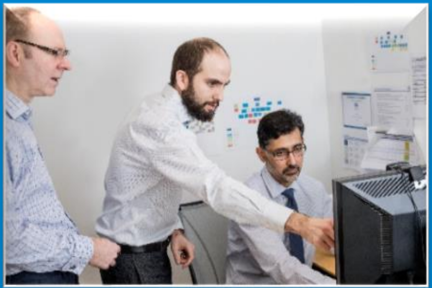
EnQuest 2017 Full Year Results

Amjad Bseisu
Chief Executive



Agenda

- Overview — Amjad Bseisu, CEO
- Financials — Jonathan Swinney, CFO
- Operations overview:
  - Kraken — Richard Hall, Head of Major Projects
  - UK and Malaysia — Bob Davenport, Managing Director - North Sea
- Summary — Amjad Bseisu, CEO

EnQuest performance
A transformational year

2017

- Kraken first oil delivered in Q2; full cycle gross project capital expenditure further reduced
- Acquisition of interests in Magnus and the Sullom Voe Oil Terminal completed in December
- Group production averaged 37,405 Boepd in 2017
- Cash capital expenditure of $368 million
- Cash* and available bank facilities amounted to $244 million. Excluding Payment in Kind interest, net debt was $1,901 million
- Net 2P reserves of 210 MMboe at the end of 2017

* Excluding $26.5 million of cash from the ring fenced SVT working capital facility.

EnQuest 2018 and beyond
Well placed to deliver long-term sustainable growth

2018 outlook

- Guidance range of c.50,000 to 58,000 Boepd; Kraken gross production has averaged around 38,000 Bopd in the first two months of 2018
- Unit opex expected to be c.$24/Boe, including costs associated with planned workovers
- Cash capital expenditure expected to be c.$250 million; includes drilling programmes at Kraken (DC4), PM8/Seligi and Heather
    - Kraken full cycle gross project capital expenditure further reduced to c.$2.3 billion, more than 25% lower than originally sanctioned
- The Group has hedged c.7.5 MMbbls of oil at an average price of c.$62/bbl
- Increased cash flow should enable EnQuest to reduce debt

EnQuest 2018 and beyond cont.

Well placed to deliver long-term sustainable growth

Beyond 2018

- Significant potential within the existing portfolio, particularly at Kraken, Magnus and PM8/Seligi
- Acquisition of the Magnus oil field and Sullom Voe Oil Terminal is aligned with the Group's asset life extension capabilities and provides opportunities for synergies and growth
- Well positioned to deliver long-term sustainable growth

Operational excellence - Differential capability - Value enhancement - Financial discipline

Jonathan Swinney
Chief Financial Officer

Results summary
Full year to December 2017

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

US Dollars	2017	2016	Change %
Production (Boepd)	37,405	39,751	(5.9)
Average realised price ($/bbl)[1]	52.2	63.8	(18.2)
Revenue and other operating income ($ million)[1]	635.2	849.6	(25.2)
Cost of sales ($ million)	569.5	653.5	(12.9)
Production and transportation costs ($/Boe)	25.6	24.6	4.0
Depletion of oil & gas properties ($/Boe)	16.3	16.6	(1.8)
Gross profit ($ million)	65.7	196.1	(66.5)
Profit before tax & net finance costs ($ million)	47.3	237.1	(80.1)
EBITDA[2] ($ million)	303.6	477.1	(36.4)
Cash generated from operations ($ million)	327.0	408.3	(19.9)
Reported basic earnings per share (cents)[3]	(5.4)	22.7	
	End 2017	End 2016	
Net cash/(debt) including PIK ($ million)	(1,991.4)	(1,796.5)	10.8

1 Including losses of $20.6 million (2016: revenue of $255.8 million) associated with EnQuest's oil price hedges.
2 EBITDA is calculated on a business performance basis, and is calculated by taking profit/loss from operations before tax and finance income/(costs) and adding back depletion, depreciation, foreign exchange movements and the realised gains/loss on foreign currency derivatives related to capital expenditure.
3 Includes re-measurements and exceptional items.

Summary income statement
Year to December 2017

US Dollars	2017 Business performance $ million	2016 Business performance $ million
Revenue	635.2	849.6
Cost of sales	(569.5)	(653.5)
Gross profit	**65.7**	**196.1**
Exploration and evaluation expenses	-	(0.1)
G&A and other (expenses)/income	(18.4)	41.1
Profit/(loss) from operations before tax and finance income/(costs)	**47.3**	**237.1**
Net finance costs	(146.8)	(120.8)
Profit/(loss) before tax	**(99.6)**	**116.3**
Income tax	66.0	5.2
Profit/(loss) after tax	**(33.6)**	**121.5**

Post-tax exceptional items
Year to December 2017

$27.3 million post-tax loss on exceptionals, primarily made up of:

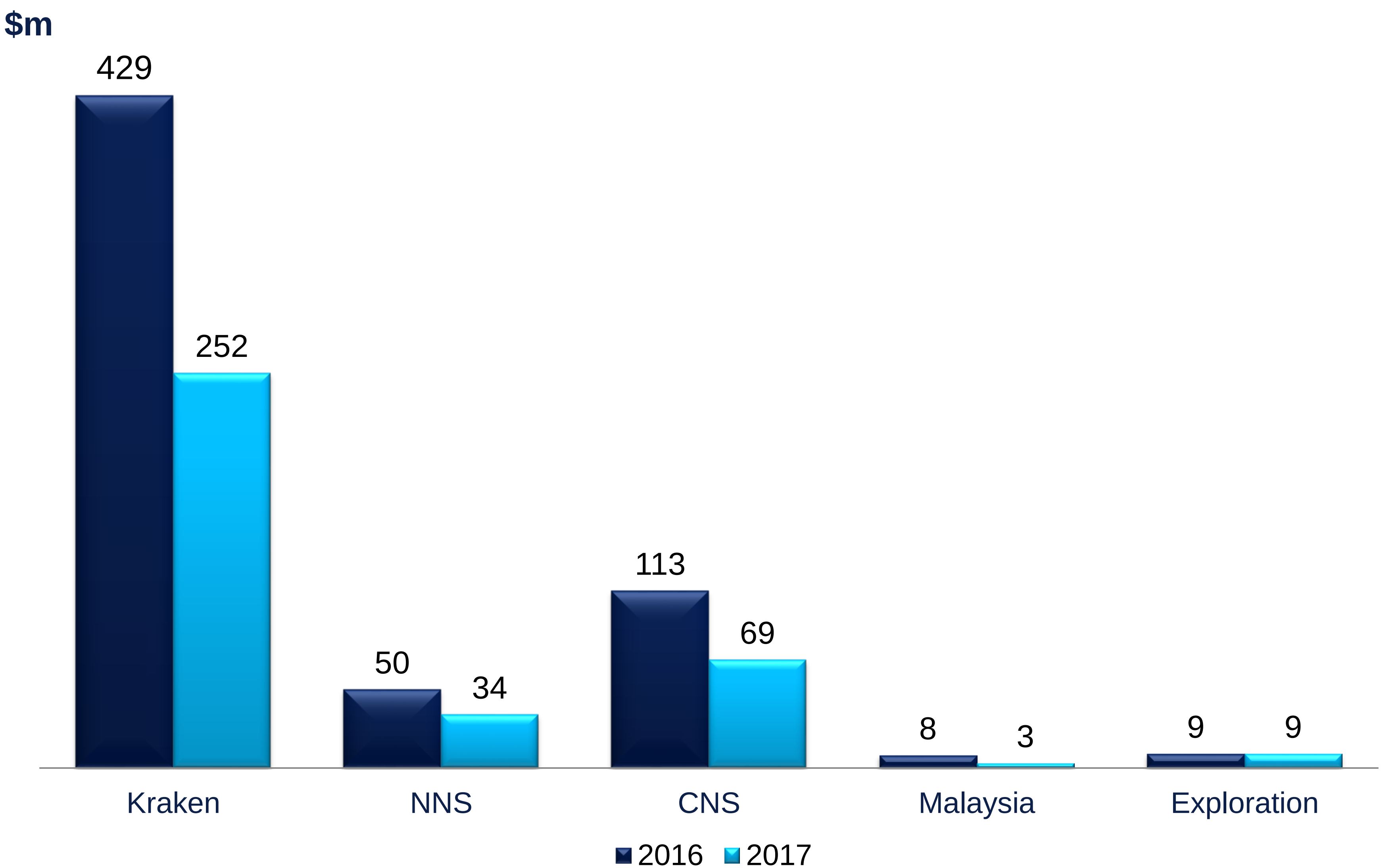
- Post-tax impairment of oil and gas assets $107.2 million; partially offset by
- Excess of fair value over cost of $48.7 million
  - 25% acquisition value $10.3 million
  - Thistle decommissioning option $16.1 million
  - Purchase option $22.3 million

Focus on cost control

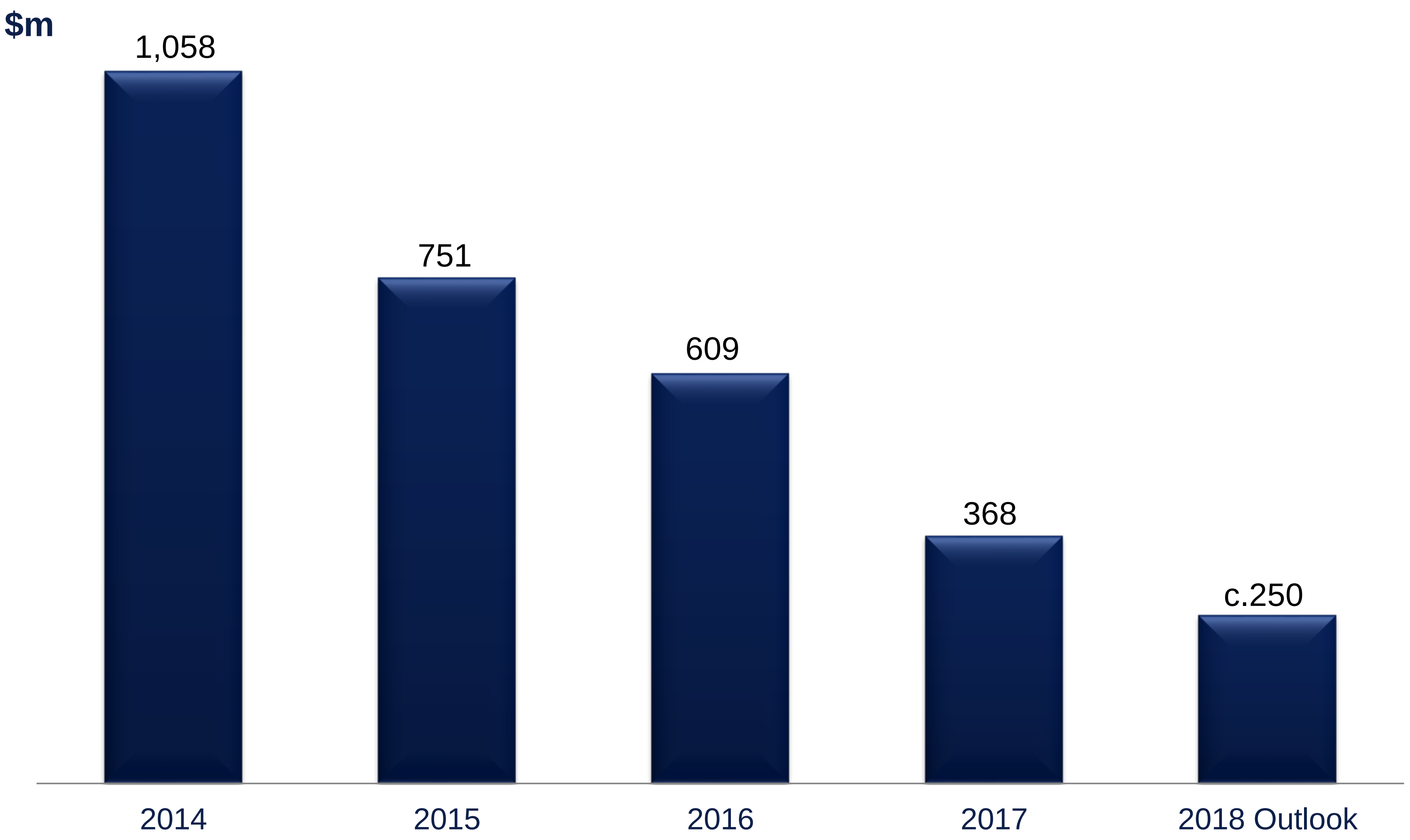
	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Outlook
Cost of sales ($ million)	654.1	733.4	653.5	569.5	
Unit operating cost[1] ($/Boe)					
- Production costs	31.5	23.4	20.4	21.0	c.20.0
Incl. Alma/Galia workovers					*c.1.5*
- Tariff and transportation costs	10.6	6.3	4.2	4.6	c.4.0
- Operating costs	42.1	29.7	24.6	25.6	c.24.0
Production (Boepd)	*27,895*	*36,567*	*39,751*	*37,405*	*50,000 to 58,000*

[1] Adjusted for over/underlift and inventory movement

Reducing cash capital expenditure
Year to December 2017



Reducing cash capital expenditure cont.
Year to December 2017



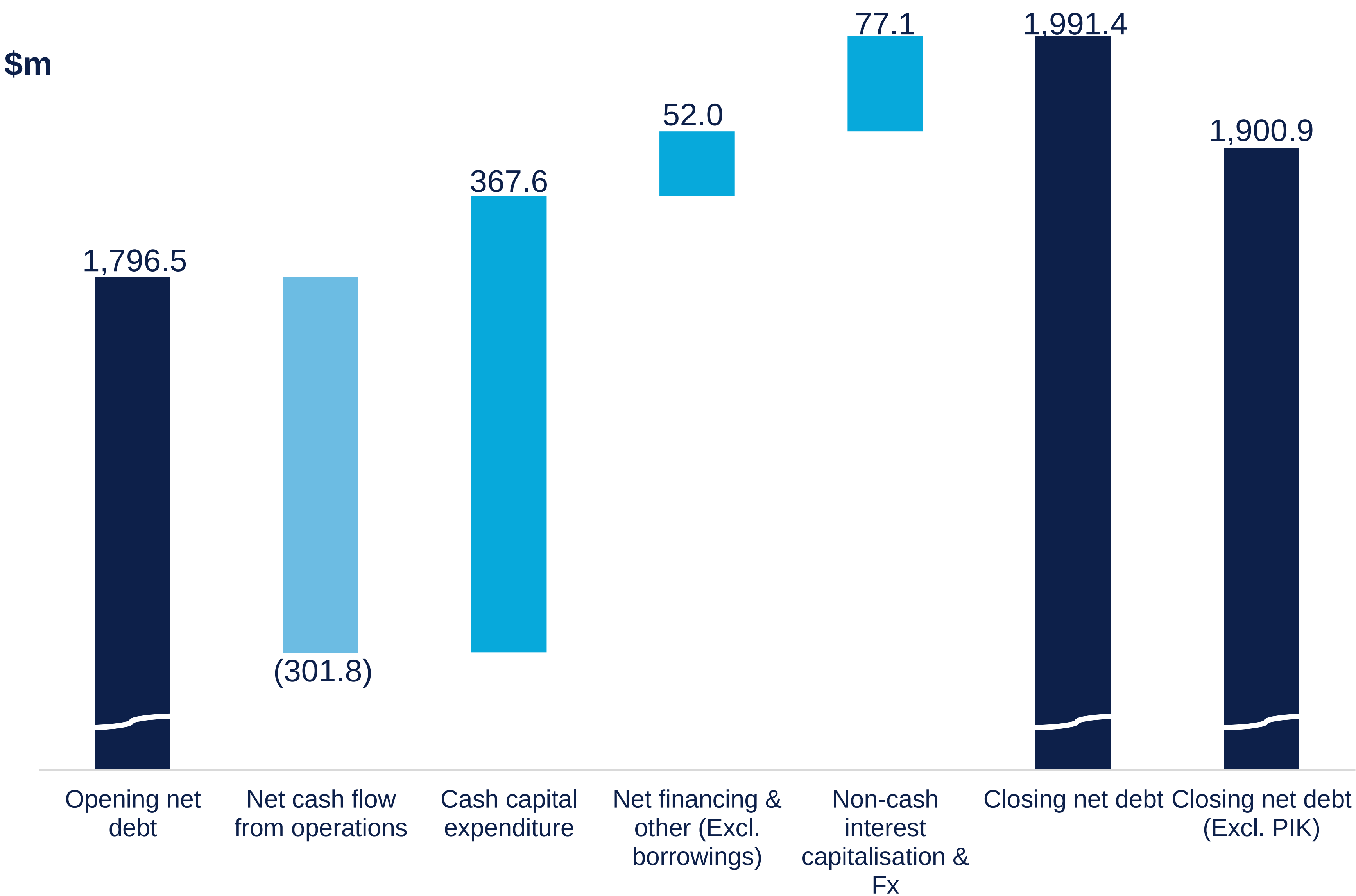
Group tax position

No material UK cash CT/SCT on operational activities expected

UK Tax Allowances	$m
Tax losses at 31 December 2016	2,894
2017 net additions plus RFES	262
Prior year true up	(35)
Tax losses at 31 December 2017	3,121
Tax allowances carried forward	110
Total tax losses and allowances at 31 December 2017	3,231

- No cash tax expected to be paid on UK operation activities for the foreseeable future
- Small cash tax payments are expected in Malaysia on the PM8/Seligi PSC

Net debt and cash flow
Year to 31 December 2017



Outlook information

2018 outlook

- Production guidance between c.50,000 Boepd and 58,000 Boepd
- Average unit opex anticipated to be c.$24/Boe
- Cash capital expenditure expected to be c.$250 million
- G&A to be in the 'single digit' millions
- Unit depreciation charge to be c.$22/Boe
- Hedged c.7.5 million barrels at an average price of c.$62/bbl

CEO sleepout 2018

HOW ACTION FOR CHILDREN WORKS

Event website page is: https://www.actionforchildren.org.uk/how-to-help/fundraising-events/ceo-sleepout

Fundraising page URL here: https://www.justgiving.com/fundraising/jonathan-swinney1

Operations overview

Bob Davenport
Managing Director - North Sea

Richard Hall
Head of Major Projects

Kraken

Richard Hall

Kraken - overview

- Focus areas since 2017 Half Year Results were:
  - Crew familiarisation
  - Process control instrumentation
  - Plant stability
- Performance of facilities and reservoir has been good
- Total gross project capex further reduced; now c.$2.3 billion, 28% lower than original sanctioned cost of $3.2 billion
- Contract for Transocean Leader has been favourably re-negotiated
- DC4 subsea infrastructure will be installed 3Q; drilling scheduled to commence 4Q; production expected in 1Q 2019 to sustain oil throughput levels

Performance

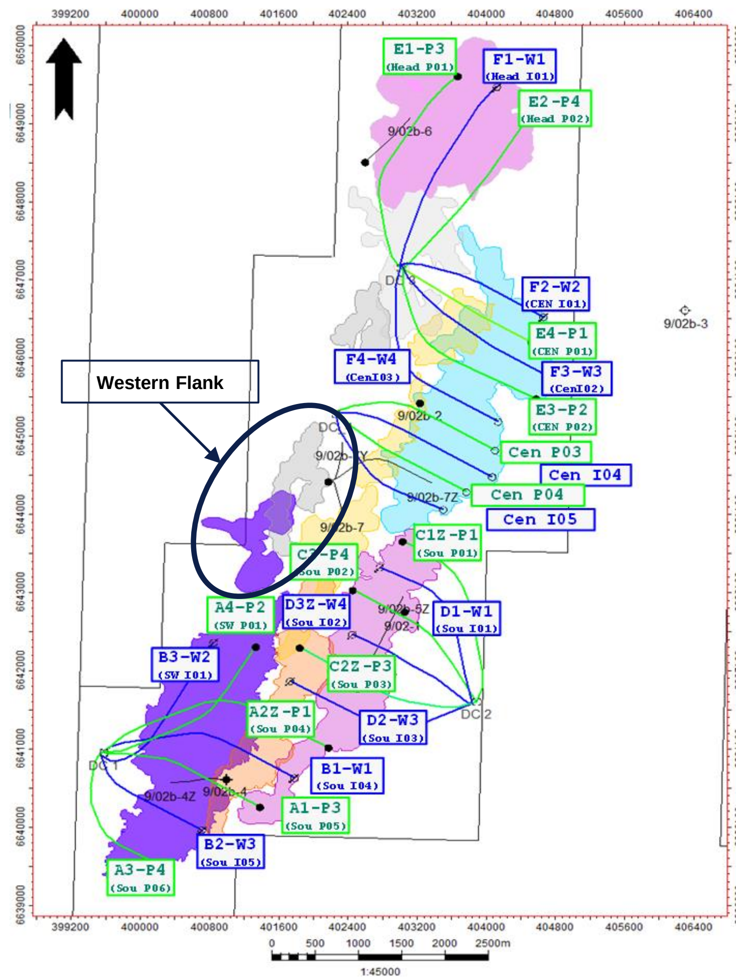
- 240 days since last LTI
- Process and water injection facilities uptime has been strong in January and February
- Average water injection rate for February was around 66,000 Bwpd
- Average gross production rate for February was around 40,000 Bopd with peaks of over 50,000 Bopd
- All wells configured and flowing as per Basis of Design
- Completed chemical tracers injection into water injection wells
- FPSO has performed well in Northern North Sea storm conditions (3 major storms); extreme cold temperatures caused a shutdown in early March, allowing EnQuest to take take advantage and undertake planned shutdown work early
- More than 4.5 MMbbls of oil produced from the field; 9 cargo offloads now completed

Subsurface highlights

Good understanding of a productive reservoir

- High quality Heimdal sands that exhibit excellent reservoir properties
- High confidence in extensive subsurface imaging across the field area supported by significant well data
- 21 of 25 development wells drilled and on-stream
- Deployment and analysis of tracers confirm well inflow performance along full well length
- Pressure communication confirmed between producers and injectors
- 30 MMbbls (gross) of 2C resources accessible through Western flank infill drilling opportunities

Kraken outline and development well locations



Wells

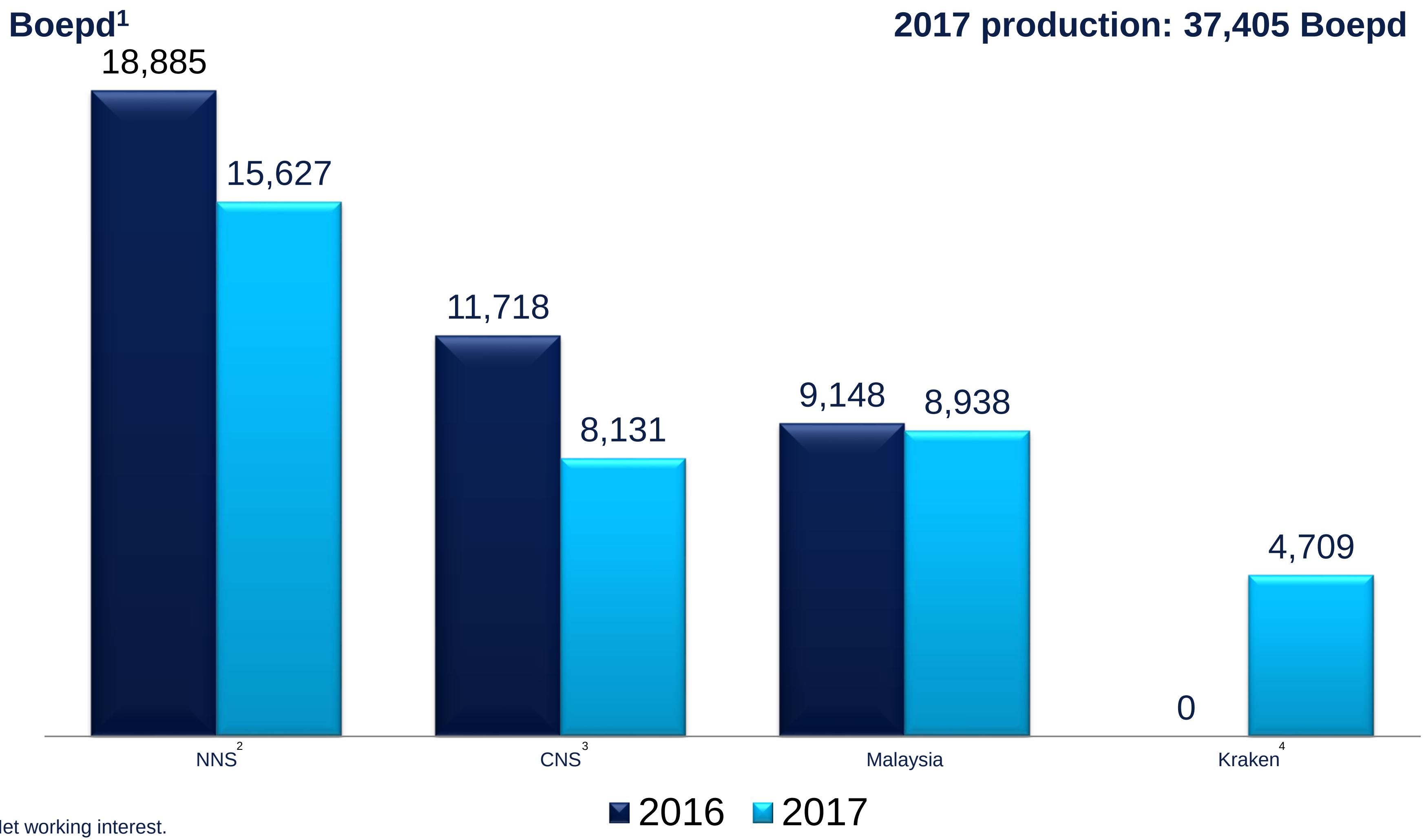
- 21 wells completed and on-stream - 11 x Producers and 10 x Injectors; DC4 drilling commences Q4 2018
- Total footage drilled: 218,930ft (41.5 miles)
- Gross Reservoir interval drilled: 57,391ft
- World record: Longest Optipac (alternate-path) gravel pack - 4,347ft (Jun 2017)
- Drilling programme is currently more than 300 days ahead of April 2014 pre-drill estimate as a result of:
  - Collaborative team approach between: wells, subsurface, subsea; onshore / offshore; supply chain; logistics
  - Batch drilling philosophy with focus on continuous improvement from operation to operation
  - Use of appropriate ‘value-adding’ technology
  - Continuous drive to reduce well costs through supply chain management and efficient logistics

NNS, CNS and Malaysia

Bob Davenport

Production performance
Year to 31 December 2017

2017 production: 37,405 Boepd



[1] Net working interest.
[2] 2017 includes net production since acquisition of Magnus from 1 December 2017, averaged over the 12 months to the end of December 2017.
[3] 2016 includes net production from Scolty/Crathes since first oil on 21 November 2016, averaged over the 12 months to the end of December 2016.
[4] Net production since first oil on 23 June, averaged over the 12 months to the end of December 2017.

Northern North Sea
Effective well and reservoir management; new drilling in 2018

2017 performance

- Improved H2 production following successful production enhancement activities:
  - Resolution of water injection issues at Thistle, Heather and Dons; and
  - Completed barrel-adding well work at Thistle
- Low cost Thistle and Heather idle well abandonments completed safely and under budget; supports field life extension through reducing integrity risk

2018 outlook

- Three well drilling programme at Magnus underway; expected onstream in H2
- One infill well at Heather, complete and online in Q1
- Additional Thistle and Heather idle well abandonments

Opportunities

- Actively evaluating the Magnus asset, including barrel-adding opportunities
- Continue collaboration with key stakeholders at Sullom Voe Terminal to drive further efficiency improvements and explore options for new business

Central North Sea
Plans in progress to address 2017 production issues

2017 performance

- Alma/Galia ESP issues and storm-related outages impacted production; more reliable field uptime in H2
- High levels of plant uptime from Greater Kittiwake Area fields
- Scolty/Crathes wax-related production deferrals managed via chemical and lift gas treatments

2018 outlook

- Three-well Alma workover programme to replace ESPs planned for mid-2018, targeting increased production levels
- Ongoing technical work with Scolty/Crathes partners to develop and implement a permanent solution to wax issues

Opportunities

- Continue to optimise the Greater Kittiwake Area Hub

Malaysia
Effective asset management; EnQuest's first wells in 2018

2017 performance

- Excellent safety performance, zero LTIs
- Stable production: improved reliability on key rotating machinery; planned shutdown completed ahead of schedule
- Successful low-cost well interventions added c. 2,000 Bopd average annualised production

2018 outlook

- Drilling the first two EnQuest wells in PM8/Seligi in Q2 with first production in Q3
- Ongoing asset rejuvenation, inspection and maintenance programme
- Planned facilities upgrade projects to deliver improved well testing

Opportunities

- Improve oil recovery through additional infill wells, workovers, interventions, injection optimisation and facilities upgrades

Amjad Bseisu
Chief Executive



EnQuest 2018 and beyond

Well placed to deliver long-term sustainable growth

- Guidance
  - Production range of c.50,000 to 58,000 Boepd
  - Unit opex c.$24/Boe
  - Cash capital expenditure c.$250 million

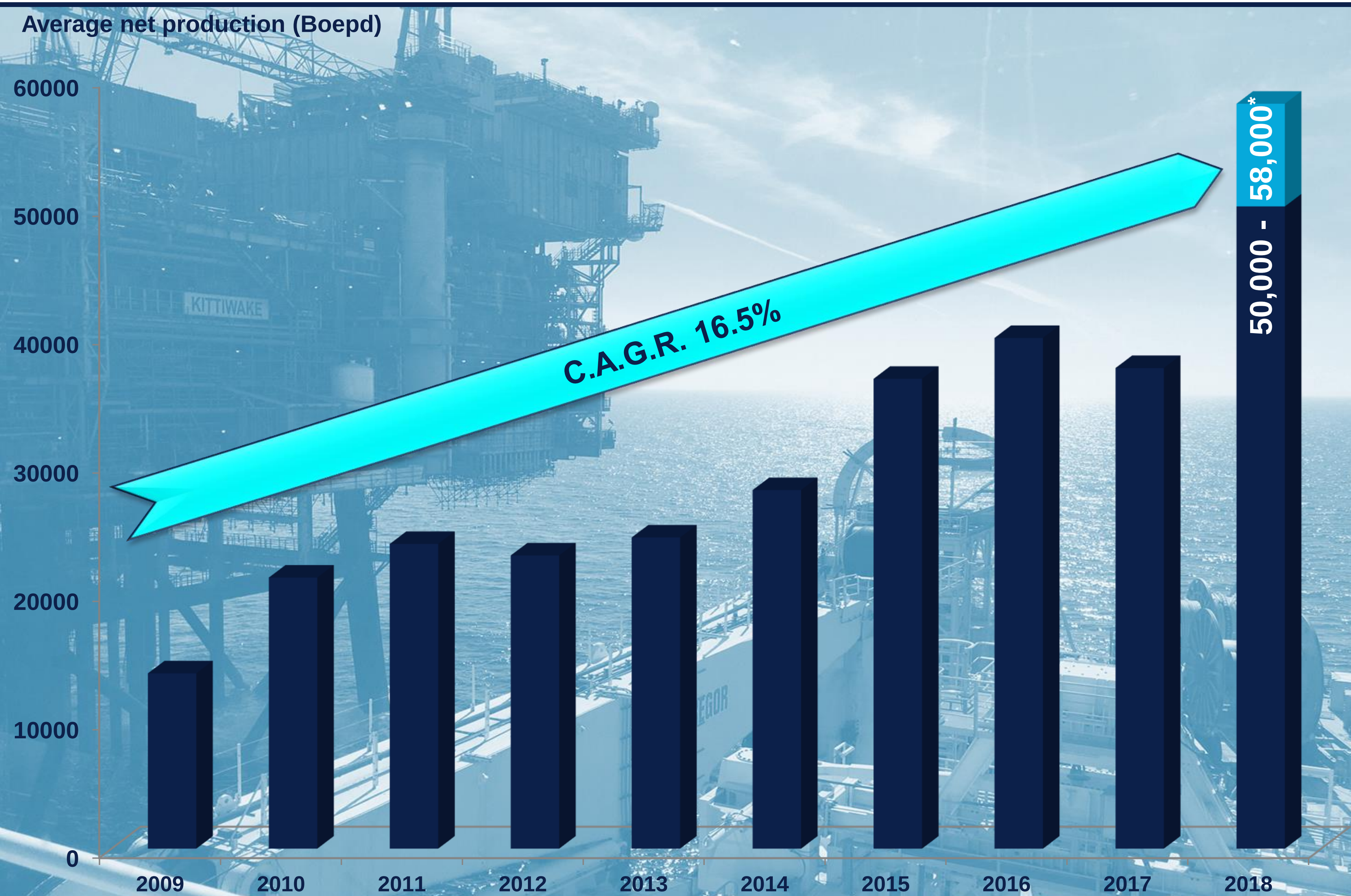
- Increased cash flow should enable EnQuest to reduce debt
- Significant potential within the existing portfolio; particularly at Kraken, PM8/Seligi and Magnus
  - Magnus oil field and Sullom Voe Oil Terminal: capitalising on EnQuest's life extension capabilities; opportunities for synergies and growth

Operational excellence - Differential capability - Value enhancement - Financial discipline

Well set for substantial growth

Strong CAGR (c.16.5% to 2018 mid-point)

Q&A



* Guidance range for 2018 is an average of between 50,000 Boepd and 58,000 Boepd

Appendices

EnQuest: 8 Hubs
A strong platform for growth

Heather/Broom

Kraken

Thistle/Deveron

The Dons

Magnus

Greater Kittiwake Area

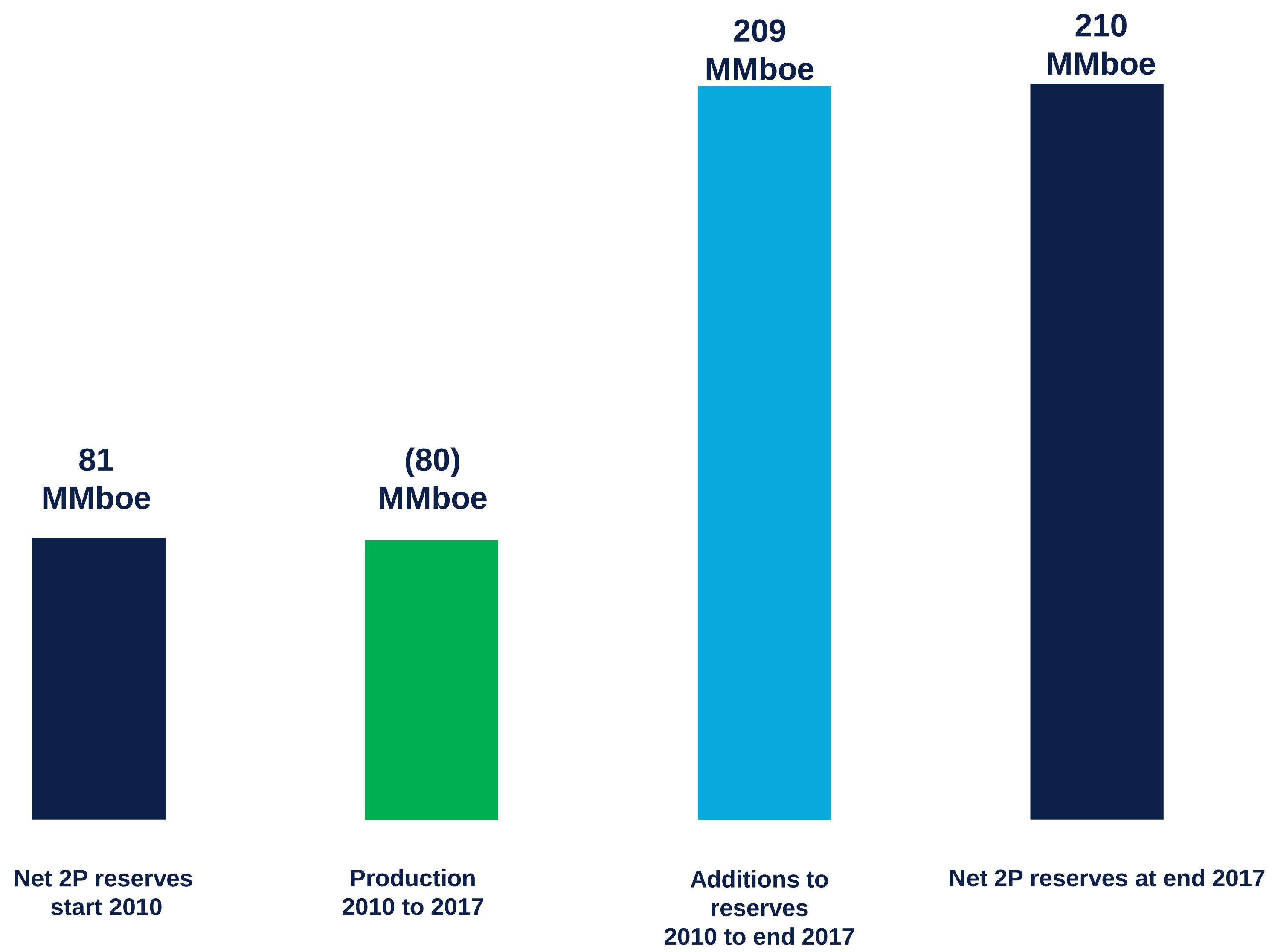
Alma/Galia

PM8/Seligi

Strong reserves growth in first eight years

Reserve life c. 17 years

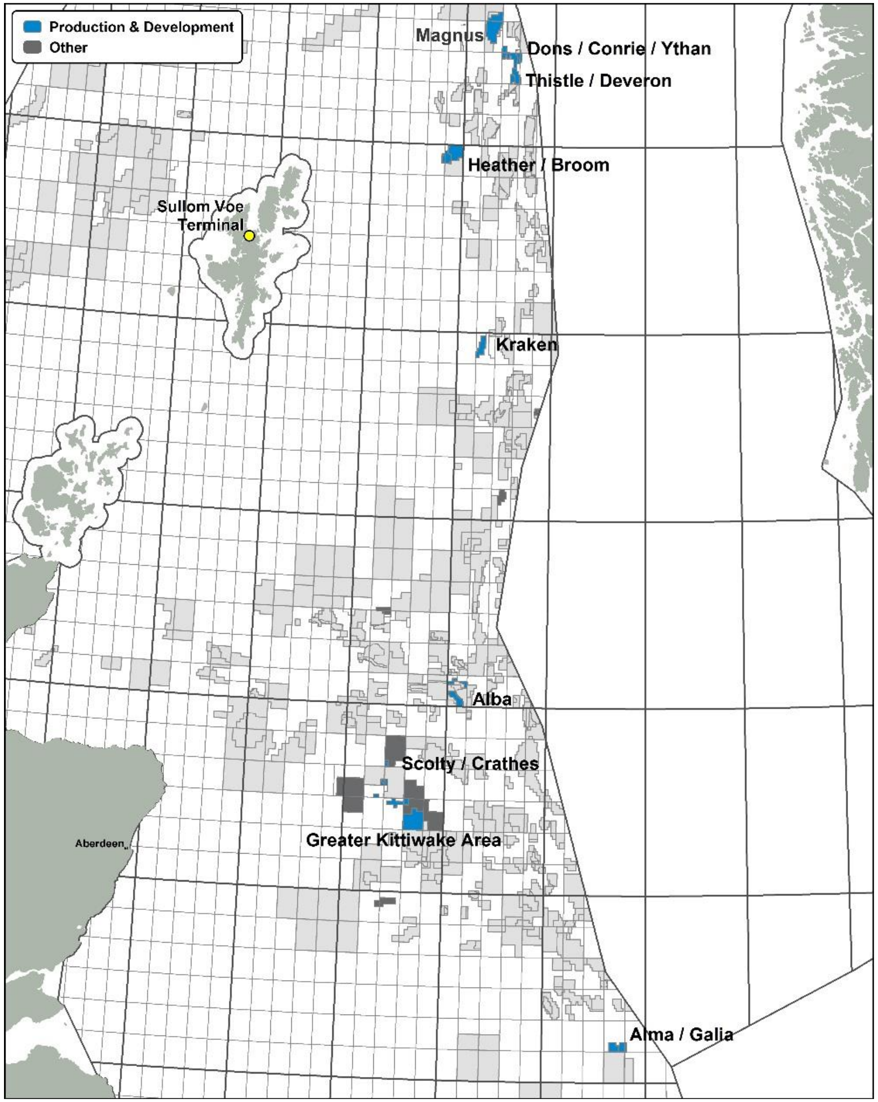
Net 2P reserves 2010 to end of 2017



EnQuest's North Sea asset base
As at 31 December 2017

Licence	Block(s)	Name
P073	21/12a	Goosander
P193	211/7a, 211/12a	Magnus
P213[1]	16/26a	Alba
P236	211/18a	Thistle & Deveron
P236	211/18a	Don SW & Conrie
P236 / P1200	211/18b & 211/13b	West Don
P238	21/18a, 21/19a & 21/19b	Kittiwake, Grouse, Mallard, Gadwall (Eagle[2])
P242	2/5a	Heather
P242 / P902	2/5a & 2/4a	Broom
P475	211/19s	Thistle
P1077	9/2b	Kraken & Kraken North
P1107 / P1617	21/8a, 21/12c & 21/13a	Scolty & Crathes
P1765 / P1825	30/24c & 30/25c, 30/24b	Alma, Galia
P2137	211/18e, 211/19a & 211/19c	Ythan
P90[1]	9/15a	
P209[3]	9/28a	
P220 / P250 / P585	15/12b, 15/17a & 15/17n	
P1996	28/2b & 28/3b	
P2173	20/15b, 21/11a & 21/16a	
P2176	21/8b	
P2177	21/14b, 21/19c & 21/20b	
P2334	211/18h	

[1] Not operated
[2] 2016 discovery (100% EnQuest)
[3] Since the end of 2017, EnQuest has relinquished and withdrawn from this Crawford acreage



Group tax position
Effective tax rate reconciliation

ETR	%	$m's
Loss Before Tax		(244)
UK CT Rate	40	(98)
PRT	(1)	4
RFES	38	(93)
UK and overseas tax rate differences	0	1
Permanent items	(11)	26
Prior year adjustments	(6)	14
Other	(4)	10
Tax Credit	56	(136)
Exceptional Tax Items	19	(47)
2017 Tax Charge	75	(183)

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, reserves 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.