



NorAm Drilling AS (NORAM) – Monthly rig update and key information relating to the cash distribution for September 2023

Oslo, Norway, September 12, 2023

Commercial update:

In August 2023, the Company's 11 drilling rigs achieved an average operating day rate of approximately USD 30,200⁽¹⁾ and rig utilization was 74.2%.

As of September 12, 2023, 73% of available rig days in September are contracted at an average operating day rate of approximately USD 28,800. The contracted backlog⁽²⁾ beyond September was approximately USD 18.7 million with an average daily operating rate of approximately USD 28,000⁽¹⁾.

Currently 8 of 11 rigs are contracted and working. We expect activity to pick up later in 2023 and plan to keep the idle rigs warm-stacked for now. During the time between contracts, the Company expects the rigs' opex to be approximately 30% lower than in a contracted mode.

Cash distribution:

The Board of Directors approved today a monthly cash distribution of USD 2.2 million or USD 0.05 per share for September 2023, reflecting reduced cash flow in August with three rigs warm-stacked. The distribution will be made from the Company's Contributed Surplus account which consists of previously paid in share premium transferred from the Company's Share Premium account.

Key information:

Distribution amount: USD 0.05 per share

Declared currency: US\$. Payment to shares registered with Euronext VPS will be distributed in NOK⁽³⁾

Date of approval: September 12, 2023

Last day including right: September 15, 2023

Ex-date: September 18, 2023

Record date: September 19, 2023

Payment date: On or about September 22, 2023

For further queries, please contact:

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About NorAm Drilling

NorAm Drilling owns and operates a portfolio of eleven advanced drilling rigs upgraded to maximize drilling efficiency in the Permian Basin in Texas, which is the largest oil producing region in North America. NorAm Drilling is debt free and has industry leading operating margins. The Company has a full pay-out dividend strategy, targeting frequent cash distributions in a profitable market.

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(1) Excluding add-on rates for equipment rentals, additional crew and overtime.

(2) The contracted backlog only includes the fixed part of 'pad to pad' agreements, where the contract rate is agreed before commencing drilling on a new pad, typically with 2-3 month intervals.

(3) The applicable USDNOK FX rate will be announced in the Company's ex dividend release before market open on September 18.