



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

Oslo, Norway, October 10, 2023

Commercial update:

In September 2023, the Company's 11 drilling rigs achieved an average operating day rate of approximately USD 28,800⁽¹⁾ and rig utilization was 71.5%.

As of October 10, 2023, 78% of available rig days in October are contracted at an average operating day rate of approximately USD 27,500. The contracted backlog⁽²⁾ beyond October was approximately USD 19.9 million with an average daily operating rate of approximately USD 26,800⁽¹⁾.

Currently 8 of 11 rigs are contracted and working. One of the idle rigs will mobilize for a new contract with a new operator in mid-October. We expect activity to pick up later in 2023 and plan to keep the two remaining 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 1.7 million or USD 0.04 per share for October 2023. 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 0.04 per share

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

Date of approval: October 10, 2023

Last day including right: October 13, 2023

Ex-date: October 16, 2023

Record date: October 17, 2023

Payment date: On or about October 20, 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 October 16.