



# 2022 Q1 Results

May 2022



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This Presentation contains non-International Financial Reporting Standards ("IFRS") industry benchmarks and terms, such as "net debt, EBITDAX". Net debt includes amounts outstanding under the Company's senior debt excluding Letters of credit less cash and cash equivalents. EBITDAX stands for Earnings Before Interest, Depreciation, Amortisation and Exploration. These non-IFRS financial measures do not have any standardised meanings and therefore are unlikely to be comparable to similar measures presented by other companies. The Company uses these measures to help evaluate its performance. This Presentation includes audited Q1 2022 financial statements as well as unaudited indicative financial information which has been prepared by management. The unaudited indicative financial information was not prepared with a view towards compliance with published guidelines of the SEC, the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of indicative financial information or IFRS. The Company's independent auditors have not audited, reviewed, compiled or performed any procedures with respect to such unaudited indicative financial information for the purpose of its inclusion herein and accordingly, they have not expressed an opinion or provided any form of assurance with respect thereto for the purpose of this Presentation.

## Notes Regarding Oil and Gas Disclosure

This Presentation contains estimates of future net revenue from the production of oil and gas reserves and resources of the Company. These estimates do not represent fair market values of the reserves and resources. The estimates of such volumes and future net revenues for individual properties may not reflect the same confidence level as estimates of volumes and future net revenues for all properties, due to the effects of aggregation. Possible reserves are those additional reserves that are less certain to be recovered than probable reserves. There is an equal probability that the quantities actually recovered will be greater or less than the sum of the proved plus probable reserves. There is a 10% probability that at least the sum of the estimated proved reserves plus probable reserves will be recovered. References herein to "boe" mean barrel of oil equivalent which is derived by converting gas to oil in the ratio of 5.8 thousand cubic feet ("Mcf") of gas to one barrel ("bbl") of oil. Boe may be misleading, particularly if used in isolation. A boe conversion ratio of 5.8 Mcf:1 bbl is based on an energy conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 5.8 mcf:1 bbl, utilising a conversion ratio at 5.8 mcf:1 bbl may be misleading as an indication of value. Well test results that may be disclosed represent short-term results, which may not necessarily be indicative of long-term well performance or ultimate hydrocarbon recovery therefrom.

Statements relating to reserves and resources are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves and resources described can be profitably produced in the future. The volume estimates set forth in this Presentation are estimates only and the actual reserves and resources and realised revenue may be greater or less than those calculated. If a discovery is made, there is no certainty that it will be developed, or if it is developed, there is no certainty as to the timing of such development or the benefits (if any) which may flow to the Company. The reserve and resource figures (as of 31 December 2021) are derived from a report prepared by Netherland Sewell & Associates Inc., an independent qualified reserves evaluators. The reserve and resource estimates are prepared in accordance with the definitions and guidelines set forth in the 2018 Petroleum Resource Management System (PRMS) approved by the Society of Petroleum Engineers (SPE).

Recipients of this Presentation are specifically referred to the risk factors described in the Company's Management Discussion and Analysis of operating and financial results for the quarter ended 31 March 2022 and in other documents the Company files from time to time with securities regulatory authorities.

## Abbreviations Throughout This Presentation

\$ represents US dollars; £ represents pounds sterling; \$M represents millions of US dollars; "MMboe" represents millions of barrels of oil equivalent; "MMbbl" represents millions of barrels of oil; "kboe/d" represents thousands of barrels of oil equivalent per day; "MMscf/d" represents millions of standard cubic feet per day.

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# Agenda

- 1 Company Overview**
- 2 Q1 2022 Financial Results**
- 3 Reserves Update & Near-Term Outlook**
- 4 Emissions Reduction**



# Company Overview

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# Our Vision

To be the highest performing UK North Sea independent oil and gas company, focused on sustainably growing value



## Highly Capable Organization

- Performance driven teams
- Positioned for future growth



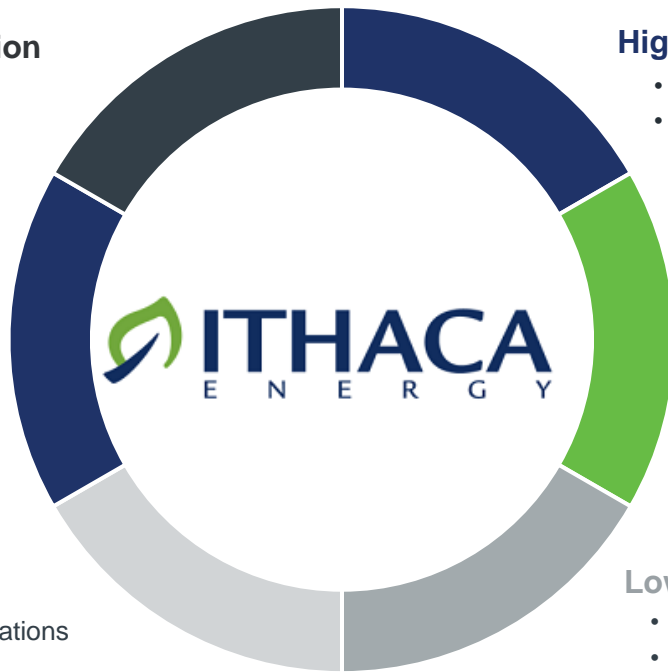
## Prudent Financial Framework

- Robust balance sheet
- Strong liquidity



## ESG Focussed

- Responsible and safe operations
- Integrity and transparency



## High Quality Diversified Portfolio

- Long life, high reliability assets
- High production efficiency



## Low Lifting Costs

- Resilience through cycles
- Free cash flow generation



## Low Breakeven Projects

- Competent project operator
- Maximise return on investment

# Ithaca Energy is a Full Cycle Upstream Operator

## Exploration



- Fotla and Jade South discoveries in 2021
- Actively working portfolio of opportunities



## Development



- Captain EOR Stage 2 Project underway
- Abigail
- Marigold



## Production



- Current net average production of ~ 70 kboe/d
- Expected to rise to ~ 80 kboe/d\* in the next 12 - 24 months



## Decommissioning



- Jacky platform removed 2021
- Athena (wells)
- Anglia (wells)



# At a Glance

## Key Operational Highlights<sup>1</sup>

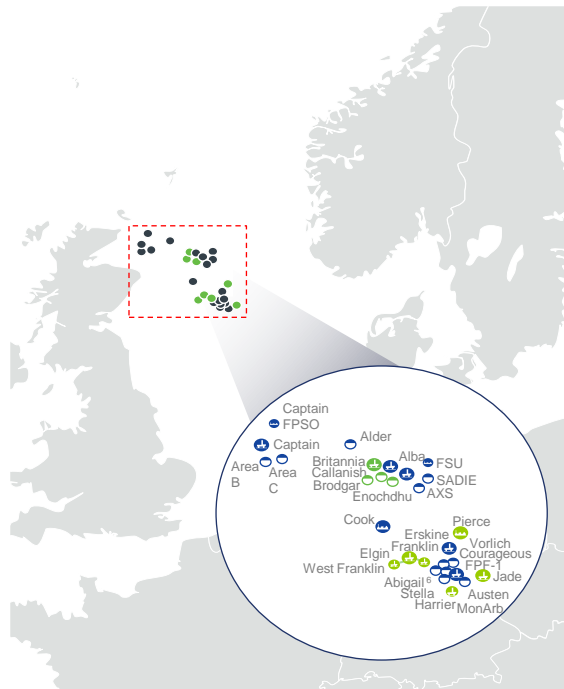
**c.71** kboe/d Average Production

**c.64%** Operated Portfolio

**206** mmbœ 2P Reserves<sup>2</sup>

**107** mmbœ 2C Resources<sup>2</sup>

**68%** Oil-weighted 2P<sup>2</sup>



## Key Financial Highlights<sup>1</sup>

**\$19**/boe Average Opex

**\$1,290**MM LTM EBITDAX &  
**\$474**MM 2022 Q1 EBITDAX

**\$775**MM Liquidity Headroom

**\$0.55**x Leverage Ratio<sup>3</sup>

**\$703**MM Net Debt<sup>3</sup>

Notes:

1. At as 31 March 2022, unless otherwise stated
2. Based on reserves as of 31st December 2021 (including Marubeni UK Portfolio)
3. Exclude letters of credit ("LCs")

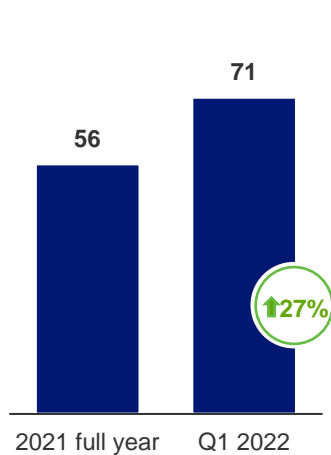
# 2022 Q1 Financial Results

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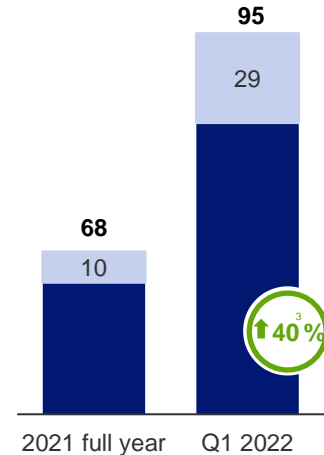
# 2022 Q1 Operational and Financial Results

Production (kboe/d)



**Strong uptime through Q1 bolstered by production from newly acquired MonArb and Columba assets from 4 February**

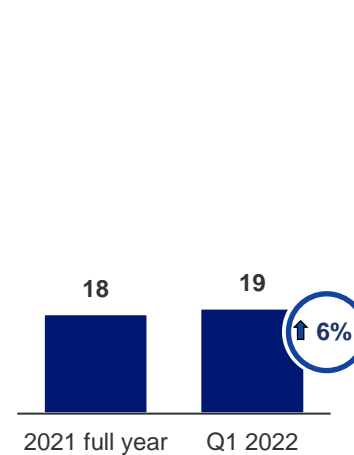
Realised Hydrocarbon Price (\$/boe)<sup>1</sup>



■ Revenue ■ Hedging loss

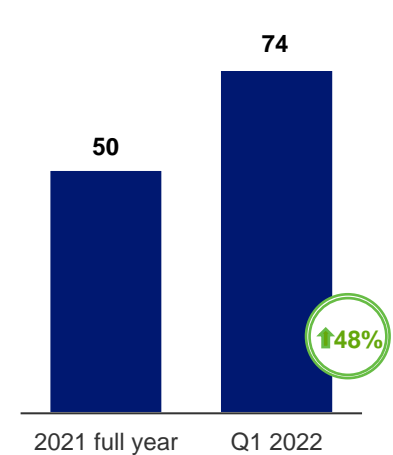
**Commodity prices remain strong**

Unit Operating Expenditure (\$/boe)<sup>2</sup>



**Unit operating expenditure under continued focus, however increases due to cost of fuel gas and diesel**

EBITDAX (\$/boe)

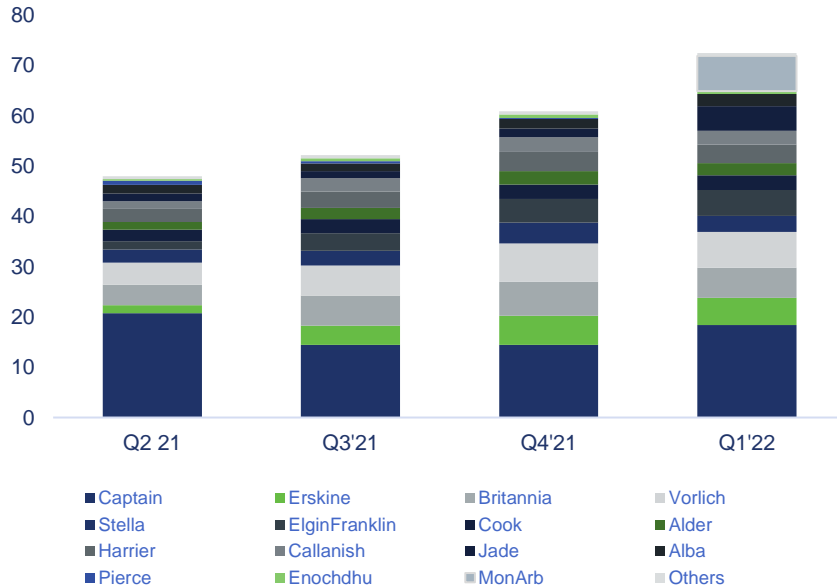


**Commodity pricing driving growth in EBITDAX per barrel**

1. Realised price of hydrocarbons produced in period - revenue figures include movement in inventory, tanker costs and royalties;  
 2. Opex figures are excluding tanker costs and are net of tariff income  
 3. 40% increase is before hedging Losses

# 12 Month Actual Production

Net Production (kboe/d)



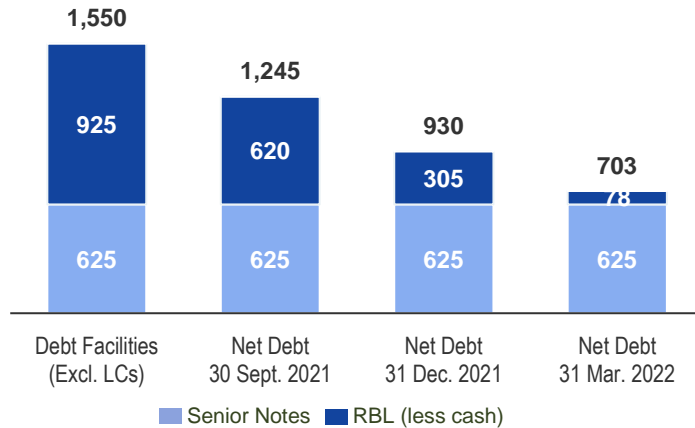
- Average Q1 2022 production of 71 kboe/d
- Captain was the biggest single contributor (>18 kboe/d average)
- Q1 2022 production increased due to addition of the Marubeni assets, strong Captain performance and Jade South

# Q1 2022 Total Production and Income Statement

Income Statement Analysis	Q1 2022		Q4 2021	
<b>PRODUCTION</b>	<b>kboed</b>	<b>mmboe</b>	<b>kboed</b>	<b>mmboe</b>
Oil	40.4	3.7	32.5	3.0
Gas	25.2	2.3	24.6	2.3
NGL	4.9	0.4	3.7	0.3
<b>TOTAL PRODUCTION</b>	<b>70.5</b>	<b>6.4</b>	<b>60.9</b>	<b>5.6</b>
<b>REVENUES</b>	<b>\$/boe</b>	<b>\$m</b>	<b>\$/boe</b>	<b>\$m</b>
Oil Revenue	100	498	81	173
Gas Revenue	177	406	176	399
Condensate Revenue	65	15	61	22
Oil & Gas Hedging Gains / (Losses)	(29)	(186)	(21)	(116)
<b>TOTAL</b>	<b>114</b>	<b>733</b>	<b>85</b>	<b>478</b>
Movement in oil & gas stocks	(19)	(124)	11	64
Tanker costs	-	(6)	-	(2)
Stella royalties	-	(3)	-	(3)
<b>TOTAL VALUE FROM PRODUCTION</b>	<b>94</b>	<b>601</b>	<b>96</b>	<b>536</b>
<b>COSTS</b>				
Operating: Captain	(23)	(37)	(27)	(36)
All other assets	(17)	(83)	(13)	(56)
Total	(19)	(120)	(17)	(93)
Routine G & A	(1)	(8)	(1)	(3)
Forex (loss) / gain	0	0	(0)	(1)
<b>TOTAL OPERATING CASH COSTS</b>	<b>(20)</b>	<b>(127)</b>	<b>(17)</b>	<b>(97)</b>
<b>EBITDAX</b>	<b>74</b>	<b>474</b>	<b>78</b>	<b>439</b>

- Production up by 9.6 kboed (16%) on Q4 driven by Marubeni acquisition, Captain performance and Jade South
- Oil prices have continued to rise through Q1 to a high of \$119/bbl in March. Average gas prices of 226/p
- Q1 hedging losses are the net of \$10m gain relating to hedges reset in 2020 (and cash received in 2020) offset by losses of \$196m on Q1 2022 realised hedges
- Q1 stock decrease of 1.3mmbbls, mainly driven by large lifted balances on Captain, MonArb and BritSats. Offset by the impact of Brent closing prices increasing by \$36/bbl compared to Q4. Volume impact \$-166m, price impact \$+40m
- Opex of \$19/bbl in Q1 due to the addition of MonArb assets which were \$29/bbl in Q1

# Liquidity Overview



## Material deleveraging strategy continues...

- The company continues to significantly reduce its debt through **strong free cash flow generation**
- **Prudent financial framework** underpinned by low leverage, high liquidity and capital discipline
- As of 31<sup>st</sup> March 2022 outstanding loans under the RBL drawn were \$150m and cash \$72m
- **Full repayment of loans under the RBL as of May 2022**

### RBL Facility Banks



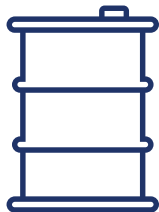
1. Net debt equates to drawings under the RBL plus senior notes less cash (excludes letters of credit)

Source: Internal management information

# Oil and Gas Hedging Overview

**>55% of 2022 and >40% of 2023 Oil Production Hedged\***

Oil



Period	Average hedged floor (\$/bbl)	Volume hedged (mmbœ)
H1 2022	56	4.3
H2 2022	57	4.5
H1 2023	71	3.6
H2 2023	70	3.1

**>70% of 2022 and ~15% of 2023 Gas Production Hedged\***

Gas



Period	Average hedged floor (p/therm)	Volume hedged (mmbœ)
H1 2022	92	3.2
H2 2022	114	3.1
H1 2023	170	0.9
H2 2023	116	0.4

Hedging position as of 19 May 2022

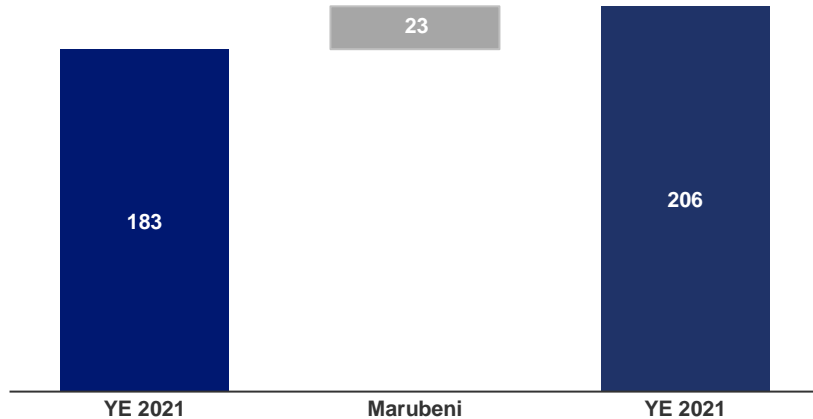
\*Based on business plan production and management estimates

# Reserves Update & Near-Term Outlook

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# Year End 2021 Reserves Update with Marubeni

## 2P Reserves (mmboe)



- 2P reserves addition of ~23 mmboe associated with the Marubeni Assets
- Marubeni assets have no 2C resources so 2C remains at 107 mmboe

# Active Portfolio of Projects in Execution and Development Phase

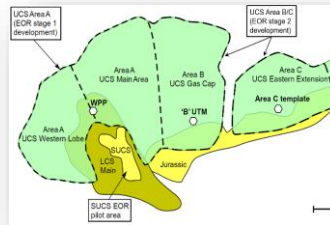
## Abigail

- FDP and Environmental Statement approved Jan'22
- Single subsea well tieback to FPF1 (within 10km)
- Estimated recovery ~4 – 10 mmboe\* (100% Ithaca W.I.)
- Well drilled and completed
- First oil planned for Q3 2022



## Captain EOR Stage 2

- Extension of the proven Polymer EOR technology to the subsea area of the Captain Field
- All key contracts awarded and fabrication underway, currently progressing to planned schedule
- First oil is expected in 2023 with peak production expected in 2026
- Drilling rig due to arrive in June



## Marigold

- Progressing subsea tieback to Piper
- Field Development Plan expected by year end 2022
- First oil expected ~ 2024 - 2025
- Commenced pre-feed with Repsol Sinopec Resources



## Fotla

- Discovery in the Central North Sea near Alba and Britannia
- Subsea tieback to nearby infrastructure expected, currently assessing options
- Resource estimate ~ 10 mmboe\* (60% Ithaca W.I.)
- Final Investment Decision expected by 2024



\*Source: Reserves report as of 31st December 2021

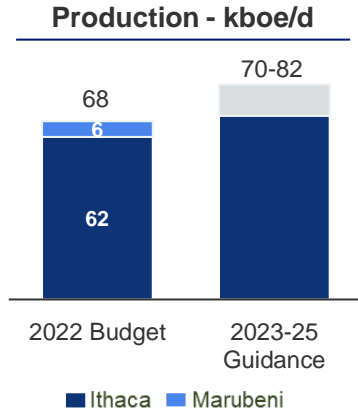


# Siccar Point Acquisition

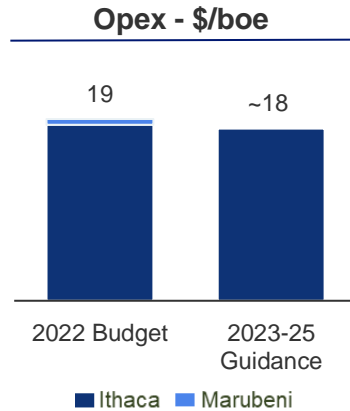
- Transformation acquisition which reinforces Ithaca as one of the leading UK North Sea E&P Operators
- Planned completion by end of June
- Interest in high quality, long life producing assets
  - Schiehallion and Mariner fields, both currently in the top 10 UK producing fields
  - Jade gas field, where Ithaca is an existing partner, offering further near-term drilling exposure
  - Cambo and Rosebank fields, two of the largest undeveloped and most strategically important discoveries in the UK North Sea
- Currently full availability under the RBL of \$925MM to fund the Siccar Point acquisition supported by a cash balance of c.\$200m - \$300m by end of June



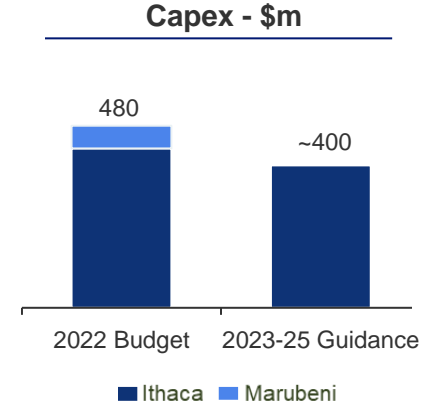
# Near Term Outlook



- 2022 production increase due to M&A activity (Marubeni) and further investment such as Captain EOR II, Abigail and MonArb



- Unit operating expenditure under continued focus
- Includes impact of increase cost of fuel gas, diesel prices and FX



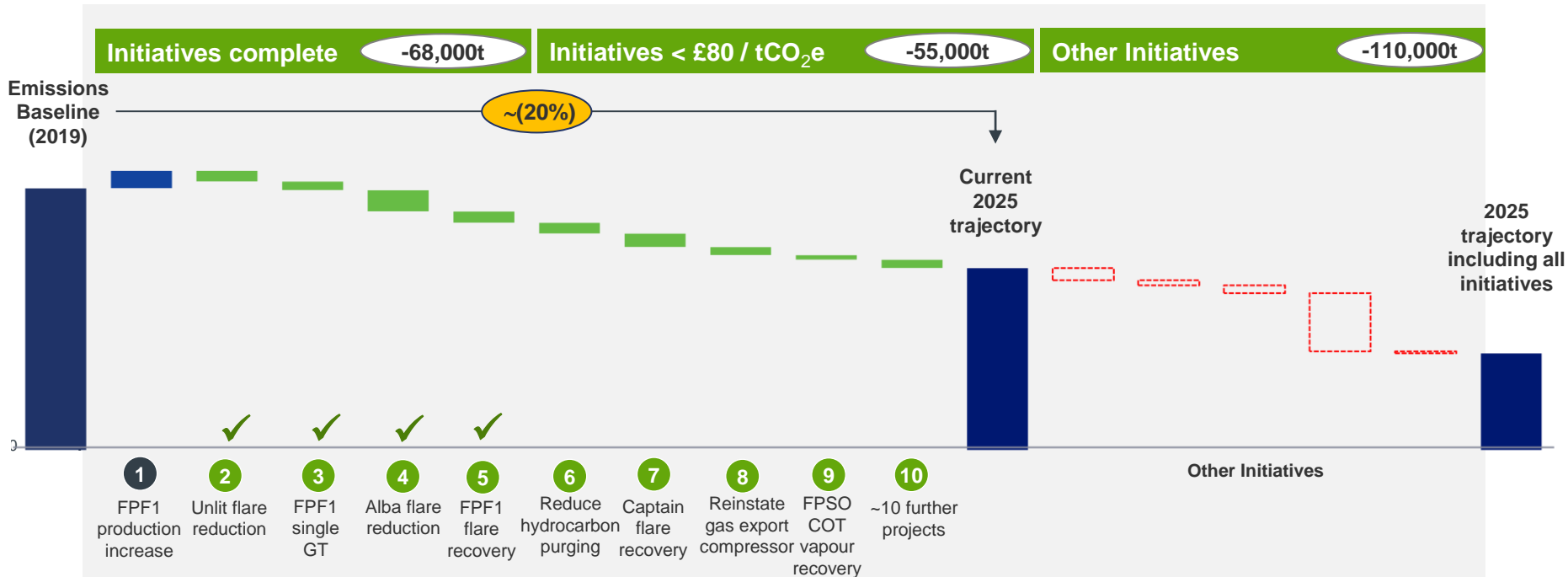
- Drilling on Captain and Abigail is driving majority of 2022 spend, combined with start up of EOR II project

# Emissions Reduction

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# Emissions Reduction Opportunities

Emissions reduction initiatives  
(ktCO<sub>2</sub>e reduction from 2019 baseline<sup>1</sup>)



# Emission Reduction Projects – Year to Date 2022

- Detailed design completed on FPF1 reduce hydrocarbon purging, identifying opportunities to accelerate installation – up to 14k tCO<sub>2</sub>e
- Awarded engineering studies for Captain flare recovery, Alba flare recovery, and COT vapour recovery – up to 35 kt CO<sub>2</sub>
- Established asset level targets for emissions, and equipment KPIs to drive performance
- Greenhouse gas emissions policy created/additional KPI committed to:
  - Achieve 0.20% methane intensity by 2025
  - Zero Routine Flaring by 2030
  - Net Zero by 2050





**Thank you**

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