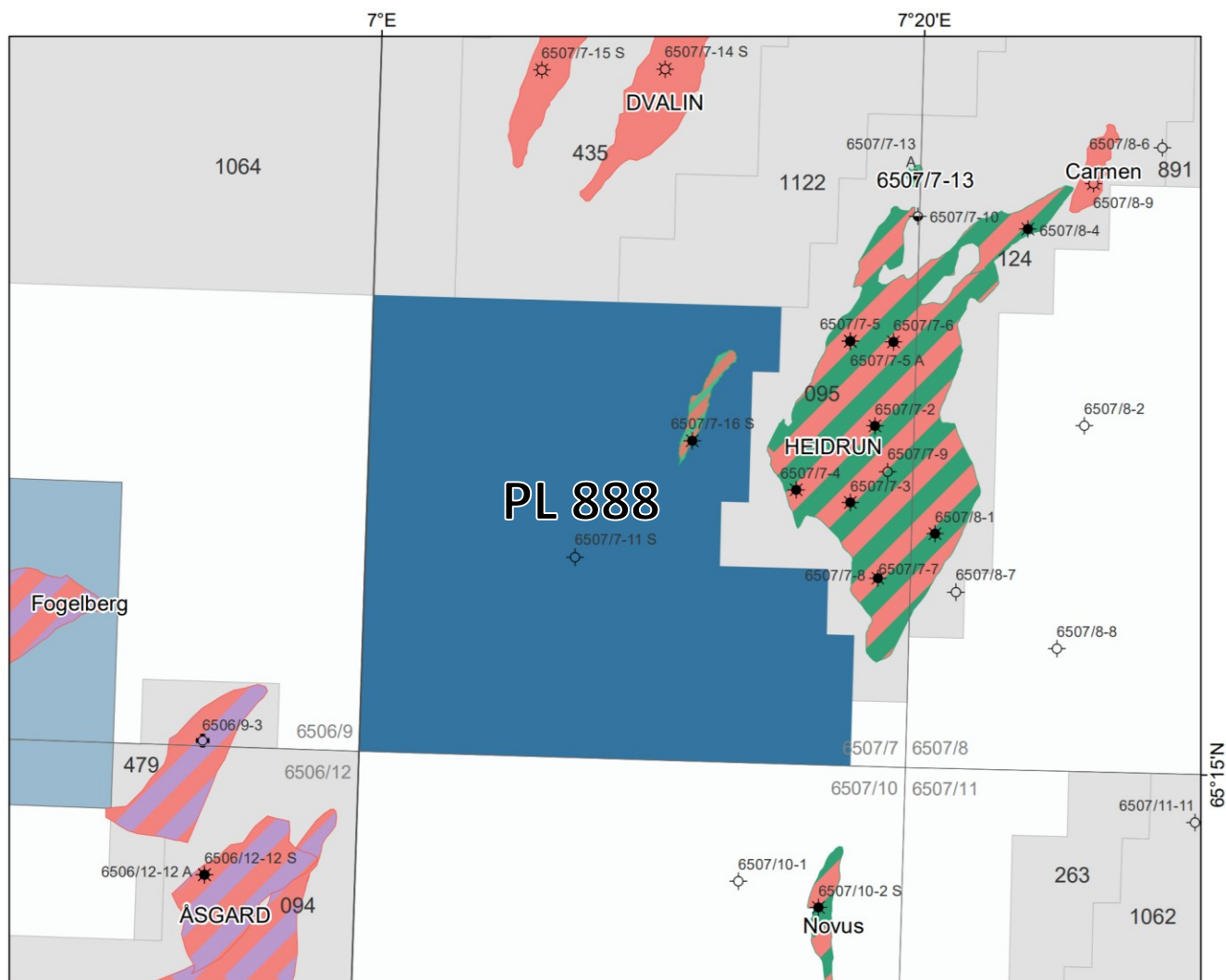


Relinquishment report PL 888



WELLESLEY
PETROLEUM

2021

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1 Licence History

PL888 is located in block 6507/7, immediately west of the Heidrun field in Norwegian Sea (Fig. 1.1).

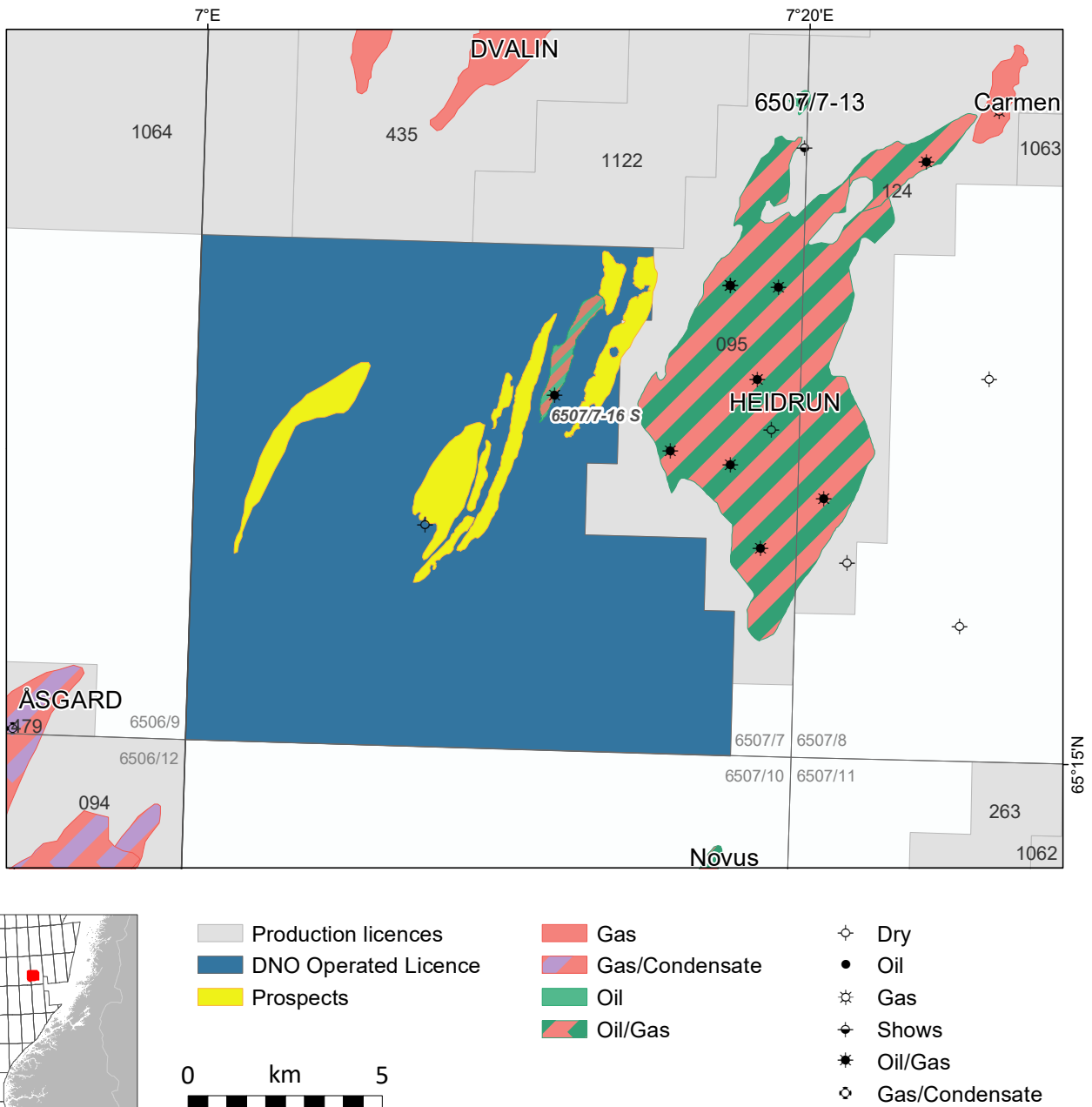


Fig. 1.1 PL 888 location map

The licence was awarded to Faroe Petroleum Norge AS (now DNO Norge AS) as Operator on 10th February 2017 through the 2016 APA licensing round, with ConocoPhillips and Wellesley Petroleum as partners. The licence partnership at the time of relinquishment is shown in Table 1.1

Table 1.1 PL 888 partnership

Company	Equity
DNO Norge AS	40% and operator
ConocoPhillips Scandinavia AS	30%
Wellesley Petroleum AS	30%

The work commitment on award of the licence consisted of purchasing and reprocessing 3D seismic data ahead of a drill or drop decision by 10th February 2019.

The Canela fault blocks are located within the Revfallet Fault Complex which separates the Dønna Terrace to the west from the Heidrun Field horst block to the east. Westerly-throwing Late Jurassic extensional faults separate the Canela Prospect into five narrow, elongate segments (Alpha, Beta, Gamma, Delta and Epsilon). Reservoir targets comprise sandstones of the Fangst and Båt groups of the middle and lower Jurassic. Oil and gas charge from mature Upper Jurassic source rocks on the Dønna Terrace to the west can be expected.

The decision to drill an exploration well was made by the licensees in January 2019. The Canela Beta Segment was selected as the location of well 6507/7-16 S. The well was targeting mean volumes of 31 MMBOE, with a geological probability of success of 0.65.

Well 6507/7-16 S was spudded from the Island Innovator drilling rig on 28th October 2019 and was permanently abandoned on 19th December 2019. The well encountered a gas column in the Garn and Ile formations, from 2967 m MD RT (2922 m TVD SS) to the gas-oil contact at 3019 m MD RT (2971 m TVD SS). The oil-water contact was identified at 3023 m MD RT (2975 m TVD SS) proving a 4 m oil leg. No Drill Stem Test was carried out and no sidetrack was drilled.

In-place volumes proven by the well are estimated at 11 to 13 MMBOE for the central segment. Proven recoverable resources are estimated at between 5.7 and 8.2 MMBOE. Resources in the Canela Beta discovery are considered to be sub-commercial. Additional volumes would therefore have to be proven through the drilling of one or more exploration wells. Post well evaluation of additional prospectivity did not yield a prospect which met the criteria for a positive drill decision. The licence was therefore relinquished on 10th February 2021.

For an in depth assessment of the Canela discovery, reference is made to "6507/7-16 S Canela Discovery Evaluation Report" submitted to the NPD in June 2020.

The following meetings were held in the licence:

2017

- Exploration / Management Committee Licence Kick-off Meeting 15.05.2017
- Exploration Committee Work Meeting 28.06.2017
- Exploration / Management Committee Meeting 22.11.2017

2018

- Exploration / Management Committee Meeting 18.06.2018
- Exploration Committee Work Meeting 06.11.2018
- Exploration / Management Committee Meeting 19.12.2018

2019

- Exploration Committee Work Meeting 22.02.2019
- Exploration Committee Meeting 10.04.2019
- Exploration Committee Meeting 07.05.2019
- Exploration Committee Meeting 16.05.2019
- Exploration Committee Meeting 08.08.2019
- Exploration Committee DWOP 08.08.2019
- Exploration Committee Work Meeting 08.08.2019
- Exploration / Management Committee Meeting 04.12.2019

2020

- Exploration Committee End of Well Meeting 14.01.2020

- Exploration Committee Core viewing 06.02.2020
- Exploration Committee Work Meeting 30.06.2020
- Exploration / Management Committee Meeting 24.11.2020

2 Database Overview

2.1 Seismic data

The seismic database used in the licence are shown in Fig. 2.1. The evaluation presented in the APA 2016 application was based on the FP13M1 survey. In order to better define the prospectivity in this structural complex area, the first phase of work commitments included seismic reprocessing. The operator carried out a merge and reprocessing of the MC3D-HVG2011, MC3D-HVG2013 and ST14008 seismic surveys, resulting in FP18M01. In addition, a separate survey covering the Heidrun Field was reprocessed and named CN86FPR18. As licence partner, Wellesley Petroleum carried out a separate reprocessing of the HVG2011 seismic survey resulting in HVG2011WPR17. All of the seismic surveys have been included in the licence common database and full details are shown below.

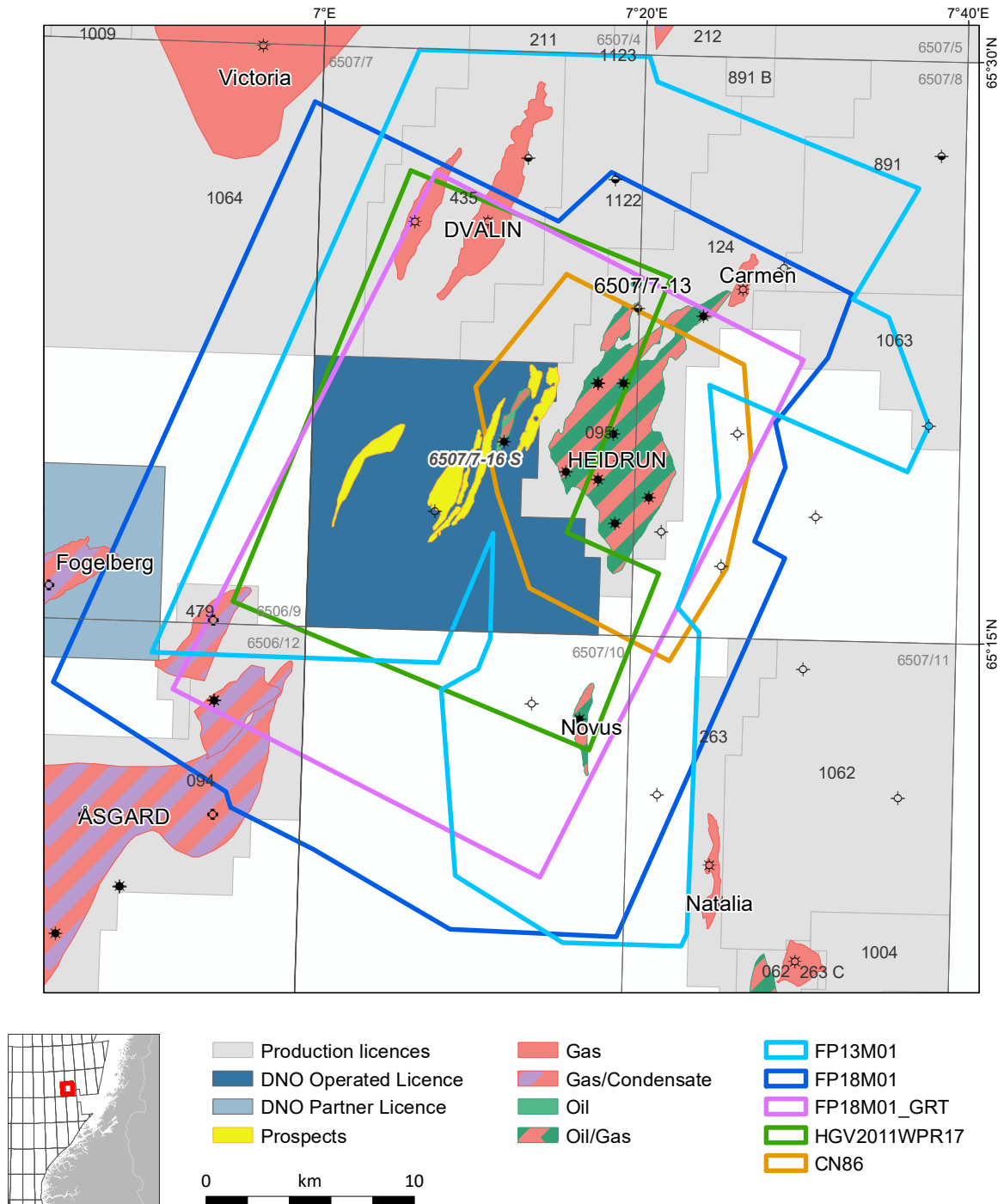


Fig. 2.1 PL 888 seismic database

FP13M1

This is a reproprocessing and merge of:

- MC3D-MGW98 SURVEY ACQUIRED BY PGS MULTICLIENT, NPDID: 3914
- CN86 Acquired by Western for Conoco, NPDID: 2816
- ST9102 Acquired by GEOTEAM for Statoil, NPDID: 3451
- BPN002 Acquired by PGS for BP AMOCO, NPDID: 4030

Table 2.1 FP13M1 datasets

DATASET NAME	DATASET ID	DATA TYPE	PROCESSING TYPE
FP13M1-BIN-GATHERS	5.4.3.3	PRESTACK	PRESTACK
FP13M1-MIG-VEL	5.4.6.1	VELOCITY	MIGRATION
FP13M1-STK-VEL	5.4.6.1	VELOCITY	STACK
FP13M1-BPN002-SHOT-GATHERS	5.4.3.2	PRESTACK	PRESTACK
FP13M1-CN86-SHOT-GATHERS	5.4.3.2	PRESTACK	PRESTACK
FP13M1-MGW98-SHOT-GATHERS	5.4.3.2	PRESTACK	PRESTACK
FP13M1-ST9102-SHOT-GATHERS	5.4.3.2	PRESTACK	PRESTACK
FP13M1-FINAL-PSTM-STACK-FAR	5.4.4.3	POST STACK	MIG FIN
FP13M1-FINAL-PSTM-STACK-FULL	5.4.4.2	POST STACK	MIG FIN
FP13M1-FINAL-PSTM-STACK-MID	5.4.4.3	POST STACK	MIG FIN
FP13M1-FINAL-PSTM-STACK-NEAR	5.4.4.3	POST STACK	MIG FIN

FP18M01

This is a reprocessing and merge of:

- MC3D-HVG2011 SURVEY ACQUIRED BY PGS MULTICLIENT, NPDID: 7379
- MC3D-HVG2013 SURVEY ACQUIRED BY PGS MULTICLIENT, NPDID: 7900
- ST14008 ACQUIRED BY WESTERNGECO 2014 FOR STATOIL, NPDID: 8007

CN86FPR18

This is a reprocessing of:

- CN86 Acquired by Western for Conoco, NPDID: 2816

Table 2.2 FP18M01 and CN86FPR18 datasets

DATASET NAME	DATASET ID	DATA TYPE	PROCESSING TYPE
CN86FPR18-GRT-PSDM-0-15DEG-FINAL-STACK-TIME	5.1.4.3	POST STACK	MIG FIN
CN86FPR18-GRT-PSDM-15-30DEG-FINAL-STACK-TIME	5.1.4.3	POST STACK	MIG FIN
CN86FPR18-GRT-PSDM-30-45DEG-FINAL-STACK-TIME	5.1.4.3	POST STACK	MIG FIN
CN86FPR18-GRT-PSDM-ANGLEGATHERS-TIME	5.1.3.3	PRESTACK	PRESTACK
CN86FPR18-GRT-PSDM-FINAL-STACK-TIME	5.1.4.1	POST STACK	MIG FIN
CN86FPR18-PSTM-FINAL-STACK	5.1.4.1	POST STACK	MIG FIN
CN86FPR18-PSTM-FINAL-STACK-0-15DEG	5.1.4.3	POST STACK	MIG FIN
CN86FPR18-PSTM-FINAL-STACK-15-30DEG	5.1.4.3	POST STACK	MIG FIN
CN86FPR18-PSTM-FINAL-STACK-30-45DEG	5.1.4.3	POST STACK	MIG FIN
CN86FPR18-PSTM-RAW-STACK	5.1.4.1	POST STACK	MIG RAW
FP18M01-AUTOIMAGER-PSDM-INTRINSIC-ETA-MODEL	5.4.6.99	VELOCITY	OTHER
FP18M01-AUTOIMAGER-PSDM-VELOCITY-MODEL	5.4.6.1	VELOCITY	MIG VEL
FP18M01-AUTOIMAGER-PSTM-EFFECTIVE-ETA-MODEL	5.4.6.99	VELOCITY	OTHER
FP18M01-AUTOIMAGER-PSTM-VELOCITY-MODEL	5.4.6.1	VELOCITY	MIG VEL
FP18M01-GRT-PSDM-0-15DEG-FINAL-STACK-TIME	5.4.4.3	POST STACK	MIG FIN
FP18M01-GRT-PSDM-15-30DEG-FINAL-STACK-TIME	5.4.4.3	POST STACK	MIG FIN
FP18M01-GRT-PSDM-30-45DEG-FINAL-STACK-TIME	5.4.4.3	POST STACK	MIG FIN
FP18M01-GRT-PSDM-45-60DEG-FINAL-STACK-TIME	5.4.4.3	POST STACK	MIG FIN
FP18M01-GRT-PSDM-ANGLEGATHERS-TIME	5.4.3.3	PRESTACK	PRESTACK
FP18M01-GRT-PSDM-FINAL-STACK-TIME	5.4.4.1	POST STACK	MIG FIN
FP18M01-PSTM-0-15DEG-FINAL-STACK	5.4.4.3	POST STACK	MIG FIN
FP18M01-PSTM-15-30DEG-FINAL-STACK	5.4.4.3	POST STACK	MIG FIN
FP18M01-PSTM-30-45DEG-FINAL-STACK	5.4.4.3	POST STACK	MIG FIN
FP18M01-PSTM-45-60DEG-FINAL-STACK	5.4.4.3	POST STACK	MIG FIN
FP18M01-PSTM-FINAL-STACK	5.4.4.1	POST STACK	MIG FIN
FP18M01-PSTM-RAW-CDPGATHERS	5.4.3.3	PRESTACK	PRESTACK

MC3D-HVG2011WPR17

This is a reprocessing acquired from Wellesley Petroleum of:

- MC3D-HVG2011 SURVEY ACQUIRED BY PGS MULTICLIENT, NPDID: 7379

Table 2.3 MC3D-HVG2011WPR17 datasets

DATASET NAME	DATASET ID	DATA TYPE	PROCESSING TYPE
MC3D-HVG2011WPR17-FINAL-FAR-STACK-D	5.1.4.3	POST STACK	STK FIN
MC3D-HVG2011WPR17-FINAL-FAR-STACK-T	5.1.4.3	POST STACK	STK FIN
MC3D-HVG2011WPR17-FINAL-MID-STACK-D	5.1.4.3	POST STACK	STK FIN
MC3D-HVG2011WPR17-FINAL-FULL-STACK-T	5.1.4.2	POST STACK	STK FIN
MC3D-HVG2011WPR17-FINAL-MID-STACK-T	5.1.4.3	POST STACK	STK FIN
MC3D-HVG2011WPR17-FINAL-FULL-STACK-D	5.1.4.2	POST STACK	STK FIN
MC3D-HVG2011WPR17-PSDM-VVERT-MODEL-TIME	5.1.6.1	VELOCITY	MIG VEL
MC3D-HVG2011WPR17-FINAL-NEAR-STACK-D	5.1.4.3	POST STACK	STK FIN
MC3D-HVG2011WPR17-PSDM-DELTA-MODEL	5.1.6.1	VELOCITY	MIG VEL
MC3D-HVG2011WPR17-RAW-FULL-STACK-T	5.1.4.1	POST STACK	STK RAW
MC3D-HVG2011WPR17-PSDM-EPSILON-MODEL	5.1.6.1	VELOCITY	MIG VEL

2.2 Well data

A list of all the relevant wells and their use in the license evaluation is provided in Table 2.4.

Table 2.4 PL 888 well database Database of key wells and their use in the licence evaluation.

Well	NPDID	Result	Year	Release status	TD stratigraphy	TD (m TVD RKB)	Petro-physics	Well tie	Rock physics	Field/ Discovery
6506/9-3	7207	Gas / Cond.	2013	Released	Åre Fm	4691		x		Smørbuk N.
6507/7-2	464	Oil / Gas	1985	Released	Åre Fm	3262	x	x		Heidrun
6507/7-3	482	Oil / Gas	1985	Released	Åre Fm	2850	x	x	x	Heidrun
6507/7-4	853	Oil / Gas	1986	Released	Tilje Fm	2850	x	x		Heidrun
6507/7-5	879	Oil / Gas	1986	Released	Tilje Fm	2659	x			Heidrun
6507/7-6	922	Oil / Gas	1986	Released	Åre Fm	2470	x			Heidrun
6507/7-8	1071	Oil / Gas	1987	Released	Åre Fm	2855	x		x	Heidrun
6507/7-10	2182	Shows	1993	Released	Grey Beds	3306		x		
6507/7-11 S	3131	Dry	1997	Released	Åre Fm	3749	x	x	x	
6507/7-13	4213	Oil	2001	Released	Åre Fm	2623		x		6507/7-13
6507/7-14 S	6367	Gas	2010	Released	Tilje Fm	4477	x	x		Dvalin
6507/7-15 S	6730	Gas	2012	Released	Tilje Fm	4552	x	x		Dvalin
6507/7-16 S	8909	Oil / Gas	2019	Unreleased	Tilje Fm	3238	x	x	x	Canela
6507/8-7	4854	Dry	2004	Released	Tilje Fm	2975	x	x	x	
6507/10-1	81	Dry	1982	Released	Åre Fm	3693	x	x		
6507/10-2 S	7300	Oil / Gas	2014	Released	Åre Fm	2993	x	x	x	Novus

3 Geological and Geophysical Studies

Below is a description of the geological and geophysical studies carried out in the licence.

Seismic reprocessing

Identification and confident interpretation of the Canela fault block structures is a direct result of extensive and focussed reprocessing efforts by DNO and licence partners. The structures were initially identified, mapped and applied for based on the FP13M01 survey, a semi-regional reprocessing and merge carried out by Faroe Petroleum. During the licence term, further reprocessing and merge efforts significantly enhanced the definition of the fault blocks. Details of the data volumes generated and used are shown in 2.1 Seismic data.

Structural and stratigraphic interpretation

Detailed semi-regional and prospect scale seismic interpretation was carried out on both the FP18M01 and HVG2011WPR17 datasets. The Canela fault blocks are located within the Revfallet Fault Complex and good structural and stratigraphic interpretation was critical for understanding the trap definition, identifying which reservoir formations were present within the segments, cross fault juxtaposition relationships, and mapping of eroded areas.

As a result of high quality data and thorough interpretation, the stratigraphy encountered in 6507/7-16 S was consistent with the pre-drill prognosis. Confident stratigraphic interpretation is assigned to the additional prospects.

Petrophysics

Consistent petrophysical analyses of the most relevant wells were carried out in the licence to determine the likely reservoir quality within the Canela prospect segments. The wells interpreted are shown in Table 2.4. Deliverables from the study included formation averages, depth trend plots (PHIE & N/G) and CPI plots for the Fangst and Båt Groups. Within the Fangst Group, good porosity versus depth trends were identified and high net to gross was predicted based on offset wells.

Results of the 6507/7-16 S petrophysical evaluation are conclusive with very little ambiguity. The well encountered Fangst Group with properties very close to the pre-drill prognosis.

Basin modelling

A basin modelling and hydrocarbon migration study was conducted by Toren. Oil dominated two-phase accumulations were predicated for all segments, except Alpha where gas was expected. Seal capacity or maximum hydrocarbon column height is viewed as the main uncertainty factor for predicting hydrocarbon phase within the Canela structures.

Fluid inclusion analysis

Fluid inclusion analysis was carried out by Schlumberger FIT after sample preparation by RockWash. Three wells adjacent to the Canela Prospect were selected for analysis: 6507/7-11 S located downdip, and 6507/7-3 & 4 location on the Heidrun Field. The purpose of the study was to investigate the potential for live hydrocarbons in the uppermost part of the Garn Formation in 6507/7-11 S, or in the structure immediately updip of the well location. Comparisons to the live hydrocarbon response in 6507/7-3 & 4 could also be made.

Results were inconclusive with some gas, oil and water indicators observed all observed in the Garn Formation. Low inclusion abundance suggests hydrocarbon migration through this area, rather than a live hydrocarbon accumulation nearby, may be more likely.

Rock physics

Quantitative geophysical analysis was carried out on both the FP18M01 and HVG2011WPR17 datasets prior to making a drill decision. Fluid substitution of conditioned log data was carried out on 6 key wells to determine the expected amplitude-versus-offset (AVO) response for gas, oil and water cases. Conditioning of the seismic gathers was carried out in-house before commencing the analyses. Within the Canela Beta structure, the amplitude and AVO response were consistent with hydrocarbon charged Garn Formation sandstones. High confidence was assigned to the presence of a gas cap within the 3 way dip / footwall-type structural closure. Lower amplitudes beneath could be interpreted to represent an oil leg which required effective fault seal towards the east.

6507/7-16 S found a longer gas column than prognosed but a much thinner oil column of only 4 metres. Post-well rock physics analysis focused on understanding this, and the implications for the other segments. V_p/V_s versus acoustic impedance cross plots indicate little separation between oil and gas, but larger separation between hydrocarbon and water, thus making the predication of hydrocarbon phase challenging. Overburden effects were found to be particularly strong, with significant variation in amplitude of Top Garn reflector within the gas leg. Some amplitude changes were consistent with a change in overburden from Cretaceous Lange Fm, to unpenetrated Upper Jurassic rocks, likely Melke Formation.

Sedimentology

Post-drilling of 6507/7-16 S, petrographic analysis, core description and depositional environment interpretation were carried out on the 108 metres of core collected in the well from within the Garn, Not, Ile and Ror formations.

Evaluation of discovery and remaining prospectivity

The results of 6507/7-16 S were integrated into the evaluation. Detailed remapping of the Canela Beta discovery segment and adjacent prospects was carried out and depth conversion methodology revised. A re-evaluation of the seismic amplitude analysis was made prior to revised volumetrics calculations and risk assessment.

4 Prospect Update

The prospectivity as applied for in 2016 is shown in Fig. 4.1. The prospectivity at the time of relinquishment in February 2021 is shown in Fig. 4.2.

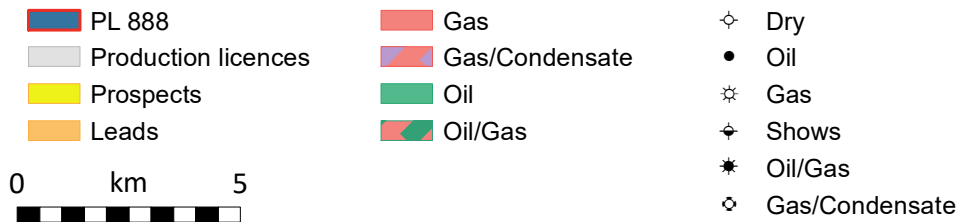
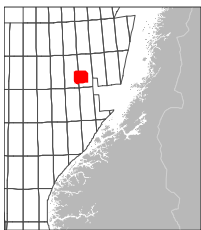
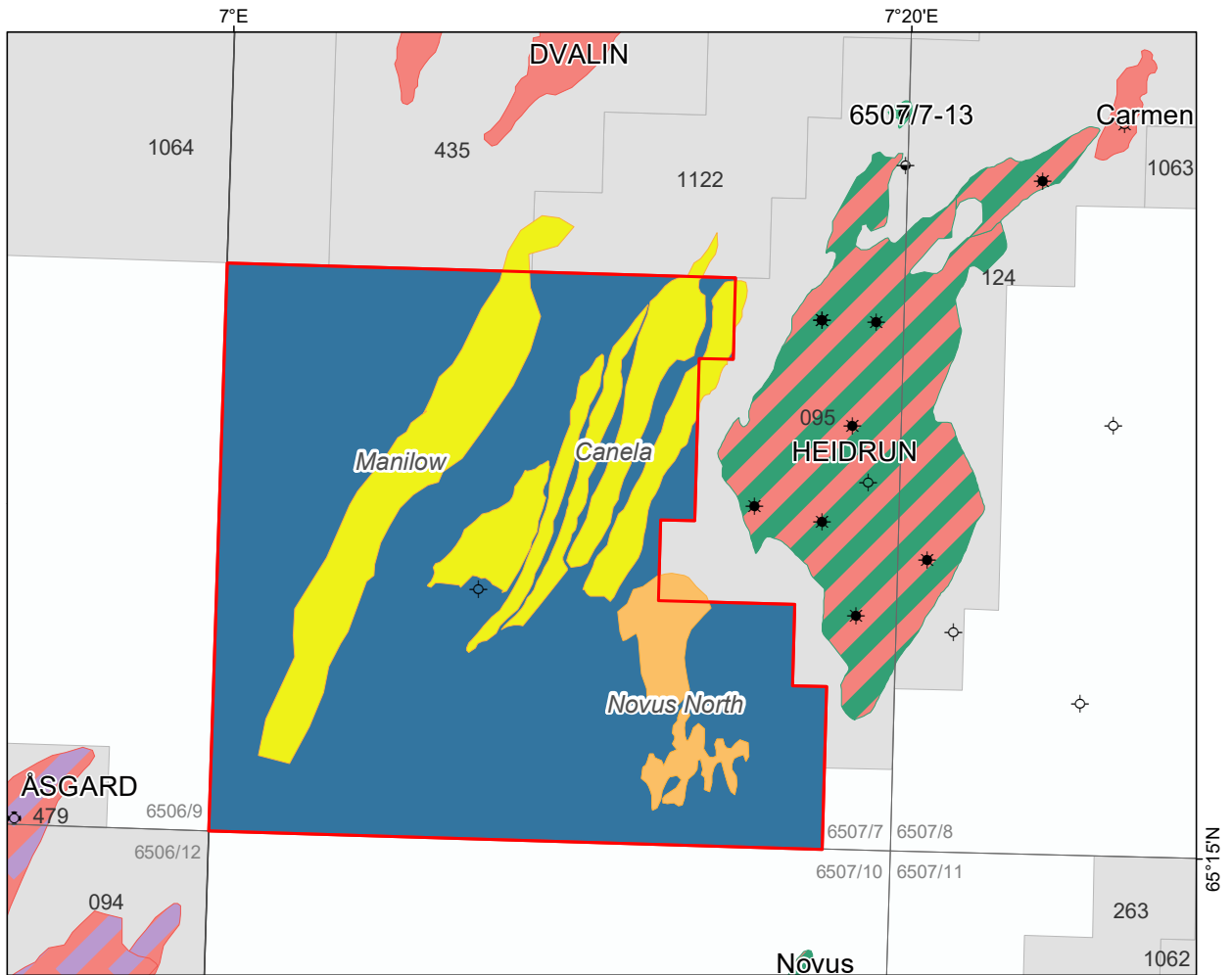


Fig. 4.1 PL 888 prospectivity on award in February 2017

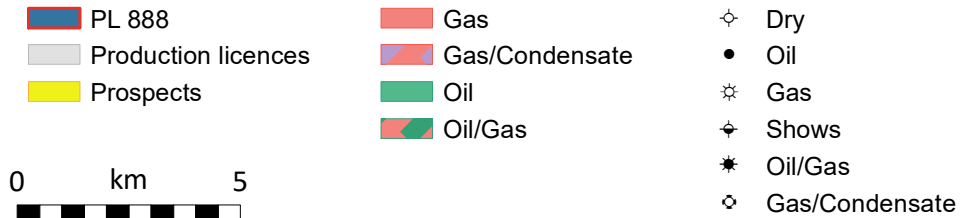
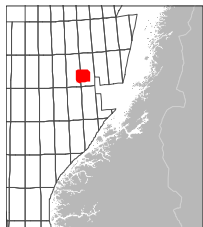
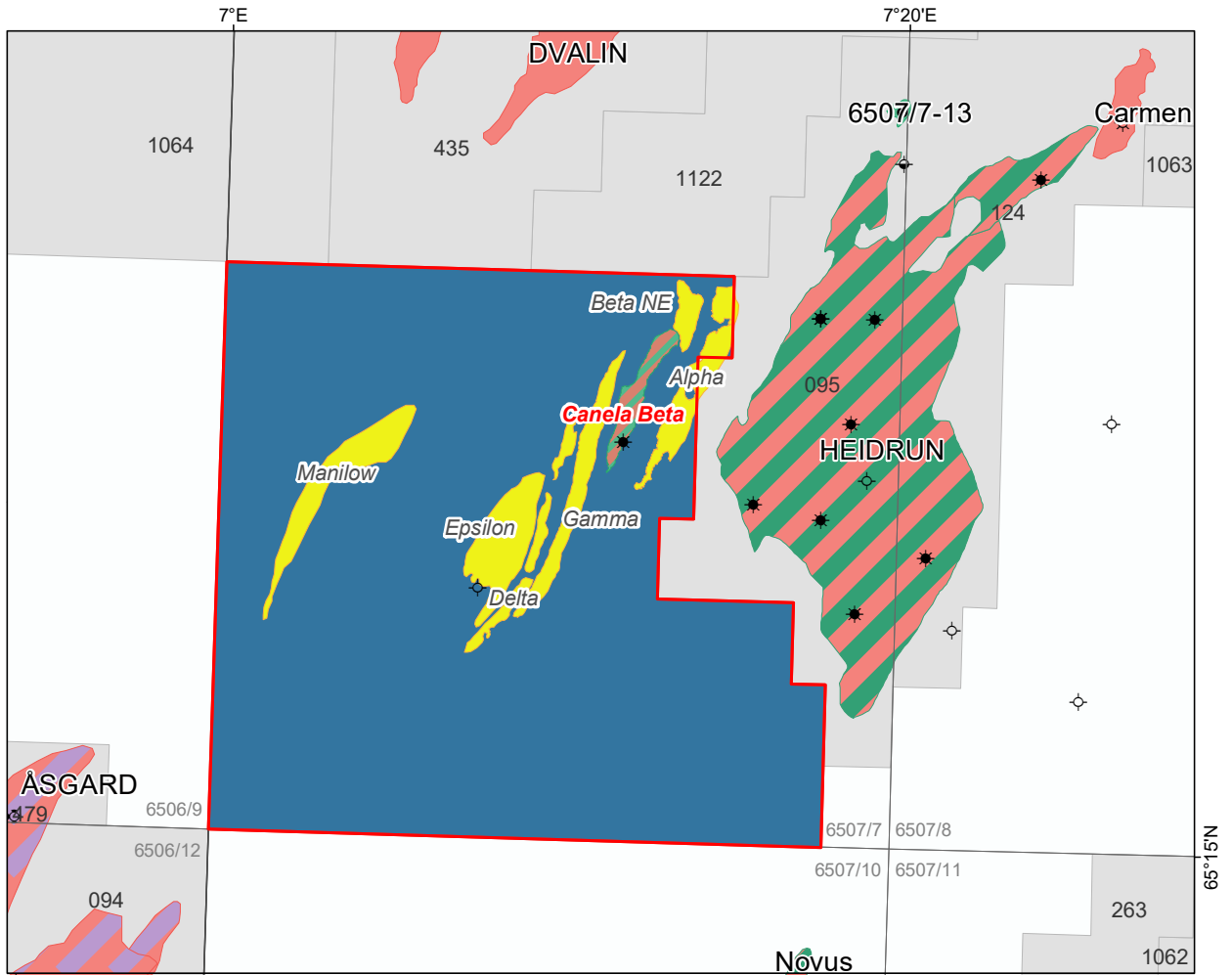


Fig. 4.2 PL 888 prospectivity at relinquishment in February 2021

Resource estimate changes

Several of the prospects defined in the application remain in the inventory at the time of relinquishment. In summary, the undrilled segments of the Canela Prospect have been downgraded in terms in volume potential following the drilling of 6507/7-16 S. As described in 1 Licence History the Canela Beta discovery proved to be smaller than the pre-drill prognosis, encountering an oil leg of only 4 metres below the gas column. A very limited hydrocarbon column appears be sealed against the bounding fault towards the east. The presence of hydrocarbons in the Alpha, Gamma and Epsilon segments is almost entirely dependent on effective fault seal towards the east, The Fangst Group reservoirs in these segments are juxtaposed against footwall stratigraphy including Ile Formation (at lowest fault throw), Tilje Formation and Åre Formation (at highest fault throw). The probability of some effective fault seal is considered moderate but hydrocarbon columns may be short. This has been reflected in the hydrocarbon column distribution used in the post well evaluation of remaining prospectivity.

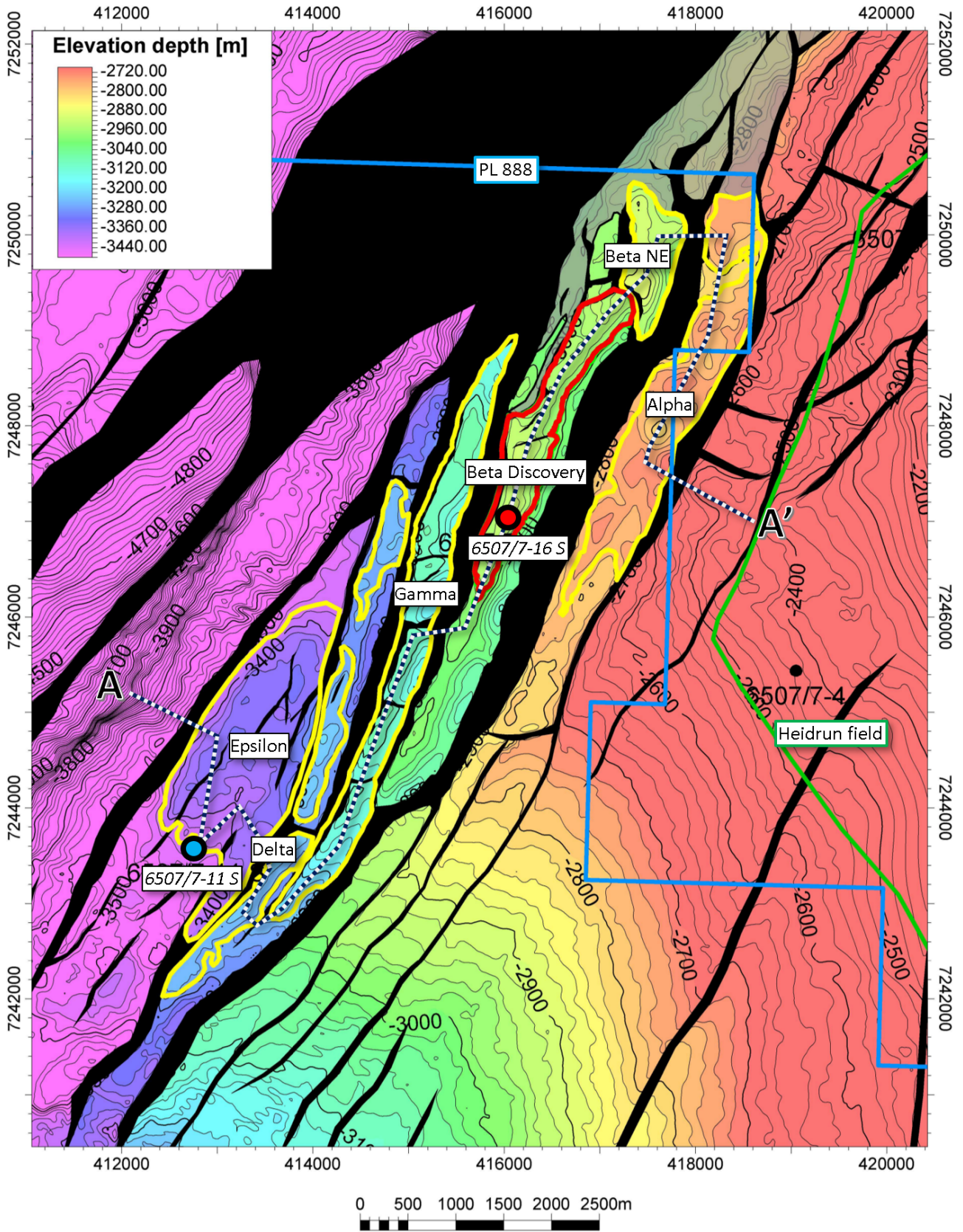


Fig. 4.3 Top Fangst Group reservoir depth map The map shows the top Fangst Group reservoir depth structure map with the Canela Beta discovery and the remaining Canela prospectivity highlighted. The seismic location of seismic line A to A' (Fig. 4.4) is shown.

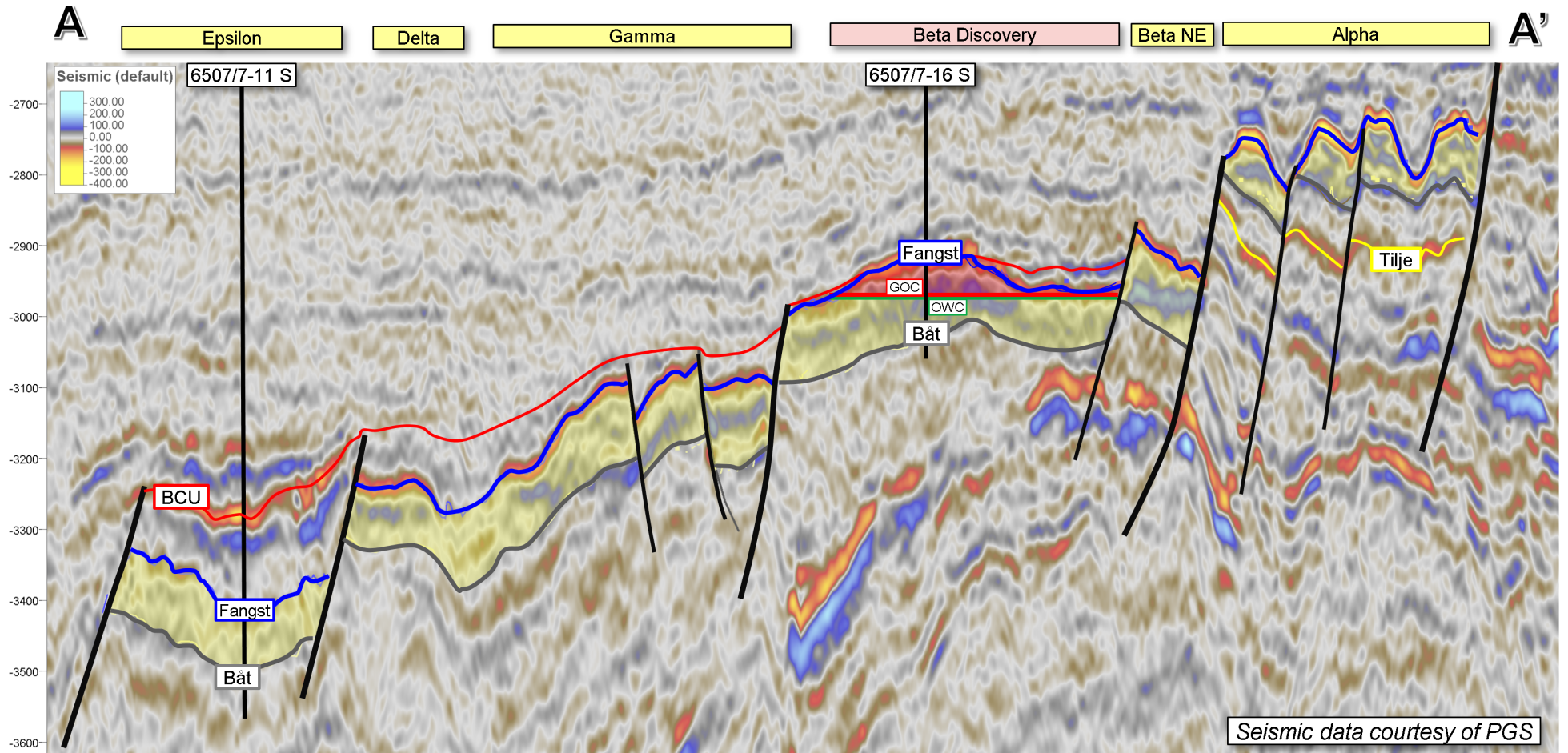


Fig. 4.4 Seismic depth section A to A' Arbitrary line generally orientated southwest to northeast, selected to illustrate the relationship between the various Canela prospect fault segments. The location of the line is shown on Fig. 4.3.

Canela Alpha

Canela Alpha is the shallowest of the identified Canela segments, with a crest at 2685m, a most likely contact at 2765m and an area of 2.2km². It is a south-west to north-east orientated closure, fault bounded to the east, with structural dip to the west and south and truncation of reservoir to the north, and fault. Good quality Fangst Group reservoir is expected to be presented, although the Base Cretaceous Unconformity eroded into the reservoir in some areas. Topseal is provided by Upper Cretaceous marine mudstones. Key risk is the effectiveness of the fault seal to the east. A potential direct hydrocarbon indicator defines the most likely contact based on top reservoir seismic response, however no flat spot is observed where one may be expected. Gas is considered the most likely hydrocarbon phase. Mean recoverable resources are 13.5 MMBOE with a POS of 0.5. Around 15% of the volumes were located outside of PL 888. Key risk is fault seal with other risk elements considered to be proven.

Canela Alpha Tilje

Within the Alpha fault block, a 3 way dip closure at the Tilje Formation reservoir is also present. Mean volumes are 5 MMBOE in the oil case, although the volumes supported by strong DHI observations significantly smaller.

Canela Beta NE

This small area represents a possible extension of the Canela Beta discovery on the footwall side of a north-west to south-east trending fault which offsets the Fangst Group reservoir. Direct hydrocarbon indicators include a potential flat event over part of the closure, at a similar depth to the HCWC in 6507/7-16 S. The structure is entirely dependent on a sealing fault to the east, and truncation of reservoir to the north. Mean recoverable resources are 4.8 MMBOE with a POS of 0.8. Key risk is fault seal with other risk elements considered to be proven.

Canela Beta Tilje

Updip potential from 6507/7-16 S remains the Tilje Formation within a small 3 way dip footwall closure, Amplitude brightening is observed within the closure but volumes are very small with mean recoverable oil case of 1.4 MMBOE.

Canela Gamma

Canela Gamma is a very narrow (<500m), elongate fault block with the crest at 3066m and an area of 2.1km². The structure is segmented by 4 east-west orientated faults and carries the risk of compartmentalisation. The Fangst Group is the reservoir target, and an area of Fangst Group self juxtaposition with the water leg in the Canela Beta discovery represents a weak point in the trap, A potential DHI is observed in the south at around 3230m, which would suggest a hydrocarbon column of around 150 metres being held by the eastern bounding fault. In other areas, the strongest top reservoir amplitudes are generally confined to 3 way dip, footwall type closures, which may suggest only very small accumulations are present. Hydrocarbon phase is uncertain and oil and gas cases were both run. Mean recoverable resources are 21 MMBOE in an oil case and 15 MMBOE in a gas case, with a POS of 0.5. Key risk is fault seal with other risk elements considered to be proven.

Canela Delta

Canela Delta is another elongate fault terrace with 3 small independent crests. In the southernmost of the three small culminations, a 3-way dip closure spills into the Gamma structure at 3272m. This limits the volume potential to 4.6 MMBOE in the mean oil case, split between 3 segments. The footwall style of the trap is considered low risk and has a POS is 0.8.

Canela Epsilon

Canela Epsilon is a broad downfaulted closure (2.9km²) and represents the remaining potential in the Fangst Group updip of 6507/7-11 S. The crest is at 3300m with water up to 3433m in the well. Some indication of hydrocarbons is seen in at the top of the Garn Formation but this is most likely related to migration of hydrocarbons. Mean recoverable resources are 16 MMBOE in an oil case and 12 MMBOE in a gas case, with a POS of 0.4. Key risk is fault seal with other risk elements considered to be proven.

Manilow

The Manilow Prospect was originally identified as a large 3 way dip closure requiring fault seal to the east, in an area of steeply dipping beds and poor seismic imaging. The structure was remapped and is now defined as a much smaller, highly rotated footwall closure with a crest at 4590m. Reservoir properties are likely to be poor due to the depth of burial, and reservoir producibility is the critical risk. Gas case mean volumes of 6.3 MMBOE are calculated with a POS of 0.22.

Table 4.1 PL 888 resource summary 2017 Summary of prospect volumes and risk at time of licence award in February 2017.

Prospect name	D/ P/L	Case	Unrisked recoverable resources						Prob. of disc.	Resources in PL888 (%)	Reservoir		Nearest relevant infrastructure	
			Oil (10 ⁶ Sm ³)			Gas (10 ⁹ Sm ³)					Litho-/ Chronostrati- graphical level	Reservoir depth (m MSL)	Name	km (>0)
			P90	Mean	P10	P90	Mean	P10						
Canela Alpha	P	Oil & Gas	1.74	6.54	11.9	0.34	1.94	4.1	0.38	90	Fangst Group	2670	Heidrun	5
Canela Beta	P	Oil & Gas	1.63	5.24	9.55	0.41	1.49	2.87	0.38	100	Fangst Group	2870	Heidrun	6
Canela Gamma, Delta & Epsilon	P	Oil & Gas	2.92	4.96	5.28	0.36	1.37	2.72	0.38	100	Fangst Group	3040	Heidrun	7
Manilow	P	Gas	0.3	0.9	3.2	2.3	7.2	26.5	0.25	100	Garn Fm	4000	Heidrun	12
Novus North											Fangst Group	2700	Heidrun	4

Table 4.2 PL 888 resource summary 2021 Summary of the prospect volumes and risk at time of relinquishment in February 2021.

Prospect name	D/ P/L	Case	Unrisked recoverable resources						Prob. of disc.	Resources in PL888 (%)	Reservoir		Nearest relevant infrastructure	
			Oil (10 ⁶ Sm ³)			Gas (10 ⁹ Sm ³)					Litho-/ Chronostrati- graphical level	Reservoir depth (m MSL)	Name	km (>0)
			P90	Mean	P10	P90	Mean	P10						
Canela Beta Discovery	D	Oil & Gas	0.12	0.13	0.15	0.79	0.88	0.97	1	100	Fangst Group	2930	Heidrun	6
Canela Alpha	P	Gas	0.21	0.28	0.36	1.39	1.86	2.35	0.5	85	Fangst Group	2725	Heidrun	5
Canela Alpha Tilje	P	Oil	0.20	0.63	1.11	0.05	0.15	0.27	0.8	100	Tilje Formation	2850	Heidrun	5
Canela Beta NE	P	Oil & Gas	0.03	0.20	0.43	0.13	0.57	0.83	0.8	100	Fangst Group	2930	Heidrun	6
Canela Beta Tilje	P	Oil	0.05	0.18	0.36	0.01	0.04	0.09	0.8	100	Tilje Formation	3040	Heidrun	6
Canela Gamma	P	Oil	1.10	2.71	4.01	0.26	0.65	0.97	0.5	100	Fangst Group	3140	Heidrun	7
Canela Delta	P	Oil	0.29	0.59	0.93	0.07	0.14	0.22	0.8	100	Fangst Group	3240	Heidrun	8
Canela Epsilon	P	Oil	0.90	2.10	3.84	0.21	0.50	0.92	0.4	100	Fangst Group	3365	Heidrun	9
Manilow	P	Gas	0.64	1.06	1.51	0.64	1.06	1.52	0.2	100	Fangst Group	4600	Dvalin	11

5 Technical Assessment

Technical and economic assessments were carried out on the Canela discovered volumes only, and also in combination with the remaining undrilled segments.

The most likely host infrastructure for the Canela discovery and associated prospects was considered to be the Heidrun tension-leg platform located around 6km to the east.

The proven recoverable gas volume in Canela Beta (6.4 MMBOE) is clearly sub-economic as a subsea tie back to the Heidrun field assuming a single gas production well.

Another scenario considered the discovered volumes in combination with the undrilled and unproven prospect segments (Alpha, Gamma, Epsilon & Beta NE). Economics were again unattractive, driven down by the high exploration expenditure required to prove the additional volumes, and the relatively low geological probability that all segments will result in discoveries.

6 Conclusion

Discovered resources in the Canela Beta discovery are considered to be sub-commercial. Additional volumes would therefore have to be proven through the drilling of one or more exploration wells. Post well evaluation of additional prospectivity did not yield a prospect which met the criteria for a positive drill decision. The licencees came to a unanimous decision to relinquish PL 888 on 10th February 2021.