

1 September 2021

Longboat Energy plc
(“Longboat Energy”, “Longboat” or the “Company”)

Completion of Farm-Ins to High Impact Drilling Programme

Longboat Energy, the emerging full-cycle North Sea E&P company with a portfolio of significant, near-term, low-risk exploration assets on the Norwegian Continental Shelf (“NCS”), is pleased to announce the completion of the farm-ins with Equinor, Idemitsu and Spirit announced on 1 June 2021.

Following updates from the licence operators, the Company now expects to complete the drilling of four exploration wells in its seven well programme before the end of 2021. The wells now scheduled to drill during 2021 are: Egyptian Vulture (Company 15%), Rødhette (Company 20%), Mugnetind (Company 20%) and Ginny/Hermine (Company 9%). The programme is anticipated to commence during September and a further operational update will follow to coincide with the spudding of the first well.

The Company is also pleased to confirm that Copernicus (Company 10%), the seventh exploration well in its programme, is now a firm commitment following a recent notification to the Norwegian authorities by the joint venture partners, Equinor and PIGNiG. Copernicus is anticipated to drill in 2022 and lies on the Utgard High in the Vøring Basin region of the Norwegian Sea and the prospect is a combination trap with mapped stratigraphic pinch out down-dip and a small structural component at the apex.

The Copernicus prospect is estimated to contain gross mean prospective resources of 254mmboe¹ with further potential upside to bring the total to 471mmboe¹. The chance of success associated with the Copernicus prospect is 26%¹ with the key risks being reservoir presence/quality and trap.

More details on Longboat’s seven well exploration drilling programme can be found on the Company’s newly updated website: www.longboatenergy.com.

Potential tax changes

The Company notes the announcement made yesterday by the Government and the Ministry of Finance of proposals for potential changes to the Norwegian petroleum taxation system from 2022.

A consultation paper with further detail of the proposals will be published by the Ministry of Finance next week. Any changes will be subject to industry consultation and Parliamentary debate and approval prior to any potential implementation.

Longboat’s current understanding of the proposals which may be of relevance to the Company can be summarised as follows:

- The total marginal tax rate remains the same at 78 per cent;
- The Company would still receive the tax value of exploration costs (to the extent these generate tax losses) refunded in cash at the revised special tax base (71.8 per cent), but the remaining corporation tax element (6.2 per cent) would be carried forward to be set off against future profits from production; and
- There are no changes proposed to the temporary tax regime introduced in 2020 and effective until the end of 2021.

The Company will continue to benefit from the bi-monthly negative tax installments for its four-well exploration drilling campaign this year which is anticipated to commence during September 2021, the

first installment of which was received in August 2021.

Longboat will continue to monitor the situation and will provide further analysis of the implications of the proposals once more details are available.

Supplementary Admission Document

The Company will today publish a Supplementary Admission Document as required by Rule 3 of the AIM Rules. The Supplementary Admission Document will be available to view on the Company's website at www.longboatenergy.com.

Admission and Total Voting Rights

As the Farm-Ins constitute a reverse takeover under Rule 14 of AIM Rules, it is expected that the Ordinary Shares of Longboat will be cancelled from trading on the AIM market of the London Stock Exchange ("AIM") on 2 September 2021. An application has been made for admission to AIM of the Company's entire 56,666,666 Ordinary Shares, and this is expected to occur with dealings commencing at 8:00 am on 2 September 2021 under the existing TIDM code "LBE" ("Admission"). On Admission, the Company will cease to be an investing company and will instead become an operating company for the purposes of the AIM Rules.

Following Admission, this number of 56,666,666 may be used by shareholders as the denominator for the calculation by which they may determine if they are required to notify their interest in, or change to their interest in, the Company under the FCA's Disclosure Guidance and Transparency Rules.

Helge Hammer, Chief Executive of Longboat, commented:

"We are pleased that the Farm-Ins have completed and we are now operational, with Longboat about to embark upon the drilling of four wells over the next few months in an extremely busy and exciting time for the Company.

"We welcome the notification that the drilling of the Copernicus well is now a firm commitment for next year. This well is a play opener offering very considerable prospectivity."

The information contained within this announcement is considered to be inside information prior to its release, as defined in Article 7 of the Market Abuse Regulation No. 596/2014 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018

Notes:

1 ERC Equipoise estimates, using a conversion factor of 5,600 scf/stb

Ends

Enquiries:

Longboat Energy

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Background

Longboat Energy was established by the ex-Faroe Petroleum plc ("Faroe") management team to create a full-cycle North Sea E&P company through value accretive M&A and low-risk, near-field exploration. The management team has a proven track record of delivering value to shareholders through exploration success, accretive acquisitions and farm-ins, and a demonstrated ability to monetise discoveries through sales and asset swaps. At Faroe, the team grew reserves from 19 MMboe to 98 MMboe between 2013 and 2018, a compounded annual growth rate of approximately 39%. The team monetised numerous assets through development and active portfolio management, including asset swaps and sell downs. Faroe Petroleum was sold to DNO ASA in January 2019, providing a Total Shareholder Return of 129% to investors from the previous equity fundraise.

The Company has created a hand-picked portfolio and material drilling programme, including seven attractive exploration wells over the next 18 months and further appraisal drilling likely on success.

Standard

Estimates of reserves and resources have been prepared in accordance with the June 2018 Petroleum Resources Management System ("PRMS") as the standard for classification and reporting with an effective date of 31 December 2020.

<i>Licence</i>	<i>Prospect</i>	<i>Longboat Working Interest</i>	<i>Gross Attributable Prospective Resources (MMboe)¹</i>	<i>Geological Chance of Success²</i>	<i>Pre-tax Well Cost Gross/Net (\$million)³</i>	<i>Expected Drilling Date³</i>
PL1017	Copernicus	10%	254	26%	\$38/4	Q2/3-22

Source: ERC Equipose Competent Persons Report. The geological chance of success (GCOS) is an estimate of the probability that drilling the prospect would result in a discovery as defined under SPE PRMS. In the case of Prospective Resources, there is no certainty that hydrocarbons will be discovered, nor if discovered will it be commercially viable to produce any portion of the resources.

Notes:

1 ERC Equipose estimates, using a conversion factor of 5,600 scf/stb

2 ERC Equipose estimates

3 Longboat management/operator estimates

Review by Qualified Person

The technical information in this release has been reviewed by Helge Hammer, Chief Executive Officer, who is a qualified person for the purposes of the AIM Guidance Note for Mining, Oil and Gas Companies. Mr Hammer is a petroleum engineer with more than 30 years' experience in the oil and gas industry. He holds a degree in Petroleum Engineering from NTH University in Trondheim and an MSc in Economics from the Institut Français du Pétrole in Paris.

Glossary

“MMboe”	Million barrels of oil equivalent
“NCS”	Norwegian Continental Shelf
“Prospective Resources”	those quantities of petroleum which are estimated, on a given date, to be potentially recoverable from undiscovered accumulations