

9 July 2021

PetroNor E&P Limited
("PetroNor" or the "Company")

Issuance of Tranche 2a and Tranche 2b Private Placement Offer Shares, Subsequent Offering update, mandatory notification of trade and mandatory disclosure of shareholdings

PetroNor (OSE ticker: "PNOR"), the independent oil and gas exploration and production company with a focus on sub-Saharan Africa, provides the following corporate update.

Issuance of Tranche 2a and Tranche 2b Private Placement Offer Shares

Reference is made to the announcement released by PetroNor on 12 March 2021, regarding completion of a NOK 340 million Private Placement associated with the acquisition of an additional interest in PNGF Sud, Congo. The 224,727,273 ordinary shares related to Tranche 2a and 2b of the Private Placement have now been issued, whereof:

138,763,636 ordinary shares for Tranche 2a of the Private Placement issued in kind as consideration for the Symero transaction, and

85,963,637 ordinary shares for Tranche 2b of the Private Placement issued for cash.

The shares issued under Tranche 2a and 2b have been issued under a separate ISIN (ISIN AU0000140857) and will remain unlisted until the Listing Prospectus is approved by the FSA and published by the Company.

Subsequent Offering update

As previously referenced in the announcement dated 12 March 2021, the Company continues to contemplate a Subsequent Offering of new shares without tradable subscription rights of up to 60,000,000 new shares in the Company at a subscription price of NOK 1.10 per share. The contemplated Subsequent Offering will be directed towards existing shareholders of the Company as of close of trading on Oslo Euronext Expand on 11 March 2021 (record date 15 March 2021). The final decision on the Subsequent Offering will be dictated inter alia by the share price at the time of issuing the Listing Prospectus.

Listing Prospectus Timing

A combined Listing Prospectus for listing of the Offer Shares in Tranche 2a and Tranche 2b and for the offering of shares in the contemplated Subsequent Offering has been filed with the FSA and the Company is awaiting the second round of feedback. The requirement to prepare pro forma information for the now complete transaction with Svenska Petroleum Exploration AB, and transactions subject to completion with Panoro Energy ASA and Yinka Folawiyo Petroleum Company Ltd, have added complexity and input necessary from third parties to prepare the Listing Prospectus, which was submitted to the FSA in June. The Company has been informed that the FSA is presently dealing with a backlog of prospectuses and a busy pipeline of activity during the summer vacation period, and the process is therefore taking longer than previously anticipated.

The Company will provide the market with an update as soon as it has received feedback on the prospectus.

Commenting on the update, CEO Knut Søvold said:

“We are pleased to have completed the private placement and look forward to putting the capital to work in line with our stated growth strategy.

As a reminder, the acquisition of an additional interest in PNGF Sud, Congo and the associated private placement strengthen our growth platform with solid production and strong free cash flow, delivering a material impact to our financials. The transactions also provide us with the necessary funding to cover our enhanced share of the infill drilling programme at PNGF Sud which is intended to further boost production and prove up reserves from this quality asset. We are very pleased with the timing of these transactions given the improving macro backdrop of strong oil prices which enhance the economics of the project on a go forward basis, as well as the value accretive nature of the transactions for our shareholders.”

Mandatory Notification of Trade

On 15 March 2021, the Company advised that the Private Placement allocation to Petromal Sole Proprietorship LLC (“Petromal”) was corrected due to a rounding in the USD/NOK rate used for conversion of the USD 18 million subscription by Symero. As a result, Petromal’s allocation was reduced by 380,909 shares. To offset this reduced allocation, on 8 July 2021, Petromal purchased 380,909 shares for NOK 419,000, equivalent to NOK 1.10 per share, from SpareBank 1 Markets AS. Following this purchase, Petromal owns a total of 481,481,666 shares in the Company.

Mandatory Disclosure of Shareholdings

The Company had 1,056,028,924 ordinary shares prior to the issue of shares for Tranche 2a and 2b of the Private Placement. Following the issuance of the Tranche 2a and 2b shares, the Company has 1,280,756,197 ordinary shares in issue. Following issue of the Tranche 2a shares, Symero Ltd, a 100% owned subsidiary of NOR Energy AS, has increased its shareholding in the Company from 0 (zero) to 138,763,636 shares, representing 10.8% of the total issued shares in the Company, Symero Ltd thus crossing the 10% threshold for disclosure of shareholdings. NOR Energy AS, through own holding of shares in the Company and the shares owned by Symero Ltd, has increased its ownership and control over shares in the Company from 143,555,857 to a total of 282,319,493, which represents 22% of the total shares issued by the Company. NOR Energy AS has thereby crossed the 20% threshold for disclosure of shareholdings.

Shareholdings by Major Shareholders

Following issue of the shares in Tranche 2a and 2b, major shareholders of the Company own the following number of shares:

	Shares as at 7 July 2021	%	Private Placement shares issued Tranche 2a & 2b	Share Purchase 8 July 2021	Shares as at 9 July 2021	%
Petromal Sole Proprietorship LLC *	395,137,120	37.4%	85,963,637	380,909	481,481,666	37.6%
Symero Ltd **	-	-	138,763,636	-	138,763,636	10.8%
Nor Energy AS ***						
Direct	143,555,857	13.6%	-	-	143,555,857	11.2%
Indirect via subsidiary Symero Ltd	-	-	138,763,636	-	138,763,636	10.8%
Subtotal	143,555,857	13.6%	138,763,636	-	282,319,493	22.0%
Total Shares in issue	1,056,028,924	100%	224,727,273	-	1,280,756,197	100%

* Non-Executive Chairman, Mr. Alhomouz is the CEO of Petromal LLC

** Symero Ltd is the 100% subsidiary company of Nor Energy AS

*** Nor Energy AS is a company controlled jointly by CEO Mr. Søvold and former Director, Mr. Ludvigsen, through indirect beneficial interest. Further, 45,000,000 shares are held by Gulshagen III AS and 45,000,000 shares are held by Gulshagen IV AS, both companies controlled by Mr. Søvold through an indirect beneficial interest.

This information is subject to the disclosure requirements pursuant to Section 5-12 the Norwegian Securities Trading Act.

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About PetroNor E&P

PetroNor E&P Limited is a sub-Saharan focused independent oil and gas exploration and production company listed on Oslo Euronext Expand with the ticker PNOR. PetroNor holds exploration and production assets offshore West Africa, specifically the PNGF Sud licenses in Congo Brazzaville, the A4 license in The Gambia, the Sinapa (Block 2) and Esperança (Blocks 4A and 5A) licenses in Guinea-Bissau, the Rufisque Offshore Profond and Senegal Offshore Sud Profond in Senegal (in arbitration) and OML-113 in Nigeria (subject to completion).