



Atlantic
Petroleum



Interim Consolidated Financial Statements Q1 2008

1Q FINANCIAL STATEMENT – PRESENTATION OVERVIEW

- Company facts
- Milestones
- Company highlights
- Location of assets
- Current development/drilling activity
- Licences and reserves
- Share price history
- Financial summary 1Q 2008
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COMPANY FACTS

Name:	P/F Atlantic Petroleum
Headquarters:	Subsidiaries: Atlantic Petroleum UK and Ireland Tórshavn, Faroe Islands
Activity:	Upstream oil and gas company active on the Faroes Continental Shelf, UKCS and Ireland CS
Share price:	DKK 1, 518*
Market cap:	DKK ~ 1.8 billion
Homepage:	www.petroleum.fo
Next financial report:	22 nd August 2008 (2Q 2008 Financial Statement)
Bloomberg ticker:	ATLA:IR & ATLA:DC
Reuters ticker:	FOATLA.IC
OMX ticker:	FO-ATLA

* 26 May 2008



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Milestones in Atlantic Petroleum's history

1998	◆	Founded
2000	◆	Awarded Faroese Licence 001
2001	◆	Announcement of the first discovery
2002	◆	Established a subsidiary in the UK
2003	◆	Acquired three UKCS licences
2005	◆	Listing on ICEX
2006	◆	Listing on CSE
2007	◆	Established a subsidiary in Ireland
2007	◆	Acquired and was awarded licences in Ireland
2008	◆	Production of first oil from two oilfields

Share subscriptions 1998, 1999, 2004, 2006



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COMPANY HIGHLIGHTS

Operational

- Continued to develop the Chestnut and Ettrick fields
- Opened new office in London in January 2008
- Secured rig for the drilling campaign in Ireland
- Commenced drilling of the Blackbird exploration well
- Hired Technical Manager in May 2008

COMPANY HIGHLIGHTS

Forthcoming events in 2008

- Production from Chestnut and Etrick => strong cash flow
- Adding production to Etrick by developing North Etrick and Jarvis
- Adding production to Chestnut by developing South Chestnut
- Drilling three firm exploration wells in 2008 or 2009, other optional wells
- Currently drilling the Blackbird exploration well south of Etrick
- Drill two/optional three appraisal wells on Hook Head/Dunmore East
- Take the Perth field closer to development
- Further expansion of the Group's activities in North West Europe
- Participation in the 3rd Faroese licensing round
- A share capital increase is being considered to take place during the course of 2008

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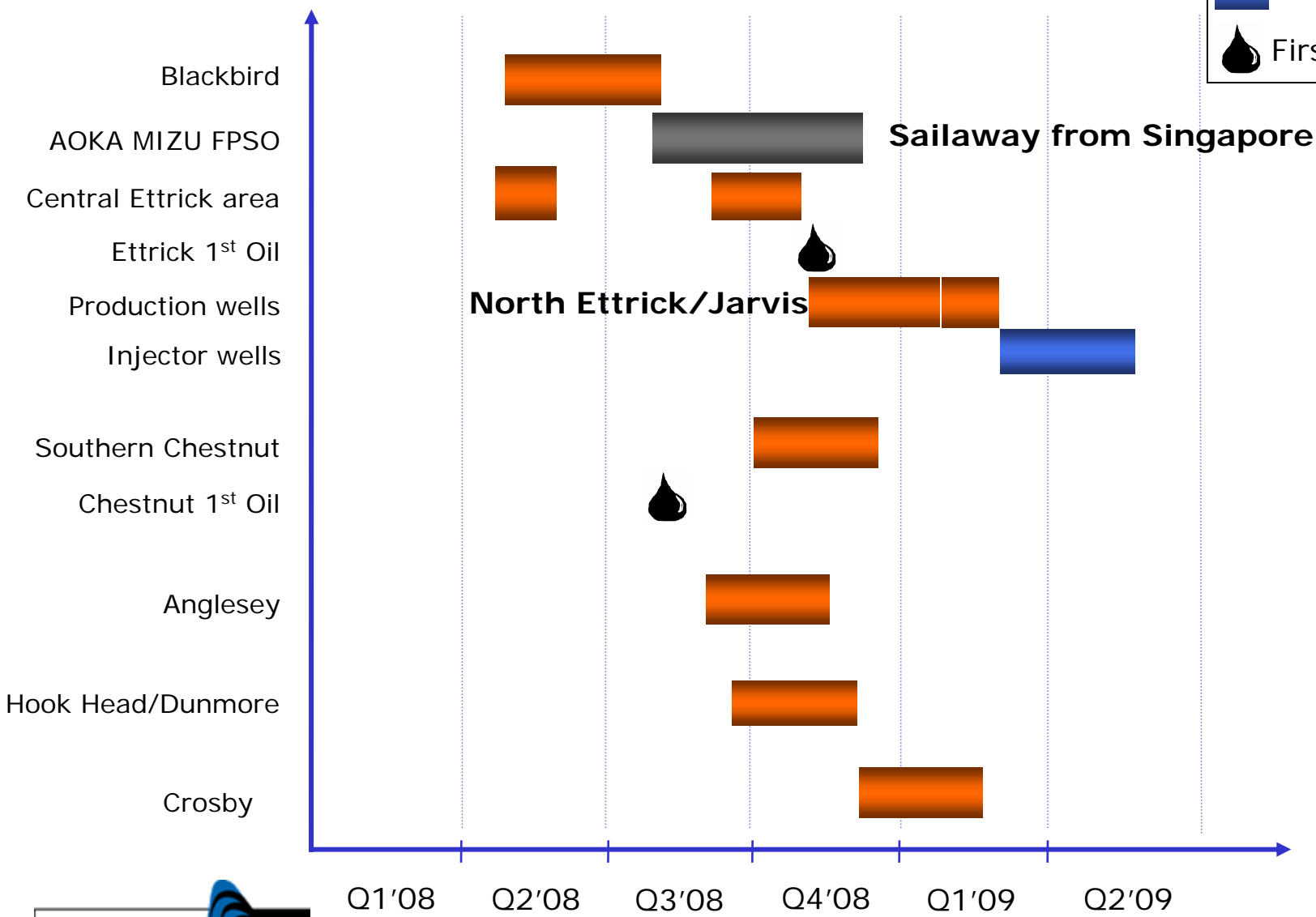
LOCATION OF ATLANTIC PETROLEUM ASSETS



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Current development/drilling activity



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PETROLEUM RESERVES - ATLANTIC PETROLEUM

•	• P50 Petroleum Reserves & Resources (MMboe) attributable to Atlantic Petroleum at 1st January 2008*
• Petroleum Reserves	• 5,1
• Contingent Resources	• 4,0
• Risked Prospective Resources	• 4,7
• Aggregate Total of Reserves & Resources	• 13,8

- The Hook Head discovery has not been included in the table disclosed above. The volume of oil in place is estimated to be 89 MMstb, with a range from 38 to 261 MMstb. Further appraisal is needed to estimate the recoverable reserves
 - The Faroes licences L013 and L014 are not included in the reserves disclosed above because the reprocessing of the seismic data acquired in 2006 is ongoing
 - The Faroes licence L006 is not included
- * Independent Petroleum Reserves & Resources report (Fugro Robertson Limited).

PETROLEUM RESERVES – Licence status

Licence	Operator	Region	Field/Prospect	P50 Mmboe*	AP Equity %	Exploration	Appraisal	Development	Production	Bbl/d
P354	Venture	UK	Chestnut Field	1,0	15,00%				Exp. 2008	1.500
P273 & P317	Nexen	UK	Ettrick Field	4,1	8,27%				Exp. 2008	2.000
P218 & P588	Nexen	UK	Perth Field	1,0	3,75%				Exp. 2010	
SEL 2/07	Providence	IR	Helvick Field	0,3	10,88%					
P 1047	Nexen	UK	Marten Field	1,1	17,50%					
SEL 2/07	Providence	IR	Hook Head Field	-	10,88%					
P273 & P317	Nexen	UK	North Ettrick - Jarvis Appraisal		8,27%					
P354	Venture	UK	Chestnut South	0,5	15,00%					
P99	CMI	UK	West Lennox Appraisal	-	25,00%					
P218	Nexen	UK	North East Perth Appraisal	0,1	3,75%					
P218 & P588	Nexen	UK	Dolphin Appraisal	0,3	3,75%					
P218 & P588	Nexen	UK	Gamma Central Appraisal	0,4	3,75%					
P273	Nexen	UK	Bright Appraisal	0,5	8,27%					
P218 & P588	Nexen	UK	Sigma Terraces Appraisal		3,75%					
SEL 2/07	Providence	IR	Ardmore Field	0,3	10,88%					
SEL 2/07	Providence	IR	Dunmore Appraisal	-	10,88%					
P218 & P588	Nexen	UK	North Perth Prospect	0,2	3,75%					
P218	Nexen	UK	East Perth Prospect	0,1	3,75%					
P273 & P317	Nexen	UK	Blackbird Prospect	0,5	8,27%					
P99	CMI	UK	Crosby Prospect	1,6	25,00%					
P1211	Granby	UK	Anglesey Prospect	1,7	33,33%					
P1478	CMI	UK	Dee Lead	-	20,00%					
P1128	Endeavour	UK	Cullen Lead	-	15,00%					
SEL 2/07	Providence	IR	NW Helvick	-	10,88%					
SEL 2/07	Providence	IR	SW Helvick	-	10,88%					
SEL 3/07	Providence	IR	Blackrock Prospect	0,1	10,88%					
SEL 3/07	Providence	IR	Rushane Lead	-	10,88%					
013	Geysir	FO	Stella Kristina Lead	-	40,00%					
014	Geysir	FO	Marselius Lead	-	40,00%					
				13,8						

Phase terminated
 Current Phase
 Development - approval pending

* Independent Petroleum Reserves & Resources report (Fugro Robertson Limited).

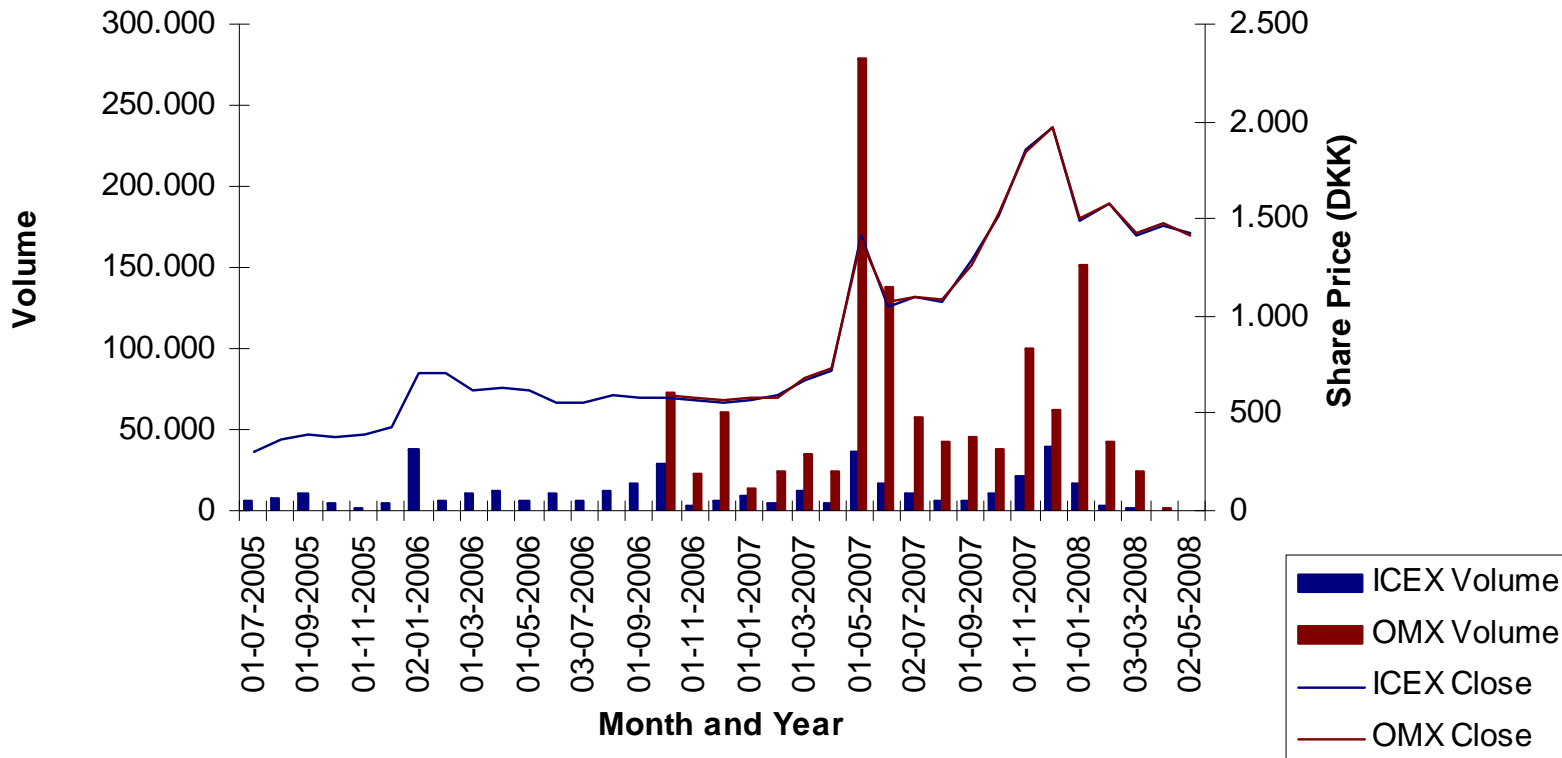


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SHARE PRICE HISTORY (Volumen)

Share Price and Volume on OMX Iceland (ICEX) and OMX Copenhagen Stock Exchange (OMX) since listing



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FINANCIALS – Profit & Loss

Figures in MM DKK	1Q 2007	0 1Q 2006
Revenue	0,0	0,0
Cost of sales	0,0	0,0
Gross profit	0,0	0,0
Exploration expense	-0,1	0,0
Pre-licence exploration costs	-0,2	-0,7
General and administration costs	-4,7	-2,4
Other operating income	0,0	0,0
Operating profit	-5,0	-3,1
Interest revenue and finance gains	0,2	1,3
Interest expences and other finance costs	-29,4	-2,3
Profit before taxation	-34,2	-4,1
Taxation	0,0	0,0
Profit after taxation	-34,2	-4,1

- The operating results are in line with expectations (loss after tax is high due to unsettled exchange rate differences)
- Unsettled exchange rate loss of DKK 27 mill. has no cash flow impact on the Group

FINANCIALS – Balance Sheet

	At 31 March 2008 DKK	At 31 December 2007 DKK
Figures in MM DKK		
Total Non-current assets	394	387
Total Current Assets	16	24
Total assets	410	411
Total Current liabilities	187	106
Total Non current liabilities	24	77
Total liabilities	212	184
Net assets	198	227
Equity	198	227

- Continued high investments in Chestnut and Etrick
- Financed investment by increasing bank debt

FINANCIALS – Cash Flow Statement

Figures in MM DKK	1Q 2008	1Q 2007
Net cash provided by operating activities	-2	-1
Net cash used in investing activities	-42	-25
Net cash used in financing activities	43	-17
Increase/Decrease in cash and cash equivalents	-1	-42
Cash and cash equivalents at the beginning of the period	5	173
Currency translation differences	0	0
Cash and cash equivalents at the end of the period	4	130

- Net Cash used in investing activities relate principally to the development programme for the Chestnut and Etrick Fields
- Net cash used in investing activities provided by financing activities

FINANCIAL SUMMARY

Outlook 2008

- Two oilfields will start to produce in 2008 which will generate a strong cash flow to the Group
- Expect a Operating profit for 2008 of DKK 35 million, previously DKK 115 millions. The expected result is uncertain as oil price, exchange rate and produced barrels may differ from assumptions
- Due to the delay of first production, part of the cash flow is pushed into 2009 and subsequent years
- Continue high investments in exploration, appraisal and development in 2008

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SUMMARY

Well-driven company

- Virtual low cost organisation
- Strong partnerships with 24 partners
- Controlled risk

Diversified portfolio

- Diversified portfolio (North West Europe) and strong pipeline of development projects
- First oil volumes expected 2nd half 2008
- Added significant value to the Group's portfolio in 2007 - Hook Head discovery, Irish licences & licensing option, Marten farm-in & other exploration licences in UK

The future

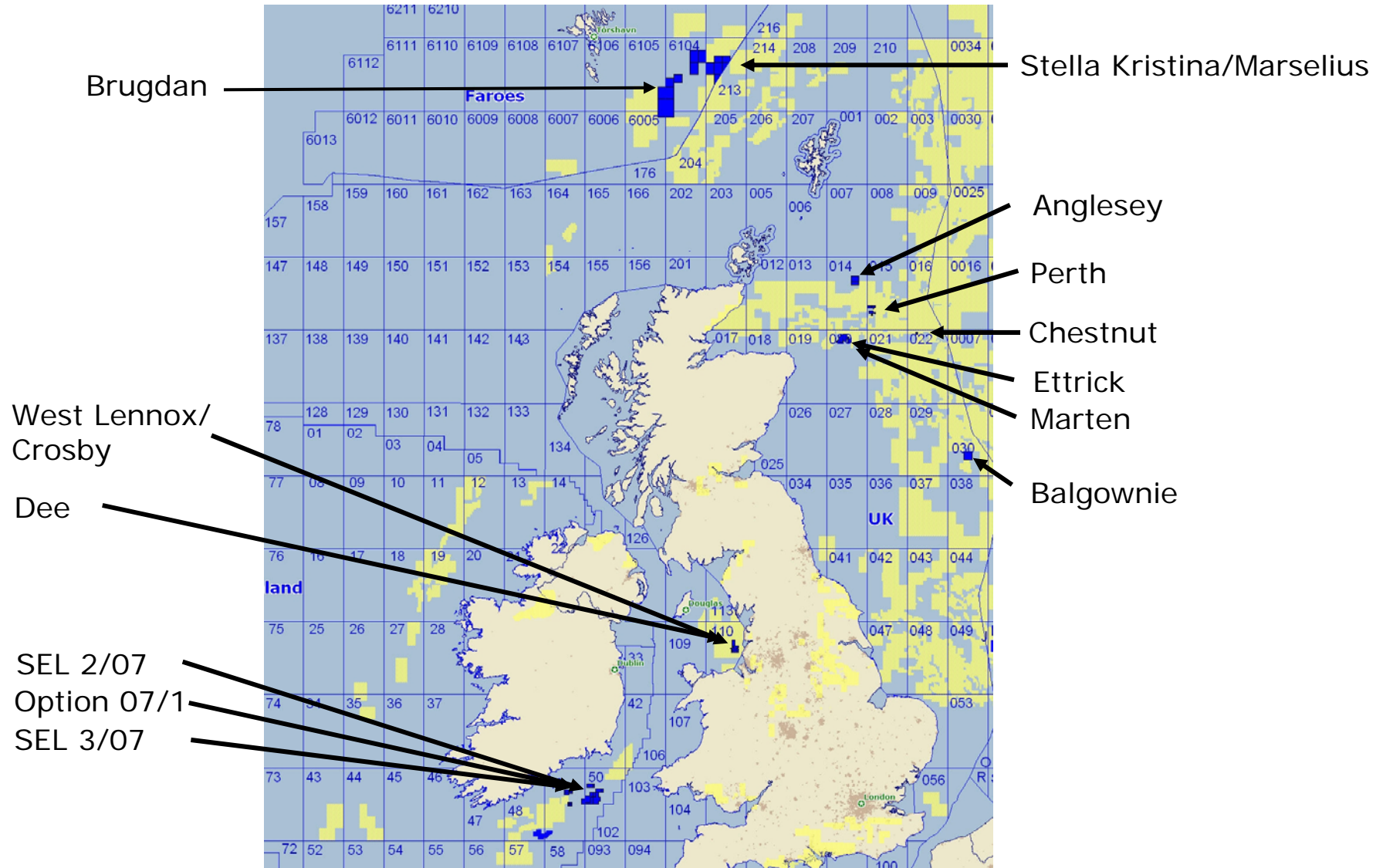
- Third Faroese licensing round
- Development of licences in Ireland
- Access to pipeline of farm-in opportunities
- Goal to build medium-sized oil company with assets in NW Europe

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Appendix

1. LICENSE OVERVIEW



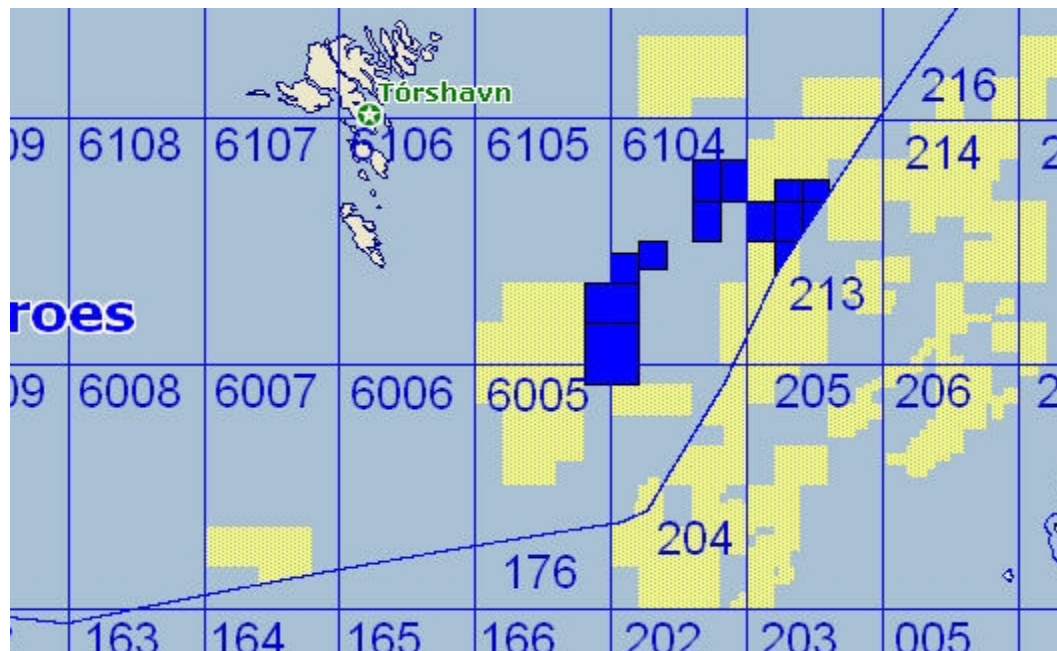
2. EXPLORATION - FAROES

L.006

- Results from the Brugdan well have been analysed. Licence currently on hold

L.013 & 014

- 2D seismic acquisition programme completed, processing ongoing
- Forward program interpretation of data and incorporation of results from Brugdan well



3. EXPLORATION - UK

Perth (15/21a, b, c & f)

- Prospects are being evaluated

Ettrick area – Blackbird (20/2a & 3a)

- One exploration well is currently being drilled

West Lennox, Crosby, Dee (110/9c, 14c, d & e)

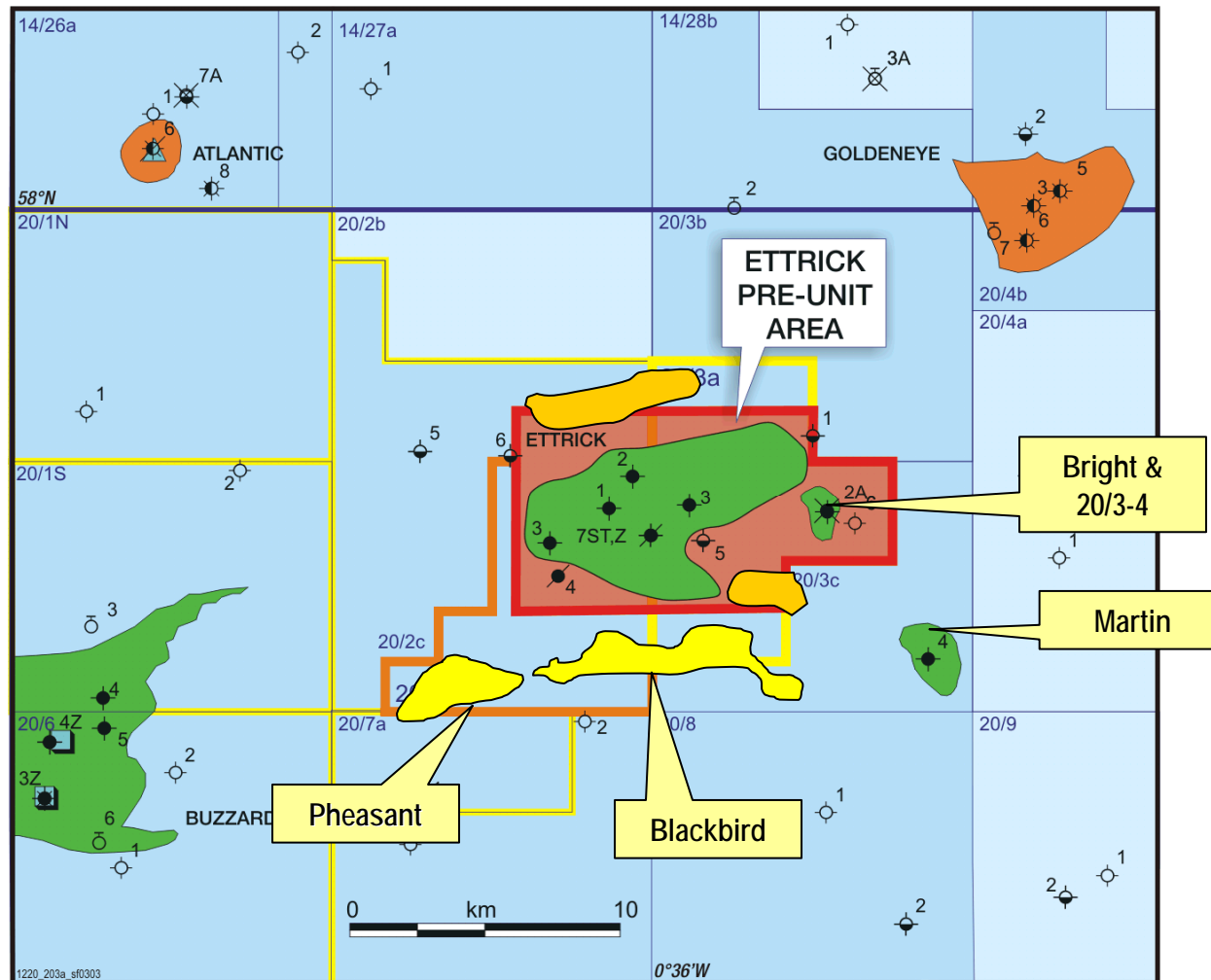
- Work ongoing
- An exploration well is likely to be drilled late 2008 on the Crosby prospect

Anglesey (14/9a & 14b) – 2007 Farm-in

- 2D high density seismic acquisition completed in 2007
- Seismic processed as pseudo 3D
- Interpretation will decide whether a well will be drilled in 2008

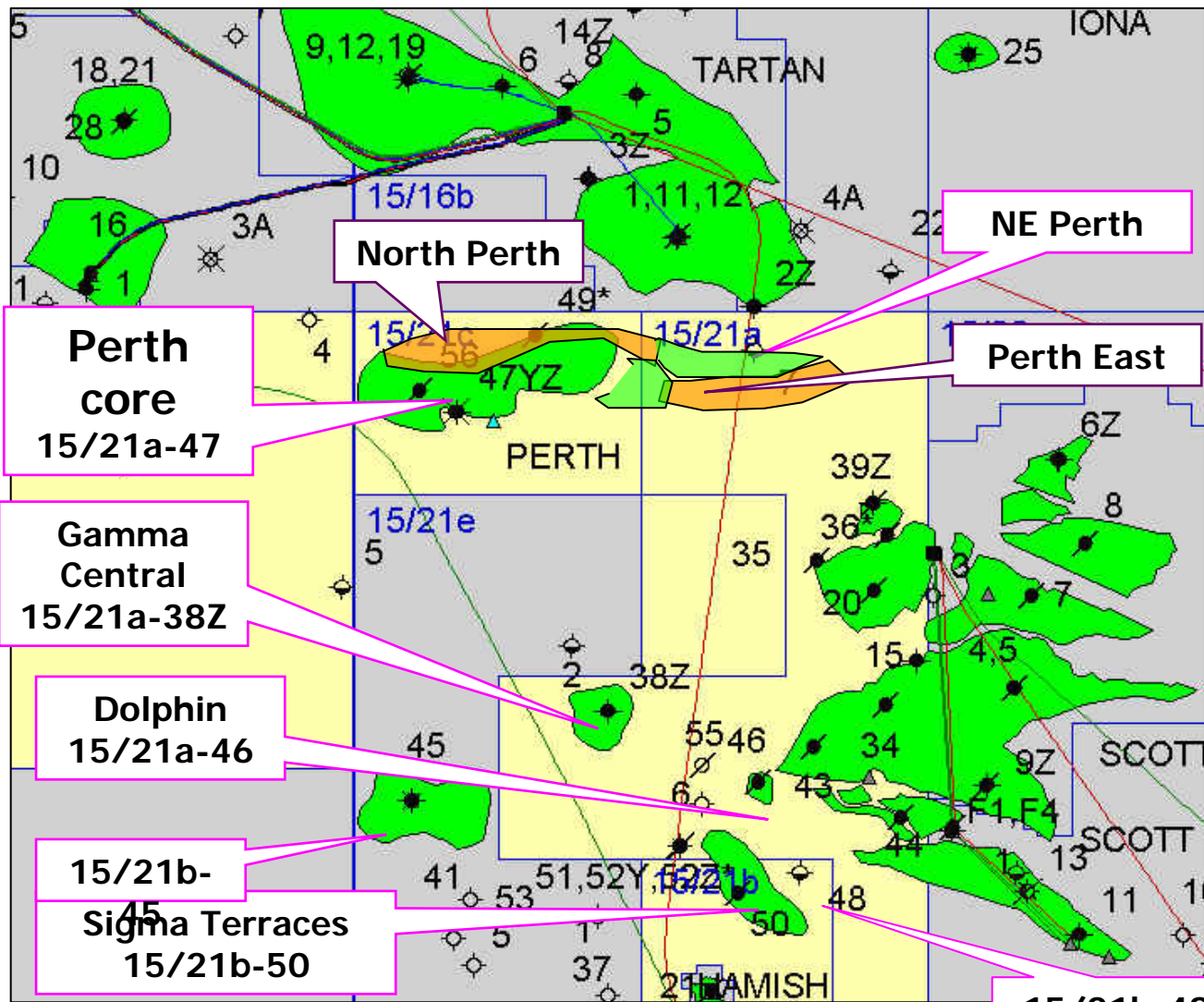
3. Exploration - UK

Perth



4. Appraisal - UK

Perth



Discoveries

Prospects

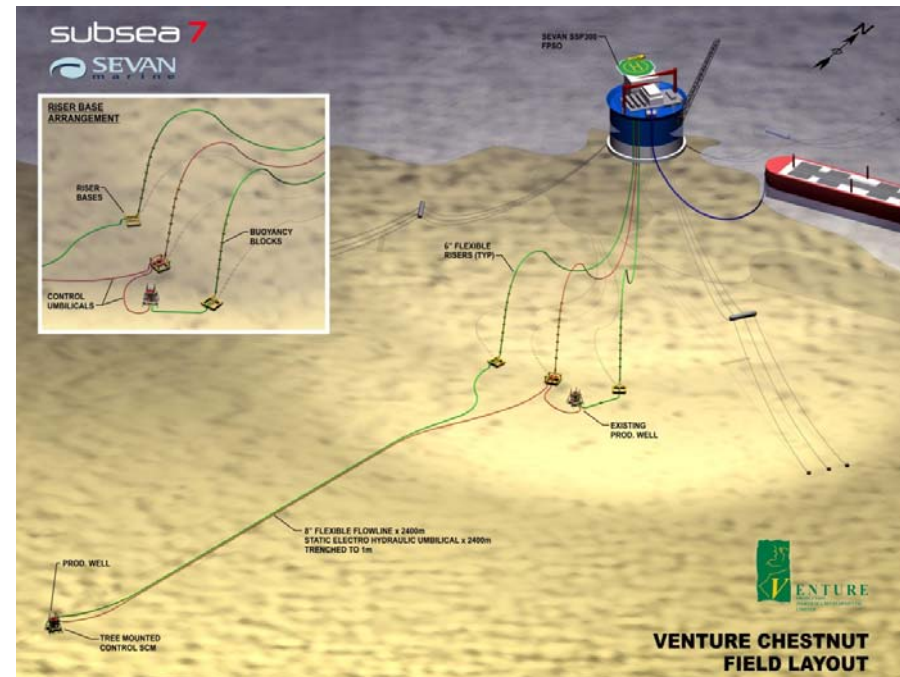
Further potential:

- Dolphin
- Gamma Central
- Sigma Terraces

5. Development - UK

Chestnut Development

- 8th March 2007 FPSO Hummingbird Hull left China
- 13th April 2007 FPSO arrived in Holland
- 28th June 2007 Subsea installation Phase 1 completed
- End October naming ceremony
- 15th December 2007 Sevan Hummingbird FPSO left Keppel Verolme Shipyard in Rotterdam – towed out to Chestnut field
- 21st December Seven Hummingbird FPSO successfully installed on the Chestnut field
- First Oil expected 3rd Quarter 2008



5. Development - UK

September 2007 – Naming ceremony



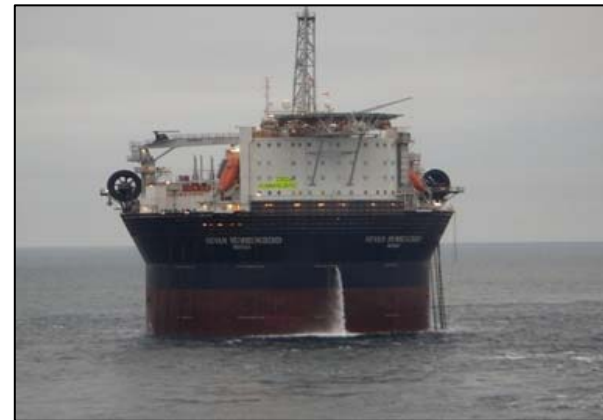
October 2007



December 2007 – Hummingbird tow-out



December 2007 – Hummingbird installed



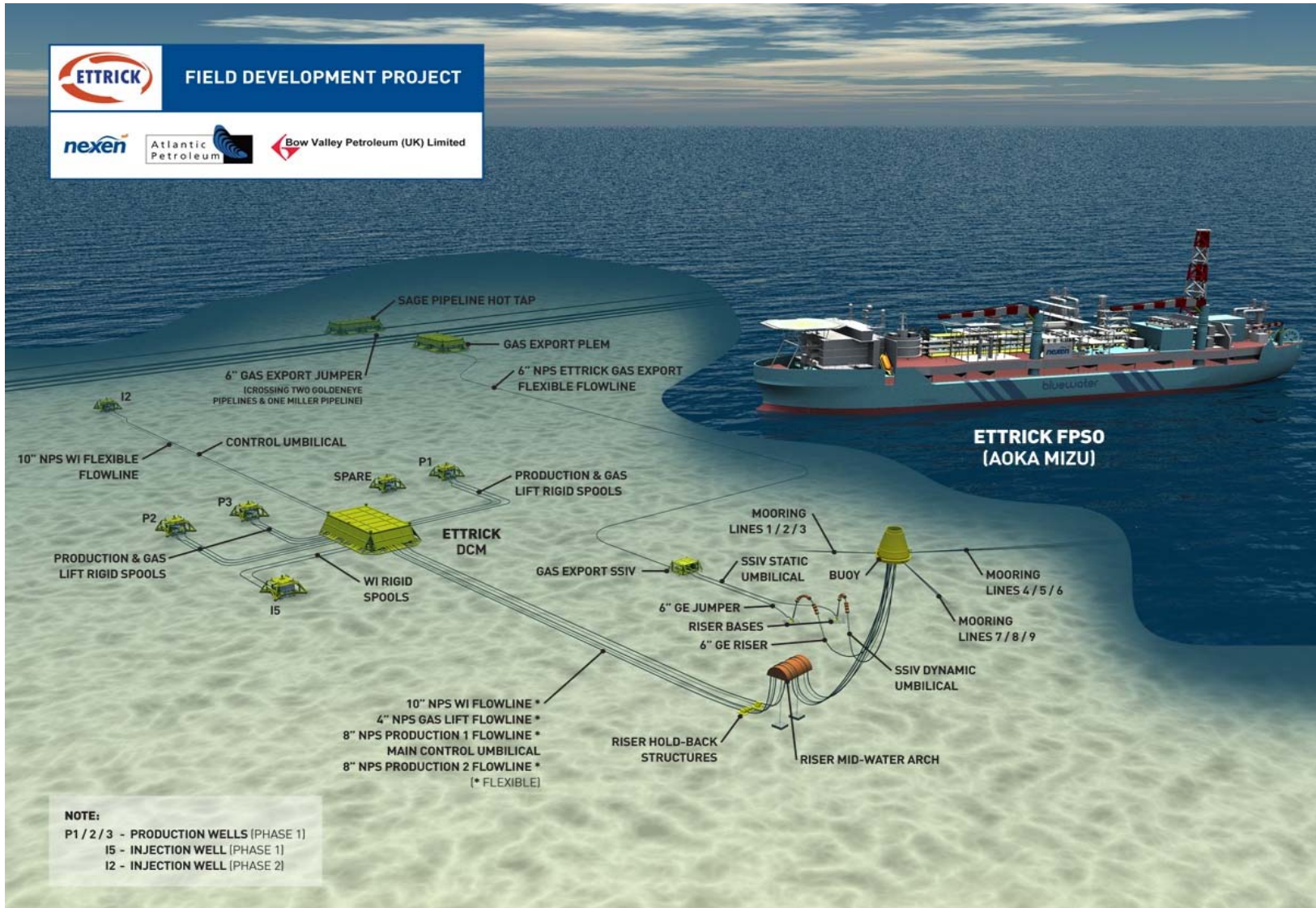
Hummingbird is contracted by the joint venture for 2.5 years fixed with 4x6 month options

5. Development - UK

Ettrick Development

- Development 2006-2008
- Two-phase development
 - Phase 1: Drill producers and one injector well
 - Phase 2: Drill injector wells
- Stand alone development with FPSO and export of gas via pipeline
- First oil 2nd half 2008

5. Development - UK Ettrick



5. Development - UK

Current forecast

- CAPEX has increased
 - Aoka Mizu to leave Sembawang shipyard, Singapore, July 2008
 - Hot tap to be installed April/May 2008
 - First oil expected 2nd half 2008
-
- Option for other accumulations to be tied back to Etrick, e.g. Marten, Bright & Blackbird, to extend the field life
 - Tie back to Buzzard still option for later in field life



5. Development - UK Aoka Mizu in Singapore



6. EXPLORATION – IRELAND overview

Hook Head Field

- Block 50/11

Ardmore Field

- Part of blocks 49/13, 49/14, 49/18 & 49/19

Helvick Field

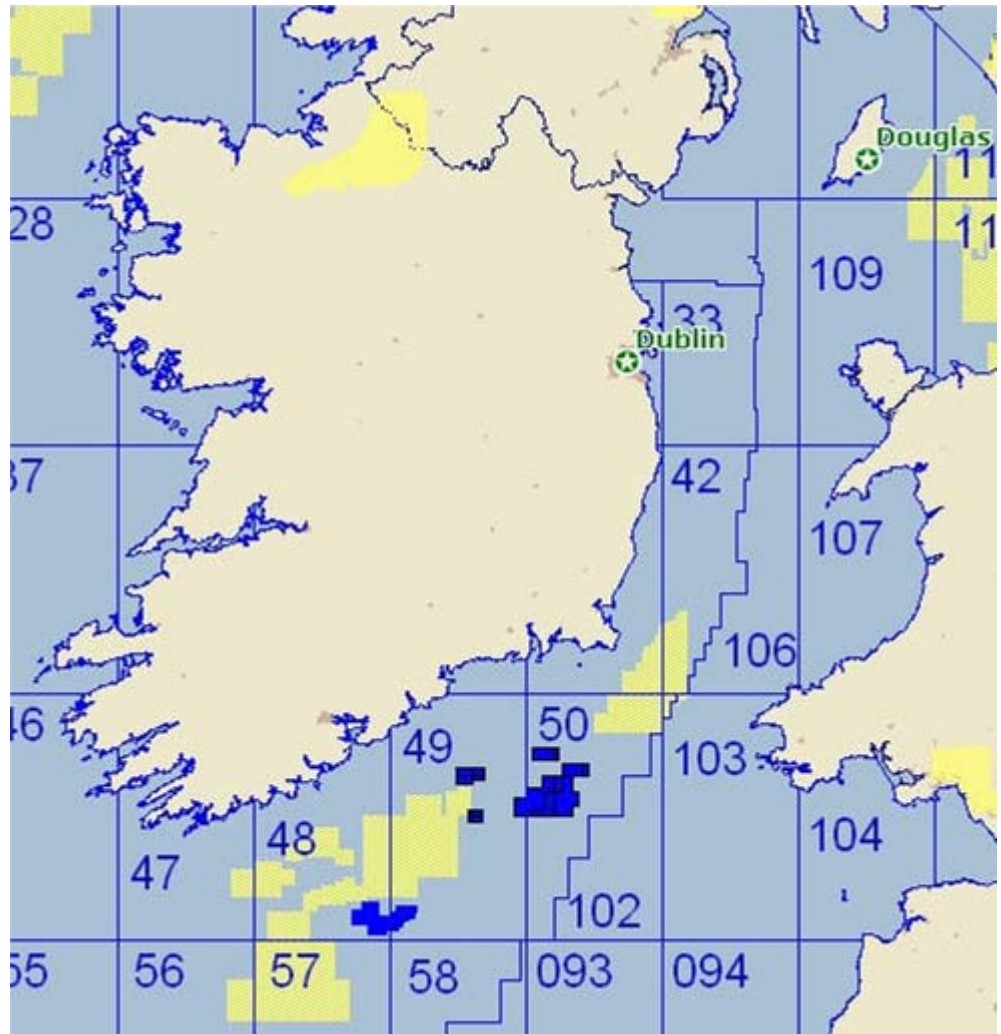
- Part of blocks 49/8, 49/9, 49/13 & 49/14

Dunmore Discovery

- Part of block 50/6

Blackrock Prospect

- Part of blocks 48/30 & 49/26



6. EXPLORATION – IRELAND SEL 3/07

Blackrock Prospect (Licence SEL 3/07)

- Atlantic Petroleum farmed into licence end March 2007
- Licence on part blocks 48/29, 30, 49/22, 23, 26, 27 and 28
- Consists of Blackrock prospect and Rushane lead
- OBS survey shot in 2006. Results being investigated over Blackrock prospect

7. APPRAISAL – IRELAND SEL 2/07

Hook Head Field (Licence SEL 2/07)

- Atlantic Petroleum farmed into licence (Part blocks 50/11 & 50/12) February 2007
- Appraisal well spudded 17th August 2007 with Petrolia Rig, drilled & tested
- 10th September 2007 announcement - “a significant oil discovery” had been made at Hook Head
- Partners have committed to an immediate & detailed evaluation of well results with view to further appraisal/development drilling

Helvick, Ardmore, Dunmore (Licence SEL 2/07)

- Part blocks 49/8, 9, 13, 14, 18, 50/6, 7 containing Helvick, Ardmore Fields & Dunmore discovery – farmed in February 2007
- Seismic acquisition carried out & processed over Ardmore
- Subsurface work ongoing

7. APPRAISAL - IRELAND Hook Head Testing 2007

