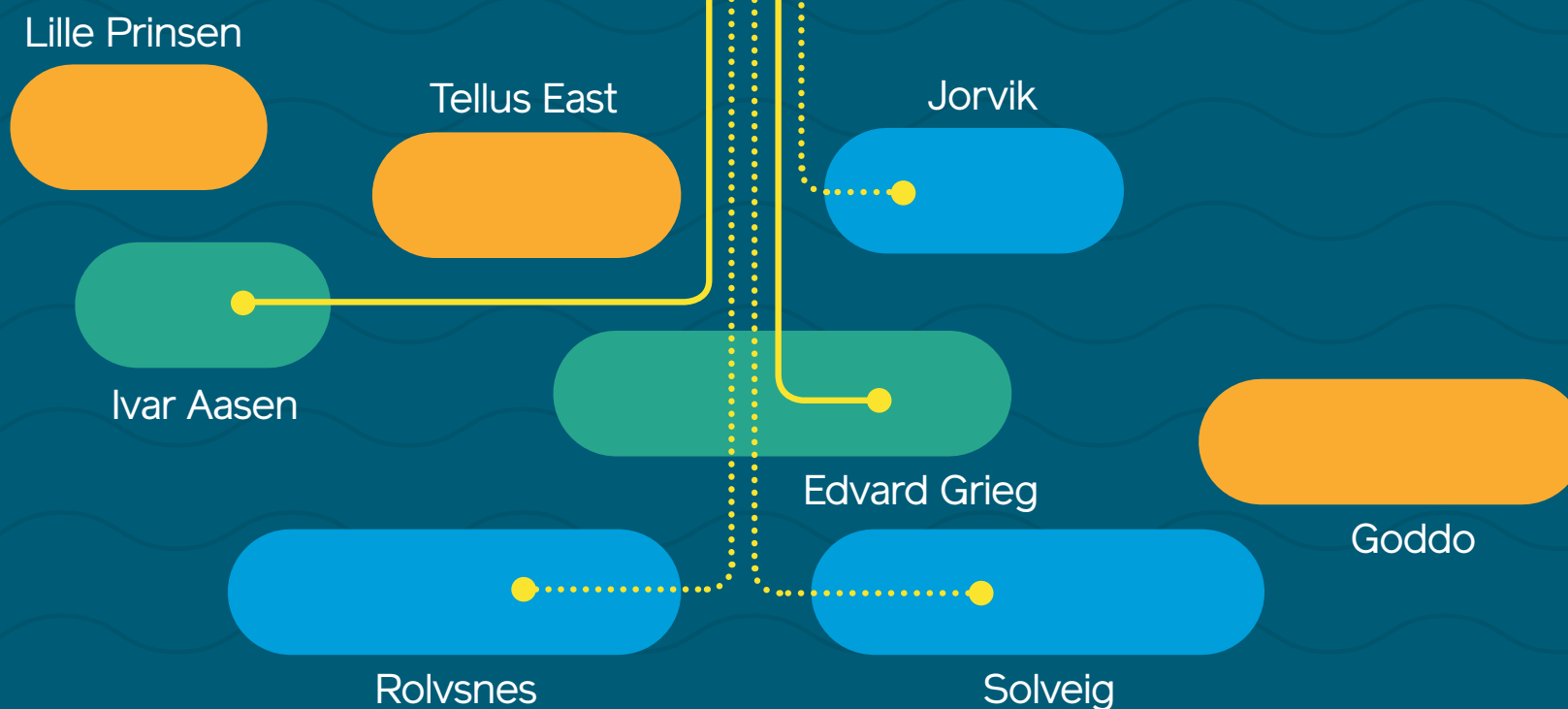
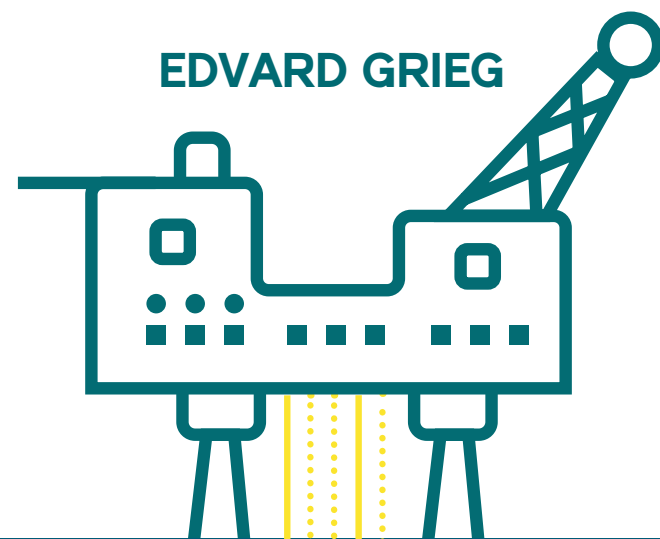
Utsira High Area



Development
Edvard Grieg Tie-backs

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Greater Edvard Grieg Area - Keeping the Facilities Full



⁽¹⁾ Per SPE/PRMS definitions. Includes Edvard Grieg, Solveig, Rolvsnes

⁽²⁾ Unrisked best estimate prospective resources

➤ Edvard Grieg

- 3 firm infill wells in 2021
- Further reserves upside

➤ Extended plateau production

to around end 2022 from mid-2020

- Edvard Grieg outperformance plus Solveig/Rolvsnes tie-back projects

➤ Tie-backs

- Solveig, Rolvsnes, Lille Prinsen and exploration opportunities

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Greater Edvard Grieg Area - Solveig Phase 1 and Rolvsnes EWT

Solveig Development

40–100 MMboe ⁽¹⁾

Breakeven oil price <30 USD/bbl

Rolvsnes

14–78 MMboe ⁽¹⁾

Solveig >30% complete

Rolvsnes EWT ~50% complete

Solveig
First Oil
(deferred from Q1 2021)

Rolvsnes EWT
First Oil
(deferred from Q2 2021)

2020

2021

2022

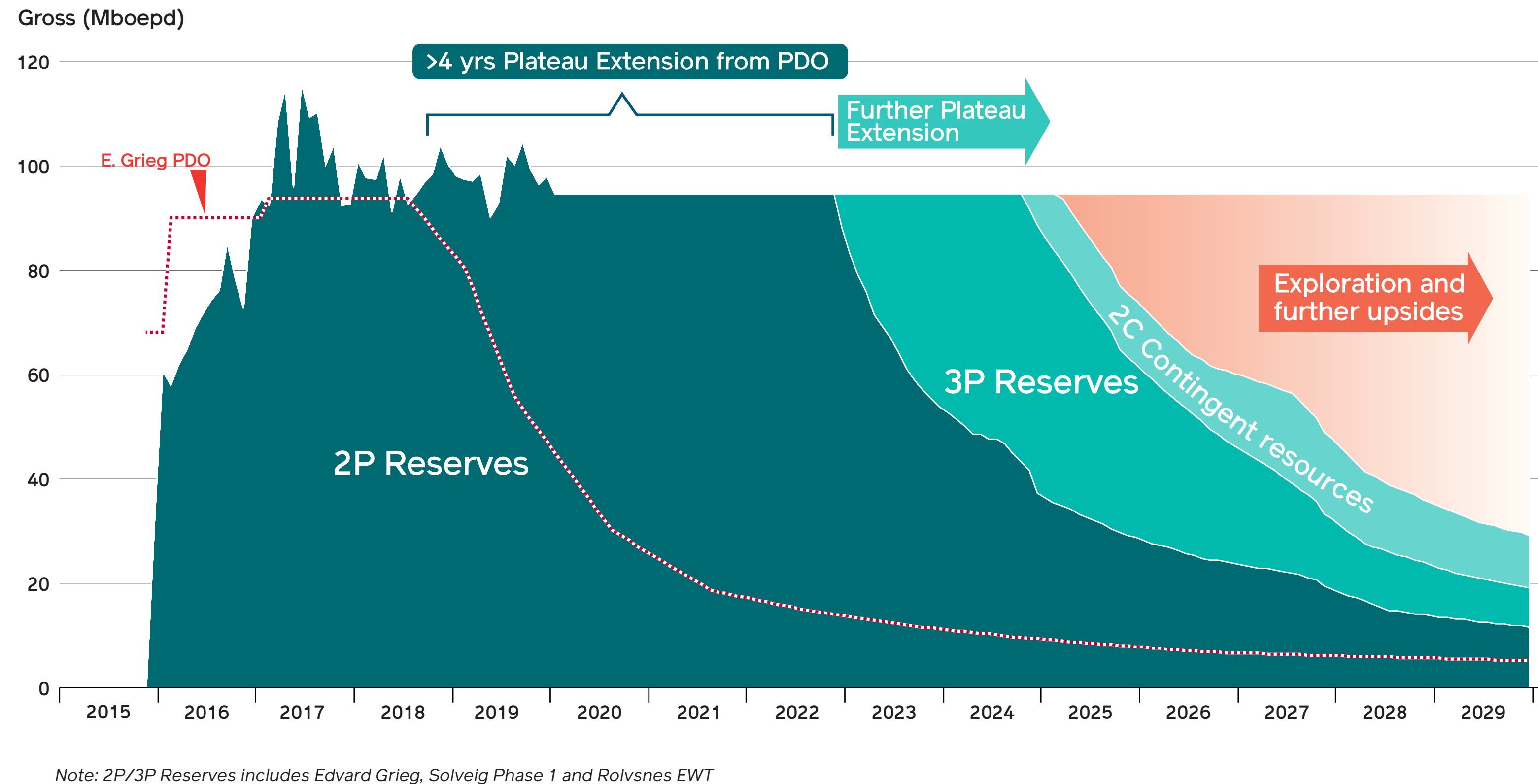
Solveig Plateau Production
30 Mboepd ⁽²⁾

⁽¹⁾ Gross resources

⁽²⁾ Gross

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Greater Edvard Grieg Area - Further Plateau Extension



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Johan Sverdrup - In a League of its Own

Phase 2
Progressing
to schedule

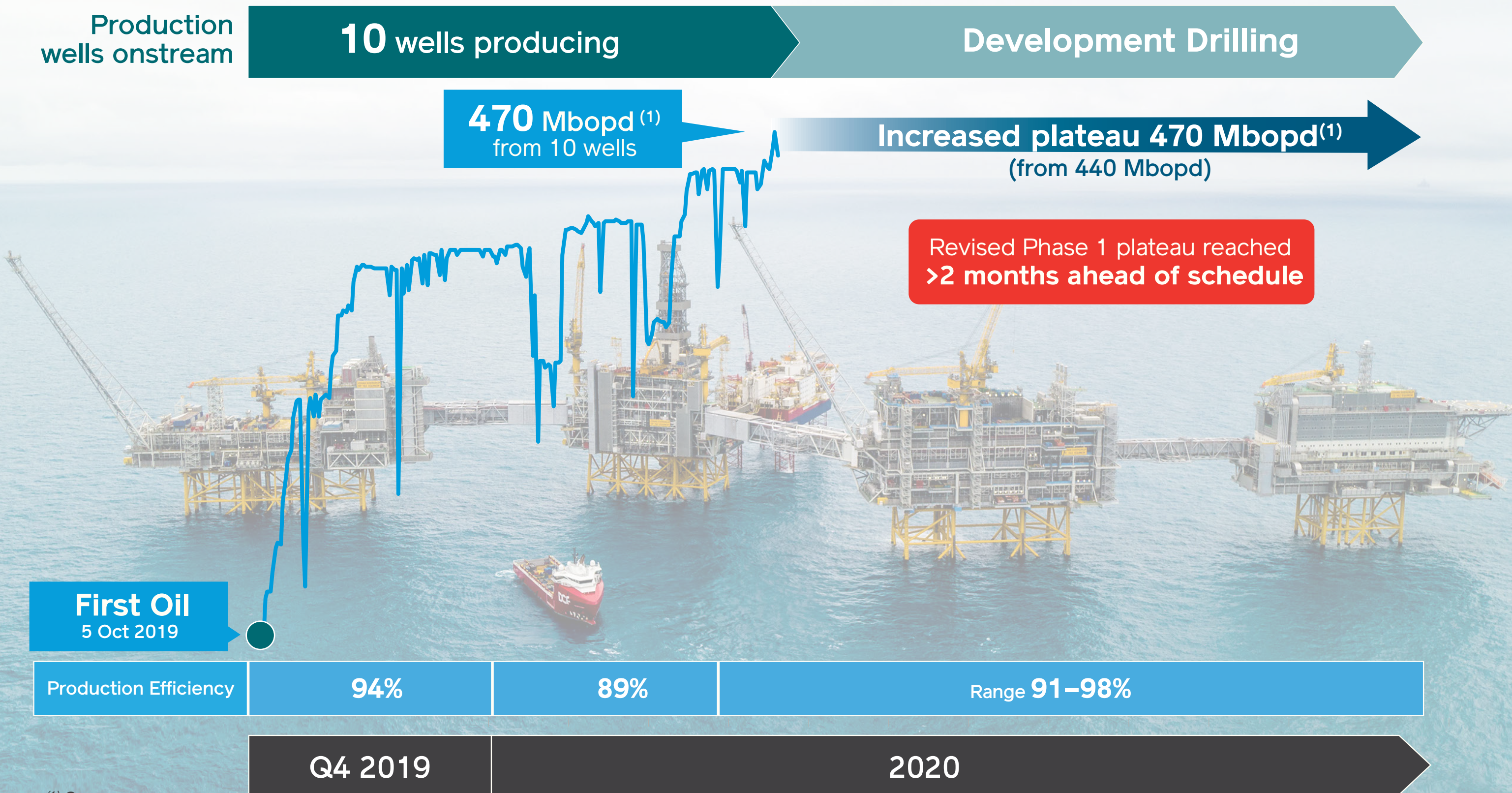


GROSS RESERVES		PRODUCTION CAPACITY INCREASED		PHASE 2 ON TRACK		BREAK EVEN PRICE
↑	2.2–3.2 billion boe	Phase 1	Full Field	Capex	First Oil	Full Field
	(PDO 1.7 – 3.0 billion boe)	470 Mbopd from 440 Mbopd	690 Mbopd from 660 Mbopd	PDO 85 Bn NOK ⁽¹⁾ Current 41 Bn NOK	Q4 2022	<20 USD/boe

⁽¹⁾ Original PDO ⁽²⁾ Life of field

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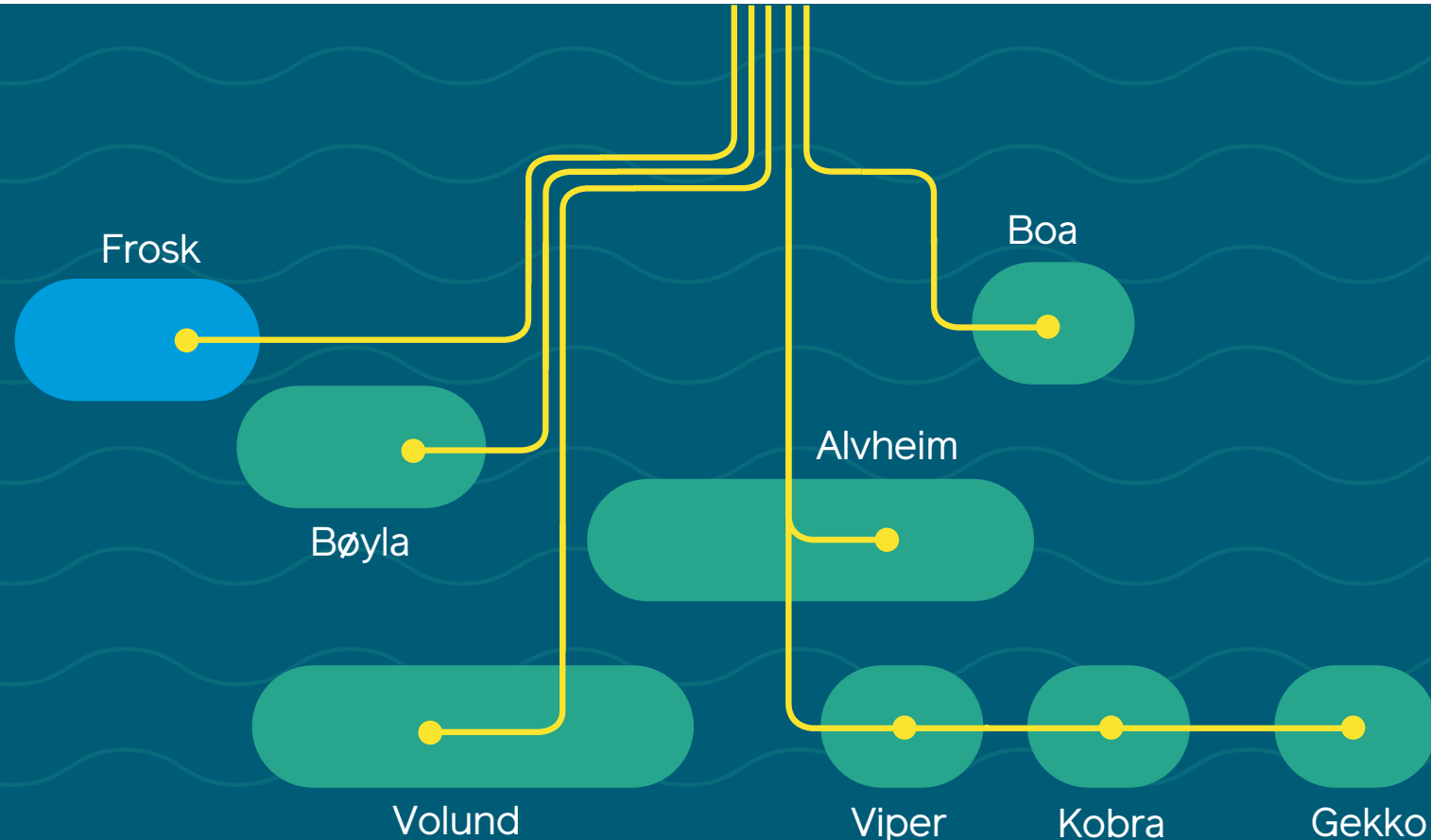
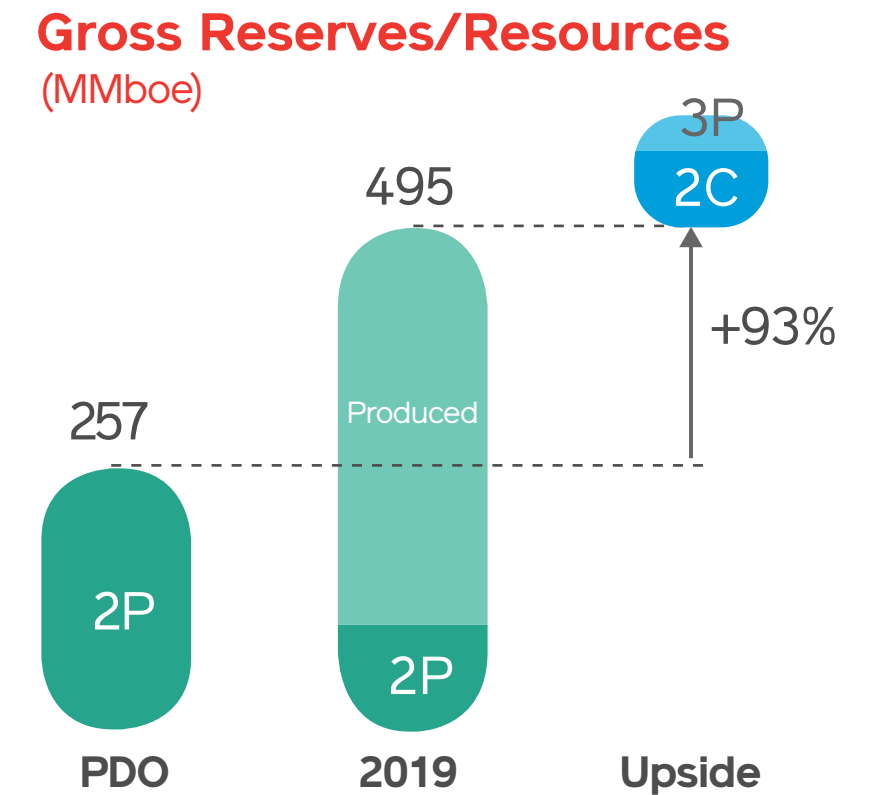
Johan Sverdrup - Phase 1 Ramp-up Ahead of Schedule



⁽¹⁾ Gross

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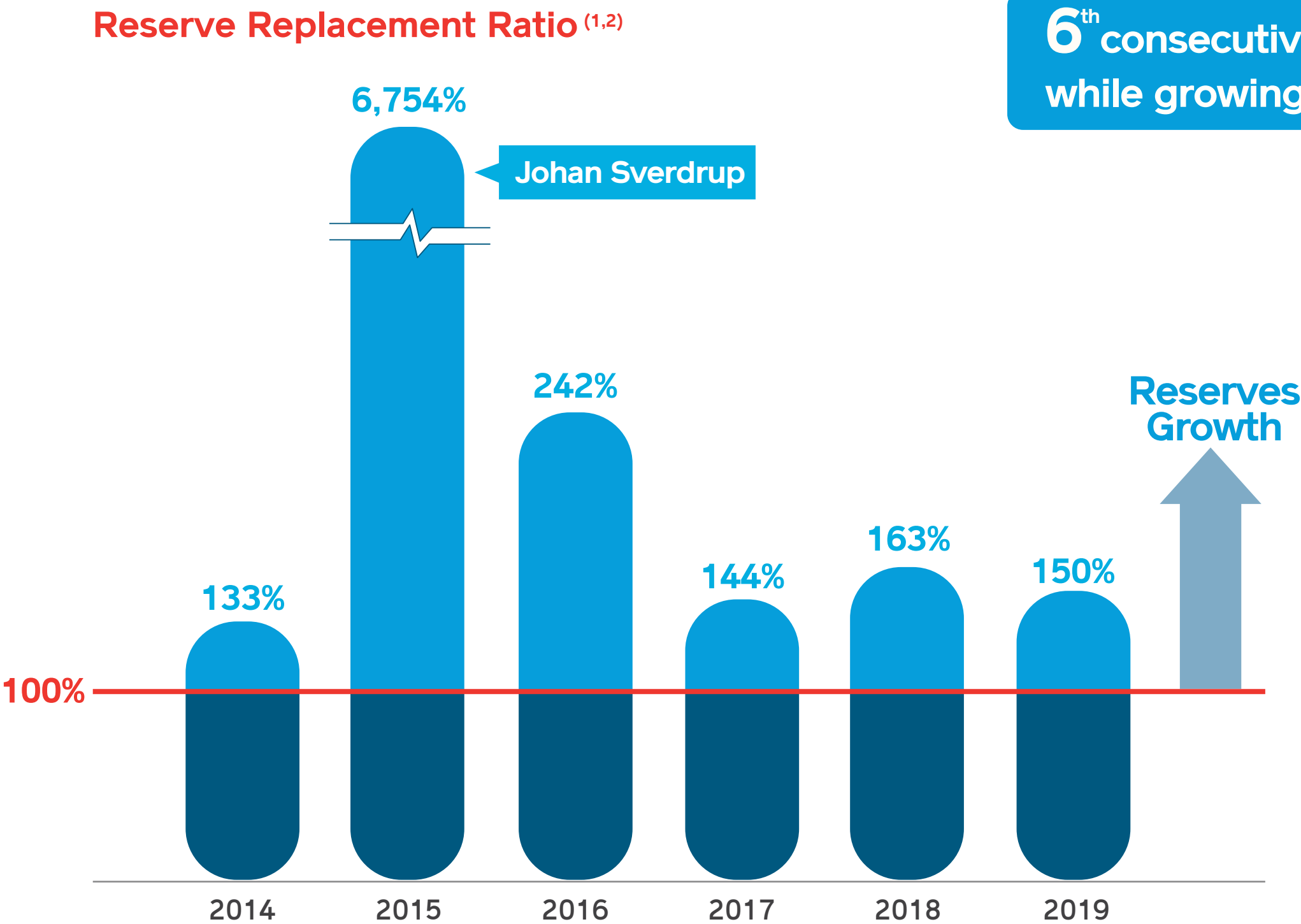
Alvheim Area - Continuous Reserves Growth



- 2 infill wells in 2020
- Frosk development - project sanction mid 2021

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Track Record of Growing Reserves



6th consecutive year of reserves growth while growing production **>4X**

2P Reserves
693.3
MMboe⁽³⁾

⁽¹⁾ 2P proved plus probable remaining reserves, independently audited by ERCE

⁽²⁾ As per industry standards the reserve replacement ratio is defined as the ratio of reserve additions to production during the year, excluding asset transactions

⁽³⁾ As at end 2019

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Organic Growth

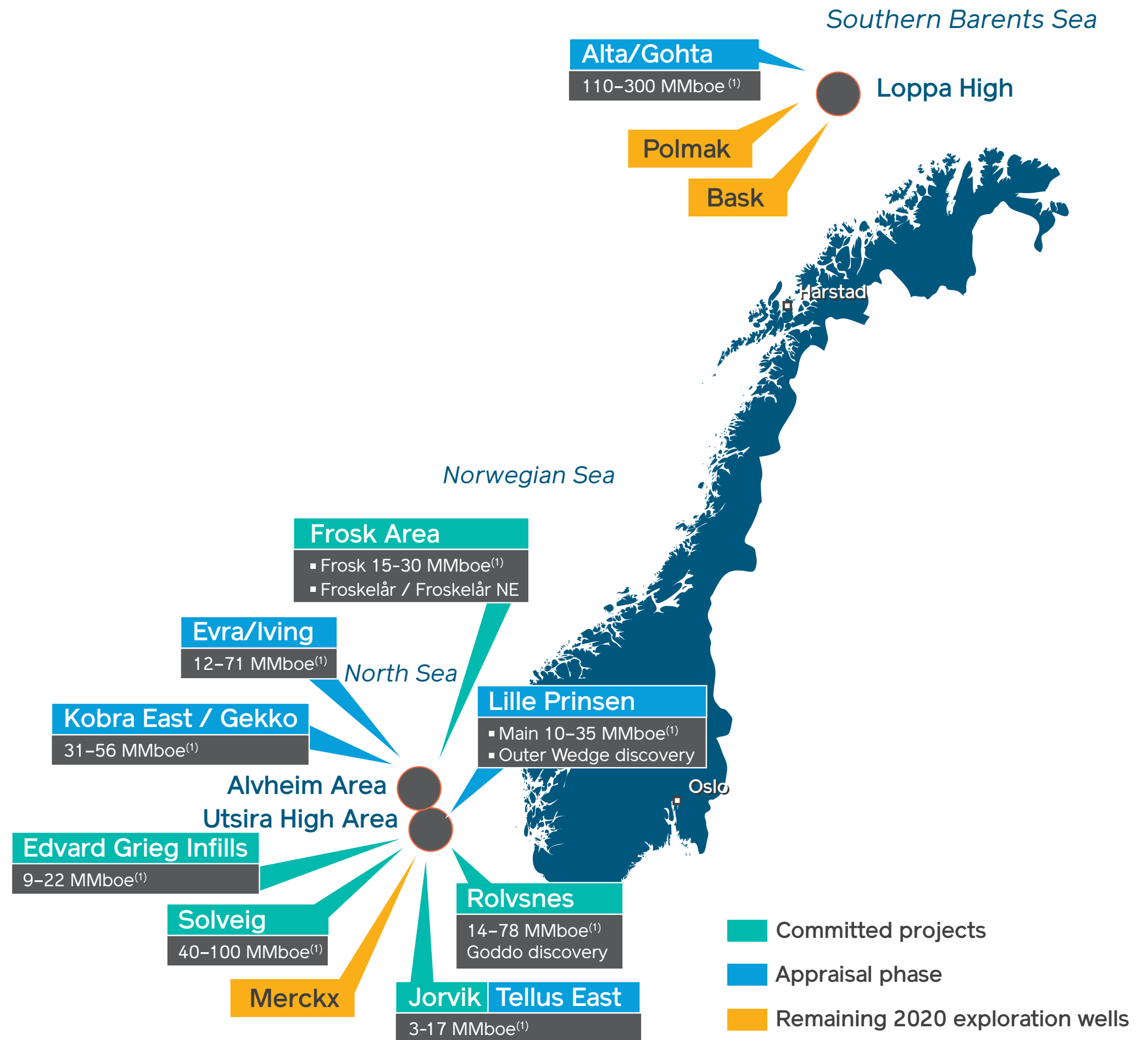
9 potential new projects
targeting **100–320 MMboe⁽²⁾**

4 projects underway

2020 E&A Programme

6 wells (4 deferred)
3 drilled – **1** discovery

Remaining **3** wells targeting
~350 MMboe⁽³⁾



⁽¹⁾ Gross Reserves and Resources

⁽²⁾ Net resources

⁽³⁾ Net unrisked resources

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Long-term Value Creation

- **160–170** Mboepd long-term
Target **>200** Mboepd
Multiple organic growth sources
- Industry leading low OPEX
3.2–4.2 USD/boe long-term
- Resilient to low oil prices
<17 USD/boe FCF breakeven oil price ⁽¹⁾
- Retain material dividend
1.0 USD/share in 2020

⁽¹⁾ Average 2020–2026

Safe and
responsible
operations

Target
Carbon
Neutral
by 2030

Further information available in the
2020 CMD presentation

on
www.lundin-energy.com
or
the Lundin Energy IR App



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