



Breathing new life into the UK continental shelf

NEO Energy Overview





Overview & History

A full-cycle E&P business breathing new life into the UK continental shelf

NEO at a glance

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About

NEO is an independent full-cycle E&P business in the UK continental shelf.

We combine value creation from the prospective North Sea basin with our commitment to be a responsible and efficient business. We operate a high-quality asset base with significant scope to grow production organically by extending asset life.

NEO was founded in July 2019 by HitecVision.

Values



Teamwork



Respect



Courage

Ambition

To be a leading producer in the UKCS, with a target of 120,000 boepd by 2023 and stable production of 80,000 – 120,000 boepd in the long term

Strategy

We pursue growth organically, unlocking value in the existing portfolio, and inorganically through the acquisition of high-quality, long-life production and development assets in the UKCS.

Operational excellence is at the heart of our strategy, enabling us to drive profitability and sustainable cashflow through increasing production and reducing costs, while maintaining a core focus on safe and responsible operations.



Excel



Optimise



Grow

Assets

Operated

- Babbage
- Quad 15
 - GPIII
 - Dumbarton
 - Lochranza
 - Balloch
- Quad 30
 - Affleck (development)
 - Flyndre

Non-operated

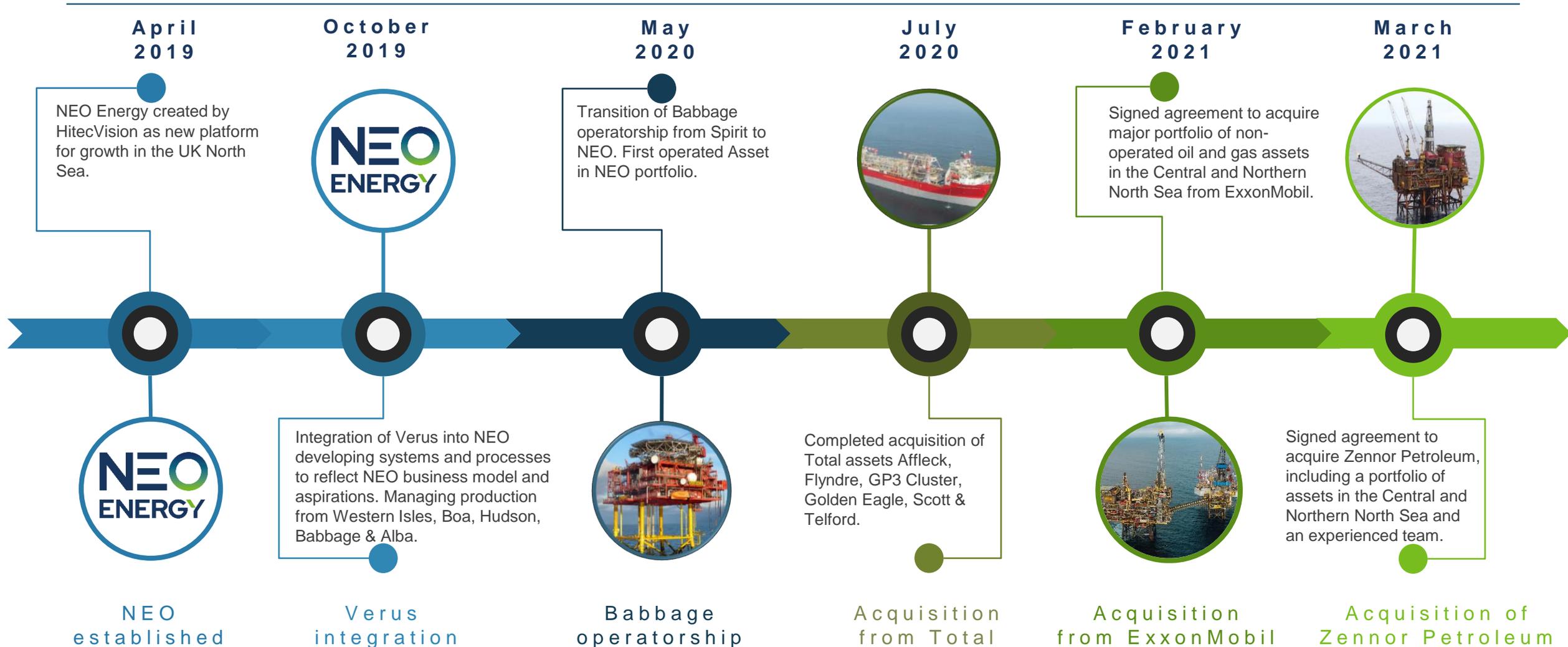
- Golden Eagle
 - Peregrine
 - Solitaire
- Western Isles
- Boa
- Scott
- Telford
- Hudson

Production & Reserves

- Proforma 2021 production of **~80 kboepd¹**
- Proforma 2P reserves base **221 mboe²**

History

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Ownership & Leadership

A full-cycle E&P business breathing new life into the UK continental shelf

Ownership & Structure

NEO has strong institutional backing from HitecVision, a leading provider of institutional capital to the North Sea region's energy industry.

HITECVISION

The Serial Entrepreneurs

HitecVision is a leading private equity investor focused on Europe's offshore energy industry, with USD 6.7 billion under management. HitecVision is headquartered in Stavanger, Norway, with other offices in Oslo and London. Since 1994, the HitecVision team have invested in, acquired or established more than 190 companies, including more than ten E&P companies, such as Vår Energi, the largest independent E&P company in Norway.



Board of Directors

Our Board is a group of highly experienced industry professionals. The Board is accountable for our long-term success.

Executive Leadership

Our leadership have a wealth of experience in upstream offshore oil and gas exploration and production.

NEO Board of Directors

A wealth of experience in upstream offshore oil and gas exploration and production



Martin Bachmann
Chairman



David Gair
Director



Fiona Hill CBE
Director



HM Government



Nick Hooke
Director

ConocoPhillips

ExxonMobil



Grethe Moen
Director

petoro



John Knight
Director

HITECVISION
The Serial Entrepreneurs

equinor



Einar Gjelsvik
Director

HITECVISION
The Serial Entrepreneurs



NORECO

NEO Executive Leadership Team

A wealth of experience in upstream offshore oil and gas exploration and production

Russell Alton
CEO



Paul Harris
COO



Robert Adams
CFO



Andrew McIntosh
General Counsel & Director
Commercial and Corporate
Development



Catherine Heritage
Chief People Officer





Ambition & Strategy

A full-cycle E&P business breathing new life into the UK continental shelf

Ambition & Strategy

Breathing new life into the UK continental shelf

To be a leading producer in the UKCS, with a target of 120,000 boepd by 2023 and stable production of 80,000 – 120,000 boepd in the long term

We pursue growth both organically, unlocking value in the existing portfolio, and inorganically through the acquisition of high-quality, long-life production and development assets in the UKCS. Operational excellence is at the heart of our strategy, enabling us to drive profitability and sustainable cashflow through increasing production and reducing costs, while maintaining a core focus on safe and responsible operations.



Excel

Operational excellence is vital to unlocking the value we see in assets and provides the opportunity to maximise potential, and drive profitability and sustainable returns. We pursue top-quartile uptime and efficiency, allowing us to increase production and reduce costs, while building a safe and responsible business in the UKCS.



Optimise

We look to achieve a significant level of organic growth by examining field life extension opportunities for the fields where we operate, as well as continually reviewing in-field bolt-on opportunities. We look for opportunities for near-field exploration and enhanced oil recovery; extending the life of the fields where we have a presence.



Grow

With a focus on high-quality, long life production and development assets in the UKCS, we target strategic acquisition opportunities that are value accretive and complement our portfolio, either operationally or geographically. We continue to screen and evaluate investment opportunities with these characteristics, and look at those that give us operatorship and development exposure.

Safety

Competence, Cash Flow and Capital Structure

ESG

Natural owners of UKCS assets

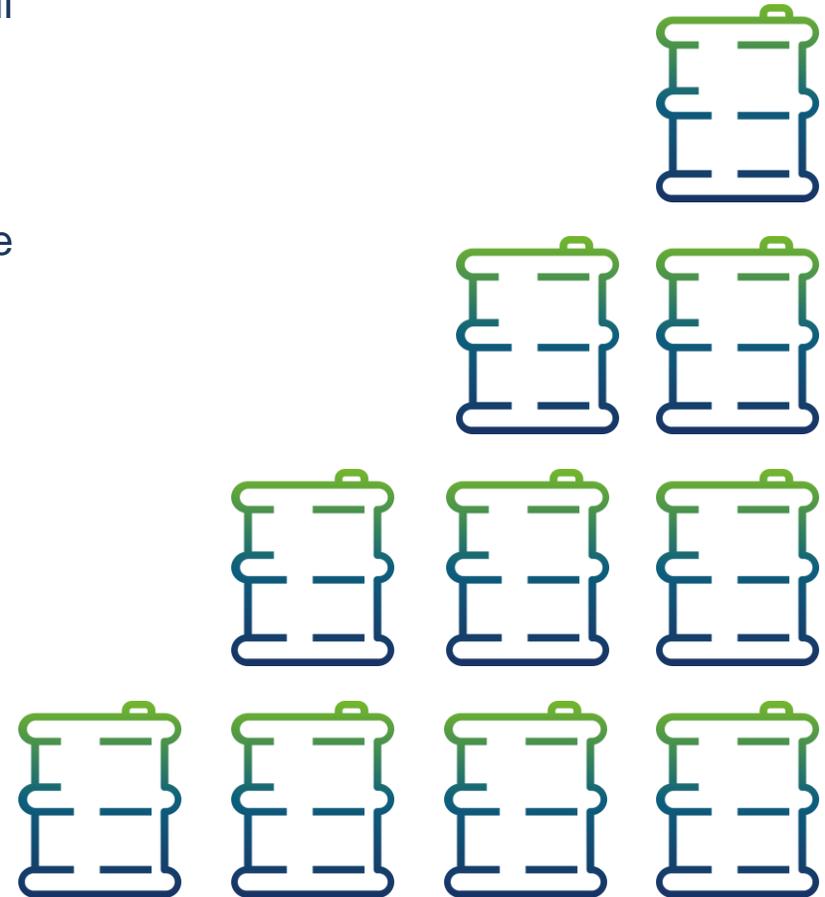
Changing commercial landscape presents an opportunity to build our business

Combination of weak commodity prices and ESG leading to international oil companies (IOCs) refocusing their portfolios

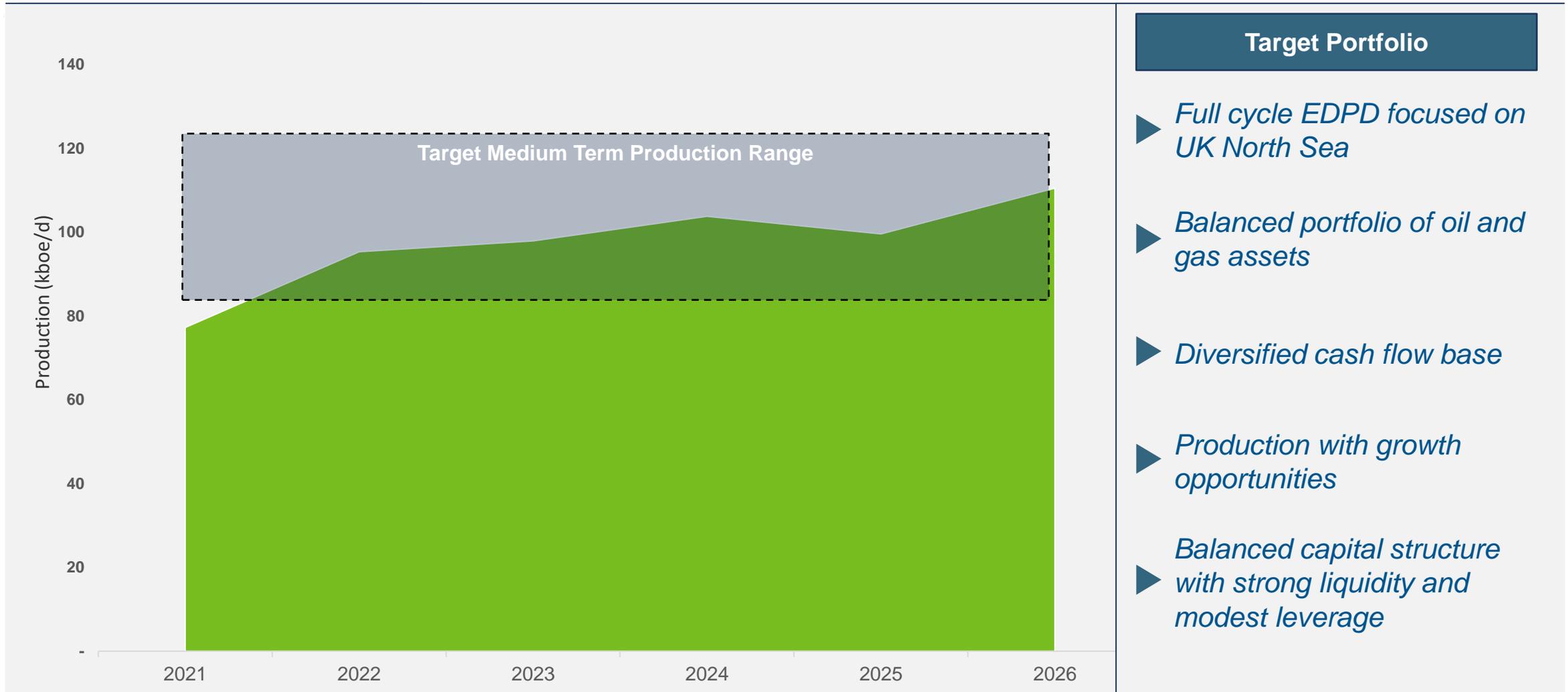
Today NEO type businesses are the natural owners of UKCS assets

We are well positioned in this landscape to be a successful and competitive player on the UKCS:

- Full-service business with broad competence and capabilities on which to build scale
- Strong licence to operate and grow on the UKCS
- Proven ability as a natural owner of UKCS assets
- Excellent access to quality deal flow
- Expertise and strong financial backing from HitecVision



Business Plan: NEO Energy to become a leading producer on the UKCS





Environment, Social & Governance

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Environment, Social & Governance

Net zero emissions by 2035

We are a next generation UKCS operator seeking to unlock the long-term value that remains in the UKCS through an industry-leading commitment to upholding the highest standards with respect to environmental, social and governance policy.



Environment



Social



Governance

- In line with the Oil & Gas Authority's position on Maximising Economic Recovery (MER), our approach centres on increasing the longevity of our assets by conducting highly-efficient and cost-effective extractive practices and a full lifecycle approach.
- In 2019 NEO's assets had an average carbon emissions intensity lower than the UK average and below the value that Oil and Gas UK has deemed necessary to meet the 2035 Net Zero vision.
- Our portfolio includes older assets and we acknowledge that these currently have higher carbon intensity and we aim to work together with our partners and explore the potential for emission reductions.

Solutions to our energy challenges

We have committed £2.5m to the Heriot-Watt Centre for Doctoral Training (CDT) in Geoscience and the Low Carbon Energy Transition, to support their **carbon reduction studies and initiatives**. The funding started in 2020 and will secure the CDT for seven years. projects will focus on understanding the geology of the UK continental shelf (UKCS) and finding solutions to energy challenges.

Net zero emissions by 2050

We are committed to the Oil and Gas UK Vision 2035 initiative, which provides an industry blueprint to support the national commitment to **reach net zero emissions by 2050** and are exploring potential emissions reductions strategies for all assets.



Asset Portfolio

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Assets

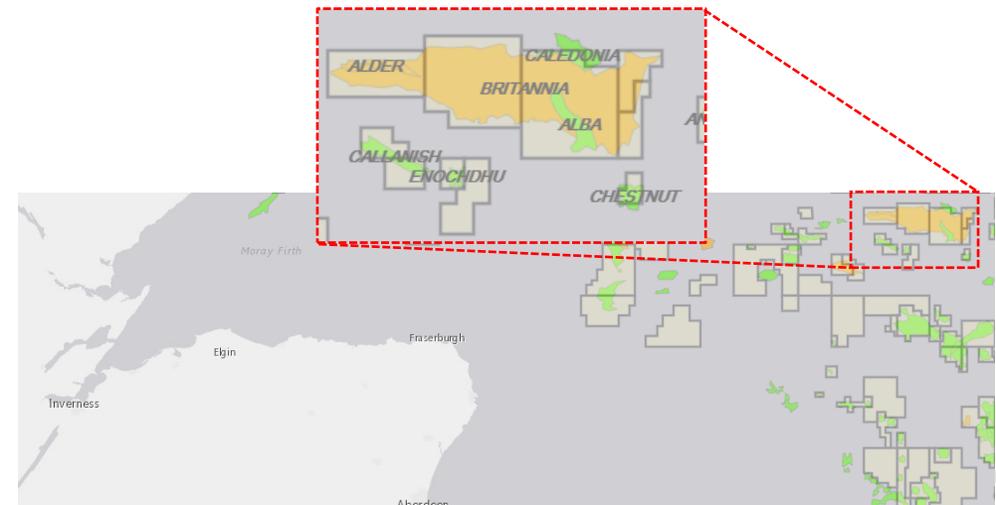
We aim for a balanced portfolio of production, development and low risk exploration assets



Alba

We aim for a balanced portfolio of production, development and low risk exploration assets

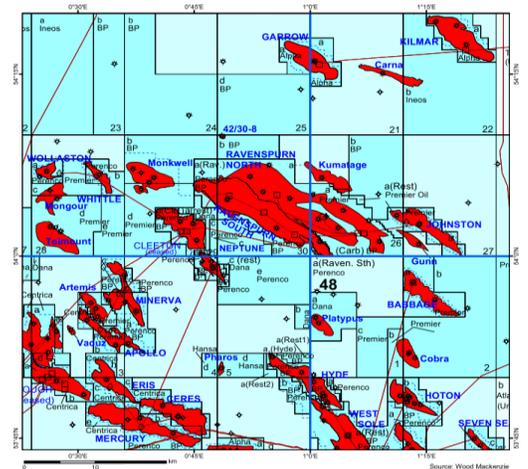
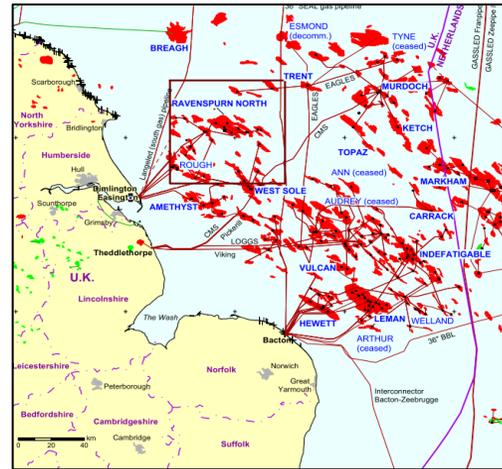
NEO Equity	17%
Partners	Waldorf 25.68%, Ithaca Energy 23.37%, Mitsui E&P 13.3%, Spirit 12.65%, EnQuest 8%
Operator	Ithaca Energy
First production	1994
Alba is a heavy oil field. Its facilities include a fixed steel platform (the Alba Northern Platform) and a Floating Storage Unit (FSU), the first to be purpose built for the UK sector of the North Sea.	
Block	16/26a
Sector	Central North Sea
Hydrocarbon	Oil
Water depth	138m



Babbage

We aim for a balanced portfolio of production, development and low risk exploration assets

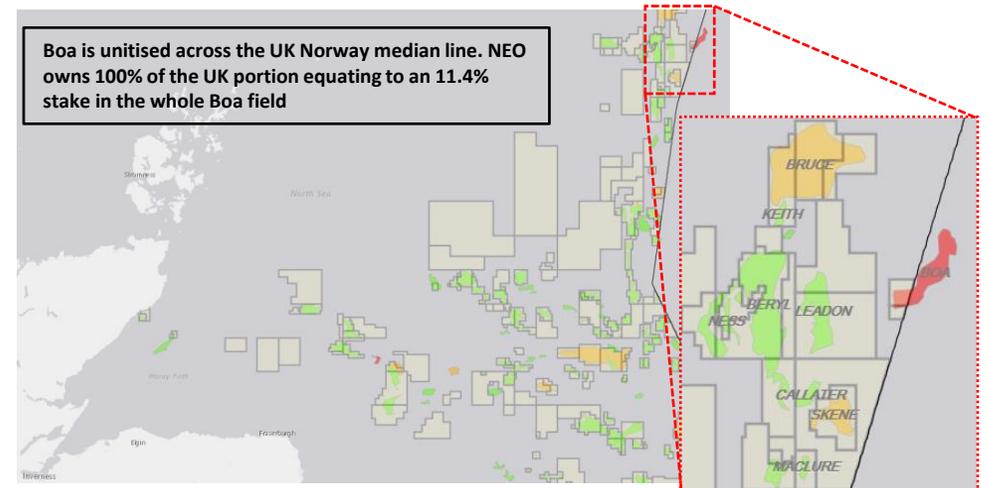
NEO equity	60%
Partner	Dana Petroleum E&P 40%
Operator	NEO Energy
First production	2010
<p>The Babbage field produces high quality gas from five horizontal multi-fraced wells. The Babbage platform is operated as a Not Permanently Attended Installation (NPAI) with temporary living quarters for up to 30 persons on board during well interventions operations, maintenance or annual shutdowns. The platform is controlled remotely from Dimlington, there are spare well slots available for future expansion.</p>	
Block	48/2a
Sector	Southern North Sea
Hydrocarbon	Gas
Water depth	42m



Boa

We aim for a balanced portfolio of production, development and low risk exploration assets

NEO equity	11.4%
Partners	Aker BP 57.6%, ConocoPhillips 17.7%, Lundin 13.3% (in Norway Block)
Operators	Aker BP (Norway), NEO Energy (UK)
First production	2008
The Boa field was developed as part of the wider Alvheim area development, with four subsea development wells tied-back to the Alvheim FSPO.	
Block	UK Blocks 9/15a & 9/15b Norway Block 24/6
Sector	North Sea straddling Norway/UK median line
Hydrocarbons	Oil and gas
Water depth	122m



Golden Eagle

We aim for a balanced portfolio of production, development and low risk exploration assets

NEO equity	31.56%
Partners	CNOOC 36.54%, ONE-Dyas 5.21%, Suncor 26.69%
Operator	CNOOC
First production	2014
The Golden Eagle Area Development (GEAD) consists of the Golden Eagle, Solitaire and Peregrine oil fields. The development contains a wellhead platform and a production, utility and quarters (PUQ) platform connected by a 70m bridge.	
Block	14/26a & 20/1
Sector	Central North Sea
Hydrocarbon	Oil
Water depth	104m



Hudson

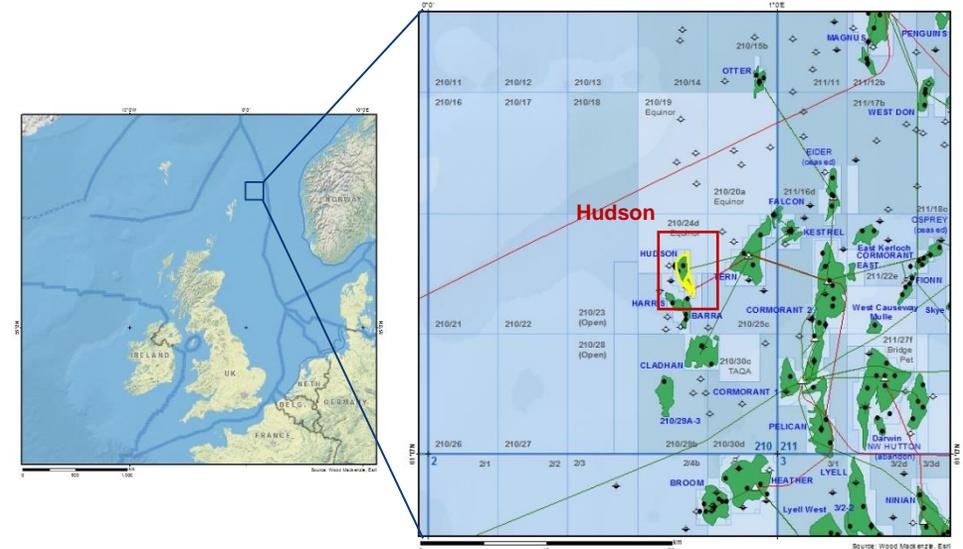
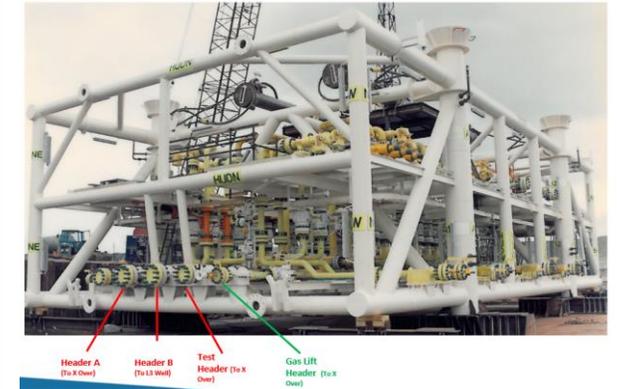
We aim for a balanced portfolio of production, development and low risk exploration assets

NEO equity	25.77%
Partners	Dana Petroleum 47.5%, TAQA Bratani 26.73%
Operator	Dana Petroleum
First production	1993
The Hudson field is a subsea development of seven production wells supported by two injection wells, tied back to the Tern platform.	
Block	210/24a & 210/24b
Sector	Northern North Sea
Hydrocarbon	Oil
Water depth	158m

Tern Alpha



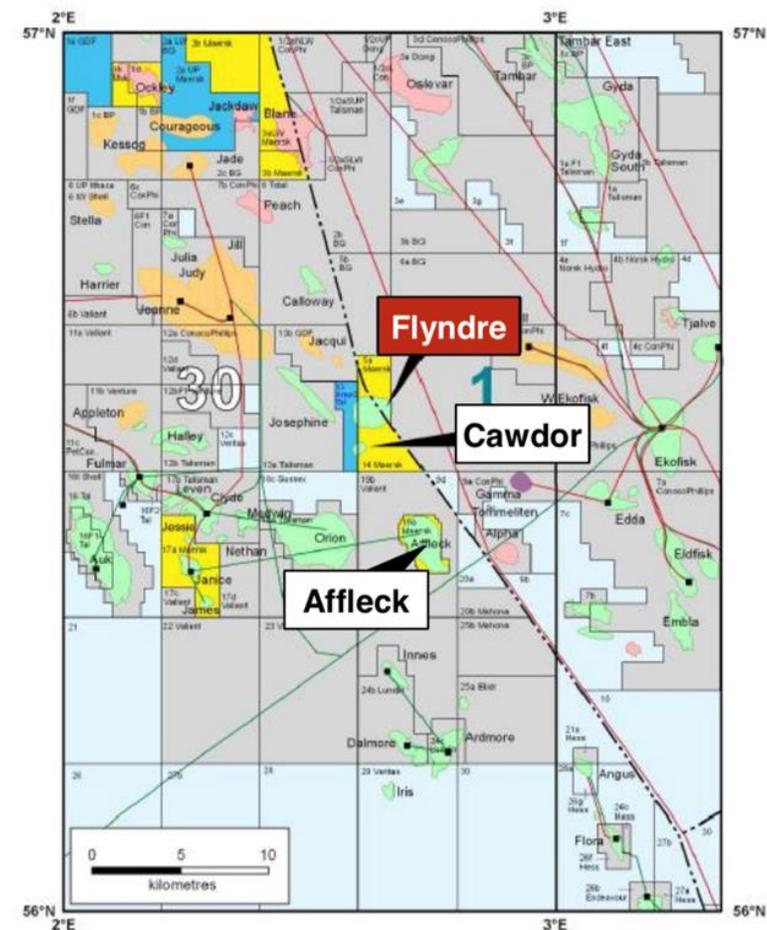
Hudson Manifold



Quad 30 - Affleck

We aim for a balanced portfolio of production, development and low risk exploration assets

NEO equity	66.67%
Partner	Repsol Sinopec 33.33%
First production	2009 (ceased production 2016)
<p>Affleck was discovered by Shell in 1975. The primary reservoir is Tor chalk formation with a small gas cap. The field was developed via two horizontal production wells tied back to the then Maersk-operated Janice field, 28 kilometres to the west. Oil was routed via Janice into the Norpipe pipeline and Gas was routed via the Clyde platform and onwards to the Fulmar gas line to St Fergus. The Affleck field ceased production in May 2016 and the Affleck wells have remained closed in since then after producing a total of 4.3mmbbl of oil. Work is currently ongoing to assess host options for the redevelopment of the Affleck field with a tie-back to two potential host facilities. The redevelopment would make use of the existing infrastructure still in place at Affleck.</p>	
Sector	Central North Sea 6km from the UK/Norway median line
Block	30/19a
Hydrocarbons	Oil and gas (ceased production)

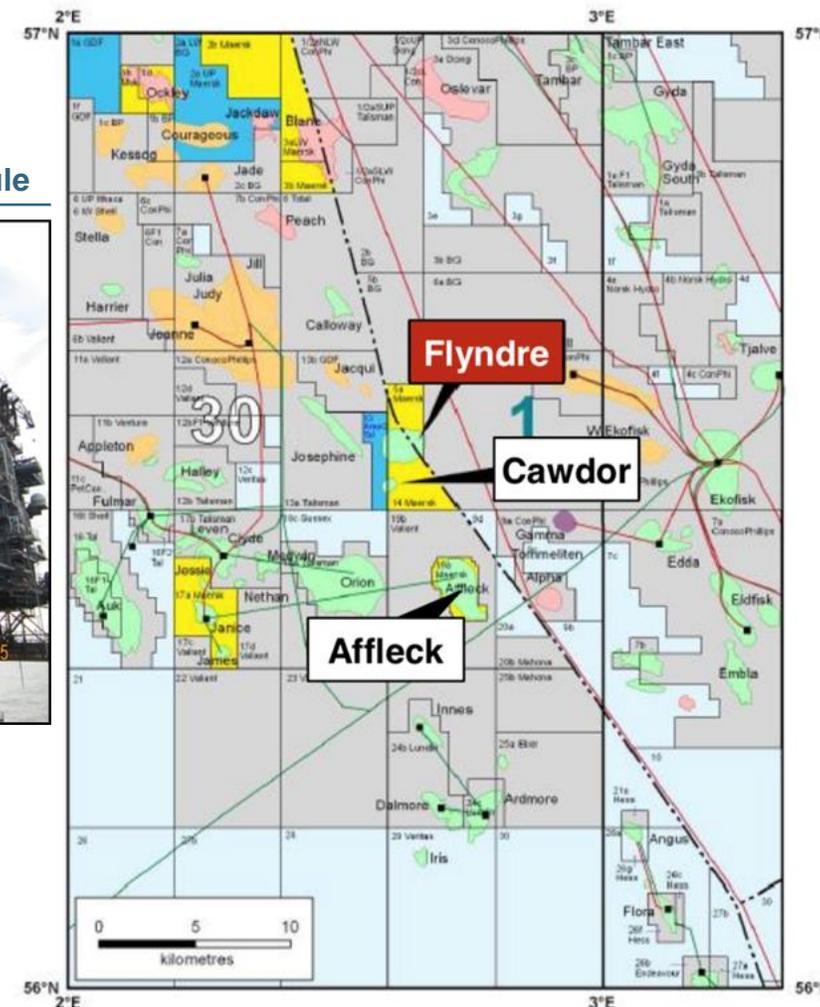


Quad 30 - Flyndre

We aim for a balanced portfolio of production, development and low risk exploration assets

NEO equity	65.94%
Partners	Repsol Sinopec 26.98%, Total Norway 6.255%, Petrolia 0.825%
Operator	NEO Energy
First production	2017
Flyndre is a producing cross border UK-Norway field. Developed as a single well development tied back via a 25km pipe in pipe flowline to the Clyde platform.	
Block	30/14a and 30/13a
Sector	Central North Sea
Hydrocarbon	Oil

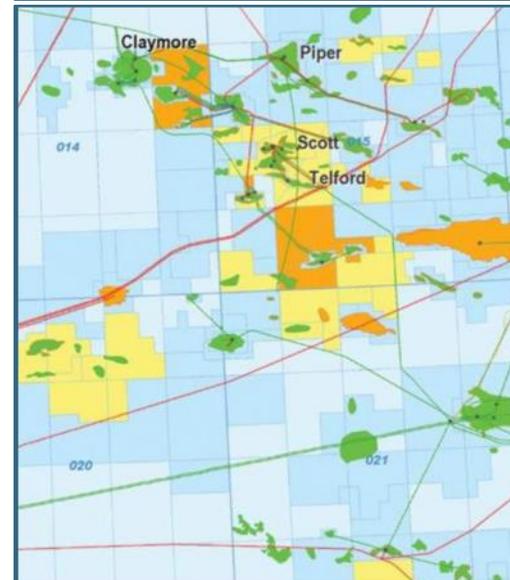
Clyde Host Platform & Flyndre Module



Scott

We aim for a balanced portfolio of production, development and low risk exploration assets

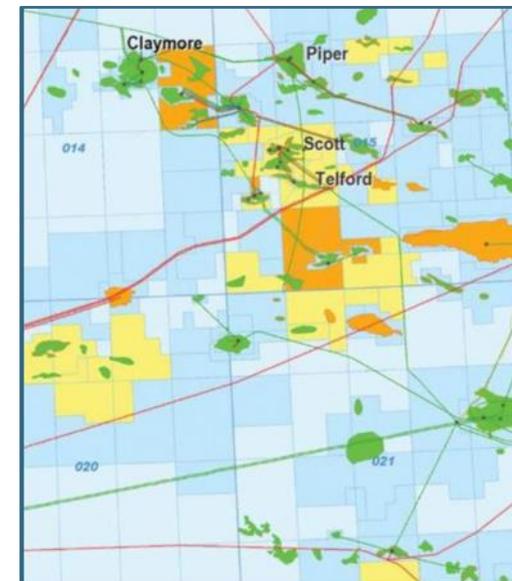
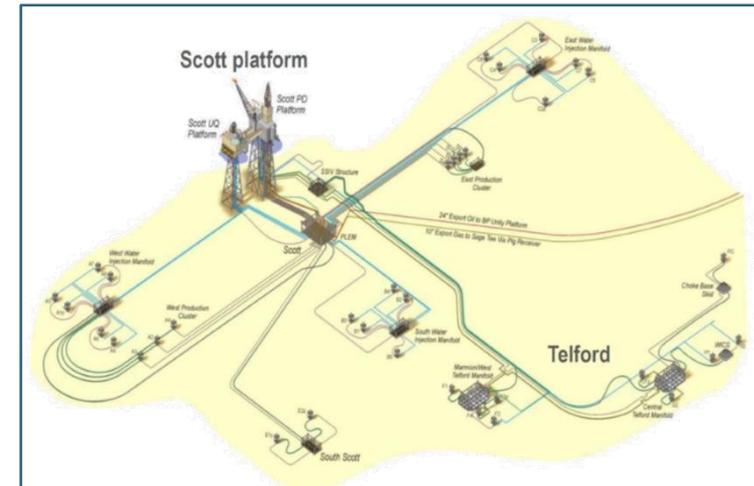
NEO equity	5.16%
Partners	CNOOC 41.89%, Dana Petroleum 20.65%, Edison 10.47%, MOL 21.83%
Operator	CNOOC
First production	1993
The Scott field is located on the southern flank of the Witch Ground Graben in the Outer Moray Firth basin. Scott was developed as a twin steel platform complex, with platform drilling covering 28 slots.	
Block	15/21a
Sector	Central North Sea
Hydrocarbon	Oil
Water depth	132m



Telford

We aim for a balanced portfolio of production, development and low risk exploration assets

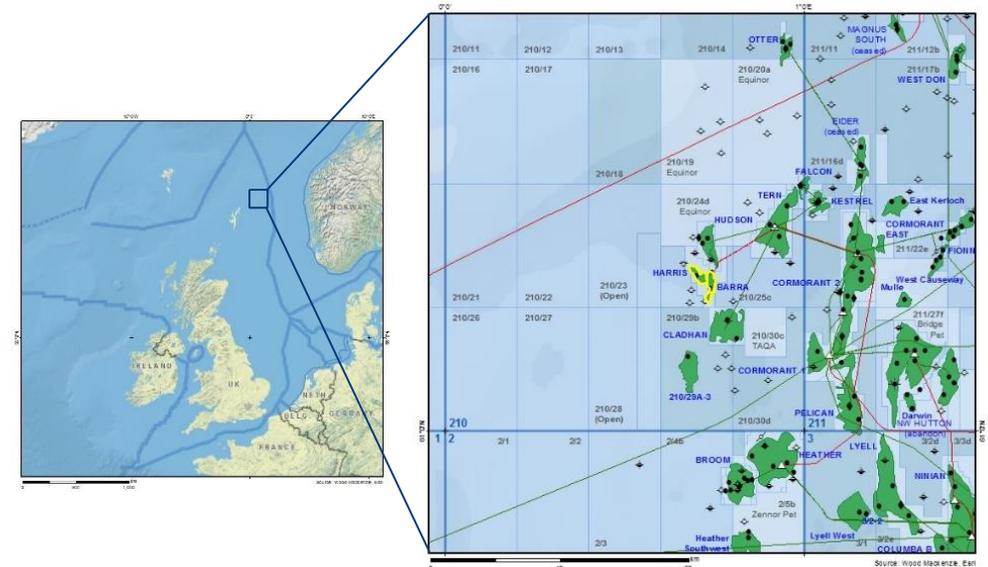
NEO equity	2.36%
Partners	CNOOC 80.4%, Edison 15.65%, MOL 1.59%
Operator	CNOOC
First production	1991
The Telford field produces via a 10km subsea tie-back to the Scott platform.	
Block	15/21a
Sector	Central North Sea
Hydrocarbon	Oil
Water depth	132m



Western Isles

We aim for a balanced portfolio of production, development and low risk exploration assets

NEO equity	23%
Partner	Dana Petroleum 77%
Operator	Dana Petroleum
First production	2017
Western Isles is producing from two oil fields, Harris and Barra. It involves a subsea development of four production and two water injection wells tied back to an FPSO.	
Block	210/24a & 210/24e
Sector	Northern North Sea
Hydrocarbon	Oil
Water depth	165m



Disclaimer

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