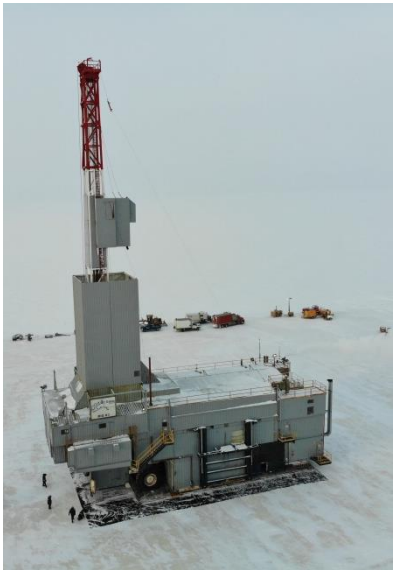


2020

2019 Annual Results Presentation



Agenda

1. 2019 Performance Tony Durrant
2. Financial results and acquisition status Richard Rose
3. Operational performance Stuart Wheaton
4. Emissions policy and development update Robin Allan
5. Exploration pipeline Tim Davies
6. Look forward Tony Durrant

2019 Performance

Production outperformance

- Production of 78.4 kboepd
- High operating efficiency of 93%

Excellent HSE performance

- No recordable injuries at Premier sites
- Historic low GHG intensity

Continued tight cost control

- \$11/bbl opex (excluding lease costs)
- Not seeing cost inflation

Strong project management

- Catcher payback reached in October
- BIG-P delivered on time, below budget
- Tolmount on track for 2020 first gas

Sustained free cash flow generation

- Record free cash flow of \$327m in 2019



Catcher reached payback in October



Tolmount topsides and jacket

Financial highlights and priorities

2019 Highlights

- Increased profitability to \$164m
- Continued cost control and disciplined capital allocation
- Net debt reduced to less than \$2bn
- Leverage materially reduced to 2.3x

2020 Priorities

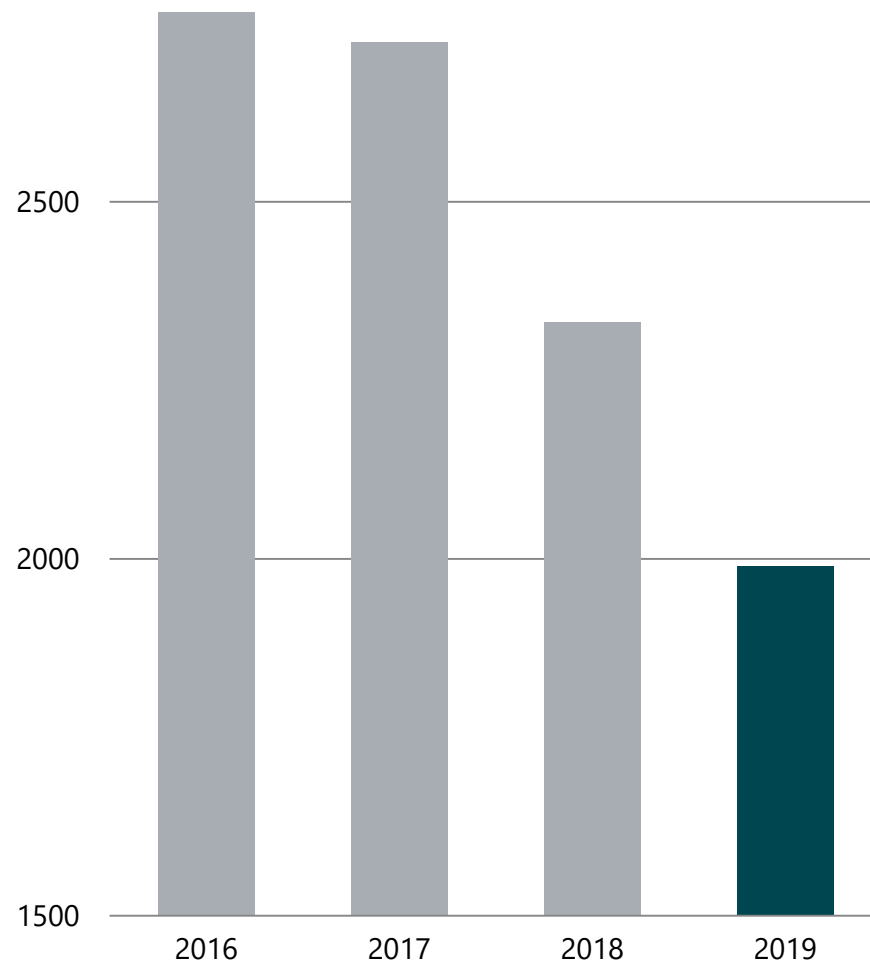
- Continued debt reduction
- Complete acquisitions and related funding
- Position for future refinancing

> \$900m

of net debt reduction since Oct 2017

Net debt

\$m



2019 Financials

Increased UK production and tight cost control resulted in higher cash margins

	FY 2019	FY 2018
Production (kboepd)	78.4	80.5
Operating cost/boe	11	10
Lease cost/boe	7	7
Cash flow (\$m)		
Operating cash flow	1,080	976
Lease payments	(205)	(199)
Interest and fees	(252)	(229)
Capex (inc. decom pre-funding)	(284)	(370)
Other (inc. disposals)	(12)	73
Net cash flow ¹	327	251
P&L (\$m)		
Sales revenue	1,597	1,438
Operating costs ¹	(325)	(288)
EBITDAX ¹	1,230	1,091
Profit/(loss) before tax	111	184
Net profit	164	133
Balance sheet		
Accounting net debt (\$m)	1,990	2,331
Covenant leverage ratio	2.3x	3.1x

¹ Before movement in joint venture balances

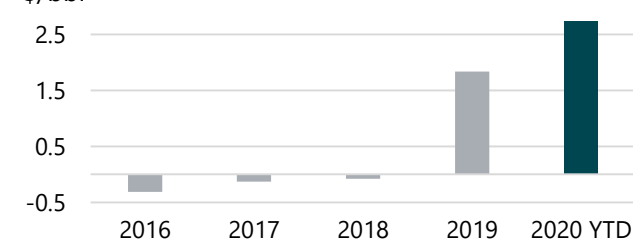
² FY 2018 restated for the impact of IFRS16

Realised pricing

	2019	2018
Oil (pre hedge) (\$/bbl)	66.3	67.9
Oil (post hedge) (\$/bbl)	68.1	63.5
UK gas (p/therm)	42	57
Indonesia gas (\$/mmscf)	10.2	11.2

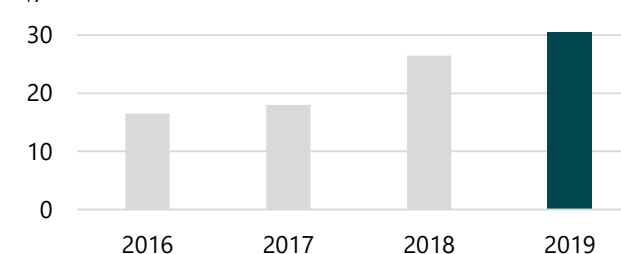
Av. premium to Brent

\$/bbl



Cash margins

\$/bbl



Disciplined spend, strong cost control

Capex expenditure (P&D, E&A)

- 2020 capex weighted towards P&D
 - High return, quick pay back
 - Tolmount drilling
- Right sizing future spend
 - Tolmount infrastructure partnership
 - Sea Lion, Tuna farm downs
- E&A: Brazil, Alaska

Abandonment

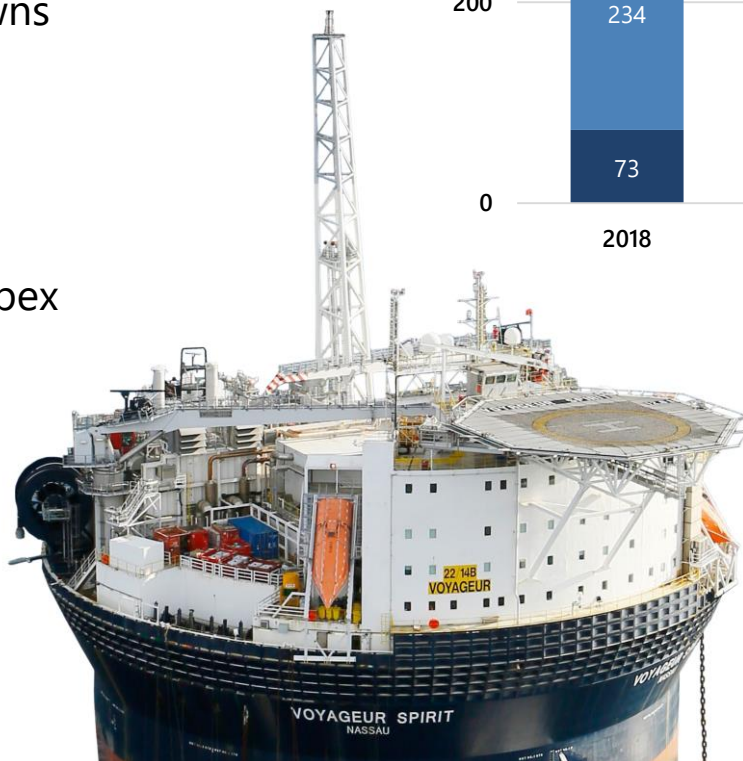
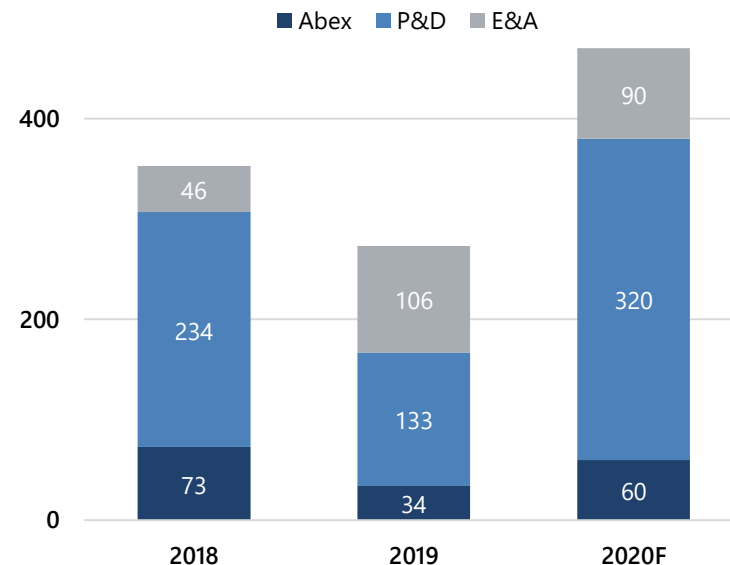
- Continuing to defer COP
- UK tax history shelters UK abex

"Experience in this area is growing and as a result of a sustained focus to improve efficiency, cost estimates continue to fall"

Oil and Gas UK
Economic Report 2019

Capital expenditure¹

\$m



¹ Excludes decommissioning pre-funding and to be updated for UK acquisitions

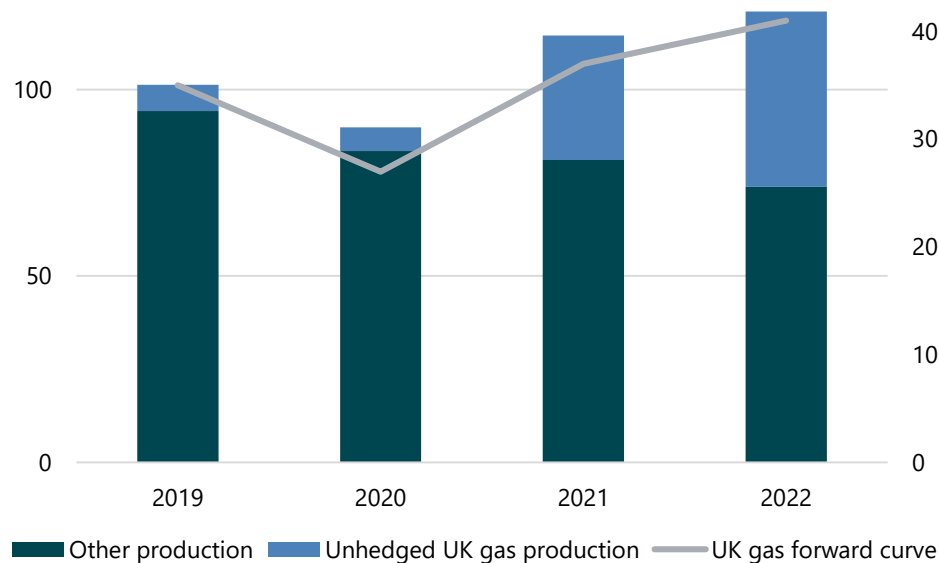
Hedging programme

2020 leverage to commodity prices (post hedging)

- \$5/bbl change in oil price results in a c.\$60m FCF move
- 5p/therm change in UK gas price results in a c.\$5m FCF move

Pro forma Group production¹
kboepd

UK gas price
p/therm



¹ CPR and company estimates

Oil hedging

	2020 1H	2020 2H
% of production	40%	14
Average price (\$/bbl)	64	63

UK gas hedging¹

	2020	2021	2022
% of production hedged	37	16	9
Average price (p/therm)	54	42	42

Indonesian gas hedging

- 48% of 2020 production hedged at an equivalent average price of c.\$9/mscf
- Higher coverage on a post-tax basis

¹ 2021 and 2022 UK hedged gas price includes option floors excluding premiums

UK acquisitions materially improve financial position

- Additional free cash flow increases debt reduction
- Accelerates use of \$4.2bn of tax losses
- Reduces covenant leverage ratio towards 1x by 2022
- Diversifies portfolio, reduces asset concentration
- Extension of credit facilities to November 2023
- Enhances position ahead of a full refinancing

>\$1bn FCF¹

Forecast from UK acquisitions to end 2023

Anticipated timetable to completion

7 Jan	Announcement of Acquisitions and Underwritten Financing Launch of Schemes of Arrangement
12 Feb	Creditors approved the Schemes
17 Mar	Court sanction hearing starts
Q1/Q2	Announcement of the Placing Publication of Prospectus and Circular
Q2	General Meeting of shareholders to approve the transactions Execution of Placing and Rights Issue
Q2/Q3	Completion of the Acquisitions

¹ Based on CPR estimates

Production assets overview

2019 operational performance

- Record Group operating efficiency
- Record UK production
- 15 mmboe of 2P reserves addition from production projects
- No recordable injuries on any Premier operated sites
- Record low emissions rate
- Value accretive UK acquisitions

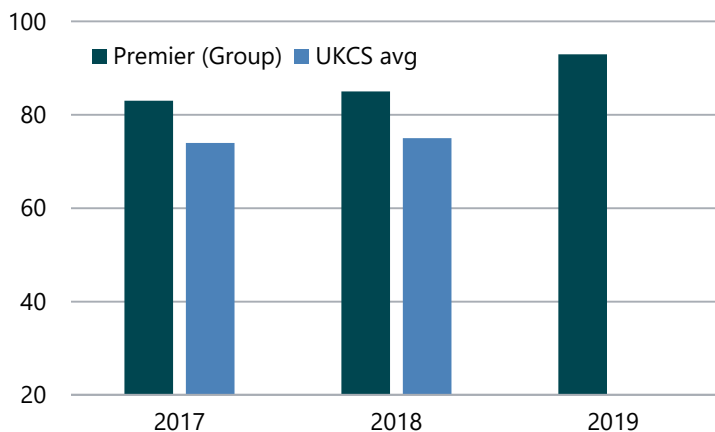


Outlook

- Rising production profile
 - Increased contribution from tax advantaged UK assets
 - Stable Asia production
- High value infrastructure led opportunities
- Continuous review of operated assets to minimise emissions

Operating efficiency¹

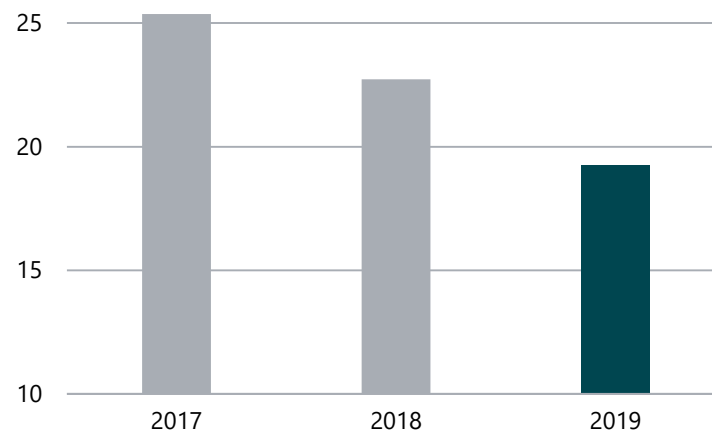
%



¹ Company estimates, Oil and Gas Authority data

Group operated assets GHG intensity

kgCO₂e/boe



Catcher outperforming, Premier 50% operated

2019 performance

- Very high operating efficiency
- Improved base profile
- 10 mmboe (gross) reserves upgrade
- Low GHG intensity
- Catcher North, Laverda sanctioned

Outlook

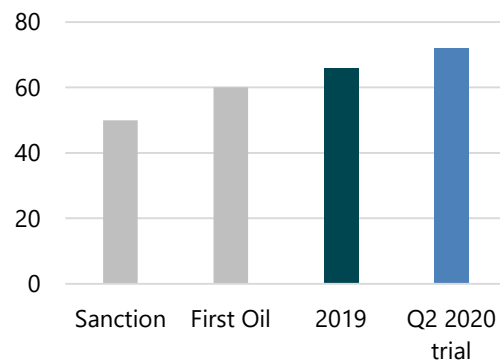
- Maintain high operating efficiency
- Acquisition of 4D seismic
- Infill drilling and near field tie-backs
- Potential to trial increased oil rates

\$47/boe
Cash margins

Cash payback
reached (Oct 2019)

Catcher plateau rates

kboepd (gross)



Other UK production

Elgin Franklin (5.2 per cent, non-operated)

- 2019: 6.0 kboepd (net)
- Low opex
- Infill drilling, well interventions
- Long field life

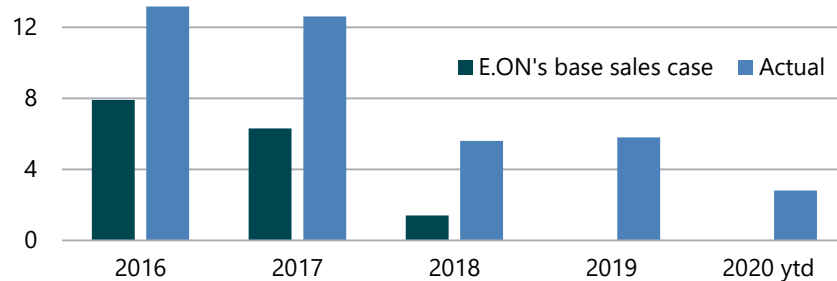
Solan (100 per cent, operated)

- 2019: 3.5 kboepd (net)
- High plant uptime
- P3 to be drilled mid-2020
- Platform to become gas-powered again

Huntington (100 per cent, operated)

- 2019: 5.8 kboepd
- Proactive reservoir management
- Powerbuoy successfully trialled
- COP in 2020, significantly later than planned
- Decommissioning phased over 5+ years

Huntington production kboepd



UK assets to be acquired

Rising UK pro forma production to c. 90 kboepd

Andrew Area (50-100 per cent, operated)

- 2019: 18 kboepd¹ (net)
- Low opex of \$17/boe¹
- Low emissions of 13 kg/boe
- Andrew LC gas project and satellite well work extends field life

Andrew LC project (77.1 per cent, operated)

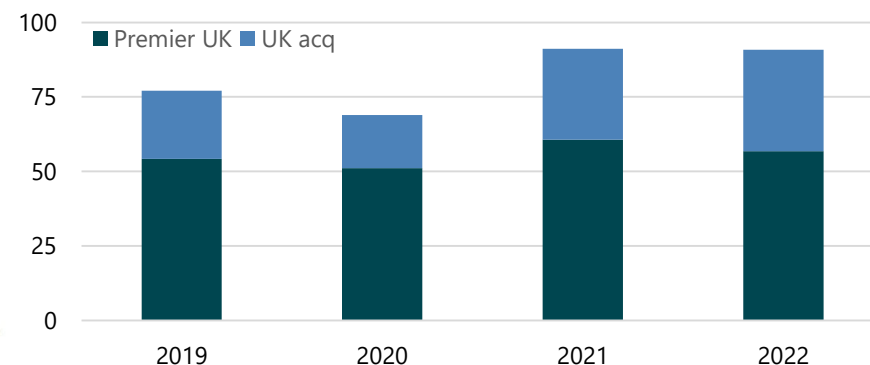
- Under test since 2018
- Adds 9 mmboe¹ (net), >6 kboepd¹
- Two well subsea tie-back to Andrew
- Total net capex of \$120m
- Sanction targeted for 2020 2H

Shearwater (27.5 per cent, non-operated)

- 2019¹: 5 kboepd¹ (net)
- Partner pre-emption rights lapsed
- Incremental investment opportunities, infill wells
- Significant 3rd party tariff income and opex cost sharing

Pro forma UK production²

kboepd (gross)



Transition & integration work progressing

¹ CPR estimates

² Company, CPR estimates



South East Asia

Cash generative: \$120 million of free cash flow generated from SE Asian assets in 2019

NSBA, Indonesia (28.7% op)

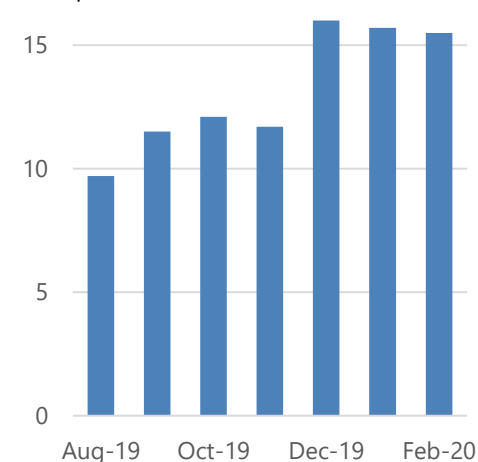
- 2019: 11.5 kboepd (net)
- Low opex of \$8/boe
- BIG-P first gas
- Infill wells maintain profile
- Reserves upgrade

63%

GSA1 market share 2020 ytd

NSBA production

kboepd (net)



Chim Sáo, Vietnam (53.1% op)

- 2019: 11.4 kboepd
- Low opex of \$9/boe
- Ongoing well interventions
- 2 infill wells targeted for 2021

>\$4.70/bbl

av. premium to Brent
(2019 Chim Sáo liftings)

Development asset review – a Net Zero Commitment



Low Carbon by Design

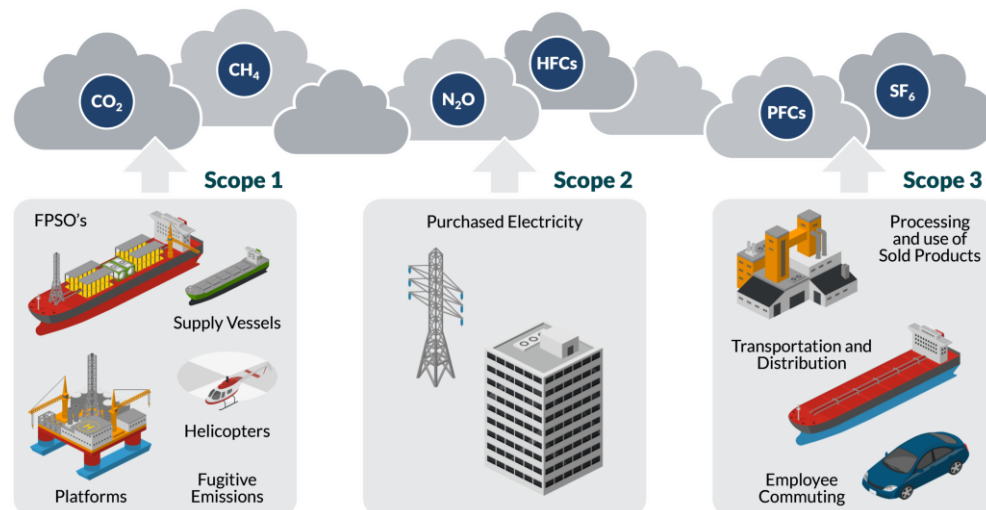
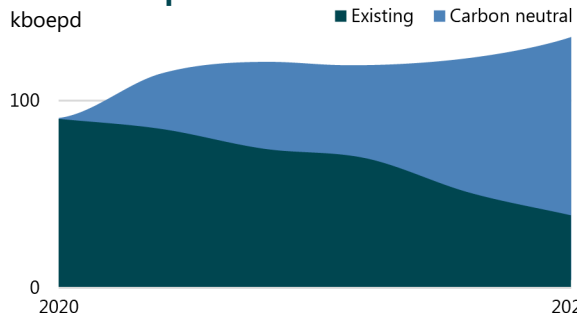
- Measuring, managing and minimising Premier's emissions
- Emissions Hopper approach
- Best Available Technology



Carbon Neutral by Commitment

- Nature-based offsetting in Premier's geographies
- All operated developments will be Carbon Neutral (Scopes 1 and 2)
- Premier's activities will be:
 - >65% net zero by 2025
 - 100% net zero by 2030

Illustrative profile



Reducing Scope 1 emissions

- Use of normally unattended facilities
- Removal of CO₂ from the gas stream for re-injection
- Minimisation of all venting and flaring
- Electrification of platforms, vehicles etc where possible
- Minimisation of offshore support vessels

Reducing Scope 2 emissions

- Efficiently generate our own power

Advocacy and supported initiatives



Tolmount – Low Carbon by design

- On track for first gas by year-end
 - Platform sailaway in April
 - Offshore platform installation in May
 - Development drilling to start in June
 - 20" gas export pipelay during summer
- Acquisition of additional 25 per cent interest from Dana
- Agreement with Kellas to extend infrastructure arrangements
- Upside within the Greater Tolmount Area



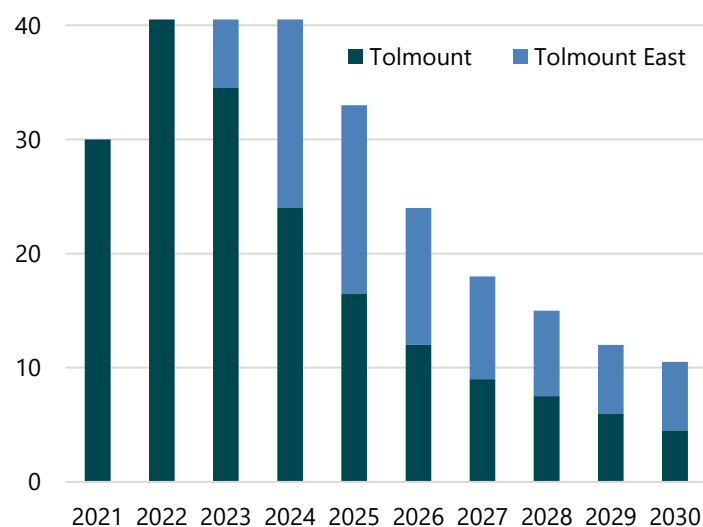
Tolmount pre-commissioning underway



Tolmount jacket roll up achieved in Dec 19

Tolmount production profile¹

kboepd (net, Premier 75 per cent)



Gross resource
500 Bcf

Modest capex;
low production
costs

Gross peak rates
50 kboepd

¹ Company estimates

Low Carbon by Design

- NUI
- Micro gas turbines
- Plan to access nearby windfarm electricity in the future



Operated development asset review



Low Carbon by Design



Carbon Neutral by Commitment

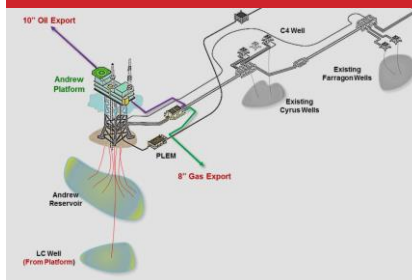
Tolmount East Area



- 160-300 BCF gross resource (P50-P10) including Mongour
- FEED studies underway for subsea and platform concepts
- Designed for electric power
- Project sanction targeted 2020 2H
- Extends Tolmount plateau production

Premier, 50% op

Andrew Lwr. Cretaceous

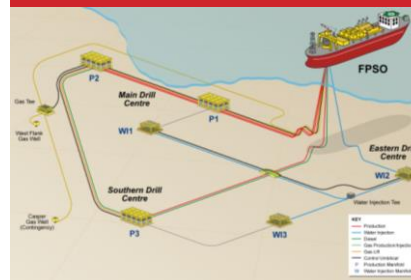


- Under test since 2018
- Adds 9 mmboe (net), >6 kboepd¹
- Two well subsea tie-back to Andrew
- Total net capex of \$120m¹
- Sanction targeted for 2020 2H
- First Gas in 2022¹

¹ CPR estimates

Premier, 77.1% op

Sea Lion Phase 1



- 250 mmbbls gross
- Conventional FPSO and subsea development
- Tier 1 supply chain
- FEED completed
- Best available technology to minimise emissions
- HoT with Navitas
- Corporate actions to be completed before financial guarantees can be secured

Premier, 40% op

Tuna Discoveries



- 100 mmboe gross resource
- HoT agreed with Zarubezhneft
- Premier carried for two appraisal well campaign
- MoU signed for sale of Tuna gas to Vietnam
- Submission of net zero development plan targeted by March 2021

Premier, 50% op

High value exploration portfolio

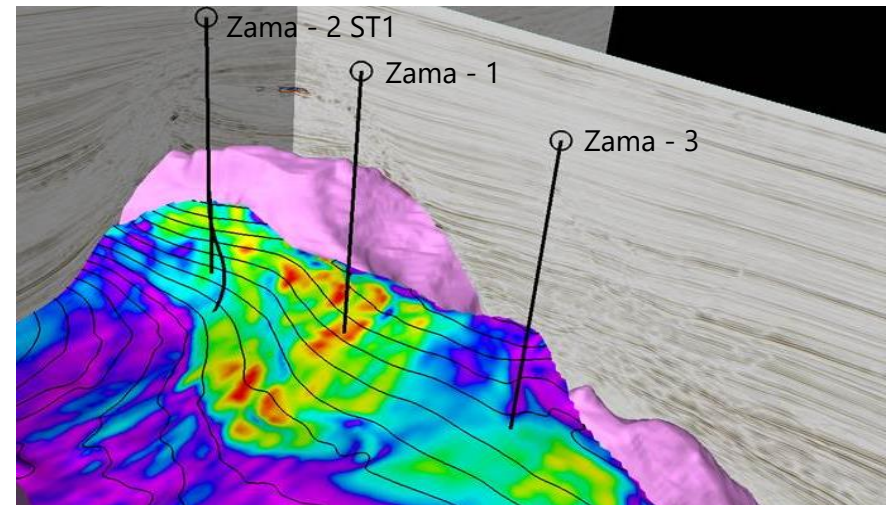
Targeting under explored plays in proven hydrocarbon basins

2019 E&A highlights

- Successful Zama appraisal campaign (Mexico)
 - Resource increased
 - Unitisation and sales process underway
- Tolmount East discovery (UK)
- 3D seismic acquired across Block 30 (Mexico) and Andaman Sea acreage (Indonesia)
- Attractive new acreage captured
 - Entry into Alaska North Slope (Area A)
 - Deepened position in South Andaman Sea (South Andaman and Andaman I)

2020 Outlook

- Charlie-1 (Alaska) spudded and drilling ahead
- Berimbau/Maraca (Brazil) to spud in Q3



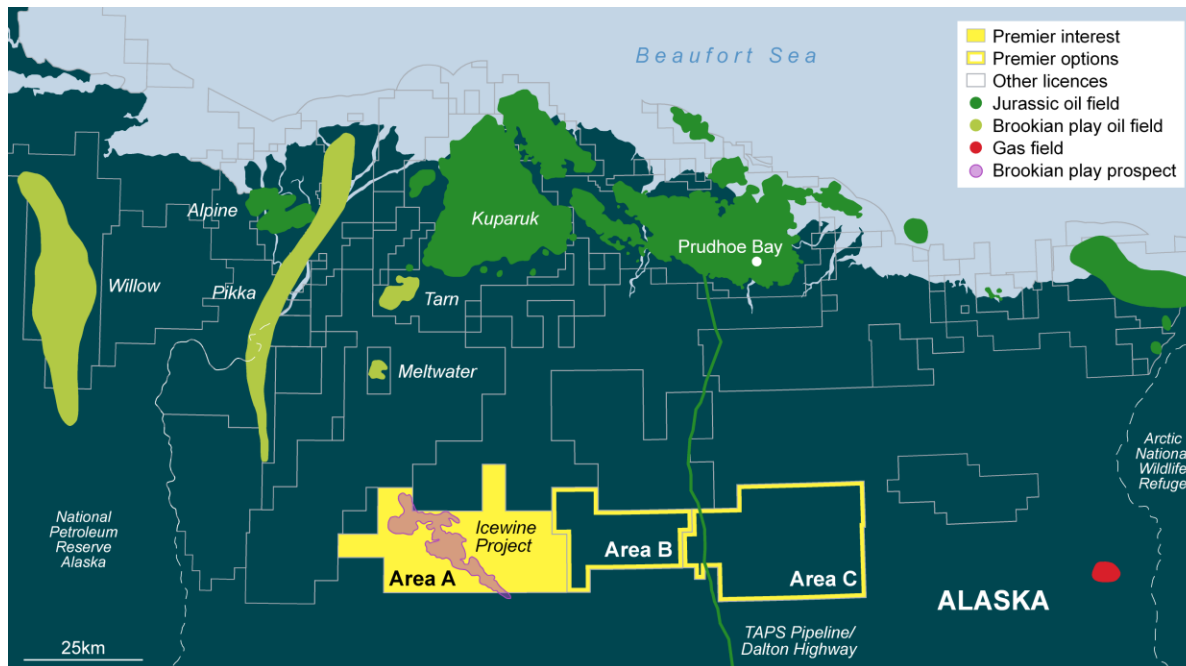
Top Zama Structure & RMS Amplitude Map

>300 mmboe

Net risked resource targeted over next 18 months

Alaska North Slope: new country entry

- Renewed industry interest in under-explored conventional Brookian play following technological advances
- Farmed in for a 60% interest in Area A with option to acquire 50% of Area B or C on appraisal completion
- BP drilled Malguk-1 in 1991
 - intersected 251 feet of conventional light oil pay but not tested



Major ANS Licence holders



Drilling rig in transit on the ice road.

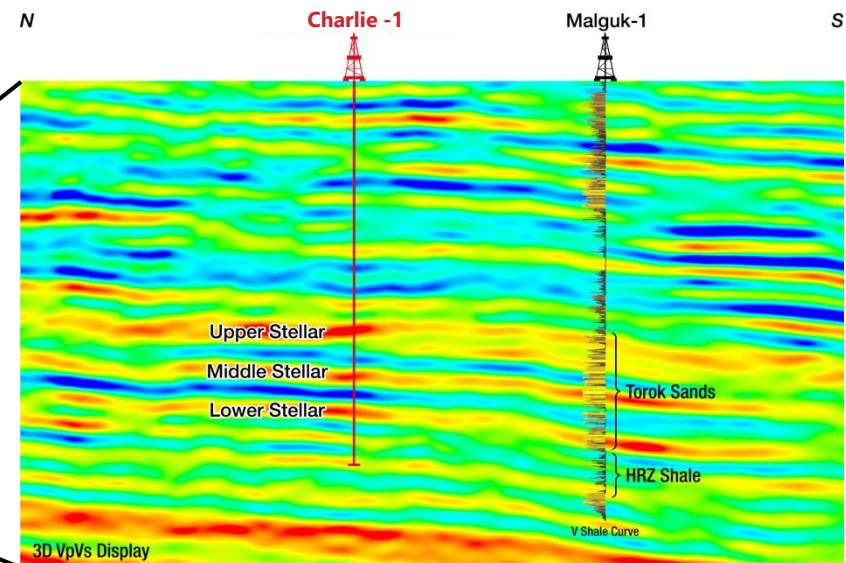
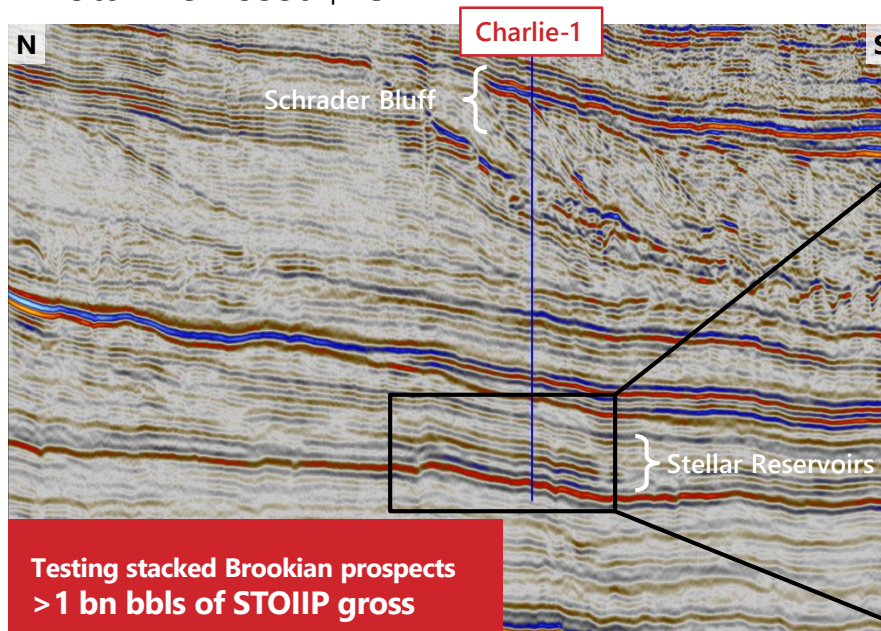
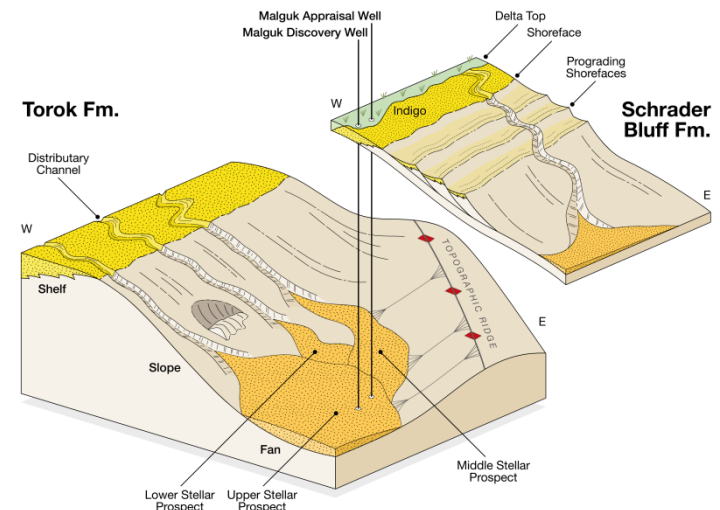


Drilling rig on location

Alaska North Slope: Area A

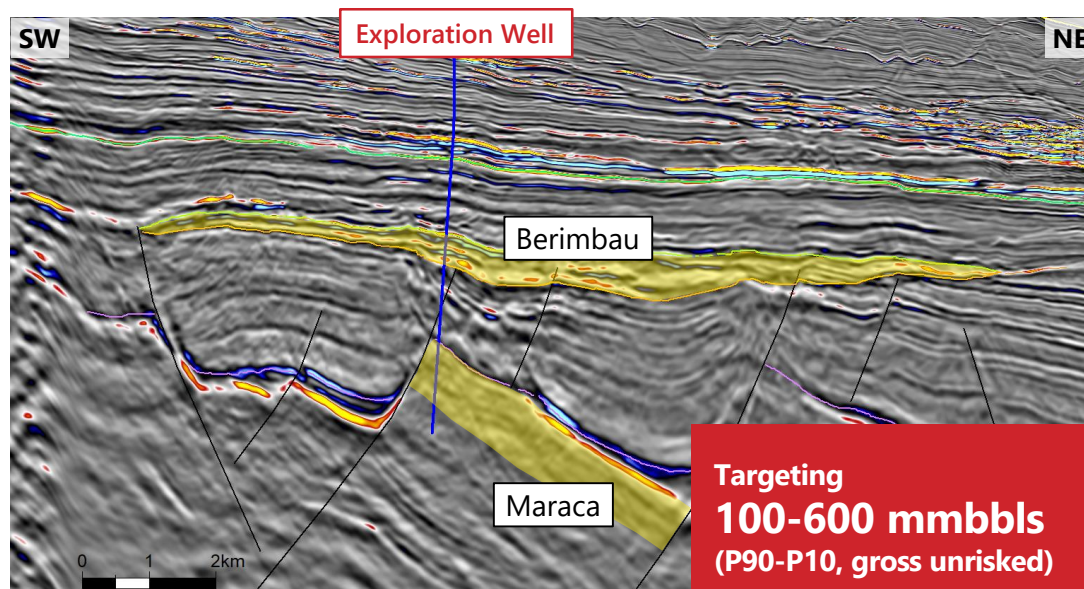
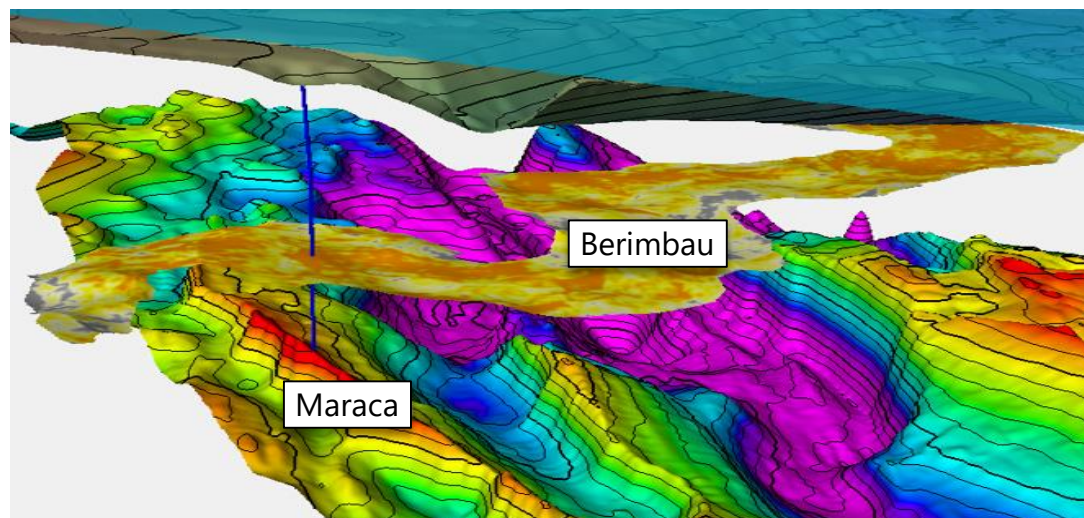
Charlie-1 (Malguk-1 appraisal)

- Premier 60 per cent interest
- Spudded 2 March
- Two flow tests planned to test the deliverability of the Torok sandstones
 - Targeting 200 bopd on test
- Secondary targets in the Schrader Bluff
- 50 Day well; initial results expected in April
- Total well cost \$23m



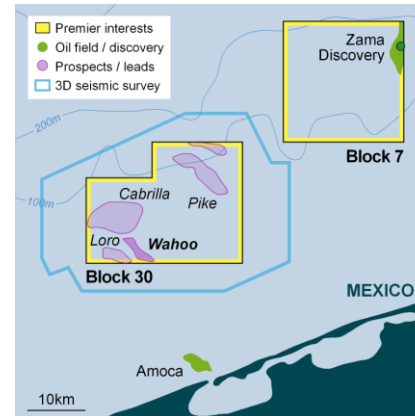
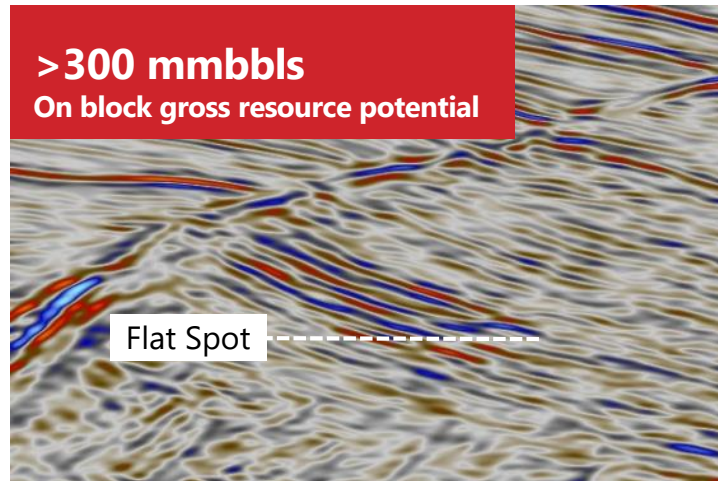
Brazil: Block CM-E-717

- Premier operated, 50 per cent interest
- Well to spud in Q3 2020
- 600m water depth
- 2 intervals to be intersected
 - Berimbau: 230-450 mmbbls (Pmean to P10) gross resource
 - Maraca: 85-165 mmbbls (Pmean to P10) gross resource
- Oil charge proven elsewhere on-block
- Gross well cost c.\$45m
- The well fulfils all licence commitments on CE-M-717



Mexico: Sureste Block 30 and Burgos Blocks 11 & 13

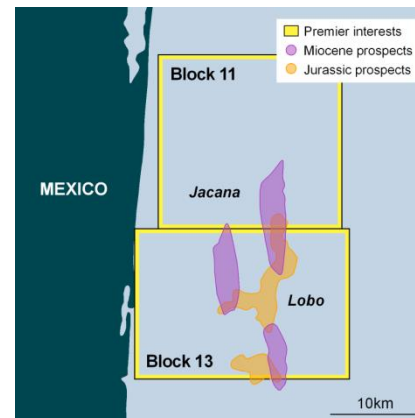
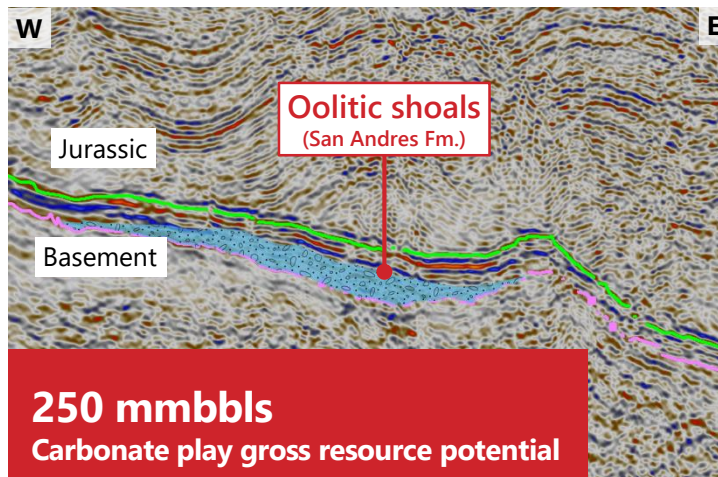
Wahoo prospect



Block 30, Sureste Basin

- Premier 30 per cent non-op
- Water depth of 40-200m
- Block-wide 3D seismic survey completed
- Wahoo flat spot similar to Zama
- Drilling targeted for early 2021

Lobo Lead

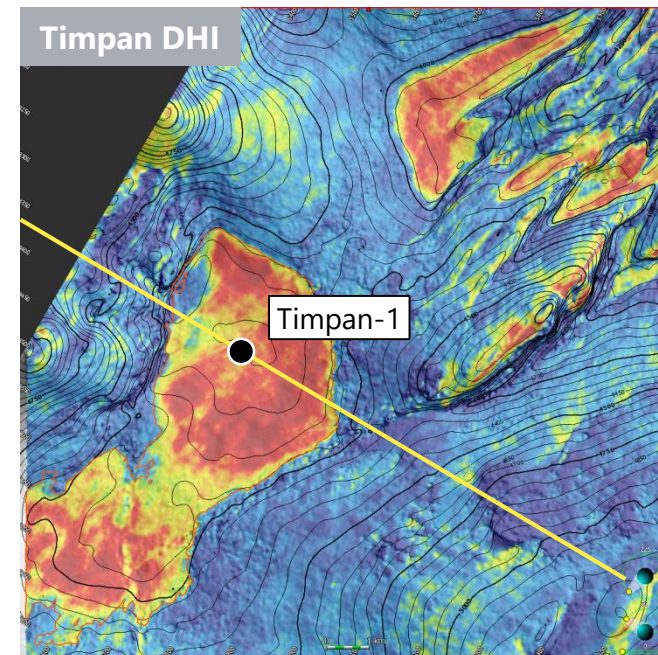
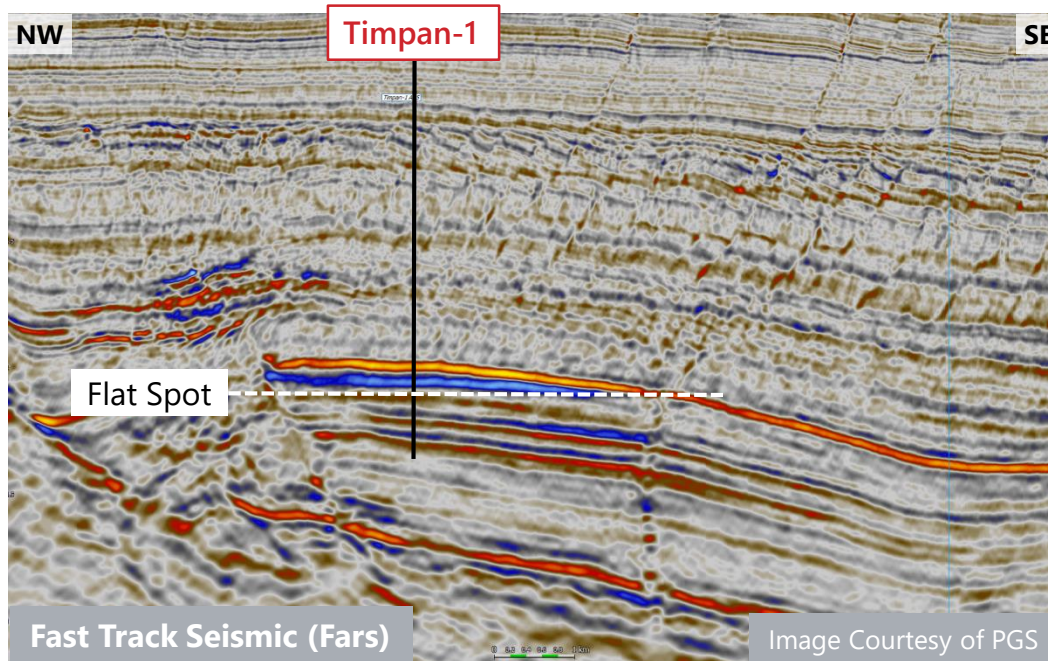
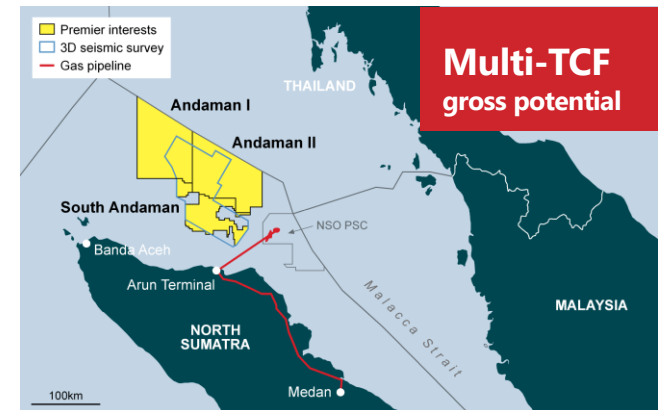


Blocks 11 & 13, Burgos Basin

- Premier 100 per cent op
- Water depth of up to 65m
- 3 Oligo-Miocene prospects (c.30-150 mmbo each gross)
- Deeper Jurassic carbonate play analogous to the Arenque field

Andaman Sea: play opening programme

- Expanded position in South Andaman Sea gas play
- 3D survey completed; highly encouraging initial results
- Timpan (Andaman II, Premier 40 per cent op), planned for 2021
 - Targeting 1.5 TCF of gross unrisked resource
 - Large 4-way dip closed structure
 - Strong AVO response: flat spot conforming to structure
- Considerable additional volumes identified on block



2020 Outlook

Generate free cash flow, driving further debt reduction

- Production of 70-75 kboepd pre-acquisitions
- Maintain tight cost control
- Deliver Zama sale

Progress high value projects

- Add up to 15 kboepd through infill and workover activity
- Deliver Tolmount first gas; sanction Tolmount East
- Execute new partnerships for Sea Lion and Tuna

Deliver pipeline of high impact exploration wells

- Targeting 300 mmbbls of net risked resource over next 18 months

Complete and integrate UK acquisitions

- Sanction Andrew Lower Cretaceous

Minimise Carbon footprint



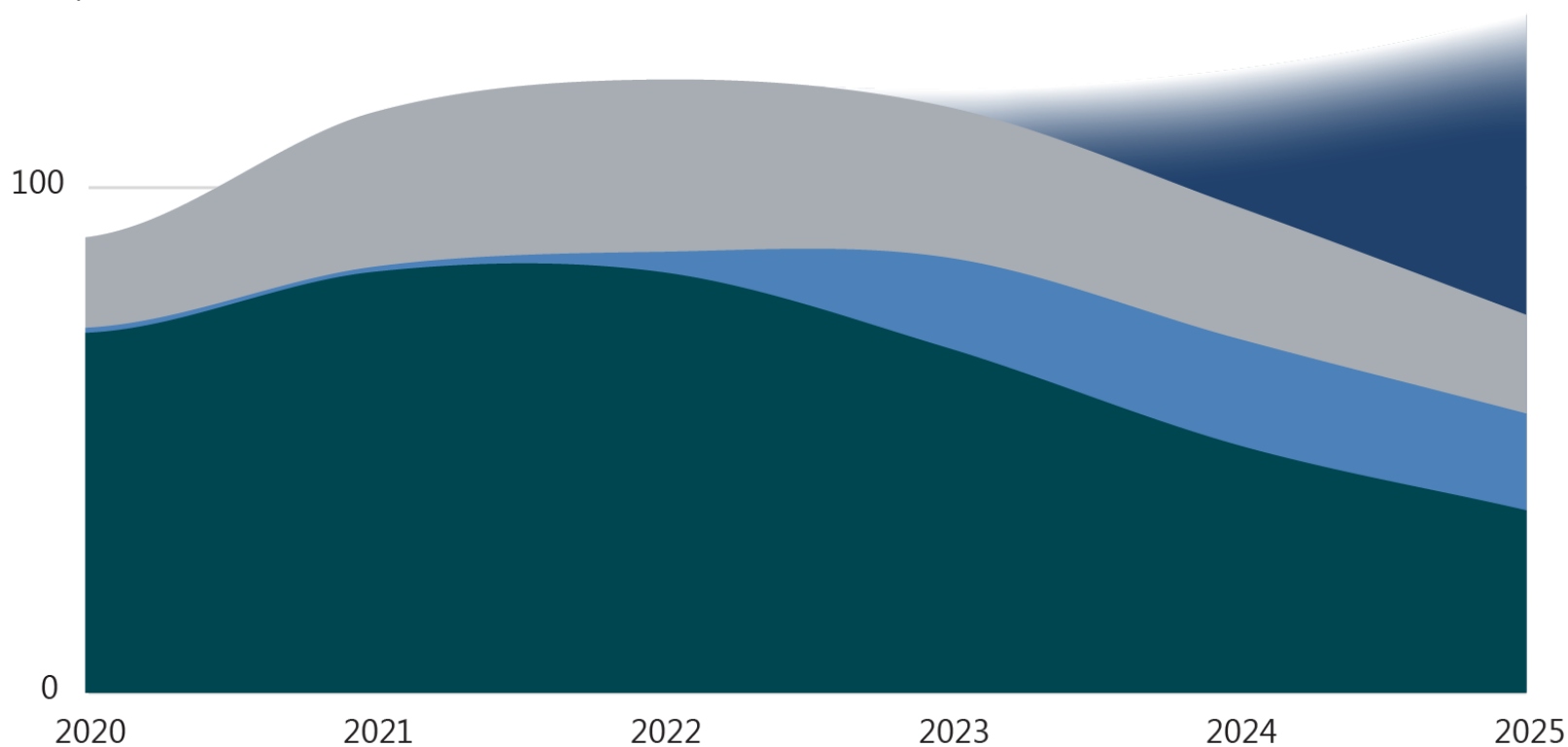
Forward production profile

- Rising, highly cash generative production base
- Near to medium term growth from UK assets; South East Asia stable
- Longer term growth from new international projects

Indicative production profile

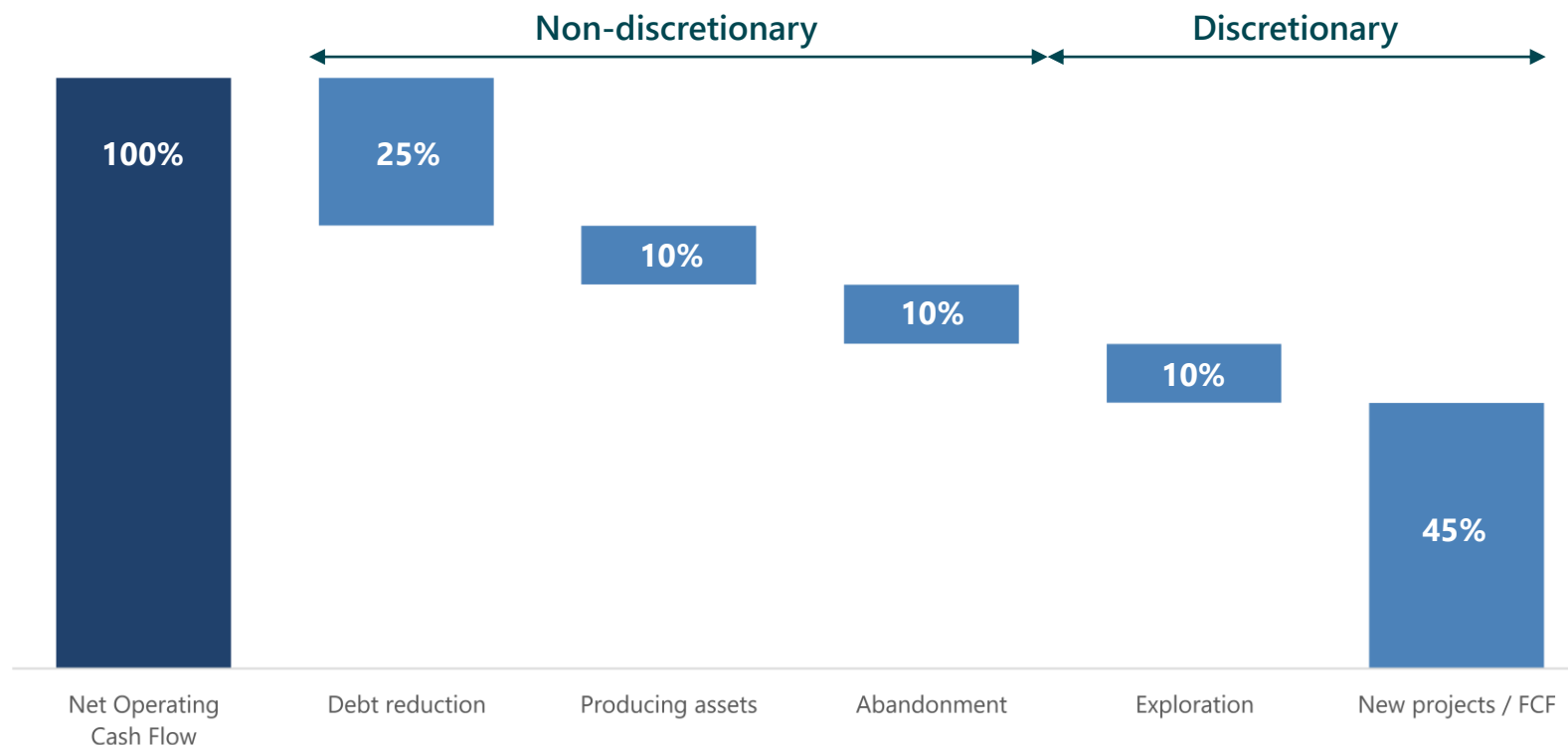
kboepd

■ Base profile ■ Awaiting approval ■ UK Acquisitions ■ Growth projects



7 year balanced capital allocation (2020 to 2026)

Reinvestment in new projects will be measured against shareholder returns



2018-2019 allocation

- Debt reduction 40%
- Producing assets / abex 20%
- New projects 25%

At \$65/bbl, 40p/therm the business will deliver

- Positive free cash flow in all years
- Production averages > 100 kboepd from 2021
- Covenant level of < 1x by period end

March 2020



www.premier-oil.com

Premier Oil Plc

23 Lower Belgrave Street
London

SW1W 0NR

T: +44 (0)20 7730 1111

E: premier@premier-oil.com

