

**PetroNor E&P ASA: Notice of Extraordinary General Meeting on 23 February 2022**

**Oslo, 23 February 2022:** PetroNor E&P ASA (“PetroNor Norway”), a wholly owned subsidiary of PetroNor E&P Limited ( “PetroNor Australia”), announces an Extraordinary General Meeting (“EGM”) to take place on 23 February 2022 at 18:00 CET.

The EGM agenda includes resolutions to approve corporate actions necessary to prepare PetroNor Norway for its proposed listing on the Oslo Stock Exchange and for implementation of the scheme of arrangement with PetroNor Australia on the implementation date, 24 February 2022.

The formal notice of the Extraordinary General Meeting is attached to this announcement and can be found on the website [www.petronorep.com](http://www.petronorep.com).

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

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UNOFFICIAL OFFICE TRANSLATION – IN CASE OF DISCREPANCY THE NORWEGIAN VERSION SHALL PREVAIL:

## INNKALLING TIL EKSTRAORDINÆR GENERALFORSAMLING I PETRONOR E&P ASA

Styret ("**Styret**") innkaller med dette til ekstraordinær generalforsamling i PetroNor E&P ASA, org.nr. 927 866 951 ("**Selskapet**"), klokken 18:00 den 23. februar 2022. Møtet avholdes elektronisk gjennom Teams.

Selskapets eneksjonær, PetroNor E&P Ltd., har samtykket til fravikelse av reglene om innkalling i henhold til allmennaksjeloven.

Styrets leder eller en person utpekt av ham vil åpne generalforsamlingen og foreta registrering av fremmøtte aksjonærer og fullmakter.

Følgende saker foreligger på agendaen:

- 1. ÅPNING AV GENERALFORSAMLINGEN**
- 2. REGISTRERING AV FREMMØTTE AKSJONÆRER OG FULLMAKTER**
- 3. GODKJENNING AV INNKALLING OG AGENDA FOR MØTET**
- 4. VALG AV MØTELEDER OG MINST ÉN PERSON TIL Å UNDERTEGNE PROTOKOLLEN SAMMEN MED MØTELEDER**
- 5. KAPITALNEDSETTELSE**

Styret ønsker å utstede nye aksjer i Selskapet til eksisterende aksjonærer i PetroNor E&P Ltd. i forholdet 1 til 1. Forslaget går ut på at aksjekapitalen i Selskapet reduseres til NOK 0 før samtlige aksjonærer i PetroNor E&P Ltd. skyter inn deres aksjer i PetroNor E&P Ltd. som tingsinnskudd. Som vederlag vil aksjonærene i PetroNor E&P Ltd. motta aksjer i Selskapet i forholdet 1 til 1. Forslaget om kapitalnedsettelse i punkt 5 forutsetter således at det samtidig vedtas kapitalforhøyelse i punkt 6.

## NOTICE OF EXTRAORDINARY GENERAL MEETING IN PETRONOR E&P ASA

The Board of Directors (the "**Board**") hereby calls for an extraordinary general meeting of PetroNor E&P ASA, reg.no. 927 866 951 (the "**Company**"), which will be held 18:00 CET on 23 February 2022. The meeting will be held electronically through Teams.

The Company's sole shareholder, PetroNor E&P Ltd., has agreed to deviate from the rules on notice in accordance with the Public Limited Liability Companies Act.

The chair of the Board or a person appointed by him will open the general meeting and perform registration of shareholders in attendance and by proxy.

The following items are on the agenda:

- 1. OPENING OF THE GENERAL MEETING**
- 2. REGISTRATION OF ATTENDING SHAREHOLDERS AND PROXIES**
- 3. APPROVAL OF THE NOTICE AND THE AGENDA OF THE MEETING**
- 4. ELECTION OF CHAIRMAN OF THE MEETING AND AT LEAST ONE PERSON TO CO-SIGN THE MINUTES TOGETHER WITH THE CHAIRMAN OF THE MEETING**
- 5. REDUCTION OF SHARE CAPITAL**

The board wishes to issue new shares in the Company to existing shareholders in PetroNor E&P Ltd. in the ratio of 1 to 1. The proposal is that the share capital in the Company is reduced to NOK 0 before all shareholders in PetroNor E&P Ltd. contribute their shares in PetroNor E&P Ltd. as a contribution in-kind. In return, the shareholders of PetroNor E&P Ltd. receive shares in the Company in a ratio of 1 to 1. The proposal for a capital reduction in section 5 thus presupposes that a capital increase is also adopted in section 6.

Virkningen av at det gjennomføres kapitalnedsettelse og umiddelbart etterpå gjennomføres kapitalforhøyelse ved tingsinnskudd er at Selskapets bundne egenkapital blir minst like høy som før kapitalnedsettelsen. Kapitalendringene kan derfor gjennomføres uten kreditorvarsel, jf. asal. § 12-5 (2).

På denne bakgrunn foreslår styret at generalforsamlingen fatter følgende vedtak:

- (i) *Aksjekapitalen settes ned fra NOK 1 000 000 med NOK 1 000 000 til NOK 0 ved innløsning av 100 000 aksjer, hver pålydende NOK 10 per aksje.*
- (ii) *Nedsettingsbeløpet er i sin helhet skattemessig innbetalt kapital og NOK 944 771,50 skal utbetales til Selskapets eneaksjonær.*

Beregningen av dekning for aksjekapital og øvrig bundet egenkapital er foretatt på grunnlag av mellombalanse som ble fastsatt av generalforsamlingen den 16 november 2021. Beregningen tar hensyn til at det foretas kapitalforhøyelse umiddelbart etter kapitalnedsettelsen. Mellombalansen er vedlagt som vedlegg 3.

Selskapet har gjennomført prosessen med "scheme of arrangement" i Australia med det formål å flytte PetroNor E&P Ltd. til Norge. Ut over dette, foreligger det ikke hendelser etter siste balansedag som er av vesentlig betydning for Selskapet og vedtaket om kapitalendring

Styrets forslag om kapitalnedsettelse er betinget av at generalforsamlingen vedtar en kapitalforhøyelse som gir Selskapet minst like høy bundet egenkapital som før kapitalnedsettelsen, jf. styrets forslag nedenfor. Det fremmes derfor ikke eget forslag om endring av vedtektene i anledning kapitalnedsettelsen.

## **6. KAPITALFORHØYELSE VED TINGSINNSKUDD**

Styret ønsker å utstede nye aksjer i Selskapet til eksisterende aksjonærer i PetroNor E&P Ltd. i forholdet 1 til 1. Forslaget går ut på at aksjekapitalen i Selskapet reduseres til NOK 0 før samtlige aksjonærer i PetroNor E&P Ltd. skyter

The effect of a capital reduction being carried out and an immediate capital increase being carried out by contribution in-kind is that the Company's restricted equity is at least as high as before the capital reduction. The capital changes can therefore be implemented without creditor notice, cf. the Public Companies Act section 12-5 (2).

On this basis, the board proposes that the general meeting passes the following resolution:

- (i) *The share capital is reduced from NOK 1,000,000 by NOK 1,000,000 to NOK 0 upon redemption of 100,000 shares, each with a nominal value of NOK 10 per share.*
- (ii) *The reduction amount is paid-in capital in its entirety and NOK 944,771.50 shall be paid to the Company's sole shareholder.*

The calculation of coverage for share capital and other restricted equity is made on the basis of an interim balance sheet that was approved by the general meeting on 16 November 2021. The calculation takes into account that a capital increase is made immediately after the capital reduction. The interim balance sheet is appended as appendix 3.

The Company has carried out the process of "scheme of arrangement" in Australia with the aim of moving PetroNor E&P Ltd. to Norway. Beyond this, there are no events after the last balance sheet date that are of material importance to the Company and the decision to change capital.

The board's proposal for a capital reduction is conditional on the general meeting approving a capital increase that gives the Company at least as high restricted equity as before the capital reduction, cf. the board's proposal below. Therefore, no separate proposal is submitted to amend the Articles of Association in connection with the capital reduction.

## **6. SHARE CAPITAL INCREASE BY CONTRIBUTION IN-KIND**

The board wishes to issue new shares in the Company to existing shareholders in PetroNor E&P Ltd. in the ratio of 1 to 1. The proposal is that the share capital in the Company is reduced to NOK 0 before all shareholders in PetroNor E&P

inn deres aksjer i PetroNor E&P Ltd. som tingsinnskudd. Som vederlag vil aksjonærene i PetroNor E&P Ltd. motta aksjer i Selskapet i forholdet 1 til 1. I tillegg skal et visst antall aksjer etter tegning bli solgt som del av Salgsfasiliteten (som definert nedenfor).

På denne bakgrunn foreslår styret at generalforsamlingen fatter følgende vedtak:

- (i) *Aksjekapitalen forhøyes med NOK 1 326 991,006 fra NOK 0 til NOK 1 326 991,006 ved utstedelse av totalt 1 326 991 006 nye aksjer pålydende NOK 0,001. Vedtektene skal endres tilsvarende slik at de lyder som i vedlegg 1.*
- (ii) *Tegningskursen for de nye aksjene skal være NOK 0,947058 per aksje, slik at samlet tegningsbeløp blir NOK 1 256 737 709,130520, hvor NOK 1 255 410 718,124520 utgjør overkurs.*
- (iii) *George Jens Soby Pace skal tegne seg for totalt 1 326 991 006 aksjer i henhold til den Australiske "scheme of arrangement" som følger:*
1. *1,325,624,442 aksjer på vegne av DNB Bank (etter instruks fra Citicorp Nominees Pty Ltd. Datert 22. februar 2022) og reelt for de som er eiere av depository receipts i PetroNor E&P Ltd. ved handelsslutt 17. februar 2022 og som fremgår av VPS kl. 09:00 (CET) den 22. februar 2022 ("**Registreringsdatoen**"). Eierne av depository receipts ("**Kvalifiserte Innehaverne**") vil motta én aksje i Selskapet for hver depository receipt en eier på Registreringsdatoen. De Kvalifiserte Innehaverne vil bli tildelt det aktuelle antallet aksjer i Selskapet på deres respektive VPS-kontoer etter kapitalforhøyelsen er registrert i Foretaksregisteret; og*
  2. *1 366 564 aksjer på vegne av Arctic Securities AS i deres kapasitet som salgsagent for de eksisterende aksjonærer i PetroNor E&P Ltd. hvis aksjer ikke var*

Ltd. contribute their shares in PetroNor E&P Ltd. as a contribution in-kind. In return, the shareholders of PetroNor E&P Ltd. receive shares in the Company in a ratio of 1 to 1. In addition, a certain number of shares shall after subscription be sold as part of the Sale Facility (as defined below).

Based on the above, the board proposes that the general meeting resolves to increase the Company's share capital as follows:

- (i) *The Company's share capital is increased by NOK 1,326,991.006 from NOK 0 to NOK 1,326,991.006 by issuing 1,326,991,006 new common shares with a nominal value of NOK 0.001 per share. The articles of association shall be amended accordingly to read as attached in appendix 1.*
- (ii) *The subscription price for the new shares shall be NOK 0.947058 per share. The total subscription amount for the new shares is NOK 1,256,737,709.130520, of which NOK 1,255,410,718.124520 constitutes share premium.*
- (iii) *George Jens Soby Pace to subscribe for a total of 1,326,991,006 shares pursuant to the Australian "Scheme of Arrangement" as follows:*
1. *1,325,624,442 shares on behalf of DNB Bank ASA (on instruction from Citicorp Nominees Pty Ltd dated 22 February 2022 and ultimately for the holders of depository receipts in PetroNor E&P Ltd. as at the end of trading 17 February 2022 and as shown with VPS on 9:00am (CET) on 22 February 2022 (the "**Record Date**"). Such holders of depository receipts (being the "**Eligible Holders**") will receive one share in the Company for each depository receipt held as of the Record Date. The Eligible Shareholders will be delivered the relevant number of shares in the Company on their respective VPS accounts after the share capital increase has been registered with the Norwegian Register of Business Enterprises; and*
  2. *1,366,564 shares on behalf of Arctic Securities AS in their capacity as sale agent for those existing*

registrert i VPS på Registreringsdatoen. Disse aksjene vil selges via salgfasiliteten nærmere beskrevet i "Scheme Booklet" utstedt av PetroNor E&P Ltd datert 27. oktober 2021 relatert til "Scheme of Arrangement" ("**Salgsfasiliteten**").

shareholders in PetroNor E&P Ltd. whose shares were not registered in the VPS as at the Record Date. These shares will be sold via the sale facility detailed in the Scheme Booklet issued by PetroNor E&P Ltd dated 27 October 2021 pertaining to the Scheme of Arrangement ("**Sale Facility**").

(iv) Tegningen skal skje i generalforsamlingsprotokollen innen utløpet av 24. februar 2022.

(iv) Subscription shall be made in the minutes from the general meeting by the end of 24 February 2022.

(v) Aksjeinnskuddet gjøres opp ved at aksjene i PetroNor E&P Ltd. skytes inn i Selskapet som tingsinnskudd. For en nærmere beskrivelse av aksjeinnskuddet vises det til redegjørelse etter asal. § 2-6, jf. § 10-2 som er vedlagt innkallingen som Vedlegg 2. Aksjeinnskuddet anses gjort opp på tidspunktet for tegning av aksjene.

(v) Payment for the shares shall be the contribution in-kind of shares in PetroNor E&P Ltd. For a further description of the contribution, see the report pursuant to sections 2-6 cf. 10-2 of the Public Companies Act, attached to this notice as appendix 2. The share contribution is settled at the time of subscription.

(vi) Selskapet kan disponere over aksjeinnskuddet før kapitalforhøyelsen er registrert i Foretaksregisteret.

(vi) The Company may use the subscription amount prior to the registration in the Norwegian Register of Business Enterprises.

(vii) Aksjene gir fulle rettigheter, herunder rett til utbytte fra og med datoen for registrering av kapitalforhøyelsen i Foretaksregisteret.

(vii) The shares give full rights, including rights to dividends, from and including the date of registration of the capital increase in the Register of Business Enterprises.

(viii) Selskapets kostnader forbundet med kapitalforhøyelsen er beregnet til NOK 15 000.

(viii) The Company's cost related to the share capital increase is estimated to NOK 15,000.

## 7. VEDTEKTER

På bakgrunn av forslagene over, foreslår styret at generalforsamlingen fatter følgende vedtak:

Selskapets vedtekter endres i henhold til forslaget til nye vedtekter i vedlegg 1.

## 8. GENERELL STYREFULLMAKT TIL Å UTSTEDE AKSJER

Styret ønsker å legge til rette for at Selskapet skal kunne utstede aksjer i situasjoner der dette anses gunstig for Selskapet, herunder i forbindelse med kapitalinnhenting til

## 7. ARTICLES OF ASSOCIATION

Based on the proposals above, the board proposes that the general meeting passes the following resolution:

The Company's Articles of Association are amended in accordance with the proposal for new Articles of Association in appendix 1.

## 8. GENERAL BOARD AUTHORISATION TO ISSUE SHARES

The board wishes to facilitate a flexibility to issue of shares by the board in situations where this is considered beneficial for the Company, including in connection with

finansiering av Selskapets virksomhet, i forbindelse med potensielle oppkjøp.

På denne bakgrunn foreslår Styret at generalforsamlingen fatter følgende vedtak:

- (i) *Styret gis fullmakt til å øke aksjekapitalen med et maksimumsbeløp på NOK 265 398,2 gjennom én eller flere aksjekapitalutvidelser ved utstedelse av nye aksjer.*
- (ii) *Tegningskurs per aksje fastsettes av styret i forbindelse med hver enkelt utstedelse.*
- (iii) *Fullmakten gjelder med virkning fra en eventuell notering på Oslo Børs til ordinær generalforsamling i 2022, dog ikke lenger enn til 30. juni 2022.*
- (iv) *Eksisterende aksjonærs fortrinnsrett til å tegne og bli tildelt aksjer kan fravikes, jf. allmennaksjeloven §§ 10-4 og 10-5.*
- (v) *Fullmakten kan benyttes i forbindelse med kapitalinnhenting til finansiering av Selskapets virksomhet, og i forbindelse med oppkjøp og fusjoner. Fullmakten kan benyttes i situasjoner som nevnt i verdipapirhandelloven § 6-17.*
- (vi) *Fullmakten omfatter kapitalforhøyelser mot innskudd i kontanter, så vel som kapitalforhøyelser mot innskudd i annet enn kontanter og med særlige tegningsvilkår, jf. allmennaksjeloven § 10-2. Fullmakten omfatter også utstedelse av vederlagsaksjer ved fusjon.*
- (vii) *Styret vedtar de nødvendige endringer i vedtektene i overensstemmelse med kapitalforhøyelser i henhold til fullmakten.*

## **9. STYREFULLMAKT TIL Å UTSTEDE AKSJER TIL PANORO ENERGY ASA**

Styret ønsker å legge til rette for at Selskapet skal kunne utstede aksjer som vederlag for til Panoro Energy ASA i

capital raisings for the financing of the Company's business, in connection with potential acquisitions.

On this basis, the board proposes that the general meeting passes the following resolution:

- (i) *The Board is authorised to increase the share capital by a maximum amount of NOK 265,398.2 in one or more share capital increases through issuance of new shares.*
- (ii) *The subscription price per share shall be fixed by the board in connection with each issuance.*
- (iii) *The authorisation is valid from a potential listing on Oslo Børs until the annual general meeting in 2022, however no longer than until 30 June 2022.*
- (iv) *Existing shareholders' pre-emptive rights to subscribe for and to be allocated shares may be derogated from, cf. the Public Companies Act sections 10-4 and 10-5.*
- (v) *This authorisation may only be used in connection with capital raisings for the financing of the Company's business, and in connection with acquisitions and mergers. The authorisation can be used in situations as described in the Norwegian Securities Trading Act section 6-17.*
- (vi) *The authorisation covers share capital increases against contribution in cash, as well as share capital increases against contribution in-kind and with special subscription terms, cf. section 10-2 of the Public Companies Act. The authorisation also covers issuance of consideration shares in a merger.*
- (vii) *The board shall resolve the necessary amendments to the articles in accordance with capital increases resolved pursuant to this authorisation.*

## **9. BOARD AUTHORISATION TO ISSUE SHARES TO PANORO ENERGY ASA**

The board wishes to facilitate a flexibility to issue of shares by the board as consideration to Panoro Energy ASA

henhold til aksjekjøpsavtalen som ble inngått den 21. oktober 2019.

På denne bakgrunn foreslår Styret at generalforsamlingen fatter følgende vedtak:

- (i) *Styret gis fullmakt til å øke aksjekapitalen med et maksimumsbeløp på NOK 130 000 gjennom én eller flere aksjekapitalutvidelser ved utstedelse av nye aksjer.*
- (ii) *Tegningskurs per aksje fastsettes av styret i forbindelse med hver enkelt utstedelse.*
- (iii) *Fullmakten gjelder med virkning fra en eventuell notering på Oslo Børs til ordinær generalforsamling i 2022, dog ikke lenger enn til 30. juni 2022.*
- (iv) *Eksisterende aksjonærs fortrinnsrett til å tegne og bli tildelt aksjer kan fravikes, jf. allmennaksjeloven §§ 10-4 og 10-5.*
- (v) *Fullmakten kan benyttes i forbindelse med gjennomføring av avtale med Panoro Energy ASA i forbindelse med kjøp av selskap som eier andeler i Aje-lisensen i Nigeria.*
- (vi) *Fullmakten omfatter kapitalforhøyelser mot innskudd i kontanter, så vel som kapitalforhøyelser mot innskudd i annet enn kontanter og med særlige tegningsvilkår, jf. allmennaksjeloven § 10-2.*
- (vii) *Styret vedtar de nødvendige endringer i vedtektene i overensstemmelse med kapitalforhøyelser i henhold til fullmakten.*

#### **10. STYREFULLMAKT TIL Å UTSTEDE AKSJER I FORBINDELSE MED INSENTIVPROGRAMMER OG RELATERTE FORPLIKTELSE**

For å ha fleksibilitet i forbindelse med aksje- og insentivprogrammer, foreslår styret at generalforsamlingen

following the share purchase agreement that was entered into on 21 October 2019.

On this basis, the board proposes that the general meeting passes the following resolution:

- (i) *The Board is authorised to increase the share capital by a maximum amount of NOK 130,000 in one or more share capital increases through issuance of new shares.*
- (ii) *The subscription price per share shall be fixed by the board in connection with each issuance.*
- (iii) *The authorisation is valid from a potential listing on Oslo Børs until the annual general meeting in 2022, however no longer than until 30 June 2022.*
- (iv) *Existing shareholders' pre-emptive rights to subscribe for and to be allocated shares may be derogated from, cf. the Public Companies Act sections 10-4 and 10-5.*
- (v) *This authorisation may be used in connection with closing of the agreement with Panoro Energy ASA regarding the purchase of a company which holds interests in the Aje-license in Nigeria.*
- (vi) *The authorisation covers share capital increases against contribution in cash, as well as share capital increases against contribution in-kind and with special subscription terms, cf. section 10-2 of the Public Companies Act.*
- (viii) *The board shall resolve the necessary amendments to the articles in accordance with capital increases resolved pursuant to this authorisation.*

#### **10. BOARD AUTHORISATION TO ISSUE SHARES IN CONNECTION WITH INCENTIVE PROGRAMS AND RELATED COMMITMENTS**

To ensure flexibility in connection with share and incentive programs, the board proposes that the general meeting

gir styret fullmakt til å utstede aksjer i forbindelse med insentivprogram.

authorizes the board to issue shares in connection with incentive programs.

På denne bakgrunn foreslår Styret at generalforsamlingen fatter følgende vedtak:

On this basis, the board proposes that the general meeting passes the following resolution:

- |   |  |
|---|--|
| <p>(i) <i>Styret gis fullmakt til å øke aksjekapitalen med et maksimumsbeløp på NOK 66 349,5 gjennom én eller flere aksjekapitalutvidelser ved utstedelse av nye aksjer.</i></p>  | <p>(i) <i>The board is granted the authorisation to increase the share capital by a maximum amount of NOK 66,349.5 in one or more share capital increases through issuance of new shares.</i></p>  |
| <p>(ii) <i>Tegningskurs per aksje fastsettes av styret i forbindelse med hver enkelt utstedelse.</i></p>  | <p>(ii) <i>The subscription price per share shall be fixed by the board in connection with each issuance.</i></p>  |
| <p>(iii) <i>Fullmakten gjelder med virkning fra en eventuell notering på Oslo Børs frem til ordinær generalforsamling i 2022, dog ikke lenger enn til 30. juni 2022.</i></p>  | <p>(iii) <i>The authorisation is valid from a potential listing on Oslo Børs until the annual general meeting in 2022, however no longer than until 30 June 2022.</i></p>  |
| <p>(iv) <i>Eksisterende aksjonærers fortrinnsrett til å tegne og bli tildelt aksjer kan fravikes, jf. allmennaksjeloven §§ 10-4 og 10-5.</i></p>  | <p>(iv) <i>Existing shareholders' pre-emptive rights to subscribe for and to be allocated shares may be derogated from, cf. the Public Companies Act sections 10-4 and 10-5.</i></p>   |
| <p>(v) <i>Utover det som fremgår av pkt. (vi) nedenfor kan fullmakten kun benyttes i forbindelse med utstedelse av aksjer til konsernets ansatte eller andre representanter i forbindelse med opsjonsavtaler og andre typer insentivprogrammer, både individuelle og generelle. Fullmakten kan benyttes i situasjoner som nevnt i verdipapirhandelloven § 6-17.</i></p>   | <p>(v) <i>Except for as set out in item (vi) below, the authorisation may only be used in connection with issuance of shares to the group's employees or other representatives in relation with option agreements and other forms of incentive programs, both individual and general. The authorisation can be used in situations as described in the Norwegian Securities Trading Act section 6-17.</i></p>   |
| <p>(vi) <i>Fullmakten kan i tillegg til pkt. (v) ovenfor også brukes i forbindelse med Selskapets forpliktelse til å utstede aksjer i henhold til separate "Option Cancellation Deeds" som består av følgende forpliktelser til nevnte personer: (i) Mr. Harry Wood, som holder 200 000 opsjoner med utøvelseskurs på NOK 7,75 som utløper 31. mai 2022, (ii) Mrs. Victoria Jane Wilson som holder 200 000 opsjoner med utøvelseskurs på NOK 7,75 som utløper 31. mai 2022 og (iii) Mirabaus Securities LLP som holder 776 070 opsjoner med</i></p> | <p>(vi) <i>The authorisation may in addition to item (v) above also be used in connection with the Company's commitment to issue shares pursuant to separate Option Cancellation Deeds consisting of the following commitments to the mentioned persons: (i) Mr. Harry Wood, holding 200,000 options, exercisable at NOK 7.75 and expiring 31 May 2022, (ii) Mrs. Victoria Jane Wilson, holding 200,000 options, exercisable at NOK 7.75 and expiring 31 May 2022 and (iii) Mirabaud Securities LLP, holding 776,070 options, exercisable at NOK</i></p> |



*utøvelseskurs på NOK 7,75 som utløper 31. mai 2022, i henhold til vilkår og betingelser satt ut i de respektive "Option Cancellation Deeds".*

*7.75 and expiring 31 May 2022, per the terms of their respective Option Cancellation Deeds.*

*(vii) Styret vedtar de nødvendige endringer i vedtektene i overensstemmelse med kapitalforhøyelser i henhold til fullmakten.*

*(vii) The Board shall resolve the necessary amendments to the articles in accordance with capital increases resolved pursuant to this authorisation.*

## **11. STYREFULLMAKT TIL Å ERVERVE EGNE AKSJER**

Styret ønsker å legge til rette for at Selskapet skal kunne erverve egne aksjer, enten for å kunne levere aksjer i henhold til eventuelle avtaler om aksjebasert avlønning, eller i andre situasjoner der slike erverv av andre årsaker anses gunstig for Selskapet.

På denne bakgrunn foreslår styret at generalforsamlingen fatter følgende vedtak:

- (i) Styret gis fullmakt til på vegne av Selskapet å erverve aksjer i Selskapet ("**Egne Aksjer**") med en samlet pålydende verdi på inntil NOK 132 699,1. Dersom Selskapet avhender eller sletter Egne Aksjer skal dette beløpet forhøyes med et beløp tilsvarende pålydende verdi av de avhendede og slettede aksjene.*
- (ii) Ved erverv av Egne Aksjer kan det ikke betales et vederlag per aksje som er mindre enn NOK 0,1 eller som overstiger NOK 100.*
- (iii) Styret fastsetter på hvilke måter Egne Aksjer kan erverves eller avhendes. Fullmakten kan benyttes i situasjoner som nevnt i verdipapirhandelloven § 6-17.*
- (iv) Fullmakten gjelder med virkning fra en eventuell notering på Oslo Børs frem til ordinær generalforsamling i 2022, dog ikke lenger enn til 30. juni 2022.*

## **11. BOARD AUTHORISATION TO ACQUIRE TREASURY SHARES**

The board wishes to enable the Company's acquisition of treasury shares, either for the purpose of settling share-based compensation arrangements, or in other situations where such acquisitions are considered beneficial for the Company.

On this basis, the board proposes that the general meeting passes the following resolution:

- (i) The board is authorised to acquire shares in the Company ("**Treasury Shares**") on behalf of the Company with an aggregate nominal value of up to NOK 132,699.1. If the Company disposes of or cancels Treasury Shares, this amount shall be increased with an amount corresponding to the nominal value of the disposed and cancelled shares.*
- (ii) When acquiring Treasury Shares the consideration per share may not be less than NOK 0.1 and may not exceed NOK 100.*
- (iii) The Board determines the methods by which Treasury Shares can be acquired or disposed of. The authorisation can be used in situations as described in the Norwegian Securities Trading Act section 6-17.*
- (iv) The authorisation is valid from a potential listing on Oslo Børs until the annual general meeting in 2022, however no longer than until 30 June 2022.*

## 12. NOMINASJONSKOMITE

Som del av forberedelsene til notering av Selskapets aksjer på Oslo Børs, ønsker styret å gjøre enkelte endringer i nominasjonskomite.

Følgende medlemmer er foreslått til nominasjonskomiteen:

Eyas A. Alhomouz og Jens Pace

## 12. NOMINATION COMMITTEE

As part of the preparations for listing of the Company's shares on Oslo Børs, the board wishes to make certain changes to the nomination committee.

The following composition of the nomination committee is proposed:

Eyas A. Alhomouz og Jens Pace

### VEDLEGG:

<u>Vedlegg 1:</u>	Forslag til nye vedtekter
<u>Vedlegg 2:</u>	Redegjørelse etter asal. § 2-6, jf. § 10-2
<u>Vedlegg 3:</u>	Mellombalanse med balansedato 31. oktober 2021

### APPENDICES:

<u>Appendix 1:</u>	Proposals for new Articles of Association
<u>Appendix 2:</u>	Report pursuant to sections 2-6 cf. 10-2 of the Public Companies Act
<u>Appendix 3:</u>	Interim balance sheet as at 31 October 2021

23 February 2022

For og på vegne av styret i / For and on behalf of the board of

**PetroNor E&P ASA**



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George Jens Soby Pace  
Daglig leder / CEO

**VEDTEKTER**  
**FOR**  
**PETRONOR E&P ASA**  
(org.nr. 927 866 951)  
  
(sist endret 23. februar 2022)

**§ 1 – Navn**

Selskapets foretaksnavn er PetroNor E&P ASA.

**§ 2 – Forretningskontor**

Selskapets forretningskontor er i Oslo kommune.

**§ 3 – Formål**

Selskapets virksomhet er å investere i selskaper og enheter som er involvert i energibransjen og olje og gassindustrien over hele verden, samt investeringsaktiviteter og andre relaterte aktiviteter.

**§ 4 – Aksjekapital**

Aksjekapitalen er NOK 1 326 991,006 fordelt på 1 326 991 006 aksjer, hver pålydende NOK 0,001.

Selskapets aksjer skal være registrert i Verdipapirsentralen (VPS).

**§ 5 – Styret**

Selskapets styre kan ha inntil 7 medlemmer valgt av generalforsamlingen. Styret velges for normalt for inntil 2 år av gangen. Styrets leder velges av generalforsamlingen.

**§ 6 – Signatur**

Selskapet tegnes av to 2 styremedlem i fellesskap eller daglig leder alene. Styret kan meddele prokura.

**§ 7 – Generalforsamlingen**

På den ordinære generalforsamling skal følgende saker behandles og avgjøres:

*UNOFFICIAL OFFICE TRANSLATION – IN CASE OF DISCREPANCY THE NORWEGIAN VERSION SHALL PREVAIL:*

**ARTICLES OF ASSOCIATION**  
**FOR**  
**PETRONOR E&P ASA**  
(reg. no. 927 866 951)

*(last amended on 23 February 2022)*

**Article 1 – Name**

The company's business name is PetroNor E&P ASA.

**Article 2 – Office**

The company's registered office is in the municipality of Oslo.

**Article 3 – Objectives**

The company's business is to invest in companies and entities that are involved in the energy industry and the oil and gas industry worldwide, as well as investment activities and other related activities.

**Article 4 – Share capital**

The company's share capital is NOK 1,326,991.006 divided into 1,326,991,006 shares of NOK 0.001 each.

The company's shares shall be registered with Verdipapirsentralen (VPS).

**Article 5 – The board of directors**

The Board of Directors may have up to 7 members elected by the General Meeting. The Board is normally elected for 2 years. The Chairman of the Board is elected by the General Meeting.

**Article 6 – Signature**

Any two 2 Directors jointly or the CEO alone may sign for the Company. The Board may grant power of attorney.

**Article 7 – The general meeting**

The annual general meeting shall consider and decide the following matters:

1. Godkjenning av årsregnskap og årsberetning.
2. Anvendelse av overskuddet eller dekning av underskudd i henhold til den fastsatte balanse, samt utdeling av utbytte.
3. Valg av styre.
4. Godkjenning av styrets erklæring om lønn og annen godtgjørelse til ledende ansatte.
5. Andre saker som etter loven eller vedtektene hører under generalforsamlingen.

Retten til å delta og stemme på generalforsamlinger i selskapet kan bare utøves for aksjer som er ervervet og innført i aksjeeierregisteret den femte virkedagen før generalforsamlingen.

Aksjeeiere som vil delta i en generalforsamling i selskapet, skal melde dette til selskapet innen en frist som angis i innkallingen til generalforsamling, og som ikke kan utløpe tidligere enn fem dager før generalforsamlingen. Aksjeeiere som ikke har meldt fra innen fristens utløp, kan nektes adgang.

Når dokumenter som gjelder saker som skal behandles på generalforsamlingen, er gjort tilgjengelige for aksjeeierne på selskapets nettsider, gjelder ikke lovens krav om at dokumentene skal sendes til aksjeeierne. Dette gjelder også dokumenter som etter lov skal inntas i eller vedlegges innkallingen til generalforsamlingen. En aksjeeier kan likevel kreve å få tilsendt slike dokumenter.

Styret kan i forbindelse med innkalling til generalforsamlinger bestemme at aksjeeierne skal kunne avgi sin stemme skriftlig, herunder ved bruk av elektronisk kommunikasjon, i en periode før generalforsamlingen.

#### **§ 8 – Nominasjonskomité**

Selskapet skal ha en nominasjonskomité, som velges av generalforsamlingen.

1. Approval of the annual accounts and report.
2. Use of profits or coverage of losses in accordance with the approved balance sheet, as well as distribution of dividends.
3. Election of board of directors.
4. Approval of the statement from the board of directors regarding salary and other remuneration to the executive management.
5. Any other matters which pursuant to law or the Articles of Association pertain to the general meeting.

The right to participate and vote at general meetings of the company can only be exercised for shares which have been acquired and registered in the shareholders register in the shareholders on the fifth business day prior to the general meeting.

Shareholders who intend to attend a general meeting of the company shall give the company written notice of their intention within a time limit given in the notice of the general meeting, which cannot expire earlier than five days before the general meeting. Shareholders, who have failed to give such notice within the time limit, can be denied admission.

When documents pertaining to matters which shall be handled at a general meeting have been made available for the shareholders on the company's website, the statutory requirement that the documents shall be distributed to the shareholders, does not apply. This is also applicable to documents which according to statutory law shall be included in or attached to the notice of the general meeting. A shareholder may nonetheless demand to be sent such documents.

The Board of Directors may in connection with notices of general meetings determine that shareholders shall be able to cast their votes in writing, including through use of electronic communication, in a period prior to the general meeting.

#### **Article 8 – Nomination Committee**

The company shall have a nomination committee, elected by the general meeting.

Nominasjonskomitéen fremmer forslag til generalforsamlingen om (i) valg av styrets leder, styremedlemmer og eventuelle varamedlemmer, og (ii) valg av medlemmer til nominasjonskomitéen. Nominasjonskomitéen fremmer videre forslag til generalforsamlingen om honorar til styret og nominasjonskomitéen, som fastsettes av generalforsamlingen. Generalforsamlingen skal fastsette instruks for nominasjonskomiteen.

Nominasjonskomitéen skal bestå av inntil tre medlemmer.

The nomination committee shall present proposals to the general meeting regarding (i) election of the chair of the Board, board members and any deputy members, and (ii) election of members of the nomination committee. The nomination committee shall also present proposals to the general meeting for remuneration of the Board and the nomination committee, which is to be determined by the general meeting. The general meeting shall adopt instructions for the nomination committee.

The nomination committee shall consist of up to three members.

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Til generalforsamlingen i PetroNor E&P ASA

## Redegjørelse ved kapitalforhøyelse ved tingsinnskudd i PetroNor E&P ASA

### INNLEDNING

På oppdrag fra styret i PetroNor E&P ASA, org.nr. 927 866 951 («PetroNor»), avgir KWC Revisjon AS som uavhengig sakkyndig denne redegjørelsen i samsvar med allmennaksjeloven § 10-2, jf. § 2-6. Denne redegjørelsen gjelder styrets forslag til rettet emisjon ved aksjeinnskudd med aksjer i PetroNor E&P Limited («PetroNor Australia») som tingsinnskudd. PetroNor Australia er et uavhengig olje- og gasselskap hjemmehørende i Australia, som primært driver virksomhet i Afrika sør for Sahara. PetroNor Australia er notert på Oslo Euronext Expand, ved at såkalte depository receipts for selskapets aksjer omsettes på Oslo Euronext Expand.

Den rettede emisjonen tenkes gjennomført i forbindelse med en planlagt redomisil av PetroNor Australia og selskapets datterselskaper, fra Australia til Norge (dvs. overføring av selskapets virksomhet til et norskregistrert selskap). Redomisilen vil bli gjennomført i form av et såkalt «Scheme of arrangement» («Scheme»), hvoretter PetroNor vil overta samtlige aksjer i PetroNor Australia. Scheme er en australsk lovregulert prosess, som blant annet innebærer inngåelse av en avtale mellom PetroNor Australia og selskapets aksjonærer, om å rekonstruere selskapets aksjekapital, eiendeler eller forpliktelser. Så snart denne avtalen er vedtatt av aksjonærene i generalforsamling og godkjent av australsk domstol, er et slikt scheme of arrangement bindende for samtlige av selskapets aksjonærer.

Kapitalinnskuddet i PetroNor vil bestå av samtlige 1 326 991 006 fullt innbetalte ordinære aksjer i PetroNor Australia. Aksjonærene i PetroNor Australia vil motta én aksje i PetroNor for hver aksje i PetroNor Australia. Umiddelbart i forkant av kapitalforhøyelsen vil aksjekapitalen bli satt ned til NOK 0 ved innløsning av 100 000 aksjer, hver pålydende NOK 10 per aksje.

Avtalen om å gjennomføre Scheme ble inngått mellom PetroNor Australia, PetroNor og PetroNor Australia sine aksjonærer den 7. oktober 2021. Gjennomføringen av denne avtalen er betinget av at PetroNor godkjennes for notering ved Oslo Euronext Expand eller Oslo Børs (hovedlisten).

### STYRETS ANSVAR FOR REDEGJØRELSEN

Styret er ansvarlig for informasjonen redegjørelsen bygger på og de verdsettelsene som er gjort.

## **UAVHENGIG SAKKYNDIGES OPPGAVER OG PLIKTER**

Vår oppgave er å utarbeide en redegjørelse om aksjeinnskuddet i form av aksjene i PetroNor Australia, og å avgis en uttalelse om at de aksjene som skytes inn ved kapitalforhøyelsen, har en verdi som minst svarer til vederlaget.

Den videre redegjørelsen består av to deler. Den første delen («Opplysninger om innskuddet») er en presentasjon av opplysninger i overensstemmelse med de krav som stilles i allmennaksjeloven § 10-2, jf. § 2-6 første ledd nr. 1 til 4. Den andre delen («Den uavhengig sakkyndiges uttalelse») er vår uttalelse om at de aksjene PetroNor skal overta, har en verdi som minst svarer til vederlaget.

### **DEL 1: OPPLYSNINGER OM INNSKUDET**

PetroNor har foreslått en samlet kapitalforhøyelse på NOK 1 326 991,006. Ved mottak av kapitalinnskuddet vil PetroNor bli eier av 1 326 991 006 aksjer i PetroNor Australia, med oppgjør i aksjer i PetroNor som utstedes til fordel for aksjonærene i PetroNor Australia.

Styret i PetroNor har fastsatt en samlet egenkapitalverdi for PetroNor Australia på NOK 1 256 737 709,130520, svarende til en pris pr. PetroNor Australia-aksje på NOK 0,947058.

Egenkapitalverdien er fastsatt basert på volumvektet gjennomsnittlig aksjekurs over de 10 siste dagene aksjene (egentlig depository receipts) i PetroNor Australia ble omsatt ved Oslo Euronext Expand. I tillegg til at egenkapitalverdien er avledet fra observert børsverdi, er den også understøttet av styrets egne vurderinger, samt av eksterne finansanalytikere som dekker PetroNor. I tillegg har rådgiverselskapet Stantons Corporate Finance Pty Ltd ("Stantons") vært engasjert av styret i PetroNor Australia for å avgis en uavhengig vurdering av hvorvidt redomisilet er i aksjonærenes interesse. Stantons konklusjon er at redomisilet er i aksjonærenes interesse.

Styret i PetroNor foreslår at det utstedes 1 326 991 006 nye aksjer i PetroNor basert på innskudd av aksjene i PetroNor Australia, hver pålydende NOK 0,001. Tegningsbeløpet for aksjene som skal utstedes vil være NOK 1 256 737 709,130520. Av tegningskursen vil NOK 1 326 991,006 være aksjekapital og NOK 1 255 410 718,124520 vil være overkurs. Ved mottak av aksjene i PetroNor Australia blir PetroNor eier av en aksjebeholdning som pr. 23.02.2022 hadde en verdi som minst tilsvarer verdien av vederlaget bestående av 1 326 991 006 aksjer i PetroNor.

### **DEL 2: DEN UAVHENGIG SAKKYNDIGES UTTALELSE**

Vi har utført vår kontroll og avgis vår uttalelse i samsvar med standard for attestasjonsoppdrag SA 3802-1 "Revisors uttalelser og redegjørelser etter aksjelovgivningen". Standarden krever at vi planlegger og utfører kontroller for å oppnå betryggende sikkerhet for at de eiendeler selskapet skal overta, har en verdi som minst svarer til det avtalte vederlaget. Arbeidet omfatter kontroll av verdsettelsen av innskuddet herunder vurderingsprinsippene. Videre har vi vurdert de verdsettelsesmetoder som er benyttet, og de forutsetninger som ligger til grunn for verdsettelsen.

Etter vår oppfatning er innhentet bevis tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

## **KONKLUSJON**

Etter vår mening er aksjene som PetroNor skal overta ved kapitalforhøyelsen verdsatt i overensstemmelse med de beskrevne prinsipper og har en verdi pr. 23.02.2022 som minst tilsvarer det avtalte vederlaget som utstedes i forbindelse med kapitalforhøyelsen, herunder en samlet aksjekapital på NOK 1 326 991,006 med tillegg av overkurs NOK 1 255 410 718,124520.

Oslo, 23. februar 2022

KWC Revisjon AS

A handwritten signature in blue ink, appearing to read 'Simen B. Weiby', written over a horizontal line.

Simen B. Weiby

*Statsautorisert revisor*



To the Shareholders' Meeting of PetroNor E&P ASA

## Report on share capital increase by contribution in kind in PetroNor E&P ASA

### INTRODUCTION

As independent expert and on instructions from the Board of Directors in PetroNor E&P ASA, reg.no. 927 866 951 ("PetroNor"), KWC Revisjon AS report in accordance with the Norwegian Public Limited Liability Companies Act section 10-2, cf. section 2-6. This report concerns the board's proposal for a private placement by way of contribution in kind of shares in PetroNor E&P Limited ("PetroNor Australia"). PetroNor Australia is an Australia incorporated, independent oil and gas exploration and production company focused on Sub-Saharan Africa. PetroNor Australia is listed on the Oslo Euronext Expand, by way of depository receipts, a regulated financial market controlled by the Oslo Stock Exchange.

The private placement is carried out in connection with a planned redomicile of PetroNor Australia and its subsidiaries from Australia to Norway. The redomicile will be carried out by way of a so-called scheme of arrangement ("Scheme") is intended to effect the acquisition by PetroNor, of all of the PetroNor Australia Shares held by the shareholders. The Scheme is an Australian statutory contract between the target company and its members to reconstruct the company's share capital, assets or liabilities. Once approved by members in general meeting and approved by the Court, a scheme is binding on all shareholders of the company.

The contribution in kind will thus comprise 1,326,991,006 fully paid ordinary shares in PetroNor Australia, the consideration for which will be one PetroNor share for each PetroNor Australia share. Prior to the contribution in kind, the share capital will be reduced to NOK 0 upon redemption of 100,000 shares, each with a nominal value of NOK 10 per share.

The agreement to implement the Scheme was entered into between PetroNor Australia, PetroNor and the shareholders of PetroNor Australia on 7 October 2021. The authorization for listing of PetroNor to the Oslo Børs or Euronet Expand (as applicable) is a condition precedent to the Scheme.

### THE BOARD OF DIRECTORS' RESPONSIBILITY

The Board is responsible for the information on which this report is based, and for the valuations which are the basis for determining the share consideration.

### THE INDEPENDENT EXPERT'S RESPONSIBILITY

Our responsibility is to prepare a report regarding the share contribution by way of the Shares, and to express an opinion on whether the contribution in kind has a value least corresponding to the consideration.

The remaining report is divided into two parts. The first part is a description of the contribution, in accordance with the requirements set out in the Norwegian Public Limited Liability Companies Act section 10-2, cf. section 2-6, numbers 1 through 4. The second part is our opinion on whether the Shares at least equals the consideration.

#### **PART 1: INFORMATION ABOUT THE CONTRIBUTION**

The board of directors of PetroNor has proposed a share capital increase of NOK 1,326,991.006. As of receipt of the capital contribution, PetroNor becomes the owner of 1,326,991,006 shares in PetroNor Australia, against a consideration in the form of shares in PetroNor, issued to the shareholders of PetroNor Australia.

The board of directors of PetroNor has set out an equity value of PetroNor Australia of NOK 1,256,737,709.130520 corresponding to a price per PetroNor Australia share of NOK 0.947058. The agreed equity value is based on 10 days VWAP from the 10 last days of trading prior to the Scheme. In addition to being supported by recently observed share price of PetroNor, the equity value is also supported by both the board of directors' internal assessments, as well as by external financial analysts covering PetroNor. Further, Stantons Corporate Finance Pty Ltd ("Stantons") has been engaged by PetroNor Australia to prepare an independent expert's report to assess whether the proposed redomicile transaction is in the interests of the shareholders. Stantons has concluded that the Scheme is in the best interest of the shareholders.

The board of directors of PetroNor has proposed to issue 1,326,991,006 new shares in PetroNor against the PetroNor Australia shares contributed, each with a nominal amount of NOK 0.001. The subscription amount for the PetroNor shares to be issued will be NOK 1,256,737,709.130520. Of the subscription price, NOK 1,326,991.006 will constitute the nominal amount and NOK 1,255,410,718.124520 will constitute share premium. Upon receipt of the PetroNor Australia shares, PetroNor becomes the owner of shares which as of 23 February 2022 had a value at least corresponding to the value of the consideration consisting of 1,326,991,006 new shares in PetroNor.

#### **PART 2: THE INDEPENDENT EXPERT'S REPORT**

We have conducted our review and issue our statement in accordance with the Norwegian standard SA 3802-1 "The auditor's statements and reports pursuant to Norwegian company legislation". The standard requires that we plan and perform our review to obtain reasonable assurance for the fact that the value of the assets to be taken over by PetroNor at least equals the agreed consideration. The work includes a review of the valuation of the contribution including the assessment principles. We have also assessed the valuation methods applied and the assumptions on which the valuation is based.

We believe that the audit evidence we have obtained is sufficient and appropriate to constitute a basis for our opinion.

**CONCLUSION**

In our opinion, the PetroNor Australia shares which will be contributed in kind to PetroNor have an aggregate value per 23 February 2022 at least equaling the agreed consideration of shares in PetroNor which is issued in connection with the share capital increase, including the aggregate nominal amount of NOK 1,326,991.006 and aggregate share premium of NOK 1,255,410,718.124520.

Oslo, 23 February 2022

KWC Revisjon AS

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Simen B. Weiby

*State Authorized Public Accountant (Norway)*

This translation to English has been prepared for information purposes only

DRAFT



**PETRONOR E&P ASA**

*(Orgainsation # 927 866 951)*

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*Financial Statements*  
*For the month period ended*  
*31 October 2021*

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## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	For the month period ended 31 October 2021 NOK
Other operating income	-
Administrative expenses	-
<b>Profit from operations</b>	<b>-</b>
Finance expense	-
<b>Profit before tax</b>	<b>-</b>
Tax expense	-
<b>Profit for the period</b>	<b>-</b>
<b>Other comprehensive income</b>	<b>-</b>
<b>Total comprehensive income</b>	<b>-</b>
<i>Profit for the period attributable to:</i>	
Owners of the parent	-
<i>Total comprehensive income attributable to:</i>	
Owners of the parent	-
<i>Earnings per share attributable to members:</i>	
Basic profit per share	-
Diluted profit per share	-

*The accompanying notes form part of these financial statements.*

**STATEMENT OF FINANCIAL POSITION**

	Note	As at 31 October 2021 NOK
<b>Assets</b>		
Current assets		
Trade and other receivables	5	1,000,000
Cash and cash equivalents		-
		<u>1,000,000</u>
Non-current assets		-
<b>Total assets</b>		<u><u>1,000,000</u></u>
<b>Liabilities</b>		
Current liabilities		
Trade and other payables		5,570
		<u>5,570</u>
Non-current liabilities		-
<b>Total liabilities</b>		<u>5,570</u>
<b>NET ASSETS</b>		<u><u>994,430</u></u>
<b>Issued capital and reserves attributable to owners of the parent</b>		
Share capital	6	1,000,000
Other paid-in capital		(5,570)
Retained earnings		-
<b>TOTAL EQUITY</b>		<u><u>994,430</u></u>

The accompanying notes form part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Directors on 11 November 2021.



Eyas Alhomouz, Chairman of the Board



Gro Kielland, Director of the Board



Jens Pace, Director of the Board



Ingvil Smines Tybring-Gjedde, Director of the Board



Joseph Iskander, Director of the Board

**STATEMENT OF CHANGES IN EQUITY**

	Note	Share capital	Other paid-in capital	Retained earnings	Total
		NOK	NOK	NOK	NOK
For the month period ended 31 October 2021					
<b>BALANCE AT 1 OCTOBER 2021</b>		<b>1,000,000</b>	<b>(5,570)</b>	<b>-</b>	<b>994,430</b>
Profit for the period		-	-	-	-
Other comprehensive income:		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>BALANCE AT 31 OCTOBER 2021</b>		<b>1,000,000</b>	<b>(5,570)</b>	<b>-</b>	<b>994,430</b>

*The accompanying notes form part of these financial statements.*

## STATEMENT OF CASH FLOWS

	Note	For the month period ended 31 October 2021 NOK
<b>Cash flows from operating activities</b>		
Profit for the period		-
Increase in trade and other receivables		-
Increase in trade and other payables		-
<b>Cash generated from operations</b>		-
Income taxes paid		-
<b>Net cash flows from operating activities</b>		-
<b>Net cash flows from investing activities</b>		-
<b>Financing activities</b>		
Issue of ordinary shares	6	-
Capital raising expenses		-
<b>Net cash from financing activities</b>		-
<b>Net increase in cash and cash equivalents</b>		-
<b>Cash and cash equivalents at end of period</b>		-

Non-cash financing activities include the NOK 1,000,000 initial share capital paid into the bank account of the Company's accountant.

*The accompanying notes form part of these financial statements.*



## NOTES TO THE FINANCIAL STATEMENTS

### 1. Corporate information

Petronor E&P ASA is a public limited company, incorporated in Norway.

#### Registered Office

Frøyas gate 13  
0243 Oslo  
Norway  
☎ +47 22 55 46 07

#### Directors

The names of Directors in office during the financial period and until the date of approval of these financial statements are as follows. Directors were in office for this entire period unless otherwise stated.

	Role	Appointed
<b>Current members:</b>		
E Alhomouz	Non-Exec Chairman	1 October 2021
J Pace	Non-Exec Director	1 October 2021
I Tybring-Gjedde	Non-Exec Director	1 October 2021
G Kielland	Non-Exec Director	1 October 2021
J Iskander	Non-Exec Director	8 October 2021

The Company was established on 1 October 2021, and these are the first financial statements prepared for Petronor E&P ASA and cover the month period ended 31 October 2021. The financial statements were approved by written resolution of the board on 11 November 2021.

These financial statements have been prepared to support the listing application by the Company to the Oslo Stock Exchange. The Company has been incorporated with the intention to replace the Australian registered parent company, PetroNor E&P Ltd (**PetroNor Australia**), at the top of the group.

PetroNor Australia is currently listed on Oslo Euronext Expand, but has proposed to its shareholders to redomicile to Norway via a Scheme of Arrangement (Scheme). The Company and PetroNor Australia entered into the Scheme Implementation Agreement on 7 October 2021. Under the Scheme, all of PetroNor Australia shares held by PetroNor Australia shareholders will be transferred to the Company. In exchange PetroNor Australia shareholders will receive one new Company share for every one PetroNor Australia share held as at the Scheme record date. Completion of the Scheme is conditional on various shareholder and court approvals in addition to the Company's ability to list its shares on the Oslo Stock Exchange. If the Scheme is implemented, the Company will become the top company in the consolidated group and will inherit the existing commitments and contingencies of the consolidated group from current parent company PetroNor E&P Ltd.

The re-domiciliation is not expected to result in any material changes to the PetroNor Australia Group's assets, management, operations or strategy and is expected to be structured in a tax-neutral basis to the Company and its shareholders.

The Company has yet to start trading, but once it has replaced its parent Company as the top company in the Group via the proposed Scheme, it will takeover the Group's principal activities of exploration and production of oil and gas.

The financial statements of PetroNor E&P Ltd are publicly available on its website [www.petronorep.com](http://www.petronorep.com) and also available on the historic press releases to the Oslo Stock Exchange under the ticker PNOR.

### 2. Basis of preparation

PetroNor E&P ASA's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and are mandatory for financial years beginning on or after 1 January 2021. Additional disclosures required by the Norwegian Accounting Act are also provided.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgments in applying the Company's accounting policies.

There are no areas involving a high degree of judgment or complexity.

The financial statements have been prepared on the basis of uniform accounting principles for similar transactions and events under otherwise similar circumstances.

The financial report is presented in Norwegian Kroner.

### 3. Employee benefit expenses

The Company has no employees

### 4. Auditors' remuneration

No audit fees have been incurred for the period.

### 5. Trade and other receivables

	As at 31 October 2021 NOK
Other receivables	<u>1,000,000</u>

### 6. Equity

#### Share capital

All shares have equal rights and are freely transferable  
Share capital

	Number of fully paid ordinary shares As at 31 October 2021
Issue of shares <sup>1</sup>	<u>100,000</u>
<b>Balance at end of the period</b>	<b><u>100,000</u></b>

<sup>1</sup> On 1 October 2021, the Company issued 100,000 shares at NOK 10 each. All the shares are owned by PetroNor E&P Ltd, the immediate parent company registered in Australia and listed on Oslo Euronext Expand.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 7. Risk Management

#### Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. As at 31 October 2021, the Company's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Company arises from the carrying amount of the respective recognised financial assets as stated in the statement of financial position.

To minimise credit risk, the Company has tasked its management to develop and maintain the Group's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by independent rating agencies where available and, if not available, the management uses other publicly available financial information and the Company's own trading records to rate its major customers and other debtors. The Company's exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions concluded is spread amongst approved counterparties.

The Company's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising expected credit losses
Performing	The counterparty has a low risk of default and does not have any past-due amounts	12-month ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition	Lifetime ECL – not credit-impaired
In default	Amount is >90 days past due or there is evidence indicating the asset is credit-impaired	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Company has no realistic prospect of recovery	Amount is written off

The table below details the credit quality of the Company's financial assets as well as the Company's maximum exposure to credit risk by credit risk rating grades.

As at 31 October 2021	Other receivables
External credit rating	n/a
Internal credit rating	-
12 month or lifetime ECL	<b>Lifetime ECL</b>
Gross carrying amount NOK	<b>1,000,000</b>
Loss allowance NOK	-
Net carrying amount	<b>1,000,000</b>

For other receivables, the Company has applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime ECL. The expected credit losses are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current

financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

#### Liquidity risk

The Company seeks to limit its liquidity risk by ensuring financial support is available from the shareholders. Trade payables are normally settled within 90 to 120 days of the date of receipt of invoice.

The table below summarises the maturity profile of the Group's financial liabilities at 31 October 2021 based on contractual undiscounted payments.

NOK	On demand	Between 1 and 3 months	Between 3 months and 1 year	Total
<b>31 October 2021</b>				
Other payables	<b>5,570</b>	-	-	<b>5,570</b>

### 8. Financial instruments – Fair values

Financial instruments comprise financial assets and financial liabilities.

Financial assets consist of bank balances and cash. Financial liabilities consist of other liabilities.

The fair values of the Group's financial instruments are not materially different from their carrying amounts at the reporting date largely due to the short-term maturities of these instruments.

### 9. Commitments and contingencies

As of the period ended 31 October 2021 the Company had no commitments or contingencies.

### 10. Events subsequent to reporting date

The Company has not identified any events with significant accounting impacts that have occurred between the end of the reporting period and the date of this report.

### 11. Summary of significant accounting policies

The following is a summary of the material accounting policies adopted by the Company in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

#### Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits, other short-term highly liquid investments with original maturities of three months or less.

#### Trade and other payables

Trade and other payables are carried at amortised cost and due to their short-term nature, they are not discounted.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### Share capital

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

### Financial instruments

A financial instrument is any contract that gives rise to a financial asset of any one entity and a financial liability or equity instrument of another entity.

#### (i) Financial assets

The Company's financial assets are other receivables and cash and cash equivalents.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. The Company initially measures a financial asset at its fair value.

#### Financial assets at amortised cost

The Company measures financial assets at amortised cost if both of the following conditions are met:

The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and,

The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

#### Cash equivalents

Cash equivalents are short-term, highly-liquid investments that are readily convertible to known amounts of cash, are subject to insignificant risk of changes in value and generally have a maturity of three months or less from the date of acquisition. Cash equivalents are classified as financial assets measured at amortised cost.

#### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:

The rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

#### (ii) Financial liabilities

Financial liabilities are classified, at initial recognition, as loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. Derivatives are recognised initially at fair value. Loans, borrowings and payables are recognised at fair value net of directly attributable transaction costs.

Derivatives are financial liabilities when the fair value is negative, accounted for similarly as derivatives as assets.

#### Loans, borrowings and payables

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains

and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

Payables are measured at their nominal amount when the effect of discounting is not material.

#### Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

### Events after the reporting period

New information on the company's financial position on the end of the reporting period which becomes known after the reporting period is recorded in the annual accounts. Events after the reporting period that do not affect the company's financial position on the end of the reporting period but which will affect the company's financial position in the future are disclosed if significant.

## STATEMENT OF RESPONSIBILITY

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We confirm that in the opinion of the Directors, the financial statements and notes of PetroNor E&P ASA for the month period ended 31 October 2021:

- (i) have been prepared in accordance with current applicable accounting standards;
- (ii) give a true and fair view of its financial position as at 31 October 2021 and of its performance for the month period ended on that date; and
- (iii) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

11 November 2021

The Board of Directors

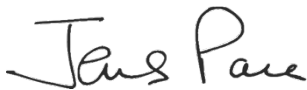
PetroNor E&P ASA



Eyas Alhomouz, Chairman of the Board



Gro Kielland, Director of the Board



Jens Pace, Director of the Board



Ingvil Smines Tybring-Gjedde, Director of the Board



Joseph Iskander, Director of the Board

# Independent Auditor's Report

To the General Meeting in PetroNor E&P ASA

## Report on the Audit of the Financial Statements

### Opinion

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We have audited the financial statements of PetroNor E&P ASA.

<p>The financial statements comprise:</p> <ul style="list-style-type: none"><li>• The balance sheet as at 31 October 2021</li><li>• The income statement, statement of comprehensive income for the month period ended 31 October 2021</li><li>• Statement of changes in equity</li><li>• Statement of cash flows for the month period ended 31 October 2021</li><li>• Notes to the financial statements, including a summary of significant accounting policies</li></ul>	<p>In our opinion:</p> <p>The accompanying financial statements give a true and fair view of the financial position of the Company for the month period ended 31 October 2021, and its financial performance and its cash flows for the month period ended 31 October 2021, in accordance with International Financial Reporting Standards as adopted by the EU.</p>
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### Basis for Opinion

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We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company as required by laws and regulations, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

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The Board of Directors and the Managing Director (management) are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### Auditor's Responsibilities for the Audit of the Financial Statements

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Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's



report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to:

<https://revisorforeningen.no/revisjonsberetninger>

BDO AS

Børre Skisland  
State Authorised Public Accountant  
(This document is signed electronically)

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## Børre Skisland

Partner

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## Børre Skisland

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