

Norse Energy Corp. ASA

3rd Quarter Financials
November 10th 2009

CEO Øivind Risberg
CFO Anders Kapstad

Disclaimer

This presentation does not constitute an offer to buy or sell shares or other financial instruments of Norse Energy Corp. ASA (“Company”). This presentation contains certain statements that are, or may be deemed to be, “forward-looking statements”, which include all statements other than statements of historical fact. Forward-looking statements involve making certain assumptions based on the Company’s experience and perception of historical trends, current conditions, expected future developments and other factors that we believe are appropriate under the circumstances. Although we believe that the expectations reflected in these forward-looking statements are reasonable, actual events or results may differ materially from those projected or implied in such forward-looking statements due to known or unknown risks, uncertainties and other factors. These risks and uncertainties include, among others, uncertainties in the exploration for and development and production of oil and gas, uncertainties inherent in estimating oil and gas reserves and projecting future rates of production, uncertainties as to the amount and timing of future capital expenditures, unpredictable changes in general economic conditions, volatility of oil and gas prices, competitive risks, regulatory changes and other risks and uncertainties discussed in the Company’s periodic reports. Forward-looking statements are often identified by the words “believe”, “budget”, “potential”, “expect”, “anticipate”, “intend”, “plan” and other similar terms and phrases. We caution you not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation, and we undertake no obligation to update or revise any of this information

AGENDA

- **Third quarter highlights**
- **Financial and funding review**
- **Operational review**
- **Outlook**
- **Corporate demerger**

Q3 Highlights & subsequent events

Operations

- Increased production in Brazil
- US production increase pending pipeline connections

Financials

- EBITDA impacted by seismic investment in Brazil

Funding

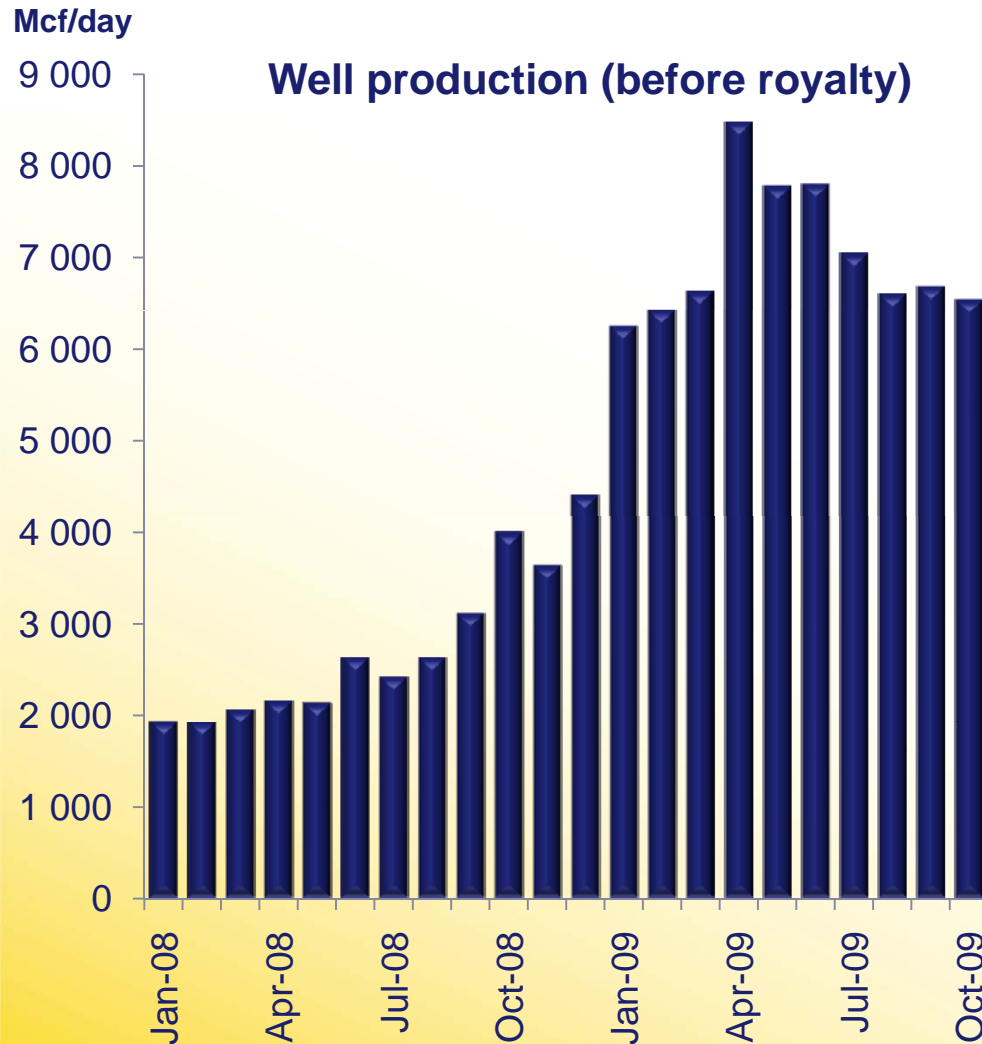
- Raised USD 24 million in new equity

Corporate

- Proposed demerger of the company into “Offshore” and “Appalachia” pure play businesses

US Highlights

Q3 and subsequent events

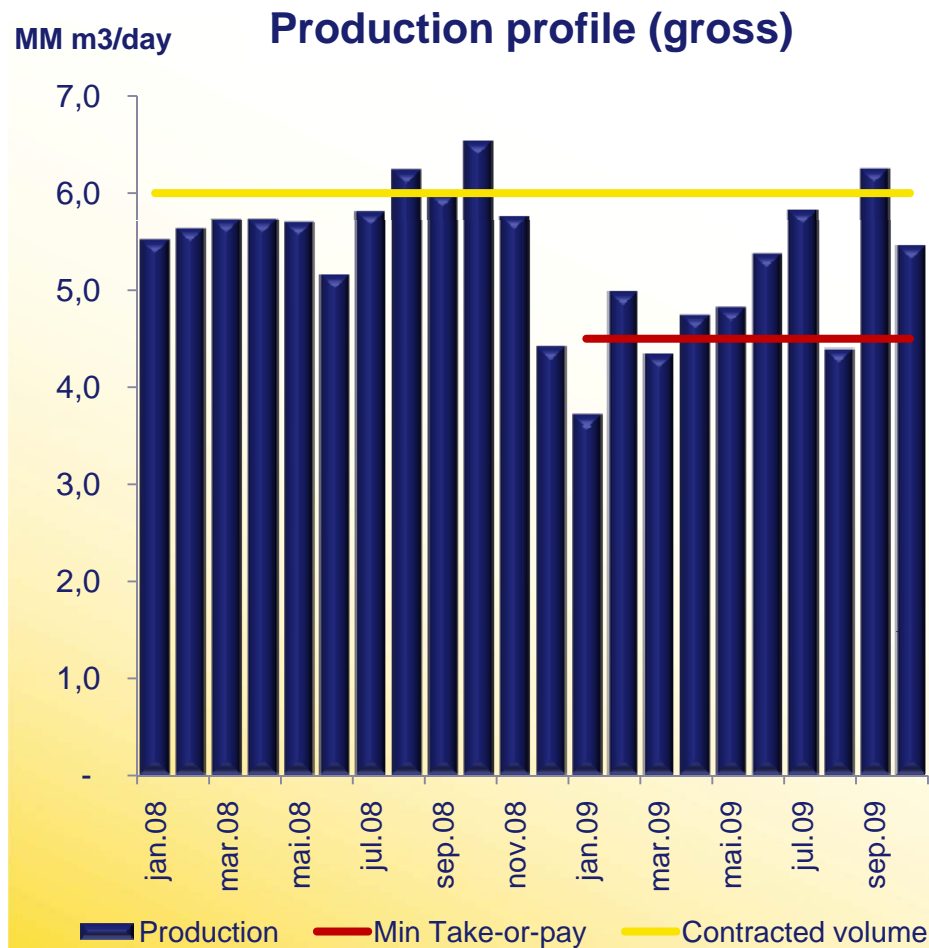


- Well production of 6,775 Mcf (1,207 boe) per day in Q3
- 4 horizontal Herkimer wells drilled in the quarter
 - Targeting 15 wells for FY 2009
- Targeting to reach 12,000 Mcf (2,137 BOE) per day by year end

Wells online	6,000
+ Awaiting connection	5,000
+ Additional drilling	
<hr/>	
= Year-end target	12,000
- Pipeline extension to the south under construction

Brazil highlights

Q3 2009



- Manati production increased 10% from second quarter
- Production in Q3 of 5.5 MMm3/day
- Gas price +10% to 7.47 USD/MMBtu due to stronger Real against the USD
- Camarão Norte (BAS-131) declared commercial during the quarter
- Remaining BCAM-40 exploration license relinquished to Brazilian authorities

Financials and funding

Q3 Key financials

Income statement

USD Thousands	Q3 2009	Q2 2009
Marketing revenue	18 116	19 399
Oil and Gas revenue	12 937	11 532
Fair value adjustments and other income	457	-758
Total revenues and other income	31 510	30 173
Marketing purchases	18 020	18 056
Production costs	1 428	1 354
Exploration and dry-hole costs	7 226	296
General and administrative costs	7 513	6 452
EBITDA	-2 677	4 015
Depreciation	4 528	5 058
Impairment	12 598	243
EBIT - Operating income/(loss)	-19 803	-1 286
Net interest income/(costs)	-5 441	-5 439
Net foreign exchange gain/(loss)	-498	28 950
Warrants effect - gain/(loss)	-1 425	531
Other financial income/(costs)	-18	-147
Income/(loss) before tax	-27 186	22 609
Income tax benefit/(expense)	6 263	-13 428
Net income/(loss) for the period	-20 923	9 181

Q3 Key financials

Balance sheet - Assets

<i>USD Thousands</i>	Q3 2009	Q2 2009
Licenses and exploration assets	158 283	159 156
Goodwill and other intangible assets	5 728	5 737
Deferred tax assets	21 469	13 994
Production assets and equipment	182 661	170 021
Other financial assets	10 032	9 997
Other non-current assets	5 179	4 991
<i>Total Non-current assets</i>	383 353	363 896
Accounts receivables and other short-term assets	26 059	25 085
Other financial assets	5 800	8 117
Other current assets	15 565	12 551
Cash and cash equivalents	43 610	39 590
<i>Total current assets</i>	91 034	85 343
<i>Total Assets</i>	474 386	449 239

Q3 Key financials

Balance sheet – Equity and liabilities

<i>USD Thousands</i>	Q3 2009	Q2 2009
Paid-in capital	143 603	120 844
Other equity	-43 310	-33 755
<i>Total Equity attributable to shareholders of the parent</i>	100 293	87 089
Non-controlling interests	33 745	31 522
<i>Total equity</i>	134 037	118 611
Long-term interest bearing debt	94 023	146 363
Deferred tax liabilities	6 848	9 630
Liabilities related to warrants	12 592	11 167
Other financial liabilities	1 049	1 319
Other long-long term liabilities	13 411	12 663
<i>Total long-term liabilities</i>	127 923	181 142
Short-term interest bearing debt	153 793	88 460
Other financial liabilities	1 120	2 245
Accounts payable, accrued liabilities and other	57 512	58 781
<i>Total short-term liabilities</i>	212 425	149 486
<i>Total Liabilities</i>	340 348	330 628
<i>Total Equity and Liabilities</i>	474 386	449 239

Operational update USA

Production goal 2009

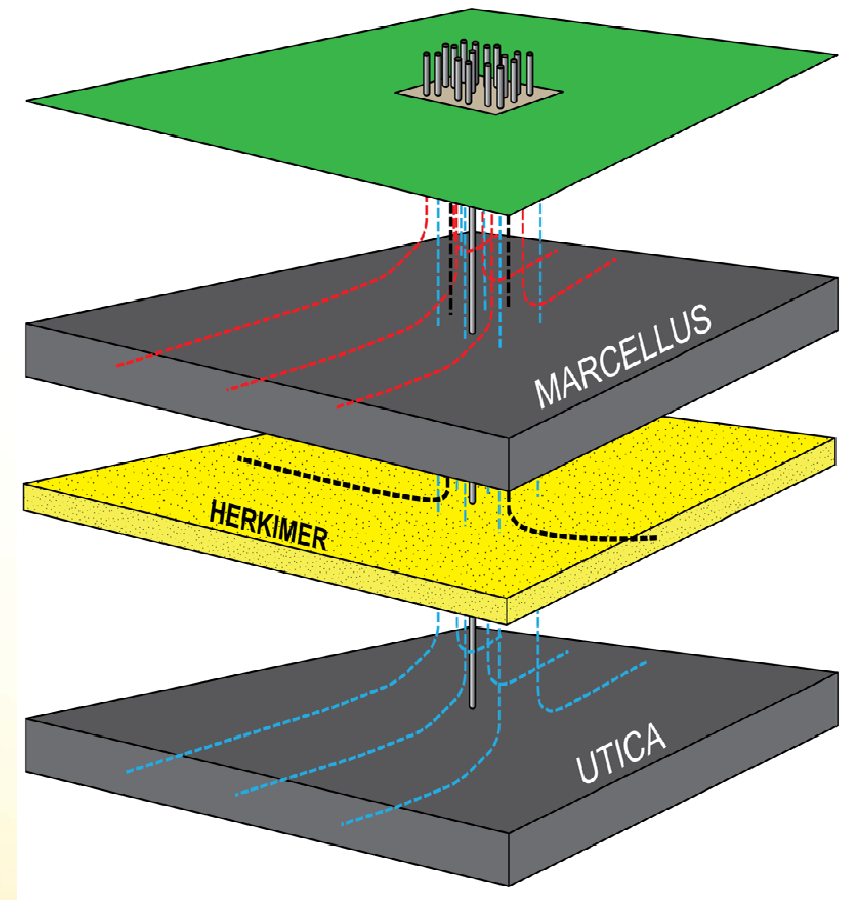
12,000 Mcf/day by the end of the year

Component	Status	Volume Mcf/day end of year
Wells online per Q3 report	Anticipated decline	6,000
Wells awaiting pipeline and/or regulatory approval	Pipeline construction on track for December completion	5,000
Balance of 2009 drilling	4 additional wells planned for 09	Need 1,000



2010 business plan

- **Herkimer play**
 - 30 wells planned for 2010
 - Year-end target of 24,000 Mcf/day
- **Marcellus and Utica shale plays**
 - New York environmental regulation public comment period extended to December 31, 2009
 - Covers all drilling, completion and water regulations needed for shale development
- **Shale potential to be developed organically or through partnership**



Billion dollar Herkimer play potential

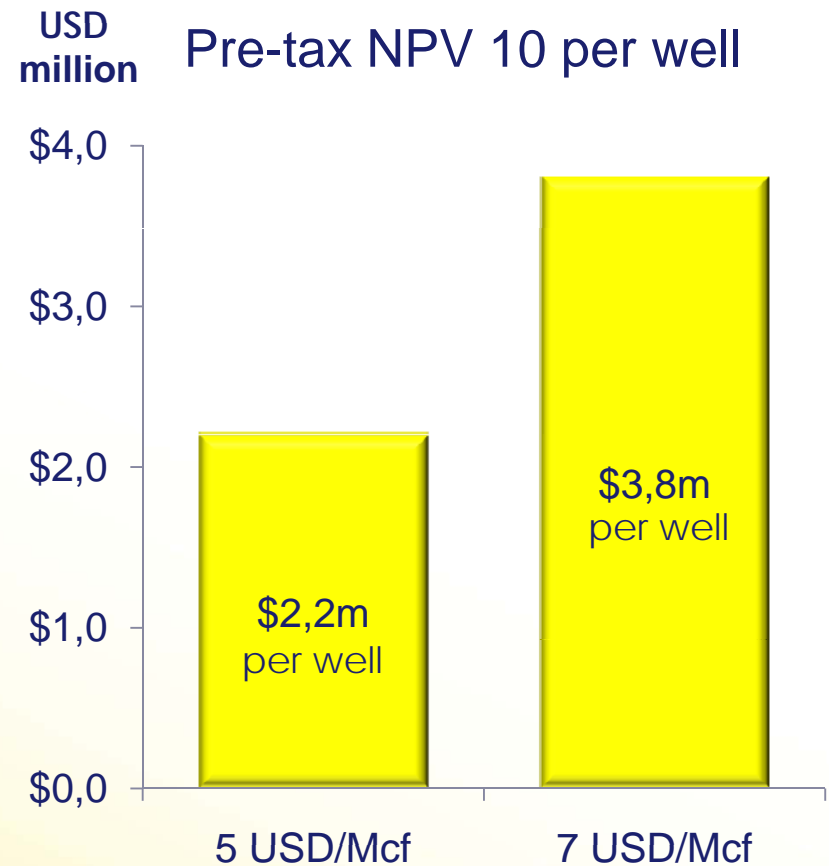
Base case study

Base case study assumptions:

- Initial Production (IP): 1,250 Mcf/day
- Investment USD 1.2 million
- Decline rate of 50% (year 1), 25% (year 2), 10% (year 3 onwards)
- Discount rate 10%

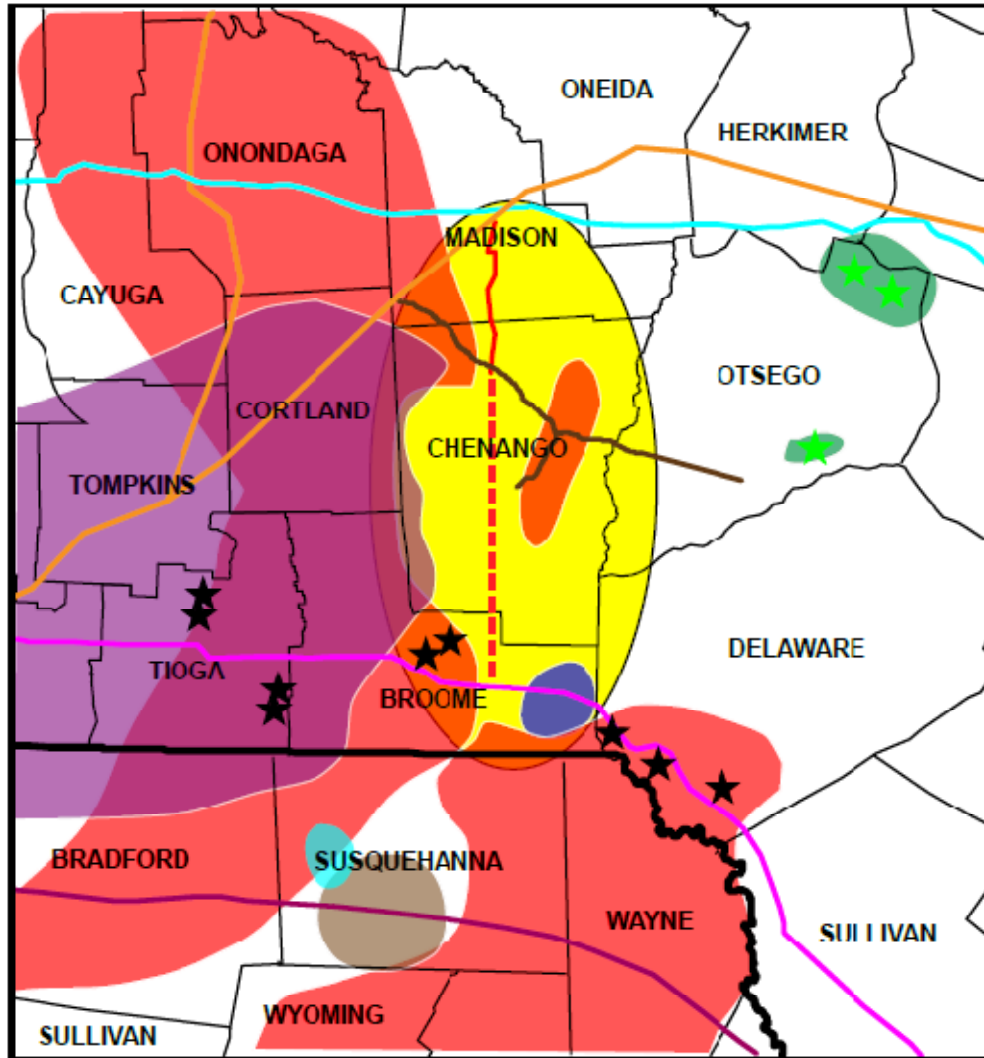
Herkimer sandstone play:

- 300+ Herkimer locations identified on seismic in Central New York state
- Internal evaluation of the field indicates 0.5 Tcf (90 MMBOE) recoverable gas



Leasehold position

Attractive acreage position in a highly competitive area



■ Norse 130,000 acres

■ Fortuna Energy

■ Chesapeake / Statoil

■ XTO Energy

■ Gastem

■ Epsilon

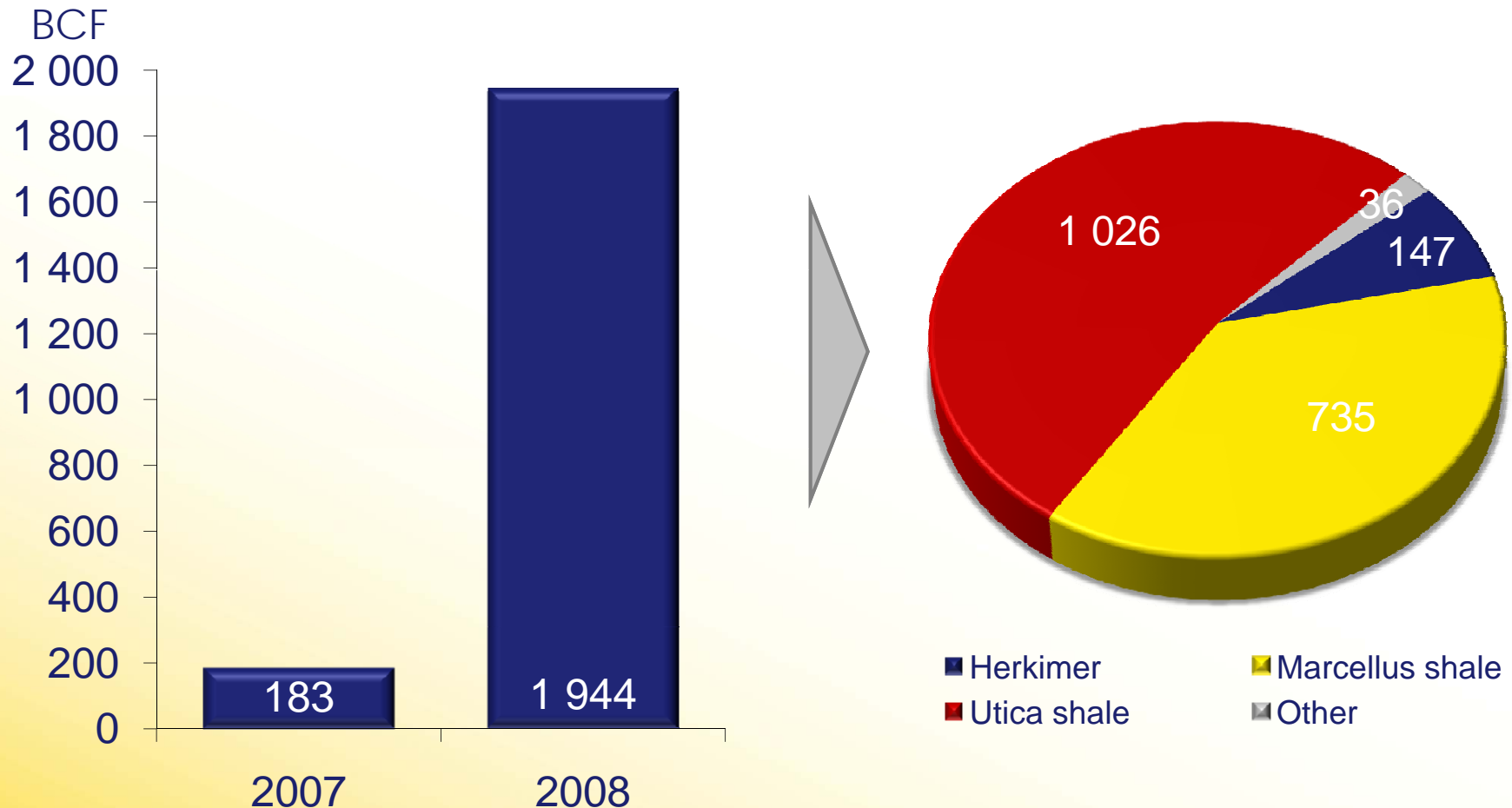
■ Cabot

★ Horizontal Marcellus permit applications

★ Vertical Utica permits issued

US Contingent resources development

Third-party certified (Schlumberger) year-end 08



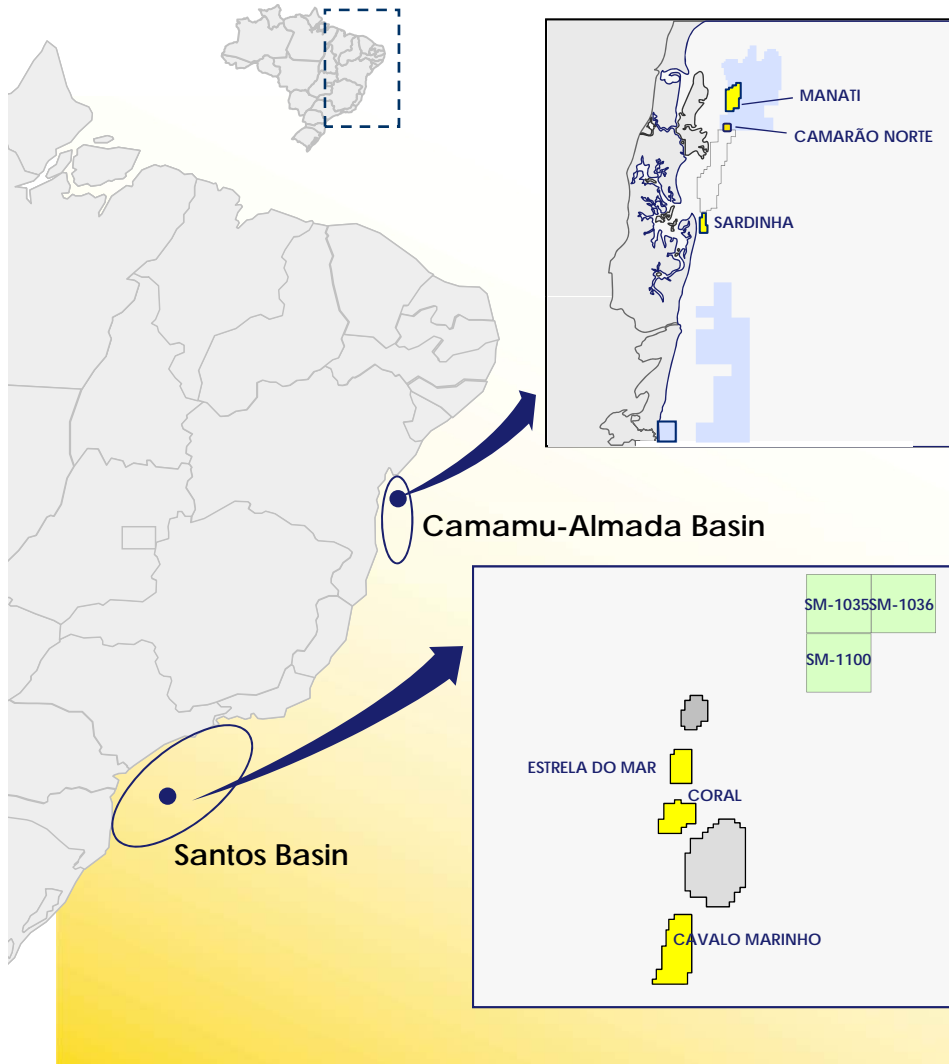
Schlumberger Marcellus and Utica reserve calculations assumes 12% recovery versus industry standard of 20 – 30% ⁽¹⁾



(1) Source: "Inside the Marcellus Play", Tudor Pickering & Holt, March 2009.

Operational update Brazil

Brazil assets



■ Camamu-Almada Basin

- Manati (10%) – producing
- Camarão Norte (10%) – discovery
- Sardinha (20%) – discovery

■ Santos Basin

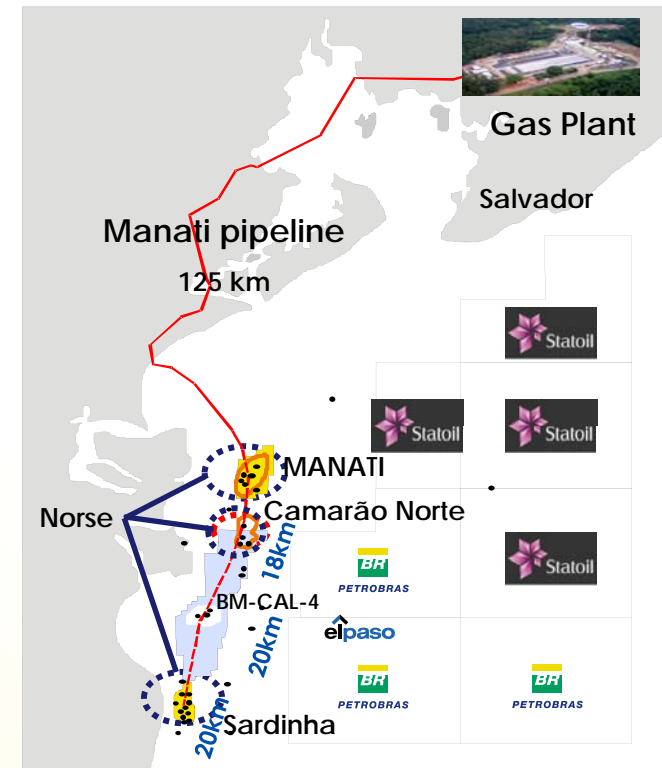
- BS3 Integrated – development planning
 - Cavalo Marinho (50%)
 - Estrela do Mar (65%)
 - Coral (35%)
- Round 9 assets (50%) - exploration

Camarão Norte

(BCAM-40 block, Norse Energy do Brasil 10%)

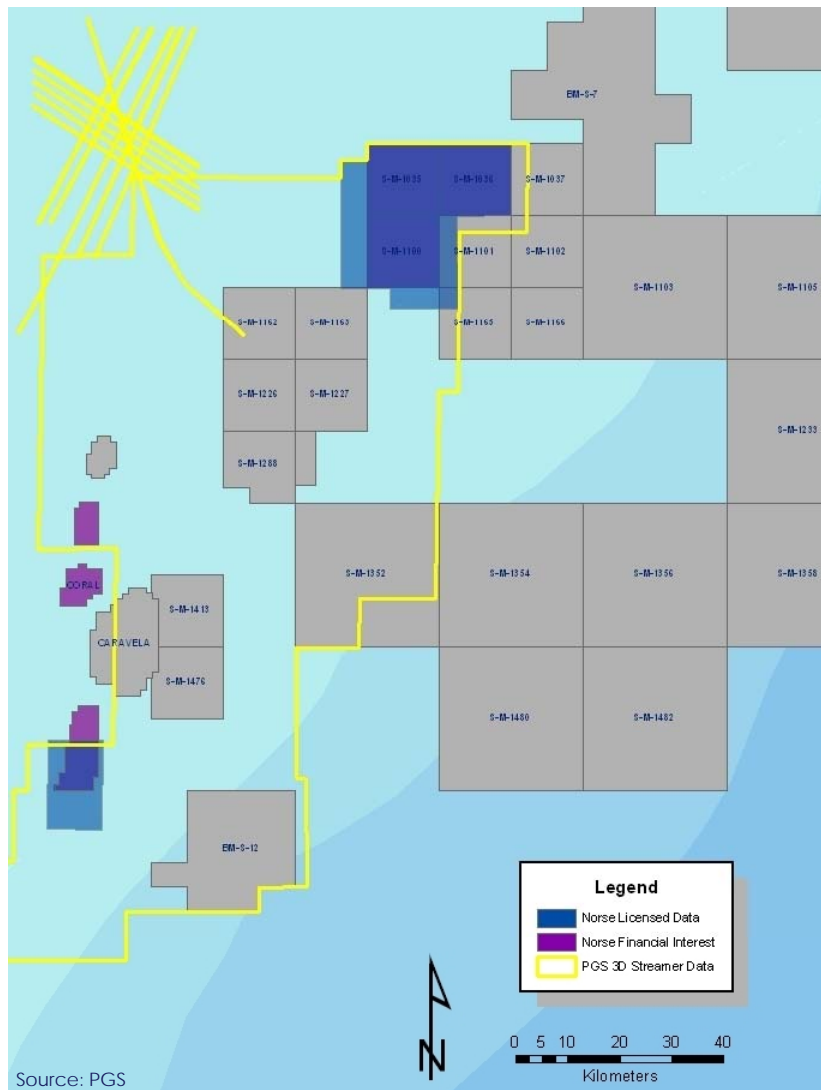
BAS-131 discovery (Southern part of BCAM-40 block)

- Declared commercial and named “Camarão Norte”
 - 9 km south of Manati
- 12.4 MMBOE recoverable hydrocarbons
 - ~8 MMBOE in gas cap expected developed
 - Tie-back to Manati platform with spare capacity
- Extends to the south into the BM-CAL-4
 - Unitization with neighboring block next step



Santos Basin

Seismic acquisition completed in Q3



- 3D survey covering exploration licenses SM-1035, SM-1036, SM-1100 completed
- Survey covered ~725 square kilometers (180,000 acres) performed by PGS with the "Ramform Valiant"
- Eight km cables, allowing for sub-salt interpretation
- Process data before year end
- Deadline for deciding on drilling commitment for second phase Q1-2011

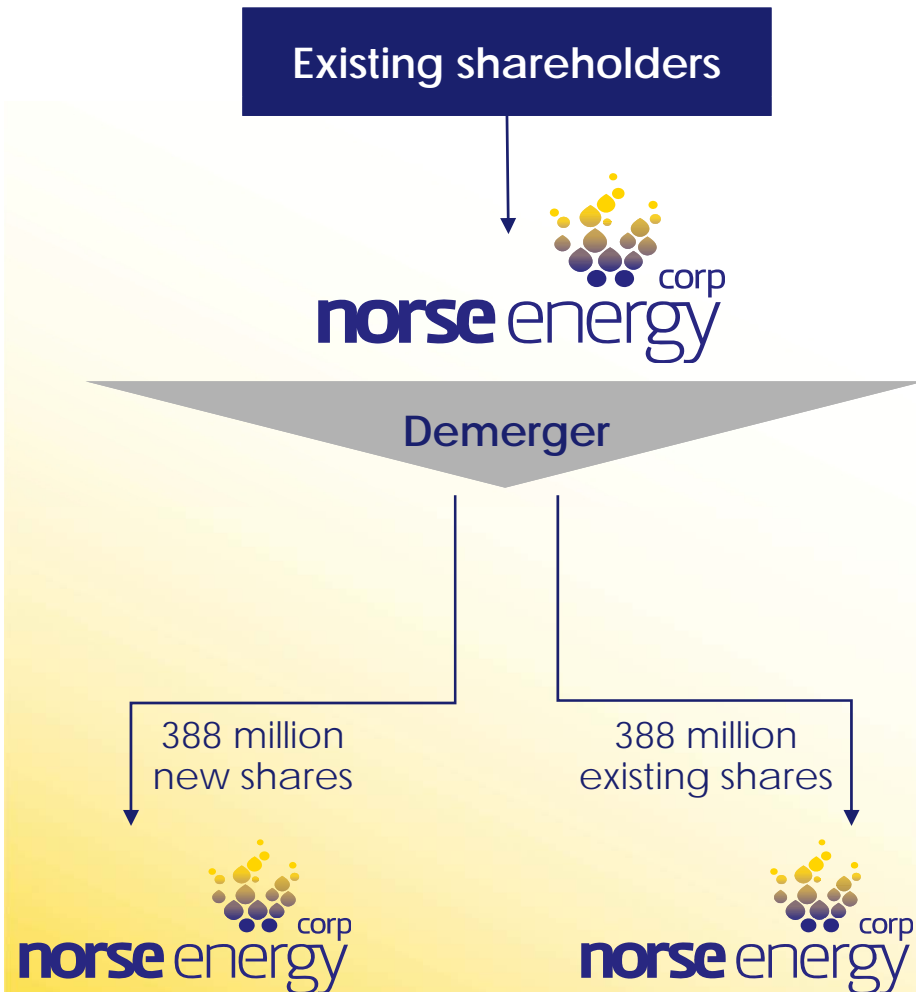
US

- Maintaining YE production target of 12,000 Mcf (2,137 BOE) per day
- Production expected to double to 24,000 Mcf (4,275 BOE) per day by year-end 2010
- Shale development awaiting NYDEC regulations

Brazil

- Manati production increasing
- Round 9 assets – Prospect verification from 3D seismic expected mid-2010

Contemplated Demerger Pure plays – "Appalachia" and "Offshore"



- **Current structure sub-optimal for shareholders and investor community**
 - Limited synergies between units
 - Facing different challenges
- **Creating distinct business cases**
 - Taking advantage of substantial growth opportunities in each market
 - Optimizing capital structure and financing alternatives for each business unit
- **Visualize shareholder value**

Contemplated Demerger Timeline

- **Extraordinary General Meeting to approve demerger plan before year end 2009**
- **File for listing on Oslo Stock Exchange before end of Q1 2010**