

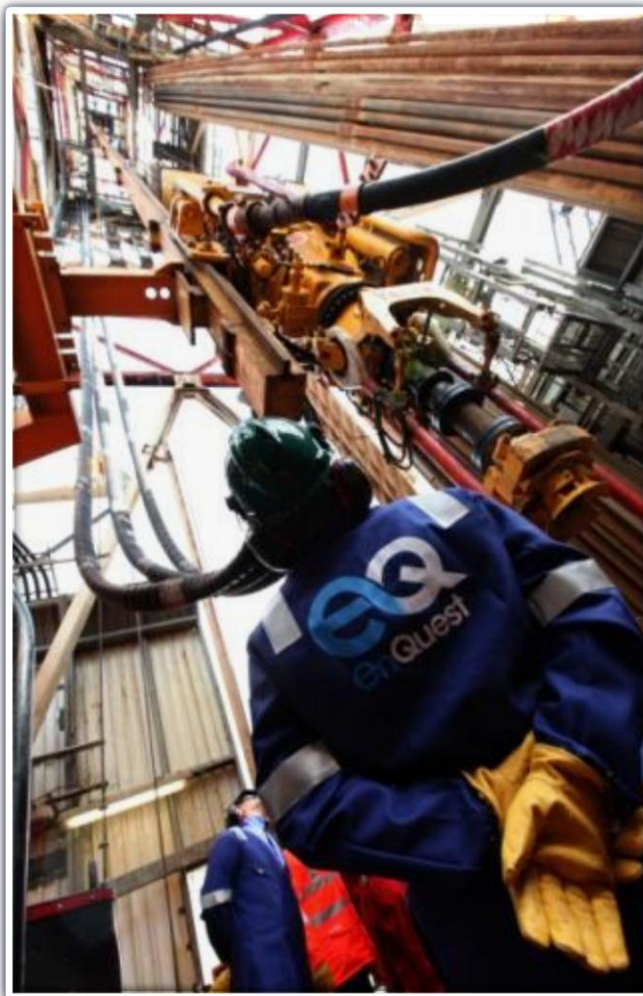
Sustained Strong Cash Flow Generation

Major Project Execution On Track



- **Overview** CEO, Amjad Bseisu
- **Financials** CFO, Jonathan Swinney
- **Business performance & major projects** CEO, Amjad Bseisu
Co-founder & Strategy Adviser,
Nigel Hares
- **Operations** General Manager, Technical
Andrew Thomson
- **Summary** Amjad Bseisu

Repeatable strategy delivering success



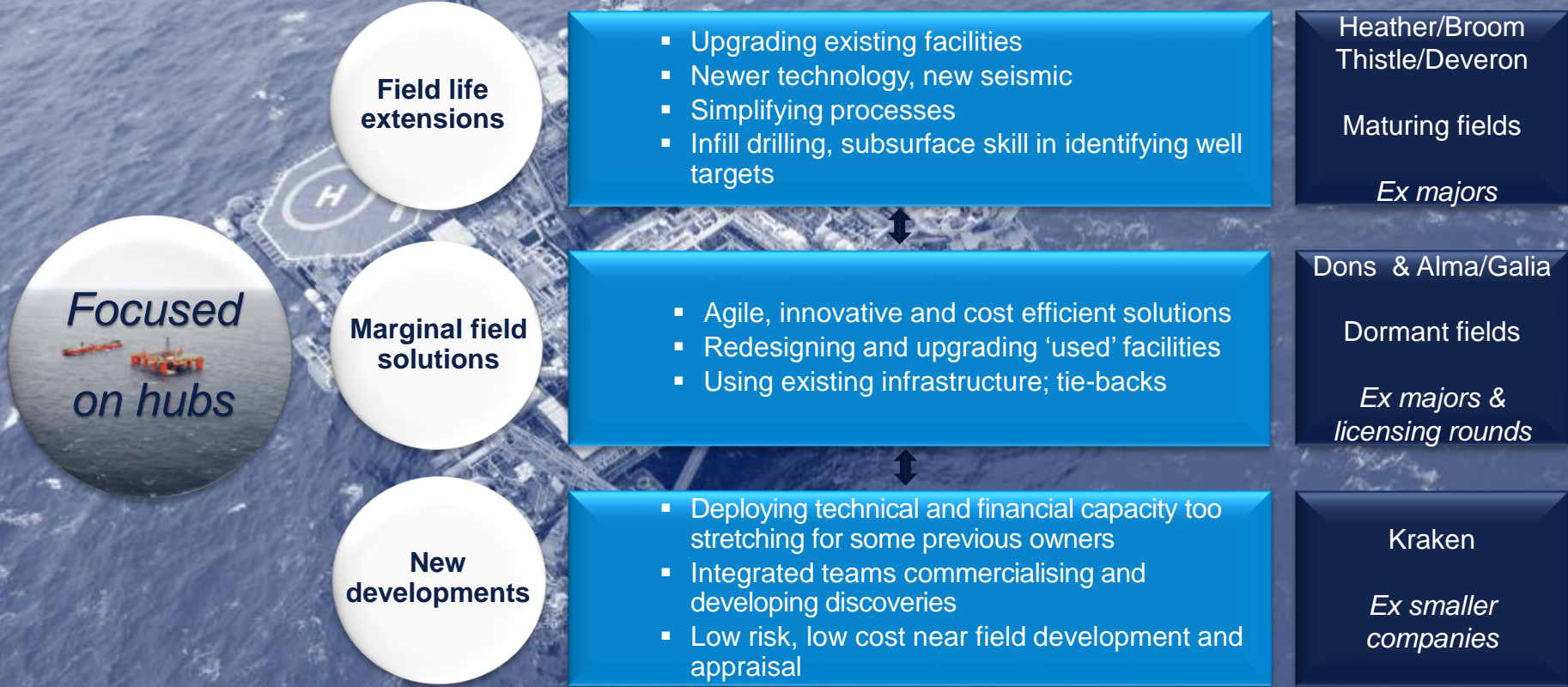
- 2012 production above guidance mid-point, due to successful execution of operations programme
- Sustained strong cash flow and balance sheet
- Excellent reserves record
 - 300% replacement since EnQuest inception
 - 262% replacement in 2012
 - reserves asset life of over 15 years
- Major project execution on track
 - first oil from Alma/Galia scheduled for Q4 2013
- 2012 Kraken acquisition created game changing potential
- Good levels of HSE&A performance have continued
 - Number of HIPO's down from 4 to 1
- Operations organisation developed at all levels, resources continue to strengthen
- Production guidance for 2013 is 22,000 to 27,000 Boepd, reflecting third party shutdowns in Q1 2013

Growth through the realisation of untapped potential

Technical leadership in integrated development



Creating development value via:



Proven depth in subsurface, engineering, execution and operations

2012: Sustained strong cash flow generation

Major project execution on track



Production & Reserves

- Production of 22,802 Boepd in 2012
 - 14 wells successfully drilled, \$367m capital investment in producing fields
 - Good drilling and intervention work at Thistle/Deveron and the Dons
- 11.5% net 2P reserve increase to 128.5 MMboe, 262% replacement ratio

Project execution & Business development

- Alma/Galia development on track for First Oil in Q4 2013, \$421.3m invested
 - Six wells batch drilled in 2012
 - FPSO modifications continuing
- Farm out to KUFPEC completed
 - received \$125m in cash on completion, \$176m P&L gain on disposal
- Proposed Kraken development on track for FDP in Q2 2013
- EnQuest offered eleven licences in 27th UK licensing round
- First steps outside UKCS: Norway & Malaysia

Financial strength

- \$594m cash flow from operations in 2012. Net cash of \$90m at end of 2012
 - New credit facility for up to \$900m arranged in Q1 2012
- Profit after tax of \$260m, \$362m including impact of Alma farm out
- EBITDA of \$626m

Financials



Results summary

Year to 31 December



Unless otherwise stated all figures are before exceptional items and depletion of fair value uplift and are in US dollars

US dollars	2012	2011	Change %
Export production (Boepd)	22,802	23,698	(3.8)
Average realised price per barrel (\$)	111.6	107.6	3.7
Revenue (\$ million)	890	936	(4.9)
Cost of sales (\$ million)	448	492	(8.9)
Production and transportation costs (\$/per boe)	32.3	31.9	1.3
Depletion of oil & gas properties (\$/per boe)	24.7	23.2	6.5
Gross profit (\$ million)	441	444	(0.1)
Operating profit (\$ million)	405	390	3.8
Profit after tax (\$ million)	260	136	91.1
EBITDA* (\$ million)	626	629	(0.5)
Reported earnings per share (cents)	46.2	7.6	507.9

* for definition basis, see results announcement

Summary income statement

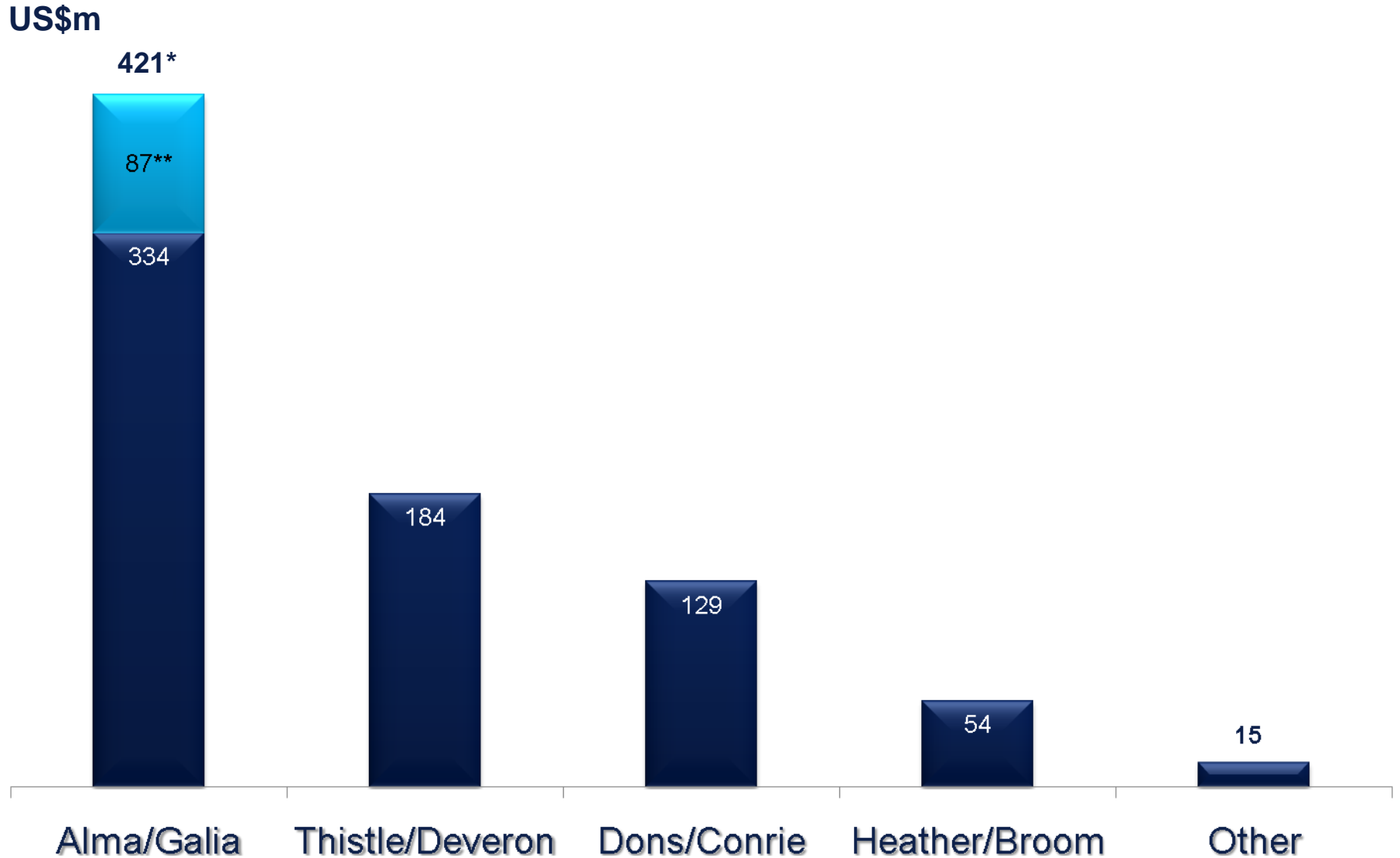
Year to 31 December



US dollars	2012 Business performance \$m's	2012 Exceptional items \$m's	2012 Reported \$m's	2011 Reported \$m's
Revenue	889.5	-	889.5	936.0
Cost of sales	(448.2)	(10.2)	(458.4)	(508.8)
Gross profit	441.3	(10.2)	431.1	427.2
Exploration and evaluation expenses	(23.2)	-	(23.2)	(37.0)
General and administration expenses	(6.7)	-	(6.7)	(13.8)
Impairment of oil and gas assets	-	(143.9)	(143.9)	-
Gain on disposal of property, plant & equipment	-	175.9	175.9	-
Net other expenses	(6.3)	(4.4)	(10.8)	1.1
Profit/(loss) from operations before tax and finance income/(costs)	405.1	17.4	422.5	377.5
Net finance costs	(19.1)	-	(19.1)	(14.7)
Profit/(loss) before tax	386.0	17.4	403.4	362.8
Income tax	(126.3)	85.2	(41.2)	(301.8)
Profit/(loss) after tax	259.7	102.6	362.2	61.0
Earnings per share (cents)	33.1		46.2	7.6

Capital expenditure \$803m

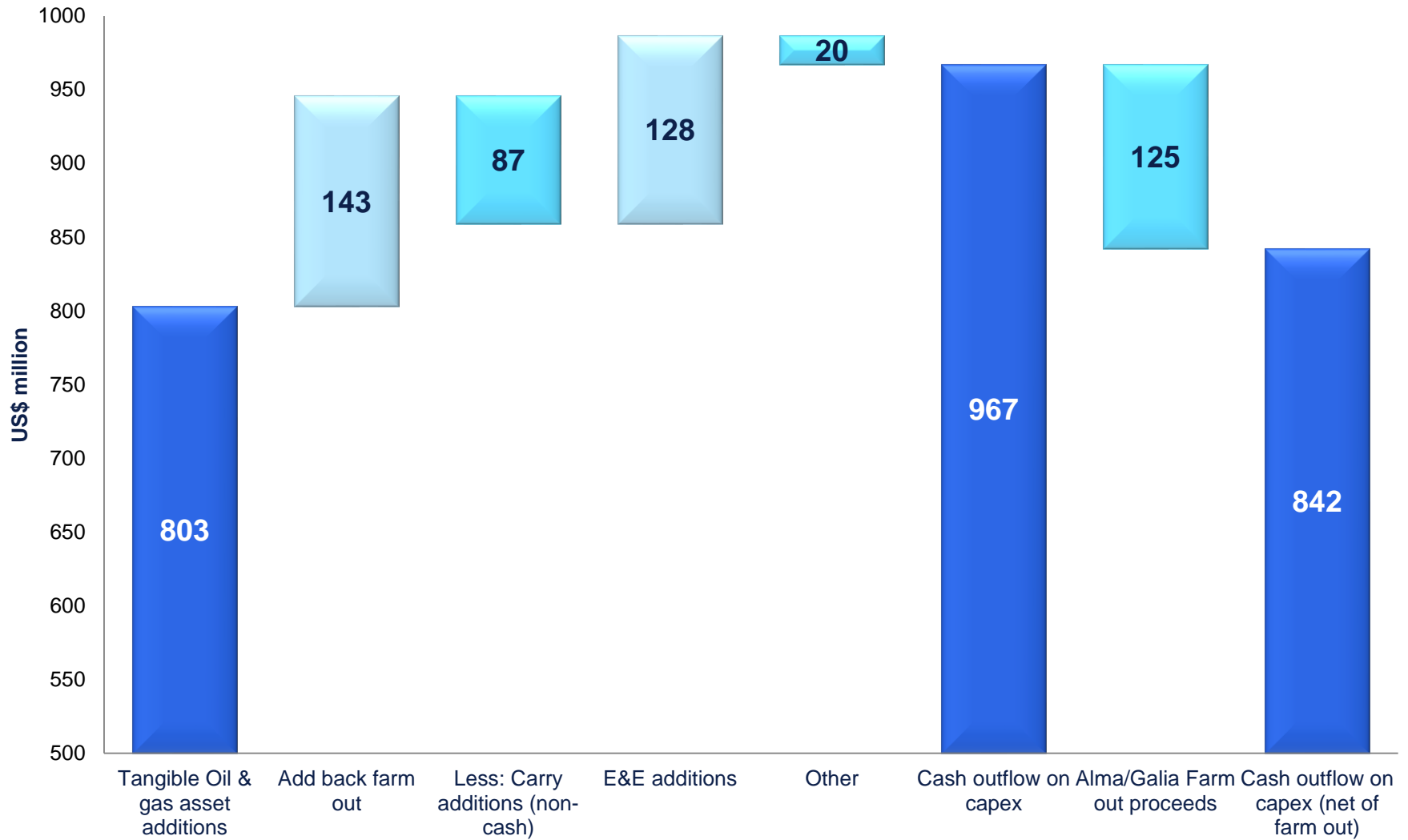
Year to 31 December 2012



* Net of 35% disposed via farm out

** \$87m is the carry element

Reconciliation of capital expenditure



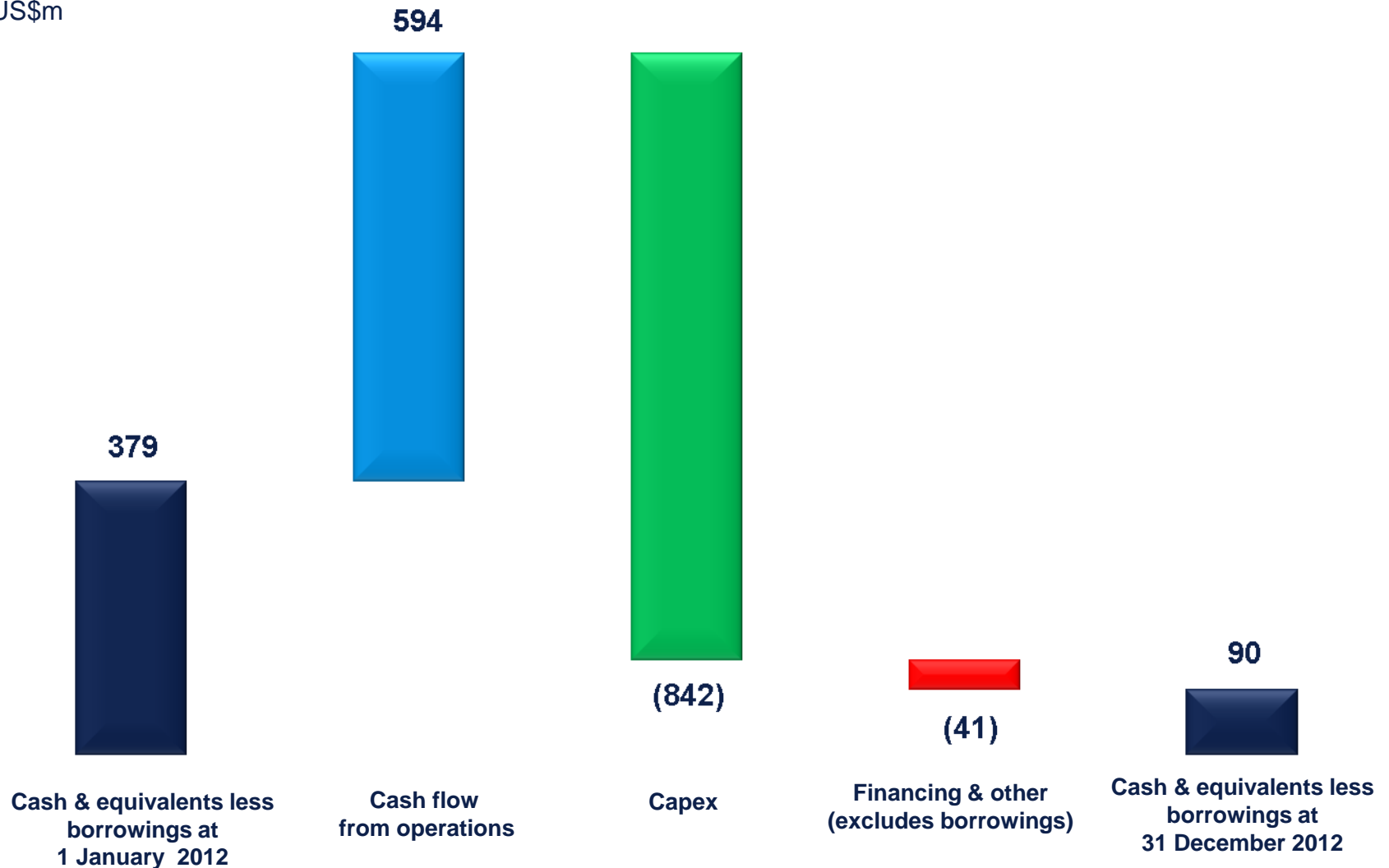
Cash flow

Year to 31 December 2012



Strong financial position, \$900m credit facility and £145m retail bond

US\$m



Full Year 2013

- Current capex expectations of around \$750m
- Production and transportation costs expected to be in the range \$310m to \$340m
- Depletion anticipated to be approximately \$28 per bbl, dependent upon production mix
- G&A range between \$10m to \$15m
- Finance costs expected to be in the region of \$35m
- Tax
 - Effective rate expected to be approximately 60%
 - No significant cash tax expected to be paid until beyond 2014

Business performance and major projects



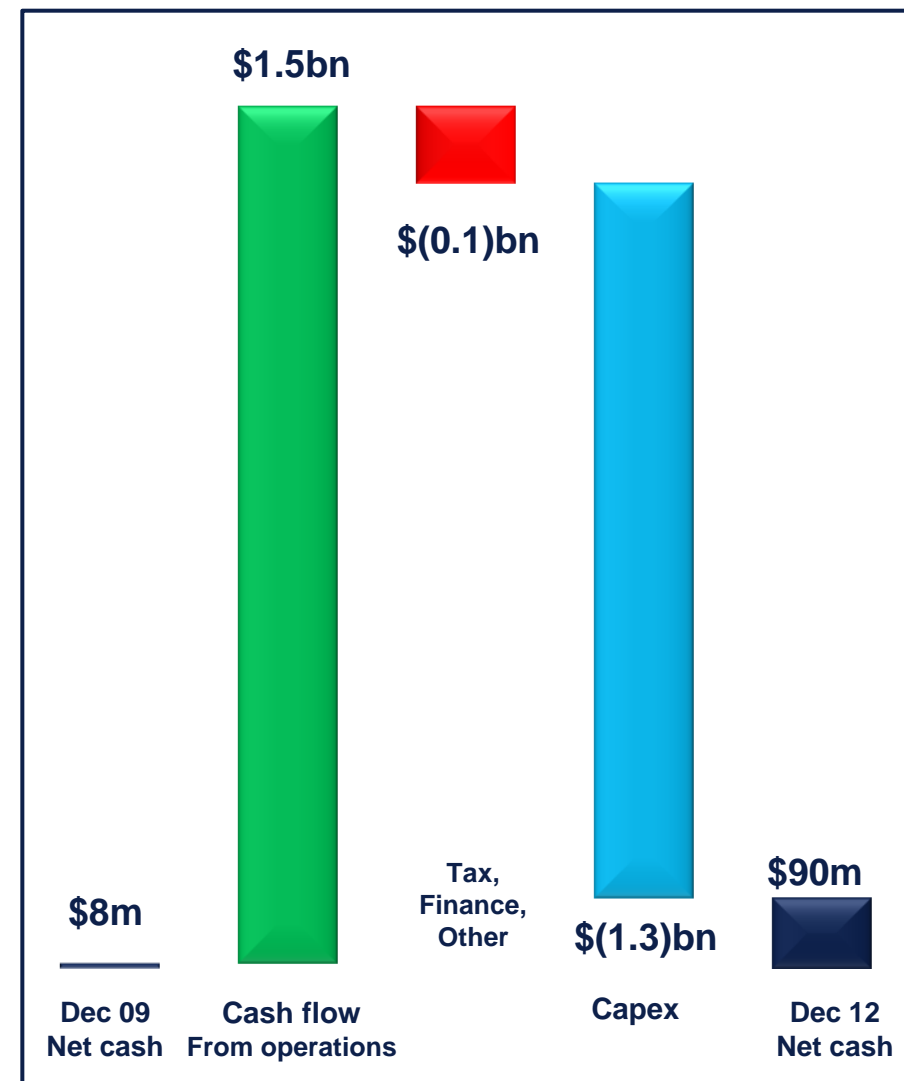
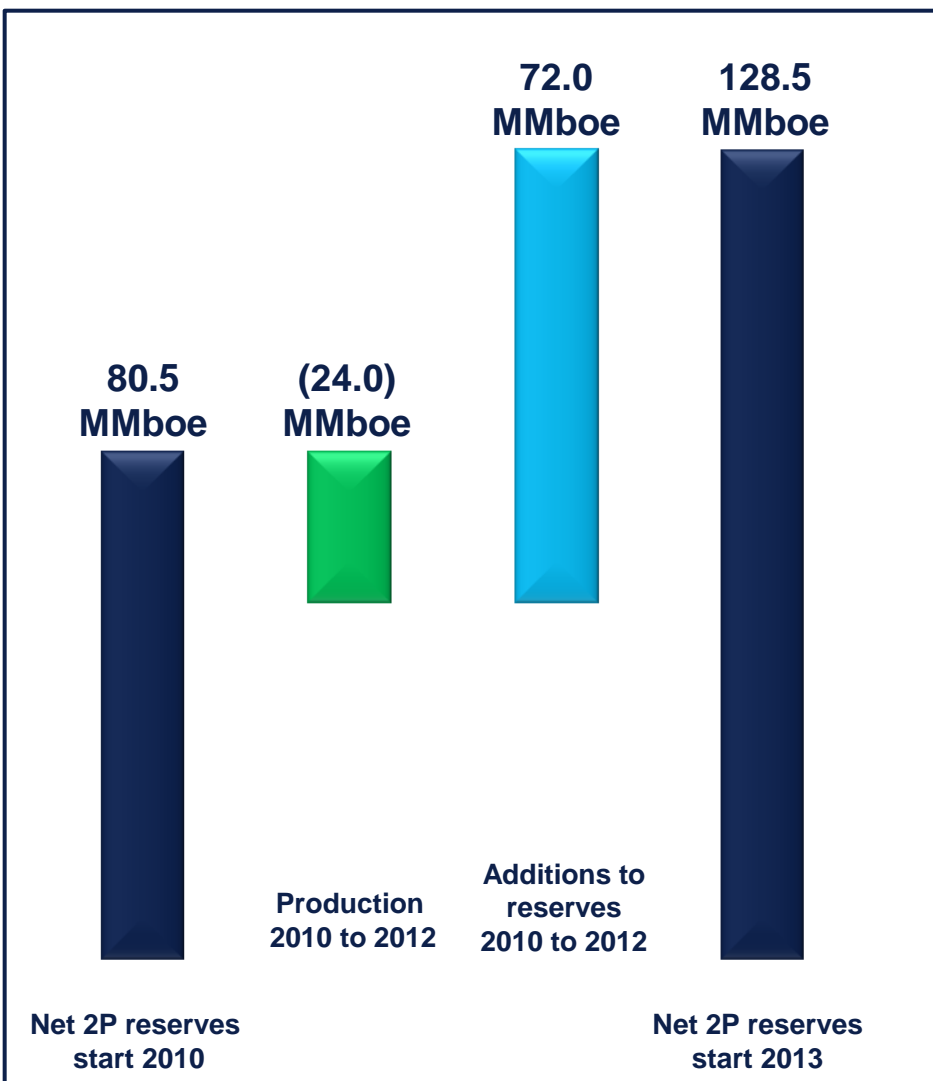
Three years of strong cash flow generation

300% reserve replacement ratio



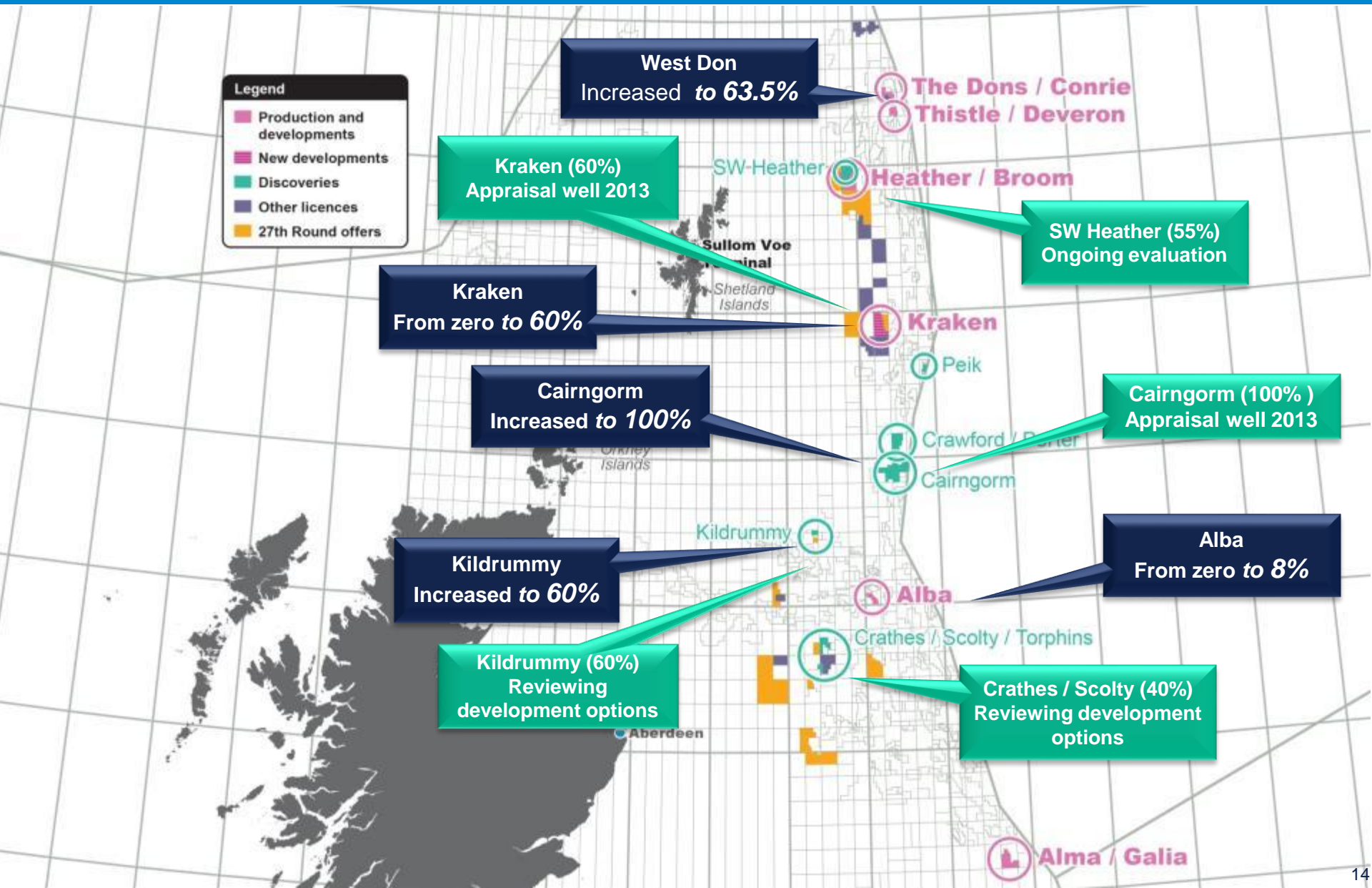
Reserves 2010 - 2012

Cash flow 2010 - 2012



Expanding our asset base in 2012 and 2013

With a rich discovery 'hopper'

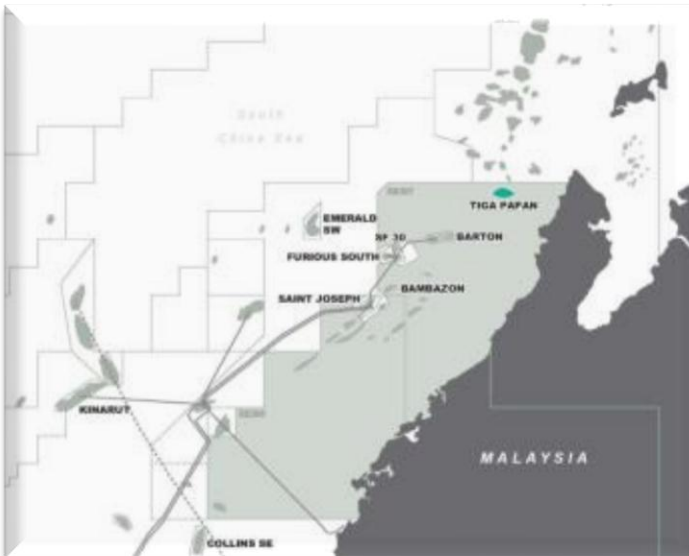


Business development

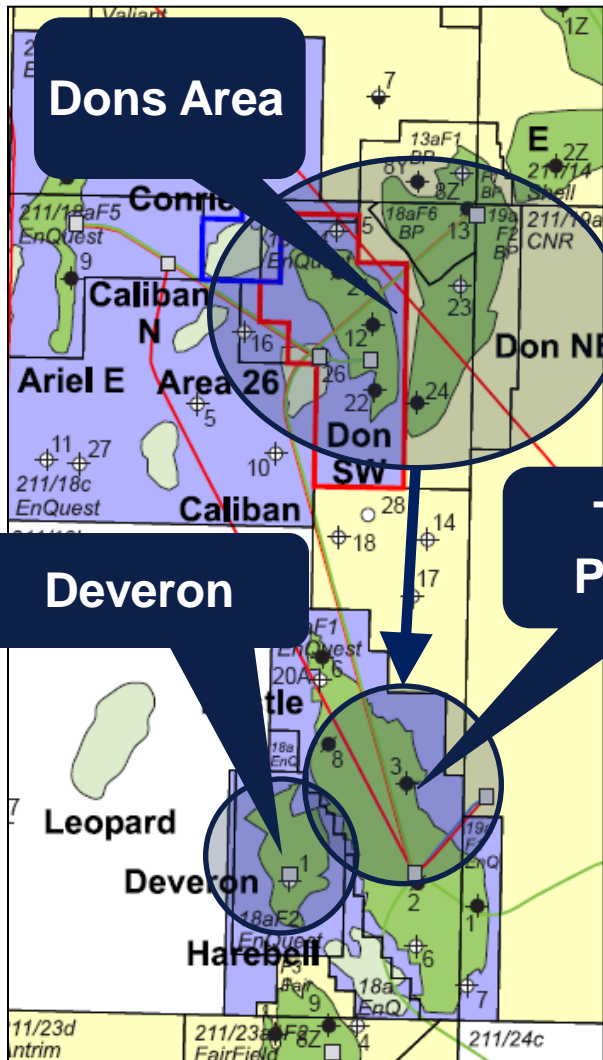
Acquisition of 8% of Alba & Entry into Malaysia



- Adding reserves and producing barrels and further diversifying EnQuest's asset base
- Base consideration is £18.75m, plus a deferred £0.5m
- Net 2P reserves of 5.9 MMboe to be added
- Alba produces heavy oil from Eocene turbidite sandstones in block 16/26 in the UK North Sea



- A low cost entry point
- Two oil discoveries, Bambazon and Tiga Papan
- Exploration opportunity and upside
- EnQuest 42.5%, with Lundin (Op) and Petronas Carigali
- Blocks SB307 and SB308 (6,200km²) Sabah
- An exploration / appraisal well to be drilled in late 2013



Thistle Late Life Extension projects

Jacket Integrity Project
Modifications required to ensure jacket protection for another 15 years

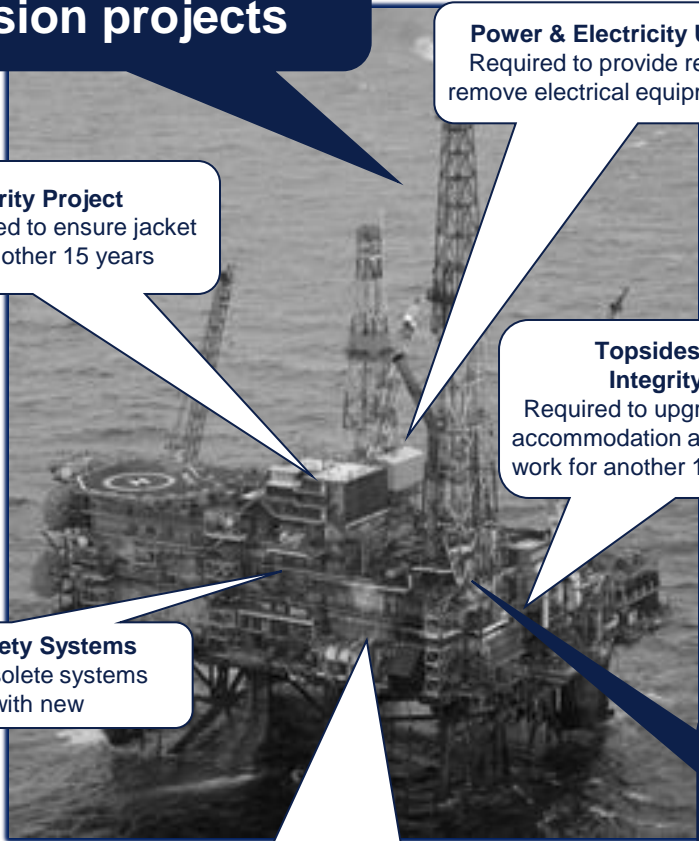
Power & Electricity Upgrade Project
Required to provide reliable power and remove electrical equipment obsolescence

Topsides Structural Integrity Projects
Required to upgrade access ways, accommodation and secondary steel work for another 15 years operations

Controls and Safety Systems
Remove 1970s obsolete systems and replace with new

Restarted drilling in 2010

Process Simplification Project
Simplify process, reduce non essential equipment to only that required for LLX operations



2012

- Field Development Plan approvals
- Successful batch drilling of six wells
 - The three that had reached the reservoir all met or exceeded expectations
- Purchase and re-fit of EnQuest Producer
 - FPSO modifications well underway
- Other key project elements proceeded well
 - Most of subsea infrastructure work completed

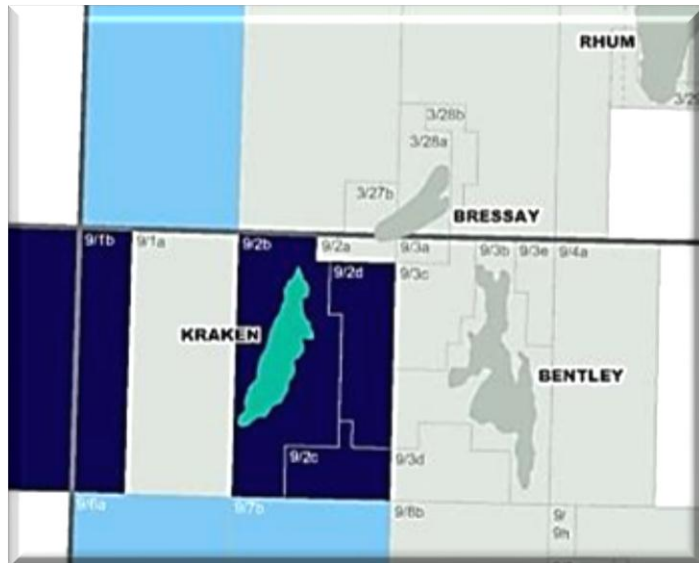
2013

- Announced increase in scope and specification
 - Extending vessel and field life, optimising operating costs
 - Enabling a potential second phase of development
 - Gross capex of \$1.3bn, including contingency
 - Gross reserves increased from 29 MMboe to 34 MMboe



Kraken on track for FDP submission in Q2 2013

Reserves, resources, appraisal well



- EnQuest acquired a 60% W.I. in 2012
- A conventional rather than a heavy oil development
- EnQuest formally assumed operatorship in September 2012 and is working with partners to deliver FDP in H1 2013, with first oil targeted for 2016
- 20 MMboe added to EnQuest's net 2P reserves for the 20% of Kraken on which EnQuest has no 'carry' obligations
- 40 MMboe can be booked following FDP submission and approval, for 40% equity
- A 2013 appraisal well will be drilled, to provide additional information for the proposed main field development

Operations



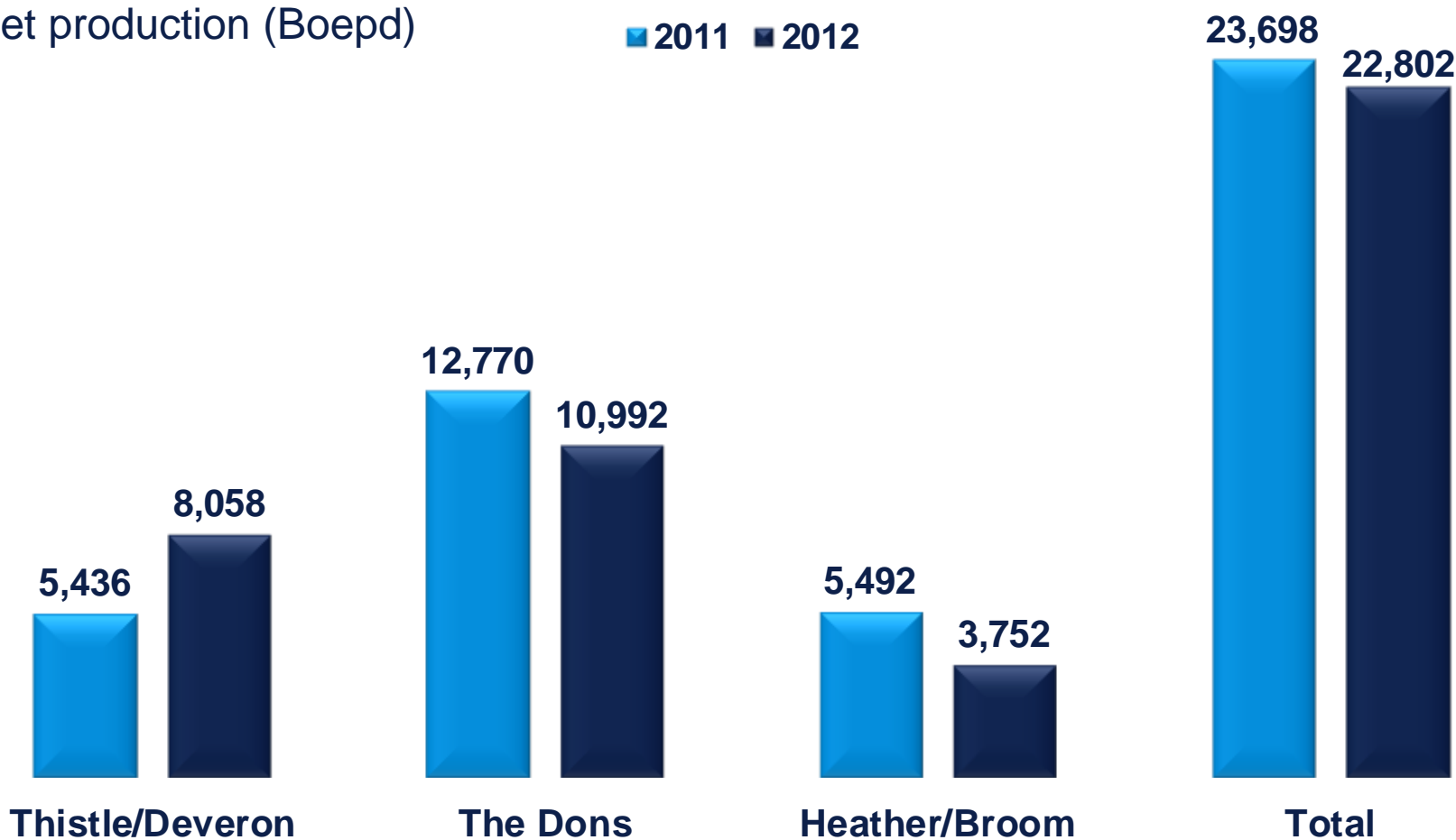
2012 Production results by hub

Above mid-point of guidance



Net production (Boepd)

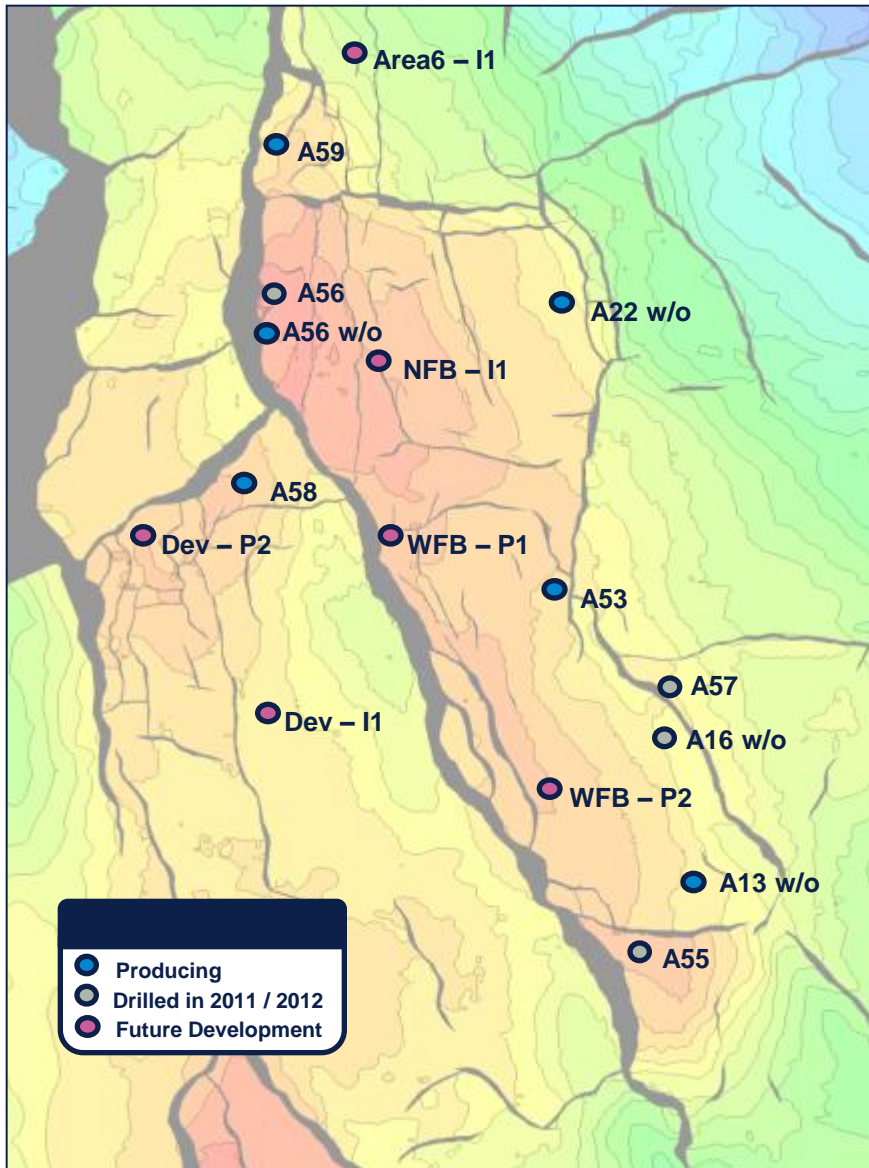
■ 2011 ■ 2012



- ▲ New wells A58 & A59
- ▲ Improved water injection
- ▲ Electrical submersible pumps
- ▼ Pipeline shutdown

- ▼ Natural decline of S5
- ▼ Pipeline shutdown
- ▲ New well S11, W5, S10y
- ▲ West Don +18.5% WI

- ▼ Natural decline, BR2
- ▼ Pipeline shutdown
- ▲ Good plant management, high production efficiency



2012

- A58 (Dev-P1) well completed and on production, productivity at the higher end of pre-drill estimates
- 150,000 bwpd water injection
- 10 day pipeline outage
- Area 6-P1 (ESP) production well
- Heavy lift late August, 30 MW generator to start full operation in early 2013
- Field life extension project is moving ahead
 - Brownfield allowance
- Offshore drilling team achieved 5 years without a lost time injury

2013

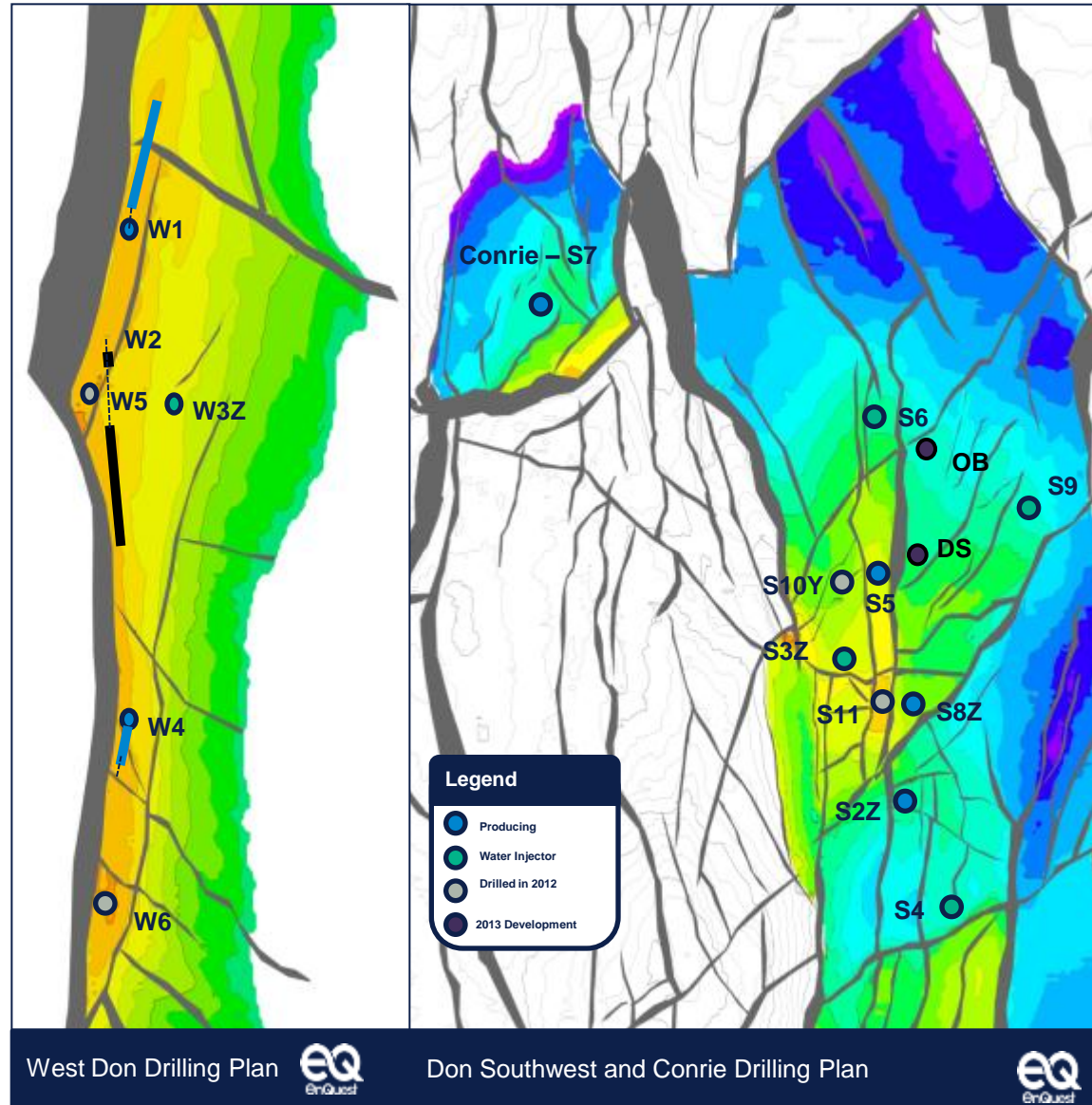
- Workover of A53/60 injector well
- Start of new turbine power generator
- Drilling West Fault Block producer
- Next phase of life extension project

2012

- Don South West
 - S10 drilled, on production as expected
 - S11 drilled, continues to perform well
 - S2Z workover successful
- West Don
 - W2 abandoned ahead of plan
 - W5 (sidetrack of W2) drilled & on production
 - W1 workover successful
 - W6 injector drilled and completed as expected
- 10 day 3rd party export outage

2013

- W6 injector tied in and brought online in Q1
- Facilities upgrade programme
- Currently drilling Don SW Area 6 producer to be followed by injector in 2Q, both due online in Q3



2012

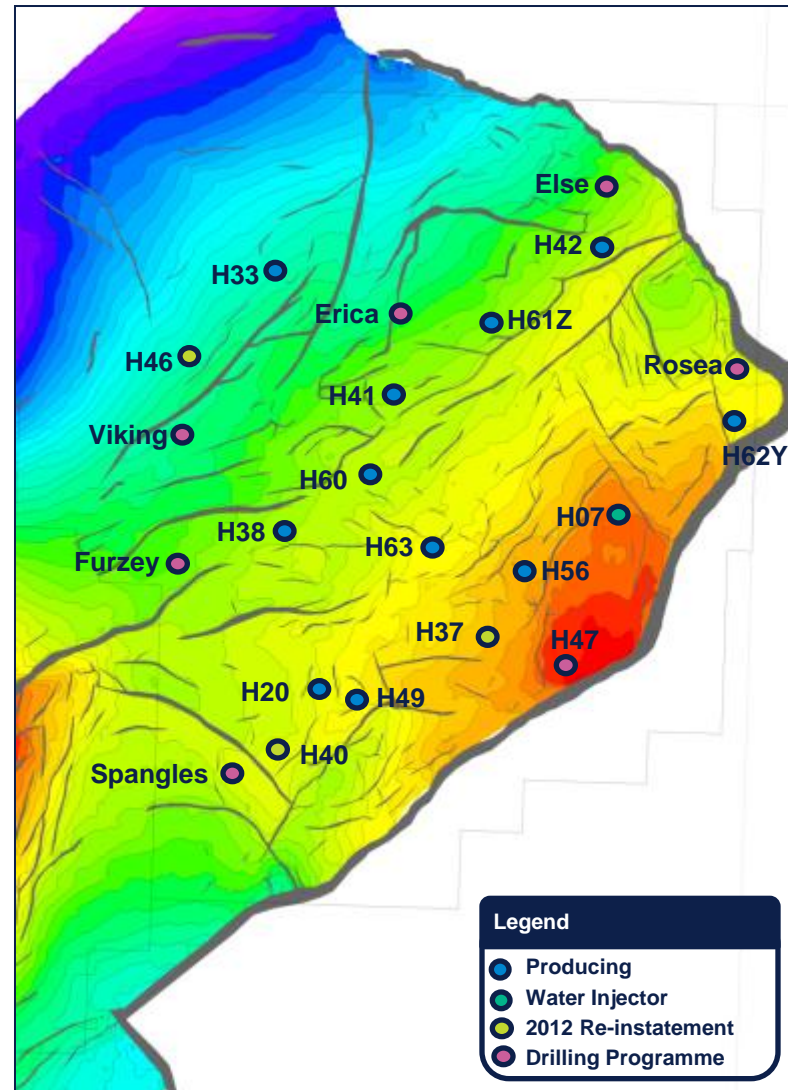
- Anticipated natural decline in BR2
- Increase in Heather production, as a result of well work activity including 3 conversions to injection
- Lost 20 days production due to 3rd party export outage (Ninian)
- Significant progress on rig re-activation
- Seismic survey gathered

2013

- Complete rig re-activation, commence drilling Q3 2013
- H47 well workover, due onstream Q4 2013

Brownfield life extension project

- Two year drilling campaign and complementary facilities upgrade
- 9 targets for initial programme, with 14 MMboe reserves



2013 EnQuest outline programme



Three drilling strings (two platform rigs, one mobile rig)

	Q1	Q2	Q3	Q4
Thistle		Drilling (1 well)		
Heather			Producer workover	
Dons		Drilling (3 wells)		
Alma/Galia		3 production well completions, 1 injector well		First oil
Kraken		FDP submission		
Exploration/ Appraisal		Kraken	Cairngorm	Sabah

Summary



2012 Results summary

Production and project execution on track



Operations & developments

Organisation

Finance

- 14 well drilling programme, \$803m capital investment
- Production of 22,802 Boepd
- Alma/Galia development on track for first oil in Q4 2013
- Kraken development on track for FDP submission in Q2 2013
- Taken first preparatory steps outside the UKCS: Norway & Malaysia
- Acquisition of 8% of Alba producing oil field agreed

- Operations organisation developed at all levels, resources continue to strengthen
 - Number of employees now almost four times level at IPO
 - EnQuest has a powerful development capability

- EPS from 7.6 cents to 46.2 cents per share
- Revenue of \$890m generated strong \$594m cash flow from operations
- Net cash of \$90m
- \$900m credit facility and £145m retail bond

Production

- 2013 guidance range between 22,000 Boepd and 27,000 Boepd
- 12 wells being delivered in 2013
 - including three production wells on existing fields and three on Alma/Galia
 - plus three exploration/appraisal wells
- Current group capex of \$750m, including \$350m on Alma/Galia
 - \$75 m predevelopment expenditure on Kraken

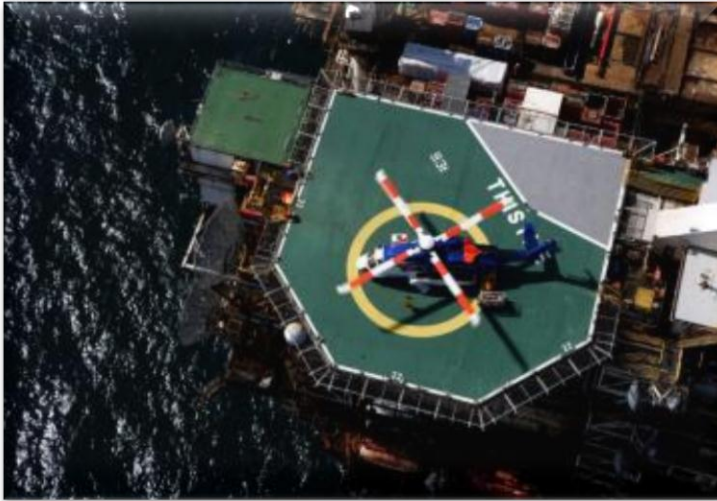
Major projects on track

- First oil from the Alma/Galia development is on schedule for first oil in Q4 2013
- Proposed Kraken development on track for FDP submission in Q2 2013
- Excellent execution capability

Financial strength

- Strong balance sheet
 - Net cash of \$90m
 - Credit facility of up to \$900m, only \$35m drawn at year end
 - £145m retail bond, 9 year maturity

Thistle/Deveron



Dons



Northern Producer

Heather/Broom



Alma/Galia



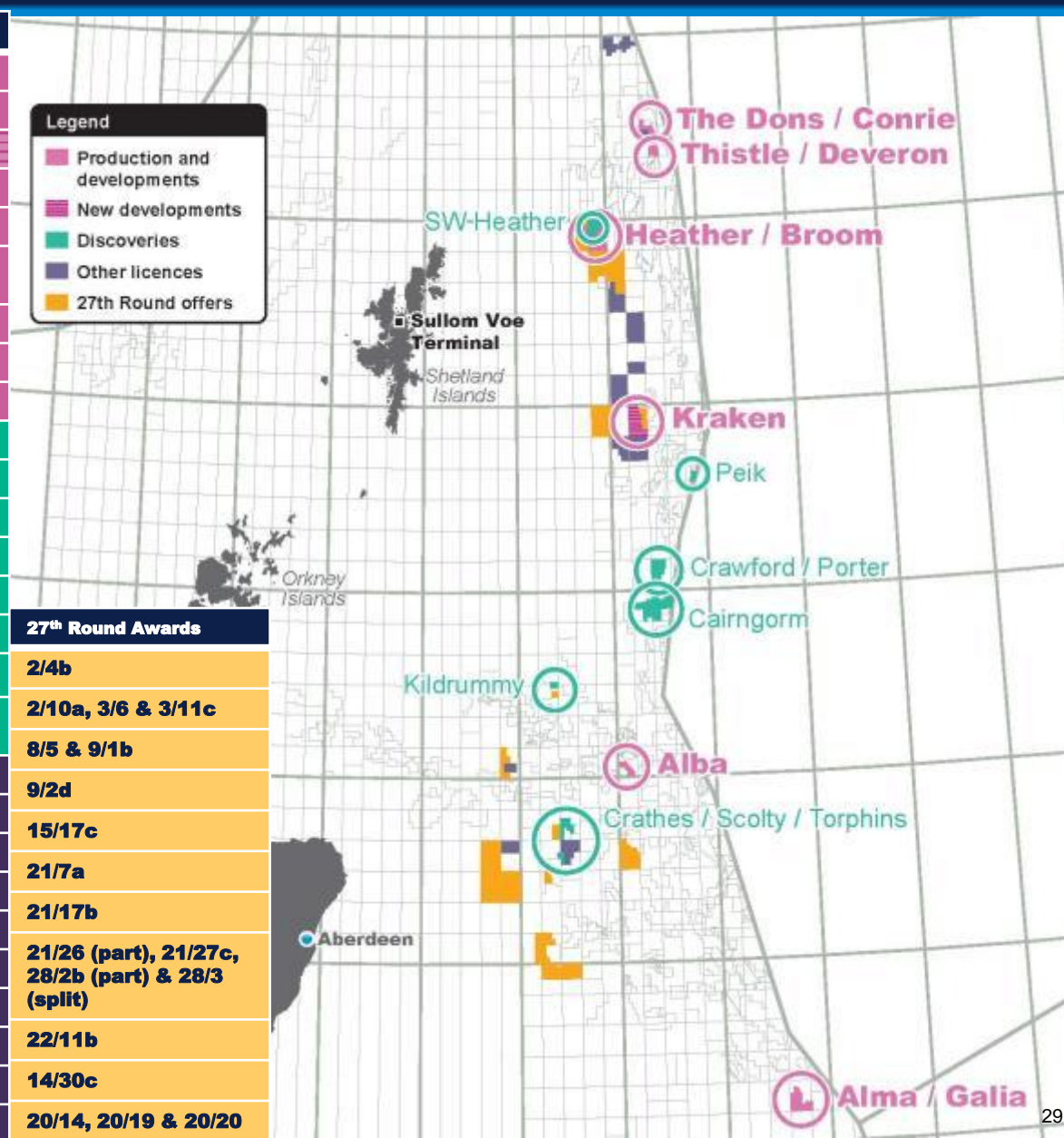
EnQuest Producer

EnQuest's North Sea assets - end 2012

Includes Alba acquisition announced in 2013 and UK 27th round offers



Licence	Block / Sub area	Name
P902	2/4a	Broom
P242	2/5	Broom/Heather
P1077	9/2b & 9/2c	Kraken
P213	16/26	Alba
P1200	211/13b	West Don
P236	211/18a	West Don, Don SW, Conrie, Thistle & Deveron
P475	211/19a	Thistle
P1765	30/24c & 25c	Alma
P1825	30/24b	Galia
P242	2/5	SW Heather
P090	9/15a	Peik
P209	9/28a	Crawford / Porter
P1214 & P 1892	16/2b & 16/3d	Cairngorm
P1107	21/8a	Scolty / Torphins
P1617	21/12c & 13a	Crathes
P1790	21/27a & 28/2c	Pilot
P250, P585 & P220	15/12b, 15/17a & 15/17n	Kildrummy
P1487	211/1a, 2a & 3a	
P1269	211/18c	
P1463	14/30a	
P1751	3/1c	
P1608	3/11a	
P1753	3/17	
P1582	20/15a	
P1618	21/13c	
P1573 & P1574	3/22a & 3/26	
P1575	9/6a & 9/7b	



On Track To Deliver Approximately 20% CAGR¹

Between 2009 and 2014, based only on net 2P profiles



Average net production (Boepd)



1 Compound annual growth rate

2 To be updated following Alma/Galia results

Income Statement

Year to 31 December



US dollars			2012	2011
	Business performance	Exceptionals, Depletion of fair value uplift	\$000's	\$000's
	\$000's	\$000's	\$000's	\$000's
Revenue	889.5	-	889.5	936.0
Cost of sales	(448.2)	(10.2)	(458.4)	(508.8)
Gross profit	441.3	(10.2)	431.1	427.2
Exploration and evaluation expenses	(23.2)	-	(23.2)	(37.0)
Gain on disposal of asset held for sale	-	-	-	8.6
Impairment on investments	-	(4.4)	(4.4)	(12.5)
Impairment of oil and gas assets	-	(143.9)	(143.9)	-
Gain on disposal of property, plant and equipment	-	175.9	175.9	-
Well abandonment	-	-	-	8.2
General and administration expenses	(6.7)	-	(6.7)	(13.8)
Other income	2.0	-	2.0	5.0
Other expenses	(8.3)	-	(8.3)	(8.4)
Profit/(loss) from operations before tax and finance income/(costs)	405.1	17.4	422.5	377.5
Finance costs	(21.2)	-	(21.2)	(18.6)
Finance income	2.1	-	2.1	4.0
Profit/(loss) before tax	386.0	17.4	403.4	362.8
Income tax	(126.3)	85.2	(41.2)	(301.8)
Profit/(loss) for the period attributable to owners of the parent	259.7	102.6	362.2	61.0
Other comprehensive income for the period, after tax (Cash flow hedges)			2.6	(2.6)
Total comprehensive income for the period, attributable to owners of the parent			364.8	58.4
Earnings per share (cents)				
Basic	33.1		46.2	7.6

Balance Sheet

As at 31 December



US dollars		2012 \$000's	2011 \$000's
ASSETS	Property, plant and equipment	1,816.6	1,274.0
Non-current assets	Goodwill	107.8	107.8
	Intangible oil and gas assets	97.5	24.3
	Asset held for sale	-	1.3
	Investments	2.3	6.7
	Deferred tax asset	23.1	12.6
	Other financial assets	19.4	-
		2,066.7	1,426.3
Current assets	Inventories	15.3	11.8
	Trade and other receivables	239.4	126.6
	Income tax receivable	2.0	2.6
	Cash and short term deposits	124.5	378.9
	Other financial assets	96.8	2.5
		478.0	522.4
TOTAL ASSETS		2,544.8	1,948.7
EQUITY AND LIABILITIES	Share capital	113.4	113.4
Equity	Merger reserve	662.9	662.9
	Cash flow hedge reserve	(0.0)	(2.6)
	Share based payment reserve	(11.1)	(6.0)
	Retained earnings	528.7	166.5
TOTAL EQUITY		1,293.9	934.2
Non-current liabilities	Borrowings	34.6	-
	Obligations under finance leases	0.1	-
	Provisions	233.0	181.2
	Other financial liabilities	-	0.3
	Deferred tax liabilities	632.2	590.0
		899.9	771.6
Current liabilities		351.0	242.9
TOTAL LIABILITIES		1,250.9	1,014.5
TOTAL EQUITY AND LIABILITIES		2,544.8	1,948.7

Group taxation position



ETR	%	\$m's
Profit before tax		<u>403</u>
UK corporation tax rate	62	250
PRT	5	19
North Sea Tax Reliefs	(8)	(30)
Leasing structures	(19)	(77)
Decommissioning relief restriction	4	15
Other Items	(1)	(2)
Prior year true up	<u>(6)</u>	<u>(25)</u>
2012 underlying tax charge	37	150
Non-taxable gain on farm out	(27)	(109)
2012 actual tax charge	10	41

UK tax losses	\$m's
Recognised at 31 December 2011	180
2012 net taxable losses	198
RFES	42
Acquisitions	19
Prior year true up	41
Leasing structures	<u>124</u>
Tax losses at 31 December 2012	604
Additional unrecognised losses end 2012	55

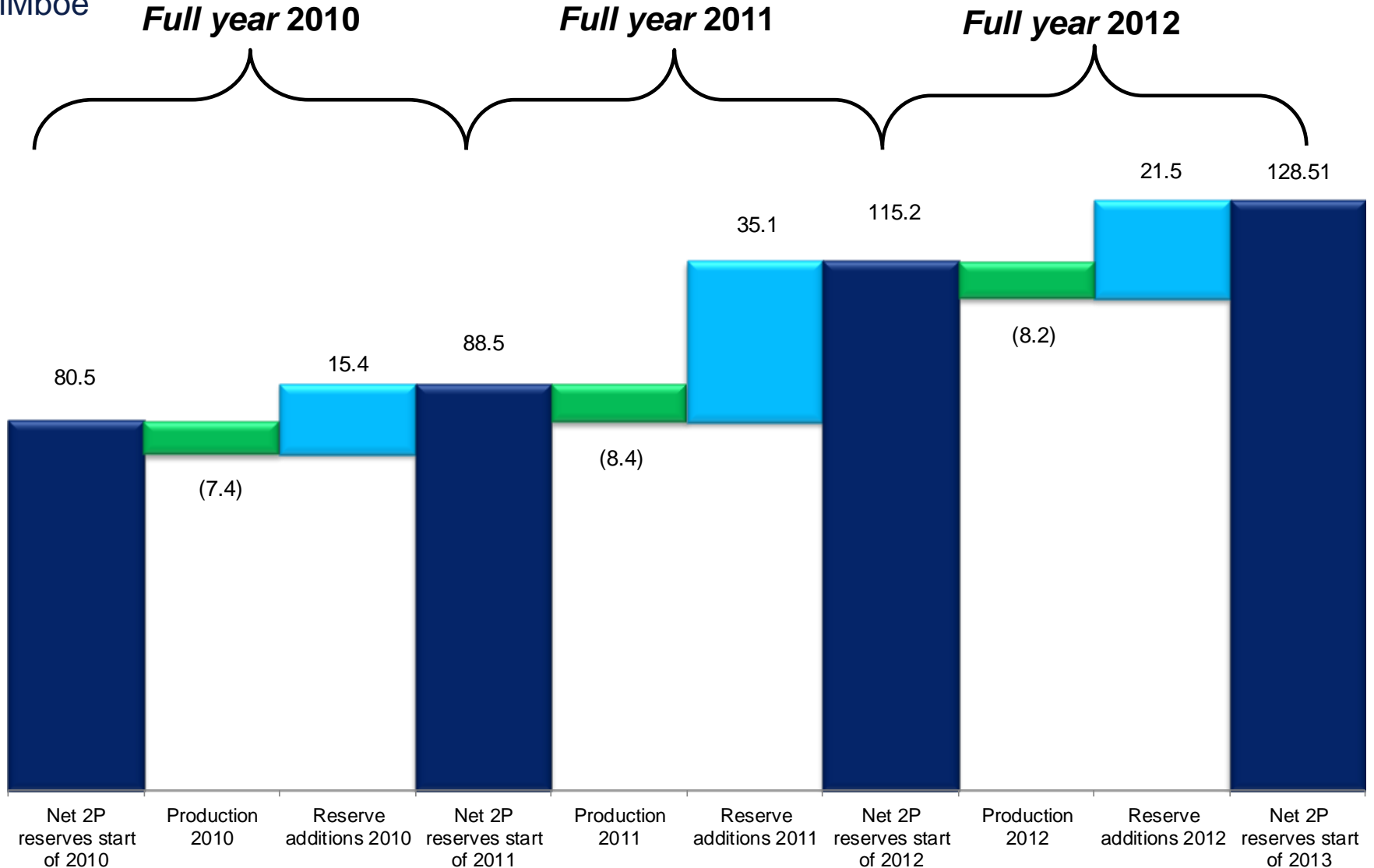
No cash tax is expected to be paid on operational activities until beyond 2014

Track Record of Sustainable Delivery and Growth



Reserve replacement ratio of 300% over three years

MMboe

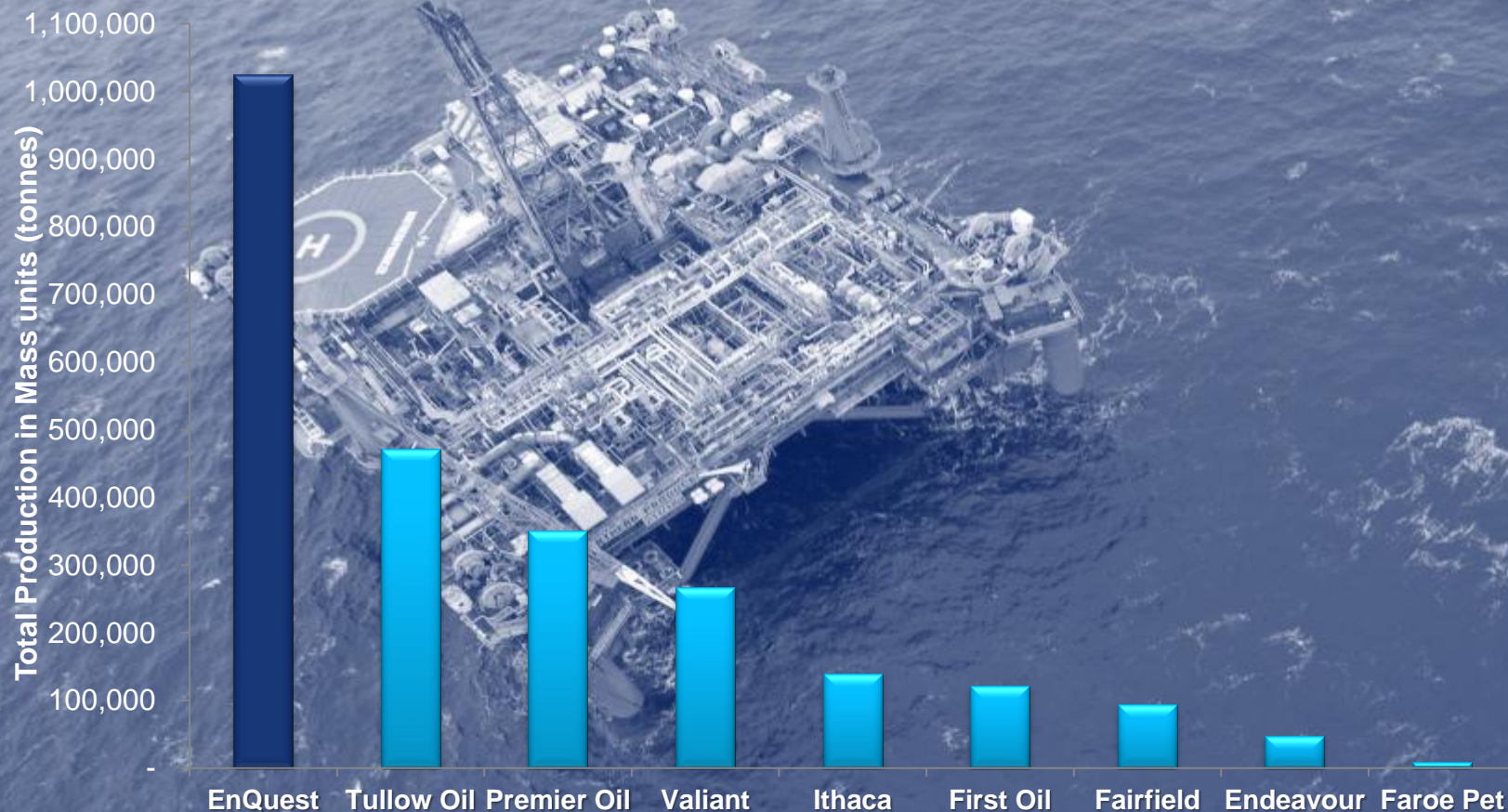


Largest UK Independent Producer in the UK North Sea

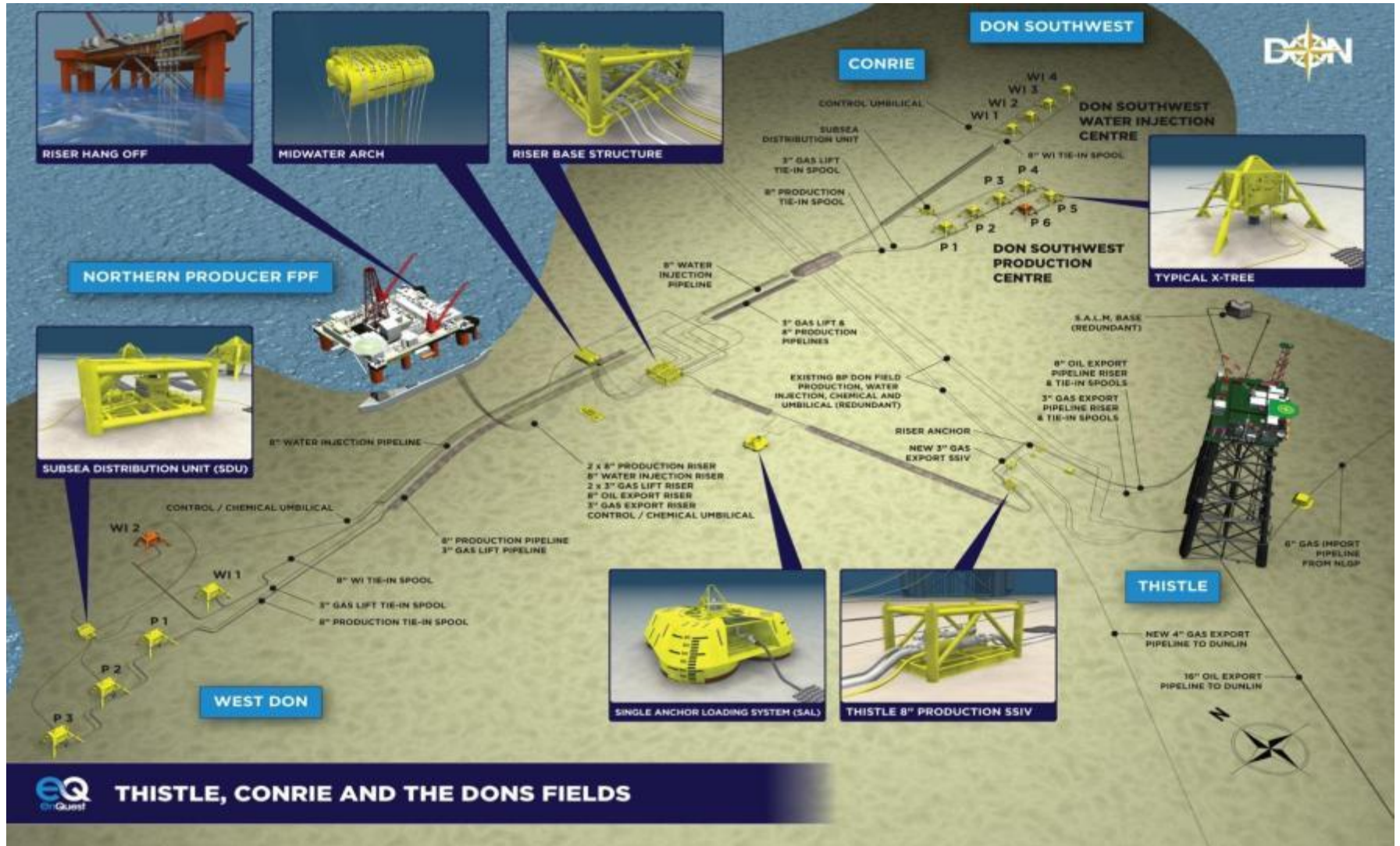
Government data (DECC) for UK North sea independent producers



Total Production for the year ending November 2012



Thistle, Conrie and The Dons Infrastructure



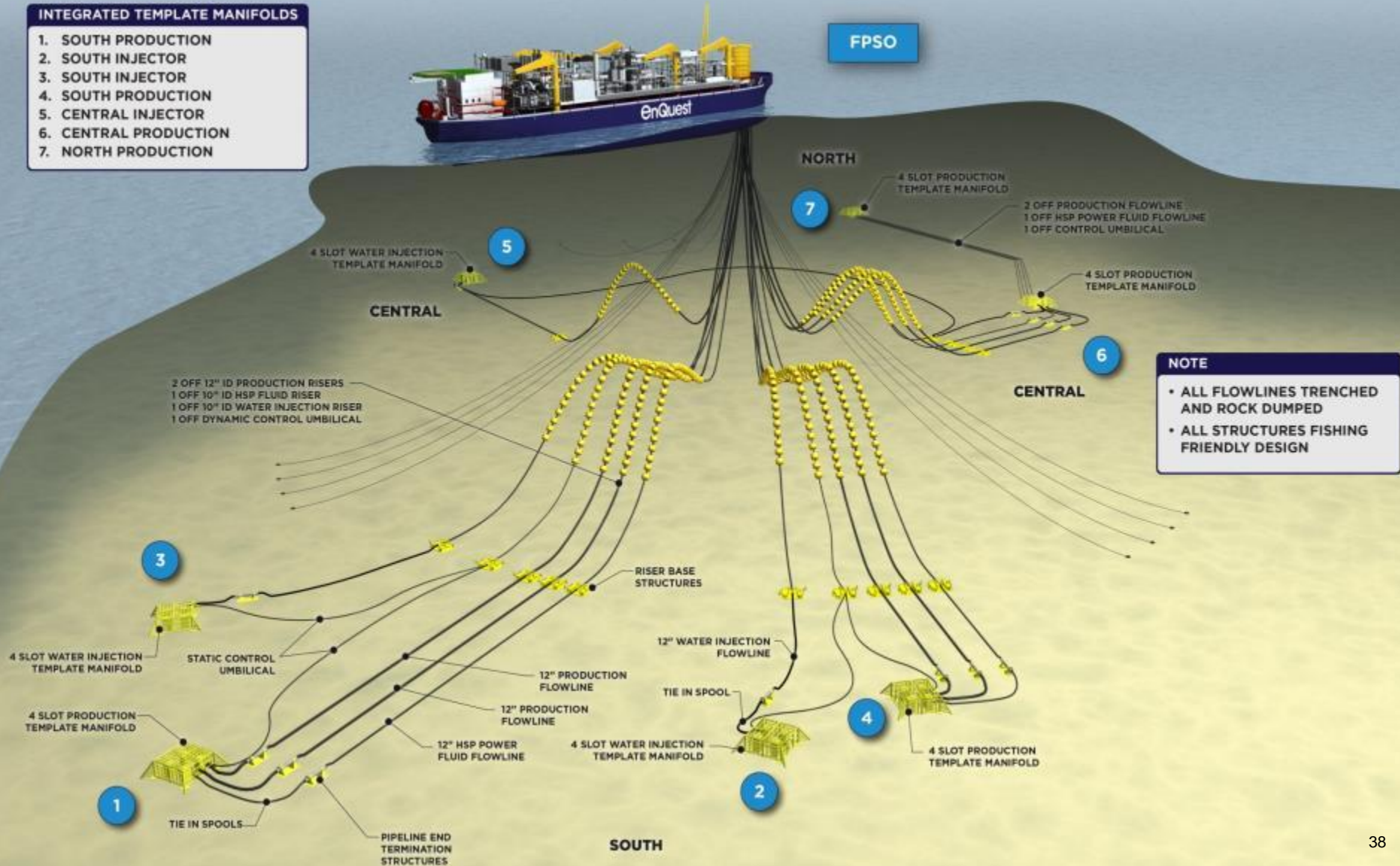
Kraken on track for FDP submission in Q2 2013

Development Scheme Option Prior To EnQuest's Operatorship



INTEGRATED TEMPLATE MANIFOLDS

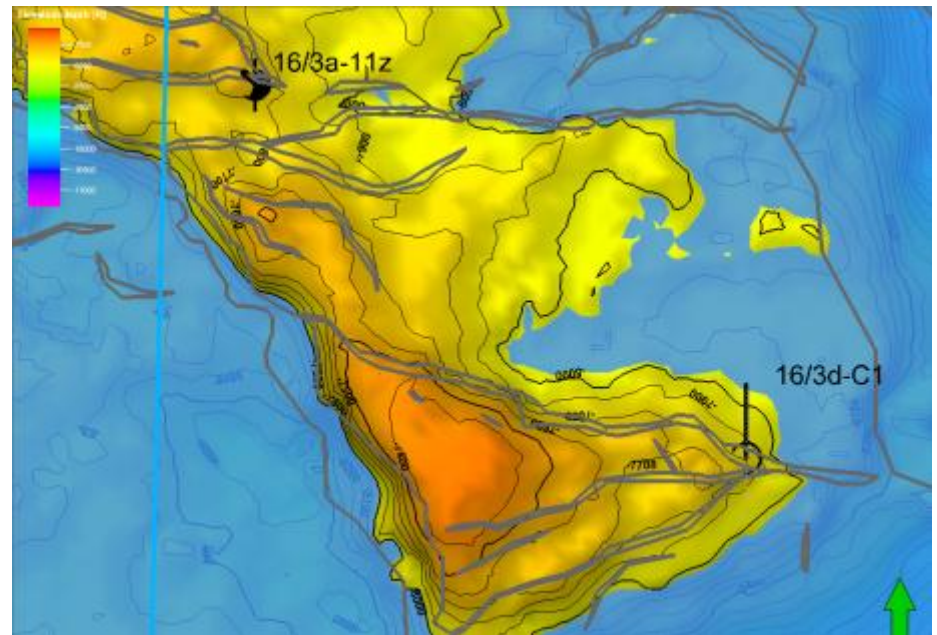
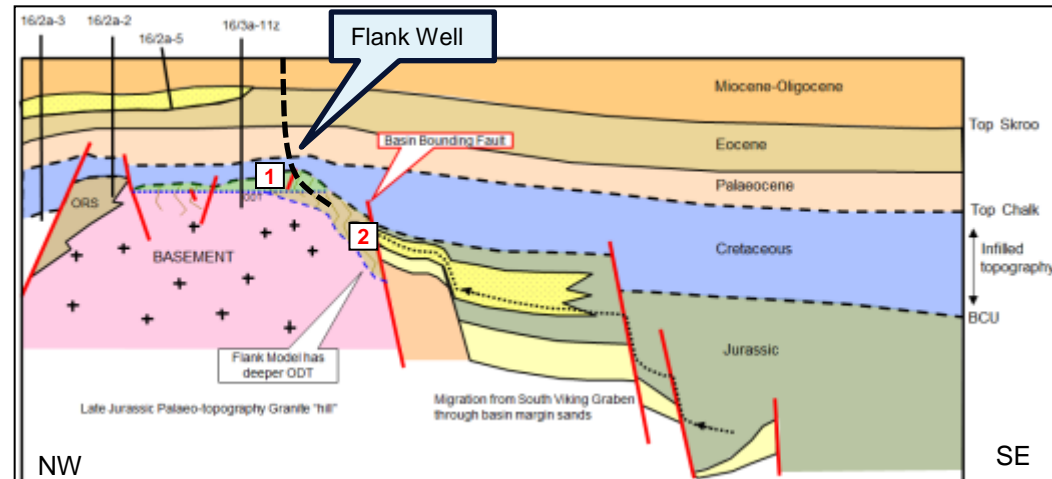
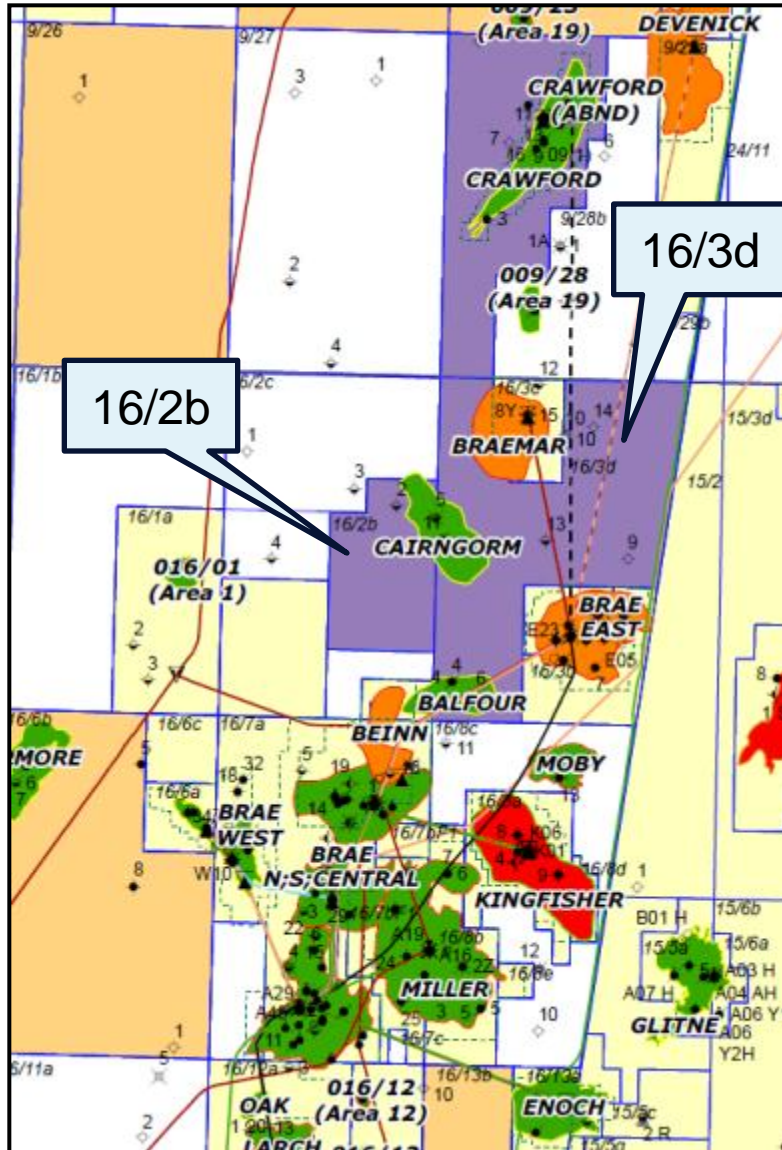
1. SOUTH PRODUCTION
2. SOUTH INJECTOR
3. SOUTH INJECTOR
4. SOUTH PRODUCTION
5. CENTRAL INJECTOR
6. CENTRAL PRODUCTION
7. NORTH PRODUCTION



NOTE

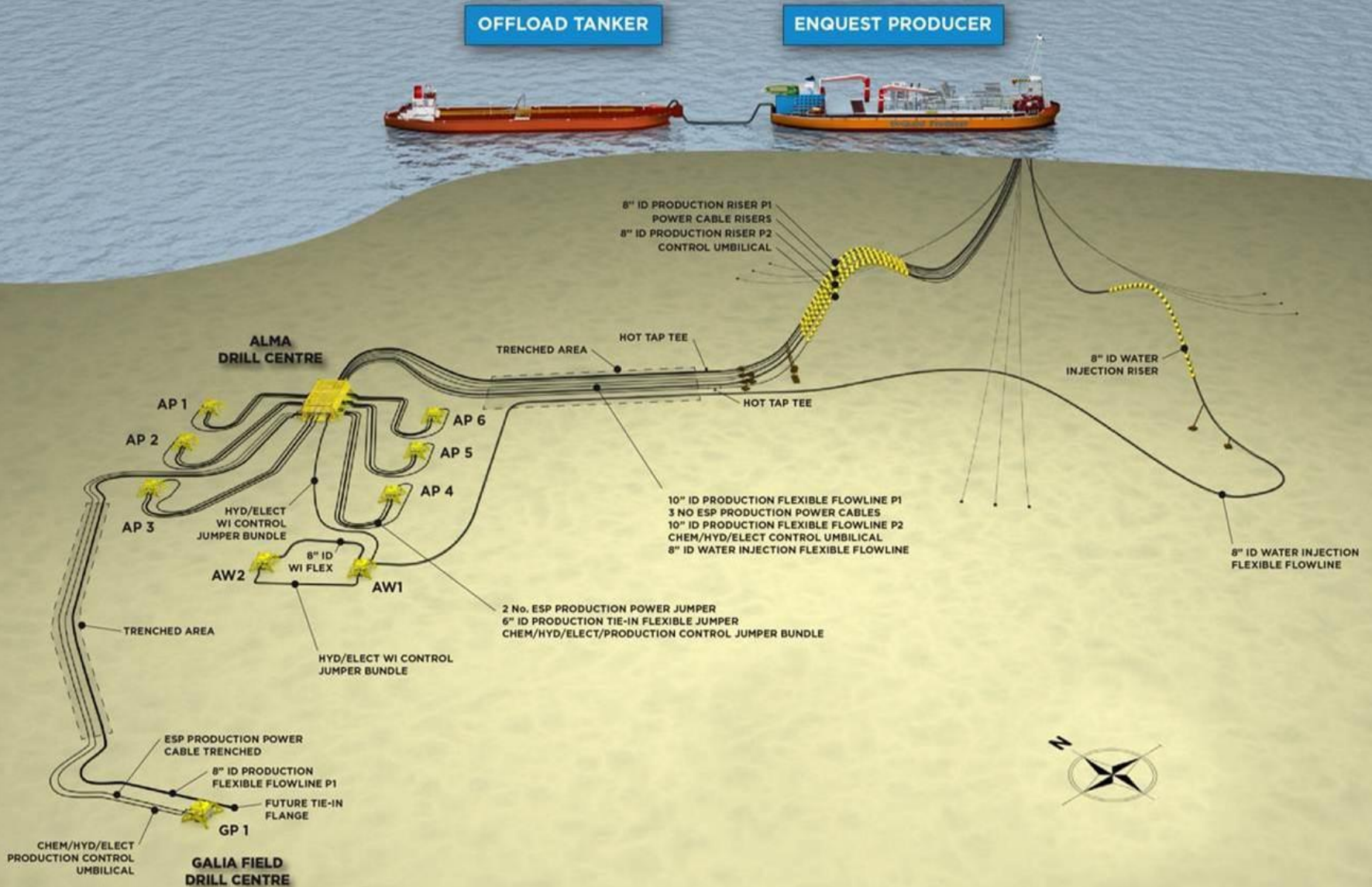
- ALL FLOWLINES TRENCHED AND ROCK DUMPED
- ALL STRUCTURES FISHING FRIENDLY DESIGN

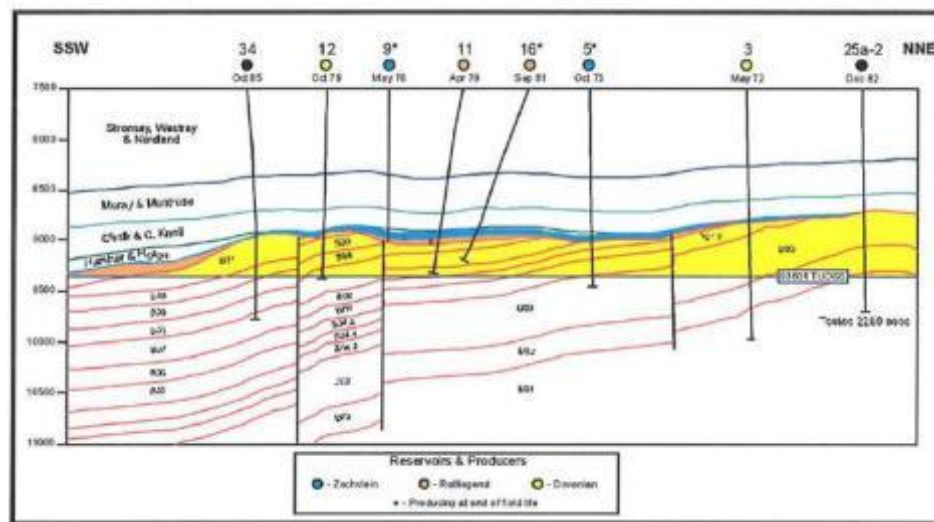
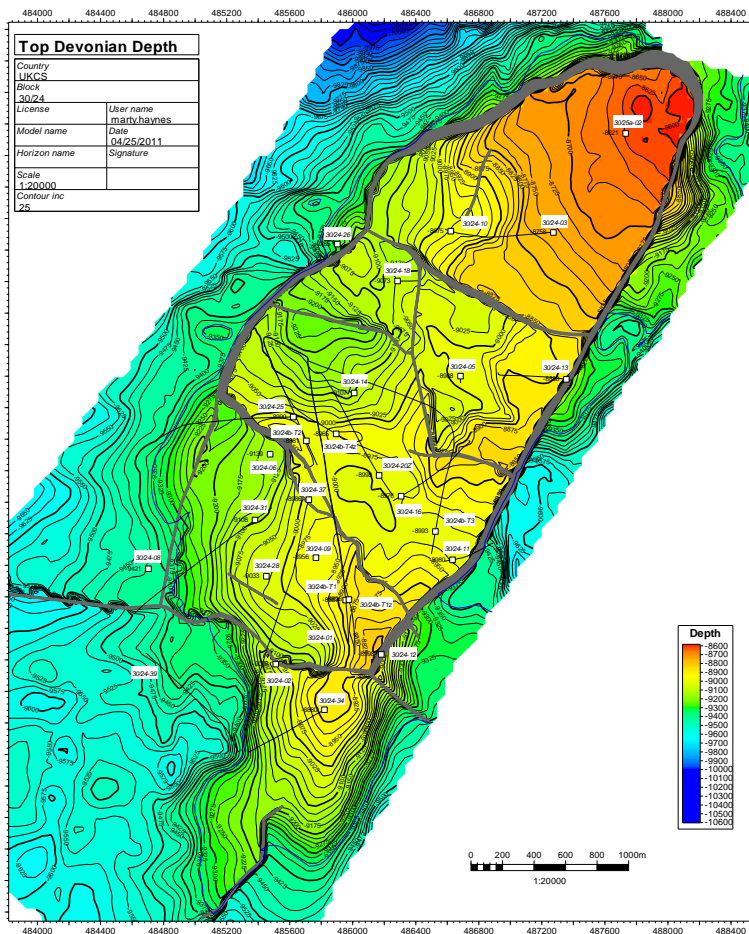
Cairngorm Well Block 16/3d



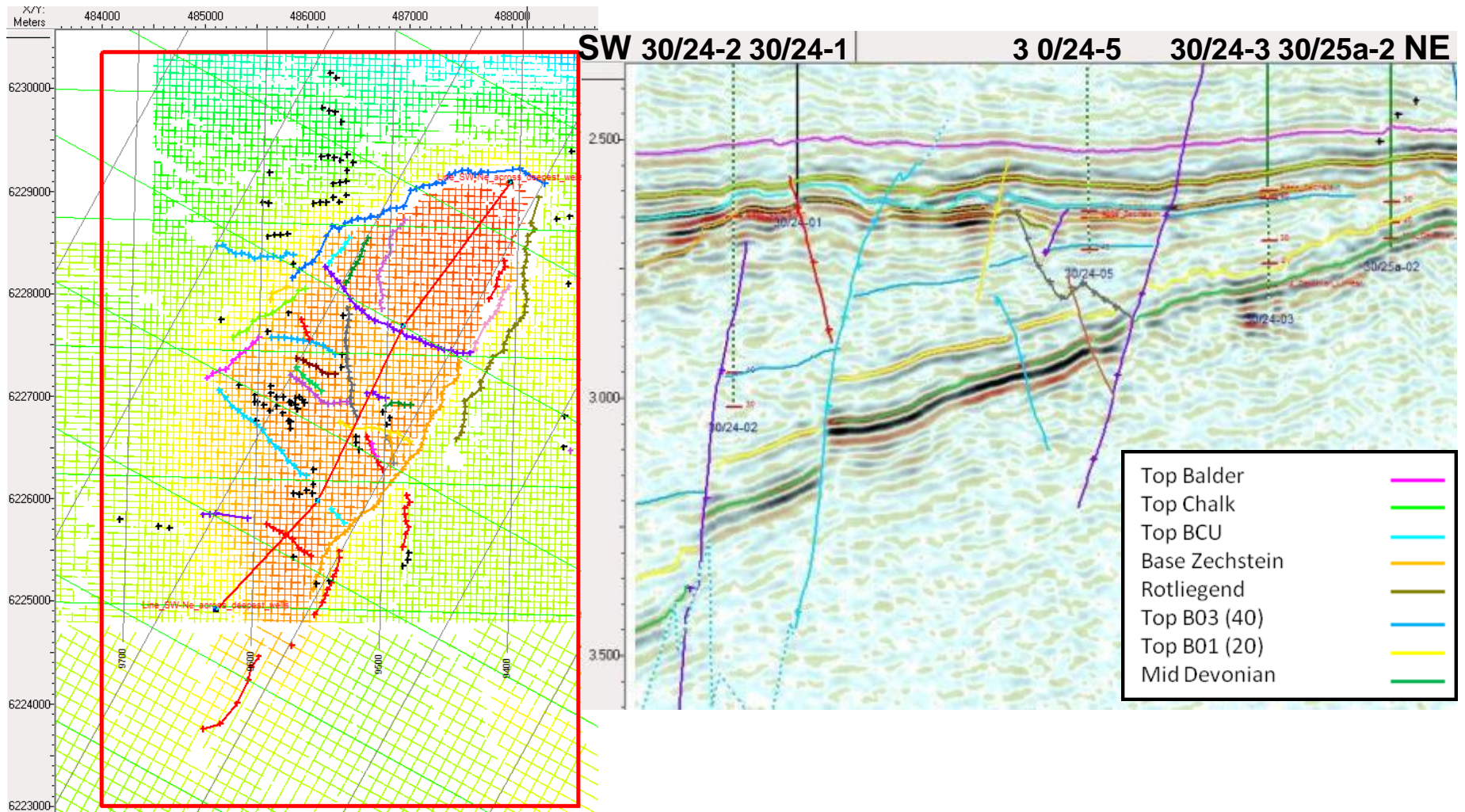
Alma/Galia

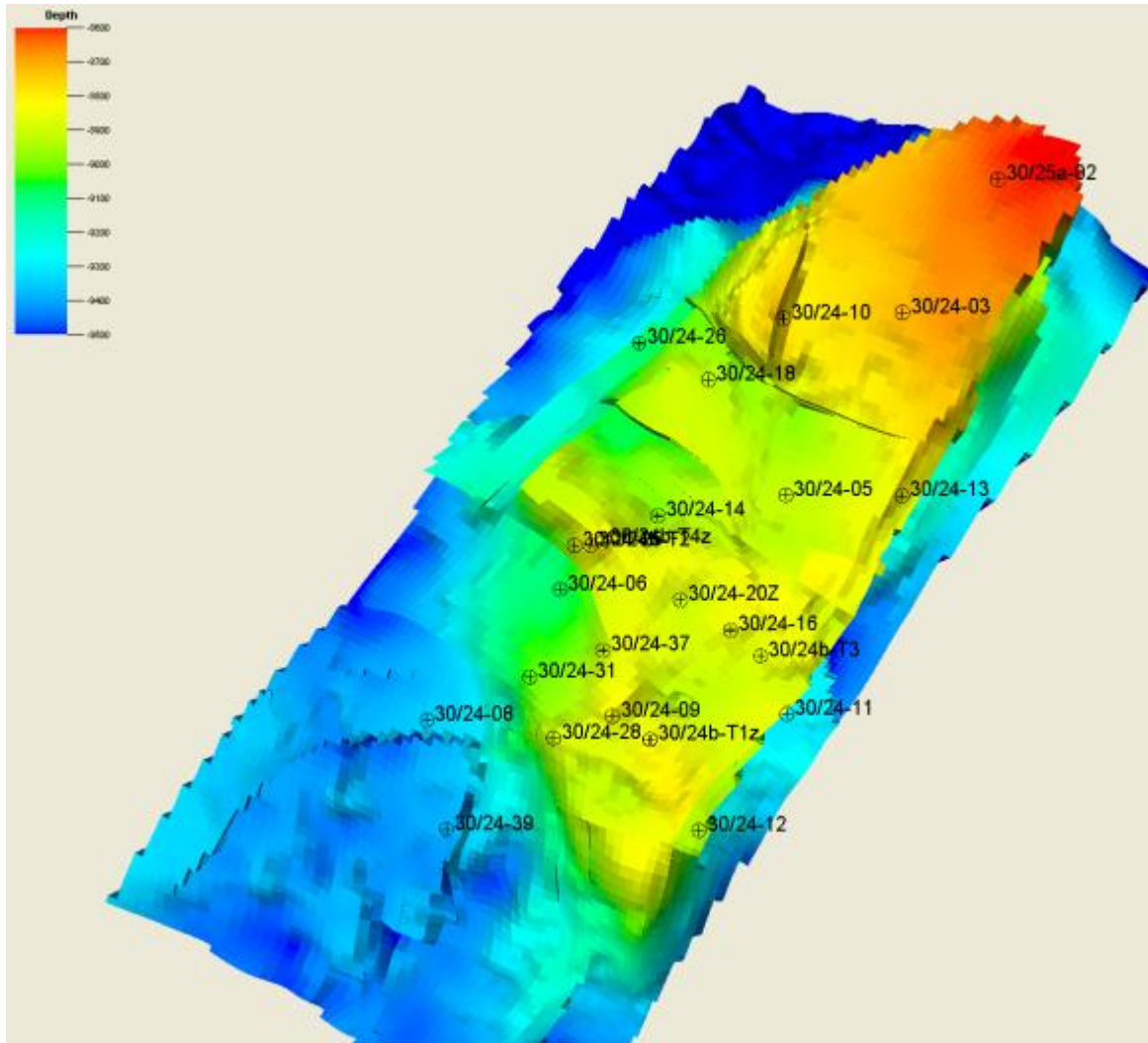
Project on schedule for Q4 2013 start up





PVT property	Value
Bubble pressure (Pb)	1145 psia
Dissolved Gas oil ratio (Rs) @ Pb	219 scf/stb *
Formation Volumetric Factor (Bo) @ Pb	1.29 rb/stb *
Oil Viscosity (μ_o) @ Pb	0.7 cP
API gravity	38°
Temperature	255 °F





Reinterpretation of

- Seismic
- Petrophysics
- Layering

Re Build of models

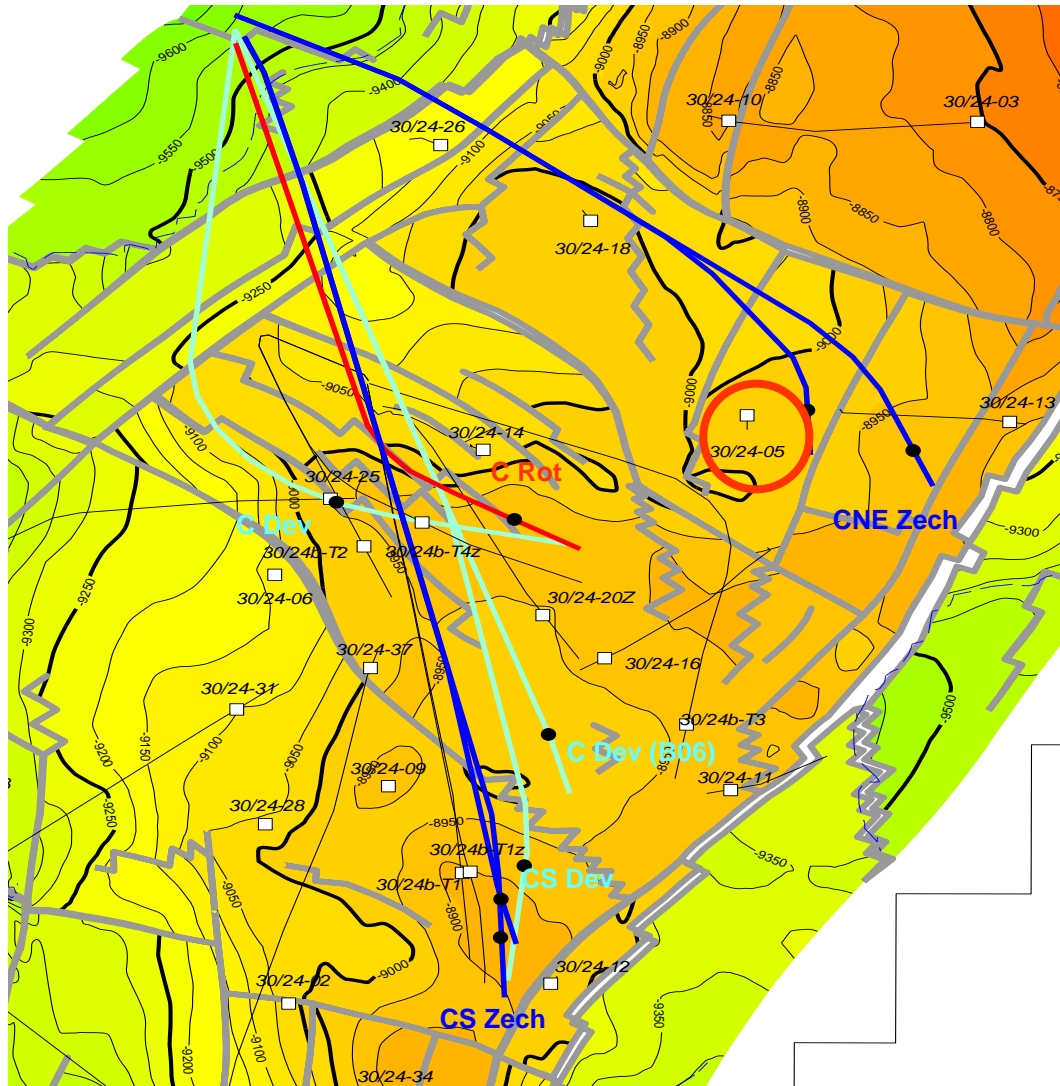
- Static
- Simulation

Integrated Team

- ESP design
- Well Trajectories

Alma Development

Wells Trajectory Schematic

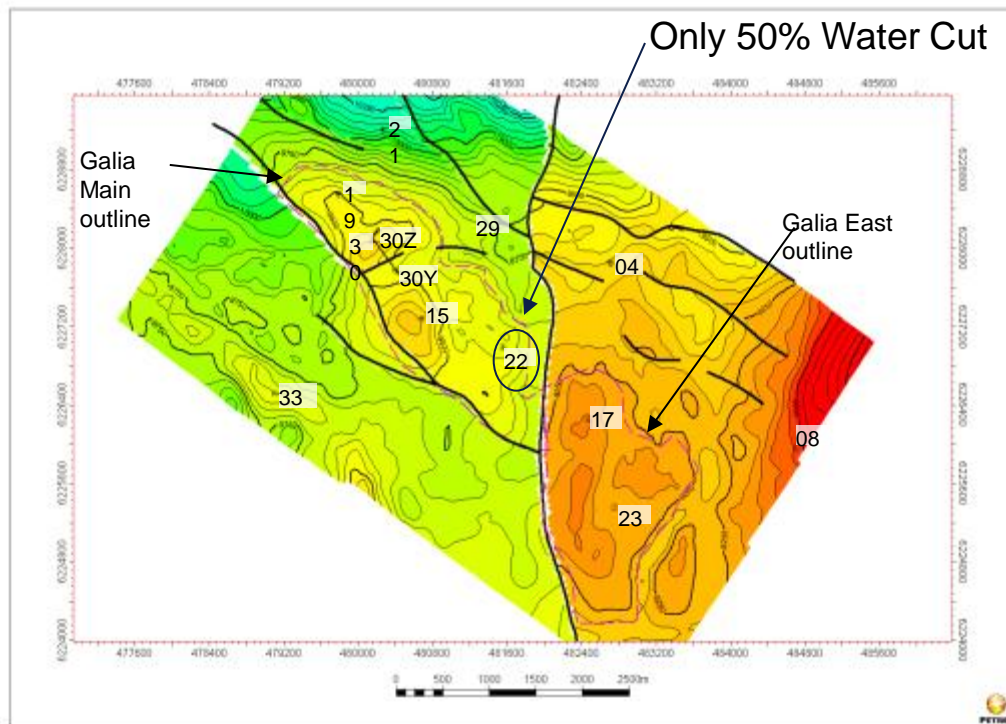


Development wells optimised to target:

- All key reservoir zones (no comingling)
- Stand-off from FWL in key producing zones
- Optimise wells to get max length in Devonian

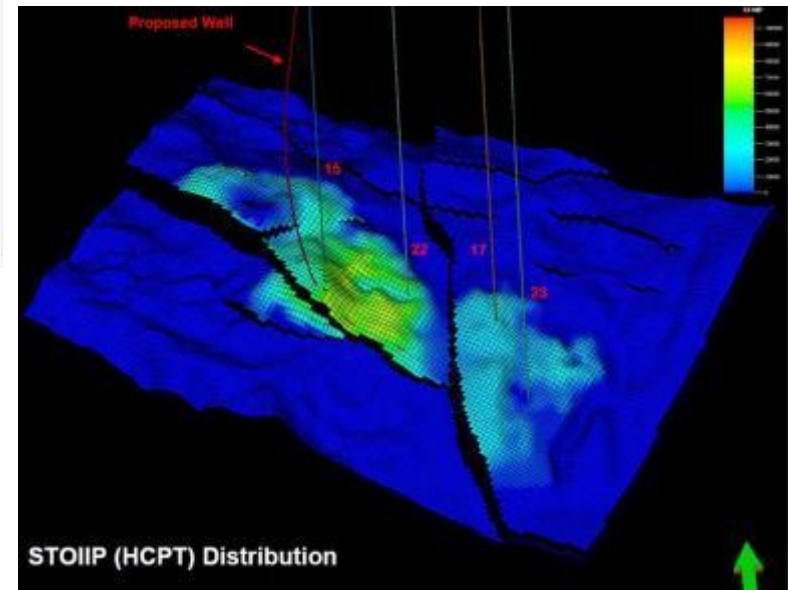
4 Types of well to drill and complete:

- Zechstein Producers x2
- Rotliegendes Producer x1
- Devonian Producers x3
- Zechstein/Rotliegendes Water Injectors x2



Well Sampled
 Bubble Point Pressure
 Differential Gas-Oil Ratio
 Formation Volume Factor
 Oil Viscosity
 API Gravity
 Reservoir Temperature

Galia Main
 30/24-15
 1900 psia
 631 scf/stb
 1.33 b/stb
 0.49 Degrees
 38 Degrees F
 260



Forward Looking Statements



This presentation may contain certain forward looking statements with respect to EnQuest's expectation and plans, strategy, management's objectives, future performance, production, costs, revenues and other trend information. These statements and forecasts involve risk and uncertainty because they relate to events and depend upon circumstances that may occur in the future. There are a number of factors which could cause actual results or developments to differ materially from those expressed or implied by these forward looking statements and forecasts. The statements have been made with reference to forecast price changes, economic conditions and the current regulatory environment. Nothing in this presentation should be construed as a profit forecast. Past share performance cannot be relied on as a guide to future performance.