

PetroNor E&P Limited

ACN 125 419 730

Scheme Booklet

for a scheme of arrangement between PetroNor Australia and PetroNor Australia Shareholders in relation to the proposed re-domiciliation of PetroNor Australia to Norway.

**Your PetroNor Australia Directors unanimously recommend that
you**

VOTE IN FAVOUR

of the Scheme, in the absence of a Superior Proposal.

**The Independent Expert has also concluded that the Scheme is in
the best interests of PetroNor Australia Shareholders.**

This is an important document and requires your prompt attention. You should read it in its entirety before you decide how to vote on the Scheme. If you are in doubt as to what you should do, you should consult your legal, financial or other professional adviser.

Legal Adviser to PetroNor Australia

STEINPREIS PAGANIN 
Lawyers & Consultants

Legal Adviser to PetroNor Norway

SCHJØDT

IMPORTANT INFORMATION

This Scheme Booklet contains important information

The purpose of this Scheme Booklet is to explain the terms of the Scheme, the manner in which the Scheme will be considered and implemented (if the Scheme Conditions are satisfied), and to provide such information as is prescribed or otherwise material for PetroNor Australia Shareholders when deciding how to vote on the Scheme. This document includes the explanatory statement required by section 412(1) of the Corporations Act in relation to the Scheme. You should read this document in its entirety before making a decision on how to vote on the Scheme.

Investment decisions

This Scheme Booklet is intended for PetroNor Australia Shareholders and does not take into account an individual's investment objectives, financial situation, taxation position or other particular needs.

This Scheme Booklet should not be relied upon as the sole basis for any investment decision in relation to the Scheme or your PetroNor Australia Securities. If you are in any doubt about what you should do, you should seek independent legal, financial or other professional advice before making any investment decision in relation to the Scheme.

Responsibility for information

The information concerning PetroNor Australia contained in this Scheme Booklet, including financial information and information as to the views and recommendations of the PetroNor Australia Directors has been provided by PetroNor Australia and is the responsibility of PetroNor Australia. Neither PetroNor Norway, nor its advisers, nor the advisers of PetroNor Australia assume any responsibility for the accuracy or completeness of that information.

Stantons Corporate Finance Pty Ltd has prepared the Independent Expert's Report set out in Annexure A of this Scheme Booklet and takes responsibility for that report. PetroNor Norway, PetroNor Australia and their respective advisers do not assume any responsibility for the accuracy or completeness of the Independent Expert's Report.

BDO Corporate Tax (WA) Pty Ltd has prepared, and is responsible for, the information on Australian taxation implications of the Scheme contained in Section 13.1 of this Scheme Booklet. PetroNor Norway, PetroNor Australia and their respective advisers (except for BDO) do not assume any responsibility for the accuracy or completeness of the information set out in Section 13 of this Scheme Booklet.

Ernst & Young Tax & Law has prepared and is responsible for the information on Norway taxation implications of the Scheme contained in Section 13.2 of this Scheme Booklet, information on Norway legislation and the rights attaching to New PetroNor

Norway Shares in Section 16 and Annexure F of the Scheme Booklet. PetroNor Norway, PetroNor Australia and their respective advisers (other than Ernst & Young) do not assume any responsibility for the accuracy or completeness of this information.

Role of ASIC

A copy of this Scheme Booklet has been examined by ASIC pursuant to section 411(2)(b) of the Corporations Act and lodged with, and registered by, ASIC under section 412(6) of the Corporations Act. PetroNor Australia has requested ASIC provides statements, in accordance with section 411(17)(b) of the Corporations Act, that ASIC has no objection to the Scheme. If ASIC provides those statements, they will be produced to the Court on the Second Court Date. Neither ASIC nor any of its officers take any responsibility for the contents of this Scheme Booklet.

Notice of Scheme Meeting

The Notice of Scheme Meeting is set out in Annexure E.

Notice of Second Court Hearing

At the Second Court Hearing, the Court will consider whether to approve the Scheme following the vote at the Scheme Meeting.

Any PetroNor Australia Shareholder may appear at the Second Court Hearing, expected to be held at 10:00am (AWST) on 9 December 2021.

Any PetroNor Australia Shareholder who wishes to oppose approval of the Scheme at the Second Court Hearing may do so by filing with the Court and serving on PetroNor Australia a notice of appearance in the prescribed form together with any affidavit that the PetroNor Australia Shareholder proposes to rely on.

The notice of appearance and affidavit must be served on PetroNor Australia at its address for service at least one day before the Second Court Hearing.

The address for service is:

Level 4, 16 Milligan Street,
Perth, WA 6000, Australia

Important notice associated with Court order under section 411(1) of the Corporations Act

The fact that, under section 411(1) of the Corporations Act, the Court has ordered that a meeting be convened and has approved the Explanatory Statement required to accompany the Notice of Scheme Meeting does not mean that the Court:

- (a) has formed any view as to the merits of the proposed Scheme or as to how PetroNor Australia Shareholders should vote (on this matter, PetroNor Australia Shareholders must reach their own decision); and
- (b) has prepared, or is responsible for, the content of this Scheme Booklet. An order under

section 411(1) is not an endorsement of, or any other expression or opinion on the Scheme.

Forward-looking statements

This Scheme Booklet contains both historical and forward-looking statements. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. The statements contained in this Scheme Booklet about the advantages and disadvantages expected to result from the Scheme are forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of PetroNor Australia and/or PetroNor Norway to be materially different from future results, performance or achievements expressed or implied by such statements (whether the Scheme is implemented or not). The operations and financial performance of PetroNor Australia and/or PetroNor Norway and the change of a Scheme Shareholders ownership of PetroNor Australia Shares and New PetroNor Norway Shares are subject to various risks that are summarised in Section 12 of this Scheme Booklet and that may be beyond the control of PetroNor Australia and/or PetroNor Norway.

As a result, PetroNor Australia's actual results of operations and earnings and those of PetroNor Norway following implementation of the Scheme, as well as the actual advantages and disadvantages of the Scheme, may differ significantly from those that are anticipated in respect of timing, amount or nature and may never be achieved.

The forward-looking statements included in this Scheme Booklet reflect views only as of the date of this Scheme Booklet. None of PetroNor Australia, PetroNor Norway, the PetroNor Australia Directors or the PetroNor Norway Directors or any other person gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Scheme Booklet will actually occur and you are cautioned not to place undue reliance on such forward-looking statements.

All written and oral forward-looking statements attributable to PetroNor Australia or PetroNor Norway or any person acting on their behalf are qualified by this cautionary statement. Subject to any continuing obligations under the Corporations Act, neither PetroNor Australia nor PetroNor Norway give any undertaking to update or revise any such statements after the date of this Scheme Booklet to reflect any change in expectations in relation thereto or any change in events, conditions or circumstances on which any such statement is based.

Foreign Shareholders

This Scheme Booklet and the Scheme is subject to Australian disclosure requirements that may be different to those applicable in other jurisdictions. Neither this Scheme Booklet nor the Scheme constitute or are intended to constitute an offer of

securities in any place in which, or to any person to whom, it would not be lawful to make such an offer.

The distribution of this Scheme Booklet outside of Australia may be restricted by law and persons who come into possession of it should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may contravene applicable securities law. PetroNor Norway and PetroNor Australia disclaim all liabilities to such persons.

No action has been taken to register or qualify the New PetroNor Norway Shares or otherwise permit a public offering of such securities in any jurisdiction outside Australia.

Restrictions in certain jurisdictions outside Australia may make it impractical or unlawful for New PetroNor Norway Shares to be issued under the Scheme to, or received under the Scheme by, PetroNor Australia Shareholders in those jurisdictions.

Privacy and entitlement to inspect PetroNor Australia Register

Personal information may be collected by PetroNor Australia and PetroNor Norway in the process of implementing the Scheme. This information may include the name, contact details, shareholding details of PetroNor Australia Shareholders, and the names of individuals appointed to act as proxy, attorney or corporate representative by PetroNor Australia Shareholders at the Scheme Meeting. The primary purpose for collecting this personal information is to assist PetroNor Australia and PetroNor Norway to conduct the Scheme Meeting and implement the Scheme.

Any personal information collected may be disclosed to PetroNor Australia's and PetroNor Norway's respective share registries, advisers, print and mail service providers and related bodies to the extent necessary to effect the Scheme. PetroNor Australia Shareholders are entitled under section 173 of the Corporations Act to inspect and obtain copies of personal information collected. PetroNor Australia Shareholders should contact the PetroNor Australia Registry in the first instance if they wish to access their personal information.

Defined terms

Capitalised terms and certain other terms used in this Scheme Booklet are defined in the Glossary of defined terms in Section 17.

The Independent Expert's Report set out in Annexure A has its own defined terms and those terms are sometimes different to the defined terms in the Glossary.

Currency

All references in this Scheme Booklet to:

- "US\$", "USD" and "US dollars" are references to US currency; and
- "NOK" are references to the currency of Norway,

unless otherwise indicated.

Effect of rounding

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Scheme Booklet, including but not limited to those in respect of the Scheme Consideration, are subject to the effect of rounding. Accordingly, their actual calculation may differ from the calculations set out in this Scheme Booklet.

Charts, graphs and tables

Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the Last Practicable Date. Any discrepancies in any chart, graph or table between totals and sums of amounts presented or listed therein or to previously published financial figures are due to rounding.

External websites

Unless expressly stated otherwise, the content of the websites of PetroNor Australia and PetroNor Norway do not form part of this Scheme Booklet and PetroNor Australia Shareholders should not rely on any such content.

Reference to time

All references in this document to time relate to the time in Perth, Western Australia, unless otherwise specified.

Date of this Scheme Booklet

This Scheme Booklet is dated 27 October 2021.

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1. OVERVIEW OF THIS SCHEME BOOKLET

This Scheme Booklet contains information about the proposed re-domicile of PetroNor E&P Limited (**PetroNor Australia**) and its subsidiaries (**PetroNor Group**) to Norway.

The Proposed Transaction will be implemented by way of scheme of arrangement (referred to in this Scheme Booklet as the **Scheme**) under which all of the shares held by PetroNor Australia Shareholders will be transferred to PetroNor E&P ASA (**PetroNor Norway**) (an existing subsidiary of PetroNor Australia, incorporated in Norway) and PetroNor Australia Shareholders will receive one (1) New PetroNor Norway Share for every one (1) PetroNor Australia Share held as at the Record Date (excluding Non-VPS Shareholders).

Following the Scheme becoming Effective, PetroNor Norway will become the holding company of the PetroNor Group. In connection with the Scheme, PetroNor Norway will make a formal listing application to the Oslo Stock Exchange to have its securities admitted to trading on the Oslo Børs main list, thereby facilitating the tradeability of the New PetroNor Norway Shares on the primary securities exchange of Norway.

In the event approval to have its securities admitted to the Oslo Børs main list is not forthcoming, PetroNor Norway will alternatively apply to have its securities admitted to trading on Euronext Expand, thereby facilitating the tradeability of the New PetroNor Norway Shares on the same securities exchange that PetroNor Australia is presently listed.

PetroNor Australia currently has 1,389,470 PetroNor Australia Options on issue. PetroNor Australia and PetroNor Norway propose to enter into Option Exchange Deeds with each PetroNor Australia Optionholder to cancel the PetroNor Australia Options held by each respective PetroNor Australia Optionholder in consideration for the issue of the equivalent number of PetroNor Norway Options, to be issued on substantially the same terms as the PetroNor Australia Options they are replacing. See Section 7.2 for further information regarding the PetroNor Australia Options.

The Scheme is subject to the approval of PetroNor Australia Shareholders. The Scheme Meeting to consider the Scheme will be held on Monday, 29 November 2021 at 4:00pm (AWST).

This Scheme Booklet contains information relevant to the decision of PetroNor Australia Shareholders as to whether to vote for or against the Scheme.

2. KEY DATES RELATING TO THE SCHEME

Key events and the expected timing in relation to the approval and implementation of the Scheme are set out in the table below.

Event	Date
First Court Date – this is the date the Court made orders convening the Scheme Meeting	22 October 2021
PetroNor Norway filing of introductory report to Oslo Børs	26 October 2021 (CET)
Filing of the first draft prospectus to the Norwegian Financial Supervisory Authority	On or about 1 November 2021 (CET)
Latest time and date for lodgement of completed proxy forms for the Scheme Meeting	4:00pm (AWST), 27 November 2021
Time and date for determining eligibility to attend and vote at the Scheme Meeting	5:00pm (AWST), 27 November 2021
Scheme Meeting	4:00pm (AWST), 29 November 2021
If the Scheme is approved PetroNor Australia Shareholders, the expected timetable for implementing the Scheme is:	
Oslo Børs Listing Committee Meeting Approval of listing application	8 December 2021 (CET)
Second Court Date for approval of the Scheme	9 December 2021
Effective Date of the Scheme	10 December 2021
Record Date for determining entitlements to the Scheme Consideration	15 December 2021
Implementation Date	17 December 2021
Issue of New PetroNor Norway Shares ¹	
Publication of PetroNor Norway prospectus	At the latest prior to 08:00 on the first day of trading
New PetroNor Norway Shares commence trading on Oslo Børs ²	On or about 21 December 2021 (CET)

The above dates and times are indicative only and, amongst other things, are subject to the time at which each Scheme Condition is satisfied and the dates on which all necessary Court and regulatory approvals are obtained. PetroNor Australia has the right to vary any or all of these dates and times, subject to the approval of such variation by the Court and PetroNor Norway, where required.

¹ Non-VPS Shareholders will not be entitled to receive any New PetroNor Norway Shares and will instead receive Cash Proceeds from the sale by the Sale Agent of the New PetroNor Norway Shares which they were otherwise entitled to receive. Refer to Section 8.3 of this Scheme Booklet for further information.

² In the event approval to have its securities admitted to the Oslo Børs main list is not forthcoming, PetroNor Norway will alternatively apply to have its securities admitted to trading on Euronext Expand, thereby facilitating the tradeability of the New PetroNor Norway Shares on the same securities exchange that PetroNor Australia is presently listed.

Any variation to the above dates and times will be available on www.petrnorep.com/investors/sharescheme.

The exact number of New PetroNor Norway Shares to be issued to you will not be confirmed until you receive your stock exchange notice, or once the holdings are entered on each Scheme Shareholders' VPS account following the Implementation Date. It is your responsibility to confirm your holding of New PetroNor Norway Shares before you trade them to avoid the risk of committing to sell more than will be issued to you.

3. LETTER FROM PETRONOR AUSTRALIA

Dear PetroNor Australia Shareholder,

On behalf of the board of PetroNor E&P Limited, I am pleased to present this Scheme Booklet to you.

As set out in this Scheme Booklet, PetroNor Australia intends to re-domicile the PetroNor Group in Norway by undertaking a share swap with PetroNor Australia's existing wholly owned subsidiary, PetroNor E&P ASA (**PetroNor Norway**), incorporated under the laws of Norway.

The Proposed Transaction involves PetroNor Australia Shareholders transferring all existing PetroNor Australia Shares to PetroNor Norway in exchange for the issue of PetroNor Norway Shares (excluding Non-VPS Shareholders, who will have their PetroNor Norway Shares sold through the Sale Facility).

Following the Scheme becoming Effective, PetroNor Norway will become the holding company of the PetroNor Group. In connection with the Scheme, PetroNor Norway will make a formal listing application to the Oslo Stock Exchange to have its securities admitted to trading on the Oslo Børs main list, thereby facilitating the tradeability of the New PetroNor Norway Shares on the primary securities exchange of Norway.

In the event approval to have its securities admitted to the Oslo Børs main list is not forthcoming, PetroNor Norway will alternatively apply to have its securities admitted to trading on Euronext Expand, thereby facilitating the tradeability of the New PetroNor Norway Shares on the same securities exchange that PetroNor Australia is presently listed.

Recommendation of PetroNor Australia Directors

The PetroNor Australia Directors have considered the advantages and disadvantages of the Scheme and concluded that the Scheme is in the best interest of PetroNor Australia Shareholders. The PetroNor Australia Directors unanimously recommend that all PetroNor Australia Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal.

In accordance with the Scheme Implementation Agreement, the PetroNor Australia Directors recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal. Subject to that same qualification, Mr Jens Pace, the sole PetroNor Australia Director who holds PetroNor Australia Shares, intends to vote his PetroNor Australia Shares in favour of the Scheme.

In reaching their recommendation, the PetroNor Australia Directors considered a number of factors, including that:

- the Proposed Transaction will re-domicile the PetroNor Group in Norway, which will better reflect the location of its assets and the growing international focus of its shareholder base;
- the potential to improve PetroNor Group's capital raising ability through geographic proximity to larger and more diverse equity markets;
- the Proposed Transaction will reduce administrative resources and costs for the PetroNor Group, with no additional personnel and advisers required in Australia, and operations in closer matching time zones;
- PetroNor Australia Shareholders will retain their existing exposure to PetroNor Australia's assets through receiving 'replacement' securities in PetroNor Norway;

- the Independent Expert has concluded that, in the absence of a Superior Proposal, the Scheme is in the best interests of PetroNor Australia Shareholders; and
- no Superior Proposal has emerged as at the date of this Scheme Booklet.

These key reasons to vote in favour of the Scheme are set out in further detail in Section 6.1 of this Scheme Booklet.

There are also reasons why you may choose to vote against the Scheme, including that:

- you may disagree with the recommendation by the Independent Expert and the PetroNor Australia Directors;
- there are costs associated with implementing the re-domiciliation, albeit mostly incurred;
- there are risks associated with the Proposed Transaction which you may consider exceed the anticipated benefits;
- you may consider that the conditions to which the Scheme is subject to are conditions that you consider to be unacceptable;
- you may prefer to maintain an interest in an Australian public company; and
- the tax consequences of the Scheme may not suit your current financial position.

These reasons why you may choose to vote against the Scheme are set out in further detail in Section 6.2 of this Scheme Booklet.

Your vote is important

The Scheme requires the agreement by the Requisite Majority of PetroNor Australia Shareholders and the approval of the Court in order to proceed. The Scheme Meeting will be held on Monday, 29 November 2021 at Level 4, 16 Miligan Street, Perth, Western Australia 6000, commencing at 4:00pm (AWST).

Your vote is important regardless of how many PetroNor Australia Shares you own. If you are unable to attend the Scheme Meeting in person, we encourage you to vote by completing and returning your personalised proxy form enclosed with this Scheme Booklet in accordance with the directions on that form. Further information regarding the Scheme Meeting and details of how to vote are set out in Section 4 of this Scheme Booklet and in the Notice of Scheme Meeting at Annexure E.

Before making a decision about the Scheme, you should read this Scheme Booklet in its entirety (including the Independent Expert's Report) and if you are in doubt about what action you should take, contact your legal, financial and other professional adviser.

Yours sincerely

Knut Søvold
Chief Executive Officer
PetroNor E&P Limited

4. DETAILS OF THE SCHEME MEETING AND HOW TO VOTE

4.1 Next Steps

You should read and carefully consider the information included in this Scheme Booklet in full to help you make an informed decision in relation to your PetroNor Australia Shares and as to how to vote at the Scheme Meeting.

For further information in relation to the Scheme, you may call the PetroNor Australia Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (International). If you have any doubt as to what action you should take, please contact your financial, legal, taxation or other professional adviser immediately.

4.2 Vote on the Scheme relevant to you

As a PetroNor Australia Shareholder, it is your right to vote on whether the Scheme should be approved, and therefore, whether the Scheme should proceed. You should note that the Scheme is subject to the Scheme Conditions. Even if PetroNor Australia Shareholders approve the Scheme, it is possible that the Scheme will not be implemented if the Scheme Conditions have not been satisfied.

The Scheme Meeting will be held at 4:00pm (AWST) on Monday, 29 November 2021 at Level 4, 16 Milligan Street, Perth WA 6000 Australia.

The business of the Scheme Meeting is to consider, and if thought fit, pass the Scheme Resolution to approve the Scheme. The Scheme Resolution must be approved by:

- unless the Court approves otherwise, a majority in number (more than 50%) of PetroNor Australia Shareholders present and voting at the Scheme Meeting; and
- at least 75% of the total number of votes cast on the Scheme Resolution at the Scheme Meeting by PetroNor Australia Shareholders entitled to vote on the Scheme Resolution.

Please refer to the Notice of Scheme Meeting in Annexure E for further information.

Following approval of the Scheme by the PetroNor Australia Shareholders, the Court must also approve the Scheme and has discretion as to whether or not the Scheme is approved.

PetroNor Australia Shareholders may vote at the Scheme Meeting either in person, or by proxy, attorney or, in the case of a corporation, by corporate representative.

Details on how to vote are set out briefly in the table below. Further details are set out in the Notice of Scheme Meeting (attached at Annexure E).

4.3 PetroNor Australia Shareholders

PetroNor Australia Shareholders who hold PetroNor Australia Shares on the PetroNor Australia Register should follow the voting instructions below:

Means	Voting instructions
In Person	<p>If you wish to vote in person, you must attend the Scheme Meeting.</p> <p>All PetroNor Australia Shareholders who are entitled to vote must register their attendance by disclosing their name at the point of entry to the Scheme Meeting.</p> <p>PetroNor Australia Shareholders holding securities in the Company which are registered in the VPS Register will need to exercise their</p>

Means	Voting instructions
	<p>voting rights through the VPS Registrar, who will exercise voting rights on behalf of such PetroNor Australia Shareholders.</p>
<p>By Proxy</p>	<p>PetroNor Australia Shareholders who are entitled to vote and who wish to appoint a proxy to vote on their behalf at the Scheme Meeting must either vote online or complete and sign the Proxy Form in accordance with the instructions and return it to the PetroNor Australia Registry in the envelope enclosed.</p> <p>Petronor Australia Shareholders who have elected to receive communications electronically will receive an email where they can download the Scheme Booklet and lodge their proxy vote online. Petronor Australian Shareholders who have not made such an election will be mailed a letter which contains these instructions and hard copy Proxy Forms for the Scheme Meeting. The Scheme Booklet will also be available for download from www.petronorep.com/investors/sharescheme.</p> <p>If your proxy is signed by an attorney, please also enclose the authority under which the proxy is signed (or a certified copy of the authority).</p> <p>Proxy Forms and powers of attorney must be received by the PetroNor Australia Registry by no later than 4:00pm (AWST) on 27 November 2021 (or if the Scheme Meeting is adjourned, at least 48 hours before the resumption of the Scheme Meeting). Proxy Forms and powers of attorney received after this time will not be valid. Accordingly, you should ensure that it is posted, delivered or lodged online in sufficient time for it to be received by the PetroNor Australia Registry by that time.</p> <p>If you are entitled to cast two or more votes, you may appoint two proxies. You must specify the names and the proportion or the number of votes that each proxy is appointed to exercise. If numbers or proportions of votes are not specified, each proxy may exercise half of the votes you are entitled to cast. Fractions of votes will be disregarded.</p> <p>If you hold PetroNor Australia Shares jointly with one or more other persons, in order for your proxy appointment to be valid, each of you must sign the Proxy Form.</p> <p>Appointing a proxy will not preclude you from attending the Scheme Meeting in person and voting at the Scheme Meeting instead of your proxy. In this scenario the appointment of your proxy is not revoked but your proxy must not speak or vote at the meeting while you are so present.</p>
<p>By Power of Attorney</p>	<p>Your vote may be cast by a duly authorised attorney. An attorney need not be a PetroNor Australia Shareholder.</p> <p>If you intend to appoint an attorney to attend the Scheme Meeting and vote on your behalf, you may do so by providing a power of attorney duly executed by you in the presence of at least one witness, and specifying your name, the company (that is, PetroNor E&P Limited), and the attorney, and also specify the meeting at which the appointment may be used. The appointment may be a standing one.</p> <p>The original or a certified copy of the power of attorney or other authority (if any) under which the instrument is signed must be received by the PetroNor Australia Registry by no later than 4:00pm (AWST) on 27 November 2021.</p>

Means	Voting instructions
	<p>The power of attorney must be delivered by posting it in the envelope provided (for use in Australia) in accordance with the instructions set out the Proxy Form.</p> <p>Alternatively, the attorney may bring a certified copy of the power of attorney to the Scheme Meeting.</p> <p>Your appointment of an attorney does not preclude you from attending in person and voting at the Scheme Meeting. The appointment of your attorney is not revoked merely by your attendance and taking part in the Scheme Meeting, but if you vote on a resolution, the attorney is not entitled to vote, and must not vote, as your attorney on that resolution.</p>
By Corporate Representative	<p>A PetroNor Australia Shareholder that is a body corporate may appoint an individual to act as its representative at the Scheme Meeting.</p> <p>To vote by corporate representative at the Scheme Meeting, a corporate PetroNor Australia Shareholder should obtain an "Appointment of Corporate Representative" form from the PetroNor Australia Registry and complete that form in accordance with its instructions. The form can be obtained online at www.investorcentre.com.au under 'Printable Forms'.</p> <p>Corporate representative appointment forms should be provided to the PetroNor Australia Registry by no later than 4:00pm (AWST) on 29 November 2021, or alternatively brought to the Scheme Meeting.</p>
Further Information	<p>For further information, you can call the PetroNor Australia Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (International).</p>

4.4 Depository Receipt Holders

Persons who hold Depository Receipts in the VPS Register should follow the voting instructions below:

Means	Voting instructions
Background	<p>In accordance with market practice in Norway and system requirements of VPS and Oslo Euronext Expand, Depository Receipt Holders in the VPS Register are registered in the VPS as beneficial owners of the equivalent number of PetroNor Australia Shares and the instruments listed and traded on Oslo Euronext Expand. For the purpose of Australian law, the Australian Custodian is, however, regarded as the legal owner of such PetroNor Australia Shares and investors registered as the beneficial owners of such PetroNor Australia Shares in the VPS will have to exercise all rights of ownership relating to the PetroNor Australia Shares, indirectly through the VPS Registrar as their nominee.</p>

Means	Voting instructions
	<p>The investors registered as Depositary Receipt Holders in the VPS Register must look solely to the VPS Registrar for the payment of dividends, for the exercise of voting rights attached to the PetroNor Australia Shares, and for all other rights arising in respect of the PetroNor Australia Shares. The Registrar Agreement provides that whenever the VPS Registrar receives any notice, report, accounts, financial statements, circular or other similar document relating to the Company's affairs, including notice of a PetroNor Australia Shareholder meeting, the VPS Registrar shall ensure that a copy of such document is promptly sent to the investors registered as owners in the VPS Register, along with any proxy form or other relevant materials.</p>
By Proxy	<p>Each Depositary Receipt Holder may vote for the number of Depositary Receipts held by that Depositary Receipt Holder at the Scheme Meeting by following the instructions on the relevant proxy form which accompanies the Notice of Scheme Meeting, set out at Annexure E of this Scheme Booklet.</p>
Notice of Scheme Meeting	<p>The Notice of Scheme Meeting is attached as Annexure E of this Scheme Booklet.</p>
Further Information	<p>For further information, you can call the PetroNor Norway Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (International).</p>

5. FREQUENTLY ASKED QUESTIONS

This Section provides summary answers to some frequently asked questions that PetroNor Australia Shareholders may have in relation to the Scheme. This Section should be read in conjunction with the whole Scheme Booklet.

Questions about the Proposed Transaction

What is the Proposed Transaction?

The Proposed Transaction is a transaction to re-domicile the PetroNor Group to Norway such that on completion of the Proposed Transaction the new holding company of the PetroNor Group will be a Norwegian company.

The Proposed Transaction will be implemented by scheme of arrangement pursuant to which an existing Norwegian subsidiary company, PetroNor Norway, will acquire all of the Scheme Shares from PetroNor Australia Shareholders in exchange for the issue of New PetroNor Norway Shares to those PetroNor Australia Shareholders who are eligible to receive Scheme Consideration.

What is a scheme of arrangement?

A scheme of arrangement is a means of implementing an acquisition of shares under the Corporations Act. It requires a vote for the Scheme by certain majorities of relevant PetroNor Australia Shareholders at the Scheme Meeting and also requires Court approval.

What are the effects of the Scheme?

If the Scheme is approved and implemented:

- all Scheme Shareholders (other than Non-VPS Shareholders) will receive the Scheme Consideration irrespective of whether they voted for or against the Scheme;
- Non-VPS Shareholders will receive Cash Proceeds instead of New PetroNor Norway Shares as set out in Section 8.3 irrespective of whether they voted for or against the Scheme; and
- PetroNor Norway will apply to the Oslo Stock Exchange to have its shares listed on the Oslo Børs main list and PetroNor Australia will apply to have its PetroNor Australia Shares deregistered from the Euronext Expand; and
- PetroNor Australia will become a wholly owned subsidiary of PetroNor Norway.

Why is PetroNor Australia re-domiciling to Norway?

The PetroNor Australia Board considers that re-domiciliation in Norway will:

- better reflect the location of the PetroNor Group's assets and the growing international focus of its shareholder base;
- improve PetroNor Group's capital raising ability through geographic proximity to larger and more diverse equity markets; and
- reduce administrative resources and costs for the PetroNor Group, with no additional personnel and advisers required in Australia, and operations in closer matching time zones.

Who is PetroNor Norway?

PetroNor Norway is an indirect, wholly owned subsidiary of PetroNor Australia, incorporated in Norway pursuant to the Norwegian Public Limited Liability Companies Act for the specific purpose of becoming the Norwegian holding company for the PetroNor Group. It is intended that PetroNor Norway Shares will be listed for trading on Oslo Børs main list subject to Oslo Børs authorising such shares for listing following implementation of the Scheme. Should Oslo Børs not authorise a listing on the Oslo Børs main list, PetroNor Norway will alternatively apply for a listing on Euronext Expand.

Questions about the Scheme**Who is entitled to participate in the Scheme?**

PetroNor Australia Shareholders as at the Scheme Record Date are Scheme Shareholders and are entitled to participate in the Scheme.

What does the Independent Expert say about the Scheme?

The Independent Expert has concluded that the Scheme is in the best interest of PetroNor Australia Shareholders.

The Independent Expert's Report is included in Annexure A to this Scheme Booklet and you are encouraged to read it in full.

What do the PetroNor Australia Directors recommend?

The PetroNor Australia Directors unanimously recommend that PetroNor Australia Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal. Additionally, Mr Jens Pace, the sole PetroNor Australia Director who holds PetroNor Australia Shares, intends to vote those securities in favour of the Scheme, in the absence of a Superior Proposal.

What happens to PetroNor Australia Options?

PetroNor Australia currently has 1,389,470 PetroNor Australia Options on issue. PetroNor Australia and PetroNor Norway propose to enter into Option Exchange Deeds with PetroNor Australia Optionholders to cancel the PetroNor Australia Options on issue in consideration for the issue of replacement PetroNor Norway Options. See Section 7.2 for further information regarding the cancellation of the PetroNor Australia Options.

What are the Scheme Conditions?

Implementation of the Scheme is subject to the Scheme Conditions being satisfied or waived.

The Scheme will only be implemented if, amongst other things:

- the Requisite Majority of PetroNor Australia Shareholders approve the Scheme;
- the Court approves the Scheme; and
- the conditions to the Scheme are satisfied or waived.

Further details in respect of the Scheme Conditions are set out in Sections 7.6.

At the date of this Scheme Booklet the PetroNor Australia Directors are not aware of any Scheme Condition that is likely to prevent the Scheme becoming Effective and the Proposed Transaction progressing.

If the Scheme Conditions are not satisfied or waived then the Scheme will not proceed.

What happens if the Scheme does not proceed?	If the Scheme is not approved at the Scheme Meeting (or is approved at the Scheme Meeting but is not approved by the Court), the Scheme will not be Effective and will not proceed. PetroNor Australia Shareholders will not receive the Scheme Consideration but will retain their PetroNor Australia Shares and PetroNor Australia will continue to operate as a company domiciled in Australia. PetroNor Australia Optionholders will also retain their PetroNor Australia Options and will not receive replacement PetroNor Norway Options.
What happens if the Scheme is not approved?	If the Scheme is not approved, the Proposed Transaction will not proceed and PetroNor Australia will continue to operate as a stand-alone entity, listed on Euronext Expand. In addition, PetroNor Australia will be liable to pay sunk costs associated with the Proposed Transaction.
Can PetroNor Australia or PetroNor Norway terminate the Proposed Transaction?	<p>The Scheme Implementation Agreement provides for situations where either PetroNor Australia or PetroNor Norway have the right to terminate it and the Proposed Transaction.</p> <p>These include the Scheme not being approved by the Requisite Majority of PetroNor Australia Shareholders, the Court refusing to approve the Scheme and the remainder of the conditions to the Scheme not being satisfied or waived by the relevant time.</p> <p>Further information is set out in Section 15.</p>

Questions about the Scheme Consideration

What will I receive if the Scheme is implemented?	<p>If the Scheme becomes Effective and you are a Scheme Shareholder (other than a Non-VPS Shareholder), you will receive one (1) PetroNor Norway Share for each PetroNor Australia Share you hold on the Record Date.</p> <p>The Scheme Consideration, i.e., the New PetroNor Norway Shares, will be distributed to Depository Receipt Holders as soon as practicably possible by the Registrar (being DNB Bank ASA, registrar's department) through the VPS to such Depository Receipt Holders' VPS accounts following the Implementation Date.</p> <p>Non-VPS Shareholders should refer to Section 8.3 for further details about the consideration they will receive.</p>
Are there differences between my PetroNor Australia Shares and the PetroNor Norway Shares I will receive under the Scheme?	Yes. While the rights attaching to PetroNor Norway Shares are based on the rights of the existing PetroNor Australia, there are certain important differences. In addition, there are a number of significant differences between Norwegian and Australian law. A summary of these differences is set out in Annexure F.
When will I receive my Scheme Consideration?	<p>If the Scheme become Effective, you will be paid the Scheme Consideration on the Implementation Date, which is expected to be 16 December 2021.</p> <p>Stock exchange notices detailing your holding of New PetroNor Norway Shares are expected to be despatched to you as soon as reasonably practicable after the Implementation Date.</p>

	Non-VPS Shareholders should refer to Section 8.3 for further details about the timing for payment of the consideration they will receive.
What if I am a Non-VPS Shareholder	<p>A PetroNor Australia Shareholder whose PetroNor Australia Shares are not registered in the VPS on the Record Date will not be entitled to receive any New PetroNor Norway Shares and will instead receive Cash Proceeds from the sale by the Sale Agent of the New PetroNor Norway Shares which they were otherwise entitled to receive.</p> <p>Non-VPS Shareholders should refer to Sections 8.3 and 8.3(a) of this Scheme Booklet for further information.</p>
Will I have to pay brokerage fees or stamp duty?	Unless you are a Non-VPS Shareholder, you will not have to pay brokerage fees or stamp duty in connection with the exchange of your PetroNor Australia Shares for PetroNor Norway Shares. Non-VPS Shareholders will have some brokerage fees deducted from the proceeds of sale of their PetroNor Norway Shares.
Can I sell my PetroNor Australia Shares now?	<p>PetroNor Australia Shareholders may sell their PetroNor Australia Shares at the prevailing market price, on market at any time before the close of trading on Euronext Expand on the Effective Date, which is expected to be 10 December 2021.</p> <p>If PetroNor Australia Shareholders sell their PetroNor Australia Shares before the Effective Date of the Scheme they will not receive New PetroNor Norway Shares.</p>
Will the Scheme be taxable transactions for Australian and Norway tax purposes?	<p>A description of the general Australian and Norwegian tax consequences of the Scheme for certain PetroNor Australia Shareholders is set out in Section 8.4.</p> <p>You should consult with your own tax adviser regarding the consequences of the Scheme, in light of current tax laws and your particular personal circumstances.</p>
Will the new PetroNor Norway Shares be quoted for trading?	If the Scheme is implemented, PetroNor Norway intends to apply to the Oslo Stock Exchange to have its securities quoted on the Oslo Børs main list, including the New PetroNor Norway Shares. In the event PetroNor Norway does not receive approval to have the New PetroNor Norway Shares quoted on the Oslo Børs main list, it will seek to have those securities quoted on the Euronext Expand.
Questions about the Scheme Meeting	
When and where will the Scheme Meeting be held?	<p>The Scheme Meeting will be held at 4:00pm (AWST) on Monday, 29 November 2021 at Level 4, 16 Milligan Street, Perth WA 6000 Australia.</p> <p>Refer to the Notice of Scheme Meeting set out in Annexure E for further information.</p>
Who is entitled to vote at the Scheme Meeting?	<p>PetroNor Australia Shareholders who are recorded on the PetroNor Australia Register as at 5:00pm (AWST) on 27 November 2021, are entitled to vote at the Scheme Meeting.</p> <p>Instructions on how to vote at the Scheme Meeting are set out in Section 4.2 and 4.3 above.</p> <p>Refer to Section 0 for further information.</p>

Is voting compulsory?

Voting is not compulsory. However, your vote is important in deciding whether the Scheme is approved. PetroNor Australia Shareholders are strongly encouraged to vote.

You should be aware that even if you do not vote, or vote against the Scheme, the Scheme may still be implemented if it is approved by the Requisite Majority of PetroNor Australia Shareholders and the Court. If this occurs, your PetroNor Australia Shares will be transferred to PetroNor Norway, and you will receive the Scheme Consideration (unless you are a Non-VPS Shareholder, in which case you will receive the Cash Proceeds from the sale of the equivalent number of New PetroNor Norway Shares that you would otherwise be entitled to receive) even though you did not vote on, or voted against, the Scheme.

PetroNor Australia Shareholders who cannot attend the Scheme Meeting may complete and return the personalised proxy form (enclosed with this Scheme Booklet) or alternatively appoint a representative with a power of attorney to attend the Scheme Meeting.

Refer to Section 6 for further information.

What voting majority is required to approve the Scheme?

For the Scheme to be approved by PetroNor Australia Shareholders, votes in favour of the Scheme must be received from:

- unless the Court approves otherwise, a majority in number (more than 50%) of PetroNor Australia Shareholders present and voting at the Scheme Meeting (in person, by proxy, by attorney or, in the case of corporate PetroNor Australia Shareholders, by corporate representative); and
- PetroNor Australia Shareholders who together hold at least 75% of the total number of votes cast at the Scheme Meeting.

It is also necessary for the Court to approve the Scheme before it can become Effective. If PetroNor Australia Shareholders wish to oppose the approval by the Court of the Scheme at the Second Court Hearing, they may do so at the Second Court Hearing by filing with the Court and serving on the Company, a notice of appearance in the prescribed form, together with any affidavit on which they wish to rely at the hearing.

Information on the PetroNor Group**Will there be changes to the strategy of the PetroNor Group following the Proposed Transaction?**

Immediately following the Proposed Transaction, the PetroNor Group will continue to have materially the same assets and liabilities as immediately before the Proposed Transaction. It is the intention of the PetroNor Australia Directors that the business of the PetroNor Group will largely remain the same as before the Proposed Transaction and the PetroNor Group does not intend to change its strategy as a result of the Proposed Transaction.

How will the PetroNor Group be managed?

In connection with the Proposed Transaction, certain existing Directors of PetroNor Australia will be appointed as directors of PetroNor Norway, with the exception of the Australian resident PetroNor Australia Directors, being Alexander Neuling and Roger Steinepreis, who will retire. Therefore, immediately following the Proposed Transaction, PetroNor Norway will have five directors,

being Eyas Alhomouz, Jens Pace, Joseph Iskander, Ingvil Smines Tybring-Gjedde and Gro Kielland.

Additional Information

Where can I obtain additional information?

For further information, contact the PetroNor Australia Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (International).

If you are in doubt as to what you should do, you should consult your legal, financial or other professional adviser.

6. KEY CONSIDERATIONS RELEVANT TO YOUR VOTE

6.1 Key reasons to vote in favour of the Scheme

This Section summarises the key reasons why the PetroNor Australia Directors recommend that PetroNor Australia Shareholders vote in favour of the Scheme.

This Section should be read in conjunction with Section 12 which describes the risks associated with the PetroNor Group following implementation of the Scheme, the risks associated with the Scheme and the implications if the Scheme does not proceed.

(a) **The PetroNor Australia Directors unanimously recommend that PetroNor Australia Shareholders vote in favour of the Scheme**

The Board considers the re-domicile and the Scheme to be in the best interests of PetroNor Australia Shareholders.

The PetroNor Australia Directors unanimously recommend that, in the absence of a Superior Proposal, PetroNor Australia Shareholders vote in favour of the Scheme at the Scheme Meeting. Subject to that same qualification, each PetroNor Australia Director intends to vote all PetroNor Australia Shares held or controlled by them, or on their behalf, in favour of the Scheme.

The PetroNor Australia Directors believe that the reasons for PetroNor Australia Shareholders to vote in favour of the Scheme outweigh the potential disadvantages and reasons to vote against the Scheme. In making their voting recommendation, the PetroNor Australia Directors have considered:

- the advantages and disadvantages of the Scheme, as summarised in this Section 3;
- the implications of the Scheme not being approved, as summarised in Section 6.3;
- the opinion of the Independent Expert that the Scheme is in the best interest of PetroNor Australia Shareholders; and
- the alternative arrangements to the Scheme that might have otherwise been available to PetroNor Australia.

The advantages, disadvantages and risks of the Scheme may affect PetroNor Australia Shareholders in different ways depending on their individual circumstances.

(b) **The Proposed Transaction will re-domicile the PetroNor Group in Norway, which will better reflect the location of its assets and the growing international focus of its shareholder base**

The PetroNor Group originally announced its intentions to re-domicile in February 2020 in order to streamline the corporate structure and reduce corporate overheads.

The re-domiciliation is part of a wider consideration about the PetroNor Group's optimum corporate structure to achieve its long-term growth objectives. The Board has ambitious growth plans and believe these corporate changes will help accelerate momentum towards the PetroNor Group's strategic goals.

(c) **The potential to improve PetroNor Australia capital raising ability through geographic proximity to larger and more diverse equity markets**

Following the Scheme becoming Effective, PetroNor Norway will become the holding company of the PetroNor Group. In connection with the Scheme, PetroNor Norway will make a formal listing application to the Oslo Stock Exchange to have its securities admitted to trading on the Oslo Børs main list, thereby facilitating the tradeability of the New PetroNor Norway Shares on the primary securities exchange of Norway.

In the event approval to have its securities admitted to the Oslo Børs main list is not forthcoming, PetroNor Norway will apply to have its securities admitted to trading on Euronext Expand, thereby facilitating the tradeability of the New PetroNor Norway Shares on the same securities exchange that PetroNor Australia is presently listed.

Oslo Børs – part of Euronext, a pan-European exchange group, operating stock exchanges in Amsterdam, Brussels, Dublin, Lisbon, London, Milan, Oslo and Paris. In May 2021, Oslo Børs had nearly 1,900 listed issuers worth EUR 5.6 trillion in market capitalisation.

(d) **PetroNor Australia Security-holders will retain their existing exposure to PetroNor Australia's assets through receiving 'replacement' securities in PetroNor Norway**

If the Scheme is implemented, PetroNor Australia Shareholders (other than Non-VPS Shareholders) will become holders of PetroNor Norway Shares and PetroNor Norway will seek to have its shares listed on Oslo Børs. Similarly, PetroNor Australia Optionholders will have PetroNor Norway Options issued to them to replace their PetroNor Australia Options. PetroNor Norway Shareholders will have continued exposure to PetroNor Australia's assets and be able to participate in the advantages described above.

(e) **The Independent Expert has concluded that, in the absence of a Superior Proposal, the Scheme is in the best interests of PetroNor Australia Shareholders**

The Independent Expert has considered the terms of the Scheme and has concluded that, in the absence of a Superior Proposal, that the Scheme is in the best interest of PetroNor Australia Shareholders.

The Independent Expert's Report is set out in Annexure A to this Scheme Booklet. The PetroNor Australia Directors recommend that PetroNor Australia Shareholders read the Independent Expert's Report in full.

(f) **No Superior Proposal has emerged as at the date of this Scheme Booklet**

The PetroNor Australia Directors' recommendations of the Scheme is qualified as applying in the absence of a Superior Proposal. As at the date of this Scheme Booklet, no Superior Proposal has been received and the PetroNor Australia Directors are not aware of any approach that may result in a Superior Proposal emerging.

If a Competing Proposal for PetroNor Australia emerges prior to the Scheme Meeting, the PetroNor Australia Directors will carefully consider the proposal to determine whether it is a Superior Proposal and will inform you of any material developments which may affect the PetroNor Australia Directors' view that the Scheme is presently the most favourable proposal for PetroNor Australia Shareholders.

6.2 Reasons why you may choose to vote against the Scheme

(a) **You may disagree with the recommendation by the Independent Expert and the PetroNor Australia Directors**

Notwithstanding the unanimous recommendation by the PetroNor Australia Directors, and the conclusion reached by the Independent Expert that, in the absence of a superior proposal, the Scheme is in the best interest of PetroNor Australia Shareholders, you may believe that the Scheme is not in your best interests or believe that the Scheme Consideration is inadequate.

(b) **Costs of implementing the re-domiciliation, albeit mostly incurred**

PetroNor Australia estimates the cost of implementing the re-domiciliation as being approximately USD\$360,000. These are one-off costs that have mostly already been incurred by PetroNor Australia.

Further, listing on the Oslo Børs main list, which PetroNor Norway proposes to pursue, will require the preparation of a full listing prospectus pursuant to Prospectus Regulation (EU) 2017/1129 as well as compliance with the Euronext Rule Book I (Harmonised rules) and Oslo Rule Book II – Issuer Rules for issuers listed on Oslo Børs that will result in additional costs to PetroNor Norway.

(c) **There are risks associated with the integration of PetroNor Australia and PetroNor Norway which you may consider exceed the anticipated benefits of the Proposed Transaction**

The risk profile and risk of investment for PetroNor Australia Shareholders will change and you may consider the risk profile and risk of investment in the PetroNor Group to be a disadvantage relative to that of PetroNor Australia as a standalone entity.

(d) **You may consider that the conditions to which the Scheme may be subject to are conditions that you consider to be unacceptable**

In addition to PetroNor Australia Shareholders approval and Court approval, the implementation of the Scheme is subject to a number of other conditions. If these conditions are not satisfied or waived (as applicable), the Scheme will not be implemented, and PetroNor Australia Shareholders will not receive the Scheme Consideration.

The conditions to the Scheme are summarised in Section 7.5 and are set out in full in clauses 3.1 and 3.3 of the Scheme Implementation Agreement. It is possible that you consider those conditions to be unacceptable. However, note that the Scheme will not be implemented unless those conditions are satisfied or waived.

(e) **You may prefer to maintain an interest in an Australian public company**

PetroNor Australia is incorporated in Australia. PetroNor Norway is incorporated in Norway.

If the Scheme is implemented and a PetroNor Australia Shareholder receives New PetroNor Norway Shares under the Scheme, that person's rights as a security-holder will no longer be governed by the laws of Australia and the constitution of PetroNor Australia. Instead, that person's rights as a holder of those New PetroNor Norway Shares will be governed by the laws of Norway.

Although some of the material differences between the corporations and securities laws in Australia and Norway could be viewed as advantageous to PetroNor Australia

Shareholders, others could be viewed as disadvantageous to PetroNor Australia Shareholders.

Further details of the rights attaching to the New PetroNor Norway Shares and the differences between applicable company laws, listing rules and other relevant laws, can be found in Annexure F.

(f) The tax consequences of the Scheme may not suit your current financial position

If the Scheme does proceed, there may be tax consequences for you as a PetroNor Australia Shareholder which may include tax payable by you on any gain on the disposal of your PetroNor Australia Shares.

A description of the general Australian and Norwegian tax consequences of the Scheme for certain PetroNor Australia Shareholders is set out in Section 13.

You should consult with your own tax adviser regarding the consequences of the Scheme, in light of current tax laws and your particular personal circumstances.

6.3 Implications if the Scheme is not implemented

If the Scheme has not become Effective or the Scheme Conditions have not been satisfied or (if applicable) waived by 31 March 2022 (AWST), or such later date as PetroNor Australia and PetroNor Norway agree in writing, the Scheme will lapse and be of no further force or effect.

If the Scheme does not become effective, PetroNor Australia Shareholders will retain their interests in PetroNor Australia which will continue to operate as a separate entity and its shares will remain listed on the Euronext Expand. In such circumstances, the more material consequences are:

- (a) the benefits expected to arise from the Proposed Transaction, as summarised in Section 6.1, will not be obtained;
- (b) the re-domicile will not take effect; and
- (c) the cost incurred in the connection with presenting the Proposed Transaction to PetroNor Australia Shareholders will have been incurred.

6.4 Other considerations

(a) The Scheme may be implemented even if you vote against the Scheme or do not vote at all

You should be aware that even if you do not vote, or vote against the Scheme, the Scheme may still be implemented if it is approved by the Requisite Majority of PetroNor Australia Shareholders and the Court. If this occurs, your PetroNor Australia Shares will be transferred to PetroNor Norway and you will receive the Scheme Consideration even though you did not vote on, or voted against, the Scheme as a PetroNor Australia Shareholder.

(b) Warranties by Scheme Shareholders

PetroNor Australia Shareholders should also refer to the warranties to them that Scheme Shareholders will be deemed to have given if the Scheme takes effect.

These warranties are contained in clause 8.3 of the Scheme. The Scheme is set out in full in Annexure C.

A summary of the warranties deemed to be given by Scheme Shareholders is set out in Section 15.5 of this Scheme Booklet.

You should ensure that these warranties can be given by you prior to, and remain correct as at, the Implementation Date.

7. OVERVIEW OF THE SCHEME

This Section provides an overview of the Scheme Conditions, the Scheme Meeting, and other steps required to implement the Scheme.

7.1 Background

On 10 February 2020, PetroNor Australia first announced a proposal to re-domicile the PetroNor Group to Norway by way of scheme of arrangement with PetroNor Australia Shareholders, involving PetroNor Norway as the proposed acquirer and the new holding company for the PetroNor Group. Following an 18 month delay due to the impact of Covid-19, on 7 October 2021 PetroNor Australia signed an agreement containing the key terms of the proposal (the **Scheme Implementation Agreement**).

A scheme of arrangement is a statutory procedure that is commonly used to enable one company to acquire or merge with another.

If the Scheme is approved and implemented:

- (a) all PetroNor Australia Shares will be transferred to PetroNor Norway in exchange for the issue of New PetroNor Norway Shares to PetroNor Australia Shareholders;
- (b) PetroNor Australia will become a wholly owned subsidiary of PetroNor Norway;
- (c) Scheme Shareholders (other than Non-VPS Shareholders) will become shareholders in PetroNor Norway; and
- (d) Non-VPS Shareholders will receive the Cash Proceeds of the sale of the New PetroNor Norway Shares that would otherwise be issued to them.

Implementation of the Scheme is subject to the Scheme Conditions being satisfied or waived, including the condition that the Scheme may only be implemented if the Requisite Majority of PetroNor Australia Shareholders vote in favour of the Scheme at the Scheme Meeting.

This Scheme Booklet contains important information that you should consider before voting on the Scheme. The PetroNor Australia Directors encourage you to read this Scheme Booklet in its entirety and recommend that you vote for the Scheme, in the absence of a Superior Proposal.

7.2 PetroNor Australia Optionholders

PetroNor Australia has a total of 1,389,470 PetroNor Australia Options on issue.

In order for PetroNor Norway to acquire all of the securities on issue in PetroNor Australia, it is a Condition Precedent to the Scheme that PetroNor Australia and PetroNor Norway enter into Option Exchange Deeds with each PetroNor Australia Optionholder to cancel the PetroNor Australia Option held by each such holder. Accordingly, PetroNor Australia will procure the cancellation of all of the PetroNor Australia Options on issue immediately prior to the Scheme becoming effective in exchange for one (1) PetroNor Norway Option for each PetroNor Australia Option that is cancelled.

Upon issue, each new PetroNor Norway Option will:

- (a) have an exercise price equal to the exercise price of the relevant PetroNor Australia Option it replaces;
- (b) have an exercise period equal to the unexpired exercise period of the relevant PetroNor Australia Option it replaces;

- (c) be vested to the same extent and have the same terms as to vesting as the relevant PetroNor Australia Options it replaces, ignoring any deemed vesting which arises by reason of the Scheme; and
- (d) otherwise be issued on the same terms as the existing PetroNor Australia Options, with necessary changes due to PetroNor Norway being the issuer in place of PetroNor Australia.

7.3 Scheme Implementation Agreement

PetroNor Australia and PetroNor Norway entered into the Scheme Implementation Agreement on 7 October 2021 in which they agreed (among other things) their respective obligations in implementing the Scheme. The key terms of the Scheme Implementation Agreement not otherwise addressed in this Section 7, are summarised in Section 15. A full copy of the Scheme Implementation Agreement is available on www.petronorep.com/investors/sharescheme.

7.4 Deed Poll

On 13 October 2021, PetroNor Norway executed the Scheme Deed Poll in favour of each Scheme Shareholder, pursuant to which PetroNor Norway covenanted to perform its obligations under the Scheme and to otherwise comply with the Scheme as if PetroNor Norway was a party to the Scheme. The key obligation of PetroNor Norway under the Scheme is to issue the Scheme Consideration to each Scheme Shareholder (other than Non-VPS Shareholders), subject to satisfaction or waiver of the Scheme Conditions.

The Deed Poll may be relied upon by a Scheme Shareholder, despite the fact that they are not a party to it, and each Scheme Shareholder appoints PetroNor Australia as their agent to enforce their rights under the Deed Poll against PetroNor Norway and PetroNor Australia accepts this appointment.

A copy of the Deed Poll is attached to this Scheme Booklet at Annexure D.

7.5 Overview of Scheme implementation steps

The key steps to implement the Scheme are:

- (a) PetroNor Australia Shareholders vote on whether to approve the Scheme at the Scheme Meeting.
- (b) If PetroNor Australia Shareholders approve the Scheme by the Requisite Majority, and all Scheme Conditions to the Scheme (other than Court approval) have been satisfied or waived, PetroNor Australia will apply to the Court for approval of the Scheme.
- (c) If the Court approves the Scheme, PetroNor Australia will lodge with ASIC a copy of the court orders approving the Scheme. The date on which this occurs will be the Effective Date for the Scheme and will be the last day for trading of the PetroNor Australia Shares on Euronext Expand.
- (d) On the Implementation Date, PetroNor Norway will acquire all of the PetroNor Australia Shares and will issue the Scheme Consideration (except in the case of Non-VPS Shareholders who will receive the Cash Proceeds of the sale of the New PetroNor Norway Shares that would otherwise be issued to them).
- (e) Following implementation of the Scheme:
 - (i) PetroNor Australia will be removed from the financial market operated by Euronext Expand; and

- (ii) PetroNor Norway expects, on the basis of an application for listing submitted to the Oslo Stock Exchange, to be admitted to trading on the Oslo Stock Exchange, following approval of such application by the Oslo Stock Exchange listing committee to have its securities admitted to trading on the Oslo Børs main list, thereby facilitating the tradeability of the New PetroNor Norway Shares on the primary securities exchange of Norway.

The expected dates for the key steps are set out in the Important Dates section of this Scheme Booklet (but those dates are indicative only and subject to change).

7.6 Scheme Conditions

Implementation of the Scheme is subject to satisfaction or waiver of the Scheme Conditions.

The Scheme Conditions are set out in clause 3.1 of the Scheme (attached to this Scheme Booklet at Annexure C) and clause 3 of the Scheme Implementation Agreement (attached to this Scheme Booklet at Annexure B).

The Scheme Conditions are as follows:

- (a) the Court ordering the convening of the Scheme Meeting;
- (b) PetroNor Australia Shareholders approving the Scheme by the Requisite Majority at the Scheme Meeting;
- (c) the Court approving the Scheme at the Second Court Hearing;
- (d) PetroNor Australia lodging with the ASIC, a copy of the Court orders approving the Scheme on or before 5.00pm on 31 March 2022;
- (e) prior to 8.00am on the Second Court Date, no Government agency takes any action or imposes any restraint to prevent implementation of the Scheme;
- (f) prior to 8.00am on the Second Court Date, all regulatory approvals or consents required from any Government agency to implement the Scheme are obtained;
- (g) PetroNor Norway has submitted a first draft of the prospectus to the Norwegian Financial Supervisory Authority, as required by the EU Prospectus Regulation in connection with admission to trading of shares on Oslo Børs main list (a regulated market place);
- (h) prior to 8.00 am on the Second Court Date, the Company has received written confirmation from the Oslo Stock Exchange that the PetroNor Norway Shares have been authorised for listing on Oslo Børs or Euronext Expand (as applicable), subject only to implementation of the Scheme and any other customary conditions that are acceptable to the Board of Directors of PetroNor Norway;
- (i) PetroNor Australia and PetroNor Norway entering into binding agreements with each PetroNor Australia Optionholder to cancel their PetroNor Australia Options; and
- (j) the Independent Expert issuing a report concluding that the Scheme is in the best interests of PetroNor Australia Shareholders.

For the Scheme to be implemented, each Scheme Condition (other than the Scheme Conditions relating to Court approval and the lodgement of the Court orders approving the Scheme with ASIC) must be satisfied (or otherwise waived to the extent it is capable of waiver) by the Delivery Time on the Second Court Date.

As at the date of this Scheme Booklet, PetroNor Australia is not aware of any circumstances that would cause the Scheme Conditions to not be satisfied. PetroNor Australia Shareholders will receive an update on the status of the Scheme Conditions at the Scheme Meeting.

7.7 Status of Scheme Conditions

As at the date of this Scheme Booklet only the Scheme Condition set out in section 7.6(a) has been satisfied.

7.8 Scheme Meeting

On 22 October 2021, the Court ordered that the Scheme Meeting be convened in accordance with the Notice of Meeting and appointed Roger Steinepreis to chair the Scheme Meeting. The purpose of the Scheme Meeting is for PetroNor Australia Shareholders to consider whether to approve the Scheme. The Scheme Meeting to consider the Scheme is scheduled to be held at Level 4, 16 Milligan Street, Perth, Western Australia at 4:00pm (AWST) on Monday, 29 November 2021.

PetroNor Australia Shareholders who are registered on the PetroNor Australia Register at 4:00pm (AWST) on Saturday, 27 November 2021 are entitled to vote on the Scheme Meeting.

The fact that under section 411(1) of the Corporations Act the Court ordered on 22 October 2021, that a meeting of PetroNor Australia Shareholders be convened by PetroNor Australia to consider and vote on the Scheme and has approved the Scheme Booklet does not mean that the Court:

- (a) has formed any view as to the merits of the proposed Scheme or as to how PetroNor Australia Shareholders should vote (on this matter, PetroNor Australia Shareholders must reach their own decision); and
- (b) has prepared, or is responsible for, the content of this Scheme Booklet.

For the Scheme to be implemented, it is necessary that the Requisite Majority of PetroNor Australia Shareholders vote in favour of passing the resolutions to approve the Scheme at the Scheme Meeting.

If the Requisite Majority of PetroNor Australia Shareholders approve the Scheme at the Scheme Meeting, PetroNor Australia will, as soon as possible after the Scheme Meeting is held, publish the results on PetroNor Australia's website (<https://petronorep.com/>).

7.9 Second Court Hearing

In accordance with section 411(4)(b) of the Corporations Act, in order to become Effective, the Scheme (with or without modification) must be approved by an order of the Court. If the Scheme is approved at the Scheme Meeting, PetroNor Australia intends to apply to the Court on the Second Court Date (expected to be 9 December 2021) for the necessary orders to give effect to the Scheme.

Each PetroNor Australia Shareholder has the right to appear at Court at the hearing of the application by PetroNor Australia for orders approving the Scheme. Any PetroNor Australia Shareholder who wishes to object to the Scheme at that Court hearing or make a complaint to ASIC about the Scheme should note that the Court hearing for approval of the Scheme is expected to be held on 9 December 2021. The Court has an overriding discretion regarding whether or not to approve the Scheme, even if the Scheme is approved by the Requisite Majority of PetroNor Australia Shareholders at the Scheme Meeting.

Any PetroNor Australia Shareholder may appear at the Second Court Hearing. Any PetroNor Australia Shareholder who wishes to oppose approval of the Scheme at the Second Court Hearing may do so by filing with the Court and serving on PetroNor Australia a notice of

appearance in the prescribed form together with any affidavit that the PetroNor Australia Shareholders proposes to rely on. The notice of appearance and affidavit must be served on PetroNor Australia at its address for service at least one day before the Second Court Hearing. The address for service is:

Level 4, 16 Milligan Street
Perth WA 6000
Australia

PetroNor Australia has requested ASIC provide a statement, in accordance with section 411(17)(b) of the Corporations Act, that ASIC has no objection to the Scheme. If ASIC provides that statement, it will be produced to the Court at the time of the Second Court Hearing.

7.10 Record Date

The Scheme Shareholders on the PetroNor Australia Register as at the Record Date (expected to be 15 December 2021 (AWST)) will become entitled to the Scheme Consideration under the Scheme in respect of the PetroNor Australia Shares they hold at that time.

As from the Record Date, the PetroNor Australia Register will close for transfers and all certificates for PetroNor Australia Shares will cease to have effect as documents of title. Each entry on the PetroNor Australia Register on the Record Date will cease to have any effect other than as evidence of entitlement to the Scheme Consideration.

7.11 Effective Date

If the Court approves the Scheme, PetroNor Australia will (pursuant to section 411(10) of the Corporations Act) lodge with ASIC the office copy of the Court orders approving the Scheme. PetroNor Australia intends to lodge the office copy of the Court order with ASIC on the Effective Date, which is expected to be 10 December 2021 (AWST).

If the Scheme Conditions are satisfied or waived, the Scheme will legally come into effect on the Effective Date.

The Scheme provides that if the Scheme becomes Effective, a Scheme Shareholder, and any person claiming through that Scheme Shareholder, must not dispose of or purport or agree to dispose of any Scheme Shares or any interest in them after the Record Date.

Upon the Scheme becoming Effective, PetroNor Australia will notify Euronext Expand and it is expected that PetroNor Australia Shares will be suspended from trading on Euronext Expand from on or about close of trading on the Effective Date. Following the Implementation Date, PetroNor Australia will apply for termination of the official quotation of PetroNor Australia Shares and to have itself removed from Euronext Expand.

If the Scheme has not become Effective or the Scheme Conditions have not been satisfied or waived (as applicable) by 31 March 2022 (AWST), or such later date as PetroNor Australia and PetroNor Norway agree in writing, the Scheme will lapse and be of no further force or effect.

7.12 Implementation Date

The Implementation Date is expected to be 17 December 2021 (AWST). If the Scheme becomes Effective, on the Implementation Date:

- (a) PetroNor Norway will issue New PetroNor Norway Shares which constitute the Scheme Consideration; and

(b) the Scheme Shares will be transferred to PetroNor Norway.

Non-VPS Shareholders should refer to Section 8.3 for further details about the consideration they will receive.

Stock exchange notices for New PetroNor Norway Shares are expected to be despatched to Scheme Shareholders as soon as reasonably practicable after the Implementation Date.

7.13 If the Scheme does not proceed

If the Scheme does not proceed, PetroNor Australia will continue to operate as a company domiciled in Australia with its key commercial and operational functions located in Norway. PetroNor Australia Shareholders will not receive the Scheme Consideration and will continue to hold their PetroNor Australia Shares and will be exposed to the risks set out in Section 12.

PetroNor Australia will also be liable to pay certain transaction costs in relation to the Scheme, regardless of whether or not the Scheme is implemented. If the Scheme does proceed, additional costs will be incurred.

The PetroNor Australia Directors believe that the Scheme is likely to deliver benefits to PetroNor Australia Shareholders and consider that the Scheme is in the best interests of PetroNor Australia Shareholders, in the absence of a Superior Proposal.

7.14 Listing of PetroNor Norway on Oslo Børs

In connection with the Scheme, PetroNor Norway will make a formal listing application to the Oslo Stock Exchange to have its securities admitted to trading on the Oslo Børs main list, thereby facilitating the tradeability of the New PetroNor Norway Shares on the primary securities exchange of Norway.

In the event approval to have its securities admitted to the Oslo Børs main list is not forthcoming, PetroNor Norway will apply to have its securities admitted to trading on Euronext Expand, thereby facilitating the tradeability of the New PetroNor Norway Shares on the same securities exchange that PetroNor Australia is presently listed.

If the Scheme is implemented and PetroNor Norway Shares are authorised for listing on Oslo Børs, it is expected that trading in PetroNor Norway's Shares would commence by 21 December 2021. Once listing occurs, Scheme Shareholders (other than Non-VPS Shareholders) will be able to trade their New PetroNor Norway Shares on Oslo Børs.

8. SCHEME CONSIDERATION

8.1 Scheme Consideration

Under the terms of the Scheme, Scheme Shareholders (other than Non-VPS Shareholders) will receive one (1) New PetroNor Norway Share for each PetroNor Australia Share held on the Record Date. Annexure F sets out the rights and liabilities attaching to New PetroNor Norway Shares. The Scheme Consideration will be issued by PetroNor Norway on the Implementation Date, which is expected to be 17 December 2021.

Non-VPS Shareholders will not be issued with New PetroNor Norway Shares. Instead, the New PetroNor Norway Shares that would otherwise have been issued to them will be issued to the Sale Agent on their behalf and they will be sold. The Cash Proceeds of the sale of these New PetroNor Norway Shares will then be paid to the Non-VPS Shareholders. Further details are set in Section 8.3.

8.2 Issuance of the Scheme Consideration

New PetroNor Norway Shares to be issued as Scheme Consideration to Scheme Shareholders (other than Non-VPS Shareholders) under the Scheme will be issued on the Implementation Date. New PetroNor Norway Shares are currently expected to trade on Oslo Børs by 21 December 2021.

It is the responsibility of each new PetroNor Norway Shareholder to confirm their holding before trading in PetroNor Norway Shares to avoid the risk of selling shares they do not own. New PetroNor Norway Shareholders who sell PetroNor Norway Shares before they receive their holding statement do so at their own risk. PetroNor Australia and PetroNor Norway disclaim all liability (to the maximum extent permitted by law) to persons who trade New PetroNor Norway Shares before receiving their stock exchange notices, whether on the basis of the allocation provided by the VPS Registrar or otherwise.

A stock exchange noticed detailing the issue of the New PetroNor Norway Shares is expected to be despatched to Scheme Shareholders who receive New PetroNor Norway Shares after the Implementation Date. The Implementation Date is currently expected to be 17 December 2021.

Non-VPS Shareholders will receive a payment from the Cash Proceeds of sale of the number of New PetroNor Norway Shares they would have otherwise been entitled to receive under the Scheme. Refer to Section 8.3 below for further information.

8.3 Non-VPS Shareholders

A PetroNor Australia Shareholder whose PetroNor Australia Shares are not registered in the VPS Register on the Record Date (being a **Non-VPS Shareholder**) will not be entitled to receive any Scheme Consideration and will instead receive Cash Proceeds from the sale by the Sale Agent of the New PetroNor Norway Shares which they were otherwise entitled to receive.

New PetroNor Norway Shares that would otherwise have been issued to a Non-VPS Shareholder will instead be issued to the Sale Agent (or to a nominee of the Sale Agent) on the Implementation Date and dealt with in the manner described in Section 8.3.

(a) Sale Agent

As set out above, Non-VPS Shareholders will not receive New PetroNor Norway Shares under the Scheme. Instead, the New PetroNor Norway Shares that would

otherwise have been issued to them will be issued to the Sale Agent (or to a nominee of the Sale Agent) on the Implementation Date.

PetroNor Norway will procure that:

- (i) as soon as reasonably practicable and in any event not more than 30 Business Days after the Implementation Date, the Sale Agent sells the New PetroNor Norway Shares issued to the Sale Agent (in relation to Non-VPS Shareholders) on-market in such manner, at such price and on such other terms as the Sale Agent determines in good faith; and
- (ii) promptly after the last sale of those New PetroNor Norway Shares, PetroNor Norway will procure that the Sale Agent pays the sale proceeds to PetroNor Norway (for payment by PetroNor Norway to the Non-VPS Shareholders).

Under the Scheme, Non-VPS Shareholders appoint PetroNor Australia as their agent to receive any financial services guide or other notice given by the Sale Agent. Copies of any document PetroNor Australia receives from the Sale Agent as agent for the Non-VPS Shareholders can be obtained by contacting PetroNor Australia's Company Secretary.

PetroNor Australia, PetroNor Norway and the Sale Agent give no assurance as to the price that will be achieved for the sale of New PetroNor Norway Shares described above. The Cash Proceeds that Non-VPS Shareholders will receive may be more or less than the current market value of New PetroNor Norway Shares after deducting any applicable brokerage and other costs.

Further details regarding the Sale Facility are as follows:

- (i) PetroNor Norway has appointed the Sale Agent;
- (ii) assuming that PetroNor Norway's Shares are quoted on Oslo Børs the market price of PetroNor Norway Shares is subject to change from time to time. Up-to-date information on the market price of PetroNor Norway Shares is available from <https://www.oslobors.no/ob%7B%5C%7Deng/>.
- (iii) all New PetroNor Norway Shares which would otherwise be issued to Non-VPS Shareholders will be issued to the Sale Agent, who will pool those New PetroNor Norway Shares and sell them on market (in one transaction or a number of transactions). All of the proceeds of those sales will be pooled and then (after deduction of brokerage and other costs) the Cash Proceeds will be divided by the total number of New PetroNor Norway Shares issued to the Sale Agent. The resultant amount will be paid to each Non-VPS Shareholder in respect of each new PetroNor Norway Share to which they would otherwise have been entitled; and
- (iv) the amount of Cash Proceeds received by Non-VPS Shareholders may be less than the actual proceeds received by the Sale Agent (or the nominee of the Sale Agent) for that person's New PetroNor Norway Shares.

PetroNor Norway will make, or procure the making of, payments to Non-VPS Shareholders by:

- (v) electronic funds transfer in Australian dollars to a bank account with any Australian "Authorised Deposit-taking Institution" (as defined in the Corporations Act) notified to PetroNor Australia by the Non-VPS Shareholder;
- (vi) Global Wire Payment Service, if a PetroNor Australia Shareholder who

resides outside of Australia has elected to receive payments electronically in their local currency using the PetroNor Australia Registry's Global Wire Payment Service; or

- (vii) if a bank account or Global Wire Payment instructions have not been notified to PetroNor Australia's Share Registry as at the Record Date, dispatching a cheque for the relevant amount in Australian dollars by prepaid post to the registered address (as at the Scheme Record Date), such cheque being drawn in the name of the Non-VPS Shareholder.
- (viii) If you are a Non-VPS Shareholder with a registered address in New Zealand on the Record Date, your payment will be made in New Zealand dollars by direct credit only, to your nominated bank account or other financial institution account in New Zealand.
- (ix) If you wish to update your direct credit instructions or Global Wire Payment details, please visit www.computershare.com.au/easyupdate/PERU and update these details by 7.00pm (Australian Eastern Daylight Time) on the Record Date. For a list of currencies offered for the Global Wire Payment Service or for further information on how to subscribe to this service, please contact the PetroNor Australia Registry. Cheques, direct credit payment advices and Global Wire Payment advices will be mailed by ordinary prepaid post, at your risk, to your address as shown on the PetroNor Australia Share Register on the Record Date.

8.4 Tax consequences of the Scheme

A general guide to the potential Australian and Norwegian tax consequences for certain PetroNor Australia Shareholders is set out in Section 13. The information in Section 13 is expressed in general terms and is not intended to provide specific tax advice in respect of the individual circumstances of any PetroNor Australia Shareholder. Accordingly, PetroNor Australia Shareholders should seek their own independent professional tax advice.

9. PROFILE OF PETRONOR AUSTRALIA

9.1 Introduction

PetroNor E&P Limited is an independent, African focused oil and gas exploration and production company incorporated in Australia and listed on the Oslo Euronext Expand (formerly Oslo Axess) with ticker PNOR. In 2019, the Company (previously called African Petroleum Corporation Limited) completed a reverse take-over with the Cypriot company, PetroNor E&P Ltd. Subsequently, the Company changed its name to PetroNor E&P Limited and continued to trade on Oslo Euronext Expand.

One of the key strategies of the Group - in addition to developing existing assets and organic growth - is to acquire additional licences and pursue acquisition opportunities and the Group is and will consider such opportunities from time to time.

Overview of assets

The Company holds exploration and production assets in Africa (through subsidiaries and joint ventures), namely the offshore PNGF Sud production licenses in the Republic of Congo, (through its subsidiary HEPCO), the Sinapa (Block 2) and Esperança (Blocks 4A and 5A) licenses offshore Guinea-Bissau (through its subsidiary PetroNor E&P AB (previously SPE Guinea Bissau AB³)), the A4 license offshore The Gambia (through its wholly owned subsidiary PetroNor E&P Gambia Ltd), the Rufisque Offshore Profond and Senegal Offshore Sud Profond licenses offshore Senegal (through its subsidiary African Petroleum Senegal Ltd).

Further, subject to the successful completion of the Aje Transaction (as further described in Section 9.2.6), the Group will hold indirect interests in the OML-113 (Aje Field) offshore Nigeria (through its subsidiary SPV Aje Production AS (transaction pending inter alia regulatory approval)).

Congo assets

PetroNor E&P's indirect subsidiary, HEPCO, holds a 20% (16.83% net to PetroNor) non-operated interest in the PNGF Sud licenses offshore Congo. The operator of the licenses is Perenco which holds a 40% interest in the PNGF Sud licenses. PetroNor participated in the 2016 tender process held by the Ministry of Hydrocarbons following which HEPCO subsequently became a license partner as of 1 January 2017. The PNGF Sud fields are located approximately 25 km off the coast of Pointe-Noire in water depths of 80 to 100 metres. PNGF Sud comprises of three (3) production license agreements (Tchibouela II, Tchendo II and Tchibeli-Litanzi II), which contain five oil fields: Tchibouela Main, Tchibouela East, Tchendo, Tchibeli and Litanzi. Initially discovered in 1979, PNGF Sud commenced production in 1987 and produces from about 61 wells. Following the establishment of the new licence group in 2017, significant operational improvements have been made, increasing gross production from approx. 15,000 barrels of oil per day ("**Bopd**") in January 2017 to 22,713 Bopd in 2020. The 2P reserves attributed to the Group's reserves are estimated to 20.23 million units of barrels ("**MMbbl**"), ref. Section 9.2.2.

Further, through an umbrella agreement, the licence partners of PNGF Sud have the right to negotiate the licence terms for the entering into a production sharing contract for the PNGF Bis license. The PNGF Bis licence covers an area located to the North-West of the PNGF Sud licences and contains contingent resources with a prospect of being developed through a tie-back to the facilities on the PNGF Sud fields. The management remains positive in terms of negotiating and signing a production sharing contract for the PNGF Bis license with the relevant governmental bodies, but no assurance can be given as to whether the Group will

³ As of 4 June 2021, SPE Guinea Bissau formally changed its name to PetroNor E&P AB.

be able to agree terms satisfactory to the Group. Furthermore, if the Group is able to secure the entering into a production sharing contract, the Group expects to be granted a 23.6% indirect interest in the PNGF Bis again, however, no assurances can be given to the potential interest allocated the Group.

Guinea-Bissau assets

In late 2020, the Group acquired interests in the Sinapa (Block 2) and Esperança (Blocks 4A and 5A) licenses offshore Guinea-Bissau through the purchase of SPE Guinea Bissau AB¹⁴ from Svenska Petroleum Exploration AB. The transaction received the required in-country regulatory approvals, published in the Official Gazette of Guinea-Bissau (in Portuguese, *Boletim Oficial*) in late April 2021. Subsequently on 4 May 2021, the Group assumed the operatorship and an interest of 78.57% in the licenses. The offshore licenses, covering 4,963 km², are located on the highly prospective trend along the coastline of Mauritania, Senegal, Gambia, Guinea-Bissau and Guinea-Conakry. The Atum and Anchova prospects have similarities to the world class Sangomar field development in Senegal and the Sinapa and Esperança licences have commercially attractive contract terms.

Gambia assets

In The Gambia, the Group and the Government of The Gambia have reached a mutual agreement to settle the arbitration related to the A1 and A4 licenses on 19 September 2020. Under the terms of the settlement agreement, PetroNor E&P Gambia Ltd was awarded a new 30-year lease for the A4 license comprising approximately 1,376 km². All claims to the A1 licence are relinquished.

Senegal assets

In Senegal, through African Petroleum Senegal Ltd, PetroNor holds a 90% operated interest in the ROP and SOSP licenses with the National Oil Company, Petrosen, holding the remaining 10%. The Company is in arbitration with the Government of Senegal to protect its interests in the licenses. ROP and SOSP are located offshore Southern / Central Senegal, with a net acreage of 15,796 km².

Nigeria assets

In the second half of 2019, the Company entered into an agreement with Panoro Energy ASA for the acquisition of certain companies holding interests in the OML-113 licence (Aje Field) offshore Nigeria. In addition, the Company established the SPV (as defined) with the license's operator, Yinka Folaio Petroleum ("YFP"), for the purpose of assuming the lead technical and management role in the next phases of the Aje Field development.

The completion of the transaction is subject to the satisfaction of certain conditions precedents, including the regulatory approval from the governmental bodies of Nigeria. Upon the successful completion of the transaction, the Group will acquire an indirect nominal participating interest of 34% in the OML-113 licence and a revenue interest of 24.3% in the OML-113 licence. The obligations to cover operational expenses and capital expenditures deviate from the nominal interests and revenue interests and are described in Section 9.2.6.

The OML-113 licence is located offshore Western Nigeria adjacent to the Benin border and contains the Aje Field as well as a number of exploration prospects. Discovered in 1997 in water depths ranging from 100 m to 1,500 m, the Aje Field began production in 2016 and produces from two wells.

¹⁴ As of 4 June 2021, SPE Guinea Bissau formally changed its name to PetroNor E&P AB.

9.2 Business Activities

9.2.1 RESERVES AND RESOURCES

Reserves portfolio

PetroNor's classification of the Group's reserves and resources complies with the guidelines established by the Oslo Stock Exchange and is based on the definitions set by the Petroleum Resources Management System (PRMS-2007), sponsored by the Society of Petroleum Engineers / World Petroleum Council / American Association of Petroleum Geologists / Society of Petroleum Evaluation Engineers (SPE / PRMS) from 2007 and 2011.

Reserves are the volume of hydrocarbons that are expected to be produced from known accumulations:

- On Production
- Approved for Development
- Justified for Development

Reserves are also classified according to the associated risks and probability that the reserves will be produced.

- 1P – Proved reserves represent volumes that will be recovered with 90% probability
- 2P – Proved + Probable represent volumes that will be recovered with 50% probability
- 3P – Proved + Probable + Possible volumes that will be recovered with 10% probability

Contingent Resources are the volumes of hydrocarbons expected to be produced from known accumulations:

- In planning phase
- Where development is likely
- Where development is unlikely with present basic assumptions
- Under evaluation

Contingent Resources are reported as 1C, 2C, and 3C, reflecting similar probabilities as reserves.

The Group obtained a Competent Persons Report (the "**CPR**") auditing the Reserves (1P, 2P and 3P) and Resources (1C, 2C and 3C) as of 31 December 2020 and covers PNGF Sud and PNGF Bis.

The reserves figures are outlined in the table immediately below and cover:

- PNGF Sud (based on the CPR)
- PNGF Bis (based on the CPR but noting that the Group has not secured a production sharing contract for the area)

	1P Boe mmboe	Net PetroNor reserves (developed or under development)	
		2P Boe mmboe	3P Boe mmboe
16.83% PNGF Sud			
Tchibouela	8.9	11.07	13.62
Tchendo	3.55	4.86	6.06
Tchibeli	1.25	2.98	4.46
Litanzi	1.16	1.82	2.27
Subtotal	14.86	20.73	26.41
23.56% PNGF Bis			
Loussima (Bis)	-	-	-
TOTAL	14.86	20.73	26.41

During the period from 1 January 2020 to 31 December 2020, the total amount of oil produced from PNGF Sud was approx. 8.31 MMbbls with a net production attributed to the Group approx. 3,850 Bopd.

Resources

The net contingent resources are outlined in the table immediately below and cover:

- PNGF Sud (based on the CPR)
- PNGF Bis (based on the CPR but noting that the Group has not secured a production sharing contract for the area and therefore neither has secured the legal rights to carry out petroleum activities in respect of PNGF Bis)
- Aje Field (based on management expectations and noting that the Aje Transaction has not been completed and that the Group therefore has not yet acquired the indirect interests in the Aje Field)

	1C Boe mmboe	Net PetroNor Contingent Resources (undeveloped)	
		2C Boe mmboe	3C Boe mmboe
16.83% PNGF Sud			
Tchibouela	2.74	4.29	6.95
Tchendo	0.91	1.53	3.23
Tchibeli	0.99	1.88	3.03
Litanzi	-	-	-
Subtotal	4.65	7.71	13.21
23.56% PNGF Bis			
Loussima (Bis)	5.29	6.82	8.45
Total PNGF	9.93	14.53	21.66
OML-113			
Aje	-	18.7	-
TOTAL	9.93	33.23	21.66

9.2.2 Republic of Congo (Brazzaville) – PNGF Sud and PNGF Bis

Overview and background

PetroNor, through HEPCO, participated in the 2016 tender process with the Congo Ministry of Hydrocarbons for an interest in the PNGF Sud licenses. With effect from 1 of January 2017, HEPCO was awarded a 20% working interest in the PNGF Sud (currently net 16.83% to Group). The National Assembly / Senate formally approved the license contracts in May 2017.

PNGF Sud comprises 3 production sharing contracts (in French, Contrat de Partage de Production or “CPP”): Tchibouela II, Tchendo II and Tchibeli-Litanzi II. The licenses contain five oil fields: Tchibouela Main, Tchibouela East, Tchendo, Tchibeli and Litanzi, which have been developed as an integrated group named PNGF Sud. The licenses are located approximately 25 km off the coast of Pointe-Noire in water depths of 80-100 metres.

Further, through an umbrella agreement, the licence partners of PNGF Sud have the right to negotiate the licence terms for the entering into a production sharing contract for the PNGF

Bis licence. The PNGF Bis licence covers an area located to the North-West of the PNGF Sud licences and contains (based on management expectations of reserves as set out in Section 9.2.2) contingent resources with a prospect of being developed through a tie-back to the facilities on the PNGF Sud fields. The management remains positive in terms of negotiating and signing a production sharing contract for the PNGF Bis with the relevant governmental bodies, but no assurance can be given as to whether the Group will be able to agree terms satisfactory to the Group. However, if the Group is able to secure the entry into a production sharing contract, the Group expects to be granted a 23.6% indirect interest in PNGF Bis but no assurances can be given to the interest allocated the Group.

PNGF Bis is located to the North-West of PNGF Sud and comprises 2 fields, Loussima SW and Loussima.

Geological description

Tchibouela Field

Tchibouela Main consists of three cretaceous aged reservoir formations, the Senonian, Turonian and Cenomanian, with reservoir depths ranging from 300 to 1,000 mTVDSS. The subsurface structure of the field is a dome formed anticline and the reservoir quality is generally good but varies across the field. The main reservoirs within the Turonian and Cenomanian aged section contain oil of (light oil) with low gas to Oil ratio (GOR). The youngest reservoir, the Senonian, contains gas above an oil rim. Tchibouela Main produces from 34 active oil producing wells. The field came on stream in 1987, had its peak production in 1995 and is now on tail production with a high water-cut. The Cenomanian is an excellent reservoir with a strong aquifer which helps maintain reservoir pressures and supports a high recovery factor. The Turonian has more varying reservoir properties, here also the pressure is maintained by natural water influx supported by one water injector well. There are two gas producing wells within the Senonian reservoir providing gas which is used to generate electricity for offshore operations or compressed and reinjected into the subsurface to support reservoir pressures and increase recovery rates for oil. Since 2017 several well workovers such as re-perforations and artificial lift repairs have been performed to maintain and improve production from the field. The operator plans to continue this programme which is expected to continue to arrest the decline of the production rates and potentially increase production levels going forward. Existing producers are included in the reserves calculation. There is potential for additional infill drilling targeting both the Cenomanian and Turonian reservoir intervals.

Tchibouela East is a similar smaller dome structure to Tchibouela Main, with Turonian and Cenomanian reservoir levels. The field started production in 1998 with 6 oil producing wells. From 2019, production has resumed from this field with a total of 4 wells producing today.

Tchendo Field

Tchendo is an oil field with production from three separate Cretaceous aged reservoir levels, Senonian, Turonian and Cenomanian with reservoir depths from 450 to 750 mTVDSS. The structure is a gentle dome structure similar to Tchibouela and with similar reservoir characteristics. Water depth is 95 m. Tchendo was discovered by exploration well TCDM1 in 1979 and started production in 1991 with peak production reached in 1993. Reservoir pressure has been maintained by partial water injection. 21 wells are currently producing, of which seven produce from the Senonian interval and thirteen from the Turonian. There is one well that produces from the Cenomanian reservoir interval. Across the field the water cut (percentage of total produced reservoir fluids that are water) is high in Turonian but remains low in the Senonian. Production from the Cenomanian interval ceased in 2009 at a recovery factor of 56% however, production was restored in 2019 through one well which currently produces approx. 600 Bopd.

An infill drilling programme has been approved at the Tchendo Field. A 14-slot wellhead platform is to be installed and drilling of the first 7 wells targeting the Senonian and Turonian

intervals will take place following completion of a separate infill drilling program at the Litanzi field. The remaining 7 free slots on the platform will likely be utilised through further expansion of infill drilling at Tchendo due to the significant subsurface potential, particularly in the Senonian interval which has an estimated in-place oil volume as high as 700 MMbbls but to date a very modest recovery factor of just 3%. Therefore, to date, the Senonian interval at the Tchendo field constitutes the largest untapped potential for infill drilling within PNGF Sud. The infill drilling programme has been approved by the licence partnership (by the Technical and Operating Committees) and is currently awaiting final approval by the Management Committee, consisting of the State and the operator on behalf of the contractor group.

Tchibeli Field

Tchibeli is an oil field producing from two reservoir levels within the Albian aged (Cretaceous) Sendji Formation. The upper reservoir is a mix of carbonates and clastics, while the lower interval is a purely carbonate reservoir. The reservoir depth is 2,000 mTVDSS and the water depth is 100 m. The dome shaped structure known as a four-way turtle-back closure is segmented by several cross-cutting faults.

Reservoir quality is fair to good. The field was discovered in 1986 and started production in 2000. Peak production was reached shortly after start-up with three oil producing wells. Reservoir pressure is maintained by water injection. Production is artificially lifted through the utilisation of electrical submersible pumps.

A new export pipeline was installed from the Tchibeli field to the Tchibouela field in 2019 with oil from Tchibeli now able to go directly to the Tchibouela processing facility.

Tchibeli East is a smaller, undeveloped Albian aged discovery North-East of the Tchibeli field. A potential development programme with a tie-back to the Tchibeli is currently being evaluated.

Litanzi Field

The Litanzi field produces oil from an Albian aged Sendji Formation carbonate reservoir interval. The structure which is located North-East of the Tchibeli field consists of a relatively thin reservoir interval cut by numerous faults that dip towards the West. The reservoir depth is at 1,600 mTVDSS and the water depth is 100 m. The Litanzi field was discovered in 1990 and started production from one oil producing well drilled from the Tchendo platform in 2006. Current production comes from a single oil well which is supported by one water injector well; production has increased slightly since 2016.

PNGF Bis

To date, three exploration wells have been drilled on the PNGF Bis licence area. The LUSM-1 exploration well drilled on the Loussima prospect in 1985 discovered oil in the early Cretaceous aged pre-salt Vandji formation. Loussima SW was discovered by the LUSOM-1 exploration well in 1987, again encountering oil in the Vandji formation. A second well, SUEM-2, was drilled on Loussima SW in 1991 to appraise the discovery. Hydrocarbon shows were also encountered in one of the wells within the Albian post-salt Sendji formation, (analogue to Tchibeli and Litanzi field reservoirs in PNGF Sud), however with no production testing. The depth to the Vandji reservoir is 3,250 mTVDSS, to Sendji around 1,940 mTVDSS and the water depth in the area is 110 m. Tests on the Loussima SW LUSOM-1 well produced 4,700 Bopd and the SUEM-2 well yielded 1,150 Bopd.

The Group has not secured the rights to carry out petroleum activities on PNGF Bis and any exploration, development and production is subject to the Group entering into a production sharing contract with the relevant governmental bodies. Subject to securing the rights to carry out such petroleum activities on PNGF Bis, the Group wished to explore the possibilities of starting with a long-term production test from an existing wellhead platform which will be tied back to the Tchendo field via pipeline and develop PNGF Bis into a permanent producing

asset.

Production history

Initially discovered in 1979, PNGF Sud commenced production in 1987. In 2020 average gross production was 22,713 Bopd from five oil fields, Tchibouela, Tchibouela East, Tchendo, Tchibeli and Litanzi. Following the establishment of the new licence group to the PNGF Sud licence in 2017, significant operational improvements have been made, increasing gross production from approx. 15,000 Bopd in January 2017 to 22,713 Bopd in 2020, while reducing operating costs from approx. 26 USD/bbl in 2016 to an average level of 10.4 USD/bbl in 2020. The production increase has mainly been driven by optimising performance of existing wells. Through well optimisation, surface infrastructure and process improvements coupled with infill drilling, gross production from PNGF Sud is expected to continue to grow in the coming years.

Facilities

The PNGF Sud fields are developed with seven wellhead platforms and currently produce from about 61 active production wells, with oil exported via the onshore Djeno terminal. With its long production history, substantial well count and extensive infrastructure, PNGF Sud represents a well-diversified and low risk production asset with material reserves and a low break-even cost.

Reserves and resources

In March 2021 AGR performed a full Competent Persons Report (CPR) covering the Reserves (1P, 2P and 3P) and Resources (1C, 2C and 3C) in both PNGF Sud and PNGF Bis. The figures presented below were evaluated as of 31 December 2020.

Gross production in 2020 was 8.31 MMbbls of oil and 1.0 Bcf of gas. This corresponds to average gross production rate of 22,713 Bopd and 2.7 MMscfd.

As per the reserves guidelines referred to in Section 9.2.2, the gas reserves accounted for in the CPR are limited to gas used for power generation purposes (on Tchibouela only). This gas is used as fuel for power generating turbines located centrally in the field with export of power to individual field platforms via electrical power cables. For the purpose of this report, the numbers quoted below as MMbbls do not include the oil equivalent gas.

As of 31 December 2020, AGR evaluated the five PNGF Sud fields at (i) gross 1P (Proved Reserves) of 86.20 MMbbls, (ii) gross 2P (Proved plus Probable Reserves) of 120.20 MMbbls, (iii) gross 3P (Proved plus Probable plus Possible Reserves) of 152.40 MMbbls, (iv) gross 1C Resources of 26.0 MMbbls, (v) gross 2C Resources of 43.40 MMbbls and (vi) gross 3C Resources of 74.60 MMbbls.

These reserves figures allocated at the Group's level (based on pro rata indirect ownership) amount to (i) 1P (Proved Reserves) of 14.51 MMbbls, (ii) 2P (Proved plus Probable Reserves) of 20.23 MMbbls, (iii) 3P (Proved plus Probable plus Possible Reserves) of 25.65 MMbbls, (iv) gross 1C Resources of 4.38 MMbbls, (v) gross 2C Resources of 7.30 MMbbls and (vi) gross 3C Resources of 12.56 MMbbls.

These Reserves and Contingent Resources are the net reserve volumes of the Group.

	Gross Reserves (developed or under development)								
	1P			2P			3P		
	Oil MMbbls	Gas bcf	Boe MMboe	Oil MMbbls	Gas bcf	Boe MMboe	Oil MMbbls	Gas bcf	Boe MMboe
100% PNGF Sud									
Tchibouela	50.80	11.90	52.90	62.80	16.90	65.80	76.40	25.40	80.90
Tchendo	21.10	-	21.10	28.90	-	28.90	36.00	-	36.00
Tchibeli	7.40	-	7.40	17.70	-	17.70	26.50	-	26.50
Litanzi	6.90	-	6.90	10.80	-	10.80	13.50	-	13.50
Subtotal	86.20	11.90	88.30	120.20	16.90	123.20	152.40	25.40	156.90
100% PNGF Bis									
Loussima (Bis)	-	-	-	-	-	-	-	-	-
Total	86.20	11.90	88.30	120.20	16.90	123.20	152.40	25.40	156.90

100% PNGF Sud	Gross Contingent Resources (undeveloped)								
	1C			2C			3C		
	Oil MMbbls	Gas bcf	Boe MMboe	Oil MMbbls	Gas bcf	Boe MMboe	Oil MMbbls	Gas bcf	Boe MMboe
Tchibouela	14.70	8.90	16.30	23.10	13.80	25.50	37.40	22.30	41.30
Tchendo	5.40	-	5.40	9.10	-	9.10	19.20	-	19.20
Tchibeli	5.90	-	5.90	11.20	-	11.20	18.00	-	18.00
Litanzi	-	-	-	-	-	-	-	-	-
Total	26.00	8.90	27.60	43.40	13.80	45.80	74.60	22.30	78.50
100% PNGF Bis									
Loussima (Bis)	22.40	-	22.40	28.90	-	28.90	35.80	-	35.80
Total	48.40	8.90	50.00	72.30	13.80	74.70	110.40	22.30	114.30

16.83% PNGF Sud	Net PetroNor reserves (developed or under development)								
	1P			2P			3P		
	Oil MMbbls	Gas bcf	Boe MMboe	Oil MMbbls	Gas bcf	Boe MMboe	Oil MMbbls	Gas bcf	Boe MMboe
Tchibouela	8.55	2.00	8.90	10.57	2.84	11.07	12.86	4.27	13.62
Tchendo	3.55	-	3.55	4.86	-	4.86	6.06	-	6.06
Tchibeli	1.25	-	1.25	2.98	-	2.98	4.46	-	4.46
Litanzi	1.16	-	1.16	1.82	-	1.82	2.27	-	2.27
Subtotal	14.51	2.00	14.86	20.23	2.84	20.73	25.65	4.27	26.41
23.56% PNGF Bis									
Loussima (Bis)	-	-	-	-	-	-	-	-	-
Total	14.51	2.00	14.86	20.23	2.84	20.73	25.65	4.27	26.41

	Net PetroNor Contingent Resources (undeveloped)								
	1C			2C			3C		
	Oil MMbbls	Gas bcf	Boe MMboe	Oil MMbbls	Gas bcf	Boe MMboe	Oil MMbbls	Gas bcf	Boe MMboe
16.83% PNGF Sud									
Tchibouela	2.47	1.50	2.74	3.89	2.32	4.29	6.29	3.75	6.96
Tchendo	0.91	-	0.91	1.53	-	1.53	3.23	-	3.23
Tchibeli	0.99	-	0.99	1.88	-	1.88	3.03	-	3.03
Litanzi	-	-	-	-	-	-	-	-	-
Total	4.38	1.50	4.65	7.30	2.32	7.71	12.56	3.75	13.21
23.56% PNGF Bis									
Loussima (Bis)	5.29	-	5.29	6.82	-	6.82	8.45	-	8.45
Total	9.66	1.50	9.93	14.12	2.32	14.53	21.00	3.75	21.66

9.2.3 Guinea-Bissau – Sinapa (Block 2) and Esperança (Block 4A and 5A) licenses

Details of the transaction

On 20 November 2020, the Company announced the purchase of SPE Guinea Bissau AB⁵ from Svenska Petroleum Exploration AB (the "Guinea-Bissau Transaction"). The transaction received the required in-country regulatory approvals, published in the Official Gazette of Guinea-Bissau (in Portuguese, Boletim Oficial) in late April 2021.

Subsequently, PetroNor E&P AB has assumed the operatorship of the Sinapa (Block 2) and Esperança (Blocks 4A and 5A) licences in Guinea-Bissau. The current exploration phase on both licences has recently been extended for 3 years and are valid until 2 October 2023.

Geological description

⁵ As of 4 June 2021, SPE Guinea Bissau formally changed its name to PetroNor E&P AB.

The Sinapa and Esperança licences cover a combined area of 5,725 km² offshore Guinea-Bissau in water depths ranging from 20 m to 600 m. The blocks are located on the Guinea Plateau.

Continental breakup via tectonic rifting along the margin initiated in the late Triassic to early Jurassic and created a number of isolated basins into which sediments were deposited. Post active rifting, a passive margin setting prevailed with the development of carbonate platform facies along the shelf from the Mid Jurassic.

Clastic sediments sourced from Bove Basin to the East and transported via the Rio Corubal drainage system were deposited across this part of the margin during the Albian forming a set of progradational deltaic sequences. The Cenomanian-Turonian marine transgression led to flooding of the margin and deposition of marine source rocks across the shelf and within the deep Cretaceous Central Atlantic basin to the West. On the shelf, these source rocks are currently within the oil generation window and have charged Albian reservoirs within the Sinapa discovery in Block 2 (light oil).

Mobilisation of the Jurassic Salt created a number of salt related traps within the Sinapa and Esperança licences which were the focus of early exploration efforts. More recently, attention has shifted to the shelf margin play with the Easterly counter dip of the deeply eroded shelf margin setting up large traps analogous with the Sangomar field offshore Senegal to the North.

Exploration potential

The Sinapa and Esperança blocks contain two Cretaceous aged shelf edge prospects, Atum and Anchova, which are directly analogous to the on trend Woodside operated Sangomar field development in Senegal. The prospects were mapped on 3D seismic acquired by Polarcus in 2016 and have recently been remapped on the TGS JAAN 3D dataset.

The Atum prospect in Block 2 is a large 3-way closure below the Senonian unconformity which defines the western margin of the prospect. Two potential reservoir targets have been identified within the Albian, the Upper Albian S1 and an intra Albian S2 clinoform package. The Albian reservoirs directly overlie a set of high amplitude, potentially Aptian aged clinoforms interpreted to be part of the Early Cretaceous prograding carbonate platform margin and could represent a deeper drilling target.

Oil migration from the proven oil mature Cenomanian-Turonian aged source rocks on the shelf to the north-east and Turonian source rocks thought to be within the oil window to the West of the Cretaceous aged shelf margin are expected to charge the Albian reservoirs at the Atum and Anchova prospects. The top and lateral seals to the shelf margin prospects are provided by intra Albian and Cenomanian shales and Palaeocene marine shales that onlap the Senonian unconformity.

The Anchova prospect is the southerly continuation of the Atum prospect and straddles the boundary between Blocks 2 and 4A. Similarly to Atum, Anchova is a 3-way closure below the Senonian unconformity and is separated from the Atum structure by a saddle defined by a large canyon. Salt diapirism has modified the western and eastern flanks of the Anchova structure with up dip thinning and termination of the S1 and S2 reservoirs against the flanks of the salt.

An upside case of the combined Atum and Anchova prospects filled below the saddle point separating the independent closures, which ultimately spills to the north of Atum, has also been considered.

Svenska Petroleum Exploration AB was in the advanced stages of planning for the drilling of the Atum-1X well to test the Atum prospect prior to delays in gaining partner approvals due to the disputed presidential elections in late 2019 early 2020. Long lead items required for drilling operations have been secured and a number of pre-drill studies completed. Well

planning can be recommenced at short notice.

9.2.4 The Gambia – A4 licence

Overview and background

The Group (at the time African Petroleum Corporation) acquired a 60% interest in the A1 and A4 licenses offshore The Gambia in August 2010 from Buried Hill and became 100% owner and operator in July 2014. The Group entered into arbitration proceedings with The Gambia following the lodging of Requests for Arbitration ("RFA") documents with the International Centre for Settlement of Investment Disputes ("ICSID") in October 2017 to protect its interests in the A1 and A4 licences.

As announced on 19 September 2020, PetroNor E&P Gambia Ltd was awarded a new 30-year lease for the A4 licence. The award was part of a settlement agreement with the Government of The Gambia connected to the arbitration of the A1 and A4 licences previously issued in 2006.

The terms of the new license are based on the newly developed Petroleum, Exploration and Production Licence Agreement (PEPLA). PetroNor E&P Gambia Ltd will be able to carry approved prior sunk costs associated with A4 into the new agreement.

The PEPLA is a royalty plus tax system valid for 30 years with an option of a 10-year extension. The initial six years exploration period is divided into three periods of two years during which exploration activities are to be completed. Post discovery, the licence moves into an exploration / appraisal phase where the commercial potential of the discovery is ascertained and a development decision taken, following which the licence moves into a development and subsequent production phase.

During the initial 12 months of the A4 Licence Agreement PetroNor have the right to re-evaluate the exploration potential of the block and look for potential partners to participate in any exploration activities, without having to commit to any future work program.

On 19 October 2021, PetroNor announced that it has received, from the Government of The Gambia, a one-year extension to the longstop date of the A4 licence in The Gambia until 18 October 2022, which will enable PetroNor to progress its ongoing discussions with potential partners.

Geological description

The A4 licence is located offshore within the Mauritania-Senegal-Gambia-Bissau-Conakry Basin. The Basin was formed during the initial Triassic to Jurassic rifting of the Central Atlantic region. Hydrocarbons are proven throughout the basin, including current producing fields in Mauritania, major accumulations at Dome Flore ("**AGC**") and most notably the Sangomar field in Senegal, 30 km to the North of the A4 licence. First oil is expected at Sangomar in 2023 with a plateau production rate of 100,000 Bopd forecasted by the operator, Woodside.

Several wells have been drilled and proven to be successful in the area. Good quality oil has helped to demonstrate that there is abundant charge potential from multiple source rocks within the area (described as 'outstanding' by FAR Ltd). Good quality oil (32 API) at shallow depth below sea floor in the Sangomar field has proven that oil charge is recent and that source rocks are generating significant volumes of oil in present day. These multiple source rocks of Neocomian and Aptian to Turonian age are proven in wells drilled on the continental shelf, the deep water Fan-1 well (28 to 42 API) as well as the DSDP-367 well, some 400 km offshore, as well as in wells along the margin to the South. High quality, well connected Albian marine sandstones form the main reservoir target, but good quality reservoir is present in the Cenomanian as well as some younger units. There may also be potential for good reservoir development within the Aptian aged interval along the margin.

Further exploration is anticipated by FAR and Petronas in Block A2 in late 2021. The likely success in this well is expected to further de-risk the Group's acreage in Senegal and The Gambia which has the same 'Play' characteristics and a very promising portfolio of commercially sized prospects.

Fan Prospects

The Acacia and Rosewood prospects are Santonian to Cenomanian / Albian in age. These prospects have good seismic amplitude support for reservoir development and amplitude maps clearly show reservoir deposition in the trap position for all prospects. Vertically stacked targets from the Albian to the Cenomanian and Senonian, enables one well to test multiple prospective levels. The Albian age targets in Rosewood / Acacia Deep are the primary target, these appear to extend northwards into the A1 block. The basinal prospects are anticipated to have significantly improved reservoir porosity and permeability in A4 due to the shallower burial depth of the Albian to the south (approximately 1,000 m less burial), in comparison to the Fan-1 well in the Sangomar licence which reported poor to moderate reservoir quality. Cenomanian / Albian / Aptian source rocks are interbedded with the main reservoir units for efficient charge.

Shelf-edge clastic Prospects

The Lamia prospect is a major three-way closure with stacked Albian clastic reservoirs, analogous to the Sangomar field. The eastward tilt of the underlying carbonate platform creates a trapping geometry at the Cretaceous shelf edge. High quality Albian sandstones (25% porosity in Sangomar field) are deposited up to the shelf edge and into the basin to the west (the 'Fan Plays'). Hydrocarbons generated from multiple prolific, proven source rocks migrated eastwards from the basin down-dip to the west, up into reservoirs on the shelf margin. Older source rocks (Albian / Aptian) play an important role to the south of block A4. Cenomanian aged source rocks are modelled to be in the early oil window in the basinal area of A4 also.

Careful amplitude extractions from 3D seismic data have built a compelling case for reservoir development across the licence. The Lamia prospect also has a potentially significant Aptian clastic target beneath the primary Albian reservoirs, the model is supported by the Wolof-1 well to the south-east. The Lamia prospect exhibits an areal extent similar to the Sangomar field.

9.2.5 Senegal – Rufisque Offshore Profond and Senegal Offshore Sud Profond

Overview and background

Although currently in arbitration, the Company reserves its rights in the exploration blocks ROP and SOSP (together the "Senegal Licences") in Senegal through its 90% owned subsidiary African Petroleum Senegal Ltd. The Senegal Licences are located offshore southern and central Senegal, covering a combined surface area of 15,796 km², with the remaining 10% carried interest in the licenses held by Petrosen, the national oil company of Senegal. The Group is therefore committed to cover 10% of the costs in the licence (exceeding its interest).

The current phase of the ROP PSC ended in October 2015; however, the Company lodged a request for an extension with the Government of Senegal. Under the terms of the ROP PSC the block remains active unless and until a termination procedure is enacted by the Republic of Senegal. To date, the Republic of Senegal has not validly enacted such termination procedure, and accordingly the Company reserves its rights under the ROP PSC.

A new production sharing contract covering the same area as the ROP PSC was awarded to Total in 2017 and subsequently farmed down to Petronas in August 2018. Irrespective of this, the Company reserves its right under its ROP PSC.

The Company elected to move into the next phase of the SOSP PSC in late 2017 and requested that the outstanding drilling commitment in the expiring phase be transferred to the next phase as a seismic commitment. To date, the Republic of Senegal has not responded to this request and accordingly the Company reserves its rights under the SOSP PSC.

In January 2018, the Group's wholly owned subsidiary, African Petroleum Senegal Limited, lodged RFA documents with ICSID in order to protect its interests in the ROP and SOSP PSCs in Senegal. As announced on 5 May 2020, the Company reached a mutual agreement with the Government of Senegal to suspend the arbitration related to the Senegal Licences for a period of six months with a view to reaching a satisfactory outcome for all parties, and a formal request has been lodged with ICSID to suspend the process.

Subsequently, the parties further extended the suspension by an additional three months as announced on 30 October 2020, and with further two months as announced on 2 February 2021. On 5 April 2021, the Company announced that throughout the prolonged suspension period, the Company has made significant efforts to reach a mutually beneficial solution and has held numerous progressive meetings with the relevant authorities to no avail.

The Company has now re-engaged in the arbitration process and is preparing an Expert Witness rebuttal to the Senegalese Government Expert Witness report for ROP and SOSP. The final hearing is scheduled for the end of Q1 2022.

Geological description

The Senegal Licences are also located offshore within the Mauritania-Senegal-Gambia-Bissau-Conakry Basin which extends from Morocco to Guinea.

The primary focus in SOSP has been the 'fan play' where two major fan systems, Kapok and Jaloo, have been mapped by the Company and reviewed by ERC Equipoise. These fans are large in area and have multiple stacked reservoir targets and significant mean un-risked resources in place. On the shelf to the east, clastic / carbonate 'Leads' have been identified that will be matured to Prospect status with further seismic mapping. This was made possible by the TGS acquisition of new 3D seismic survey over the area as part of the JAAN 3D multi-client merged dataset. Maturation of Sangomar field lookalike prospects on the platform will enhance the exploration portfolio. Significant potential has also been identified in carbonate targets (karst, slope wedge and fore-reef debris) though final prospect maturation is still required. It is anticipated that CNOOC / Impact will drill an important well to the South of SOSP in the AGC area in 2021, while PetroNor and FAR plan to drill in Guinea-Bissau in 2023.

The ROP licence was awarded to Total in 2017 (this is disputed and arbitration is ongoing) and in August 2019, Total plugged and abandoned the Jamm-1x well in 2,400m water depth, as a 'non-commercial' oil discovery according to Upstream newspaper (along with partner, Petronas). Total had acquired a large 3D seismic survey prior to this over the ROP licence to enable evaluation of the deeper water area of the licence. The primary focus of the prospectivity prior to this was the south-east area of the block utilising reprocessed existing 3D seismic, with a focus on extending the Sangomar field success Northwards.

ROP Baobab prospect

Targets evaluated by ERC Equipoise range from Albian in age in the deep section to Maastrichtian in age in the shallow. A porosity vs depth below mud line (BML) relationship has been used to guide input porosity ranges for use in potential resource calculations. These targets are predominantly deep water sands deposited in channels and lobes forming an apron at the break of slope along the basin margin. Amplitude extractions have been used to map the extent of the target sandstone reservoirs. Several stacked targets can be tested with a single well bore. Shallower targets have a higher charge risk (vertical migration required); the primary source rock is Cenomanian in age but deeper Albian and Aptian source rocks

are also mature for oil generation in the area. Success at FAN-1, 18 km to the south, indicates an elongate accumulation north-south parallel to the shelf edge, with three-way closure against the carbonate platform to the east. There is an extension of this trapping trend into ROP; 3D seismic quality degradation may make clear amplitude support difficult in ROP. A post stack depth migrated seismic data set may help with further prospect de-risking. Data quality and coverage is a limiting factor. A 3D seismic merge with the data to the East (Cairn Energy operated) is necessary to fully evaluate pinch-out plays on the flank of the Rufisque Dome, for the younger targets. Reservoir quality for the deepest targets is the primary risk due to high burial depth. The reported poor to moderate quality reservoir in the Fan-1 well drilled in late 2014, significantly increased the chance of success on the Albian target in the Baobab prospect.

The younger targets however have well developed reservoir with potential for good trapping configurations set-up by Miocene age faulting related to the Rufisque Dome uplift in the Miocene. The current extent of the seismic does not enable full maturation of these targets due to incomplete definition of the trap.

SOSP Kapok and Jaloo prospects

Kapok and Jaloo are very significant fan systems of Aptian-age (deep) to Cenomanian-age (shallow). Pinch-out of the fans is very well defined up-dip to the East in deeply cut canyons on the Cretaceous carbonate platform. Amplitude extractions indicate good reservoir development, though a recent submarine canyon in the overburden causes a wipe-out of these amplitudes at depth and apparent separation of the fan systems. However, they are likely connected at the Albian level. At other levels, the fan systems have been assumed as separate discrete bodies. Viewed along strike, approximately North-South, seismic data indicates that reservoir development could be significant. Major prograding shallow marine delta systems are mapped on 2D data to the east of SOSP, providing an excellent supply of clastic reservoir to the deepwater SOSP block. Further de-risking based on amplitude versus offset comparisons may be possible with the TGS multi-client 3D seismic images. In addition, there is a very thick sequence of Cenomanian age reservoir that has clearly been reworked by contourite currents which may improve reservoir quality further. These prospects lie in approximately 3,000 m water depth.

Potentially the most interesting prospectivity in the view of the Company, analogous to the Sangomar field to the north, is the Cassia lead on the Shelf or carbonate platform area on the east side of the block in shallower water depth (1,850 m). This is covered by 2D and 3D seismic; new coverage from the TGS multi-client 3D survey will enable maturation to prospect status. The prestack depth migration now available will hopefully prove the right trapping configuration and elevate Cassia in priority.

9.2.6 Nigeria – OML-113

Details of the transaction

As announced on 21 October 2019, the Company entered into an agreement with Panoro Energy ASA ("**Panoro**") (the "**Panoro Agreement**") for the acquisition of certain companies holding interests in Offshore Mining Lease no. 113 ("**OML-113**") offshore Nigeria, containing the Aje oil and gas field ("**Aje Field**") ("**Aje Transaction**"). The Panoro Agreement contemplates the acquisition of 100% of the shares of Panoro's fully owned subsidiaries Pan-Petroleum Services Holdings BV ("**PPSH**") and Pan-Petroleum Nigeria Holdings BV ("**PPNH**"), which currently hold 100% of the shares in Pan-Petroleum Aje Limited, which participates in the exploration for and production of hydrocarbons in OML-113.

The consideration payable by the Group under the Panoro Agreement is (i) issue of shares in PetroNor Australia (or, following implementation of the Scheme, PetroNor Norway) for USD 10 million and (ii) a contingent payment obligation after PetroNor has recovered all costs

related to the accumulated investments incurred after the Completion Date equal to USD 0.10 per 1,000 Cubic Feet of Aje Gas sales volume limited to USD 16.67 million.

In parallel, the Company concluded a separate investment and shareholders' agreement with the OML-113 operator Yinka Folawiyo Petroleum ("**YFP Agreement**") to create a new holding company, Aje Production AS (the "**SPV**"), that will see the SPV assume the lead technical and management role in the next phases of the Aje Field development. PetroNor and YFP will hold respectively 45% and 55% of the SPV shares, and the ability to appoint up to two directors each. The SPV will require two directors jointly to sign on its behalf, of which one is appointed by PetroNor and one appointed by YFP. The SPV will include the current license ownerships of YFP (the operator), YFP Deep Water Company Limited ("**YFP-DW**"), a Nigerian registered private company, and Panoro.

Together these agreements provide the framework and pathway towards sanctioning of the next phases of the Aje Field development in order to unlock its significant value through accessing the substantial proven gas and liquid in place reserves.

The completion of the Aje Transaction is subject to the satisfaction of certain conditions precedents, including the regulatory approval of the Nigerian Department of Petroleum Resources and consent of the Minister of Petroleum Resources.

The regulatory approval process in Nigeria is well underway but has been delayed by the impact of the COVID-19 pandemic. Originally set at 31 December 2020, Panoro and the Company agreed to amend the long stop date for closing of the Panoro Agreement to the 31 October 2021 which is the date by which authorisation of the Nigerian Department of Petroleum Resources and the consent of the Nigerian Minister of Petroleum Resources are required to have been received.

Upon the successful completion of the Aje Transaction, the PetroNor Group will acquire a nominal participating interest of 34% and a revenue interest of 24.3% in the OML-113 licence. These figures are based on the PetroNor Group holding a 45% equity interest in the SPV, which in turn holds nominal licence interest of 75.5 % and a revenue licence interest of 54.1%. The table below shows all CAPEX, OPEX, and Revenue for the SPV. PetroNor Group has an interest of 45% for each figure.

The proportional allocation of operating expenditures and capital expenditures deviate from pro rata allocation of revenues. Allocation of operating expenditures and capital expenditures are based on the following mechanics which were established in the Farm-In Agreements and Joint Operating Agreements in 2007.

SPV Aje Production	Period 1:		Period 2:		Period 3:		
	Prior to YFP Payout		Post YFP Payout		Post Project Payout		
Participation Interest	CAPEX and OPEX	Revenue (cost recovery and profit sharing)	CAPEX and OPEX	Revenue (cost recovery and profit sharing)	CAPEX	OPEX	Revenue (cost recovery and profit sharing)
75.50%	38.755%	54.066%	38.755%	38.755%	38.755%	54.066%	54.066%

As of the date of this Scheme Booklet, the licence is in "Period 1" and the commencement of "Period 2" is subject to YFP receiving USD 30 million in net proceeds. This is the cost incurred by YFP in OML-113 prior to the first farm-in agreement in 2007. YFP has received USD 12 million and the recovery of an additional USD 18 million is required for commencement of "Period 2". Based on the expectations of the management of the Company, this is expected to be incurred in about 2 years. The commencement of "Period 3" is subject to the net proceeds less the prior costs exceeding the cumulative expenditure. Based on the expectations of the management of the Company, this is expected to take place in about 3 to 4 years.

Geological description

The OML-113 Aje Field is a four-way-closure, located in offshore Western Nigeria on the shelf slope of the Dahomey Embayment in the east of the Benin Basin, adjacent to the Benin border. The field is located on the shelf slope with water depths of about 150 m in the shallow and more than 1,000 m in the deep section. Major transform faults run through the area trending south-west to north-east, one of which defines the eastern limit of the Aje Field.

Significant volumes of gas and oil have been discovered at several reservoir levels within the Aje Field. The producing reservoirs within the field are Turonian and Cenomanian in age, and were deposited as upper and lower shoreface sands cross cut by sand filled tidal channels. All reservoir intervals within the field have high porosity and permeability values.

The primary reservoir of Turonian age has a maximum vertical hydrocarbon column consisting of 100 m of wet gas above a lower oil leg of 10 m. The Aje-5ST2 well has produced approximately 1.5 MMbbls of oil from the Turonian oil leg. The approx. 500 Bscf of recoverable gas reserves have not been produced to date.

The secondary reservoir is split into an Upper and Lower Cenomanian aged oil filled intervals. The Aje-4 well produces from a 22 m oil column in Upper Cenomanian and 18 m oil column in Lower Cenomanian.

Additional proven reservoirs in the Aje Field are Albian fluvial to shallow marine tight sands with proven gas condensate and the syn-rift sands proven to be hydrocarbon filled in the nearby Ogo field.

A number of prospects have been identified surrounding the Aje Field mainly in the Cenomanian and Turonian interval, but there is also potential in the deeper reservoirs.

Production history

The Aje Field has been producing since 4 May 2016. Production started through the Aje-4 and Aje-5 wells producing oil from Cenomanian reservoirs. The Aje-5 well watered out after a few months, hence Aje-5ST2 was drilled and has been producing from the Turonian oil zone since May 2017. The average operational uptime for the field over the past 5 years is 95%.

As of 31 December 2020, the cumulative production from the Aje Field was 4.6 MMbbl, averaging 1,981 Bopd with a water cut of 60-70%.

Development

The Aje redevelopment project will target a Turonian gas development and Cenomanian oil. During phase 1, the plan is to change the FPSO, drill three development wells and build a gas pipeline to shore. During phase 2, the field gas handling capacity will be expanded from 70 MMscf/d to 110 MMscf/d. Furthermore, a tentative installation of gas-to-power and an LPG plant will be implemented.

Facilities

The Aje Field is currently produced and processed via the FPSO Front Puffin chartered by the Aje JV partnership.

Front Puffin is a single-sided FPSO vessel with a hydrocarbon production facility designed to receive well fluids, separate and stabilize the produced crude and store the stabilized crude in the FPSO's cargo tanks, treat and discharge the produced water and compress the produced gas for gas lift, with the balance of the gas being flared. Front Puffin is not regarded appropriate to accommodate the increased volumes and hydrocarbons phases of the

tentatively planned development and it is assumed to be phased out and replaced with a refurbished alternative FPSO.

9.3 Legal framework for petroleum business

9.3.1 Regulatory and environmental framework for the Republic of Congo

In the Republic of Congo, PetroNor holds its indirect interest in PNGF Sud (comprised of three liquid and gaseous hydrocarbons production licenses: Tchendo II, Tchibouela II, and Tchibeli-Litanzi II) through its local subsidiary HEPCO. These three production licenses were formally awarded in 2017 to the Congolese National Oil Company ("**SNPC**"), and a separate PSC is in place in connection with each of them. Other than SNPC, the current members of the contractor groups under these PSCs are Perenco Congo (operator), HEPCO, Kontinent Congo, Africa Oil & Gas Corporation and Petro Congo.

As a company incorporated in the Republic of Congo, HEPCO is subject to the generally applicable regulatory requirements in force in the country.

The primary sources of law in Congo are the 2015 Constitution, the international treaties ratified by the country, the legislation passed by the Parliament, and the regulations enacted by the Government.

The Republic of Congo is a member State of the Economic and Monetary Community of Central African States ("**CEMAC**"), aiming to promote economic integration among countries that share a common currency, the CFA Franc, pegged to the Euro, at the rate of 1 Euro / 655.957 CFA Francs. CEMAC Regulations are directly and immediately applicable in all CEMAC member States. Currently, the CEMAC member States share a common financial and regulatory structure, and maintain a common external tariff on imports from non-CEMAC countries. The Republic of Congo has enacted its own General Tax Code in accordance with the applicable CEMAC Directives.

The Republic of Congo is also a member State of the Organization for the Harmonization of Business Law in Africa ("**OHADA**") which provides a harmonized business legal framework for its member States. Pursuant to the OHADA Treaty, Uniform Acts are directly applicable and binding in all member States.

In addition, the Republic of Congo is a party to the Treaty that created the Inter-African Conference on Insurance Markets ("**CIMA**"), which contains the CIMA Insurance Code. As per the CIMA Treaty, the CIMA member States are required to enforce the CIMA Insurance Code provisions regardless of any conflicting rules contained in their domestic legislation, whether prior or subsequent to the Treaty.

Owing to its status as an oil and gas company and as holder of participating interests in the PNGF Sud project, HEPCO is also subject to the applicable industry-specific laws and regulations, in particular the Hydrocarbons Code, enacted by Law 28-2016, of 12 October 2016.

The Hydrocarbons Code stipulates that no entity may engage in any upstream activity in the Republic of Congo without first being authorized by the State. Such an authorization takes the form of either a prospection authorization or a mineral title (i.e., an exploration license or a production license).

Exploration licenses and production are exclusively granted to SNPC, which is the exclusive concessionaire of petroleum mineral titles – in the form of exploration permits or production permits, granted by the Council of Ministers upon proposal of the Minister of Hydrocarbons – meaning that IOCs and private Congolese petroleum companies will have to associate themselves with SNPC to conduct petroleum operations. Production licenses grant to the contractor the exclusive right to perform hydrocarbons development and production works

within the relevant production area. Production licenses are granted for a maximum period of 25 years in the case of liquid hydrocarbons, and 30 years in the case of natural gas or solid hydrocarbons (a once-only extension of up to 5 years may be applied for and granted). The development and production works must be carried out in accordance with an approved development and production plan which is to include, amongst other items, a geological and geophysical study of the deposit, a reservoir study, an economic study, a study on the exploitation of the substances associated to the liquid hydrocarbons, a detailed study on the facilities required for production, processing, transport and storage of hydrocarbons, a study on the contribution of the development and production project in terms of local content, and a timeline for the performance of the development and production works.

The rights and obligations of the contractor relating to a mineral title are defined in a petroleum contract, either in the form of a PSC or of a services agreement. These instruments define the conditions pursuant to which the contractor is to carry out the petroleum operations. Pursuant to a PSC, the State entrusts the contractor with the carrying-out of hydrocarbons exploration and / or production operations within a given area, with the contractor receiving a share of the production by way of recovery of costs and another share by way of compensation in kind. Throughout the duration of the petroleum contract, the contractor bears on an exclusive basis the technical and financial risks relating to the carrying-out of petroleum operations.

In its capacity as the entity to which exploration and / or production licenses are exclusively granted, SNPC will associate itself with third-party private entities, and together they hold participating interests in the petroleum contract corresponding to the license. The selection of the members of a contractor (other than SNPC) is made by the hydrocarbons administration pursuant to a tendering procedure (as happened in the case of the PNGF Sud project) or, in special cases, by direct negotiation.

The members of the contractor are jointly liable towards the State, to the extent of their respective participating interests, for the discharge of the contractor's obligations arising out from the petroleum contract. One or more members of the contractor group is appointed as operator, and it is entrusted with the carrying-out of the petroleum operations.

The State is entitled to a mandatory participation in upstream activities, ensured by means of SNPC holding a minimum non-assignable 15% participating interest in any petroleum contract, the financing obligations inherent to said minimum mandatory participation are entirely discharged by the other members of the contractor, pro rata to their respective participating interests, until such time as a production license is granted. Afterwards, the financing obligations inherent to the minimum mandatory participation in said production license are likewise carried by the other members of the contractor for the account of SNPC.

Under a PSC, (i) a portion of the net production is allocated to the payment of the production royalty, (ii) the contractor is entitled to a portion of the available net production by way of reimbursement of the recoverable petroleum costs, and (iii) the balance of the available net production is shared between the State and the contractor. The maximum percentage of that portion of the net production for a calendar year which may be allocated by way of cost oil is defined in the relevant PSC and is in principle limited to 50% (under certain conditions, it may be of up to 70%). The balance of petroleum costs not recovered in a calendar year will be carried forward to the subsequent years, until expiry of the relevant production license. Sharing of the profit oil between the State and the contractor will be made in accordance with the terms agreed in the PSC.

The contractor, and its subcontractors, service providers and suppliers are required to give preference to the hiring of Congolese personnel, and to prepare and implement programs for the recruitment, mentoring, training and development of its Congolese staff. In the production phase, these entities are also required to contribute to the programs for training and development of Congolese nationals, and to participate in the setting-up of permanent training and improvement facilities.

The contractor, and its subcontractors, service providers and suppliers must give preference to the goods supplied and services provided by Congolese companies, to the extent that their technical and commercial offers are substantially equivalent to those of foreign suppliers.

The development and production costs of Congolese origin must represent a minimum percentage (set on a case-by-case basis in the development and production plan, but which may not be lower than 25%) of the total development and production costs – with the costs corresponding to the difference not being recoverable, unless the contractor justifies the fact that said minimum percentage is not reached.

The Hydrocarbons Code stipulates that each company must take out insurance policies with insurance companies licensed in the Republic of Congo through insurance brokers organized under Congolese law.

The conditions for the supply of hydrocarbons to the domestic market are yet to be defined in developing regulations, but the Hydrocarbons Code expressly provides that it shall be exempt from duties and fees.

With respect to fiscal and parafiscal charges, the contractor and the members of the contractor are, in relation to the petroleum operations, exempt from any and all general duties and taxes, other than: the business license fee, the property tax and land tax, the commercial property occupancy tax, the single tax on salaries at the reduced rate and the labour union dues, withholdings of personal income tax, corporate income tax, investment income tax (dividends), and property rental tax payable by third parties, the contributions and fees in connection with the remuneration of services, corporate income tax, registration fees and stamp duties and the tax on the transfer of funds between Congo and abroad (and vice-versa).

Specifically, for the PSCs of PNGF Sud where HEPCO is a member of the contractor group, the contractor and the members of the contractor group are, in relation to the petroleum operations, exempt from all other taxes, duties, contributions, fees and levies of any kind, in force on the effective date of the Contract or which may be created subsequently.

In particular, the contractor shall be, among others, exempted from business license fees, tax on income securities for the amounts received and paid by the contractor, of all registration and stamp duties, property contributions built and non-built properties, value added tax and tax on the movement of funds.

Specifically in connection with petroleum operations, the contractor is subject to the following charges: signature bonus relating to the PSC, bonus for the granting of the production license further to an exploration license, bonus for the extension of the production licenses, and other bonuses (these bonuses do not qualify as a recoverable costs, but they are deductible from the taxable income relating to corporate income tax), surface fee and production royalty, provision for diversified investments, contributions for the training programs for Congolese personnel, for the verification and monitoring of the accounting records, and contribution for the environmental risks prevention fund, and the tax on the gains resulting from the assignment of participating interests in PSCs.

A royalty applies on the net production from each production license, at a rate of 15% for liquid hydrocarbons (under certain conditions, this rate may be reduced to a minimum of 12%) and 5% for natural gas and solid hydrocarbons.

The total or partial assignment by any member of the contractor of its rights and obligations under a PSC is subject to the payment of a flat fee corresponding to 10% of the resulting gain (the difference between the price paid to the assignor and the total amount of the costs yet to be recovered by the assignee). This fee does not apply in case the assignee is a company organized under Congolese law whose share capital is entirely held by the assignor.

No value added tax (or any similar tax on the turnover) applies to the contractor in relation to

the activities in connection with the petroleum operations. In turn, the operations not qualifying as petroleum activities remain subject to the general tax regime.

The members of the contractor are individually subject to corporate income tax in connection with the petroleum operations, under the general conditions of the tax legislation, at a rate defined in accordance with the General Tax Code (currently set at 35%) and stated in the petroleum contract. Under PSCs, the corporate income tax is paid on a flat-rate and final-tax basis by delivering to the State its share of profit oil.

The Hydrocarbons Code also contains foreign exchange ("**FX**") provisions, which must however be interpreted in light of the FX regulations in force, including CEMAC Regulation 02/18/CEMAC/UMAC/CM, dated 21 December 2018, and the Instructions on its implementation since issued by the Central African States Bank ("**BEAC**"). Pursuant to the Hydrocarbons Code, the members of the contractor are afforded the following main rights and guarantees: (i) to receive abroad the funds obtained or borrowed, including the proceeds of the sales of their share of the production, and to freely dispose thereof; (ii) to transfer abroad the proceeds of the local sales of hydrocarbons, the proceeds of any type of the capitals invested, as well as the proceeds of the liquidation or realization of their assets in the Republic of Congo; (iii) to pay directly abroad the suppliers not domiciled in the Republic of Congo of goods and services required for the carrying-out of the petroleum operations in the country; and (iv) to freely convert local and foreign currency in connection with any FX operations relating to the petroleum operations in the Republic of Congo. In particular, the members of the contractor which are organized as Congolese companies for the purposes of holding participating interests in a petroleum contract (such as HEPCO) are entitled to hold accounts in foreign currency and assets abroad.

The abovementioned CEMAC Regulation (which, as noted above, is directly and immediately applicable in all CEMAC member States, including the Republic of Congo) and BEAC Instructions could impact the rights and guarantees afforded by the Hydrocarbons Code to the members of the contractor (including HEPCO), even if many of the requirements and restrictions of the new CEMAC Regulation are similar to those of the 2000 Regulation it expressly repealed. However, the fact that the new CEMAC Regulation gives the BEAC authority to impose sanctions suggest that such requirements and restrictions may be actively enforced from now on, at least to a certain extent. The most stringent / cumbersome of said requirements and restrictions are as follows: (i) legal persons qualifying as FX residents cannot open foreign currency bank accounts outside or inside the CEMAC, unless they obtain a prior authorization from the BEAC; (ii) FX residents must use their XAF local bank accounts to pay FX residents; (iii) export proceeds received abroad by FX residents must be repatriated within 150 days; (iv) transfers to non-CEMAC countries exceeding XAF 100 million must be notified 30 days in advance; (v) all imports must be declared, and those exceeding XAF 5 million must be domiciled with a CEMAC bank; (vi) funds borrowed abroad by FX residents must be repatriated or used for the purpose for which they were obtained; and (vii) investments of FX residents abroad are subject to the BEAC's prior authorization.

Under the regulatory requirements in the field of health, safety and the environment, the contractor, its subcontractors and its service providers are required to ensure, under the applicable international treaties and domestic laws and regulations: (i) the conservation of the natural resources, and the protection of health, safety and the environment, (ii) the use of techniques consistent with best international practice aimed at preventing the damage to health, safety or the environment within the exploration and production areas and the neighbouring areas, and (iii) the implementation of programs for pollution prevention, waste management, natural resources preservation, and restoration and reclamation of the damaged lands. In its capacity as member of the PNGF Sud contractor group(s), HEPCO is subject to these regulatory requirements.

These requirements include the preparation and submission to the Minister in charge of hydrocarbons of an environmental and social impact study, on whose approval the commencement of any in-field operations is dependent. The risks identified in the

environmental and social impact studies must be the subject of budgeted plans for the management thereof, including (i) an emergency response plan in the case of a major incident, (ii) a waste management plan, (iii) a plan for the abandonment, dismantling and restoration of the sites, and (iv) an air discharges management plan.

Also, any incident in the carrying-out of the operations must be immediately notified by the contractor to the appropriate authorities, and after being overcome must be the subject of an incident management report. A national emergency response plan designed to ensure a swift and effective intervention in the event of a major hydrocarbons spill or of any other major incident is to be jointly implemented by the Ministers in charge of hydrocarbons, the environment, defence and territorial planning (in cooperation with other administrative authorities and the petroleum companies). This plan will provide for the setting-up of a national fund for the prevention of environmental risks, which is to be financed by an annual contribution from each contractor (corresponding to 0.05% of the net production). This is a recoverable cost which may be deducted from the taxable income.

The contractor is required to restore all sites at which operations were carried out, as well as the neighbouring areas, and shall bear all costs in connection therewith. This is to be made in accordance with an approved sites abandonment and restoration plan, addressing, amongst others, the following topics: (i) the technical and financial evaluation, as well as the abandonment works planning; (ii) the terms of the creation and funding of a provision allocated to the financing of the sites abandonment and restoration works; (iii) the procedures for the dismantling of all equipment and facilities installed by the contractor in connection with the petroleum operations; and (iv) the conditions for restoration of the sites in accordance with the best practices accepted in the international petroleum industry. The creation of the abovementioned provision for abandonment does neither relieve the contractor from its obligation to restore the sites nor does it limit said obligation.

The form of and conditions for submission and approval of the abovementioned plans, the terms of their implementation, the creation of the provision for abandonment, and the collection and management of the funds allocated to it are all matters yet to be further detailed and defined in developing regulations.

9.3.2 Regulatory and environmental framework for Guinea-Bissau

Prospecting, exploration, production and transportation of hydrocarbons in Guinea-Bissau is regulated by the Petroleum Law, Law No. 4/2014 passed by the National People's Assembly on 15 April 2014.

No person may prospect, explore or produce hydrocarbons without first procuring and being granted a licence or concession by the government and such licence or concession may only be awarded to the National Oil Company of Guinea-Bissau, Empresa Nacional de Pesquisa e Exploração Petrolíferas E.C.P. ("**Petroguin**") in association with one or more companies.

Only companies that prove they possess the technical ability and financial capability required for the good performance of the licence work program may associate with Petroguin. This association must be in the form of a risk agreement, production sharing agreement, or any other contract of association that may be approved by subordinate legislation to Law No. 4/2014. Within such agreement Petroguin must have a participating interest in the production of any liquid or gaseous hydrocarbons discovered of no less than 10%.

The contractor group may not be awarded a licence or concession for more than two blocks and the same operator may not operate more than three blocks, regardless of whether or not it is the joint holder of the petroleum title.

Terms for the licence or concession are established in the Agreement for Joint Venture Participation ("**AJVP**"). The AJVP includes the description of the contract area and map, duration of the agreement and exploration phases, the work program and terms for any

modification to the work program and the planning of the exploration phases, detailed environmental obligations and conditions for supplying to the national market. The contract will also specify accounting and financial procedures detailing the agreement for deposit in an escrow account, agreement relating to the acquisition of technical data, the right to profit oil, examples for calculating supplementary tax and income tax, stipulate the currency in which payments of tax, fees and fines shall be made, the method for calculating market price, fiscal and parafiscal charges that may be levied on the tax payer, types of amortization and the formula to calculate profitability.

Failure to perform the agreed work program will result in the associate companies of Petroguin and joint holders in the licence being denied a renewal or retention period and they shall be subject to pay the State the difference between the amount subscribed in the minimum technical and financial programs and the amount of expenditure actually incurred, as a penalty.

Following any hydrocarbon discovery allowing for the assumption that a commercially viable deposit exists, the holder(s) of an exploration licence must notify the Minister thereof and endeavour to demarcate the deposit. Upon declaration of commercially viable deposit the holders must apply for a concession and promptly carry out all work inherent to its development in order to produce it. Such a concession will be awarded provided that the applicant has fully discharged its legal and contractual commitments.

In the event that a discovery requires further appraisal to be deemed as commercial the contractor group may negotiate with the supervising Minister amendments to terms and conditions that may justify a declaration of commercial discovery and the granting of a provisional production licence. Appraisal work programs and budgets must be submitted to the management committee with 180 days from the date of declaration of a provisional commercial discovery. Within 12 months of completion of the appraisal work program the contractor group must declare commerciality of the discovery in writing. Upon declaration of commerciality the contractor group shall be jointly awarded a Production Concession pursuant to the Petroleum Law, Law No. 4/2014, provided that they have discharged all of their legal and contractual obligations.

Exploration licences may be revoked in the event of supervening technical incapability and / or financial incapacity of the contractor or contractor group, failure to comply with the minimum technical and financial programs, refusal to provide data and technical information, wilful and malicious submission of inaccurate technical data, or full or partial assignment to third parties of the exploration licence without relevant entities approval.

The holders of an exploration licence may relinquish all areas covered by the licence provided they have met all of their work program and financial obligations. On the date of cancellation of a licence the operator shall transfer to Petroguin all infrastructures, equipment and wells in a state of repair and operating condition needed in accordance with Good Oil Practice. If Petroguin so requires, the operator shall abandon the well or wells in accordance with Good Oil Practice.

Article 35, Good Oil Practice, of the Petroleum Law, Law No. 4/2014, states that exploration and production works of the contractor group must be conducted with due care for the protection of the environment and the conservation of natural resources. The contractor group must use techniques that comply with Good Oil Practice to prevent environmental damage arising, in whole or in part from the conduct of Petroleum Operations. Where environmental damage is unavoidable, the contractor group must mitigate impact on persons and property in accordance with any applicable Laws and Good Oil Practice.

Article 36, Environmental Study, of the Petroleum Law, Law No. 4/2014, stipulates the requirement for the contractor group to submit an environmental study including a background analysis to determine the existing situation and Environmental Impact Assessment ("EIA").

Law No. 10/2010 The Environmental Assessment Law passed by the National People's Assembly on 24 September 2010 outlines the requirements of the environmental assessment as an essential preventive instrument in the environmental policy.

This law is a privileged method of promoting sustainable development, through a balanced management of natural resources, ensuring environmental quality is better protected and therefore contributing to a good quality of human life.

The environmental study shall be subject to binding opinion by the relevant national environmental authorities prior to granting the petroleum title.

9.3.3 Regulatory and environmental framework for The Gambia

Prospecting, exploration and production of hydrocarbons (upstream sector) in The Gambia is regulated by the Petroleum (Exploration, Development and Production) Act 2004. The objective of the Act is to ensure the efficient administration and management of the country's hydrocarbon resources for the maximum benefit of The Gambia people.

The Ministry of Petroleum and Energy's ("**MoPE**") main policy objectives in the Upstream Petroleum Sector is to provide the conducive policy and regulatory environment for the effective and efficient exploration, development, production, and utilization of petroleum resources of The Gambia. The Petroleum Commission under MoPE is mandated to regulate, oversee, and monitor activities in the petroleum upstream sector as stipulated in the Petroleum (Exploration, Development and Production) Act 2004.

The Gambia National Petroleum Company ("**GNPC**") is a recent entrant into the petroleum scene. The company is mandated to participate in the upstream and downstream operations in the sub-sector sector on the same terms as any oil company.

Pursuant to section 38 of the National Environment Management Act, a person shall not discharge any dangerous material, or substance, oil or mixture containing oil into any waters or any other segment of the environment except in accordance with regulations prescribed by the council. Section 38 provides for the polluter pays principle.

Section 59 of the National Environment Management Act provides that where an offence is committed by a corporate body and every director or officer who had knowledge or should have had knowledge of the commission of the offence, and who did not exercise all due diligence to ensure compliance with the Act are liable.

Section 5 of the Continental Shelf Act provides that any act or omission which takes place on, under or above an installation in a designated area or any waters within 500 meters of such an installation and would if taking place in any part of the Gambia, constitute an offence under the laws in force in that part shall be treated as taking place in that part.

Section 7 of the Continental Shelf Act states that if oil to which this section applies or any mixture containing not less than one hundred parts of such oil in a million parts of the mixture is discharged or escapes in any part of the sea from a vessel, from a pipeline or as the result of any operations for the exploration of the seabed and subsoil or the exploitation of their natural resources in a designated area, the owner or master of the vessel, the owner of the pipeline or, as the case may be, the person carrying on the operations commits an offence unless he or she proves, in the case of a discharge from a place in his or her occupation, that it was due to the act of a person who was there without his or her permission, (express or implied) or, in the case of an escape, that he or she took all reasonable care to prevent it and that as soon as practicable after it was discovered all reasonable steps were taken for stopping or reducing it.

9.3.4 Regulatory and environmental framework for Senegal

The Petroleum Code 2019, law no. 2019-03, establishes the rules pertaining to prospecting, exploration, development, exploitation, transport, storage of hydrocarbons as well as the liquefaction of natural gas. This law decrees that all petroleum in Senegal is the property of the Senegalese people. Furthermore, it defines that the State exercises sovereign rights for the above-mentioned activities.

The legislation determines that the Ministry of Energy ("ME") is the competent authority for its implementation and responsible for authorising activities under contracts for oil and gas prospecting, exploration and production. Furthermore, it recognizes the Senegal Petroleum Company ("Petrosen") as the National Oil Company, with at least 10% stake in all contracts. Petrosen is responsible for developing the Senegalese sedimentary basins and undertaking, at the request and on behalf of the State, activities of prospecting, research, exploitation, transport and marketing of unrefined liquid and gaseous hydrocarbons.

The Petroleum Code outlines requirements relating to transparency (in line with the Extractive Industries Transparency Initiative), local content, environmental protection, health and safety issues, among others. It also outlines pertaining sanctions and the means of administrative supervision.

This regulation does not contain specific restrictions regarding methane emissions. However, it states that oil and gas companies must take necessary measures to prevent and combat environmental pollution, acting in accordance with international industry practice and applicable national legislation.

This law replaced the Petroleum Code from 1998 (Law 98-05 of 8 January 1998).

The creation or modification of an Installation Classified for Environmental protection ("ICPE") is subject to an administrative authorisation before it can start operation. Depending on the type of procedure applicable to the installation (subject to declaration or to authorisation), in order to obtain the authorisation, the operator must register an ICPE file or an operating licence application.

Civil liability of a polluter arises in the absence of any fault when the property at the origin of damage caused is an establishment of "risk". Responsibility can be avoided only by proving that the pollution and its harmful effects are only due to a case of force majeure, fault of a third party or the victim, by action or inaction, has contributed to the damage.

Under Article 58 of the Petroleum Code, in case of expiry or termination of an agreement or a service contract and according to the provisions of Article 59 of the same code or in case of total or partial waiver, the State may exercise its right to recover the facilities and equipment related to petroleum operations abandoned area, unless such facilities and equipment are used by the owner for other oil operations in the territory of the Republic of Senegal.

If the State exercises its right of recovery, no compensation is paid to the owner.

If the State does not wish to return the facilities and equipment, the licensee must perform disassembly and removal as well as other works of abandonment; in case of failure by the licensees to fulfil such obligations, the Minister may direct the necessary procedures at the expense of the licensees.

9.3.5 Regulatory and environmental framework for Nigeria

Under the Nigerian Constitution and the Nigerian Petroleum Act of 1969 and its amendments, all minerals, mineral oils and natural gas in Nigeria are vested in the Federal Nigerian Government for the benefit of all Nigerians.

The Nigerian Petroleum Act is the primary legislation governing the development of

petroleum in Nigeria. The Ministry of Petroleum Resources, which is headed by a Minister who acts for and on behalf of the Nigerian government, has the power to grant OELs (no longer granted in practice), OPLs, which give the holder an exclusive right to explore and prospect for petroleum in respect of an area, and grant OMLs, for the development and disposal of crude oil. The Minister's consent is required for assignments of interests in OPLs and OMLs, and the Minister has the authority to issue regulations further to the Nigerian Petroleum Act. The Minister typically oversees the Nigerian industry through the Department of Petroleum Resources ("**DPR**"), which forms part of the Ministry of Petroleum Resources and is the technical department, regulatory and monitoring arm of the Ministry of Petroleum Resources.

The principal Government agencies responsible for petroleum matters are The Ministry of Petroleum Resources (the "**Petroleum Ministry**"), the DPR, the Nigerian Content Development and Monitoring Board, NNPC, which undertakes commercial ventures in the petroleum industry on behalf of the Federal Government, the Federal Ministry of Environment ("**FMOE**"), the Federal Inland Revenue Service ("**FIRS**") and the Niger Delta Development Commission ("**NDDC**").

The Petroleum Industry Bill ("**PIB**") is an all-encompassing bill that is meant to regulate major aspects of the Nigerian petroleum industry. The PIB, which was initially proposed in 2008, is expected to change the organizational structure and fiscal terms governing the oil and natural gas sectors if it becomes law.

The PIB could create local ownership control requirements and additional fiscal, tax and regulatory burdens on the parties to the Aje Field and on the operations under the Aje Field and impact the economic benefits anticipated by the parties to the Aje Field. Aside from fiscal and institutional issues, the PIB also contains provisions that seek to give legal backing to the attempts to reduce / prohibit flaring of gas.

Among the notable provision of PIB is the creation of new governing bodies: The Nigerian Upstream Regulatory Commission, responsible for the technical and commercial regulation of upstream petroleum operations and The Nigerian Midstream and Downstream Petroleum Regulatory Authority, performing the same role for midstream and downstream petroleum operations, as well as a newly incorporated NNPC to replace existing NNPC.

The PIB also looks to shift fiscal take from profit taxation towards production and price based royalties. The current petroleum profit tax will be replaced with a new hydrocarbon tax and the application of companies' income tax (which previously did not apply to oil production). The hydrocarbon tax would apply to crude oil, condensates and natural gas liquids but not associated / non associated gas.

As part of its obligations, the Nigerian Upstream Regulatory Commission shall prescribe and allocate the domestic gas delivery obligation on a lessee. However, the Commission shall discontinue the imposition of domestic gas delivery obligations, where the Authority has determined that the natural gas market has attained full market status.

With respect to prohibition of gas flaring, the PIB demands strict adherence to a gas flaring plan. A licensee or lessee producing natural gas is expected to, within 12 months of the effective date, submit a natural gas flare elimination and monetisation plan to the Commission, which shall be prepared in accordance with regulations made by the Commission under this Act. A licensee or lessee who fails to adhere to the provision shall pay a penalty prescribed pursuant to the Flare Gas (Prevention of Waste and Pollution) Regulations. The Commission may, however, grant a permit to a licensee or lessee to allow the flaring or venting of natural gas for a specific period where it is required for facility start-up or for strategic operational reasons, including testing.

The PIB also introduces obligations regarding the development of host communities to foster sustainable prosperity within host communities and to provide direct social and economic

benefits from petroleum operations to host communities. It also seeks to enhance peaceful and harmonious co-existence between licensees or lessees and host communities. The PIB mandates that holders of an interest in a petroleum prospecting licence or petroleum mining lease or a holder of an interest in a licence for midstream petroleum operations, whose area of operations is located in or appurtenant to any community or communities), shall incorporate a trust for the benefit of the host communities for which it is responsible. The funds of the host communities' development trust created pursuant to this Act shall be exempted from taxation.

The PIB was passed in its second reading in both the Senate and the House of Representatives in Nigeria in Q4 2020 and is now under committee review.

The local content in oil and gas projects is defined under the Nigerian Oil and Gas Industry Content Development Act (the "**Local Content Act**"), which was promulgated in April 2010. Prior to 2010, there was no legislation wholly dedicated to the Nigerian content in the oil and gas industry although pocket provisions existed like the Petroleum Act of 1969 and certain NNPC directives. The new Local Content Act is partially premised on the temporary directives of NNPC for the oil and gas industry.

The Local Content Act is the principal law that provides for the development, supervision, coordination, monitoring and implementation of Nigerian content in the Nigerian oil and gas industry. Compliance with the Local Content Act is monitored by the Nigerian Content Development Monitoring Board.

The Local Content Act defines the Nigerian content or "local content", as the quantum of composite value added or created in the Nigerian economy by a systematic development of capacity and capabilities through the deliberate utilization of Nigerian human and material resources and services in the Nigerian oil and gas industry.

The Nigerian content focuses on the promotion of value addition in Nigeria through the utilization of local raw materials, products and services in order to stimulate growth of indigenous capacity. The Local Content Act prescribes minimum thresholds for Nigerian content in various segments of the Nigerian oil and gas industry. The Local Content Act requires that Nigerian indigenous operators be given first consideration when contracts are awarded for oil blocks, licences and all projects, that services provided and goods manufactured in Nigeria be given priority or preference and finally that qualified Nigerians are considered first for employment and training.

The Local Content Act applies to all the players in the oil and gas industry, such as the NNPC operators, contractors, subcontractors, alliance partners and other entities involved in any project, operation, activity or transaction in the Nigerian oil and gas industry. It applies to both indigenous and to international / multinational oil companies.

An employment and training program is required for every project to be executed in the Nigerian oil and gas industry. To this end, there is a requirement for Nigerians to be considered first for employment and training in any project. Where such Nigerians cannot be employed for lack of training, the act requires that reasonable efforts be made to provide such training within or outside Nigeria. The Local Content Act makes a provision for a succession plan for every position not held by Nigerians. The plan must provide for Nigerians to understudy each incumbent expatriate for a maximum period of four (4) years, after which the position shall be transferred to a Nigerian. However, a maximum of 5% of management positions can be held by expatriates.

Contracts with a total budget exceeding USD 100 million are to contain a labour clause mandating the use of a minimum percentage of Nigerian labour in specific cadres as may be stipulated by the Nigerian Content Development Monitoring Board. Nigerians are to occupy all junior and intermediate positions.

Further, the Petroleum (Drilling & Production) Regulations ("**PDPR**"), issued pursuant to the Nigerian Petroleum Act, regulates operational aspects of the drilling and production of crude oil. The PDPR set out fees, rents and rates of royalties payable (depending on the location of the concession, royalty rates range from 0% in deep offshore areas to 20% onshore) by a licensee or lessee under the Nigerian Petroleum Act. In addition, licensees and lessees are obligated to obtain permits and licenses before engaging in most activities in furtherance of petroleum operations under the relevant OPL or OML and also have reporting obligations. The compliance of PDPR is primarily undertaken through the Operator on the license.

There are also the Crude Oil (Transportation and Shipment) Regulations which regulate the transportation and shipment of crude oil after production. Adherence of these rules is more so the responsibility of the operator and offtaker.

Petroleum operations and activities are regulated primarily by federal agencies, although some state Governments and local Governments also have regulations and by-laws that affect activities in the oil and gas industry.

A number of national and international regulations guide oil and gas exploration and production activities in Nigeria. The first major national environmental guidelines for oil and gas exploration and production activities came into effect in 1981 when DPR issued interim guidelines and standard on monitoring, treatments and disposal of effluents from the petroleum industry. Regulations existing before this time were not specific environmental acts or laws; they were limited to statutory provisions that requested voluntary environmental protection efforts from the operators. In 1991, the sustainable Environmental Guidelines and Standards for the Petroleum Industry in Nigeria ("**EGASPIN**") replaced the 1981 interim guidelines. In 2002, a revised EGASPIN was published, replacing an unpublished 1999 version. Oil companies are working in compliance with the 2002 requirements.

Regulations relating specifically to the EIA of the proposed Aje FDP are the EGASPIN by DPR (2002) and Federal Ministry of Environment, ("**FMEnv**"), formally Federal Environmental Protection Agency (FEPA), environmental guidelines and standards, including Environmental Impact Assessment Act No. 86 of 1992. The Aje Field EIA was prepared pursuant to EIA procedural requirements of the DPR and FMEnv guidelines. There are, however, other regulatory requirements that also apply to the project.

9.4 Licences and concessions

PNGF Sud

The PNGF Sud licenses consisting of 3 production sharing contracts, Tchendo II, Tchibouella II and Tchibeli-Litanzi II, were effective as of 1 January 2017 and have a duration period of 20 years with the option of a 5-year extension.

PNGF Sud			
Republic of Congo			
Tchendo II	Period 1	Period 2	Period 3
Production and time tranches	01.01.2017, < 1.5 MMbbbls cum. prod.	6 years	Thereafter
Price Ceiling	40	90	40
Cost stop	50%	50%	50%
Production tranches	< 15 MMbbbls cum. prod.	> 15 MMbbbls cum. prod.	
Profit oil for contractor	50%		30%
Super profit for oil contractor	34%		30%
Royalty	15%		15%
Tchibouella II	Period 1	Period 2	Period 3
Production and time tranches	01.01.2017, < 10 MMbbbls cum. prod.	6 years	Thereafter
Price Ceiling	40	90	40

PNGF Sud			
Republic of Congo			
Tchendo II	Period 1	Period 2	Period 3
Cost stop	50%	55%	50%
Production tranches	< 20 MMbbls cum. prod.	> 20 MMbbls cum. prod.	
Profit oil for contractor	50%		45%
Super profit for oil contractor	34%		34%
Royalty	15%		15%
Tchibeli-Litanzi II	Period 1	Period 2	Period 3
Production and time tranches	01.01.2017, < 2 MMbbls cum. prod.	5 years	Thereafter
Price Ceiling	40	90	40
Cost stop	50%	50%	50%
Production tranches	< 15 MMbbls cum. prod.	> 15 MMbbls cum. prod.	
Profit oil for contractor	50%		50%
Super profit for oil contractor	30%		34%
Royalty	15%		15%

Sinapa and Esperança

As of late April 2021, the Group has become the Operator of the Sinapa (Block 2) & Esperança (Blocks 4A & 5A) licenses following regulatory approval in Guinea-Bissau being granted for the purchase by the Company of SPE Guinea Bissau AB⁶ from Svenska Petroleum Exploration AB.

Sinapa (Block 2) & Esperança (Blocks 4A & 5A)			
Guinea-Bissau			
Expiry	Royalty		Tax
2 October 2023	Shallow water (< 200m)	Deepwater (> 200m)	
	Production	Rate	
	0-10,000 Bopd	5%	35%
	10,000-20,000 Bopd	8.75%	
	> 20,000 Bopd	12.5%	

A4

The Gambian Licences were originally awarded to Buried Hill on 8 September 2006. The Group acquired a 60% interest in the Gambian blocks in August 2010 from Buried Hill under a farm-in agreement. The Group subsequently became 100% owner and operator in November 2014.

Following the settlement with the government of The Gambia on 19 September 2019, the A4 license was re-awarded to PetroNor under new terms.

A4			
The Gambia			
Expiry	Royalty		Tax
30 years	Daily production	State take	
	0-149,999 Bopd	5%	31%
	150,000-974,999 Bopd	7.5%	
	> 1,000,00 Bopd	6%	
	Satellite	25%	

SOSP and ROP

⁶ As of 4 June 2021, SPE Guinea Bissau formally changed its name to PetroNor E&P AB.

Although currently in arbitration, the Company reserves its rights in the exploration blocks of ROP and SOSP in Senegal. The Senegal Licences are governed by individual PSCs (the "**Senegalese PSCs**") between the licensees and Senegalese government and two JOAs entered into between African Petroleum Senegal and Petrosen on 25 November 2011. Petrosen holds 10% in the Senegalese PSCs with the option to increase to 20% when the exploitation authorisation becomes effective.

The Group and the Senegal Government have been in arbitration since 2018 regarding the Senegal PSCs. As announced 5 May 2020, the Company reached a mutual agreement with the Government of Senegal to suspend the Arbitration related to the Senegal Licences for a period of six months with a view to reaching a satisfactory outcome for all parties, and a formal request has been lodged with ICSID to suspend the process. Subsequently, the parties further extended the suspension by an additional three months as announced 30 October 2020, and with further two months as announced 2 February 2021. On 5 April 2021, the Company announced that throughout the prolonged suspension period, the Company has made significant efforts to reach a mutually beneficial solution and has held numerous progressive meetings with the relevant authorities to no avail. Please refer to section 9.5 "Legal proceedings" for further details.

OML-113

The license was initially awarded as OPL-309 in 1991 and was converted into an oil mining license in 1998, namely OML-113. In 2019, the license was granted a 20-year extension based on the development of a significant gas discovery.

OML-113		
Nigeria		
Subject	Current Royalty Rates (Petroleum Act)	Legal Provision
Oil and condensate	10% plus royalty by price below	Regulation 61(a) and (d), Petroleum (Drilling and Production) Regulations (2020 Amendment)
	Oil price	
	Rate	
	20-60 USD/bbl	2.5%
	60-100 USD/bbl	4%
Petroleum Profits Tax Oil (PPT)		50%
Gas Royalty		5%
		Regulation 61(e)(ii), Petroleum (Drilling and Production) Regulations (2020 Amendment)
Petroleum Profits Tax Gas (PPT)		30%
VAT	7.5%	

9.5 Legal Proceedings

As at the date of this Scheme Booklet, the Group is involved, inter alia, as the claimant in ICSID arbitration case ARB/18/24 in relation to its 90% interest in the ROP and the SOSP licences in Senegal, an arbitration case which has been suspended for a further two months from 2 February 2021. The Group is dependent on a successful outcome of the negotiation with the Senegalese government or a successful outcome in the arbitration case in order to have its respective licences re-instated. The Group has no control over the outcome of the arbitration case. Should the outcome of the negotiations or the arbitration case be unfavourable to the Group, this will have a material adverse effect on the Group's financial condition, business, cash flow, prospects and/or results.

HAH is in dispute with a former employee of HEPCO concerning a claim for (indirect) ownership in HEPCO. The former employee argues that he is entitled to an (indirect) ownership position in HEPCO, including past dividends taking such ownership position into

account. The former employee has filed the claim before the Commercial Court in Pointe-Noire. He has also filed a petition for arrest relating to HAH's shares in HEPCO. The claim is based on an alleged promise of shares in HEPCO. The claim is disputed.

HAH has recently taken control of an additional 9,900 shares in HEPCO, shares previously held by the minority shareholder, MGI International S.A. (MGI), and through that increased its net ownership in the PNGF Sud licenses from 14.85% to 16.83% and in the PNGF Bis licenses from 20.79% to 23.56%. This follows a default concerning a debt arrangement between HAH as lender and MGI as borrower, where the shares were pledged in favour of HAH. The default has been disputed by MGI and has been subject to several court proceedings in the Republic of Congo, all of which have resulted in rulings in the favour of HAH. It is expected that MGI will make a further appeal, and with the final outcome and timing of such further appeal ruling being uncertain. Should MGI appeal and the outcome of such appeal process be in favour of MGI, it is expected that HAH would have to transfer ownership of the 9,900 shares in HEPCO back to MGI. While there are no legal restrictions on the ability of HAH to exercise ownership rights over the shares in question, it cannot be ruled out that there will be additional legal processes and action taken by MGI that could influence HAH's ownership to these shares.

Other than described above, PetroNor Group is not aware of any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened) in the previous 12 months which could have, or have had in the recent past, significant effects on the Group's financial position or profitability.

9.6 Recent trends, developments, and changes

9.6.1 Trends

The sudden impact of the COVID-19 pandemic was both rapid and severe on the oil and gas sector as demand came to a hard stop in 2020 as global lockdowns came into force. PetroNor Group's activities were relatively unaffected as the operator did a good job of maintaining production at our asset in Congo, however the general backdrop created a lot of logistical challenges in communication and forward planning, resulting in delays to the completion of various corporate initiatives. The global rollout of vaccines has led to a good recovery in the sector and the global economic outlook.

PetroNor Group is an exploration and production focused oil and gas company with operations offshore in West Africa. PetroNor's revenues are affected by changes in commodity prices, specifically crude oil and natural gas prices. During 2020, there were only 7 cargos of oil (liftings) sold, with a 12.7% increase on the 880,844 barrels lifted in 2019. Lifting is the process pursuant to which petroleum has been produced from a field and which has been stored in a (floating) production and storage unit is moved to one or more oceangoing vessels. Despite the depressed oil prices during 2020, PetroNor Group achieved an average selling price of 41 USD/bbl for the year, compared to 65 USD/bbl in 2019. As a consequence, PetroNor Group reported USD 67.5 million in revenue, a 34.3% decrease on 2019 USD 102.8 million.

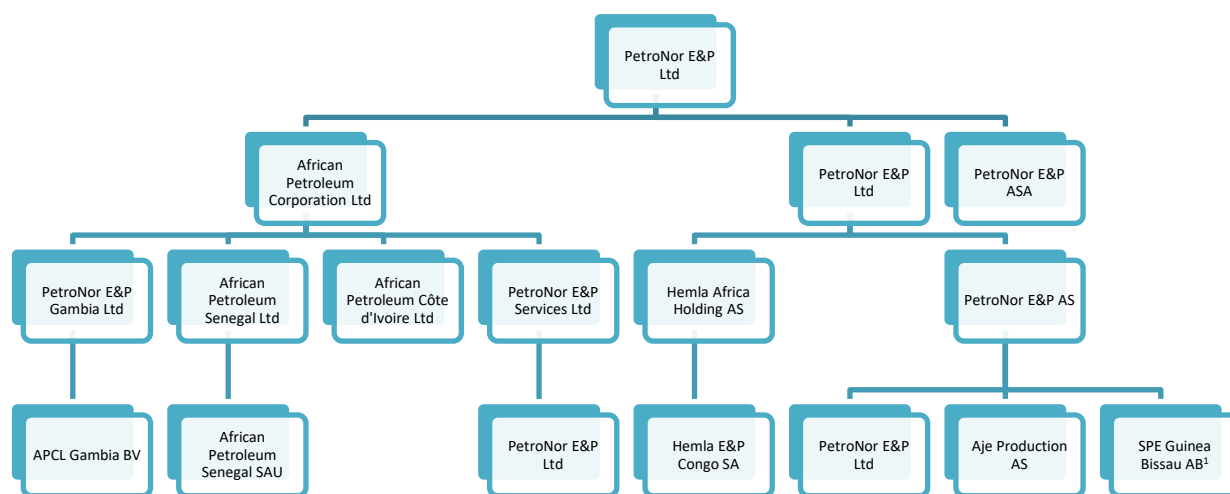
9.6.2 Significant change in financial performance

There has been no significant change in the financial performance of PetroNor Group since 30 June 2021.

9.7 Corporate Structure

PetroNor Australia is the ultimate parent company of the PetroNor Group. In addition, the PetroNor Group consists of 15 subsidiaries. The PetroNor Group's subsidiaries are incorporated in multiple jurisdictions including, among other, Norway, United Kingdom, Cyprus and United Arab Emirates as well as certain countries where the PetroNor Group conducts its activities through its licences.

The figure below sets forth the current legal structure of the PetroNor Group.



¹ Purchase of SPE Guinea Bissau AB received the pending regulatory approvals in Guinea-Bissau in late April 2021. As of 4 June 2021, SPE Guinea Bissau AB has changed its name to PetroNor E&P AB.

The table below contains a list of all the Company's subsidiaries.

Company name	Country of incorporation	Group ownership
African Petroleum Corporation Limited	Cayman Islands	100%
African Petroleum Côte d'Ivoire Limited	Cayman Islands	100%
African Petroleum Senegal Limited	Cayman Islands	90% ¹
African Petroleum Senegal SAU	Senegal	90%
Aje Production AS	Norway	100% ²
APCL Gambia B.V.	Netherlands	100%
Hemla Africa Holding AS	Norway	100%
Hemla E&P Congo S.A.	Republic of Congo	84.15% ³
PetroNor E&P ASA	Norway	100%
PetroNor E&P AS	Norway	100%
PetroNor E&P Limited	United Kingdom	100%
PetroNor E&P Limited	Nigeria	100%
PetroNor E&P Ltd	Cyprus	100%

Company name	Country of incorporation	Group ownership
PetroNor E&P Gambia Limited	Cayman Islands	100%
PetroNor E&P Services Limited	United Kingdom	100%
PetroNor E&P AB	Sweden	100%

¹ Remaining 10% shareholding held by Prestamex Limited.

² New subsidiary SPV to be used for outstanding Aje Transaction; on completion of transaction ownership will be 45%, with remaining 55% shareholding held by YFP.

³ Remaining 15.85% shareholding held by MGI International SA.

9.8 Directors and Senior Management of PetroNor Australia

The directors of PetroNor Australia as at the date of this Scheme Booklet are as follows:

PetroNor Australia Director	Relevant Experience
Eyas Alhomouz <i>Non-Executive Chairman</i>	Mr. Alhomouz has a strong experience from the oil and gas sector covering the US, North Africa, and the GCC. He began his career with Schlumberger Oilfield Service as a wireline engineer in Midland, Texas. From there he went on to work for Cromwell Energy in Denver, Colorado, in the role of international business development manager. Then, as a COO and Financial Director of Prism Seismic, he oversaw the growth of the Colorado based consulting and oil and gas software development firm and later the acquisition of the company by Sigma Cubed where, post-acquisition of Prism Seismic, he went on to serve as a director of business development, Middle East. Mr. Alhomouz's career then took him to Qatar as a General Manager of Jaidah Energy, an Omani-Qatari owned company servicing the oil and gas sector in Qatar. Mr. Alhomouz graduated from Brigham Young University in Provo, UT with a degree in Chemical Engineering and from the Colorado School of Mines, in Golden, CO with a Master's degree in Mineral and Energy Economics.
Jens Pace <i>Non-Executive Director</i>	Mr. Pace is an experienced leader in the oil & gas industry with a career spanning four decades. Most recently Jens was CEO of PetroNor E&P. Jens stepped down to a non-exec board position with PetroNor in 2019 following the merger the previous year with African Petroleum Corporation where he had been CEO since 2015. While at African Petroleum Jens led funding initiatives, negotiation of transactions, and drilling operations to deliver high impact deep-water exploration in West Africa. Prior to joining African Petroleum in 2012, Jens spent 30 years with BP, and its heritage company Amoco, in a broad range of upstream positions and leadership roles, initially in the UKCS, followed by West Africa, Russia, and culminating in North Africa where he was VP Exploration. Jens holds a BSc in Geology and Oceanography from the University of Wales and an MSc in Geophysics from Imperial College, London, UK..

PetroNor Australia Director	Relevant Experience
Joseph Iskander <i>Non-Executive Director</i>	Mr. Iskander brings over 20 years of experience in the financial services industry, covering asset management, private equity, portfolio management, financial restructuring, research, banking, and audit. He began his career at Deloitte & Touche (Egypt) as an Auditor. Mr. Iskander served as Non-Executive Director on the boards of EFG Hermes in Egypt, Oasis Capital Bank in Bahrain, Sun Hung Kai & Co in Hong Kong, Qalaa Holdings in Egypt, Emirates Retakaful in UAE, Marfin Laiki Bank in Cyprus and Marfin Investment Group in Greece. Mr. Iskander headed the research team at Egypt's Prime Investments and was earlier an Investment Advisor at Commercial International Bank (CIB). He then went on and joined Dubai Group as an Investment Manager in 2004 and has worked on a range of M&A transactions, advisory services, asset management, and private equity transactions with a collective value in excess of USD 8 billion. Mr. Iskander was Managing Director of Asset Management at Dubai Group and the former Head of Research at Dubai Capital Group until 2009. He joined Emirates International Investment Company in July of 2017 as the Director of Private Equity spearheading and managing EIIIC's investments. He holds a Degree in Accounting and Finance with high distinction from Helwan University, Egypt (1997).
Roger Steinepreis <i>Non-Executive Director</i>	Mr. Steinepreis is a corporate and resources lawyer with over 30 years' experience. He has acted as the legal adviser on in excess of 40 initial public offers and has advised numerous companies, large and small, on strategic acquisitions, whether by takeover, scheme of arrangement, trade sale or other means. Mr. Steinepreis serves as the Executive Chairman of Steinepreis Paganin, one of the largest specialist corporate law firms in Perth, Australia, and serves on other Boards. Mr. Steinepreis holds a Bachelor of Jurisprudence and Bachelor of Laws (1985) from the University of Western Australia.
Alexander Neuling <i>Non-Executive Director</i>	Mr. Neuling is a chartered accountant and has been advising within extractive industries for more than 15 years. Mr. Neuling has held numerous senior management positions at listed companies, and previously worked for Deloitte in London and Perth. Mr. Neuling holds BSc (Hons) in Chemistry from Leeds University, United Kingdom and he is a Fellow of the Institute of Chartered Secretaries and Administrators and a Fellow of the Institute of Chartered Accountants of England & Wales.
Ingvil Smines Tybring-Gjedde <i>Non-Executive Director</i>	Experienced former Norwegian Minister of National Public Security with overall responsibility of public safety, emergency planning, and cybersecurity. Mrs. Tybring-Gjedde was also Minister of Svalbard and the Norwegian polar regions. Before her position as Minister, she served as Deputy Minister in the Ministry of Petroleum and Energy for 4 years, with a portfolio of exploration policy, development, and operations, exploration activity as well as following the Ministry's contact with other petroleum producing countries and international forums in addition to the government's national climate policy, global

PetroNor Australia Director	Relevant Experience
	environmental issues and the government's CCs full scale project. Mrs. Tybring-Gjedde has a demonstrated history of working in the O&G, energy, and renewable industry in private and state-owned companies in various leading positions for more than 20 years. Mrs. Smines Tybring-Gjedde graduated from BI Norwegian Business School with a Master's degree in Management Programs, with strong focus in "Interaction and Leadership" and "Strategy".
Gro Kielland <i>Non-Executive Director</i>	Mrs. Kielland has over 30 years of experience having held a number of leading positions in the oil and gas industry both in Norway and abroad, among others as CEO of BP Norway. Her professional experience includes work related to both operations and field development, as well as HSE. Mrs. Kielland holds an MSc in Mechanical Engineering from the Norwegian University of Science and Technology (NTNU).

The senior management of PetroNor Australia as at the date of this Scheme Booklet comprises:

Position	Relevant Experience
Knut Søvold <i>Chief Executive Officer</i>	Mr. Søvold has 30 years of experience in the oil and gas industry, from both executive management and technical levels. His extensive experience covers fields and licences in the North Sea, North and West Africa, Middle East, Far East and FSU, as well as management and administration through establishing and operating companies in Norway, UK, Kazakhstan and West Africa. Mr. Søvold was in the management team of the Snorre Field in the North Sea, with a production of 200,000 Bopd. Mr. Søvold has been working with West African assets since 2000 and in Nigeria since 2008. Furthermore, he has also been working with gas to LNG, including novel solutions such as FLNG, gas to power, as well as LNG-regasification. Mr. Søvold holds a MSc in Petroleum from The Institute of Technology in Trondheim (NTH), Norway.
Claus Frimann-Dahl <i>Chief Technical Officer</i>	Mr. Frimann-Dahl has 30 years' experience from the oil and gas industry, with managerial and technical roles. His experience covers operational roles with Phillips Petroleum, Norsk Hydro and Hess in the North Sea Norway and Denmark, Russia, Egypt and the US. He was the co-founder of Ener Petroleum which was later acquired by Dana Petroleum and KNOC. He holds a BSc in Petroleum Engineering from Texas A&M University and an MSc from the University of Trondheim (NTH).
Michael Barrett <i>Exploration Director</i>	Mr. Barrett has over 30 years global exploration experience from his career at Chevron Corporation, and more recently at Addax/Sinopec International. Mr. Barrett has held senior positions at Chevron and Addax Petroleum, gaining substantial exploration and operations experience in Africa, namely: Angola, Cameroon, Gabon, Kurdistan and Nigeria, having also extended experience in Australia. Mr. Barrett has held a variety of technical roles covering exploration and new ventures, and was part of

Position	Relevant Experience
	Chevron's global Exploration Review Team, specialising in Play and Prospect risk assessment, volumetric analysis, commercial evaluation and portfolio management. Mr. Barrett also brings added strength to the team with his background in quantitative geophysics, stratigraphic interpretation workflows and 3D visualisation. Mr. Barrett has a BSc in Geology & Geophysics from Durham University and a MSc in Petroleum Geology & Geophysics from Imperial College, Royal School of Mines.
Emad Sultan <i>Strategy and Contracts Manager</i>	Mr. Sultan has 20 years of international Exploration & Production experience. He has held multiple operation and marketing management positions with international oil field services companies. He has also worked in a number of technical, contracting and strategy management roles with major oil and gas operators. Mr. Sultan holds a BSc Mechanical Engineering degree from the University of Washington.
Chris Butler <i>Financial Controller</i>	Mr. Butler has 16 years of financial and corporate experience from positions in public practice, oil & gas and mining spread over Africa, Asia and Europe, with roles that included financial reporting, contract negotiations, M&A, due diligence, treasury and several system implementations. Mr. Butler is a Fellow of the Institute of Chartered Accountants in England and Wales and has a BSc in Physics from Warwick University.

9.9 Capital Structure

As at the Last Practicable Date, PetroNor Australia has the following securities on issue:

- PetroNor Australia Shares; and
- PetroNor Australia Options,

further details of which are provided below.

PetroNor Australia Shares	Number
PetroNor Australia Shares ^{1,2}	1,326,991,006

Notes:

1. As at the Last Practicable Date, there were approximately 770 PetroNor Australia Shareholders, which includes the Australian Custodian who holds PetroNor Australia Shares beneficially for approximately 2,500 Depository Receipt Holders.
2. Fully paid ordinary shares in the capital of PetroNor Australia.

PetroNor Australia Options	Number
Unquoted, exercisable at 2.50 NOK on or before 11 January 2022	213,400
Unquoted, exercisable at 7.75 NOK on or before 31 May 2022	1,176,070
Total	1,389,470

If any existing PetroNor Australia Options are exercised between the Last Practicable Date and the Record Date, the number of PetroNor Australia Shares on issue will increase.

9.10 Largest PetroNor Australia Shareholders

Based on information known to PetroNor Australia, the largest PetroNor Australia Shareholders as at the Last Practicable Date were:

PetroNor Australia Shareholder	Number of PetroNor Australia Shares held	Percentage of issued PetroNor Australia Shares held
Citicorp Nominees Pty Limited ¹	1,324,236,202	99.79%
Mr George Jens Soby Pace	1,498,858	0.11%
Antony William Paul Sage + Lucy Fernandes Sage <Egas Superannuation Fund A/C>	276,028	0.02%
Lamington Capital Inc	107,612	0.01%
Antony Sage	74,284	0.01%
All other PetroNor Australia Shareholders ²	798,022	0.06%
TOTAL	1,326,991,006	100.00%

Notes:

1. Fully paid ordinary shares in the capital of PetroNor Australia which are legally held by Citicorp Nominees Pty Limited as Australian Custodian for Depository Receipt Holders.
2. Other than as set out in the table, no other PetroNor Australia Shareholder holds more than 0.01% of the voting rights attaching to PetroNor Australia Shares.

9.11 Largest Depository Receipt Holders

Based on information known to PetroNor Australia, the largest 20 Depository Receipt Holders as at the Last Practicable Date were:

Depository Receipt Holders	Number of Depository Receipts held	Percentage of issued PetroNor Australia Shares held (beneficially)
Petromal L.L.C ²	371,961,247	28.03%

Depository Receipt Holders	Number of Depository Receipts held	Percentage of issued PetroNor Australia Shares held (beneficially)
NOR Energy AS ³	143,555,857	10.82%
Symero Limited ⁴	138,763,636	10.46%
Clearstream Banking S.A.	110,587,523	8.33%
Ambolt Invest AS	86,849,618	6.54%
Gulshagen III AS ⁵	45,000,000	3.39%
Gulshagen IV AS ⁵	45,000,000	3.39%
ENG Group Soparfi S.A.	35,061,336	2.64%
Energie AS	32,323,248	2.44%
Nordnet Livsforsikring AS	25,393,733	1.91%
Enga Invest AS	16,292,746	1.23%
Nordent Bank AB	13,904,415	1.05%
Pust For Livet AS	9,560,582	0.72%
UBS Switzerland AG	7,698,758	0.58%
Al-Qattan	7,645,454	0.58%
Al-Qattan	7,645,454	0.58%
Sandberg JH AS	5,653,951	0.43%
Danske Bank A/S	4,432,181	0.33%
Avanza Bank AB	3,955,389	0.30%
Knutshuag Invest AS	3,796,683	0.29%
Total top 20 Depository Receipt Holders	1,115,081,811	84.03%
Total Depository Receipts	1,324,158,918	99.79%
Non-VPS Shareholders	2,832,088	0.21%
TOTAL	1,326,991,006	100.00%

Notes:

- These figures have been calculated on a look-through basis; meaning that the PetroNor Australia Shares in which these persons have an interest are legally held by the Australian Custodian, rather than by the holder directly. The table does not include the PetroNor Australia Shares held legally but not beneficially by the Australian Custodian.

2. Non-Executive Chairman, Mr. Alhomouz is the CEO of Petromal L.L.C. Clearstream Banking S.A. is a nominee entity of Petromal L.L.C.
3. NOR Energy AS is a company controlled jointly by Mr. Søvold and Mr. Ludvigsen through indirect beneficial interest. 90,000,000 Depository Receipts held by NOR Energy AS are pledged in favour of DNB Bank as security for a loan facility.
4. Symero Limited is a 100% owned subsidiary of NOR Energy AS.
5. Gulshagen III AS and Gulshagen IV are companies controlled by Mr. Søvold through an indirect beneficial interest.

9.12 PetroNor Australia Share trading history

The last recorded sale price of PetroNor Australia Shares traded on Euronext Expand before the announcement of the Proposed Transaction was NOK 1.258 (recorded on 6 October 2021).

On the Last Practicable Date, the closing price of PetroNor Australia Shares on Euronext Expand was NOK 1.18.

During the three-month period up to and including the Last Practicable Date, the highest and lowest recorded sale prices of PetroNor Australia Shares on Euronext Expand were, respectively, NOK 1.32 on 5 October 2021 and NOK 1.014 on 20 September 2021.

Set out below is the volume weighted average price (VWAP) of PetroNor Australia Shares for various periods up to and including the Last Practicable Date:

	10 Days	20 days	30 days	90 days
VWAP	NOK 1.227	NOK 1.226	NOK 1.188	NOK 1.197

9.13 PetroNor Australia Directors' Intentions

The Corporations Regulations require a statement by the PetroNor Australia Directors of their intentions regarding the PetroNor Australia business. If the Scheme is approved and implemented, PetroNor Norway will become the holding company of the PetroNor Group and PetroNor Australia will become a wholly owned subsidiary of PetroNor Norway.

It will be for the board of directors of PetroNor Norway to determine its intentions as to the continuation of the PetroNor Australia business, and any major changes, if any, to be made to the business of PetroNor Australia, including any redeployment of the fixed assets of PetroNor Australia.

The current intentions of PetroNor Norway with respect to these matters are set out in Section 11. If the Scheme is not implemented, the PetroNor Australia Board intends to continue to operate PetroNor Australia in the ordinary course of the business, consistent with the past practice.

9.14 PetroNor Australia announcements and reports

PetroNor Australia will provide a copy of each of the following documents, free of charge, to anyone who asks for them before the Scheme is approved by the Court. These documents can also be obtained from the PetroNor Australia website (www.petronorep.com):

- (a) PetroNor Australia's Constitution; and
- (b) the annual financial report of PetroNor Australia for the year ended 31 December 2020 (being the annual financial report most recently lodged with ASIC by PetroNor Australia before lodgement of a copy of this Scheme Booklet with ASIC for registration).

9.15 Historical Financial Information

This Section 9.15 contains the PetroNor Australia Financial Information, which comprises:

- (a) consolidated statement of comprehensive income of PetroNor Australia for the six-month period ended 30 June 2021 and years ended 31 December 2020 and 31 December 2019;
- (b) consolidated statement of financial position of PetroNor Australia as at 30 June 2021, 31 December 2020 and 31 December 2019; and
- (c) consolidated statement of cash flows of PetroNor Australia for the six-month period ended 30 June 2021 and years ended 31 December 2020 and 31 December 2019.

The financial information set out in this Section is in abbreviated form and does not contain all the information usually provided in an annual report in accordance with the Corporations Act. See Section 9.14 of this Scheme Booklet for details of where PetroNor Australia's full financial reports, including all notes to those financial reports, can be found.

(a) **PetroNor Australia Consolidated Statement of Comprehensive Income**

USD '000	Six months ended 30 June	Year ended 31 December	
	2021 (unaudited)	2020 (audited) \$'000	2019 (audited) \$'000
Revenue	48,174	67,543	102,760
Cost of sales	(16,832)	(25,885)	(37,207)
Gross profit	31,342	41,658	65,553
Other operating income	357	45	9
Exploration expenses	(1,259)	-	-
Administrative expenses	(5,314)	(12,376)	(19,793)
Profit from operations	25,126	29,327	45,769
Finance expense	(1,626)	(2,606)	(1,822)
Foreign exchange gain / (loss)	19	1,507	(440)
Share based payment	-	-	(19,374)
Profit before income tax	23,519	28,228	24,133
Tax expense	(14,654)	(17,078)	(29,894)
Profit/(loss) for the period	8,865	11,150	(5,761)
Other comprehensive income			
Exchange losses arising on translation of foreign operations	(29)	(1,050)	-
Total comprehensive income /(loss)	8,836	10,100	(5,761)
Profit/(loss) for the period attributable to:			
Owners of the parent	3,029	2,373	(13,364)
Non-controlling interests	5,836	8,777	7,603
	8,865	11,150	(5,761)
Total Comprehensive (Loss) / Income Attributable to:			
Owners of the parent	3,258	1,417	(13,364)
Non-controlling interests	5,578	8,683	7,603
	8,836	10,100	(5,761)
	USD cents	USD cents	USD cents
Basic profit / (loss) per share	0.30	0.24	(1.54)
Diluted profit / (loss) per share	0.30	0.24	(1.54)

(b) **PetroNor Australia Consolidated Statement of Financial Position**

USD '000s	As at 30 Jun 2021 (Unaudited)	As at 31 Dec 2020 (Audited)	As at 31 Dec 2019 (Audited)
ASSETS			
Current Assets			
Inventories	5,724	3,578	3,233
Trade and other receivables	8,506	9,397	24,772
Cash and cash equivalents	20,444	14,113	27,891
	34,674	27,088	55,896
Non-current assets			
Property, plant and equipment	22,592	23,483	22,587
Intangible Assets	6,890	6,935	4,691
Right-of-use assets	127	212	-
Other Receivables	23,552	21,260	-
	53,161	51,890	27,278
Total assets	87,835	78,978	83,174
Liabilities			
Current Liabilities			
Trade and other payables	15,553	22,238	34,602
Lease liability	142	170	-
Loans and borrowings	8,000	4,000	12,941
	23,695	26,408	47,543
Non-current liabilities			
Provisions	15,805	15,362	14,373
Loans and borrowings	10,078	14,912	-
	25,883	30,274	14,373
Total Liabilities	49,578	56,682	61,916
NET ASSETS	38,257	22,296	21,258
Issued Capital and reserves attributable to the owners of the parent	28,138	17,735	17,735
Foreign currency translation reserve	(727)	(956)	-
Retained earnings	(5,824)	(8,853)	(11,226)
	21,587	7,926	6,509
Non-controlling interest	16,670	14,370	14,749
TOTAL EQUITY	38,257	22,296	21,258

(c) **PetroNor Australia Consolidated Statement of Cash Flows**

USD '000	For the six months ended 30 June 2021 (Unaudited)	For the year ended 31 December 2020 (Audited)	For the year ended 31 December 2019 (Audited)
OPERATING ACTIVITIES			
Profit / (Loss) for the period	23,519	28,228	24,133
Adjustments for:			
Depreciation & amortisation	2,333	4,475	3,323
Amortisation of right-of-use asset	85	169	-
Equity raise	-	-	16,433
Write off of Goodwill	-	-	9
Net foreign exchange differences	(29)	(1,050)	
Unwinding of discount on decommissioning liability	497	934	877
	26,405	32,756	44,775
Decrease/(increase) in trade and other receivables	(2,387)	729	6,724
Increase in advance against decommissioning cost	-	(6,614)	(3,286)
Increase in Inventories	(2,146)	(345)	(663)
(Decrease)/Increase in trade and others payables	(6,685)	(12,363)	24,950
Cash (used in)/generated from operations	(11,218)	(18,593)	27,725
Income taxes paid	(14,654)	(17,078)	(29,894)
Net cash flows from operating activities	533	(2,915)	42,606
Investing activities			
Purchase of property plant and equipment	(1,385)	(4,615)	(12,466)
Acquisition of intangible assets	-	(3,007)	-
Advance against decommissioning cost	(2,292)	-	-
Net cash flows from investing activities	(3,677)	(7,622)	(12,466)
Financing Activities			
Proceeds from loans and borrowings	-	18,912	12,917
Repayment of loans and borrowings	(834)	(12,941)	(7,059)
Repayment of principal portion of lease liability	(89)	(131)	-
Repayment of interest portion of lease liability	(5)	(19)	-
Dividends paid to non-controlling interest	-	(9,062)	(5,665)
Dividends paid	-	-	(11,550)
Issue of share capital	10,945	-	1,182
Share issue costs	(542)	-	-
Net cash flows from financing activities	9,475	(3,241)	(10,175)
Net increase/(decrease) in cash and cash equivalents	6,331	(13,778)	19,965
Cash & cash equivalents at beginning of period	14,113	27,891	7,926
Cash & cash equivalents at end of period	20,444	14,113	27,891

(d) **Basis of Preparation of the PetroNor Australia Financial Information**

The historical financial information presented above is extracted from the audited consolidated financial statements of PetroNor Australia and its controlled entities for the six-month period ended 30 June 2021 and years ended 31 December 2020 and 31 December 2019.

The financial information has been prepared in accordance with the recognition and measurement requirements of Australian Accounting Standards (including Australian Accounting Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act. The financial information also complies with the recognition and measurement requirements of International Financial Reporting Standards (IFRSs) and interpretations issued by the International Accounting Standards Board.

The financial information presented above does not represent complete financial statements and should therefore be read in conjunction with the financial statements for the respective periods, including the description of accounting policies contained in those financial statements and the notes to those financial statements. Where appropriate, adjustments have been made to headings and classifications of historical data to provide a consistent basis of presentation.

This historical financial information is presented in US dollars which is the currency of the primary economic environment in which PetroNor Australia operates.

PetroNor Australia Shareholders may view complete copies of the audited financial statements of PetroNor Australia for the years ended 31 December 2018, 31 December 2019 and 31 December 2020 on <https://live.euronext.com/en/product/equities/AU0000057408-XOAS/company-information> <http://www.live.euronext.com/en/product/equities/AU0000057408-XOAS/company-information> or on the "investor" section of PetroNor Australia's website at www.petronorep.com.

9.16 Material events since 30 June 2021

On 21 September 2021, the Company issued 46,234,809 ordinary shares at a subscription price of NOK 1.10 per offer share for the subsequent offering connected to the private placement in March 2021.

On 19 October 2021, PetroNor announced that it has received, from the Government of The Gambia, a one-year extension to the longstop date of the A4 licence in The Gambia until 18 October 2022, which will enable PetroNor to progress its ongoing discussions with potential partners.

With the exception of the above events, in the interval between the end of the 12 month period to 31 December 2020 and the date of this Scheme Booklet, there has not arisen any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of PetroNor Australia, to significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity, in future financial years other than as disclosed in the 31 December 2020 full year financial statements and subsequent filings on Euronext Expand.

9.17 Forecast Financial Information

PetroNor Australia has given careful consideration as to whether a reasonable basis exists to produce further reliable and meaningful forecast financial information with respect to PetroNor Australia. It has been determined that, as the date of this Scheme Booklet, it would be misleading to provide forecast financial information, as a reasonable basis does not exist having regard to the requirements of applicable law, policy, and market practice.

10. INFORMATION ABOUT PETRONOR NORWAY AND PETRONOR GROUP

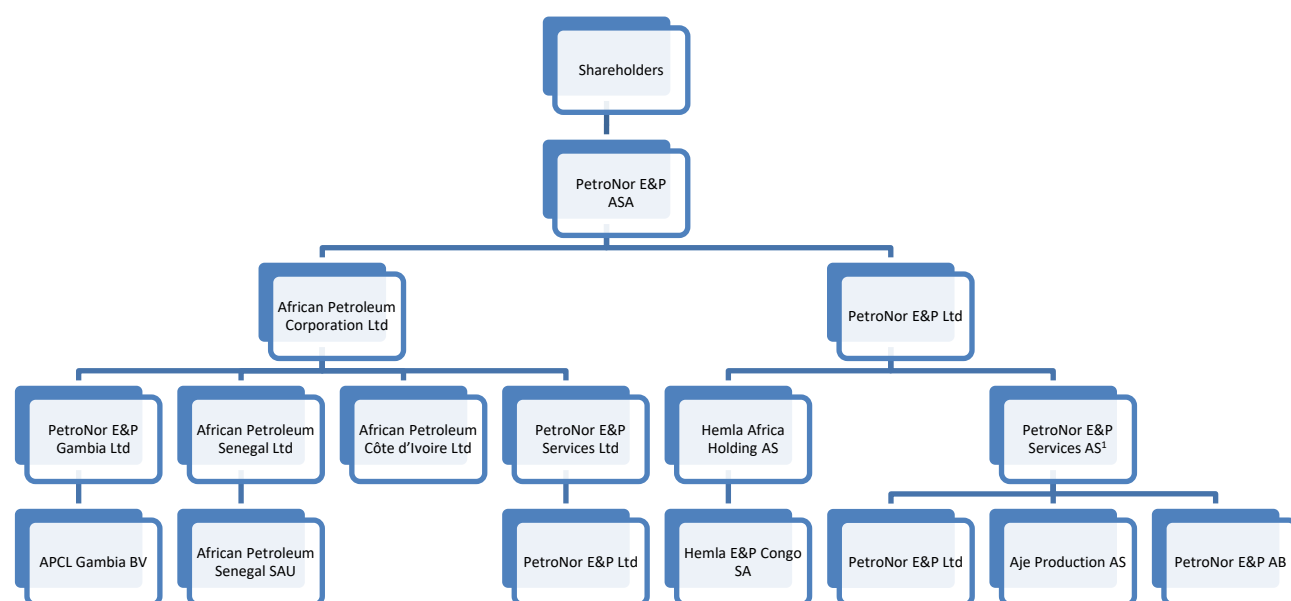
This Section of the Scheme Booklet contains information in relation to PetroNor Norway and the PetroNor Group if the Scheme is approved and implemented.

10.1 Corporate Overview

PetroNor Norway is a wholly owned subsidiary of PetroNor Australia and was incorporated under the laws of Norway on 1 October 2021. The rights of PetroNor Norway security-holders are governed by the Norwegian Public Limited Liability Companies Act (in Norwegian “*Allmennaksjeloven*”) of 13 June 1997 and once listed Oslo Børs listing rules and PetroNor Norway’s certificate of incorporation, constitution, and by-laws. PetroNor Norway will also be bound by the Oslo Børs Rules if it is successfully listed on Oslo Børs as currently anticipated.

PetroNor Norway was incorporated for the purposes of re-domiciling the PetroNor Group to Norway under the Proposed Transaction. To date, PetroNor Norway has not had any operations and is a shelf company with no assets or liabilities.

If the Proposed Transaction is implemented, PetroNor Norway’s business will consist entirely of the business of PetroNor Australia, which will become a wholly owned subsidiary of PetroNor Norway. The following chart sets out the inter-corporate relationships of the PetroNor Group following implementation of the Proposed Transaction:



¹Following incorporation of PetroNor E&P ASA, PetroNor E&P AS is to change its name to PetroNor E&P Services AS to ensure only one entity is called PetroNor E&P on the Brønnøysundregistere in Norway.

10.2 Choice of jurisdiction

PetroNor Australia considers the following reasons to be in support of a re-domicile to Norway:

- the Proposed Transaction will re-domicile the PetroNor Group in Norway, which will better reflect the location of its assets and the growing international focus of its shareholder base;
- the potential to improve PetroNor Group’s capital raising ability through geographic proximity to larger and more diverse equity markets;

- the Proposed Transaction will reduce administrative resources and costs for the PetroNor Group, with no additional personnel and advisers required in Australia, and operations in closer matching time zones; and
- PetroNor Australia Security-holders will retain their existing exposure to PetroNor Australia's assets through receiving 'replacement' securities in PetroNor Norway.

10.3 Directors of PetroNor Norway

As at the date of this Scheme Booklet, the PetroNor Norway Board comprises five (5) Board members.

It is proposed that, conditional on the implementation of the Proposed Transaction, the Board of PetroNor Norway will comprise:

- Eyas Alhomouz – Non-Executive Chairman;
- Jens Pace – Non-Executive Director;
- Joseph Iskander – Non-Executive Director;
- Ingvil Smines Tybring-Gjedde – Non-Executive Director; and
- Gro Kielland – Non-Executive Director.

Roger Steinepreis and Alex Neuling will remain as Directors of PetroNor Australia for such time as they are required to hold office for PetroNor Australia in order to comply with the Australian director quota requirements of the Corporations Act, however they will not seek to be appointed as directors of PetroNor Norway.

Following the implementation of the Proposed Transaction, PetroNor Norway will ensure that its Board structure remains in compliance with the requirements of Norway, as member country of the EEA, including any requirements in respect of gender, equality and diversity.

The Senior Management of PetroNor Norway will remain the same as PetroNor Australia.

Details regarding these individuals are set out in Section 9.8 above.

10.4 Capital Structure

(a) PetroNor Norway Shares

As at the date of this Scheme Booklet, PetroNor Norway has a nominal number of shares of common stock on issue, which will be reduced to zero prior to issuance of the Scheme Consideration. PetroNor Norway is authorised to issue the Scheme Consideration on the Implementation Date.

Accordingly, if the Scheme becomes Effective, 1,326,991,006 New PetroNor Norway Shares will be issued as Scheme Consideration in respect of the PetroNor Australia Shares to be acquired under the Scheme (assuming that no further PetroNor Australia Shares are issued before the Record Date).

(b) PetroNor Norway Options

PetroNor Australia has a total of 1,389,470 PetroNor Australia Options on issue, the majority of which are held by Mirabud Securities LLP.

In order for PetroNor Norway to acquire all of the securities on issue in the Company, it is a Condition Precedent that PetroNor Australia and PetroNor Norway enter into

Optoin Exchange Deeds with each PetroNor Australia Optionholder to cancel the PetroNor Australia Options held by each hold and issue the equivalent number of replacement PetroNor Norway Options. Accordingly, PetroNor Australia will procure the cancellation of all of the PetroNor Australia Options on issue immediately prior to the Scheme becoming effective in exchange for one (1) PetroNor Norway Option for each PetroNor Australia Option that is cancelled.

Upon issue, each new PetroNor Norway Option will:

- (i) have an exercise price equal to the exercise price of the relevant PetroNor Australia Option it replaces;
- (ii) have an exercise period equal to the unexpired exercise period of the relevant PetroNor Australia Option it replaces;
- (iii) be vested to the same extent and have the same terms as to vesting as the relevant PetroNor Australia Options it replaces, ignoring any deemed vesting which arises by reason of the Scheme; and
- (iv) otherwise be issued on the same terms as the existing PetroNor Australia Options, with necessary changes due to PetroNor Norway being the issuer in place of PetroNor Australia.

(c) **Structure**

If the Scheme becomes Effective, the anticipated capital structure of PetroNor Norway will be as follows:

PetroNor Norway Shares^{1,2}	Number
PetroNor Norway Shares	1,326,991,006
PetroNor Norway Options²	
Unquoted, exercisable at 2.50 NOK on or before 11 January 2022	213,400
Unquoted, exercisable at 7.75 NOK on or before 31 May 2022	1,176,070
Total	1,389,470

Notes:

1. Fully paid ordinary shares in the capital of PetroNor Norway.
2. Refer to Annexure F for a summary of the rights attaching to the PetroNor Norway Securities.
3. The consideration payable under the Panoro Agreement comprises the issue of shares in PetroNor Australia (or, following implementation of the Scheme, PetroNor Norway) to the value of USD 10 million. Refer to section 11.8 for further details.

10.5 Substantial shareholdings

Based on information known to PetroNor Australia (in respect of PetroNor Australia substantial shareholders) and assuming that:

- (a) the substantial shareholders of PetroNor Norway and PetroNor Australia as at the date of this Scheme Booklet continue to hold their existing holdings in PetroNor Norway and PetroNor Australia (respectively);

- (b) none of those substantial shareholders hold shares in both PetroNor Norway and PetroNor Australia; and
- (c) no further New PetroNor Norway Shares or PetroNor Australia Shares are issued except pursuant to the Scheme,

the holdings of those substantial shareholders in PetroNor Norway following implementation of the Scheme are detailed in Section 9.10 and Section 9.11.

10.6 Rights attaching to New PetroNor Norway Shares

Holding shares in a Norwegian company listed on Oslo Børs or Euronext Expand is different to holding shares in an Australian company listed on Oslo Børs or Euronext Expand. The rights attaching to PetroNor Norway Shares will be primarily governed by the Norwegian Public Limited Liability Companies Act, Norwegian securities laws, including the Norwegian Securities Act and the Euronext Rule Book I – Harmonised Rules and Oslo Rule Book II – Issuer Rules.

The Scheme Consideration, i.e., the New PetroNor Norway Shares, will be distributed to Depository Receipt Holders as soon as practicably possible by the Registrar (being DNB Bank ASA, registrar's department) through the VPS to such Depository Receipt Holders' VPS accounts following the Implementation Date.

The differences between the rights attaching to PetroNor Norway Shares and PetroNor Australia Shares are summarised in Annexure F.

10.7 Business, Operations, and Assets

If the Scheme is implemented, the PetroNor Group's principal assets will be same assets of PetroNor Australia, albeit organised under a re-domiciled corporate structure, as detailed in Section 9.2.

10.8 Risks associated with the PetroNor Group

There are a number of risks associated with the PetroNor Group. These are summarised in Section 12.

10.9 PetroNor Norway's register of shareholders

The register of the PetroNor Norway Shareholders is maintained at the Norwegian Central Securities Depository (VPS) with DNB Bank ASA, registrar department, as the Company's registrar, subject to formalisation of a registrar agreement between DNB Bank ASA and PetroNor Norway.

PetroNor Group also expects that the implementation of CSDR (Regulation (EU) No 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories) into Norwegian law will result in changes to the current registration and settlement regime which is administered under the VPS. Further information regarding the CSDR is set out in Section 12.3 of this Scheme Booklet.

PetroNor Group understands that these changes are expected to come into effect in Q4 2021.

PetroNor Norway is currently assessing the models and options which have been made available to it by the VPS to transition to the new system.

Upon making a decision on the choice of registration and settlement system which best suits the requirements of PetroNor Group, PetroNor Norway will ensure that all information reasonably required by holders of PetroNor Norway Shares, including the ability to buy and

sell those securities on the Oslo Stock Exchange, will be provided to those persons as and when it becomes known to the PetroNor Norway Directors, in accordance with the listing rules of the Oslo Stock Exchange and any other applicable Norwegian laws.

11. INTENTIONS OF PETRONOR NORWAY AND THE PETRONOR GROUP

11.1 Overview

This Section sets out PetroNor Norway's intentions for the PetroNor Group if the Scheme is implemented.

The statements of intention made in this Section are based on the information concerning PetroNor Australia and PetroNor Norway and the circumstances affecting the businesses of PetroNor Australia and PetroNor Norway that are known to both companies at the date of this Scheme Booklet.

Final decisions on these matters will only be made by the PetroNor Norway Board in light of all material information, facts and circumstances at the relevant time if the Scheme is implemented. Accordingly, it is important to recognise that the statements set out in this Section are statements of PetroNor Norway's current intentions only, which may change as new information becomes available or circumstances change, and which will be superseded by the intentions, strategic focus, outlook and decisions of the PetroNor Norway Board.

11.2 Business, Operations, and Assets

It is the intention of PetroNor Norway that all fixed assets of PetroNor Australia will be utilized substantially in the same manner. Periodically, management of the PetroNor Norway will review all operations and assets of the PetroNor Group to identify ways to realize shareholder value and drive efficiencies.

11.3 Directors and management of PetroNor Group

It is proposed that, conditional on the implementation of the Proposed Transaction, the PetroNor Norway Board will comprise:

- Eyas Alhomouz – Non-Executive Chair
- Jens Pace – Non-Executive Director
- Joseph Iskander – Non-Executive Director
- Ingvil Smines Tybring-Gjedde – Non-Executive Director; and
- Gro Kielland - Non-Executive Director.

Roger Steinepreis and Alex Neuling will retire as Directors of PetroNor Australia and will not seek to be appointed as directors of PetroNor Norway Board.

The Senior Management of PetroNor Norway will remain the same as PetroNor Australia.

Details regarding these individuals are set out in Section 9.8 above.

11.4 Corporate matters in relation to PetroNor Australia

Following implementation of the Scheme, it is intended that PetroNor Australia will be de-listed from Euronext Expand and will become a wholly owned subsidiary of PetroNor Norway, which intends to seek a listing on Oslo Børs main list.

11.5 Other Intentions

Other than as referred to or described in this Section 11 and elsewhere in this Scheme Booklet, it is the intention of PetroNor Norway that the business of the PetroNor Group will be conducted in substantially the same manner as at the date of this Scheme Booklet.

11.6 Dividend policy

PetroNor Norway does not have a specific dividend policy. Payment of cash dividends, if any, is at the discretion of the PetroNor Norway Shareholders (and whether or not the PetroNor Norway Board have proposed to PetroNor Norway Shareholders whether they propose to declare a dividend) and depends on PetroNor Norway's financial condition, results of operations, contractual restrictions, capital requirements, business prospects and other factors that the PetroNor Norway Board considers relevant.

11.7 Governance

Subject to any changes required to comply with the laws of Norway, PetroNor Norway intends to assume substantially the same corporate governance, disclosure, trading, diversity, audit, remuneration, independent professional advice, identification and risk management, ethical standards and other relevant policies as have currently been put in place by PetroNor Australia.

PetroNor Norway intends to hold annual general meetings for the PetroNor Group in Norway.

11.8 Material Contracts

All material contracts to which PetroNor Australia is currently a party will, upon the Scheme becoming Effective, be assigned, novated or the rights imposed on PetroNor Australia performed by PetroNor Norway. Those that are considered material are summarised below:

Aje Transaction

As announced on 21 October 2019, PetroNor Australia entered into an agreement with Panoro Energy ASA ("Panoro") (the "Panoro Agreement") for the acquisition of certain companies holding interests in Offshore Mining Lease no. 113 ("OML-113") offshore Nigeria, containing the Aje oil and gas field ("Aje Field") ("Aje Transaction"). The Panoro Agreement contemplates the acquisition of 100% of the shares of Panoro's fully owned subsidiaries Pan-Petroleum Services Holdings BV ("PPSH") and Pan-Petroleum Nigeria Holdings BV ("PPNH"), which currently hold 100% of the shares in Pan-Petroleum Aje Limited, which participates in the exploration for and production of hydrocarbons in OML-113.

The consideration payable by the PetroNor Australia under the Panoro Agreement is (i) issue of shares in PetroNor Australia (or, following implementation of the Scheme, PetroNor Norway) for USD 10 million and (ii) a contingent payment obligation after PetroNor Australia has recovered all costs related to the accumulated investments incurred after the Completion Date equal to USD 0.10 per 1,000 Cubic Feet of Aje Gas sales volume limited to USD 16.67 million.

In parallel, PetroNor Australia concluded a separate investment and shareholders' agreement with the OML-113 operator Yinka Fawale Petroleum ("YFP Agreement") to create a new holding company Aje Production AS (the "SPV") that will see the SPV assume the lead technical and management role in the next phases of the Aje Field development. PetroNor Australia and YFP will hold respectively 45% and 55% of the SPV shares, and the ability to appoint up to two directors each. The SPV will require two directors jointly to sign on its behalf, of which one is appointed by PetroNor Australia and one appointed by YFP. The SPV will include the current license ownerships of YFP (the operator), YFP-DW and Panoro.

Together these agreements provide the framework and pathway towards sanctioning of the next phases of the Aje Field development in order to unlock its significant value through accessing the substantial proven gas and liquid in place reserves.

The completion of the Aje Transaction is subject to the satisfaction of certain conditions precedents, including the regulatory approval of the Nigerian Department of Petroleum Resources and consent of the Minister of Petroleum Resources.

The regulatory approval process in Nigeria is well underway but has been delayed by the impact of the COVID-19 pandemic. Originally set at 31 December 2020, Panoro and PetroNor Australia agreed to amend the long stop date for closing of the Panoro Agreement to the 31 October 2021 which is the date by which authorisation of the Nigerian Department of Petroleum Resources and the consent of the Nigerian Minister of Petroleum Resources are required to have been received.

Upon the successful completion of the Aje Transaction, the PetroNor Group will in the OML-113 licence acquire a nominal participating interest on 34 % and a revenue interest on 24.3%. These figures are based on PetroNor Group holding a 45% equity interest in the SPV, which in turn holds nominal licence interest on 75.5 % and a revenue licence interests on 54.1%. The table below shows all CAPEX, OPEX, and revenue for the SPV. PetroNor Group's interest is 45% relating to each figure.

The proportional allocation of operating expenditures and capital expenditures deviate from pro-rata allocation of revenues. Allocation of operating expenditures and capital expenditures are based on the following mechanic which were established in the Farm-In Agreements and Joint Operating Agreements in 2007.

SPV Aje Production	Period 1:		Period 2:		Period 3:		
	Prior to YFP Payout		Post YFP Payout		Post Project Payout		
Participation Interest	CAPEX and OPEX	Revenue (cost recovery and profit sharing)	CAPEX and OPEX	Revenue (cost recovery and profit sharing)	CAPEX OPEX	Revenue (cost recovery and profit sharing)	
75.50%	38.755%	54.066%	38.755%	38.755%	38.755% 54.066%	54.066%	

As of the date of this Scheme Booklet, the licence is in "Period 1" and the commencement of "Period 2" is subject to YFP receiving USD 30 million in net proceeds. This is the cost incurred by YFP in OML-113 prior to the first farming agreement in 2007. YFP has received USD 12 million and the recovery of an additional USD 18 million is required for commencement of "Period 2". Based on the expectations of the management of PetroNor Group, this is expected to be incur in about 2 years. The commencement of "Period 3" is subject to the net proceeds less the prior costs exceeding the cumulative expenditure. Based on the expectations of the management of PetroNor Group, this is expected to take place in about 3 to 4 years.

12. RISK FACTORS

12.1 Introduction

If the Scheme is implemented, Scheme Shareholders (other than Non-VPS Shareholders) will receive New PetroNor Norway Shares as Scheme Consideration. As a consequence, PetroNor Australia Shareholders may be exposed to risk factors that could adversely affect the re-domiciled PetroNor Group's business, operations, financial performance, cash flows and prospects which will consequently affect the price of PetroNor Norway Shares.

PetroNor Australia Shareholders should note that the risks they will be exposed to in respect of the assets, operations and general business of the PetroNor Group are materially the same risks that they are currently exposed to in relation to PetroNor Australia's existing business. This is because the Proposed Transaction merely moves the corporate headquarters of and re-domiciles the PetroNor Group to Norway. All of the PetroNor Group's assets, operations and business are already in Norway and will continue to be subject to the existing risks that PetroNor Australia Shareholders are already subject to. Accordingly, there will be no material change in the exposure to PetroNor Group's business risks for holders of PetroNor Norway Shares. These risks are briefly outlined in Section 12.2.

There are, however, additional new risks that Scheme Shareholders who receive PetroNor Norway Shares may be exposed to which specifically relate to the change in home jurisdiction to Norway for the PetroNor Group and listing on Oslo Børs main list. These risks are outlined in detail in Section 12.3 below.

It is also important to note that certain risks will apply if the Scheme does not proceed. These are discussed in Section 12.5.

Although the PetroNor Group will have in place a number of strategies to minimise the exposure to, and mitigate the effects of, some of the risks outlined in this Section 12 following the Scheme becoming effective, there can be no assurance that such arrangements will protect the re-domiciled PetroNor Group fully from such risks. Also, certain risks will remain outside the control of the PetroNor Group.

The risk factors described in this Section 12 outline some of the key, but not all, risks associated with an investment in PetroNor Norway and the re-domiciled PetroNor Group. The outline of risks in this section is a summary only and should not be considered exhaustive. You should carefully consider the following risks as well as the other information contained in this Scheme Booklet before voting on the Scheme. You should also consider Section 6.2 which sets out some of the potential reasons why you may consider voting against the Scheme.

This Section 12 does not take into account the investment objectives, financial situation, taxation position or particular needs of PetroNor Australia Shareholders. It is important that PetroNor Australia Shareholders carefully read this document in its entirety, consider their personal circumstances and seek independent professional advice before deciding whether to vote for the Scheme relevant to them.

12.2 Risks relating to PetroNor Australia's existing business

There are certain risks which relate directly to PetroNor Australia's business and are largely beyond the control of PetroNor Australia and the PetroNor Australia Directors because of the nature of the business of PetroNor Australia.

PetroNor Australia Security-holders are currently already exposed to these risks as security-holders of an Australian domiciled holding company given they relate to the assets, operations and business of PetroNor Australia. Scheme Shareholders (other than Non-VPS Shareholders) will continue to be exposed to materially the same risks flowing from PetroNor

Australia's existing business after implementation of the Scheme. Accordingly, we have provided a brief summary of the risks below as PetroNor Australia Security-holders are already subject to these business risks.

(a) **Covid-19 and other Public Health Crises**

PetroNor Group's business, operations and financial condition could be materially and adversely affected by the outbreak of epidemics or pandemics or other health crises. In December 2019, COVID-19 was reported to have surfaced in Wuhan, China; on January 30, 2020, the World Health Organization ("WHO") declared the outbreak a global health emergency; and on March 11, 2020 the WHO declared the outbreak of COVID-19, a global pandemic. The outbreak has spread throughout most of the world, and COVID-19 has led companies and various international jurisdictions to impose restrictions such as quarantines, business closures and travel restrictions. While these effects are expected to be temporary, the duration of the business disruptions internationally and related financial impact cannot be reasonably estimated at this time.

Public health crises can result in volatility and disruptions in the supply and demand for oil and natural gas, global supply chains and financial markets, as well as declining trade and market sentiment and reduced mobility of people, all of which could affect commodity prices, interest rates, credit ratings, credit risk and inflation. In particular, crude oil prices dropped significantly in response to the outbreak of COVID-19. The risks to the Group of public health crises, including the COVID-19 pandemic, also include risks to employee health and safety and a slowdown or temporary suspension of operations in geographic locations impacted by an outbreak.

The COVID-19 pandemic has had a negative impact on PetroNor Group's business, and although the extent to which the COVID-19 pandemic has impacted, or may in the future impact, the PetroNor Group is uncertain, it is possible that the pandemic may have a material adverse effect on the PetroNor Group's business, results of operations and financial condition.

(b) **PetroNor Group's business, results of operations, value of assets, reserves, cash flows, financial condition and access to capital depend significantly upon, and may be adversely affected by, the level of oil and gas prices, which are highly volatile**

PetroNor Group's revenues, cash flow, reserve estimates, profitability and rate of growth depend substantially on prevailing international and local prices of oil and gas. Prices for oil and gas may fluctuate substantially based on factors beyond the Group's control. Consequently, it is impossible to accurately predict future oil and gas price movements. Oil and gas prices are volatile and have witnessed significant changes in recent years, for many reasons including, but not limited to, changes in global and regional supply and demand, geopolitical uncertainty, availability of equipment and new technologies, weather conditions and natural disasters, terrorism as well as global and regional economic conditions. Sustained lower oil and gas prices or price declines may inter alia lead to a material decrease in the Group's net production revenues.

Sustained lower oil and gas prices may also cause the Group to make substantial downward adjustments to its oil and gas reserves. If this occurs, or if the Group's estimates of production or economic factors change, the Group may be required to write-down the carrying value of its proved oil and gas properties for impairments. In addition, the depreciation of oil and gas assets charged to its income statement is dependent on the estimate of its oil and gas reserves. If oil and gas prices remain depressed over time, it could also reduce the Group's ability to raise new debt or equity financing or to refinance any outstanding loans on terms satisfactory, or at all.

(c) **Reserves and contingent resources are by their nature uncertain in respect of the inferred volume range**

Included in this Scheme Booklet is information relating to the reserves and resources of certain of the PetroNor Group's assets. Reserves are defined as the volume of hydrocarbons that are expected to be produced from known accumulations in production, under development or with development committed. Reserves are also classified according to the associated risks and probability that the reserves will be actually produced.

Many of the factors in respect of which assumptions are made when estimating reserves and resources are beyond the PetroNor Group's control and therefore these assumptions may prove to be incorrect over time. For example, sustained lower oil and gas prices may cause the PetroNor Group to make substantial downward adjustments to its oil and gas reserves and resources. If this occurs, or the PetroNor Group's estimates of production or economic factors change, the PetroNor Group may be required to write-down the carrying value of its proved oil and gas properties for impairments. In addition, the depreciation of oil and gas assets charged to its income statement is dependent on the estimate of its oil and gas reserves.

If the assumptions upon which the estimates of the PetroNor Group's oil and gas reserves or resources are based prove to be incorrect, the PetroNor Group may be unable to recover and/or produce estimated levels or quality of oil or gas, which could have a material adverse effect on the PetroNor Group's business, prospects, financial condition or results of operations.

(d) **The Group is dependent on finding/acquiring, developing and producing oil and gas reserves that are economically recoverable and offshore exploration is by its nature highly speculative**

The future success of the PetroNor Group depends in part on its ability to find and develop or acquire additional reserves that are economically recoverable, which is dependent, inter alia, on oil and gas prices. Oil and gas exploration and production activities are capital intensive and inherently uncertain in their outcome. The PetroNor Group's offshore exploration acreage is located in largely unexplored sections of the West African deep water margin. Some of the PetroNor Group's projects are in an early exploration stage, and there is a risk that any future exploration programs on these and any licences the PetroNor Group may acquire in the future (whether offshore or onshore) may be unsuccessful and may not discover commercial quantities of hydrocarbons.

Drilling oil and gas wells (whether offshore or onshore) is by its nature highly speculative, may be unprofitable and may result in a total loss of the investments made by the Group. In particular, completed wells may never produce oil or gas or may not produce sufficient quantities or qualities of oil and gas to be profitable or commercially viable. Moreover, geological formations and proximity with neighbouring fields may result in a regulatory requirement to unitize the licence area with a neighbouring field. Such processes may prove complex, and thereby cause delays and uncertainties in respect of the Group's ultimate interest in the unitized field.

All of these risks may have a material adverse effect on the PetroNor Group, its financial condition, cash flow, prospects and/or operations.

(e) **Approvals, permits and licences, including PNGF Bis, may not be upheld or renewed**

Under applicable laws and regulations in certain of the countries where the PetroNor Group operates, the PetroNor Group will be required to renew its licences with respect

to exploration activities. In addition, the Group would be required, subject to commercial petroleum discoveries being made, to apply for exclusive exploitation authorisations. For example, the current license partnership on PNGF SUD has through an umbrella agreement the right to negotiate in good faith the license terms of the adjoint PNGF Bis license. Further, the permits relating to the Aje field for which the Company has entered into a definitive agreement to acquire an interest, the completion of which still being subject to the fulfilment of certain conditions, expire 30th June 2021. If any of these exploration and production licences, or any other licenses of the Group, are not renewed or granted or exclusive exploitation authorisations are not obtained or upheld, the Group would be required to cease operations of the affected well or production facility. The loss of some or all of the Group's licences may have a material adverse effect on the Group's financial condition, business, cash flow, prospects and/or results.

Further, the Group's licence interests for the exploration and exploitation of hydrocarbons will typically be subject to certain financial obligations or work commitments as imposed by local authorities. The existence and content of such obligations and commitments may affect the economic and commercial attractiveness for such licence interest. No assurance can be given that local authorities do not unilaterally amend current and known obligations and commitments. If such amendments are made in the future, the value and commercial and economic viability of such interest could be materially reduced or even lost, in which case the Group's financial position and future prospects could also be materially weakened.

(f) **Risks associated with legal disputes and litigation, including a risk relating to a potential appeal by MGI to the ruling relating to the award of 9,900 shares in HEPCO to Hemla Africa Holding, and that such ruling may overturn the initial award of such shares to Hemla Africa Holding**

The Group is, and may from time to time be, involved in legal disputes and legal proceedings related to the Group's operations or otherwise. To the extent the Group becomes involved in legal disputes in order to defend or enforce any of its rights or obligations under its licences, agreements or otherwise, such disputes or related litigation may be costly, time consuming and the outcome may be highly uncertain. Furthermore, legal proceedings could be ruled against the Group and the Group could be required to, inter alia, pay damages, halt its operations, stop its expansion projects, etc. It is further a risk that the Group could become involved in legal disputes with uninsured third parties. Even if the Group would ultimately prevail (which cannot be assured), such disputes and litigation may have a substantially negative effect on the Group, its financial condition, cash flow, prospects and/or its operations. The occurrence of any such event could have a material adverse effect on the Group's business, prospects, financial position and/or results of operations.

As at the date of this Scheme Booklet, the Group is involved, inter alia, as the claimant in ICSID arbitration case ARB/18/24 in relation to its 90% interest in the Rusfique Offshore Profond block ("ROP") and the Offshore Sud Profond block ("SOSP") licences in Senegal, an arbitration case which has been suspended for a further two months from 2 February 2021. The Group is dependent on a successful outcome of the negotiation with the Senegalese government or a successful outcome in the arbitration case in order to have its respective licences re-instated. The Group has no control over the outcome of the arbitration case. Should the outcome of the negotiations or the arbitration case be unfavourable to the Group, this will have a material adverse effect on the Group's financial condition, business, cash flow, prospects and/or results.

Hemla Africa Holding AS ("HAH") is in dispute with a former employee of Hemla E&P Congo S.A. ("HEPCO") concerning a claim for (indirect) ownership in HEPCO. The former employee argues that he is entitled to an (indirect) ownership position in

HEPCO, including past dividends taking such ownership position into account. The former employee has filed the claim before the Commercial Court in Pointe-Noire. He has also filed a petition for arrest, relating to HAH's shares in HEPCO. The claim is based on an alleged promise of shares in HEPCO. The claim is disputed.

HAH has recently taken control of an additional 9,900 shares in Hemla E&P Congo S.A., shares previously held by the minority shareholder, MGI International S.A. ("MGI"), and through that increased its net ownership in the PNGFS Sud licenses from 14.85% to 16.83% and in the PNGF Bis licenses from 20.79% to 23.56%. This follows a default concerning a debt arrangement between HAH as lender and MGI as borrower, where the shares were pledged in favour of HAH. The default has been disputed by MGI and has been subject to several court proceedings in the Republic of Congo, all of which have resulted in rulings in the favour of HAH. It is expected that MGI will make a further appeal, and with the final outcome and timing of such further appeal ruling being uncertain. Should MGI appeal and the outcome of such appeal process be in favour of MGI, it is expected that HAH would have to transfer ownership of the 9,900 shares in HEPCO back to MGI. While there are no legal restrictions on the ability of HAH to exercise ownership rights over the shares in question, it cannot be ruled out that there will be additional legal processes and action taken by MGI that could influence HAH's ownership to these shares.

(g) Risk of joint and several liabilities with its licence partners

Under each licence, the Group is liable on a joint and several basis together with its licence partners for the liabilities of the licence group (including but not limited to decommissioning liabilities). Whilst such joint and several liability is regulated among the licence group through the joint operating agreement, failure by a licence partner to satisfy its obligations may ultimately result in the other licence partners (including the Group) being liable for such failure and therefore increase the Group's exposure related to the licence in question. As a consequence of joint and several liabilities, any failure by a licence partner to satisfy any significant obligations may have a material adverse effect on the Group's business, financial condition, operating results and/or cash flow.

(h) Insurance

Oil and natural gas exploration, development, and production operations are subject to associated risks and hazards, such as fire, explosion, blowouts, gas leakages and oil spills, each of which could result in substantial damage to oil and natural gas wells, production facilities, other property, and the environment or personal injury. Insurance against all risks associated with oil and gas production is not available or affordable. The Group will maintain insurance where it is considered appropriate for its needs, however, it will not be insured against all risks either because appropriate cover is not available or because the Group considers the required premiums to be excessive having regard to the assumed benefits that would accrue. The Group may incur material uninsured losses or damages that may have a material adverse effect on the Group's financial condition, business, cash flow, prospects and/or results.

(i) Production sharing contracts (PSCs)

PSCs are common contracts signed between a government and a resource extraction company. The Group has entered into certain PSCs with local governments. Accordingly, the production resulting from oil operations must be shared between the Group and such government. The local governments also have an option to increase its participation in the relevant licences. The sharing of the production will naturally affect the profitability of the Group and/or the amount of profits from the project that will flow to the Company and its shareholders. This could be affected further if the government decides to increase its participation or the size of its share.

(j) **Local authorities may impose additional financial or work commitments beyond those currently contemplated**

The Group's license interests for the exploration and exploitation of hydrocarbons will typically be subject to certain financial obligations or work commitments as imposed by local authorities. The existence and content of such obligations and commitments may affect the economic and commercial attractiveness for such license interest. No assurance can be given that local authorities do not unilaterally amend current and known obligations and commitments. If such amendments are made in the future, the value and commercial and economic viability of such interest could be materially reduced or even lost, in which case the Group's financial position and future prospects could also be materially weakened. The Group's current or future development projects are associated with risks relating to delays, cost inflation, potential penalties and regulatory requirements. Development projects inter alia involve complex engineering, procurement, construction work, drilling operation to be carried out and governmental approvals obtained prior to commencement of production. The exploration and development periods of a license are commonly associated with higher risk, requiring high levels of capital expenditure without a commensurate degree of certainty of a return on that investment. The complexity of offshore development projects also makes them very sensitive to delays or costs increases. Current or future projected target dates for production may be delayed and significant cost overruns may incur. The Group's estimated exploration costs are subject to a number of assumptions that may not materialize. Such factors may again impact to what extent fields to be developed are fully funded or remain commercially viable, and consequently could result in breach by the Group of its obligations and/or require the Group to raise additional debt and/or equity. Any delays, cost increases or other negative impact relating to the current or future development projects of the Group, may have a material adverse effect on its business, results of operations, cash flow, financial condition and prospects.

(k) **The Group's current production and expected future production is concentrated in a limited number of hydrocarbon fields**

Currently, all of the Group's production comes from fields in the PNGF Sud asset in Congo Brazzaville. The Aje Transaction, if completed, will add producing asset in Nigeria. Under any circumstance, the Group's operations and cash flow will be restricted to a very limited number of fields. If mechanical or technical problems, storms, shutdowns or other events or problems affect the current or future production of the current producing assets of the Group, or new fields coming into production, it may have direct and significant impact on a substantial portion of the Group's production and hence the Group's revenue, profits and financial position as a whole. Further, if the actual reserves associated with any one of the Group's fields are less than anticipated, this may result in material adverse effects for the Group, including on the Group's ability to make new investments and raise financing.

(l) **Future acquisitions could not be possible, may not be successful and may require substantial attention also after completion of such acquisitions.**

One of the Group's strategies is to create inorganic growth through acquisitions. Attractive acquisition targets may not be available, or may only be available on unfeasible terms for the Group. Further, should the Group be able to complete acquisitions, such acquisitions may not be as successful as first expected and may under any circumstances require substantial attention by management and incur substantial integration costs post completion. If the strategy to grow the Group inorganically is not successful or does not prove as effective as first expected, the Group's future prospects and financial position may be negatively affected.

- (m) **Rising climate change concerns have led and could lead to additional legal and/or regulatory measures which could result in project delays or cancellations, a decrease in demand for fossil fuels and additional compliance obligations, each of which could materially and adversely impact the Group's costs and/or revenues**

There is continued and increased attention to climate change from all sectors of society. This attention has led, and is likely to continue to lead, to additional regulations designed to reduce greenhouse gas ("GHG") emissions and potential demand for fossil fuels. International agreements (for example, the Paris Accord and the Kyoto Protocol) and national and/or regional legislation and regulatory measures (for example, carbon taxes, cap-and-trade or efficiency standards) to limit or reduce GHG emissions are currently in various stages of discussion or implementation and it is difficult to predict with certainty their timing and outcome.

It is expected that a growing share of the Group's GHG emissions will be subject to regulation, resulting in increased compliance costs and operational restrictions. It is also expected that GHG emissions regulation will focus more on suppressing demand for fossil fuels by creating greater incentives for the use of alternative energy sources. Any reduction in demand for fossil fuels, as a consequence of such increased attention to climate change, could result in declining demand for the Group's products. This may in the long-term jeopardize or even impair the implementation and operation of the Group's businesses, adversely impacting the Group's operating and financial results and limiting some of the Group's growth opportunities.

If the Group is unable to find economically viable, as well as publicly acceptable, solutions that reduce its greenhouse gas emissions and/or the greenhouse gas emissions intensity of new and existing projects in response to compliance obligations, this may result in delayed or cancelled projects, and/or reduced production and reduced demand for fossil fuels, which could have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

- (n) **The PetroNor Group is subject to risks generally applicable to the offshore oil and gas industry**

In general, the Group's operations are subject to risks which are typical for the offshore oil and gas industry, all of which may have a material adverse effect on the Group's operations, cash flow and financial position, including but not limited to risks relating to:

- (i) Extension of existing licenses and permits, including whether any extensions will be subject to onerous conditions;
- (ii) delays, cost inflation, potential penalties and regulatory requirements with respect to exploration, development projects and production of hydrocarbons, and hydrocarbon production may be restricted, delayed or terminated due to a number of internal or external factors;
- (iii) decommissioning obligations and activities will incur costs and such costs may be in excess of expectations and budgets;
- (iv) third-party risk in terms of operators and partners and conflicts within a license group, such as the publicly known disputes within the Aje group;
- (v) capacity constraints and cost inflation in the service sector and lack of availability of required services and equipment;
- (vi) restricted or limited access to necessary infrastructure or capacity booking for the transportation of oil and gas;

- (vii) restrictions with respect to offtake of oil and gas, including currency exchange regulations delaying or preventing timely settlement, offtaker credit risks as well as hostilities or acts of terrorism or war preventing offtake or impeding offtake and further production of crude.
- (viii) restrictions in the ability to sell or transfer license interests due to regulatory consent requirements, provisions in its joint operating agreements including pre-emption rights, if any, or applicable legislation;
- (ix) extremely complex and stringent regulations concerning health, safety and environment issues; and
- (x) capsizing, environmental pollution to sea and air and other maritime disasters.

12.3 Risks relating to PetroNor Norway Shares

Scheme Shareholders (other than Non-VPS Shareholders) who receive the Scheme Consideration may be exposed to the following additional new risks relating to holding New PetroNor Norway Shares, which will be shares in a company incorporated in Norway and proposed to be listed on Oslo Børs.

(a) **Norwegian law and Oslo Børs listing rules will apply to PetroNor Norway and PetroNor Norway Shares**

Norwegian law and Oslo Børs listing rules and continuing obligations will apply to PetroNor Norway, a company incorporated in the Norway and proposed to be listed on Oslo Børs. Scheme Shareholders who hold PetroNor Norway Shares will have different rights to the rights they had as PetroNor Australia Shareholders as they will no longer be governed by the Corporations Act. Differences may arise in respect of rights where a takeover bid is made for PetroNor Australia, minority shareholders' rights (for example, in statutory derivative actions or to requisition shareholders' meetings) and related party transaction regulation compared to an Australian listed public company. Differences between being registered in Norway vs. Australia may arise in respect of e.g. compulsory acquisitions, mandatory offer requirements, distribution of assets on liquidation, liability of board members, shareholder vote on certain reorganisations. An overview of Norwegian securities trading and certain matters of Norwegian corporate law is included herein in Annexure F.

(b) **Central Securities Depository Regulation**

The Central Securities Depository Regulation ("CSDR") is transposed into Norwegian law in the Act of 15 March 2019 no. 6 on central securities depositories and securities settlement, etc. (the Central Securities Depository Act) and the Act entered into force on 1 January 2020. The Norwegian VPS have applied for authorisation under CSDR and until authorisation is in place VPS will operate under the grandfathering rule of CSDR Article 69 (4). However, when the authorisation is in place, this will affect the VPS' services for financial instruments issued by non-Norwegian issuers, including PetroNor Australia, and thus, the registrar for such entity, will need to change the existing services to reflect the regulatory changes. This includes the Norwegian Depository Receipts currently being traded on Euronext Expand. Although shares in the New Norwegian Entity (PetroNor Norway) will be directly registered in the VPS and as such be compliant with the CSDR (provided a successful re-domicile prior to year-end), there is a risk that the Scheme and re-domicile is not completed in a timely manner with respect to implementation of CSDR. Should the Scheme and re-domicile not be complete prior to year-end, the Norwegian Depository Receipts currently trading on Euronext Expand may in a worst case scenario be delisted pending a re-domicile of the Group to Norway.

- (c) **An active trading market for PetroNor Norway Shares may not develop on Oslo Børs and the trading price for PetroNor Norway Shares may fluctuate significantly**

If an active public market on Oslo Børs for PetroNor Norway Shares does not develop, the market price and liquidity of PetroNor Norway Shares may be adversely affected. While PetroNor Norway will apply to the Oslo Stock Exchange for the listing of PetroNor Norway Shares on Oslo Børs main list, a liquid public market may not develop or be sustained. In the past, following periods of volatility in the market price of a company's securities, shareholders often instituted securities class action litigation against that company. If PetroNor Norway were involved in a class action suit, it could divert the attention of senior management and, if adversely determined, could have a material adverse effect on the PetroNor Group's results of operations and financial condition.

- (d) **PetroNor Norway may not be admitted to trading on Oslo Børs, and may only be admitted to trading on Euronext Expand**

If PetroNor Norway in the view of Oslo Børs' listing committee does not satisfy the relevant listing requirements for admission to listing and trading on Oslo Børs, the Company will have to alternatively be admitted to listing and trading on Euronext Expand.

- (e) **The market price and trading volume of PetroNor Norway Shares may be volatile and may be affected by economic conditions beyond its control.**

The market price of PetroNor Norway Shares may be highly volatile and could be subject to wide fluctuations. The market prices of securities of oil and gas exploration and production companies have often experienced fluctuations that have been unrelated or disproportionate to the operating results of these companies. In addition, the trading volume of PetroNor Norway Shares may fluctuate and cause significant price variations to occur. If the market price of PetroNor Norway Shares declines significantly, you may be unable to resell your shares at or above the purchase price, if at all. PetroNor Norway cannot assure you that the market price of PetroNor Norway Shares will not fluctuate or significantly decline in the future.

Some specific factors that could negatively affect the price of PetroNor Norway Shares or result in fluctuations in their price and trading volume include:

- actual or expected fluctuations in the PetroNor Group's operating results;
- actual or expected changes in the PetroNor Group's growth rates or its competitors' growth rates;
- changes in commodity prices for hydrocarbons that the PetroNor Group produces;
- changes in market valuations of similar companies;
- changes in key personnel;
- potential acquisitions and divestitures;
- changes in financial estimates or recommendations by securities analysts;
- changes or proposed changes in laws and regulations affecting the oil and natural gas industry;
- changes in trading volume of PetroNor Norway Shares on Oslo Børs main list;

- sales of PetroNor Norway Shares by PetroNor Norway, its executive officers or PetroNor Norway shareholders in the future;
- conditions in the crude oil and natural gas industry in general; and
- conditions in the financial markets or changes in general economic conditions.

12.4 Other risks

(a) Contract Risk

Some of PetroNor Group's supply and customer contracts contain clauses that allow the other party to terminate the contract in the event that ownership of PetroNor Australia changes. These clauses will be triggered when the Scheme becomes Effective. PetroNor Australia has no reason to believe that the relevant suppliers and customers will not continue their relationships with the PetroNor Group under PetroNor Norway.

(b) Regulatory approvals

A condition precedent to implementation of the Scheme is the receipt of a number of regulatory approvals. The required approvals are still pending as at the date of this Scheme Booklet. If these approvals are not received by the Second Court Date, there is a risk that the Scheme may not proceed.

12.5 Risks to PetroNor Australia Shareholders if the Scheme does not proceed

PetroNor Australia Shareholders should be aware that if the Scheme does not proceed, transaction costs of approximately USD\$360,000 will be borne by PetroNor Australia.

13. TAX CONSIDERATIONS

13.1 Australian Tax Implications

13.1.1 Outline

Section 13.1 of the Scheme Booklet provides a summary of the Australian income tax, Goods & Services Tax (**GST**) and state duty implications for Scheme Participants if the Scheme proceed. Section 13.1 is only a general guide and does not provide a complete analysis of the potential Australian tax implications of the Scheme. This summary is based on the existing tax law, relevant precedent and administrative guidelines issued by the revenue authorities as at the date of this Scheme Booklet. The relevant law precedent and / or guidelines may subsequently change which may affect the taxation implications of the Scheme.

Section 13.1 does not constitute tax advice and should not be relied upon. Scheme Participants should seek advice from their tax agent or an appropriately qualified professional tax adviser having regard to their individual circumstances.

Scheme Participants who are not residents of Australia (whether or not they are also residents, or are temporary residents, of Australia for income tax purposes) should take into account the tax consequences of the Scheme under the laws of Australia and if relevant, the laws of their primary country of residence.

The comments set out in Section 13.1 are relevant to the Scheme Participants who hold their Scheme Shares on capital account for Australian income tax purposes.

Further, the comments in Section 13.1 do not apply to Scheme Participants who:

- acquired their Scheme Shares under an employee share scheme or employee share option plan;
- are temporary residents of Australia;
- hold their Scheme Shares as trading stock or revenue assets other than trading stock;
- hold their Scheme Shares in connection with a business carried on through a permanent establishment outside their country of residence;
- are subject to the taxation of financial arrangements provisions in Division 230 of the *Income Tax Assessment Act 1997* (Cth) (**ITAA 1997**); and / or
- are a financial institution, insurance company or tax exempt organisation.

13.1.2 Australian Tax Resident Scheme Participants

The comments provided in Section 13.1.2 are in relation to Scheme Participants (other than Non-VPS Shareholders) who are residents of Australia and exchange their Scheme Shares pursuant to the Scheme.

(a) Exchange of Scheme Shares for PetroNor Norway Shares

(i) Capital Gains Tax (CGT) event

Australian resident shareholders who exchange their Scheme Shares for the PetroNor Norway Shares will trigger a CGT event at the Implementation Date.

CGT rollover relief may be available for Scheme Shareholders to disregard any capital gain arising from the disposal. The CGT rollover relief is discussed in further detail at Subsection 13.1.2(a)(ii) below.

In the absence of any CGT rollover relief, Scheme Participants may:

- derive a capital gain from the Scheme to the extent the capital proceeds exceed the cost base of the Scheme Shares; or
- incur a capital loss from the Scheme to the extent the capital proceeds are less than the reduced cost base of the Scheme Shares.

The capital proceeds will be equal to the Australian dollar market value of the New PetroNor Norway Shares received pursuant to the Scheme as at the Implementation Date.

The cost base (and reduced cost base) of the Scheme Shares is broadly the original amount paid to acquire the Scheme Shares plus any incidental costs for the acquisition and disposal of the same (eg brokerage fees and stamp duty).

(ii) CGT rollover relief

A Scheme Shareholder may be entitled to choose CGT rollover relief and disregard any capital gain or capital loss derived from the disposal of the Scheme Shares in exchange for the New PetroNor Norway Shares.

If you choose CGT rollover relief, the general CGT implications set out below should apply:

- **Capital gain or capital loss disregarded** – the capital gain or capital loss made from the disposal of Scheme Shares in exchange for the New PetroNor Norway Shares should be disregarded at the time of the Implementation Date. Scheme Participants may be taxed on a subsequent disposal of the New PetroNor Norway Shares (see discussion at Subsection 13.1.2(b)13.1(ii) below).
- **Cost base and reduced cost base of New PetroNor Norway Shares** - the first element of the cost base (and reduced cost base) of the New PetroNor Norway Shares is equal to the original cost base of the Scheme Shares.
- **Acquisition date of New PetroNor Norway Shares** – the New PetroNor Norway Shares are treated for CGT purposes as acquired by the Scheme Participant on the same date as the Scheme Shares. The original acquisition date of the Scheme Shares will be relevant for the purposes of determining whether the Scheme Participant is entitled to the CGT general discount in respect of a subsequent disposal of the New PetroNor Norway Shares (see discussion at Subsection 13.1.2(a)(iii) below).

CGT rollover relief does not apply automatically. Scheme Participants seeking to apply the rollover must choose to do so on or before lodgement of their income tax return for the financial year in which the CGT event occurs. The choice you make to claim CGT rollover relief should be evident by the way you prepare your income tax return (ie Scheme Participants who claim CGT rollover relief should exclude the relevant capital gain or capital loss from their income tax return).

(iii) CGT rollover relief not available or not chosen

If CGT rollover relief is not available or the Scheme Participant chooses not to apply the CGT rollover concession, the general CGT implications set out below should apply:

- **CGT general discount** – the capital gain derived from the disposal of Scheme Shares held for at least 12 months before the Implementation Date may be eligible for the CGT general discount. The discount capital gain percentage amount is 50 percent of the gross capital gain derived by individuals and trusts, and 33 1/3 percent for complying superannuation entities. Companies are not entitled to the CGT general discount.

Before applying the CGT general discount percentage, the discount capital gain derived from the Scheme must be reduced by any capital losses incurred in the current year or net capital losses from previous financial years.

Where the Scheme Participant is a trustee, the CGT provisions are complex. Subject to satisfying prescribed requirements, the discount capital gain may flow through to the beneficiaries of the trust. Subject to the income tax profile of the beneficiaries, the beneficiaries will need to determine eligibility to apply the CGT general discount in their hands.

- **Capital loss** – any capital loss incurred from the Scheme may be applied against capital gains derived from other CGT events and in the case of companies and trusts, subject to satisfying the loss recoupment rules. A capital loss cannot be offset against ordinary income nor carried back to offset net capital gains arising in earlier income years.
- **Cost base and reduced cost base of New PetroNor Norway Shares** - the first element of the cost base (and reduced cost base) of the New PetroNor Norway Shares acquired under the Scheme should be equal to the Australian dollar market value of the Scheme Shares as at the Implementation Date.
- **Acquisition date of New PetroNor Norway Shares** - the acquisition date of the New PetroNor Norway Shares for CGT purposes should be the Implementation Date. Scheme Participants must hold their New PetroNor Norway Shares for at least 12 months after the Implementation Date to be entitled to the CGT general discount.

(b) **Ownership of New PetroNor Norway Shares**

The following comments are made on the basis PetroNor Norway is not a resident of Australia and therefore resident Scheme Participants will hold the New PetroNor Norway Shares in a non-resident company. The commentary set out below considers the Australian income tax implications for Australian resident shareholders in relation to:

- Dividends received from PetroNor Norway; and
- Capital gains or losses from the disposal of the New PetroNor Norway Shares.

(i) Receipt of dividend income

Dividends received from PetroNor Norway should be included in assessable income of the Scheme Participant.

On the basis that PetroNor Norway will not be an Australian resident for Australian tax purposes, it will not be able to frank dividends it pays to its shareholders. Accordingly, Scheme Participants will not receive any franked dividends (and will not be entitled to any franking credits in respect of such dividends) from PetroNor Norway.

Where dividend withhold tax is imposed at source, Scheme Participants may be entitled to claim Foreign Income Tax Offsets (**FITOs**) in their Australian income tax returns.

Scheme Participants must include the amount of tax withheld from the dividends together with the cash amount of the dividend received in their assessable income.

Depending on the specific tax profile of Scheme Participants, FITOs may reduce the Australian income tax liability that would otherwise be payable by the amount of tax withheld. If the FITO exceeds the amount of Australian income tax payable, the excess FITO is not refundable and cannot be carried forward to future income tax years.

Where the Scheme Participant is a company that holds a greater than 10% participation interest in PetroNor Norway, any dividends received may be treated as “non-assessable non-exempt” income for Australian income tax purposes.

(ii) Future disposal of New PetroNor Norway Shares

Where an Australian resident shareholder sells, transfers or otherwise disposes of their New PetroNor Norway Shares to a third party, a CGT event may arise and the shareholder may:

- derive a capital gain to the extent capital proceeds (in Australian dollars) exceed the cost base (in Australian dollars) of the New PetroNor Norway Shares; or
- incur a capital loss to the extent the reduced cost base (in Australian dollars) of the New PetroNor Norway Shares exceeds the capital proceeds (in Australian dollars).

The cost base and acquisition date of the New PetroNor Norway Shares, and eligibility to claim the CGT general discount, are described in Subsections 13.1.2(a)(ii) and (iii) above.

If the capital gain is subject to foreign tax, the Scheme Participant may be entitled to a FITO and reduce their Australian income tax liability for any foreign tax paid. As discussed above, if the FITO exceeds the amount of tax payable, the excess is not refundable and cannot be carried forward to future income tax years.

Notwithstanding the preceding general comments, we strongly encourage all holders of the New PetroNor Norway Shares to seek tax advice because the preceding comments are a guide and may not apply to their particular circumstances.

13.1.3 Non Australian Resident Scheme Participants

The comments provided in this Section are in relation to Scheme Participants (other than Non-VPS Shareholders) who are not residents of Australia (**NR Participants**) and enter into the Scheme.

NR Participants may also have tax implications in their primary country of residence and should seek their own specific advice.

(a) **Exchange of Scheme Shares for New PetroNor Norway Shares**

NR Participants that hold their Scheme Shares on capital account and who exchange their Scheme Shares for New PetroNor Norway Shares will be subject to Australian CGT if both of the following criteria are satisfied:

- NR Participant together with its associates (as defined for tax purposes) hold a direct control interest (including put options) of 10% or more in PetroNor Australia:
 - at the time of disposal (ie Implementation Date), or
 - for a 12 month period within the 2 years preceding the disposal (referred to as a “non-portfolio interest”); and
- more than 50 percent of the market value of assets held by PetroNor Australia represent direct and indirect interests held in “taxable Australian real property” (**TARP**) as defined in the Australian income tax legislation.

Based on the representations of PetroNor Australia, less than 50% of the market value of assets held by PetroNor Australia at the Implementation Date will be attributable to direct or indirect interests held in TARP assets. If that representation is correct at the Implementation Date, NR Participants should not be subject to Australian CGT when participating in the Scheme.

The foreign capital gains withholding regime should not apply to PetroNor Norway’s acquisition of PetroNor Australia Shares from a Scheme Participant. Accordingly, PetroNor Norway should not be required to withhold any amount from the Scheme Consideration under the foreign resident capital gains withholding regime.

NR Participants who were a resident of Australia prior to the Implementation Date and chose to disregard a capital gain or loss from their Scheme Shares upon cessation of Australian residency, may be subject to Australian CGT as set out in Subsection 13.1.2(a) but modified as follows:

- CGT rollover relief described in Subsection 13.1.2(a)(ii) may not be available; and
- CGT general discount described in Subsection 13.1.2(a)(iii) is reduced on a pro-rata basis for the period the NR Participant ceased to be a resident of Australia.

(b) **Ownership of New PetroNor Norway Shares**

On the basis PetroNor Norway is not a resident of Australia, NR Participants should not be subject to Australian income tax or withholding taxes for:

- dividend income paid by PetroNor Norway; and
- capital gains derived from the disposal of the New PetroNor Norway Shares,

because the dividend income / capital gain will be foreign income / foreign gains derived by a non-resident of Australia.

13.1.4 Non-VPS Shareholders

As discussed above, Non-VPS Shareholders will receive Cash Proceeds instead of New PetroNor Norway Shares as their Scheme Consideration.

The Australian income tax implications described in Subsection 13.1.2(a) should apply to Australian resident Non-VPS Shareholders, except for the comments in relation to CGT rollover and cost base of the New PetroNor Norway Shares because those comments do not apply where Cash Proceeds are received.

The Australian income tax implications described in Subsection 13.1.3(a) should apply to Non-Australia Non-VPS Shareholders.

13.1.5 GST

Transfer of Scheme Shares to PetroNor Norway should not trigger GST for Scheme Participants. In addition, Scheme Participants who are registered or required to be registered for GST should not have any GST obligations in relation to the Scheme. However, for those Scheme Participants who are registered for GST there may be consequences in relation to claiming input tax credits for any GST included in costs associated with the Scheme (eg GST paid for legal and adviser costs).

13.1.6 Stamp Duty

No Australian stamp duty should be payable by Scheme Participants on the transfer of their Scheme Shares to PetroNor Norway or the acquisition of New PetroNor Norway Shares. Any applicable stamp duty should be payable / paid by PetroNor Norway.

13.2 Norwegian Tax Implications

13.2.1 Outline

Section 13.1 of the Scheme Booklet provides a summary of the Norwegian income tax, Value Added Tax (**VAT**) and stamp duty implications for Scheme Participants if the Scheme proceed. Section 13.1 is only a general guide and does not provide a complete analysis of the potential Norwegian tax implications of the Scheme. This summary is based on the existing tax law, relevant precedent and administrative guidelines issued by the tax authorities as at the date of this Scheme Booklet. The relevant law precedent and / or guidelines may subsequently change which may affect the taxation implications of the Scheme.

Section 13.1 does not constitute tax advice and should not be relied upon. Scheme Participants should seek advice from their tax agent or an appropriately qualified professional tax adviser having regard to their individual circumstances.

Scheme Participants who are not residents of Norway (whether or not they are also limited tax liable in Norway for income tax purposes) should take into account the tax consequences of the Scheme under the laws of Norway and if relevant, the laws of their primary country of residence.

Further, the comments in Section 13.1 do not apply to Scheme Participants who:

- acquire their Scheme Shares under an employee share scheme or employee share option plan; or

- hold their Scheme Shares in connection with a business carried on through a permanent establishment outside their country of residence.

13.2.2 Norwegian Tax Resident Scheme Participants

(a) Exchange of Scheme Shares for New PetroNor Norway Shares

Norwegian resident Scheme Participants will through exchange of their Scheme Shares for the New PetroNor Norway Shares as a starting point trigger Norway capital gains tax at Implementation Date.

Capital gains roll over relief may however be available for Scheme Shareholders, which would defer any capital gain tax arising from the Scheme until future disposal of New PetroNor Norway Shares. The rollover relief is discussed in further detail below.

In the absence of rollover relief:

- Personal Scheme Participants are taxed at an effective tax rate of 31.68% ($\text{gain} \times 1.44 \times 22\%$) on any capital gain less risk-free return. Any loss is tax deductible.
- Shareholders with limited liability are taxed at 22% on any gain and any loss is tax deductible.
- Any gain realized by limited liability shareholder who at Implementation Date has held more than 10% of the Scheme Shares for more than 2 years in continuation is tax exempt and loss not deductible.

Rollover relief

The exchange of Scheme Shares for New PetroNor Norway Shares should not trigger Norwegian capital gains tax for Norway tax resident Scheme Participants if, all the following criteria are met:

- At least 90 percent of the shares in Petronor Australia are transferred to New PetroNor Norway in return for New PetroNor Norway shares and any consideration other than shares do not exceed 20 percent of the total consideration; and
- the transaction is effectuated in accordance with principles of continuity for tax purposes applicable to such transactions in the state in which the acquiring/acquired company is resident; and
- All Norway resident Scheme Participants choose tax continuity.

Tax continuity implies Scheme Participants cost base and date of acquisition of Scheme Shares is transferred to the New PetroNor Norway Shares.

Based on the description in Subsection 13.1.2 and 13.1.3 we understand that both Norway and Australia tax resident Scheme Participants may choose to effectuate the exchange of Scheme Shares for New PetroNor Norway Shares at tax continuity (rollover relief), i.e., without triggering tax and continue Scheme Shares cost base and acquisition date on New PetroNor Norway Shares.

If so, Norway tax resident Scheme Participants should not be subject to Norway income tax from participation in the Scheme, provided all Norway tax resident

Scheme Participants continue their Scheme Shares cost base and acquisition date to their New PetroNor Norway Shares.

Note that rollover relief does not mean final tax exemption. Instead, any taxation of latent gain on Scheme Shares at Implementation Date is deferred until disposal of New PetroNor Norway shares. Taxation at disposal follow applicable rules for disposal of such shares for relevant shareholder and should be confirmed.

(b) Ownership of New PetroNor Norway Shares

Norway resident Scheme Participants should be subject to Norway income tax for:

Dividend income paid by PetroNor Norway

- Personal Scheme Participants are taxed at an effective tax rate of 31.68% on any dividend distributed less risk-free return. Any repayment of paid in capital is tax exempt.
- Dividend received by Norway resident shareholders with limited liability is taxable at 0.66% (3% of dividend is taxed at 22%). Any repayment of paid in capital is tax exempt.

Capital gains derived from future disposal of New PetroNor Norway Shares

- Personal Scheme Participants are taxed at an effective tax rate of 31.68% on any gain less risk-free return. Any loss is tax deductible.
- For shareholders with limited liability any gain is tax exempt and any loss not tax deductible

13.2.3 Norwegian Tax Resident Scheme Participants

Dividend

Dividends paid by PetroNor Norway to Non-Norwegian shareholders is as as starting point subject to 25% Withholding tax.

Withholding tax relief may be provided by tax treaty between Norway and country of residence of New PetroNor Norway Shareholders receiving the dividend.

For Australia tax resident shareholders, the treaty for avoidance of double taxation between Norway and Australia provides for:

- (a) Withholding tax at a rate of 5% of gross dividends, if the beneficial owner of those dividends is a company (other than a partnership) which holds directly at least 10% of the voting power in PetroNor Norway; and
- (b) 15% of the gross amount of the dividends in all other cases.

For EU/ EEA resident shareholders with limited liability, dividend withholding tax may be reduced to 0%, provided economic substance requirements are met.

Withholding tax relief is available through application with the Norwegian tax authorities. Without such relief, New PetroNor Norway is obliged to withhold tax at 25% of distributed dividend to non-Norwegian shareholders. Non-Norwegian shareholders may apply to

Norwegian tax authorities for a refund of any withholding tax based on each shareholder's individual circumstances (jurisdiction, applicable double tax treaty etc.).

Any dividend withholding tax suffered in Norway may be creditable in taxable income in the country of residency for the recipient of dividend, following local rules.

Capital gains

Capital gains derived from shares by non-Norwegian resident Scheme Participants is not taxable in Norway.

13.2.4 Non-VPS Shareholders

The Norway income tax implications described in Subsection 13.2.2 (a) should apply to Norway resident Non-VPS Shareholders, except for the comments in relation to rollover relief and cost base of the New PetroNor Norway Shares because those comments do not apply where Cash Proceeds are received.

Any Non-Norwegian resident should not be taxable in Norway for capital gains following exchange of Scheme Shares with New PetroNor Norway Shares.

13.2.5 VAT

Supply of financial services, including sale and exchange of shares, are exempt from Norwegian VAT according to the Norwegian VAT Act article 3-6. This means that the transfer of shares to PetroNor Norway should not trigger any obligation to calculate Norwegian VAT. Nor should the issuance and transfer of New PetroNor Norway Shares trigger any obligation to calculate Norwegian VAT. However, for those Scheme Participants who are registered for VAT in Norway there may be consequences in relation to deducting input VAT for any VAT calculated on the costs associated with the Scheme (e.g. VAT paid for legal and adviser costs).

13.2.6 Stamp Duty

Norwegian stamp duty is not applicable on transfer/supply of shares. No Norwegian stamp duty should therefore be payable by Scheme Participants on the transfer of their Scheme Shares to PetroNor Norway or the acquisition of New PetroNor Norway Shares

14. COMPARISON OF AUSTRALIAN AND NORWEGIAN LAWS AND A SUMMARY OF THE RIGHTS ATTACHING TO NEW HOLDCO SHARES

PetroNor Australia is a public company registered in Australia and is subject to Australian law.

PetroNor Norway was incorporated in Norway and is subject to the Norwegian laws.

If the Scheme is implemented, the rights of PetroNor Australia Shareholders who receive New PetroNor Norway Shares will, in respect of those shares, be governed principally by the Norwegian Public Limited Liability Companies Act, Norwegian securities laws, including the Norwegian Securities Act and the Euronext Rule Book I – Harmonised Rules and Oslo Rule Book II – Issuer Rules.

A comparison of some of the material provisions of Australian company law and Norwegian company law as they relate to PetroNor Australia and PetroNor Norway, respectively, is set out in Annexure F.

References to 'Australian law' where they appear in Annexure F are references to the Corporations Act and Australian common law, as applicable. References to 'Norwegian law' are references to Norwegian Public Limited Liability Companies Act, unless otherwise named.

The comparison set out in Annexure F is not an exhaustive statement of all relevant laws, rules and regulations and is intended as a general guide only. PetroNor Australia Shareholders should consult with their own legal adviser if they require further information.

15. SCHEME IMPLEMENTATION AGREEMENT

15.1 Overview

As announced on Euronext Expand on 7 October 2021, PetroNor Australia and PetroNor Norway entered into a Scheme Implementation Agreement in relation to the Scheme under which PetroNor Australia agreed to propose the Scheme at meetings of PetroNor Australia Shareholders. The Scheme Implementation Agreement sets out each party's rights and obligations in connection with the implementation of the Scheme. This Section 15 sets out the key terms of the Scheme Implementation Agreement.

A copy of the full Scheme Implementation Agreement is available from PetroNor Australia's announcement to Euronext Expand on 7 October 2021, accessible via: <https://live.euronext.com/en/product/equities/AU0000057408-XOAS/petronor-ep-ltd/pnor/quotes#CompanyPressRelease-6906225>. In addition, an electronic version of the Scheme Booklet will be available for viewing and downloading at <https://petronorep.com/>.

15.2 Conditions Precedent

Implementation of the Scheme is subject to the satisfaction or waiver of the following conditions precedent (**Scheme Conditions**):

- (a) the Court ordering the convening of the Scheme Meeting;
- (b) PetroNor Australia Shareholders approving the Scheme by the Requisite Majority at the Scheme Meeting;
- (c) the Court approving the Scheme at the Second Court Hearing;
- (d) PetroNor Australia lodging with the ASIC, a copy of the Court orders approving the Scheme on or before 5.00pm on 31 March 2022;
- (e) prior to 8.00am on the Second Court Date, no Government agency takes any action or imposes any restraint to prevent implementation of the Scheme;
- (f) prior to 8.00am on the Second Court Date, all regulatory approvals or consents required from any Government agency to implement the Scheme are obtained;
- (g) prior to 8.00 am on the Second Court Date, the Company has received written confirmation from the Oslo Stock Exchange that the PetroNor Norway Shares have been authorised for listing on Oslo Børs or Euronext Expand (as applicable), subject only to implementation of the Scheme and any other customary conditions that are acceptable to the Board of Directors of PetroNor Norway;
- (h) PetroNor Australia and PetroNor Norway entering into binding agreements with each PetroNor Australia Optionholder to cancel their PetroNor Australia Options; and
- (i) the Independent Expert issuing a report concluding that the Scheme is in the best interests of PetroNor Australia Shareholders.

15.3 End Date

PetroNor Australia and PetroNor Norway have committed to implement the Scheme by the End Date, being 31 March 2022 but may agree on a later date in writing. If the Scheme is not Effective by the End Date, PetroNor Australia and PetroNor Norway must consult in good faith to determine whether the Scheme can proceed by way of alternative means, to extend the relevant time or date for satisfaction of the Scheme Conditions, to change the date of the application to be made to the Court or to extend the End Date. If the parties are unable to

reach agreement within two Business Days of the date on which they both become aware that a condition is not satisfied or is incapable of being satisfied, either party may terminate the Scheme Implementation Agreement at any time prior to 8:00 am on the Second Court Date with immediate effect by written notice to the other party.

15.4 Deed Poll

On 13 October 2021, PetroNor Norway executed the Deed Poll, pursuant to which PetroNor Norway agrees, subject to the Scheme becoming Effective, to issue to:

- (a) each Scheme Shareholder, such number of PetroNor Norway Shares as that Scheme Shareholder is entitled to, as Scheme Consideration, for each Scheme Share, in accordance with the terms of the Scheme; and
- (b) the Sale Nominee, such number of Scheme Shares as are attributable to the Non-VPS Shareholders in accordance with the Scheme.

A copy of the Deed Poll is attached as Annexure D to this Scheme Booklet.

15.5 No encumbrance on PetroNor Australia Shares

PetroNor Australia Shareholders should be aware that clause 8.3 of the Scheme provides that each Scheme Shareholder is deemed to have warranted to PetroNor Norway that:

- (a) all of its Scheme Shares (including all rights and entitlements attaching to them) transferred to PetroNor Norway under the Scheme will, on the date of the transfer, be fully paid and free from all mortgages, charges, liens, encumbrances, pledges, security interests and other interests of third parties of any kind; and
- (b) it has full power and capacity to sell and transfer its Scheme Shares (including all rights and entitlements attaching to them) to PetroNor Norway.

15.6 Scheme Meeting

In accordance with orders of the Court dated 22 October 2021, the Court ordered the Scheme Meeting to be convened for the purposes of considering the Scheme. The order of the Court convening the Scheme Meeting is not, and should not be treated as, an endorsement by the Court of, or any other expression of opinion by the Court on, the Scheme.

The Notice of Meeting, which includes details of the time and place of the Scheme Meeting, are set out in Annexures E.

Each PetroNor Australia Shareholder who is registered on the PetroNor Australia Register at 4:00pm on Saturday, 27 November 2021 is entitled to attend and vote at the Scheme Meeting, either in person, by attorney, by proxy or by corporate representative (in the case of a corporate shareholder).

At the Scheme Meeting, PetroNor Australia Shareholders will be asked to consider and, if thought fit, to pass a resolution approve the Scheme relevant to them. In order to be implemented, the Scheme must be passed by the Requisite Majorities.

Voting at the Scheme Meeting will be by poll.

15.7 Court Approval of the Scheme

If the Scheme is approved by the Requisite Majority of PetroNor Australia Shareholders and all Scheme Conditions (other than approval of the Court) have been satisfied or waived, then PetroNor Australia will apply to the Court for orders approving the Scheme.

Each Scheme Shareholder has the right to appear at the Court hearing in respect of the Scheme on the Second Court Date. Any Scheme Shareholder who wishes to oppose approval of the Scheme at the Second Court Hearing may do so by filing with the Court and serving on PetroNor Australia a notice of appearance in the prescribed form, together with any affidavit on which the Scheme Shareholder will seek to rely at the Court hearing.

The Court has discretion as to whether to grant the orders approving the Scheme, even if the Scheme is approved by the Requisite Majority of PetroNor Australia Shareholders.

15.8 Effective Date

If the Court approves the Scheme, PetroNor Australia will lodge with ASIC a copy of the court orders approving the Scheme. The Scheme will be Effective on the date that such lodgement occurs, being the Effective Date for the Scheme.

The Scheme provides that if the Scheme becomes Effective, a Scheme Shareholder, and any person claiming through that Scheme Shareholder, must not dispose of or purport or agree to dispose of any Scheme Shares or any interest in them after the Record Date.

Upon the Scheme becoming Effective, PetroNor Australia will notify Euronext Expand and will apply for PetroNor Australia Shares to be suspended from official quotation on Euronext Expand from close of trading on the Effective Date. Following the Implementation Date, PetroNor Australia will request for the termination of the official quotation of PetroNor Australia Shares on Euronext Expand and to have itself removed from the official list of Euronext Expand.

15.9 Record Date

The Scheme Shareholders on the PetroNor Australia Register at the Record Date (expected to be 15 December 2021) will become entitled to the Scheme Consideration under the Scheme in respect of the PetroNor Australia Shares they hold at that time.

15.10 Determination of persons entitled to Scheme Consideration

(a) Dealings in PetroNor Australia Shares prior to the Record Date

For the purposes of establishing who are Scheme Shareholders, dealings in PetroNor Australia Shares will only be recognised if, in all other cases, registrable transmission applications or transfers in respect of those dealings are received on or before the Record Date at the Share Registry.

If you are a Non-VPS Shareholder (i.e. you hold PetroNor Australia Shares on the PetroNor Australia Register) and you wish to receive Scheme Consideration, then you must register a transfer of your PetroNor Australia Shares to the VPS prior to the Record Date. Instructions for how to do so are set out at <https://petronorep.com/investors/shareholder-information/>.

Subject to the Corporations Act, the rules of Euronext Expand and PetroNor Australia's Constitution, PetroNor Australia must register transmission applications or transfers which it receives by the Record Date. PetroNor Australia will not accept for registration or recognise for any purpose any transmission application or transfer in respect of PetroNor Australia Shares received after the Record Date.

(b) Dealings in PetroNor Australia Shares after the Record Date

The PetroNor Australia Register as at the Record Date will solely determine entitlements to Scheme Consideration.

With effect from the Record Date:

- all statements of holding in respect of PetroNor Australia Shares cease to have effect as documents of title in respect of such PetroNor Australia Shares; and
- each entry on the PetroNor Australia Register will cease to be of any effect other as evidence of entitlement to Scheme Consideration.

15.11 Implementation Date

The Implementation Date is proposed to be the date which is three Business Days after the Record Date. On the Implementation Date:

- (a) PetroNor Norway will issue New PetroNor Norway Shares which constitute the Scheme Consideration; and
- (b) PetroNor Australia Shares will be transferred to PetroNor Norway and PetroNor Australia will become a wholly owned subsidiary of PetroNor Norway.

Non-VPS Shareholders should refer to Section 8.3 for further details about the Scheme Consideration they will receive.

Stock exchange notices for New PetroNor Norway Shares are expected to be despatched to Scheme Shareholders as soon as reasonably practicable after the Implementation Date.

16. ADDITIONAL INFORMATION

16.1 Introduction

This Section 16 sets out additional information required to be disclosed to PetroNor Australia Shareholders pursuant to the Corporations Act and the Corporations Regulations, together with other information that may be of interest to PetroNor Australia Shareholders.

16.2 Interests of PetroNor Australia Directors in PetroNor Australia Securities

The PetroNor Australia Directors have Relevant Interests in the following PetroNor Australia Securities.

PetroNor Australia Director	PetroNor Australia Shares	Percentage of issued PetroNor Australia Shares held	PetroNor Australia Options	Percentage of issued PetroNor Australia Options held
Eyas Alhomouz ¹	None	None	None	None
Joseph Iskander	None	None	None	None
Alexander Neuling	None	None	None	None
Jens Pace	1,498,858	0.1%	None	None
Roger Steinepreis	None	None	None	None
Ingvil Smines Tybring-Gjedde	None	None	None	None
Gro Kielland	None	None	None	None

Notes:

- As at the date of this Scheme Booklet, although Mr. Alhomouz has no personal interests in PetroNor Australia Shares or PetroNor Australia Options, he has influence over 481,481,666 Depository Receipts as the Chief Executive Officer of Petromal LLC, a substantial Depository Receipt Holder.

Mr. Pace (being the only PetroNor Australia Director who holds PetroNor Australia Shares) presently intends to vote all of his PetroNor Australia Shares in favour of the Scheme, in the absence of a Superior Proposal.

16.3 Interests of PetroNor Australia Directors in PetroNor Norway

No PetroNor Australia Director currently holds any PetroNor Norway Shares or PetroNor Norway Options.

16.4 Benefits to PetroNor Australia officers in connection with retirement from office

The remuneration payable to non-executive PetroNor Australia Directors is set out in Section 16.6.

There are no current proposals for any payments or other benefit to be made or given to a director, secretary or executive officer of PetroNor Australia or any Related Body Corporate of PetroNor Australia as compensation for the loss of, or as consideration for or in connection

with his or her retirement from office in PetroNor Australia or any Related Body Corporate of PetroNor Australia as a result of the Scheme.

16.5 Benefits in connection with the Scheme

The PetroNor Australia Directors have considered the advantages and disadvantages of the Scheme and concluded that the Scheme is in the best interest of PetroNor Australia Shareholders. The PetroNor Australia Directors unanimously recommend that all PetroNor Australia Shareholders vote in favour of the Scheme, in the absence of a Superior Proposal.

Other than as set out in this Scheme Booklet, no PetroNor Australia Director, secretary or executive officer of PetroNor Australia (or any of its Related Bodies Corporate) has agreed to receive, or is entitled to receive, any payment or benefit from PetroNor Norway which is conditional on, or is related to, the Scheme, other than in their capacity as a PetroNor Australia Security-holder.

16.6 Remuneration of PetroNor Australia Directors

(a) Eyas Alhomouz, Non-Executive Chairman

Mr. Alhomouz receives cash remuneration of USD 120,000 per annum for his appointment to the board of subsidiary company Hemla E&P Congo SA.

Subsidiary company PetroNor E&P AS is charged a monthly fee by related party Petromal LLC for the services to PetroNor Australia for Mr. Alhomouz and several other members of Petromall LLC staff. The Company estimates the fair value of Mr Alhomouz's associated costs for his services is USD 15,000 per month. This fair value estimate was reduced from USD 27,500 per month in March 2020 at the start of the pandemic.

(b) Joseph Iskander, Non-Executive Director

Mr. Iskander has voluntarily waived his right to remuneration from PetroNor Australia, as he is not considered an independent director.

(c) Gro Kielland, Non-Executive Director

Since Mrs. Kielland's appointment on 1 February 2021, she has been entitled to a base fee of NOK 250,000 per annum and a further NOK 50,000 per annum for each sub-committee of the PetroNor Australia Board. The fees are charged to subsidiary company PetroNor E&P AS.

(d) Ingvil Smines Tybring-Gjedde, Non-Executive Director

Since Mrs. Tybring-Gjedde's appointment on 29 May 2020, she has been entitled to a base fee of NOK 250,000 per annum and a further NOK 50,000 per annum for each sub-committee of the PetroNor Australia Board. The fees are charged to subsidiary company PetroNor E&P AS.

(e) Alex Nueling, Non-Executive Director

Mr. Neuling was appointed on 6 April 2020 and is entitled to a base fee of AUD 48,000 per annum, and a further AUD 180 per hour for company secretarial matters. Mr. Nueling invoices PetroNor Australia via a consulting entity.

(f) Roger Steinepreis, Non-Executive Director

Mr. Steinepreis was appointed on 6 April 2020 and is entitled to a base fee of AUD 48,000 per annum. Mr. Steinepreis invoices PetroNor Australia via the law firm for which he is a partner.

(g) Jens Pace, Non-Executive Director

Mr. Pace was an Executive Director and the former CEO of PetroNor Australia until 29 February 2020 which entitled him to a base salary of £350,000 per annum, a ten percent pension contribution and private medical insurance. The salary was paid by UK subsidiary company PetroNor E&P Services Ltd. Mr. Pace was appointed a Non-Executive Director on 29 February 2020 and has agreed that no fees will be payable to him for the first year of services in this role in recognition of the termination payment of £350,000 to be paid in equal instalments over the eighteen months following his resignation as CEO. Since 1 March 2021, Mr Pace has been entitled to a base fee of NOK 250,000 per annum and a further NOK 50,000 per annum for each sub-committee of the PetroNor Australia Board.

16.7 Interests of PetroNor Norway Directors in PetroNor Australia

As described in Section 10.3, Jens Pace is currently a director of PetroNor Norway. Accordingly, as at the date of this Scheme Booklet, the directors of PetroNor Norway have a Relevant Interest in the same PetroNor Australia Securities that they have as PetroNor Australia Directors, as set out above in Section 16.2.

During the four months before the date of this document neither PetroNor Norway nor any Associate of PetroNor Norway has:

- (a) provided, or agreed to provide, consideration for any PetroNor Australia Securities; or
- (b) given or offered to give or agreed to give a benefit to another person where the benefit was likely to induce the other person, or an Associate, to vote in favour of the Scheme or dispose of PetroNor Australia Securities which benefit is not offered to all PetroNor Australia Shareholders under the Scheme.

16.8 Agreements or arrangements connected with or conditional on the Scheme

Other than as set out below or as set out elsewhere in this Scheme Booklet, there are no agreements or arrangements made between any PetroNor Australia Director and another person in connection with, or conditional on, the outcome of the Scheme other than in their capacity as a PetroNor Australia Security-holder.

Eyas Alhomouz, Ingvil Smirnes Tybring-Gjedde, Gro Klelland and Jens Pace are currently directors of PetroNor Norway. PetroNor Norway will enter into director agreements with each of those Directors on substantially the same terms as their current agreements with PetroNor Australia and in compliance with the laws of Norway. These agreements are conditional on the Scheme becoming Effective.

If the Scheme becomes Effective, Joseph Iskander, being a Director of PetroNor Australia, will be appointed as Non-Executive Director of PetroNor Norway, in which case PetroNor Norway will enter into a director agreement with Mr. Iskander on substantially the same terms as his current agreement with PetroNor Australia and in compliance with the laws of Norway. The entry into of these agreements is conditional on the Scheme being implemented.

Each person who is appointed as a director of PetroNor Norway may be entitled to receive director fees, meeting attendance fees, options, performance rights and reimbursement of incidental expenses from PetroNor Norway in connection with the performance of their duties as directors of PetroNor Norway.

Subject to the provisions of the Norwegian Public Limited Liability Companies Act and without prejudice to any indemnity to which a PetroNor Norway Director may otherwise be entitled, every PetroNor Norway Director and other officer of PetroNor Norway shall be entitled to be indemnified out of the assets of PetroNor Norway against any liability attaching to him in connection with any negligence, default, breach of duty or breach of trust by him in relation to PetroNor Norway or any associated company but only to the extent that such indemnification would not be deemed void under the Norwegian Public Limited Liability Companies Act.

16.9 PetroNor Australia Directors' interests in PetroNor Norway contracts

Other than as disclosed in this Section 16, no PetroNor Australia Director has any interest in any contract entered into with PetroNor Norway, or any interest as a creditor of PetroNor Norway.

16.10 Disclosure of interests

Except as disclosed below or elsewhere in this Scheme Booklet, no:

- (a) PetroNor Australia Director or proposed director of PetroNor Australia;
- (b) PetroNor Norway Director or proposed director of PetroNor Norway;
- (c) person named in this Scheme Booklet as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Scheme Booklet; or
- (d) promoter or underwriter of PetroNor Norway,

(together, the **Interested Persons**) hold, or held at any time during the two years before the date of this Scheme Booklet any interests in:

- (a) the formation or promotion of PetroNor Norway;
- (b) property acquired or proposed to be acquired by PetroNor Norway in connection with the formation or promotion of PetroNor Norway or the offer of New PetroNor Norway Shares under the Scheme; and
- (c) the offer of New PetroNor Norway Shares under the Scheme.

16.11 Disclosure of fees and other benefits

Except as disclosed elsewhere in this Scheme Booklet, neither PetroNor Norway nor PetroNor Australia has paid or agreed to pay any fees, or provided or agreed to provide any benefit to:

- (a) a director or proposed director PetroNor Norway to induce them to become or qualify as a director of PetroNor Norway; or
- (b) any Interested Person for services provided by that person in connection with:
 - (i) the formation or promotion of PetroNor Norway; and
 - (ii) the offer of New PetroNor Norway Shares under the Scheme.

16.12 Creditors of PetroNor Australia

The Scheme, if implemented, will not affect the interests of creditors of PetroNor Australia.

PetroNor Australia has paid and is paying all its creditors within normal terms of trade. It is solvent and is trading in an ordinary commercial manner.

16.13 Right to inspect and obtain copies of the PetroNor Australia Register

A PetroNor Australia Security-holder has the right to inspect the PetroNor Australia Register, which contains the name and address of each PetroNor Australia Security-holder and certain other prescribed details relating to PetroNor Australia Securities, without charge. A PetroNor Australia Security-holder also has the right to request a copy of the register, upon payment of a fee (if any) up to a prescribed amount.

16.14 No administrator

It is not proposed that any person be appointed to manage or administer the Scheme.

16.15 No relevant restrictions in the constitution of PetroNor Australia

There are no restrictions on the right to transfer PetroNor Australia Shares in PetroNor Australia's Constitution.

16.16 No unacceptable circumstances

The PetroNor Australia Directors do not believe that the Scheme involves any circumstances in relation to the affairs of any member of PetroNor Australia that could reasonably be characterised as constituting "unacceptable circumstances" for the purposes of section 657A of the Corporations Act.

16.17 Foreign Shareholders

This Scheme Booklet and the Scheme are subject to Australian disclosure requirements that may be different to those applicable in other jurisdictions. Neither this Scheme Booklet nor the Scheme constitute or are intended to constitute an offer of securities in any place in which, or to any person to whom, it would not be lawful to make such an offer.

The distribution of this Scheme Booklet outside of Australia may be restricted by law and persons who come into possession of it should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may contravene applicable securities law. PetroNor Norway and PetroNor Australia disclaim all liabilities to such persons.

No action has been taken to register or qualify the New PetroNor Norway Shares or otherwise permit a public offering of such securities in any jurisdiction outside Australia.

Restrictions in certain jurisdictions outside Australia may make it impractical or unlawful for New PetroNor Norway Shares to be issued under the Scheme to, or received under the Scheme by, PetroNor Australia Shareholders in those jurisdictions.

Based on the information available to PetroNor Australia as at the date of this Scheme Booklet, Scheme Shareholders whose addresses are shown in the register on the Record Date as being in the following jurisdictions will be entitled to have PetroNor Norway Shares issued to them pursuant to the Scheme subject to the qualifications, if any, set out below in respect of that jurisdiction:

- Australia; and
- any other person or jurisdiction in respect of which PetroNor Australia reasonably believes that it is not prohibited and not unduly onerous or impractical to implement the Scheme and to issue PetroNor Norway Shares to a PetroNor Australia Shareholder with a registered address in such jurisdiction.

Nominees, custodians and other PetroNor Australia Shareholders who hold PetroNor Australia Shares on behalf of a beneficial owner resident outside Australia may not forward this Scheme Booklet (or accompanying documents) to anyone outside these countries without the consent of PetroNor Australia.

PetroNor Australia Shareholders resident outside Australia for tax purposes should seek specific taxation advice in relation to the Australian and overseas taxation implications of the Scheme.

16.18 Privacy and personal information

PetroNor Australia and PetroNor Norway, their respective share registries and investor relations advisers may collect personal information about you in the process of implementing the Scheme. The personal information may include the names, contact details and details of the security holdings of PetroNor Australia Security-holders, and the names of individuals appointed by PetroNor Australia Shareholders as proxies, corporate representatives or attorneys at the Scheme Meeting. The personal information is collected for the primary purpose of implementing the Scheme.

PetroNor Australia Security-holders who are individuals and the other individuals in respect of whom personal information is collected as outlined above have certain rights to access the personal information collected in relation to them. Such individuals should contact the PetroNor Australia Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) in the first instance if they wish to request access to that personal information.

PetroNor Australia Shareholders who appoint an individual as their proxy, corporate representative or attorney to vote at the Scheme Meeting should inform that individual of the matters outlined above.

16.19 Supplementary information

PetroNor Australia will issue a supplementary document to this Scheme Booklet if it becomes aware of any of the following, between the date of lodgement of this Scheme Booklet for registration by ASIC and the date of the Scheme Meeting:

- (a) a material statement in this Scheme Booklet that is false or misleading;
- (b) a material omission from this Scheme Booklet;
- (c) a significant change affecting a matter included in this Scheme Booklet; or
- (d) a significant new matter arising that would have been required to be included in this Scheme Booklet if it had arisen before the date of lodgement of this Scheme Booklet for registration by ASIC.

The form of the supplementary document and whether a copy will be sent to each PetroNor Australia Shareholders will depend on the nature and timing of the new or changed circumstances. PetroNor Australia may circulate and publish any supplementary document by:

- (e) placing an advertisement in a prominently published newspaper which is circulated generally throughout Australia;
- (f) posting the supplementary document to PetroNor Australia Shareholders at their registered address as shown in the PetroNor Australia Register; or
- (g) posting a statement on PetroNor Australia's website at www.petrnorep.com,

as PetroNor Australia in its absolute discretion considers appropriate.

16.20 Advisers and experts**(a) Roles of advisers and experts**

The persons named in this Scheme Booklet as performing a function in a professional, advisory or other capacity in connection with the Scheme or the preparation or distribution of this Scheme Booklet are:

Name	Role
Stantons Corporate Finance Pty Ltd	Independent Expert who prepared Independent Expert's Report
BDO Audit (WA) Pty Ltd	Auditor to PetroNor Australia
BDO Corporate Tax (WA) Pty Ltd	Tax adviser to PetroNor Australia
Ernst & Young Tax & Law	Tax adviser to PetroNor Norway
Steinepreis Paganin	Legal adviser to PetroNor Australia in Australia
Advokatfirmaet Schjødt AS	Legal adviser to PetroNor Australia in Norway
Computershare Investor Services Pty Limited	Share Registry to PetroNor Australia

(b) Consents of advisers and experts

PetroNor Norway has given its written consent to be named in this Scheme Booklet in the form and context in which it is named and to the inclusion of the information attributed to it in this Scheme Booklet in the form and context in which that information is included in this Scheme Booklet.

Stantons Corporate Finance Pty Ltd has given its written consent to be named in this Scheme Booklet in the form and context in which it is named and to the inclusion of its Independent Expert's Report in this Scheme Booklet contained in Annexure A of this Scheme Booklet.

BDO Corporate Tax (WA) Pty Ltd has given its written consent to be named in this Scheme Booklet in the form and context in which it is named and to the inclusion of information on the Australian taxation implications in Section 13.1 of this Scheme Booklet.

Ernst & Young has given its written consent to be named in this Scheme Booklet in the form and context in which it is named and to the inclusion of information on the Norwegian taxation implications in Section 13.2 of this Scheme Booklet.

Steinepreis Paganin has given its written consent to be named in this Scheme Booklet in the form in which it is named. Steinepreis Paganin has not made any statement that is included in this Scheme Booklet or any statement on which a statement in this Scheme Booklet is based.

Advokatfirmaet Schjødt AS has given its written consent to be named in this Scheme Booklet in the form in which it is named. Advokatfirmaet Schjødt AS has not made

any statement that is included in this Scheme Booklet or any statement on which a statement in this Scheme Booklet is based.

Computershare Investor Services Pty Limited has given its written consent to be named in this Scheme Booklet in the form in which it is named. Computershare Investor Services Pty Limited has not made any statement that is included in this Scheme Booklet or any statement on which a statement in this Scheme Booklet is based.

Each person named in this Section 16.20 has given, and before the time of registration of this Scheme Booklet with ASIC, has not withdrawn, their consent to being named in this Scheme Booklet in the capacity indicated next to their name.

(c) Disclaimers of responsibility

Each person named in this Section 16.20 as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Scheme Booklet:

- (i) has not authorised or caused the issue of this Scheme Booklet or the making of the offer of new PetroNor Australia Shares under the Scheme;
- (ii) does not make, or purport to make, any statement in this Scheme Booklet or any statement on which a statement in this Scheme Booklet is based, other than a statement included in this Scheme Booklet with the written consent of that person as stated in Section 16.20(b); and
- (iii) makes no representations regarding, and to the maximum extent permitted by law, expressly disclaims and takes no responsibility for, any statements in or omissions from any part of this Scheme Booklet, other than a reference to its name and any statement or report that has been included in this Scheme Booklet with the consent of that person.

(d) Fees

Each person named in this Section 16.20 as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Scheme Booklet will be entitled to receive professional fees charged in accordance with their normal basis of charging.

In aggregate, if the Scheme is implemented PetroNor Australia expects to pay approximately USD\$360,000 (excluding GST) in transaction costs. In aggregate, if the Scheme is not implemented PetroNor Australia expects to pay approximately USD\$360,000 (excluding GST) in transaction costs.

Other than as set out in this Scheme Booklet, including the Annexures to this Scheme Booklet, there is no information material to the making of a decision in relation to the Scheme or a decision by a PetroNor Australia Shareholders on how to vote on the Scheme (as applicable), being information that is within the knowledge of any PetroNor Australia Directors or of a Related Body Corporate of PetroNor Australia and which has not previously been disclosed to PetroNor Australia Shareholders.

17. GLOSSARY OF DEFINED TERMS

The following defined terms used throughout this Scheme Booklet have the meaning set out below unless the context otherwise requires.

Annexure means an annexure of this Scheme Booklet.

ASIC means the Australian Securities and Investments Commission.

Associate has the meaning given to it in section 12 of the Corporations Act.

Australian Custodian means Citicorp Nominees Pty Limited.

AWST means Australian Western Standard Time.

BDO means BDO Corporate Tax (WA) Pty Ltd.

Business Day means a day that is not a Saturday, Sunday or a public holiday or bank holiday in Perth, Western Australia.

Cash Proceeds means the net proceeds from the sale of New PetroNor Norway Shares under the Sale Facility by the Sale Agent in respect of Non-VPS Shareholders, after deducting any applicable brokerage, stamp duty and other selling costs, taxes and charges, payable in accordance with Section 8.3.

CET means Central European Time.

Competing Proposal means any offer, proposal, transaction or expression of interest under which, if ultimately completed, a person or two or more persons who are Associates would:

- (a) directly or indirectly acquire Voting Power in PetroNor Australia of more than 20% or otherwise acquire, or have a right to acquire, a legal, beneficial or economic interest in more than 20% of the PetroNor Australia Shares or more than 50% of the share capital of any material subsidiary of PetroNor Australia (including through one or more derivative contracts);
- (b) acquire control (within the meaning of section 50AA of the Corporations Act) of, or directly or indirectly merge with, PetroNor Australia or a material subsidiary of PetroNor Australia ;
- (c) directly or indirectly acquire, become the holder of or have a right to acquire a legal, beneficial or equitable interest in, or control of, all or a substantial part of the property or any of the material assets of PetroNor Group, or otherwise acquire or have a right to acquire a legal, beneficial or economic interest in, or control of, such property or assets; or
- (d) enter into any agreement, arrangement or understanding requiring PetroNor Australia to abandon, or otherwise fail to proceed with, the Proposed Transaction,

whether by way of a takeover bid, scheme of arrangement, shareholder approved acquisition, capital reduction, buy back, sale, lease or purchase of shares, other securities or assets, assignment of assets or liabilities, joint venture, dual listed company (or other synthetic merger), deed of company arrangements, any debt for equity arrangement or other transaction or arrangement.

Corporations Act means the *Corporations Act 2001* (Cth).

Corporations Regulations means the *Corporations Regulations 2001* (Cth).

Court means Supreme Court of Western Australia, or any other court of competent jurisdiction under the Corporations Act as PetroNor Australia and PetroNor Norway may agree in writing.

Delivery Time means, in relation to the Second Court Date, two hours before the commencement of the hearing (or if the commencement of the hearing is adjourned, two hours before the commencement of the adjourned hearing), of the Court to approve the Scheme in accordance with section 411(4)(b) of the Corporations Act.

Depository Receipt means a depository receipt in respect of a PetroNor Australia Share registered with the VPS by the VPS Registrar.

Depository Receipt Holder means a person who holds a Depository Receipt.

EEA means European Economic Area.

Effective means the coming into effect, under section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to the Scheme.

Effective Date means the date on which the Scheme becomes Effective.

End Date means:

- (a) 31 March 2022; or
- (b) such other date and time agreed in writing between PetroNor Norway and PetroNor Australia.

Euronext Expand means the regulated and licensed market under which the PetroNor Shares are currently quoted.

Ernst & Young means Ernst & Young Tax & Law.

Governmental Agency means, whether domestic or foreign, any government or representative of a state or federal government or any governmental, semi-governmental, administrative, fiscal, regulatory or judicial body, department, commission, authority, tribunal, agency, competition authority or entity and includes any minister, ASIC, the Oslo Stock Exchange and any regulatory organisation established under statute or any stock exchange.

Implementation Date means, with respect to the Scheme, 17 December 2021.

Independent Expert means Stantons Corporate Finance Pty Ltd.

Independent Expert's Report means the report of the Independent Expert in relation to the Scheme as set out in Annexure A of this Scheme Booklet.

Last Practicable Date means 6 October 2021, being the last practicable date before the finalisation of this Scheme Booklet.

New PetroNor Norway Share means a PetroNor Norway Share to be issued under the terms of the Scheme as Scheme Consideration.

Non-VPS Shareholder means a PetroNor Australia Shareholder whose PetroNor Australia Shares are not registered in the VPS as at the Record Date. For the purposes of this definition, the Australian Custodian will only be considered a "Non-VPS Shareholder" for those PetroNor Australia Shares that it holds in a custodian capacity, that are not registered in the VPS on the Record Date.

Notice of Meeting means the notice of meeting for the Scheme Meeting as set out in Annexure E.

Oslo Børs means the Oslo Børs mains list.

Option Exchange Deeds means the deeds proposed to be entered into between Petronor Norway and each PetroNor Australia Optionholder, pursuant to which each Petronor Australia Optionholder will agree to cancel the PetroNor Australia Options they hold on the Implementation Date, in consideration for the issue of the equivalent number of PetroNor Norway Options, to be issued on substantially the same terms as the PetroNor Australia Options they are replacing.

PetroNor Australia or PetroNor means PetroNor E&P Limited (ACN 125 419 730).

PetroNor Australia Board means the board of PetroNor Australia Directors as at the date of this Scheme Booklet.

PetroNor Australia Constitution means the constitution of PetroNor Australia.

PetroNor Australia Directors means the directors of PetroNor Australia.

PetroNor Australia Option means an option granted by PetroNor Australia to acquire by way of issue one PetroNor Australia Share.

PetroNor Australia Optionholder means a person who is registered in the PetroNor Australia Register as a holder of PetroNor Australia Options.

PetroNor Australia Register means the register of shareholders maintained by PetroNor Australia under section 168(1) of the Corporations Act.

PetroNor Australia Registry means Computershare Investor Services Pty Limited.

PetroNor Australia Securities means PetroNor Australia Shares and/or PetroNor Australia Options (as applicable).

PetroNor Australia Security-holder means a PetroNor Australia Shareholder and/or a PetroNor Australia Optionholder (as applicable to that person).

PetroNor Australia Share means an issued fully paid ordinary share in the capital of PetroNor Australia.

PetroNor Australia Shareholder means a person who is registered in the PetroNor Australia Register as a holder of PetroNor Australia Shares.

PetroNor Group or Group means PetroNor Australia and its Related Bodies Corporate.

PetroNor Norway means PetroNor E&P ASA (a corporation formed in Norway) of Frøyas gate 13, 0273 Oslo, Norway.

PetroNor Norway Board means the board of PetroNor Norway Directors as at the date of this Scheme Booklet.

PetroNor Norway Directors means the directors of PetroNor Norway.

PetroNor Norway Group means PetroNor Norway and each of its Related Bodies Corporate (excluding, at any time, PetroNor Norway and its Subsidiaries to the extent that PetroNor Australia and its Subsidiaries are Subsidiaries of PetroNor Norway at that time).

PetroNor Norway Option means an option to subscribe for a PetroNor Norway Share.

PetroNor Norway Register means the register of members of PetroNor Australia on the VPS.

PetroNor Norway Share means an issued fully paid common share in the capital of PetroNor Norway.

Proposed Transaction means the proposed acquisition by PetroNor Norway, in accordance with the terms and conditions of the Scheme Implementation Agreement, of all of the PetroNor Australia Shares through the implementation of the Scheme and all of the associated transactions and steps contemplated by the Scheme Implementation Agreement.

Proxy Form means the proxy form which accompanies the Notice of Scheme Meeting, as set out in Annexure E.

Record Date means 15 December 2021.

Related Body Corporate means a related body corporate of that person under section 50 of the Corporations Act and includes a body corporate that would be a related body corporate if section 48(2) of the Corporations Act was omitted.

Relevant Interest has the meaning given to it in sections 608 and 609 of the Corporations Act.

Requisite Majority means in respect of the Scheme, approval by:

- (a) unless the Court orders otherwise, a majority in number (more than 50%) of PetroNor Australia Shareholders present and voting at the Scheme Meeting (in person or by proxy, attorney or, in the case of a corporation, by corporate representative); and
- (b) at least 75% of the total number of votes which are cast on the Scheme Resolution.

Sale Agent means Arctic Securities AS, a nominee appointed by PetroNor Norway to sell New PetroNor Norway Shares on behalf of Non-VPS Shareholders.

Sale Facility means the mechanism by which Non-VPS Shareholders receive Cash Proceeds of any sale of New PetroNor Norway Shares they would otherwise receive, as described in Section 8.3.

Scheme means the scheme of arrangement, substantially in the form set out in Annexure C this Scheme Booklet, under Part 5.1 of the Corporations Act between PetroNor Australia and PetroNor Australia Shareholders, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act.

Scheme Booklet means this booklet that comprises the explanatory statement in respect of the Scheme to be approved by the Court and despatched to PetroNor Australia Shareholders and includes the Annexures to this booklet.

Scheme Conditions means the conditions for implementation of the Scheme as set out in clause 3.1 of the Scheme Implementation Agreement and clause 3 of the Scheme.

Scheme Consideration means the consideration to be provided to Scheme Shareholders under the terms of the Scheme for the transfer to PetroNor Norway of their Scheme Shares, being one PetroNor Norway Share for each PetroNor Share held by a Scheme Shareholder.

Scheme Consideration Ratio means one New PetroNor Australia Share per one Scheme Share.

Scheme Deed Poll or **Deed Poll** means the deed poll dated 13 October 2021 executed by PetroNor Norway, whereby, amongst other things, PetroNor Norway covenants to carry out its obligations under the Scheme, as set out in Annexure D to this Scheme Booklet.

Scheme Implementation Agreement or **SIA** means the scheme implementation agreement dated 7 October 2021 between PetroNor Australia and PetroNor Norway relating to the implementation of the Scheme.

Scheme Meeting means the meeting of PetroNor Shareholders ordered by the Court to be convened under section 411(1) of the Corporations Act in relation to the Scheme.

Scheme Resolution means the resolution set out in the Notice of Meeting set out in Annexure E.

Scheme Share means a PetroNor Australia Shares on issue as at the Record Date.

Scheme Shareholder means a person who holds one or more Scheme Shares.

Second Court Date means the first day on which an application made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme is heard or scheduled to be heard or, if the application is adjourned for any reason, the date on which the adjourned application is heard or scheduled to be heard.

Second Court Hearing means the hearing at the Court held on the Second Court Date at which an application is made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme..

Section means a section of this Scheme Booklet.

Share Registry means Computershare Investor Services Pty Limited.

Subsidiaries has the meaning given to that term in section 46 of the Corporations Act

Superior Proposal means a bona fide Competing Proposal (which the PetroNor Australia Board, acting in good faith in the interests of the PetroNor Australia Security-holders, and after taking written advice from its legal and financial advisers), determines:

- (a) is reasonably capable of being valued and completed taking into account all aspects of the Competing Proposal, including its conditions, the identity, reputation and financial credentials of the person making such proposal, and all relevant legal, regulatory and financial matters; and
- (b) would be more favourable to PetroNor Australia Security-holders than the latest proposal provided by a member of the PetroNor Norway Group to PetroNor Australia, taking into account all aspects of the Competing Proposal and the latest proposal provided by a member of the PetroNor Norway Group to PetroNor Australia, including the identity, reputation and financial credentials of the person making such proposal, legal, regulatory and financial matters, certainty and any other matters affecting the probability of the relevant proposal being completed in accordance with its terms.

Voting Power has the meaning given in section 610 of the Corporations Act.

VPS means Norwegian Central Securities Depository.

VPS Register means the central securities register and book-entry system operated by VPS that comprises registrations carried out as part of the registration activities.

VPS Registrar means DNB Bank ASA.

Corporate Directory**PETRONOR AUSTRALIA****Directors**

Eyas Alhomouz
Non-Executive Chairman

Joseph Iskander
Non-Executive Director

Jens Pace
Non-Executive Director

Alexander Neuling
Non-Executive Director

Roger Steinepreis
Non-Executive Director

Ingvil Smines Tybring-Gjedde
Non-Executive Director

Gro Kielland
Non-Executive Director

Senior Management

Knut Søvold
Chief Executive Officer

Claus Frimann-Dahl
Chief Technical Officer

Michael Barrett
Exploration Director

Emad Sultan
Strategy and Contracts Manager

Chris Butler
Group Financial Controller

Company Secretary

Angeline Hicks

Principal Place of Business

48 Dover Street
London W1S 4FF United Kingdom

Australian Solicitors to PetroNor Australia

Steinepreis Paganin
Level 4, 16 Milligan Street
Perth WA 6000
Australia

Norwegian Solicitors to PetroNor Australia

Advokatfirmaet Schjødt AS
Ruseløkkveien 14, P.O. Box 2444 Solli,
0201 Oslo

Tax adviser to PetroNor Australia

BDO Corporate Tax (WA) Pty Ltd
Level 1, 38 Station Street
Subiaco WA 6008
AUSTRALIA

Auditor to PetroNor Australia

BDO Audit (WA) Pty Ltd (Australia)
38 Station Street
Subiaco WA 6008
BDO AS (Norway)

Share Registry

Computershare Investor Services Pty Ltd

PETRONOR NORWAY**Directors**

Eyas Alhomouz
Non-Executive Chairman

Joseph Iskander
Non-Executive Director

Jens Pace
Non-Executive Director

Ingvil Smines Tybring-Gjedde
Non-Executive Director

Gro Kielland
Non-Executive Director

Registered & Principal Office

Frøyas gate 13
0273 Oslo

Norway legal adviser to PetroNor Norway

Advokatfirmaet Schjødt AS
Ruseløkkveien 14, P.O. Box 2444 Solli
0201 Oslo

Tax adviser to PetroNor Norway

Ernst & Young Tax & Law
Dronning Eufemias gate 6, Oslo Atrium, P.O. Box 20
Oslo NO-0051, Norway

ANNEXURE A – INDEPENDENT EXPERT’S REPORT

14 October 2021

The Directors
PetroNor E&P Limited
48 Dover Street
London W1S 4FF
UNITED KINGDOM

Dear Directors,

Independent Expert's Report Relating to Proposed Redomicile Transaction

1 Executive Summary

Opinion

- 1.1 In our opinion, the proposed scheme of arrangement (the "**Scheme**") to implement the redomicile of PetroNor E&P Limited ("**PetroNor Australia**" or the "**Company**") from Australia to Norway as outlined in the scheme booklet (the "**Scheme Booklet**") is in the best interests of shareholders as at the date of this report.

Introduction

- 1.2 Stantons Corporate Finance Pty Ltd ("**Stantons**") were engaged by the directors of PetroNor Australia to prepare an Independent Expert's Report ("**IER**") to assess whether the proposed redomicile transaction is in the best interests of the members of the Company. The Scheme Booklet is expected to be distributed to PetroNor Australia shareholders ("**Shareholders**") in or around October 2021.
- 1.3 PetroNor Australia is an Australian public company that is headquartered in London, United Kingdom and listed on Oslo Euronext Expand ("**Oslo Expand**"), a market controlled by the Oslo Stock Exchange for the purpose of listing small companies. The Company's primary operations are offshore oil and gas exploration and production across five countries in western Africa. The Company was known as African Petroleum Corporation Limited ("**African Petroleum**") prior to 12 September 2019.
- 1.4 The directors of PetroNor Australia propose to implement a restructure of the Company and its subsidiaries (collectively, the "**Group**"). It is proposed that PetroNor E&P ASA ("**PetroNor Norway**"), a recently established Norwegian entity, will acquire PetroNor Australia. PetroNor Norway is currently a wholly owned subsidiary of PetroNor Australia.
- 1.5 Pursuant to the Scheme, all outstanding PetroNor Australia shares will be transferred to PetroNor Norway and new shares in PetroNor Norway will be issued to the existing Shareholders on a 1-for-1 basis (the "**Redomicile Transaction**"). On completion of the Redomicile Transaction, PetroNor Norway will operate as the Group's ultimate holding company.
- 1.6 PetroNor Norway will seek a main listing on the Oslo Stock Exchange, Oslo Børs ("**Oslo Børs**"), in conjunction with the Redomicile Transaction. If not approved for listing on Oslo Børs, PetroNor Norway will seek to list on Oslo Expand. It is a condition precedent of the Redomicile Transaction that PetroNor Norway receives approval to list on either Oslo Børs or Oslo Expand.

Purpose

- 1.7 The proposed Redomicile Transaction is to be implemented under the Scheme pursuant to Section 411 of the Corporations Act 2001 Cth (the "**Corporations Act**"). Section 412 (1) of the Corporations Act requires an explanatory statement ("**ES**") to be issued in relation to a proposed scheme of arrangement including all information material to the decision by a member as to whether to approve the proposal.
- 1.8 Part 3 of Schedule 8 of the Corporations Act requires the ES to be accompanied by an IER where the parties to the proposed scheme have a common director. Several of the directors of PetroNor Norway are directors of PetroNor Australia, and therefore an IER is required.
- 1.9 PetroNor Australia intends to seek approval for the Scheme from Shareholders at a meeting of the Company.
- 1.10 The proposed Redomicile Transaction is described in the Scheme Booklet distributed to Shareholders. This IER provides an opinion whether the Redomicile Transaction as described in the Scheme Booklet is in the best interests of Shareholders.

Basis of Evaluation

- 1.11 With regard to Australian Securities and Investments Commission ("**ASIC**") Regulatory Guide 111: Content of Expert Reports ("**RG 111**"), we have assessed whether the Redomicile Transaction is in the best interests of Shareholders.
- 1.12 The economic interests of Shareholders¹ will not change on implementation of the Scheme. We do not consider the Redomicile Transaction to be a control transaction under RG 111. We consider the Redomicile Transaction to be in the best interests of Shareholders if the advantages outweigh the disadvantages.

Implications of the Redomicile Transaction

- 1.13 In forming our opinion on whether the Redomicile Transaction is in the best interests of Shareholders, we considered the following advantages and disadvantages.

Table 1. Implications of the Redomicile Transaction

Advantages	Disadvantages
<ul style="list-style-type: none">▪ Cost savings▪ Move to same jurisdiction as majority of shareholders and same region as operations▪ May increase access to funding	<ul style="list-style-type: none">▪ Transaction costs incurred▪ Impact on shareholders not listed on the Norwegian Central Securities Deposit▪ Contract risks
Other Factors	
<ul style="list-style-type: none">▪ We note there are a number of other factors that may impact upon Shareholders depending on their individual circumstances. These factors are set out from Paragraph 5.15.	

Source: Stantons analysis

Conclusion

- 1.14 In our opinion, the proposed Redomicile Transaction outlined in the Scheme Booklet is in the best interests of Shareholders of the Company.
- 1.15 This opinion must be read in conjunction with the more detailed analysis included in this report, together with the disclosures, Financial Services Guide, and appendices to this report.

¹ Excluding non-VPS shareholders (refer paragraph 2.2 iii)

Financial Services Guide

Dated 14 October 2021

Stantons Corporate Finance Pty Ltd

Stantons Corporate Finance Pty Ltd (ABN 42 128 908 289 and AFSL Licence No 448697) ("**Stantons**" or "**we**" or "**us**" or "**ours**" as appropriate) has been engaged to issue general financial product advice in the form of a report to be provided to you.

Financial Services Guide

In the above circumstances, we are required to issue to you, as a retail client, a Financial Services Guide ("**FSG**"). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as financial services licensees.

This FSG includes information about:

- a) who we are and how we can be contacted;
- b) the services we are authorized to provide under our **Australian Financial Services Licence, Licence No: 448697**;
- c) remuneration that we and/or our staff and any associates receive in connection with the general financial product advice;
- d) any relevant associations or relationships we have; and
- e) our complaints handling procedures and how you may access them.

Financial services we are licensed to provide

We hold an Australian Financial Services Licence which authorises us to provide financial product advice in relation to:

- Securities (such as shares, options and debt instruments)

We provide financial product advice by virtue of an engagement to issue a report in connection with a financial product of another person. Our report will include a description of the circumstances of our engagement and identify the person who has engaged us. You will not have engaged us directly but will be provided with a copy of the report as a retail client because of your connection to the matters in respect of which we have been engaged to report.

Any report we provide is provided on our own behalf as a financial services licensee authorised to provide the financial product advice contained in the report.

General Financial Product Advice

In our report, we provide general financial product advice, not personal financial product advice, because it has been prepared without considering your personal objectives, financial situation or needs. You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product. Where you do not understand the matters contained in the Independent Expert's Report, you should seek advice from a registered financial adviser.

Benefits that we may receive

We charge fees for providing reports. These fees will be agreed with, and paid by, the person who engages us to provide the report. Fees will be agreed on either a fixed fee or time cost basis. Our fee for preparing this report is expected to be up to A\$20,000 exclusive of GST.

You have a right to request for further information in relation to the remuneration, the range of amounts or rates of remuneration and you can contact us for this information.

Except for the fees referred to above, neither Stantons, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the report.

Remuneration or other benefits received by our employees

Stantons employees and contractors are eligible for bonuses based on overall productivity but not directly in connection with any engagement for the provision of a report.

Referrals

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

Associations and relationships

Stantons is ultimately a wholly owned subsidiary of Stantons International Audit and Consulting Pty Ltd, a professional advisory and accounting practice. From time to time, Stantons and Stantons International Audit and Consulting Pty Ltd (that trades as Stantons International) and/or their related entities may provide professional services, including audit, accounting and financial advisory services, to financial product issuers in the ordinary course of its business.

Complaints resolution

Internal complaints resolution process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints must be in writing, addressed to:

The Complaints Officer
Stantons Corporate Finance Pty Ltd
Level 2
1 Walker Avenue
WEST PERTH WA 6005

When we receive a written complaint, we will record the complaint, acknowledge receipt of the complaints within 10 days and investigate the issues raised. As soon as practical, and not more than 45 days after receiving the written complaint, we will advise the complainant in writing of our determination.

Referral to External Dispute Resolution Scheme

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Australian Financial Complaints Authority ("**AFCA**"). AFCA has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about AFCA are available at the AFCA website www.afca.org.au or by contacting them directly via the details set out below.

Australian Financial Complaints Authority Limited
GPO Box 3
MELBOURNE VIC 3001

Telephone: 1800 931 678

Stantons confirms that it has arrangements in place to ensure it continues to maintain professional indemnity insurance in accordance with s.912B of the Corporations Act 2001 (as amended). In particular our Professional Indemnity insurance, subject to its terms and conditions, provides indemnity up to the sum

insured for Stantons and our authorised representatives / representatives / employees in respect of our authorisations and obligations under our Australian Financial Services Licence. This insurance will continue to provide such coverage for any authorised representative / representative / employee who has ceased work with Stantons for work done whilst engaged with us.

Contact details

You may contact us using the details set out at above or by phoning (08) 9481 3188 or faxing (08) 9321 1204.

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2 Summary of Redomicile Transaction

Background

- 2.1 PetroNor Australia is an Australian public company headquartered in London, UK and listed on Oslo Expand. On 10 February 2020, the Company first announced a proposal to redomicile the Group from Australia to Norway. PetroNor Australia and PetroNor Norway executed a Scheme Implementation Agreement on 7 October 2021 (the "**Scheme Implementation Agreement**"). The Company established PetroNor Norway for the specific purpose of implementing the Redomicile Transaction, pursuant to the Scheme.

Proposed Redomicile Transaction

- 2.2 The Scheme to implement the Redomicile Transaction includes the following:
- i) All outstanding shares in PetroNor Australia will be transferred to PetroNor Norway.
 - ii) PetroNor Australia Shareholders will receive one share in PetroNor Norway for each share held in PetroNor Australia. It is expected approximately 1,326,991,006 new ordinary shares will be issued in PetroNor Norway.
 - iii) PetroNor Australia Shareholders who are not registered in the Norwegian Central Securities Depository ("**VPS**") will not receive PetroNor Norway shares. Instead, these Shareholders (the "**Non-VPS Shareholders**") will have the PetroNor Norway shares to which they are entitled issued to a nominee who will sell them on market following completion of the Redomicile Transaction. The Non-VPS Shareholders will receive their equivalent share of the net proceeds in cash.
 - iv) PetroNor Australia will be delisted from Oslo Expand. It is a condition precedent of the Redomicile Transaction that approval is received for PetroNor Norway shares to be listed on either Oslo Børs or Oslo Expand, subject only to implementation of the Scheme and any other customary conditions that are acceptable to the board of directors of PetroNor Norway. PetroNor Norway will seek a listing on Oslo Børs. If listing on Oslo Børs is not approved, PetroNor Norway will alternatively seek a listing on Oslo Expand.
 - v) A condition precedent of the Redomicile Transaction is for the Company to enter a binding Option Exchange Deed ("**Option Exchange Deed**") with each exiting PetroNor Australia option holder. Under the Option Exchange Deeds, all existing PetroNor Australia options will be cancelled.
 - vi) PetroNor Australia option holders will receive one new option in PetroNor Norway for each cancelled PetroNor Australia option. As at the date of this IER, 1,389,470 new options in PetroNor Norway would be issued. Each new option will:
 - a) have an exercise price equal to the exercise price of the PetroNor Australia option it replaces;
 - b) have an exercise period equal to the unexpired exercise period of the option it replaces;
 - c) be vested to the same extent and have the same vesting terms as the relevant existing option it replaces; and
 - d) otherwise be issued on the same terms as the existing options, with necessary changes due to PetroNor Norway being the issuer, in place of PetroNor Australia.
 - vii) The current directors of PetroNor Australia, except the Australian based directors Alexander Neuling and Roger Steinepreis, will continue as directors of PetroNor Norway.
- 2.3 The Redomicile Transaction includes a number of conditions precedent (in addition to those described in Paragraphs 2.2 iv) and v)) including:
- Court approval must be obtained for the Scheme under Section 411 (4)(b) of the Corporations Act. Pursuant to the Scheme Implementation Agreement the relevant court

may be the Federal Court of Australia or any other court of competent jurisdiction under the Corporations Act that is agreed by both PetroNor Australia and PetroNor Norway.

- All required regulatory consent and approvals must be obtained.
- 2.4 On completion of the Redomicile Transaction, PetroNor Norway intends to continue the Group's operations in substantially the same manner. As such, the Redomicile Transaction is effectively a corporate restructure and will not materially impact the business operations of the Group. Shareholders² will maintain an equivalent economic interest in the Group.
- 2.5 We note PetroNor Australia will become a subsidiary of PetroNor Norway on completion of the Redomicile Transaction. We have been informed that the intention of PetroNor Norway is to eventually transfer the assets and liabilities of PetroNor Australia to PetroNor Norway and deregister PetroNor Australia.

² Except the Non-VPS Shareholders described in paragraph 2.2 (iii)

3 Scope

Purpose of the Report

- 3.1 The proposed Redomicile Transaction is to be implemented under a scheme pursuant to Section 411 of the Corporations Act.
- 3.2 Section 411 of the Corporations Act provides that where a scheme of arrangement is proposed between a company and its members or any class of them, the court may order that a meeting of members or meetings of classes of members be convened. Section 412 (1) provides that where a meeting is convened under Section 411, the notice sent to members convening the meeting shall include an explanatory statement that includes prescribed information.
- 3.3 Regulation 8303 of the Corporations Act prescribes that if a director of any corporation that is the other party to a proposed reconstruction or amalgamation is a director of the company the subject of the scheme, the scheme booklet must be accompanied by a report by an expert (an IER) who is not associated with the corporation that is the other party, stating whether in his or her opinion, the proposed scheme is in the best interests of the members of the company the subject of the scheme and setting out his or her reasons for that opinion.
- 3.4 PetroNor Australia directors, Eyas Alhomouz, Jens Pace, Ingvil Tybring-Gjedde, Gro Kielland and Joseph Iskander, are currently directors of PetroNor Norway. As PetroNor Norway and PetroNor Australia share common directors, it is a requirement that an IER is included with the Scheme Booklet.
- 3.5 Accordingly, PetroNor Australia has engaged Stantons to prepare an IER to assess whether the proposed Redomicile Transaction outlined in the Scheme Booklet is in the best interests of members.

Purpose

- 3.6 PetroNor Australia intends to seek shareholder approval for the Redomicile Transaction at a meeting expected to be held in or around November 2021.
- 3.7 The proposed Redomicile Transaction is referred to in the Scheme Booklet distributed to Shareholders. The directors of PetroNor Australia have engaged Stantons to prepare an IER to assess whether the proposal contained in the Scheme Booklet is in the best interests of Shareholders.

Basis of Evaluation

- 3.8 In preparing our report, we have given consideration to Regulatory Guides issued by ASIC, in particular RG 111.
- 3.9 RG 111 states that when an expert is to provide an opinion with respect to a scheme of arrangement, the opinion should make reference to whether or not the proposed scheme is *in the best interests* of the members of the company.
- 3.10 RG 111.4 states that:
- "In deciding on the appropriate form of analysis for a report, an expert should bear in mind that the main purpose of the report is to adequately deal with the concerns that could reasonably be anticipated of those persons affected by the proposed transaction. An expert should focus on the purpose and outcome of the transaction, that is, the substance of the transaction, rather than the legal mechanism used to effect the transaction."*
- 3.11 While the legal form of the transaction involving the transfer of shares and options to PetroNor Norway is akin to a change in control transaction, there is not, in effect, any actual change in control taking place. The economic interests of the Shareholders will remain unchanged (except for the Non-VPS Shareholders described at paragraph 2.2 iii).

- 3.12 Therefore, in the context of RG 111, we do not consider the Redomicile Transaction to be a control transaction. Furthermore, as economic interests will be unaffected³, we do not believe a valuation opinion is relevant for the purpose of this report.
- 3.13 When analysing transactions that do not involve a change in control, RG 111 generally requires the expert to provide an opinion on whether the advantages of the proposal outweigh the disadvantages. In that circumstance, the expert should conclude that the proposal is in the best interests of security holders.
- 3.14 Accordingly, the Scheme is considered to be in the best interests of Shareholders if the advantages outweigh the disadvantages for the Shareholders.

Individual Circumstances

- 3.15 We have evaluated the proposed Redomicile Transaction for Shareholders generically. We have not considered the circumstances of individual Shareholders. Due to specific circumstances, individual Shareholders may place different emphasis on various aspects of the proposed Redomicile Transaction from those adopted in this report. Accordingly, individuals may reach a different conclusion to ours on whether the proposed Redomicile Transaction is in their best interests. If in doubt, Shareholders should consult an independent financial adviser about the impact of the proposed Redomicile Transaction on their specific financial circumstances.

³ Besides the Non-VPS Shareholders who represent 0.21% of total Shareholders

4 Profile of PetroNor

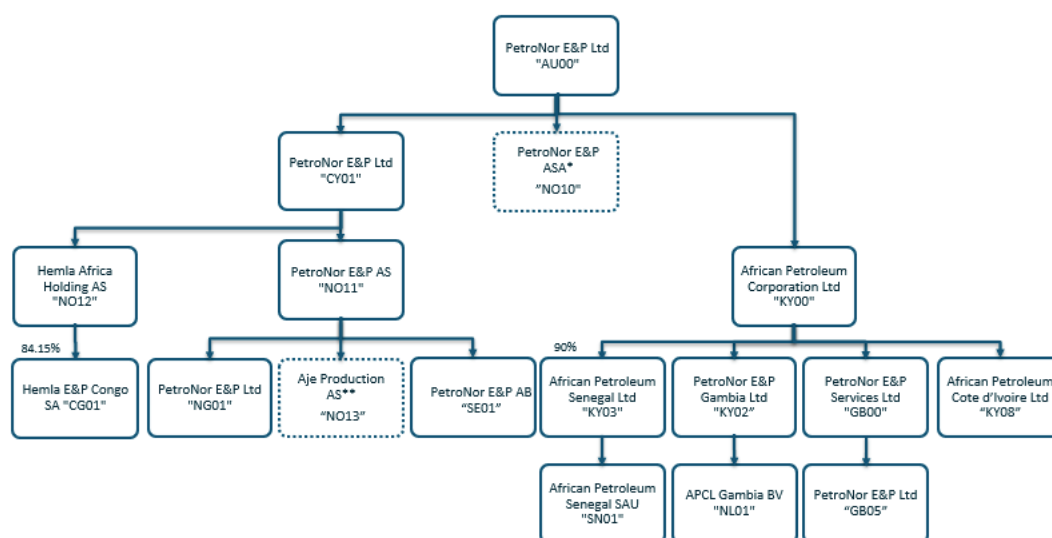
History and Principal Activities

- 4.1 PetroNor Australia is an Australian public company headquartered in London, United Kingdom. The Company is listed on Oslo Expand. PetroNor Australia was previously called African Petroleum Corporation Limited and changed its name on 12 September 2019 following a reverse acquisition of PetroNor E&P (Cyprus) Ltd. The Company has operations in oil and gas exploration and production in five West African countries, including Congo, Senegal, The Gambia, Nigeria and Guinea-Bissau.

Corporate Structure

- 4.2 As at 17 September 2021, the corporate structure of the Group was as follows.

Figure 1. PetroNor Group Corporate Structure



Source: PetroNor Australia management

Congo

- 4.3 PetroNor Australia holds an interest in operating licences located in offshore Congo, approximately 25 kilometres off the coast of Pointe-Noire, named Tchibouela II, Tchendo II, and Tchibeli-Litanzi II ("PNGF Sud"). PNGF Sud commenced production in 1987 and produces from 61 wells in five oil fields. PetroNor Australia obtained its interest in PNGF Sud indirectly through Hemla E&P Congo SA ("HEPCO") through a tender process with the Congo Ministry of Hydrocarbon. HEPCO was awarded a 20% working interest as of 1 January 2017.
- 4.4 The average production of PNGF Sud during the year 2020 was 22,713 barrels of oil per day.
- 4.5 Through an umbrella agreement, the partners in PNGF Sud have the right to negotiate, in good faith, the license terms to enter a Production Sharing Contract ("PSC") for an adjacent license located to the north-west of PNGF Sud, PNGF Bis ("PNGF Bis"). Subject to successful completion of negotiations, PetroNor Australia is expected to hold an indirect interest in PNGF Bis, though we note the Group does not currently hold any rights to PNGF Bis. A Competent Person's Report prepared in October 2019 by AGR Petroleum estimated that PNGF Bis contained gross 2C resources of 28.9 million barrels of oil.
- 4.6 At a general meeting on 4 May 2021, PetroNor Australia shareholders approved a transaction with Symero Limited that increased the Company's interest PNGF Sud to 16.8% and potential interest in PNGF Bis to 23.6%.

Senegal

- 4.7 PetroNor Australia holds an 81% effective interest in the Rufisque Offshore Profond and Senegal Offshore Sud Profond licences (the “**Senegal Licences**”). The Senegal Licences cover approximately 14,216 square kilometres in offshore Senegal. A 10% interest is held by Petrosen, the national oil company of Senegal. An assessment in 2015 by independent petroleum consultants, ERC Equipoise, estimated the Senegal Licences had access to unrisked mean prospective oil resources of approximately 1,779 million stock tank barrels.
- 4.8 Following a dispute with the Government of Senegal over its PSCs for the Senegal Licences, the Company registered a request for arbitration proceedings with the International Centre for Settlement of Investment Disputes on 11 July 2018. On 5 April 2021, the Company announced that arbitration proceedings will resume following a failure to reach a mutually beneficial solution during the halt in proceedings in 2020 and early 2021.

Nigeria

- 4.9 In 2019, PetroNor Australia acquired a 13.1% economic interest in Oil Mining Licence 113 (“**OML 113**”) in the Aje Field, located 24 km offshore of the coast near Lagos, Nigeria, through transactions with Panoro Energy ASA (“**Panoro**”) and Yinka Folawiyo Petroleum (“**YFP**”). Both transactions remain subject to regulatory approval from the Nigerian Department of Petroleum Resources and the consent of the Nigerian Minister of Petroleum Resources. As announced on 30 September 2021, an agreement with Panoro was made to extend the long-stop date on that transaction to 31 October 2021, following delays in the approval process due to the COVID-19 pandemic. The regulatory approval process is at an advanced stage, though has been delayed by the pandemic.
- 4.10 PetroNor Australia and YFP have agreed to combine their interests in OML 113 through an incorporated joint venture, Aje Production AS. PetroNor Australia will take a 45% interest (with YFP holding the other 55%) in Aje Production AS, a Norwegian based special purpose vehicle (“**SPV**”). PetroNor Australia will hold its net 13.1% economic interest in OML 113 through the SPV.
- 4.11 Production from OML 113 commenced in 2016 and is generated from 2 wells. As a result of the acquisitions PetroNor Australia’s interest was approximately 320 barrels of oil per day in net production for the year 2020. The licence is estimated to contain 138.2 million barrels of oil equivalent gross 2P reserves. PetroNor Australia has engaged with several financial and industrial partners with a target to mature the project towards a final investment decision.

The Gambia

- 4.12 In September 2020, a settlement agreement was reached with the Government of The Gambia following arbitration related to two licences, A1 and A4. The terms of the agreement awarded a new A4 licence under 30-year lease terms, providing a 90% interest and operatorship of the A4 licence to the Company, while all rights to the A1 licence have been relinquished. The remaining 10% interest of the new A4 licence is held by the Government of The Gambia.
- 4.13 The A4 licence comprises approximately 1,376 square kilometres located offshore of The Gambia in water depths of 1,500m to 3,000m. An assessment prepared by ERC Equipoise in 2015, in conjunction with a 2017 management update, estimates the net unrisked mean prospective oil resources of A4 to be more than 1.5 billion barrels of oil.
- 4.14 PetroNor Australia aims to participate in any future well development at an equity level of 30-50% and are seeking partners to help test the portfolio of potential drilling opportunities.

Guinea Bissau

- 4.15 PetroNor Australia agreed to purchase SPE Guinea Bissau AB from Svenska Petroleum Exploration AB on 18 November 2020. The purchase was completed in early May 2021 providing the Company with a 78.57% interest in the Sinapa (Block 2) and Esperança (Blocks 4a and 5a) licences. The remaining equity is held by FAR Limited. The licences cover almost 6,000 square kilometres and are valid until 2 October 2023.

Recent Developments

- 4.16 The Company recently completed a transaction with Symero Limited (refer 4.6). 138,763,636 ordinary shares in PetroNor Australia were issued to Symero in exchange for Symero's interest in the PetroNor Australia subsidiary, Hemla Africa Holdings AS. In conjunction with this transaction, PetroNor Australia completed an equity raising via a private placement of 85,963,636 ordinary shares.
- 4.17 On 23 August 2021, PetroNor Australia released a prospectus relating to the issue of 224,727,273 new shares via a private placement and shares issued to Symero. The company also recently completed a subsequent offering at NOK 1.10 per share, which was available to existing shareholders who were not eligible to participate in the private placement. On 21 September 2021, the Company announced that 46,234,809 ordinary shares had been issued through the subsequent offer, which were registered in the VPS on 27 September 2021.

Board of Directors

- 4.18 The board of directors of PetroNor Australia, as at 5 October 2021 is outlined below:

Table 2. PetroNor Australia Board of Directors

Director	Position	Date Appointed	Details
Eyas Alhomouz	Chairman	30 Aug 2019	Mr Alhomouz has experience in the oil and gas sector in the United States, North Africa, and the Middle East. He was previously the Chief Operating Officer and Finance Director of Prism Seismic, a US based consulting and oil and gas software firm, and Director of Business Development, Middle East following the acquisition of Prism Seismic by Sigma Cubed. He was later the General Manager of Jaidah Energy, a company servicing the oil and gas sector in Qatar.
Jens Pace	Non-Executive Director	29 Feb 2020	Mr Pace is an experienced leader in the oil and gas industry with a career spanning four decades. Most recently, Mr Pace was CEO of PetroNor Australia. He stepped down to a non-executive board position with Petronor Australia in 2019 following the merger the previous year with African Petroleum Corporation where he had been CEO since 2015. While at African Petroleum Corporation Mr Pace led funding initiatives, negotiation of transactions, and drilling operations to deliver high impact deep water exploration in West Africa. Prior to joining African Petroleum Corporation in 2012, Mr Pace spent 30 years with BP, and its heritage company Amoco, in a broad range of upstream positions and leadership roles, initially in the UKCS, followed by West Africa, Russia and culminating in North Africa where he was VP Exploration.
Joseph Iskander	Non-Executive Director	30 Aug 2019	Mr Iskander has over 20 years' experience in the financial services industry. He has served as a non-executive director for EFG Hermes in Egypt, Oasis Capital Bank in Bahrain, Sun Hung Kai & Co in Hong Kong, Qalaa Holdings in Egypt, Emirates Retakaful in UAE, Marfin Laiki Bank in Cyprus and Marfin Investments in Greece. He is currently a director at Al Baraka Bank Sudan and has been the Director of Private Equity at Emirates International Investments Company since 2017.
Roger Steinepreis	Non-Executive Director	6 Apr 2020	Mr Steinepreis is a corporate and resources lawyer with over 30 years' experience. He is Executive Chairman of Steinepreis Paganin, one of the largest specialist corporate law firms in Perth, Australia.
Alexander Neuling	Non-Executive Director	6 Apr 2020	Mr Neuling is a chartered accountant and has been advising within extractive industries for more than 15 years. He has held numerous senior management positions at listed companies, and previously worked for Deloitte in London and Perth.
Ingvil Tybring-Gjedde	Non-Executive Director	29 May 2020	Ms Tybring-Gjedde is the former Minister of Public Security and State Secretary/Vice Minister of the Ministry of Petroleum and Energy in Norway. She has a demonstrated history of working with the oil and gas, energy and renewable industry.
Gro Kielland	Non-Executive Director	Feb 2021	Mrs Kielland is the Chairman and CEO of Agility Group AS in Norway. She has over 27 years' experience in the oil and gas industry, including 20 years with BP in a variety of technical and management positions in Norway and the UK.

Source: S&P Capital IQ, Company website

- 4.19 We note all directors of PetroNor Australia except Roger Steinepreis and Alexander Neuling have been appointed as directors of PetroNor Norway.

Financial Performance

- 4.20 PetroNor Australia's audited consolidated Statements of Profit or Loss and Other Comprehensive Income for the years ended 31 December 2019 and 31 December 2020 and unaudited for the half year to 30 June 2021 are set out below.

Table 3. PetroNor Australia Statement of Profit or Loss and Other Comprehensive Income

	Audited 12 months to 31 Dec 2019 (US\$'000)	Audited 12 months to 31 Dec 2020 (US\$'000)	Unaudited 6 months to 30 June 2021 (US\$'000)
Revenue	102,760	67,543	48,174
Cost of sales	(37,207)	(25,885)	(16,832)
Gross profit	65,553	41,658	31,342
Other operating income	9	45	357
Exploration expense	-	-	(1,259)
Administrative expenses	(19,793)	(12,376)	(5,314)
Profit from operations	45,769	29,327	25,126
Finance expense	(1,822)	(2,606)	(1,626)
Foreign exchange gain/(loss)	(440)	1,507	19
Share based payment	(19,374)	-	-
Profit before tax	24,133	28,228	23,519
Tax expense	(29,894)	(17,078)	(14,654)
Profit/(loss) for the period	(5,761)	11,150	8,865
Other comprehensive income			
Exchange losses arising on translation of foreign operations	-	(1,050)	(29)
Total comprehensive income/(loss)	(5,761)	10,100	8,836
<i>Profit/(loss) for the period attributable to:</i>			
Owners of the parent	(13,364)	2,373	3,029
Non-controlling interest	7,603	8,777	5,836
	(5,761)	11,150	8,865
<i>Total comprehensive income/(loss) attributable to:</i>			
Owners of the parent	(13,364)	1,417	3,258
Non-controlling interest	7,603	8,683	5,578
	(5,761)	10,100	8,836

Source: PetroNor Annual Report 2021, Interim Report for half year to 30 June 2021

Financial Position

4.21 Set out below is the audited Statement of Financial Position of PetroNor Australia as at 31 December 2020 and unaudited as at 30 June 2021, prepared on a consolidated basis.

Table 4. PetroNor Australia Statement of Financial Position

	Audited as at 31 December 2020 (US\$'000)	Unaudited as at 30 June 2021 (US\$'000)
Current assets		
Cash and cash equivalents	14,113	20,444
Trade and other receivables	9,397	8,506
Inventories	3,578	5,724
Total current assets	27,088	34,674
Non-current assets		
Property plant and equipment	23,483	22,592
Intangible assets	6,935	6,890
Right of use assets	212	127
Other receivables	21,260	23,552
Total non-current assets	51,890	53,161
Total assets	78,978	87,835
Current liabilities		
Trade and other payables	(22,238)	(15,553)
Lease liability	(170)	(142)
Loans and borrowings	(4,000)	(8,000)
Total current liabilities	(26,408)	(23,695)
Non-current liabilities		
Loans and borrowings	(14,912)	(10,078)
Lease liability	(55)	-
Provisions	(15,307)	(15,805)
Total non-current liabilities	(30,274)	(25,883)
Total liabilities	(56,682)	(49,578)
Total net assets/(liabilities)	22,296	38,257
Equity		
Share capital	17,735	28,138
Reserves	(956)	(727)
Retained earnings	(8,853)	(5,824)
Non-controlling interests	14,370	16,670
Total equity	22,296	38,257

Source: PetroNor Annual Report 2021, Interim Report for half year to 30 June 2021

Capital Structure

4.22 As at 5 October 2021, the equity capital structure of PetroNor Australia was as follows.

Table 5. PetroNor Australia Equity Structure

Security	Number	Exercise price (NOK)	Expiry date
Ordinary shares	1,326,991,006	n/a	n/a
Unlisted options	213,400	2.50	11 Jan 2022
Unlisted options	1,176,070	7.75	31 May 2022
Total options	1,389,470		

Source: Scheme Booklet

4.23 There were approximately 763 Non-VPS Shareholders directly on the Australian share register as at 22 September 2021, and 3,539 depository receipt holders registered on the VPS that are represented by Citicorp Nominees Pty Ltd ("**Citicorp Nominees**") on the Australian share register. Citicorp Nominees holds 1,324,158,918⁴ ordinary shares on behalf of depository receipt holders registered in the VPS. The largest shareholders of Petronor Australia are as follows.

Shareholder	Number of shares	Percentage of total shares
Citicorp Nominees	1,324,236,202 ⁴	99.79%
Jens Pace	1,498,938 ⁵	0.11%
Antony Sage and Lucy Sage <EGAS Superannuation Fund A/C>	276,028	0.02%
Lamington Capital Inc	107,612	0.01%
Antony Sage	74,284	0.01%
All other Shareholders	797,942	0.06%
Total ordinary shares (as at 22 September 2021)	1,326,991,006	100%

Source: PetroNor Australia shareholder register

4.24 The top 20 depository receipt holders of Petronor Australia registered on the VPS as at 27 September 2021 were as follows.

⁴ Citicorp Nominees hold 77,284 shares for shareholders other than the VPS custodian

⁵ Includes 33,334 shares held in escrow

Table 6. Top 20 VPS Depository Receipt Holders

Holder	Number of depository receipts	Percentage of total PetroNor Australia shares
Petromal LLC	371,961,247 ⁶	28.03%
NOR Energy AS	143,555,857	10.82%
Symero Limited	138,763,636	10.46%
Clearstream Banking SA	110,587,523 ⁶	8.33%
Ambolt Invest AS	86,849,618	6.54%
Gulshagen III AS	45,000,000	3.39%
Gulshagen IV AS	45,000,000	3.39%
ENG Group Soparfi SA	35,061,336	2.64%
Energie AS	32,323,248	2.44%
Nordnet Livsforsikring AS	25,393,733	1.91%
Enga Invest AS	16,292,746	1.23%
Nordnet Bank AB	13,904,415	1.05%
Pust For Livet AS	9,560,582	0.72%
UBS Switzerland AG	7,698,758	0.58%
Omar Al-Qattan	7,645,454	0.58%
Leena Al-Qattan	7,645,454	0.58%
Sandberg JH AS	5,653,951	0.43%
Danske Bank A/S	4,432,181	0.33%
Avanza Bank AB	3,955,389	0.30%
Saxo Bank AS	3,796,683	0.29%
Total top 20 depository receipt holders	1,115,081,811	84.03%
Total VPS depository receipts	1,324,158,918	99.79%
Non-VPS Shareholders	2,832,088	0.21%
Total securities (as at 27 September 2021)	1,326,991,006	100.00%

Source: PetroNor Australia VPS register

Share Trading History

Set out below is the recent trading history of PetroNor Australia shares on Euronext Expand to 12 October 2021.

⁶ We note Clearstream Banking SA holds 109,520,419 depository receipts as nominee for Petromal LLC

Table 7. PetroNor Australia Share Trading History (as at 12 October 2021)

Trading Days	Low Price (NOK)	High Price (NOK)	Volume Weighted Average Price (NOK)	Cumulative Volume Traded	Percentage of Issued Shares (%)	Annual Equivalent (%)
1 Day	1.210	1.270	1.2327	2,012,220	0.15%	38.67%
10 Days	1.150	1.320	1.2402	34,656,380	2.61%	66.60%
30 Days	1.014	1.320	1.1674	90,076,270	6.79%	57.70%
60 Days	1.014	1.320	1.1770	127,644,040	9.62%	40.88%
90 Days	1.014	1.380	1.2068	205,678,210	15.50%	43.92%
180 Days	1.014	1.596	1.2727	534,973,800	40.31%	57.11%
1 Year (255 trading days)	1.014	1.666	1.2755	581,715,570	43.84%	43.84%

Source: S&P Capital IQ, Stantons analysis

Figure 2. PetroNor Australia Trading History


Source: S&P Capital IQ

5 Implications of the Scheme

- 5.1 Under RG 111, the Redomicile Transaction is considered in the best interests of Shareholders if the reasons for the transaction outweigh the reasons against the transaction. Outlined below are our considerations of the advantages, disadvantages and other factors of the Redomicile Transaction.

Advantages

Cost Savings

- 5.2 There will be certain savings on administrative and other expenses as a result of the Redomicile Transaction. We have been advised by the Company that the cost savings are expected to be at least US\$140,800 per annum, as set out below.

Table 8. Cost Savings Due to Redomicile Transaction

Shareholder	Estimated annual cost (US\$)	Comment
Company secretary	25,000	Not required in Norway
Cost to maintain records/register	28,800	Estimated internal time cost
Share registry	30,000	Australian registry not required, only VPS
Australian entity audit fee	10,000	Share of group audit fees for Australian entity
Inefficiency on group audit	7,000	Remove requirement for multiple partners for different legal jurisdictions
Australian tax advice	15,000	Only required for Norway
Australian jurisdiction general counsel	15,000	Not required for Australia, Norway already covered by existing operations
Australian overheads	5,000	Same premises as existing Norway operations to be used, Australian registered office no longer required
Investor relations efficiencies	5,000	No requirement to communicate differences between Australia and Norway practices
Total	140,800	

Source: PetroNor Australia management

- 5.3 In addition to the above quantified cost savings, the Company intends for Australian resident directors Roger Steinepreis and Alexander Neuling to continue as directors of PetroNor Australia for compliance purposes only. Current Australian resident director fees are approximately US\$74,400 per annum and are expected to reduce if the Redomicile Transaction is implemented and the Australian directors revert to compliance only roles, though the exact reduction has not yet been agreed.
- 5.4 Further cost savings may be achieved through reduced travel entitlements of the Australian and Norwegian based directors between countries.

Move to same jurisdiction as majority of shareholders and same region as operations

- 5.5 Moving the jurisdiction of the incorporation of the Company will align with the location of many of its investors and the location of its listing.
- 5.6 The shares in PetroNor Australia held by Norwegian investors are currently held by Citicorp Nominees as custodian, with the shareholders having an indirect interest in the PetroNor Australia shares through a depository receipt. Completing the Redomicile Transaction will allow the investors that represent a majority to hold direct ownership in the shares of PetroNor Norway.

Access to Funding

- 5.7 Following completion of the Redomicile Transaction, PetroNor Norway will seek a listing on the main Oslo Stock Exchange, Oslo Børs. This may provide the Company with greater access to funding and potentially increase the liquidity of its shares. We note if listing on Oslo Børs is not approved, PetroNor Norway will instead seek to list on Oslo Expand, the same exchange on which PetroNor Australia is currently listed.

Disadvantages

Transaction Costs

- 5.8 Costs of implementing the Scheme are estimated by PetroNor Australia to be approximately US\$360,000. This estimate includes the costs associated with convening the Meeting, seeking the consent of the court, advisor, financial, legal, accounting fees, costs associated with listing on Oslo Børs, and other costs.
- 5.9 We note a significant portion of these expected costs have already been incurred or will be incurred prior to voting on the Redomicile Transaction. As these are sunk costs, they will be incurred by the Company regardless of whether the Redomicile Proposal is approved. The Company expects to pay approximately US\$360,000 regardless of whether the Redomicile Transaction is approved.

Impact on Non-VPS Shareholders

- 5.10 Non-VPS Shareholders account for approximately 0.21% of the total ownership of PetroNor Australia. All Non-VPS Shareholders will have their PetroNor Norway shares transferred to a nominee, who will sell the PetroNor Norway shares and remit the net proceeds in cash (calculated on an average basis so that all Non-VPS Shareholders receive the same price per PetroNor Norway share). We note there is no guaranteed price the nominee will be able to obtain on market for the sale of the relevant shares.
- 5.11 In addition to losing the ability to share in future profits of the Company, Non-VPS Shareholders may also have an unrealised tax liability relating to the shares, which may crystallise on the sale of their shares. It is also to the disadvantage of Non-VPS Shareholders in not being able to plan more effectively to minimise this tax liability. Non-VPS Shareholders should consult their own tax adviser if in doubt.
- 5.12 We note Non-VPS Shareholders who wish to retain an interest in the Company will be able to buy PetroNor Norway shares on-market after the relisting on Oslo Børs or Oslo Expand (assuming that a stockbroking firm that is able to facilitate such a share purchase exists in the relevant country). However, this may lead to additional transaction costs, and Non-VPS Shareholders will be subject to timing risk as the PetroNor Norway share price may differ from the cash proceeds received.
- 5.13 The Non-VPS Shareholders may also be liable to pay brokerage fees, stamp duty or other costs on the sale of the PetroNor Norway shares, which will reduce the cash payments they receive.

Contract Risk

- 5.14 As described in the Scheme Booklet, some of the supply and customer contracts of PetroNor Australia contain clauses that allow the other party to terminate on a change of control, which may be triggered by completing the Redomicile Transaction.

Other Factors

No impact on ownership structure

- 5.15 In effect there will be no change in Shareholder's economic interests in the Group, as the existing proportionate interest in the underlying business and assets will be retained⁷.

Tax considerations

- 5.16 Section 13 of the Scheme Booklet contains an overview of the tax implications of the Redomicile Transaction for certain Shareholders. Shareholders should consider this information as it relates to their personal situation. If in any doubt on the implications, Shareholders should consult their own tax advisor.

⁷ Except Non-VPS Shareholders

Differing share rights under Australian and Norwegian law

- 5.17 We note Annexure E to the Scheme Booklet provides a comparison of the rights of the new PetroNor Norway shares under Norwegian law and the existing PetroNor Australia shares under Australian law. We recommend PetroNor Australia Shareholders consider this information.

Situation of Company if Scheme is rejected

- 5.18 If the Scheme is not approved, PetroNor Australia will continue to operate as the ultimate holding company of the PetroNor Group and maintain its listing on Oslo Expand. There will be no significant changes to the current operations of the Company.

No superior proposal

- 5.19 We have been informed as at the date of this report that no superior proposals have been considered by the Company.

6 Conclusion

Opinions

- 6.1 In our opinion, the proposed Redomicile Transaction, as outlined in the Scheme Booklet, is in the best interests of the Shareholders of PetroNor Australia as at the date of this report.

Shareholders Decision

- 6.2 Stantons was engaged to prepare an IER setting out whether in its opinion the proposed the Redomicile Transaction is in the best interests of the Shareholders of PetroNor Australia. Stantons has not been engaged to provide a recommendation to Shareholders as to whether to approve the Redomicile Transaction.
- 6.3 The decision whether to approve the Scheme pertaining to the Redomicile Transaction is a matter for individual Shareholders based on each Shareholder's views as to the value, their expectations about future market conditions and their particular circumstances, including risk profile, liquidity preference, investment strategy, portfolio structure, and tax position. If in any doubt as to the action they should take in relation to the proposal under the Scheme, shareholders should consult their own professional advisor.
- 6.4 Similarly, it is a matter for individual shareholders as to whether to buy, hold or sell shares in PetroNor Australia or PetroNor Norway. This is an investment decision upon which Stantons does not offer an opinion and is independent on whether to accept the proposal under Scheme. Shareholders should consult their own professional advisor in this regard.

Source Information

- 6.5 In making our assessment as to whether the proposed Redomicile Transaction is in the best interests of Shareholders, we have reviewed published available information and other unpublished information of the Company that is relevant to the current circumstances. In addition, we held discussions with the management PetroNor Australia about the present and future operations of the Company. Statements and opinions contained in this report are given in good faith, but in the preparation of this report we have relied in part on information provided by the directors and management of PetroNor Australia.
- 6.6 Information we have received includes, but is not limited to:
- Drafts of the Scheme Booklet of PetroNor Australia to 14 October 2021
 - PetroNor Australia's Annual Report for the year ended 31 December 2020
 - PetroNor Australia's Interim Financial Report for the half year ended 30 June 2021
 - Various Company announcement made on Oslo Expand to 14 October 2021
 - PetroNor Australia register of Shareholders as at 22 September 2021
 - Tax advice documents prepared for internal use by PetroNor Australia management by professional services firms in Australia and the UK
 - Scheme Implementation Agreement dated 7 October 2021
 - The VPS register as at 27 September 2021

6.7 Our report includes the appendices, our declarations, and our Financial Services Guide.

Yours Faithfully

STANTONS CORPORATE FINANCE PTY LTD



James Turnbull
Authorised Representative

APPENDIX A

GLOSSARY

	Definition
2C	Best estimate of contingent resources
2P	Total proven and probable reserves
AFCA	Australian Financial Complaints Authority
African Petroleum	African Petroleum Corporation Limited
ASIC	Australian Securities and Investments Commission
Company	PetroNor E&P Limited
Corporations Act	Corporations Act 2001 Cth
EEA	European Economic Area
ES	Explanatory Statement
FSG	Financial Services Guide
Group	PetroNor Australia and its subsidiaries
HAH	Hemla Africa Holdings AS
HEPCO	Hemla E&P Congo SA
IER	Independent Expert's Report
Non-VPS Shareholder	PetroNor Australia shareholders who are not registered on the VPS
OML 113	Oil Mining Licence 113 in Nigeria
Option Exchange Agreement	The agreement with each PetroNor Australia option holder to cancel the existing options and issue new equivalent options in PetroNor Norway
Oslo Børs	The Oslo Stock Exchange
Oslo Expand	Oslo Euronext Expand
Panoro	Panoro Energy ASA
PetroNor Australia	PetroNor E&P Limited
PetroNor Norway	PetroNor E&P ASA
PNGF Bis	An adjacent licence to the north-west of PNGF Sud
PNGF Sud	The Tchibouela II, Tchendo II and Tchibeli-Litanzi II operating licences in offshore Congo
PSC	Production sharing contract
RG111	ASIC Regulatory Guide 111: Content of Expert Reports
Redomicile Transaction	The transaction to issue PetroNor Norway shares to shareholders of PetroNor Australia in exchange for their PetroNor Australia shares
Scheme	The Scheme of Arrangement to implement the Redomicile Transaction
Scheme Booklet	The scheme booklet relating to the Scheme
Scheme Implementation Agreement	The Scheme Implementation Agreement executed by PetroNor Australia and PetroNor Norway on 7 October 2021
Senegal Licences	Rufisque Offshore Profond and Senegal Offshore Sud Profond
Shareholders	PetroNor Australia shareholders
SPV	Special Purpose Vehicle
Stantons	Stantons Corporate Finance Pty Ltd
VPS	Norwegian Central Securities Depository (Verdipapirsentralen ASA)
YFP	Yinka Folawiyo Petroleum

APPENDIX B

AUTHOR INDEPENDENCE AND INDEMNITY

This annexure forms part of and should be read in conjunction with the report of Stantons Corporate Finance Pty Ltd trading as Stantons Corporate Finance dated 14 October 2021, relating to the proposed Redomicile Transaction.

At the date of this report, Stantons Corporate Finance Pty Ltd ("**Stantons**") does not have any interest in the outcome of the proposal. Stantons previously completed independent expert reports for African Petroleum Limited and PetroNor E&P Limited ("**PetroNor**") issued in March 2019 and March 2021. There are no other relationships with PetroNor besides Stantons acting as an independent expert for the purposes of this report. Stantons undertook an independence assessment and considered that there are no existing relationships between Stantons and the parties participating in the Redomicile Transaction detailed in this report which would affect our ability to provide an independent opinion. The fee (excluding disbursements) to be received for the preparation of this report is based on time spent at normal professional rates plus out of pocket expenses. Our fee for preparing this report is expected to be up to A\$20,000 exclusive of GST. The fee is payable regardless of the outcome. Except for that fee, neither Stantons nor Mr James Turnbull have received, nor will or may they receive any pecuniary or other benefits, whether directly or indirectly for or in connection with the preparation of this report.

Stantons does not hold any securities in PetroNor. There are no pecuniary or other interests of Stantons that could be reasonably argued as affecting its ability to give an unbiased and independent opinion in relation to the proposal. Stantons and Mr James Turnbull have consented to the inclusion of this report in the form and context in which it is included as an annexure to the NoM.

QUALIFICATIONS

We advise Stantons Corporate Finance Pty Ltd is the holder of an Australian Financial Services License (No 448697) under the Corporations Act 2001 relating to advice and reporting on mergers, takeovers and acquisitions involving securities. Stantons has extensive experience in providing advice pertaining to mergers, acquisitions and strategic financial planning for both listed and unlisted businesses.

Mr James Turnbull, the person with overall responsibility for this report, has experience in the preparation of valuations for companies, particularly in the context of listed company corporate transactions, including the fairness and reasonableness of such transactions. The professionals employed in the research, analysis and evaluation leading to the formulation of opinions contained in this report, have qualifications and experience appropriate to the tasks they have performed.

DECLARATION

This report has been prepared at the request of PetroNor to assist shareholders of PetroNor to assess the merits of the Redomicile Transaction to which this report relates. This report has been prepared for the benefit of PetroNor shareholders and those persons only who are entitled to receive a copy for the purposes under the Corporations Act 2001 and does not provide a general expression of Stantons' opinion as to the longer-term value of PetroNor, its subsidiaries and/or assets. Stantons does not imply, and it should not be construed, that it has carried out any form of audit on the accounting or other records of PetroNor or their subsidiaries, businesses, other assets and liabilities. Neither the whole, nor any part of this report, nor any reference thereto, may be included in or with or attached to any document, circular, resolution, letter or statement, without the prior written consent of Stantons to the form and context in which it appears.

DISCLAIMER

This report has been prepared by Stantons with due care and diligence. However, except for those responsibilities which by law cannot be excluded, no responsibility arising in any way whatsoever for errors or omission (including responsibility to any person for negligence) is assumed by Stantons (and Stantons International Audit and Consulting Pty Ltd ("**SIAC**"), the parent company of Stantons Corporate Finance, its directors, employees or consultants) for the preparation of this report.

DECLARATION AND INDEMNITY

Recognising that Stantons may rely on information provided by PetroNor and its officers (save whether it would not be reasonable to rely on the information having regard to Stantons' experience and qualifications), PetroNor has agreed:

- (a) to make no claim by it or its officers against Stantons (and SIAC) to recover any loss or damage which PetroNor may suffer as a result of reasonable reliance by Stantons on the information provided by PetroNor; and
- (b) to indemnify Stantons against any claim arising (wholly or in part) from PetroNor, or any of its officers, providing Stantons with any false or misleading information or in the failure of PetroNor or its officers in providing material information, except where the claim has arisen as a result of wilful misconduct or negligence by Stantons.

A final draft of this report was presented to PetroNor for a review of factual information contained in the report. Comments received relating to factual matters were considered, however the conclusions did not change as a result of any feedback from PetroNor.

ANNEXURE B – SCHEME IMPLEMENTATION AGREEMENT

PETRONOR E&P LIMITED
ACN 125 419 730
(Petronor)

and

PETRONOR E&P ASA
a corporation incorporated in Norway
(Holdco)

SCHEME IMPLEMENTATION AGREEMENT

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BETWEEN

PetroNor E&P Limited (ACN 125 419 730) of Level 4, The Read Buildings, 16 Milligan Street, Perth WA (**Petronor**);

and

PETRONOR E&P ASA (a corporation formed in Norway) of Frøyas gate 13, 0273 Oslo (**Holdco**).

RECITALS

- A. Petronor will effect a redomiciliation by scheme of arrangement under Part 5.1 of the *Corporations Act* which will change the jurisdiction of the holding company of the Petronor Group from Australia to Norway.
- B. Petronor and Holdco propose to implement the Scheme for Holdco to acquire all of the fully paid ordinary shares of Petronor on the terms and conditions of this Agreement.
- C. As a result of the Scheme, Petronor will become a wholly-owned subsidiary of Holdco.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement, unless the context otherwise requires:

Adviser means, in relation to an entity, its legal, financial and other expert advisers (not including the Independent Expert).

ASIC means the Australian Securities and Investments Commission.

Australian Custodian Citicorp Nominees Pty Limited.

Business Day means a day that is not a Saturday, Sunday or a public holiday or bank holiday in Perth, Western Australia.

Claim means a demand, claim, action or proceeding, however arising and whether present, unascertained, immediate, future or contingent, including any claim for specific performance.

Corporations Act means the *Corporations Act 2001* (Cth).

Court means the Federal Court of Australia or such other court of competent jurisdiction under the Corporations Act agreed in writing by Holdco and Petronor.

Deed Poll means the deed poll to be executed by Holdco substantially in the form of Annexure 4 under which Holdco covenants in favour of Petronor Shareholders to perform its obligations under this Agreement and the Scheme.

Depository Receipt means a depository receipt in respect of a Petronor Share registered with the VPS by the VPS Registrar.

Dispatch Date means the day that the Scheme Booklet is dispatched to Petronor Shareholders.

Effective means, when used in relation to the Scheme, the coming into effect, under section 411(10) of the Corporations Act, of the Court orders made under section 411(4)(b) of the Corporations Act in relation to the Scheme.

Effective Date means the date on which an office copy of the Court orders made under section 411(4)(b) of the Corporations Act approving the Scheme are lodged with ASIC.

Euronext Expand means the regulated and licensed market under which the PetroNor Shares are currently quoted.

First Court Date means the date of the hearing by the Court of the application to order the convening of the Scheme Meeting under section 411(1) of the Corporations Act.

Government Agency means a:

- (a) government, whether foreign, federal, state, territorial or local;
- (b) department, office or minister of a government (whether foreign, federal, state, territorial or local) acting in that capacity; or
- (c) commission, delegate, instrumentality, agency, board, or other government, semi- government, judicial, administrative, monetary or fiscal authority, whether statutory or not and whether foreign, federal, state, territorial or local,

and includes ASIC and the Takeovers Panel.

GST means goods and services tax as defined in *A New Tax Systems (Goods and Services Tax) Act 1999* (Cth), or any like tax.

Holdco Option means an option to subscribe for a Holdco Share.

Holdco Scheme Information means information about Holdco which is provided to Petronor by or on behalf of Holdco to enable the Scheme Booklet to be prepared in accordance with all applicable laws, applicable ASIC guidance and policies, or to the Independent Expert to enable it to prepare its report.

Holdco Share means a share of voting common stock in Holdco.

Holdco Warranties means the representations and warranties of Holdco set out in clause 6.2.

Implementation means the implementation of the Scheme, on it becoming Effective under section 411(10) of the Corporations Act.

Implementation Date means the third Business Day after the Scheme Record Date, or such other day as Holdco and Petronor agree in writing.

Independent Expert means an expert, independent of the parties, engaged by Petronor in good faith to prepare the Independent Expert's Report.

Independent Expert's Report means the report from the Independent Expert commissioned by Petronor for inclusion in the Scheme Booklet, which includes an opinion from the Independent Expert on whether the Scheme is in the best interest of Petronor Shareholders and includes any update of that report by the Independent Expert.

Non-VPS Shareholder means a Scheme Shareholder whose Scheme Shares are not registered in the VPS as at the Record Date. For the purposes of this definition, Citicorp Nominees Pty Limited will only be considered a "Non-VPS Shareholder" for those Scheme Shares that it holds in a custodian capacity, that are not registered in the VPS as at the Record Date.

Officer means, in relation to an entity, its directors, officers and employees.

Oslo Børs means the Oslo Børs mains list.

Petronor Group means Petronor and each of its Subsidiaries.

Petronor Indemnified Party means each member of the Petronor Group and their respective Representatives.

Petronor Option means an option to acquire a Petronor Share on issue as at the Scheme Record Date.

Petronor Optionholder means a person who holds Petronor Options as at the Scheme Record Date.

Petronor Share means an issued fully paid ordinary share in Petronor.

Petronor Shareholder means each person who is registered in the Register as a holder of a Petronor Share.

Petronor Shareholder Approval means a resolution by Petronor Shareholders in favour of the Scheme passed by the majorities required under section 411(4)(a)(ii) of the Corporations Act.

Petronor Warranties means the representations and warranties of Petronor set out in clause 6.1.

Register means the register of holders of Petronor Shares maintained by PetroNor under section 168(1) of the Corporations Act.

Related Body Corporate has the meaning given to that term in the Corporations Act.

Representative means, in relation to an entity:

- (a) each of the entity's Related Bodies Corporate; and
- (b) each of the Officers and Advisers of the entity or any of its Related Bodies Corporate.

Scheme means the scheme of arrangement, substantially in the form set out in Annexure 2 under Part 5.1 of the Corporations Act between Petronor and Scheme Shareholders, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and approved in writing by Petronor and Holdco.

Scheme Booklet means the document including the information described in clause 5.1(a) to be approved by the Court and dispatched to Petronor Shareholders.

Scheme Consideration means the consideration to be provided to Scheme Shareholders under the terms of this Scheme, being one Holdco Share for every one Scheme Share held by a Scheme Shareholder.

Scheme Meeting means the meeting of Petronor Shareholders ordered by the Court to be convened under section 411(1) of the Corporations Act in relation to the Scheme.

Scheme Record Date means 4.00 pm (Perth time) on the third Business Day after the Effective Date.

Scheme Share means a Petronor Share as at the Scheme Record Date.

Scheme Shareholder means each person who is registered in the Register as a holder of a Scheme Share.

Second Court Date means the first day on which an application made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme is heard or scheduled to be heard or, if the application is adjourned for any reason, or subject to appeal for any reason, the date on which the adjourned application is heard or scheduled to be heard.

Share Registry means Computershare Limited.

Subsidiary has the meaning given to that term in the Corporations Act.

Sunset Date means 5.00 pm on 31 March 2022 or such other date and time agreed in writing between Petronor and Holdco.

Timetable means the indicative timetable set out in Annexure 1.

Transaction Period means the period between the date of this Agreement and the earliest of:

- (a) the Implementation Date;
- (b) the date this Agreement is terminated in accordance with its terms; and
- (c) the Sunset Date.

VPS means the Norwegian Central Securities Depository.

1.2 Interpretation

In this Agreement:

- (a) unless the context requires another meaning, a reference:
 - (i) to the singular includes the plural and vice versa;
 - (ii) to a gender includes all genders;
 - (iii) to a document (including this Agreement) is a reference to that document (including any Schedules and Annexures) as amended, consolidated, supplemented, novated or replaced;

- (iv) to an agreement includes any undertaking, representation, deed, agreement or legally enforceable arrangement or understanding whether written or not;
- (v) to a party means a party to this Agreement;
- (vi) to an item, Recital, clause, Schedule or Annexure is to an item, Recital, clause, Schedule or Annexure of or to this Agreement;
- (vii) to a notice means a notice, approval, demand, request, nomination or other communication given by one party to another under or in connection with this Agreement;
- (viii) to a person (including a party) includes:
 - (A) an individual, company, other body corporate, association, partnership, firm, joint venture, trust or Government Agency;
 - (B) the person's successors, permitted assigns, substitutes, executors and administrators; and
 - (C) a reference to the representative member of the GST group to which the person belongs to the extent that the representative member has assumed rights, entitlements, benefits, obligations and liabilities which would remain with the person if the person were not a member of a GST group;
- (ix) to a law includes any legislation, judgment, rule of common law or equity or rule of any applicable stock exchange, and is a reference to that law as amended, consolidated, supplemented or replaced and includes a reference to any regulation, by-law or other subordinate legislation;
- (x) to proceedings includes litigation, arbitration and investigation;
- (xi) to a judgment includes an order, injunction, decree, determination or award of any court or tribunal;
- (xii) to time is to prevailing Perth time; and
- (xiii) to \$ means the lawful currency of Australia;
- (b) the words "including" or "includes" means "including, but not limited to", or "includes, without limitation" respectively;
- (c) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (d) headings are for convenience only and do not affect interpretation of this Agreement;
- (e) if a payment or other act must (but for this clause) be made or done on a day that is not a Business Day, then it must be made or done on the next Business Day; and

- (f) if a period must be calculated from, after or before a day or the day of an act or event, it must be calculated excluding that day.

1.3 Construction

This Agreement may not be construed adversely to a party only because that party or its legal advisers were responsible for preparing it.

1.4 Payments

Unless otherwise expressly provided in this Agreement, where an amount is required to be paid to a party (the **Receiving Party**) by another party under this Agreement, that amount must be paid:

- (a) in immediately available and irrevocable funds by electronic transfer to a bank account or accounts notified by the Receiving Party in writing on or before the due date for payment, or in other such immediately payable funds as the parties agree; and
- (b) without deduction, withholding or set-off.

In this clause 1.4, a Receiving Party does not include a Scheme Shareholder.

1.5 Best and reasonable endeavours

Any provision of this Agreement which requires a party to use best endeavours, or reasonable endeavours, or to take all steps reasonably necessary or desirable, (including to procure that something is performed or occurs) does not include an obligation:

- (a) to pay any significant sum of money or to provide any significant financial compensation, valuable consideration or any other incentive to or for the benefit of any person, except for payment of any applicable fee for the lodgement or filing of any relevant application with any Government Agency or fees to any professional advisers; or
 - (b) to commence any legal proceeding against any person,
- except in accordance with the express terms of this Agreement.

2. AGREEMENT TO PROPOSE SCHEME

- (a) Petronor will propose and seek to implement the Scheme in accordance with this Agreement and the Corporations Act.
- (b) Holdco will comply with its obligations under the Scheme and the Deed Poll and provide reasonable assistance to Petronor in proposing and implementing the Scheme in accordance with this Agreement.

3. CONDITIONS

3.1 Conditions to Scheme

Subject to this clause 3, the Scheme will not become Effective and the obligations of the parties in relation to the Scheme (including the obligations of Holdco to provide the Scheme Consideration to Scheme Shareholders under the Deed Poll) will not become binding until each of the following conditions are satisfied or waived in accordance with clause 3.3:

- (a) **(Orders convening Scheme Meeting)** The Court orders the convening of the Scheme Meeting under section 411(1) of the Corporations Act.
- (b) **(Petronor Shareholder Approval)** Petronor Shareholder Approval is obtained at the Scheme Meeting.
- (c) **(Court approval of Scheme)** The Court makes orders under section 411(4)(b) of the Corporations Act approving the Scheme on the Second Court Date.
- (d) **(Order lodged with ASIC)** An office copy of the Court orders approving the Scheme is lodged with ASIC as contemplated by section 411(10) of the Corporations Act on or before the Sunset Date.
- (e) **(No prohibitive orders)** Prior to 8:00 am on the Second Court Date, no Government Agency takes any action, or imposes any legal restraint or prohibition, to prevent the implementation of the Scheme (or any transaction contemplated by the Scheme), which remains in force at 8:00 am on the Second Court Date.
- (f) **(Regulatory Consents)** All approvals or consents required from any Government Agency to implement the Scheme (other than the approval of the Court of the Scheme under section 411(4)(b) of the Corporations Act) are obtained (or deemed obtained) and not withdrawn by 8.00 am on the Second Court Date, including ASIC providing all consents and approvals and do all other acts which are necessary or reasonably desirable to implement the Scheme.
- (g) **(Independent Expert's Report)** The Independent Expert issues its report before the date on which the Scheme Booklet is provided to ASIC and the Independent Expert concludes that the Scheme is in the best interest of Petronor Shareholders (and does not change that conclusion prior to 8:00 am on the Second Court Date).
- (h) **(Prospectus)** Holdco has submitted a first draft of the prospectus to the Norwegian Financial Supervisory Authority, as required by the EU Prospectus Regulation in connection with admission to trading of shares on Oslo Børs main list (a regulated market place).
- (i) **(Approval for listing)** Prior to 8.00 am on the Second Court Date, the Company has received written confirmation from the Oslo Stock Exchange that Holdco Shares will be authorised for listing on Oslo Børs or Euronext Expand (as applicable), subject only to implementation of the Scheme and any other customary conditions that are acceptable to the Board of Directors of Holdco.
- (j) **(Cancellation of Options)** PetroNor and Holdco entering into binding agreements with each PetroNor Optionholder to cancel their PetroNor Options.

3.2 Reasonable endeavours

Each of Petronor and Holdco must use its reasonable endeavours to procure that:

- (a) each of the conditions in clause 3.1 are satisfied as expeditiously as possible and in any event on or before the Sunset Date, including providing all reasonable assistance to the other party which is necessary to satisfy such conditions; and

- (b) there is no occurrence within the control of Petronor or Holdco (as the context requires) or their Subsidiaries that would prevent the conditions in clause 3.1 from being satisfied.

3.3 Waiver of conditions

- (a) The conditions in clause 3.1(e) and (j) are for the mutual benefit of Petronor and Holdco and may only be waived jointly by them. The conditions in clauses 3.1(a), (b), (c), (d), (f), (g), (h) and (i) cannot be waived.
- (b) To be effective any waiver of the breach or non-fulfilment of any condition in clause 3.1 (except conditions which cannot be waived) must be in writing and a copy of the waiver must be provided to the other party prior to 8:00 am on the Second Court Date to be effective.
- (c) A waiver of any condition in clause 3.1 precludes the party who has the benefit of the condition from suing the other party for any breach of this Agreement that resulted from any breach or non-fulfilment of the condition.

3.4 Failure of condition

- (a) If a condition in clause 3.1:
 - (i) is not satisfied or (where capable of waiver) waived by the date specified for its satisfaction; or
 - (ii) becomes incapable of being satisfied by the date specified for its satisfaction and is not waived,then Petronor and Holdco must consult in good faith with a view to determining whether:
 - (iii) the Scheme may proceed by way of alternative means or methods;
 - (iv) to extend the time or date for satisfaction of the conditions;
 - (v) to change the date of the application to be made to the Court for orders under section 411(4)(b) of the Corporations Act approving the Scheme or adjourning that application (as applicable) to another date agreed by Petronor and Holdco; or
 - (vi) to extend the Sunset Date.
- (b) If Petronor and Holdco are unable to reach agreement under clause 3.4(a) within two Business Days of the date on which they both become aware that the condition is not satisfied or has become incapable of being satisfied (or, if earlier, by 8:00 am on the Second Court Date), or the parties are not required in the circumstances to consult under clause 3.4(a), then unless the relevant condition is waived, either Petronor or Holdco in the case of a condition which is for the benefit of both of them, may terminate this Agreement at any time prior to 8:00 am on the Second Court Date with immediate effect by written notice to the other party.

- (c) Subject to the rights of the parties under clause 6.3(a) of this Agreement, following any termination under clause 3.4(b), no party will have any liability to the other parties in respect of this Agreement, other than in respect of a breach of this Agreement occurring prior to that termination.

3.5 Certificates

On the Second Court Date, Holdco and Petronor will provide a joint certificate to the Court confirming whether or not the conditions set out in clause 3.1 have been satisfied or waived in accordance with the terms of this Agreement.

4. SCHEME OF ARRANGEMENT

4.1 Scheme

Petronor will propose a scheme of arrangement under which, subject to the Scheme becoming Effective, all the Scheme Shares are transferred to Holdco.

4.2 Scheme Consideration

In consideration of the Scheme Shareholders transferring their Scheme Shares to Holdco at completion of the Scheme, Holdco covenants in Petronor's favour (in its own right and separately as trustee or nominee for each Scheme Shareholder) that Holdco will, on the Implementation Date and immediately prior to the transfer of the Scheme Shares to Holdco, issue to each Scheme Shareholder (or in accordance with clause 4.3, to a nominee appointed by Holdco, on its behalf where such Scheme Shareholder is a Non-VPS Shareholder) one Holdco Share for every one Petronor Share held by the Scheme Shareholder on the Scheme Record Date.

4.3 Non-VPS Shareholders

- (a) Where a Scheme Shareholder is a Non-VPS Shareholder, the number of Holdco Shares to which that Non-VPS Shareholder would otherwise have been entitled to under Scheme will be issued to a nominee appointed by Holdco.
- (b) Holdco will procure that, as soon as reasonably practicable, the nominee:
 - (i) sells all of the Holdco Shares issued to the nominee in accordance with clause 4.3(a), in such manner, at such price and on such other terms as the nominee determines in good faith, as soon as reasonably practicable and in any event not more than 30 Business Days after the Implementation Date, and at the risk of the Non-VPS Shareholder; and
 - (ii) remits to the Non-VPS Shareholders, the proceeds (in US dollars) of the sales (after deducting any applicable brokerage, stamp duty and other selling costs, taxes and charges).
- (c) Each Non-VPS Holder appoints Petronor as its agent to receive on its behalf any financial services guide or other notices (including any

updates of those documents) that the nominee appointed by Holdco is required to provide to Non-VPS Shareholders under the Corporations Act.

4.4 Petronor Options

PetroNor and Holdco will use all reasonable endeavours to enter into binding agreements with each Petronor Optionholder to cancel their Petronor Options on the Implementation Date, in consideration for the grant by Holdco on the Implementation Date of one Holdco Option for every one Petronor Option held by the Petronor Optionholder on the Scheme Record Date.

Each Holdco Option will:

- (a) have a new exercise price per Holdco Share equal to the exercise price per Petronor Share of the relevant Petronor Options it replaces;
- (b) have an exercise period equal to the unexpired exercise period of the relevant Petronor Options it replaces;
- (c) be vested to the same extent and have the same terms as to vesting as the relevant Petronor Options it replaces; and
- (d) otherwise be issued on the same terms as the existing Petronor Options, with necessary changes due to Holdco being the issuer in place of Petronor.

5. IMPLEMENTATION

5.1 Petronor's obligations

Petronor must take all reasonably necessary steps to propose and implement the Scheme in accordance with all necessary laws and regulations as soon as is reasonably practicable and substantially in accordance with the Timetable, including doing anything required on behalf of Petronor Shareholders which Petronor is authorised to do. This includes:

- (a) **(Scheme Booklet)** Preparing the Scheme Booklet and dispatching the Scheme Booklet to Petronor Shareholders and Petronor Optionholders. The Scheme Booklet must comply with all applicable laws, including the Corporations Act, applicable ASIC guidance and policies.
- (b) **(Consultation)** Providing Holdco with drafts of the Scheme Booklet, consulting with Holdco in relation to the content and presentation of the Scheme Booklet and giving Holdco and its representatives a reasonable opportunity to provide input about the content and presentation of the Scheme Booklet, and obtaining Holdco's consent to include the Holdco Scheme Information in the form and context in which it appears.
- (c) **(Engage the Independent Expert)** Engaging the Independent Expert to prepare and provide its report for inclusion in the Scheme Booklet, and providing all reasonable assistance and information to the Independent Expert to enable it to do so.
- (d) **(Section 411(17)(b) statement)** Applying to ASIC for:
 - (i) a letter of intent stating that ASIC does not intend to appear before the Court on the First Court Date; and

- (ii) a statement under section 411(17)(b) of the Corporations Act that ASIC has no objection to the Scheme.
- (e) **(Engage suitable counsel)** Engaging suitable counsel to represent Petronor in all Court proceedings related to the Scheme.
- (f) **(Court direction)** Applying to the Court for orders under section 411(1) of the Corporations Act directing Petronor to convene the Scheme Meeting.
- (g) **(Registration)** Requesting ASIC to register the explanatory statement included in the Scheme Booklet in relation to the Scheme in accordance with section 412(6) of the Corporations Act.
- (h) **(Scheme Meeting)** Taking all reasonable steps necessary to comply with the orders of the Court, including dispatching the Scheme Booklet to Petronor Shareholders and convening and holding the Scheme Meeting.
- (i) **(Petronor new information)** Providing to Petronor Shareholders any further or new information which arises after the Dispatch Date and prior to the Scheme Meeting which is necessary to ensure that the information contained in the Scheme Booklet is not false, misleading or deceptive in any material respect (whether by omission or otherwise).
- (j) **(Court approval)** If Petronor Shareholder Approval is obtained at the Scheme Meeting and, if necessary, Holdco and Petronor agree on the Business Day immediately following the Scheme Meeting that it can be reasonably expected that all of the conditions in clauses 3.1 will be satisfied or waived on or prior to 8:00 am on the proposed Second Court Date, applying (and, to the extent necessary, re-applying) to the Court for orders approving the Scheme.
- (k) **(Lodge copy of Court order)** Lodging an office copy of the Court orders approving the any of the Scheme (if made) with ASIC no later than 10.00 am on the next Business Day after the orders are made.
- (l) **(Registration)** If the Scheme becomes Effective, executing proper instruments of transfer of, and effecting and entering in the Register the transfer of, the Scheme Shares to Holdco under the Scheme on the Implementation Date.
- (m) **(Register information)** Providing Holdco and its share registry with all information necessary, or reasonably requested, in order to assist Holdco to issue the Scheme Consideration.

5.2 Holdco's obligations

Holdco must take all reasonably necessary steps to implement the Scheme in accordance with all necessary laws and regulations as soon as is reasonably practicable and substantially in accordance with the Timetable. This includes:

- (a) **(Deed Poll)** Executing the Deed Poll.
- (b) **(Holdco Scheme Information)** Preparing and providing to Petronor, in a form appropriate for inclusion in the Scheme Booklet, the Holdco Scheme Information.

- (c) **(Independent Expert's Report)** Providing all reasonable assistance and information to the Independent Expert in connection with the preparation of its report for inclusion in the Scheme Booklet.
- (d) **(Accuracy of Holdco Scheme Information)** Before the Dispatch Date, verifying to Petronor the accuracy of the Holdco Scheme Information contained in the Scheme Booklet, and consenting to the inclusion of that information in the form and context in which it appears in the Scheme Booklet, in each case subject to Holdco being reasonably satisfied as to those matters.
- (e) **(Holdco new information)** Providing to Petronor any further or new information about Holdco which arises after the Dispatch Date and prior to the Scheme Meeting which is necessary or reasonably required by Petronor to ensure that the Holdco Scheme Information disclosed to Petronor Shareholders and Petronor Optionholders is not false, misleading or deceptive in any material respect (whether by omission or otherwise).
- (f) **(Scheme Consideration)** If the Scheme becomes Effective, providing the Scheme Consideration in accordance with clause 4.2 on the Implementation Date.
- (g) **(Reasonable assistance)** Without limiting any obligation of Holdco under any other provision of this Agreement, providing any assistance or information reasonably requested by Petronor in relation to the Scheme.

5.3 Timetable

Each of Petronor and Holdco must use its reasonable endeavours to perform its obligations (and procure its Representatives to assist in that performance) substantially in accordance with the Timetable.

5.4 Conduct of business

- (a) During the Transaction Period, Petronor must, and must ensure that its Subsidiaries, conduct their businesses in the ordinary and proper course of business.
- (b) Any restriction on conduct which is imposed in clause 5.4(a) does not apply to the extent that:
 - (i) the conduct is required to be undertaken by Petronor or its Subsidiary (as the case may be) in connection with the Scheme or this Agreement; or
 - (ii) the conduct is approved by Holdco.

6. WARRANTIES

6.1 Petronor Warranties

Petronor represents and warrants to Holdco at the date of this Agreement and on each subsequent day until and including 8:00 am on the Second Court Date (except that where any statement is expressed to be made only at a particular date it is given only at that date) that:

- (a) it has taken all necessary corporate action to authorise entry into this Agreement and has taken or will take all necessary corporate action to

authorise the performance of this Agreement and to carry out the transactions contemplated by this Agreement;

- (b) it has full corporate power to execute, deliver and perform its obligations under this Agreement and to carry out the transactions contemplated by this Agreement; and
- (c) this Agreement constitutes a legal, valid and binding obligation of it enforceable in accordance with its terms by appropriate legal remedy, subject to laws generally affecting creditors' rights and the principles of equity.

6.2 Holdco Warranties

Holdco represents and warrants to Petronor at the date of this Agreement and on each subsequent day until and including 8:00 am on the Second Court Date (except that where any statement is expressed to be made only at a particular date it is given only at that date) that:

- (a) is a corporation validly existing under the laws of its place of incorporation;
- (b) it has taken all necessary corporate action to authorise the entry into this Agreement and has taken or will take all necessary corporate action to authorise the performance of this Agreement and to carry out the transactions contemplated by this Agreement;
- (c) it has full corporate power to execute, deliver and perform its obligations under this Agreement and to carry out the transactions contemplated by this Agreement; and
- (d) this Agreement constitutes a legal, valid and binding obligation of it enforceable in accordance with its terms by appropriate legal remedy, subject to laws generally affecting creditors' rights and the principles of equity.

6.3 Release

- (a) Each party:
 - (i) releases its rights against, and will not make any Claim against, any past or present Representative of any other party in relation to anything done or purported to be done in connection with the Scheme, any transaction contemplated by or warranty given in this Agreement, any information provided to it by another party or in relation to its execution or delivery this Agreement to the extent that the past or present Representative has acted in good faith and has not engaged in any wilful misconduct. Nothing in this clause 6.3(a)(i) excludes any liability that may arise from wilful misconduct or bad faith on the part of any person; and
 - (ii) holds the releases in clause 6.3(a)(i) in respect of its past and present Representatives as trustee for those Representatives.
- (b) Each representation and warranty in clauses 6.1 and 6.2:
 - (i) is severable;

- (ii) will survive termination of this Agreement; and
- (iii) is given with the intent that liability under it is not confined to breaches which are discovered before the date of termination of this Agreement.

6.4 No other warranties or reliance

- (a) Each party acknowledges that no other party (nor any person acting on that other party's behalf) has made any warranty, representation or other inducement to it to enter into this Agreement, except for the representations and warranties expressly set out in this Agreement.
- (b) Each party acknowledges and confirms that it does not enter into this Agreement in reliance on any warranty, representation or other inducement by or on behalf of any other party, except for any warranty or representation expressly set out in this Agreement.

7. TERMINATION

7.1 Termination for breach

Without prejudice to any other rights of termination under this Agreement, either party may terminate this Agreement by giving the other party written notice at any time before 8.00 am on the Second Court Date if:

- (a) the other party is in material breach of any term of this Agreement, or there has been a material breach of a representation or warranty given by the other party under clauses 6.1 or 6.2 (as applicable) on or before the Second Court Date; and
- (b) the party wishing to terminate this Agreement has given the other party a written notice setting out details of the breach and stating its intention to terminate this Agreement; and
- (c) the breach has not been remedied 10 Business Days (or any shorter period ending immediately before 8:00 am on the Second Court Date) from the date the notice under clause 7.1(b) is given.

7.2 Automatic termination

This Agreement will terminate automatically without the need for action by any party in the event that Petronor Shareholder Approval is not obtained at the Scheme Meeting.

7.3 Mutual termination

This Agreement is terminable if agreed to in writing by Holdco and Petronor.

7.4 Effect of termination

- (a) If either Petronor or Holdco terminates this Agreement under clauses 3 or 7, this Agreement and the parties' obligations under it cease, other than obligations under this clause and clauses 1, 6.3(a), 8, 9 and 10 which will survive termination.

- (b) Termination of this Agreement under clauses 3 or 7 does not affect any accrued rights of a party in respect of a breach of this Agreement prior to termination.

8. COSTS AND STAMP DUTY

8.1 Costs

Subject to clause 8.2, each party must bear its own costs and expenses (including professional fees) incurred by it in connection with the negotiation, preparation and execution of this Agreement and the implementation or attempted implementation of the Scheme.

8.2 Stamp duty

Holdco must pay all stamp duty and any related fines or penalties in respect of this Agreement, the Deed Poll and the acquisition of the Scheme Shares in accordance with the Scheme and indemnify Petronor (on Petronor's own behalf and separately as trustee or nominee for the other Petronor Indemnified Parties and Petronor Shareholders) against any liability arising from failure to comply with this clause 8.2.

9. NOTICES

9.1 Requirements

- (a) All notices must be:
- (i) in legible writing and in English;
 - (ii) addressed to the recipient at the address, email address or fax number set out below or to any other address, email address or fax number that a party may notify to the other:

to Petronor:

Address	C/o Steinepreis Paganin Level 4, The Read Buildings 16 Milligan Street Perth WA 6001
Attention	Roger Steinepreis
Email	Roger@steinpag.com.au

to Holdco:

Address	Frøyas gate 13, 0273, Oslo, Norway
Attention	Roxana Brebenel
Email	roxana@petronorep.com

- (iii) signed by the party making the communication or by a person duly authorised by that party;
- (iv) sent to the recipient by hand, email, prepaid post (airmail if to or from a place outside Australia) or email; and

- (v) if sent by email, in a form which:
 - (A) identifies the sender; and
 - (B) clearly indicates the subject matter of the notice in the subject heading of the email,

provided that the recipient has not provided written notice to the other parties confirming that it does not wish to receive notices by email. The parties consent to the method of signature contained in clause 9.1(a)(v) and agree that it satisfies the requirements of applicable law for signature on service of notice by email.

9.2 Receipt of notices

- (a) Without limiting any other means by which a party may be able to prove that a notice has been received by the other party, a notice will be considered to have been received:
 - (i) if sent by hand, when left at the address of the recipient;
 - (ii) if sent by pre-paid post, three Business Days (if posted within Australia to an address in Australia) or 10 Business Days (if posted from one country to another) after the date of posting; or
 - (iii) if sent by email, when the sender receives an automated message confirming delivery or four hours after the time the email is sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered, whichever occurs first.
- (b) If a notice is served by hand, or is received by email, on a day that is not a Business Day, or after 5.00 pm (recipient's local time) on a Business Day, the notice will be considered to have been received by the recipient at 9.00 am (recipient's local time) on the next Business Day.

10. GENERAL

10.1 Entire agreement

To the extent permitted by law, in relation to the subject matter of this Agreement, this Agreement:

- (a) embodies the entire understanding of the parties and constitutes the entire terms agreed on between the parties; and
- (b) supersedes any prior agreement (whether or not in writing) between the parties.

10.2 Further assurances

Each party must, at its own expense, whenever requested by the other party, promptly do or, to the extent reasonably practicable, arrange for others to do everything, including executing any documents, reasonably necessary to give full effect to this Agreement and the transactions contemplated by this Agreement.

10.3 No merger

The rights and obligations of the parties do not merge on completion of any transaction contemplated under this Agreement. They survive the execution and delivery of any assignment or other document entered into to implement any transaction contemplated under this Agreement.

10.4 Assignment

A party cannot assign, novate or otherwise transfer or deal in any other way with any of its rights or obligations under this Agreement without the other party's prior written consent.

10.5 Invalid or unenforceable provisions

If a provision of this Agreement is invalid or unenforceable in a jurisdiction:

- (a) it is to be read down or severed in that jurisdiction to the extent of the invalidity or unenforceability; and
- (b) that fact does not affect the validity or enforceability of that provision in another jurisdiction or the remaining provisions.

10.6 Waiver and exercise of rights

- (a) A waiver by a party of a provision of, or of a right under, this Agreement is only binding on the party granting the waiver if it is given in writing and is signed by the party or an authorised officer of the party granting the waiver.
- (b) A waiver is effective only in the specific instance and for the specific purpose for which it is given.
- (c) A single or partial exercise of a right by a party does not preclude another exercise of that right or the exercise of another right.
- (d) The failure to exercise, or the delay in exercising, a right does not operate as a waiver or prevent the party so failing or exercising its right from later doing so.

10.7 Amendment

Except as expressly provided to the contrary in this Agreement, this Agreement may only be amended by a document signed by or on behalf of each party.

10.8 Counterparts

This Agreement may be signed in counterparts and all counterparts taken together constitute one document.

10.9 Rights cumulative

Except as expressly provided to the contrary in this Agreement or as permitted by law, the rights, powers and remedies provided in this Agreement are cumulative and do not exclude any other rights, powers or remedies provided by law independently of this Agreement.

10.10 Consents or approvals

A party may give its approval or consent conditionally or unconditionally, or withhold its approval or consent, in its absolute discretion unless this Agreement expressly provides otherwise.

10.11 Severability

If a provision of this Agreement is invalid or unenforceable in a jurisdiction:

- (a) it is to be read down or severed in that jurisdiction to the extent of the invalidity or unenforceability; and
- (b) that fact does not affect the validity or enforceability of that provision in another jurisdiction, or the remaining provisions of this Agreement.

10.12 GST

- (a) Unless expressly included, the consideration for any supply under or in connection with this Agreement does not include GST.
- (b) To the extent that any supply made by a party to another party (**Recipient**) under or in connection with this Agreement is a taxable supply and a tax invoice has been provided to the Recipient, the Recipient must pay, in addition to the consideration to be provided under this Agreement for that supply (unless it expressly includes GST) an amount equal to the amount of that consideration (or its GST exclusive market value) multiplied by the rate at which GST is imposed in respect of the supply.
- (c) The amount of GST payable in accordance with clause 10.12(b) will be paid at the same time and in the same manner as the consideration otherwise payable for the supply is provided.

10.13 Governing law and jurisdiction

- (a) This Agreement is governed by the laws of Western Australia.
- (b) Each party irrevocably and unconditionally:
 - (i) submits to the exclusive jurisdiction of the courts of Western Australia; and
 - (ii) waives, without limitation, any claim or objection based on absence of jurisdiction or inconvenient forum.

EXECUTED by the parties as an agreement.

EXECUTED by **PETRONOR E&P LIMITED**
ACN 125 419 730
in accordance with section 127 of the
Corporations Act 2001 (Cth):



Signature of director

Roger Steinepreis

Name of director



Signature of director

Alex Neuling

Name of director

EXECUTED by
PETRONOR E&P ASA
in accordance with its constituent
documents and place of incorporation:



Signature of officer

Eyas Alhomouz

Name of officer



Signature of officer

Jens Pace

Name of officer

ANNEXURE 1 – INDICATIVE TIMETABLE

Event	Indicative date
Provide Scheme Booklet to ASIC for review and comment	5 October 2021
Enter into Scheme Implementation Agreement	7 October 2021
Filing of first draft prospectus to the Norwegian Financial Supervisory Authority	On or about 21 October 2021 (Oslo time)
First Court Date	22 October 2021
Filing of introductory report to Oslo Børs	26 October 2021
Dispatch Scheme Booklet to Petronor Shareholders	28 October 2021
Filing of updated introductory report to Oslo Børs	22 November 2021 (Oslo time)
Scheme Meeting	26 November 2021
Second Court Date	9 December 2021
Effective Date (lodge office copy of Court orders approving the Scheme with ASIC)	10 December 2021
Scheme Record Date	15 December 2021
Filing of formal listing application	17 December 2021 (Oslo time)
Implementation Date	20 December 2021
Oslo Børs listing committee meeting	20 December 2021 (Oslo time)
Approval of listing application	On or about 21 December 2021 (Oslo time)
Publication of prospectus	Prior to 08:00 (CET) on 23 December 2021 (Oslo time)
First day of trading on Oslo Børs	On or about 23 December 2021 (Oslo time)

*Unless otherwise stated, dates in the above table refer to the date in Perth, Western Australia.

ANNEXURE 2 – SCHEME OF ARRANGEMENT

PURSUANT TO SECTION 411 OF THE CORPORATIONS ACT 2001 (CTH)

BETWEEN:

PetroNor E&P Limited (ACN 125 419 730) of 48 Dover Street, London W1S4FF, United Kingdom (**Petronor**);

AND

The registered holders of fully paid ordinary shares in Petronor as at the Scheme Record Date.

1. PRELIMINARY

1.1 Definitions

In this Scheme, unless the contrary intention appears or the context requires otherwise:

ASIC means the Australian Securities and Investments Commission.

Business Day means a day that is not a Saturday, Sunday, public holiday or bank holiday in Perth, Western Australia.

Corporations Act means the *Corporations Act 2001* (Cth).

Court means the Federal Court of Australia or such other court of competent jurisdiction under the Corporations Act agreed in writing by Holdco and Petronor.

Deed Poll means the deed poll in respect of the Scheme to be executed and dated on or about the date of the Scheme by Holdco in favour of each Scheme Shareholder.

Effective means, when used in relation to the Scheme, the coming into effect, under section 411(10) of the *Corporations Act*, of the Scheme Order.

Effective Date means the date on which an office copy of the Scheme Order approving the Scheme is lodged with ASIC.

Euronext Expand means the regulated and licensed market under which the Petronor Shares are currently quoted.

Holdco means PetroNor E&P ASA (a corporation formed in Norway).

Holdco Share means a share of voting common stock in Holdco.

Implementation Date means the third Business Day after the Scheme Record Date, or such other day as Holdco and Petronor agree in writing.

Non-VPS Shareholder means a Scheme Shareholder whose Scheme Shares are not registered in the VPS as at the Scheme Record Date. For the purposes of this definition, Citicorp Nominees Pty Limited will only be considered a "Non-VPS Shareholder" for those Scheme Shares that it holds in a custodian capacity, that are not registered in the VPS as at the Scheme Record Date.

Petronor Share means an issued fully paid ordinary share in Petronor.

Petronor Shareholder means each person who is registered in the Register as a holder of a Petronor Share.

Register means the register of shareholders of Petronor.

Sale Agent means a person appointed by Holdco to sell the Holdco Shares that would otherwise be issued to or for the benefit of Non-VPS Shareholders under the terms of the Scheme.

Scheme Implementation Agreement means the scheme implementation agreement dated 7 October between Petronor and Holdco.

Scheme means this scheme of arrangement under Part 5.1 of the Corporations Act between Petronor and the Scheme Shareholders, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and approved in writing by Petronor and Holdco.

Scheme Consideration means the consideration to be provided to Scheme Shareholders under the terms of this Scheme, being one Holdco Share for every one Scheme Share held by a Scheme Shareholder.

Scheme Meeting means the meeting of Petronor Shareholders ordered by the Court to be convened under section 411(1) of the Corporations Act in relation to the Scheme.

Scheme Order means the orders of the Court approving the Scheme, with or without modification, under section 411(4)(b) of the Corporations Act.

Scheme Record Date means 4.00 pm (Perth time) on the third Business Day after the Effective Date.

Scheme Share means a Petronor Share as at the Scheme Record Date.

Scheme Shareholder means each person who is registered in the Register as a holder of a Scheme Share.

Second Court Date means the date of the hearing by the Court of the application to approve the Scheme under section 411(4)(b) of the Corporations Act.

Share Registry means Computershare Limited.

Sunset Date means 5.00 pm on 31 March 2022 or such other date and time agreed in writing between Petronor and Holdco.

VPS means Norwegian Central Securities Depository.

1.2 Interpretation

In this Scheme, unless the contrary intention appears or the context requires otherwise:

- (a) unless the context requires otherwise, a reference:
 - (i) to the singular includes the plural and vice versa;

- (ii) to a gender includes all genders;
- (iii) to a document or instrument is a reference to that document or instrument as amended, consolidated, supplemented, novated or replaced;
- (iv) to a clause, paragraph, Schedule or Annexure is to a clause, paragraph, Schedule or Annexure of or to this document;
- (v) to a law includes any legislation, judgment, rule of common law or equity or rule of any applicable stock exchange, and is a reference to that law as amended, consolidated, supplemented or replaced and includes a reference to any regulation, by-law or other subordinate legislation;
- (vi) to any time is to prevailing Perth time;
- (vii) to "\$" is to the lawful currency of Australia;
- (b) the words "including" or "includes" means "including, but not limited to", or "includes, without limitation" respectively;
- (c) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (d) headings are for convenience only and do not affect interpretation of this document;
- (e) if a payment or other act must (but for this clause) be made or done on a day that is not a Business Day, then it must be made or done on the next Business Day; and
- (f) if a period must be calculated from, after or before a day or the day of an act or event, it must be calculated excluding that day.

2. PRELIMINARY

2.1 Petronor

- (a) Petronor is a public company limited by shares, incorporated in Australia and taken to be registered in Western Australia. Its registered office is at Level 4, 16 Milligan Street, Perth, Western Australia, Australia.
- (b) As at 7 October 2021, 1,326,991,006 Petronor Shares were on issue.

2.2 Holdco

Holdco is a company incorporated under the laws of Norway. Its principal executive office is at Frøyas gate 13, 0273, Oslo, Norway.

2.3 Effect of Scheme

If the Scheme becomes Effective:

- (a) Petronor will procure the issue of the Scheme Consideration to Scheme Shareholders in accordance with the terms of the Scheme; and

- (b) subject to provision of the Scheme Consideration, all of the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares at the Implementation Date, will be transferred to Holdco and Petronor will enter Holdco in the Register as the holder of the Scheme Shares.

2.4 Scheme Implementation Agreement

Petronor and Holdco have entered into the Scheme Implementation Agreement which sets out the terms on which Petronor and Holdco have agreed to implement the Scheme.

2.5 Deed Poll

The Scheme attributes actions to Holdco but does not itself impose an obligation on Holdco to perform those actions. Holdco will execute the Deed Poll in favour of each Scheme Shareholder under which it covenants, subject to the Scheme becoming Effective, to perform certain steps attributed to it under the Scheme and to do all things necessary or desirable to implement the Scheme, including to issue the Scheme Consideration.

Holdco covenants in favour of Petronor (in Petronor's own right and separately as trustee for each of the Scheme Shareholders) to execute, deliver and perform the Deed Poll prior to the dispatch of the Scheme Booklet.

3. CONDITIONS PRECEDENT

3.1 Conditions precedent to Scheme

The Scheme is conditional on and will have no force or effect until, the satisfaction of each of the following conditions precedent:

- (a) all of the conditions precedent set out in clause 3.1 of the Scheme Implementation Agreement having been satisfied or waived in accordance with the terms of the Scheme Implementation Agreement, before 8:00 am on the Second Court Date;
- (b) as at 8.00 am on the Second Court Date, neither the Scheme Implementation Agreement nor the Deed Poll having been terminated in accordance with its terms;
- (c) the Court making the Scheme Order;
- (d) any other conditions made or required by the Court under section 411(6) of the Corporations Act in relation to the Scheme, and which are acceptable to Petronor and Holdco, having been satisfied; and
- (e) the Scheme Order (and, if applicable, any orders under section 411(6) of the Corporations Act) approving the Scheme coming into effect, under section 411(10) of the Corporations Act, on or before the Sunset Date,

and the provisions of clauses 4, 5, 6 and 7 will not come into effect unless and until each of these conditions precedent has been satisfied.

3.2 Certificate in relation to conditions precedent

- (a) Prior to or at the Court hearing on the Second Court Date, Petronor and Holdco will each provide to the Court a certificate, or such other evidence as the Court requests, confirming (in respect of matters within their knowledge) whether or not all of the conditions precedent to the Scheme have been satisfied or waived.
- (b) The giving of a certificate by each of Petronor and Holdco under clause 3.2(a) will, in the absence of manifest error, be conclusive evidence of the satisfaction or waiver of the conditions precedent referred to in the relevant certificate.

3.3 Termination

Without limiting any rights under the Scheme Implementation Agreement, if the Scheme Implementation Agreement is terminated in accordance with its terms before the Scheme becomes Effective, each of Holdco and Petronor are released from:

- (a) any further obligation to take steps to implement the Scheme; and
- (b) any liability with respect to the Scheme.

3.4 Sunset Date

The Scheme will lapse and have no further force or effect if the Effective Date has not occurred on or before the Sunset Date.

4. IMPLEMENTATION OF SCHEME

4.1 Lodgement of Scheme Order

Petronor must lodge with ASIC in accordance with section 411(10) of the Corporations Act an office copy of the Scheme Order as soon as practicable on or before the first Business Day after the date on which the Court makes that Scheme Order.

4.2 Transfer of Scheme Shares

- (a) Subject to the Scheme becoming Effective and the provision of the Scheme Consideration in accordance with clause 5.1, on the Implementation Date the Scheme Shares, together with all rights and entitlements attaching to them as at the Implementation Date, will be transferred to Holdco without the need for any further act by any Scheme Shareholder by:
 - (i) Petronor delivering to Holdco a duly completed share transfer form executed on behalf of the Scheme Shareholders (which may be a master share transfer form) to transfer all the Scheme Shares to Holdco;
 - (ii) Holdco duly executing this transfer form and delivering this transfer form to Petronor for registration; and
 - (iii) to the extent applicable, Petronor effecting a valid transfer of Scheme Shares under section 1074D of the Corporations Act.

- (b) As soon as practicable after receipt of the transfer form or completion of the transfer procedure, Petronor must enter the name and address of Holdco in the Register as the holder of the Scheme Shares.
- (c) To the extent permitted by law, the Scheme Shares will be transferred to Holdco free from all mortgages, charges, liens, encumbrances, pledges, security interests and other interests of third parties of any kind.

5. SCHEME CONSIDERATION

5.1 Provision of Scheme Consideration

Petronor must use its best endeavours to procure that, in consideration for the transfer to Holdco of the Scheme Shares held by each Scheme Shareholder under the terms of this Scheme, Holdco issues to such Scheme Shareholders (or, in accordance with clause 5.2, to a nominee appointed by Holdco on its behalf where such Scheme Shareholder is a Non-VPS Shareholder) one Holdco Share for every one Petronor Share held by the Scheme Shareholder on the Scheme Record Date.

Subject to clause 5.2, the transactions which form part of this Scheme will be implemented in the following sequence on the Implementation Date:

- (a) each Scheme Shareholder (who is not a Non-VPS Shareholder) will receive the Scheme Consideration for the Scheme Shares held by that Scheme Shareholder on the Scheme Record Date;
- (b) where the Scheme Shareholder is a Non-VPS Shareholder, the Scheme Consideration for the applicable Scheme Shares will be transferred to a to a sale nominee in accordance with clause 5.2 of the Scheme below; and
- (c) in exchange, all Scheme Shares will be transferred to Holdco.

5.2 Non-VPS Shareholders

- (a) Holdco has no obligation under this Scheme to issue any Scheme Consideration in the name of a Non-VPS Shareholder under the Scheme.
- (b) The Holdco Shares that would, but for clause 5.2(a), have been issued in the name of a Non-VPS Shareholder as Scheme Consideration, must be issued by Holdco to the Sale Agent and Holdco must procure that:
 - (i) Holdco enters the name and registered address of the Sale Agent into the Holdco share register on the Implementation Date in respect of the Holdco Shares required that would otherwise be required to be issued to Non-VPS Shareholders as Scheme Consideration; and
 - (ii) do all other things required by law to effect the registration of the relevant Holdco Shares in the name of the Sale Agent.
- (c) Holdco must:
 - (i) procure that the Sale Agent:

- (A) as soon as reasonably practicable and, in any event, not more than 30 Business Days after the Implementation Date, sells all the Holdco Shares issued to the Sale Agent pursuant to clause 5.2(b) in such manner at such price and other terms as the Sale Agent determines in good faith for the benefit of the Non-VPS Shareholders; and
 - (B) promptly after receiving the proceeds in respect of the sale of all of the Holdco Shares referred to in clause 5.2(c)(i)(A), accounts to the Non-VPS Shareholders for the net proceeds of sale (on an averaged basis so that all Non-VPS Shareholders receive the same price per Holdco Share, subject to rounding to the nearest whole cent), and any income referable to those Holdco Shares, after deduction of any applicable costs or fees, brokerage, taxes and charges, at the Non-VPS Shareholders' risk in full satisfaction of the Non-VPS Shareholders' rights under this Scheme; and
- (ii) remits the net proceeds of sale to Non-VPS Shareholders by:
 - (A) making a deposit in Australian dollars into a bank account notified by the Non-VPS Shareholders to Petronor and recorded in the Petronor share register on the Record Date; or
 - (B) dispatching, or procuring the dispatch of, a cheque for the relevant amount in US dollars drawn in the name of the Non-VPS Shareholders (or in the case of joint holders, in accordance with clause 5.4) by ordinary pre-paid post to the address of that Non-VPS Shareholder appearing in the Petronor share register on the Record Date.
- (d) In the event that the Sale Agent believes, after consultation with Petronor, that a Non-VPS Shareholder is not known at its address appearing in the Petronor share register on the Record Date, the Sale Agent may credit the amount payable to that Non-VPS Shareholder to a separate bank account of Holdco to be held until the Non-VPS Shareholder claims the amount or the interest is dealt with in accordance with unclaimed money legislation, and Holdco must hold the amount in trust but any amount accruing from the amount will be to the benefit of Holdco. An amount credited to the account is to be treated as having been paid to the Non-VPS Shareholder. Holdco must maintain records of the amounts paid, the people who are entitled to the amounts and any transfers of the amounts.
- (e) Payment by Holdco to a Non-VPS Shareholder in accordance with this clause satisfies in full the Non-VPS Shareholder's right to the Scheme Consideration.
- (f) None of Holdco, Petronor or the Sale Agent gives any assurance as to the price that will be achieved for the sale of the Holdco Shares described in this clause, and the sale of the Holdco Shares under this clause will be at the risk of the Non-VPS Shareholder.

- (g) Each Non-VPS Shareholder appoints Petronor as its agent to take any necessary or appropriate actions, or to receive on its behalf any financial services guide or other notice which may be given by the Sale Agent to the Non-VPS Shareholder, in connection with its appointment or sales.
- (h) If, for any reason, the mechanism in clause 5.2 fails, becomes impossible to implement or the time prescribed for sale passes, Petronor, Holdco, the Sale Agent or any interested person may apply to the Supreme Court of Western Australia for advice, directions or orders to as fully or effectively complete the contemplated transactions, or some broadly comparable transaction, without the need for any alteration to this Scheme or any further scheme.

5.3 Obligations of Scheme Shareholders

Each Scheme Shareholder who will be issued Holdco Shares under the Scheme agrees:

- (a) to become a shareholder of Holdco;
- (b) to have their name and address entered into the register of stockholders maintained by Holdco; and
- (c) to be bound by the certificate of incorporation and bylaws of Holdco in force from time to time in respect of the Holdco Shares.

5.4 Joint holders

In the case of Scheme Shares held in joint names, any Scheme Consideration will be issued to and registered in the names of the joint holders and holding statements or notices confirming the issue of the Scheme Consideration will be forwarded to the holder whose name appears first in the Register as at the Scheme Record Date.

6. DEALINGS IN PETRONOR SHARES

6.1 Determination of Scheme Shareholders

- (a) Each Scheme Shareholder will be entitled to participate in the Scheme.
- (b) For the purpose of determining who is a Scheme Shareholder, dealings in Petronor Shares will only be recognised if share transfer forms in registrable form or transmission applications in respect of those dealings are received by the Share Registry by the Scheme Record Date.

6.2 Transfers after the Scheme Record Date

- (a) If the Scheme becomes Effective, a Petronor Shareholder (and any person claiming through that holder) must not dispose of, or purport or agree to dispose of, any Petronor Shares or any interest in them after the Scheme Record Date (other than a transfer to Holdco in accordance with the Scheme and any subsequent transfers by Holdco or its successors in title).

- (b) Petronor will not accept for registration, nor recognise for any purpose, any transfer or transmission application in respect of Petronor Shares received after the Scheme Record Date (other than a transfer to Holdco in accordance with the Scheme and any subsequent transfers by Holdco or its successors in title).

6.3 Maintenance of Register

For the purpose of determining entitlements to the Scheme Consideration, Petronor will, until the Scheme Consideration has been issued to Scheme Shareholders, maintain or procure the maintenance of the Register in accordance with this clause 6. The Register in this form will solely determine entitlements to the Scheme Consideration.

6.4 Effect of certificates and holding statements

- (a) From the Scheme Record Date, each certificate or holding statement for the Scheme Shares will cease to have any effect as a document of title in respect of the Scheme Shares or otherwise (other than holding statements in favour of Holdco and its successors in title).
- (b) Each entry on the Register as at the Scheme Record Date (other than entries in respect of Holdco and its successors in title) will cease to have any effect other than as evidence of the entitlements of Scheme Shareholders to the Scheme Consideration in respect of the Scheme Shares relating to that entry.

6.5 Information to be made available to Holdco

As soon as reasonably practicable after the Scheme Record Date and in any event at least two Business Days before the Implementation Date, Petronor will give to Holdco or as it directs or procure that Holdco be given or as it directs, details of the name, address and number of Scheme Shares held by each Scheme Shareholder as shown in the Register at the Scheme Record Date in the form Holdco reasonably requires.

7. QUOTATION OF PETRONOR SHARES

- (a) Petronor will apply for suspension of trading of Petronor Shares on Euronext Expand with effect from the close of trading on the Effective Date.
- (b) If the Scheme has been fully implemented in accordance with its terms, on the date determined by Holdco, Petronor will request for the termination of the official quotation of Petronor Shares on Euronext Expand and to have Petronor removed from the official list of Euronext Expand.

8. GENERAL SCHEME PROVISIONS

8.1 Appointment of Petronor as agent and attorney

Each Scheme Shareholder, without the need for any further act, irrevocably appoints Petronor and each of the directors and officers of Petronor (jointly and severally) as its agent and attorney for the purpose of doing all things and executing all deeds, instruments, transfers and other documents that may be necessary or desirable to give full effect to the Scheme and the transactions contemplated by it, including but not limited to:

- (a) enforcing the Deed Poll against Holdco;
- (b) completing and signing on behalf of Scheme Shareholders any required form of transfer; and
- (c) executing any document or doing any other act necessary or desirable to give full effect to this Scheme and the transactions contemplated by it, including executing a proper instrument of transfer of Scheme Shares for the purposes of section 1071B of the Corporations Act (which may be a master transfer).

Petronor may sub-delegate its functions, authorities or powers under clause 6.1 as agent and attorney of each Scheme Shareholder to any or all of its directors or officers.

8.2 Agreement by Scheme Shareholders

Each Scheme Shareholder agrees to:

- (a) the transfer of its Scheme Shares together with all rights and entitlements attaching to those Scheme Shares to Holdco in accordance with the terms of the Scheme; and
- (b) the variation, cancellation or modification (if any) of the rights attached to its Petronor Shares constituted by or resulting from the Scheme.

8.3 Warranty by Scheme Shareholders

Each Scheme Shareholder is deemed to have warranted to Petronor, and is deemed to have authorised Petronor to warrant to Holdco as agent and attorney for the Scheme Shareholder, that:

- (a) all of its Scheme Shares (including all rights and entitlements attaching to them) transferred to Holdco under the Scheme will, on the date of the transfer, be fully paid and free from all mortgages, charges, liens, encumbrances, pledges, security interests and other interests of third parties of any kind; and
- (b) it has full power and capacity to sell and transfer its Scheme Shares (including all rights and entitlements attaching to them) to Holdco.

8.4 Title to Scheme Shares

On and from the Implementation Date, pending registration by Petronor of Holdco in the Register as the holder of the Scheme Shares, Holdco will be beneficially entitled to the Scheme Shares.

8.5 Appointment of Holdco as sole proxy

On and from the Implementation Date and until registration by Petronor of Holdco in the Register as the holder of the Scheme Shares, each Scheme Shareholder:

- (a) without the need for any further act irrevocably appoints Holdco and each of its directors, officers and secretaries (jointly and each of them separately) as its agent and attorney to appoint an officer or agent

nominated by Holdco as its sole proxy and where applicable, corporate representative to:

- (i) attend shareholders' meetings of Petronor;
 - (ii) exercise the votes attached to the Scheme Shares registered in the name of the Scheme Shareholder; and
 - (iii) sign any shareholders' resolution of Petronor;
- (b) undertakes not to attend or vote at any such meetings or sign any such resolutions, whether in person, by proxy or by corporate representative other than under clause 8.6;
- (c) must take all other actions in the capacity of a registered holder of Scheme Shares as Holdco reasonably directs; and
- (d) acknowledges and agrees that in exercising the powers referred to in this clause 8.5, Holdco and each of the directors, officers and secretaries of Holdco may act in the best interests of Holdco as the intended registered holder of the Scheme Shares.

Petronor undertakes in favour of each Scheme Shareholder that it will appoint the officer or agent nominated by Holdco as that Scheme Shareholder's proxy or, where applicable, corporate representative in accordance with clause 8.5(a).

8.6 Scheme alterations and conditions

If the Court proposes to approve the Scheme subject to any alterations or conditions under section 411(6) of the Corporations Act, Petronor may, by its counsel or solicitors, and with the consent of Holdco, consent to those alterations or conditions on behalf of all persons concerned, including, for the avoidance of doubt, all Scheme Shareholders.

8.7 Effect of Scheme

The Scheme binds Petronor and all Scheme Shareholders (including those who do not attend the Scheme Meeting, do not vote at the meeting or vote against the Scheme) and, to the extent of any inconsistency and to the extent permitted by law, overrides the constitution of Petronor.

8.8 No liability when acting in good faith

Neither Petronor nor Holdco, nor any of their respective officers or agents, will be liable to a Petronor Shareholder for anything done or omitted to be done in the performance of the Scheme in good faith.

8.9 Notices

- (a) Where a notice, transfer, transmission application, direction or other communication referred to in the Scheme is sent by post to Petronor, it will not be deemed to be received in the ordinary course of post or on a date other than the date (if any) on which it is actually received at Petronor's registered office or at the Share Registry.
- (b) The accidental omission to give notice of the Scheme Meeting or the non-receipt of such a notice by any Petronor Shareholder will not,

unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

8.10 Further assurances

Each party must, at its own expense, whenever requested by the other party, promptly do or, to the extent reasonably practicable, arrange for others to do everything, including executing any documents, reasonably necessary to give full effect to this Scheme and the transactions contemplated by this Scheme.

8.11 Costs and stamp duty

Holdco will pay all stamp duty (if any) and any related fines, penalties and interest payable on the transfer by Scheme Shareholders of the Scheme Shares to Holdco.

8.12 Governing law and jurisdiction

This Scheme is governed by the laws of Western Australia. Each party irrevocably and unconditionally:

- (a) submits to the exclusive jurisdiction of the courts of Western Australia; and
- (b) waives, without limitation, any claim or objection based on absence of jurisdiction or inconvenient forum.

ANNEXURE 3 – DEED POLL

Dated this _____ day of _____ October 2021

BY: _____

PETRONOR E&P ASA (a corporation incorporated in Norway) of Frøyas gate 13, 0273, Oslo, Norway (**Holdco**)

IN FAVOUR OF:

each registered holder of fully paid ordinary shares in Petronor at the Scheme Record Date (each a **Scheme Shareholder** and collectively the **Scheme Shareholders**).

1. RECITALS

- A. Petronor and Holdco are parties to a Scheme Implementation Agreement dated 7 October 2021 (**Scheme Implementation Agreement**).
- B. Holdco is entering into this Deed Poll for the purpose of covenanting in favour of the Scheme Shareholders to perform certain of its obligations under the Scheme Implementation Agreement and certain steps attributed to it under the Scheme, including ensuring that the Scheme Consideration is issued to Scheme Shareholders.
- C. The effect of the Scheme will be that the Scheme Shares, together with all rights and entitlements attaching to them, will be transferred to Holdco in exchange for the Scheme Consideration.

2. OPERATIVE PROVISIONS

2.1 Definitions and interpretation

Scheme means the scheme of arrangement under Part 5.1 of the Corporations Act between Petronor and Scheme Shareholders, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act.

2.2 Interpretation

- (a) Words and phrases defined in the Scheme have the same meanings in this Deed Poll unless the context requires otherwise.
- (b) Clause 1.2 of the Scheme applies to the interpretation of this Deed Poll except that references to "this document" in that clause are to be read as references to "this Deed Poll".

3. NATURE OF DEED POLL

Holdco acknowledges that:

- (a) this Deed Poll may be relied on and enforced by any Scheme Shareholder in accordance with its terms, even though the Scheme Shareholders are not a party to it; and
- (b) under the Scheme, each Scheme Shareholder irrevocably appoints Petronor and each of the directors and officers of Petronor (jointly and

severally) as its agent and attorney to enforce this Deed Poll against Holdco.

4. CONDITIONS PRECEDENT AND TERMINATION

4.1 Conditions precedent

Holdco's obligations under clause 4 in relation to a Scheme are subject to that Scheme becoming Effective.

4.2 Termination

Holdco's obligations under this Deed Poll will automatically terminate and the terms of this Deed Poll will have no further force or effect if:

- (a) the Scheme Implementation Agreement is terminated in accordance with its terms prior to the occurrence of the Effective Date for the Scheme; or
- (b) the Scheme does not become Effective on or before the Sunset Date, unless Holdco and Petronor otherwise agree in writing.

4.3 Consequences of termination

If this Deed Poll is terminated under clause 4.2, then, in addition and without prejudice to any other rights, powers or remedies available:

- (a) Holdco is released from its obligations to further perform this Deed Poll, except for any obligations which by their nature survive termination; and
- (b) each Scheme Shareholder retains the rights it has against Holdco in respect of any breach of this Deed Poll which occurred before its termination.

5. PROVISION OF SCHEME CONSIDERATION

Subject to clause 4, Holdco undertakes to each

Scheme Shareholder:

- (a) to issue to each Scheme Shareholder (or, in accordance with the terms of the Scheme, to a nominee appointed by Holdco, on its behalf where such Scheme Shareholder is a Non-VPS Shareholder) the Scheme Consideration;
- (b) that the Holdco Shares to be issued to Scheme Shareholders in accordance with the terms of the Scheme rank equally in all respects with all other Holdco voting shares on issue as at the Implementation Date; and
- (c) to undertake all other actions attributed to it under, and otherwise comply with its obligations in, the Scheme as if it were a party to the Scheme,

subject to and in accordance with the provisions of the Scheme.

6. REPRESENTATIONS AND WARRANTIES

Holdco represents and warrants that:

- (a) it is a corporation validly existing under the laws of the place of its incorporation;
- (b) it has the corporate power to enter into and perform its obligations under this Deed Poll and to carry out the transactions contemplated by this Deed Poll;
- (c) it has taken all necessary corporate action to authorise the entry into this Deed Poll and has taken or will take all necessary corporate action to authorise the performance of this Deed Poll and to carry out the transactions contemplated by this Deed Poll; and
- (d) this Deed Poll is valid and binding upon it and enforceable against it in accordance with its terms.

7. CONTINUING OBLIGATIONS

This Deed Poll is irrevocable and, subject to clause 4, remains in full force and effect until the earlier of:

- (a) Holdco having fully performed its obligations under this Deed Poll; and
- (b) the termination of this Deed Poll under clause 4.2.

8. NOTICES

- (a) Any notice or other communication given to Holdco under or in connection with this Deed Poll must be:
 - (i) in legible writing and in English;
 - (ii) addressed to Holdco at the address or fax number set out below:

Attention: Roxana Brebenel

Address: Frøyas gate 13, 0273, Oslo, Norway

e-mail: roxana@petronorep.com
 - (iii) signed by the sender or a person duly authorised by the sender; and
 - (iv) sent to Holdco by hand, prepaid post (airmail if to or from a place outside Australia) or fax.
- (b) Without limiting any other means by which a party may be able to prove that a notice has been received by Holdco, a notice will be considered to have been received:
 - (i) if sent by hand, when left at the address of Holdco;

- (ii) if sent by pre-paid post, three Business Days (if posted within Australia to an address in Australia) or 10 Business Days (if posted from one country to another) after the date of posting; or
- (iii) if sent by fax, on receipt by the sender of an acknowledgment or transmission report generated by the sender's machine indicating that the whole fax was sent to Holdco's fax number,

but if a notice is served by hand, or is received by Holdco's fax, on a day that is not a Business Day, or after 5.00 pm (Holdco's local time) on a Business Day, the notice will be considered to have been received by Holdco at 9.00 am (Holdco's local time) on the next Business Day.

9. GENERAL

9.1 Stamp duty

Holdco:

- (a) must pay all stamp duty (if any) and any related fines, penalties and interest in respect of the Scheme and this Deed Poll, the performance of this Deed Poll and each transaction effected by or made under this Deed Poll; and
- (b) indemnifies each Scheme Shareholder and Petronor Optionholder on demand against any liability arising from failure to comply with clause 9.1 (a).

9.2 Waiver

- (a) Failure to exercise or enforce or a delay in exercising or enforcing or the partial exercise or enforcement of any right, power or remedy provided by law or under this Deed Poll by any party will not in any way preclude, or operate as a waiver of, any exercise or enforcement, or further exercise or enforcement of that or any other right, power or remedy provided by law or under this Deed Poll.
- (b) No waiver of a breach of any term of this Deed Poll will operate as a waiver of another breach of that term or of a breach of any other term of this Deed Poll.
- (c) Nothing in this Deed Poll obliges a party to exercise a right to waive any conditional term of this agreement that may be in its power.
- (d) A provision of or right under this Deed Poll may not be waived except in writing signed by the person granting the waiver.

9.3 Variation

A provision of this Deed Poll may not be varied unless the variation is agreed to in writing by Holdco and Petronor, and the Court indicates that the variation would not of itself preclude approval of the Scheme. A variation which complies with this clause is effective when Holdco enters into a further deed poll in favour of each Scheme Shareholder giving effect to the amendment.

9.4 Rights cumulative

The rights, powers and remedies of Holdco and of each Scheme Shareholder under this Deed Poll are cumulative and do not exclude any other rights, powers or remedies provided by law independently of this Deed Poll.

9.5 Assignment

The rights and obligations of Holdco and of each Scheme Shareholder under this Deed Poll are personal and must not be assigned, encumbered or otherwise dealt with at law or in equity.

9.6 Further assurances

Each party must, at its own expense, whenever requested by the other party, promptly do or, to the extent reasonably practicable, arrange for others to do everything, including executing any documents, reasonably necessary to give full effect to this Deed Poll and the transactions contemplated by this Deed Poll.

Governing law and jurisdiction

- (a) This Deed Poll is governed by the laws of Western Australia.
- (b) Holdco irrevocably and unconditionally submits to the exclusive jurisdiction of the courts of Western Australia.

EXECUTED as a deed.

EXECUTED by)
PETRONOR E&P ASA)
in accordance with its constituent)
documents and place of incorporation:)

Signature of officer

Signature of officer

Name of officer

Name of officer

ANNEXURE C – SCHEME OF ARRANGEMENT

ANNEXURE 2 – SCHEME OF ARRANGEMENT

PURSUANT TO SECTION 411 OF THE CORPORATIONS ACT 2001 (CTH)

BETWEEN:

PetroNor E&P Limited (ACN 125 419 730) of 48 Dover Street, London W1S4FF, United Kingdom (**Petronor**);

AND

The registered holders of fully paid ordinary shares in Petronor as at the Scheme Record Date.

1. PRELIMINARY

1.1 Definitions

In this Scheme, unless the contrary intention appears or the context requires otherwise:

ASIC means the Australian Securities and Investments Commission.

Business Day means a day that is not a Saturday, Sunday, public holiday or bank holiday in Perth, Western Australia.

Corporations Act means the *Corporations Act 2001* (Cth).

Court means the Federal Court of Australia or such other court of competent jurisdiction under the Corporations Act agreed in writing by Holdco and Petronor.

Deed Poll means the deed poll in respect of the Scheme to be executed and dated on or about the date of the Scheme by Holdco in favour of each Scheme Shareholder.

Effective means, when used in relation to the Scheme, the coming into effect, under section 411(10) of the *Corporations Act*, of the Scheme Order.

Effective Date means the date on which an office copy of the Scheme Order approving the Scheme is lodged with ASIC.

Euronext Expand means the regulated and licensed market under which the Petronor Shares are currently quoted.

Holdco means PetroNor E&P ASA (a corporation formed in Norway).

Holdco Share means a share of voting common stock in Holdco.

Implementation Date means the third Business Day after the Scheme Record Date, or such other day as Holdco and Petronor agree in writing.

Non-VPS Shareholder means a Scheme Shareholder whose Scheme Shares are not registered in the VPS as at the Scheme Record Date. For the purposes of this definition, Citicorp Nominees Pty Limited will only be considered a "Non-VPS Shareholder" for those Scheme Shares that it holds in a custodian capacity, that are not registered in the VPS as at the Scheme Record Date.

Petronor Share means an issued fully paid ordinary share in Petronor.

Petronor Shareholder means each person who is registered in the Register as a holder of a Petronor Share.

Register means the register of shareholders of Petronor.

Sale Agent means a person appointed by Holdco to sell the Holdco Shares that would otherwise be issued to or for the benefit of Non-VPS Shareholders under the terms of the Scheme.

Scheme Implementation Agreement means the scheme implementation agreement dated 7 October between Petronor and Holdco.

Scheme means this scheme of arrangement under Part 5.1 of the Corporations Act between Petronor and the Scheme Shareholders, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act and approved in writing by Petronor and Holdco.

Scheme Consideration means the consideration to be provided to Scheme Shareholders under the terms of this Scheme, being one Holdco Share for every one Scheme Share held by a Scheme Shareholder.

Scheme Meeting means the meeting of Petronor Shareholders ordered by the Court to be convened under section 411(1) of the Corporations Act in relation to the Scheme.

Scheme Order means the orders of the Court approving the Scheme, with or without modification, under section 411(4)(b) of the Corporations Act.

Scheme Record Date means 4.00 pm (Perth time) on the third Business Day after the Effective Date.

Scheme Share means a Petronor Share as at the Scheme Record Date.

Scheme Shareholder means each person who is registered in the Register as a holder of a Scheme Share.

Second Court Date means the date of the hearing by the Court of the application to approve the Scheme under section 411(4)(b) of the Corporations Act.

Share Registry means Computershare Limited.

Sunset Date means 5.00 pm on 31 March 2022 or such other date and time agreed in writing between Petronor and Holdco.

VPS means Norwegian Central Securities Depository.

1.2 Interpretation

In this Scheme, unless the contrary intention appears or the context requires otherwise:

- (a) unless the context requires otherwise, a reference:
 - (i) to the singular includes the plural and vice versa;

- (ii) to a gender includes all genders;
- (iii) to a document or instrument is a reference to that document or instrument as amended, consolidated, supplemented, novated or replaced;
- (iv) to a clause, paragraph, Schedule or Annexure is to a clause, paragraph, Schedule or Annexure of or to this document;
- (v) to a law includes any legislation, judgment, rule of common law or equity or rule of any applicable stock exchange, and is a reference to that law as amended, consolidated, supplemented or replaced and includes a reference to any regulation, by-law or other subordinate legislation;
- (vi) to any time is to prevailing Perth time;
- (vii) to "\$" is to the lawful currency of Australia;
- (b) the words "including" or "includes" means "including, but not limited to", or "includes, without limitation" respectively;
- (c) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (d) headings are for convenience only and do not affect interpretation of this document;
- (e) if a payment or other act must (but for this clause) be made or done on a day that is not a Business Day, then it must be made or done on the next Business Day; and
- (f) if a period must be calculated from, after or before a day or the day of an act or event, it must be calculated excluding that day.

2. PRELIMINARY

2.1 Petronor

- (a) Petronor is a public company limited by shares, incorporated in Australia and taken to be registered in Western Australia. Its registered office is at Level 4, 16 Milligan Street, Perth, Western Australia, Australia.
- (b) As at 7 October 2021, 1,326,991,006 Petronor Shares were on issue.

2.2 Holdco

Holdco is a company incorporated under the laws of Norway. Its principal executive office is at Frøyas gate 13, 0273, Oslo, Norway.

2.3 Effect of Scheme

If the Scheme becomes Effective:

- (a) Petronor will procure the issue of the Scheme Consideration to Scheme Shareholders in accordance with the terms of the Scheme; and

- (b) subject to provision of the Scheme Consideration, all of the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares at the Implementation Date, will be transferred to Holdco and Petronor will enter Holdco in the Register as the holder of the Scheme Shares.

2.4 Scheme Implementation Agreement

Petronor and Holdco have entered into the Scheme Implementation Agreement which sets out the terms on which Petronor and Holdco have agreed to implement the Scheme.

2.5 Deed Poll

The Scheme attributes actions to Holdco but does not itself impose an obligation on Holdco to perform those actions. Holdco will execute the Deed Poll in favour of each Scheme Shareholder under which it covenants, subject to the Scheme becoming Effective, to perform certain steps attributed to it under the Scheme and to do all things necessary or desirable to implement the Scheme, including to issue the Scheme Consideration.

Holdco covenants in favour of Petronor (in Petronor's own right and separately as trustee for each of the Scheme Shareholders) to execute, deliver and perform the Deed Poll prior to the dispatch of the Scheme Booklet.

3. CONDITIONS PRECEDENT

3.1 Conditions precedent to Scheme

The Scheme is conditional on and will have no force or effect until, the satisfaction of each of the following conditions precedent:

- (a) all of the conditions precedent set out in clause 3.1 of the Scheme Implementation Agreement having been satisfied or waived in accordance with the terms of the Scheme Implementation Agreement, before 8:00 am on the Second Court Date;
- (b) as at 8.00 am on the Second Court Date, neither the Scheme Implementation Agreement nor the Deed Poll having been terminated in accordance with its terms;
- (c) the Court making the Scheme Order;
- (d) any other conditions made or required by the Court under section 411(6) of the Corporations Act in relation to the Scheme, and which are acceptable to Petronor and Holdco, having been satisfied; and
- (e) the Scheme Order (and, if applicable, any orders under section 411(6) of the Corporations Act) approving the Scheme coming into effect, under section 411(10) of the Corporations Act, on or before the Sunset Date,

and the provisions of clauses 4, 5, 6 and 7 will not come into effect unless and until each of these conditions precedent has been satisfied.

3.2 Certificate in relation to conditions precedent

- (a) Prior to or at the Court hearing on the Second Court Date, Petronor and Holdco will each provide to the Court a certificate, or such other evidence as the Court requests, confirming (in respect of matters within their knowledge) whether or not all of the conditions precedent to the Scheme have been satisfied or waived.
- (b) The giving of a certificate by each of Petronor and Holdco under clause 3.2(a) will, in the absence of manifest error, be conclusive evidence of the satisfaction or waiver of the conditions precedent referred to in the relevant certificate.

3.3 Termination

Without limiting any rights under the Scheme Implementation Agreement, if the Scheme Implementation Agreement is terminated in accordance with its terms before the Scheme becomes Effective, each of Holdco and Petronor are released from:

- (a) any further obligation to take steps to implement the Scheme; and
- (b) any liability with respect to the Scheme.

3.4 Sunset Date

The Scheme will lapse and have no further force or effect if the Effective Date has not occurred on or before the Sunset Date.

4. IMPLEMENTATION OF SCHEME

4.1 Lodgement of Scheme Order

Petronor must lodge with ASIC in accordance with section 411(10) of the Corporations Act an office copy of the Scheme Order as soon as practicable on or before the first Business Day after the date on which the Court makes that Scheme Order.

4.2 Transfer of Scheme Shares

- (a) Subject to the Scheme becoming Effective and the provision of the Scheme Consideration in accordance with clause 5.1, on the Implementation Date the Scheme Shares, together with all rights and entitlements attaching to them as at the Implementation Date, will be transferred to Holdco without the need for any further act by any Scheme Shareholder by:
 - (i) Petronor delivering to Holdco a duly completed share transfer form executed on behalf of the Scheme Shareholders (which may be a master share transfer form) to transfer all the Scheme Shares to Holdco;
 - (ii) Holdco duly executing this transfer form and delivering this transfer form to Petronor for registration; and
 - (iii) to the extent applicable, Petronor effecting a valid transfer of Scheme Shares under section 1074D of the Corporations Act.

- (b) As soon as practicable after receipt of the transfer form or completion of the transfer procedure, Petronor must enter the name and address of Holdco in the Register as the holder of the Scheme Shares.
- (c) To the extent permitted by law, the Scheme Shares will be transferred to Holdco free from all mortgages, charges, liens, encumbrances, pledges, security interests and other interests of third parties of any kind.

5. SCHEME CONSIDERATION

5.1 Provision of Scheme Consideration

Petronor must use its best endeavours to procure that, in consideration for the transfer to Holdco of the Scheme Shares held by each Scheme Shareholder under the terms of this Scheme, Holdco issues to such Scheme Shareholders (or, in accordance with clause 5.2, to a nominee appointed by Holdco on its behalf where such Scheme Shareholder is a Non-VPS Shareholder) one Holdco Share for every one Petronor Share held by the Scheme Shareholder on the Scheme Record Date.

Subject to clause 5.2, the transactions which form part of this Scheme will be implemented in the following sequence on the Implementation Date:

- (a) each Scheme Shareholder (who is not a Non-VPS Shareholder) will receive the Scheme Consideration for the Scheme Shares held by that Scheme Shareholder on the Scheme Record Date;
- (b) where the Scheme Shareholder is a Non-VPS Shareholder, the Scheme Consideration for the applicable Scheme Shares will be transferred to a to a sale nominee in accordance with clause 5.2 of the Scheme below; and
- (c) in exchange, all Scheme Shares will be transferred to Holdco.

5.2 Non-VPS Shareholders

- (a) Holdco has no obligation under this Scheme to issue any Scheme Consideration in the name of a Non-VPS Shareholder under the Scheme.
- (b) The Holdco Shares that would, but for clause 5.2(a), have been issued in the name of a Non-VPS Shareholder as Scheme Consideration, must be issued by Holdco to the Sale Agent and Holdco must procure that:
 - (i) Holdco enters the name and registered address of the Sale Agent into the Holdco share register on the Implementation Date in respect of the Holdco Shares required that would otherwise be required to be issued to Non-VPS Shareholders as Scheme Consideration; and
 - (ii) do all other things required by law to effect the registration of the relevant Holdco Shares in the name of the Sale Agent.
- (c) Holdco must:
 - (i) procure that the Sale Agent:

- (A) as soon as reasonably practicable and, in any event, not more than 30 Business Days after the Implementation Date, sells all the Holdco Shares issued to the Sale Agent pursuant to clause 5.2(b) in such manner at such price and other terms as the Sale Agent determines in good faith for the benefit of the Non-VPS Shareholders; and
 - (B) promptly after receiving the proceeds in respect of the sale of all of the Holdco Shares referred to in clause 5.2(c)(i)(A), accounts to the Non-VPS Shareholders for the net proceeds of sale (on an averaged basis so that all Non-VPS Shareholders receive the same price per Holdco Share, subject to rounding to the nearest whole cent), and any income referable to those Holdco Shares, after deduction of any applicable costs or fees, brokerage, taxes and charges, at the Non-VPS Shareholders' risk in full satisfaction of the Non-VPS Shareholders' rights under this Scheme; and
- (ii) remits the net proceeds of sale to Non-VPS Shareholders by:
 - (A) making a deposit in Australian dollars into a bank account notified by the Non-VPS Shareholders to Petronor and recorded in the Petronor share register on the Record Date; or
 - (B) dispatching, or procuring the dispatch of, a cheque for the relevant amount in US dollars drawn in the name of the Non-VPS Shareholders (or in the case of joint holders, in accordance with clause 5.4) by ordinary pre-paid post to the address of that Non-VPS Shareholder appearing in the Petronor share register on the Record Date.
- (d) In the event that the Sale Agent believes, after consultation with Petronor, that a Non-VPS Shareholder is not known at its address appearing in the Petronor share register on the Record Date, the Sale Agent may credit the amount payable to that Non-VPS Shareholder to a separate bank account of Holdco to be held until the Non-VPS Shareholder claims the amount or the interest is dealt with in accordance with unclaimed money legislation, and Holdco must hold the amount in trust but any amount accruing from the amount will be to the benefit of Holdco. An amount credited to the account is to be treated as having been paid to the Non-VPS Shareholder. Holdco must maintain records of the amounts paid, the people who are entitled to the amounts and any transfers of the amounts.
- (e) Payment by Holdco to a Non-VPS Shareholder in accordance with this clause satisfies in full the Non-VPS Shareholder's right to the Scheme Consideration.
- (f) None of Holdco, Petronor or the Sale Agent gives any assurance as to the price that will be achieved for the sale of the Holdco Shares described in this clause, and the sale of the Holdco Shares under this clause will be at the risk of the Non-VPS Shareholder.

- (g) Each Non-VPS Shareholder appoints Petronor as its agent to take any necessary or appropriate actions, or to receive on its behalf any financial services guide or other notice which may be given by the Sale Agent to the Non-VPS Shareholder, in connection with its appointment or sales.
- (h) If, for any reason, the mechanism in clause 5.2 fails, becomes impossible to implement or the time prescribed for sale passes, Petronor, Holdco, the Sale Agent or any interested person may apply to the Supreme Court of Western Australia for advice, directions or orders to as fully or effectively complete the contemplated transactions, or some broadly comparable transaction, without the need for any alteration to this Scheme or any further scheme.

5.3 Obligations of Scheme Shareholders

Each Scheme Shareholder who will be issued Holdco Shares under the Scheme agrees:

- (a) to become a shareholder of Holdco;
- (b) to have their name and address entered into the register of stockholders maintained by Holdco; and
- (c) to be bound by the certificate of incorporation and bylaws of Holdco in force from time to time in respect of the Holdco Shares.

5.4 Joint holders

In the case of Scheme Shares held in joint names, any Scheme Consideration will be issued to and registered in the names of the joint holders and holding statements or notices confirming the issue of the Scheme Consideration will be forwarded to the holder whose name appears first in the Register as at the Scheme Record Date.

6. DEALINGS IN PETRONOR SHARES

6.1 Determination of Scheme Shareholders

- (a) Each Scheme Shareholder will be entitled to participate in the Scheme.
- (b) For the purpose of determining who is a Scheme Shareholder, dealings in Petronor Shares will only be recognised if share transfer forms in registrable form or transmission applications in respect of those dealings are received by the Share Registry by the Scheme Record Date.

6.2 Transfers after the Scheme Record Date

- (a) If the Scheme becomes Effective, a Petronor Shareholder (and any person claiming through that holder) must not dispose of, or purport or agree to dispose of, any Petronor Shares or any interest in them after the Scheme Record Date (other than a transfer to Holdco in accordance with the Scheme and any subsequent transfers by Holdco or its successors in title).

- (b) Petronor will not accept for registration, nor recognise for any purpose, any transfer or transmission application in respect of Petronor Shares received after the Scheme Record Date (other than a transfer to Holdco in accordance with the Scheme and any subsequent transfers by Holdco or its successors in title).

6.3 Maintenance of Register

For the purpose of determining entitlements to the Scheme Consideration, Petronor will, until the Scheme Consideration has been issued to Scheme Shareholders, maintain or procure the maintenance of the Register in accordance with this clause 6. The Register in this form will solely determine entitlements to the Scheme Consideration.

6.4 Effect of certificates and holding statements

- (a) From the Scheme Record Date, each certificate or holding statement for the Scheme Shares will cease to have any effect as a document of title in respect of the Scheme Shares or otherwise (other than holding statements in favour of Holdco and its successors in title).
- (b) Each entry on the Register as at the Scheme Record Date (other than entries in respect of Holdco and its successors in title) will cease to have any effect other than as evidence of the entitlements of Scheme Shareholders to the Scheme Consideration in respect of the Scheme Shares relating to that entry.

6.5 Information to be made available to Holdco

As soon as reasonably practicable after the Scheme Record Date and in any event at least two Business Days before the Implementation Date, Petronor will give to Holdco or as it directs or procure that Holdco be given or as it directs, details of the name, address and number of Scheme Shares held by each Scheme Shareholder as shown in the Register at the Scheme Record Date in the form Holdco reasonably requires.

7. QUOTATION OF PETRONOR SHARES

- (a) Petronor will apply for suspension of trading of Petronor Shares on Euronext Expand with effect from the close of trading on the Effective Date.
- (b) If the Scheme has been fully implemented in accordance with its terms, on the date determined by Holdco, Petronor will request for the termination of the official quotation of Petronor Shares on Euronext Expand and to have Petronor removed from the official list of Euronext Expand.

8. GENERAL SCHEME PROVISIONS

8.1 Appointment of Petronor as agent and attorney

Each Scheme Shareholder, without the need for any further act, irrevocably appoints Petronor and each of the directors and officers of Petronor (jointly and severally) as its agent and attorney for the purpose of doing all things and executing all deeds, instruments, transfers and other documents that may be necessary or desirable to give full effect to the Scheme and the transactions contemplated by it, including but not limited to:

- (a) enforcing the Deed Poll against Holdco;
- (b) completing and signing on behalf of Scheme Shareholders any required form of transfer; and
- (c) executing any document or doing any other act necessary or desirable to give full effect to this Scheme and the transactions contemplated by it, including executing a proper instrument of transfer of Scheme Shares for the purposes of section 1071B of the Corporations Act (which may be a master transfer).

Petronor may sub-delegate its functions, authorities or powers under clause 6.1 as agent and attorney of each Scheme Shareholder to any or all of its directors or officers.

8.2 Agreement by Scheme Shareholders

Each Scheme Shareholder agrees to:

- (a) the transfer of its Scheme Shares together with all rights and entitlements attaching to those Scheme Shares to Holdco in accordance with the terms of the Scheme; and
- (b) the variation, cancellation or modification (if any) of the rights attached to its Petronor Shares constituted by or resulting from the Scheme.

8.3 Warranty by Scheme Shareholders

Each Scheme Shareholder is deemed to have warranted to Petronor, and is deemed to have authorised Petronor to warrant to Holdco as agent and attorney for the Scheme Shareholder, that:

- (a) all of its Scheme Shares (including all rights and entitlements attaching to them) transferred to Holdco under the Scheme will, on the date of the transfer, be fully paid and free from all mortgages, charges, liens, encumbrances, pledges, security interests and other interests of third parties of any kind; and
- (b) it has full power and capacity to sell and transfer its Scheme Shares (including all rights and entitlements attaching to them) to Holdco.

8.4 Title to Scheme Shares

On and from the Implementation Date, pending registration by Petronor of Holdco in the Register as the holder of the Scheme Shares, Holdco will be beneficially entitled to the Scheme Shares.

8.5 Appointment of Holdco as sole proxy

On and from the Implementation Date and until registration by Petronor of Holdco in the Register as the holder of the Scheme Shares, each Scheme Shareholder:

- (a) without the need for any further act irrevocably appoints Holdco and each of its directors, officers and secretaries (jointly and each of them separately) as its agent and attorney to appoint an officer or agent

nominated by Holdco as its sole proxy and where applicable, corporate representative to:

- (i) attend shareholders' meetings of Petronor;
 - (ii) exercise the votes attached to the Scheme Shares registered in the name of the Scheme Shareholder; and
 - (iii) sign any shareholders' resolution of Petronor;
- (b) undertakes not to attend or vote at any such meetings or sign any such resolutions, whether in person, by proxy or by corporate representative other than under clause 8.6;
- (c) must take all other actions in the capacity of a registered holder of Scheme Shares as Holdco reasonably directs; and
- (d) acknowledges and agrees that in exercising the powers referred to in this clause 8.5, Holdco and each of the directors, officers and secretaries of Holdco may act in the best interests of Holdco as the intended registered holder of the Scheme Shares.

Petronor undertakes in favour of each Scheme Shareholder that it will appoint the officer or agent nominated by Holdco as that Scheme Shareholder's proxy or, where applicable, corporate representative in accordance with clause 8.5(a).

8.6 Scheme alterations and conditions

If the Court proposes to approve the Scheme subject to any alterations or conditions under section 411(6) of the Corporations Act, Petronor may, by its counsel or solicitors, and with the consent of Holdco, consent to those alterations or conditions on behalf of all persons concerned, including, for the avoidance of doubt, all Scheme Shareholders.

8.7 Effect of Scheme

The Scheme binds Petronor and all Scheme Shareholders (including those who do not attend the Scheme Meeting, do not vote at the meeting or vote against the Scheme) and, to the extent of any inconsistency and to the extent permitted by law, overrides the constitution of Petronor.

8.8 No liability when acting in good faith

Neither Petronor nor Holdco, nor any of their respective officers or agents, will be liable to a Petronor Shareholder for anything done or omitted to be done in the performance of the Scheme in good faith.

8.9 Notices

- (a) Where a notice, transfer, transmission application, direction or other communication referred to in the Scheme is sent by post to Petronor, it will not be deemed to be received in the ordinary course of post or on a date other than the date (if any) on which it is actually received at Petronor's registered office or at the Share Registry.
- (b) The accidental omission to give notice of the Scheme Meeting or the non-receipt of such a notice by any Petronor Shareholder will not,

unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

8.10 Further assurances

Each party must, at its own expense, whenever requested by the other party, promptly do or, to the extent reasonably practicable, arrange for others to do everything, including executing any documents, reasonably necessary to give full effect to this Scheme and the transactions contemplated by this Scheme.

8.11 Costs and stamp duty

Holdco will pay all stamp duty (if any) and any related fines, penalties and interest payable on the transfer by Scheme Shareholders of the Scheme Shares to Holdco.

8.12 Governing law and jurisdiction

This Scheme is governed by the laws of Western Australia. Each party irrevocably and unconditionally:

- (a) submits to the exclusive jurisdiction of the courts of Western Australia; and
- (b) waives, without limitation, any claim or objection based on absence of jurisdiction or inconvenient forum.

ANNEXURE 3 – DEED POLL

Dated this _____ day of _____ October 2021

BY:

PETRONOR E&P ASA (a corporation incorporated in Norway) of Frøyas gate 13, 0273, Oslo, Norway (**Holdco**)

IN FAVOUR OF:

each registered holder of fully paid ordinary shares in Petronor at the Scheme Record Date (each a **Scheme Shareholder** and collectively the **Scheme Shareholders**).

1. RECITALS

- A.** Petronor and Holdco are parties to a Scheme Implementation Agreement dated 7 October 2021 (**Scheme Implementation Agreement**).
- B.** Holdco is entering into this Deed Poll for the purpose of covenanting in favour of the Scheme Shareholders to perform certain of its obligations under the Scheme Implementation Agreement and certain steps attributed to it under the Scheme, including ensuring that the Scheme Consideration is issued to Scheme Shareholders.
- C.** The effect of the Scheme will be that the Scheme Shares, together with all rights and entitlements attaching to them, will be transferred to Holdco in exchange for the Scheme Consideration.

2. OPERATIVE PROVISIONS

2.1 Definitions and interpretation

Scheme means the scheme of arrangement under Part 5.1 of the Corporations Act between Petronor and Scheme Shareholders, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act.

2.2 Interpretation

- (a) Words and phrases defined in the Scheme have the same meanings in this Deed Poll unless the context requires otherwise.
- (b) Clause 1.2 of the Scheme applies to the interpretation of this Deed Poll except that references to "this document" in that clause are to be read as references to "this Deed Poll".

3. NATURE OF DEED POLL

Holdco acknowledges that:

- (a) this Deed Poll may be relied on and enforced by any Scheme Shareholder in accordance with its terms, even though the Scheme Shareholders are not a party to it; and
- (b) under the Scheme, each Scheme Shareholder irrevocably appoints Petronor and each of the directors and officers of Petronor (jointly and

severally) as its agent and attorney to enforce this Deed Poll against Holdco.

4. CONDITIONS PRECEDENT AND TERMINATION

4.1 Conditions precedent

Holdco's obligations under clause 4 in relation to a Scheme are subject to that Scheme becoming Effective.

4.2 Termination

Holdco's obligations under this Deed Poll will automatically terminate and the terms of this Deed Poll will have no further force or effect if:

- (a) the Scheme Implementation Agreement is terminated in accordance with its terms prior to the occurrence of the Effective Date for the Scheme; or
- (b) the Scheme does not become Effective on or before the Sunset Date, unless Holdco and Petronor otherwise agree in writing.

4.3 Consequences of termination

If this Deed Poll is terminated under clause 4.2, then, in addition and without prejudice to any other rights, powers or remedies available:

- (a) Holdco is released from its obligations to further perform this Deed Poll, except for any obligations which by their nature survive termination; and
- (b) each Scheme Shareholder retains the rights it has against Holdco in respect of any breach of this Deed Poll which occurred before its termination.

5. PROVISION OF SCHEME CONSIDERATION

Subject to clause 4, Holdco undertakes to each

Scheme Shareholder:

- (a) to issue to each Scheme Shareholder (or, in accordance with the terms of the Scheme, to a nominee appointed by Holdco, on its behalf where such Scheme Shareholder is a Non-VPS Shareholder) the Scheme Consideration;
- (b) that the Holdco Shares to be issued to Scheme Shareholders in accordance with the terms of the Scheme rank equally in all respects with all other Holdco voting shares on issue as at the Implementation Date; and
- (c) to undertake all other actions attributed to it under, and otherwise comply with its obligations in, the Scheme as if it were a party to the Scheme,

subject to and in accordance with the provisions of the Scheme.

6. REPRESENTATIONS AND WARRANTIES

Holdco represents and warrants that:

- (a) it is a corporation validly existing under the laws of the place of its incorporation;
- (b) it has the corporate power to enter into and perform its obligations under this Deed Poll and to carry out the transactions contemplated by this Deed Poll;
- (c) it has taken all necessary corporate action to authorise the entry into this Deed Poll and has taken or will take all necessary corporate action to authorise the performance of this Deed Poll and to carry out the transactions contemplated by this Deed Poll; and
- (d) this Deed Poll is valid and binding upon it and enforceable against it in accordance with its terms.

7. CONTINUING OBLIGATIONS

This Deed Poll is irrevocable and, subject to clause 4, remains in full force and effect until the earlier of:

- (a) Holdco having fully performed its obligations under this Deed Poll; and
- (b) the termination of this Deed Poll under clause 4.2.

8. NOTICES

- (a) Any notice or other communication given to Holdco under or in connection with this Deed Poll must be:
 - (i) in legible writing and in English;
 - (ii) addressed to Holdco at the address or fax number set out below:

Attention: Roxana Brebenel

Address: Frøyas gate 13, 0273, Oslo, Norway

e-mail: roxana@petronorep.com
 - (iii) signed by the sender or a person duly authorised by the sender; and
 - (iv) sent to Holdco by hand, prepaid post (airmail if to or from a place outside Australia) or fax.
- (b) Without limiting any other means by which a party may be able to prove that a notice has been received by Holdco, a notice will be considered to have been received:
 - (i) if sent by hand, when left at the address of Holdco;

- (ii) if sent by pre-paid post, three Business Days (if posted within Australia to an address in Australia) or 10 Business Days (if posted from one country to another) after the date of posting; or
- (iii) if sent by fax, on receipt by the sender of an acknowledgment or transmission report generated by the sender's machine indicating that the whole fax was sent to Holdco's fax number,

but if a notice is served by hand, or is received by Holdco's fax, on a day that is not a Business Day, or after 5.00 pm (Holdco's local time) on a Business Day, the notice will be considered to have been received by Holdco at 9.00 am (Holdco's local time) on the next Business Day.

9. GENERAL

9.1 Stamp duty

Holdco:

- (a) must pay all stamp duty (if any) and any related fines, penalties and interest in respect of the Scheme and this Deed Poll, the performance of this Deed Poll and each transaction effected by or made under this Deed Poll; and
- (b) indemnifies each Scheme Shareholder and Petronor Optionholder on demand against any liability arising from failure to comply with clause 9.1 (a).

9.2 Waiver

- (a) Failure to exercise or enforce or a delay in exercising or enforcing or the partial exercise or enforcement of any right, power or remedy provided by law or under this Deed Poll by any party will not in any way preclude, or operate as a waiver of, any exercise or enforcement, or further exercise or enforcement of that or any other right, power or remedy provided by law or under this Deed Poll.
- (b) No waiver of a breach of any term of this Deed Poll will operate as a waiver of another breach of that term or of a breach of any other term of this Deed Poll.
- (c) Nothing in this Deed Poll obliges a party to exercise a right to waive any conditional term of this agreement that may be in its power.
- (d) A provision of or right under this Deed Poll may not be waived except in writing signed by the person granting the waiver.

9.3 Variation

A provision of this Deed Poll may not be varied unless the variation is agreed to in writing by Holdco and Petronor, and the Court indicates that the variation would not of itself preclude approval of the Scheme. A variation which complies with this clause is effective when Holdco enters into a further deed poll in favour of each Scheme Shareholder giving effect to the amendment.

9.4 Rights cumulative

The rights, powers and remedies of Holdco and of each Scheme Shareholder under this Deed Poll are cumulative and do not exclude any other rights, powers or remedies provided by law independently of this Deed Poll.

9.5 Assignment

The rights and obligations of Holdco and of each Scheme Shareholder under this Deed Poll are personal and must not be assigned, encumbered or otherwise dealt with at law or in equity.

9.6 Further assurances

Each party must, at its own expense, whenever requested by the other party, promptly do or, to the extent reasonably practicable, arrange for others to do everything, including executing any documents, reasonably necessary to give full effect to this Deed Poll and the transactions contemplated by this Deed Poll.

Governing law and jurisdiction

- (a) This Deed Poll is governed by the laws of Western Australia.
- (b) Holdco irrevocably and unconditionally submits to the exclusive jurisdiction of the courts of Western Australia.

EXECUTED as a deed.

EXECUTED by)
PETRONOR E&P ASA)
in accordance with its constituent)
documents and place of incorporation:)

Signature of officer

Signature of officer

Name of officer

Name of officer

ANNEXURE D – DEED POLL

ANNEXURE 3 – DEED POLL

Dated this 13th day of October 2021

BY:

PETRONOR E&P ASA (a corporation incorporated in Norway) of Frøyas gate 13, 0273, Oslo, Norway (**Holdco**)

IN FAVOUR OF:

each registered holder of fully paid ordinary shares in Petronor at the Scheme Record Date (each a **Scheme Shareholder** and collectively the **Scheme Shareholders**).

1. RECITALS

- A. Petronor and Holdco are parties to a Scheme Implementation Agreement dated 7 October 2021 (**Scheme Implementation Agreement**).
- B. Holdco is entering into this Deed Poll for the purpose of covenanting in favour of the Scheme Shareholders to perform certain of its obligations under the Scheme Implementation Agreement and certain steps attributed to it under the Scheme, including ensuring that the Scheme Consideration is issued to Scheme Shareholders.
- C. The effect of the Scheme will be that the Scheme Shares, together with all rights and entitlements attaching to them, will be transferred to Holdco in exchange for the Scheme Consideration.

2. OPERATIVE PROVISIONS

2.1 Definitions and interpretation

Scheme means the scheme of arrangement under Part 5.1 of the Corporations Act between Petronor and Scheme Shareholders, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act.

2.2 Interpretation

- (a) Words and phrases defined in the Scheme have the same meanings in this Deed Poll unless the context requires otherwise.
- (b) Clause 1.2 of the Scheme applies to the interpretation of this Deed Poll except that references to "this document" in that clause are to be read as references to "this Deed Poll".

3. NATURE OF DEED POLL

Holdco acknowledges that:

- (a) this Deed Poll may be relied on and enforced by any Scheme Shareholder in accordance with its terms, even though the Scheme Shareholders are not a party to it; and
- (b) under the Scheme, each Scheme Shareholder irrevocably appoints Petronor and each of the directors and officers of Petronor (jointly and

severally) as its agent and attorney to enforce this Deed Poll against Holdco.

4. CONDITIONS PRECEDENT AND TERMINATION

4.1 Conditions precedent

Holdco's obligations under clause 4 in relation to a Scheme are subject to that Scheme becoming Effective.

4.2 Termination

Holdco's obligations under this Deed Poll will automatically terminate and the terms of this Deed Poll will have no further force or effect if:

- (a) the Scheme Implementation Agreement is terminated in accordance with its terms prior to the occurrence of the Effective Date for the Scheme; or
- (b) the Scheme does not become Effective on or before the Sunset Date, unless Holdco and Petronor otherwise agree in writing.

4.3 Consequences of termination

If this Deed Poll is terminated under clause 4.2, then, in addition and without prejudice to any other rights, powers or remedies available:

- (a) Holdco is released from its obligations to further perform this Deed Poll, except for any obligations which by their nature survive termination; and
- (b) each Scheme Shareholder retains the rights it has against Holdco in respect of any breach of this Deed Poll which occurred before its termination.

5. PROVISION OF SCHEME CONSIDERATION

Subject to clause 4, Holdco undertakes to each

Scheme Shareholder:

- (a) to issue to each Scheme Shareholder (or, in accordance with the terms of the Scheme, to a nominee appointed by Holdco, on its behalf where such Scheme Shareholder is a Non-VPS Shareholder) the Scheme Consideration;
- (b) that the Holdco Shares to be issued to Scheme Shareholders in accordance with the terms of the Scheme rank equally in all respects with all other Holdco voting shares on issue as at the Implementation Date; and
- (c) to undertake all other actions attributed to it under, and otherwise comply with its obligations in, the Scheme as if it were a party to the Scheme,

subject to and in accordance with the provisions of the Scheme.

6. REPRESENTATIONS AND WARRANTIES

Holdco represents and warrants that:

- (a) it is a corporation validly existing under the laws of the place of its incorporation;
- (b) it has the corporate power to enter into and perform its obligations under this Deed Poll and to carry out the transactions contemplated by this Deed Poll;
- (c) it has taken all necessary corporate action to authorise the entry into this Deed Poll and has taken or will take all necessary corporate action to authorise the performance of this Deed Poll and to carry out the transactions contemplated by this Deed Poll; and
- (d) this Deed Poll is valid and binding upon it and enforceable against it in accordance with its terms.

7. CONTINUING OBLIGATIONS

This Deed Poll is irrevocable and, subject to clause 4, remains in full force and effect until the earlier of:

- (a) Holdco having fully performed its obligations under this Deed Poll; and
- (b) the termination of this Deed Poll under clause 4.2.

8. NOTICES

- (a) Any notice or other communication given to Holdco under or in connection with this Deed Poll must be:
 - (i) in legible writing and in English;
 - (ii) addressed to Holdco at the address or fax number set out below:

Attention: Roxana Brebenel

Address: Frøyas gate 13, 0273, Oslo, Norway

e-mail: roxana@petronorep.com
 - (iii) signed by the sender or a person duly authorised by the sender; and
 - (iv) sent to Holdco by hand, prepaid post (airmail if to or from a place outside Australia) or fax.
- (b) Without limiting any other means by which a party may be able to prove that a notice has been received by Holdco, a notice will be considered to have been received:
 - (i) if sent by hand, when left at the address of Holdco;

- (ii) if sent by pre-paid post, three Business Days (if posted within Australia to an address in Australia) or 10 Business Days (if posted from one country to another) after the date of posting; or
- (iii) if sent by fax, on receipt by the sender of an acknowledgment or transmission report generated by the sender's machine indicating that the whole fax was sent to Holdco's fax number,

but if a notice is served by hand, or is received by Holdco's fax, on a day that is not a Business Day, or after 5.00 pm (Holdco's local time) on a Business Day, the notice will be considered to have been received by Holdco at 9.00 am (Holdco's local time) on the next Business Day.

9. GENERAL

9.1 Stamp duty

Holdco:

- (a) must pay all stamp duty (if any) and any related fines, penalties and interest in respect of the Scheme and this Deed Poll, the performance of this Deed Poll and each transaction effected by or made under this Deed Poll; and
- (b) indemnifies each Scheme Shareholder and Petronor Optionholder on demand against any liability arising from failure to comply with clause 9.1 (a).

9.2 Waiver

- (a) Failure to exercise or enforce or a delay in exercising or enforcing or the partial exercise or enforcement of any right, power or remedy provided by law or under this Deed Poll by any party will not in any way preclude, or operate as a waiver of, any exercise or enforcement, or further exercise or enforcement of that or any other right, power or remedy provided by law or under this Deed Poll.
- (b) No waiver of a breach of any term of this Deed Poll will operate as a waiver of another breach of that term or of a breach of any other term of this Deed Poll.
- (c) Nothing in this Deed Poll obliges a party to exercise a right to waive any conditional term of this agreement that may be in its power.
- (d) A provision of or right under this Deed Poll may not be waived except in writing signed by the person granting the waiver.

9.3 Variation

A provision of this Deed Poll may not be varied unless the variation is agreed to in writing by Holdco and Petronor, and the Court indicates that the variation would not of itself preclude approval of the Scheme. A variation which complies with this clause is effective when Holdco enters into a further deed poll in favour of each Scheme Shareholder giving effect to the amendment.

9.4 Rights cumulative

The rights, powers and remedies of Holdco and of each Scheme Shareholder under this Deed Poll are cumulative and do not exclude any other rights, powers or remedies provided by law independently of this Deed Poll.

9.5 Assignment

The rights and obligations of Holdco and of each Scheme Shareholder under this Deed Poll are personal and must not be assigned, encumbered or otherwise dealt with at law or in equity.

9.6 Further assurances

Each party must, at its own expense, whenever requested by the other party, promptly do or, to the extent reasonably practicable, arrange for others to do everything, including executing any documents, reasonably necessary to give full effect to this Deed Poll and the transactions contemplated by this Deed Poll.

Governing law and jurisdiction

- (a) This Deed Poll is governed by the laws of Western Australia.
- (b) Holdco irrevocably and unconditionally submits to the exclusive jurisdiction of the courts of Western Australia.

EXECUTED as a deed.

EXECUTED by)
PETRONOR E&P ASA)
in accordance with its constituent)
documents and place of incorporation:)



Signature of officer



Signature of officer

JENS PACE

Name of officer

INGVIL SMIRNES TYBRING-GJEDDE

Name of officer

ANNEXURE E – NOTICE OF SCHEME MEETING

PETRONOR E&P LIMITED

ACN 125 419 730

NOTICE OF SCHEME MEETING

**The general meeting of the Company will be held at the
Level 4, 16 Milligan Street, Perth, Western Australia
on Monday, 29 November 2021 at 4:00pm (AWST)**

This notice of general meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the PetroNor Australia Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (International).

Shareholders are urged to attend or vote by lodging the Proxy Form attached to this Notice.

NOTICE OF SCHEME MEETING

By an order of the Supreme Court of Western Australia (**Court**) made on 22 October 2021 pursuant to section 411(1) of the *Corporations Act 2001* (Cth) (**Corporations Act**), a meeting of the holders of ordinary shares (**Shareholders**) in PetroNor E&P Limited ACN 495125 419 730 (**PetroNor** or the **Company**) will be held at Level 4, 16 Milligan Street, Perth, Western Australia on Monday, 29 November 2021 at 4:00pm (AWST) (**Scheme Meeting**).

The Court has also directed that Roger Steinepreis act as chairman of the Scheme Meeting or failing him Ben Purser and has directed the chairman to report the results of the Scheme Meeting to the Court.

The *purpose* of the Scheme Meeting is to consider and, if thought fit, to approve (with or without modification) a scheme of arrangement proposed to be made between PetroNor and Shareholders (**Scheme**).

To enable you to make an informed voting decision, important information on the Scheme is set out in the booklet accompanying this Notice (**Scheme Booklet**). The Scheme Booklet and Explanatory Memorandum to this Notice and Proxy *Form* both form part of this Notice. Terms and abbreviations used in this Notice and in the Scheme Booklet are defined in the Scheme Booklet.

TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The general meeting of the Shareholders of the Company will be held at:

Level 4, 16 Milligan Street, Perth, Western Australia on Monday, 29 November 2021 at 4:00pm (AWST).

VOTING ENTITLEMENTS

The PetroNor board of directors has determined, and the Court has ordered, that a person's entitlement to vote at the Scheme Meeting will be the entitlement of that person as set out in the PetroNor share register as at 4:00pm (AWST) on Saturday, 27 November 2021.

HOW TO VOTE

The *business* of the Scheme Meeting affects your shareholding, and your vote is important. Please take action by voting in person (or authorised representative) or by proxy.

VOTING IN PERSON

To vote *in person*, attend the Scheme Meeting on the date and at the place set out above. The Scheme Meeting will commence at 4:00pm (AWST).

VOTING BY PROXY

You can appoint a proxy by voting online or by completing and returning to PetroNor the enclosed Proxy Form for the Scheme Meeting. Completed Proxy Forms must be completed and received at the Company's share registry, Computershare Investor Services Pty Limited, by 4:00pm (AWST) on Saturday, 27 November 2021, being no later than 48 hours before commencement of the Scheme Meeting by one of the following methods:

- (i) Online at:

www.investorvote.com.au and following the instructions provided.

You will need your SRN or HIN, and Control Number as shown on your Proxy Form.

You will be taken to have signed the Proxy Form if you lodge your proxy in accordance with the instructions on the website. Please read the instructions for online proxy submissions carefully before you lodge your proxy.

- (ii) Mail, using the reply-paid envelope (only for use in Australia), to:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001 Australia

- (iii) Mobile voting:

Scan the QR Code on your Proxy form and follow the prompts.

- (iv) Custodian voting:

For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions.

- (v) Fax to:

In Australia 1800 783 447

From outside of Australia +61 3 9473 2555

If you are entitled to attend and cast a vote at the Scheme Meeting, you may appoint up to two proxies. A proxy may be an individual or a corporation but need not be a Shareholder. If you appoint two proxies each proxy may exercise half of your votes if no proportion or number of votes is specified.

If you appoint a proxy but attend the Scheme Meeting yourself, the rights of the proxy to speak and vote on your behalf at the Scheme Meeting will be suspended while you are present.

The Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

CORPORATE REPRESENTATIVES

A corporation may appoint an individual as a representative to exercise its powers as Shareholder or as a Shareholder's proxy. The representative should bring to the Scheme Meeting evidence of his or her appointment, including any authority under which it is signed, unless it has been previously given to the Company's share registry.

POWERS OF ATTORNEY

A person appearing as an attorney for a Shareholder should produce a properly executed original (or certified copy) of an appropriate *power* of attorney for admission to the annual general meeting.

VPS SHAREHOLDERS

In accordance with market practice in Norway and system requirements of the Norwegian Central Securities Depository (**VPS**) and Oslo Euronext Expand, holders of Depository Receipts registered in the VPS are registered in the VPS as beneficial owners of the equivalent number of PetroNor shares and the instruments listed and traded on Oslo Euronext Expand. For the purpose of Australian law, the Australian Custodian (Citicorp Nominees Pty Limited) is, however, regarded as the legal owner of such PetroNor shares and investors registered as the beneficial owners of such PetroNor shares in the VPS will have to exercise all rights of ownership relating to the PetroNor shares, indirectly through the VPS Registrar (DNB Bank ASA) as their nominee.

The investors registered as Depository Receipt holders in the VPS must look solely to the VPS Registrar for the payment of dividends, for the exercise of voting rights attached to the PetroNor shares, and for all other rights arising in respect of the PetroNor shares. The Registrar Agreement provides that whenever the VPS Registrar receives any notice, report, accounts, financial statements, circular or other similar document relating to the Company's affairs, including notice of a PetroNor shareholder meeting, the VPS Registrar shall ensure that a copy of such document is promptly sent to the investors registered as owners in VPS, along with any proxy form or other relevant materials.

Each Depository Receipt Holder has the right to instruct the VPS Registrar to procure the Australian Custodian to vote the number of PetroNor shares which are held beneficially by the Australian Custodian on behalf of that Depository Receipt holder and which are registered on the VPS in the name of that Depository Receipt holder.

Depository Receipt holders must follow the instructions set out in the separate Proxy Vote Instruction form attached to this Notice.

AGENDA

1. Resolution - Approval of the Scheme

To consider and, if thought fit, to pass with or without amendment, the following resolution in accordance with section 411(4)(a)(ii) of the Corporations Act:

"That, pursuant to and in accordance with section 411 of the Corporations Act, the scheme of arrangement proposed between PetroNor and the holders of its ordinary shares as contained in and more particularly described in the Scheme Booklet of which the Notice forms part, is approved, and the directors of PetroNor are authorised to agree to such alterations or conditions as are thought fit by the Court, and subject to approval by the Court, to implement the Scheme with any such alterations or conditions."

Dated: 26 October 2021

By order of the Court

Angeline Hicks
Company Secretary

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Scheme Meeting to be held at Level 4, 16 Milligan Street, Perth, Western Australia on Monday, 29 November 2021 at 4:00pm (AWST).

This Explanatory Memorandum should be read in conjunction with, and forms part of, the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the resolution set out in the Notice.

A Proxy Form is located at the end of this Explanatory Memorandum.

2. Required voting majority

In order for the Scheme to become effective, the resolution set out in the Notice must be passed at a meeting by:

- (a) unless the Court orders otherwise, a majority in number (more than 50%) of Shareholders present and voting at the Scheme Meeting (whether in person or by proxy, attorney or, in the case of corporate shareholders, a corporate representative) at the meeting; and
- (b) at least 75% of the votes cast on the resolution.

The Court has the discretion under section 411(4)(a)(ii)(A) of the Corporations Act to approve the Scheme if it is approved by at least 75% of the votes cast on the resolution but not by a majority in number of Shareholders (other than excluded shareholders) present and voting at the Scheme Meeting.

Voting at the Scheme Meeting will be by poll rather than by a show of hands.

3. Court approval

In accordance with section 411(4)(b) of the Corporations Act, the Scheme (with or without alteration or conditions) is subject to approval of the Court. If the resolution proposed at the Scheme Meeting is approved by the requisite majority, and the relevant conditions of the Scheme (other than approval by the Court) are satisfied, or waived, by the time required under the Scheme, PetroNor intends to apply to the Court for the necessary orders to give effect to the Scheme.

4. Action to be taken by Shareholders

Shareholders should read the Notice including this Explanatory Memorandum carefully before deciding how to vote on the Resolution.

ANNEXURE 1 – PROXY FORM

Petronor E&P Limited

ABN 87 125 419 730

PERU

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Need assistance?



Phone:

1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:

www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **4:00pm (AWST) on Saturday, 27 November 2021**.

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999

SRN/HIN: I9999999999

PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Petronor E&P Limited hereby appoint

☐

the Chairman
of the Meeting

OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Scheme Meeting of Petronor E&P Limited to be held at Level 4, 16 Milligan Street, Perth, WA 6000 on Monday, 29 November 2021 at 4:00pm (AWST) and at any adjournment or postponement of that meeting.

Step 2 Item of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution	"That, pursuant to and in accordance with section 411 of the Corporations Act, the scheme of arrangement proposed between PetroNor and the holders of its ordinary shares as contained in and more particularly described in the Scheme Booklet of which the Notice forms part, is approved, and the directors of PetroNor are authorised to agree to such alterations or conditions as are thought fit by the Court, and subject to approval by the Court, to implement the Scheme with any such alterations or conditions."	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of the item of business.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

PERU

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Computershare



ANNEXURE 2 – DEPOSITORY RECEIPT HOLDERS



PROXY VOTE INSTRUCTION

(the "Company")

Proxy instruction solicited for Scheme Meeting to be held Monday, 29 November 2021 at 4:00pm (Australian Western Standard Time)

In accordance with market practice in Norway and system requirements of the Norwegian Central Securities Depository (VPS) and Oslo Euronext Expand, holders of Depository Receipts registered in the VPS are registered in the VPS as beneficial owners of the equivalent number of Company shares and the instruments listed and traded on Oslo Euronext Expand. For the purpose of Australian law, the Australian Custodian (Citicorp Nominees Pty Limited) is, however, regarded as the legal owner of such Company shares and investors registered as the beneficial owners of such Company shares in the VPS will have to exercise all rights of ownership relating to the Company shares, indirectly through the VPS Registrar (DNB Bank ASA) as their nominee.

As a Depository Receipt Holder, you have the right to instruct the VPS Registrar to procure the Australian Custodian to vote the number of Company shares which are held beneficially by the Australian Custodian on your behalf.

As you are not recorded in the Company Register of Members maintained by Computershare in Australia in which the Company is incorporated, any voting at the Company's General Meeting, or alternatively issue of a proxy, will have to be executed via DNB Bank ASA ("DNB").

You must ensure this form reaches DNB by 21 November 2021, 17:00 hours Central European Time, otherwise your instruction to lodge a proxy vote will not count. See further details below.

The undersigned hereby authorize DNB to instruct Citicorp Nominees Pty Limited to vote that number of Company shares held by Citicorp Nominees Pty Limited in a custodian capacity, on behalf of the undersigned, in accordance with the below instruction:



Please mark your votes as in this example.

Resolution:

	FOR	AGAINST	ABSTAIN
1. Approval of the Scheme resolution: "That, pursuant to and in accordance with section 411 of the Corporations Act, the scheme of arrangement proposed between PetroNor and the holders of its ordinary shares as contained in and more particularly described in the Scheme Booklet of which the Notice forms part, is approved, and the directors of PetroNor are authorised to agree to such alterations or conditions as are thought fit by the Court, and subject to approval by the Court, to implement the Scheme with any such alterations or conditions."			

Signature(s) _____ Date: _____

Name of shareholder in block letters: _____

Note: Please sign exactly as name appears below, joint owners should each sign. When signing as attorney, executor, administrator or guardian, please give full title as such.

Please return your completed and signed proxy, to be received by DNB Bank ASA on or prior to 21 November 2021, 17:00 hours Central European Time, preferably by way of e-mail to e-mail address: vote@dnb.no or by ordinary mail to DNB Bank ASA, Registrars Dept., P.O. Box 1600 Sentrum, 0021 Oslo, Norway, or if delivery by hand to: DNB Bank ASA, Registrars Dept., attn.: K. G. Berg, Dronning Eufemias gate 30, 0191 Oslo, Norway.

ANNEXURE F - COMPARISON OF AUSTRALIAN AND NORWEGIAN LAWS AND A SUMMARY OF THE RIGHTS ATTACHING TO NEW PETRONOR NORWAY SHARES

	PETRONOR AUSTRALIA	PETRONOR NORWAY
Meeting of Shareholders - Notice of Meetings	<p>Notice of a general meeting of PetroNor Australia Shareholders must be given at least 28 days before the date of the meeting. PetroNor Australia Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of PetroNor Australia.</p> <p>No business shall be transacted at any general meeting unless a quorum is present comprising two PetroNor Australia Shareholders present in person, by proxy, attorney or representative. If a quorum is not present within 30 minutes after the time appointed for a general meeting, the meeting, if convened upon a requisition shall be dissolved, but in any other case, it shall stand adjourned to a date and at the time and place to be fixed by the Directors. If at such adjourned meeting a quorum is not present within 30 minutes after the time appointed for the adjourned meeting, the meeting is dissolved.</p>	<p>Through the general meeting, shareholders exercise supreme authority in a Norwegian company. In accordance with Norwegian law, the annual general meeting of shareholders is required to be held on or prior to 30 June of each year. Norwegian law requires that written notice of annual general meetings setting forth the time of, the venue for and the agenda of the meeting be sent to all shareholders with a known address no later than 21 days before the annual general meeting of a Norwegian public limited liability company listed on a stock exchange or a regulated market shall be held, unless the Articles of Association stipulate a longer deadline, which is not currently the case for PetroNor Norway.</p>
Meeting of Shareholders – Voting Entitlements	<p>Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of PetroNor Australia Shareholders:</p> <ul style="list-style-type: none"> (i) each PetroNor Australia Shareholder entitled to vote may vote in person or by proxy, attorney or representative; (ii) on a show of hands, every person present who is a PetroNor Australia Shareholder or a proxy, attorney or representative of a PetroNor Australia Shareholder has one vote; and (iii) on a poll, every person present who is a PetroNor Australia Shareholder or a proxy, attorney or representative of a PetroNor Australia Shareholder shall, in respect of each fully paid PetroNor Australia Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each PetroNor Australia Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such PetroNor Australia Shares registered in the PetroNor Australia Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited). 	<p>A shareholder may vote at the general meeting either in person or by proxy appointed at their own discretion. Unless the Articles of Association provide for a certain record date, all of PetroNor Norway's shareholders who are registered in the register of shareholders maintained with the VPS as of the date of the general meeting, or who have otherwise reported and documented ownership to Shares, are entitled to participate at general meetings.</p> <p>Apart from the annual general meeting, extraordinary general meetings of shareholders may be held if the Board of Directors considers it necessary. An extraordinary general meeting of shareholders must also be convened if, in order to discuss a specified matter, the auditor or shareholders representing at least 5% of the share capital demands this in writing. The requirements for notice and admission to the annual general meeting also apply to extraordinary general meetings. However, the annual general meeting of a Norwegian public limited liability company may with a majority of at least two-thirds of the aggregate number of votes cast, as well as at least two-thirds of the share capital represented at a general meeting resolve that extraordinary general meetings may be convened with a 14 days' notice period until the next annual general meeting, provided that PetroNor Norway has procedures in place allowing shareholders to vote electronically.</p>

	<p>At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is demanded by:</p> <ul style="list-style-type: none"> (i) the chairman of the meeting; (ii) at least 5 PetroNor Australia Shareholders present in person or by proxy, attorney or representative having the right to vote on the resolution; or (iii) any one or more PetroNor Australia Shareholders holding not less than 5% of the total voting rights of all PetroNor Australia Shareholders having the right to vote on the resolution. <p>Subject to the requirements of the Corporations Act and the PetroNor Australia Constitution, a resolution is taken to be carried if a majority of the votes cast on the resolution are in favour of it.</p> <p>The Corporations Act requires certain matters to be resolved by a special resolution of the shareholders of a company, including:</p> <ul style="list-style-type: none"> (i) amending or repealing the constitution of the company; (ii) changing the name of the company; (iii) changing the type of the company; (iv) conducting a selective reduction of capital or selective share buy-back; and (v) deciding to voluntarily wind up the company. <p>A special resolution must be passed by at least 75% of the votes cast by PetroNor Australia Shareholders entitled to vote.</p> <p>The PetroNor Australia Constitution also requires certain matters to be resolved by a special resolution of PetroNor Australia Shareholders, including the variation of class rights attaching to shares and the exercise of powers by a liquidator on a winding up.</p>	
Meeting of Shareholders – Shareholders’ Rights to Bring a Resolution Before a Meeting	<p>The Corporations Act prescribes that PetroNor Australia Shareholders holding at least 5% of the votes that may be cast on a resolution or at least 100 PetroNor Australia Shareholders who are entitled to vote at a general meeting may, by written notice to PetroNor Australia, propose a resolution for consideration at the next general meeting.</p>	<p>Minority shareholders holding 5% or more of PetroNor Norway's share capital have a right to demand in writing that the Board of Directors convene an extraordinary general meeting to discuss or resolve specific matters. In addition, any of PetroNor Norway's shareholders may in writing demand that PetroNor Norway place an item on the agenda for any general meeting as long as PetroNor Norway is notified in time for such item to be included in the notice of the meeting. If the notice has been issued when such a written demand is presented, a renewed notice must be issued if the deadline for issuing notice of the general meeting has not expired.</p>
Directors – Directors’ Management of the Business of the Company	<p>Subject to the Corporations Act and the PetroNor Australia Constitution, the business of PetroNor Australia shall be managed by the PetroNor Australia Directors, who may pay all</p>	<p>The overall management of the Group is vested in the Board of Directors and the Group's Management. In accordance with Norwegian law, the Board of Directors is responsible for, among other things, supervising the general and day-to-day</p>

	<p>expenses incurred in promoting and forming PetroNor Australia, and may exercise all such powers of PetroNor Australia as are not, by the Corporations Act or by the PetroNor Australia Constitution, required to be exercised by PetroNor Australia in general meeting.</p>	<p>management of the Group's business, ensuring proper organisation, preparing plans and budgets for its activities, ensuring that the Group's activities, accounts and assets management are subject to adequate controls and undertaking investigations necessary to perform its duties.</p> <p>Management is responsible for the day-to-day management of the Group's operations in accordance with Norwegian law and instructions prepared by the Board of Directors. Among other responsibilities, the Group's chief executive officer is responsible for keeping the Group's accounts in accordance with prevailing Norwegian legislation and regulations and for managing the Group's assets in a responsible manner. In addition, the CEO must, pursuant to Norwegian law, brief the Board of Directors about the Group's activities, financial position and operating results at least once per month.</p>
Directors – Number and Election if Directors	<p>The PetroNor Australia Constitution provides that PetroNor Australia must have no less than three and no more than twelve directors. The PetroNor Australia Board may at any time appoint any person to be a PetroNor Australia Director, either to fill a casual vacancy or as an addition to the existing PetroNor Australia Directors. Additional PetroNor Australia Directors may also be appointed by a resolution passed in general meeting.</p> <p>In accordance with the Corporations Act, two PetroNor Australia Directors must ordinarily reside in Australia.</p> <p>At PetroNor Australia's annual general meeting in every year, one-third of the PetroNor Australia Directors, or, if their number is not a multiple of three, then the number nearest one-third (rounded upwards in case of doubt), shall retire from office, provided always that no PetroNor Australia Director except a Managing Director shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself for re-election. A retiring PetroNor Australia Director is eligible for re-election.</p>	<p>As per the Norwegian Public Limited Liability Companies Act, PetroNor Norway shall have a board of directors comprising of at least three members. Companies which have a corporate assembly shall have a board comprising of at least five members. The board of directors elects its own chairman except when the chairman has been elected by the general meeting. Directors are elected by the general meeting with simple majority, which also decides whether to elect any deputy directors.</p> <p>On the board of directors of Norwegian public limited liability companies, both sexes shall be represented in the following manner:</p> <ul style="list-style-type: none"> (i) If the board of directors has two or three members, both sexes shall be represented. (ii) If the board of directors has four or five members, each sex shall be represented by at least two members. (iii) If the board of directors has six to eight members, each sex shall be represented by at least three members. (iv) If the board of directors has nine members, each sex shall be represented by at least four members, and if the board of directors has more members, each sex shall represent at least 40 percent of the members of the board. <p>Members of the board of directors serve for two years. The Articles of Association may provide for a shorter or longer term of service, although not for more than four years. For the purpose of supplementary elections, the period of service may be made shorter.</p>
Directors – Removal of Directors	<p>PetroNor Australia Shareholders may by resolution remove any PetroNor Australia Director before the expiration of his period of office and may by resolution appoint another person in his place.</p>	<p>The general meeting may by simple majority elect to replace or remove one or more of the members of the board of directors prior to expiry of the term of service. If the chairman has been elected by the board pursuant to Section § 6-1 (1) of the Norwegian Public Limited Liability Companies Act, the board of directors may resolve to remove the chairman.</p>
Amendments to Constituent Documents	<p>In accordance with the Corporations Act, the PetroNor Australia Constitution can only be amended by a special resolution passed by at least three quarters of PetroNor Australia Shareholders</p>	<p>In general, in order to amend the Articles of Association such proposal must receive the approval of at least two-thirds of the aggregate number of votes cast as well as at least two-thirds of the share capital represented at a general meeting.</p>

	present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.	
Issue of New Shares	<p>Subject to restrictions on the issue or grant of securities contained in the PetroNor Australia Constitution and the Corporations Act (and without affecting any special right previously conferred on the holders of any existing shares or class of shares), the PetroNor Australia Directors may issue PetroNor Australia Shares as they shall, in their absolute discretion, determine.</p>	<p>If PetroNor Norway issues any new Shares, including bonus share issues, the Articles of Association must be amended, which requires the same vote as other amendments to the Articles of Association. In addition, under Norwegian law, PetroNor Norway's shareholders have a preferential right to subscribe for new Shares issued by PetroNor Norway. Preferential rights may be derogated from by resolution in a general meeting passed by the same vote required to amend the Articles of Association. A derogation of the shareholders' preferential rights in respect of bonus issues requires the approval of all outstanding Shares.</p> <p>The general meeting may, by the same vote as is required for amending the Articles of Association, authorize the Board of Directors to issue new Shares, and to derogate from the preferential rights of shareholders in connection with such issuances. Such authorization may be effective for a maximum of two years, and the nominal value of the Shares to be issued may not exceed 50% of the registered nominal share capital when the authorization is registered with the Norwegian Register of Business Enterprises.</p> <p>Under Norwegian law, PetroNor Norway may increase its share capital by a bonus share issue, subject to approval by PetroNor Norway's shareholders, by transfer from PetroNor Norway's distributable equity and thus the share capital increase does not require any payment of a subscription price by the shareholders. Any bonus issues may be affected either by issuing new shares to PetroNor Norway's existing shareholders or by increasing the nominal value of PetroNor Norway's outstanding Shares.</p> <p>Issuance of new Shares to shareholders who are citizens or residents of the United States upon the exercise of preferential rights may require PetroNor Norway to file a registration statement in the United States under United States securities laws. Should PetroNor Norway in such a situation decide not to file a registration statement, PetroNor Norway's U.S. shareholders may not be able to exercise their preferential rights. If a U.S. shareholder is ineligible to participate in a rights offering, such shareholder would not receive the rights at all and the rights may be sold on the shareholder's behalf by PetroNor Norway.</p>
Variation of Class Rights	<p>If at any time the share capital of PetroNor Australia is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not PetroNor Australia is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.</p>	<p>A resolution to divide the share capital into two or more classes of shares will require amendments to the Articles of Association to PetroNor Norway. A resolution to amend the Articles of Association shall be adopted by the general meeting, except as otherwise provided by statute. The resolution requires the support of at least two-thirds of the votes cast and of the share capital represented at the general meeting.</p> <p>A resolution to amend the Articles of Association which detracts from the rights of an entire class of shares requires the support of owners of two-thirds of the represented capital of that class. Moreover, at least half the votes of the</p>

		shareholders who do not own shares in any other class shall have been cast in favour of the proposal.
Protection of Minority Shareholders/Oppression Remedy	<p>Under the Corporations Act, any PetroNor Australia Shareholder can bring an action in cases of conduct which is contrary to the interests of PetroNor Australia Shareholders as a whole, or oppressive to, unfairly prejudicial to, or unfairly discriminatory against, any PetroNor Australia Shareholder(s), whether in their capacity as a PetroNor Australia Shareholder or in any other capacity. Former PetroNor Australia Shareholders can also bring an action if it relates to the circumstances in which they ceased to be a PetroNor Australia Shareholder.</p> <p>A statutory derivative action may also be instituted by a PetroNor Australia Shareholder, a former PetroNor Australia Shareholder or a person entitled to be registered as a PetroNor Australia Shareholder. In all cases, leave of the court is required to bring an action. Such leave will be granted if the court is satisfied that:</p> <ul style="list-style-type: none"> (i) it is probable that PetroNor Australia will not itself bring the proceedings or properly take responsibility for them or for the steps in them; (ii) the applicant is acting in good faith; (iii) it is in the best interests of PetroNor Australia that the applicant be granted leave; (iv) if the applicant is applying for leave to bring proceedings, there is a serious question to be tried; and (v) either at least 14 days before making the application, the applicant gave written notice to PetroNor Australia of the intention to apply for leave and the reasons for applying, or it is otherwise appropriate to grant leave. <p>In addition to the above, a PetroNor Australia Securityholder may be able to bring a claim against PetroNor Australia based on the general laws of contract, tort or other laws applicable in Australia.</p>	<p>Norwegian law sets forth a number of protections for minority shareholders of PetroNor Norway, including but not limited to those described in this paragraph and the description of general meetings as set out above. Any of PetroNor Norway's shareholders may petition Norwegian courts to have a decision of the Board of Directors or PetroNor Norway's shareholders made at the general meeting declared invalid on the grounds that it unreasonably favors certain shareholders or third parties to the detriment of other shareholders or PetroNor Norway itself. The Company's shareholders may also petition the courts to dissolve PetroNor Norway as a result of such decisions to the extent particularly strong reasons are considered by the court to make necessary dissolution of PetroNor Norway.</p> <p>Minority shareholders holding 5% or more of PetroNor Norway's share capital have a right to demand in writing that the Board of Directors convene an extraordinary general meeting to discuss or resolve specific matters. In addition, any of PetroNor Norway's shareholders may in writing demand that PetroNor Norway place an item on the agenda for any general meeting as long as PetroNor Norway is notified in time for such item to be included in the notice of the meeting. If the notice has been issued when such a written demand is presented, a renewed notice must be issued if the deadline for issuing notice of the general meeting has not expired.</p>
Source and Payment of Dividends	<p>The PetroNor Australia Constitution provides that subject to the rights of any preference shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the PetroNor Australia Directors may from time to time declare a dividend to be paid to the PetroNor Australia Shareholders entitled to the dividend which shall be payable on all PetroNor Australia Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such PetroNor Australia Shares.</p>	<p>Dividends may be paid in cash, or in some instances as dividends in kind. The Norwegian Public Limited Liability Companies Act provides the following constraints on the distribution of dividends applicable to PetroNor Norway:</p> <ul style="list-style-type: none"> • section 8-1 of the Norwegian Public Limited Liability Companies Act provides that PetroNor Norway may distribute dividends to the extent that PetroNor Norway's net assets following the distribution are sufficient to cover (i) PetroNor Norway's share capital, (ii) PetroNor Norway's reserve for valuation variances and (iii) PetroNor Norway's reserve for unrealised gains. Any receivables of PetroNor Norway which are secured through a pledge over PetroNor Norway's Shares and the aggregate amount of credit and security which, pursuant to Sections 8-7

	<p>The PetroNor Australia Directors may from time to time pay to the PetroNor Australia Shareholders any interim dividends as they may determine. No dividend shall carry interest as against PetroNor Australia. The PetroNor Australia Directors may set aside out of the profits of PetroNor Australia any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of PetroNor Australia may be properly applied.</p> <p>Subject to the Corporations Act, PetroNor Australia may, by resolution of the PetroNor Australia Directors, implement a dividend reinvestment plan on such terms and conditions as the PetroNor Australia Directors think fit and which provides for any dividend which the PetroNor Australia Directors may declare from time to time payable on PetroNor Australia Shares which are participating PetroNor Australia Shares in the dividend reinvestment plan, less any amount which PetroNor Australia shall either pursuant to the PetroNor Australia Constitution or any law be entitled or obliged to retain, be applied by PetroNor Australia to the payment of the subscription price of PetroNor Australia Shares.</p>	<p>through to 8-10 of the Norwegian Public Limited Liability Companies Act fall within the limits of distributable equity are to be deducted from the distributable amount;</p> <ul style="list-style-type: none"> the calculation of the distributable equity shall be made on the basis of the balance sheet included in the approved annual accounts for the previous financial year, provided, however, that the registered share capital as at the date of the resolution to distribute dividends shall be applied. Following approval of the annual accounts for the last financial year, the General Meeting may also authorise the Board of Directors to declare dividends on the basis of PetroNor Norway's annual accounts. Dividends may also be resolved by the General Meeting based on an interim balance sheet which has been prepared and audited in accordance with the provisions applying to the annual accounts and with a balance sheet date no older than six months before the date of the General Meeting's resolution; and dividends can only be distributed to the extent that PetroNor Norway's equity and liquidity following the distribution is considered sound in light of the risk and scope of PetroNor Norway's business. <p>The Norwegian Public Limited Liability Companies Act does not provide any time limit after which entitlement to dividends lapses. Subject to various exceptions, Norwegian law provides a limitation period of three years from the date on which an obligation is due. There are no dividend restrictions or specific procedures for non-Norwegian resident shareholders to claim dividends.</p>
Remuneration of Directors and Officers	<p>The total maximum remuneration of non-executive PetroNor Australia Directors is initially set by the constitution of PetroNor Australia and subsequent variation is by ordinary resolution of PetroNor Australia Shareholders in general meeting in accordance with the PetroNor Australia Constitution and the Corporations Act. The determination of non-executive PetroNor Australia Directors' remuneration within that maximum will be made by the PetroNor Australia Board having regard to the inputs and value to PetroNor Australia of the respective contributions by each non-executive PetroNor Australia Director. The current amount has been set at an amount not to exceed AUD\$900,000 per annum.</p> <p>The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.</p>	<p>Norwegian company law does not directly regulate remuneration to directors and officers. As such, it is up PetroNor Norway's general meeting to decide upon remuneration to members of the Board of Directors, e.g. on an annual basis or through a resolution to regulate remuneration exceeding a certain amount in the Articles of Association.</p>
Retirement Benefits	<p>The Corporations Act places restrictions upon the payment of retirement benefits to a person in connection with a person's retirement from a board or managerial office. The Corporations Act prohibits the giving of a benefit in connection with a person's retirement from a board or managerial office unless the relevant</p>	<p>Norwegian Company law does not place any direct restrictions on the payment of retirement benefits to a person retiring from a board position or managerial position.</p>

	benefit falls within one of the exceptions or is below the prescribed monetary threshold.	
Fiduciary Duties of Directors and Officers	<p>Directors are subject to a wide range of common law duties and statutory duties under the Corporations Act, including the:</p> <ul style="list-style-type: none"> (i) duty to act in good faith in the interests of the company as a whole; (ii) duty not to act for an improper purpose; (iii) duty of care and diligence; (iv) duty to avoid conflicts of interest; (v) duty not to disclose confidential information; (vi) duty not to abuse corporate opportunities; (vii) duty to act with care and diligence; (viii) duty not to misuse position or information; (ix) duty to disclose a material personal interest; and (x) duty to prevent the company trading whilst insolvent. 	<p>Members of the Board of Directors owe a fiduciary duty to PetroNor Norway and its shareholders. Such fiduciary duty requires that the Board Members act in the best interests of PetroNor Norway when exercising their functions and exercise a general duty of loyalty and care towards PetroNor Norway. Their principal task is to safeguard the interests of PetroNor Norway.</p> <p>Members of the Board of Directors may each be held liable for any damage they negligently or wilfully cause PetroNor Norway. Norwegian law permits the general meeting to discharge any such person from liability, but such discharge is not binding on PetroNor Norway if substantially correct and complete information was not provided at the general meeting of PetroNor Norway's shareholders passing upon the matter. If a resolution to discharge the Board Members from liability or not to pursue claims against such a person has been passed by a general meeting with a smaller majority than that required to amend the Articles of Association, shareholders representing more than 10% of the share capital or, if there are more than 100 shareholders, more than 10% of the shareholders may pursue the claim on PetroNor Norway's behalf and in its name. The cost of any such action is not PetroNor Norway's responsibility but can be recovered from any proceeds PetroNor Norway receives as a result of the action. If the decision to discharge any of the Board Members from liability or not to pursue claims against the Board Members is made by such a majority as is necessary to amend the Articles of Association, the minority shareholders of PetroNor Norway cannot pursue such claim in PetroNor Norway's name.</p>
Release from Liability and Indemnification of Directors and Officers	<p>PetroNor Australia and its Related Bodies Corporate cannot exempt an officer from liability to it incurred in his capacity as an officer or indemnify an officer against a liability owed to it or a Related Body Corporate. However, PetroNor Australia may indemnify an officer against a liability owed to someone other than PetroNor Australia or a Related Body Corporate (and also the cost of any related legal proceedings), provided the liability does not arise out of conduct involving a lack of good faith or the liability is not a penalty or compensation order made under the Corporations Act. For the purposes of these provisions, an 'officer' includes a director, secretary or senior manager of PetroNor Australia.</p> <p>PetroNor Australia has entered into a deed of indemnity, insurance and access with each of the PetroNor Australia Directors. Under these deeds, PetroNor Australia agrees to indemnify each officer to the extent permitted by the Corporations Act against any liability arising as a result of the officer acting as an officer of PetroNor Australia and its Related Bodies Corporate.</p>	<p>Neither Norwegian law nor the Articles of Association contains any provision concerning indemnification by PetroNor Norway of the Board of Directors. The company is permitted to purchase insurance for its Board Members against certain liabilities that they may incur in their capacity as such.</p>

Transactions Involving Directors, Officers, or Related Parties	<p>The Corporations Act prohibits PetroNor Australia from giving a related party a financial benefit unless it:</p> <ul style="list-style-type: none"> (i) obtains the approval of PetroNor Australia Shareholders and gives the benefit within 15 months after such approval; or (ii) the giving of the benefit falls within one of the prescribed exceptions (including, but not limited to the payment of reasonable remuneration and the giving of a financial benefit on arm's length terms). 	<p>Pursuant to the Norwegian Public Limited Liability Companies Act, a material agreement between a company listed on a regulated market (including the Oslo Stock Exchange main list) and a related party shall be approved by the general meeting. In voting on whether to grant the approval, voting rights may not be exercised for shares owned by the affiliated party, or by another enterprise in the same group or enterprise group.</p> <p>By material agreement is meant any agreement under which the fair value of the obligations of the company at the time of the conclusion thereof exceed 2.5 per cent of the balance sheet amount of the company's last approved annual financial statement.</p> <p>The rules do not apply to, inter alia:</p> <ul style="list-style-type: none"> (i) any agreement concluded in the ordinary course of the company's activities which is based on customary business terms and principles; (ii) any agreement under which the fair value of the obligations of the company at the time of the conclusion thereof is less than NOK 250,000; (iii) any agreement as mentioned in §§ 6-10 and 6-16 a; (iv) any agreement for the transfer of tradable securities as mentioned in § 2-4 first paragraph of the Securities Trading Act at a price in accordance with that quoted in a regulated market; (v) any agreement concluded in accordance with the provisions in the Norwegian Public Limited Liability Companies Act relating to credit and other financial assistance for the acquisition of shares in the company, etc; (vi) any agreement concluded with a wholly-owned subsidiary; (vii) any agreement concluded with a partly-owned subsidiary, provided that none of the company's related parties have an interest in the subsidiary; (viii) any agreement approved by the Financial Supervisory Authority of Norway under the provisions in chapter 20 of the Financial Institutions Act.
Directors' Declaration and Interests	<p>In accordance with the Corporations Act, a PetroNor Australia Director who has a material personal interest in a matter that relates to the affairs of PetroNor Australia must give the other PetroNor Australia Director notice of that interest, unless the matter is exempt from the notice requirements (i.e. an interest which arises because the PetroNor Australia Director is a PetroNor Australia Shareholder and such interest is held in common with the other PetroNor Australia Shareholders). Provided that the matter is not exempt from the notice requirements, that PetroNor Australia Director must not be present at a meeting where the matter is being considered or vote on the matter unless:</p>	<p>A member of the Board of Directors may not participate in the discussion or decision of any matter which is of such particular importance to himself or any related party that he must be deemed to have a special and prominent personal or financial interest in the matter. This provision is similarly applicable to the general manager.</p> <p>Nor may a member of the Board of Directors or general manager participate in any decision to grant a loan or other credit to him-self or to issue security for his own debt.</p> <p>Members of the Board of Directors and others who represent the company by way virtue of being a board member or otherwise as a general manager may not adopt any measure which may tend to give certain shareholders or others an unreasonable benefit at the expense of other shareholders or the company.</p>

	<p>(i) the other PetroNor Australia Directors are satisfied that the material personal interest of the relevant PetroNor Australia Director should not disqualify the PetroNor Australia Director from voting or being present at the meeting; or</p> <p>(ii) ASIC makes a declaration or a class order permitting the PetroNor Australia Director to be present and vote on the matter.</p> <p>Failure of a PetroNor Australia Director to disclose a material personal interest, or voting despite a material personal interest, does not affect the validity of any resolution.</p>	
Takeovers – Takeover Requirements	<p>Under the Corporations Act, a person must not acquire a relevant interest in issued voting shares in a listed company if the person acquiring the interest does so through a transaction in relation to securities entered into by or on behalf of the person and because of the transaction, that person's or someone else's voting power in the company increases:</p> <p>(i) from 20% or below to more than 20%; or</p> <p>(ii) from a starting point that is above 20% and below 90%.</p> <p>There are a number of exceptions to this prohibition, including where the acquisition:</p> <p>(i) has been approved by shareholders;</p> <p>(ii) occurs under a rights issue; or</p> <p>(iii) the acquisition is made under a scheme of arrangement or takeover bid.</p>	<p>The Norwegian Securities Trading Act requires any person, entity or consolidated group that becomes the owner of shares representing more than one-third of the voting rights of a company listed on a Norwegian regulated market (with the exception of certain foreign companies) to, within four weeks, make an unconditional general offer for the purchase of the remaining shares in that company. A mandatory offer obligation may also be triggered where a party acquires the right to become the owner of shares that, together with the party's own shareholding, represent more than one-third of the voting rights in the company and Oslo Børs decides that this is regarded as an effective acquisition of the shares in question.</p> <p>The mandatory offer obligation ceases to apply if the person, entity or consolidated group sells the portion of the shares that exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered (or provided that the person, entity or consolidated group has not already stated that it will proceed with the making of a mandatory offer).</p> <p>When a mandatory offer obligation is triggered, the person subject to the obligation is required to immediately notify Oslo Børs and the company in question accordingly. The notification is required to state whether an offer will be made to acquire the remaining shares in the company or whether a sale will take place. As a rule, a notification to the effect that an offer will be made cannot be retracted. The offer and the offer document required are subject to approval by Oslo Børs before the offer is submitted to the shareholders or made public.</p> <p>The offer price per share must be at least as high as the highest price paid or agreed by the offeror for the shares in the six-month period prior to the date the threshold was exceeded. If the acquirer acquires or agrees to acquire additional shares at a higher price prior to the expiration of the mandatory offer period, the acquirer is obliged to restate its offer at such higher price. A mandatory offer must be in cash or contain a cash alternative at least equivalent to any other consideration offered. The settlement must be guaranteed by a financial institution authorised to provide such guarantees in Norway.</p> <p>In case of failure to make a mandatory offer or to sell the portion of the shares that exceeds the relevant threshold within four weeks, Oslo Børs may force the acquirer to sell the shares exceeding the threshold by public auction. Moreover, a</p>

		<p>shareholder who fails to make an offer may not, as long as the mandatory offer obligation remains in force, exercise rights in the company, such as voting in a general meeting, without the consent of a majority of the remaining shareholders. The shareholder may, however, exercise his/her/its rights to dividends and pre-emption rights in the event of a share capital increase. If the shareholder neglects his/her/its duty to make a mandatory offer, Oslo Børs may impose a cumulative daily fine that runs until the circumstance has been rectified.</p> <p>Any person, entity or consolidated group that owns shares representing more than one-third of the votes in a company listed on a Norwegian regulated market (with the exception of certain foreign companies) is obliged to make an offer to purchase the remaining shares of the company (repeated offer obligation) if the person, entity or consolidated group through acquisition becomes the owner of shares representing 40%, or more of the votes in the company. The same applies if the person, entity or consolidated group through acquisition becomes the owner of shares representing 50% or more of the votes in the company. The mandatory offer obligation ceases to apply if the person, entity or consolidated group sells the portion of the shares which exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered (provided that the person, entity or consolidated group has not already stated that it will proceed with the making of a mandatory offer).</p> <p>Any person, entity or consolidated group that has passed any of the above mentioned thresholds in such a way as not to trigger the mandatory bid obligation, and has therefore not previously made an offer for the remaining shares in the company in accordance with the mandatory offer rules is, as a main rule, obliged to make a mandatory offer in the event of a subsequent acquisition of shares in the company.</p>
Takeovers – Takeover Defence Mechanisms	Under Australian takeovers legislation and policy, boards of target companies are limited in the defensive mechanisms that they can put in place to discourage or defeat a takeover bid.	Under Norwegian law on takeovers, the Board of Directors of target companies are limited in the defense mechanisms they can put in place to frustrate or defeat a takeover bid, as further regulated in Section 6 of the Norwegian Securities Trading Act.
Disclosure of Substantial Shareholders	<p>In accordance with the provisions of the Corporations Act, if a person acquires a 'substantial holding' in PetroNor Australia, that person will be required to publicly disclose prescribed information relating to the acquisition, including the person's name and address, details of the relevant interest and the name of each associate who has a relevant interest in the PetroNor Australia Shares. Additional disclosure must be made if a movement of at least 1% occurs to that person's substantial holding, or if the person ceases to have a substantial holding in PetroNor Australia.</p> <p>A person will have a substantial holding in PetroNor Australia if they, alone or together with their associates, have a relevant interest in 5% or more of the total number of votes attached to voting shares in PetroNor Australia.</p>	If a person's, entity's or consolidated group's proportion of the total issued shares and/or rights to shares in a company listed on a regulated market in Norway (with Norway as its home state, which will be the case for PetroNor Norway) reaches, exceeds or falls below the respective thresholds of 5%, 10%, 15%, 20%, 25%, 1/3, 50%, 2/3 or 90% of the share capital or the voting rights of that company, the person, entity or group in question has an obligation under the Norwegian Securities Trading Act to notify Oslo Børs and the issuer immediately. The same applies if the disclosure thresholds are passed due to other circumstances, such as a change in the company's share capital.

Right to Inspect Register of Shareholders	<p>In accordance with the Corporations Act, PetroNor Australia maintains a register of shareholders and a register of option holders at its registered office or principal place of business. These registers must be available for inspection by PetroNor Australia Shareholders and PetroNor Australia Optionholders (without charge) or by other parties upon the payment of the requested fee. If a person asks PetroNor Australia for a copy of the register (or any part of the register) and pays the requested fee (up to a prescribed amount), PetroNor Australia must give that person the copy within 7 days of the date on which PetroNor Australia receives such payment.</p>	<p>The Company's principal share register is operated through the VPS. The VPS is the Norwegian paperless centralized securities register. It is a computerized book-keeping system in which the ownership of, and all transactions relating to, Norwegian listed shares must be recorded.</p> <p>All transactions relating to securities registered with the VPS are made through computerized book entries. No physical share certificates are, or may be, issued. The VPS confirms each entry by sending a transcript to the registered shareholder irrespective of any beneficial ownership. To give effect to such entries, the individual shareholder must establish a share account with a Norwegian account agent. Norwegian banks, Norges Bank (being the Central Bank of Norway), authorized securities brokers in Norway and Norwegian branches of credit institutions established within the EEA are allowed to act as account agents.</p> <p>As per the Norwegian Public Limited Liability Companies Act, all persons shall be provided access to PetroNor Norway's Register of Shareholders in the VPS if so is requested.</p>
Winding-Up	<p>In accordance with the Corporations Act, an insolvent company may be wound up by a liquidator appointed by either creditors or the court.</p> <p>Shareholders of a solvent company may decide to wind up the company if the directors are able to form the view that the company will be able to pay its debts in full within 12 months after the commencement of the winding-up. A decision to wind up a solvent company requires an approval by at least 75% of votes cast by the shareholders present and voting.</p> <p>The PetroNor Australia Constitution provides that on winding-up, the liquidator may, with the authority of a special resolution, distribute among PetroNor Australia Shareholders, the whole or any part of the property of PetroNor Australia as the liquidator thinks fit.</p>	<p>Under Norwegian law, PetroNor Norway may be wound-up by a resolution of PetroNor Norway's shareholders at the general meeting passed by at least two-thirds of the aggregate votes cast and at least two-thirds of the share capital represented at the meeting. In the event of liquidation, the Shares rank equally in the event of a return on capital.</p>