



Corporate Presentation

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July 2011

“NEC” Oslo Stock Exchange
“NSEY” OTC in US
www.NorseEnergy.com

Disclaimer

This presentation does not constitute an offer to buy or sell shares or other financial instruments of Norse Energy Corp. ASA (“Company”). This presentation contains certain statements that are, or may be deemed to be, “forward-looking statements”, which include all statements other than statements of historical fact. Forward-looking statements involve making certain assumptions based on the Company’s experience and perception of historical trends, current conditions, expected future developments and other factors that we believe are appropriate under the circumstances. Although we believe that the expectations reflected in these forward-looking statements are reasonable, actual events or results may differ materially from those projected or implied in such forward-looking statements due to known or unknown risks, uncertainties and other factors. These risks and uncertainties include, among others, uncertainties in the exploration for and development and production of oil and gas, uncertainties inherent in estimating oil and gas reserves and projecting future rates of production, uncertainties as to the amount and timing of future capital expenditures, unpredictable changes in general economic conditions, volatility of oil and gas prices, competitive risks, regulatory changes and other risks and uncertainties discussed in the Company’s periodic reports. Forward-looking statements are often identified by the words “believe”, “budget”, “potential”, “expect”, “anticipate”, “intend”, “plan” and other similar terms and phrases. We caution you not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation, and we undertake no obligation to update or revise any of this information

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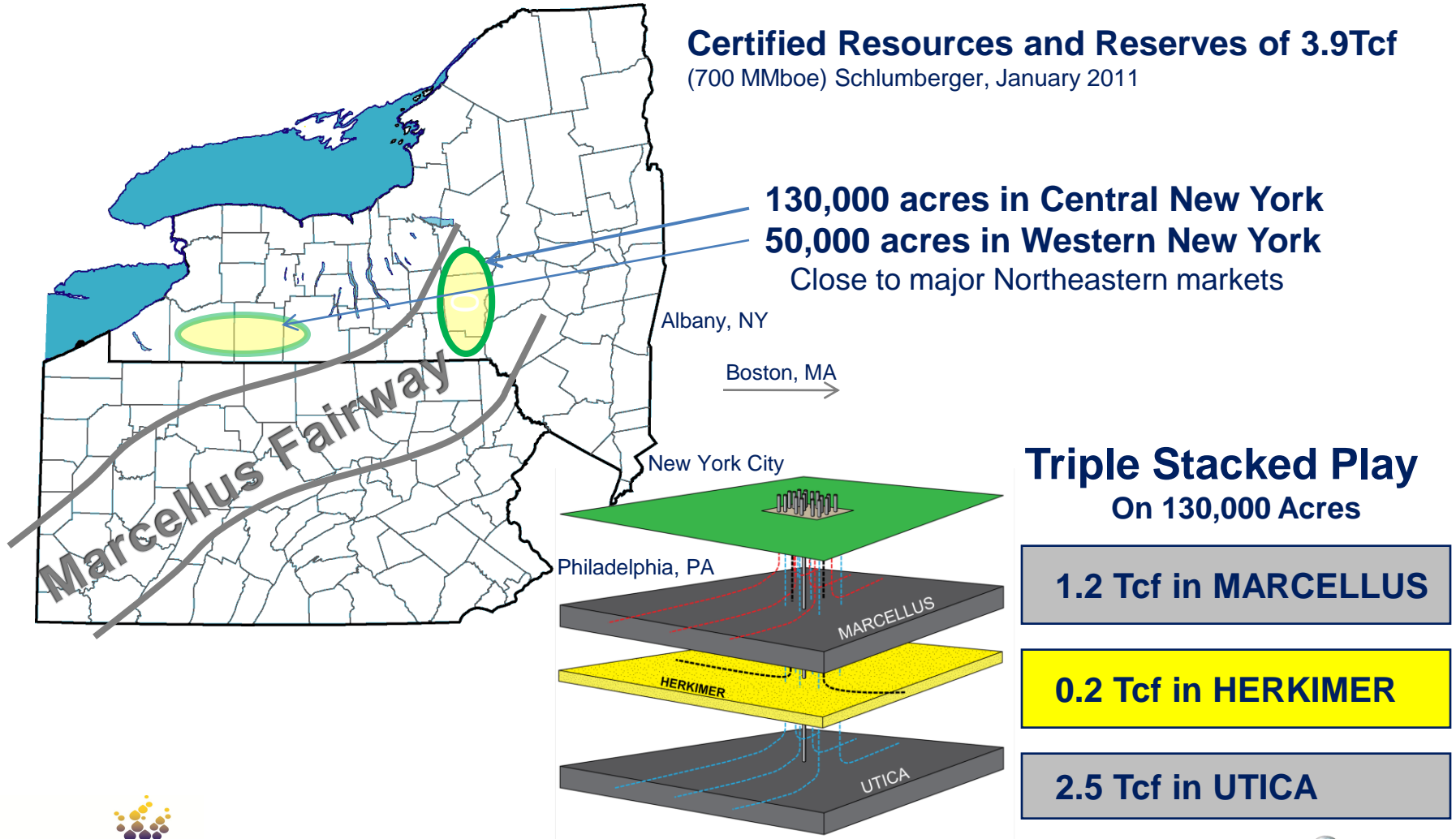


Summary of Norse Energy



Norse Energy Corp. ASA

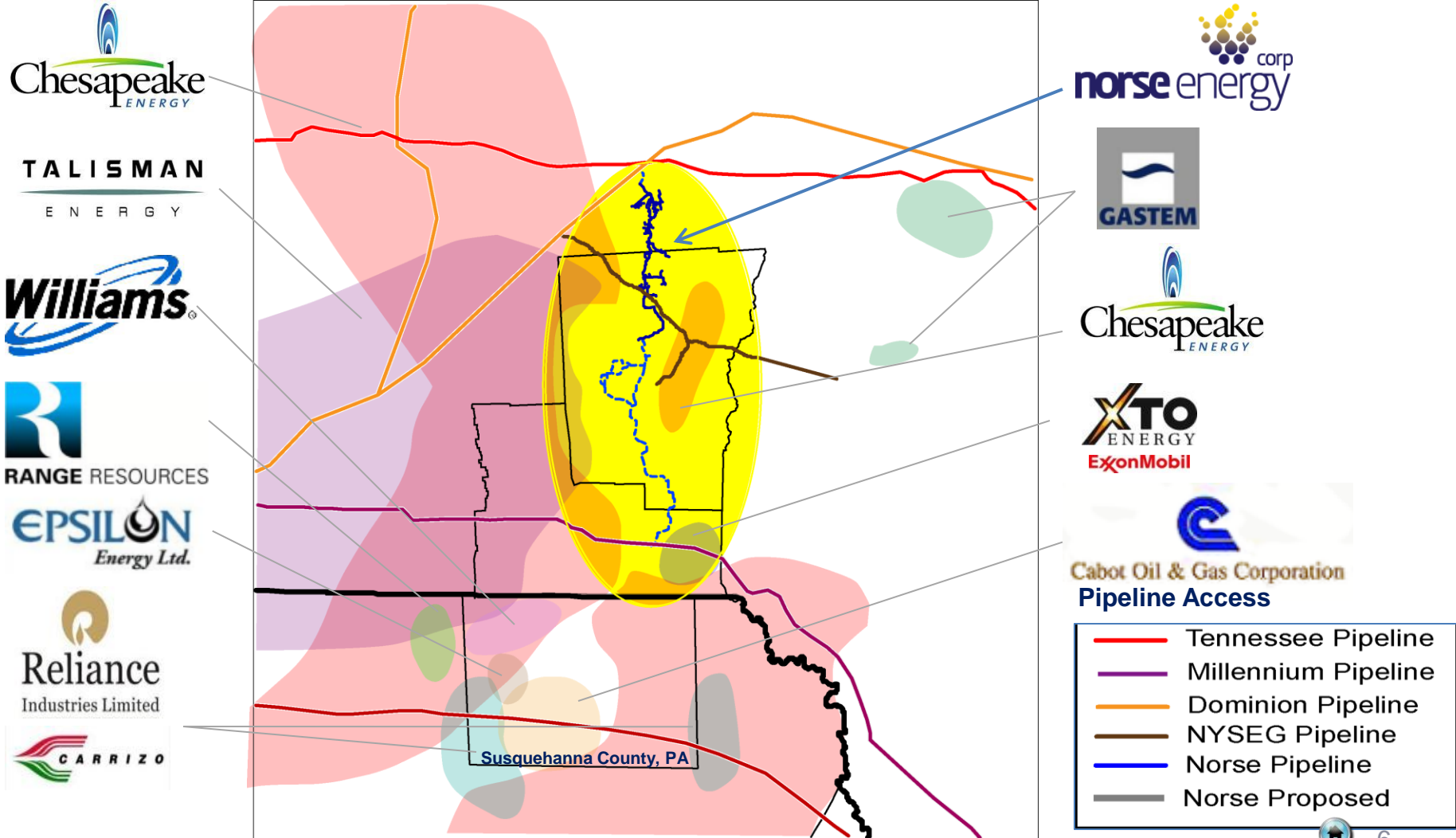
Herkimer Company with Significant Upside in Marcellus & Utica Shale



Norse Acreage is Validated by Majors

130,000 Acres Surrounded by Industry Leaders

Pipeline/Right of Way Interconnection with Millennium, Dominion, and Tennessee





New York Regulation

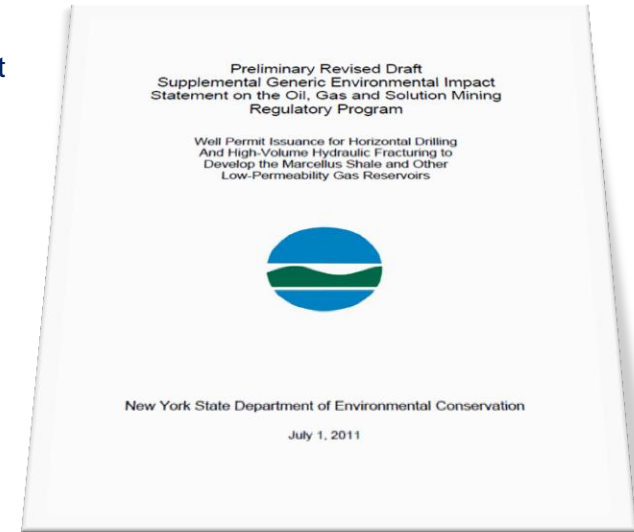
Preliminary Draft SGEIS Released 8 July 2011



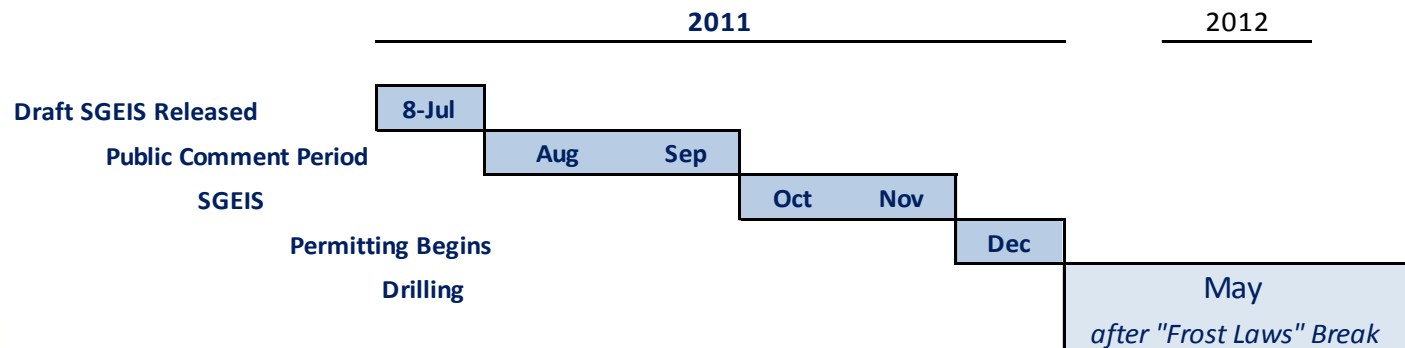
Preliminary Draft SGEIS

Issued 8 July 2011

- The preliminary draft Supplemental Generic Environmental Impact Statement (“SGEIS”) was released on 8 July 2011. A 60 day public comment period will commence in August . The full document is available at www.dec.ny.gov/energy/75370.html.
- “This report strikes the right balance between protecting our environment, watersheds, and drinking water and promoting economic development,” DEC Commissioner Joseph Martens said.
- “Department of Environmental Conservation Commissioner Joe Martens' comments Friday came a day after his agency outlined recommendations to permit hydraulic fracturing in most of the state's potentially lucrative Marcellus Shale formation across the state's Southern Tier. No permits will be issued until after public comments, further review and final regulations, probably in late fall or early winter, he said.” Associated Press 6 July 2011.



Realistic Shale Timeline from 8-Jul draft SGEIS



Preliminary Draft SGEIS Conclusions

Economic development benefits outweigh drilling risks

- **Significant Economic Benefits**

"...the dSGEIS considers the "no action" alternative (which means it considered an approach that would prohibit natural gas drilling using HVHF). The Department finds that the "no action" alternative would not result in any of the significant adverse impacts identified herein, but would also not result in the significant economic and other benefits identified with natural gas drilling by this method. The Department believes that this alternative (the "no action" alternative) is not preferable because significant adverse impacts from HVHF operations can be fully or partially mitigated. (Italic and inner quotation marks added for clarity)

- **Less Surface Disturbance**

"Overall, there clearly is a smaller total area of land disturbance associated with horizontal wells for shale gas development than that for vertical wells. For example, a spacing of 40 acres per well for vertical shale gas wells would result in, on average, 70-80 acres of disturbance for the well pads, access roads and utility corridors (4.8 acres per well) to develop an area of 640 acres. A single well pad with 6 to 8 horizontal shale gas wells could access all 640 acres with only 7 to 8 acres of total land disturbance."

- **Groundwater Contamination is Unlikely**

"A supporting study for this dSGEIS concludes that it is highly unlikely that groundwater contamination would occur by fluids pumped into a wellbore for hydraulic fracturing. The 2009 dSGEIS further observes that regulatory officials from 15 states recently testified that groundwater contamination as a result of the hydraulic fracturing process itself has not occurred."

Positive Statements in SGEIS

No migration of fracturing fluids, drinking water safe

- **No Significant Vertical Migration of Fracturing Fluids**

"Chapters 5 and 6 contain analyses that demonstrate that no significant adverse impact to water resources is likely to occur due to underground vertical migration of fracturing fluids. The developable shale formations are vertically separated from potential freshwater aquifers by at least 1,000 feet of sandstones and shales of moderate to low permeability. In fact, most of the bedrock formations above the Marcellus Shale are other shales. That shales must be hydraulically fractured to produce fluids is evidence that these types of rock formations do not readily transmit fluids."

- **Adverse Impact from Underground Migration of Fracturing Fluids is Unlikely**

"Hydraulic fracturing is engineered to target the prospective hydrocarbon-producing zone. The induced fractures create a pathway to the intended wellbore, but do not create a discharge mechanism or pathway beyond the fracture zone where none existed before. The pressure differential that pushes fracturing fluid into the formation is diminished once the rock has fractured, and is reversed toward the wellbore during the flow back and production phases. Accordingly, there is no likelihood of significant adverse impacts from the underground migration of fracturing fluids."

- **No Evidence of Increased Seismicity**

"Information reviewed indicates that there is essentially no increased risk to the public, infrastructure, or natural resources from induced seismicity related to hydraulic fracturing. The microseisms created by hydraulic fracturing are too small to be felt, or to cause damage at the ground surface or to nearby wells."

Impact of SGEIS on Well Cost

Regulations generally apply industry best practice to mitigate risk

- Third set of cemented casing required in “most cases”
- Secondary containment required
- Storm water controls required
- Conditions related to the disposal of wastewater and solid waste
- Pressure testing of fracturing equipment components with fresh water prior to the introduction of chemical additives

Norse Energy Addresses dSGEIS

Dennis Holbrook, EVP, active in regulatory affairs and media

Norse EVP Dennis Holbrook is a respected commentator on Industry developments in New York State.

Follow these links for complete interviews:

(copy and paste the links to your browser if they do not open automatically)

<http://www.capitaltonight.com/2011/07/ioga-reacts-to-fracking-report/>

<http://www.publicbroadcasting.net/wbfo/news.newsmain/article/0/0/1815305/news/Hydro-fracking.debate.heats.up>

<http://audio.wben.com/search?q=dennis+holbrook>

<http://blogs.wcny.org/the-capitol-pressroom-for-july-14-2011/>

<http://www.theithacajournal.com/apps/pbcs.dll/article?AID=2011106300332>





Financial History & Strategy



Debt & Equity Market Cap

Enterprise value today is ~\$200 million; balance sheet is over-leveraged

Equity Capitalization

(As of 07/20/2011)

Share Price, NOK	0.71
Exchange Rate, USD / NOK	5.49
Share Price, \$	0.13

Shares Outstanding 743,000,000

Current Market Cap \$96,089,253

Bank & Bond Debt Outstanding

<u>Maturity Date</u>	<u>Principal</u>	<u>Interest</u>
July 2012	\$35,615,000	\$11,599,862
July 2013	\$41,906,855	\$7,509,902
September 2014	<u>\$10,031,855</u>	<u>\$1,304,347</u>

Total Bond Debt \$87,553,710 \$20,414,111

Bank Debt \$14,200,000

Total Debt Outstanding \$101,753,710

Brief Financial History

Principal Events

Demerger	June 2010	Created asset rich, cash flow poor company
Bond Restructuring	July 2010	Pledged assets; stepped up coupon to 13.5%
NY Regulatory Delay	July 2011 Dec 2009 Sept 2008	Preliminary draft SGEIS now is released Draft SGEIS released for comments Order to supplement GEIS to include HVHF
Herkimer Drilling	Oct 2010 Feb 2010	Resumed drilling on 3D Seismic Outperformed on production volume Underperformed on cost Halted drilling on 2D Seismic

Norse Energy Corporate Strategy

1. Environment, Health & Safety

- Top priority

2. Deliver Herkimer Performance

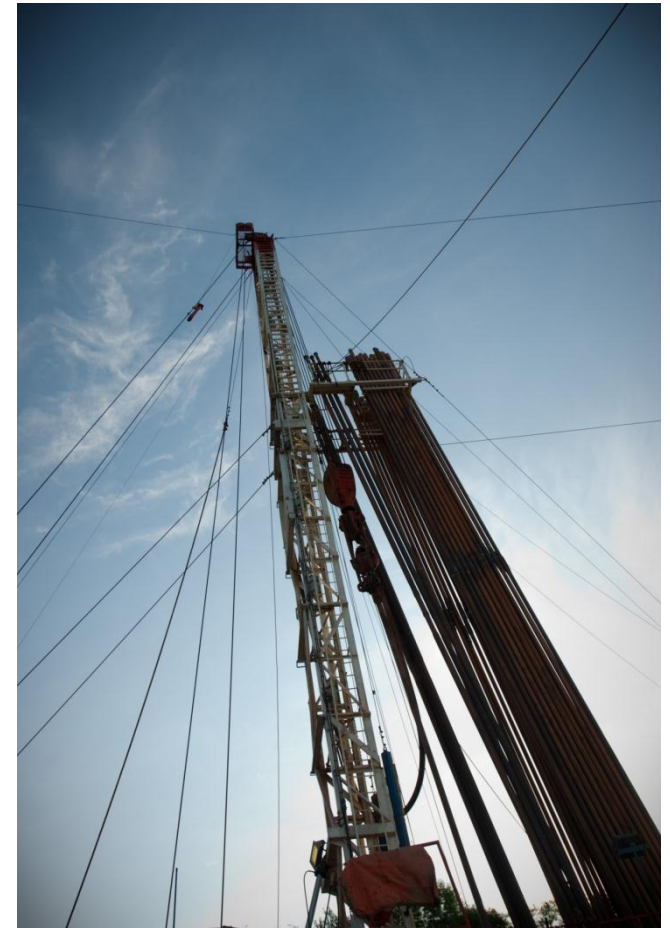
- Illuminate prospects with 3D seismic
- Increase drilling efficiency

3. Preserve the Shale Option

- Hold Acres by Production (“HBP”)
 - 50% JV partnerships doubles acres “HBP”
- Declared *force majeure* on leases

4. Improve Balance Sheet

- Monetize assets and reduce debt
- Leverage JVs and partnerships in the Herkimer and in the shales





Evaluation of Contingent Resources

Schlumberger Certified 3.9 Tcf



Schlumberger Resource Estimate is 3.9 TCF

Reservoir	2C Contingent Resource (mmscf)	Acres
Herkimer Sandstone	142,188	130,000
Marcellus Shale 2500'- 3000'	1,184,628	77,000
Utica Shale 3000'- 6000'	824,536	53,000
Utica Shale 6000'- 9500'	<u>1,722,551</u>	77,000
Total	3,873,903	

Basis for YE 2010 2C estimate

- Norse maps by prospect area
- Norse locations and target formations
- Norse log and core data
- Norse proposed development plans

Methodology for estimating Marcellus and Utica shale resources

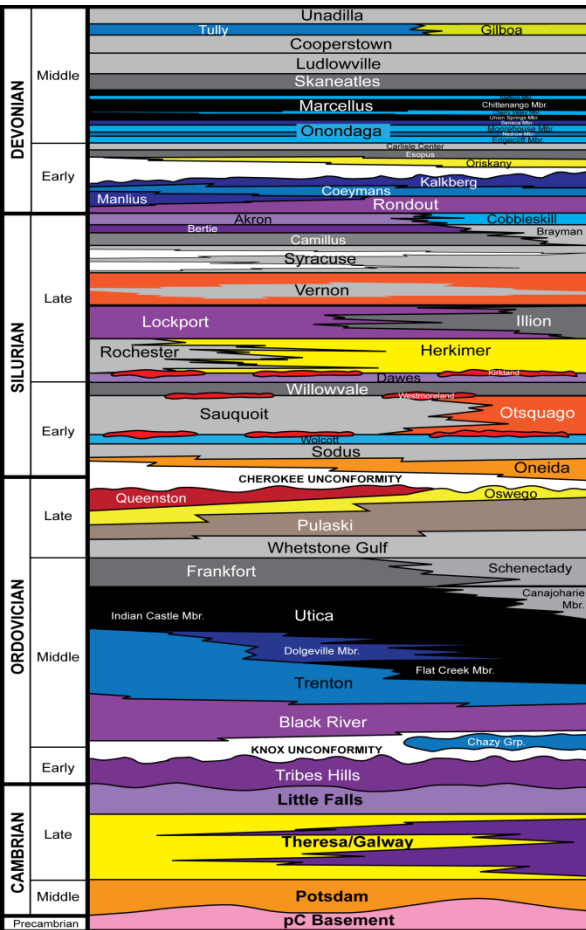
- Volumetrics
- Analogous Production
- GIP
- 30% recovery factor
- Horizontal well development



Comparative Geologic Quality



Shale Play Comparisons



Parameter	Barnett	Woodford	Haynesville	Fayetteville	Marcellus	Norse Marcellus	Norse Utica
Geologic Age	Upper Mississippian	Devonian	Jurassic	Upper Mississippian	Lower Devonian	Lower Devonian	Middle Ordovician
Thickness - gross	200-500'	50-300'	150-350'	50-300'	50-300'	120-300'	270-400'
Porosity	4-6%	3-9%	8-15%	3-7%	3-9%	3-9%	3-7%
TOC	3-8%	3-10%	0.5-8%	4-10%	2-10%	2-10%	2-6%
Vitrinite % Ro	1.2-2.0%	1.1-3.0%	1-3%	1.2-4%	0.6-3.0%	1.6-2.7%	3.2-4.3%
Silica Content	40-60%	60-80%	<40%	40-60%	40-60%	40-50%	40-60%
GIP/Section	75-125 Bcf	50-100 Bcf	150-200 Bcf	50-75 Bcf	75-125 Bcf	80 Bcf	40-103 Bcf

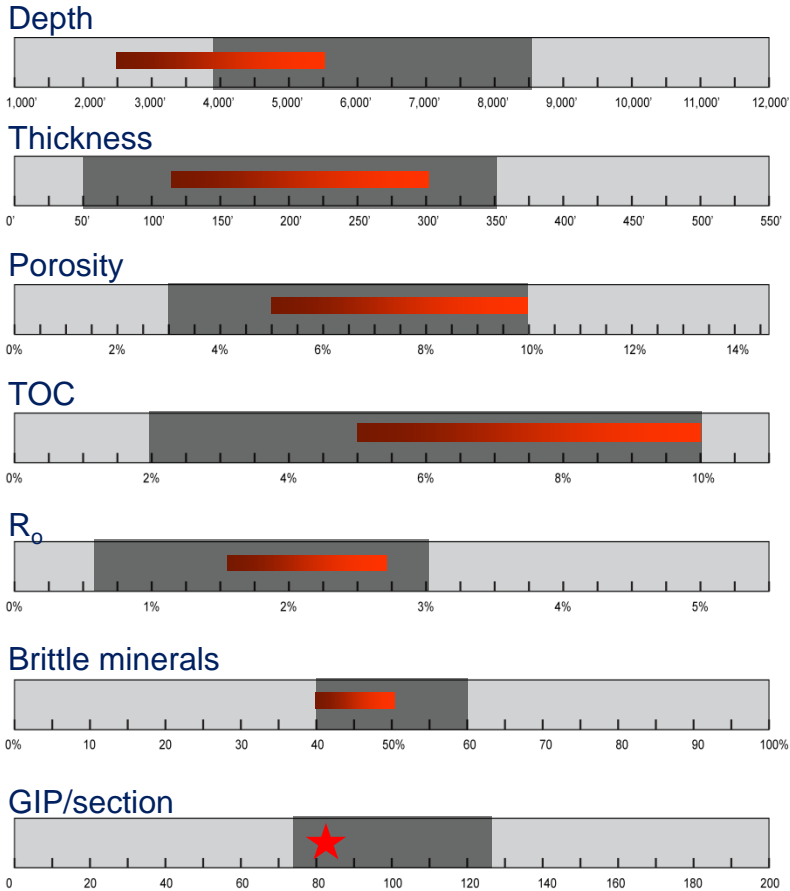
Based upon public reports of numerous companies and Norse data.

Eastern New York Stratigraphy

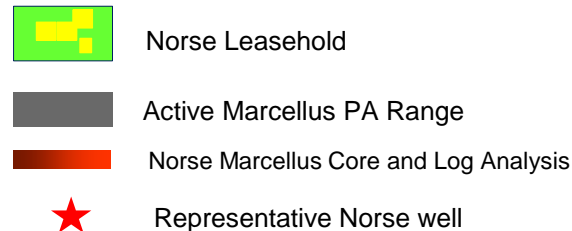
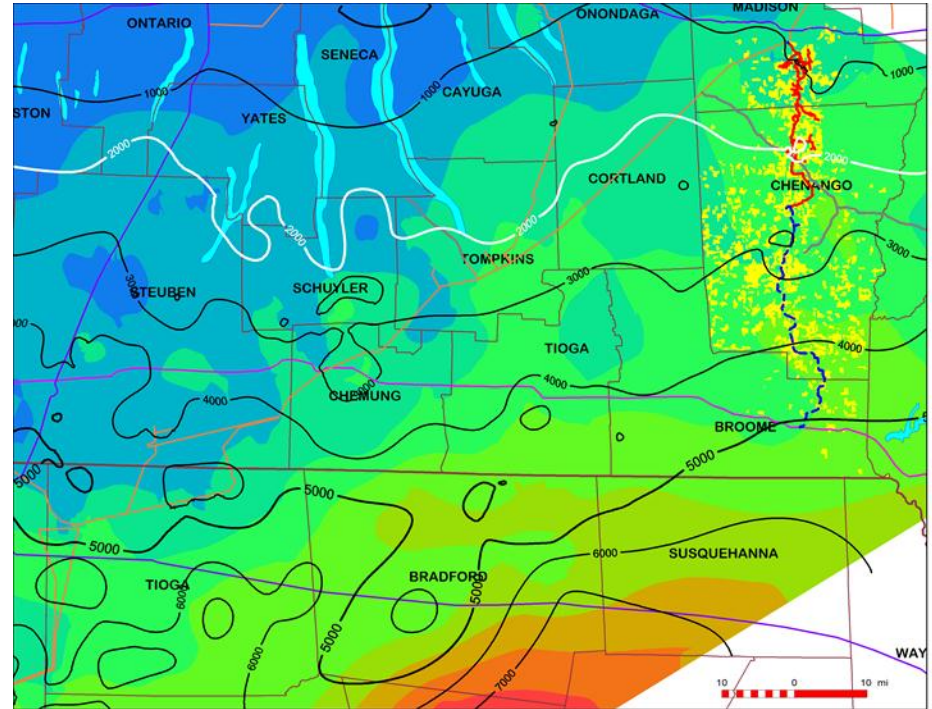
Norse Marcellus Acreage

Highly Favorable Characteristics

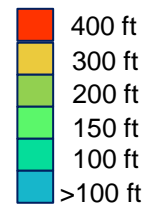
Attractive Marcellus Characteristics



Marcellus Depth from surface and Isopach



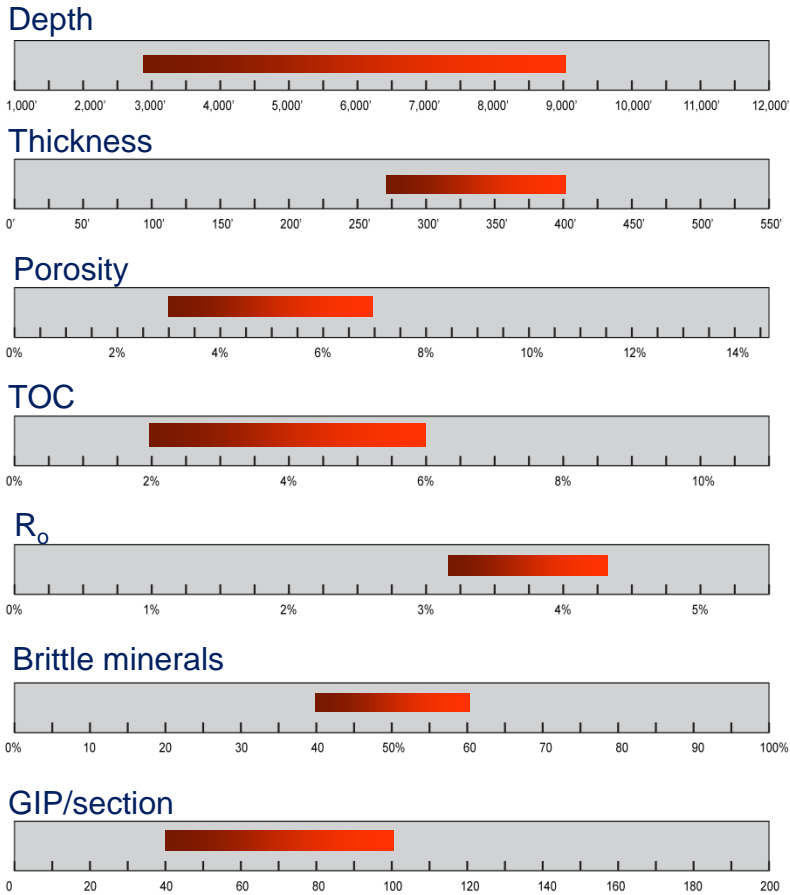
Isopach Legend



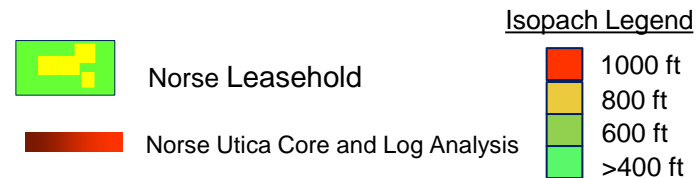
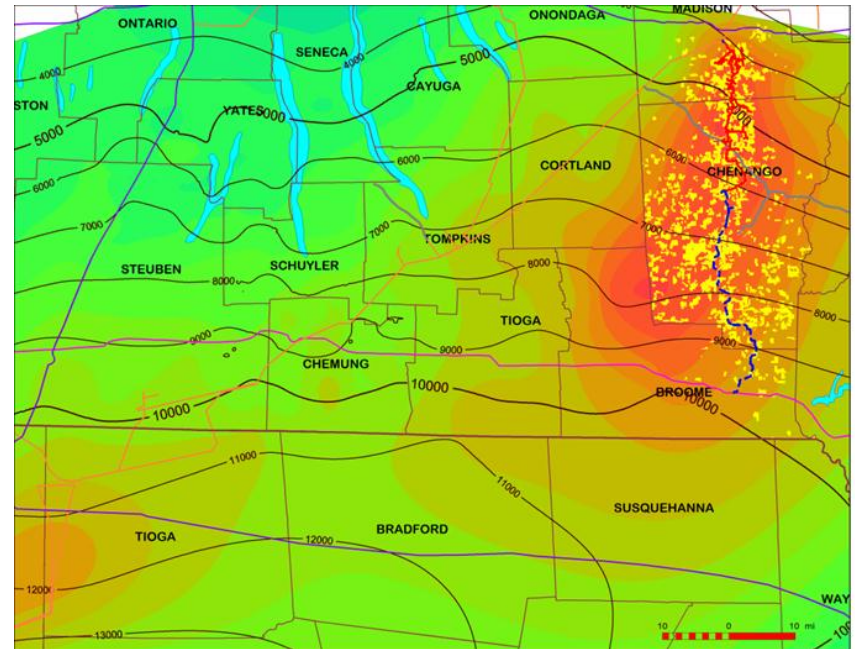
Norse Utica Acreage

Highly Favorable Characteristics

Attractive Utica Characteristics



Utica Depth from surface and Isopach

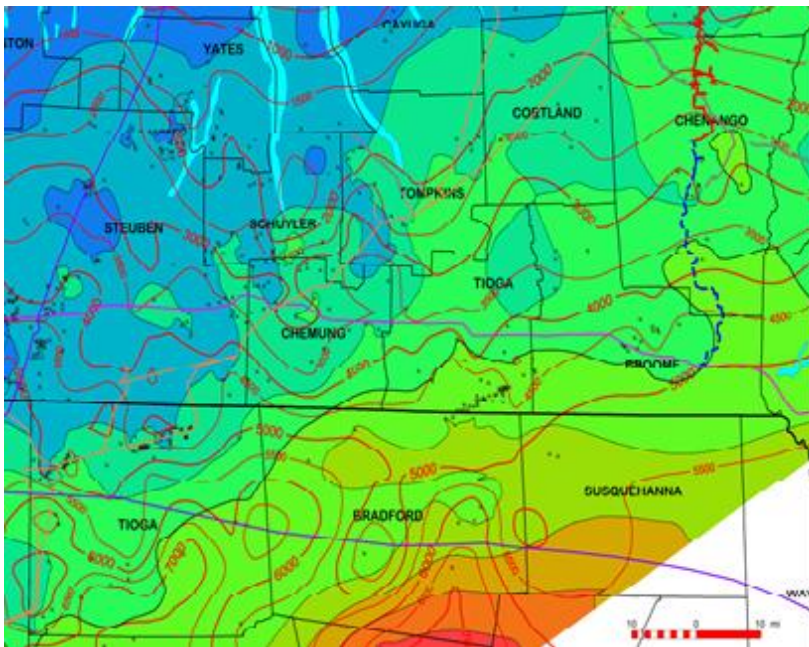


Norse Acreage Position

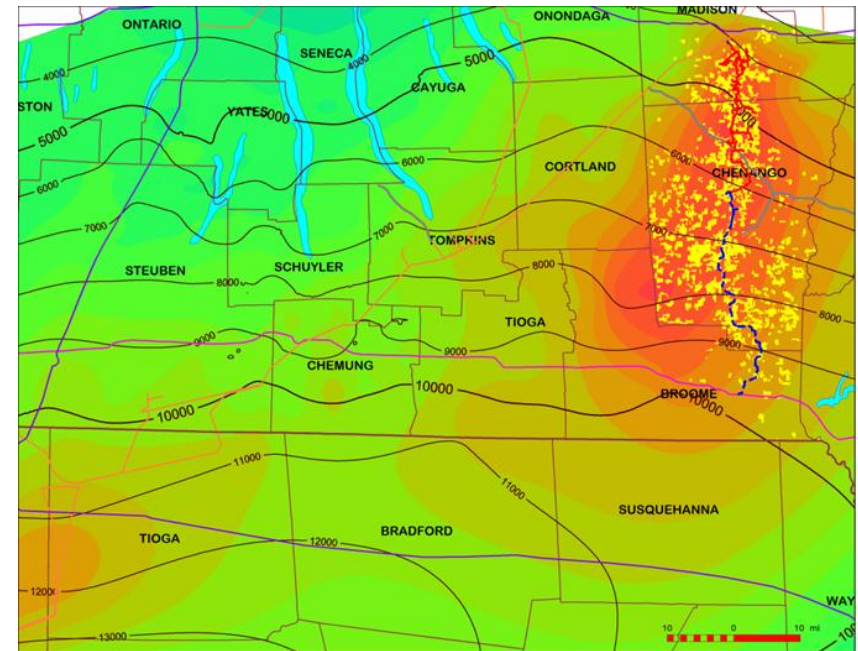
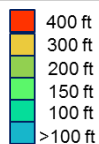
Norse Utica Compares Favorably to the Best Marcellus

Most Favorable Marcellus Characteristics:
Susquehanna County, PA

Most Favorable Utica Characteristics:
Norse Acreage Position, NY

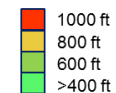


Isopach Legend



Norse Leasehold

Isopach Legend





Land Strategy

Preserving the Shale Option



Preserving the “Shale Option”

Marcellus and Utica Shale Acres are Held by Herkimer Production

Held by Production (“HBP”)

...means holding the future right to...

- Develop all of the acreage,
- In all leases in the drilling unit,
- In all geological formations,
- For the life of the producing well

Current Position

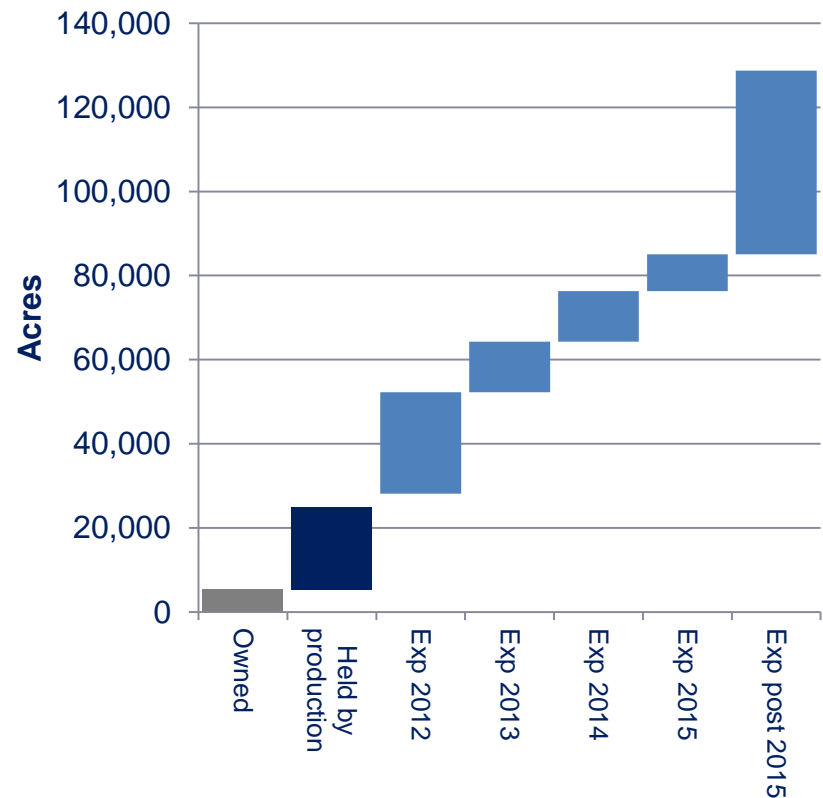
- **26,000 acres** HBP or owned
- **2011 Drilling will add 7,500 Acres**
- **~ \$1.2 billion in Future Value**

(assuming 100 acre spacing, 330 wells and a PV-10 of \$3.7 million per shale well at \$5 Gas Price)

HBP Strengthens Lease Position

Already attractive, long-lived, acreage position - with shale upside

Lease Expiration Profile
Total of 130,000 acres in Central New York
(Before Force Majeure lease extensions)



Lease Terms

- Norse leases contain significantly better terms than could be obtained in today's market in New York State whether dealing with coalitions or otherwise
- Norse's lease contracts contain the following provisions;
 - Strong *Force Majeure* provision
 - Favorable shut-in provisions
 - Leases can be held beyond primary term expiration so long as a drilling permit is pending with governmental authorities and for a reasonable time after issuance before beginning operations
 - Few surface restrictions
 - No drilling requirement

Lease Terms

- Norse's lease contracts contain the following rights:
 - Conduct exploration, including seismic operations
 - Unilateral right to assign
 - Lay pipeline, including gas from wells not in the lease unit
 - Drill water wells for use on lease
 - Install facilities for production
 - Deduct processing and other costs from royalty payments
 - Extend at a low cost (\$50/acre for a 5 year extension)
 - Ability to hold beyond primary term by permitting
 - Ability to Hold By Production (HBP) all of the lease if any part of the lease is in a drilling/producing unit



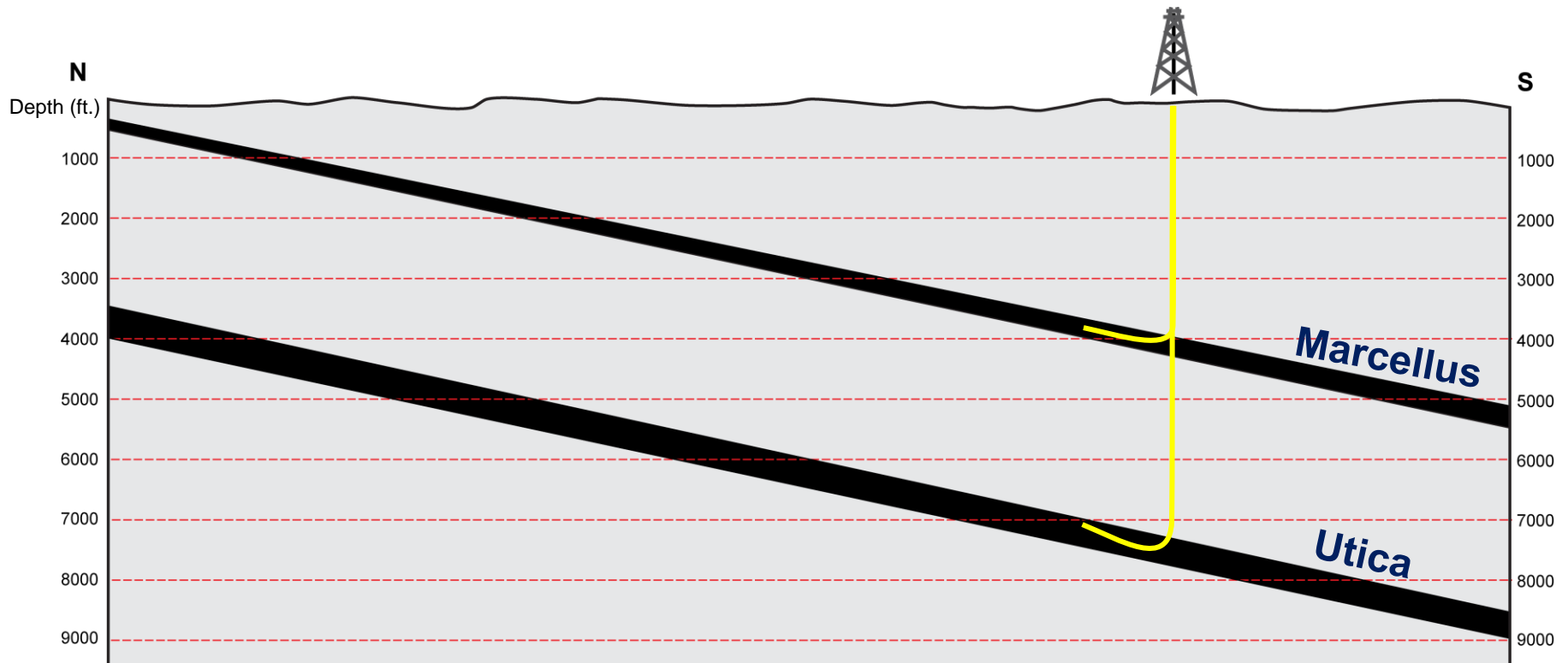
Drilling Programs



Depth of Marcellus and Utica Shales

Norse Acreage Position Includes Optimal Depths for Shale Development Across Two Formations

93,000 Marcellus acres deeper than 2,000 ft. (average depth 4,000 ft.)
130,000 Utica acres deeper than 2,000 ft. (average depth 6,500 ft.)

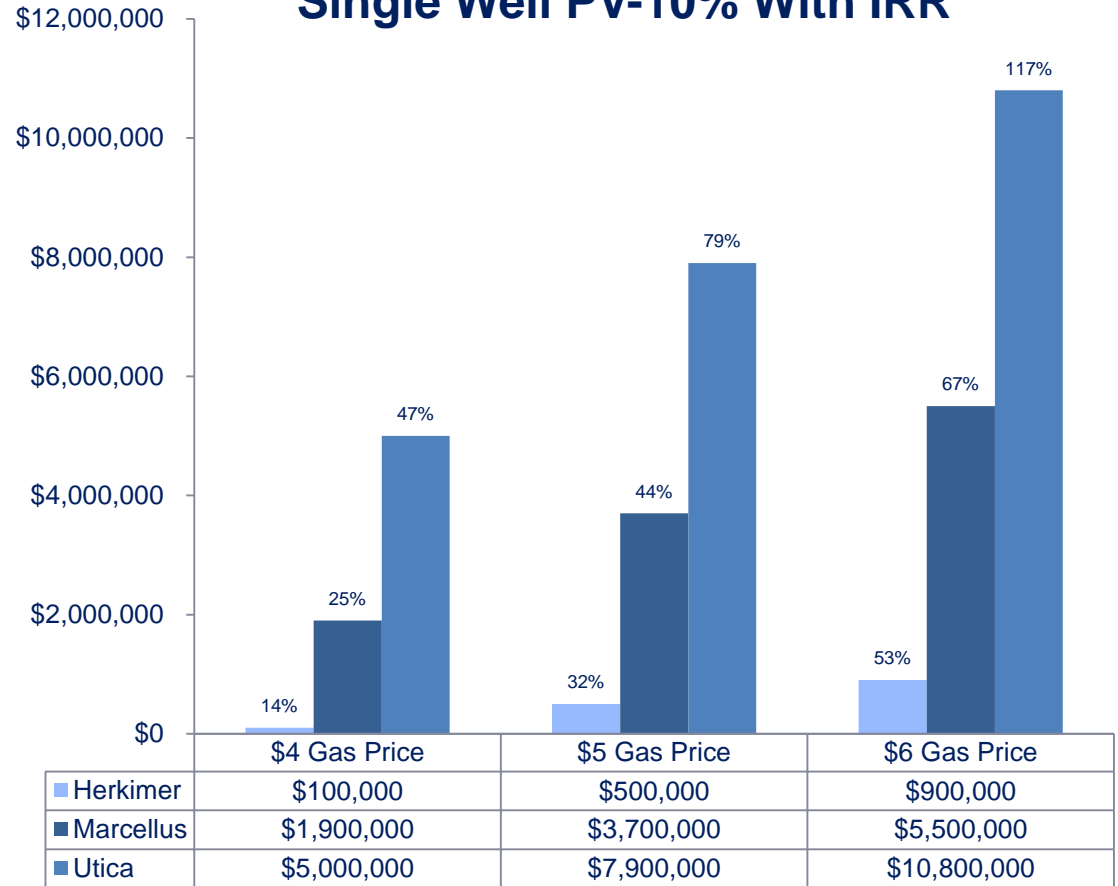


Comparative Well Results

Economics based on Type Curve

- Herkimer per well
 - 1,000 IP-30
 - 0.7 Bcf EUR
 - \$1.35M Cap Ex
- Shale per well – 4,000 ft.
 - 4,400 IP-30
 - 4.0 Bcf EUR
 - \$4.25M Cap Ex
- Shale per well – 6,500 ft.
 - 7,200 IP-30
 - 6.6 Bcf EUR
 - \$5.25M Cap Ex

Single Well PV-10% With IRR





Herkimer Drilling Program



Herkimer is Attractive at Current Prices

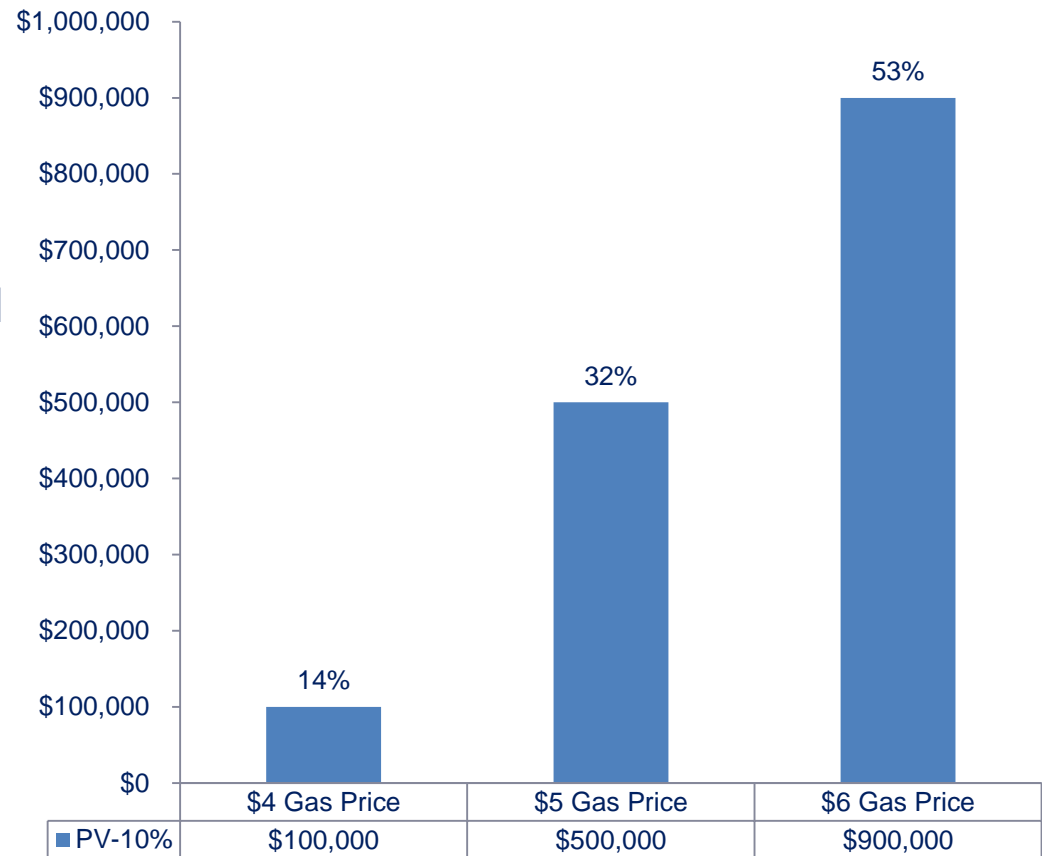
Attractive Returns at Current Natural Gas Price

Assumptions

100% Norse Well

- 1,000 IP-30 Mcf/d
 - 0.7 Bcf EUR per well
- \$1.35 million Cap Ex per well

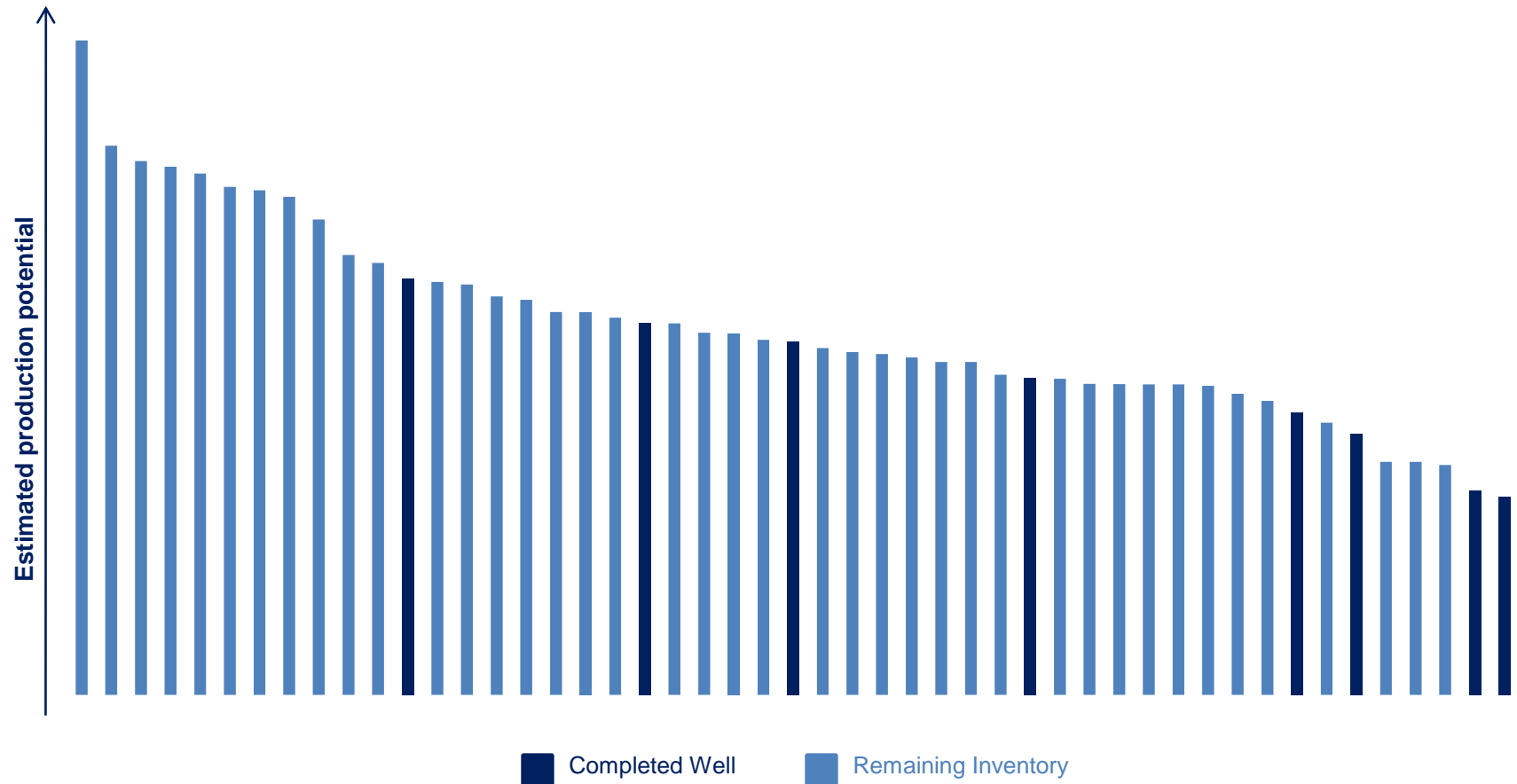
Single Herkimer Well PV-10% With IRR



3D Seismic 2011 Drilling Inventory

Ranking system and real world testing of first 39 qualified well sites

Inventory of 3D Seismic Well Sites





Market Valuation



Strategic Acquisitions of Marcellus Acreage

15 Selected Transactions in 2010 at High USD Values per Acre

2010 Marcellus Land Transactions

High Marcellus Prices

\$14,000 / Acre

Median Transaction

\$8,000 / Acre

Norse's 130,000 Acres

\$4,000 = \$500 million

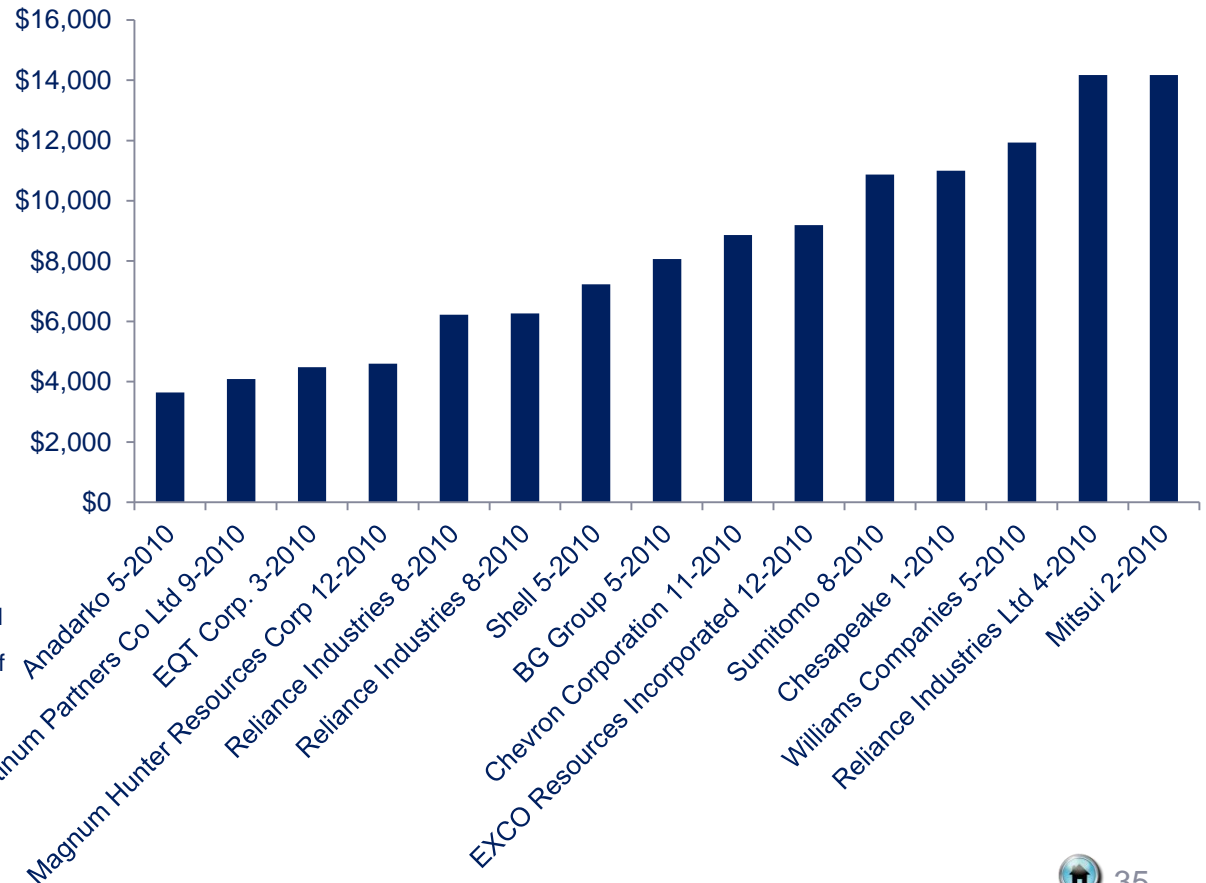
\$8,000 = \$1 billion

Recent New York Land Sale

\$2,750 / Acre

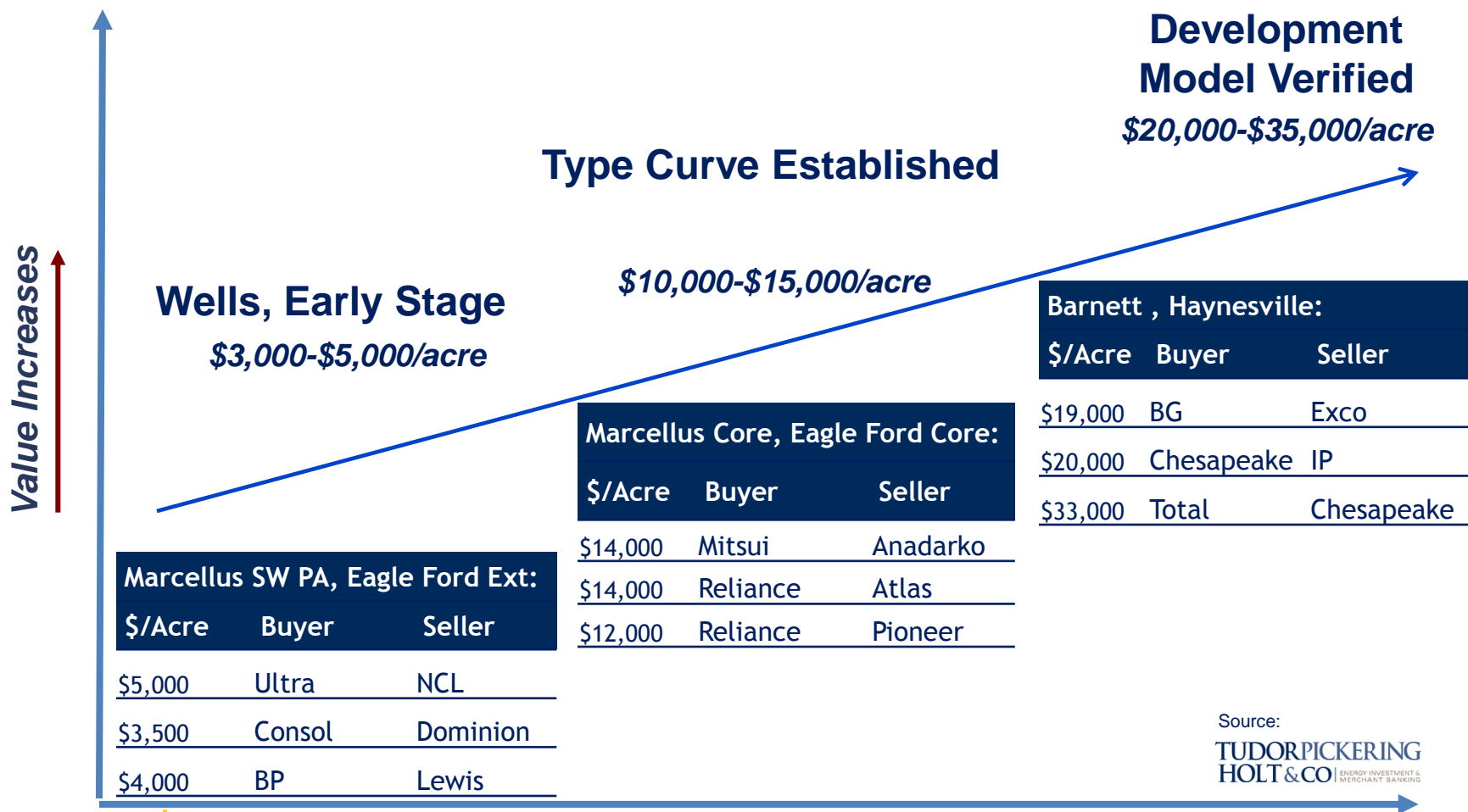
Note: These data are summary statistics and implied values of announced industry transactions. Expressing a value in terms of \$/acre is only one of many valuation metrics.

Data Source: Tudor Pickering Holt



Unconventional Resource Value Progression

Discounted Development Valuation



Source:
TUDORPICKERING
HOLT & CO. ENERGY INVESTMENT & MERCHANT BANKING



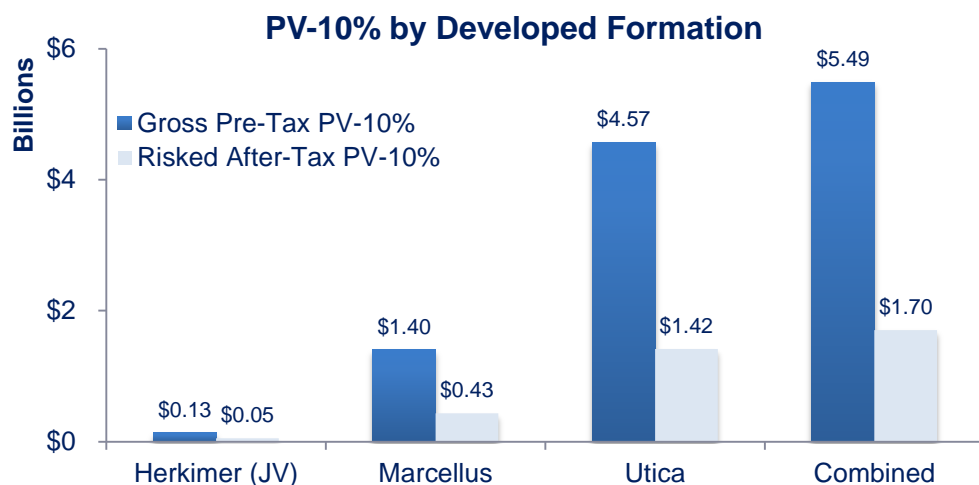
Norse Acreage Position with Company Discounted Cash Flow Valuation

with Herkimer, Marcellus & Utica Formations

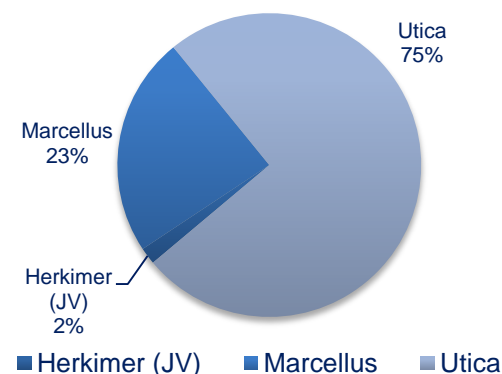


Company Discounted Cash Flow Valuation

Acreage Position in Central New York; \$5 Constant Natural Gas Price



Un-risked EUR by Developed Formation



	Herkimer (JV)	Marcellus	Utica	Combined
Well Sites	162	586	1,143	1,891
EUR - Tcf	0.2	2.3	7.5	10
Cap Ex	\$108,000,000	\$2,493,825,000	\$6,007,556,250	\$8,609,381,250
IRR	66%	43%	77%	62%
Gross Pre-Tax PV-10%	\$134,356,810	\$1,400,404,923	\$4,568,247,170	\$5,489,675,565
Tax Rate	38%	38%	38%	38%
After Tax PV-10%	\$83,301,222	\$868,251,052	\$2,832,313,245	\$3,403,598,850
Risk Factor	40%	50%	50%	50%
Risked After-Tax PV-10%	\$49,980,733	\$434,125,526	\$1,416,156,623	\$1,701,799,425

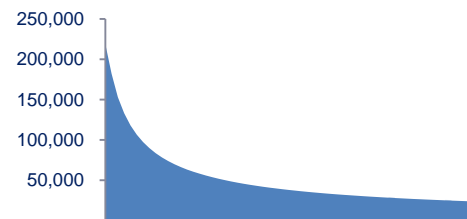
\$20,000 per acre

Company DCF Valuation

Acreage Position in Central New York

Model Input:	Herkimer	Marcellus	Utica
Start Date	1-May-11	1-Jul-12	1-Jul-12
Acres	103,500	65,000	130,000
Condemnation Factor	0%	28%	30%
Usable Acres	103,500	46,880	91,440
Spacing in Acres	640	80	80
Pads	162	212	361
Locations (Laterals)	162	586	1,143
Days per Well	15	30	30
Wells per rig per month	2	1	1
Frost Laws Suspension	Yes	Yes	Yes
Rigs 2011	2	0	0
Rigs 2012	2	1	1
Rigs 2013	2	4	4
Rigs 2014	2	6	6
Rigs 2015	2	8	8
Rigs 2016	0	10	10
Thereafter	0	10	10
D&C	1,350,000	4,000,000	5,000,000
Tie-In	150,000	250,000	250,000
Total	1,500,000	4,250,000	5,250,000
Seismic Cost (Variable per Well per sq mi)	150,000	150,000	150,000
Allocation to Formation	33%	33%	33%
Allocation to Formation	50,000	50,000	50,000

**Utica Mcf/Month
60 Months**



**Marcellus Mcf/Month
60 Months**



**Herkimer Mcf/Month
60 Months**



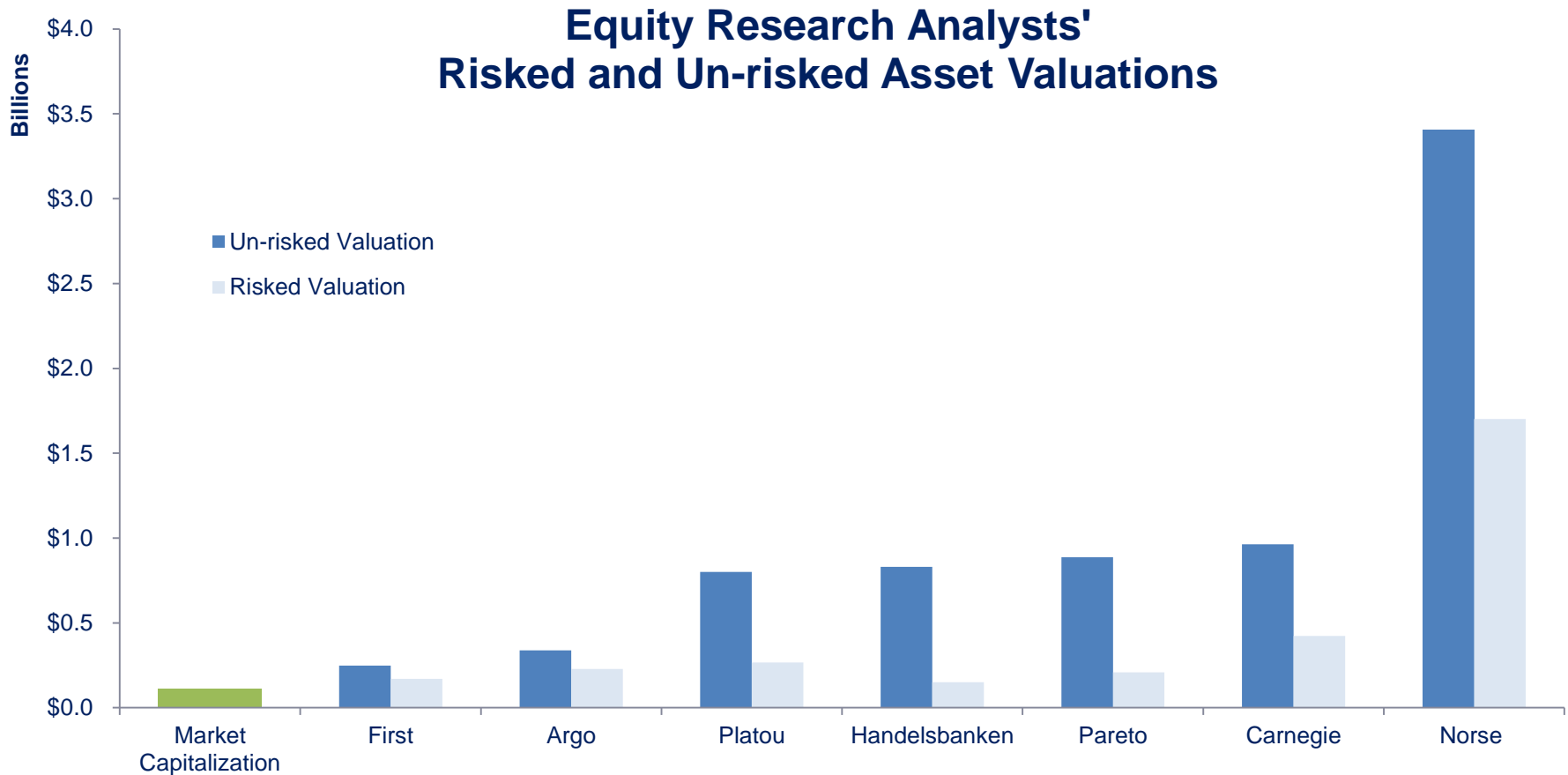


Equity Analyst Valuation of Norse Energy



Discounted Cash Flow Valuation

Norse Valuation Proportionally Adjusted to Schlumberger Reserve Estimates



Norse values are after-tax estimates

Analyst Review – Asset Valuation

Prepared 14-Jun-11

Latest analysis:

Unrisked (MUSD)	Carnegie	Pareto	First	Platou	Argo	Handelsb	3 anlyst x
Herkimer	76,0	255	280	238	280		190
Utica	322,0	327	60	411	278		353
Marcellus	565,0	333	70	198	0		365
Other assets	43,0	15	96	5	143		21
Net debt	42,0	43	66	51	76		-45
Total (MUSD)	964	887	249	800	339	830	884
Per share (NOK)	7,0	6,5	1,8	5,8	2,5	6,1	6,5

Risked (MUSD)	Carnegie	Pareto	First	Platou	Argo	Handelsb	3 anlyst x
Herkimer	61	170	252	161	252		131
Utica	97	33	30	103	195		77
Marcellus	283	33	49	50	0		122
Other assets	26	15	96	5	143		15
Net debt	42	43	66	51	76		-45
Total (MUSD)	423	208	170	267	228	151	299
Per share (NOK)	3,1	1,5	1,2	1,9	1,7	1,1	2,2

- Unrisked High at 7,0 per share (Carnegie).
- 3 main bankers average unrisked at NOK 6,5 per share – down from NOK 9,3 from previous average (30%)
- Risked high at 3,1 per share (Carnegie)
- 3 main bankers average risked at NOK 2,2 per share – down from NOK 3,0 from previous average (27%)

Previous analysis:

Unrisked (MUSD)	Carnegie	Pareto	First	Platou	Argo	Arctic	Handelsb
Herkimer	131,0	268	280	252	231	133	
Utica	322,0	328	55	412	279	197	
Marcellus	565,0	333	64	199	0	282	
Other assets	62,7	15	96	30	136	51	
Net debt	84,0	74	57	57	70	140	
Total (MUSD)	997	870	246	776	305	523	567
Per share (NOK)	10,5	9,2	2,6	8,2	3,2	5,5	6,0
Average 3 main bankers	9,3						
Risked (MUSD)	Carnegie	Pareto	First	Platou	Argo	Arctic	Handelsb
Herkimer	105	178	252	162	208	115	
Utica	97	33	28	103	195	49	
Marcellus	283	33	45	50	0	141	
Other assets	45	15	96	30	136	36	
Net debt	84	74	57	57	70	131	
Total (MUSD)	445	185	171	228	198	211	151
Per share (NOK)	4,7	2,0	1,8	2,4	2,1	2,2	1,6
Average 3 main bankers	3,0						



Appendix





Management



Management



- **Mark Dice. Chief Executive Officer** of the Norse Group since September 2010. Prior to his appointment as CEO he was Chief Operating Officer of NEC and has been with the company since June 2009. Mr. Dice has over 28 years of diverse international oil and gas industry experience having held positions in BP and Amoco including Exploration Manager, Commercial Manager, Performance Unit Leader in the Deepwater Gulf of Mexico and Vice President of Petrotechnical Development. Mr. Dice has deep roots in Appalachia. He grew up in Pittsburgh Pennsylvania, studied geoscience in Ohio and spent the early part of his career exploring throughout the Appalachian basin. He holds an MBA from the Kellogg Graduate School of Management at Northwestern University in Chicago, Illinois, an M.S. in Geology from Kent State University in Kent, Ohio and a B.S. in Geology from Muskingum College in New Concord, Ohio.



- **Richard Boughrum. Chief Financial Officer** Mr. Boughrum has extensive capital markets and corporate finance experience with more than 20 years of investment banking experience, primarily in the energy sector with Goldman Sachs in New York. He has been the CFO of a public energy marketing company and a private multi-national telecom marketing company before joining Norse. Mr. Boughrum has a BS in Journalism and an MS in Communications from the University of Illinois and an MBA in Finance and Accounting from the University of Illinois.

Management



- **Brian Perkins. Executive Vice President of Operations** since January 2011. Mr. Perkins has more than 30 years of experience in the oil and gas industry at companies including Amoco, BHP and BP. He has held senior positions in the US and abroad in operations, engineering, and safety management. His extensive experience provides him with the sound understanding of the business that is required for building and maintaining safe and efficient operations.



- **J. Chris Steinhauser. Executive Vice President, Mergers and Acquisitions.** Mr. Steinhauser has held several executive financial positions over the last 20 years and has a solid track record of bringing start-up oil and gas companies to the public markets. He has a Degree in Business Administration from the University of Southern California, conducted graduate studies at the University of Denver and was a Certified Public Accountant.

Management



- **Stuart Loewenstein. Executive Vice President of Exploration and Development** Mr. Loewenstein has worked as a geologist, geophysicist and manager in the oil and natural gas industry in the Appalachian Basin, including founder, co-owner and President of Quest Energy. He holds a Bachelors degree in geology from the State University of New York at Buffalo, and did graduate work in geology with a concentration in geophysics at the University of Buffalo. He has co-authored numerous professional papers on geology and exploration methods in the Appalachian Basin. Mr. Loewenstein is a member of the American Association of Petroleum Geologists and the Society of Exploration Geophysicists and has served on the Board of Directors of the Independent Oil and Gas Association of New York.



- **S. Dennis Holbrook. Executive Vice President Regulatory and Public Relations** since October 2008. Mr. Holbrook has over 35 years experience in the energy industry, focusing on legal, public policy, contractual and regulatory matters. He has a B.A. in political science from Bucknell University, a *Juris Doctorate* from the Columbus School of Law, Catholic University and is also a graduate of the Executive Development Program of the University of Michigan, Graduate School of Business Administration. Mr. Holbrook serves on the board of directors of both public service and industry organizations, including the Independent Oil & Gas Association of New York, on which he has served as a director for over 25 years.