



OKEA acquires a material portfolio of assets from Wintershall Dea

Trondheim, 23 May 2022 - OKEA ASA ("OKEA") is pleased to announce that it has entered into an agreement with Wintershall Dea Norge AS ("Wintershall Dea") to acquire a material portfolio of producing and near-term producing assets for an initial aggregate post-tax cash consideration of USD 117.5 million (the "Acquisition").

Highlights

- Acquisition of 35.2% operated working interest ("WI") in the Brage Unit, 6.4615% WI in the Ivar Aasen Unit and 6% WI in the Nova field (the "Assets") from Wintershall Dea with effective date 1 January 2022.
- The initial cash consideration is USD 117.5 million and includes tax balances.
- Wintershall Dea to retain responsibility for 80% of OKEA's share of total decommissioning costs related to the Brage Unit.
- Net 2P reserves of 13.2 mmboe¹ and net 2C resources of 10.6 mmboe¹.
- Adds 2022E incremental production of 5,000 - 6,000 boepd and is expected to grow to at least 7,000 boepd in 2023-24 with material additional near-term production potential from large inventory of drilling opportunities.
- Completion, including transfer of operatorship of the Brage Unit, is planned for Q4 2022.
- Along with the operatorship at Brage follows a competent and experienced organisation which will be integrated into the OKEA organisation.
- Annual synergies estimated to USD 4-7 million¹ across OKEA's operated assets.
- The transaction will be financed through OKEA's existing cash resources.
- OKEA is today also announcing its inaugural dividend payment and a dividend plan for 2022 as well as capital allocation principles as outlined in further detail in a separate stock exchange notice.

OKEA CEO, Svein J. Liknes stated: *"We are very pleased to announce this transaction with Wintershall Dea which represents a significant step towards delivering inorganic growth in line with our revised strategy as set out at the end of last year. Through this acquisition, OKEA establishes a new operated position, enhances the scale and diversification of our portfolio and strengthens our position within existing core areas."*

Transaction details

OKEA will acquire 35.2% operated WI in the Brage Unit, 6.4615% WI in the Ivar Aasen Unit and 6% WI in the Nova field from Wintershall Dea for an initial cash consideration of USD 117.5 million (subject to working capital and other adjustments) based on effective date 1 January 2022.

In addition to the fixed consideration, OKEA shall pay to Wintershall Dea an additional contingent consideration based on an upside sharing arrangement subject to oil price level and oil production performance during the period 2022-24. The contingent consideration will be paid if the average oil price for each of the six half year periods during 2022-24 exceeds USD 80/bbl and the aggregated net oil production volumes exceeds certain pre-defined production levels. The split on the price exceeding 80 USD/bbl is 70% net after tax to Wintershall Dea and 30% to OKEA in 2022 and a 50/50 net after tax split in 2023-24.

Wintershall Dea will retain responsibility for 80% of OKEA's share of total decommissioning costs related to the Brage Unit.

The Assets comprise three high quality oil fields, all located in the Norwegian North Sea, with expected combined net production of 5,000–6,000 boepd in 2022 and net 2P reserves of 13.2 mmboe¹. The Brage and Ivar Aasen fields are producing assets, while the Nova field is expected to commence production in Q3 2022 as a subsea tie-back to the Gjøa platform (OKEA 12% WI). Through the Acquisition, OKEA will become operator of the Brage field, adding another operatorship of a producing asset to OKEA's portfolio. On Brage, OKEA has identified material remaining potential and opportunities for OKEA to add value as operator. In addition, OKEA will further increase its net interest in the Ivar Aasen field from 2.777% to 9.2385% and strengthen its position in the core area Gjøa, through the Nova field.

The Acquisition price includes tax balances and will be financed through OKEA's existing cash and liquidity resources.

The transaction is conditional upon Norwegian governmental approval and is expected to be completed in Q4 2022.

Brage Unit (35.2% operated WI)

- Located in the northern part of the North Sea, ten kilometres east of the Oseberg field, with a water depth is 140 metres.
- Discovered in 1980 and production start in 1993.
- The field has been developed with an integrated production, drilling and accommodation facility with a steel jacket.
- The oil is transported by pipeline to the Oseberg field and further through the Oseberg Transport System (OTS) pipeline to the Sture terminal. A gas pipeline is tied-back to Statpipe.
- OKEA will take over Wintershall Dea Norge AS's entire share (35.2%) as well as the operatorship, with other partners comprising of Lime Petroleum AS (33.8434%), DNO Norge AS (14.2567%), Vår Energi ASA (12.2575%) and M Vest Energy AS (4.4424%).
- Produced to date ~ 421 mmboe² gross.
- Current production ~ 8,000 boepd³ gross.

Ivar Aasen Unit (6.4615% WI)

- Located at a water depth of 110 metres in the northern part of the North Sea, 30 kilometres south of Grane and Balder.
- Discovered in 2008 and the plan for development and operation (PDO) was approved in 2013. Production started in 2016.
- The development includes a production, drilling and housing facility (PDQ) with a steel substructure and a separate jack-up rig for drilling and completion. Ivar Aasen is

powered by electricity from Edvard Grieg and will be supplied with power from shore as part of the joint development of Utsira High expected to commence in late 2022.

- Aker BP is the operator (34.7862%), with other partners comprising Equinor Energy AS (41.473%), Spirit Energy Norway AS (12.3173%), Lundin Energy Norway AS (1.385%), M Vest Energy AS (0.8%) and after the transaction has been completed OKEA will own 9.2385%.
- Produced to date ~ 103 mmboe² gross.
- Current production ~ 47,000 boepd³ gross.

Nova field (6% WI)

- Located in the northern part of the North Sea, 17 kilometres southwest of the Gjøa field at a water depth of 370 metres.
- Nova was discovered in 2012, and the plan for development and operation (PDO) was approved in 2018. The development consists of two four-slot subsea templates tied back to the Gjøa host platform wherefrom Nova will be provided with green power from shore. The subsea installation scope was finalised in 2021.
- The field is under development, and production is planned in the second half of 2022.
- The well stream will be routed to the Gjøa platform for processing and export. The oil will be transported further through the Troll Oil Pipeline II to the Mongstad terminal, and the gas will be exported via the Far North Liquids and Associated Gas System (FLAGS) pipeline to St Fergus in the UK.
- After the transaction has been completed, Wintershall Dea Norge AS as the operator will own 39%, with other partners comprising OKEA (6%), Sval Energi AS (25%), Spirit Energy Norway (20%) and ONE-Dyas Norge AS (10%).

Pareto Securities AS acted as sole financial advisor to OKEA in connection with the Acquisition.

Presentation to analysts and investors

OKEA will hold a presentation to analysts and investors at 08:00 CET 23 May 2022. The presentation material is attached hereto.

Please dial-in 5 to 10 minutes in advance for registration.

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Notes

- 1) OKEA estimates
- 2) Source: NPD – Year end 2021
- 3) Source: NPD – January 2022 average

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About OKEA

OKEA ASA is a leading mid- to late-life operator on the Norwegian continental shelf (NCS) with an updated target production of 18,500–20,000 boe per day in 2022 (pre-transaction). OKEA finds value where others divest and has an ambitious strategy built on growth, value creation and capital discipline.

OKEA is listed on the Oslo Stock Exchange (OSE:OKEA).

More information is available at www.okea.no

This information is considered to be inside information pursuant to the EU Market Abuse Regulation and is subject to disclosure requirements pursuant to Section 5-12 of the Norwegian Securities Trading Act.

The stock exchange announcement was published by Kjersti Hovdal, VP accounting and controlling, OKEA ASA on 23 May 2022 at 06:00 CEST.