Northern Oil & Gas, Inc.

Q2 2019 Supplemental Earnings Presentation

AUGUST 2019






NYSE American: NOG

FORWARD LOOKING STATEMENTS

This presentation contains forward-looking statements regarding future events and future results that are subject to the safe harbors created under the Securities Act of 1933 (the "Securities Act") and the Securities Exchange Act of 1934 (the "Exchange Act"). All statements other than statements of historical facts included in this presentation regarding Northern's financial position, business strategy, plans and objectives of management for future operations, industry conditions, and indebtedness covenant compliance are forward-looking statements. When used in this presentation, forward-looking statements are generally accompanied by terms or phrases such as "estimate," "project," "predict," "believe," "expect," "continue," "anticipate," "target," "could," "plan," "intend," "seek," "goal," "will," "should," "may" or other words and similar expressions that convey the uncertainty of future events or outcomes. Items contemplating or making assumptions about actual or potential future sales, market size, collaborations, and trends or operating results also constitute such forward-looking statements.

Forward-looking statements involve inherent risks and uncertainties, and important factors (many of which are beyond our company's control) that could cause actual results to differ materially from those set forth in the forward-looking statements, including the following: changes in crude oil and natural gas prices, the pace of drilling and completions activity on Northern's current properties and properties pending acquisition, Northern's ability to acquire additional development opportunities, changes in Northern's reserves estimates or the value thereof, general economic or industry conditions, nationally and/or in the communities in which Northern conducts business, changes in the interest rate environment, legislation or regulatory requirements, conditions of the securities markets, Northern's ability to consummate any pending acquisition transactions, other risks and uncertainties related to the closing of pending acquisition transactions, Northern's ability to raise or access capital, changes in accounting principles, policies or guidelines, financial or political instability, acts of war or terrorism, and other economic, competitive, governmental, regulatory and technical factors affecting our company's operations, products and prices.

Northern has based these forward-looking statements on its current expectations and assumptions about future events. While management considers these expectations and assumptions to be reasonable, they are inherently subject to significant business, economic, competitive, regulatory and other risks, contingencies and uncertainties, most of which are difficult to predict and many of which are beyond Northern's control. Northern does not undertake any duty to update or revise any forward-looking statements, except as may be required by the federal securities laws.

NORTHERN OIL & GAS

NYSE American: NOG

DOMINANT NON-OPERATOR FRANCHISE IN THE WILLISTON BASIN

Focused on disciplined growth, free cash flow generation and sustainable shareholder returns



BY THE NUMBERS [1]

SCALE	ACTIVITY	CASH FLOW
~164k NET ACRES	**35.0** 2Q19 PRODUCTION MBOE/D	**$111 mm** 2Q19 ADJUSTED EBITDA [3]
90% HELD BY PRODUCTION	**136** PROVED RESERVES MMBOE	**$94 mm** 2Q19 CASH FLOW FROM OPERATIONS [4]

(US$) [2]	NYSE: NOG
Shares Outstanding:	386 mm
Share Price:	$1.50
Market Capitalization:	$584 mm
Enterprise Value:	$1,439 mm

1. Data as of 6/30/2019, except reserves data as of 12/31/18. Values are approximate for illustration.
2. Shares Outstanding as of 6/30/2019, Share Price NYSE: NOG as of 8/1/2019.
3. Adjusted EBITDA is a non-GAAP financial measure. Please see the appendix for reconciliation to the most directly comparable GAAP measure.
4. Excludes cash flows due to changes in working capital.
5. Includes acreage classified as held by production, held by operations or developed

2Q19: BUSINESS UPDATE

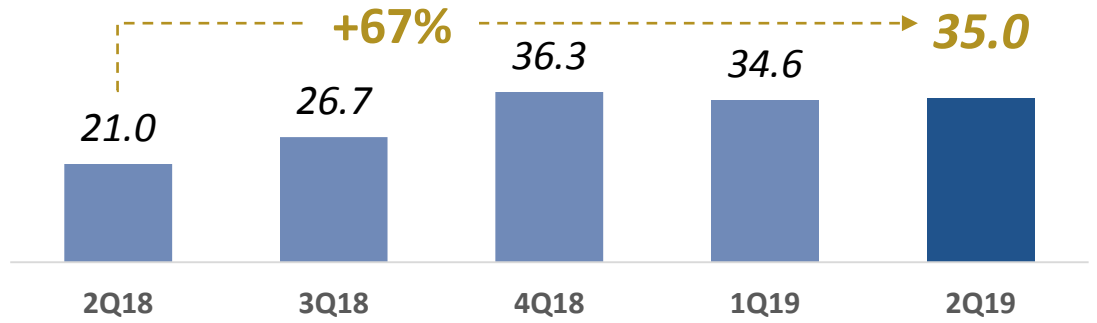
NYSE American: NOG

➢ *Non-operated model continues to demonstrate measured growth with improving capital discipline to drive returns*

GROWING PRODUCTION

mboe/d

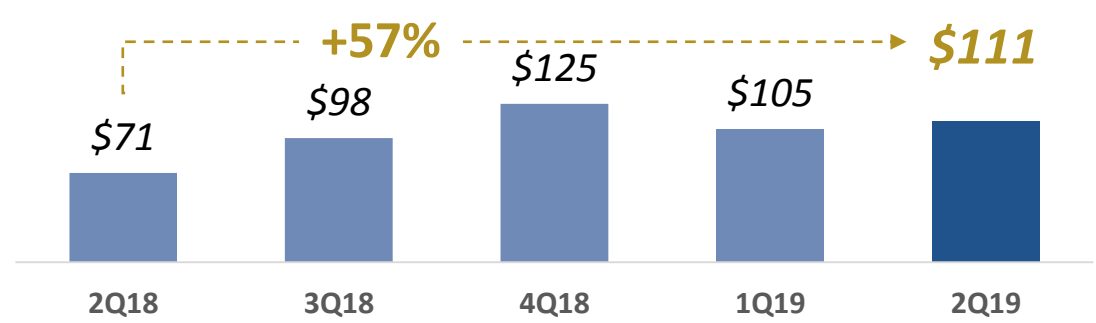
Production ramping across Northern acreage



ENHANCING EBITDA

$MM

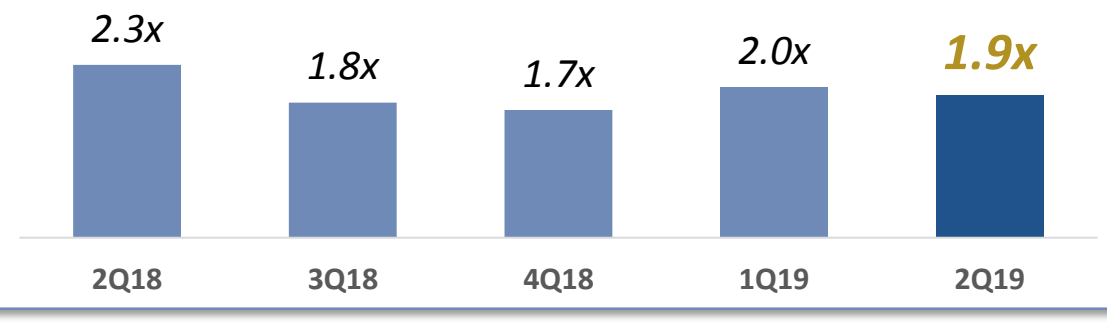
Adjusted EBITDA growing with production [1]



MANAGING LEVERAGE

Net Debt/Annualized Adjusted EBITDA

Exceeding plan, stress tested to flat $45 WTI



STABLE COSTS

LOE/Boe

Participation in cost-efficient wells

QoQ inflation driven by production curtailments



1. Adjusted EBITDA is a non-GAAP financial measure. Please see the appendix for reconciliation to the most directly comparable GAAP Measure.

NORTHERN OIL & GAS – WHY NORTHERN'S BETTER

RETURNS FOCUS

- **BETTER BUSINESS MODEL**
- **BETTER BASIN**
- **BETTER CAPITAL ALLOCATION**
- **BETTER LT GROWTH POTENTIAL**

Changing the way the market thinks about E&P



THE NON-OPERATOR MODEL: WHAT WE DO

➢ *A flexible and moderated approach to E&P, offering capital discipline, cost control & protection from downside exposure*



We do not drill wells or operate rigs



We acquire minority working interests in drilling units & wells



Ability to control capital expenditures higher & lower



'Small, big company' advantages with only 23 employees

DIFFERENTIATED E&P PLATFORM

NYSE American: NOG



- ***Diverse operator group***
- Bakken & Three Forks
- Experienced leadership

- ***Multi-year well inventory***
- Working interest acquisitions
- Non-op consolidation potential

- ***Selective capex allocation***
- Low-cost organic growth
- Shareholder return focus

- ***Broad hedging program***
- Maintaining liquidity
- Improving credit metrics

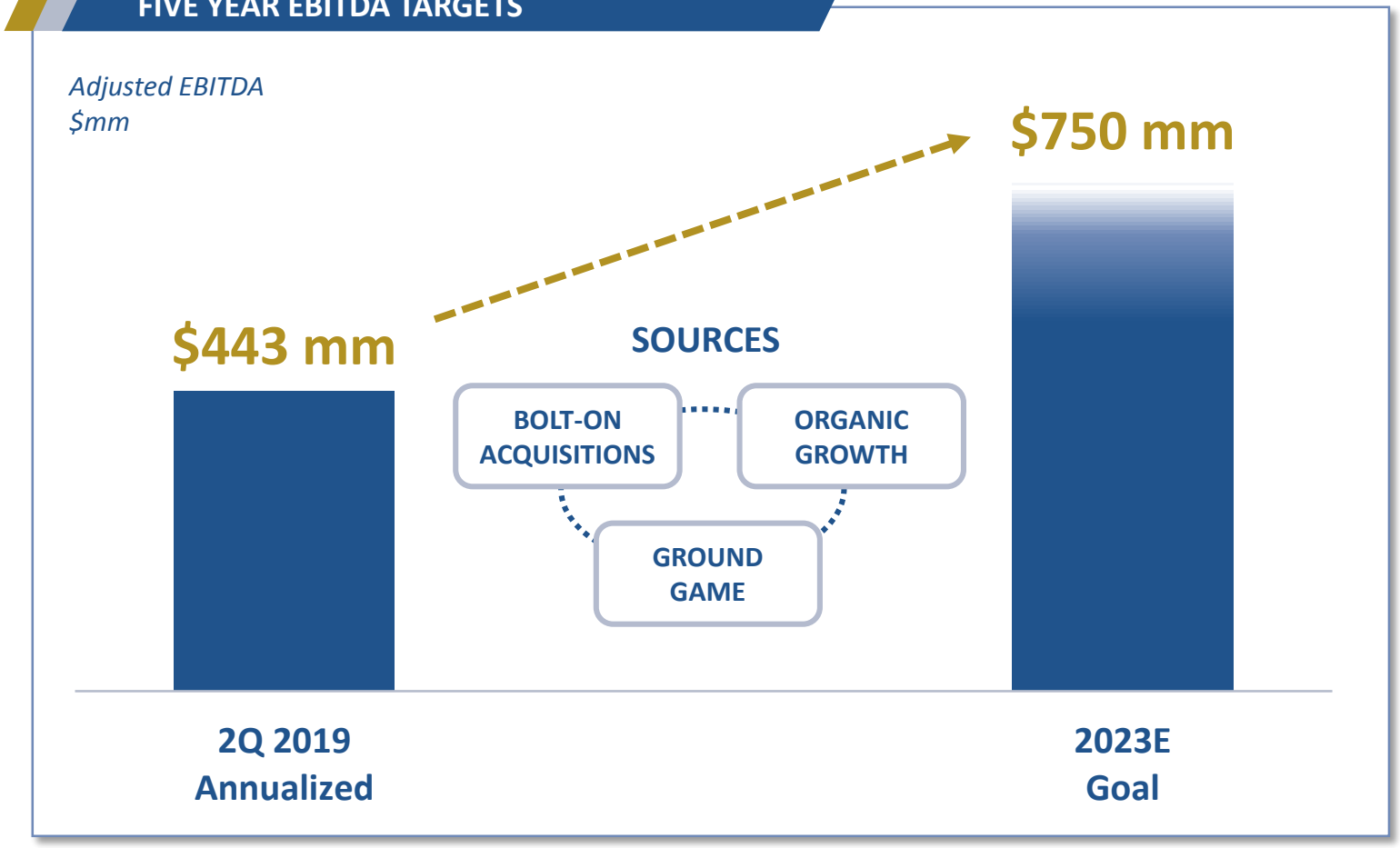
As a non-operator, Northern has an exceptionally high level of capital allocation flexibility

We seek to capture & participate in only the highest-return opportunities across the Williston Basin

NORTHERN'S LONG TERM VISION

➢ *Aspirational goals for the next five years*

FIVE YEAR EBITDA TARGETS



COMBINING ORGANIC GROWTH WITH STRATEGIC GROUND GAME INVESTMENT DRIVES SUSTAINABLE SHAREHOLDER RETURNS

CORE TENETS

1. *Stay within 1.0x - 2.0x Debt/EBITDA*
2. *Deliver returns to shareholders that grow commensurate with cash flow*
3. *Equity markets not required - no dilution unless accretive*

UPDATING 2019 GUIDANCE

NYSE American: NOG

➢ *Northern outperformed in 2018. In 2019, we continue the same exciting progress and update our guidance accordingly*

	2018 ACTUALS	2019 PREVIOUS	2019 GUIDANCE UPDATE
PRODUCTION			
Avg. Daily Prod. (Boe)	25,555	35,000 - 36,000	*38,650 - 39,150*
% Oil	84%	82%	*~ 80% - 81%*
% Nat Gas	16%	18%	*~ 19% - 20%*
INCOME STATEMENT ($/BOE)			
Differential to WTI	($7.12)	*($4.50) - ($6.50)*	*($4.50) - ($6.50)*
Lease Operating Expense	$7.15	*$6.75 - $7.75*	*$8.00 - $8.50*
G&A Cash	$1.15	*$1.00- $1.25*	*$0.95 - $1.15*
G&A Non-Cash	$0.42	*~ $0.50*	*~ $0.50*
Prod. Taxes (% Rev.)	9.2%	*~ 9.1%*	*~ 9.3%*
CAPITAL EXPENDITURES ($MM)			
Total Development Capital	$260.9	*$227 - $260*	*$265 - $285*
M&A and Other Capex	$587.6	*$20 - $25*	*$25 - $50*
Ground Game D&C Capex	-	-	*$30 - $60*
WELL ACTIVITY			
Net Organic Well Additions [2]	31.2	*28 – 32*	*33 - 34*
Ground Game 2019E Wells	-	-	*3 - 5*
Ground Game 2020E Wells	-	-	*3 - 6+*

UPDATING GUIDANCE ACROSS THE REMAINDER OF 2019

CONTINUING MEASURED PRODUCTION GROWTH IN 2H19

33.5 ORGANIC & 4 GROUND GAME NET WELL ADDITIONS IN 2019 [1]

PROJECT ~52% YOY INCREASE IN PRODUCTION [1]

1. Mid point of 2019 guidance
2. Includes in process wells from VEN Bakken acquisition

CAPEX ALLOCATION UPDATE

NYSE American: NOG

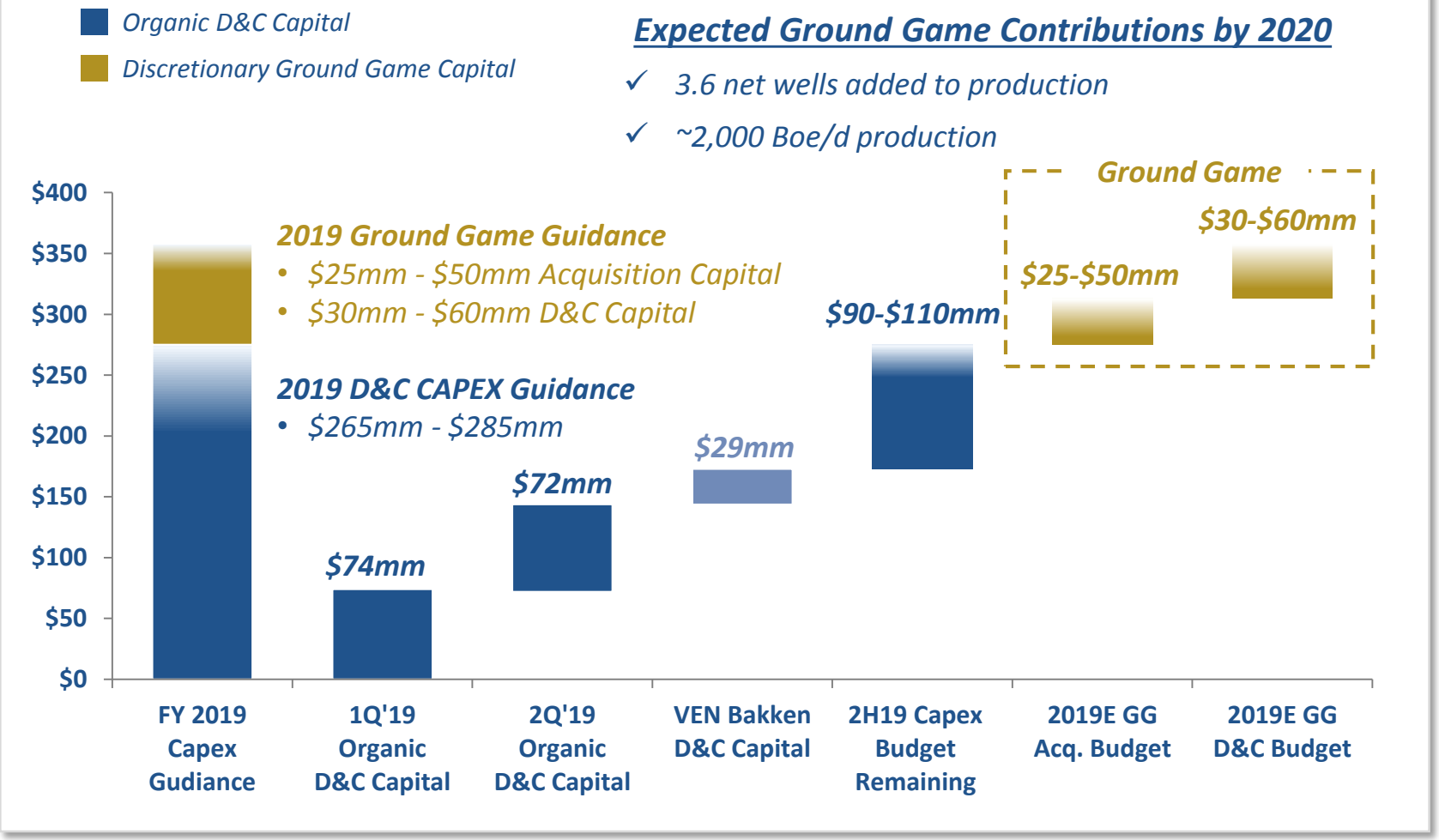
➢ *Discrete, strategic acquisitions drive opportunities at a time when operators are reducing near-term commitments*

NORTHERN HAS COMMITTED TO OR CLOSED ON ~40 GROUND GAME ACQUISITIONS IN 2Q & 3QTD 2019(1)

CAPTURE OF HIGH QUALITY PEER DIVESTMENTS, YIELDS CASH FLOW POSITIVE DRILLING OPPORTUNITIES

ADDING INVENTORY AT COST EFFICIENT LEVELS TO SUPPORT GOAL OF RETURNING CAPITAL TO SHAREHOLDERS

2019 CAPEX ALLOCATION



1. Through July 15, 2019

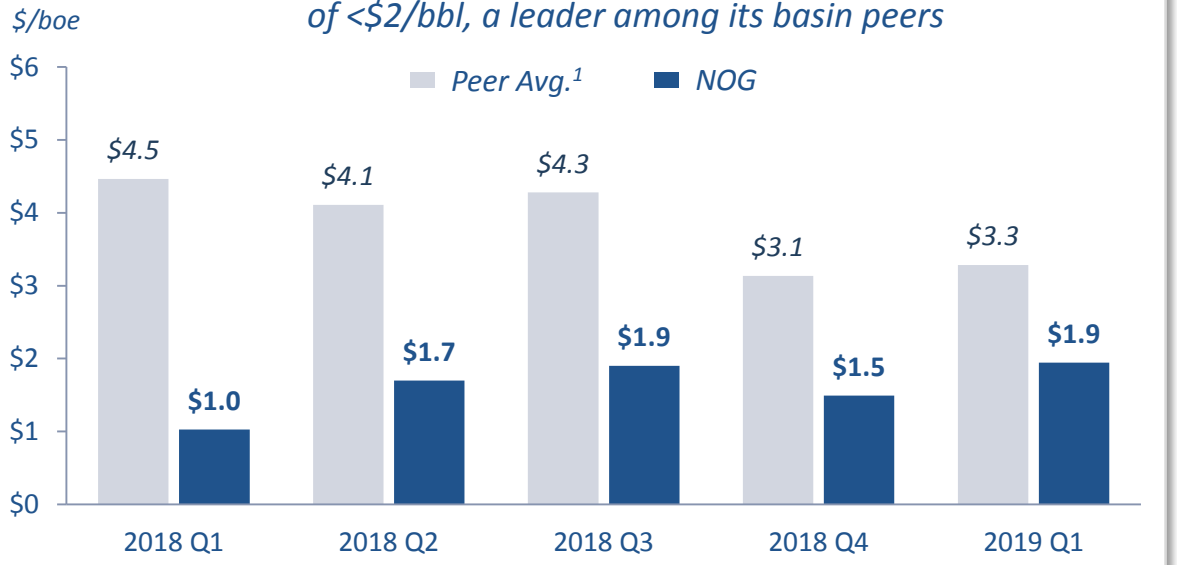
INDUSTRY LEADING MARGINS AT LOW G&A COSTS

NYSE American: NOG

- Northern actively works to minimize its G&A costs, ensuring one of the lowest $/boe in the Williston basin
- Our position as a non-operator gives us the flexibility to work with the most cost-efficient operators on the highest return wells
- Northern has consistently kept G&A costs <$2/boe for the last 5 quarters while maintaining high EBITDA margins vs. regional peers

G&A COSTS PER BOE

Northern has consistently demonstrated a G&A of <$2/bbl, a leader among its basin peers



GROSS INCOME MARGIN vs. G&A/BOE (FY 2018)

Partnering only with the highest-efficiency operators in the highest quality wells drives Northern's margins up at lower costs



[1] Peers are Williston basin E&Ps and include BSM, CLR, DNR, EOG, ERF-TX, HES, HK, OAS, QEP, WLL, WPX
Source: FactSet & CapIQ. Gross Income Margin is calculated as Gross Profit / Total Revenues.

ALIGNED WITH THE SHAREHOLDER LIKE NO OTHER E&P

➢ *Northern is focused on what it means to be accountable to the shareholder*

TYPICAL E&P PEER

- $3.00 Cash G&A per Barrel
- Insider & Management Ownership of ~**5.0%**
- Stock only a portion of Incentive Compensation
- Executive Officer Incentive Cash Comp of peer set averages >90% of Salary

Typical Incentive Targets:

- Compensation given in % of targets reached
- Relative Performance to hand-selected peer set
- Production growth regardless of returns

NORTHERN

- ✓ $1.13 Cash G&A in 2Q ‘19
- ✓ Insider and Management Ownership of **27.6%**
- ✓ Stock is 100% of Incentive Compensation
- ✓ Executive Officer Incentive Cash Comp is **$0**

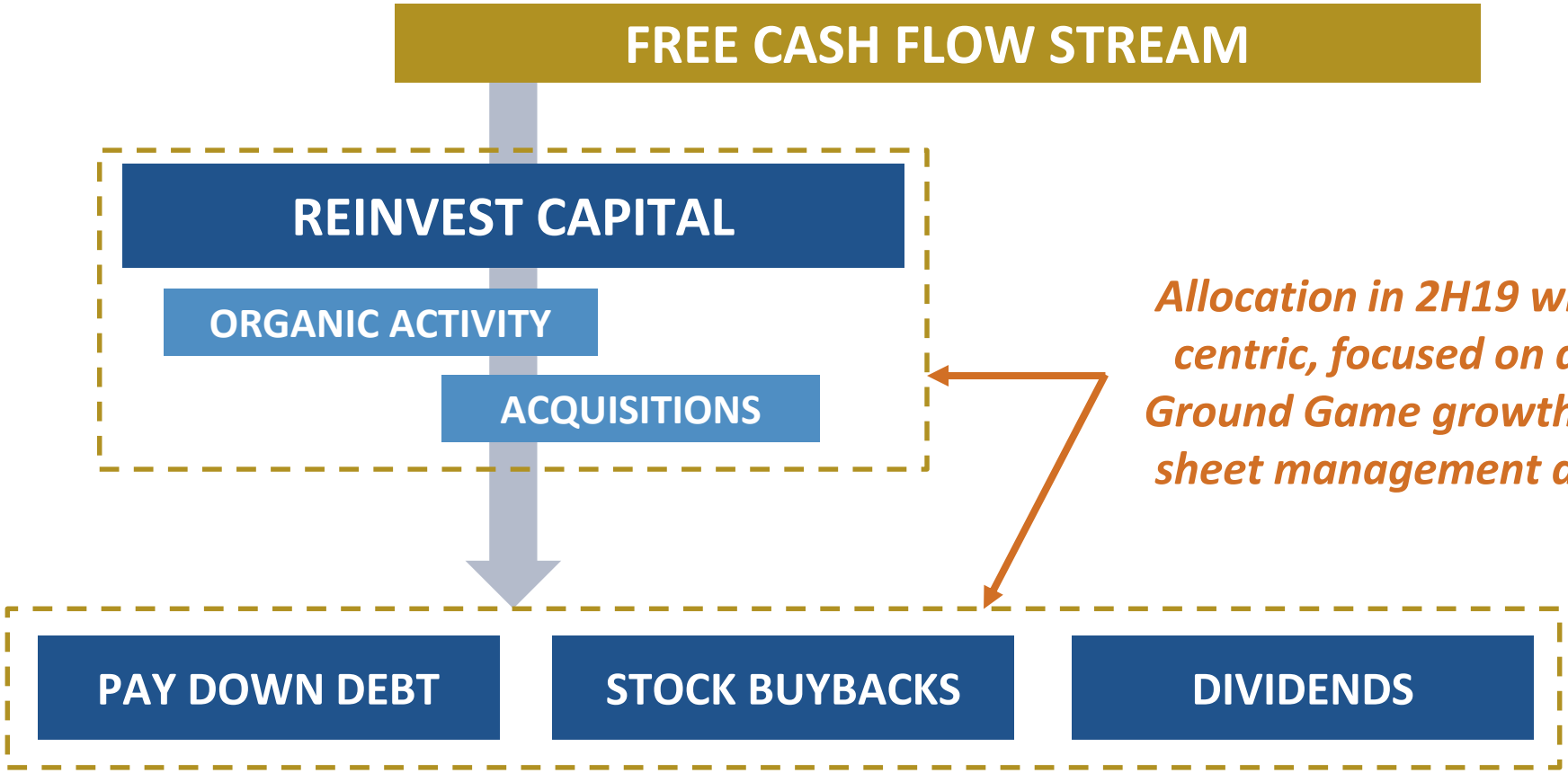
Northern’s Incentive Targets:

- ✓ Targets must be met or incentive compensation is forfeited
- ✓ 50% Absolute Stock Performance top tier target at double average returns for S&P 500
- ✓ 50% Debt-adjusted cash flow per share growth targets based on budget

1. Based on peer set company data including, OAS, CPE, GPOR, SRC, CRZO, XOG, HPR

2019 CAPITAL ALLOCATION STRATEGY

➢ *2019 capital allocation hierarchy ensures strategic management of balance sheet through disciplined approach*



Allocation in 2H19 will continue to be value-centric, focused on disciplined organic and Ground Game growth, with a goal of balance sheet management and shareholder returns

FOCUSED WILLISTON BASIN CORE FOOTPRINT

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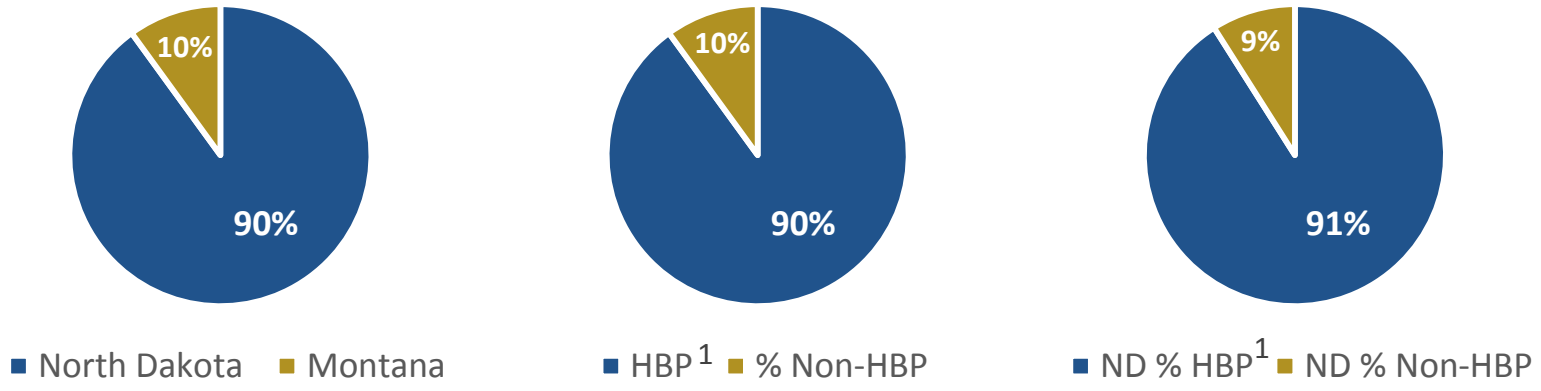
➢ *Portfolio of high-quality acreage in the heart of the basin with interests in over 5,000 gross Bakken/Three Forks oil wells*

NET ACREAGE SUMMARY

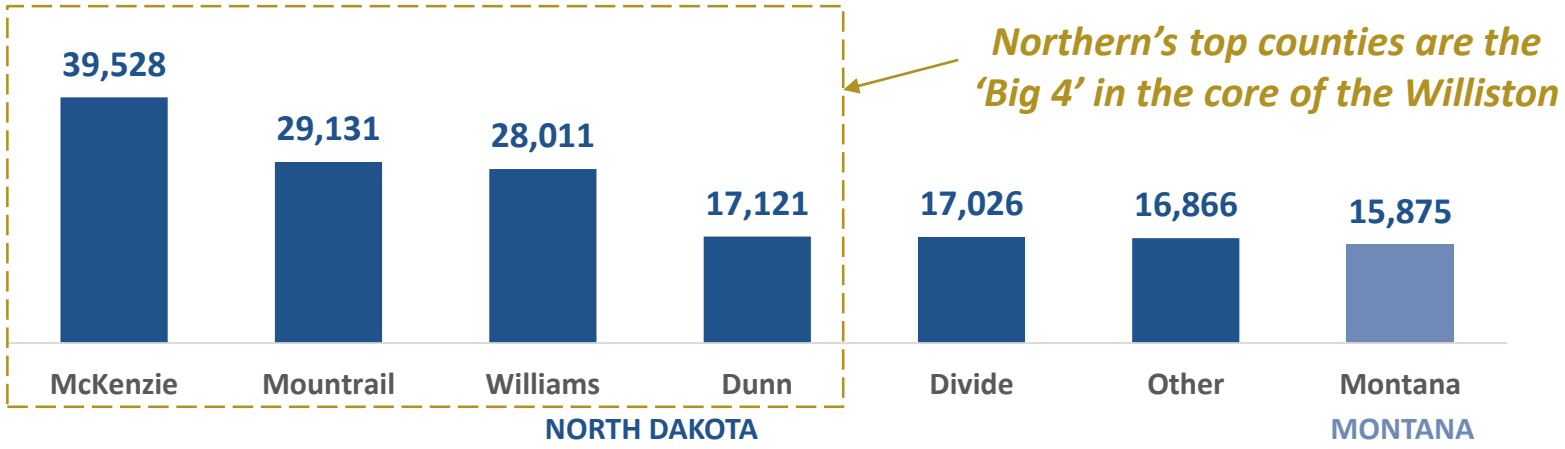


163,558
NET ACRES

90%
HELD BY PRODUCTION[1]

40+
OPERATOR PARTNERS

NET ACRES BY COUNTY



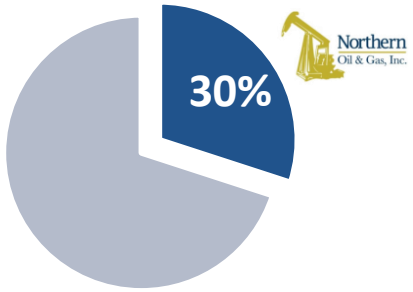
Northern's top counties are the 'Big 4' in the core of the Williston

Source: Company data as of 6/30/19. 'HBP' is acreage held by production
1. Includes acreage classified as held by production, held by operations or developed

PARTICIPATING IN THE HIGHEST-QUALITY WELLS…

NYSE American: NOG

➢ *No requirement for contiguous acreage allows Northern to participate in prime drilling opportunities across the region*



NORTHERN HAS PARTICIPATED IN >30% OF WELLS EVER DRILLED IN THE WILLISTON BASIN

NOT CONSTRAINED BY THE NEED FOR CONTIGUOUS ACREAGE

1 Putnam 7-25H
Continental (IP: May 2019)
Peak 30: 1,502 Boepd

2 Dam State 44-9-6H
Whiting (IP: May 2019)
Peak 30: 1,805 Boepd

3 EN-Jeffrey-155-94-2215H-9
Hess (IP: May 2019)
Peak 30: 1,926 Boepd

4 Little Muddy 1H
Nine Point (IP: May 2019)
Peak 30: 1,473 Boepd

5 Roxy 21X-06AXD
XTO (IP: May 2019)
Peak 30: 2,149 Boepd

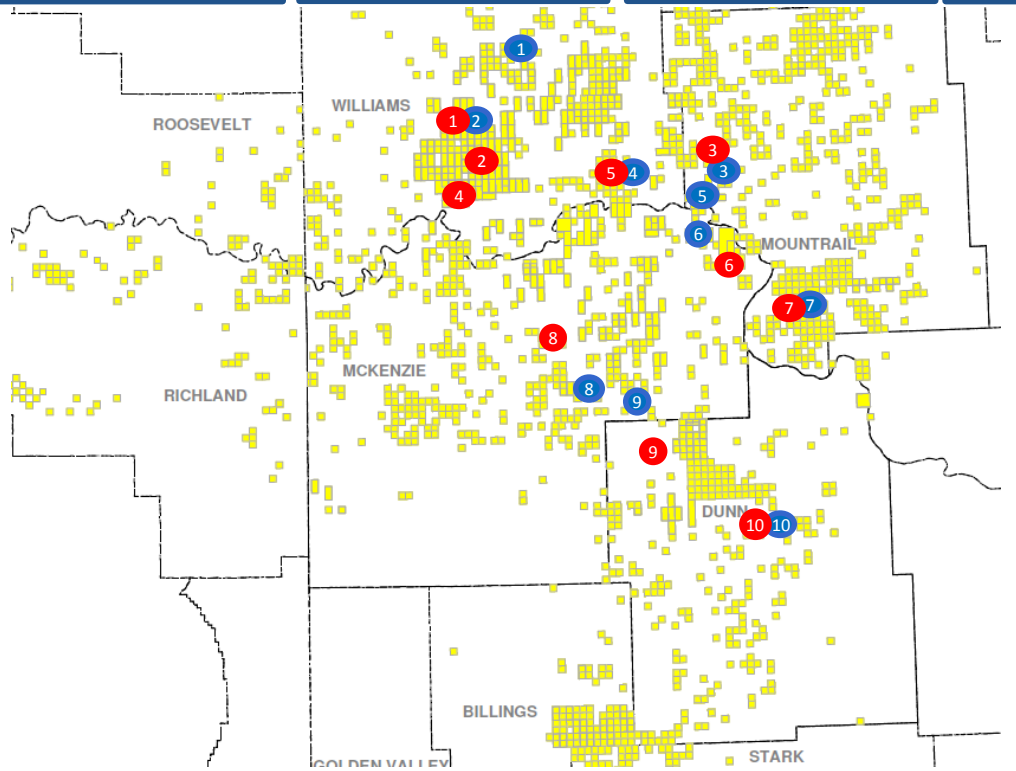
1 Cass Sutton LE 4-9 1TFH
Kraken (IP: April 2019)
Peak 30: 905 Boepd

2 Putnam 8-25H1
Continental (IP: May 2019)
Peak 30: 1,294 Boepd

3 EN-SorensonA-LW-154-94-0211H-1
Hess (IP: May 2019)
Peak 30: 1,500 Boepd

4 Roxy 21X-06EXH
XTO (IP: May 2019)
Peak 30: 1,949 Boepd

5 Sorenson 4-16H1
Continental (IP: May 2019)
Peak 30: 1,850 Boepd



6 Fort Berthold 152-94-11B-14-12H
Bruin (IP: May 2019)
Peak 30: 1,668 Boepd

7 Submariner Federal 3-23-20H*
Slawson (IP: May 2019)
Peak 30: 1,930 Boepd

8 Goliath 150-98-5-8-8HLWR
Newfield (IP: May 2019)
Peak 30: 1,856 Boepd

9 Bobcat Federal 14X-35A*
XTO (IP: June 2019)
Peak 30: 2,723 Boepd

10 Rafter X 44-35H
Marathon (IP: April 2019)
Peak 30: 2,208 Boepd

6 AN-Dinwoodie-153-94-2833H-5
Hess (IP: April 2019)
Peak 30: 1,674 Boepd

7 Submariner Federal 6-23-20TFH*
Slawson (IP: June 2019)
Peak 30: 1,582 Boepd

8 Skipjack 149-98-11-2-11H
Newfield (IP: April 2019)
Peak 30: 1,152 Boepd

9 Merton 14-10 TFH-ULW
Burlington (IP: April 2019)
Peak 30: 1,817 Boepd

10 Lucas 34-35TFH
Marathon (IP: April 2019)
Peak 30: 1,623 Boepd

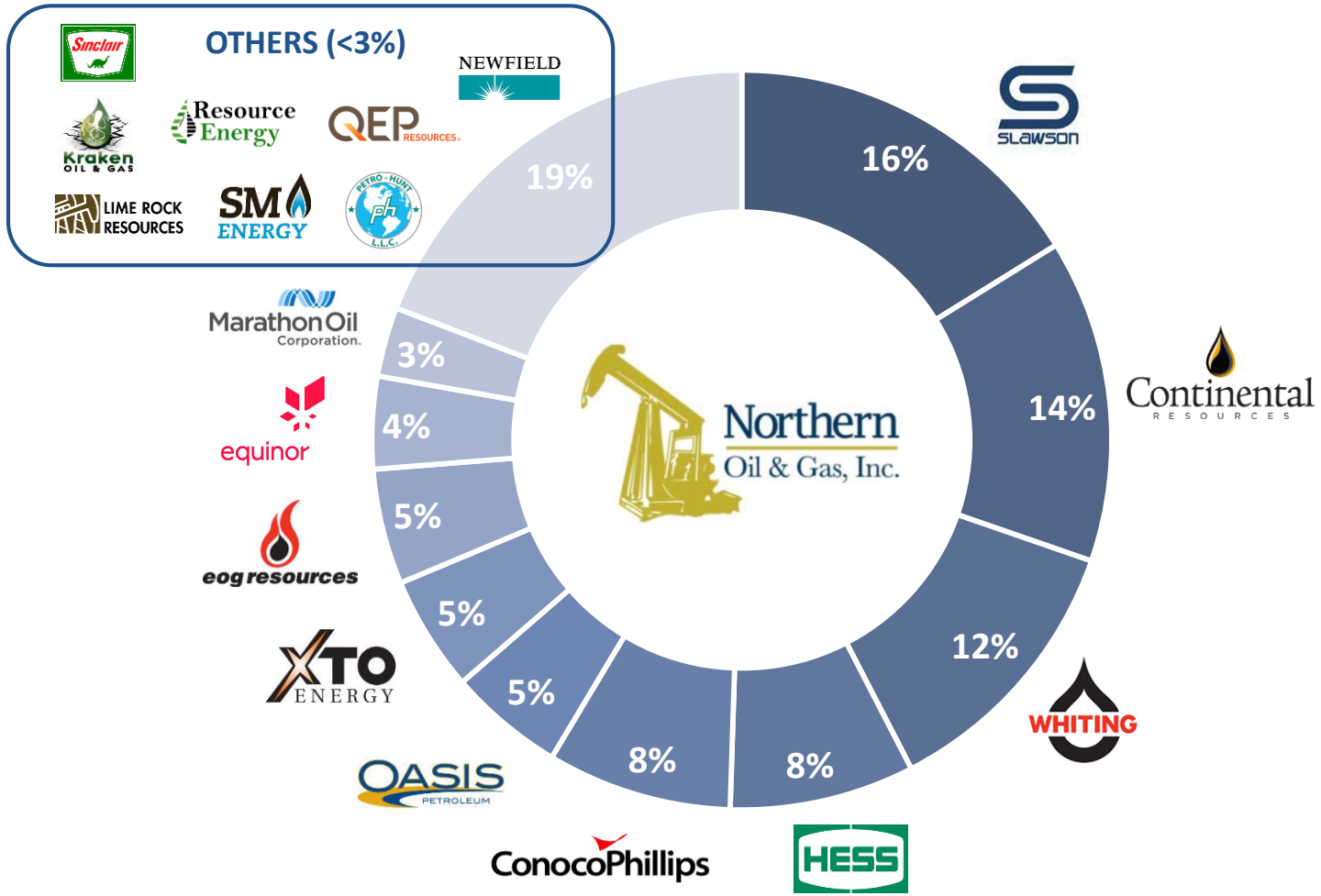
*Denotes 3-mile laterals

Sources: Company info, North Dakota Industrial Commission, and DrillingInfo

…WITH LEADING, TECHNICALLY STRONG OPERATORS…

➢ *Deep operating partner relationships facilitate both organic and acquisition-based production growth opportunities*

% NET PRODUCING WELLS BY OPERATOR



DEEP, LASTING RELATIONSHIPS ACROSS THE BASIN…

…WITH THE HIGHEST-EFFICIENCY OPERATING PARTNERS…

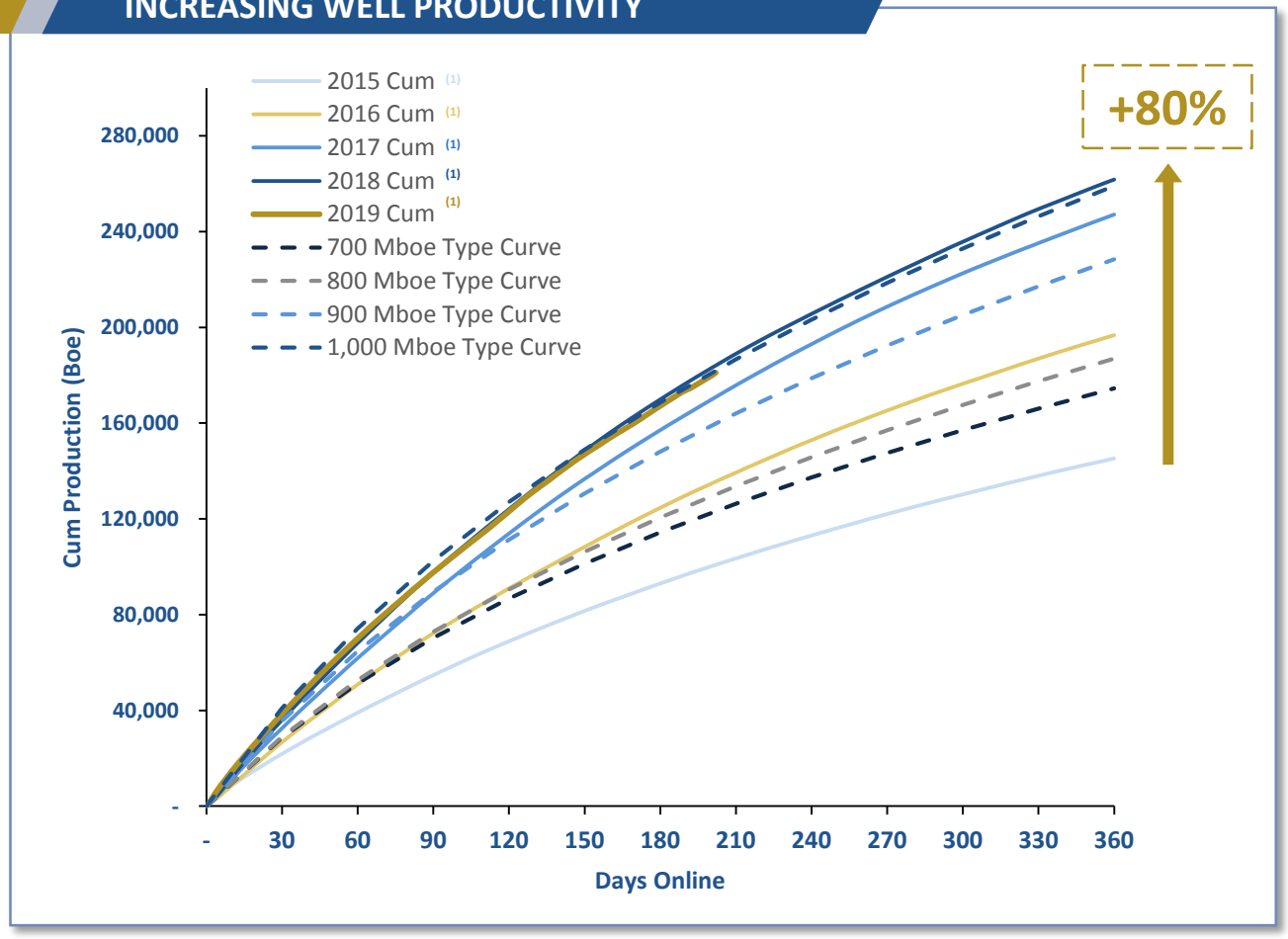
…AND EXPOSURE TO INCREMENTAL WORKING INTEREST OPPORTUNITIES ACROSS THEIR PORTFOLIOS

Source: Company info – Producing wells as of 6/30/19

…YIELDING YOY IMPROVEMENTS IN WELL RECOVERY

➢ *Completions technology and high-grading of well locations has led to improved well recovery across the basin*

INCREASING WELL PRODUCTIVITY



HIGHER RECOVERIES + STABLE COSTS = IMPROVED CAPITAL EFFICIENCY

HIGHER TYPE-CURVES VS. OTHER U.S. BASINS

2019 wells inline with 2018 results

2018 wells tracking over a 1,000 Mboe EUR Type Curve

2018: 12 month cum. up 6% over 2017

1. Wells assigned to years based on year in which they started producing. Cumulative type curves comprised of the following numbers of gross wells: 2015 – 296; 2016 – 162; 2017 – 297; 2018 – 479; 2019-239. Includes producing wells as of June 30, 2019.

CORE GROWTH THESIS IS SUSTAINABLE

➢ *As a non-operator, Northern can be both opportunistic and strategic in its acquisition of additional acreage*

	BACKDROP	OPPORTUNITIES
FORCED SELLERS	AFE burdens lead to undercapitalization	1. Ground Game working interest additions
PROACTIVE SOURCING	Opportunistic acquisitions across the region	2. Tuck-in / Bolt-on Acquisitions
STRONG RELATIONSHIPS	Leveraging networks for deal flow	3. Consolidation of regional operators' non-op interests
LACK OF BUYER COMPETITION	Limited buyer set creates "buyer's market"	

POSITION ENHANCED THROUGH ACCRETIVE ACQUISITIONS

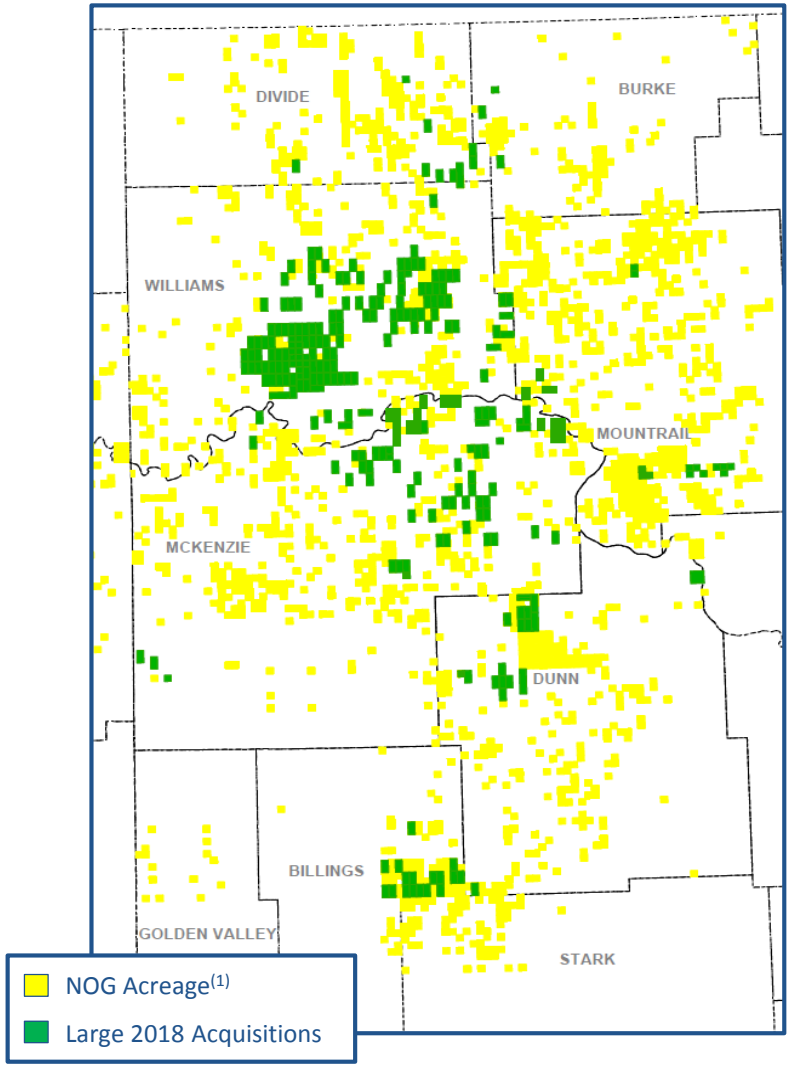
➢ *Directing cash flow to acquisitions consistently grows Northern's position while diversifying opportunities*

Broadening inventory position in the core of the basin:

- ➢ Greater inventory of projects with attractive economics
- ➢ Increased reserve base
- ➢ Increased value
- ➢ Stronger foundation for continued growth

Acquisition criteria ensure opportunities are accretive:

- ✓ Strengthens position as "go-to" buyer of non-op interests in region
- ✓ Leverages expertise of in-house technical team & proprietary database
- ✓ Increases drilling locations and inventory
- ✓ Accretive to per-share metrics at corporate level
- ✓ Exceeds rate-of-return hurdle rate at asset level



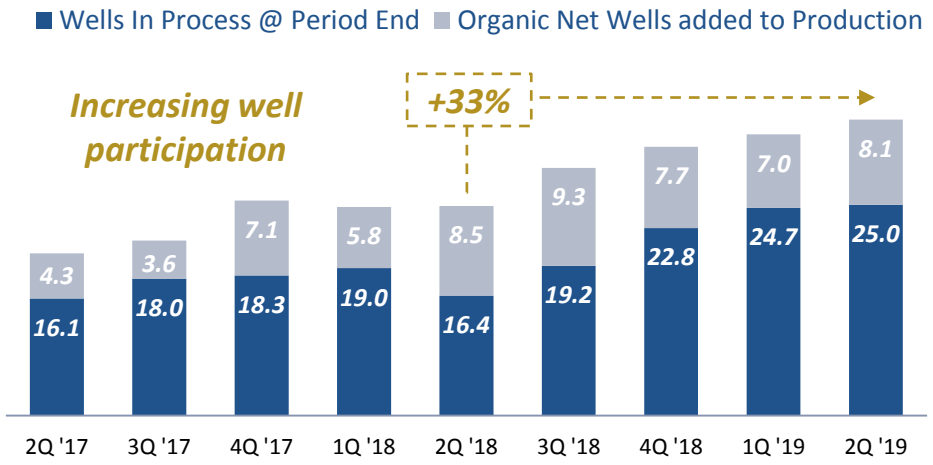
1. As of 12/31/18

ENHANCED RETURNS WITH DISCIPLINED CAPITAL ALLOCATION

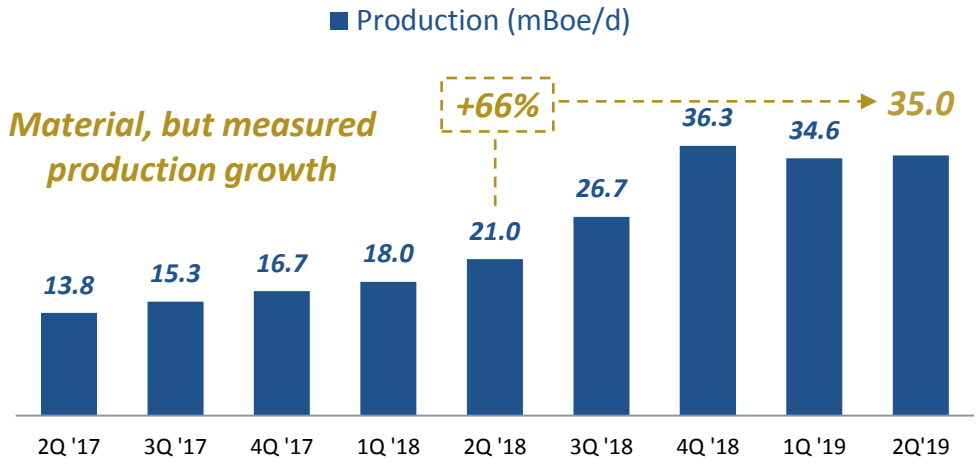
NYSE American: NOG

➢ *Participation in the highest quality wells with stable AFE costs generates consistent production growth & higher IRRs*

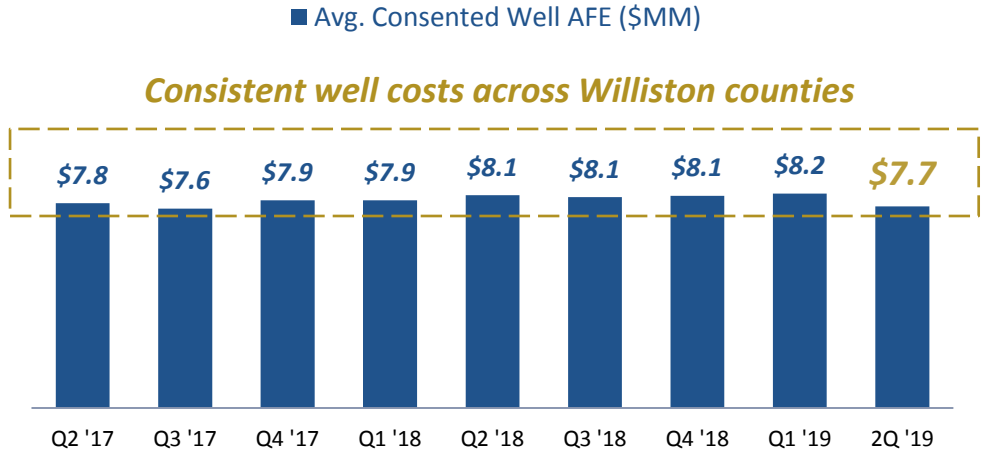
CONSISTENTLY FUNDING ATTRACTIVE WELLS…



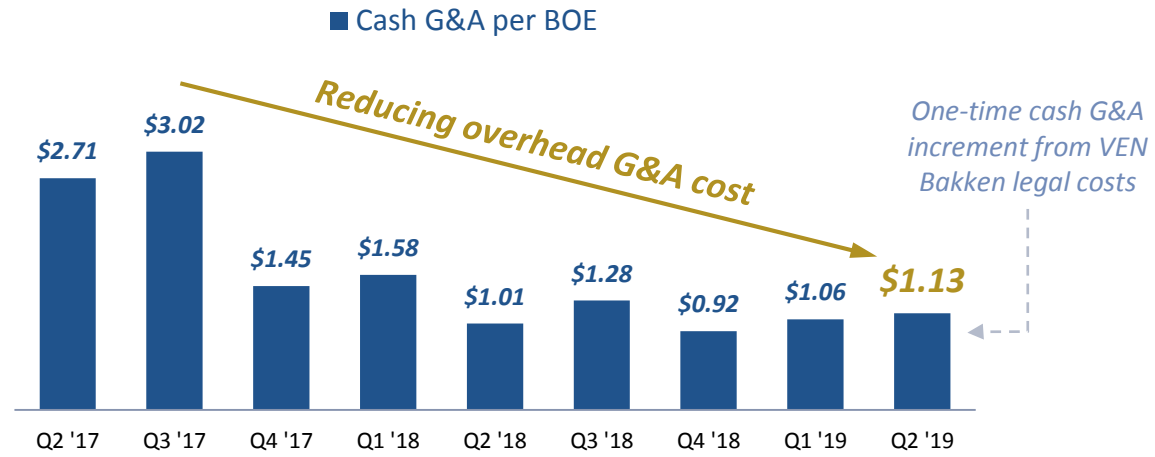
…GENERATES CONSISTENT PRODUCTION GROWTH



PARTICIPATING IN COST-EFFECTIVE AFES…



…WHILE MAINTAINING PEER-LEADING LOW CASH G&A[1]



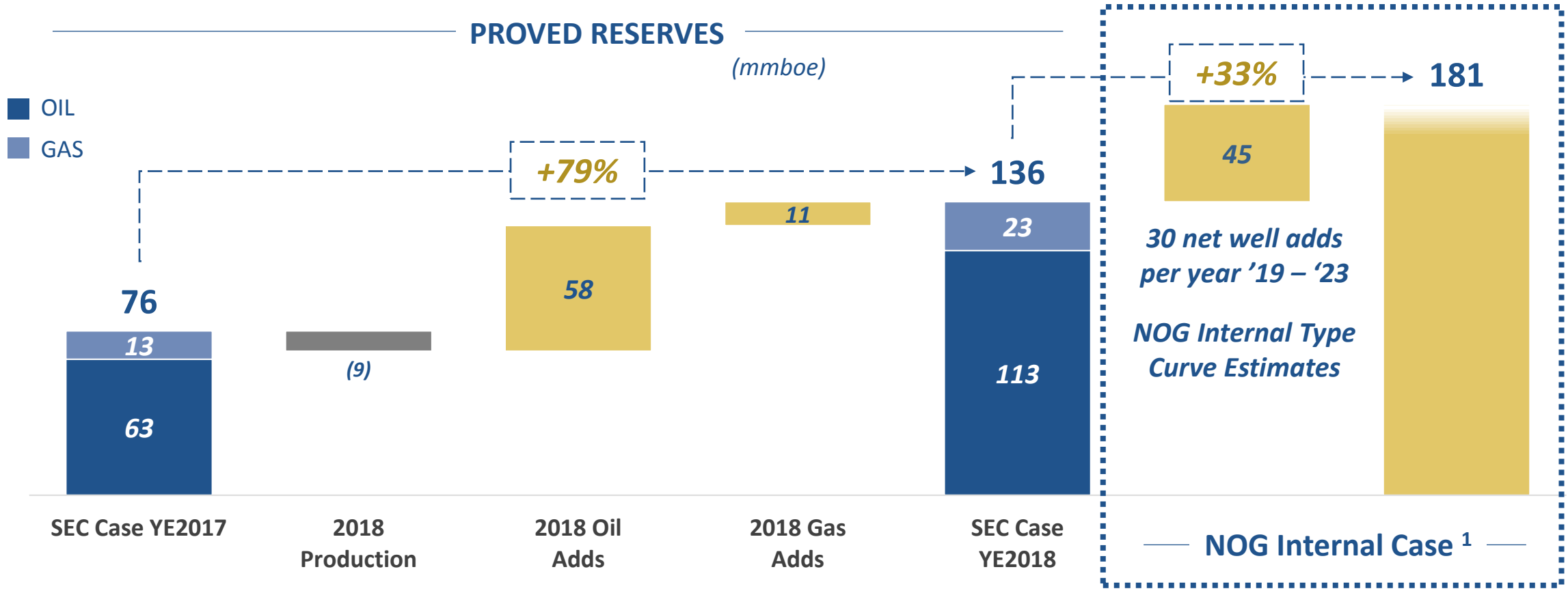
1. Cash G&A is a non-GAAP financial measure. Please see the appendix for reconciliation to the most directly comparable GAAP Measure.

RESERVES UNDERPIN VALUE PROPOSITION

NYSE American: NOG

➢ *Participation in highest-quality wells ensures optimal exposure to high-volume regional reservoirs*

- Growing reserves across portfolio
- Proved reserve growth of 79% YoY
- Working Interest acquisitions provide incremental reserve access opportunities



1. Assumes incremental impact of additional wells if projected in a 5 year NOG drill schedule

ORGANIC GROWTH & ACQUISITIONS DRIVE OPPORTUNITY SET

➢ *Northern adds to its acreage position and well inventory in multiple ways*

Northern's goal is to leverage its strong financial position to counter-cyclically invest in acreage and drilling opportunities across the Williston Basin during volatile pricing periods

ORGANIC GROWTH



GROWTH IN EXISTING POSITIONS…

- Flow of inbound AFEs
- Incremental opportunities to proactively source additional working interests
- Quickly source and assimilate interests from others needed to non-consent wells

ACQUISITIONS



…ACQUISITIONS LEVER STRONG PARTNERSHIPS

- Non-operator is natural consolidator
- Not bound to contiguous acreage
- Proprietary database facilitates analysis of wells
- $850mm of M&A since 2018
- Participated in ~30%+ of Bakken & Three Forks wells
- Broader Williston coverage vs. any operator

CONTINUED BALANCE SHEET IMPROVEMENT

➢ *Northern's actively managed balance sheet continues to offer robust protection against market volatility*

	Three months ending				
(In $ millions)	6/30/18	9/30/18	12/31/18	3/31/19	6/30/19
DEBT:					
Cash & Deposit	$200.9	$112.8	$2.4	$3.9	$33.8
TOTAL DEBT	**$834.8**	**$789.5**	**$830.2**	**$839.2**	**$857.2**
Net Debt	*$633.8*	*$676.6*	*$827.8*	*$835.3*	*$823.4*
LIQUIDITY:					
Borrowing Base	$400.0	$400.0	$425.0	$425.0	$425.0
Drawn	$360.0	$360.0	$140.0	$147.0	$173.0
Available	$40.0	$40.0	$285.0	$278.0	$252.0
LIQUIDITY	**$240.9**	**$142.8**	**$287.4**	**$281.7**	**$254.8**
CREDIT METRICS:					
LQA Adjusted EBITDA [1]	$282.2	$391.7	$499.5	$419.2	$443.2
LQA Interest Expense [2]	$89.6	$81.8	$80.2	$78.0	$71.1
Debt / LQA EBITDA	3.0x	2.1x	1.7x	2.0x	1.9x
Net Debt / LQA EBITDA	2.3x	1.8x	1.7x	2.0x	1.9x
LQA EBITDA / LQA Interest Expense	3.1x	4.8x	6.2x	5.4x	6.2x

Cash position deployed towards accretive M&A activity, driving continued FCF growth in 2H19

Continue to strategically pay down debt with long-term goal to maintain leverage below 2.0x

Liquidity of ~$255mm consists of cash & borrowing availability under revolver

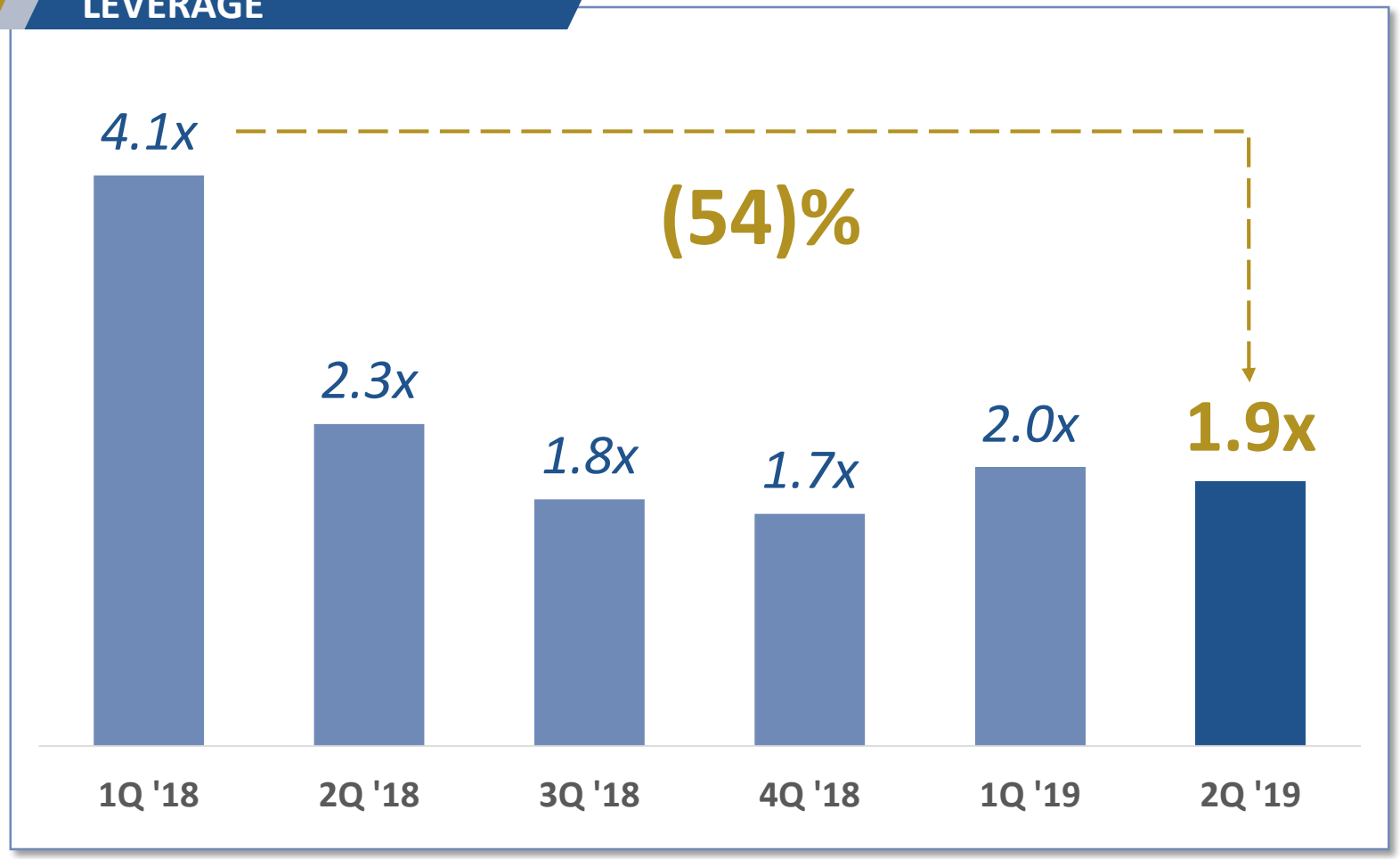
1. LQA Figures based upon Adjusted EBITDA, a non-GAAP financial metric.
2. LQA Figures based upon reported interest expense.

HOLDING LEVERAGE AT 2.0x OR BETTER…

- *Actively working to further reduce debt and continue generating free cash flow*

LEVERAGE

Net Debt/Annualized Adjusted EBITDA



EXPECT YE 2019 LEVERAGE TO REMAIN <2.0x

METRIC WILL CONTINUE TO FALL THROUGH 2022

EVEN IF OIL PRICES FALL TO <$50/BBL

Source: Company data

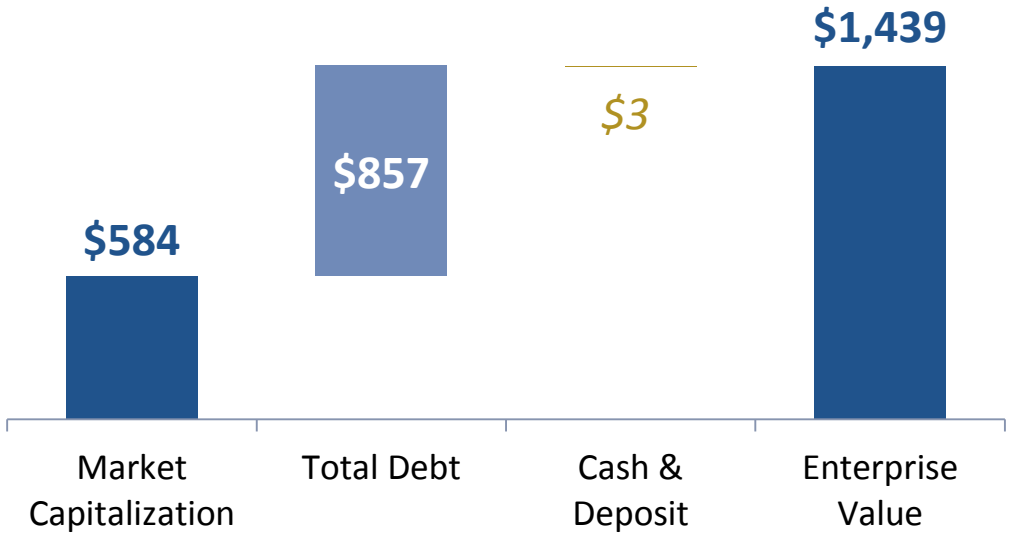
…THROUGH CLOSELY MANAGED DEBT MATURITY

➢ *Enhancing cash flow to leverage liquidity position to pay down debt*

Northern repurchased $10.1 million in principal amount of its Senior Notes in 2Q 2019

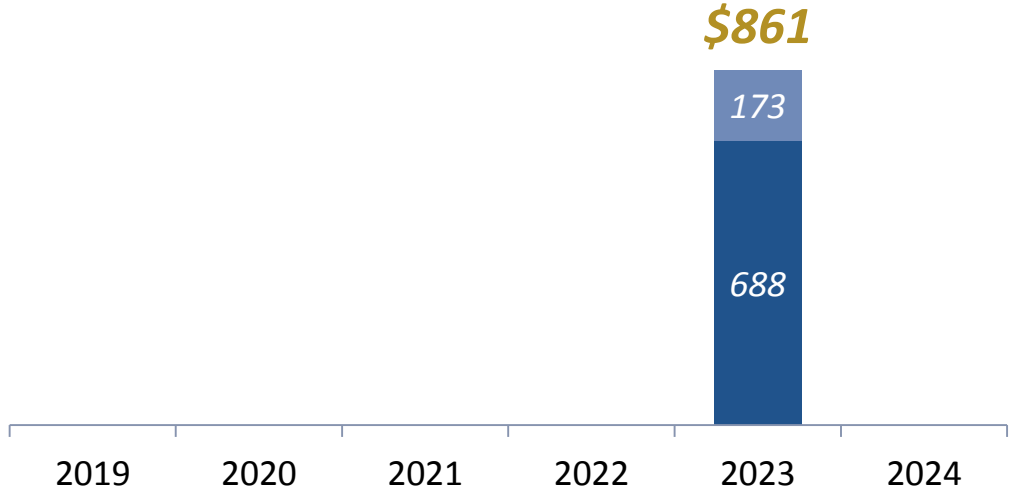
LIQUIDITY PROFILE [1]

- $255 million of liquidity as of 6/30/19 [2]
- Plan to live within Free Cash Flow



DEBT MATURITY SCHEDULE

- Favorable schedule
- $688 million 8.5% Senior Secured 2L Notes due 2023
- $173 million drawn on revolving credit facility



1: Market Capitalization as of August 1, 2019, Debt and Cash balances utilized in liquidity and Enterprise Value as of 6/30/2019.
2: Remaining availability on $425 million reserved based lending facility less $173 million drawn as of June 30, 2019 + cash on hand.

ONGOING POLICY OF RISK MANAGEMENT

➢ *Northern continues to execute a strategy designed to safeguard returns during a commodity downcycle*

CRUDE OIL DERIVATIVE BASIS SWAPS (1)				
	Contract Period	Barrels Per Day	Volumes (Bbls)	Weighted Average Price ($/Bbl)
2019	Q3-Q4	10,000	1,840,000	($2.41)

CRUDE OIL DERIVATIVE PRICE SWAPS				
	Contract Period	Barrels Per Day	Volumes (Bbls)	Weighted Average Price ($/Bbl)
2019:				
	Q3	26,418	2,430,444	$61.89
	Q4	26,744	2,460,411	$62.01
2020:				
	Q1	27,214	2,476,456	$59.16
	Q2	26,273	2,390,828	$58.48
	Q3	25,439	2,340,348	$58.48
	Q4	23,537	2,165,362	$58.00
2021:				
	Q1	15,278	1,375,050	$57.09
	Q2	13,950	1,269,458	$57.75
	Q3	6,918	636,410	$53.64
	Q4	6,821	627,506	$53.67
2022:				
	Q1	5,042	453,780	$53.07
	Q2	3,432	312,280	$52.30
	Q3	3,332	306,576	$52.33
	Q4	3,263	300,230	$52.35

(1) Basis swaps are settled using the TMX UHC 1a index, as published by NGX.

1H19 AS PLANNED, CONTINUING PRIORITIES INTO 2H19

NYSE American: NOG

➢ *Execution of strategic priorities into 2H 2019 supported by unique non-operator flexibility*

STRATEGY	2Q 2019 STATUS
1 CAPTURE OPPORTUNITIES	*Continuing to ramp organic well activity every quarter* *Adding growth opportunities through M&A and Ground Game*
2 GROW PRODUCTION	*Production volumes up 66% Q2 2019 vs Q2 2018* *Managing production growth at controlled rates*
3 ENHANCE REVENUE	*EBITDA growth continues across reporting periods* *Supported by participation highest return wells at lowest costs*
4 STRENGTHEN BALANCE SHEET	*Executing on hedging program* *Driving down debt metrics to fortify balance sheet*
5 RETURN VALUE TO SHAREHOLDERS	*Growing free cash flow facilitates return of capital to shareholders*

WHY NORTHERN OIL & GAS?

NON-OPERATOR FLEXIBILITY

- Unique model provides capital flexibility & discipline, levers Northern's experience and relationships in the region

GROWING ORGANIC ACTIVITY

- Basin and Northern acreage activity robust, growing scale increases exposure to working interest opportunities

ACCRETIVE ACQUISITIONS

- Acquisitions in the core of the play are accretive to cash flow and future core drilling locations

PAYING DOWN DEBT

- Actively working to strengthen balance sheet and improve leverage metrics

SHAREHOLDER RETURNS

- Plans to return additional capital to shareholders in the near future

DIFFERENTIATED E&P PLATFORM

NYSE American: NOG



OIL-LEVERED WILLISTON BASIN PRODUCER



DISCIPLINED CAPITAL ALLOCATION & RETURNS



PROACTIVELY MANAGED BALANCE SHEET



VISIBLE LONG-TERM GROWTH POTENTIAL

HISTORICAL OPERATING & FINANCIAL INFORMATION

NYSE American: NOG

HISTORICAL OPERATING INFORMATION	YEAR ENDED DECEMBER 31,					THREE MONTHS ENDED,	
	2014	2015	2016	2017	2018	June 30, 2018	June 30, 2019
PRODUCTION							
Oil (MBbls)	5,150.9	5,168.7	4,325.9	4,537.3	7,790.2	1,625.8	2,562.5
Natural Gas and NGLs (Mmcf)	3,682.8	4,651.6	4,026.9	5,187.9	9,224.8	1,736.7	3,715.9
Total Production (Mboe)	5,764.7	5,944.0	4,997.1	5,402.0	9,327.6	1,915.2	3,181.8
REVENUE							
Realized Oil Price, including settled derivatives ($/bbl)	$ 77.70	$ 68.94	$ 49.44	$ 45.92	$ 57.78	$ 50.58	$ 48.58
Realized Natural Gas and NGL Price ($/Mcf)	6.38	1.60	1.82	3.74	4.74	4.61	2.70
Total Oil & Gas Revenues, including settled derivatives (millions)	423.7	363.7	221.2	227.7	471.0	66.8	186.4
Adjusted EBITDA (millions)[1]	309.6	277.3	148.5	144.7	349.3	70.5	110.8
KEY OPERATING STATISTICS ($/Boe)							
Average Realized Price	$ 73.51	$ 61.19	$ 44.27	$ 42.16	$ 50.50	$ 62.20	$ 54.56
Production Expenses	9.66	8.77	9.14	9.21	7.15	7.60	8.21
Production Taxes	7.58	3.63	3.10	3.81	4.86	5.29	4.41
General & Administrative Expenses-Cash	2.57	2.15	2.31	2.38	1.15	1.70	1.65
Total Cash Costs	$ 19.81	$ 14.55	$ 14.55	$ 15.40	$ 13.16	$ 14.59	$ 14.27
Operating Margin ($/Boe)	$ 53.70	$ 46.64	$ 29.72	$ 26.76	$ 37.34	$ 47.61	$ 34.31
Operating Margin %	73.1%	76.2%	67.1%	63.5%	73.9%	76.5%	70.6%

HISTORICAL FINANCIAL INFORMATION ($'S IN MILLIONS)							
	2014	2015	2016	2017	2018		June 30, 2019
ASSETS							
Current Assets	$ 226.0	$ 128.8	$ 46.9	$ 152.8	$ 228.4	$ 276.0	$ 113.1
Property and Equipment, net	1,761.9	589.3	376.2	473.2	1,202.7	601.0	1,293.3
Other Assets	38.8	15.8	8.4	6.3	72.5	6.1	68.0
Total Assets	$ 2,026.7	$ 733.9	$ 431.5	$ 632.3	$ 1,503.6	$ 883.1	$ 1,494.4
LIABILITIES							
Current Liabilities	$ 285.7	$ 78.1	$ 77.4	$ 123.6	$ 231.5	$ 158.0	$ 232.7
Debt	806.1	847.8	832.6	979.3	830.2	834.8	857.2
Other Long-Term Liabilities	164.0	5.6	8.9	20.2	12.0	38.1	14.8
Stockholders' Equity (Deficit)	770.9	(197.6)	(487.4)	(490.8)	429.9	$ (147.8)	389.7
Total Liabilities & Stockholders' Equity (Deficit)	$ 2,026.7	$ 733.9	$ 431.5	$ 632.3	$ 1,503.6	$ 883.1	$ 1,494.4
CREDIT STATISTICS							
Adjusted EBITDA (Q2 2019 annualized)	$ 309.6	$ 277.3	$ 148.5	$ 144.7	$ 349.3	$ 282.0	$ 443.2
Secured Debt	$ 298.0	$ 150.0	$ 144.0	$ 287.4	$ 835.1	$ 633.9	$ 854.4
Total Debt	$ 806.1	$ 835.3	$ 832.6	$ 979.3	$ 835.1	$ 834.8	$ 857.2
Secured Debt/Adjusted EBITDA	1.0x	0.5x	1.0x	2.0x	2.4x	2.2x	1.9x
Total Debt/Adjusted EBITDA	2.6x	3.0x	5.6x	6.8x	2.4x	3.0x	1.9x

1. Adjusted EBITDA is a non-GAAP measure. See reconciliation on the slide that follows.

NON-GAAP RECONCILIATIONS

ADJUSTED EBITDA BY YEAR (IN THOUSANDS)

	2015	2016	2017	2018
Net Income (Loss)	$ (975,355)	$ (293,494)	$ (9,194)	$ 143,689
Add:				
Interest Expense	58,360	64,486	70,286	86,005
Income Tax Provision (Benefit)	(202,424)	(1,402)	(1,570)	(55)
Depreciation, Depletion, Amortization and Accretion	137,770	61,244	59,500	119,780
Impairment of Oil and Natural Gas Properties	1,163,959	237,013	-	-
Non-Cash Share Based Compensation	6,273	3,182	6,107	3,876
Write-off of Debt Issuance Costs	-	1,090	95	-
Loss on the Extinguishment of Debt	-	-	993	173,430
Debt Exchange Derivative Loss (Gain)	-	-	-	598
Contingent Consideration Loss (Gain)	-	-	-	28,968
Financing Expense	-	-	-	884
(Gain) Loss on the Mark-to-Market of Derivative Instruments	88,716	76,347	18,443	(207,891)
Adjusted EBITDA	$ 277,299	$ 148,466	$ 144,660	$ 349,283

ADJUSTED EBITDA BY QUARTER (IN THOUSANDS)

	2Q18	3Q18	4Q18	1Q19	2Q19
Net Income (Loss)	$ (96,547)	$ 18,979	$ 218,292	$ (107,162)	$ 44,399
Add:					
Interest Expense	22,403	20,438	20,057	19,548	17,778
Income Tax Provision (Benefit)	-	-	(55)	-	-
Depreciation, Depletion, Amortization and Accretion	22,596	30,258	48,295	45,134	46,091
Impairment of Other Current Assets	-	-	-	-	2,695
Non-Cash Share Based Compensation	1,325	1,535	1,903	2,751	1,643
Loss on the Extinguishment of Debt	90,833	9,542	73,055	-	425
Debt Exchange Derivative Gain	-	(13,063)	13,661	(6,287)	4,873
Contingent Consideration Loss (Gain)	-	-	28,968	(1,392)	24,763
Financing Expense	-	-	884	-	-
(Gain) Loss on the Mark-to-Market of Derivative Instruments	29,936	30,225	(280,195)	152,169	(31,857)
Adjusted EBITDA	$ 70,546	$ 97,914	$ 124,865	$ 104,761	$ 110,810

Other Non-GAAP Metrics by Quarter (IN THOUSANDS)

	2Q18	3Q18	4Q18	1Q19	2Q19
Cash General and Administrative Expense	$ 1,927	$ 3,139	$ 3,073	$ 3,299	$ 3,607
Non-cash General and Administrative Expense	1,324	1,535	1,903	2,751	1,643
Total General and Administrative Expense	$ 3,251	$ 4,674	$ 4,976	$ 6,050	$ 5,250
Net Production (Boe)	1,915	2,457	3,336	3,114	3,182
Cash General and Administrative Expense per Boe	$ 1.01	$ 1.28	$ 0.92	$ 1.06	$ 1.13
Non-cash General and Administrative expense per Boe	$ 0.69	$ 0.62	$ 0.57	$ 0.88	$ 0.52
Total Principal Balance on Long-term Debt	$ 853,839	$ 807,091	$ 835,140	$ 843,878	$ 861,491
Less: Cash and Cash Equivalents	(200,924)	(112,966)	(2,358)	(3,944)	(2,794)
Net Debt	$ 652,915	$ 694,125	$ 832,782	$ 839,934	$ 858,697

Note: Adjusted EBITDA is a non-GAAP measure



Northern
Oil & Gas, Inc.