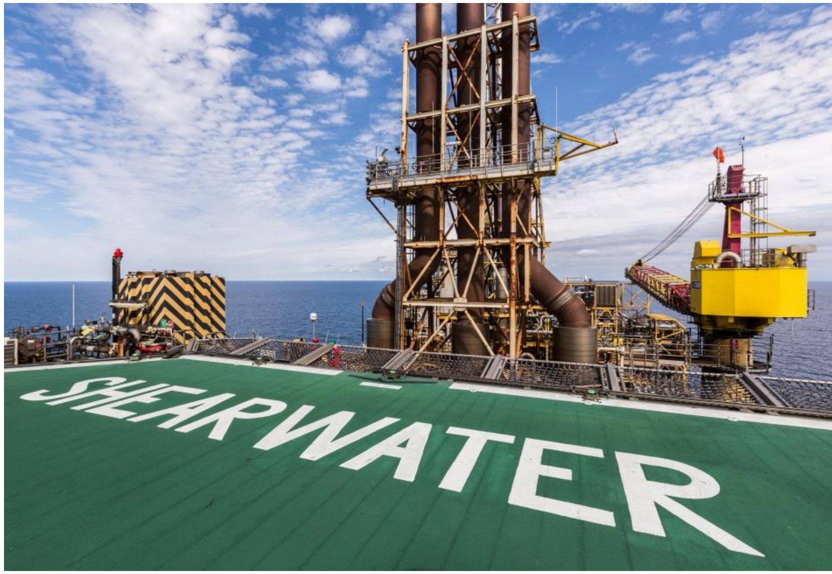
January 2020

Accretive and strategic UK North Sea acquisitions and proposed extension of credit facilities



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Trading update highlights

- 2019 outcome in line with previous reporting at the upper end of guidance
  - Production of 78.4 kboepd
  - Net debt reduced by over US$330 million from $2.33 billion to less than $2 billion
  - Opex (US$11/boe) and capex (US$300 million) lower than planned

- Sanctioned projects
  - BIG-P under budget, on-stream and performing well
  - Tolmount on schedule for Q4 2020 First Gas and tracking below budget

- New partnerships for future projects
  - Heads of terms agreed for proposed farm-out of Sea Lion
  - Tuna appraisal programme to be fully funded by a new investor

Transactions overview

Step change for Premier, materially accretive to value and credit metrics

- Proposed acquisition of BP's interests in the Andrew Area and Shearwater field and a further 25% in Tolmount from Dana Petroleum. Premier also proposes to extend its credit facilities to 30 Nov 2023.

KEY TERMS

- US$625m for BP's assets adding 59 mmboe 2P+2C and 23 kboepd
- BP responsible for abandonment security[1] and will transfer tax history to Premier[2]
- US$191m for 25% in Tolmount, adding 23 mmboe[3] of 2P+2C and >10 kboepd[4]
- Kellas to extend existing Tolmount infrastructure arrangements

CASH GENERATIVE

- Adds immediately cash generative production with development upside
- Adds 82 mmboe of 2P+2C at <US$10/boe
- Accelerates use of Premier's US$4.2bn of UK tax losses
- Accelerates debt reduction and materially improves financial position
- Reduces covenant leverage ratio (net debt/EBITDA) towards 1x by 2022

FULLY FUNDED

- Headline price of US$816m (1 January 2019 effective date)
- Fully underwritten US$500m (net of expenses) equity raise
- US$300m Acquisition Bridge Facility
- Working capital adjustments expected to reduce cash payable at completion; Acquisition Bridge Facility not expected to be drawn
- Extension of maturity of existing non-amortising facilities

[1] Except for Arundel and Cyrus (abandonment security not yet required)
[2] BP will transfer the tax history relating to the Andrew, Kinnoull and Farragon fields
[3] Excludes Tolmount East
[4] At peak production rates, net to the 25% interest

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Transaction metrics

COMPELLING VALUATION

- Adds 82 mmboe 2P+2C at <US$10/boe
- Contributes to rising production out to 2024 with pro forma 2019 production in excess of 100 kboepd
- Operator of >160 kboepd (2019 pro forma, gross)
- Material incremental investment opportunities

ADDITION OF QUALITY BARRELS WITH HIGH VALUE TO PREMIER

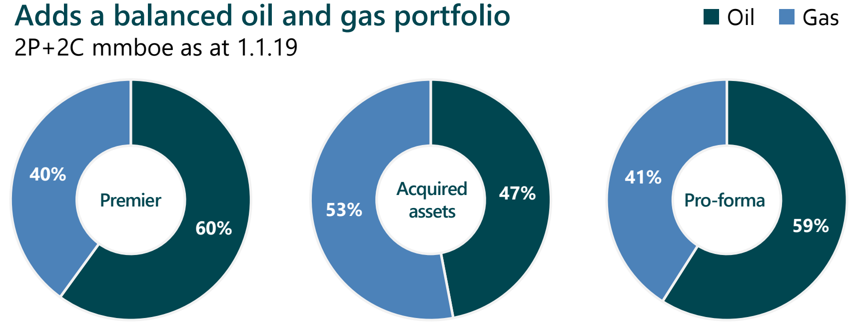
- Adds low cost assets with combined opex of <US$20/boe (2019 to 2025)
- Adds low carbon emission assets
- Accelerates use of Premier's US$4.2bn of tax losses
- Infrastructure funding minimises Tolmount capex

MATERIALLY STRENGTHENS LONG-TERM FINANCIAL POSITION

- Acquisitions forecast to generate >US$1bn FCF to end 2023
- Additional FCF accelerates debt reduction and balance sheet deleveraging
- Significantly reduces forward accounting leverage ratio towards <1x by Q4 2021
- Limited near-term decommissioning expenditure
- Extends existing, non-amortising facilities ahead of a full refinancing, anticipated in 2022

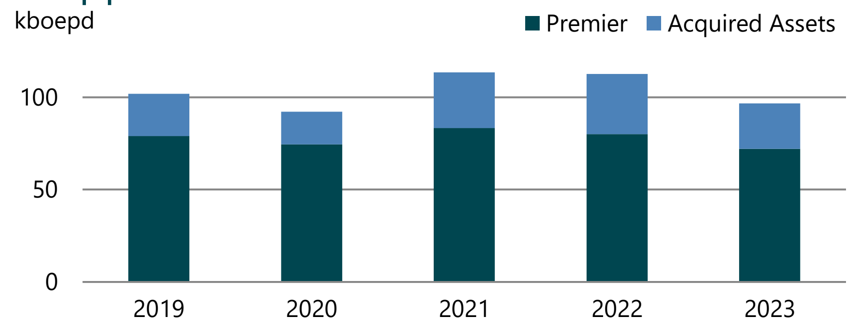
Adds a balanced oil and gas portfolio

2P+2C mmboe as at 1.1.19



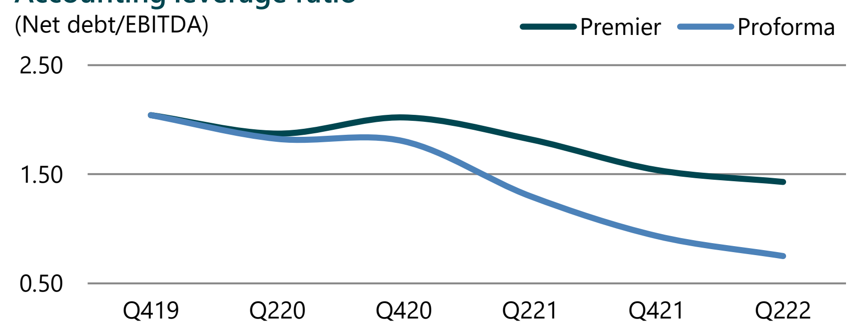
Group production

kboepd



Accounting leverage ratio[1]

(Net debt/EBITDA)



[1]Based on current production forecasts and commodity price estimates

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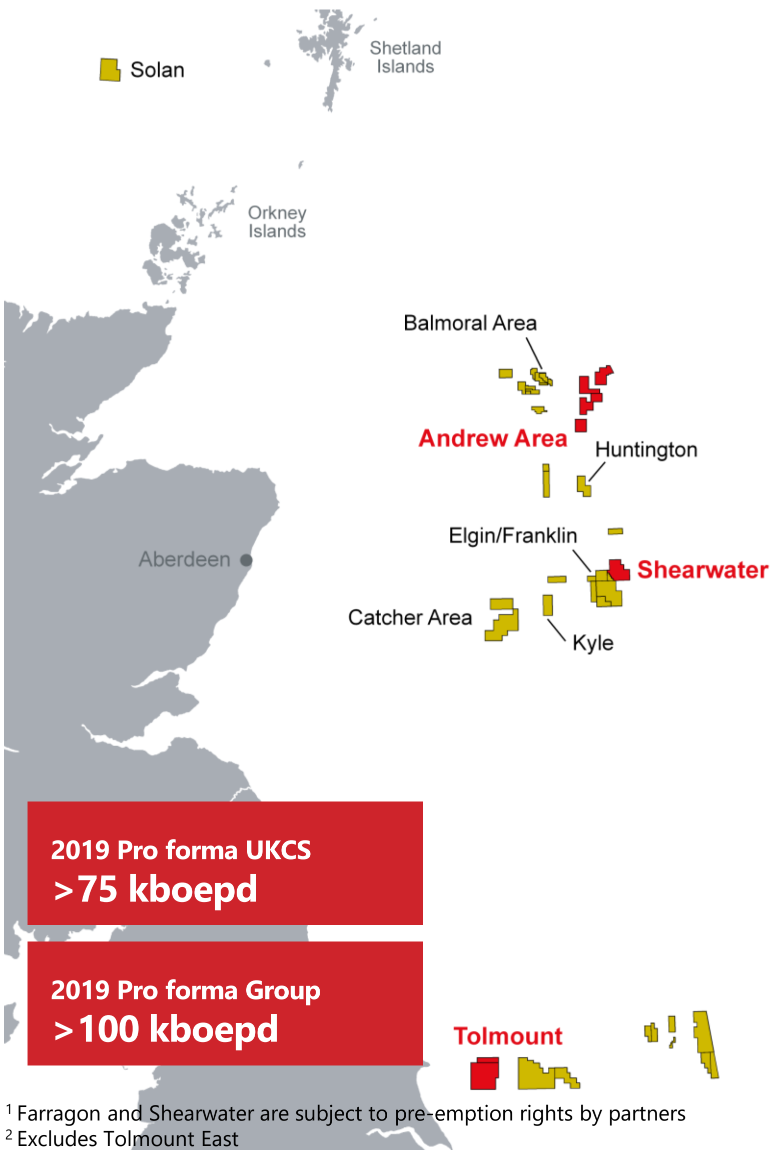
Acquired assets overview, impact on Premier UKCS



2019 Pro forma UKCS
>75 kboepd

2019 Pro forma Group
>100 kboepd

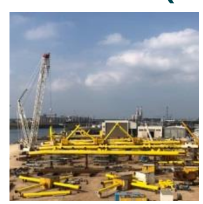
Andrew Area (Op.)

- Andrew (63%), Cyrus (100%), Kinnoull (77%), Arundel (100%), Farragon[1] (50%)
- Andrew Lower Cretaceous development (73%)
- 2019 Production: 18 kboepd (net); 2P+2C: 34 mmboe (net)
- Life extension to 2028 adds substantial value

Shearwater[1] (27.5%, non-Op.)

- HPHT gas condensate field
- Partners: Shell (Op, 28%), Exxon (44.5%)
- 2P+2C : 25 mmboe (net)
- 2019 Production: 5 kboepd (net)
- Operator's hub plan defers COP to 2028

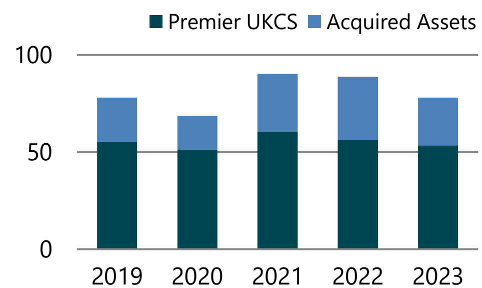
Tolmount (25%)



- Long life gas asset with material upside
- First gas on schedule by end 2020
- Peak production rates of >10 kboepd (net to 25% interest)
- 2P+2C: 23 mmboe[2] (net to 25% interest)
- Material upside at Tolmount East, Mongour

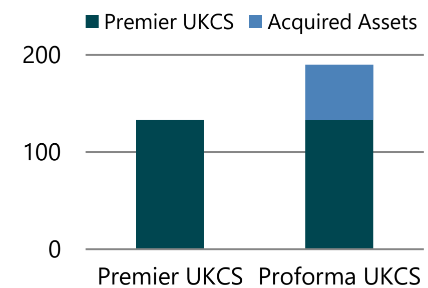
UK production

kboepd



UK 2P reserves

mmboe



[1] Farragon and Shearwater are subject to pre-emption rights by partners
[2] Excludes Tolmount East

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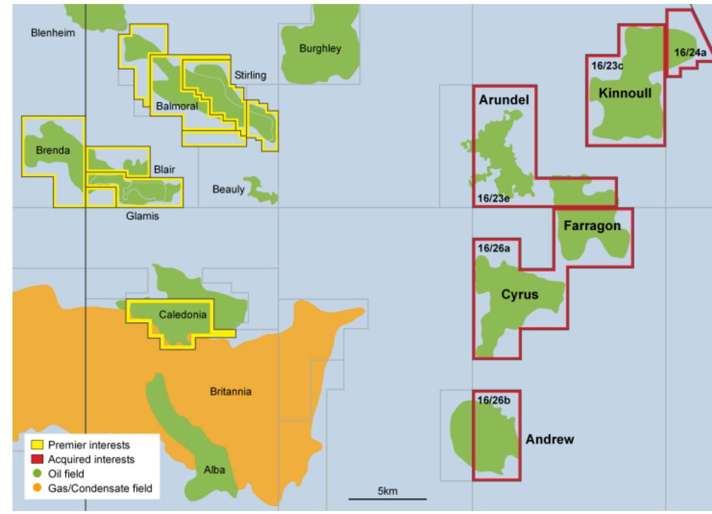
Andrew Area – a new operated production hub

Delivers material production with near term development opportunities

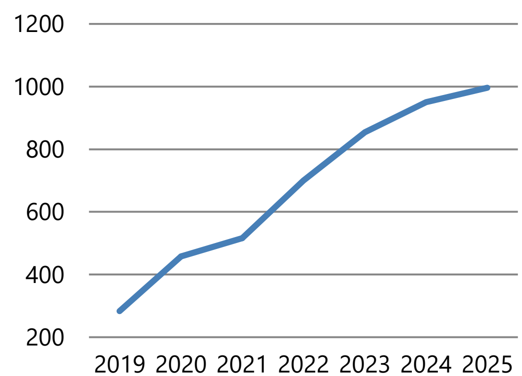
- Andrew, Cyrus, Kinnoull, Arundel and Farragon[1] produce through the Andrew platform
- Acquisition completion expected by end Q3 2020
- Net 2P+2C of 34 mmboe
- 2019 production of 18 kboepd (89% liquids, 11% gas)
- Low opex of US$17/boe
- Low emissions 13kg/boe, 2nd lowest of BP's op. UKCS assets
- Limited near-term abandonment obligations
- High value infrastructure led investment opportunities



[1] Farragon is subject to pre-emption by joint venture partner

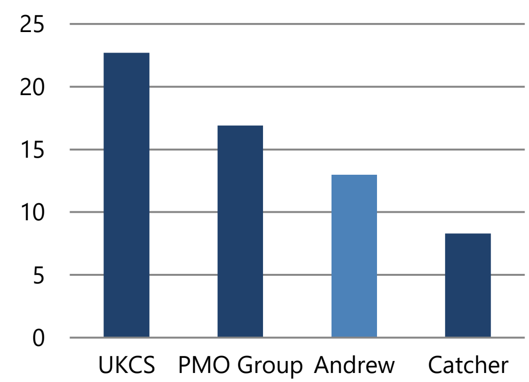
Cumulative net FCF from Andrew Area 2P Reserves & 2C Resources (pre-tax)

US$m



GHG intensity

kg CO_2e/boe



Source: Oil & Gas UL 2018 Environment Report; Company estimates

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Andrew Lower Cretaceous Development

Near-term, material upside through the Lower Cretaceous development

- Lower Cretaceous commercial gas discovery made by BP in 1974
- Two well subsea tie-back to the Andrew platform to develop 9 mmboe (net)
- FEED on-going with contractor discussions well advanced
- Estimated total capex of up to c. US$120m (net to Premier)
- BP had planned to sanction 2020 1H

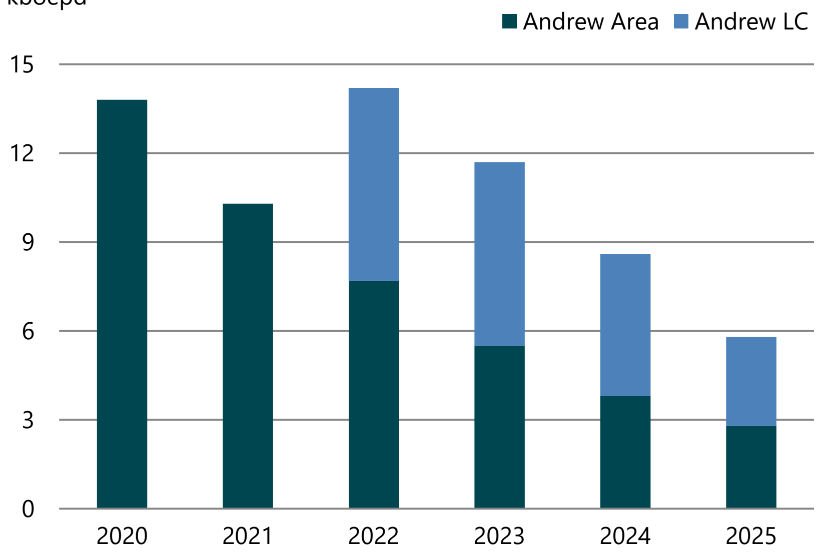
Lower Cretaceous Production
>6 kboepd (net) in 2022

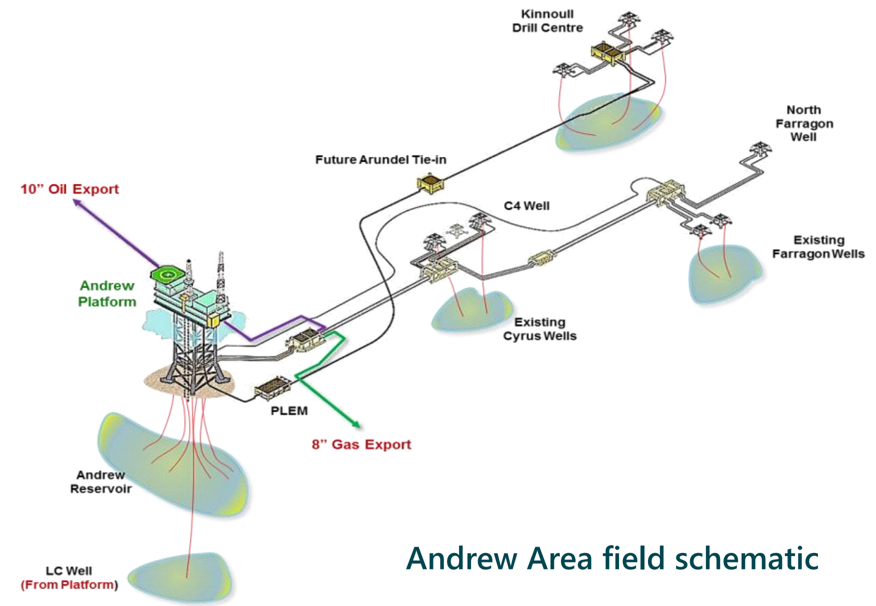
Field life
Extended to 2028

Lower Cretaceous Development
Increases gas weighting

Andrew Area Production (net)

kboepd





Andrew Area field schematic

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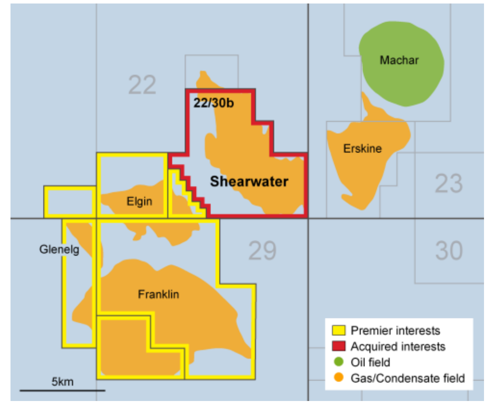
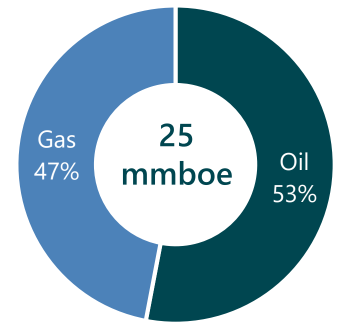
Shearwater (27.5% non-operated interest) [1]

Non-operated interest in an existing producer and significant UKCS hub

- Shell (op. 28%), Exxon (44.5%), BP (27.5%)
- Completion 2020 1H, subject to partners not exercising pre-emption rights
- HP/HT gas condensate field
- Adds net 25 mmboe 2P+2C
- 2019 production of 5 kboepd (net)
- Incremental investment opportunities
- Significant 3rd party tariff income and opex cost sharing

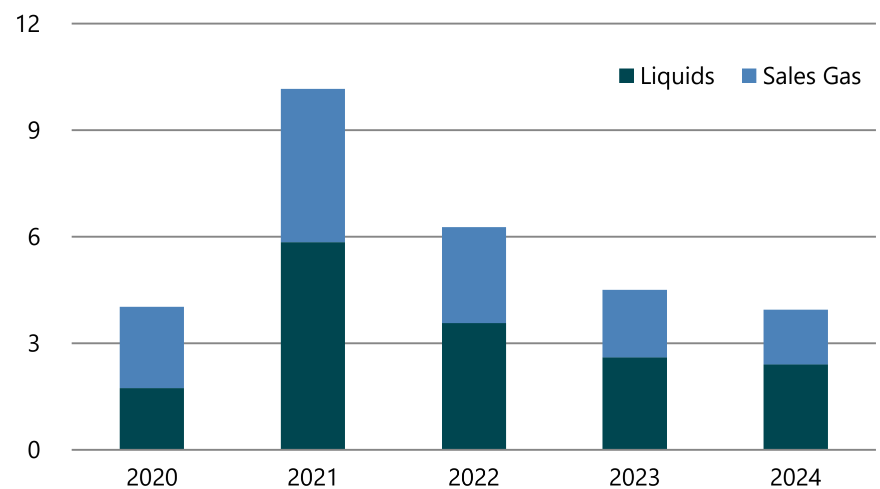


Shearwater 2P+2C (net)



Shearwater production (net)

kboepd



[1] Shearwater is subject to pre-emption rights by partners

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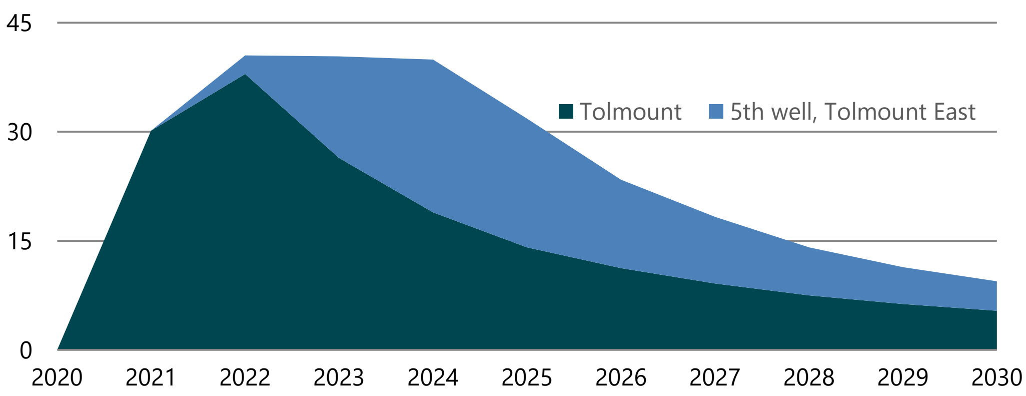
Tolmount – additional 25% interest

Consolidates interest in high return development with material upside following recent drilling success

- US$191m for additional 25% interest in Tolmount and up to US$55m of contingent payments related to Tolmount East FDP / production milestones
- 500 BCF Tolmount gas development on budget and on schedule for First Gas by end of 2020
- Adds 23 mmboe 2P+2C and 12 kboepd in 2022 (net to the 25% interest)[1]
- Agreement with Kellas to extend infrastructure arrangements for additional 25 per cent acquired
  - Minimises Premier's pre-first gas capex; pro forma 2020 Tolmount capex expected to be c. US$100m (net to Premier)
- Acquisition completion expected 2020 1H

Tolmount: Premier's next UK growth project

kboepd (Pro forma, Premier 75% op.)



Gross peak rates
50 kboepd

Gross resource
500 Bcf[1]

[1] Excludes Tolmount East

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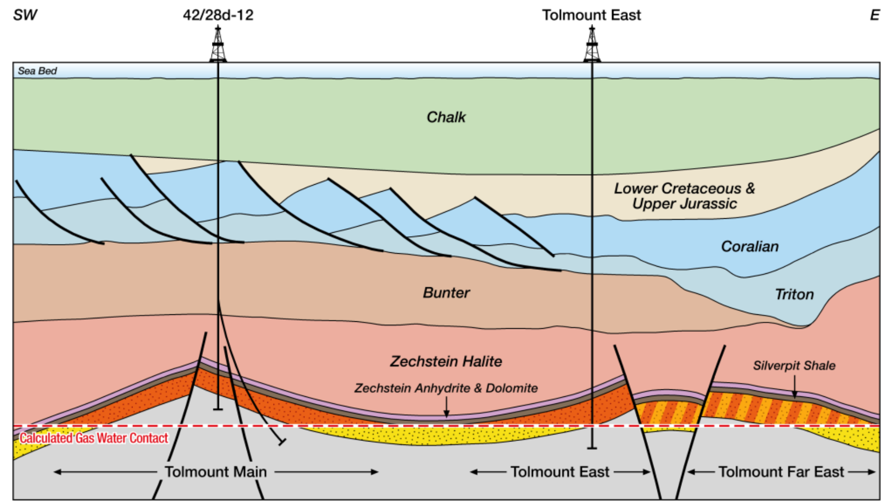
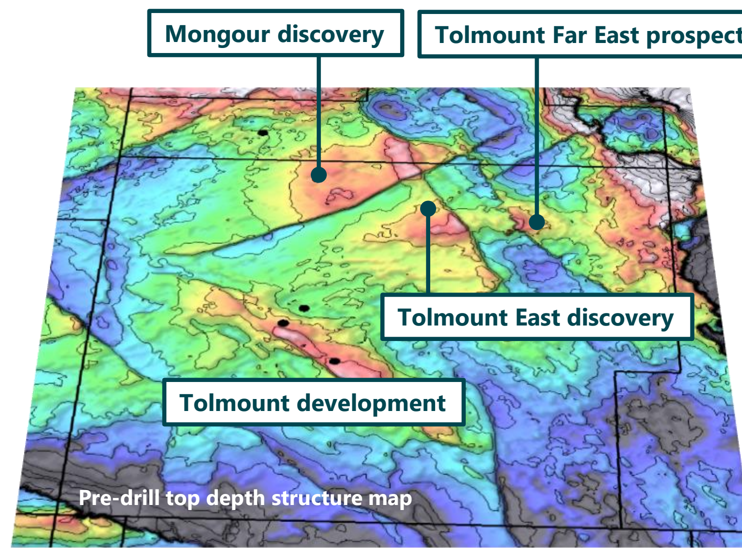
Material upside beyond Tolmount

- Targeted 220 Bcf (P50) gross resource
  - Well results currently under evaluation
- Reservoir quality & thickness at upper end of expectations
  - 71% NTG, 16% porosity, 82% gas saturation
- Tolmount East to be tied back to Tolmount
  - Development planning already underway
  - Benefits from low tariff structure, quick pay-back
  - Potential to extend infrastructure funding similar to existing Kellas arrangements
- Positive implications for other targets within the Greater Tolmount Area
  - Reduces uncertainty at Tolmount Far East
  - Unlocks the Mongour discovery





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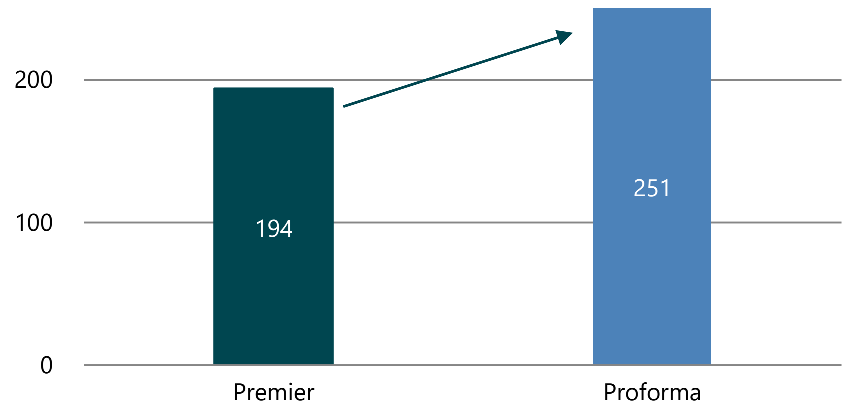
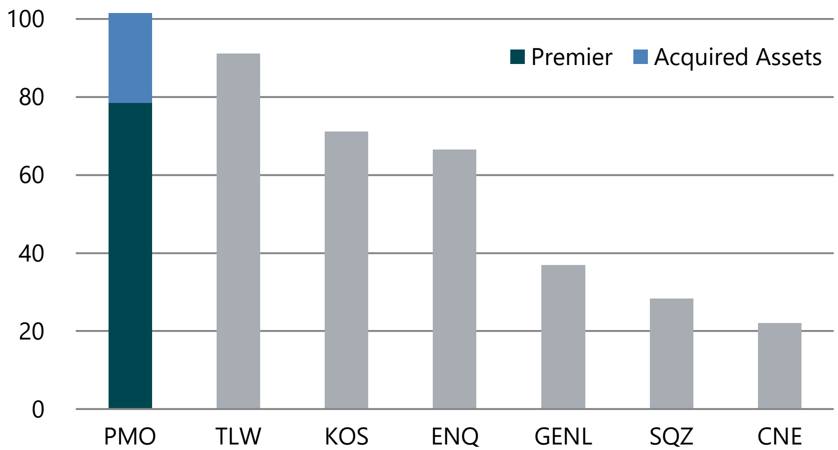
Acquisitions materially strengthen credit metrics

- Consistent with deleveraging strategy; additional free cash flow accelerates debt reduction
- Increases 2P reserves and pro forma 2019 production by 29%
- Diversifies portfolio, reduces asset concentration
- Materially reduces forward covenant leverage ratio
- Extension of existing non-amortising facilities to November 2023 and relaxation of certain existing operational covenants
- Enhances position ahead of next refinancing, anticipated in 2022

2P Reserves
(mmboe)

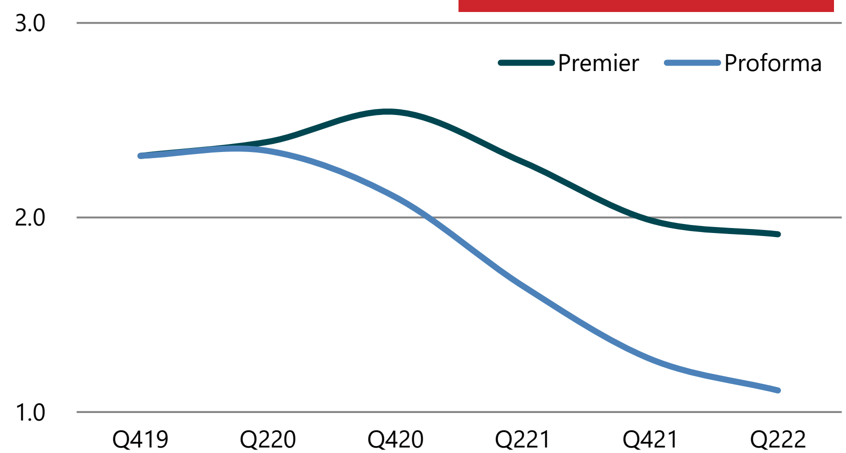


Production
(kboepd)



Covenant leverage ratio
(Covenant net debt/EBITDA)

Reduces covenant leverage ratio towards 1x



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NAV summary

Field(s)	Reserves/resources (mmboe)			NAVs (pre-tax, US$m)			Bid price (US$m)
	2P	2C	Total	2P	2C	Total	
Andrew Area[1]	21	13	34	386	213	599	450
Shearwater[1,2]	15	10	25	213	-	213	175
Tolmount[1,3]	21	2	23	240	-	240	191
Total[3]	57	25	82	839	213	1052	816

[1] CPR conducted by Senergy for Andrew Area and TRACS for Shearwater with valuations as at 1.1.19
[2] 2C resource not valued by TRACS
[3] CPR conducted by ERCE and excludes Tolmount East; Valuation as at 30.9.19

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Acquisition Financing

Acquisitions funded via a fully underwritten equity raise and a debt bridge

Funding Overview

- Aggregate headline price: US$816m, with effective date 1 January 2019
  - Andrew and Shearwater Acquisitions: US$625m
  - Tolmount Acquisition: US$191m plus up to US$55m contingent payments
  - All acquisitions subject to working capital adjustment from 1 January 2019 which is expected to reduce cash payable at completion
- Source of Funds:
  - Equity: a fully underwritten US$500m equity raise (net of expenses) – initially on a standby basis
  - Debt: a US$300m Acquisition Bridge Facility, if required

Equity Structure

- Full equity raise underwritten on a standby basis from announcement
- Launch of traditional equity raise post lender scheme approval
- The company expects the equity raise to include both a placing and rights issue component
  - Any shares issued under the placing will qualify for the subsequent pre-emptive rights issue
- Further details regarding the equity structure will be outlined in the combined Prospectus and Circular to be published post creditor scheme approvals

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Proposed Timetable and Process

Completion of underwritten equity raise expected in Q2 2020

Timing	Action
Tuesday 7 January 2020	Announcement of the Acquisitions and Underwritten Financing
Q1 2020	Launch of scheme of arrangement ▪ Creditors meeting ▪ Court sanction of the scheme of arrangement ▪ Publication and posting of combined Prospectus and Circular
Q1-Q2 2020	▪ General Meeting ▪ Conditional allotment under the Placing ▪ Record Date for the Rights Issue[1] ▪ Admission of shares under the Placing ▪ Admission of nil-paid rights
Q2 2020	▪ Close of Rights Issue ▪ Announcement of results of Rights Issue
Q2 – Q3 2020	Completion of the Acquisitions

[1] Post conditional allotment of the Placing, Placing shares will be eligible for the rights issue

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Acquisitions in line with strategy; investment case enhanced

- Rising production profile generating strong EBITDA from a tax efficient and low opex, low emissions asset base.
- Increased interest in Tolmount and Tolmount East, together with Andrew Lower Cretaceous interest add to near-term portfolio of development opportunities which extend and prolong production profile. Capital efficient development funding.
- Free cash flow generation continues de-leveraging process and supports next re-financing. 1x Net debt/EBITDA is achievable.
- Development opportunities in Falklands, Mexico and Indonesia; Options to realise value by sale or right size investment via farm-down progressing
- Pipeline of high value exploration wells over next 24 months: Malguk (Alaska); Berimbau/Maraca (Brazil); Wahoo (Mexico); Timpan (Indonesia); Tolmount Far East (UK).

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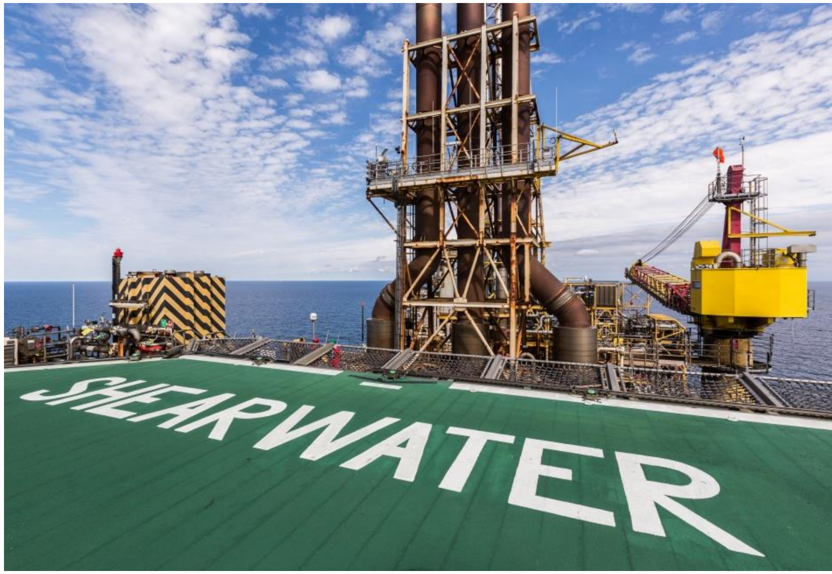
Appendix



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CPR key price assumptions

Andrew CPR

	2019	2020	2021	2022	2023	2024	2025+
Oil (US$/bbl)	63.9	64.0	68.0	69.0	70.4	72.9	+2% p.a.
Gas (p/therm)	38.8	45.9	46.8	47.8	48.7	49.7	+2% p.a.
USD/GBP	1.24	1.24	1.24	1.24	1.24	1.24	1.24

Shearwater CPR

	2019	2020	2021	2022	2023	2024	2025+
Oil (US$/bbl)	69.0	66.0	63.0	65.0	70.4	71.8	+2% p.a.
Gas (p/therm)	40.7	40.0	39.8	48.4	52.3	53.4	+2% p.a.
USD/GBP	1.28	1.27	1.41	1.45	1.52	1.52	1.52

Tolmount CPR

	2019	2020	2021	2022	2023	2024	2025+
Oil (US$/bbl)	66	70	71	74	76	79	+2.5% p.a.
Gas (p/therm)	47	48	50	53	55	57	+2.5% p.a.
USD/GBP	1.25	1.25	1.25	1.25	1.25	1.25	1.25

January 2020

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