

12 March 2021

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

PetroNor E&P Limited Successfully Completes NOK 340 Million Private Placement

Proceeds of USD 40 million enable completion of value accretive acquisition of additional interest in PNGF Sud and ensure PetroNor is fully funded for near-term infill drilling program

Reference is made to the stock exchange release by PetroNor E&P Limited (OSE ticker: "PNOR") on 11 March 2021 regarding a contemplated Private Placement (the "**Private Placement**") of new shares in the Company. PetroNor is pleased to announce that it has successfully raised NOK 340 million of new equity through a Private Placement of 309,090,909 new shares (the "**Offer Shares**") in the Company. The Private Placement was significantly oversubscribed at a price per Offer Share of NOK 1.10 (the "**Offer Price**").

The Private Placement received strong interest from new investors, including institutional investors and private family offices in Norway and internationally. Petromal Sole Proprietorship LLC and related group companies ("**Petromal**"), the Company's main shareholder owning 38.28% of all issued and outstanding shares in the Company, subscribed for Offer Shares at the Offer Price for an amount of NOK 130.2 million, which corresponds to their 38.28% pro-rata share of the Private Placement.

The Private Placement will generate NOK 187.4 million (USD 22.1 million) in cash and NOK 152.6 million (USD 18.0 million) as in-kind consideration for contingent acquisition of all of Symero Limited's ("**Symero**") shares in Hemla Africa Holding AS ("**HAH**") (the "**Symero Transaction**"). Symero is owned by NOR Energy AS, a company owned by Knut Søvold, CEO of the Company, and Gerhard Ludvigsen.

The net cash proceeds from the Private Placement will be used to finance drilling of infill wells and other increased oil recovery initiatives on PNGF Sud and general corporate purposes.

Commenting on the Private Placement, Eyas Alhomouz, Chairman of PetroNor said:

"We believe the support for this Private Placement reflects the quality of the Company's portfolio and sound rationale for the acquisition of an additional interest in PNGF Sud. The asset is already the cornerstone asset of the Company and the robust economics of the asset, coupled with the high return near-term work program scheduled for later this year, make for a compelling investment proposition. As per the recent independent CPR, the asset provides PetroNor with material upside potential that we are now better placed to target over the longer-term. By underpinning the business with more low-risk production, cash flow and reserves, we will be better placed to accelerate the vision of establishing PetroNor as a premier, full-cycle, Pan-African operator."

We were particularly pleased with the interest we received in the process and thank the investors, existing and new, who participated in the Private Placement and look forward to delivering long-term sustainable value through disciplined execution of PetroNor's growth strategy."

The Private Placement is divided into two tranches: Tranche 1 ("**Tranche 1**") consisting of Offer Shares for NOK 92.8 million have been allocated to existing and new investors, including Petromal. The remaining Offer Shares have been subscribed by and allocated to Symero (for an amount equal to NOK 152.6 million (USD 18 million) ("**Tranche 2a**") and Petromal (for an amount equal to NOK 94.6 million) in order to retain its ~38.28% ownership ("**Tranche 2b**").

As previously announced, the Symero Transaction is a related party transaction and subject to approval by ordinary resolution at the EGM. The Company will publish an independent expert report (“**Expert Report**”) as required pursuant to the Australian Corporations Act. The Expert Report will be attached to the calling notice for the EGM to be held on or about 26 April 2021. Consequently, Tranche 2a and Tranche 2b of the Offer Shares will settle as soon as practicable after approval at the EGM.

The Company is contemplating to carry out a subsequent offering of new shares without tradable subscription rights of up to 60,000,000 new shares in the Company (equivalent to NOK 66 million) towards existing shareholders of the Company as of close of trading on Oslo Euronext Expand on 11 March 2021, shareholders of record on 15 March 2021. Further information on any subsequent offering will be given in a separate stock exchange press release. A combined prospectus for listing of the Offer Shares in Tranche 2a and Tranche 2b and for the offering of shares in the contemplated Subsequent Offering is expected to be published during May 2021.

Mandatory Notification of Trades

The following primary insiders and close associates of primary insiders of the Company have been allocated Offer Shares at the Offer Price in the Private Placement:

Primary Insider / Close Associate of Primary Insider	Number of Offer Shares	Number of Company shares controlled after Private Placement
Petromal Sole Proprietorship LLC	118,320,000	490,281,246
Symero Limited	138,382,727	138,382,727
Snake Oil AS, a company owned by Claus Frimann-Dahl, CTO	454,545	504,545

Arctic Securities AS, Pareto Securities AS and SpareBank 1 Markets AS acted as joint managers and joint bookrunners for the Private Placement. Advokatfirmaet Schjødt AS and Steinepreis Paganin acted as legal advisors for the Company and Arntzen de Besche Advokatfirma AS acted as legal advisor for the Managers in connection with the Private Placement.

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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 (previously Oslo Axess) with the ticker PNOR. PetroNor holds exploration and production assets offshore West Africa, specifically the PNGF Sud licenses in Congo Brazzaville, A4 license in The Gambia, the Rufisque Offshore Profond and Senegal Offshore Sud Profond in Senegal, OML 113 in Nigeria (subject to completion) and the Sinapa (Block 2A) and Esperança (Blocks 4A and 5A) licenses in Guinea Bissau (subject to regulatory approval).