



Decision to develop the Hasselmus gas discovery

Draugen operator OKEA ASA and partners Petoro AS and Neptune Energy Norge AS have made the decision to develop the Hasselmus gas discovery. Hasselmus will be the first tie-back to the Draugen production platform and will add in excess of 4,000 barrels of oil equivalents per day to the production.

The Hasselmus project is expected to recover approximately 1.65 GSm³ (10.6 million barrels of oil equivalents) as fuel and export gas and will also make possible the restart of export of associated gas including NGL which is currently being injected into the reservoir.

The development concept is a single subsea well with direct tie-back to the Draugen platform. Production start-up is planned in Q4 2023 with plateau gas production of more than 4,400 barrels of oil equivalents per day gross. The breakeven price for the Hasselmus project is estimated to around USD 28/boe or 85 øre/Sm³. Expected total investment cost for the project is NOK 2.4 billion gross. OKEA's guiding on capital expenditure for 2021 of NOK 600-700 million remains unchanged following this decision.

'The Hasselmus project is the first field development project for OKEA as operator. Based on the single well subsea development solution with tie-back to the Draugen platform it is also a financially robust project', says Knut Gjertsen, SVP Projects and Technology in OKEA. 'The temporary tax measures adopted by Parliament in June last year, have ensured a timely development of Hasselmus during a period of significant market volatility.'

'I am very pleased on my first day as CEO of OKEA to be able to announce that the Draugen licence has committed to developing the Hasselmus gas discovery,' says new CEO Svein J. Liknes. 'The project is important for the long-term development of Draugen and demonstrates our ability to deliver on organic growth opportunities.'

The Hasselmus discovery and the Draugen licence

The Hasselmus gas discovery is located on the western edge of the Trøndelag platform in the Norwegian Sea, 7 km northwest of the Draugen platform, in production licence 093. A single well (6407/9-9 T2) was drilled on the Hasselmus structure by A/S Norske Shell in 1999 which encountered a 16 meters gas column and a 6.8 meters oil column in high quality sands at a depth of 1,700 meters.

OKEA ASA (44.56% WI) is the operator of the Draugen licence and the Hasselmus project. Partners are Petoro AS (47.88% WI) and Neptune Energy Norge AS (7.56% WI).

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About OKEA

OKEA ASA is an independent Exploration and Production (E&P) company and operator on the Norwegian Continental Shelf with a current production around 16,000 boepd. OKEA targets profitable production growth within the current portfolio combined with an opportunistic approach to M&A.

OKEA ASA is listed on the Oslo Stock Exchange under the ticker "OKEA".

More information on www.okea.no