

PROSPECTUS



Listing of 309,090,909 Private Placement Shares, and

Subsequent Offering and listing of up to 60,000,000 Offer Shares

This prospectus (the "**Prospectus**") has been prepared by PetroNor E&P Limited ("**PetroNor**" or the "**Company**" and, together with its consolidated subsidiaries, the "**Group**") solely for use in connection with (i) the listing on Oslo Euronext Expand, a regulated market operated by Oslo Børs ASA ("**Euronext Expand**") of 309,090,909 new depository receipts, each representing one share of the Company, (the "**Private Placement Shares**") in connection with the private placement announced on 12 March 2021 (the "**Private Placement**"), (ii) a subsequent repair offering (the "**Subsequent Offering**") of up to 60,000,000 new depository receipts, each representing one share of the Company, (the "**Offer Shares**"), and (iii) the listing of the Offer Shares on Euronext Expand.

The Company's shares, being the beneficial interests over the underlying shares issued by the Company, are listed and tradeable on Euronext Expand in the form of depository receipts ("**Depository Receipts**"). References in this Prospectus to "**Shares**" means the Depository Receipts, unless otherwise indicated or required by the context.

The Subsequent Offering consists of an offering of up to 60,000,000 Offer Shares at an offer price of NOK 1.10 per share (the "**Offer Price**"), corresponding to up to NOK 66,000,000 in gross proceeds. The Offer Price in the Subsequent Offering is equal to the offer price in the Private Placement. In the Subsequent Offering the Company will, subject to applicable securities laws, grant non-transferrable allocation rights to the Company's shareholders as of 11 March 2021, as registered in the Norwegian Central Securities Depository (the "**VPS**") on 15 March 2021 (the "**Record Date**"), who:

- (i) were not invited to subscribe for shares in the pre-sounding of the Private Placement;
- (ii) were not allocated shares in the Private Placement; and
- (iii) are not resident in a jurisdiction where such offering would be unlawful, or would (in jurisdictions other than Norway) require any prospectus filing, registration or similar action (including but not limited to Australia)

(each such shareholder an "**Eligible Shareholder**", and collectively "**Eligible Shareholders**"). Petromal Sole Proprietorship LLC ("**Petromal**"), Symero Ltd. ("**Symero**"), NOR Energy AS ("**NOR**") and companies controlled (directly and indirectly) by Knut Søvold and Gerhard Ludvigsen, respectively, are not Eligible Shareholders.

Each Eligible Shareholder will be granted 0.23370 non-transferrable allocation rights (the "**Allocation Rights**") for each existing Share registered as held by such Eligible Shareholders as of the Record Date. The number of Allocation Rights granted to each Eligible Shareholder will be rounded down to the nearest whole Allocation Right. Each Allocation Right gives the right to subscribe for, and be allocated, one Offer Share in the Subsequent Offering. Application without Allocation Rights is permitted.

The application period for the Subsequent Offering will take place from and including 10:00 (CEST) on 24 August 2021 to and including 16:30 (CEST) on 7 September 2021 (the "**Application Period**"). Allocation Rights that are not used to subscribe for Offer Shares before the expiry of the Application Period will have no value and will lapse without compensation to the holder.

Investing in the Company involves a high degree of risk. Prospective investors should read the entire Prospectus and, in particular, Section 2 "Risk Factors" when considering an investment in the Company.

The Offer Shares have not been, and will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States, and are being offered and sold: (i) in the United States only to persons who are QIBs in reliance on Rule 144A or pursuant to another exemption from the registration requirements of the U.S. Securities Act; and (ii) outside the United States pursuant to Regulation S. Prospective purchasers are hereby notified that sellers of Offer Shares may be relying on the exemption from the provisions of Section 5 of the U.S. Securities Act provided by Rule 144A thereunder. The distribution of this Prospectus and the offer and sale of the Offer Shares in certain jurisdictions may be restricted by law. Persons in possession of this Prospectus are required to inform themselves about and to observe any such restrictions. Any failure to comply with these regulations may constitute a violation of the securities law of any such jurisdiction. See Section 15 "Selling and transfer restrictions".

IMPORTANT INFORMATION

This Prospectus has been prepared solely for use in connection with the Subsequent Offering and the listing of the Offer Shares and the Private Placement Shares on Euronext Expand. Please see Section 17 "Definitions and Glossary" for definitions of terms used throughout this Prospectus.

This Prospectus has been prepared to comply with the Norwegian Securities Trading Act of 29 June 2007 no. 75, as amended (the "**Norwegian Securities Trading Act**") and related secondary legislation, including Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended, and as implemented in Norway in accordance with Section 7-1 of the Norwegian Securities Trading Act (the "**EU Prospectus Regulation**"). This Prospectus has been prepared solely in the English language. This Prospectus has been approved by the Financial Supervisory Authority of Norway (Nw: *Finanstilsynet*) (the "**Norwegian FSA**"), as competent authority under the EU Prospectus Regulation. The Norwegian FSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation, and such approval should not be considered as an endorsement of the issuer or the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

The Company has engaged Arctic Securities AS, Pareto Securities AS and SpareBank 1 Markets AS (collectively referred to as the "**Managers**") as managers in connection with the Private Placement and the Subsequent Offering.

No person is authorised to give information or to make any representation concerning the Company or in connection with the Subsequent Offering other than as contained in this Prospectus. If any such information is given or made, it must not be relied upon as having been authorised by the Company or the Managers or by any of their affiliates.

The distribution of this Prospectus and the Subsequent Offering may be restricted by law in certain jurisdictions. This Prospectus does not constitute an offer of, or an invitation to purchase, any of the Offer Shares in any jurisdiction in which such offer or sale would be unlawful. No one has taken any action that would permit a public offering of the Shares to occur outside of Norway. Accordingly, neither this Prospectus nor any advertisement or any other offering material may be distributed or published in any jurisdiction except as permitted by applicable laws and regulations. Persons in possession of this Prospectus are required to inform themselves about, and to observe, any such restrictions. In addition, the Shares are subject to restrictions on transferability and resale in certain jurisdictions and may not be transferred or resold except as permitted under applicable securities laws and regulations. Any failure to comply with these restrictions may constitute a violation of applicable securities laws. For further information on certain applicable selling and transfer restrictions, see Section 15 "Selling and transfer restrictions".

The information contained herein is current as at the date hereof and subject to change, completion and amendment without notice. In accordance with Article 23 of the EU Prospectus Regulation, significant new factors, material mistakes or material inaccuracies relating to the information included in this Prospectus, which may affect the assessment of the Offer Shares and which arises or is noted between the time when the Prospectus is approved by the Norwegian FSA and the listing of the Offer Shares and the Private Placement Shares on Euronext Expand, will be mentioned in a supplement to this Prospectus without undue delay. Neither the publication nor distribution of this Prospectus, nor the sale of any Offer Share, shall under any circumstances imply that there has been no change in the Group's affairs or that the information herein is correct as of any date subsequent to the date of this Prospectus.

Investing in the Company involves a high degree of risk. See Section 2 "Risk Factors".

In making an investment decision, prospective investors must rely on their own examination, and analysis of, and enquiry into the Group and the terms of the Subsequent Offering, including the merits and risks involved. Neither the Company, the Managers, any of their respective affiliates, representatives, advisers or selling agents, are making any representation to any offeree or purchaser of the Offer Shares regarding the legality or suitability of an investment in the Offer Shares. Each investor should consult with his or her own advisers as to the legal, tax, business, financial and related aspects of a purchase of the Offer Shares.

This Prospectus and the Subsequent Offering are governed by Norwegian law. The courts of Norway, with Oslo as legal venue, have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Subsequent Offering or this Prospectus.

NOTICE TO INVESTORS IN THE UNITED STATES

Because of the following restrictions, prospective investors are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the Shares. The Offer Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States and may not be offered, sold, pledged or otherwise transferred within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable state securities laws. Accordingly, the Offer Shares are being offered and sold: (i) in the United States only to QIBs in reliance upon Rule 144A or another available exemption from the registration requirements of the U.S. Securities Act; and (ii) outside the United States in compliance with Regulation S.

Prospective purchasers are hereby notified that sellers of Offer Shares may be relying on the exemption from the provisions of Section 5 of the U.S. Securities Act provided by Rule 144A under the U.S. Securities Act. Any Shares offered or sold in the United States will be subject to certain transfer restrictions as set forth under Section 15 "Selling and transfer restrictions".

The securities offered hereby have not been recommended by any United States federal or state securities commission or regulatory authority. Further, the foregoing authorities have not passed upon the merits of the Subsequent Offering or confirmed the accuracy or

determined the adequacy of this Prospectus. Any representation to the contrary is a criminal offense under the laws of the United States.

In the United States, this Prospectus is being furnished on a confidential basis solely for the purposes of enabling a prospective investor to consider purchasing the particular securities described herein. The information contained in this Prospectus has been provided by the Company and other sources identified herein. Distribution of this Prospectus to any person other than the offeree specified by the Managers or their representatives, and those persons, if any, retained to advise such offeree with respect thereto, is unauthorised and any disclosure of its contents, without prior written consent of the Company, is prohibited. Any reproduction or distribution of this Prospectus in the United States, in whole or in part, and any disclosure of its contents to any other person is prohibited. This Prospectus is personal to each offeree and does not constitute an offer to any other person or to the public generally to purchase Offer Shares or subscribe for or otherwise acquire any Shares.

NOTICE TO UNITED KINGDOM INVESTORS

Any offer or sale of the Offer Shares may only be made to persons in the United Kingdom who are "qualified investors" or otherwise in circumstances that do not require publication by the Company of a prospectus pursuant to section 85(1) of the U.K. Financial Services and Markets Act 2000.

This Prospectus is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (iii) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "**Relevant Persons**"). The Offer Shares are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Shares will be engaged in only with, Relevant Persons. Any person who is not a Relevant Person should not act or rely on this Prospectus or any of its contents.

NOTICE TO INVESTORS IN THE EEA

In relation to any member state of the European Economic Area (the "EEA") other than Norway (each a "**Member State**"), this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of Article 2(e) of the EU Prospectus Regulation. This Prospectus has been prepared on the basis that all offers of Offer Shares outside Norway will be made pursuant to an exemption under the EU Prospectus Regulation from the requirement to produce a prospectus for offer of shares. Accordingly, any person making or intending to make any offer within the EEA of Offer Shares which is the subject of the Subsequent Offering contemplated in this Prospectus within any EEA member state (other than Norway) should only do so in circumstances in which no obligation arises for the Company or any of the Managers to publish a prospectus pursuant to Article 1 of the EU Prospectus Regulation or a supplement prospectus pursuant to Article 23 of the EU Prospectus Regulation, in each case, in relation to such offer.

Each person in a Relevant Member State other than, in the case of paragraph (a), persons receiving offers contemplated in this Prospectus in Norway, who receives any communication in respect of, or who acquires any Offer Shares under, the offer contemplated in this Prospectus will be deemed to have represented, warranted and agreed to and with the Managers and the Company that:

- a) it is a "qualified investor" within the meaning of Article 2(e) of the EU Prospectus Regulation; and
- b) in the case of any Offer Shares acquired by it as a financial intermediary, as that term is used in the EU Prospectus Regulation, (i) such Offer Shares acquired by it in the Subsequent Offering have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the EU Prospectus Regulation, or in circumstances in which the prior consent of the Managers have been given to the offer or resale; or (ii) where such Offer Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Offer Shares to it is not treated under the EU Prospectus Regulation as having been made to such persons.

For the purposes of this provision, the expression an "offer to the public" in relation to any Offer Shares in any Relevant Member State means a communication to persons in any form and by any means presenting sufficient information on the terms of the Subsequent Offering and the Offer Shares to be offered, so as to enable an investor to decide to acquire any Offer Shares.

See Section 15 "Selling and transfer restrictions" for certain other notices to investors.

NOTICE TO INVESTORS IN AUSTRALIA

This Prospectus has not been lodged with the Australian Securities and Investments Commission, and is not a disclosure document for the purposes of Chapter 6D of the Corporations Act 2001 (Cth) (the "Corporations Act"). This Prospectus does not constitute an offer in Australia to any person who is not a "sophisticated investor" or "professional investor" (as defined in section 708 of the Corporations Act), unless it is otherwise lawful to offer shares to that person without disclosure under one or more of the exemptions set out in section 708 of the Corporations Act. The distribution of this Prospectus (including electronically) to persons in Australia may be restricted by the Corporations Act, and any failure to comply with such restrictions may constitute a violation of applicable securities laws.

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1. SUMMARY

Introduction

Warnings.....	This summary should be read as an introduction to the Prospectus. Any decision to invest in the securities should be based on a consideration of the Prospectus as a whole by the investor. An investment in the Company's Shares involves inherent risk and the investor could lose all or part of its invested capital. Where a claim relating to the information in this Prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.
The securities	The Company has one class of shares. The Shares are registered in the VPS under ISIN AU0000057408. The new Shares for Tranche 2a and Tranche 2b of the Private Placement have been issued under ISIN AU0000140857. Then after the publication of this Prospectus the new Shares for Tranche 2a and 2b will be transferred to ISIN AU0000057408 to be listed and tradeable.
The issuer	The issuer of the securities is PetroNor E&P Limited, a public limited liability company established under the laws of Australia and subject to the Australian Corporations Act. The Company's registration number with the Australian Securities and Investments Commission is ACN 125 419 730 and its LEI code is 261700UAD5KVK8MV7J59. The Company's registered business address is Level 4, 16 Milligan Street, Perth, WA 6000, Australia and its principal offices are located at 48 Dover Street, London, W1S 4FF, United Kingdom. The Company's telephone number is +44 (0) 203 655 7810, and its website can be found at www.petronorep.com .
Competent authority	The Prospectus has been approved by the Financial Supervisory Authority of Norway as competent authority, with business registration number 840 747 972, registered address at Revierstredet 3, N-0151 Oslo, Norway, telephone number +47 22 93 98 00 and e-mail: post@finanstilsynet.no . The Prospectus was approved on 23 August 2021.

Key information on the issuer

Who is the issuer of the securities?

Corporate information	The issuer of the securities is PetroNor E&P Limited, a public limited liability company established under the laws of Australia and subject to the Australian Corporations Act. The Company's registration number with the Australian Securities and Investments Commission is ACN 125 419 730 and its LEI code is 261700UAD5KVK8MV7J59.
Principal activities ...	PetroNor E&P Limited is an independent, African focused oil and gas exploration and production company based in Australia.

Major shareholders. Shareholders owning more than 5% in the Shares have an interest in the Company's share capital that is notifiable pursuant to the Norwegian Securities Trading Act. As of 17 August 2021, the top ten shareholders of the Company are as follows:

#	Shareholder	Number of shares	Per cent
1	Petromal LLC	481,481,666	37.59%
2	NOR Energy AS	143,555,857	11.21%
3	Symero Limited	138,763,636	10.83%
4	Ambolt Invest AS	86,849,618	6.78%
5	Gulshagen III AS	45,000,000	3.51%
6	Gulshagen IV AS	45,000,000	3.51%
7	ENG Group Soparfi S.A.	36,281,428	2.83%
8	Energie AS	24,983,248	1.95%
9	Nordnet Livsforsikring AS	22,582,690	1.76%
10	Enga Invest AS	14,892,746	1.16%

Senior management	Name	Position
	Knut Søvold	Chief Executive Officer
	Claus Frimann-Dahl	Chief Technical Officer
	Michael Barrett	Exploration Director
	Emad Sultan	Strategy and Contracts Manager
	Chris Butler	Group Financial Controller

Statutory auditor BDO Audit (WA) Pty Ltd

What is the key financial information regarding the issuer?

Selected historical key financial information

The table below sets out key financial information for the Group for the periods indicated:

	USD million	Q1 2021	Q1 2020	31 Dec 2020	31 Dec 2019
Total Revenue		22.9	19.7	67.5	102.76
EBITDA		13.7	9.4	34.0	49.1
EBIT		12.5	8.4	29.3	45.8
Net Profit		4.9	(0.1)	11.2	(5.8)
MMbbl					
2P Reserves		19.90	10.55	20.23	10.76
2C Contingent Resources		14.11	7.31	14.11	7.31

What are the key risks that are specific to the issuer?

Key risks specific to the issuer

- Oil and gas exploration, development and production activities in countries in Africa are subject to significant political and economic uncertainties.
- The Group operates in countries with a high risk of corrupt practices, and corrupt practices of third parties or anyone working for the Group could adversely affect the Group.
- The COVID-19 pandemic has had, and may in the future have, a negative impact on the Group.
- Oil and gas prices are volatile and may fluctuate substantially, and sustained lower oil and gas prices may, *inter alia*, lead to a material decrease in the Group's net production revenues.
- The Group's estimates of reserves and resources are subject to uncertainties and may prove to be incorrect, which in turn could adversely affect i.e., the Group's financial condition and results of operations.
- The Company may not be able to find and develop or acquire economically recoverable reserves.
- There are risks related to the authorisations, permits and licenses upon which the Group depends, including the risk that licences may not be upheld or renewed.
- The legal disputes in which the Group is involved could adversely affect the Group.
- Failure by a licence partner to satisfy its obligations in relation to a licence may result in the other licence partners (including the Group) being liable for such failure.
- The Group's acquisitions may not be successful, including the Aje Transaction which has not yet been completed

Key information the securities

What are the main features of the securities?

Type, class and ISIN

The Shares are, and the Offer Shares will be, registered in the VPS under ISIN AU0000057408. The new Shares for Tranche 2a and Tranche 2b of the Private Placement have been issued under separate ISIN AU0000140857. Shortly after the publication of this Prospectus, the new Shares for Tranche 2a and 2b will be transferred to ISIN AU0000057408 to be listed and tradeable. The Company has one class of shares, each share carrying equal voting rights at general meetings.

Currency, number of shares and nominal value

The Shares are, and the Offer Shares will be, traded in NOK on Euronext Expand.

At the date of this Prospectus, the Company's issued share capital comprises 1,280,756,197 fully paid ordinary shares, authorised and issued in accordance with Australian law and the Company's Constitution.

Rights attaching to the securities

The Offer Shares will in all respects rank *pari passu* with all other Shares already in issue, and will be eligible for any dividend that the Company may declare on the Shares after the underlying shares have been issued in accordance with Australian law.

Restrictions on transfer

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Australian Corporations Act or applicable rules of a stock exchange.

Dividend and dividend policy

The Company's objective is to create lasting value and provide competitive returns to its shareholders through profitability and growth and long-term returns to shareholders in the form of increased share price as well as dividends. Dividends is assumed to arise in line with the growth in the Company's results

while at the same time recognizing the opportunities for adding value through new profitable investments. Up to and including the date of this Prospectus, the Company has neither declared nor paid any dividends.

Where will the securities be traded?

The Company's Shares are listed and tradeable on Euronext Expand under the ticker code "PNOR". The new Shares which have been issued in Tranche 2a and Tranche 2b of the Private Placement will be listed and tradeable after the publication of this Prospectus. Due to a share lending agreement with significant shareholder Synero Ltd., Offer Shares issued in the Subsequent Offering are expected to be issued on or about 16 September 2021 or as soon as practicable possible and will be immediately tradeable on Euronext Expand. Although the Synero Ltd. shares originally are under lock-up pursuant to a lock-up agreement between Synero Ltd. and the Managers, the restrictions on disposal of such shares will be temporarily lifted by the Managers for the purposes of carrying out the share lending arrangement.

What are the key risks that are specific to the securities?

Key risks specific to the securities.....

- The trading volume (liquidity) of the Shares may be limited.
- Petromal and NOR could, as major shareholders, exercise significant influence over the Company, and the commercial goals and interests of these shareholders may not always be aligned with those of the Company and/or other shareholders.
- The Group may not be able to pay dividends either now or for the foreseeable future
- There are risks relating to depositary receipts held by the beneficial investors of the Company and the registrar arrangement

Key information on the offer of securities and the admission to trading on a regulated market

Under which conditions and timetable can I invest in the security?

Terms of the Subsequent Offering The Subsequent Offering comprises an offering of up to 60,000,000 Offer Shares, at an offer price of NOK 1.10 per share. Eligible Shareholders, meaning shareholders registered in the VPS will be granted non-transferable Allocation Rights that, subject to applicable securities laws, provide preferential rights to apply for and be allocated Offer Shares in the Subsequent Offering. Application without Allocation Rights is permitted.

Eligible Shareholders are the shareholders of the Company as of 11 March 2021, as registered in the VPS on the Record Date, who:

- (i) were not invited to subscribe for shares in the pre-sounding of the Private Placement;
- (ii) were not allocated shares in the Private Placement; and
- (iii) are not resident in a jurisdiction where such offering would be unlawful, or would (in jurisdictions other than Norway) require any prospectus filing, registration or similar action (including but not limited to Australia).

Petromal, Synero, NOR and companies controlled (directly and indirectly) by Knut Søvold and Gerhard Ludvigsen, respectively, are not Eligible Shareholders.

Each Allocation Right will, subject to applicable securities laws, give a preferential right to apply for and be allocated one (1) Offer Share in the Subsequent Offering. Allocation Rights that are not exercised before the end of the Application Period will have no value and will lapse without compensation to the holder.

Timetable Certain indicative key dates for the Subsequent Offering are set out below (subject to change):

	Event	Date
	Last day of trading in the Shares including Allocation Rights	11 March 2021
	Ex. rights trading in the Shares commenced on Euronext Expand	12 March 2021
	Record Date	15 March 2021
	Application Period commences	24 August 2021
	Application Period ends	7 September 2021
	Notification of allocation	on or about 8 September 2021
	Payment Date	on or about 13 September 2021
	Allocation of Offer Shares	on or about 14 September 2021
	Share lending agreement to facilitate commencement of trading in the Offer Shares on Euronext Expand	on or about 14 September 2021
	Registration of the capital increase and issuance of the underlying shares	on or about 16 September 2021
	Registration of the Shares in the VPS and issuance of Depository Receipts	on or about 22 September 2021
	Delivery and listing of the Offer Shares on Euronext Expand	on or about 22 September 2021
	Share lending agreement concluded	on or about 22 September 2021
Dilution	The Company's total number of Shares has been increased by 309,090,909 new Shares following the Private Placement (including Tranche 2a and Tranche 2b), and will be increased by a further 60,000,000 new Shares following the Subsequent Offering (assuming full subscription of the Subsequent Offering). Therefore, the dilutive effect for shareholders not participating in the Private Placement or the Subsequent Offering will be approximately 28%.	

Overview of dilutive effect:

	Prior to the Private Placement and the Subsequent Offering	Subsequent to the Private Placement	Subsequent to the Private Placement and the Subsequent Offering
Shares outstanding	971,665,288	1,280,756,197*	1,340,756,197**
Dilutive effect			
For shareholders not participating in the Private Placement nor the Subsequent Offering		24%	28%
For shareholders participating in the Subsequent Offering but not allowed to participate in the Private Placement		24%	23%

* Following completion of Tranche 2a and Tranche 2b

**Assuming full subscription of the Subsequent Offering

Why is the Prospectus being produced?

Net proceeds The Company will bear the fees and expenses related to the Private Placement and the Subsequent Offering, which are estimated to amount to approximately NOK 13 million in total, thus giving net proceeds of approximately NOK 393 million (assuming full subscription of the Subsequent Offering).

The Company intends to use the net proceeds from the Private Placement and the Subsequent Offering for general corporate purposes including capital expenditure related to the infill drilling program on PNGF Sud and inorganic growth.

Conflicts of interest .. The new Shares in Tranche 2a of the Private Placement have been issued to Symero as consideration for the Company's acquisition of shares in HAH. Symero is the subsidiary of NOR, the second largest shareholder in the Company and 50% owned by the Company's CEO Knut Søvold. Other than this, and as far as the Company is aware, there are no material conflicts of interest pertaining to the Subsequent Offering or the Private Placement.

2. RISK FACTORS

Investing in the Shares, including the Offer Shares, involves a high degree of risk. Before making an investment decision, the following risk factors and all other information contained in this Prospectus, including the financial statements and related notes, should be carefully considered by prospective investors.

The risks and uncertainties described below are the principal known risks and uncertainties faced by the Group as of the date of this Prospectus that the Company believes are the material risks relevant for an investment in the Shares. An investment in the Shares is suitable only for investors who understand the risks associated with this type of investment and who can afford a loss of all or part of their investment. Prior to investing in the Shares, the investors should ensure that they fully understand all risks that are related to an investment in a company with such characteristics as the Company. Each prospective investor should make its own assessment as to the suitability of investing in the Shares and should consult his or her own advisors as to the legal, tax, business, financial and related aspects of an investment in the Shares. The absence of a negative past experience associated with a given risk factor does not mean that the risks and uncertainties described herein should not be considered prior to making an investment decision.

If any of the following risks were to materialise, individually or together with other circumstances, they could have a material and adverse effect on the Group and/or its business, results of operations, cash flows, financial condition and/or prospects, which may cause a decline in the value and trading price of the Shares.

The risks and uncertainties described below are sorted into a limited number of categories, where the Company has sought to place each individual risk factor in the most appropriate category based on the nature of the risk it represents and where the risk factors deemed most material for the Group, taking into account their negative affect for the Group and the probability of their occurrence, are set out first.

2.1 Risks related to the countries in which the Group operates

2.1.1 The Group operates in developing countries facing political, economic and social uncertainties

The Group participates or expects to participate in oil and gas projects in countries in West Africa with emerging economies, such as the Republic of Congo ("Congo"), Nigeria, The Gambia, Senegal and Guinea-Bissau. Oil and gas exploration, development and production activities in such emerging markets are subject to significant political and economic uncertainties that may have a material adverse effect on the Group. Uncertainties include, but are not limited to, the risk of war, terrorism, expropriation, nationalization, renegotiation or nullification of existing or future licences and contracts, changes in crude oil or natural gas pricing policies, changes in taxation and fiscal policies, imposition of currency controls and imposition of international sanctions. Travel bans, asset freezes or other sanctions may be imposed and have historically been imposed on countries in which the Group operates.

The jurisdictions in which the Group operates may also have less developed legal systems than more established economies which could result in risks such as (i) effective legal redress in the courts of such jurisdictions, whether in respect of a breach of law or regulation, or in an ownership dispute, being more difficult to obtain; (ii) a higher degree of discretion on the part of governmental authorities; (iii) the lack of judicial or administrative guidance on interpreting applicable rules and regulations; (iv) inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions; or (v) relative inexperience of the judiciary and courts in such matters. In certain jurisdictions the commitment of local business people, government officials and agencies and the judicial system to abide by legal requirements and negotiated agreements may be more uncertain, creating particular concerns with respect to the Company's licences and agreements for business. These may be susceptible to revision or cancellation and legal redress may be uncertain or delayed. There can be no assurance that joint ventures, licences, licence applications or other legal arrangements will not be adversely affected by the actions of government authorities or others and the effectiveness of and enforcement of such arrangements in these jurisdictions cannot be assured.

These risk factors, all of which are beyond the Group's control, could have a material adverse effect on the Group's business, prospects, financial position and/or results of operations.

2.1.2 The Group operates in countries with a high risk of corrupt practices

The jurisdictions in which the Group has operations have a low score on Transparency International's Corruption Perception Index, which implies that these countries are perceived as jurisdictions where there is a higher risk of corruption. The Group's current assets are located in Congo, the Gambia and Senegal. In addition, the Group has entered into a definitive agreement to acquire assets in Nigeria (which is subject to completion), and has also, purchased an entity which has allowed the Group to assume 78.57% operatorship of certain licences in Guinea-Bissau. The Group may also target acquisitions in other countries in Africa. The production sharing or other licencing contracts in such jurisdictions may provide for payments to the Governments and/or national oil companies (farm-in fees, signature bonuses, taxes, training budgets, equipment budgets, carry of certain expenditures etc). Furthermore, the Group has a number of consultants working for it in the area. Although the Group believes all its consultancy agreements are entered into on clear and transparent terms, there is a risk that agents or other persons acting on behalf of the Group may engage in corrupt activities without the knowledge of the Group. Under applicable laws relating to the Group's assets, local participation is or may be required in the oil and gas sector, but it may prove difficult to always receive final confirmation as to who the ultimate owners and affiliations of such local partners are. Through the Group's investigation, it has not been possible to substantiate ultimate ownership and affiliations of all, current local partners in Congo and there can be no assurance that there are no government affiliations within the ultimate shareholders of the local partners in Congo.

Corrupt practices of third parties or anyone working for the Group or any of its affiliated parties, or allegations of such practices, may have a material adverse effect on the reputation, performance, financial condition, cash flow, prospects and/or results of the Group.

2.2 Risks related to the business of the Group

2.2.1 Risks related to COVID-19 and other public health crises

The Group's business, operations and financial condition could be materially and adversely affected by the outbreak of epidemics or pandemics or other health crises. In December 2019, COVID-19 was reported to have surfaced in Wuhan, China; on 30 January, 2020, the World Health Organization ("WHO") declared the outbreak a global health emergency; and on 11 March, 2020 the WHO declared the outbreak of COVID-19, a global pandemic. The outbreak has spread throughout most of the world, and COVID-19 has led companies and various international jurisdictions to impose restrictions such as quarantines, business closures and travel restrictions. While these effects are expected to be temporary, the duration of the business disruptions internationally and related financial impact cannot be reasonably estimated at this time.

The Group operates in developing countries in Africa (such as Congo, Guinea Bissau, Gambia, Senegal and Nigeria) where the political, economic and social instability is expected to have increased as a result of COVID-19. Furthermore, the global supply chains relied on by the Group has experienced significant disruptions during the COVID-19 crisis. Correlated to the COVID-19 pandemic is the volatile oil prices which at times have experienced significant price drops. The Group's operations is also assumed to have been slowed down in jurisdictions where strict local restrictions have been imposed. On this bases and given the many uncertainties relating to the COVID-19 situation, there can be no assurances that the COVID-19 situation has had or will have a material adverse effect on the Group's business, results of operations and financial condition.

2.2.2 The Group is affected by the level of oil and gas prices, which are highly volatile

The Group's revenues, cash flow, reserve estimates, profitability and rate of growth depend substantially on prevailing international and local prices of oil and gas. Prices for oil and gas may fluctuate substantially based on factors beyond the Group's control. Consequently, it is impossible to accurately predict future oil and gas price movements. Oil and gas prices are volatile and have witnessed significant changes in recent years, for many reasons including, but not limited to, changes in global and regional supply and demand, geopolitical uncertainty, availability of equipment and new technologies, weather conditions and natural disasters, terrorism as well as global and regional economic conditions. Sustained lower oil and gas prices or price declines may inter alia lead to a material decrease in the Group's net production revenues.

Sustained lower oil and gas prices may also cause the Group to make substantial downward adjustments to its oil and gas reserves. If this occurs, or if the Group's estimates of production or economic factors

change, the Group may be required to write-down the carrying value of its proved oil and gas properties for impairments. In addition, the depreciation of oil and gas assets charged to its income statement is dependent on the estimate of its oil and gas reserves. If oil and gas prices remain depressed over time, it could also reduce the Group's ability to raise new debt or equity financing or to refinance any outstanding loans on terms satisfactory, or at all.

2.2.3 Reserves and contingent resources are inherently uncertain in respect of the inferred volume range

Included in this Prospectus is information relating to the reserves and resources of certain of the Group's assets. Reserves are defined as the volume of hydrocarbons that are expected to be produced from known accumulations in production, under development or with development committed. Reserves are also classified according to the associated risks and probability that the reserves will actually be produced.

Many of the factors in respect of which assumptions are made when estimating reserves and resources are beyond the Group's control and therefore these assumptions may prove to be incorrect over time. For example, sustained lower oil and gas prices may cause the Group to make substantial downward adjustments to its oil and gas reserves and resources. If this occurs, or the Group's estimates of production or economic factors change, the Group may be required to write-down the carrying value of its proved oil and gas properties for impairments. In addition, the depreciation of oil and gas assets charged to its income statement is dependent on the estimate of its oil and gas reserves.

The reserves and resources related to PNGF Sud and PNGF Bis are based on a competent reserves report prepared by AGR as of 31 December 2020. However, reserves and resource estimate for the Aje Field (as defined below) (acquisition of the Aje Field pending completion of the Aje Transaction (as defined below)) and resource estimates for assets in Guinea-Bissau, The Gambia and Senegal are not verified by independent third parties and there is a risk that a third party verification would lead to a downwards adjustment of reserves estimate.

If the assumptions upon which the estimates of the Group's oil and gas reserves or resources are based prove to be incorrect, the Group may be unable to recover and/or produce estimated levels or quality of oil or gas, which could have a material adverse effect on the Group's business, prospects, financial condition or results of operations.

2.2.4 The Group is dependent on finding/acquiring, developing and producing oil and gas reserves that are economically recoverable

The future success of the Group depends in part on its ability to find and develop or acquire additional reserves that are economically recoverable, which is dependent, *inter alia*, on oil and gas prices. Oil and gas exploration and production activities are capital intensive and inherently uncertain in their outcome. The Group's offshore exploration acreage is located in largely unexplored sections of the West African deep water margin. Some of the Group's projects are in an early exploration stage, and there is a risk that any future exploration programs on these and any licences the Group may acquire in the future (whether offshore or onshore) may be unsuccessful and may not discover commercial quantities of hydrocarbons.

Drilling oil and gas wells (whether offshore or onshore) is by its nature highly speculative, may be unprofitable and may result in a total loss of the investments made by the Group. In particular, completed wells may never produce oil or gas or may not produce sufficient quantities or qualities of oil and gas to be profitable or commercially viable. Moreover, geological formations and proximity with neighbouring fields may result in a regulatory requirement to unitize the licence area with a neighbouring field. Such processes may prove complex, and thereby cause delays and uncertainties in respect of the Group's ultimate interest in the unitized field.

All of these risks may have a material adverse effect on the Group, its financial condition, cash flow, prospects and/or operations.

2.2.5 Approvals, permits and licences, including PNGF Bis, may not be upheld or renewed

Under applicable laws and regulations in certain of the countries where the Group operates, the Group will be required to renew its licences with respect to exploration activities. In addition, the Group would be required, subject to commercial petroleum discoveries being made, to apply for exclusive exploitation

authorisations. For example, the current license partnership on PNGF Sud has through an umbrella agreement the right to negotiate the license terms of the adjacent the PNGF Bis license. The management remains positive in terms of negotiating and signing a production sharing contract for the PNGF Bis with the relevant governmental bodies, but no assurance can be given as to whether the Group will be able to agree on terms satisfactory to the Group and no assurances can be given to the interest allocated the Group. Further, the permits relating to the Aje Field for which the Company has entered into a definitive agreement to acquire an interest, the completion of which still being subject to the fulfilment of certain conditions, expire 30th September 2021.

If any of these exploration and production licences, or any other licenses of the Group, are not renewed or granted or exclusive exploitation authorisations are not obtained or upheld, the Group would be required to cease operations of the affected well or production facility. The loss of some or all of the Group's licences may have a material adverse effect on the Group's financial condition, business, cash flow, prospects and/or results.

Further, consents are normally required in order to carry out operations on oil and gas fields, such as drilling operations, installation of production facilities etc. Delays or lack of obtaining various approvals may affect the economic and commercial attractiveness for such licence interest, in which case the Group's financial position and future prospects could also be materially weakened.

2.2.6 Risks associated with current, pending or threatened legal disputes and litigation

The Group is, and may from time to time be, involved in legal disputes and legal proceedings related to the Group's operations or otherwise. To the extent the Group becomes involved in legal disputes in order to defend or enforce any of its rights or obligations under its licences, agreements or otherwise, such disputes or related litigation may be costly, time consuming and the outcome may be highly uncertain. Furthermore, legal proceedings could be ruled against the Group and the Group could be required to, *inter alia*, pay damages, halt its operations, stop its expansion projects, etc. It is further a risk that the Group could become involved in legal disputes with uninsured third parties. Even if the Group would ultimately prevail (which cannot be assured), such disputes and litigation may have a substantially negative effect on the Group, its financial condition, cash flow, prospects and/or its operations. The occurrence of any such event could have a material adverse effect on the Group's business, prospects, financial position and/or results of operations.

As at the date of this Prospectus, the Group is involved, *inter alia*, as the claimant in ICSID arbitration case ARB/18/24 in relation to its 90% interest in the Rufisque Offshore Profond block ("**ROP**") and the Senegal Offshore Sud Profond block ("**SOSP**") licences in Senegal. The Group is dependent on a successful outcome of the negotiation with the Senegalese government or a successful outcome in the arbitration case in order to have its respective licences re-instated. The Group has no control over the outcome of the arbitration case. Should the outcome of the negotiations or the arbitration case be unfavourable to the Group, there is a risk that could result in a payment of the costs associated with the arbitration and / or damages, etc., as well as the loss of the ROP and/or SOSP licenses which may have an impact on the Group's prospects in relation to the overall exploration portfolio.

Hemla Africa Holding AS ("**HAH**") is in dispute with a former employee of Hemla E&P Congo S.A. ("**HEPCO**") concerning a claim for (indirect) ownership in HEPCO. The former employee argues that he is entitled to an (indirect) ownership position in HEPCO, including past dividends taking such ownership position into account. The former employee has filed the claim before the Commercial Court in Pointe-Noire. He has also filed a petition for arrest, relating to HAH's shares in HEPCO. The claim is based on an alleged promise of shares in HEPCO. The claim is disputed by HEPCO. Should the previous employee's claims before the Commercial Court in Pointe-Noire and a potential appeal by MGI in the Republic of Congo be ruled against the Group, such rulings may have a substantial negative impact on the Group's financial condition, cash flow as well as leading to a reduction of the Group's net ownership in the Congolese licenses (as further described in Section 6.2.2).

HAH has recently taken control of an additional 9,900 shares in HEPCO, shares previously held by the minority shareholder, MGI International S.A. ("**MGI**"), and through that increased its net ownership in the PNGF Sud licenses from 10.5% to 11.9% and in the PNGF Bis licenses from 14.7% to 16.7%. This occurred subsequent to a default concerning a debt arrangement between HAH as lender and MGI as borrower, where the shares were pledged in favour of HAH. The default has been disputed by MGI and has been

subject to several court proceedings in the Republic of Congo, all of which have resulted in rulings in the favour of HAH. It is expected that MGI will make a further appeal, and with the final outcome and timing of such further appeal ruling being uncertain. Should MGI appeal where the outcome of such appeal process be in favour of MGI, it is expected that HAH would have to transfer ownership of the 9,900 shares in HEPCO back to MGI. While there are no legal restrictions on the ability of HAH to exercise ownership rights over the shares in question, it cannot be ruled out that there will be additional legal processes and action taken by MGI that could influence HAH's ownership to these shares. It is further a risk that unfavourable rulings in the ICSID arbitration, the claims in Commercial Court in Pointe-Noire and a possible MGI appeal be awarded at roughly the same time may have a substantially negative effect on the Group, its financial condition, cash flow, prospects and/or its operations.

2.2.7 Risk of joint and several liabilities with its licence partners

Under each licence, the Group is liable on a joint and several basis together with its licence partners for the liabilities of the licence group (including but not limited to decommissioning liabilities). Whilst such joint and several liability is regulated among the licence group through the joint operating agreement, failure by a licence partner to satisfy its obligations may ultimately result in the other licence partners (including the Group) being liable for such failure and therefore increase the Group's exposure related to the licence in question. As a consequence of joint and several liabilities, any failure by a licence partner to satisfy any significant obligations may have a material adverse effect on the Group's business, financial condition, operating results and/or cash flow.

2.2.8 The Group may not have adequate insurance or insurance may be unavailable or to costly

Oil and natural gas exploration, development, and production operations are subject to associated risks and hazards, such as fire, explosion, blowouts, gas leakages and oil spills, each of which could result in substantial damage to oil and natural gas wells, production facilities, other property, and the environment or personal injury. Insurance against all risks associated with oil and gas production is not available or affordable. The Group will maintain insurance where it is considered appropriate for its needs, however, it will not be insured against all risks either because appropriate cover is not available or because the Group considers the required premiums to be excessive having regard to the assumed benefits that would accrue. The Group may incur material uninsured losses or damages that may have a material adverse effect on the Group's financial condition, business, cash flow, prospects and/or results.

2.2.9 Production sharing contracts with governments

Production sharing contracts (singular "**PSC**", plural "**PSCs**") are common contracts signed between a government and a resource extraction company. The Group has entered into certain PSCs with local governments. Accordingly, the production resulting from oil operations must be shared between the Group and such government. The local governments also have an option to increase its participation in the relevant licences. The sharing of the production will naturally affect the profitability of the Group and/or the amount of profits from the project that will flow to the Company and its shareholders. This could be affected further if the government decides to increase its participation or the size of its share.

2.2.10 Local authorities may impose additional financial or work commitments

The Group's license interests for the exploration and exploitation of hydrocarbons will typically be subject to certain financial obligations or work commitments as imposed by local authorities. The existence and content of such obligations and commitments may affect the economic and commercial attractiveness for such license interest. No assurance can be given that local authorities do not unilaterally amend current and known obligations and commitments. If such amendments are made in the future, the value and commercial and economic viability of such interest could be materially reduced or even lost, in which case the Group's financial position and future prospects could also be materially weakened. The Group's current or future development projects are associated with risks relating to delays, cost inflation, potential penalties and regulatory requirements. Development projects inter alia involve complex engineering, procurement, construction work, drilling operation to be carried out and governmental approvals obtained prior to commencement of production. The exploration and development periods of a license are commonly associated with higher risk, requiring high levels of capital expenditure without a commensurate degree of certainty of a return on that investment. The complexity of offshore development projects also makes them very sensitive to delays or costs increases. Current or future projected target dates for production may be delayed and significant cost overruns may incur. The Group's estimated exploration costs are subject to a number of assumptions that may not materialize. Such factors may again impact to what extent fields to be

developed are fully funded or remain commercially viable, and consequently could result in breach by the Group of its obligations and/or require the Group to raise additional debt and/or equity. Any delays, cost increases or other negative impact relating to the current or future development projects of the Group, may have a material adverse effect on its business, results of operations, cash flow, financial condition and prospects.

2.2.11 The Group's production is concentrated in a limited number of hydrocarbon fields

Currently, all of the Group's production comes from fields in the PNGF Sud asset in Congo. The Aje Transaction, if completed, will add producing asset in Nigeria. Under any circumstance, the Group's operations and cash flow will be restricted to a very limited number of fields. If mechanical or technical problems, storms, shutdowns or other events or problems affect the current or future production of the current producing assets of the Group, or new fields coming into production, it may have direct and significant impact on a substantial portion of the Group's production and hence the Group's revenue, profits and financial position as a whole. Further, if the actual reserves associated with any one of the Group's fields are less than anticipated, this may result in material adverse effects for the Group, including on the Group's ability to make new investments and raise financing.

2.2.12 The risk related to ongoing transactions

In the second half of 2019, the Company entered into an agreement with Panoro Energy ASA for the acquisition of certain companies holding interests in the OML-113 licence (Aje Field) offshore Nigeria.

The acquisition is conditional upon the satisfaction of certain conditions precedents, including the authorisation of the Nigerian Department of Petroleum Resources and the consent of the Nigerian Minister of Petroleum Resources, and the long stop date for the completion of the transaction is 30 September 2021.

No assurances can be given to the successful completion of the transaction (including that the required regulatory approvals are obtained in order to execute the completion of the transaction). Consequently, due to the conditionality of the acquisition, there is a risk that investors subscribing for shares will experience that the acquisition does not complete or is delayed.

An unsuccessful completion of the transaction can potentially have a negative effect on the reputation, performance, financial condition, cash flow, and/or results of the Group. An unsuccessful completion of the transaction may also result in disputes.

There is limited reliable financial information on Pan-Petroleum Nigeria Holdings BV and Pan-Petroleum Services Holdings BV and the Aje Field and there is a risk that the economic assumptions made by the Company in connection with the transaction is incorrect or incomplete and proves to be less favourable than anticipated by the Group upon making the business decision to acquire the assets. Further, there is risk that future production, costs, reserves figures or other relevant factors affecting the value of the assets and cash flow proves to be less favourable than anticipated by the Company upon making the business decision to acquire the assets.

All of these risks, if materialising, may have a material adverse effect on the reputation, performance, financial condition, cash flow, prospects and/or results of the Group.

Further, if completion is delayed or the acquisitions do not complete, there can be no assurance that the Group would be able to acquire interests at a later stage, which could have negative effect on the Group's ability to develop its business and achieve future growth. In addition, the Group's continued operations will be less diversified as the Group's production is currently concentrated in a limited number of hydrocarbon fields. As a result, the Group's production will continue to be concentrated on its operations in the PNGF Sud asset in Congo, which could have a negative effect on the Group's business, results of operations, financial conditions and/or prospects.

2.2.13 Risks related to decommissioning activities and related costs

Several of the Group's license interests concern fields which have to be decommissioned. The Group expects to develop and invest in existing and new fields, which increases the Group's future decommissioning liabilities. There are significant uncertainties relating to the estimated liabilities, costs and time for decommissioning of the Group's current and future licenses. Such liabilities are derived from legislative and regulatory requirements and require the Group to make provisions for such liabilities.

Decommissioning requires complex engineering, procurement and execution of work, including the

plugging of production wells, giving rise to the risk of inadequate engineering, procurement or execution. This may result in delays, cost overruns, damage to facilities and properties, environmental damage, injury to person and loss of life. It is, therefore, difficult to forecast accurately the costs that the Group will incur in satisfying decommissioning liabilities. No assurance can be given that the anticipated cost, timing of removal and timing of provisions are correct and any deviation from current estimates or significant increase in decommissioning costs relating to the Group's previous, current or future licenses, may have a material adverse effect on the Group business, results of operations, financial condition, cash flow and/or prospects of the Group's ultimate interest in the fields.

2.2.14 Climate change abatement legislation, protests against fossil fuel extraction and regulatory, technological and market improvements

Continued political attention to issues concerning climate change, the role of human activity in it and potential mitigation through regulation could have a material impact on the Group's business. International agreements, national and regional legislation, and regulatory measures to limit greenhouse emissions are currently in various stages of discussion or implementation. For example, the EU established a detailed EU taxonomy (Regulation (EU) 2020/852 as well as delegated acts), a classification system for sustainable activities. Given the Group's operations are associated with emissions of "greenhouse gases", these and other greenhouse gas emissions related laws, policies and regulations may result in substantial capital, compliance, operating and maintenance costs. The level of expenditure required to comply with these laws and regulations is uncertain and is expected to vary depending on the laws enacted by particular countries. As such, climate change legislation and regulatory initiatives restricting emissions of greenhouse gases may adversely affect its operations, the Group's cost structure or the demand for oil and gas. Further political and regulatory initiatives, technological development and market changes may substantially improve the operating conditions within the renewable energy sector, which may in turn adversely affect the oil and gas industry. Such legislation or regulatory initiatives could have a material adverse effect by diminishing the demand for oil and gas, increasing the Group's cost structure or causing disruption to its operations by regulators. As the Group has made significant investments in order to build requisite operating facilities, drilling of production wells along with implementation of advanced technologies for the extraction and exploitation of hydrocarbons, there can be no assurance that the Group may be able to carry out an energy transition to a low-carbon and climate resilient future or be able to comply with changes in climate and energy policies, or be able to comply with the EU taxonomy. In addition, the Group may be subject to activism from groups campaigning against fossil fuel extraction, which could affect its reputation, disrupt its campaigns or programs or otherwise negatively impact the Group's business, prospects, financial condition and/or results of operations.

2.3 Financial risks

2.3.1 The Group may not be able to raise financial indebtedness for future growth

The Group's activities are and will continue to be capital intensive. The Group expects future investments into existing and new hydrocarbon assets to be served by cash-flow from ongoing operations. However, it is also expected that the Group will look to raise debt to part-fund future growth. Such debt may not be timely available, or only be available at terms which are unattractive or makes investments less profitable than first expected. Restrictions in raising, or the unavailability of, debt may prevent the Group from growing as planned and may make the Group to forego or lose attractive opportunities, which in turn could have a negative impact on the Group's financial position and future prospects.

2.4 Risks related to the Shares

2.4.1 There is limited liquidity in the Shares due to, inter alia, a low spread among shareholders

From time to time, the Shares experience low trading volumes, despite being listed on Euronext Expand. Historically, the relative size of Shares being "freely floated" (meaning Shares not controlled by shareholders having more than 10% of the total shares and shares held by management, directors, key employees and certain other stakeholders in the company, and their respective affiliates) have been lower than the general requirement on Euronext Expand (which is 25%). Although recently the Company has achieved a free float in excess of 25%, the trading volume in the Shares may still be limited, which in turn may result in the market capitalization of the Company being lower compared to a situation with high trading volumes. Also, no assurances can be given that the free float in the future will not become lower than 25%.

This may result in investor of the Company's Shares having difficulties in liquidating their positions in a short amount of time at the currently prevailing market price of the Shares, and as such, there can be no assurances that there will be sufficient liquidity in the Shares.

2.4.2 The Company has two major shareholders

The Company has two major shareholders. At the date of this Prospectus and after the Private Placement Shares in Tranche 2a and Tranche 2b have been issued, Petromal and NOR (including its 100% subsidiary Symero) control approximately 38% and 22% of the issued share capital of the Company, respectively. In addition, shares are held by entities controlled by the shareholders of NOR (i.e., Knut Søvold and Gerhard Ludvigsen) or their affiliates. As major shareholders of the Company, Petromal and NOR will in their capacity as such have the ability to significantly influence the outcome of matters submitted for vote in the general meetings. The commercial goals and interests of Petromal and NOR as shareholders and the commercial goals and interest of the Company and/or the other shareholders may not always be aligned.

2.4.3 Limitations on dividends

The Company currently anticipates that it will retain all future earnings, if any, to finance the growth and development of its business. The Company does not intend to pay cash dividends in the foreseeable future. Any payment of cash dividends will depend upon the Group's financial condition, capital requirements, earnings and other factors deemed relevant by its Board and general meeting of shareholders.

2.4.4 Shareholders outside of Australia are subject to exchange rate risk

Any payments of dividends on the Shares may be declared by the Company in USD or AUD; however, such dividends distributed by the Company's registrar with the VPS, being DNB Bank ASA (the "**VPS Registrar**"), through the VPS to shareholders with an address in Norway or shareholders holding NOK bank accounts will be distributed in NOK. Shareholders registered in the VPS and whose address is outside Norway and who have not supplied the VPS with details of any NOK account, will receive dividends by cheque in a local currency or in USD (following first conversion to NOK). Accordingly, Shareholder outside Australia, including Norwegian shareholders with a registered VPS account, are subject to adverse movements in AUD, NOK and/or USD.

2.4.5 Risks related to depository receipts and the registrar agreement

In connection with the Company's listing on Euronext Expand (previously known as Oslo Axess), the Company established a facility for the registration of beneficial interests representing the shares of the Company with the VPS (reflected in the form of Depository Receipts and defined as "Shares" in this Prospectus). The Company has appointed DNB Bank ASA as its VPS Registrar in accordance with the Registrar Agreement. The VPS Registrar will be deemed a beneficial shareholder through a nominee arrangement with Citibank Melbourne (the "**Australian Custodian**") where the Australian Custodian is recorded as the shareholder in the Company's Issuer Sponsored Sub-register. Shareholders must exercise voting rights through the VPS Registrar which in turn will instruct the Australian Custodian. Exercising of other shareholder rights through the VPS Registrar and the custodian arrangement is limited. In order to exercise full shareholder rights the shareholders must transfer their shareholding from the VPS to a registered holding on the Company's share register.

The Company cannot guarantee that the VPS Registrar will be able to execute its obligations under the Registrar Agreement. Any such failure may inter alia limit the access for, or prevent, shareholders to exercise the voting rights attached to the underlying shares of the Company. The VPS Registrar may terminate the Registrar Agreement by three months prior written notice. Furthermore, the VPS Registrar may terminate the Registrar Agreement with immediate effect if the Company does not fulfil its payment obligations to the VPS Registrar or commits any other material breach of the Registrar Agreement. In the event that the Registrar Agreement is terminated, the Company will use its reasonable best efforts to enter into a replacement agreement for purposes of permitting the uninterrupted listing on Euronext Expand. There can be no assurance, however, that it would be possible to enter into such an agreement on substantially the same terms or at all. A termination of the Registrar Agreement could, therefore, materially and adversely affect the Company and the shareholders. The Registrar Agreement limits the VPS Registrar's liability for any loss suffered by the Company. The VPS Registrar disclaims any liability for any loss attributable to circumstances beyond the VPS Registrar's control, including, but not limited to, errors committed by others. The VPS Registrar is liable for direct losses incurred as a result of the VPS Registrar's

negligence. Thus, the Company and the shareholders may not be able to recover its entire loss if the VPS Registrar does not perform its obligations under the Registrar Agreement.

2.4.6 The Company intends to change the domicile of the Company

The current Australian jurisdiction of the Company is due to historical reasons, and the Company, the Group and its business has no other links to Australia. The Board of Directors has decided, and the shareholders of the Company may approve, a change in domicile and jurisdiction of the Company to Norway or another country within the European Union. It is not possible to predict with any certainty when a new domicile would be implemented at this stage (although the Company expects to complete such change of domicile during the course of the second half of 2021). If such a change is effected, no assurances can be given that shareholders may not be negatively affected. Such negative effects may relate to taxation, local reporting requirements, shareholder minority rights and other elements of owning Shares in the Company.

3. RESPONSIBILITY FOR THE PROSPECTUS

The Board of Directors of PetroNor E&P Limited accepts responsibility for the information contained in this Prospectus. The members of the Board of Directors confirm that the information contained in this Prospectus is, to the best of their knowledge, in accordance with the facts and that this Prospectus makes no omission likely to affect its import.

23 August 2021

The CEO and Board of Directors of PetroNor E&P Limited

Eyas Alhomouz
Chairman

Jens Pace
Director

Joseph Iskander
Director

Roger Steinepreis
Director

Alexander Neuling
Director

Ingvil Tybring-Gjedde
Director

Gro Kielland
Director

4. GENERAL INFORMATION

4.1 Other important investor information

The Company has furnished the information in this Prospectus. The Managers make no representation or warranty, express or implied, as to the accuracy, completeness or verification of the information set forth herein, and nothing contained in this Prospectus is, or shall be relied upon, as a promise or representation in this respect, whether as to the past or the future. The Managers disclaim, to the fullest extent permitted by applicable law, any and all liability whether arising in tort, contract or otherwise, which it might otherwise be found to have in respect of this Prospectus or any such statement.

The Managers are acting exclusively for the Company and no one else in connection with the Subsequent Offering. It will not regard any other person (whether or not a recipient of this document) as its client in relation to the Subsequent Offering and will not be responsible to anyone other than the Company for giving advice in relation to the Subsequent Offering.

No person is authorized to give information or to make any representation concerning the Group or in connection with the Subsequent Offering or the sale of the Offer Shares other than as contained in this Prospectus. If any such information is given or made, it must not be relied upon as having been authorized by the Company or the Managers or by any of the affiliates, representatives, advisers or selling agents of any of the foregoing.

Neither the Company or the Managers, or any of their respective affiliates, representatives, advisers or selling agents, is making any representation, express or implied, to any offeree or purchaser of the Offer Shares regarding the legality of an investment in the Offer Shares. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the Offer Shares.

Investing in the Company involves a high degree of risk. See Section 2 "Risk Factors".

4.2 Presentation of financial information

The Group's audited consolidated financial statements as of and for the year ended 31 December 2020 (the "**Financial Statements**"), including an overview of the Company's accounting policies, explanatory notes and auditor's statements, and the Group's unaudited interim financial statements as at, and for the three-month period ended 31 March 2021 (the "**Interim Financial Statements**"), have been incorporated by reference in section 16.2 of this Prospectus.

The Financial Statements have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The Financial Statements also comply with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board. While the Interim Financial Statements have been prepared in accordance with International Accounting Standard 34.

The Company's independent auditor is BDO Audit (WA) Pty Ltd ("**BDO**"), a member firm of BDO International Ltd, 38 Station Street, Subiaco, Western Australia 6008. BDO is a Chartered Firm with the Institute of Chartered Accountants Australia. BDO has audited the Company's consolidated financial statements as at, and for the year ended, 31 December 2020 without qualifications or disclaimers.

BDO AS, Munkedamsveien 45, Postboks 1704 Vika, 0121 Oslo, is a component auditor for BDO providing services for the Financial Statements. BDO AS has issued an Independent Practitioner's Assurance Report (attached hereto as Appendix 2) on the process to compile the pro forma financial information included in this Prospectus set out in Section 9. BDO and BDO AS has not audited or reviewed or produced any report on other information provided in this Prospectus.

4.3 Rounding

Percentages and certain amounts included in this Prospectus have been rounded for ease of presentation. Accordingly, figures shown as totals in certain tables may not be the precise sum of the figures that precede them.

4.4 Industry and market data

This Prospectus contains statistics, data, statements and other information relating to markets, market sizes, market shares, market positions and other industry data pertaining to the Company's future business and the industries and markets in which it may operate in the future. Unless otherwise indicated, such information reflects the Company's estimates based on analysis of multiple sources, including data compiled by professional organizations, consultants and analysts and information otherwise obtained from other third-party sources, such as annual financial statements and other presentations published by listed companies operating within the same industry as the Company. Unless otherwise indicated in the Prospectus, the basis for any statements regarding the Company's competitive position in the future is based on the Company's own assessment and knowledge of the potential market in which it may operate.

Industry publications or reports generally state that the information they contain has been obtained from sources believed to be reliable, but the accuracy and completeness of such information is not guaranteed. The Company has not independently verified and cannot give any assurances as to the accuracy of market data contained in this Prospectus that was extracted from these industry publications or reports and reproduced herein. Market data and statistics are inherently predictive and subject to uncertainty and does not necessarily reflective of actual market conditions. Such statistics are based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market.

As a result, prospective investors should be aware that statistics, data, statements and other information relating to markets, market sizes, market shares, market positions and other industry data in this Prospectus (and projections, assumptions and estimates based on such information) may not be reliable indicators of the Company's future performance and the future performance of the industry in which it operates. Such indicators are necessarily subject to a high degree of uncertainty and risk due to the limitations described above and to a variety of other factors, including those described in Section 2 "Risk factors" and elsewhere in this Prospectus.

4.5 Third party information

The Company confirms that where information has been sourced from a third party, such information has been accurately reproduced and that as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Where information sourced from third parties has been presented, the source of such information has been identified. The Company does not intend, and does not assume any obligations to update industry or market data set forth in this Prospectus.

4.6 Cautionary note regarding forward-looking statements

This Prospectus includes "forward-looking" statements, including, without limitation, projections and expectations regarding the Company's future financial position, business strategy, plans and objectives. All forward-looking statements included in the Prospectus are based on information available to the Company, and views and assessments of the Company, as of the date of this Prospectus. Except as required by the applicable stock exchange rules or applicable law, the Company does not intend, and expressly disclaims any obligation or undertaking, to publicly update, correct or revise any of the information included in this Prospectus, including forward-looking information and statements, whether to reflect changes in the Company's expectations with regard thereto or as a result of new information, future events, changes in conditions or circumstances or otherwise on which any statement in this Prospectus is based.

When used in this document, the words "anticipate", "believe", "estimate", "expect", "seek to", "will", "may", "intends", "assumes" or other words of similar meaning and similar expressions or the negatives thereof, as they relate to the Company, its subsidiaries or its management, are intended to identify forward-looking statements. These forward-looking statements as a general matter are all statements other than statements as to historic facts or present facts and circumstances. The Company can give no assurance as to the correctness of such forward-looking statements and investors are cautioned that any forward-looking statements are not guarantees of future performance. Such forward-looking statements involve, and are subject to, known and unknown risks, uncertainties and other factors, which may cause the actual results,

performance or achievements of the Company and its subsidiaries, or, as the case may be, the industry, to materially differ from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company and its subsidiaries operate.

Prospective investors in the Shares are cautioned that forward-looking statements are not guarantees of future performance and that the Company's actual financial position, operating result and liquidity, and the development of the industry in which the Company operates may differ materially from those made in or suggested by the forward-looking statements contained in this Prospectus. The Company cannot guarantee that the intentions, beliefs or current expectations upon which its forward-looking statements are based will occur. Given the aforementioned uncertainties, prospective investors are cautioned not to place undue reliance on any of these forward-looking statements.

All subsequent written and oral forward-looking statements attributable to the Company or to persons acting on the Company's behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Prospectus.

4.7 Approval by the Norwegian FSA

This Prospectus has been approved by the Norwegian FSA, as competent authority under the EU Prospectus Regulation. The Norwegian FSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation, and such approval should not be considered as an endorsement of the issuer or the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities. The Prospectus has been drawn up as a simplified prospectus in accordance with article 14 of the EU Prospectus Regulation.

5. THE PRIVATE PLACEMENT AND THE SUBSEQUENT OFFERING

5.1 The Private Placement

5.1.1 Overview

In February 2021, the Company announced that its net indirect interest in the PNGF Sud licenses in the Republic of Congo increased from 10.5% to 16.83% following the acquisition of 29.293% of the shares of Hemla Africa Holding AS (the majority shareholder of HEPCO) from Symero Ltd. (the "**Symero Transaction**") for a consideration of USD 18 million to be paid in-kind through issuance of new shares in PetroNor in conjunction with a contemplated private placement.

Symero is a company owned by NOR Energy AS, which in turn is controlled by Knut Søvold (CEO) and former Director of PetroNor, Gerhard Ludvigsen, and therefore the Symero Transaction was considered a related party transaction, and as such was subject to the approval by the shareholders of the Company by ordinary resolution at an extraordinary general meeting ("**EGM**") of the Company.

Furthermore, an independent expert report was prepared by Stanton International Securities as required pursuant to the Australian Corporations Act, assessing the fairness and reasonableness of the Symero Transaction that was published by the Company and annexed to the notice of meeting for the EGM that took place on 4 May 2021.

The Symero Transaction was approved by the shareholders at the EGM on 4 May 2021 and the Company became the sole shareholder of HAH on completion of the Symero Transaction on 9 July 2021.

The Company undertook a Private Placement in conjunction with the Symero Transaction and on 12 March 2021, the Company announced that it had raised approximately NOK 340 million in gross proceeds through the Private Placement consisting of 309,090,909 new Shares at a price per share of NOK 1.10. The Private Placement consisted of three separate tranches: one tranche with 84,363,636 new Shares ("**Tranche 1**"), a second tranche with 138,763,636 new Shares ("**Tranche 2a**") and a third tranche with 85,963,637 new Shares ("**Tranche 2b**"). The new Shares in Tranche 1 were allocated exclusively to existing and new investors, including Petromal.

The new Shares allocated to investors in Tranche 1 (other than the new Shares allocated to Petromal) were settled through the delivery of existing and unencumbered Shares in the Company that were already listed on Euronext Expand, pursuant to a share lending agreement between the Company, Arctic Securities AS (on behalf of the Managers), NOR Energy AS and certain other shareholders of the Company as lenders. The new Shares in Tranche 1 (except for Shares allocated to Petromal) were thus tradeable upon allocation, which took place on 12 March 2021.

The issue of new shares in Tranche 2a was approved by the Board on 11 March 2021. Completion of Tranche 2a was conditional upon approval by the shareholders, passed at the General Meeting on 4 May 2021. The new Shares in Tranche 2a were issued to Symero as consideration for the Company's acquisition of 29,293 shares in HAS from Symero on 9 July 2021. The new Shares in Tranche 2a will be tradeable on Euronext Expand as soon as practicable after the publication of this Prospectus.

The issue of new Shares in Tranche 2b was approved by the Board on 11 March 2021. Completion of Tranche 2b was conditional upon completion of Tranche 2a. The new Shares in Tranche 2b were delivered to Petromal on 9 July 2021. The new Shares in Tranche 2b will be tradeable on Euronext Expand as soon as practicable after the publication of this Prospectus.

The new Shares in Tranche 2a and 2b were initially issued on a separate ISIN AU0000140857 and will be transferred to the main ISIN to become tradeable on Euronext Expand as practicable after the date of this Prospectus.

The new Shares issued in Tranche 1, Tranche 2a and Tranche 2b are fully paid ordinary Shares of the Company and in all respects equal to the existing Shares of the Company. Please see Section 11.4 for a description of the rights attached to the Shares.

The timetable in the Private Placement was as follows:

Event	Date
Announcement of the Contemplated Private Placement	11 March 2021
Board approval of the Contemplated Private Placement	11 March 2021
Completion of Private Placement	11 March 2021
Announcement of Completion of Private Placement	12 March 2021
Allocation of Tranche 1 Shares	12 March 2021
Tranche 1 Shares commencement of trading (except allocation to Petromal)	12 March 2021
Settlement Date	15 March 2021
Registration of the capital increase and issuance of the underlying shares for Tranche 1	15 March 2021
Registration of the Tranche 1 Shares in the VPS and issuance of Depository Receipts	18 March 2021
Tranche 1 Shares allocated to Petromal commencement of trading	18 March 2021
EGM approval of Tranche 2a	4 May 2021
Registration of the capital increase and issuance of the underlying shares for Tranche 2a and Tranche 2b	9 July 2021
Registration of the Tranche 2a and Tranche 2b Shares in the VPS and issuance of Depository Receipts	13 July 2021
Publication of Prospectus	23 August 2021
Listing and commencement of trading in the Tranche 2a and Tranche 2b Offer Shares on Euronext Expand	As soon as practicably possible

5.1.2 Resolutions regarding the Private Placement

Board resolution relating to the issue of new Shares in the Private Placement

On 11 March 2021, the Board of Directors of the Company passed the following resolution:

to allocate and issue up to a total of 375,000,000 Offer Shares all as fully paid ordinary Shares with a minimum Offer Price greater than or equal to NOK 1.00, and delegated to Mr. Knut Søvold the authority, on behalf of the Company, to prepare and execute any documents necessary for the Private Placement.

5.1.3 Shares following the Private Placement

Prior to the Private Placement, the Company had 971,665,288 Shares on issue. Following completion of Tranche 1 of the Private Placement, the Company's had 1,056,028,924 Shares on issue. Following completion of Tranche 2a and Tranche 2b, and thus the full Private Placement, the Company have 1,280,756,197 Shares on issue.

5.1.4 Rights conferred by the Private Placement Shares

All Shares in the Company rank in parity with one another and carry one vote per Share. The Company only has one class of Shares. See also Section 11.4 for additional information on the rights conferred by the Shares.

5.1.5 VPS registration

The underlying shares issued in connection with the Private Placement have been issued in accordance with the laws of Australia and pursuant to the Australian Corporations Act and the Company's Constitution.

The underlying shares issued in connection with Tranche 1 were issued to the Australian Custodian on behalf of the VPS Registrar in the form of Depository Receipts on 15 March 2021. The underlying shares

issued in connection with Tranche 2a and Tranche 2b were issued to the Australian Custodian on behalf of the VPS Registrar in the form of Depository Receipts on 9 July 2021.

The new underlying shares in Tranche 1, Tranche 2a and Tranche 2b have been issued in book-entry form and registered in the Company's Issuer Sponsored Sub-register, and thereafter registered with the VPS as Depository Receipts.

Each Depository Receipt represents one (1) underlying share. The Company's share capital is nominated in AUD, but the shares have no par value.

The Company's share registrar in Australia is Computershare Investor Services Pty Ltd ("Computershare"). The address of Computershare is Level 11, 172 St George's Terrace, Perth, Western Australia, 6000, Australia.

In order to enable trading on Euronext Expand, the new Shares in Tranche 1, Tranche 2a and Tranche 2b have been delivered to investors with the VPS in the form of Depository Receipts. The Depository Receipts have been issued under Norwegian law and will be registered in book entry form with the VPS. DNB Bank ASA, in its capacity as the VPS Registrar, will be holding the Private Placement Shares in the Issuer Sponsored Sub-register through a nominee arrangement with the Australian Custodian who will be recorded as the legal holder of the underlying shares. The currency of the Depository Receipts is NOK.

The Depository Receipts carry the same rights as the underlying shares, provided however, that the exercise of voting rights and other shareholder rights by holders of the Depository Receipts must be made indirectly through the VPS Registrar.

The Depository Receipts issued in Tranche 1 of the Private Placement are registered under the Company's ordinary ISIN AU0000057408 and are already listed and tradeable on Euronext Expand. The Depository Receipts issued in Tranche 2a and Tranche 2b of the Private Placement will be listed and tradeable under the Company's ordinary ISIN AU0000057408 shortly after the publication of this Prospectus, on or about 23 August 2021

The VPS Registrar's registered business address is Dronning Eufemias gate 30, 0191 Oslo, Norway.

5.1.6 Expenses and net proceeds

The Company's expenses in connection with the Private Placement amounted to approximately NOK 10 million. Thus, the net proceeds from the Private Placement amounted to approximately NOK 330 million.

5.2 The Subsequent Offering

5.2.1 Overview

The Subsequent Offering comprises an offering of up to 60,000,000 Offer Shares, at an offer price of NOK 1.10 per share, corresponding to gross proceeds of up to NOK 66,000,000. The Offer Price equals the subscription price in the Private Placement. The Eligible Shareholders will be granted non-transferrable Allocation Rights that, subject to applicable laws, provide preferential rights to apply for and be allocated Offer Shares in the Subsequent Offering. Application without Allocation Rights is permitted.

The table below provides certain indicative key dates for the Subsequent Offering, subject to change:

Event	Date
Last day of trading in the Shares including Allocation Rights	11 March 2021
Ex. rights trading in the Shares commenced on Euronext Expand	12 March 2021
Record Date	15 March 2021
Application Period commences	24 August 2021
Application Period ends	7 September 2021

Notification of allocation	on or about 8 September 2021
Payment Date	on or about 13 September 2021
Allocation of Offer Shares	on or about 14 September 2021
Share lending agreement to facilitate commencement of trading in the Offer Shares on Euronext Expand	on or about 14 September 2021
Registration of the capital increase and issuance of the underlying shares	on or about 16 September 2021
Registration of the Shares in the VPS and issuance of Depository Receipts	on or about 22 September 2021
Delivery and listing of the Offer Shares on Euronext Expand	on or about 22 September 2021
Share lending agreement concluded	on or about 22 September 2021

5.2.2 Resolution regarding the Subsequent Offering

On 18 March 2021, the Board of Directors of the Company passed a resolution to approve a Subsequent Offering for up to 60 million new shares at NOK 1.10 per share. Furthermore, on 10 June 2021, the Board of Directors resolved to appoint Mr. Knut Søvold the authority on behalf of the Company, to prepare and execute any documents necessary for the Subsequent Offering.

5.2.3 Conditions for completion of the Subsequent Offering

The Board of Directors reserves the right, in its sole discretion, to cancel the Subsequent Offering in the event that the market price of the Shares on Euronext Expand trade below the Offer Price in the Subsequent Offering prior to commencement of the Application Period.

5.2.4 The Offer Shares

The underlying shares to be issued in connection with the Subsequent Offering will be issued in accordance with the laws of Australia and pursuant to the Australian Corporations Act and the Company's Constitution.

The underlying shares will be issued in book-entry form and registered in the Company's Issuer Sponsored Sub-register, and thereafter registered with the VPS as Depository Receipts. The underlying shares and the Depository Receipts will have ISIN AU0000057408. Each Depository Receipt represents one underlying share. The Company's share capital is nominated in AUD, but the shares have no par value. The Company's share registrar in Australia is Computershare Investor Services Pty Ltd (Computershare). The address of Computershare is Level 11, 172 St George's Terrace, Perth, Western Australia, 6000, Australia.

In order to enable trading of the Offer Shares on Euronext Expand, the Offer Shares will be delivered to applicants with the VPS in the form of Depository Receipts. The Depository Receipts will be issued under Norwegian law and will be registered in book entry form with the VPS. DNB Bank ASA, in its capacity as the VPS Registrar, will be holding the Offer Shares in the Issuer Sponsored Sub-register through a nominee arrangement with the Australian Custodian who will be recorded as the legal holder of the underlying shares. The currency of the Depository Receipts will be in NOK.

The Depository Receipts carry the same rights as the underlying shares, provided however, that the exercise of voting rights and other shareholder rights by holders of the Depository Receipts must be made indirectly through the VPS Registrar.

It is expected that the Offer Shares will be issued on or about 16 September 2021.

The Offer Shares will be settled through the delivery of existing and unencumbered Shares in the Company that are already listed on Euronext Expand, pursuant to a share lending agreement between the Company, Arctic Securities AS (on behalf of the Managers), and Symero as lender. Although the Symero Ltd. shares originally are under lock-up pursuant to a lock-up agreement between Symero Ltd. and the Managers, the restrictions on disposal of such shares will be temporarily lifted by the Managers for the purposes of carrying out the share lending arrangement.

5.2.5 Rights conferred by the Offer Shares

The Offer Shares will in all respects rank pari passu with all other Shares already in issue, and will be eligible for any dividend that the Company may declare on the Shares after the underlying shares have been issued in accordance with Australian law and the Constitution of the Company.

5.2.6 Eligible Shareholders

The Subsequent Offering has been implemented to ensure that the Company's shareholders on Euronext Expand are treated in an equal manner. Therefore, Eligible Shareholders will be granted non-transferrable Allocation Rights that, subject to applicable laws, provide preferential rights to apply for and be allocated Offer Shares in the Subsequent Offering.

Eligible Shareholders are the shareholders of the Company as of 11 March 2021, as registered in the VPS on the Record Date, who:

- (i) were not invited to subscribe for shares in the pre-sounding of the Private Placement;
- (ii) were not allocated shares in the Private Placement; and
- (iii) are not resident in a jurisdiction where such offering would be unlawful, or would (in jurisdictions other than Norway) require any prospectus filing, registration or similar action (including but not limited to Australia).

Petromal, Symero, NOR and companies controlled (directly and indirectly) by Knut Søvold and Gerhard Ludvigsen, respectively, are not considered Eligible Shareholders.

Non-Allocation Rights holders will also have the ability to subscribe for Offer Shares, but will however only be allocated shares if the Eligible Shareholders do not fully subscribe for their entitlement in the Subsequent Offering tranche, either through Allocation Rights or oversubscription of Offer Shares.

5.2.7 Allocation Rights

Each Eligible Shareholder will, subject to applicable securities laws, be granted 0.23370 non-transferrable Allocation Rights per Share owned as of 11 March 2021, as registered in the VPS on the Record Date. The number of Allocation Rights granted to each Eligible Shareholder will be rounded down to the nearest whole Allocation Right. The Allocation Rights will be distributed free of charge, and the recipient of Allocation Rights will not be debited any cost.

The Allocation Rights will be registered in VPS under ISIN AU0000157844 and are expected to be distributed to each Eligible Shareholders' VPS account on or about 24 August 2021.

Each Allocation Right will, subject to applicable securities laws, give a preferential right to apply for and be allocated one (1) Offer Share in the Subsequent Offering, in accordance with the allocation criteria as set out in Section 5.2.11 below. Over-subscription (i.e., application for more Offer Shares than the number of Allocation Rights held by the applicant) is permitted. Multiple subscriptions (i.e., application on more than one Application Form (as defined below)) within the Application Period are permitted. Please note, however, that each Application Form will only be counted once (e.g., if the same Application Form is received by fax more than once, or if it is received by both fax and mail, it only counts as one application). Two separate Application Forms submitted by the same applicant with the same amount of Offer Shares applied for on both forms will only be counted once unless otherwise is explicitly stated on the Application Form.

The Allocation Rights must be used to apply for Offer Shares before the end of the Application Period. Allocation Rights that are not exercised before the end of the Application Period will have no value and will lapse without compensation to the holder. Holders of Allocation Rights should note that application for Offer Shares must be made in accordance with the procedures set out in this Prospectus and that the holding of Allocation Rights in itself does not represent an application for Offer Shares.

Allocation Rights of shareholders resident in jurisdictions where the Prospectus may not be distributed and/or with legislation that, according to the Company's assessment, prohibit or otherwise restricts subscription for Offer Shares ("**Ineligible Jurisdictions**") will not receive Allocation Rights. Eligible

Shareholders should be aware that the exercise of Allocation Rights by holders who are located in countries outside of Norway may be restricted or prohibited by applicable securities laws.

5.2.8 Application Period

The application period for the Subsequent Offering will take place from and including 10:00 (CEST) on 24 August 2021 to and including 16:30 (CEST) on 7 September 2021, subject to any extension.

5.2.9 Offer Price

The Offer Price per Offer Share is NOK 1.10, equal to the offer price per Share in the Private Placement. There is no minimum order size and the applicants will not incur any costs related to the application for, or allotment of, the Offer Shares. Over-subscription (i.e., application for more Offer Shares than the number of Allocation Rights held by the applicant) is permitted.

5.2.10 Application procedures

Eligible Shareholders will receive a letter which includes information on shareholdings as of 11 March 2021, as registered in the VPS at the Record Date.

Norwegian applicants in the Subsequent Offering who are residents of Norway with a Norwegian personal identification number are recommended to apply for Offer Shares through the VPS online application system by following the link to such online application system on www.paretosec.com, www.arctic.com and www.sb1markets.no/en. Applicants in the Subsequent Offering not having access to the VPS online application system must apply using the application form attached to this Prospectus as Appendix 1 (the "Application Form"). The Application Form will also be available on www.paretosec.com, www.arctic.com, www.sb1markets.no/en and www.petronorep.com.

Applications made through the VPS online application system must be duly registered during the Application Period.

Properly completed and signed Application Forms may be mailed or delivered to any of the Managers at the address set out below:

Arctic Securities AS	Pareto Securities AS	SpareBank 1 Markets AS
Post box 1833 Vika	Post box 1411 Vika	Post box 1398 Vika
N-0123 Oslo	N-0115 Oslo	N-0114 Oslo
Norway	Norway	Norway
E-mail: subscription@arctic.com	E-mail: subscription@paretosec.com	E-mail: subscription@sb1markets.no
www.arctic.com	www.paretosec.com	www.sb1markets.no/en

All applications in the Subsequent Offering will be treated in the same manner regardless of whether they are placed by delivery of an Application Form to the Managers or through the VPS online application system.

Application Forms that are incomplete or incorrectly completed electronically or physically, or that are received after the expiry of the Application Period, may be disregarded without any further notice to the applicant. Properly completed Application Forms must be received by the Managers by 16:30 (CEST) on 7 September 2021 or registered electronically through the VPS application system by 16:30 (CEST) on 7 September 2021. Neither the Company nor the Managers may be held responsible for postal delays, unavailable fax lines, internet lines or servers or other logistical or technical matters that may result in applications not being received in time or at all by the Managers.

All applications made in the Subsequent Offering will be irrevocable and binding upon receipt of a duly completed Application Form by the Managers, or in the case of applications through the VPS online application system, upon registration of the application, and cannot be withdrawn, cancelled or modified by the applicant after having been received by the Managers, or in the case of application through the VPS online application system, upon registration of the application.

5.2.11 Allocation of Offer Shares

Allocation of the Offer Shares is expected to take place on or about 14 September 2021. The following allocation criteria will be used for the allocation of Offer Shares in the Subsequent Offering:

1. Offer Shares shall be allocated on the basis of exercised Allocation Rights;
2. In the event that not all Allocation Rights are used and the Subsequent Offering is over-subscribed by Eligible Shareholders, the Offer Shares not allocated based on exercised Allocation Rights will be allocated to Eligible Shareholders based on the standard VPS allocation (based on number of Allocation Rights); and
3. In the event that not all Allocation Rights are used and the Subsequent Offering is not over-subscribed by Eligible Shareholders, applicants who have applied for shares without Allocation Rights (not being Eligible Shareholders) will be allocated Offer Shares at the discretion of the Board.

The allocation of Offer Shares will take place after the expiry of the Application Period. Written notifications of allocations are expected to be issued by the Managers on or about 8 September 2021. Applicants may contact the Managers in order to be informed about their allocations from 10:00 (CEST) on 8 September 2021 and onwards during business hours. Applicants who have access to investor services through an institution that operates the applicant's VPS account should be able to see how many Offer Shares they have been allocated from 10:00 (CEST) on 8 September 2021. Dealing in the Offer Shares may not begin before allocation is made to the applicants.

5.2.12 Payment and delivery of Offer Shares

In completing the Application Form, each applicant in the Subsequent Offering will irrevocably authorise the Managers to debit the applicant's Norwegian bank account for the total amount due for the subscribed and allocated Offer Shares on or about 13 September 2021 (the "**Payment Date**") and there must be sufficient funds in the stated bank account from and including 7 September 2021. The applicant's bank account number must be stated on the Application Form. The Managers reserve the right to (but have no obligation) to make up to three debit attempts before 13 September 2021.

Applicants not having a Norwegian bank account must ensure that payment of the allocated Offer Shares is made on or before the Payment Date (13 September 2021). Further details and instructions will be set out in the allocation notes to the applicants and can also be obtained by contacting the Managers.

Should applicants have insufficient funds in their accounts, or should payment be delayed for any reason, a penalty interest will be payable on the delayed sum according to the Norwegian Act on Interest on Overdue Payments of 17 December 1976 no. 100. The interest rate at the date of this Prospectus is 8.00 per cent per annum. Should payment not be made when due, the Offer Shares allocated to such applicant will not be delivered to the applicant and the Managers, on behalf of the Company, reserve the right to cancel the order, to re-allot, assume ownership or to sell the allocated Offer Shares at the expense and risk of the applicant.

If Offer Shares are sold on behalf of the applicant, such sale will be for the applicant's account and risk (however, the applicant shall not be entitled to profits therefrom, if any) and the applicant will be liable for any loss, costs, charges and expenses suffered or incurred by the Company and/or the Managers as a result of or in connection with such sales, and the Company and/or the Managers may enforce payment of any amount outstanding in accordance with applicable law.

Subject to timely payment by the applicant, Offer Shares will be settled through the delivery of existing and unencumbered Shares in the Company that were already listed on Euronext Expand, pursuant to a share lending agreement between the Company, Arctic Securities AS (on behalf of the Managers), and Symero Ltd. as lender of the existing Shares.

5.2.13 Financial intermediaries

All persons and entities holding beneficial rights to Shares registered in the VPS or Allocation Rights through financial intermediaries should read this Section. All questions concerning timeliness, validity and form of instructions to a financial intermediary in relation to the exercise of Allocation Rights should be determined by the financial intermediary in accordance with its usual customer relations procedure; or as it otherwise notifies each shareholder.

Neither the Company nor the Managers is liable for any action or failure to act by any financial intermediary through whom shareholders of the Company hold their Shares in the VPS.

Allocation Rights

If an Eligible Shareholder held the Shares through a financial intermediary on the Record Date, the financial intermediary will customarily give each Eligible Shareholder details of the aggregate number of Allocation Rights to which each Eligible Shareholder will be entitled. The relevant financial intermediary will customarily supply each Eligible Shareholder with this information in accordance with its usual customer relations procedures. Eligible Shareholders should contact their financial intermediary if they have received no information with respect to the Subsequent Offering.

Shareholders who hold their Shares through a financial intermediary and who are Ineligible Shareholders will not be entitled to exercise their Allocation Rights transferred to the financial intermediary.

Subscription Period

The time until which notification of exercise instructions may be validly given may be earlier if Shares are held through a financial intermediary. This depends on the financial intermediary.

Subscription

If Eligible Shareholders hold their Allocation Rights through a financial intermediary and wish to exercise their Allocation Rights, they should instruct their financial intermediary in accordance with the instructions received from the financial intermediary. The financial intermediary will be responsible for collecting exercise instructions from the Eligible Shareholders and for informing the Managers of their exercise instructions.

Method of Payment

Eligible Shareholders holding their Allocation Rights through a financial intermediary should make the payment for the Offer Shares that they are allocated in accordance with the instructions received from that financial intermediary. The financial intermediary must make the payment for the Offer Shares to the Managers, who will in turn pay it to the Company. Payment for the Offer Shares must be made to the Managers no later than the Payment Date. Accordingly, financial intermediaries may require payment to be provided to them prior to the Payment Date.

5.2.14 Listing and trading of the Offer Shares

An applicant will not under any circumstances be entitled to sell or transfer its Offer Shares allocated in the Subsequent Offering until the Offer Shares have been paid in full by the applicant and settled through the delivery of existing and unencumbered Shares in the Company that were already listed on Euronext Expand, pursuant to a share lending agreement between the Company, Arctic Securities AS (on behalf of the Managers), and Symero Ltd. as lender.

The Offer Shares will be listed on Euronext Expand as soon as the Offer Shares have been validly issued by the Company and registered in the VPS.

5.2.15 Publication of information related to the Subsequent Offering

The Company intends to use the Oslo Stock Exchange's information system (www.newsweb.no) to publish information with respect to the Subsequent Offering, such as any changes to the Application Period and the definitive number of Offer Shares issued and sold, the total amount of the Subsequent Offering and the first day of trading of the Offer Shares on Euronext Expand.

5.2.16 **VPS account**

To participate in the Subsequent Offering, each applicant must have a VPS account. The VPS account number must be stated when registering an application through the VPS online application system or on the Application Form. VPS accounts can be established with authorised VPS registrars, which can be Norwegian banks, authorized investment firms in Norway and Norwegian branches of credit institutions established within the EEA. Applicants may use nominee VPS accounts registered in the name of a nominee. The nominee must be authorised by the Norwegian Ministry of Finance. Establishment of a VPS account requires verification of identity before the VPS registrar in accordance with the Anti-Money Laundering Legislation (as defined below).

5.2.17 **Mandatory anti-money laundering procedures**

The Subsequent Offering is subject to the Norwegian Money Laundering Act of 1 June 2018 No. 23 and the Norwegian Money Laundering Regulations of 14 September 2018 No. 1324 (collectively, the "**Anti-Money Laundering Legislation**").

Applicants who are not registered as existing customers must verify their identity to the Managers in accordance with the requirements of the Anti-Money Laundering Legislation, unless an exemption is available. Applicants who have not completed the required verification of identity prior to the expiry of the Application Period will not be allocated Offer Shares.

5.2.18 **Shares following the Subsequent Offering**

Following completion of the Subsequent Offering, the Company's issued and outstanding share capital will increase from 1,280,756,197 to 1,340,756,197, assuming full subscription of the Subsequent Offering.

5.2.19 **Expenses and net proceeds**

The Company will bear the fees and expenses related to the Subsequent Offering, which are estimated to amount to approximately NOK 3 million, thus giving net proceeds of approximately NOK 63 million (assuming full subscription of the Subsequent Offering). No expenses or taxes will be charged by the Company or the Managers to the subscribers in the Subsequent Offering.

5.2.20 **Participation of major shareholders or members of the Company's management or Board in the Subsequent Offering**

The Company is not aware of whether any major shareholders intend to subscribe for Offer Shares in the Subsequent Offering, or whether any person intends to subscribe for more than 5% of the Offer Shares, however such persons may receive Allocation Rights if they are Eligible Shareholders.

Members of the Company's management and Board of Directors are not considered Eligible Shareholders as they were invited to participate in the pre-sounding of the Private Placement.

5.3 **Net asset value per share prior to and subsequent to the Private Placement and the Subsequent Offering**

	Prior to the Private Placement and the Subsequent Offering	Subsequent to the Private Placement	Subsequent to the Private Placement and the Subsequent Offering
Shares outstanding	971,665,288	1,280,756,197*	1,340,756,197**
Net asset value per share	2.46 cents	3.51 cents	3.91 cents

*Following completion of *Tranche 2a* and *Tranche 2b*

**Assuming full subscription of the Subsequent Offering

5.4 **Dilution**

The Company's total number of Shares will be increased by 309,090,909 new Shares following the Private Placement, and will be increased by a further 60,000,000 new Shares following the Subsequent Offering (assuming full subscription of the Subsequent Offering). Therefore, the possible dilutive effects for shareholders is shown in the table below.

Overview of dilutive effect:

	Prior to the Private Placement and the Subsequent Offering	Subsequent to the Private Placement	Subsequent to the Private Placement and the Subsequent Offering
Shares outstanding	971,665,288	1,280,756,197*	1,340,756,197**
Dilutive effect			
For shareholders not participating in the Private Placement nor the Subsequent Offering		24%	28%
For shareholders participating in the Subsequent Offering but not allowed to participate in the Private Placement		24%	23%

*Following completion of *Tranche 2a* and *Tranche 2b*

**Assuming full subscription of the Subsequent Offering

5.5 Use of proceeds

The Company intends to use the net proceeds from the Private Placement and the Subsequent Offering for general corporate purposes including capital expenditure related to the infill drilling program on PNGF Sud and inorganic growth.

5.6 Interests of natural and legal persons in the Subsequent Offering and the Private Placement

The Managers and their affiliates have provided and may provide in the future, investment and commercial banking services to the Company and its affiliates in the ordinary course of business, for which they may have received and may continue to receive customary fees and commissions. The Managers, their employees and any affiliate may currently own Shares in the Company. The Managers do not intend to disclose the extent of any such investments or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

The Managers will receive a commission fee of a fixed percentage of the gross proceeds raised in the Private Placement, and the Subsequent Offering, and, as such, have an interest in the Private Placement and the Subsequent Offering.

The new Shares in *Tranche 2a* of the Private Placement have been issued to Symero as consideration for the Company's acquisition of shares in HAH. Symero is the subsidiary of NOR, the second largest shareholder in the Company and 50% owned by the Company's CEO Knut Søvold.

Other than set out above, the Company is not aware of any interests of natural and legal persons involved in the Private Placement or Subsequent Offering, nor of any conflict of interest pertaining to the Private Placement or the Subsequent Offering.

5.7 Lock-up

Symero has entered into a lock-up agreement with the Company which restricts Symero's ability to sell Shares allocated to it in *Tranche 2a* of the Private Placement in a period of six months from the issue date for such Shares. Please refer to Section 5.2.4 "The Offer Shares" for details on the temporary lifting of the lock-up in order to carry out the share lending arrangement in the Subsequent Offering.

5.8 Managers and advisors

Pareto Securities AS, Arctic Securities AS and Sparebank1 Markets AS have been engaged as Managers in connection with the Private Placement and the Subsequent Offering.

Advokatfirmaet Schjødt AS is acting as Norwegian legal counsel and Steinepreis Paganin is acting as Australian legal counsel to the Company in connection with the Private Placement and the Subsequent

Offering. Arntzen de Besche Advokatfirma AS has acted as Norwegian legal counsel to the Managers in connection with the Private Placement and the Subsequent Offering.

5.9 Jurisdiction and choice of law

The Subsequent Offering and this Prospectus are subject to Norwegian law, save for the issuance of the underlying shares which is subject to Australian law. Any dispute arising in respect of the Subsequent Offering or this Prospectus is subject to the exclusive jurisdiction of Oslo District Court.

6. BUSINESS OF THE GROUP

6.1 Introduction

PetroNor E&P Limited is an independent, African focused oil and gas exploration and production company based in Australia and listed on the Oslo Euronext Expand (formerly Oslo Axess) with ticker PNOR. In 2019, the Company (previously called African Petroleum Corporation Limited) completed a reverse takeover with the Cypriot company, PetroNor E&P Ltd. Subsequently, the Company changed its name to PetroNor E&P Limited and continued to trade on Oslo Euronext Expand.

One of the key strategies of the Group - in addition to developing existing assets and organic growth - is to acquire additional licences and pursue acquisition opportunities and the Group is and will consider such opportunities from time to time.

Overview of assets

The Company holds exploration and production assets in Africa (through subsidiaries and joint ventures), namely the offshore PNGF Sud production licenses in the Republic of Congo, (through its subsidiary HEPCO), the Sinapa (Block 2) and Esperança (Blocks 4A and 5A) licenses offshore Guinea-Bissau (through its subsidiary PetroNor E&P AB (previously SPE Guinea Bissau AB¹)), the A4 license offshore The Gambia (through its wholly owned subsidiary PetroNor E&P Gambia Ltd), the Rufisque Offshore Profond and Senegal Offshore Sud Profond licenses offshore Senegal (through its subsidiary African Petroleum Senegal Ltd).

Further, subject to the successful completion of the Aje Transaction (as further described in Section 6.2.6), the Group will hold indirect interests in the OML-113 (Aje Field) offshore Nigeria (through its subsidiary SPV Aje Production AS (transaction pending *inter alia* regulatory approval)).

Congo assets

PetroNor E&P's indirect subsidiary, HEPCO, holds a 20% (16.83% net to PetroNor) non-operated interest in the PNGF Sud licenses offshore Congo. The operator of the licenses is Perenco which holds a 40% interest in the PNGF Sud licenses. PetroNor participated in the 2016 tender process held by the Ministry of Hydrocarbons following which HEPCO subsequently became a license partner as of 1 January 2017. The PNGF Sud fields are located approximately 25 km off the coast of Pointe-Noire in water depths of 80 to 100 metres. PNGF Sud comprises of three (3) production license agreements (Tchibouela II, Tchendo II and Tchibeli-Litanzi II), which contain five oil fields: Tchibouela Main, Tchibouela East, Tchendo, Tchibeli and Litanzi. Initially discovered in 1979, PNGF Sud commenced production in 1987 and produces from about 65 wells. Following the establishment of the new licence group in 2017, significant operational improvements have been made, increasing gross production from approx. 15,000 barrels of oil per day ("Bopd") in January 2017 to 22,713 Bopd in 2020. The 2P reserves attributed to the Group's reserves are estimated to 20.23 million units of barrels ("MMbbl"), ref. Section 6.2.1.

Further, through an umbrella agreement, the licence partners of PNGF Sud have the right to negotiate the licence terms for the entering into of a production sharing contract for the PNGF Bis license. The PNGF Bis licence covers an area located to the North-West of the PNGF Sud licences and contains contingent resources with a prospect of being developed through a tie-back to the facilities on the PNGF Sud fields. The management remains positive in terms of negotiating and signing a production sharing contract for the PNGF Bis license with the relevant governmental bodies, but no assurance can be given as to whether the

¹ As of 4 June 2021, SPE Guinea Bissau formally changed its name to PetroNor E&P AB.

Group will be able to agree terms satisfactory to the Group. Furthermore, if the Group is able to secure the entering into of a production sharing contract, the Group expects to be granted a 23.6% indirect interest in the PNGF Bis again, however, no assurances can be given to the potential interest allocated the Group.

Guinea-Bissau assets

In late 2020, the Group acquired interests in the Sinapa (Block 2) and Esperança (Blocks 4A and 5A) licenses offshore Guinea-Bissau through the purchase of SPE Guinea Bissau AB¹ from Svenska Petroleum Exploration AB. The transaction received the required in-country regulatory approvals, published in the Official Gazette of Guinea-Bissau (in Portuguese, *Boletim Oficial*) in late April 2021. Subsequently on 4 May 2021, the Group assumed the operatorship and an interest of 78.57% in the licenses. The offshore licenses, covering 4,963 km², are located on the highly prospective trend along the coastline of Mauritania, Senegal, Gambia, Guinea-Bissau and Guinea-Conakry. The Atum and Anchova prospects have similarities to the world class Sangomar field development in Senegal and the Sinapa and Esperança licences have commercially attractive contract terms.

The gross case recoverable prospective resources are estimated to 498 MMbbls. The reserves estimate is based on the management expectations of Svenska Petroleum Exploration AB (from 2019) made prior to the Group acquiring SPE Guinea Bissau AB and has not been audited by the Company or by any independent third party. The reserves are not accounted for in the overview of the Group's reserves in Section 6.2.1.

Gambia assets

In The Gambia, the Group and the Government of The Gambia have reached a mutual agreement to settle the arbitration related to the A1 and A4 licenses on 19 September 2020. Under the terms of the settlement agreement, PetroNor E&P Gambia Ltd was awarded a new 30-year lease for the A4 license comprising approximately 1,376 km². All claims to the A1 licence are relinquished.

The sum of the mean case net unrisked prospective resources are estimated to approx. 2 billion barrels of oil. This prospective resources estimate is based on the expectations of the management of the Company and has not been audited by any independent third party. These prospective resources are not accounted for in the overview of the Group's reserves in Section 6.2.1.

Senegal assets

In Senegal, African Petroleum Senegal Ltd PetroNor holds a 90% operated interest in the ROP and SOSP licenses with the National Oil Company, Petrosen, holding the remaining 10%. The Company is in arbitration with the Government of Senegal to protect its interests in the licenses. ROP and SOSP are located offshore Southern / Central Senegal, with a net acreage of 15,796 km².

The sum of the mean case net unrisked prospective resources are estimated to approx. 1.8 billion barrels of oil. This prospective resources estimate is based on the ERC Equipoise 2015 CPR completed for African Petroleum Corporation Limited ("APCL") and covers both ROP and SOSP licences. These prospective resources are not accounted for in the overview of the Group's reserves in Section 6.2.1.

Nigeria assets

In the second half of 2019, the Company entered into an agreement with Panoro Energy ASA for the acquisition of certain companies holding interests in the OML-113 licence (Aje Field) offshore Nigeria. In addition, the Company established the SPV (as defined) with the license's operator, Yinka Folawiyo Petroleum ("YFP"), for the purpose of assuming the lead technical and management role in the next phases

of the Aje Field development.

The completion of the transaction is subject to the satisfaction of certain conditions precedents, including the regulatory approval from the governmental bodies of Nigeria. Upon the successful completion of the transaction, the Group will acquire an indirect nominal participating interest of 34% in the OML-113 licence and a revenue interest of 24.3% in the OML-113 licence. The obligations to cover operational expenses and capital expenditures deviate from the nominal interests and revenue interests and are described in Section 6.2.6.

The OML-113 licence is located offshore Western Nigeria adjacent to the Benin border and contains the Aje Field as well as a number of exploration prospects. Discovered in 1997 in water depths ranging from 100 m to 1,500 m, the Aje Field began production in 2016 and produces from two wells.

The 2P reserves are estimated to 0.2 MMbbls. The reserves estimate is based on the expectations of the management of the Company and has not been audited by the Company or by any independent third party. The reserves are accounted for in the overview of Group's reserves in Section 6.2.1.

6.2 The Group's business activities

6.2.1 Reserves and resources

Reserves portfolio

PetroNor's classification of the Group's reserves and resources complies with the guidelines established by the Oslo Stock Exchange and is based on the definitions set by the Petroleum Resources Management System (PRMS-2007), sponsored by the Society of Petroleum Engineers / World Petroleum Council / American Association of Petroleum Geologists / Society of Petroleum Evaluation Engineers (SPE / PRMS) from 2007 and 2011.

Reserves are the volume of hydrocarbons that are expected to be produced from known accumulations:

- On Production
- Approved for Development
- Justified for Development

Reserves are also classified according to the associated risks and probability that the reserves will be produced.

- 1P – Proved reserves represent volumes that will be recovered with 90% probability
- 2P – Proved + Probable represent volumes that will be recovered with 50% probability
- 3P – Proved + Probable + Possible volumes that will be recovered with 10% probability

Contingent Resources are the volumes of hydrocarbons expected to be produced from known accumulations:

- In planning phase
- Where development is likely
- Where development is unlikely with present basic assumptions
- Under evaluation

Contingent Resources are reported as 1C, 2C, and 3C, reflecting similar probabilities as reserves.

The Group obtained a Competent Persons Report (the "CPR") auditing the Reserves (1P, 2P and 3P) and Resources (1C, 2C and 3C) as of 31 December 2020 and covers PNGF Sud and PNGF Bis.

The reserves figures are outlined in the table immediately below and cover:

- PNGF Sud (based on the CPR)
- PNGF Bis (based on the CPR but noting that the Group has not secured a production sharing contract for the area)
- Aje Field (based on management expectations and noting that the Aje Transaction has not been completed)

Net PetroNor reserves (developed or under development)			
	1P Boe mmboe	2P Boe mmboe	3P Boe mmboe
16.83% PNGF Sud			
Tchibouela	8.9	11.07	13.62
Tchendo	3.55	4.86	6.06
Tchibelli	1.25	2.98	4.46
Litanzi	1.16	1.82	2.27
Subtotal	14.86	20.73	26.41
23.56% PNGF Bis			
Loussima (Bis)	-	-	-
TOTAL	14.86	20.73	26.41

During the period from 1 January 2020 to 31 December 2020, the total amount of oil produced from PNGF Sud was approx. 8.31 MMbbls with a net production attributed to the Group approx. 3,850 Bopd.

Resources

The net contingent resources are outlined in the table immediately below and cover:

- PNGF Sud (based on the CPR)
- PNGF Bis (based on the CPR but noting that the Group has not secured a production sharing contract for the area and therefore neither has secured the legal rights to carry out petroleum activities in respect of PNGF Bis)
- Aje Field (based on management expectations and noting that the Aje Transaction has not been completed and that the Group therefore has not yet acquired the indirect interests in the Aje Field)

Net PetroNor Contingent Resources (undeveloped)			
	1C Boe mmboe	2C Boe mmboe	3C Boe mmboe
16.83% PNGF Sud			
Tchibouela	2.74	4.29	6.95
Tchendo	0.91	4.29	3.23
Tchibelli	0.99	1.53	3.03
Litanzi	-	1.88	-
Subtotal	4.65	7.71	13.21
23.56% PNGF Bis			
Loussima (Bis)	5.29	6.82	8.45
Total PNGF	9.93	14.53	21.66
OML-113			
Aje	-	18.7	-
TOTAL	9.93	33.23	21.66

6.2.2 Republic of Congo (Brazzaville) – PNGF Sud and PNGF Bis

Overview and background

PetroNor, through HEPCO, participated in the 2016 tender process with the Congo Ministry of Hydrocarbons for an interest in the PNGF Sud licenses. With effect from 1 of January 2017, HEPCO was awarded a 20% working interest in the PNGF Sud (currently net 16.83% to Group). The National Assembly / Senate formally approved the license contracts in May 2017.

PNGF Sud comprises 3 production sharing contracts (in French, Contrat de Partage de Production or "CPP"): Tchibouela II, Tchendo II and Tchibeli-Litanzi II. The licenses contain five oil fields: Tchibouela Main, Tchibouela East, Tchendo, Tchibeli and Litanzi, which have been developed as an integrated group named PNGF Sud. The licenses are located approximately 25 km off the coast of Pointe-Noire in water depths of 80-100 metres.

Further, through an umbrella agreement, the licence partners of PNGF Sud have the right to negotiate the licence terms for the entering into of a production sharing contract for the PNGF Bis licence. The PNGF Bis. licence covers an area located to the North-West of the PNGF Sud licences and contains (based on management expectations of reserves as set out in Section 6.2.1) contingent resources with a prospect of being developed through a tie-back to the facilities on the PNGF Sud fields. The management remains positive in terms of negotiating and signing a production sharing contract for the PNGF Bis with the relevant governmental bodies, but no assurance can be given as to whether the Group will be able to agree terms satisfactory to the Group. However, if the Group is able to secure the entry into of a production sharing contract, the Group expects to be granted a 23.6% indirect interest in PNGF Bis but no assurances can be given to the interest allocated the Group.

PNGF Bis is located to the North-West of PNGF Sud and comprises 2 fields, Loussima SW and Loussima.

Geological description

Tchibouela Field

Tchibouela Main consists of three cretaceous aged reservoir formations, the Senonian, Turonian and Cenomanian, with reservoir depths ranging from 300 to 1,000 mTVDSS. The subsurface structure of the field is a dome formed anticline and the reservoir quality is generally good but varies across the field. The main reservoirs within the Turonian and Cenomanian aged section contain oil of (light oil) with low gas to Oil ratio (GOR). The youngest reservoir, the Senonian, contains gas above an oil rim. Tchibouela Main produces from 34 active oil producing wells. The field came on stream in 1987, had its peak production in 1995 and is now on tail production with a high water-cut. The Cenomanian is an excellent reservoir with a strong aquifer which helps maintain reservoir pressures and supports a high recovery factor. The Turonian has more varying reservoir properties, here also the pressure is maintained by natural water influx supported by one water injector well. There are two gas producing wells within the Senonian reservoir providing gas which is used to generate electricity for offshore operations or compressed and reinjected into the subsurface to support reservoir pressures and increase recovery rates for oil. Since 2017 several well workovers such as re-perforations and artificial lift repairs have been performed to maintain and improve production from the field. The operator plans to continue this programme which is expected to continue to arrest the decline of the production rates and potentially increase production levels going forward. Existing producers are included in the reserves calculation. There is potential for additional infill drilling targeting both the Cenomanian and Turonian reservoir intervals.

Tchibouela East is a similar smaller dome structure to Tchibouela Main, with Turonian and Cenomanian reservoir levels. The field started production in 1998 with 6 oil producing wells. The Cenomanian reservoir has been produced to a level where water has broken through from the underlying aquifer and is effectively depleted. Well T0 and well T2 of the Turonian reservoir have not been placed into production due to gas cap within a thin reservoir, but well T1 has been produced.

Tchendo Field

Tchendo is an oil field with production from three separate Cretaceous aged reservoir levels, Senonian, Turonian and Cenomanian with reservoir depths from 450 to 750 mTVDSS. The structure is a gentle dome structure similar to Tchibouela and with similar reservoir characteristics. Water depth is 95 m. Tchendo was discovered by exploration well TCDM1 in 1979 and started production in 1991 with peak production reached in 1993. Reservoir pressure has been maintained by partial water injection. 21 wells are currently producing, of which seven produce from the Senonian interval and thirteen from the Turonian. There is one well that

produces from the Cenomanian reservoir interval. Across the field the water cut (percentage of total produced reservoir fluids that are water) is high in Turonian but remains low in the Senonian. Production from the Cenomanian interval ceased in 2009 at a recovery factor of 56% however, production was restored in 2019 through one well which currently produces approx. 600 Bopd.

An infill drilling programme has been approved at the Tchendo Field. A 14-slot wellhead platform is to be installed and drilling of the first 7 wells targeting the Senonian and Turonian intervals will take place following completion of a separate infill drilling program at the Litanzi field. The remaining 7 free slots on the platform will likely be utilised through further expansion of infill drilling at Tchendo due to the significant subsurface potential, particularly in the Senonian interval which has an estimated in-place oil volume as high as 700 MMbbls but to date a very modest recovery factor of just 3%. Therefore, to date, the Senonian interval at the Tchendo field constitutes the largest untapped potential for infill drilling within PNGF Sud. The infill drilling programme has been approved by the licence partnership (by the Technical and Operating Committees) and is currently awaiting final approval by the Management Committee, consisting of the State and the operator on behalf of the contractor group.

Tchibeli Field

Tchibeli is an oil field producing from two reservoir levels within the Albian aged (Cretaceous) Sendji Formation. The upper reservoir is a mix of carbonates and clastics, while the lower interval is a purely carbonate reservoir. The reservoir depth is 2,000 mTVDSS and the water depth is 100 m. The dome shaped structure known as a four-way turtle-back closure is segmented by several cross-cutting faults.

Reservoir quality is fair to good. The field was discovered in 1986 and started production in 2000. Peak production was reached shortly after start-up with three oil producing wells. Reservoir pressure is maintained by water injection. Production is artificially lifted through the utilisation of electrical submersible pumps.

A new export pipeline was installed from the Tchibeli field to the Tchibouela field in 2019 with oil from Tchibeli now able to go directly to the Tchibouela processing facility.

Tchibeli East is a smaller, undeveloped Albian aged discovery North-East of the Tchibeli field. A potential development programme with a tie-back to the Tchibeli is currently being evaluated.

Litanzi Field

The Litanzi field produces oil from an Albian aged Sendji Formation carbonate reservoir interval. The structure which is located North-East of the Tchibeli field consists of a relatively thin reservoir interval cut by numerous faults that dip towards the West. The reservoir depth is at 1,600 mTVDSS and the water depth is 100 m. The Litanzi field was discovered in 1990 and started production from one oil producing well drilled from the Tchendo platform in 2006. Current production comes from a single oil well which is supported by one water injector well; production has increased slightly since 2016.

PNGF Bis

To date, three exploration wells have been drilled on the PNGF Bis licence area. The LUSM-1 exploration well drilled on the Loussima prospect in 1985 discovered oil in the early Cretaceous aged pre-salt Vandji formation. Loussima SW was discovered by the LUSOM-1 exploration well in 1987, again encountering oil in the Vandji formation. A second well, SUEM-2, was drilled on Loussima SW in 1991 to appraise the discovery. Hydrocarbon shows were also encountered in one of the wells within the Albian post-salt Sendji formation, (analogue to Tchibeli and Litanzi field reservoirs in PNGF Sud), however with no production testing. The depth to the Vandji reservoir is 3,250 mTVDSS, to Sendji around 1,940 mTVDSS and the water depth in the area is 110 m. Tests on the Loussima SW LUSOM-1 well produced 4,700 Bopd and the SUEM-2 well yielded 1,150 Bopd.

The Group has not secured the rights to carry out petroleum activities on PNGF Bis and any exploration, development and production is subject to the Group entering into a production sharing contract with the relevant governmental bodies. Subject to securing the rights to carry out such petroleum activities on PNGF

Bis, the Group wished to explore the possibilities of starting with a long-term production test from an existing wellhead platform which will be tied back to the Tchendo field via pipeline and develop PNGF Bis into a permanent producing asset.

Production history

Initially discovered in 1979, PNGF Sud commenced production in 1987. In 2020 average gross production was 22,713 Bopd from five oil fields, Tchibouela, Tchibouela East, Tchendo, Tchibeli and Litanzi. Following the establishment of the new licence group to the PNGF Sud licence in 2017, significant operational improvements have been made, increasing gross production from approx. 15,000 Bopd in January 2017 to 22,713 Bopd in 2020, while reducing operating costs from approx. 26 USD/bbl in 2016 to an average level of 10.4 USD/bbl in 2020. The production increase has mainly been driven by optimising performance of existing wells. Through well optimisation, surface infrastructure and process improvements coupled with infill drilling, gross production from PNGF Sud is expected to continue to grow in the coming years.

Facilities

The PNGF Sud fields are developed with seven wellhead platforms and currently produce from about 65 active production wells, with oil exported via the onshore Djeno terminal. With its long production history, substantial well count and extensive infrastructure, PNGF Sud represents a well-diversified and low risk production asset with material reserves and a low break-even cost.

Reserves and resources

In March 2021 AGR performed a full Competent Persons Report (CPR) covering the Reserves (1P, 2P and 3P) and Resources (1C, 2C and 3C) in both PNGF Sud and PNGF Bis. The figures presented below were evaluated as of 31 December 2020.

Gross production in 2020 was 8.31 MMbbls of oil and 1.0 Bcf of gas. This corresponds to average gross production rate of 22,713 Bopd and 2.7 MMscfd.

As per the reserves guidelines referred to in Section 6.2.1, the gas reserves accounted for in the CPR are limited to gas used for power generation purposes (on Tchibouela only). This gas is used as fuel for power generating turbines located centrally in the field with export of power to individual field platforms via electrical power cables. For the purpose of this report, the numbers quoted below as MMbbls do not include the oil equivalent gas.

As of 31 December 2020, AGR evaluated the five PNGF Sud fields at (i) gross 1P (Proved Reserves) of 86.20 MMbbls, (ii) gross 2P (Proved plus Probable Reserves) of 120.20 MMbbls, (ii) gross 3P (Proved plus Probable plus Possible Reserves) of 152.40 MMbbls, (iv) gross 1C Resources of 26.0 MMbbls, (v) gross 2C Resources of 43.40 MMbbls and (vi) gross 3C Resources of 74.60 MMbbls.

These reserves figures allocated at the Group's level (based on pro rata indirect ownership) amount to (i) 1P (Proved Reserves) of 14.51 MMbbls, (ii) 2P (Proved plus Probable Reserves) of 20.23 MMbbls, (iii) 3P (Proved plus Probable plus Possible Reserves) of 25.65 MMbbls, (iv) gross 1C Resources of 4.38 MMbbls, (v) gross 2C Resources of 7.30 MMbbls and (vi) gross 3C Resources of 12.56 MMbbls.

These Reserves and Contingent Resources are the net reserve volumes of the Group.

Gross Reserves (developed or under development)									
	1P			2P			3P		
	Oil MMbbls	Gas bcf	Boe MMboe	Oil MMbbls	Gas bcf	Boe MMboe	Oil MMbbls	Gas bcf	Boe MMboe
100% PNGF Sud									
Tchibouela	50.80	11.90	52.90	62.80	16.90	65.80	76.40	25.40	80.90
Tchendo	21.10	-	21.10	28.90	-	28.90	36.00	-	36.00
Tchibeli	7.40	-	7.40	17.70	-	17.70	26.50	-	26.50
Litanzi	6.90	-	6.90	10.80	-	10.80	13.50	-	13.50
Subtotal	86.20	11.90	88.30	120.20	16.90	123.20	152.40	25.40	156.90
100% PNGF Bis									
Loussima (Bis)	-	-	-	-	-	-	-	-	-
Total	86.20	11.90	88.30	120.20	16.90	123.20	152.40	25.40	156.90

Gross Contingent Resources (undeveloped)									
	1C			2C			3C		
	Oil MMbbls	Gas bcf	Boe MMboe	Oil MMbbls	Gas bcf	Boe MMboe	Oil MMbbls	Gas bcf	Boe MMboe
100% PNGF Sud									
Tchibouela	14.70	8.90	16.30	23.10	13.80	25.50	37.40	22.30	41.30
Tchendo	5.40	-	5.40	9.10	-	9.10	19.20	-	19.20
Tchibeli	5.90	-	5.90	11.20	-	11.20	18.00	-	18.00
Litanzi	-	-	-	-	-	-	-	-	-
Total	26.00	8.90	27.60	43.40	13.80	45.80	74.60	22.30	78.50
100% PNGF Bis									
Loussima (Bis)	22.40	-	22.40	28.90	-	28.90	35.80	-	35.80
Total	48.40	8.90	50.00	72.30	13.80	74.70	110.40	22.30	114.30

Net PetroNor reserves (developed or under development)									
	1P			2P			3P		
	Oil MMbbls	Gas bcf	Boe MMboe	Oil MMbbls	Gas bcf	Boe MMboe	Oil MMbbls	Gas bcf	Boe MMboe
16.83% PNGF Sud									
Tchibouela	8.55	2.00	8.90	10.57	2.84	11.07	12.86	4.27	13.62
Tchendo	3.55	-	3.55	4.86	-	4.86	6.06	-	6.06
Tchibeli	1.25	-	1.25	2.98	-	2.98	4.46	-	4.46
Litanzi	1.16	-	1.16	1.82	-	1.82	2.27	-	2.27
Subtotal	14.51	2.00	14.86	20.23	2.84	20.73	25.65	4.27	26.41
23.56% PNGF Bis									
Loussima (Bis)	-	-	-	-	-	-	-	-	-
Total	14.51	2.00	14.86	20.23	2.84	20.73	25.65	4.27	26.41

Net PetroNor Contingent Resources (undeveloped)									
	1C			2C			3C		
	Oil MMbbls	Gas bcf	Boe MMboe	Oil MMbbls	Gas bcf	Boe MMboe	Oil MMbbls	Gas bcf	Boe MMboe
16.83% PNGF Sud									
Tchibouela	2.47	1.50	2.74	3.89	2.32	4.29	6.29	3.75	6.96
Tchendo	0.91	-	0.91	1.53	-	1.53	3.23	-	3.23
Tchibeli	0.99	-	0.99	1.88	-	1.88	3.03	-	3.03
Litanzi	-	-	-	-	-	-	-	-	-
Total	4.38	1.50	4.65	7.30	2.32	7.71	12.56	3.75	13.21
23.56% PNGF Bis									
Loussima (Bis)	5.29	-	5.29	6.82	-	6.82	8.45	-	8.45
Total	9.66	1.50	9.93	14.12	2.32	14.53	21.00	3.75	21.66

6.2.3 Guinea-Bissau – Sinapa (Block 2) and Esperança (Block 4A and 5A) licenses

Details of the transaction

On 20 November 2020, the Company announced the purchase of SPE Guinea Bissau AB² from Svenska Petroleum Exploration AB (the "Guinea-Bissau Transaction"). The transaction received the required in-country regulatory approvals, published in the Official Gazette of Guinea-Bissau (in Portuguese, *Boletim Oficial*) in late April 2021.

Subsequently, PetroNor E&P AB has assumed the operatorship of the Sinapa (Block 2) and Esperança

² As of 4 June 2021, SPE Guinea Bissau formally changed its name to PetroNor E&P AB.

(Blocks 4A and 5A) licences in Guinea-Bissau. The current exploration phase on both licences has recently been extended for 3 years and are valid until 2 October 2023.

Geological description

The Sinapa and Esperança licences cover a combined area of 5,725 km² offshore Guinea-Bissau in water depths ranging from 20 m to 600 m. The blocks are located on the Guinea Plateau.

Continental breakup via tectonic rifting along the margin initiated in the late Triassic to early Jurassic and created a number of isolated basins into which sediments were deposited. Post active rifting, a passive margin setting prevailed with the development of carbonate platform facies along the shelf from the Mid Jurassic.

Clastic sediments sourced from Bove Basin to the East and transported via the Rio Corubal drainage system were deposited across this part of the margin during the Albian forming a set of progradational deltaic sequences. The Cenomanian-Turonian marine transgression led to flooding of the margin and deposition of marine source rocks across the shelf and within the deep Cretaceous Central Atlantic basin to the West. On the shelf, these source rocks are currently within the oil generation window and have charged Albian reservoirs within the Sinapa discovery in Block 2 (light oil).

Mobilisation of the Jurassic Salt created a number of salt related traps within the Sinapa and Esperança licences which were the focus of early exploration efforts. More recently, attention has shifted to the shelf margin play with the Easterly counter dip of the deeply eroded shelf margin setting up large traps analogous with the Sangomar field offshore Senegal to the North.

Exploration potential

The Sinapa and Esperança blocks contain two Cretaceous aged shelf edge prospects, Atum and Anchova, which are directly analogous to the on trend Woodside operated Sangomar field development in Senegal. The prospects were mapped on 3D seismic acquired by Polarcus in 2016.

The Atum prospect in Block 2 is a large 3-way closure below the Senonian unconformity which defines the Western margin of the prospect. Two potential reservoir targets have been identified within the Albian, the Upper Albian S1 and an intra Albian S2 clinoform package. The Albian reservoirs directly overlie a set of high amplitude, potentially Aptian aged clinoforms interpreted to be part of the Early Cretaceous prograding carbonate platform margin and could represent a deeper drilling target.

Oil migration from the proven oil mature Cenomanian-Turonian aged source rocks on the shelf to the North-East and Turonian source rocks thought to be within the oil window to the West of the Cretaceous aged shelf margin are expected to charge the Albian reservoirs at the Atum and Anchova prospects. The top and lateral seals to the shelf margin prospects are provided by intra Albian and Cenomanian shales and Palaeocene marine shales that onlap the Senonian unconformity.

The Anchova prospect is the Southerly continuation of the Atum prospect and straddles the boundary between Blocks 2 and 4A. Similarly to Atum, Anchova is a 3-way closure below the Senonian unconformity and is separated from the Atum structure by a saddle defined by a large canyon. Salt diapirism has modified the Western and Eastern flanks of the Anchova structure with up dip thinning and termination of the S1 and S2 reservoirs against the flanks of the salt.

An upside case of the combined Atum and Anchova prospects filled below the saddle point separating the independent closures, which ultimately spills to the North of Atum, has also been considered. Potential resource calculations for the combined case have been calculated and are presented below.

Svenska Petroleum Exploration AB was in the advanced stages of planning for the drilling of the Atum-1X well to test the Atum prospect prior to delays in gaining partner approvals due to the disputed presidential elections in late 2019 early 2020. Long lead items required for drilling operations have been secured and a number of pre-drill studies completed. Well planning can be recommenced at short notice.

Reserves and resources

Unrisked probabilistic potential recoverable resource calculations made by Svenska Petroleum Exploration

AB for the independent Atum and Anchova closures at Albion S1 and S2 levels as well as the combined Atum / Anchova case, all figures in million barrels of oil equivalent:

Independent closures:

REC	P90	P50	PMean	P10
Atum S1	20	32	33	47
Anchova S1	10	24	33	68
Atum S2	55	180	200	370
Anchova S2	37	107	128	245

Combined Case:

Rec	P90	P50	PMean	P10
S1	32	152	233	552
S2	25	167	265	625

The reserves figures have not been audited by the Group or by any independent third party.

6.2.4 The Gambia – A4 licence

Overview and background

The Group (at the time African Petroleum Corporation) acquired a 60% interest in the A1 and A4 licenses offshore The Gambia in August 2010 from Buried Hill and became 100% owner and operator in July 2014. The Group entered into arbitration proceedings with The Gambia following the lodging of Requests for Arbitration ("RFA") documents with the International Centre for Settlement of Investment Disputes ("ICSID") in October 2017 to protect its interests in the A1 and A4 licences.

As announced on 19 September 2020, PetroNor E&P Gambia Ltd was awarded a new 30-year lease for the A4 licence. The award was part of a settlement agreement with the Government of The Gambia connected to the arbitration of the A1 and A4 licences previously issued in 2006.

The terms of the new license are based on the newly developed Petroleum, Exploration and Production Licence Agreement (PEPLA). PetroNor E&P Gambia Ltd will be able to carry approved prior sunk costs associated with A4 into the new agreement.

The PEPLA is a royalty plus tax system valid for 30 years with an option of a 10-year extension. The initial six years exploration period is divided into three periods of two years during which exploration activities are to be completed. Post discovery, the licence moves into an exploration / appraisal phase where the commercial potential of the discovery is ascertained and a development decision taken, following which the licence moves into a development and subsequent production phase.

Geological description

The A4 licence is located offshore within the Mauritania-Senegal-Gambia-Bissau-Conakry Basin. The Basin was formed during the initial Triassic to Jurassic rifting of the Central Atlantic region. Hydrocarbons are proven throughout the basin, including current producing fields in Mauritania, major accumulations at Dome Flore ("AGC") and most notably the Sangomar field in Senegal, 30 km to the North of the A4 licence. First oil is expected at Sangomar in 2023 with a plateau production rate of 100,000 Bopd forecasted by the operator, Woodside.

Several wells have been drilled and proven to be successful in the area. Good quality oil has helped to demonstrate that there is abundant charge potential from multiple source rocks within the area (described as 'outstanding' by FAR Ltd). Good quality oil (32 API) at shallow depth below sea floor in the Sangomar field has proven that oil charge is recent and that source rocks are generating significant volumes of oil in

present day. These multiple source rocks of Neocomian and Aptian to Turonian age are proven in wells drilled on the continental shelf, the deep water Fan-1 well (28 to 42 API) as well as the DSDP-367 well, some 400 km offshore, as well as in wells along the margin to the South. High quality, well connected Albian marine sandstones form the main reservoir target, but good quality reservoir is present in the Cenomanian as well as some younger units. There may also be potential for good reservoir development within the Aptian aged interval along the margin.

Further exploration is anticipated by FAR and Petronas in Block A2 in late 2021 with drilling in Gambia A1 by BP expected in 2022. The likely success in these wells is expected to further de-risk the Group's acreage in Senegal and The Gambia which has the same 'Play' characteristics and a very promising portfolio of commercially sized prospects.

Fan Prospects

The Acacia and Rosewood prospects are Santonian to Cenomanian / Albian in age. These prospects have good seismic amplitude support for reservoir development and amplitude maps clearly show reservoir deposition in the trap position for all prospects. Vertically stacked targets from the Albian to the Cenomanian and Senonian, enables one well to test multiple prospective levels. The Albian age targets in Rosewood / Acacia Deep are the primary target, these appear to extend Northwards into the A1 block. The basinal prospects are anticipated to have significantly improved reservoir porosity and permeability in A4 due to the shallower burial depth of the Albian to the South (approximately 1,000 m less burial), in comparison to the Fan-1 well in the Sangomar licence which reported poor to moderate reservoir quality. Cenomanian / Albian / Aptian source rocks are interbedded with the main reservoir units for efficient charge.

Shelf-edge clastic Prospects

The Lamia prospect is a major three-way closure with stacked Albian clastic reservoirs, analogous to the Sangomar field. The Eastward tilt of the underlying carbonate platform creates a trapping geometry at the Cretaceous shelf edge. High quality Albian sandstones (25% porosity in Sangomar field) are deposited up to the shelf edge and into the basin to the West (the 'Fan Plays'). Hydrocarbons generated from multiple prolific, proven source rocks migrated Eastwards from the basin down-dip to the West, up into reservoirs on the shelf margin. Older source rocks (Albian / Aptian) play an important role to the South of block A4. Cenomanian aged source rocks are modelled to be in the early oil window in the basinal area of A4 also.

Careful amplitude extractions from 3D seismic data have built a compelling case for reservoir development across the licence. The Lamia prospect also has a potentially significant Aptian clastic target beneath the primary Albian reservoirs, the model is supported by the Wolof-1 well to the South-East. The Lamia prospect exhibits an areal extent similar to the Sangomar field.

Resources

The sum of the mean case net unrisked prospective oil resources for prospects within the licence are estimated to be approx. 2 billion barrels of oil. This prospective reserves estimate is based on the expectations of the management of the Company and has not been audited by any independent third party.

6.2.5 Senegal – Rufisque Offshore Profond and Senegal Offshore Sud Profond

Overview and background

Although currently in arbitration, the Company reserves its rights in the exploration blocks ROP and SOSP (together the "**Senegal Licences**") in Senegal through its 90% owned subsidiary African Petroleum Senegal Ltd. The Senegal Licences are located offshore Southern and central Senegal, covering a combined surface area of 15,796 km², with the remaining 10% carried interest in the licenses held by Petrosen, the national oil company of Senegal. The Group is therefore committed to cover 10% of the costs in the licence (exceeding its interest).

The current phase of the ROP PSC ended in October 2015; however, the Company lodged a request for

an extension with the Government of Senegal. Under the terms of the ROP PSC the block remains active unless and until a termination procedure is enacted by the Republic of Senegal. To date, the Republic of Senegal has not validly enacted such termination procedure, and accordingly the Company reserves its rights under the ROP PSC.

A new production sharing contract covering the same area as the ROP PSC was awarded to Total in 2017 and subsequently farmed down to Petronas in August 2018. Irrespective of this, the Company reserves its right under its ROP PSC.

The Company elected to move into the next phase of the SOSP PSC in late 2017 and requested that the outstanding drilling commitment in the expiring phase be transferred to the next phase as a seismic commitment. To date, the Republic of Senegal has not responded to this request and accordingly the Company reserves its rights under the SOSP PSC.

In January 2018, the Group's wholly owned subsidiary, African Petroleum Senegal Limited, lodged RFA documents with ICSID in order to protect its interests in the ROP and SOSP PSCs in Senegal. As announced on 5 May 2020, the Company reached a mutual agreement with the Government of Senegal to suspend the arbitration related to the Senegal Licences for a period of six months with a view to reaching a satisfactory outcome for all parties, and a formal request has been lodged with ICSID to suspend the process.

Subsequently, the parties further extended the suspension by an additional three months as announced on 30 October 2020, and with further two months as announced on 2 February 2021. On 5 April 2021, the Company announced that throughout the prolonged suspension period, the Company has made significant efforts to reach a mutually beneficial solution and has held numerous progressive meetings with the relevant authorities to no avail.

The Company has now re-engaged in the arbitration process and is preparing an Expert Witness rebuttal to the Senegalese Government Expert Witness report for ROP and SOSP. The final hearing is scheduled for the end of Q1 2022.

Geological description

The Senegal Licences are also located offshore within the Mauritania-Senegal-Gambia-Bissau-Conakry Basin which extends from Morocco to Guinea.

The primary focus in SOSP has been the 'fan play' where two major fan systems, Kapok and Jaloo, have been mapped by the Company and reviewed by ERC Equipoise. These fans are large in area and have multiple stacked reservoir targets and significant mean un-risked resources in place. On the shelf to the East, clastic / carbonate 'Leads' have been identified that will be matured to Prospect status with further seismic mapping. This was made possible by the TGS acquisition of new 3D seismic survey over the area as part of the Jaan 3D multi-client merged dataset. Maturation of Sangomar field lookalike prospects on the platform will enhance the exploration portfolio. Significant potential has also been identified in carbonate targets (karst, slope wedge and fore-reef debris) though final prospect maturation is still required. It is anticipated that CNOOC / Impact will drill an important well to the South of SOSP in the AGC area in 2021, while PetroNor and FAR plan to drill in Guinea-Bissau in 2022.

The ROP licence was awarded to Total in 2017 (this is disputed and arbitration is ongoing) and in August 2019, Total plugged and abandoned the Jamm-1x well in 2,400m water depth, as a 'non-commercial' oil discovery according to Upstream newspaper (along with partner, Petronas). Total had acquired a large 3D seismic survey prior to this over the ROP licence to enable evaluation of the deeper water area of the licence. The primary focus of the prospectivity prior to this was the South-East area of the block utilising reprocessed existing 3D seismic, with a focus on extending the Sangomar field success Northwards.

The main prospects in the 2015 ERCE CPR are 'fan plays' with Santonian to Aptian age Middle-Upper Cretaceous reservoir targets in the Eastern part of the ROP licence.

ROP Baobab prospect

Targets evaluated by ERC Equipoise range from Albian in age in the deep section to Maastrichtian in age in the shallow. A porosity vs depth below mud line (BML) relationship has been used to guide input porosity ranges for use in potential resource calculations. These targets are predominantly deep water sands deposited in channels and lobes forming an apron at the break of slope along the basin margin. Amplitude extractions have been used to map the extent of the target sandstone reservoirs. Several stacked targets can be tested with a single well bore. Shallower targets have a higher charge risk (vertical migration required); the primary source rock is Cenomanian in age but deeper Albian and Aptian source rocks are also mature for oil generation in the area. Success at FAN-1, 18 km to the South, indicates an elongate accumulation North-South parallel to the shelf edge, with three-way closure against the carbonate platform to the east. There is an extension of this trapping trend into ROP; 3D seismic quality degradation may make clear amplitude support difficult in ROP. A post stack depth migrated seismic data set may help with further prospect de-risking. Data quality and coverage is a limiting factor. A 3D seismic merge with the data to the East (Cairn Energy operated) is necessary to fully evaluate pinch-out plays on the flank of the Rufisque Dome, for the younger targets. Reservoir quality for the deepest targets is the primary risk due to high burial depth. The reported poor to moderate quality reservoir in the Fan-1 well drilled in late 2014, significantly increased the chance of success on the Albian target in the Baobab prospect.

The younger targets however have well developed reservoir with potential for good trapping configurations set-up by Miocene age faulting related to the Rufisque Dome uplift in the Miocene. The current extent of the seismic does not enable full maturation of these targets due to incomplete definition of the trap.

SOSP Kapok and Jaloo prospects

Kapok and Jaloo are very significant fan systems of Aptian-age (deep) to Cenomanian-age (shallow). Pinch-out of the fans is very well defined up-dip to the East in deeply cut canyons on the Cretaceous carbonate platform. Amplitude extractions indicate good reservoir development, though a recent submarine canyon in the overburden causes a wipe-out of these amplitudes at depth and apparent separation of the fan systems. However, they are likely connected at the Albian level and volumes quoted have assumed this. At other levels, the fan systems have been assumed as separate discrete bodies. Viewed along strike, approximately North-South, seismic data indicates that reservoir development could be significant. Major prograding shallow marine delta systems are mapped on 2D data to the East of SOSP, providing an excellent supply of clastic reservoir to the deepwater SOSP block. Further de-risking based on amplitude versus offset comparisons may be possible with the TGS multi-client 3D seismic images. In addition, there is a very thick sequence of Cenomanian age reservoir that has clearly been reworked by contourite currents which may improve reservoir quality further. These prospects lie in approximately 3,000 m water depth.

Potentially the most interesting prospectivity in the view of the Company, analogous to the Sangomar field to the North, is the Cassia lead on the Shelf or carbonate platform area on the East side of the block in shallower water depth (1,850 m). This is covered by 2D and 3D seismic; new coverage from the TGS multi-client 3D survey will enable maturation to prospect status. The Prestack depth migration now available will hopefully proving the right trapping configuration and elevate Cassia in priority.

Reserves and resources

The sum of the mean case net unrisked prospective oil resources within the ROP and SOSP licences is estimated to be approximately 1.8 billion barrels of oil. This prospective resources estimate is based on the ERC Equipoise 2015 CPR completed for APCL covering both ROP and SOSP licences.

6.2.6 Nigeria – OML-113

Details of the transaction

As announced on 21 October 2019, the Company entered into an agreement with Panoro Energy ASA ("Panoro") (the "Panoro Agreement") for the acquisition of certain companies holding interests in Offshore Mining Lease no. 113 ("OML-113") offshore Nigeria, containing the Aje oil and gas field ("Aje Field") ("Aje Transaction"). The Panoro Agreement contemplates the acquisition of 100% of the shares of Panoro's fully owned subsidiaries Pan-Petroleum Services Holdings BV ("PPSH") and Pan-Petroleum Nigeria

Holdings BV ("PPNH"), which currently hold 100% of the shares in Pan-Petroleum Aje Limited, which participates in the exploration for and production of hydrocarbons in OML-113.

The consideration payable by the Group under the Panoro Agreement is (i) issue of shares in the Company for USD 10 million and (ii) a contingent payment obligation after PetroNor has recovered all costs related to the accumulated investments incurred after the Completion Date equal to USD 0.10 per 1,000 Cubic Feet of Aje Gas sales volume limited to USD 16.67 million.

In parallel, the Company concluded a separate investment and shareholders' agreement with the OML-113 operator Yinka Folawiyo Petroleum ("YFP Agreement") to create a new holding company, Aje Production AS (the "SPV"), that will see the SPV assume the lead technical and management role in the next phases of the Aje Field development. PetroNor and YFP will hold respectively 45% and 55% of the SPV shares, and the ability to appoint up to two directors each. The SPV will require two directors jointly to sign on its behalf, of which one is appointed by PetroNor and one appointed by YFP. The SPV will include the current license ownerships of YFP (the operator), YFP Deep Water Company Limited ("YFP-DW"), a Nigerian registered private company, and Panoro.

Together these agreements provide the framework and pathway towards sanctioning of the next phases of the Aje Field development in order to unlock its significant value through accessing the substantial proven gas and liquid in place reserves.

The completion of the Aje Transaction is subject to the satisfaction of certain conditions precedents, including the regulatory approval of the Nigerian Department of Petroleum Resources and consent of the Minister of Petroleum Resources.

The regulatory approval process in Nigeria is well underway but has been delayed by the impact of the COVID-19 pandemic. Originally set at 31 December 2020, Panoro and the Company agreed to amend the long stop date for closing of the Panoro Agreement to the 30 September 2021 which is the date by which authorisation of the Nigerian Department of Petroleum Resources and the consent of the Nigerian Minister of Petroleum Resources are required to have been received.

Upon the successful completion of the Aje Transaction, the Group will acquire a nominal Participating interest on 34% and a revenue interest on 24.3% in the OML-113 licence. These figures are based on the Group holding a 45% equity interest in the SPV, which in turn holds nominal licence interest on 75.5 % and a revenue licence interests on 54.1%. The table below shows all CAPEX, OPEX, and Revenue for the SPV. PetroNor has an interest of 45% for each figure.

The proportional allocation of operating expenditures and capital expenditures deviate from pro rata allocation of revenues. Allocation of operating expenditures and capital expenditures are based on the following mechanics which were established in the Farm-In Agreements and Joint Operating Agreements in 2007.

SPV Aje Production	Period 1:		Period 2:		Period 3:		
	Prior to YFP Payout	Post YFP Payout	Post Project Payout				
Participation Interest	CAPEX and OPEX	Revenue (cost recovery and profit sharing)	CAPEX and OPEX	Revenue (cost recovery and profit sharing)	CAPEX	OPEX	Revenue (cost recovery and profit sharing)
75.50%	38.755%	54.066%	38.755%	38.755%	38.755%	54.066%	54.066%

As of the date of this Prospectus, the licence is in "Period 1" and the commencement of "Period 2" is subject to YFP receiving USD 30 million in net proceeds. This is the cost incurred by YFP in OML-113 prior to the first farming agreement in 2007. YFP has received USD 12 million and the recovery of an additional USD 18 million is required for commencement of "Period 2". Based on the expectations of the management of the Company, this is expected to be incurred in about 2 years. The commencement of "Period 3" is subject to the net proceeds less the prior costs exceeding the cumulative expenditure. Based on the expectations of the management of the Company, this is expected to take place in about 3 to 4 years.

Geological description

The OML-113 Aje Field is a four-way-closure, located in offshore Western Nigeria on the shelf slope of the Dahomey Embayment in the East of the Benin Basin, adjacent to the Benin border. The field is located on

the shelf slope with water depths of about 150 m in the shallow and more than 1,000 m in the deep section. Major transform faults run through the area trending South-West to North-East, one of which defines the Eastern limit of the Aje Field.

Significant volumes of gas and oil have been discovered at several reservoir levels within the Aje Field. The producing reservoirs within the field are Turonian and Cenomanian in age, and were deposited as upper and lower shoreface sands cross cut by sand filled tidal channels. All reservoir intervals within the field have high porosity and permeability values.

The primary reservoir of Turonian age has a maximum vertical hydrocarbon column consisting of 100 m of wet gas above a lower oil leg of 10 m. The Aje-5ST2 well has produced approximately 1.5 MMbbls of oil from the Turonian oil leg. The approx. 500 Bscf of recoverable gas reserves have not been produced to date.

The secondary reservoir is split into an Upper and Lower Cenomanian aged oil filled intervals. The Aje-4 well produces from a 22 m oil column in Upper Cenomanian and 18 m oil column in Lower Cenomanian.

Additional proven reservoirs in the Aje Field are Albian fluvial to shallow marine tight sands with proven gas condensate and the syn-rift sands proven to be hydrocarbon filled in the nearby Ogo field.

A number of prospects have been identified surrounding the Aje Field mainly in the Cenomanian and Turonian interval, but there is also potential in the deeper reservoirs.

Production history

The Aje Field has been producing since 4 May 2016. Production started through the Aje-4 and Aje-5 wells producing oil from Cenomanian reservoirs. The Aje-5 well watered out after a few months, hence Aje-5ST2 was drilled and has been producing from the Turonian oil zone since May 2017. The average operational uptime for the field over the past 5 years is 95%.

As of 31 December 2020, the cumulative production from the Aje Field was 4.6 MMbbl, averaging 1,981 Bopd with a water cut of 60-70%.

Development

The Aje redevelopment project will target a Turonian gas development and Cenomanian oil. During phase 1, the plan is to change the FPSO, drill three development wells and build a gas pipeline to shore. During phase 2, the field gas handling capacity will be expanded from 70 MMscf/d to 110 MMscf/d. Furthermore, a tentative installation of gas-to-power and an LPG plant will be implemented.

Facilities

The Aje Field is currently produced and processed via the FPSO Front Puffin chartered by the Aje JV partnership.

Front Puffin is a single-sided FPSO vessel with a hydrocarbon production facility designed to receive well fluids, separate and stabilize the produced crude and store the stabilized crude in the FPSO's cargo tanks, treat and discharge the produced water and compress the produced gas for gas lift, with the balance of the gas being flared.

Reserves and resources (subject to regulatory approval of the transactions)

Gross 2P reserves for Aje are 1.6 MMbbls and 2C resources are 107.4 MMboe (gas and condensate).

OML-113 Aje	Gross Reserves (developed or under development)			Gross Contingent Resources (undeveloped)			
	1P Boe mmboe	2P Boe mmboe	3P Boel mmboe	1C Oil MMbbls	2C Oil MMbbls	2C Gas bcf	2C Boe mmboe
	Total	-	1.57	-	-	27.60	448.00

This reserves estimate is based on the expectations of the management of the Company and has not been audited by any independent third party. The Aje Transaction has yet to be completed.

6.3 Legal framework for petroleum business

6.3.1 Regulatory and environmental framework for the Republic of Congo

In the Republic of Congo, PetroNor holds its indirect interest in PNGF Sud (comprised of three liquid and gaseous hydrocarbons production licenses: Tchendo II, Tchibouela II, and Tchibeli-Litanzi II) through its local subsidiary HEPCO. These three production licenses were formally awarded in 2017 to the Congolese National Oil Company ("SNPC"), and a separate PSC is in place in connection with each of them. Other than SNPC, the current members of the contractor groups under these PSCs are Perenco Congo (operator), HEPCO, Kontinent Congo, Africa Oil & Gas Corporation and Petro Congo.

As a company incorporated in the Republic of Congo, HEPCO is subject to the generally applicable regulatory requirements in force in the country.

The primary sources of law in Congo are the 2015 Constitution, the international treaties ratified by the country, the legislation passed by the Parliament, and the regulations enacted by the Government.

The Republic of Congo is a member State of the Economic and Monetary Community of Central African States ("CEMAC"), aiming to promote economic integration among countries that share a common currency, the CFA Franc, pegged to the Euro, at the rate of 1 Euro / 655.957 CFA Francs. CEMAC Regulations are directly and immediately applicable in all CEMAC member States. Currently, the CEMAC member States share a common financial and regulatory structure, and maintain a common external tariff on imports from non-CEMAC countries. The Republic of Congo has enacted its own General Tax Code in accordance with the applicable CEMAC Directives.

The Republic of Congo is also a member State of the Organization for the Harmonization of Business Law in Africa ("OHADA") which provides a harmonized business legal framework for its member States. Pursuant to the OHADA Treaty, Uniform Acts are directly applicable and binding in all member States.

In addition, the Republic of Congo is a party to the Treaty that created the Inter-African Conference on Insurance Markets ("CIMA"), which contains the CIMA Insurance Code. As per the CIMA Treaty, the CIMA member States are required to enforce the CIMA Insurance Code provisions regardless of any conflicting rules contained in their domestic legislation, whether prior or subsequent to the Treaty.

Owing to its status as an oil and gas company and as holder of participating interests in the PNGF Sud project, HEPCO is also subject to the applicable industry-specific laws and regulations, in particular the Hydrocarbons Code, enacted by Law 28-2016, of 12 October 2016.

The Hydrocarbons Code stipulates that no entity may engage in any upstream activity in the Republic of Congo without first being authorized by the State. Such an authorization takes the form of either a prospection authorization or a mineral title (i.e., an exploration license or a production license).

Exploration licenses and production are exclusively granted to SNPC, which is the exclusive concessionaire of petroleum mineral titles – in the form of exploration permits or production permits, granted by the Council of Ministers upon proposal of the Minister of Hydrocarbons – meaning that IOCs and private Congolese petroleum companies will have to associate themselves with SNPC to conduct petroleum operations. Production licenses grant to the contractor the exclusive right to perform hydrocarbons development and production works within the relevant production area. Production licenses are granted for a maximum period of 25 years in the case of liquid hydrocarbons, and 30 years in the case of natural gas or solid hydrocarbons (a once-only extension of up to 5 years may be applied for and granted). The development and production works must be carried out in accordance with an approved development and production plan which is to include, amongst other items, a geological and geophysical study of the deposit, a reservoir study, an economic study, a study on the exploitation of the substances associated to the liquid hydrocarbons, a detailed study on the facilities required for production, processing, transport and storage of hydrocarbons, a study on the contribution of the development and production project in terms of local content, and a

timeline for the performance of the development and production works.

The rights and obligations of the contractor relating to a mineral title are defined in a petroleum contract, either in the form of a PSC or of a services agreement. These instruments define the conditions pursuant to which the contractor is to carry out the petroleum operations. Pursuant to a PSC, the State entrusts the contractor with the carrying-out of hydrocarbons exploration and / or production operations within a given area, with the contractor receiving a share of the production by way of recovery of costs and another share by way of compensation in kind. Throughout the duration of the petroleum contract, the contractor bears on an exclusive basis the technical and financial risks relating to the carrying-out of petroleum operations.

In its capacity as the entity to which exploration and / or production licenses are exclusively granted, SNPC will associate itself with third-party private entities, and together they hold participating interests in the petroleum contract corresponding to the license. The selection of the members of a contractor (other than SNPC) is made by the hydrocarbons administration pursuant to a tendering procedure (as happened in the case of the PNGF Sud project) or, in special cases, by direct negotiation.

The members of the contractor are jointly liable towards the State, to the extent of their respective participating interests, for the discharge of the contractor's obligations arising out from the petroleum contract. One or more members of the contractor group is appointed as operator, and it is entrusted with the carrying-out of the petroleum operations.

The State is entitled to a mandatory participation in upstream activities, ensured by means of SNPC holding a minimum non-assignable 15% participating interest in any petroleum contract, the financing obligations inherent to said minimum mandatory participation are entirely discharged by the other members of the contractor, pro rata to their respective participating interests, until such time as a production license is granted. Afterwards, the financing obligations inherent to the minimum mandatory participation in said production license are likewise carried by the other members of the contractor for the account of SNPC.

Under a PSC, (i) a portion of the net production is allocated to the payment of the production royalty, (ii) the contractor is entitled to a portion of the available net production by way of reimbursement of the recoverable petroleum costs, and (iii) the balance of the available net production is shared between the State and the contractor. The maximum percentage of that portion of the net production for a calendar year which may be allocated by way of cost oil is defined in the relevant PSC and is in principle limited to 50% (under certain conditions, it may be of up to 70%). The balance of petroleum costs not recovered in a calendar year will be carried forward to the subsequent years, until expiry of the relevant production license. Sharing of the profit oil between the State and the contractor will be made in accordance with the terms agreed in the PSC.

The contractor, and its subcontractors, service providers and suppliers are required to give preference to the hiring of Congolese personnel, and to prepare and implement programs for the recruitment, mentoring, training and development of its Congolese staff. In the production phase, these entities are also required to contribute to the programs for training and development of Congolese nationals, and to participate in the setting-up of permanent training and improvement facilities.

The contractor, and its subcontractors, service providers and suppliers must give preference to the goods supplied and services provided by Congolese companies, to the extent that their technical and commercial offers are substantially equivalent to those of foreign suppliers.

The development and production costs of Congolese origin must represent a minimum percentage (set on a case-by-case basis in the development and production plan, but which may not be lower than 25%) of the total development and production costs – with the costs corresponding to the difference not being recoverable, unless the contractor justifies the fact that said minimum percentage is not reached.

The Hydrocarbons Code stipulates that each company must take out insurance policies with insurance companies licensed in the Republic of Congo through insurance brokers organized under Congolese law.

The conditions for the supply of hydrocarbons to the domestic market are yet to be defined in developing regulations, but the Hydrocarbons Code expressly provides that it shall be exempt from duties and fees.

With respect to fiscal and parafiscal charges, the contractor and the members of the contractor are, in relation to the petroleum operations, exempt from any and all general duties and taxes, other than: the business license fee, the property tax and land tax, the commercial property occupancy tax, the single tax on salaries at the reduced rate and the labour union dues, withholdings of personal income tax, corporate income tax, investment income tax (dividends), and property rental tax payable by third parties, the contributions and fees in connection with the remuneration of services, corporate income tax, registration fees and stamp duties and the tax on the transfer of funds between Congo and abroad (and vice-versa).

Specifically, for the PSCs of PNGF Sud where HEPICO is a member of the contractor group, the contractor and the members of the contractor group are, in relation to the petroleum operations, exempt from all other taxes, duties, contributions, fees and levies of any kind, in force on the effective date of the Contract or which may be created subsequently.

In particular, the contractor shall be, among others, exempted from business license fees, tax on income securities for the amounts received and paid by the contractor, of all registration and stamp duties, property contributions built and non-built properties, value added tax and tax on the movement of funds.

Specifically in connection with petroleum operations, the contractor is subject to the following charges: signature bonus relating to the PSC, bonus for the granting of the production license further to an exploration license, bonus for the extension of the production licenses, and other bonuses (these bonuses do not qualify as a recoverable costs, but they are deductible from the taxable income relating to corporate income tax), surface fee and production royalty, provision for diversified investments, contributions for the training programs for Congolese personnel, for the verification and monitoring of the accounting records, and contribution for the environmental risks prevention fund, and the tax on the gains resulting from the assignment of participating interests in PSCs.

A royalty applies on the net production from each production license, at a rate of 15% for liquid hydrocarbons (under certain conditions, this rate may be reduced to a minimum of 12%) and 5% for natural gas and solid hydrocarbons.

The total or partial assignment by any member of the contractor of its rights and obligations under a PSC is subject to the payment of a flat fee corresponding to 10% of the resulting gain (the difference between the price paid to the assignor and the total amount of the costs yet to be recovered by the assignee). This fee does not apply in case the assignee is a company organized under Congolese law whose share capital is entirely held by the assignor.

No value added tax (or any similar tax on the turnover) applies to the contractor in relation to the activities in connection with the petroleum operations. In turn, the operations not qualifying as petroleum activities remain subject to the general tax regime.

The members of the contractor are individually subject to corporate income tax in connection with the petroleum operations, under the general conditions of the tax legislation, at a rate defined in accordance with the General Tax Code (currently set at 35%) and stated in the petroleum contract. Under PSCs, the corporate income tax is paid on a flat-rate and final-tax basis by delivering to the State its share of profit oil.

The Hydrocarbons Code also contains foreign exchange ("FX") provisions, which must however be interpreted in light of the FX regulations in force, including CEMAC Regulation 02/18/CEMAC/UMAC/CM,

dated 21 December 2018, and the Instructions on its implementation since issued by the Central African States Bank ("BEAC"). Pursuant to the Hydrocarbons Code, the members of the contractor are afforded the following main rights and guarantees: (i) to receive abroad the funds obtained or borrowed, including the proceeds of the sales of their share of the production, and to freely dispose thereof; (ii) to transfer abroad the proceeds of the local sales of hydrocarbons, the proceeds of any type of the capitals invested, as well as the proceeds of the liquidation or realization of their assets in the Republic of Congo; (iii) to pay directly abroad the suppliers not domiciled in the Republic of Congo of goods and services required for the carrying-out of the petroleum operations in the country; and (iv) to freely convert local and foreign currency in connection with any FX operations relating to the petroleum operations in the Republic of Congo. In particular, the members of the contractor which are organized as Congolese companies for the purposes of holding participating interests in a petroleum contract (such as HEPCO) are entitled to hold accounts in foreign currency and assets abroad.

The abovementioned CEMAC Regulation (which, as noted above, is directly and immediately applicable in all CEMAC member States, including the Republic of Congo) and BEAC Instructions could impact the rights and guarantees afforded by the Hydrocarbons Code to the members of the contractor (including HEPCO), even if many of the requirements and restrictions of the new CEMAC Regulation are similar to those of the 2000 Regulation it expressly repealed. However, the fact that the new CEMAC Regulation gives the BEAC authority to impose sanctions suggest that such requirements and restrictions may be actively enforced from now on, at least to a certain extent. The most stringent / cumbersome of said requirements and restrictions are as follows: (i) legal persons qualifying as FX residents cannot open foreign currency bank accounts outside or inside the CEMAC, unless they obtain a prior authorization from the BEAC; (ii) FX residents must use their XAF local bank accounts to pay FX residents; (iii) export proceeds received abroad by FX residents must be repatriated within 150 days; (iv) transfers to non-CEMAC countries exceeding XAF 100 million must be notified 30 days in advance; (v) all imports must be declared, and those exceeding XAF 5 million must be domiciled with a CEMAC bank; (vi) funds borrowed abroad by FX residents must be repatriated or used for the purpose for which they were obtained; and (vii) investments of FX residents abroad are subject to the BEAC's prior authorization.

Under the regulatory requirements in the field of health, safety and the environment, the contractor, its subcontractors and its service providers are required to ensure, under the applicable international treaties and domestic laws and regulations: (i) the conservation of the natural resources, and the protection of health, safety and the environment, (ii) the use of techniques consistent with best international practice aimed at preventing the damage to health, safety or the environment within the exploration and production areas and the neighbouring areas, and (iii) the implementation of programs for pollution prevention, waste management, natural resources preservation, and restoration and reclamation of the damaged lands. In its capacity as member of the PNGF Sud contractor group(s), HEPCO is subject to these regulatory requirements.

These requirements include the preparation and submission to the Minister in charge of hydrocarbons of an environmental and social impact study, on whose approval the commencement of any in-field operations is dependent. The risks identified in the environmental and social impact studies must be the subject of budgeted plans for the management thereof, including (i) an emergency response plan in the case of a major incident, (ii) a waste management plan, (iii) a plan for the abandonment, dismantling and restoration of the sites, and (iv) an air discharges management plan.

Also, any incident in the carrying-out of the operations must be immediately notified by the contractor to the appropriate authorities, and after being overcome must be the subject of an incident management report. A national emergency response plan designed to ensure a swift and effective intervention in the event of a major hydrocarbons spill or of any other major incident is to be jointly implemented by the Ministers in charge of hydrocarbons, the environment, defence and territorial planning (in cooperation with other administrative authorities and the petroleum companies). This plan will provide for the setting-up of a

national fund for the prevention of environmental risks, which is to be financed by an annual contribution from each contractor (corresponding to 0.05% of the net production). This is a recoverable cost which may be deducted from the taxable income.

The contractor is required to restore all sites at which operations were carried out, as well as the neighbouring areas, and shall bear all costs in connection therewith. This is to be made in accordance with an approved sites abandonment and restoration plan, addressing, amongst others, the following topics: (i) the technical and financial evaluation, as well as the abandonment works planning; (ii) the terms of the creation and funding of a provision allocated to the financing of the sites abandonment and restoration works; (iii) the procedures for the dismantling of all equipment and facilities installed by the contractor in connection with the petroleum operations; and (iv) the conditions for restoration of the sites in accordance with the best practices accepted in the international petroleum industry. The creation of the abovementioned provision for abandonment does neither relieve the contractor from its obligation to restore the sites nor does it limit said obligation.

The form of and conditions for submission and approval of the abovementioned plans, the terms of their implementation, the creation of the provision for abandonment, and the collection and management of the funds allocated to it are all matters yet to be further detailed and defined in developing regulations.

6.3.2 Regulatory and environmental framework for Guinea-Bissau

Prospecting, exploration, production and transportation of hydrocarbons in Guinea-Bissau is regulated by the Petroleum Law, Law No. 4/2014 passed by the National People's Assembly on 15 April 2014.

No person may prospect, explore or produce hydrocarbons without first procuring and being granted a licence or concession by the government and such licence or concession may only be awarded to the National Oil Company of Guinea-Bissau, Empresa Nacional de Pesquisa e Exploração Petroliferas E.C.P. ("Petroguin") in association with one or more companies.

Only companies that prove they possess the technical ability and financial capability required for the good performance of the licence work program may associate with Petroguin. This association must be in the form of a risk agreement, production sharing agreement, or any other contract of association that may be approved by subordinate legislation to Law No. 4/2014. Within such agreement Petroguin must have a participating interest in the production of any liquid or gaseous hydrocarbons discovered of no less than 10%.

The contractor group may not be awarded a licence or concession for more than two blocks and the same operator may not operate more than three blocks, regardless of whether or not it is the joint holder of the petroleum title.

Terms for the licence or concession are established in the Agreement for Joint Venture Participation ("AJVP"). The AJVP includes the description of the contract area and map, duration of the agreement and exploration phases, the work program and terms for any modification to the work program and the planning of the exploration phases, detailed environmental obligations and conditions for supplying to the national market. The contract will also specify accounting and financial procedures detailing the agreement for deposit in an escrow account, agreement relating to the acquisition of technical data, the right to profit oil, examples for calculating supplementary tax and income tax, stipulate the currency in which payments of tax, fees and fines shall be made, the method for calculating market price, fiscal and parafiscal charges that may be levied on the tax payer, types of amortization and the formula to calculate profitability.

Failure to perform the agreed work program will result in the associate companies of Petroguin and joint holders in the licence being denied a renewal or retention period and they shall be subject to pay the State the difference between the amount subscribed in the minimum technical and financial programs and the

amount of expenditure actually incurred, as a penalty.

Following any hydrocarbon discovery allowing for the assumption that a commercially viable deposit exists, the holder(s) of an exploration licence must notify the Minister thereof and endeavour to demarcate the deposit. Upon declaration of commercially viable deposit the holders must apply for a concession and promptly carry out all work inherent to its development in order to produce it. Such a concession will be awarded provided that the applicant has fully discharged its legal and contractual commitments.

In the event that a discovery requires further appraisal to be deemed as commercial the contractor group may negotiate with the supervising Minister amendments to terms and conditions that may justify a declaration of commercial discovery and the granting of a provisional production licence. Appraisal work programs and budgets must be submitted to the management committee with 180 days from the date of declaration of a provisional commercial discovery. Within 12 months of completion of the appraisal work program the contractor group must declare commerciality of the discovery in writing. Upon declaration of commerciality the contractor group shall be jointly awarded a Production Concession pursuant to the Petroleum Law, Law No. 4/2014, provided that they have discharged all of their legal and contractual obligations.

Exploration licences may be revoked in the event of supervening technical incapability and / or financial incapacity of the contractor or contractor group, failure to comply with the minimum technical and financial programs, refusal to provide data and technical information, wilful and malicious submission of inaccurate technical data, or full or partial assignment to third parties of the exploration licence without relevant entities approval.

The holders of an exploration licence may relinquish all areas covered by the licence provided they have met all of their work program and financial obligations. On the date of cancellation of a licence the operator shall transfer to Petroguin all infrastructures, equipment and wells in a state of repair and operating condition needed in accordance with Good Oil Practice. If Petroguin so requires, the operator shall abandon the well or wells in accordance with Good Oil Practice.

Article 35, *Good Oil Practice*, of the Petroleum Law, Law No. 4/2014, states that exploration and production works of the contractor group must be conducted with due care for the protection of the environment and the conservation of natural resources. The contractor group must use techniques that comply with Good Oil Practice to prevent environmental damage arising, in whole or in part from the conduct of Petroleum Operations. Where environmental damage is unavoidable, the contractor group must mitigate impact on persons and property in accordance with any applicable Laws and Good Oil Practice.

Article 36, Environmental Study, of the Petroleum Law, Law No. 4/2014, stipulates the requirement for the contractor group to submit an environmental study including a background analysis to determine the existing situation and Environmental Impact Assessment ("EIA").

Law No. 10/2010 The Environmental Assessment Law passed by the National People's Assembly on 24 September 2010 outlines the requirements of the environmental assessment as an essential preventive instrument in the environmental policy.

This law is a privileged method of promoting sustainable development, through a balanced management of natural resources, ensuring environmental quality is better protected and therefore contributing to a good quality of human life.

The environmental study shall be subject to binding opinion by the relevant national environmental authorities prior to granting the petroleum title.

6.3.3 Regulatory and environmental framework for The Gambia

Prospecting, exploration and production of hydrocarbons (upstream sector) in The Gambia is regulated by

the Petroleum (Exploration, Development and Production) Act 2004. The objective of the Act is to ensure the efficient administration and management of the country's hydrocarbon resources for the maximum benefit of The Gambia people.

The Ministry of Petroleum and Energy's ("MoPE") main policy objectives in the Upstream Petroleum Sector is to provide the conducive policy and regulatory environment for the effective and efficient exploration, development, production, and utilization of petroleum resources of The Gambia. The Petroleum Commission under MoPE is mandated to regulate, oversee, and monitor activities in the petroleum upstream sector as stipulated in the Petroleum (Exploration, Development and Production) Act 2004.

The Gambia National Petroleum Company ("GNPC") is a recent entrant into the petroleum scene. The company is mandated to participate in the upstream and downstream operations in the sub-sector sector on the same terms as any oil company.

Pursuant to section 38 of the National Environment Management Act, a person shall not discharge any dangerous material, or substance, oil or mixture containing oil into any waters or any other segment of the environment except in accordance with regulations prescribed by the council. Section 38 provides for the polluter pays principle.

Section 59 of the National Environment Management Act provides that where an offence is committed by a corporate body and every director or officer who had knowledge or should have had knowledge of the commission of the offence, and who did not exercise all due diligence to ensure compliance with the Act are liable.

Section 5 of the Continental Shelf Act provides that any act or omission which takes place on, under or above an installation in a designated area or any waters within 500 meters of such an installation and would if taking place in any part of the Gambia, constitute an offence under the laws in force in that part shall be treated as taking place in that part.

Section 7 of the Continental Shelf Act states that if oil to which this section applies or any mixture containing not less than one hundred parts of such oil in a million parts of the mixture is discharged or escapes in any part of the sea from a vessel, from a pipeline or as the result of any operations for the exploration of the seabed and subsoil or the exploitation of their natural resources in a designated area, the owner or master of the vessel, the owner of the pipeline or, as the case may be, the person carrying on the operations commits an offence unless he or she proves, in the case of a discharge from a place in his or her occupation, that it was due to the act of a person who was there without his or her permission, (express or implied) or, in the case of an escape, that he or she took all reasonable care to prevent it and that as soon as practicable after it was discovered all reasonable steps were taken for stopping or reducing it.

6.3.4 Regulatory and environmental framework for Senegal

The Petroleum Code 2019, law no. 2019-03, establishes the rules pertaining to prospecting, exploration, development, exploitation, transport, storage of hydrocarbons as well as the liquefaction of natural gas. This law decrees that all petroleum in Senegal is the property of the Senegalese people. Furthermore, it defines that the State exercises sovereign rights for the above-mentioned activities.

The legislation determines that the Ministry of Energy ("ME") is the competent authority for its implementation and responsible for authorising activities under contracts for oil and gas prospecting, exploration and production. Furthermore, it recognizes the Senegal Petroleum Company ("Petrosen") as the National Oil Company, with at least 10% stake in all contracts. Petrosen is responsible for developing the Senegalese sedimentary basins and undertaking, at the request and on behalf of the State, activities of prospecting, research, exploitation, transport and marketing of unrefined liquid and gaseous hydrocarbons.

The Petroleum Code outlines requirements relating to transparency (in line with the Extractive Industries Transparency Initiative), local content, environmental protection, health and safety issues, among others. It also outlines pertaining sanctions and the means of administrative supervision.

This regulation does not contain specific restrictions regarding methane emissions. However, it states that oil and gas companies must take necessary measures to prevent and combat environmental pollution, acting in accordance with international industry practice and applicable national legislation.

This law replaced the Petroleum Code from 1998 (Law 98-05 of 8 January 1998).

The creation or modification of an Installation Classified for Environmental protection ("ICPE") is subject to an administrative authorisation before it can start operation. Depending on the type of procedure applicable to the installation (subject to declaration or to authorisation), in order to obtain the authorisation, the operator must register an ICPE file or an operating licence application.

Civil liability of a polluter arises in the absence of any fault when the property at the origin of damage caused is an establishment of "risk". Responsibility can be avoided only by proving that the pollution and its harmful effects are only due to a case of force majeure, fault of a third party or the victim, by action or inaction, has contributed to the damage.

Under Article 58 of the Petroleum Code, in case of expiry or termination of an agreement or a service contract and according to the provisions of Article 59 of the same code or in case of total or partial waiver, the State may exercise its right to recover the facilities and equipment related to petroleum operations abandoned area, unless such facilities and equipment are used by the owner for other oil operations in the territory of the Republic of Senegal.

If the State exercises its right of recovery, no compensation is paid to the owner.

If the State does not wish to return the facilities and equipment, the licensee must perform disassembly and removal as well as other works of abandonment; in case of failure by the licensees to fulfil such obligations, the Minister may direct the necessary procedures at the expense of the licensees.

6.3.5 Regulatory and environmental framework for Nigeria

Under the Nigerian Constitution and the Nigerian Petroleum Act of 1969 and its amendments, all minerals, mineral oils and natural gas in Nigeria are vested in the Federal Nigerian Government for the benefit of all Nigerians.

The Nigerian Petroleum Act is the primary legislation governing the development of petroleum in Nigeria. The Ministry of Petroleum Resources, which is headed by a Minister who acts for and on behalf of the Nigerian government, has the power to grant OELs (no longer granted in practice), OPLs, which give the holder an exclusive right to explore and prospect for petroleum in respect of an area, and grant OMLs, for the development and disposal of crude oil. The Minister's consent is required for assignments of interests in OPLs and OMLs, and the Minister has the authority to issue regulations further to the Nigerian Petroleum Act. The Minister typically oversees the Nigerian industry through the Department of Petroleum Resources ("DPR"), which forms part of the Ministry of Petroleum Resources and is the technical department, regulatory and monitoring arm of the Ministry of Petroleum Resources.

The principal Government agencies responsible for petroleum matters are The Ministry of Petroleum Resources (the "**Petroleum Ministry**"), the DPR, the Nigerian Content Development and Monitoring Board, NNPC, which undertakes commercial ventures in the petroleum industry on behalf of the Federal Government, the Federal Ministry of Environment ("**FMOE**"), the Federal Inland Revenue Service ("**FIRS**") and the Niger Delta Development Commission ("**NDDC**").

The Petroleum Industry Bill (“PIB”) is an all-encompassing bill that is meant to regulate major aspects of the Nigerian petroleum industry. The PIB, which was initially proposed in 2008, is expected to change the organizational structure and fiscal terms governing the oil and natural gas sectors if it becomes law.

The PIB could create local ownership control requirements and additional fiscal, tax and regulatory burdens on the parties to the Aje Field and on the operations under the Aje Field and impact the economic benefits anticipated by the parties to the Aje Field. Aside from fiscal and institutional issues, the PIB also contains provisions that seek to give legal backing to the attempts to reduce / prohibit flaring of gas.

Among the notable provision of PIB is the creation of new governing bodies: The Nigerian Upstream Regulatory Commission, responsible for the technical and commercial regulation of upstream petroleum operations and The Nigerian Midstream and Downstream Petroleum Regulatory Authority, performing the same role for midstream and downstream petroleum operations, as well as a newly incorporated NNPC to replace existing NNPC.

The PIB also looks to shift fiscal take from profit taxation towards production and price based royalties. The current petroleum profit tax will be replaced with a new hydrocarbon tax and the application of companies' income tax (which previously did not apply to oil production). The hydrocarbon tax would apply to crude oil, condensates and natural gas liquids but not associated / non associated gas.

As part of its obligations, the Nigerian Upstream Regulatory Commission shall prescribe and allocate the domestic gas delivery obligation on a lessee. However, the Commission shall discontinue the imposition of domestic gas delivery obligations, where the Authority has determined that the natural gas market has attained full market status.

With respect to prohibition of gas flaring, the PIB demands strict adherence to a gas flaring plan. A licensee or lessee producing natural gas is expected to, within 12 months of the effective date, submit a natural gas flare elimination and monetisation plan to the Commission, which shall be prepared in accordance with regulations made by the Commission under this Act. A licensee or lessee who fails to adhere to the provision shall pay a penalty prescribed pursuant to the Flare Gas (Prevention of Waste and Pollution) Regulations. The Commission may, however, grant a permit to a licensee or lessee to allow the flaring or venting of natural gas for a specific period where it is required for facility start-up or for strategic operational reasons, including testing.

The PIB also introduces obligations regarding the development of host communities to foster sustainable prosperity within host communities and to provide direct social and economic benefits from petroleum operations to host communities. It also seeks to enhance peaceful and harmonious co-existence between licensees or lessees and host communities. The PIB mandates that holders of an interest in a petroleum prospecting licence or petroleum mining lease or a holder of an interest in a licence for midstream petroleum operations, whose area of operations is located in or appurtenant to any community or communities), shall incorporate a trust for the benefit of the host communities for which it is responsible. The funds of the host communities' development trust created pursuant to this Act shall be exempted from taxation.

The PIB was passed in its second reading in both the Senate and the House of Representatives in Nigeria in Q4 2020 and is now under committee review.

The local content in oil and gas projects is defined under the Nigerian Oil and Gas Industry Content Development Act (the “**Local Content Act**”), which was promulgated in April 2010. Prior to 2010, there was no legislation wholly dedicated to the Nigerian content in the oil and gas industry although pocket provisions existed like the Petroleum Act of 1969 and certain NNPC directives. The new Local Content Act is partially premised on the temporary directives of NNPC for the oil and gas industry.

The Local Content Act is the principal law that provides for the development, supervision, coordination,

monitoring and implementation of Nigerian content in the Nigerian oil and gas industry. Compliance with the Local Content Act is monitored by the Nigerian Content Development Monitoring Board.

The Local Content Act defines the Nigerian content or “local content”, as the quantum of composite value added or created in the Nigerian economy by a systematic development of capacity and capabilities through the deliberate utilization of Nigerian human and material resources and services in the Nigerian oil and gas industry.

The Nigerian content focuses on the promotion of value addition in Nigeria through the utilization of local raw materials, products and services in order to stimulate growth of indigenous capacity. The Local Content Act prescribes minimum thresholds for Nigerian content in various segments of the Nigerian oil and gas industry. The Local Content Act requires that Nigerian indigenous operators be given first consideration when contracts are awarded for oil blocks, licences and all projects, that services provided and goods manufactured in Nigeria be given priority or preference and finally that qualified Nigerians are considered first for employment and training.

The Local Content Act applies to all the players in the oil and gas industry, such as the NNPC operators, contractors, subcontractors, alliance partners and other entities involved in any project, operation, activity or transaction in the Nigerian oil and gas industry. It applies to both indigenous and to international / multinational oil companies.

An employment and training program is required for every project to be executed in the Nigerian oil and gas industry. To this end, there is a requirement for Nigerians to be considered first for employment and training in any project. Where such Nigerians cannot be employed for lack of training, the act requires that reasonable efforts be made to provide such training within or outside Nigeria. The Local Content Act makes a provision for a succession plan for every position not held by Nigerians. The plan must provide for Nigerians to understudy each incumbent expatriate for a maximum period of four (4) years, after which the position shall be transferred to a Nigerian. However, a maximum of 5% of management positions can be held by expatriates.

Contracts with a total budget exceeding USD 100 million are to contain a labour clause mandating the use of a minimum percentage of Nigerian labour in specific cadres as may be stipulated by the Nigerian Content Development Monitoring Board. Nigerians are to occupy all junior and intermediate positions.

Further, the Petroleum (Drilling & Production) Regulations (“**PDPR**”), issued pursuant to the Nigerian Petroleum Act, regulates operational aspects of the drilling and production of crude oil. The PDPR set out fees, rents and rates of royalties payable (depending on the location of the concession, royalty rates range from 0% in deep offshore areas to 20% onshore) by a licensee or lessee under the Nigerian Petroleum Act. In addition, licensees and lessees are obligated to obtain permits and licenses before engaging in most activities in furtherance of petroleum operations under the relevant OPL or OML and also have reporting obligations. The compliance of PDPR is primarily undertaken through the Operator on the license.

There are also the Crude Oil (Transportation and Shipment) Regulations which regulate the transportation and shipment of crude oil after production. Adherence of these rules is more so the responsibility of the operator and offtaker.

Petroleum operations and activities are regulated primarily by federal agencies, although some state Governments and local Governments also have regulations and by-laws that affect activities in the oil and gas industry.

A number of national and international regulations guide oil and gas exploration and production activities in Nigeria. The first major national environmental guidelines for oil and gas exploration and production activities came into effect in 1981 when DPR issued interim guidelines and standard on monitoring,

treatments and disposal of effluents from the petroleum industry. Regulations existing before this time were not specific environmental acts or laws; they were limited to statutory provisions that requested voluntary environmental protection efforts from the operators. In 1991, the sustainable Environmental Guidelines and Standards for the Petroleum Industry in Nigeria ("EGASPIN") replaced the 1981 interim guidelines. In 2002, a revised EGASPIN was published, replacing an unpublished 1999 version. Oil companies are working in compliance with the 2002 requirements.

Regulations relating specifically to the EIA of the proposed Aje FDP are the EGASPIN by DPR (2002) and Federal Ministry of Environment, ("FMEEnv"), formally Federal Environmental Protection Agency (FEPA), environmental guidelines and standards, including Environmental Impact Assessment Act No. 86 of 1992. The Aje Field EIA was prepared pursuant to EIA procedural requirements of the DPR and FMEEnv guidelines. There are, however, other regulatory requirements that also apply to the project.

6.4 Licenses and concessions

PNGF Sud

The PNGF Sud licenses consisting of 3 production sharing contracts, Tchendo II, Tchibouella II and Tchibeli-Litanzi II, were effective as of 1 January 2017 and have a duration period of 20 years with the option of a 5-year extension.

PNGF Sud			
Republic of Congo			
Tchendo II	Period 1	Period 2	Period 3
Production and time tranches	01.01.2017, < 1.5 MMbbls cum. prod.	6 years	Thereafter
Price Ceiling	40	90	40
Cost stop	50%	50%	50%
Production tranches	< 15 MMbbls cum. prod.	> 15 MMbbls cum. prod.	
Profit oil for contractor	50%	30%	
Super profit for oil contractor	34%	30%	
Royalty	15%	15%	
Tchibouella II	Period 1	Period 2	Period 3
Production and time tranches	01.01.2017, < 10 MMbbls cum. prod.	6 years	Thereafter
Price Ceiling	40	90	40
Cost stop	50%	55%	50%
Production tranches	< 20 MMbbls cum. prod.	> 20 MMbbls cum. prod.	
Profit oil for contractor	50%	45%	
Super profit for oil contractor	34%	34%	
Royalty	15%	15%	
Tchibeli-Litanzi II	Period 1	Period 2	Period 3
Production and time tranches	01.01.2017, < 2 MMbbls cum. prod.	5 years	Thereafter
Price Ceiling	40	90	40
Cost stop	50%	50%	50%
Production tranches	< 15 MMbbls cum. prod.	> 15 MMbbls cum. prod.	
Profit oil for contractor	50%	50%	
Super profit for oil contractor	30%	34%	
Royalty	15%	15%	

Sinapa and Esperança

As of late April 2021, the Group has become the Operator of the Sinapa (Block 2) & Esperança (Blocks 4A & 5A) licenses following regulatory approval in Guinea-Bissau being granted for the purchase by the Company of SPE Guinea Bissau AB³ from Svenska Petroleum Exploration AB.

Sinapa (Block 2) & Esperança (Blocks 4A & 5A)
Guinea-Bissau

Expiry	Royalty		Tax
	Shallow water (< 200m)	Deepwater (> 200m)	
2 October 2023	Production	Rate	2.5%
	0-10,000 Bopd	5%	35%
	10,000-20,000 Bopd	8.75%	
	> 20,000 Bopd	12.5%	

A4

The Gambian Licences were originally awarded to Buried Hill on 8 September 2006. The Group acquired a 60% interest in the Gambian blocks in August 2010 from Buried Hill under a farm-in agreement. The Group subsequently became 100% owner and operator in November 2014.

Following the settlement with the government of The Gambia on 19 September 2019, the A4 license was re-awarded to PetroNor under new terms.

A4
The Gambia

Expiry	Royalty		Tax
	Daily production	State take	
30 years	0-149,999 Bopd	5%	31%
	150,000-974,999 Bopd	7.5%	
	> 1,000,00 Bopd	6%	
	Satellite	25%	

SOSP and ROP

Although currently in arbitration, the Company reserves its rights in the exploration blocks of ROP and SOSP in Senegal. The Senegal Licences are governed by individual PSCs (the "**Senegalese PSCs**") between the licensees and Senegalese government and two JOAs entered into between African Petroleum Senegal and Petrosen on 25 November 2011. Petrosen holds 10% in the Senegalese PSCs with the option to increase to 20% when the exploitation authorisation becomes effective.

The Group and the Senegal Government have been in arbitration since 2018 regarding the Senegal PSCs. As announced 5 May 2020, the Company reached a mutual agreement with the Government of Senegal to suspend the Arbitration related to the Senegal Licences for a period of six months with a view to reaching a satisfactory outcome for all parties, and a formal request has been lodged with ICSID to suspend the process. Subsequently, the parties further extended the suspension by an additional three months as announced 30 October 2020, and with further two months as announced 2 February 2021. On 5 April 2021, the Company announced that throughout the prolonged suspension period, the Company has made significant efforts to reach a mutually beneficial solution and has held numerous progressive meetings with the relevant authorities to no avail. Please refer to section 6.5 "Legal proceedings" for further details.

OML-113

³ As of 4 June 2021, SPE Guinea Bissau formally changed its name to PetroNor E&P AB.

The license was initially awarded as OPL-309 in 1991 and was converted into an oil mining license in 1998, namely OML-113. In 2019, the license was granted a 20-year extension based on the development of a significant gas discovery.

OML-113 Nigeria			
Subject	Current Royalty Rates (Petroleum Act)		Legal Provision
Oil and condensate	10% plus royalty by price below Oil price Rate		Regulation 61(a) and (d), Petroleum (Drilling and Production) Regulations (2020 Amendment)
	20-60 USD/bbl	2.5%	
	60-100 USD/bbl	4%	
Gas		5%	Regulation 61(e)(ii), Petroleum (Drilling and Production) Regulations (2020 Amendment)
VAT		7.5%	

6.5 Legal proceedings

As at the date of this Prospectus, the Group is involved, *inter alia*, as the claimant in ICSID arbitration case ARB/18/24 in relation to its 90% interest in the ROP and the SOSP licences in Senegal, an arbitration case which has been suspended for a further two months from 2 February 2021. The Group is dependent on a successful outcome of the negotiation with the Senegalese government or a successful outcome in the arbitration case in order to have its respective licences re-instated. The Group has no control over the outcome of the arbitration case. Should the outcome of the negotiations or the arbitration case be unfavourable to the Group, this will have a material adverse effect on the Group's financial condition, business, cash flow, prospects and/or results.

HAH is in dispute with a former employee of HEPCO concerning a claim for (indirect) ownership in HEPCO. The former employee argues that he is entitled to an (indirect) ownership position in HEPCO, including past dividends taking such ownership position into account. The former employee has filed the claim before the Commercial Court in Pointe-Noire. He has also filed a petition for arrest relating to HAH's shares in HEPCO. The claim is disputed.

HAH has recently taken control of an additional 9,900 shares in HEPCO, shares previously held by the minority shareholder, MGI International S.A. (MGI), and through that increased its net ownership in the PNGF Sud licenses from 10.5% to 11.9% and in the PNGF Bis licenses from 14.7% to 16.7%. This follows a default concerning a debt arrangement between HAH as lender and MGI as borrower, where the shares were pledged in favour of HAH. The default has been disputed by MGI and has been subject to several court proceedings in the Republic of Congo, all of which have resulted in rulings in the favour of HAH. It is expected that MGI will make a further appeal, and with the final outcome and timing of such further appeal ruling being uncertain. Should MGI appeal and the outcome of such appeal process be in favour of MGI, it is expected that HAH would have to transfer ownership of the 9,900 shares in HEPCO back to MGI. While there are no legal restrictions on the ability of HAH to exercise ownership rights over the shares in question, it cannot be ruled out that there will be additional legal processes and action taken by MGI that could influence HAH's ownership to these shares.

Other than described above, the Group is not aware of any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened) in the previous 12 months which could have, or have had in the recent past, significant effects on the Group's financial position or profitability.

6.6 Recent trends, developments and changes

6.6.1 Trends

The sudden impact of the COVID-19 pandemic was both rapid and severe on the oil and gas sector as demand came to a hard stop in 2020 as global lockdowns came into force. Our activities were relatively unaffected as the operator did a good job of maintaining production at our asset in Congo, however the general backdrop created a lot of logistical challenges in communication and forward planning, resulting in delays to the completion of various corporate initiatives. The global rollout of vaccines has led to a good

recovery in the sector and the global economic outlook.

The Group is an exploration and production focused oil and gas company with operations offshore in West Africa. PetroNor's revenues are affected by changes in commodity prices, specifically crude oil and natural gas prices. During 2020, there were only 7 cargos of oil (liftings) sold, with a 12.7% increase on the 880,844 barrels lifted in 2019. Lifting is the process pursuant to which petroleum has been produced from a field and which has been stored in a (floating) production and storage unit is moved to one or more oceangoing vessels. Despite the depressed oil prices during 2020, the Group achieved an average selling price of 41 USD/bbl for the year, compared to 65 USD/bbl in 2019. As a consequence, the Group reported USD 67.5 million in revenue, a 34.3% decrease on 2019 USD 102.8 million.

6.6.2 Significant change in financial performance

There has been no significant change in the financial performance of the Group since 31 March 2021.

7. CAPITALISATION AND INDEBTEDNESS

7.1 Capitalisation

The following tables set forth information about the Group's combined capitalisation as at 30 June 2021, derived from the Group's management accounts.

	As at 30 June 2021 Unaudited	Adjustment amount Unaudited	Note	As adjusted Unaudited
<i>All figures in USD millions</i>				
Total current debt (including current portion of non-current debt):				
Guaranteed	-	-		-
Secured	10.0	-		10.0
Unguaranteed and unsecured	17.5	-		17.5
Total current debt:	27.5	-		27.5
Total non-current debt (excluding current portion of non-current debt):				
Guaranteed	-	-		-
Secured	4.2	-		4.2
Unguaranteed and unsecured	19.5	-		19.5
Total non-current debt:	23.7	-		23.7
Shareholders' equity				
Share capital	28.3	28.4	1	56.7
Legal reserve(s)	-	-		-
Other reserves	(9.8)	(7.5)	2	(17.3)
Total shareholders' equity	18.5	20.9		39.4
Total capitalisation	69.7	20.9		90.6

On 3 May 2020, the Company arranged a secured debt facility of USD 15.0 million from Rasmala (London and Dubai based investor group) that has a 12 months grace period and final maturity date in October 2022. The loan is repaid in monthly instalments after the initial grace period and carries an interest rate of 9% plus one-month LIBOR payable monthly if the oil price is below 40 USD/bbl and 12% if the oil price is above 40 USD/bbl. The loan is secured against:

- The assignment of receivables by subsidiary company HEPCO;
- Pledge over one of the bank accounts of subsidiary company HAH;
- Pledge over one of the bank accounts of subsidiary company HEPCO;
- Pledge over shares in subsidiary companies, HAH and HEPCO;
- Assignment of inter-company loan agreement between HAH and HEPCO; and
- Corporate guarantees by the parent company and its subsidiaries PetroNor E&P Ltd. Cyprus and HEPCO.

On 28 September 2020, subsidiary company Hemla Africa Holding AS paid a USD 3.9 million dividend to minority interest and related party Symero Ltd. An amount equal to the dividend was immediately loaned to the Parent Company by Symero Ltd with interest rates matching those already provided by external financing and no security was provided for the loan. The maturity date is matched to the USD 15 million facility from Rasmala. All covenants were complied with and there were no breaches during the year for both loans payable to Rasmala and Symero.

7.1.1 Committed adjustments to capitalisation as at 30 June 2021

Note 1 – On the 9 July 2021, the Company issued 224,727,273 ordinary shares at NOK 1.10 each for Tranche 2a and Tranche 2b of the Private Placement (Section 5.1.1). The table above has been adjusted to reflect the value of shares issued less associated costs of raising the shares within equity.

Note 2 – Subsidiary Hemla Africa Holding AS is already consolidated as part of the Group as at 30 June 2021. The Symero Transaction (Section 5.1.1) eliminated the non-controlling interest of Hemla Africa Holding AS and is a purely equity transaction. Other reserves within shareholders equity has been decreased by USD 7.5 million, calculated as the USD 18.0 million consideration for the Symero Transaction less the non-controlling interest of USD 10.5 million that has been acquired.

7.1.2 Contingent adjustments to capitalisation as at 30 June 2021

The Panoro Agreement (Section 9.2) is subject to approval by the Nigerian Department of Petroleum Resources and the consideration payable by the Group is (i) issue of shares in the Company for USD 10 million and (ii) a contingent payment obligation after PetroNor has recovered all costs related to the accumulated investments incurred after the Completion Date equal to USD 0.10 per 1,000 Cubic Feet of Aje Gas sales volume limited to USD 16.67 million.

7.2 Net financial indebtedness

The following tables set forth information about the Group's combined net financial indebtedness as at 30 June 2021, derived from the Group's management accounts.

	As at 30 June 2021 Unaudited	Private Placement		As adjusted Unaudited
		Tranche 2b Adjustment Unaudited		
<i>All figures in USD millions</i>				
(A) Cash	20.5	10.7		31.2
(B) Cash equivalents	-	-		-
(C) Other current financial assets	-	-		-
(D) Liquidity (A)+(B)+(C)	20.5	10.7		31.2
(E) Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)	0.1	-		0.1
(F) Current portion of non-current financial debt	10.0	-		10.0
(G) Current financial debt (E)+(F)	10.1			10.1
(H) Net current financial indebtedness (G)-(D)	(10.4)	(10.7)		(21.1)
(I) Non-current financial debt (excluding current portion and debt instruments)	8.2	-		-
(J) Debt instruments	-	-		-
(K) Non-current trade and other payables	15.6	-		15.6
(L) Non-current financial indebtedness (I)+(J)+(K)²	23.8			23.8
(M) Net financial indebtedness (H)+(L)	13.4	(10.7)		2.7

7.2.1 Adjustments to Net financial indebtedness as at 30 June 2021

Private Placement – On the 9 July 2021, the Company issued 85,963,637 ordinary shares at NOK 1.10 each for Tranche 2b of the Private Placement for cash (Section 5.1.1). The table above has been adjusted to include the net cash proceeds of the Tranche 2b shares issued less the manager fees and associated costs of raising the shares of Tranche 2a and Tranche 2b.

7.3 Contingent and indirect indebtedness

The Group has no material contingent or indirect indebtedness as of the date of this Prospectus except for the contingent payment obligation under the Panoro Agreement, as further described in Section 9.2. The payment is contingent on the completion of the Panoro Agreement and after PetroNor has recovered all costs related to the accumulated investments incurred after the completion date equal to USD 0.10 per 1,000 Cubic Feet of Aje Gas sales volume limited to USD 16.67 million.

7.4 Working capital statement

The Company is of the opinion that the working capital available to the Group is sufficient for the Group's present requirements for the period covering 12 months from the date of the Prospectus.

For the purposes of providing the above working capital statement, the Company has taken into account and included the proceeds of the Private Placement, but not the proceeds expected to be received in the Subsequent Offering.

8. SELECTED FINANCIAL AND OTHER INFORMATION

8.1 Introduction

The Group's audited consolidated financial statements as of and for the year ended 31 December 2020 (the Financial Statements), including an overview of the Company's accounting policies, explanatory notes and auditor's statements, and the Group's unaudited interim financial statements as at, and for the three-month period ended 31 March 2021 (the Interim Financial Statements), have been incorporated by reference in Section 16.2 of this Prospectus.

The Financial Statements have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The Financial Statements also comply with IFRS as issued by the International Accounting Standards Board. While the Interim Financial Statements have been prepared in accordance with International Accounting Standard 34.

The Company's independent auditor is BDO, a member firm of BDO International Ltd, 38 Station Street, Subiaco, Western Australia 6008. BDO is a Chartered Firm with the Institute of Chartered Accountants Australia. BDO has audited the Company's consolidated financial statements as at, and for the year ended, 31 December 2020 without qualifications or disclaimers.

BDO AS, Munkedamsveien 45, Postboks 1704 Vika, 0121 Oslo, is a component auditor for BDO providing services for the Financial Statements. BDO AS has issued an Independent Practitioner's Assurance Report (attached hereto as Appendix 2) on the process to compile the pro forma financial information included in this Prospectus set out in Section 9.3. BDO and BDO AS have not audited or reviewed or produced any report on other information provided in this Prospectus.

8.2 Significant change in financial position

There have been no significant changes in the financial position of the Group since 31 March 2021 and to the date of this Prospectus, except for the below.

On 4 May 2021, the Company completed the 100% share purchase of SPE Guinea Bissau AB for a consideration of SEK 434,238 (as further described in Section 9.3). The Company has acquired long lead drilling inventory of approximately USD 1.6m, USD 0.4m in cash and the 78.57% interest in two exploration licences in Guinea-Bissau, offset by a USD 1.9m payable balance to Svenska Petroleum Exploration AB and USD 0.3m of other payables.

On 9 July 2021, the Company issued 138,763,636 ordinary shares for Tranche 2a of the Private Placement as in-kind consideration for the Symero Transaction (as further described in Section 5.1.1). The Symero Transaction is a purely equity transaction, where the increase in share capital is offset by reductions in non-controlling interests and retained earnings.

On 9 July 2021, the Company issued 85,963,637 ordinary shares for Tranche 2b of the Private Placement for cash (as further described in Section 5.1.1). This has increased the cash held by the Company by approximately USD 10.3m with a matching increase in share capital.

8.3 Material investments since the date of the last published financial statements

No material investments have been made since the date of the last published financial statements, being 31 March 2021, except for the below.

On 4 May 2021, the Company completed the 100% share purchase of SPE Guinea Bissau AB for a consideration of SEK 434,238 (as further described in Section 9.3).

On 9 July 2021, the Company issued 138,763,636 ordinary shares for Tranche 2a of the Private Placement as in-kind consideration equivalent to USD 18 million for the Synero Transaction (as further described in Section 5.1.1).

Please refer to Section 6.2.6 for the commitments made in 2019 for the acquisition of interest in OML-113 in Nigeria.

8.4 Consolidated historical financial information

The following tables present selected financial information for the Company that has been derived from the Company's unaudited Interim Financial Statements and audited Financial Statements.

8.4.1 Consolidated statement of profit or loss and other comprehensive income

USD '000	Three months ended			Year ended 31 December		
	31 Mar 2021 (unaudited)	31 Mar 2020 (unaudited)	31 Mar 2019 (unaudited)	Dec-20 (audited)	Dec-19 (audited)	Dec-18 (audited)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue						
Cost of sales	22,939 (8,106)	19,719 (7,883)	14,243 (2,339)	67,543 (25,885)	102,760 (37,207)	101,069 (41,577)
Gross profit	14,833	11,836	11,904	41,658	65,553	59,492
Other operating income	16	-	9	45	9	491
Administrative expenses	(2,394)	(3,503)	(2,738)	(12,376)	(19,793)	(10,090)
Profit from operations	12,455	8,333	9,175	29,327	45,769	49,893
Finance expense	(679)	(578)	(505)	(2,606)	(1,822)	(1,623)
Foreign exchange gain / (loss)	(816)	59	(262)	1,507	(440)	(88)
Share based payment	-	-	-	-	(19,374)	-
Profit/(loss) before income tax	10,960	7,814	8,408	28,228	24,133	48,182
Tax expense	(6,609)	(5,729)	(7,296)	(17,078)	(29,894)	(31,124)
Profit/(loss) for the period	4,351	2,085	1,112	11,150	(5,761)	17,058
Other comprehensive income						
Exchange gains/(losses) arising on translation of foreign operations	536	(2,162)	-	(1,050)	-	-
Total comprehensive income / (loss)	4,887	(77)	1,112	10,100	(5,761)	17,058
Profit/(loss) for the period attributable to:						
Owners of the parent	1,631	151	199	2,373	(13,364)	7,838
Non-controlling interests	2,720	1,934	913	8,777	7,603	9,220
	4,351	2,085	1,112	11,150	(5,761)	17,058
Total Comprehensive (Loss) / Income Attributable to:						
Owners of the parent	1,492	(1,378)	199	1,417	(13,364)	7,838
Non-controlling interests	3,395	1,301	913	8,683	7,603	9,220
	4,887	(77)	1,112	10,100	(5,761)	17,058
Basic profit / (loss) per share	USD cents 0.17	USD cents 0.02	USD cents 0.02	USD cents 0.24	USD cents (1.54)	USD cents 0.96

Diluted profit / (loss) per share	0.17	0.02	0.02	0.24	(1.54)	0.96
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8.4.2 Consolidated statement of financial position

USD '000s	As at 31 Mar 2021 (Unaudited) \$'000	As at 31 Dec 2020 (Audited) \$'000	As at 31 Dec 2019 (Audited) \$'000	As at 31 Dec 2018 (Audited) \$'000
ASSETS				
Current Assets				
Inventories	4,142	3,578	3,233	2,570
Trade and other receivables	7,878	9,397	24,772	28,210
Cash and cash equivalents	19,645	14,113	27,891	7,926
	31,665	27,088	55,896	38,706
Non-current assets				
Property, plant and equipment	23,696	23,695	22,587	12,580
Intangible Assets	6,775	6,935	4,691	5,565
Other Receivables	22,205	21,260	-	-
	52,676	51,890	27,278	18,145
Total assets	84,341	78,978	83,174	56,851
 Liabilities				
Current Liabilities				
Trade and other payables	15,446	22,408	34,602	9,653
Loans and borrowings	6,000	4,000	12,941	5,000
	21,446	26,408	47,543	14,653
 Non-current liabilities				
Provisions	15,556	15,362	14,373	13,496
Loans and borrowings	12,912	14,912	-	2,083
	28,468	30,274	14,373	15,579
Total Liabilities	49,914	56,682	61,916	30,232
NET ASSETS	34,427	22,296	21,258	26,619
Issued Capital and reserves attributable to the owners of the parent	28,257	17,735	17,735	120
Foreign currency translation reserve	(1,095)	(956)	-	-

Retained earnings	(7,222)	(8,853)	(11,226)	13,688
	19,940	7,926	6,509	13,808
Non-controlling interest	14,487	14,370	14,749	12,811
TOTAL EQUITY	34,427	22,296	21,258	26,619

8.4.3 Consolidated statement of cash flows

USD '000	For the period ended 31 March 2021 (Unaudited) \$'000	For the year ended 31 December 2020 (Audited) \$'000	For the year ended 31 December 2019 (Audited) \$'000	For the year ended 31 December 2018 (Audited) \$'000
OPERATING ACTIVITIES				
Total comprehensive (loss) / income for the period	4,887	10,100	(5,761)	17,058
Adjustments for:				
Income Tax Expense	6,609	17,078	29,894	31,124
Depreciation & amortization	1,182	4,475	3,323	3,206
Amortization of right-of-use asset	40	169	-	-
Equity raise	-	-	16,433	-
Write off of Goodwill	-	-	9	-
Unwinding of discount on decommissioning	249	934	877	824
	12,967	32,756	44,775	52,212
Decrease/(increase) in trade and other receivables	1,880	729	6,724	(9,807)
Increase in advance against decommissioning cost	-	(6,614)	(3,286)	(11,360)
Increase in Inventories	(564)	(345)	(663)	(201)
(Decrease)/Increase in trade and others payables	(6,976)	(12,363)	24,950	(784)
Cash (used in)/generated from operations	(5,660)	(18,593)	27,725	(22,152)
Income taxes paid	(6,609)	(17,078)	(29,894)	(31,124)
Net cash flows from operating activities	698	(2,915)	42,606	(1,064)
Investing activities				
Purchase of property plant and equipment	(1,057)	(4,615)	(12,466)	(4,037)
Acquisition of interest in subsidiary	(3,639)	-	-	-
Acquisition of intangible assets	-	(3,007)	-	-
Advance against decommissioning cost	(945)	-	-	-
Net cash flows from financing activities	(5,641)	(7,622)	(12,466)	(4,037)
Financing Activities				
Proceeds from loans and borrowings	-	18,912	12,917	10,000
Repayment of loans and borrowings	-	(12,941)	(7,059)	(2,917)
Repayment of principal portion of lease liability	(44)	(131)	-	-
Repayment of interest portion of lease liability	(3)	(19)	-	-
Dividends paid to non-controlling interest	-	(9,062)	(5,665)	(2,125)
Dividends paid	-	-	(11,550)	-
Issue of share capital	10,522	-	1,182	-
Net cash flows from financing activities	10,475	(3,241)	(10,175)	4,958
Net increase/(decrease) in cash and cash equivalents	5,532	(13,778)	19,965	(143)
Cash & cash equivalents at beginning of period	14,113	27,891	7,926	8,069
Cash & cash equivalents at end of period	19,645	14,113	27,891	7,926

8.4.4 Consolidated statement of changes in equity

USD '000s	<i>Issued Capital</i>	<i>Retained Earnings</i>	<i>Foreign Currency Translation Reserve</i>	<i>Non-controlling interests</i>	<i>Total</i>
Balance for the year ended 31 December 2020 (audited)	17,735	(8,853)	(956)	14,370	22,296
Profit for the period	-	1,631	-	2,720	4,351
Other comprehensive (loss)/ income	-	-	(139)	675	536
Total comprehensive (loss)/income for the period	-	1,631	(139)	3,395	4,887
Issue of share capital	10,522	-	-	-	10,522
Acquisition of equity interest from NCI	-	-	-	(3,278)	(3,278)
Balance at 31 March 2021 (Unaudited)	28,257	(7,222)	(1,095)	14,487	34,427
Balance for the year ended 31 December 2019 (audited)	17,735	(11,226)	-	14,749	21,258
Profit for the period	-	151	-	1,934	2,085
Other comprehensive (loss)/ income	-	-	(1,529)	(633)	(2,162)
Total comprehensive (loss)/income for the period	-	151	(1,529)	1,301	(77)
Issue of share capital	-	-	-	-	-
Acquisition of equity interest from NCI	-	-	-	-	-
Balance at 31 March 2020 (Unaudited)	17,735	(11,075)	(1,529)	16,050	21,181
Balance at 31 December 2017	120	5,850	-	5,713	11,683
Increase in share capital of subsidiary	-	-	-	3	3
Total comprehensive Income for the year	-	7,838	-	9,220	17,058
Dividend paid	-	-	-	(2,125)	(2,125)
Balance at 31 December 2018	120	13,688	-	12,811	26,619
Total comprehensive Income for the year	-	(13,364)	-	7,603	(5,761)
Equity raise	17,615	-	-	-	17,615
Acquisition of a Subsidiary	-	-	-	-	-
Dividend paid	-	(11,550)	-	(5,665)	(17,215)
Balance at 31 December 2019	17,735	(11,226)	-	14,749	21,258
Profit for the year	-	2,373	-	8,777	11,150
Foreign currency exchange differences arising on translation from functional currency to presentation currency	-	-	(956)	(94)	(1,050)
Dividend paid	-	-	-	(9,062)	(9,062)
Balance at 31 December 2020	17,735	(8,853)	(956)	14,370	22,296

8.4.5 Segment information

For management purposes, the Group is organised into one main operating segment, which involves exploration and production of hydrocarbons. All of the Group's activities are interrelated, and discrete financial information is reported to the Board of Directors and the executive management team (Chief Operating Decision Makers) as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Group as one segment. The financial results from this segment are equivalent to the financial statements of the Group as a whole.

The analysis of the location of non-current assets is as follows:

USD '000s	Period ended 30 March		Year Ended 31 December		
	2021		2020	2019	2018
	(Unaudited)	(Audited)	(Audited)	(Audited)	
	\$'000s	\$'000s	\$'000s	\$'000s	
Congo	49,444	48,677	27,182	18,145	
The Gambia	-	3,007	-	-	
Senegal	-	-	2	-	
United Kingdom	-	-	11	-	
	52,676	51,890	27,278	18,145	

8.5 Related party transactions

Apart from the Symero Transaction (as further described in Section 5.1.1), where Knut Søvold (CEO of the Company) is an indirectly controlling shareholder (as further described in Section 5.6) that was signed in Q1 2021, but not completed before 9 July 2021 and the loan agreement between the Company and Mr. Pace (as further described in Section 10.5), the Company has not entered into any related party transaction after 31 March 2021, being the date of its last published financial statements.

9. UNAUDITED PRO FORMA FINANCIAL INFORMATION

9.1 Introduction

During 2019 and 2020, the Company announced transactions to acquire licence interests for projects in Nigeria (completion is subject to governmental approval in Nigeria) and Guinea-Bissau (transaction completed in May 2021). Both transactions would individually and combined cause a significant gross change for the Company.

9.2 Aje transaction

As announced on 21 October 2019, the Company entered into an agreement with Panoro Energy ASA ("Panoro") (the "Panoro Agreement") for the acquisition of certain companies holding interests in Offshore Mining Lease no. 113 ("OML-113") offshore Nigeria, containing the Aje oil and gas field ("Aje Field") ("Aje Transaction"). The Panoro Agreement contemplates the acquisition of 100% of the shares of Panoro's fully owned subsidiaries Pan-Petroleum Services Holdings BV ("PPSH") and Pan-Petroleum Nigeria Holdings BV ("PPNH"), which currently hold 100% of the shares in Pan-Petroleum Aje Limited, which participates in the exploration for and production of hydrocarbons in OML-113.

The consideration payable by the Group under the Panoro Agreement is (i) issue of shares in the Company for USD 10 million and (ii) a contingent payment obligation after PetroNor has recovered all costs related to the accumulated investments incurred after the Completion Date equal to USD 0.10 per 1,000 Cubic Feet of Aje Gas sales volume limited to USD 16.67 million.

In parallel, the Company concluded a separate investment and shareholders' agreement with the OML-113 operator Yinka Folawiyo Petroleum ("YFP Agreement") to create a new holding company Aje Production AS (the "SPV") that will see the SPV assume the lead technical and management role in the next phases of the Aje Field development. PetroNor and YFP will hold respectively 45% and 55% of the SPV shares, and the ability to appoint up to two directors each. The SPV will require two directors jointly to sign on its behalf, of which one is appointed by PetroNor and one appointed by YFP. The SPV will include the current license ownerships of YFP (the operator), YFP-DW and Panoro.

Together these agreements provide the framework and pathway towards sanctioning of the next phases of the Aje Field development in order to unlock its significant value through accessing the substantial proven gas and liquid in place reserves.

The completion of the Aje Transaction is subject to the satisfaction of certain conditions precedents, including the regulatory approval of the Nigerian Department of Petroleum Resources and consent of the Minister of Petroleum Resources.

The regulatory approval process in Nigeria is well underway but has been delayed by the impact of the COVID-19 pandemic. Originally set at 31 December 2020, Panoro and the Company agreed to amend the long stop date for closing of the Panoro Agreement to the 30 September 2021 which is the date by which authorisation of the Nigerian Department of Petroleum Resources and the consent of the Nigerian Minister of Petroleum Resources are required to have been received.

Upon the successful completion of the Aje Transaction, the Group will in the OML-113 licence acquire a nominal participating interest on 34 % and a revenue interest on 24.3%. These figures are based on the Group holding a 45% equity interest in the SPV, which in turn holds nominal licence interest on 75.5 % and a revenue licence interests on 54.1%. The table below shows all CAPEX, OPEX, and revenue for the SPV. PetroNor's interest is 45% relating to each figure.

The proportional allocation of operating expenditures and capital expenditures deviate from pro-rata allocation of revenues. Allocation of operating expenditures and capital expenditures are based on the following mechanic which were established in the Farm-In Agreements and Joint Operating Agreements in 2007.

SPV Aje Production	Period 1:		Period 2:		Period 3:		
	Prior to YFP Payout	Post YFP Payout	CAPEX and OPEX	Revenue (cost recovery and profit sharing)	CAPEX and OPEX	Revenue (cost recovery and profit sharing)	CAPEX and OPEX
Participation Interest	CAPEX and OPEX	Revenue (cost recovery and profit sharing)	CAPEX and OPEX	Revenue (cost recovery and profit sharing)	CAPEX and OPEX	Revenue (cost recovery and profit sharing)	CAPEX and OPEX

75.50%	38.755%	54.066%	38.755%	38.755%	38.755%	54.066%	54.066%
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As of the date of this Prospectus, the licence is in "Period 1" and the commencement of "Period 2" is subject to YFP receiving USD 30 million in net proceeds. This is the cost incurred by YFP in OML-113 prior to the first farming agreement in 2007. YFP has received USD 12 million and the recovery of an additional USD 18 million is required for commencement of "Period 2". Based on the expectations of the management of the Company, this is expected to incur in about 2 years. The commencement of "Period 3" is subject to the net proceeds less the prior costs exceeding the cumulative expenditure. Based on the expectations of the management of the Company, this is expected to take place in about 3 to 4 years.

9.2.1 Aje Transaction Accounting Treatment

The conditions precedent for completion of both the Panoro Agreement and YFP Agreement are interlinked; and accounting wise, the Company regard that the Aje Transaction should be considered as one event, and not the acquisition and immediate disposal of PPSH and PPNH.

The Company expects to classify its interest in the new special purpose vehicle Aje Production as a 'joint venture' under IFRS 11 and will account for the investment using the equity method. Whereby the initial investment is recognised at cost and the carrying amount is increased or decreased recognising the Company's share of profit or loss at each future period end.

Under the terms of the Panoro Agreement, the Company shall, either pay a cash consideration of USD 10 Million or issue consideration shares which in aggregate shall represent a total value of USD 10 Million to Panoro for the 100% equity share acquisition of PPSH and PPNH and their associated interest in OML-113, before the transfer of these PPSH and PPNH shares into Aje Production with YFP.

The Company anticipates to issue shares to conclude the Aje Transaction, thereby initially increasing non-current assets and equity by USD 10 million.

The Company will pay Panoro a conditional consideration of USD 0.10 per 1,000 cubic feet of the Aje Natural Gas Sales Volume (the "Conditional Consideration"). The Conditional Consideration will only be payable after Pan Aje has recovered all costs, both investments and operating costs, in relation to the gas production and the Conditional Consideration shall not exceed USD 16.67 million in cumulated payments.

The Aje Transaction involves the acquisition of license interests from multiple different companies. Meaningful historical financial statements are not yet available for all entities involved in the Aje Transaction. In addition, these entities may have different cost and income bases for their respective license interest; and applying available financial numbers from one partner for the total interest acquired may lead to incorrect information for pro forma financial information.

9.2.2 Financial Information

The Aje Transaction involves the combination of six legal entities located in four different legal jurisdictions. Of which three entities have separate participating interests in the OML-113 lease in Nigeria and varying levels of economic interest.

Meaningful historical financial statements are not yet available for all entities involved in the Aje Transaction. Although the Company has received recent guidance and copy billing statements from the operator on the overall OML-133 operations. The separate entities that hold the participating interests may have additional corporate costs in addition to their respective license interest; and applying available financial numbers from one partner to pro rata estimate the figures for the total interest acquired may lead to incorrect information for pro forma financial information. Therefore, the Company is of the opinion that the only way to accurately reflect the Aje Transaction in this Prospectus is by providing narrative information. As such there is no report by independent accountants or auditors in relation to the Aje Transaction.

Due to the drop in oil price in 2020, the existing joint venture partners negotiated reduced lease rate for the FPSO currently in operation at the Aje Field. The rates agreed were heavily discounted on a sliding scale that was based on the actual selling price of oil. This has benefited the joint venture partners during the period of extreme low prices in 2020. The discount is now minimal with the recovery of the oil prices close to levels before the COVID pandemic.

When the Aje Transaction completes, the Company will have to recognise its share of any losses incurred in the period since the locked box dates. Any losses to be recognised would reduce the carrying value of the initial investment in the SPV. Based on joint venture billing information for the period since the locked box dates, the Company estimates the carrying value of investments may be reduced by USD 3 – 5 million. However, the Company considers the underlying value of the investment to be realised through the planned re-development of the Aje Field, and not based on current production operations.

The average production in 2021 has dropped from 1980 Bopd in 2020 to around 1400 Bopd. This has resulted in drop of revenue and slowed any financial recovery to the joint venture account.

Until the approval of the Aje Transaction by the DPR and overall completion, the Company does not have influence over the operations of OML-113.

Legal and due diligence costs in connection with the Panoro Agreement and the YFP Agreement were expensed as arose in 2019. In 2020 and Q1 2021, the company continued to use existing internal staffing to develop redevelopment plans for the Aje Field pending completion of the Aje Transaction, where these costs have been expensed as occurred.

Legal and travel costs incurred in 2019 and 2020 in relation to the Aje project are estimated at USD 300,000.

9.3 Guinea-Bissau transaction

On 20 November 2020, the Company announced the 100% share purchase of the entity SPE Guinea Bissau AB⁴ (the "GB Transaction"), which subsequently completed on 4 May 2021. The GB Transaction allowed PetroNor to assume the Operatorship (and interest of 78.57%) of the Sinapa (Block 2) and Esperança (Blocks 4A and 5A) licences in Guinea-Bissau.

The SEK 434,238 consideration paid for the transaction was calculated to be SEK 1 greater than the SEK book value of the net assets of SPE Guinea Bissau AB on completion. The fair value of the net assets acquired equalled the net book value from the completion balance sheet. In addition to the consideration paid, the Company paid USD 1.9 million in settlement of a payable balance to Svenska Petroleum Exploration AB on behalf of SPE Guinea Bissau AB.

The exploration licences held by SPE Guinea Bissau AB do not currently generate income, however a farm out of one of both of the licences may generate cash inflow from the reimbursement of past exploration costs.

9.3.1 Purpose of the unaudited pro forma financial information

The Company has prepared the pro forma statement of financial position as at 31 March 2021, assuming the GB Transaction completed on the 31 March 2021. The statements of comprehensive income for the three month period ended 31 March 2021 and for the twelve month period ended 31 December 2020 so as to illustrate how the GB Transaction affected the Company had it been completed at 1 January 2021 and at 1 January 2020 respectively, and this hypothetical compilation may differ from the Group's actual financial position or results.

Apart from the GB Transaction, no other circumstances occurring after 31 March 2021 are covered by the pro forma statements financial information. The sources of the historical financial information included in the pro forma financial statements are:

- For the Company, extracted from the audited consolidated financial statements as of 31 December 2020; and the unaudited consolidated interim financial statements as of 31 March 2021

⁴ As of 4 June 2021, SPE Guinea Bissau AB formally changed its name to PetroNor E&P AB.

- For SPE Guinea Bissau AB, extracted from the audited financial statements as of 31 December 2020 and derived from the unaudited completion closing balance sheet and transactional history from 1 January 2021 to 31 March 2021.

The source documents used to prepare the pro forma financial statements are included in Appendix 3 together with the signed pro forma financial information.

9.3.2 Accounting principles

The underlying financial information for the Group as of 31 March 2021 included in the pro forma financial information is extracted from Financial Statements that have been prepared under Australian Accounting Standards and also complies with IFRS as issued by the International Accounting Standards Board.

SPE Guinea Bissau AB prepares its respective financial statements in SEK and under Swedish GAAP in accordance with the Annual Accounts Act and the BFN's (The Swedish Accounting Standards Board's) general advice BFNAR 2012: 1, This standard was developed by the BFN based on the IFRS for SMEs Standard but with amendments and exceptions due to Swedish Law and 'Swedish practice' as well to reflect Swedish tax law. The Company has identified differences between the Company's accounting policies and those applied by SPE Guinea Bissau AB that would impact the pro forma financial information, these are detailed in Section 9.3.4 below.

In accordance with IFRS 3, a purchase price allocation (PPA) has been performed in which the identifiable assets, liabilities and contingent liabilities of SPE Guinea Bissau AB have been identified. The PPA in the unaudited pro forma condensed financial information is based on the fair value of acquired assets and liabilities as of the date of acquisition. Assets acquired consist of inventory (Well heads), intangible assets (Licenses), trade receivables and cash. Liabilities assumed consist of trade payables.

The SEK 434,238 consideration paid for the transaction was calculated to be SEK 1 greater than the SEK book value of the net assets of SPE Guinea Bissau AB on completion. The fair value of the net assets acquired equalled the net book value from the completion balance sheet. Hence, the PPA did not identify any excess values that would give rise to any pro forma adjustments in the unaudited pro forma condensed financial information.

With regards to applicable exchange rates used in the pro forma statements:

- In the Statement of Comprehensive Income for the period to 31 December 2020 transactions recorded to the income have been translated at an average exchange rate of SEK 9.2106 to USD 1.00.
- In the Statement of Comprehensive Income for the period to 31 March 2021 transactions recorded to the income have been translated at an average exchange rate of SEK 8.3944 to USD 1.00.
- For the Statement of Financial Position for the period ended 31 March 2021 monetary assets and liabilities have been translated at the closing rate of SEK 8.7239 to USD 1.00.

The pro forma financial information has not been audited in accordance with Norwegian or International Standards on Auditing ("ISAs"). However, BDO AS, Munkedamsveien 45, Postboks 1704 Vika, 0121 Oslo, a component auditor for the Company's independent auditor, BDO Audit (WA) Pty Ltd, has issued a report on the Pro Forma financial information included in Appendix B hereto. The report is prepared in accordance with ISAE 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus".

9.3.3 GB Transaction unaudited pro forma financial information

Pro forma statement of comprehensive income for the year ended 31 December 2020

USD '000s	PetroNor E&P Ltd.	SPE Guinea Bissau AB	SPE Guinea Bissau AB translated	Accounting Policy adj	Note s	Pro Forma Adjustment s	Note s	Pro Forma Consolidated
	Audited USD \$'000	Audited SEK Kr'000s	Unaudited USD \$'000	Unaudited USD \$'000		Unaudited USD \$'000		Unaudited USD \$'000
Revenue	67,543	-	-	-		-		67,543
Cost of Sales	(25,885)	-	-	-		-		(25,885)
Gross Profit	41,658	-	-	-		-		41,658
Other operating income	45	-	-	-				45
Impairment of intangible asset	-	(319,431)	(34,681)	-		34,433	B1	(248)
Administrative expenses	(12,376)	(30,157)	(3,274)	-		(508)	B1	(16,158)
Profit from operations	29,327	(349,588)	(37,955)	-		33,925		25,297
Finance Expenses	(2,606)	(134)	(15)	-		-		(2,621)
Finance income	-	24	3	-		-		3
Foreign exchange gain/loss	1,507	1,899	206	-		-		1,713
Group contribution received	-	346,265	37,594	(37,594)	A1	-		-
Profit/(loss) before tax	28,228	(1,534)	(167)	(37,594)		33,925		24,392
Tax Expense	(17,078)	-	-	-		-		(17,078)
Profit/ (loss) for the period	11,150	(1,534)	(167)	(37,594)		33,925		7,314
Other comprehensive income								
Exchange gains/(losses) arising on translation of foreign operations	(1,050)	-	(21)	(4,695)	A1	4,235	B1	(1,529)
Total comprehensive income/(loss)	10,100	(1,534)	(188)	(42,289)		38,160		5,786
Profit/Loss for the period attributable								
Equity holders of the parent	2,373	(1,534)	(167)	(37,594)		33,925		(1,463)
Non-controlling interests	8,777	-	-	-		-		8,777
	11,150	(1,534)	(167)	(37,594)		33,925		7,314
Equity holders of the parent	1,417	(1,534)	(188)	(42,289)		38,160		(2,897)
Non-controlling interests	8,683	-	-	-		-		8,683
	10,100	(1,534)	(188)	(42,289)		38,160		5,786

Note: The above table has been prepared on the basis that the acquisition transaction completed on 1 January 2020

Note A1: Svenska Petroleum Exploration Aktiebolag shareholder contribution prior to acquisition

In 2020 SPE Guinea Bissau AB recognised a contribution from their parent entity Svenska Petroleum Exploration Aktiebolag in the amount of SEK 346,265,287. Under IFRS this contribution would have been accounted for as an equity contribution and not recognised as income. The GAAP adjustment in the comprehensive statement of income has been translated at the average exchange rate of SEK 9.2106 to USD 1.00. A GAAP adjustment has also been made for the related foreign currency translation difference. This is a one-off adjustment and not expected to have a continued impact.

Note B1: Exploration expenses

SPE Guinea Bissau AB uses the 'successful efforts' method when capitalising exploration costs, compared to the 'area of interest' method utilised by the Company. In doing so SPE Guinea Bissau AB capitalises a greater proportion of the exploration costs that would be expensed as incurred by Company. The pro forma statements have been adjusted to reflect PetroNor Group accounting policies and costs capitalised in SPE Guinea Bissau AB during 2020 in the amount of SEK 4,678K have been expensed and reclassified according to PetroNor Group accounting policy. This is a one-off effect as it is anticipated that SPE Guinea Bissau AB will adopt PetroNor Group accounting policies going forward, so there will be no variance in exploration cost treatment.

During the accounting period to 31 December 2020 SPE Guínea Bissau AB booked an impairment of fixed asset in the amount of SEK 319.4 million (USD 34.3 million) relating to the Sinapa Block 2 and Esperança Block 4a&5a. The fair value of these assets at the time of acquisition was SEK 1 and thus a pro-forma adjustment has been made to reflect that there would be no impairment loss in the consolidated financial statements for PetroNor in 2020 if the transaction was completed on January 1, 2020. A pro-forma adjustment has also been made for the related foreign currency translation difference. This is a one-off adjustment and not expected to have a continued impact.

Pro forma statement of comprehensive income for the three month period ended 31 March 2021

USD '000s	PetroNor E&P Ltd	SPE Guinea Bissau AB	SPE Guinea Bissau AB translated	Accountin g Policy adj	Notes	Pro Forma Adjustme nts	Pro Forma Consolidate d
	Unaudited USD \$'000	Unaudited SEK Kr'000s	Unaudited USD \$'000	Unaudited USD \$'000		Unaudited USD \$'000	Unaudited USD \$'000
Revenue	22,939	-	-	-		-	22,939
Cost of Sales	(8,106)	-	-	-		-	(8,106)
Gross Profit	14,833	-	-	-		-	14,833
Other operating income	16	-	-	-		-	16
Administrative expenses	(2,394)	(2)	(0)	(50)	C1	-	(2,444)
Profit from operations	12,455	(2)	(0)	(50)		-	12,405
Finance Expenses	(679)	(37)	(4)	-		-	(683)
Foreign exchange gain/loss	(816)	(2,294)	(273)	-		-	(1,089)
Profit/(loss) before tax	10,960	(2,333)	(277)	(50)		-	10,632
Tax Expense	(6,609)	-	-	-		-	(6,609)
Profit/ (loss) for the period	4,351	(2,333)	(277)	(50)		-	4,023
Other comprehensive income							
Exchange gains/(losses) arising on translation of foreign operations	536	-	10	2		-	548
Total comprehensive income/(loss)	4,887	(2,333)	(267)	(48)		-	4,572
Profit/Loss for the period attributable							
Equity holders of the parent	1,631	(2,333)	(278)	(50)		-	1,303
Non-controlling interests	2,720	-	-	-		-	2,720
	4,351	(2,333)	(278)	(50)		-	4,023
Total Comprehensive (Loss) / Income							
Attributable to:							
Equity holders of the parent	1,492	(2,333)	(267)	48		-	1,177
Non-controlling interests	3,395	-	-	-		-	3,395
	4,887	(2,333)	(267)	48		-	4,572

Note: The above table has been prepared on the basis that the acquisition transaction completed on 1 January 2021

Note C1: Exploration expenses

SPE Guinea Bissau AB uses the 'successful efforts' method when capitalising exploration costs, compared to the 'area of interest' method utilised by the Company. In doing so SPE Guinea Bissau AB capitalises a greater proportion of the exploration costs that would be expensed as incurred by Company. The pro forma statements have been adjusted to reflect PetroNor Group accounting policies and costs capitalised in SPE Guinea Bissau AB during 2021 in the amount of SEK 416K have been expensed and reclassified according to PetroNor Group accounting policy. In accordance with Group policy these types of exploration costs will continue to be expensed. This is a one-off effect as it is anticipated that SPE Guinea Bissau AB will adopt PetroNor Group accounting policies going forward, so there will be no variance in exploration cost treatment.

Pro forma statement of financial position as at 31 March 2021

USD '000s	PetroNor E&P Ltd	SPE Guinea Bissau AB	SPE Guinea Bissau AB translated	Accountin g Policy adj	Notes	Pro Forma Adjustments	Notes	Pro Forma Consolidated
	Unaudited USD \$'000	Unaudited SEK Kr'000s	Unaudited USD \$'000	Unaudited USD \$'000		Unaudited USD \$'000		Unaudited USD \$'000
Assets								
Current assets								
Inventories	4,142	14,085	1,615	-		-		5,757
Trade and Other Receivables	7,878	98	11	-		-		7,889
Cash and bank balances	19,645	4,659	534	-	(88)	E1		20,091
	31,665	18,842	2,160	-	(88)			33,737
Non-current assets								
Long Term Receivables	22,205	-	-	-		-		22,205
Property, plant and equipment	23,696	-	-	-		-		23,696
Intangible assets	6,775	1,787	206	(49)	D1	-		6,932
	52,676	1,787	206	(49)		-		52,833
Total assets	84,341	20,629	2,366	(49)		(88)		86,570
Current liabilities								
Trade and Other Payables	15,446	19,448	2,229	-		-		17,687
Loans and borrowings	6,000							6,000
	21,446	19,448	2,229	-		-		23,687
Non current liabilities								
Loans and borrowings	12,912	-	-	-		-		12,912
Provisions	15,556	-	-	-		-		15,556
	28,468	-	-	-		-		28,468
Total Liabilities	49,914	19,448	2,229					52,143
NET ASSETS	34,427	1,181	137	(49)		(88)		34,427
Equity								
Share capital	28,257	100	13	-	(13)	E1		28,257
Foreign currency translation reserve	(1,095)	-	11		(11)	E1		(1,095)
Retained Earnings	(7,222)	1,081	113	(49)	D1	(64)	E1	(7,222)
	19,940	1,181	137	(49)		(88)		19,940
Non-controlling interests	14,487	-	-	-		-		14,487
TOTAL EQUITY	34,427	1,181	137	(49)		(88)		34,427

Note: The above table has been prepared on the basis that the acquisition transaction completed on 31 March 2021

Note D1: Intangible asset accounting policy adjustment.

SPE Guinea Bissau AB uses the 'successful efforts' method when capitalising exploration costs, compared to the 'area of interest' method utilised by the Company. In doing so SPE Guinea Bissau AB capitalises a greater proportion of the exploration costs, that would be expensed as incurred by Company. The pro forma statements have been adjusted to reflect PetroNor's accounting policies and costs capitalised in SPE Guinea Bissau AB during 2021 in the amount of SEK 416K have been expensed and reclassified according to PetroNor Group accounting policy. In accordance with Group policy these types of exploration costs will continue to be expensed. This is a one-off adjustment as it is anticipated that SPE Guinea Bissau AB will adopt PetroNor Group accounting policies going forward, so there will be no variance in exploration cost treatment.

Note E1: Purchase Price Allocation

On completion of the GB Transaction, the SEK 434,238 (USD 50k) consideration paid for the transaction was calculated to be SEK 1 greater than the SEK book value of the net assets of SPE Guinea Bissau AB on completion balance sheet as at 28 April 2021. The fair value of the net assets acquired equalled the net book value from the completion balance sheet.

Purchase Price Allocation	Completion date	Pro forma date	Pro forma adj
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	28 April 2021	31 Mar 2021	
	USD	USD	USD
	\$'000	\$'000	\$'000
Consideration (cash):	50	-	(50)
Inventories	1,615	1,615	-
Trade and other receivables	4	11	(7)
Cash and bank balances	513	534	(21)
Intangible assets	157	157	-
Trade payables	(2,239)	(2,229)	(10)
Net identifiable assets	50	88	(38)
NET ASSETS	50	88	(88)

As net identifiable assets are equal to consideration paid, no goodwill is recognised.

The pro forma adjustment reflects the consideration paid, as well as the changes in book value of the assets between 31 March 2021 and the acquisition date. This will not have a continued impact on PetroNor and is a one-off adjustment.

The USD 13K share capital, USD 11K foreign currency translation reserve and USD 64K retained earnings brought forward for this new subsidiary will be eliminated upon consolidation into the PetroNor Group.

9.3.4 Independent assurance report on unaudited pro forma financial information

With respect to the unaudited pro forma financial information included in this Prospectus, BDO AS has applied assurance procedures in accordance with ISAE 3420 "Assurance Engagement to Report Compilation of Pro Forma Financial Information Included in a Prospectus" in order to express an opinion as to whether the unaudited pro forma financial information has been properly compiled on the basis stated, and that such basis is consistent with the accounting policies of the Company. BDO AS has issued an independent assurance report on the unaudited pro forma financial information included as Appendix 2 to this Prospectus. There are no qualifications to this assurance report.

9.4 Symero transaction

9.4.1 Background

In the Republic of Congo, the Company holds an 11.9% indirect interest in PNGF Sud (comprised of three liquid and gaseous hydrocarbons production licenses: Tchendo II, Tchibouela II, and Tchibeli-Litanzi II) (Project) through its local subsidiary Hemla E&P Congo S.A (HEPCO).

These three production licenses were awarded in 2017 to the Congolese National Oil Company (SNPC), and a separate production sharing contract (PSC) is in place in connection with each of them. Other than SNPC, the current members of the contractor groups under these PSCs are Perenco Congo (operator), HEPCO, Continent Congo, Africa Oil &Gas Corporation, and Petro Congo.

Hemla Africa Holding AS (HAH) is the immediate parent company to HEPCO and holds 84.15% of the issued shares. The Company currently holds 70.707% of the issued shares in HAH. The remaining 29.293% interest in HAH (Ownership Interest) is held by Symero Limited (Symero). Consequently the Company holds a 59.50% indirect interest in HEPCO.

Symero is a wholly owned subsidiary of NOR Energy AS, an entity controlled by Knut Søvold, Chief Executive Officer of the Company, and Gerhard Ludvigsen, a former Director of the Company. NOR Energy AS is also the second largest shareholder in the company (holding approximately 13.59% of the issued Share capital).

The Company has entered an agreement with Symero under which Symero has conditionally agreed to sell the Ownership Interest to the Company, such that upon completion of the transaction, the Company will hold 100% of the issued capital in HAH (the Symero Transaction).

In conjunction with the Symero Transaction, the Company is undertaking a capital raising that includes a second tranche of 138,763,636 Shares at a deemed issue price of NOK 1.10 issued to Symero (Symero Consideration Shares) in consideration for Symero's shares in HAH. (Tranche 2a). The issue of the Tranche 2a Shares was subject to and conditional on Shareholder approval pursuant to Chapter 2E of the Corporation Act in Australia.

The Symero Consideration Shares were deemed equal to USD 18,000,000.

The Symero Transaction was considered by the Company to be a related party transaction requiring Shareholder approval in terms of Chapter 2E of the Corporations Act because Symero is the subsidiary of Nor Energy AS, the second largest shareholder in the Company and an entity controlled by Knut Søvold and Gerhard Ludvigsen. Messrs. Søvold and Ludvigsen are related parties of the Company by virtue of being the Chief Executive Officer and a former Director of the Company.

Due to the structural complexity and interrelated elements to the Symero Transaction, the Directors resolved to seek Shareholder approval for the issue of the Symero Consideration Shares in accordance with Chapter 2E of the Corporations Act.

In addition, the Directors commissioned Stantons International Securities to prepare an independent expert's report for the purpose of assessing the fairness and reasonableness of the Symero Transaction that was published by the Company and annexed to the notice of meeting for the General Meeting to approve the Symero Transaction.

On 4 May 2021 at the General Meeting the shareholders approved the Symero Transaction and issue of Symero Consideration Shares.

9.4.2 Accounting for Symero transaction

The Company already holds 70.707% of the issued shares in HAH, and thereby controls HAH. As per IFRS 10, HAH is accounted for as a subsidiary and consolidated into the financial statements of the Group.

The Symero Transaction increases the level of control of HAH to 100%. But as it is already considered a subsidiary and, the gross assets, turnover and net profit are already consolidated into the Group. The Symero Transaction will have no variation to gross assets, turnover or net profit of the Group.

As Company shares are utilised to acquire the minority interest of HAH, this is a purely equity transaction within equity in the statement of financial position. In accordance with IFRS 10.B96 the USD 18,000,000 increase in share capital will be offset with reductions in non-controlling interests and retained earnings. After the acquisition, on the future statement of profit or loss and other comprehensive income, the profit or loss for the year and total comprehensive income will not be adjusted. Only the allocation between owners of the parent and non-controlling interests will change to reflect the 29.293% increase in equity.

The Listing Prospectus includes pro forma information for several transactions. However, the Company considers it disproportionately burdensome to prepare pro forma financial statements for the Symero Transaction due to no effect on the three standard indicators of size (total assets, revenue or profit and loss) of the company's business. The Company considers the non-controlling interest of equity to be of limited relevance to investors. Furthermore, the existing investors who are the target of the subsequent offering have already considered and approved the Symero Transaction at the General Meeting on 4 May 2021. For which an independent experts report had been published in advance that included unaudited pro forma consolidated statement of financial position as at 31 December 2020, using the Company's interim reporting for the quarter ended 31 December 2020 as the source document. The Company considers the use of additional resources required for preparing and obtaining auditor assurance for pro forma financial information for the Symero Transaction is of limited value to investors.

10. BOARD OF DIRECTORS AND MANAGEMENT

10.1 Introduction

In accordance with the Constitution of the Company and Australian law, the Board of Directors is responsible for the management of the business of the Company and ensuring that the Company's operations are organised in a satisfactory manner and should do so in the interests of all shareholders.

The Company's Constitution provides that the Board of Directors shall have no fewer than three directors and no more than 12 directors. The directors are elected by a general meeting of shareholders by ordinary resolution. Additionally, pursuant to Clause 13.4 of the Constitution, the Board of Directors may at any time appoint a person to be a Director, provided that the maximum number of Directors is not exceeded. Any such Director appointed will hold office until the next general meeting and will be eligible for re-election. At the Company's annual general meeting, one-third of the Directors for the time being, shall retire from office, provided always that no Director except a Managing Director shall hold office for a period in excess of three years without submitting himself for re-election. The Directors to retire at an annual general meeting are those who have been longest in office since their last election. A retiring Director is eligible for re-election. In the event of equal voting at a director's meeting, the chairman of the meeting shall have a second or casting vote providing there is more than two directors competent to vote on the question. As the Company is incorporated in Australia, the Australian Corporations Act requires the Company to have at least two directors that reside in Australia.

10.2 Board of Directors

As at the date of this Prospectus, the Board of Directors consists of seven directors, whereof five Directors are independent of the management, main business associates and the main shareholder.

Name	Position	Director since	Term
Mr. Eyas Alhomouz ¹	Non-Executive Chairman	30 August 2019	2024
Mr. Jens Pace ²	Non-Executive Director	18 November 2015	2023
Mr. Joseph Iskander	Non-Executive Director	30 August 2019	2022
Mr. Roger Steinepreis ¹	Non-Executive Director	6 April 2020	2024
Mr. Alexander Neuling ¹	Non-Executive Director	6 April 2020	2024
Mrs. Ingvil Smines Tybring-Gjedde	Non-Executive Director	29 May 2020	2023
Mrs. Gro Kielland ³	Non-Executive Director	1 February 2021	2024

¹Mr. Eyas Alhomouz, Mr. Roger Steinepreis and Mr. Alex Neuling have been re-elected on the Board of Directors at the Annual General Meeting held on 28 May 2021.

²Executive Director and Chief Executive Officer of African Petroleum Corporation Limited before the reverse take-over with PetroNor E&P Ltd (Cyprus) in August 2019 and continued until his resignation as Chief Executive Officer on 29 February 2020; thereafter appointed as Non-Executive Director of the Company.

³Mrs. Gro Kielland was elected on the Board of Directors as of 1 February 2021, her election ratified at the Extraordinary General Meeting held on 4 May 2021.

The address of the Company's office at 48 Dover Street, W1S 4FF London, United Kingdom, serves as business address for the members of the Board of Directors in relation to their directorship with the Company.

10.2.1 Brief biographies of the members of the Board

The current Board of Directors of the Company is presented below:

Eyas Alhomouz, Non-Executive Chairman

Mr. Alhomouz has a strong experience from the oil and gas sector covering the US, North Africa, and the GCC. He began his career with Schlumberger Oilfield Service as a wireline engineer in Midland, Texas. From there he went on to work for Cromwell Energy in Denver, Colorado, in the role of international business development manager. Then, as a COO and Financial Director of Prism Seismic, he oversaw the growth of the Colorado based consulting and oil and gas software development firm and later the acquisition of the company by Sigma Cubed where, post-acquisition of Prism Seismic, he went on to serve as a director of business development, Middle East. Mr. Alhomouz's career then took him to Qatar as a General Manager of Jaidah Energy, an Omani-Qatari owned company servicing the oil and gas sector in Qatar. He is currently the CEO of Petromal Sole Proprietorship LLC, a subsidiary of National Holding in Abu Dhabi. Mr. Alhomouz graduated from Brigham Young University in Provo, UT with a degree in Chemical Engineering and from the Colorado School of Mines, in Golden, CO with a master's degree in Mineral and Energy Economics.

Jens Pace, Non-Executive Director

Mr. Pace is a highly regarded geoscientist, who has had a successful career at BP Exploration Operating Company Limited ("BP"), and its heritage company Amoco (UK) Exploration Company. Mr. Pace has held senior positions at BP for over 10 years, gaining exploration and production experience in Africa, namely: Algeria, Angola, Congo, Gabon and Libya. In addition, he has experience in Europe, Russia and Trinidad. He has contributed to a number of BP's exploration discoveries over his career, and has managed a very large and active exploration portfolio for BP in Africa. Additionally, Mr. Pace has gained highly sought-after experience in the areas of field development and as a commercial manager, dealing with national oil companies and African governments. Mr. Pace joined African Petroleum as Chief Operating Officer in October 2012 and was promoted to Chief Executive Officer in September 2015. Following the merger with PetroNor E&P Ltd on 30 August 2019, Mr. Pace resigned as Chief Executive Officer on 29 February 2020, but remains on the Board as a Non-Executive Director. Mr. Pace holds a BSc in Geology and Oceanography from the University of Wales and an MSc in Geophysics from Imperial College, London, UK.

Joseph Iskander, Non-Executive Director

Mr. Iskander brings over 20 years of experience in the financial services industry, covering asset management, private equity, portfolio management, financial restructuring, research, banking, and audit. He began his career at Deloitte & Touche (Egypt) as an Auditor. Mr. Iskander served as Non-Executive Director on the boards of EFG Hermes in Egypt, Oasis Capital Bank in Bahrain, Sun Hung Kai & Co in Hong Kong, Qalaa Holdings in Egypt, Emirates Retakaful in UAE, Marfin Laiki Bank in Cyprus and Marfin Investment Group in Greece. Mr. Iskander headed the research team at Egypt's Prime Investments and was earlier an Investment Advisor at Commercial International Bank (CIB). He then went on and joined Dubai Group as an Investment Manager in 2004 and has worked on a range of M&A transactions, advisory services, asset management, and private equity transactions with a collective value in excess of USD 8 billion. Mr. Iskander was Managing Director of Asset Management at Dubai Group and the former Head of Research at Dubai Capital Group until 2009. He joined Emirates International Investment Company ("EIIC"), a subsidiary of National Holding in Abu Dhabi, in July of 2017 as the Head of Investments spearheading and managing EIIC's investments. He holds a Degree in Accounting and Finance with high distinction from Helwan University, Egypt (1997).

Roger Steinepreis, Non-Executive Director

Mr. Steinepreis is a corporate and resources lawyer with over 30 years' experience. He has acted as the legal adviser on in excess of 40 initial public offers and has advised numerous companies, large and small, on strategic acquisitions, whether by takeover, scheme of arrangement, trade sale or other means. Mr.

Steinepreis serves as the Executive Chairman of Steinepreis Paganin, one of the largest specialist corporate law firms in Perth, Australia, and serves on other Boards. Mr. Steinepreis holds a Bachelor of Jurisprudence and Bachelor of Laws (1985) from the University of Western Australia.

Alexander Neuling, Non-Executive Director

Mr. Neuling is a chartered accountant and has been advising within extractive industries for more than 15 years. Mr. Neuling has held numerous senior management positions at listed companies, and previously worked for Deloitte in London and Perth. Mr. Neuling holds BSc (Hons) in Chemistry from Leeds University, United Kingdom, and he is a Fellow of the Institute of Chartered Secretaries and Administrators and a Fellow of the Institute of Chartered Accountants of England & Wales.

Ingvil Smines Tybring-Gjedde, Non-Executive Director

Experienced former Norwegian Minister of National Public Security with overall responsibility of public safety, emergency planning, and cybersecurity. Mrs. Tybring-Gjedde was also Minister of Svalbard and the Norwegian polar regions. Before her position as Minister, she served as Deputy Minister in the Ministry of Petroleum and Energy for 4 years, with a portfolio of exploration policy, development, and operations, exploration activity as well as following the Ministry's contact with other petroleum producing countries and international forums in addition to the government's national climate policy, global environmental issues and the government's CCS full scale project. Mrs. Tybring-Gjedde has a demonstrated history of working in the O&G, energy, and renewable industry in private and state-owned companies in various leading positions for more than 20 years. Mrs. Smines Tybring-Gjedde graduated from BI Norwegian Business School with a Master's degree in Management Programs, with strong focus in "Interaction and Leadership" and "Strategy".

Gro Kielland, Non-Executive Director

Mrs. Kielland has over 30 years of experience having held a number of leading positions in the oil and gas industry both in Norway and abroad, among others as CEO of BP Norway. Her professional experience includes work related to both operations and field development, as well as HSE. Mrs. Kielland holds an MSc in Mechanical Engineering from the Norwegian University of Science and Technology (NTNU).

10.2.2 Shares held by the members of Board

At the time of this Prospectus, none of the Directors hold shares or options in the Company, except for Mr. Jens Pace. Mr. Pace's shares, 1,498,938 shares, are not registered in the VPS; and are held as paper certificates provided by the Company when it delisted from the NSX in Australia. Furthermore, although Mr. Alhomouz has no personal interests in shares and options, he has influence over 481,481,666 shares as the CEO of significant shareholder Petromal LLC.

10.2.3 Past and present directorships

The following table sets out current and past directorships and management positions held by the Company's Directors in the past five years (apart from their directorships of the Company and its subsidiaries):

Name	Current directorships / partnerships / management	Previous directorships / partnerships / management
Eyas Alhomouz	Petromal Sole Proprietorship LLC (Chief Executive Officer)	Jaidah Energy (General manager)
Jens Pace	Tafiti Oil Limited (Director), Wingate Consulting Ltd (Director), Quattro Energy Limited (CEO)	None

Joseph Iskander	IIIC (Head of Investments), Abu Dhabi Islamic Bank Egypt (Director), Entrust Capital (CEO)	EFG Hermes Egypt (Non-Executive Director), Oasis Capital Bank Bahrain (Non-Executive Director), Sun Hung Kai & Co Hong Kong (Non-Executive Director), Qalaa Holdings Egypt (Non-Executive Director), Emirates Retakaful UAE (Non-Executive Director), Marfin Laiki Bank Cyprus (Non-Executive Director), Marfin Investment Group Greece (Non-Executive Director), Dubai Group (Managing Director of Asset Management)
Roger Steinepreis	Steinepreis Paganin Law Firm (Executive Chairman), Apollo Consolidated Limited (Chairman), Latitude Consolidated Limited (Non-Executive Director), ClearVue Technologies Ltd (Non-Executive Director)	Talon Petroleum Limited (Non-Executive Director); Linius Technologies Ltd (Non-Executive Director)
Alexander Neuling	Erasmus Consulting Pty Ltd (Principal / Director, CoSec), Pinvestment Pty Ltd (Director), Core Governance Systems Pty. Ltd. (Director, CoSec), Lilywhite Resources Pty Ltd (Director, CoSec), Origin Gold Mines Limited (Director), The University Child Care Club Inc (Unicare) (Board member and Treasurer), Apollo Consolidated Limited (Company Secretary "CoSec"), Apollo Guinea Pty Ltd (CoSec), Triple Energy Limited (CoSec), Talisman Mining Limited (CoSec), Lepidico Ltd (CoSec), Lepidico Holdings Pty Ltd (CoSec), Ikwezi Mining Limited (CoSec), Cann Global Limited (CoSec), Li-Technology Pty Ltd (CoSec), Mica Exploration Areas Pty Ltd (CoSec), Talisman B Pty Ltd (CoSec), Bright Minz Pty Ltd (CoSec), Cann Global Asia Pty Ltd (CoSec), Cann Global Thailand Pty Ltd (CoSec), AC Minerals Pty Ltd (CoSec), Aspire Minerals Pty Ltd (CoSec), Origin Gold Mines Holdings Pty Ltd (CoSec), Pharmocann Global Pty Ltd (CoSec), Silica Technology Pty Ltd (CoSec), Haverford Holdings Pty Ltd (CoSec)	Ashburton Gold Mines NL (CoSec), Platypus Resources Limited (CoSec), Southern Pioneer Ltd (CoSec), Transdrill Pty Ltd (CoSec), Trans Pacific Gold Pty Ltd (CoSec), Coda Minerals Ltd (CoSec), Purple Communications Australia Pty Ltd (CoSec), People Against Dirty (Australia) Pty. Ltd. (Director, CoSec), Sandfire A Pty Ltd (CoSec), Talisman Nickel Pty Ltd (CoSec), Dotz Nano Limited (CoSec), Ikwezi Mining Limited (CoSec)
Ingvil Smines Tybring-Gjedde	Norge Mining PLC (Non-Executive Director), Earth, Wind & Power AS (CEO)	Minister of Public Security, State Secretary / Vice Minister of the Ministry of Petroleum
Gro Kielland	Beyonder AS (Chairman), ASCO Norge AS (Chairman), BUHR AS (Chairman), FloPetrol Well Barrier AS (Non-Executive Director), Flux Group AS (Non-Executive Director), Hagrola Consulting AS (Chairman), S3-ID AS (Chairman), Ulstein Group ASA (Non-Executive Director)	AkerBP (Non-Executive Director), Agile Rig and Modules AS (Chairman), Agility Group AS (Non-Executive Director, Chairman), Align (Non-Executive Director, Chairman), FalckNutech (Non-Executive Director), Momek (Chairman), Norwegian Biotech AS (Chairman), Minox Technology AS (Chairman), Stavanger Symphonic Orchestra (Vice Chair of the Board), Hagrola Consulting AS (CEO)

10.3 Management

10.3.1 Overview

The Company's senior management is responsible for the daily management and the operations of the Company. The senior management consists of the Chief Executive Officer, the Chief Technical Officer, the Exploration Director, the Group Financial Controller and the Strategy and Contracts Manager and is presented below.

Name	Position
Knut Søvold	Chief Executive Officer
Claus Frimann-Dahl	Chief Technical Officer
Michael Barrett	Exploration Director
Emad Sultan	Strategy and Contracts Manager
Chris Butler	Group Financial Controller

The address of the Company's office at 48 Dover Street, W1S 4FF London, United Kingdom, serves as business address for the members of the Company's senior management in relation to their positions with the Company.

10.3.2 Brief biographies of the members of Management

Knut Søvold, Chief Executive Officer

Mr. Søvold has over 30 years of experience in the oil and gas industry, from both executive management and technical levels. His extensive experience covers fields and licences in the North Sea, North and West Africa, Middle East, Far East and FSU, as well as management and administration through establishing and operating companies in Norway, UK, Kazakhstan and West Africa. Mr. Søvold was in the management team of the Snorre Field in the North Sea, with a production of 200,000 Bopd. Mr. Søvold has been working with West African assets since 2000 and in Nigeria since 2008. Furthermore, he has also been working with gas to LNG, including novel solutions such as FLNG, gas to power, as well as LNG-regasification. Mr. Søvold holds a MSc in Petroleum from The Institute of Technology in Trondheim (NTH), Norway.

Claus Frimann-Dahl, Chief Technical Officer

Mr. Frimann-Dahl has 30 years' experience from the oil and gas industry, with managerial and technical roles. His experience covers operational roles with Phillips Petroleum, Norsk Hydro and Hess in the North Sea Norway and Denmark, Russia, Egypt and the US. He was the co-founder of Ener Petroleum which was later acquired by Dana Petroleum and KNOC. He holds a BSc in Petroleum Engineering from Texas A&M University and an MSc from the University of Trondheim (NTH).

Michael Barrett, Exploration Director

Mr. Barrett has over 30 years global exploration experience from his career at Chevron Corporation, and more recently at Addax/Sinopec International. Mr. Barrett has held senior positions at Chevron and Addax Petroleum, gaining substantial exploration and operations experience in Africa, namely: Angola, Cameroon, Gabon, Kurdistan and Nigeria, having also extended experience in Australia. Mr. Barrett has held a variety of technical roles covering exploration and new ventures, and was part of Chevron's global Exploration Review Team, specialising in Play and Prospect risk assessment, volumetric analysis, commercial evaluation and portfolio management. Mr. Barrett also brings added strength to the team with his background in quantitative geophysics, stratigraphic interpretation workflows and 3D visualisation. Mr. Barrett has a BSc in Geology & Geophysics from Durham University and a MSc in Petroleum Geology &

Geophysics from Imperial College, Royal School of Mines.

Emad Sultan, Strategy and Contracts Manager

Mr. Sultan has 20 years of international Exploration & Production experience. He has held multiple operation and marketing management positions with international oil field services companies. He has also worked in a number of technical, contracting and strategy management roles with major oil and gas operators. Mr. Sultan holds a BSc Mechanical Engineering degree from the University of Washington.

Chris Butler, Group Financial Controller

Mr. Butler has over 16 years of financial and corporate experience from positions in public practice, oil & gas and mining spread over Africa, Asia and Europe, with roles that included financial reporting, contract negotiations, M&A, due diligence, treasury and several system implementations. Mr. Butler is a Fellow of the Institute of Chartered Accountants in England and Wales and has a BSc in Physics from Warwick University.

10.3.3 Past and present directorships

The following table sets out current and past directorship and management positions held by the Company's management in the past five years (apart from their directorships of the Company and its subsidiaries):

Name	Current directorships/partnerships	Previous directorships/partnerships
Knut Søvold	Sjøvollen AS (Chairman), NOR Energy AS (Chairman), Gulshagen III AS (Chairman), Gulshagen IV AS (Chairman), Hemla Vantage AS (Director), IFLNG AS (Director), Symero Limited (Director), Bream Energy Ltd (Director), Hemla-Ogoni Energy Resources Ltd (Director), Hemla Energy Trading Oman (Director), Power to Educate AS (Director), Power to the People AS (Director, CEO), Nordic LNG CRYOtainer Technology AS (Director), HexCo Holding Ltd (Director), NOR Energy Ltd, (Director), Reserves Insight AS (Director)	Hemla Energy AS (Deputy Chairman, CEO), James Bay Resources Ltd, Silk Energy AS (Director, CEO), NOR Energy AS Bærum (CEO), NOR Production AS (Director), D&H Solutions AS (Director), Pangea LNG BV (Director), IPRES AS (Director), Draupner Energy AB (Director), MozFLNG – Mozambique Floating LNG S.A. (Director), Hemla Hydrocarbons (South East Asia) Pte. Ltd. (Director), Hemla Africa Holding Ltd (Director), Mediator AS (Deputy board member)
Claus Frimann-Dahl	Snake Oil AS (Chairman), Vestre Ullern Boligsameie (Director)	Tellus Petroleum AS (Director), Acumen Energy AS (Director), Grini Industrier AS (Director)
Michael Barrett	None	None
Emad Sultan	Petromal Sole Proprietorship (UAE Business Development Director)	Weatherford (UAE Sales and Marketing Manager), NOV (Middle East Drilling Technologies Manager), ADNOC Offshore (Drilling Contract and Technology Manager)
Chris Butler	Technical Solutions International 1986 Ltd (Director)	None

10.3.4 Shares held by members of Management

The following table sets forth the number of options and shares beneficially owned by each of the Company's members of management as of the date of this Prospectus:

Name	Position	Shares	Options
Knut Søvold ¹	Chief Executive Officer	90,000,000	None
Claus Frimann-Dahl ²	Chief Technical Officer	504,545	None
Michael Barrett	Exploration Director	1,151,667	None
Emad Sultan	Strategy and Contracts Manager	None	None
Chris Butler	Group Financial Controller	234,296	None

¹As at the date of this Prospectus, 143,555,857 shares held directly by NOR Energy AS, a company controlled jointly by Mr. Søvold with Mr. Gerhard Ludvigsen (former Director of the Company). Plus 138,763,636 shares held by Symero, the direct 100% subsidiary of NOR Energy AS. Further 90,000,000 are held by Mr. Søvold through companies controlled through indirect beneficial interest.

²Mr. Frimann-Dahl's shares are held in the name of Snake Oil AS, a company entirely owned by Mr. Frimann-Dahl.

10.4 Employees and long-term contractors

As of the date of this Prospectus, the Group has about 35 employees employed in Europe, West Africa, Australia and Middle East.

10.4.1 Employees' incentive schemes

The Company does not have a bonus incentive scheme or an option scheme for its employees at this time.

10.5 Conflict of interests

As at the date of this Prospectus, 143,555,857 shares in the Company are held directly by NOR Energy AS, a company controlled jointly by Mr. Søvold with Mr. Gerhard Ludvigsen (former Director of the Company). In addition, 138,763,636 shares in the Company are held by Symero, the direct 100% subsidiary of NOR Energy AS. A further 90,000,000 in the Company are held by Mr. Søvold through companies controlled through indirect beneficial interest.

The Company has furthermore entered into a loan agreement with Mr. Pace (non-executive director of the Company) for the amount to cover his tax payable on the 33,334 treasury shares that Mr. Pace was awarded upon his commencement of employment with the Company (then African Petroleum Corporation Ltd) in October 2012.

Other than as described herein and in Section 5.6 above there are, to the Company's knowledge, no other potential conflicts of interests between any duties to the Company or its subsidiaries, of any of the Board members or members of the senior management and their private interests and/or other duties. There are no family relations between any of the Company's Board members or members of senior management.

There are no arrangements or understanding with major shareholders, customers, suppliers or others regarding membership of the Board of Directors or the senior management.

10.6 Convictions for fraudulent offences, bankruptcy etc.

None of the members of the Board of Directors or the Management have for at least the previous five years preceding the date of this Prospectus been:

- Convicted in relation to any fraudulent offences;
- Involved in any bankruptcies, receiverships or liquidations or companies put into administration when acting in the capacity of member of an administrative, management or supervisory body;

- Subject to any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) or been disqualified by a court from acting as a member of the administrative, management or supervisory body of an issuer or from acting in the management or conduct of the affairs of any issuer.

10.7 Restrictions on the disposal of shares

The Company has entered into a loan agreement with Mr. Pace for the amount to cover his tax payable on the 33,334 treasury shares that Mr. Pace was awarded upon his commencement of employment with the Company (then African Petroleum Corporation Ltd) in October 2012. In consideration of the Company providing such loan, Mr. Pace has agreed that the received shares are restricted from trading until (i) repayment of the loan, or (ii) notification that the borrower will sell some shares of the treasury shares to repay the loan to the Company. Thus, such shares may be transferred, but any proceeds from the sale of such shares must be paid to the Company to cover the loan commitment to the Company.

Please refer to Section 5.6 for a description of lock-up arrangements relating the Private Placement.

11. CORPORATE INFORMATION AND DESCRIPTION OF SHARE CAPITAL

11.1 Corporate information

The Company's registered name is PetroNor E&P Limited. The Company was incorporated on 16 May 2007 under the name Global Iron Limited ("**Global Iron**") and, first changed its name to African Petroleum Corporation Limited on 24 June 2010, after a reverse takeover by African Petroleum Corporation Limited (Cayman Islands). It then changed its name to PetroNor E&P Limited following the reverse take-over by PetroNor E&P Ltd (Cyprus) on 30 August 2019.

PetroNor is a public limited liability company, established under the laws of Australia. The Company is subject to the Australian Corporations Act and is registered with the Australian Securities and Investments Commission ("**ASIC**") under organization number ACN 125 419 730. The Company's LEI is 261700UAD5KVK8MV7J59.

More than 99.7% of the Company's Shares are tradable on the Oslo Euronext Expand under the ticker PNOR. The remaining balance of Company Shares are not listed and held by shareholders as paper certificates, as these shares have not been transferred by the shareholders to the Oslo Euronext Expand since the Company deregistered from the National Stock Exchange of Australia. As of the date of this Prospectus, PetroNor's issued share capital comprises 1,280,756,197 fully paid ordinary shares, authorised and issued in accordance with Australian law and the Company's Constitution. The Company has one class of shares, each Share carrying equal voting rights at general meetings. The Company's Constitution does not provide for limitations on the transferability or ownership of shares, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Australian Corporations Act or applicable stock exchange rules. The Company's share capital is nominated in AUD, but the shares have no par value.

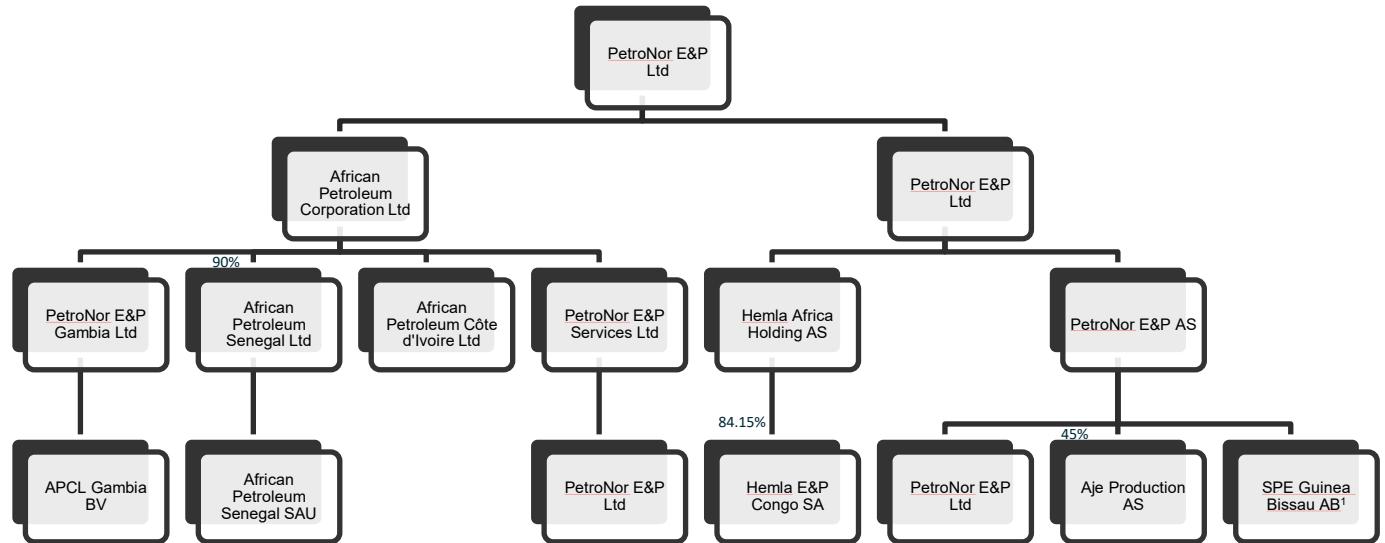
The Company's registered business address is Level 4, 16 Milligan Street, Perth, WA 6000, Australia. The principal offices of the Company are located in London, at 48 Dover Street, London, W1S 4FF, United Kingdom. The telephone number is +44 (0) 203 655 7810. The Company's website can be found at www.petronorep.com⁵

11.2 Legal structure

The Company is the ultimate parent company of the Group. In addition, the Group consists of 15 subsidiaries. The Group's subsidiaries are incorporated in multiple jurisdictions including, among other, Norway, United Kingdom and Cyprus as well as certain countries where the Group conducts its activities through its licences.

⁵ The information on the Company's website does not form part of the Prospectus unless that information is incorporated by reference into the Prospectus.

The figure below sets forth the legal structure of the Group².



¹Purchase of SPE Guinea Bissau AB received the pending regulatory approvals in Guinea-Bissau in late April 2021. As of 4 June 2021, SPE Guinea Bissau AB has changed its name to PetroNor E&P AB.

²The figure reflects successful completion of the Symero Transaction.

The table below contains a list of all the Company's subsidiaries.

Company name	Country of incorporation	Group ownership
African Petroleum Corporation Limited	Cayman Islands	100%
African Petroleum Côte d'Ivoire Limited	Cayman Islands	100%
African Petroleum Senegal Limited	Cayman Islands	90% ¹
African Petroleum Senegal SAU	Senegal	90%
Aje Production AS	Norway	45%
APCL Gambia B.V.	Netherlands	100%
Hemla Africa Holding AS	Norway	100% ²
Hemla E&P Congo S.A.	Republic of Congo	84.15% ³
PetroNor E&P AS	Norway	100%
PetroNor E&P Limited	United Kingdom	100%
PetroNor E&P Limited	Nigeria	100%
PetroNor E&P Ltd	Cyprus	100%

PetroNor E&P Gambia Limited	Cayman Islands	100%
PetroNor E&P Services Limited	United Kingdom	100%
PetroNor E&P AB	Sweden	100% ⁴

¹Remaining 10% shareholding held by Prestamex Limited

²Reflecting successful completion of the Symero Transaction

³Remaining 15.85% shareholding held by MGI International SA

⁴Purchase of SPE Guinea Bissau AB received the pending regulatory approvals in Guinea-Bissau in late April 2021. As of 4 June 2021, SPE Guinea Bissau AB has changed its name to PetroNor E&P AB.

11.3 Ownership structure

The Company is neither directly or indirectly controlled nor owned (i.e., over 50%) by any of its shareholders as illustrated below.

The Company's 30 largest shareholders as registered in the VPS as of 17 August 2021 are shown in the table below.

#	Shareholder	Number of shares	Per cent
1	Petromal LLC*	481,481,666	37.59%
2	NOR Energy AS**	143,555,857	11.21%
3	Symero Limited***	138,763,636	10.83%
4	Ambolt Invest AS	86,849,618	6.78%
5	Gulshagen III AS****	45,000,000	3.51%
6	Gulshagen IV AS****	45,000,000	3.51%
7	ENG Group Soparfi S.A.	36,281,428	2.83%
8	Energie AS	24,983,248	1.95%
9	Nordnet Livsforsikring AS	22,582,690	1.76%
10	Enga Invest AS	14,892,746	1.16%
11	Nordnet Bank AB	12,173,721	0.95%
12	Pust For Livet AS	9,560,582	0.75%
13	Omar Al-Qattan	7,645,454	0.60%
14	Leena Al-Qattan	7,645,454	0.60%
15	UBS Switzerland AG	7,239,936	0.57%
16	Sandberg JH AS	4,853,951	0.38%
17	Danske Bank A/S	4,393,571	0.34%
18	Avanza Bank AB	4,323,770	0.34%
19	Nordea Bank Abp	3,431,244	0.27%
20	Knutshaug Invest AS	3,386,161	0.26%
21	Saxo Bank A/S	2,963,434	0.23%
22	Gekko AS	2,546,531	0.20%
23	John Andreas Rognstad	2,500,000	0.20%
24	Ole Andreas Baksaas	2,418,809	0.19%
25	Øystein Brustad	2,100,000	0.16%
26	Morten Andre Jacobsen	2,000,000	0.16%
27	Frank Kristian Ludvigsen	1,900,200	0.15%
28	Kjetil Ellertsen	1,848,362	0.14%

29	Swedbank AB	1,700,191	0.13%
30	Minh Hoang Pham	1,590,000	0.12%
	Subtotal	1,125,987,180	87.92%
	Others	154,769,017	12.08%
	Total	1,280,756,197	100.00%

*Non-Executive Chairman, Mr. Alhomouz is the CEO of Petromal LLC. 109,520,419 of the shares held by Petromal LLC are recorded in the name of nominee company, Clearstream Banking S.A. on behalf of Petromal LLC.

**NOR Energy AS is a company controlled jointly by Mr. Søvold and Mr. Ludvigsen through indirect beneficial interest. 90,000,000 shares held by NOR Energy AS are pledged in favour of DNB Bank as security for a loan facility.

***Symero Limited is a 100% owned subsidiary of NOR Energy AS.

****Gulshagen III AS and Gulshagen IV are companies controlled by Mr. Søvold through an indirect beneficial interest

The Company has one class of Shares, each Share carrying equal voting rights at general meetings. Shareholders holding shares in the Company which are registered in the Norwegian Central Securities Depository (VPS) will need to exercise their voting rights through the VPS Registrar.

There is no difference in underlying voting rights attached to the Shares. The Company is not aware of any arrangements which may at a subsequent date result in a change in control of the Company. The Company is not aware of any persons or entities that, directly or indirectly, could exercise control over the Company.

The minority shareholders of the Company are afforded a number of protections as set out in the Australian Corporations Act, including, but not limited to those described in Section 11.8.5 below.

11.4 Shareholder rights

The following is a summary of the more significant rights attaching to shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights attaching to shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(A) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Australian Corporations Act and the Constitution.

(B) Voting rights

In accordance with market practice in Norway and system requirements of VPS and Oslo Euronext Expand, Shareholders of the Company registered in the VPS are registered in VPS as beneficial owners of the Shares and the instruments listed and traded on Oslo Euronext Expand are referred to as Shares in the Company. For the purpose of Australian law, the Australian Custodian is, however, regarded as the legal owner of such Shares and investors registered as the beneficial owners of such Shares in the VPS will have to exercise all rights of ownership relating to the Shares, indirectly through the VPS Registrar as their nominee. The investors registered as owners in the VPS must look solely to the VPS Registrar for the payment of dividends, for the exercise of voting rights attached to the Shares, and for all other rights arising in respect of the Shares. The Registrar Agreement provides that whenever the VPS Registrar receives any notice, report, accounts, financial statements, circular or other similar document relating to the Company's affairs, including notice of a Shareholders meeting, the VPS Registrar shall ensure that a copy of such document is promptly sent to the investors registered as owners in VPS, along with any proxy form or other relevant materials.

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a shareholder or a proxy, attorney or representative of a shareholder has one vote; and
- (iii) on a poll, every person present who is a shareholder or a proxy, attorney or representative of a shareholder shall, in respect of each fully paid share held by him/her, or in respect of which he/she is appointed a proxy, attorney or representative, have one vote for the share, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such shares registered in the shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited). Amounts paid in advance of a call are ignored when calculating the proportion.

(C) Dividend rights

Subject to the Australian Corporations Act, rules of any applicable stock exchange, rights of any preference shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the shareholders entitled to the dividend (including the rate of dividend or method of its calculation, periodicity and cumulative or non-cumulative nature of payments) which shall be payable on all shares according to the proportion that the amount paid or credited as paid is of the total amounts paid and payable (excluding amounts credited) in respect of such shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they believe to be justified subject to the requirements of the Australian Corporations Act and rules of any applicable stock exchange. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the rules of any applicable stock exchange and the Corporations Act, the Company may, by resolution of the Directors, implement on such terms and conditions as the Directors think fit, a dividend reinvestment plan which provides for any dividend which the Directors may declare from time to time payable on shares which are participating shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of ordinary fully paid shares.

(D) Winding-up

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide among the shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he/she considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the shareholders or different classes of shareholders.

The liquidator may, with the authority of a special resolution of the Company, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributors as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(E) Shareholder liability

Fully paid shares are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(F) Transfer of shares

Generally, shares are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or an applicable stock exchange.

(G) Pre-emptive rights

There are no provisions in the Constitution nor in the Australian Corporations Act which grant pre-emptive rights for existing shareholders in future share issues.

(H) Variation of rights

Pursuant to section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(I) Alteration of Constitution

The Constitution can only be amended by a special resolution passed by at least three quarters of shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

11.5 Convertible instruments, warrants and share options

Currently, the capital structure of the Company includes its ordinary shares as well as 213,400 unlisted share options with exercise price of 2.5 NOK/share to expire on 11 January 2022 and 1,176,070 unlisted share options with exercise price of 7.75 NOK/share expiring 31 May 2022.

11.6 Public takeover bids

No public takeover bids by third parties in respect of the Company's equity have occurred during the financial year ended 31 December 2020 or in the current financial year.

11.7 Constitution

The following is a summary of certain provisions of the Company's Constitution as of the date of this Prospectus. The Constitution was last amended on 2 April 2014. The summary does not purport to be complete and is qualified in its entirety by the Constitution and all applicable laws.

Share capital

The Company's share capital comprises of ordinary fully paid shares. The shares are registered in accordance with the Constitution of the Company and the Australian Corporations Act. The Company may by ordinary resolution and subject to the Australian Corporations Act and the rule of an applicable stock exchange:

- (A) all or any of its share capital into a smaller number of shares than its existing shares;
- (B) sub-divide all or any of its shares into a larger number of shares, but so that in the sub-division the proportion between the amount paid and the amount (if any) unpaid on each such share is the same as it was in the case of the share from which the sub-divided share is derived;
- (C) cancel shares that, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person or have been forfeited and reduce its share capital by the amount of the shares so cancelled; and
- (D) issue any of the un-issued authorised shares in the Company.

Board of Directors

The Company's Board of Directors is to consist of a minimum of three Directors and a maximum of twelve Directors. At the Company's annual general meeting held every year, one-third of the Directors for the time being, or if their number is not a multiple of three, then the number nearest one-third (rounded upwards in the case of doubt), shall retire from office, provided always that no Director except a managing director

shall hold office for a period in excess of three years, or until the third annual general meeting following their appointment, whichever is the longer, without submitting themselves for re-election. A retiring Director is eligible for re-election.

No other person than a Director seeking re-election shall be eligible for election to the office of Director at any general meeting unless the person or some shareholder intending to propose his or her nomination has, at least 30 business days before the meeting, left at the registered office a notice in writing duly signed by the nominee giving his or her consent to the nomination and signifying his or her candidature for the office or the intention of the shareholder to propose the person.

According to Clause 13.3 of the Constitution a shareholder intending to propose a director for election at a general meeting must submit such nomination to the Company at least 30 business days prior to the general meeting.

According to Clause 13.4 of the Constitution, the Board of Directors may at any time appoint a person to be a Director, provided that the maximum number of Directors is not exceeded. Any such Director appointed will hold office until the next general meeting and will be eligible for re-election.

Pursuant to Clause 14.5 of the Constitution, the Directors may at any time subject to the rules of an applicable stock exchange adopt any scheme or plan that provide retiring or superannuation benefits for both present and future non-executive Directors, provided, however, that such scheme or plan shall not exceed the benefits contemplated by the termination benefits provisions of the Australian Corporation Act. Under section 200B of the Australian Corporations Act, shareholder approval is required in order for an Australian company to give a benefit in connection with a person's loss of or retirement from a managerial or executive office with the company or a related body corporate, or in connection with the person's death at a time when they held that office. However, shareholder approval is not required if:

- (E) the benefit is either (i) a genuine payment by way of damages for breach of contract, (ii) a payment for past services or (iii) given under a contract made between the company and the executive before he or she was appointed to the office as consideration for them agreeing to the appointment; and
- (F) the value of the benefit, in conjunction with any other payments made in connection with the person's loss of or retirement from office, is no more than one year's average annual base salary.

Pursuant to Clause 15.3 of the Constitution, no business shall be transacted at any meeting of Directors unless a quorum is present, comprising two Directors present in person, or by instantaneous communication device, notwithstanding that less than two Directors may be permitted to vote on any particular resolution or resolutions at that meeting for any reason whatsoever. Where a quorum cannot be established for the consideration of a particular matter at a meeting of Directors, one or more of the Directors may call a general meeting of the Company to deal with the matter.

Restrictions on transfer of shares and lien on shares

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Australian Corporations Act or applicable rules of a stock exchange.

According to the Company's Constitution Clause 5.2, in the event that the Company due to any applicable legislation is required to make payment in respect of any shares, or in respect of any transfer of shares or of any dividends, bonuses or other moneys due or payable to any shareholder of the Company, the Company shall be fully indemnified by the shareholder and will have a lien on any dividends, bonuses and other monies payable in respect of the shares held by such shareholder, and may, subject to any applicable listing rules, refuse to register any transfer of such shares by this shareholder until any money and interest mention is set off or deducted or paid to the Company.

In addition, the Company's Constitution Clause 8.5 entitles the directors to refuse to register any transfer of shares for any reason, save any transfer made in accordance with the settlement rules applicable to the Company as a consequence of its listing on an applicable stock exchange.

Pre-emptive rights

There are no provisions in the Constitution, nor in the Australian Corporations Act, which grant pre-emptive rights for existing shareholders in future share issues.

General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company. Shareholders may requisition meetings in accordance with Section 249D or Section 249F of the Australian Corporations Act and the Constitution of the Company as follows:

- (A) under s. 249D, shareholders with at least 5 per cent of the votes that may be cast at the general meeting may request that the directors of a company call and arrange to hold a general meeting. The company must pay the expenses of calling and holding the meeting. The directors must call the meeting within 21 days after the request is given to the company and the meeting must be held within 2 months after the request is given; and
- (B) under s. 249F, shareholders with at least 5 per cent of the votes that may be cast at a general meeting of the company may call, and arrange to hold, a general meeting. The shareholders calling the meeting must pay the expenses of calling and holding the meeting and the meeting must be called in the same way, so far as is possible, in which general meetings of the company may be called.

Change of shareholder rights

Pursuant to Section 246B of the Australian Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

Under Australian law an offeror is entitled to make a proportional takeover bid for the shares of the Company. The Constitution contains a provision prohibiting the registration of the transfers of shares acquired under a proportional takeover bid unless shareholders who are not associated with the bidder approve the proportional takeover bid in a general meeting to be convened prior to 14 days before the end of the offer period for the proportional takeover bid. This provision of the Constitution must be approved by shareholders every three years otherwise it is deemed to have been removed from the Constitution after the expiration of the third year.

11.8 Certain aspects of Australian corporate law

11.8.1 General meetings and voting rights

The Company is required to give shareholders at least 21 days' notice of a meeting of shareholders. Each shareholder is entitled to receive notice of, attend and vote at general meetings of the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the Australian Corporations Act, Constitution and the listing rules applicable to the companies listed on the Euronext Expand.

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company. Shareholders may requisition meetings in accordance with Section 249D of the Australian Corporations Act and the Constitution of the Company.

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (A) each shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (B) on a show of hands, every person present who is a shareholder or a proxy, attorney or representative of a shareholder has one vote; and
- (C) on a poll, every person present who is a shareholder or a proxy, attorney or representative of a shareholder shall, in respect of each fully paid share held by him/her, or in respect of which he/she is appointed a proxy, attorney or representative, have one vote for the share, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such

shares registered in the shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

11.8.2 Additional issuances

Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, unissued shares shall be under the control of the Directors, and subject to the Australian Corporations Act, applicable listing rules and the Constitution of the Company, the Directors may at any time issue such number of shares either as ordinary shares or shares of a named class or classes at the issue price that the Directors determine and with such preferred, deferred or other special rights or restrictions, whether in regard to dividend, voting, return on capital or otherwise as the Directors shall in their absolute determine. The Company currently only has ordinary shares on issue.

11.8.3 Rights of redemption and repurchase of shares

The Company is not entitled to hold its own shares, and any shares so repurchased will need to be cancelled. Subject to the requirements in the Australian Corporations Act, an Australian company may purchase its own shares in accordance with the buy-back provisions of the Australian Corporations Act, on such terms and at such times as may be determined by the Directors from time to time and approved by the shareholders as required pursuant to the Australian Corporations Act.

The Australian Corporations Act recognises five basic types of share buy-backs. These are equal access, on market, employee share scheme, selective buy-back and minimum holding.

In addition to differences in approvals that apply to the different buy-back types, different rules also apply depending on if the share buy-back involves 10 per cent or less of the total shares to be purchased within a twelve-month period. This is called the 10/12 limit. The requirements for share buy-backs within the 10/12 limits are less onerous than those over that limit. The equal access, on-market, and selective buy-backs are most commonly used and are described in more detail below. Shares which are bought back by a company are automatically cancelled.

Equal access buy-backs

In an equal access buy-back, all ordinary shareholders are offered a reasonable opportunity to consider the offer, which is to buy back the same percentage of their ordinary shares under an off-market offer. Acceptance of the offer is voluntary.

If a proposed equal access share buy-back is over the 10/12 limit, it requires simple majority approval by shareholders in general meeting. A proposed equal access share buy-back within the 10/12 limit does not require a resolution.

Broadly, limits on an equal-access buy-back include:

- (A) a minimum of 14 days' notice to shareholders and creditors must be given by lodging the buy-back documents with ASIC;
- (B) shareholders must receive a reasonable time to consider the buy-back offer; and
- (C) the buy-back must be commenced and completed within a reasonable time of the notice being lodged with ASIC.

On-market buy-backs

An on-market buy-back is a different form of equal access buy-back, in that offers are not made directly to all shareholders. Instead, a company may purchase its shares directly on a licensed Australian stock exchange in the ordinary course of trading. On-market buy-backs conducted within the 10/12 limit do not require prior shareholder approval.

Selective buy-back

In addition to the requirements set out above for equal access buy-backs, a selective buy-back (one in which identical offers are not made to every shareholder and is not on-market) must first be approved by a

special resolution (requiring a 75 per cent majority) of the shareholders in which no vote is cast by selling shareholders or their associates. Selling shareholders may not vote in favour of a special resolution to approve a selective buy-back.

11.8.4 Shareholder vote on mergers and demergers

For a scheme of arrangement, the threshold voting is 50 per cent in number of those persons/entities that vote representing 75 per cent of the shares of those voted. There are no other specific thresholds for a merger or demerger under the Australian Corporations Act.

11.8.5 Minority Rights

The Australian Corporations Act provides remedies of oppressed minority shareholders. Section 232 of the Australian Corporations Act provides courts with wide-ranging powers to grant relief to a shareholder of a company if the conduct of a company's affairs (including any actual or proposed act, omission or resolution) is either: (a) contrary to the interests of the shareholders as a whole; or (b) oppressive to, unfairly prejudicial to, or unfairly discriminatory against, a shareholder or shareholders whether in that capacity or in any other capacity.

The section targets conduct that subjects the minority shareholder to some commercial unfairness. It is not enough that a shareholder is prejudiced or discriminated against, there must be an element of unfairness that goes beyond mere disadvantage.

Pursuant to the Australian Corporations Act, the court has the discretion (but is not obliged) to grant a range of remedies for the purposes of relieving the minority shareholder from the effects of oppression including an order: (a) that the company's existing constitution be modified or repealed; (b) that one or more shareholders purchase the minority shares at a price to be determined by the court; (c) that the company purchase the minority's shares; (d) that a receiver and manager be appointed; (e) requiring a person to do a specified act; (f) regulating the conduct of the company's affairs in the future; (g) injunctioning the company or any other person from doing an a specified act; and (h) that the company be wound up.

11.8.6 Distribution of assets on liquidation

On a winding-up of the Company, the liquidator may with the authority of a special resolution of the Company, as well as any other sanction required by law, distribute parts of or all assets of the Company among the shareholders. The liquidator may for that purpose value any of the Company's assets and determine how the distribution shall be carried out between the shareholders and different classes of shareholders.

Subject to the Australian Corporations Act and specific shareholder rights in a winding-up, all monies and property that are to be distributed among shareholders in a winding-up scenario, shall be distributed proportionate to the shareholder's respective shareholdings, irrespective of the amount paid-up or credited as paid-up on the shares.

11.8.7 Mandatory take-over regime

Takeovers of Australian incorporated companies are regulated under Chapter 6 of the Australian Corporations Act.

The regime under the Australian Corporations Act relates not only to takeover bids for voting shares in publicly listed entities, but also for non-voting shares and other securities, such as convertible debt securities and options over issued or unissued securities or other securities. It also regulates the shares and securities in Australian incorporated companies which are not publicly listed but which have more than fifty holders.

The regulation of takeovers is underpinned by a set of principles which aim to protect security holders and ensure that the transition of control in a public company occurs in a manner which is transparent, fair and treats all security holders equally. The principles are enshrined in section 602 of Chapter 6 of the Australian Corporations Act and provide that:

- (A) the acquisition of control should take place in an efficient, competitive and informed market;

- (B) security holders and directors of a target should: (i) know the identity of any bidder who proposes to acquire a substantial interest in the target; (ii) have a reasonable time to consider a proposal; and (iii) are given enough information to assess its merits; and
- (C) target security holders should have a reasonable and equal opportunity to participate in any benefits flowing from a proposal.

These principles form the basis for the fundamental takeovers prohibition (discussed below) and underpin the further provisions of Chapter 6 which regulate in detail the various aspects of takeovers in Australia. They also form the basis of challenges to, and decisions made by, the Takeovers Panel in relation to takeovers.

The fundamental feature of Chapter 6 is a general takeovers prohibition, contained in section 606 of the Australian Corporations Act, which prohibits a person from acquiring (whether by way of a purchase of existing securities or an issue of new securities) a 'relevant interest' in securities in an Australian company if because of the acquisition:

- (A) any person's voting power in the company would increase from below 20 per cent to more than 20 per cent; or
- (B) any person's voting power in the company that is above 20 per cent and below 90 per cent would increase,

unless the acquisition is expressly permitted by one of the 'gateways' set out at section 611 of the Australian Corporations Act. Although the prohibition is directed against the acquisition of voting securities, it has the corresponding effect of limiting the options available to a security holder wanting to sell a large holding, particularly one of more than 20 per cent, in an Australian public company. A summary of the types of acquisitions commonly permitted by section 611 is set out below.

Permitted gateways through the 20 per cent prohibition

Off market takeover bid	Acquisitions under a takeover offer made to all target security holders where security holders sell securities to a bidder by way of off-market acceptances.
On-market takeover bid	Acquisitions under a takeover offer (must be a cash offer) made to all target security holders where security holders sell securities to a bidder through a prescribed stock exchange (which does not include Euronext Expand).
Scheme of arrangement	Acquisitions under a scheme of arrangement approved by the target security holders and the Court. For a scheme of arrangement, a court must first approve the calling of the shareholder meeting and the material sent to shareholders for the meeting. Following the meeting, the company needs court approval of the resolutions passed at the shareholder meeting. Essentially, the second court meeting is a "rubber stamping" of the scheme of arrangement which is then filed with the Australian Securities & Investments Commission to take effect.
Security holder approval	Acquisitions made with the approval of independent target security holders not affiliated with the acquisition.
Creeping acquisition	Acquisitions of not more than 3 per cent of the voting power in a company in a 6 month period by a security holder already holding at least 19 per cent.
Rights issue	Acquisitions resulting from pro-rata rights issues offered equally to all security holders.

Underwriting	Acquisitions by an underwriter of an issue of securities made pursuant to a prospectus or other disclosure document.
Downstream	Indirect acquisitions resulting from an acquisition of securities in an 'upstream' company listed on a prescribed stock exchange (which does not include Euronext Expand) which itself has a relevant interest in a 'downstream' company listed on a prescribed stock exchange (which does not include Euronext Expand)

11.8.8 Foreign Investment

Foreign investment in, and ownership of, companies and property in Australia is regulated under the Foreign Acquisitions and Takeovers Act 1975 ("FATA"). The FATA is administered by the Foreign Investment Review Board, a division of the Treasury Department of the federal government ("Treasurer"). The ultimate responsibility for making decisions on foreign investment proposals rests with the Treasurer.

The FATA provides for, among other things, a notification and approval process for proposed investments in Australia by "foreign persons" (individuals, corporations or trusts), to acquire, or to increase, a substantial interest in, or acquire a controlling interest in, the assets of a prescribed Australian corporation valued above the relevant thresholds. Regulations (and accompanying guidelines) to FATA set out a number of exemptions from notification for small proposed transactions whilst large proposed transactions generally require notification; both are subject to determination as to whether they are in the Australian national interest. Under FATA, the threshold requirements for notification vary according to, for example, the nature of the foreign investor (i.e. whether the foreign investor is private or state-owned), the nature and value of the business to be acquired and the aggregate Australian land holding of that business.

The provisions of FATA generally provide that where:

- (A) the Treasurer is satisfied a person proposes to acquire shares in a company which carries on an Australian business;
- (B) the acquisition would result in the company being controlled by a foreign person; and
- (C) the result would be contrary to the national interest,

the Treasurer may make an order prohibiting the acquisition.

Generally, a proposed acquisition of shares (unless an exempt dealing under FATA) will have the effect of a foreign person acquiring a controlling interest in an Australian company if one of the following applies:

- (A) that person alone, or together with their associates, directly or indirectly acquires 20% or more of the shares or controls 20% or more of the voting power (or potential voting power) in an Australian company; or
- (B) that person, together with other foreign persons and each of their associates, directly or indirectly acquires 40% or more of the shares or controls 40% or more of the voting power (or potential voting power) in an Australian company.

If a foreign person is required to give notice of a proposed transaction to the Treasurer under FATA, it must either wait for the decision of the Treasurer or allow for a prescribed period following the notification to the Treasurer to lapse before entering into a binding agreement to acquire shares which will result in a foreign person acquiring a controlling interest in a company.

11.9 Summary of regulatory disclosures over the last 12 months

Companies listed on Euronext Expand are subject to disclosure requirements under the Norwegian Securities Trading Act and related secondary legislation, including Regulation (EU) No 596/2014. Below is a summary of certain disclosures made by the Company under its ticker code "PNOR" on www.newsweb.no in the 12 months prior to the date of this Prospectus.

Financial information:

Date	Title	Description
28 May 2021	Interim Financial Report for the Quarter Ended 31 March 2021	Release of the Company's unaudited interim financial report for Q1 2021.
30 April 2021	Audited Annual Financial Report – 31 December 2020	Release of the Company's audited annual financial report for the year ended 31 December 2020.
26 February 2021	Interim Financial Report Q4 2020	Release of the Company's unaudited interim financial report for Q4 2020.
30 November 2020	Interim Financial Report Q3 2020	Release of the Company's unaudited interim financial report for Q3 2020.
31 August 2020	Interim Financial Report for the Half-Year and Quarter Ended 30 June 2020	Release of the Company's unaudited interim financial report for the half-year and quarter ended 30 June 2020.

Other disclosures:

Date	Title	Description
16 July 2021	Transaction by Related Party of Primary Insider	Announcement regarding pledge of shares in PetroNor E&P Limited conducted by NOR Energy AS as security for a loan facility from DNB Bank.
9 July 2021	Issuance of Tranche 2a and Tranche 2b Private Placement Offer Shares, Subsequent Offering update, mandatory notification of trade and mandatory disclosure of shareholdings	Announcement regarding the issue of shares following completion of Tranche 2a and 2b of the Private Placement, information regarding the Subsequent Offering and mandatory notification of trade and disclosure of shareholdings
30 June 2021	PetroNor Announces Further Extension of Long Stop Date for Purchase of Aje	Announcement that the Company and Panoro have extended the date by which the Company to receive the required authorization in Nigeria to complete the transaction with Panoro
27 May 2021	Major Shareholding Notification	Notification of shareholder surpassing 5% ownership.
27 April 2021	Mandatory Notification of Trade	Notification of trade by primary insider.
26 April 2021	Guinea-Bissau Update	Announcement regarding receipt of in-country regulatory approvals of the Company's purchase of SPE Guinea Bissau AB from Svenska Petroleum Exploration AB
5 April 2021	Senegal Update	Announcement regarding resuming of the arbitration proceedings
18 March 2021	VPS Registration of Tranche 1 of Private Placement Share Capital	Announcement regarding the registration of the new share capital in VPS

15 March 2021	Tranche 1 of Private Placement Share Capital Issued	Announcement regarding the issue of the new share capital following the private placement
15 March 2021	Correction of Primary Insider Notification	Notification of trade by primary insider.
12 March 2021	Subsequent offering – Key information	Information regarding a potential subsequent offering to existing shareholders
12 March 2021	PetroNor E&P Limited Successfully Completes NOK 340 Million Private Placement	Announcement that the Company successfully completed a private placement of NOK 340 million
11 March 2021	Reserves replacement ratio for 2P oil of ~300% in PNGF Sud, Congo Brazzaville	Announcement of increase in the Company's reserves in its asset in Congo Brazzaville following publication of an updated Competent Person's Report by AGR Petroleum Services AS
8 March 2021	Mandatory Notification of Trade	Notification of trade by primary insider.
18 February 2021	PetroNor E&P Limited Announces Increase in Indirect Ownership of PNGF Sud to 16.83%, Financing Plans and Equity Investor Meetings	Announcement that the Company's net indirect interest in PNGF Sud would increase from 10.5% to 16.83%. Announcement that the Company was considering to raise USD 50 million to USD 60 million of new equity.
2 February 2021	Further Extension of Senegal Arbitration Suspension	Announcement that the suspension period for arbitration with Senegal had been extended by an additional two months.
31 December 2020	PetroNor Announces Extension of Long Stop Date for Purchase of Aje	Announcement that the Company and Panoro Energy AS had agreed to extend the completion long stop date for the purchase of Panoro's fully owned subsidiaries that hold 100% of the shares in Pan Petroleum Aje Limited.
30 December 2020	Mandatory Notification of Trade	Notification of trade by primary insider.
29 November 2020	Mandatory Notification of Trade	Notification of trade by primary insider.
20 November 2020	Petronor Adds High Potential Guinea-Bissau Acreage to Portfolio	Announcement of the Company's acquisition of SPE Guinea Bissau AB, entitling the Company to assume operatorship of certain licenses in Guinea-Bissau (subject to government approval).
30 October 2020	Extension of Senegal Arbitration Suspension	Announcement that the suspension period for arbitration with Senegal had been extended by an additional three months.
27 October 2020	Judgment from Court of Appeal in relation to dispute concerning Company's Asset in Congo	Announcement that an appeal in relation to a lawsuit by Mr. Trond Kostveit against certain shareholders in the Company, and involving the Company's subsidiary HAH, had been rejected.
26 October 2020	Update on Senegal Arbitration	Announcement that case details were available on ICSID's website, and that proceedings had been suspended until 2 November 2020.

19 September 2020	Agreement with The Gambia	Announcement that the Company had reached a mutual agreement with the government of The Gambia to settle arbitration related to certain licenses.
25 August 2020	Mandatory Notification of Trade	Notification of trade by primary insider.

11.10 Change of domicile

The plans previously announced in February 2020, to redomicile the Company to Europe during H2-2020 in order to streamline the corporate structure and reduce corporate overheads have not yet been executed. The entire process was estimated to take 3 months, but this project has been delayed due to COVID-19 and is now expected to take place during the course of 2021.

12. DIVIDENDS AND DIVIDEND POLICY

12.1 Dividend policy

The Company's objective is to create lasting value and provide competitive returns to its shareholders through profitability and growth and long-term returns to shareholders in the form of increased share price as well as dividends. Dividends is assumed to arise in line with the growth in the Company's results while at the same time recognizing the opportunities for adding value through new profitable investments.

Up to and including the date of this Prospectus, the Company has neither declared nor paid any dividends.

12.2 Payment of dividends

Subject to the Australian Corporations Act, rules of any applicable stock exchange, rights of any preference shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the shareholders entitled to the dividend (including the rate of dividend or method of its calculation, periodicity and cumulative or non-cumulative nature of payments) which shall be payable on all shares according to the proportion that the amount paid or credited as paid is of the total amounts paid and payable (excluding amounts credited) in respect of such shares.

The Company will incur a debt to shareholders at the time when the dividend is declared. Alternatively, if the Directors have determined to pay a dividend at a future date (rather than declare a dividend), the debt to shareholders arises at the time fixed for payment. The shareholders entitled to a dividend will be those on the register of members at the time the dividend is declared or, if applicable, the relevant record date set by the Directors in relation to a determination to pay a dividend.

Under the Constitution, except as otherwise provided by statute, all dividends unclaimed for one year after having been declared may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed.

The Directors may from time to time pay to the Shareholders any interim dividends as they believe to be justified subject to the requirements of the Australian Corporations Act and the rules of any applicable stock exchange. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the rules of any applicable stock exchange and the Corporations Act, the Company may, by resolution of the Directors, implement on such terms and conditions as the Directors think fit, a dividend reinvestment plan which provides for any dividend which the Directors may declare from time to time payable on shares which are participating shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of ordinary fully paid shares.

There are no dividend restrictions or specific procedures for the right of non-Australian resident shareholders to claim dividends. However, where a non-resident investor holds shares in the Company, any dividends (or other amounts treated as dividend for Australian income tax purposes) paid by the Company may be subject to dividend withholding tax as further described in Section 14 "Taxation."

Under Australian law, a company must not pay a dividend unless:

- a) Assets exceed liabilities immediately before the dividend is declared and the excess is sufficient to cover the payment of the dividend;
- b) The payment of the dividend is fair and reasonable to the shareholders as a whole; and
- c) The payment of the dividend does not materially prejudice the company's ability to pay its creditors.

In addition, there is a generally accepted common law principle that dividends may only be paid out of profits, although this point has not been finally determined by the courts.

Directors may determine that a dividend is payable and fix the amount, time for payment and the method of payment.

13. SECURITIES TRADING IN NORWAY

13.1 The VPS and transfer of shares

The VPS is the Norwegian paperless centralised securities register. The ownership, and all transactions relating to, securities which are listed on a Norwegian regulated market, such as Euronext Expand, are required to be registered in a securities register which is licenced to operate in Norway. Currently the VPS is the only securities register which is licenced to operate in Norway. The VPS and Euronext Expand are both wholly owned by Oslo Børs VPS Holding ASA.

All transactions relating to securities registered with the VPS are made through computerised book entries. No physical share certificates are, or may be, issued. The VPS confirms each entry by sending a transcript to the registered shareholder irrespective of any beneficial ownership. To give effect to such entries, the individual shareholder must establish a share account with an account agent, licenced to operate in Norway. Norwegian banks, Norges Bank (that is, Norway's central bank), authorised securities brokers in Norway and Norwegian branches of credit institutions established within the EEA, or credit institutions established within the EEA operating cross-border into Norway are allowed to act as account agents.

In order to enable registration of depository receipts in the VPS, the Company's shares are placed in a custodian account of the VPS Registrar in the Issuer Sponsored Sub-register, with the Australian Custodian, as custodian for the VPS Registrar. Although the Australian Custodian will hold the Shares in the Issuer Sponsored Sub-register it will only do so as the registered owner and custodian for the VPS Registrar to the benefit of the holders.

The VPS Registrar will, in its capacity as such, operate the Company's register in the VPS which will record the beneficial owners of the shares as owners of a corresponding number of Depository Receipts.

The technical settlement of any trading of Depository Receipts on Euronext Expand will be carried out by transfer of such Depository Receipts in the VPS Register. Each Depository Receipt will represent the beneficial ownership to one underlying share. The VPS Registrar's business address is Dronning Eufemias gate 30, 00191 Oslo, Norway and its postal address is: P.O. Box 1600 Sentrum, 0021 Oslo, Norway. The VPS Registrar's name is DNB Bank ASA (Nw.: *Allmenaksjeselskap*), operating under the laws of Norway and incorporated on 10 September 2002. The VPS Registrar has LEI Code 549300GKFG0RYRRQ1414. The length of life of the VPS Registrar is considered indefinite.

In accordance with market practice in Norway and system requirements of VPS and Euronext Expand, the investors will be registered in VPS as beneficial owners of the underlying shares and the instruments listed and traded on Euronext Expand (i.e. the Depository Receipts) will be referred to as shares in the Company. For the purpose of Australian law, the Australian Custodian will, however, be regarded as the legal owner of the underlying shares and investors registered as the beneficial owners of the underlying shares in the VPS will have to exercise all rights of ownership relating to the underlying shares, indirectly through the VPS Registrar as their nominee. The investors registered as owners in the VPS must look solely to the VPS Registrar for the payment of dividends, for the exercise of voting rights attached to the shares, and for all other rights arising in respect of the shares. Subject to the VPS Registrar having received the necessary information from the Company, the VPS Registrar will distribute to the investors all dividends or other cash amounts declared and paid by the Company in accordance with the VPS system for payment of dividend. The Registrar Agreement provides that whenever the VPS Registrar receives any notice, report, accounts, financial statements, circular or other similar document relating to the Company's affairs, including notice of a shareholders meeting, the VPS Registrar shall ensure that a copy of such document is promptly sent to the investors registered as owners in VPS, along with any proxy form or other relevant materials.

As a matter of Norwegian law, the entry of a transaction in the VPS is *prima facie* evidence in determining the legal rights of parties as against the issuing company or any third party claiming an interest in the given security. A transferee or assignee of shares may not exercise the rights of a shareholder with respect to such shares unless such transferee or assignee has registered such shareholding or has reported and shown evidence of such share acquisition, and the acquisition is not prevented by law, the relevant company's Constitution or otherwise.

The VPS is liable for any loss suffered as a result of faulty registration or an amendment to, or deletion of, rights in respect of registered securities unless the error is caused by matters outside the VPS's control

which the VPS could not reasonably be expected to avoid or overcome the consequences of. Damages payable by the VPS may, however, be reduced in the event of contributory negligence by the aggrieved party.

The VPS must provide information to the Norwegian FSA on an ongoing basis, as well as any information that the Norwegian FSA requests. Further, Norwegian tax authorities may require certain information from the VPS regarding any individual's holdings of securities, including information about dividends and interest payments.

13.2 Cross border trading of shares

Shareholders may execute cross border trading between the VPS and the Issuer Sponsored Sub-register via the VPS Registrar in its capacity as Company sub-registrar in the VPS and the Australian Custodian.

If a shareholder wishes to transfer the trading of its Shares from Australia to Norway or from Norway to Australia, the procedure outlined below must be followed, the shareholder being both the "delivering party" and the "receiving party".

When shares are to be transferred into Norway, the recipient party to the Shares authorises the VPS Registrar to receive the Shares, and instructs to the delivering party in Australia to have the Shares transferred to the Australian Custodian. Upon the VPS Registrar's receipt of confirmation from the Australian Custodian that the Shares have been received, the Depository Receipts will be created and delivered to the VPS account of the recipient party in Norway.

When Depository Receipts are to be transferred out of Norway for receipt and trading in Australia, the delivering party in Norway advises the VPS Registrar on delivery and transfer its Depository Receipts to an intermediary VPS account of the VPS Registrar. Further, the delivering party advises the recipient party that it is to receive the Shares from the Australian Custodian. Upon the VPS Registrar's receipt of the Depository Receipts, the VPS Registrar will instruct the Australian Custodian to deliver the shares to the recipient party in Australia. Once the Australian Custodian confirms the delivery of the shares to the recipient Party, the VPS Registered Shares will be delivered to the intermediary VPS account of the VPS Registrar is terminated from registration in the VPS system. Transfers may only be done "free of pay", thus cash settlement will have to be agreed upon separately between the trading parties. The transfer of trading between Norway and Australia will normally take between one and two business days.

Please note that a charge in addition to any broker fees will apply for any transfers in or out of the VPS.

13.3 Nominee accounts

Holders of shares in non-Norwegian companies may register their shares in the VPS in the name of a nominee (bank or other nominee) approved by the Norwegian FSA. An approved and registered nominee has a duty to provide information on demand about beneficial shareholders to the company and to the Norwegian authorities. In case of registration by nominees, the registration in the VPS must show that the registered owner is a nominee. A registered nominee has the right to receive dividends and other distributions, but cannot vote in general meetings on behalf of the beneficial owners.

13.4 Mandatory offer requirement

As the Company is listed on a regulated market place in its home jurisdiction and subject to the Australian take-over rules, the Norwegian take-over rules do not apply. The Oslo Stock Exchange has granted the Company an exemption from the Norwegian rules. As such, the Company and its shareholders will only be subject to the Australian take-over rules, as further described in section 11.8.7 above.

13.5 Foreign exchange controls

There are currently no foreign exchange control restrictions in Norway that would potentially restrict the payment of dividends to a shareholder in Norway, and there are currently no restrictions that would affect the right of shareholders of a non-Norwegian company who are residents in Norway to dispose of their shares and receive the proceeds from a disposal in or outside of Norway. There is no maximum transferable amount either to or from Norway, although transferring banks are required to submit reports on foreign currency exchange transactions into and out of Norway into a central data register maintained by the

Norwegian customs and excise authorities. The Norwegian police, tax authorities, customs and excise authorities, the National Insurance Administration and the Norwegian FSA have electronic access to the data in this register.

There are currently Australian exchange controls which restrict remittance of dividends, interest or other payments by the Company to non-resident shareholders outside of Australia, if the non-resident holders are certain persons or entities designated by the Australian Minister of Foreign Affairs or Minister for Trade (as applicable) as being associated with specified foreign governments (including North Korea, Iran and Syria). The Australian Government has also implemented certain financial sanctions made by the United Nations Security Council which prevents dealing with financial resources owned by or giving financial resources to designated persons or entities.

14. TAXATION

Set out below is a summary of certain Norwegian and Australian tax matters related to Company's Shares. The statements below regarding Norwegian and Australian taxation are based on the laws in force and administrative practice in Norway and Australia as of the date of this Prospectus, which may be subject to any changes in law occurring after such date. Such changes could possibly be made on a retroactive basis. Shareholders should be aware that the ultimate interpretation of tax law rests with the relevant courts. The summary does not address tax laws in other jurisdictions.

The summary is of a general nature and does not purport to be a comprehensive description of all the Norwegian and Australian tax considerations that may be relevant for a decision to purchase, own or dispose of shares in the Company. Shareholders who wish to clarify their own tax situation should consult with and rely upon their own tax advisers. Shareholders resident in jurisdictions other than Norway or Australia and shareholders who cease to be resident in Norway or Australia for tax purposes (due to domestic tax law or tax treaty) should specifically consult with and rely upon their own tax advisers with respect to the tax position in their country of residence and the tax consequences related to ceasing to be resident in Norway or Australia for tax purposes. The summary only applies to shareholders who are beneficial owners of the shares.

Please note that for the purpose of the summary below, a reference to a Norwegian or Australian or non-Norwegian/non-Australian shareholder refers to the tax residency rather than the nationality of the shareholder.

14.1 Taxation of the Company

As the Company is an Australian resident for income tax purposes, it will be taxed on its worldwide income at the Australian corporate tax rate which is currently 25 per cent if the Company is considered a base rate entity or 30 per cent in all other cases. The payment of Australian corporate tax by the Company will generate franking credits which may be passed onto shareholders upon payment of dividends (see below).

Losses which the Company makes whether on revenue or capital account may be used by the Company to offset its taxable income provided it satisfies certain company loss rules. Such losses cannot be distributed to shareholders for their benefit.

14.2 Norway

Set out below is a summary of certain Norwegian tax matters related to the purchase, holding and disposal of the Company's Shares. Please note that for these purposes, a reference to a Norwegian or non-Norwegian shareholder refers to the tax residency rather than the nationality of the shareholder.

There may be Australian tax consequences for Norwegian holders of the Company's Shares, including on disposal of the shares. These are discussed below in Section 14.3 "Australian taxation".

14.2.1 Individual investors

Dividends

Dividends from the Company received by shareholders who are individuals resident in Norway for tax purposes are taxable as ordinary income for such shareholders at a flat effective rate of 31.68 per cent to the extent the dividend exceeds a tax-free allowance. (i.e. dividends received, less the tax free allowance, shall be multiplied by 1.44 which is then included as ordinary income taxable at a flat rate of 22%, increasing the effective tax rate on dividends received by Norwegian Individual investor to 31.68%).

The allowance is calculated on a share-by-share basis. The allowance for each share is equal to the cost price of the share multiplied by a determined risk free interest rate. The risk-free interest rate is based on the effective rate after tax of interest on treasury bills (Norwegian: "statskasseveksler") with three months maturity. The allowance is calculated for each calendar year, and is allocated solely to Norwegian individual shareholders holding shares at the expiration of the relevant calendar year. Norwegian individual shareholders who transfer shares will thus not be entitled to deduct any calculated allowance related to the year of transfer. Any part of the calculated allowance one year exceeding the dividend distributed on the share ("excess allowance") may be carried forward and set off against future dividends received on, or

gains upon realization, of the same share. Any excess allowance will also be included in the basis for calculating the allowance on the same share the following years.

To the extent withholding tax is levied in Australia (up to 15 per cent according to the tax treaty), double taxation will in general be avoidable in Norway in accordance with the tax treaty and/or domestic Norwegian Tax legislation, through a credit in Norwegian tax for tax paid in Australia. The Company will be responsible for withholding tax at the applicable rate of withholding.

Disposal of shares

Sale, redemptions which alters the relative ownership of the Company or other disposal of shares is considered a realization for Norwegian tax purposes. A capital gain or loss generated by a Norwegian individual shareholder through a realization of shares is taxable or tax deductible in Norway. Such capital gain or loss is included in or deducted from the shareholder's ordinary income in the year of disposal. Ordinary income is taxable at a rate of 22 per cent, but the effective tax rate on a gain on disposal of shares is 31.68 per cent due to the 1.44 gross up method described above. The gain is subject to tax and the loss is tax-deductible irrespective of the duration of the ownership and the number of shares disposed of.

The taxable gain/deductible loss is calculated per share, as the difference between the consideration for the share and the Norwegian individual shareholder's cost price of the share, including any costs incurred in relation to the acquisition or realization of the share. From this capital gain, Norwegian individual shareholders are entitled to deduct a calculated allowance, provided that such allowance has not already been used to reduce taxable dividend income. See above for a description of the calculation of the allowance. The allowance may only be deducted in order to reduce a taxable gain, and cannot increase or produce a deductible loss, i.e. any unused allowance exceeding the capital gain upon the realization of a share will be annulled (and may not be set off against gains from realization of other shares).

If the Norwegian individual shareholder owns shares acquired at different points in time, the shares that were acquired first will be regarded as the first to be disposed of, on a first-in first-out basis.

If a Norwegian individual shareholder ceases to be a tax resident of Norway certain specific regulations applies with regard to realization of shares held by such person.

14.2.2 Corporate investors

Dividends

Dividends from the Company received by shareholders who are Norwegian corporate investors (i.e. limited liability companies and similar entities) resident in Norway for tax purposes are in general taxable as ordinary income. Ordinary income is subject to tax at a flat rate of 22 per cent.

The Company has its tax resident in Australia. Norwegian corporate investors are not taxed on dividends received on shares in limited liability companies and similar entities tax resident in jurisdictions outside the EEA area provided that the jurisdiction is not considered to be a low tax jurisdiction and that the corporate shareholder has been the beneficial owner of at least 10 per cent of the capital and has at least 10 per cent of the votes to be given in a shareholders meeting of the company for a consecutive period of two years. Whether a jurisdiction is a low tax jurisdiction for Norwegian tax purposes is based on a case to case assessment. However, jurisdictions which have an effective tax rate less than 2/3 of the Norwegian effective corporate tax rate is considered to be a low tax jurisdiction for Norwegian tax purposes. Based on information available at the date of this Prospectus, the Company does not appear to be located in a low tax jurisdiction. When dividends qualify for the Norwegian participation exemption, 3 per cent of the dividend is taxed as ordinary income at the 22 per cent rate (i.e. 22 per cent tax on 3 per cent = 0.66 per cent effective tax).

To the extent withholding tax is levied in Australia (up to 15 per cent according to the tax treaty, although 5 per cent if the ownership interest held is at least 10 per cent), double taxation will in general be avoidable in Norway in accordance with the tax treaty and/or domestic Norwegian Tax legislation, through a credit in Norwegian tax for tax paid in Australia, or alternatively, by way of application of the Norwegian participation exemption. The Company will be responsible for withholding tax at the applicable rate of withholding.

Disposal of shares

Sale, redemption or other disposal of shares is considered a realisation for Norwegian tax purposes. Capital gains by shareholders who are Norwegian corporate investors (i.e. limited liability companies and similar entities) resident in Norway for tax purposes, from the realisation of shares in the Company, are in general taxable as ordinary income. Ordinary income is subject to a flat tax rate of 22 per cent.

Norwegian corporate investors are, however, not taxed on gains on shares in limited liability companies and similar entities tax resident in jurisdictions outside the EEA area provided that the jurisdiction is not considered to be a low tax jurisdiction and that the corporate shareholder has been the beneficial owner of at least 10 per cent of the capital and has at least 10 per cent of the votes to be given in a shareholders meeting of the company for a consecutive period of two years. Whether a jurisdiction is a low tax jurisdiction for Norwegian tax purposes is based on a case by case assessment. However, jurisdictions which have an effective tax rate less than 2/3 of the Norwegian effective corporate tax rate is considered to be a low tax jurisdiction for Norwegian tax purposes. Based on information available at the date of this Prospectus, the Company does not appear to be located in a low tax jurisdiction.

14.2.3 Net wealth tax

The value of shares is included in the basis for the computation of wealth tax imposed on Norwegian individual investors. Currently, the marginal wealth tax rate is 0.85 per cent on net wealth of NOK 1.5 million and higher. The value for assessment purposes for shares listed on Euronext Expand is 55 per cent of the listed value as of 1 January in the year of assessment.

Norwegian corporate investors are not subject to wealth tax.

14.3 Australian taxation

14.3.1 Share disposals

(i) Capital gains tax - Australian shareholders

Shareholders who hold their shares on capital account will make a capital gain on the disposal of such shares where the capital proceeds received on disposal exceed the shares' cost base. Broadly, a share's cost base will include the price paid by the shareholder, certain incidental costs, and the costs of owning the shares (e.g. interest on money borrowed to acquire the shares where the interest is not otherwise allowable as a tax deduction).

Conversely, a shareholder will make a capital loss on the disposal of a share where the disposal proceeds received are less than the share's reduced cost base. The reduced cost base includes the price paid by the shareholder and incidental costs. However, it does not include the costs of owning the share.

Capital gains and capital losses made by a shareholder in an income year are aggregated, and it is only the net capital gain which is included in the shareholder's assessable income. Net capital losses can only be used to offset capital gains. Capital losses cannot be used to offset other assessable income, but may be carried forward to offset capital gains derived by the shareholder in future income years. Shareholders who are companies are only able to carry forward capital losses where they satisfy certain company loss rules.

A shareholder who has owned their shares for more than 12 months and is either an individual or a trustee may claim the benefit of the capital gains tax ("CGT") discount concession to exempt from tax a portion of any capital gain made on the disposal of the shares. The portion exempted is generally 50 per cent where the shareholder is an individual or a trustee of a trust (other than a trustee of a complying superannuation fund), or 33.33 per cent for a trustee of a complying superannuation fund. Shareholders who are companies are not able to claim the benefit of the CGT discount.

(ii) Capital gains tax - Non-Australian shareholders

Non-Australian shareholders who (together with their associates) hold less than 10 per cent of the interests in the Company are not liable to pay Australian tax on any capital gain made on the disposal of their shares.

Non-Australian shareholders who own a 10 per cent or more interest in the Company would be subject to Australian capital gains tax if, at the time of the disposal, more than 50 per cent of the Company's direct or

indirect assets determined by reference to market value, consists of Australian land, leasehold interests or Australian mining, quarrying or prospecting rights. Australian capital gains tax applies to net capital gains at a taxpayer's marginal tax rate.

The Australian government has proposed that a new withholding regime will apply from 1 July 2016. This new regime may require a purchaser of shares to withhold 12.5 per cent of the purchase price of the shares if the company holds, directly or indirectly, valuable Australian real property assets.

Non-Australian shareholders are not entitled to a CGT discount. Net capital gains are calculated after reduction for capital losses, which may only be offset against capital gains.

(iii) Shareholders holding shares on revenue account

Some shareholders may hold shares on revenue rather than on capital account, for example, share traders. Broadly, Australian shareholders holding their shares on revenue account will include the profit arising from the disposal of their shares in their assessable income and will be taxed on the profit at applicable tax rates. Conversely, a loss arising from the disposal of shares held on revenue account may be allowed as a deduction from assessable income.

Non-Australian shareholders who hold their shares on revenue account and do not have the benefit of a tax treaty may be subject to tax on the profit from the sale if the profit has an Australian source. The Australian law on the source of profits on the sale of shares, and the Commissioner of Taxation's interpretation of that law, is not clear in some circumstances. Non-Australian shareholders holding their shares on revenue account should seek their own Australian tax advice.

To the extent an amount would be included in a shareholder's assessable income under both the capital gains tax provisions and the ordinary income provisions, the capital gain amount would generally be reduced, so that the shareholder would not be subject to double tax on any part of the profit or capital gain.

(iv) Other shareholders

Shareholders who are banks, insurance companies, tax exempt organisations, superannuation funds or who acquire their shares under an employee share or option plan may be subject to special or different tax consequences peculiar to their circumstances which are not discussed in this summary.

14.3.2 **Dividends**

Australia operates a dividend imputation system under which dividends may be declared to be 'franked' to the extent that Australian tax is paid on company profits. Franking credits do not arise in respect of foreign tax paid by an Australian company.

Franked dividends have franking credits attached to them which represent the Australian corporate tax that has already been paid on the profits distributed. An unfranked dividend is paid from profits which have not been subject to Australian corporate tax, and has no franking credits attached.

The tax consequences for a shareholder receiving a dividend differ depending on the residency status of the shareholder and whether a dividend is franked or unfranked.

(i) Australian shareholders

Australian resident shareholders are required to include dividends together with any attached franking credits in their assessable income. Provided a shareholder has held their shares at risk for the requisite holding period, they may claim a tax offset equal to the amount of franking credits attached to the dividend. Shareholders who are individuals or complying superannuation funds may claim a refund to the extent that the tax offset exceeds their tax liability for the income year.

Where a franked dividend is paid to a shareholder who is an Australian resident corporate entity, a franking credit will arise in the corporate entity's franking account to the extent that the dividend is franked. Such a corporate shareholder cannot claim a refund for excess franking credits but may convert them into tax losses.

Unfranked dividends are included in an Australian resident shareholder's assessable income and subject to tax at applicable tax rates. No tax offsets can be claimed in respect of unfranked dividends.

(ii) **Non-Australian shareholders**

Fully franked dividends are not subject to dividend withholding tax.

Dividends payable to non-Australian resident shareholders that are not operating from an Australian permanent establishment will be subject to dividend withholding tax, to the extent the dividends are not foreign sourced and declared to be conduit foreign income and are unfranked. For shareholders who do not qualify for the benefit of a tax treaty, the rate of withholding will be 30 per cent. For shareholders who qualify for the benefits of a Double Taxation Convention, the rate of withholding may be limited to a lower rate. The Company will be responsible for withholding tax at the applicable rate of withholding.

14.3.3 Tax file number withholding

Whilst Australian resident shareholders are not obliged to, they should provide the Company with their tax file number ("TFN"). Failure to do so may result in the Company being required to withhold tax at the top marginal individual rate including Medicare levy from any dividends paid to the shareholder. Where a shareholder invests in the Company in the course of carrying on an enterprise then they may quote their Australian Business Number instead.

A Shareholder who has been subjected to TFN withholding may claim a credit in their annual income tax return to the extent of the tax withheld. Non-resident shareholders are generally exempt from TFN withholding.

14.4 Cautionary note regarding taxation

Investors are cautioned that the tax legislation of the investor's Member State and of the Company's country of incorporation may have an impact on the income received from the securities.

15. SELLING AND TRANSFER RESTRICTIONS

15.1 General

As a consequence of the following restrictions, prospective investors are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the Shares.

Other than in Norway, the Company is not taking any action to permit a public offering of the Shares in any jurisdiction. Receipt of this Prospectus will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, this Prospectus is for information only and should not be copied or redistributed. Except as otherwise disclosed in this Prospectus, if an investor receives a copy of this Prospectus in any jurisdiction other than Norway, the investor may not treat this Prospectus as constituting an invitation or offer to it, nor should the investor in any event deal in the Shares, unless, in the relevant jurisdiction, such an invitation or offer could lawfully be made to that investor, or the Shares could lawfully be dealt in without contravention of any unfulfilled registration or other legal requirements. Accordingly, if an investor receives a copy of this Prospectus, the investor should not distribute or send the same, or transfer Shares, to any person or in or into any jurisdiction where to do so would or might contravene local securities laws or regulations.

15.2 Selling restrictions

15.2.1 United States

The Offer Shares have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold except: (i) within the United States to QIBs in reliance on Rule 144A; or (ii) to certain persons in offshore transactions in compliance with Regulation S under the U.S. Securities Act, and in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction. Accordingly, each Manager has represented and agreed that it has not offered or sold, and will not offer or sell, any of the Offer Shares as part of its allocation at any time other than to QIBs in the United States in accordance with Rule 144A or outside of the United States in compliance with Rule 903 of Regulation S. Transfer of the Offer Shares will be restricted and each purchaser of the Offer Shares in the United States will be required to make certain acknowledgements, representations and agreements, as described under Section 16.3.1 below.

15.2.2 United Kingdom

This Prospectus and any other material in relation to the Subsequent Offering described herein is only being distributed to, and is only directed at persons in the United Kingdom who are qualified investors within the meaning of Article 2(e) of the Prospectus Regulation ("qualified investors") that are also (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"); (ii) high net worth entities or other persons falling within Article 49(2)(a) to (d) of the Order; or (iii) persons to whom distributions may otherwise lawfully be made (all such persons together being referred to as "Relevant Persons"). The Offer Shares are only available to, and any investment or investment activity to which this Prospectus relates is available only to, and will be engaged in only with, Relevant Persons. This Prospectus and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other person in the United Kingdom. Persons who are not Relevant Persons should not take any action on the basis of this Prospectus and should not rely on it.

15.2.3 European Economic Area

In relation to each Relevant Member State, no Offer Shares have been offered or will be offered to the public in that Relevant Member State, pursuant to the Subsequent Offering, except that Offer Shares may be offered to the public in that Relevant Member State at any time in reliance on the following exemptions under the EU Prospectus Regulation:

- a) to persons who are "qualified investors" within the meaning of Article 2(e) in the EU Prospectus Regulation;
- b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation) per Relevant Member State, with the prior written consent of the Managers for any such offer; or

- c) in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation;

provided that no such offer of Offer Shares shall require the Company or the Managers to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation.

For the purpose of this provision, the expression an "offer to the public" in relation to any Offer Shares in any Relevant Member State means a communication to persons in any form and by any means presenting sufficient information on the terms of the Subsequent Offering and the Offer Shares to be offered, so as to enable an investor to decide to acquire any Offer Shares.

Each person in a Relevant Member State who receives any communication in respect of, or who acquires any Offered Shares under, the Subsequent Offering contemplated hereby will be deemed to have represented, warranted and agreed to and with each of the Company and the Managers that it is a qualified investor within the meaning of Article 2(e) of the EU Prospectus Regulation.

This EEA selling restriction is in addition to any other selling restrictions set out in this Prospectus.

15.2.4 Australia

This Prospectus has not been lodged with the Australian Securities and Investments Commission, and is not a disclosure document for the purposes of Chapter 6D of the Corporations Act 2001 (Cth) (the "Corporations Act"). This Prospectus does not constitute an offer in Australia to any person who is not a "sophisticated investor" or "professional investor" (as defined in section 708 the Corporations Act), unless it is otherwise lawful to offer shares to that person without disclosure under one or more of the exemptions set out in section 708 of the Corporations Act. The distribution of this Prospectus (including electronically) to persons in Australia may be restricted by the Corporations Act, and any failure to comply with such restrictions may constitute a violation of applicable securities laws.

15.2.5 Other jurisdictions

The Offer Shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into, Japan or any other jurisdiction in which it would not be permissible to offer the Offer Shares.

In jurisdictions outside the United States and the EEA where the Subsequent Offering would be permissible, the Offer Shares will only be offered pursuant to applicable exceptions from prospectus requirements in such jurisdictions.

15.3 Transfer restrictions

15.3.1 United States

The Offer Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Terms defined in Rule 144A or Regulation S shall have the same meaning when used in this Section.

Each purchaser of the Offer Shares outside the United States pursuant to Regulation S will be deemed to have acknowledged, represented and agreed that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed decision and that:

- The purchaser is authorized to consummate the purchase of the Offer Shares in compliance with all applicable laws and regulations.
- The purchaser acknowledges that the Offer Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority or any state of the United States, and are subject to significant restrictions on transfer.
- The purchaser is, and the person, if any, for whose account or benefit the purchaser is acquiring the Offer Shares was located outside the United States at the time the buy order for the Offer Shares was originated and continues to be located outside the United States and has not

purchased the Offer Shares for the benefit of any person in the United States or entered into any arrangement for the transfer of the Offer Shares to any person in the United States.

- The purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Offer Shares from the Company or an affiliate thereof in the initial distribution of such Shares.
- The purchaser is aware of the restrictions on the offer and sale of the Offer Shares pursuant to Regulation S described in this Prospectus.
- The Offer Shares have not been offered to it by means of any "directed selling efforts" as defined in Regulation S.
- The Company shall not recognize any offer, sale, pledge or other transfer of the Offer Shares made other than in compliance with the above restrictions.
- The purchaser acknowledges that the Company, the Managers and their respective advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Each purchaser of the Offer Shares within the United States pursuant to Rule 144A acknowledges, represents and agrees that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed investment decision and that:

- The purchaser is authorized to consummate the purchase of the Offer Shares in compliance with all applicable laws and regulations.
- The purchaser acknowledges that the Offer Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and are subject to significant restrictions to transfer.
- The purchaser (i) is a qualified institutional buyer (as defined in Rule 144A) (QIB), (ii) is aware that the sale to it is being made in reliance on an exemption from the registration requirements of the Securities Act of 1933, as amended and (iii) is acquiring such Offer Shares for its own account or for the account of a QIB, in each case for investment and not with a view to any resale or distribution of the Offer Shares, as the case may be.
- The purchaser is aware that the Offer Shares are being offered in the United States in a transaction not involving any public offering in the United States within the meaning of Section 4(a)(2) of the U.S. Securities Act.
- If, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Offer Shares, as the case may be, such shares may be offered, sold, pledged or otherwise transferred only (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, (ii) in accordance with Regulation S, (iii) in accordance with Rule 144 (if available), (iv) pursuant to any other exemption from the registration requirements of the U.S. Securities Act, subject to the receipt by the Company of an opinion of counsel or such other evidence that the Company may reasonably require that such sale or transfer is in compliance with the U.S. Securities Act or (v) pursuant to an effective registration statement under the U.S. Securities Act, in each case in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction.
- The purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Offer Shares from the Company or an affiliate thereof in the initial distribution of such Shares.
- The Offer Shares are "restricted securities" within the meaning of Rule 144(a) (3) and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any Offer Shares, as the case may be.
- The Company shall not recognize any offer, sale pledge or other transfer of the Offer Shares made other than in compliance with the above-stated restrictions.

- The purchaser acknowledges that the Company and the Managers and their respective advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

15.3.2 European Economic Area

Each person in a Relevant Member State (other than, in the case of paragraph (a), persons receiving offers contemplated in this Prospectus in Norway) who receives any communication in respect of, or who acquires any Offer Shares under, the offers contemplated in this Prospectus will be deemed to have represented, warranted and agreed to and with each Managers and the Company that:

- a) it is a qualified investor within the meaning of Articles 21 of the EU Prospectus Regulation; and
- b) in the case of any Offer Shares acquired by it as a financial intermediary, as that term is used in Article 1 of the EU Prospectus Regulation, (i) the Offer Shares acquired by it in the offer have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the EU Prospectus Regulation, or in circumstances in which the prior consent of the Managers has been given to the offer or resale; or (ii) where Offer Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Shares to it is not treated under the EU Prospectus Regulation as having been made to such persons.

For the purpose of this representation, the expression an "offer to the public" in relation to any Offer Shares in any Relevant Member State means a communication to persons in any form and by any means presenting sufficient information on the terms of the Subsequent Offering and the Offer Shares to be offered, so as to enable an investor to decide to acquire any Offer Shares.

16. ADDITIONAL INFORMATION

16.1 Documents on display

Copies of the following documents will be available at the Company's office at Frøyas gate 13, N-0273 Oslo, Norway, during normal business hours from Monday to Friday, for the term of this Prospectus:

- The Company's Constitution
- all reports, letters, and other documents, historical financial information, valuations and statements prepared by any expert at the Company's request any part of which is included or referred to in the Prospectus;
- information incorporated by reference into this Prospectus;
- this Prospectus.

The above documents will also be available on the Company's website www.petrorep.com

16.2 Incorporation by reference

Section in prospectus	Reference	Reference document and web address
6, 8	Audited annual report, including an overview of the Company's accounting policy and explanatory notes and the auditor's report. Annual statement of reserves.	Annual report 2020: https://petronorep.com/media/1865/pnor_annualreport2020_final.pdf
8	Unaudited interim report	Q1 2021 report: https://petronorep.com/media/1867/21q1_pnor_interim-final.pdf

17. DEFINITIONS AND GLOSSARY

The following definitions and glossary apply in this Prospectus unless otherwise dictated by the context:

Term	Definition
AGC	Dome Flore area
Aje Transaction	The transaction governed by the Panoro Agreement and the YFP Agreement.
AJVP	Agreement for Joint Venture Participation
Allocation Rights	The non-transferrable allocation rights granted to Eligible Shareholders
Anti-Money Laundering Legislation	The Norwegian Money Laundering Act of 1 June 2018 No. 23 and the Norwegian Money Laundering Regulations of 14 September 2018 No. 1324
APCL	African Petroleum Corporation Limited
Application Form	The application form attached to this Prospectus as Appendix 1
Application Period	The application period for the Subsequent Offering taking place from and including 10:00 (CEST) on 24 August 2021 to and including 16:30 (CEST) on 7 September 2021
ASIC	Australian Securities and Investments Commission
Australian Custodian	Citibank Melbourne
Bcf of Gas	Billions of Cubic Feet of Gas
BDO	BDO Audit (WA) Pty Ltd
BEAC	Central African States Bank
Board or Board of Directors	the Board of Directors of the Company
Bopd	Oil of barrels produced per day
BP	BP Exploration Operating Company Limited
CEMAC	Economic and Monetary Community of Central African States
CGT	Capital gains tax
CIMA	Inter-African Conference on Insurance Markets
Computershare	Computershare Investor Services Pty Ltd
Conditional Consideration	Payment of an additional consideration of USD 0.10 per 1,000 cubic feet of the Aje Natural Gas Sales Volume by the Company to Panoro
Congo	Republic of Congo
Corporations Act	The Australian Corporations Act 2001 (Cth)

CoSec	Company Secretary
DPR	Nigerian Department of Petroleum Resources
EEA	the European Economic Area
EIA	Environmental Impact Assessment
EIIC	Emirates International Investment Company
Eligible Shareholder, Eligible Shareholders	<p>The Company's shareholders as of 11 March 2021, as registered in the VPS on 15 March 2021 (the "Record Date"), who:</p> <ul style="list-style-type: none"> (i) were not invited to subscribe for shares in the pre-sounding of the Private Placement; (ii) were not allocated shares in the Private Placement; and (iii) are not resident in a jurisdiction where such offering would be unlawful, or would (in jurisdictions other than Norway) require any prospectus filing, registration or similar action (including but not limited to Australia). <p>Petromal, Symero, NOR, and companies controlled (directly and indirectly) by Knut Søvold and Gerhard Ludvigsen, respectively, will not be eligible to participate in the Subsequent Offering and are therefore not Eligible Shareholders.</p>
EGASPIN	Environmental Guidelines and Standards for the Petroleum Industry in Nigeria
EGM	The extraordinary general meeting of the Company
EU Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended, and as implemented in Norway in accordance with Section 7-1 of the Norwegian Securities Trading Act
Euronext Expand	Oslo Euronext Expand, a regulated market operated by Oslo Børs ASA
FATA	Australian Foreign Acquisitions and Takeovers Act 1975
FEPA	formally Federal Environmental Protection Agency, now Federal Ministry of Environment of Nigeria
Financial Statements	The Group's audited consolidated financial statements as of and for the year ended 31 December 2020
FIRB	The Australian Foreign Investment Review Board
FIRS	Federal Inland Revenue Service of Nigeria
FMEnv	Federal Ministry of Environment of Nigeria
FMOE	Federal Ministry of Environment of Nigeria
FPSO	Floating production storage and offloading

FX	Foreign exchange
GB Transaction	the purchase of the entity SPE Guinea Bissau
GHG	greenhouse gas
Global Iron	Global Iron Limited
GNPC	Gambia National Petroleum Company
Group	The Company together with its consolidated subsidiaries
Guinea-Bissau Transaction	The Company's purchase of the entity SPE Guinea Bissau AB
HAH	Hemla Africa Holding AS
HEPCO	Hemla E&P Congo S.A.
ICPE	Installation Classified for Environmental protection
ICSID	International Centre for Settlement of Investment Disputes
IFRS	International Financial Reporting Standards
Ineligible Jurisdictions	Jurisdictions where the Prospectus may not be distributed and/or with legislation that, according to the Company's assessment, prohibit or otherwise restricts subscription for Offer Shares
Interim Financial Statements	The Group's interim financial statements as at, and for the three-month period ended 31 March 2021
ISAs	International Standards on Auditing
Issuer Sponsored Sub-register	A sub-register of the Company's share register administrated by Computershare which constitutes the Company's share register
Local Content Act	Nigerian Oil and Gas Industry Content Development Act
Managers	Arctic Securities AS, Pareto Securities AS and Sparebank 1 Markets AS
ME	Ministry of Energy of Gambia
Member State	Any member state of the EEA other than Norway
MGI	MGI International S.A.
MMscfd	Million standard cubic feet per day of gas
MMbbl	Million barrels of oil equivalents
MoPE	Ministry of Petroleum and Energy of Gambia
mTVDSS	Meters in True Vertical Depth Subsea
NDDC	Niger Delta Development Commission
NOR	NOR Energy AS

Norwegian FSA	The Financial Supervisory Authority of Norway (Nw.: <i>Finanstilsynet</i>)
Norwegian Securities Trading Act	The Norwegian Securities Trading Act of 29 June 2007 no. 75, as amended
Offer Price	The offer price in the Subsequent Offering of NOK 1.10 per share
Offer Shares	The offering of up to 60,000,000 new depository receipts, each representing one share of the Company, to be issued in connection with the Subsequent Offering
OHADA	Organization for the Harmonization of Business Law in Africa
OML-113	Offshore Mining Lease no. 113
Order	The Financial Services and Markets Act 2000 (Financial Promotion) Order 2005
Panoro	Panoro Energy ASA
Payment Date	13 September 2021
PDPR	Petroleum (Drilling & Production) Regulations of Nigeria
Petroguin	Empresa Nacional de Pesquisa e Exploração Petroliferas E.C.P.
Petroleum Ministry	Ministry of Petroleum Resources of Nigeria
Petromal	Petromal Sole Proprietorship LLC
PetroNor or Company	PetroNor E&P Limited
Petrosen	Senegal Petroleum Company
PIB	Nigerian Petroleum Industry Bill
PPNH	Pan-Petroleum Nigeria Holdings BV
PPSH	Pan-Petroleum Services Holdings BV
Private Placement	The Private Placement announced by the Company on 12 March 2021
Private Placement Shares	The 84,363,636 new depository receipts, each representing one share of the Company, issued in Tranche 1 of the Private Placement together with the 224,727,273 new depository receipts to be issued in Tranche 2a and Tranche 2b of the Private Placement.
Prospectus	This Prospectus dated 23 August 2021
PSC	Production sharing contract
Record Date	15 March 2021
Registrar Agreement	Means the registrar agreement entered into with the VPS Registrar for the purpose of enabling the registration of the Shares in the VPS
Relevant Persons	All such persons together (i) who are outside the United Kingdom or (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or

(iii) high net worth companies, and other persons to whom the Prospectus may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order.

ROP	The Rufisque Offshore Profond block
Senegal licenses	ROP and SOSP together
Senegalese PSCs	Individual production sharing contracts governing the Senegal Licences
Shares or Depository Receipts	The beneficial interests over the underlying shares issued by the Company
SNPC	Congoese National Oil Company
SOSP	The Senegal Offshore Sud Profond block
the SPV or Aje Production	The new holding company Aje Production AS as part of the Aje Transaction
Subsequent Offering	The subsequent repair offering of up to 60,000,000 depository receipts, each representing one share of the Company
Symero	Symero Ltd.
Symero Transaction	The Company's acquisition of shares in HAH from Symero Ltd.
TFN	Tax file number for Australian resident shareholders
Tranche 1	Tranche 1 of the Private Placement, consisting of 84,363,636 new Shares
Tranche 2a	Tranche 2a of the Private Placement, consisting of 138,763,636 new Shares
Tranche 2b	Tranche 2b of the Private Placement, consisting of 85,963,637 new Shares
Treasurer	Treasury Department of the federal government of Australia
USD	United States Dollar
U.S. Exchange Act	The U.S. Securities and Exchange Act of 1934
VPS	The Norwegian Central Securities Depository
VPS Registrar	DNB Bank ASA
WHO	The World Health Organization
YFP	Yinka Folawiyo Petroleum
YFP Agreement	Separate investment and shareholders' agreement with the OML-113 operator Yinka Folawiyo Petroleum
YFP-DW	YFP Deep Water Company Limited, being a Nigerian registered private company

APPENDIX 1: APPLICATION FORM FOR THE SUBSEQUENT OFFERING

General information: The terms and conditions of the subsequent offering (the "Subsequent Offering") by PetroNor E&P Limited (the "Company") of up to 60,000,000 new shares in the Company (the "Offer Shares") are set out in the prospectus dated 23 August 2021 (the "Prospectus"). The Offer Shares have no nominal value. Terms defined in the Prospectus shall have the same meaning in this subscription form (the "Subscription Form"). All announcements referred to in this Subscription Form will be made through the Oslo Stock Exchange's information system under the Company's ticker "PNOR". Please refer to page 3 of this Subscription Form for further information on the Offer Shares.

Subscription procedures: The subscription period will commence at 10:00 hours (CEST) on 24 August 2021 and end at 16:30 hours (CEST) on 7 September 2021 (the "Subscription Period"), subject to any extension. Correctly completed Subscription Forms must be received by one of the Managers set out below, or, in the case of online subscriptions, be registered by no later than 16:30 hours (CEST) on 7 September 2021:

Pareto Securities AS
Post box 1411 Vika
N-0115 Oslo
Norway
E-mail: subscription@paretosec.com
www.paretosec.com

Arctic Securities AS
Post box 1833 Vika
N-0123 Oslo
Norway
E-mail: subscription@arctic.com
www.arctic.com

SpareBank 1 Markets AS
Post box 1398 Vika
N-0114 Oslo
Norway
E-mail: subscription@sb1markets.no
www.sb1markets.no/en

The subscriber is responsible for the correctness of the information filled into the Subscription Form. Subscription Forms received after the expiry of the Subscription Period and/or incomplete or incorrect Subscription Forms and any subscription that may be unlawful may be disregarded at the sole discretion of the Company and/or the Managers without notice to the subscriber.

Subscribers who are Norwegian residents with a Norwegian personal identification number (Nw.: fødselsnummer) are encouraged to subscribe for Offer Shares through the VPS online subscription system (or by following the link on either www.arctic.com/secno/en/offering, www.paretosec.com/updates/transactions/ or www.sb1markets.no/en/transactions which will redirect the subscriber to the VPS online subscription system).

Subscriptions made through the VPS online subscription system must be duly registered before the expiry of the Subscription Period. None of the Company or the Managers may be held responsible for postal delays, unavailable fax lines, internet lines or servers or other logistical or technical problems that may result in subscriptions not being received in time or at all by the Managers. Subscriptions are binding and irrevocable, and cannot be withdrawn, cancelled or modified by the subscriber after having been received by the Managers, or in the case of applications through the VPS online subscription system, upon registration of the subscription.

Subscription Price: The subscription price in the Subsequent Offering is NOK 1.10 per Offer Share (the "Subscription Price").

Allocation Rights: This Subsequent Offering is directors toward Eligible Shareholders (as defined below) who are (i) subscribers that are non-U.S persons ("U.S. Person" shall have the meaning as provided under Regulation S ("Regulation S") under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") outside the United States pursuant to and in compliance with Regulation S and (ii) investors that are U.S. persons in private placement transactions pursuant to and in compliance with Section 4(a)(2) under the U.S. Securities Act, that are "qualified institutional buyers (QIBs) as defined in Rule 144A ("Rule 144A") under the U.S. Securities Act, as well as to major U.S. institutional investors under SEC Rule 15a-6 ("Rule 15A-6") to the United States Exchange Act of 1934, as amended (the "Exchange Act"). All subscribers purchasing Offer Shares in this Subsequent Offering pursuant to the Prospectus and this Subscription Form are deemed to have read Exhibit I and to make the representations thereunder applicable to its status as a non-U.S. person or a U.S. person.

In the Subsequent Offering the Company will, subject to applicable securities laws, grant non-transferrable allocation rights to the Company's shareholders as of 11 March 2021, as registered in the Norwegian Central Securities Depository (the "VPS") on 15 March 2021 (the "Record Date"), who (i) were not invited to subscribe for shares in the pre-sounding of the Private Placement; (ii) were not allocated shares in the Private Placement; and (iii) are not resident in a jurisdiction where such offering would be unlawful, or would (in jurisdictions other than Norway) require any prospectus filing, registration or similar action (including but not limited to Australia) (each such shareholder an "Eligible Shareholder", and collectively "Eligible Shareholders"). Petromal Sole Proprietorship LLC ("Petromal"), Symero Ltd. ("Symero"), NOR Energy AS ("NOR") and companies controlled (directly and indirectly) by Knut Søvold and Gerhard Ludvigsen, respectively, are not Eligible Shareholders. Each Eligible Shareholder will be granted 0.23370 non-transferrable allocation rights (the "Allocation Rights") for each existing Share registered as held by such Eligible Shareholders as of the Record Date. The number of Allocation Rights granted to each Eligible Shareholder will be rounded down to the nearest whole Allocation Right. Each Allocation Right gives the right to subscribe for, and be allocated, one Offer Share in the Subsequent Offering. Over-subscription by Eligible Shareholders will be permitted. Non-Allocation Rights holders will be able to subscribe for Offer Shares, but will however only be allocated Offer Shares if the Eligible Shareholders do not fully subscribe for their entitlement in the Subsequent Offering tranche, either through Allocation Rights or oversubscription of Offer Shares. The Allocation Rights will normally have an economic value if the shares trade above the Subscription Price during the Subscription Period.

Allocation Rights which are not used to subscribe for Offer Shares before the expiry of the Subscription Period (i.e. 7 September 2021 at 16:30 hours (CEST) will have no value and lapse without compensation to the holder.

The Offer Shares are "restricted securities" within the meaning of Rule 144 under the U.S. Securities Act and may not be deposited into any unrestricted depositary facility in the United States (such as the Depository Trust Company (DTC) unless at the time of deposit the shares are no longer "restricted securities". See section 15 of the Prospectus "Selling and Transfer Restrictions".

Allocation and formal subscription of Offer Shares: The Allocation Rights will be registered in VPS under ISIN AU0000157844. The Offer Shares will be allocated to the subscribers based on the allocation criteria set out in the Prospectus. The Company reserves the right to reject or reduce any subscription for Offers Shares not covered by Allocation Rights in accordance with the allocation criteria. No fractional Offer Shares will be allocated. Allocation of fewer Offer Shares than subscribed for by a subscriber will not impact on the subscriber's obligation to pay for the number of Offer Shares allocated. Notifications of allocated Offer Shares and the corresponding subscription amount to be paid by each subscriber are expected to be distributed in a letter from the VPS on or about 8 September 2021. Subscribers having access to investor services through their VPS account will be able to check the number of Offer Shares allocated to them from 10:00 hours (CEST) on 8 September 2021. Subscribers who do not have access to investor services through their VPS account may contact the one of the Managers from 10:00 hours (CEST) on 8 September 2021 to obtain information about the number of Offer Shares allocated to them.

Payment: The payment for the Offer Shares allocated to a subscriber falls due on 13 September 2021 (the "Payment Date"). Subscribers who have a Norwegian bank account must, and will by signing the Subscription Form, or registering a subscription through the VPS online subscription system, provide the Settlement Agent (Arctic Securities), or someone appointed by the Settlement Agent, with a one-time irrevocable authorisation to debit a specified Norwegian bank account for the amount payable for the Offer Shares which are allocated to the subscriber. The specified bank account is expected to be debited on or after the Payment Date. The Settlement Agent, or someone appointed by the Settlement Agent, is only authorised to debit such account once, but reserves the right (but has no obligation) to make up to three debit attempts, and the authorisation will be valid for up to seven working days after the Payment Date. Subscribers who do not have a Norwegian bank account must ensure that payment with cleared funds for the Offer Shares allocated to them is made on or before the Payment Date. Prior to any such payment being made, the subscriber must contact the Settlement Agent for further details and instructions. Should any subscriber have insufficient funds on his or her account, should payment be delayed for any reason, if it is not possible to debit the account or if payments for any other reasons are not made when due, overdue interest will accrue and other terms will apply as set out under the heading "Overdue and missing payments" below.

Allocation and delivery of Offer Shares: Notification of allocation of Offer Shares is expected to take place on or about 8 September 2021 and, subject to timely payment, delivery of the Offer Shares allocated to the applicant in the Subsequent Offering is expected to take place on or about 14 September 2021 through the facilities of the VPS pursuant to a share lending arrangement facilitated by the Company, Arctic Securities AS (on behalf of the Managers), and Symero as lender.

SEE PAGE 3 OF THIS SUBSCRIPTION FORM FOR OTHER PROVISIONS THAT ALSO APPLY TO THE SUBSCRIPTION

DETAILS OF THE SUBSCRIPTION

Subscriber's VPS account:	Number of Allocation Rights:	Number of Offer Shares subscribed:	(For broker: consecutive no.):
ALLOCATION RIGHT'S SECURITIES NUMBER: ISIN AU0000157844		Subscription Price per Offer Share: NOK 1.10	Subscription amount to be paid: NOK

IRREVOCABLE AUTHORISATION TO DEBIT ACCOUNT (MUST BE COMPLETED BY SUBSCRIBERS WITH A NORWEGIAN BANK ACCOUNT)

Norwegian bank account to be debited for the payment for Offer Shares allocated (number of Offer Shares allocated x NOK 1.10).	<input type="text"/>								
(Norwegian bank account no.)									

I/we hereby irrevocably (i) subscribe for the number of Offer Shares specified above subject to the terms and conditions set out in this Subscription Form and in the Prospectus, (ii) authorise and instruct each of the Managers (or someone appointed by them) acting jointly or severally to on my/our behalf take all actions required to ensure delivery of such Offer Shares to me/us in the VPS, (iii) authorise the Settlement Agent to debit my/our bank account as set out in this Subscription Form for the amount payable for the Offer Shares allocated to me/us and (iv) confirm and warrant to have read the Prospectus and that I/we are eligible to subscribe for Offer Shares under the terms set forth therein.

Place and date

Must be dated in the Subscription Period.

Binding signature

The subscriber must have legal capacity. When signed on behalf of a company or pursuant to an authorisation, documentation in the form of a company certificate or power of attorney must be enclosed.

INFORMATION ON THE SUBSCRIBER – ALL FIELDS MUST BE COMPLETED

First name:	
Surname/company:	
Street address:	
Post code/district/ Country:	
Personal ID number/ organisation number:	
Legal Entity Identifier ("LEI") / National Client Identifier ("NCI") ¹ :	
Nationality:	
E-mail address:	
Daytime telephone number:	

¹ LEI is a 20-character alphanumeric code assigned to uniquely identify a legal entity that is a counterparty to a financial transaction.

ADDITIONAL INFORMATION AND GUIDELINES FOR THE SUBSCRIBER

Depository Receipts: The underlying shares to be issued in connection with the Subsequent Offering will be issued in accordance with the laws of Australia and pursuant to the Australian Corporations Act and the Company's Constitution. The underlying shares will be issued in book-entry form and registered in the Company's Issuer Sponsored Sub-register (as defined in the Prospectus), and thereafter registered with the VPS as depository receipts representing a beneficial right to the underlying share (the "**Depository Receipts**"). The underlying shares and the Depository Receipts will have ISIN AU0000057408. Each Depository Receipt represents one (1) underlying share. The Company's share registrar in Australia is Computershare Investor Services Pty Ltd with registered business address at Level 11, 172 St George's Terrace, Perth, Western Australia, 6000, Australia. In order to enable trading in the Offer Shares on Euronext Expand, the Offer Shares will be delivered to applicants with the VPS in the form of Depository Receipts. The Depository Receipts will be issued under Norwegian law and will be registered in book entry form with the VPS. DNB Bank ASA, in its capacity as the VPS Registrar, will be holding the Offer Shares in the Issuer Sponsored Sub-register through a nominee arrangement with the Australian Custodian (as defined in the Prospectus) who will be recorded as the legal holder of the underlying shares. The currency of the Depository Receipts will be in NOK. The Depository Receipts carry the same rights as the underlying shares, provided however, that the exercise of voting rights and other shareholder rights by holders of the Depository Receipts must be made indirectly through the VPS Registrar.

Settlement of Offer Shares: The Offer Shares will be settled through the delivery of existing and unencumbered Shares in the Company that are already listed on Euronext Expand, pursuant to a share lending agreement between the Company, Arctic Securities AS (on behalf of the Managers), and Symero as lender.

Regulatory Issues: In accordance with the Markets in Financial Instruments Directive ("MiFID II") of the European Union, Norwegian law imposes requirements in relation to business investments. In this respect the Managers must categorise all new clients in one of three categories: eligible counterparties, professional and non-professional clients. All subscribers in the Subsequent Offering who are not existing clients of the Managers will be categorised as non-professional clients. Subscribers can by written request to one of the Managers ask to be categorised as a professional client if the subscriber fulfils the provisions of the Norwegian Securities Trading Act. For further information about the categorisation, the Subscriber may contact one of the Managers. **The subscriber represents that he/she/it is capable of evaluating the merits and risks of an investment decision to invest in the Company by subscribing for Offer Shares, and is able to bear the economic risk, and to withstand a complete loss, of an investment in the Offer Shares.**

The Managers will receive a consideration from the Company in connection with the Subsequent Offering and will in conducting its work have to take into consideration the requirements of the Company and the interests of the investors subscribing under the Subsequent Offering and the rules regarding inducements pursuant to the requirements of the Norwegian MiFID II Regulations (implementing the European Directive for Markets in Financial Instruments (MiFID II)).

Selling and Transfer Restrictions: The attention of persons who wish to subscribe for Offer Shares is drawn to section 15 "Selling and transfer restrictions" in the Prospectus. The Company is not taking any action to permit a public offering of the Offer Shares in any jurisdiction other than Norway. Receipt of the Prospectus will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, the Prospectus if for information only and should not be copied or redistributed.

The making or acceptance of the Subsequent Offering to or by persons who have registered addresses outside Norway, or who are resident in, or citizens of, countries outside Norway, may be affected by the laws of the relevant jurisdiction. Those persons should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to subscribe for Offer Shares. It is the responsibility of any person outside Norway wishing to subscribe for Offer Shares under the Subsequent Offering to satisfy himself/herself/itself as to the full observance of the laws of any relevant jurisdiction in connection therewith, including obtaining any governmental or other consent which may be required, the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such territories.

United States

The Offer Shares have not been and will not be registered under the U.S. Securities Act. The Company does not plan to register the issuance or resale of the Offer Shares under the U.S. Securities Act. The Offer Shares will only be offered and sold to non U.S. persons outside the United States in reliance on Regulation S, and within the United States to QIBs and major U.S. institutional investors under Rule 15A-6 as discussed above in compliance with Section 4(a)(2). The Offer Shares may not be offered, sold, taken up, exercised, resold, delivered or transferred, directly or indirectly, except pursuant to an applicable exemption from the registration requirements of the U.S. Securities Act and in compliance with the securities laws of any state or other jurisdiction of the United States. This Subscription Form does not constitute an offer to sell or a solicitation of an offer to buy Offer Shares in any jurisdiction in which such offer or solicitation is unlawful. In addition, none of the Managers or their respective affiliates or any person acting on their behalf has engaged or will engage in any directed selling efforts in connection with the offering of the Offer Shares. Terms used in this paragraph have the meaning given to them by Regulation S.

Canada

The distribution of the Offer Shares in Canada is being made only on a private-placement basis, thus exempting it from the requirement that the Company prepare and file a prospectus with the applicable securities regulatory authorities. The Offer Shares are being offered in those jurisdictions and to those persons where and to whom they may lawfully be offered for sale, and therein only by persons permitted to sell such securities. Each Canadian purchaser who purchases Offer Shares must be entitled under applicable securities laws to purchase such securities without the benefit of a prospectus qualified under such securities laws; must be an "accredited investor" within the meaning of National Instrument 45-106 – Prospectus and Registration Exemptions and purchasing the Offer Shares as principal or deemed principal for its own account; and must be a "permitted client" within the meaning of National Instrument 31-103 – Registration Requirements and Exemptions. There is currently no public market for the Offer Shares in Canada and any resale of the Offer Shares in Canada must be made in accordance with applicable securities laws.

United Kingdom

Each UK applicant confirms that it understands that the Subsequent Offering has only been communicated (a) to persons who have professional experience, knowledge and expertise in matters relating to investments and are "investment professionals" for the purposes of article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (all such persons being referred to as "relevant persons") and (b) only in circumstances where, in accordance with section 86(1)(c) and (d) of the Financial and Services Markets Act 2000 ("FSMA"), the requirement to provide an approved prospectus in accordance with the requirement under section 85 FSMA does not apply as the minimum denomination of and purchase of the Offer Shares exceeds EUR 100,000 or an equivalent amount. Any application for or purchase of the Offer Shares is available only to relevant persons and will be engaged in only with relevant persons and each UK applicant warrants that it is a relevant person.

Australia and Japan

The Offer Shares will not be registered under the applicable securities laws of Australia or Japan and may not be offered, sold, resold or delivered, directly or indirectly, in or into Australia or Japan except pursuant to an applicable exemption from applicable securities laws.

A subscription for Offer Shares in contravention of the above restrictions may be deemed to be invalid. By subscribing for Offer Shares, persons effecting subscriptions will be deemed to have represented to the Company that they, and the persons on whose behalf they are subscribing for the Offer Shares, have complied with the above selling restrictions. A notification of exercise of Allocation Rights and subscription of Offer Shares in contravention of the above restrictions may be deemed to be invalid.

Execution Only: The Managers will treat the Subscription Form as an execution-only instruction. None of the Managers are required to determine whether an investment in the Offer Shares is appropriate or not for the subscriber. Hence, the subscriber will not benefit from the protection of the relevant conduct of business rules in accordance with the Norwegian Securities Trading Act.

Information Exchange: The subscriber acknowledges that, under the Norwegian Securities Trading Act and the Norwegian Commercial Banks Act and foreign legislation applicable to the Managers, there is a duty of secrecy between the different units of each of the Managers, as well as between the Managers and other entities in the Managers' respective groups. This may entail that other employees of the Managers or the Managers' respective groups may have information that may be relevant to the subscriber and to the assessment of the Offer Shares, but which the Managers will not have access to in their capacity as Managers for the Subsequent Offering.

Information Barriers: The Managers are securities firms that offer a broad range of investment services. In order to ensure that assignments undertaken in the Managers' respective corporate finance departments are kept confidential, the Managers' other activities, including analysis and stock broking, are separated from the Managers' corporate finance departments by information walls. The subscriber acknowledges that the Managers' respective analysis and stock broking activity may conflict with the subscriber's interests with regard to transactions of the Shares, including the Offer Shares.

VPS Account and Mandatory Anti-Money Laundering Procedures: The Subsequent Offering is subject to the Norwegian Money Laundering Act of 1 June 2018 No. 23 and the Norwegian Money Laundering Regulations of 14 September 2018 No. 1324 (collectively, the "**Anti-Money Laundering Legislation**"). Subscribers who are not registered as existing customers with one of the Managers must verify their identity to one of the Managers in accordance with the requirements of the Anti-Money Laundering Legislation, unless an exemption is available. Subscribers who have not completed the required verification of identity prior to the expiry of the Subscription Period will not be allocated Offer Shares. Participation in the Subsequent Offering is conditional upon the subscriber holding a VPS account. The VPS account number must be stated on the Subscription Form. VPS accounts can be established with authorised VPS registrars, which can be Norwegian banks, authorised securities brokers in Norway and Norwegian branches of credit institutions established within the European Economic Area (the "**EEA**"). Establishment of a VPS account requires verification of identity to the VPS registrar in accordance with the Anti-Money Laundering Legislation. However, non-Norwegian investors may use nominee VPS accounts registered in the name of a nominee. The nominee must be authorised by the Financial Supervisory Authority of Norway.

Personal data: The subscriber confirms that it has been provided information regarding the Managers' processing of personal data, and that it is informed that the Managers will process the applicant's personal data in order to manage and carry out the Subsequent Offering and the subscription from the subscriber, and to comply with statutory requirements. The data controllers who are responsible for the processing of personal data are the Managers. The processing of personal data is necessary in order to fulfil the subscription and to meet legal obligations. The Norwegian Securities Trading Act and the Anti-Money Laundering Legislation require that the Managers process and store information about clients and trades, and control and document activities. The subscriber's data will be processed confidentially, but if it is necessary in relation to the purposes, the personal data may be shared between the Managers, the company(ies) participating in the Subsequent Offering, with companies within the Managers' groups, the VPS, stock exchanges and/or public authorities. The personal data will be processed as long as necessary for the purposes, and will subsequently be deleted unless there is a statutory duty to keep it. If the Managers transfer personal data to countries outside the EEA, that have not been approved by the EU Commission, the Managers will make sure the transfer takes place in accordance with the legal mechanisms protecting the personal data, for example the EU Standard Contractual Clauses. As a data subject, the subscribers have several legal rights. This includes inter alia the right to access its personal data, and a right to request that incorrect information is corrected. In certain instances, the subscribers will have the right to impose restrictions on the processing or demand that the information is deleted. The subscribers may also complain to a supervisory authority if they find that the Managers' processing is in breach of the law. Supplementary information on processing of personal data and the applicants' rights can be found at the Managers' respective websites.

Terms and Conditions for Payment by Direct Debiting - Securities Trading: Payment by direct debiting is a service the banks in Norway provide in cooperation. In the relationship between the payer and the payer's bank the following standard terms and conditions will apply:

- a) The service "Payment by direct debiting - securities trading" is supplemented by the account agreement between the payer and the payer's bank, in particular Section C of the account agreement, General terms and conditions for deposit and payment instructions.
- b) Costs related to the use of "Payment by direct debiting - securities trading" appear from the bank's prevailing price list, account information and/or information given in another appropriate manner. The bank will charge the indicated account for costs incurred.
- c) The authorisation for direct debiting is signed by the payer and delivered to the beneficiary. The beneficiary will deliver the instructions to its bank that in turn will charge the payer's bank account.
- d) In case of withdrawal of the authorisation for direct debiting the payer shall address this issue with the beneficiary. Pursuant to the Norwegian Financial Contracts Act the payer's bank shall assist if the payer withdraws a payment instruction that has not been completed. Such withdrawal may be regarded as a breach of the agreement between the payer and the beneficiary.
- e) The payer cannot authorise payment of a higher amount than the funds available on the payer's account at the time of payment. The payer's bank will normally perform a verification of available funds prior to the account being charged. If the account has been charged with an amount higher than the funds available, the difference shall immediately be covered by the payer.
- f) The payer's account will be charged on the indicated date of payment. If the date of payment has not been indicated in the authorisation for direct debiting, the account will be charged as soon as possible after the beneficiary has delivered the instructions to its bank. The charge will not, however, take place after the authorisation has expired as indicated above. Payment will normally be credited the beneficiary's account between one and three working days after the indicated date of payment/delivery.
- g) If the payer's account is wrongfully charged after direct debiting, the payer's right to repayment of the charged amount will be governed by the account agreement and the Norwegian Financial Contracts Act.

Overdue Payment: Overdue payments will be charged with interest at the applicable rate from time to time under the Norwegian Act on Interest on Overdue Payment of 17 December 1976 No. 100, currently 8.00% per annum as of the date of the Prospectus. If a subscriber fails to comply with the terms of payment, or should payments not be made when due, the subscriber will remain liable for payment of the Offer Shares allocated to it and the Offer Shares allocated to such subscriber will not be delivered to the subscriber.

National Client Identifier and Legal Entity Identifier: In order to participate in the Subsequent Offering, subscribers will need a global identification code. Physical persons will need a so-called National Client Identifier ("**NCI**") and legal entities will need a so-called Legal Entity Identifier ("**LEI**").

NCI code for physical persons: Physical persons will need an NCI code to participate in a financial market transaction, i.e. a global identification code for physical persons. For physical persons with only a Norwegian citizenship, the NCI code is the 11-digit personal ID (Nw: "*fødselsnummer*"). If the person in question has multiple citizenships or another citizenship than Norwegian, another relevant NCI code can be used. Subscribers are encouraged to contact their bank for further information.

LEI code for legal entities: Legal entities will need a LEI code to participate in a financial market transaction. A LEI code must be obtained from an authorized LEI issuer, and obtaining the code can take some time. Subscribers should obtain a LEI code in time for the subscription. For more information visit www.gleif.org.

Commission: It is not allowed to apply or subscribe for Offer Shares by commission or similar arrangements.

Manager consideration: The Managers will receive consideration from the Company for carrying out its assignment as Managers in the Subsequent Offering.

Limitation of liability: The Managers hereby to the fullest extent permissible under applicable law, expressly disclaims any liability whatsoever towards the applicant in connection with the Subsequent Offering and the applicant understands and expressly agrees that it is applying for and subscribing Offer Shares on this basis. The Managers makes no undertaking, representation or warranty, express or implied, to the applicant regarding the accuracy or completeness of the Prospectus and any other information (whether written or oral), concerning the Company, the Offer Shares or the Subsequent Offering received by the applicant whether such information was received through the Managers or otherwise, and the applicant acknowledges by the applicant's application that the applicant has not been induced to enter into this Subscription Form by any representation, warranty or undertaking by any of the aforementioned.

Third party rights: This Subscription Form is entered into between the applicant and the Company, and provides the Managers with rights and entitlements as a third party in so far as is stipulated herein.

Governing law: The Subsequent Offering and the Prospectus and other investor documentation shall be governed by Norwegian law, and any disputes (whether contractual or non-contractual) which cannot be solved amicably, shall be referred to the exclusive jurisdiction of the ordinary courts of Norway with Oslo District Court as legal venue. However, the applicant agrees that the Company and the Managers may at their sole discretion alternatively bring a claim against the applicant for payment of the Offer Shares allocated to it and/or any loss they may have suffered in the jurisdiction of the applicant and/or in such other jurisdiction as a claim against the applicant may be pursued.

EXHIBIT I

Representations and Warranties of Subscribers in the Subsequent Offering

For purposes of this Exhibit I, "Subscriber" or "you" shall reference you as a subscriber of Offer Shares that is purchasing Offer Shares in the Subsequent Offering and the terms "Company," "we," "us" and "our" all refer to PetroNor E&P Ltd ("PetroNor" or the "Company"). Capitalized terms that are used in this Exhibit I but not otherwise defined below have the meanings ascribed to them in the Subscription Form.

As a subscriber of Offer Shares that is purchasing Offer Shares in the Subsequent Offering, you will be deemed to have acknowledged, represented to and agreed with us as follows:

- You are purchasing the Offer Shares for your own account or for an account with respect to which you exercise sole investment discretion, and you and such account are either (1) a U.S. person that is a QIB or a major U.S. institutional investor under Rule 15A-6 and are aware that the sale to you and such account is being made in reliance on Section 4(a)(2) or (2) a non-U.S. person and are aware that the sale to you and such account is being made in reliance on Regulation S.
- You acknowledge that the offer and sale of the Offer Shares have not been (and will not be) registered under the U.S. Securities Act or the securities laws of any other jurisdiction and that the Offer Shares may not be offered, sold, pledged or otherwise transferred except as set forth below.
- You acknowledge that we have not made any representation to you with respect to us or the offering and sale of the Offer Shares other than the information contained or incorporated by reference in the Prospectus or this Subscription Form. You also acknowledge that you have received a copy of the Prospectus and this Subscription Form relating to the offering of the Offer Shares and acknowledge that you have had access to such financial and other information, including any incorporated by reference in the Prospectus and this Subscription Form, and have been offered the opportunity to ask us questions and received answers thereto, as you deemed necessary in connection with the decision to purchase the Offer Shares. You are relying only on the information contained or any incorporated by reference in this Subscription Form and the Prospectus in making your investment decision with respect to the Offer Shares.
- You confirm that you have sufficient knowledge, sophistication and experience in financial and business matters to be capable of evaluating the merits and risks of an investment decision in the Company by applying for and purchasing Offer Shares, and you are able to bear the economic risk, and to withstand a complete loss of an investment in the Offer Shares. You confirm that you have received the Prospectus and that you have had access to such financial and other information concerning the Company and the Offer Shares as you have deemed necessary or desirable in connection with the application for and subscription of the Offer Shares, and have made such investigation with respect thereto as you deem necessary. You have made your own assessment of the Company, the Offer Shares and the terms of the Subsequent Offering based only on the Prospectus and such information as is publicly available, including the Company's financial statements, and, to the extent deemed necessary by your having consulted with your own independent advisors, you have satisfied yourself concerning the relevant tax, legal, currency and other economic considerations relating to your investment in the Offer Shares. You confirm that other than as set out in the Prospectus (for which the Company alone is responsible), you have not relied on representations, warranties, opinions, projections, financial or other information or analysis, if any, supplied to you by any representative of the Company or the Managers or any of their respective affiliates. The Managers expressly disclaim liability in connection with your participation in the Subsequent Offering and you understand and expressly agree that you are applying for Offer Shares on this basis. You further confirm and accept that all commitments, acceptances, confirmations, representations, warranties and undertakings given by you in the Subscription Form are given for the benefit of the Company and the Managers and may be enforced against you by each of the Company and the Managers. Notwithstanding any investigation made by any party to the Subscription Form or by the Managers, all covenants, agreements, representations and warranties made by you in the Subscription Form will survive the execution of the Subscription Form, the delivery to you of the Offer Shares being purchased and the payment therefor.
- You will not, prior to the resale restriction termination date (as defined below), resell or otherwise transfer any of the Offer Shares thereof, except:
 - (1) under an available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act, including but not limited to transactions on Euronext Expand which have not been prearranged with a buyer in the United States;
 - (2) to us or one of our subsidiaries;
 - (3) under, and in accordance with, a registration statement that is effective under the U.S. Securities Act at the time of such transfer; or
 - (4) to a non-U.S. person in a transaction outside of the United States in reliance on Regulation S.

To the extent you are a U.S. person that is a QIB or a major U.S. institutional investor under Rule 15A-6 that purchased pursuant to Section 4(a)(2) you are required to comply with the restrictions on transfer under the securities laws of the United States and may only resell or otherwise transfer Offer Shares in accordance with Rule 144 or another exemption under the U.S. Securities Act.

The "resale restriction termination date" means: (a) in the case of Offer Shares issued to U.S persons, the date that is six months after the last date of original issuance of the Offer Shares and (b) in the case of Offer Shares issued to non-U.S. persons, the date that is 40 days after the last date of original issuance of the Offer Shares or such shorter period of time as permitted by Regulation S or any successor provision thereto.

- In addition, with respect to any transfer made, other than transfers through Euronext Expand which have not been prearranged with a buyer in the United States, the Company may require you to deliver such certificates, legal opinions and other information as we or they may reasonably require and may rely upon to confirm that the transfer by you complies with the foregoing restrictions.
- You are not an "affiliate" (within the meaning of Rule 144 under the U.S. Securities Act) of PetroNor and have not been an affiliate of PetroNor within the three months immediately preceding your purchase of the Offering Shares.
- You understand the following in relation to the Offer Shares:

THE SALE OF THESE SECURITIES HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), AND, ACCORDINGLY, PRIOR TO THE RESALE RESTRICTION TERMINATION DATE (AS DEFINED BELOW), THESE SECURITIES MAY NOT BE OFFERED, RESOLD OR OTHERWISE TRANSFERRED, EXCEPT:

- (1) UNDER AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT, INCLUDING BUT NOT LIMITED TO TRANSACTIONS ON EURONEXT EXPAND WHICH HAVE NOT BEEN PREARRANGED WITH A BUYER IN THE UNITED STATES);
- (2) TO THE COMPANY OR ANY SUBSIDIARY THEREOF;
- (3) PURSUANT TO, AND IN ACCORDANCE WITH, A REGISTRATION STATEMENT THAT IS EFFECTIVE UNDER THE U.S. SECURITIES ACT AT THE TIME OF SUCH TRANSFER; OR
- (4) TO NON-U.S. PERSONS THAT ARE OUTSIDE OF THE UNITED STATES WITHIN THE MEANING OF REGULATION S UNDER THE U.S. SECURITIES ACT, PURSUANT TO RULE 903 AND RULE 904 OF REGULATION S (AS APPLICABLE).

THE "RESALE RESTRICTION TERMINATION DATE" MEANS: (A) IN THE CASE OF OFFER SHARES ISSUED TO U.S PERSONS, THE DATE THAT IS SIX MONTHS AFTER THE LAST DATE OF ORIGINAL ISSUANCE OF THE OFFER SHARES AND (B) IN THE CASE OF OFFER SHARES ISSUED TO NON-U.S. PERSONS, THE DATE THAT IS 40 DAYS AFTER THE LAST DATE OF ORIGINAL ISSUANCE OF THE OFFER SHARES OR SUCH SHORTER PERIOD OF TIME AS PERMITTED BY REGULATION S OR ANY SUCCESSOR PROVISION THERETO.

WITH RESPECT TO ANY TRANSFER PURSUANT TO THE FOREGOING CLAUSE (e), PRIOR TO THE RESALE RESTRICTION TERMINATION DATE, THE COMPANY RESERVES THE RIGHT TO REQUIRE THE DELIVERY OF SUCH CERTIFICATIONS, LEGAL OPINIONS OR OTHER INFORMATION AS THEY MAY REASONABLY REQUIRE AND MAY RELY UPON TO CONFIRM THAT SUCH TRANSFER IS BEING MADE PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT.

- To the extent the Subscriber is not a natural person, Subscriber hereby represents and warrants to the Company that it is has been duly formed or incorporated, is validly existing and in good standing under the laws of its jurisdiction of incorporation or formation and has all requisite corporate power and authority to own, lease and operate its properties and to carry on its business as now conducted and to perform its obligations under this Subscription Form. The Subscriber has full power and authority to execute and deliver the Subscription Form and to approve these terms and conditions and to apply and subscribe for the Offer Shares and is authorized to pay all amounts it has committed to pay subject to the satisfaction of the terms stated herein for completion of the Subsequent Offering. The execution and delivery of the Subscription Form has been authorized by all necessary action by Subscriber or on Subscriber's behalf, and the Subscription Form represents valid and binding obligations, enforceable against the Subscriber in accordance with its terms. The Subscriber bears the full risk for its legal ability to apply for, subscribe, purchase and own Offer Shares in the Company, and its monetary liability under this undertaking will not cease to be effective in the event that subscription and ownership of the Offer Shares would be illegal due to applicable statutory law and regulations. In such event, the Subscriber shall fulfil the payment obligations that have been effected and will designate a third party to whom the Offer Shares are to be issued. Neither the execution and delivery of this Subscription Form, nor the purchase by Subscriber of the Offer Shares pursuant to this Subscription Form, nor the consummation of the other transactions contemplated herein, will (a) conflict with or result in any breach of any provision of the Subscriber's constituent documents; or (b) require any consent, approval, authorization or permit of, or filing with or notification to, any applicable governmental entity; or (c) result in a default (or give rise to any right of termination, cancellation, consent or acceleration) under any of the terms, conditions or provisions of any contract to which Subscriber is a party or by which its assets may be bound, except for such defaults (or rights of termination, cancellation or acceleration) as to which requisite waivers or consents have been obtained; or (d) violate any orders or laws applicable to the Subscriber or any of its assets.

The Subscriber further represents and warrants that:

- (i) the Subscriber has relied upon its own tax, legal and financial advisers in connection with its decision to purchase Offer Shares and believes that an investment in the Offer Shares is suitable for the Subscriber based upon the Subscriber's investment objectives, financial needs and personal contingencies; the Subscriber has no need for liquidity of investment with respect to the Offer Shares;

- (ii) the Subscriber is acquiring the Offer Shares for investment purposes only and not with a view to or for the purposes of resale, distribution or fractionalization, in whole or in part, thereof in violation of the U.S. securities laws. The Subscriber has no agreement, understanding or intention to distribute, resell, pledge or otherwise transfer the Offer Shares or any part thereof, directly or indirectly, in the United States or to any U.S. persons;
- (iii) the Subscriber agrees that so long as the Offer Shares are "restricted securities" as defined in Rule 144 under the U.S. Securities Act, it shall notify each transferee of Offer Shares from it that (a) such Offer Shares have not been registered under the U.S. Securities Act; (b) such Offer Shares are subject to the restrictions on the resale or other transfer thereof described above; (c) such transferee shall be deemed to have represented (i) as to its status as U.S. person or non-U.S. person acquiring the Offer Shares as described above in a transaction that does not require registration under the U.S. Securities Act or any applicable laws of the states of the United States and (ii) that such transferee is not an "underwriter" within the meaning of Section 2(a)(11) of the U.S. Securities Act; and (d) such transferee shall be deemed to have agreed to notify its subsequent transferees as to the foregoing; and
- (iv) the Subscriber acknowledges that it has not purchased the Offer Shares as a result of any form of general solicitation or general advertising, including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising.
- (v) The Subscriber further understands and agrees that it will acquire the Offer Shares allocated to it from the Managers' subsidiaries in the US, which are FINRA registered broker-dealers, Arctic Securities LLC, Pareto Securities Inc. and SpareBank 1 Capital Markets, Inc. in accordance with the Securities Exchange Act section 15A-6.

You acknowledge that we and others will rely upon the truth and accuracy of the above acknowledgments, representations and agreements. You agree that if any of the acknowledgments, representations or agreements you are deemed to have made by your purchase of the Offer Shares is no longer accurate, you will promptly notify us. If you are purchasing any Offer Shares as a fiduciary or agent for one or more investor accounts, you represent that you have sole investment discretion with respect to each of those accounts and that you have full power to make the above representations and agreements on behalf of each account.

Signature of Applicant *

***Only Applicants who are US persons or who are acquiring Offer Shares in the United States are required to make the representations and warranties set forth in this Exhibit I.**

APPENDIX 2: INDEPENDENT PRACTITIONER'S ASSURANCE REPORT

To the Board of Directors of PetroNor E&P Limited

This report replaces previous report issued on 2 July 2021.

Independent Assurance Report on the Pro Forma Financial Information

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of PetroNor E&P Limited (the “Company”). The pro forma financial information consists of the unaudited pro forma statement of comprehensive income for the twelve month period ended 31 December 2020, the unaudited pro forma statement of comprehensive income for the three month period ended 31 March 2021, the unaudited pro forma statement of financial position as at 31 March 2021, and related notes as set out in Section 9.3 in the Unaudited Pro Forma Financial Information dated 19 August 2021 issued by the Company, which will be attached to the Company’s prospectus (the “Prospectus”). The applicable criteria on the basis of which the Board of Directors and Management of the Company has compiled the pro forma financial information are specified in Commission Delegated Regulation (EU) 2019/980 as incorporated in the Norwegian Securities Trading Act and the Securities Regulations § 7-1 and described in section 9.3 in the Unaudited Pro Forma Financial Information (the “applicable criteria”).

The pro forma financial information has been compiled by the Board of Directors and Management of the Company to illustrate the impact of the transaction set out in section 9.3 in the Unaudited Pro Forma Financial Information on the Company’s consolidated financial performance for the twelve month period ended 31 December 2020 and the three month period ended 31 March 2021 as if the transaction had taken place at 1 January 2020 and 1 January 2021 respectively. As part of this process, information about the Company’s and the acquired entity’s financial performance for the twelve month period ended 31 December 2020 has been extracted by the Board of Directors and Management of the Company from the Company’s and the acquired entity’s audited financial statements for 2020. Information about the Company’s and the acquired entity’s financial position and financial performance for the three month period ended 31 March 2021 has been extracted by the Board of Directors and Management of the Company from the Company’s and the acquired entity’s unaudited interim financial statements for the three month period ended 31 March 2021.

The Board of Directors’ and Management’s Responsibility for the Pro Forma Financial Information

The Board of Directors and Management of the Company are responsible for compiling the pro forma financial information on the basis of the applicable criteria.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies International Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's Responsibilities

Our responsibility is to express an opinion, as required by Commission Delegated Regulation (EU) 2019/980 about whether the pro forma financial information has been compiled by the Board of Directors and Management of the Company on the basis of the applicable criteria.

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420, Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus, issued by the International Auditing and Assurance Standards Board. This standard requires that the practitioner comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Company has compiled the pro forma financial information on the basis of accounting and relevant accounting policies described in the Unaudited Pro Forma Financial Information section 9.3. Our work primarily consisted of comparing the unadjusted financial information with the source documents as described in section 9.3 of the Unaudited Pro Forma Financial Information, considering the evidence supporting the adjustments and discussing the Pro Forma Financial Information with Management of the Company.

The aforementioned opinion does not require an audit of historical unadjusted financial information, the adjustments to conform the accounting policies of the acquired entity to the accounting policies of the Company, or the assumptions summarized in section 9.3 of the Unaudited Pro Forma Financial Information. For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in a prospectus is solely to illustrate the impact of the Transaction on unadjusted financial information of the Company as if the Transaction had occurred or had been undertaken at an earlier date selected for purposes of the illustration. Because of its nature, the pro forma financial information addresses a hypothetical situation and, therefore, does not represent the Company's actual financial position or performance. Accordingly, we do not provide any assurance that the actual outcome of the Transaction for the financial performance periods ended 31 December 2020 and 31 March 2021 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Board of Directors and Management of the Company in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related unaudited pro forma adjustments give appropriate effect to those criteria; and
- The unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.
- The unaudited pro forma financial information has been compiled on a basis consistent with the accounting policies of the Company.

The procedures selected depend on the practitioner's judgment, having regard to the practitioner's understanding of the nature of the company, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

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

Opinion

In our opinion:

- a) the pro forma financial information has been properly compiled on the basis stated in Section 9.3 in the Unaudited Pro Forma Financial Information.
- b) that basis is consistent with the accounting policies of the Company.

This report is issued for the sole purpose of offering of shares in Norway and the admission of shares on the Oslo Stock Exchange, and other regulated markets in the European Union or European Economic Area. Therefore, this report is not appropriate in other jurisdictions and should not be used or relied upon for any purpose other than the listing of shares of the Company on the Oslo Stock Exchange or other regulated markets in the European Union or European Economic Area.

Oslo, 19 August 2021

BDO AS



Børre Skisland

State Authorized Public Accountant (Norway)

APPENDIX 3: PRO FORMA FINANCIAL INFORMATION

9. UNAUDITED PRO FORMA FINANCIAL INFORMATION

9.1 Introduction

During 2019 and 2020, the Company announced transactions to acquire licence interests for projects in Nigeria (completion is subject to governmental approval in Nigeria) and Guinea-Bissau (transaction completed in May 2021). Both transactions would individually and combined cause a significant gross change for the Company.

9.2 Aje transaction

As announced on 21 October 2019, the Company entered into an agreement with Panoro Energy ASA ("Panoro") (the "**Panoro Agreement**") for the acquisition of certain companies holding interests in Offshore Mining Lease no. 113 ("**OML-113**") offshore Nigeria, containing the Aje oil and gas field ("**Aje Field**") ("**Aje Transaction**"). The Panoro Agreement contemplates the acquisition of 100% of the shares of Panoro's fully owned subsidiaries Pan-Petroleum Services Holdings BV ("PPSH") and Pan-Petroleum Nigeria Holdings BV ("PPNH"), which currently hold 100% of the shares in Pan-Petroleum Aje Limited, which participates in the exploration for and production of hydrocarbons in OML-113.

The consideration payable by the Group under the Panoro Agreement is (i) issue of shares in the Company for USD 10 million and (ii) a contingent payment obligation after PetroNor has recovered all costs related to the accumulated investments incurred after the Completion Date equal to USD 0.10 per 1,000 Cubic Feet of Aje Gas sales volume limited to USD 16.67 million.

In parallel, the Company concluded a separate investment and shareholders' agreement with the OML-113 operator Yinka Folawiyo Petroleum ("**YFP Agreement**") to create a new holding company Aje Production AS (the "**SPV**") that will see the SPV assume the lead technical and management role in the next phases of the Aje Field development. PetroNor and YFP will hold respectively 45% and 55% of the SPV shares, and the ability to appoint up to two directors each. The SPV will require two directors jointly to sign on its behalf, of which one is appointed by PetroNor and one appointed by YFP. The SPV will include the current license ownerships of YFP (the operator), YFP-DW and Panoro.

Together these agreements provide the framework and pathway towards sanctioning of the next phases of the Aje Field development in order to unlock its significant value through accessing the substantial proven gas and liquid in place reserves.

The completion of the Aje Transaction is subject to the satisfaction of certain conditions precedents, including the regulatory approval of the Nigerian Department of Petroleum Resources and consent of the Minister of Petroleum Resources.

The regulatory approval process in Nigeria is well underway but has been delayed by the impact of the COVID-19 pandemic. Originally set at 31 December 2020, Panoro and the Company agreed to amend the long stop date for closing of the Panoro Agreement to the 30 September 2021 which is the date by which authorisation of the Nigerian Department of Petroleum Resources and the consent of the Nigerian Minister of Petroleum Resources are required to have been received.

Upon the successful completion of the Aje Transaction, the Group will in the OML-113 licence acquire a nominal participating interest on 34 % and a revenue interest on 24.3%. These figures are based on the Group holding a 45% equity interest in the SPV, which in turn holds nominal licence interest on 75.5 % and a revenue licence interests on 54.1%. The table below shows all CAPEX, OPEX, and revenue for the SPV. PetroNor's interest is 45% relating to each figure.

The proportional allocation of operating expenditures and capital expenditures deviate from pro-rata allocation of revenues. Allocation of operating expenditures and capital expenditures are based on the following mechanic which were established in the Farm-In Agreements and Joint Operating Agreements in 2007.

SPV Aje Production	Period 1:	Period 2:	Period 3:
	Prior to YFP Payout	Post YFP Payout	Post Project Payout

Participation Interest	CAPEX and OPEX	Revenue (cost recovery and profit sharing)	CAPEX and OPEX	Revenue (cost recovery and profit sharing)	CAPEX	OPEX	Revenue (cost recovery and profit sharing)
75.50%	38.755%	54.066%	38.755%	38.755%	38.755%	54.066%	54.066%

As of the date of this Prospectus, the licence is in "Period 1" and the commencement of "Period 2" is subject to YFP receiving USD 30 million in net proceeds. This is the cost incurred by YFP in OML-113 prior to the first farming agreement in 2007. YFP has received USD 12 million and the recovery of an additional USD 18 million is required for commencement of "Period 2". Based on the expectations of the management of the Company, this is expected to be incur in about 2 years. The commencement of "Period 3" is subject to the net proceeds less the prior costs exceeding the cumulative expenditure. Based on the expectations of the management of the Company, this is expected to take place in about 3 to 4 years.

9.2.1 Aje Transaction Accounting Treatment

The conditions precedent for completion of both the Panoro Agreement and YFP Agreement are interlinked; and accounting wise, the Company regard that the Aje Transaction should be considered as one event, and not the acquisition and immediate disposal of PPSH and PPNH.

The Company expects to classify its interest in the new special purpose vehicle Aje Production as a 'joint venture' under IFRS 11 and will account for the investment using the equity method. Whereby the initial investment is recognised at cost and the carrying amount is increased or decreased recognising the Company's share of profit or loss at each future period end.

Under the terms of the Panoro Agreement, the Company shall, either pay a cash consideration of USD 10 Million or issue consideration shares which in aggregate shall represent a total value of USD 10 Million to Panoro for the 100% equity share acquisition of PPSH and PPNH and their associated interest in OML-113, before the transfer of these PPSH and PPNH shares into Aje Production with YFP.

The Company anticipates to issue shares to conclude the Aje Transaction, thereby initially increasing non-current assets and equity by USD 10 million.

The Company will pay Panoro a conditional consideration of USD 0.10 per 1,000 cubic feet of the Aje Natural Gas Sales Volume (the "Conditional Consideration"). The Conditional Consideration will only be payable after Pan Aje has recovered all costs, both investments and operating costs, in relation to the gas production and the Conditional Consideration shall not exceed USD 16.67 million in cumulated payments.

The Aje Transaction involves the acquisition of license interests from multiple different companies. Meaningful historical financial statements are not yet available for all entities involved in the Aje Transaction. In addition, these entities may have different cost and income bases for their respective license interest; and applying available financial numbers from one partner for the total interest acquired may lead to incorrect information for pro forma financial information.

9.2.2 Financial Information

The Aje Transaction involves the combination of six legal entities located in four different legal jurisdictions. Of which three entities have separate participating interests in the OML-113 lease in Nigeria and varying levels of economic interest.

Meaningful historical financial statements are not yet available for all entities involved in the Aje Transaction. Although the Company has received recent guidance and copy billing statements from the operator on the overall OML-133 operations. The separate entities that hold the participating interests may have additional corporate costs in addition to their respective license interest; and applying available financial numbers from one partner to pro rata estimate the figures for the total interest acquired may lead to incorrect information for pro forma financial information. Therefore, the Company is of the opinion that the only way to accurately reflect the Aje Transaction in this Prospectus is by

providing narrative information. As such there is no report by independent accountants or auditors in relation to the Aje Transaction.

Due to the drop in oil price in 2020, the existing joint venture partners negotiated reduced lease rate for the FPSO currently in operation at the Aje Field. The rates agreed were heavily discounted on a sliding scale that was based on the actual selling price of oil. This has benefited the joint venture partners during the period of extreme low prices in 2020. The discount is now minimal with the recovery of the oil prices close to levels before the COVID pandemic.

When the Aje Transaction completes, the Company will have to recognise its share of any losses incurred in the period since the locked box dates. Any losses to be recognised would reduce the carrying value of the initial investment in the SPV. Based on joint venture billing information for the period since the locked box dates, the Company estimates the carrying value of investments may be reduced by USD 3 – 5 million. However, the Company considers the underlying value of the investment to be realised through the planned re-development of the Aje Field, and not based on current production operations.

The average production in 2021 has dropped from 1980 Bopd in 2020 to around 1400 Bopd. This has resulted in drop of revenue and slowed any financial recovery to the joint venture account.

Until the approval of the Aje Transaction by the DPR and overall completion, the Company does not have influence over the operations of OML-113.

Legal and due diligence costs in connection with the Panoro Agreement and the YFP Agreement were expensed as arose in 2019. In 2020 and Q1 2021, the company continued to use existing internal staffing to develop redevelopment plans for the Aje Field pending completion of the Aje Transaction, where these costs have been expensed as occurred.

Legal and travel costs incurred in 2019 and 2020 in relation to the Aje project are estimated at USD 300,000.

9.3 Guinea-Bissau transaction

On 20 November 2020, the Company announced the 100% share purchase of the entity SPE Guinea Bissau AB¹ (the "**GB Transaction**"), which subsequently completed on 4 May 2021. The GB Transaction allowed PetroNor to assume the Operatorship (and interest of 78.57%) of the Sinapa (Block 2) and Esperança (Blocks 4A and 5A) licences in Guinea-Bissau.

The SEK 434,238 consideration paid for the transaction was calculated to be SEK 1 greater than the SEK book value of the net assets of SPE Guinea Bissau AB on completion. The fair value of the net assets acquired equalled the net book value from the completion balance sheet. In addition to the consideration paid, the Company paid USD 1.9 million in settlement of a payable balance to Svenska Petroleum Exploration AB on behalf of SPE Guinea Bissau AB.

The exploration licences held by SPE Guinea Bissau AB do not currently generate income, however a farm out of one of both of the licences may generate cash inflow from the reimbursement of past exploration costs.

9.3.1 Purpose of the unaudited pro forma financial information

The Company has prepared the pro forma statement of financial position as at 31 March 2021, assuming the GB Transaction completed on the 31 March 2021. The statements of comprehensive income for the three month period ended 31 March 2021 and for the twelve month period ended 31 December 2020 so as to illustrate how the GB Transaction affected the Company had it been completed at 1 January

¹ As of 4 June 2021, SPE Guinea Bissau AB formally changed its name to PetroNor E&P AB.

2021 and at 1 January 2020 respectively, and this hypothetical compilation may differ from the Group's actual financial position or results

Apart from the GB Transaction, no other circumstances occurring after 31 March 2021 are covered by the pro forma statements financial information. The sources of the historical financial information included in the pro forma financial statements are:

- For the Company, extracted from the audited consolidated financial statements as of 31 December 2020; and the unaudited consolidated interim financial statements as of 31 March 2021
- For SPE Guinea Bissau AB, extracted from the audited financial statements as of 31 December 2020 and derived from the unaudited completion closing balance sheet and transactional history from 1 January 2021 to 31 March 2021.

The source documents used to prepare the pro forma financial statements are included in Appendix 3 together with the signed pro forma financial information.

9.3.2 Accounting principles

The underlying financial information for the Group as of 31 March 2021 included in the pro forma financial information is extracted from Financial Statements that have been prepared under Australian Accounting Standards and also complies with IFRS as issued by the International Accounting Standards Board.

SPE Guinea Bissau AB prepares its respective financial statements in SEK and under Swedish GAAP in accordance with the Annual Accounts Act and the BFN's (The Swedish Accounting Standards Board's) general advice BFNAR 2012: 1, This standard was developed by the BFN based on the IFRS for SMEs Standard but with amendments and exceptions due to Swedish Law and 'Swedish practice' as well to reflect Swedish tax law. The Company has identified differences between the Company's accounting policies and those applied by SPE Guinea Bissau AB that would impact the pro forma financial information, these are detailed in Section 9.3.4 below.

In accordance with IFRS 3, a purchase price allocation (PPA) has been performed in which the identifiable assets, liabilities and contingent liabilities of SPE Guinea Bissau AB have been identified. The PPA in the unaudited pro forma condensed financial information is based on the fair value of acquired assets and liabilities as of the date of acquisition. Assets acquired consist of inventory (Well heads), intangible assets (Licenses), trade receivables and cash. Liabilities assumed consist of trade payables.

The SEK 434,238 consideration paid for the transaction was calculated to be SEK 1 greater than the SEK book value of the net assets of SPE Guinea Bissau AB on completion. The fair value of the net assets acquired equalled the net book value from the completion balance sheet. Hence, the PPA did not identify any excess values that would give rise to any pro forma adjustments in the unaudited pro forma condensed financial information.

With regards to applicable exchange rates used in the pro forma statements:

- In the Statement of Comprehensive Income for the period to 31 December 2020 transactions recorded to the income have been translated at an average exchange rate of SEK 9.2106 to USD 1.00.
- In the Statement of Comprehensive Income for the period to 31 March 2021 transactions recorded to the income have been translated at an average exchange rate of SEK 8.3944 to USD 1.00.
- For the Statement of Financial Position for the period ended 31 March 2021 monetary assets and liabilities have been translated at the closing rate of SEK 8.7239 to USD 1.00.

The pro forma financial information has not been audited in accordance with Norwegian or International Standards on Auditing ("ISAs"). However, BDO AS, Munkedamsveien 45, Postboks 1704 Vika, 0121 Oslo, a component auditor for the Company's independent auditor, BDO Audit (WA) Pty Ltd, has issued a report on the Pro Forma financial information included in Appendix B hereto. The report is prepared

in accordance with ISAE 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus".

9.3.3 GB Transaction unaudited pro forma financial information

Pro forma statement of comprehensive income for the year ended 31 December 2020

USD '000s	PetroNor E&P Ltd.	SPE Guinea Bissau AB	SPE Guinea Bissau AB translated	Accountin g Policy adj	Notes	Pro Forma Adjustment s	Notes	Pro Forma Consolidate d
	Audited USD \$'000	Audited SEK Kr'000s	Unaudited USD \$'000	Unaudited USD \$'000		Unaudited USD \$'000		Unaudited USD \$'000
Revenue	67,543	-	-	-		-		67,543
Cost of Sales	(25,885)	-	-	-		-		(25,885)
Gross Profit	41,658	-	-	-		-		41,658
Other operating income	45	-	-	-		-		45
Impairment of intangible asset	-	(319,431)	(34,681)	-		34,433	B1	(248)
Administrative expenses	(12,376)	(30,157)	(3,274)	-		(508)	B1	(16,158)
Profit from operations	29,327	(349,588)	(37,955)	-		33,925		25,297
Finance Expenses	(2,606)	(134)	(15)	-		-		(2,621)
Finance income	-	24	3	-		-		3
Foreign exchange gain/loss	1,507	1,899	206	-		-		1,713
Group contribution received	-	346,265	37,594	(37,594)	A1	-		-
Profit/(loss) before tax	28,228	(1,534)	(167)	(37,594)		33,925		24,392
Tax Expense	(17,078)	-	-	-		-		(17,078)
Profit/ (loss) for the period	11,150	(1,534)	(167)	(37,594)		33,925		7,314
Other comprehensive income								
Exchange gains/(losses) arising on translation of foreign operations	(1,050)	-	(21)	(4,695)	A1	4,235	B1	(1,529)
Total comprehensive income/(loss)	10,100	(1,534)	(188)	(42,289)		38,160		5,786
Profit/Loss for the period attributable								
Equity holders of the parent	2,373	(1,534)	(167)	(37,594)		33,925		(1,463)
Non-controlling interests	8,777	-	-	-		-		8,777
	11,150	(1,534)	(167)	(37,594)		33,925		7,314
Equity holders of the parent	1,417	(1,534)	(188)	(42,289)		38,160		(2,897)
Non-controlling interests	8,683	-	-	-		-		8,683
	10,100	(1,534)	(188)	(42,289)		38,160		5,786

Note: The above table has been prepared on the basis that the acquisition transaction completed on 1 January 2020

Note A1: Svenska Petroleum Exploration Aktiebolag shareholder contribution prior to acquisition

In 2020 SPE Guinea Bissau AB recognised a contribution from their parent entity Svenska Petroleum Exploration Aktiebolag in the amount of SEK 346,265,287. Under IFRS this contribution would have been accounted for as an equity contribution and not recognised as income. The GAAP adjustment in the comprehensive statement of income has been translated at the average exchange rate of SEK 9.2106 to USD 1.00. A GAAP adjustment has also been made for the related foreign currency translation difference. This is a one-off adjustment and not expected to have a continued impact.

Note B1: Exploration expenses

SPE Guinea Bissau AB uses the 'successful efforts' method when capitalising exploration costs, compared to the 'area of interest' method utilised by the Company. In doing so SPE Guinea Bissau AB capitalises a greater proportion of the exploration costs that would be expensed as incurred by Company. The pro forma statements have been adjusted to reflect PetroNor Group accounting policies and costs capitalised in SPE Guinea Bissau AB during 2020 in the amount of SEK 4,678K have been expensed and reclassified according to PetroNor Group accounting policy. This is a one-off effect as it is anticipated that SPE Guinea Bissau AB will adopt PetroNor Group accounting policies going forward, so there will be no variance in exploration cost treatment.

During the accounting period to 31 December 2020 SPE Guinea Bissau AB booked an impairment of fixed asset in the amount of SEK 319.4 million (USD 34.3 million) relating to the Sinapa Block 2 and Esperança Block 4a&5a. The fair value of these assets at the time of acquisition was SEK 1 and thus a pro-forma adjustment has been made to reflect that there would be no impairment loss in the consolidated financial statements for PetroNor in 2020 if the transaction was completed on January 1, 2020. A pro-forma adjustment has also been made for the related foreign currency translation difference. This is a one-off adjustment and not expected to have a continued impact.

Pro forma statement of comprehensive income for the three month period ended 31 March 2021

USD '000s	PetroNor E&P Ltd	SPE Guinea Bissau AB	SPE Guinea Bissau AB translated	Accounti ng Policy adj	Notes	Pro Forma Adjustme nts	Pro Forma Consolidate d
	Unaudited USD \$'000	Unaudited SEK Kr'000s	Unaudited USD \$'000	Unaudited USD \$'000		Unaudited USD \$'000	Unaudited USD \$'000
Revenue	22,939	-	-	-		-	22,939
Cost of Sales	(8,106)	-	-	-		-	(8,106)
Gross Profit	14,833	-	-	-		-	14,833
Other operating income	16	-	-	-		-	16
Administrative expenses	(2,394)	(2)	(0)	(50)	C1	-	(2,444)
Profit from operations	12,455	(2)	(0)	(50)		-	12,405
Finance Expenses	(679)	(37)	(4)	-		-	(683)
Foreign exchange gain/loss	(816)	(2,294)	(273)	-		-	(1,089)
Profit/(loss) before tax	10,960	(2,333)	(277)	(50)		-	10,632
Tax Expense	(6,609)	-	-	-		-	(6,609)
Profit/ (loss) for the period	4,351	(2,333)	(277)	(50)		-	4,023
Other comprehensive income							
Exchange gains/(losses) arising on translation of foreign operations	536	-	10	2		-	548
Total comprehensive income/(loss)	4,887	(2,333)	(267)	(48)		-	4,572
Profit/Loss for the period attributable							
Equity holders of the parent	1,631	(2,333)	(278)	(50)		-	1,303
Non-controlling interests	2,720	-	-	-		-	2,720
	4,351	(2,333)	(278)	(50)		-	4,023
Total Comprehensive (Loss) / Income							
Attributable to:							
Equity holders of the parent	1,492	(2,333)	(267)	48		-	1,177
Non-controlling interests	3,395	-	-	-		-	3,395
	4,887	(2,333)	(267)	48		-	4,572

Note: The above table has been prepared on the basis that the acquisition transaction completed on 1 January 2021

Note C1: Exploration expenses

SPE Guinea Bissau AB uses the 'successful efforts' method when capitalising exploration costs, compared to the 'area of interest' method utilised by the Company. In doing so SPE Guinea Bissau AB capitalises a greater proportion of the exploration costs that would be expensed as incurred by Company. The pro forma statements have been adjusted to reflect PetroNor Group accounting policies and costs capitalised in SPE Guinea Bissau AB during 2021 in the amount of SEK 416K have been expensed and reclassified according to PetroNor Group accounting policy. In accordance with Group policy these types of exploration costs will continue to be expensed. This is a one-off effect as it is anticipated that SPE Guinea Bissau AB will adopt PetroNor Group accounting policies going forward, so there will be no variance in exploration cost treatment.

Pro forma statement of financial position as at 31 March 2021

USD '000s	PetroNor E&P Ltd	SPE Guinea Bissau AB	SPE Guinea Bissau AB translated	Accountin g Policy adj	Notes	Pro Forma Adjustment s	Note s	Pro Forma Consolidated
	Unaudited USD \$'000	Unaudited SEK Kr'000s	Unaudited USD \$'000	Unaudited USD \$'000		Unaudited USD \$'000		Unaudited USD \$'000
Assets								
Current assets								
Inventories	4,142	14,085	1,615	-		-		5,757
Trade and Other Receivables	7,878	98	11	-		-		7,889
Cash and bank balances	19,645	4,659	534	-	(88)	E1		20,091
	31,665	18,842	2,160	-	(88)			33,737
Non-current assets								
Long Term Receivables	22,205	-	-	-		-		22,205
Property, plant and equipment	23,696	-	-	-		-		23,696
Intangible assets	6,775	1,787	206	(49)	D1	-		6,932
	52,676	1,787	206	(49)		-		52,833
Total assets	84,341	20,629	2,366	(49)		(88)		86,570
Current liabilities								
Trade and Other Payables	15,446	19,448	2,229	-		-		17,687
Loans and borrowings	6,000							6,000
	21,446	19,448	2,229	-		-		23,687
Non current liabilities								
Loans and borrowings	12,912	-	-	-		-		12,912
Provisions	15,556	-	-	-		-		15,556
	28,468	-	-	-		-		28,468
Total Liabilities	49,914	19,448	2,229	-		-		52,143
NET ASSETS	34,427	1,181	137	(49)		(88)		34,427
Equity								
Share capital	28,257	100	13	-		(13)	E1	28,257
Foreign currency translation reserve	(1,095)	-	11			(11)	E1	(1,095)
Retained Earnings	(7,222)	1,081	113	(49)	D1	(64)	E1	(7,222)
	19,940	1,181	137	(49)		(88)		19,940
Non-controlling interests	14,487	-	-	-		-		14,487
TOTAL EQUITY	34,427	1,181	137	(49)		(88)		34,427

Note: The above table has been prepared on the basis that the acquisition transaction completed on 31 March 2021

Note D1: Intangible asset accounting policy adjustment.

SPE Guinea Bissau AB uses the 'successful efforts' method when capitalising exploration costs, compared to the 'area of interest' method utilised by the Company. In doing so SPE Guinea Bissau AB capitalises a greater proportion of the exploration costs, that would be expensed as incurred by Company. The pro forma statements have been adjusted to reflect PetroNor's accounting policies and costs capitalised in SPE Guinea Bissau AB during 2021 in the amount of SEK 416K have been expensed and reclassified according to PetroNor Group accounting policy. In accordance with Group policy these types of exploration costs will continue to be expensed. This is a one-off adjustment as it is anticipated that SPE Guinea Bissau AB will adopt PetroNor Group accounting policies going forward, so there will be no variance in exploration cost treatment.

Note E1: Purchase Price Allocation

On completion of the GB Transaction, the SEK 434,238 (USD 50k) consideration paid for the transaction was calculated to be SEK 1 greater than the SEK book value of the net assets of SPE Guinea Bissau AB on completion balance sheet as at 28 April 2021. The fair value of the net assets acquired equalled the net book value from the completion balance sheet.

Purchase Price Allocation	Completion date	Pro forma date	Pro forma adj
	28 April 2021	31 Mar 2021	
	USD	USD	USD
	\$'000	\$'000	\$'000
Consideration (cash):	50	-	(50)
Inventories	1,615	1,615	-
Trade and other receivables	4	11	(7)
Cash and bank balances	513	534	(21)
Intangible assets	157	157	-
Trade payables	(2,239)	(2,229)	(10)
Net identifiable assets	50	88	(38)
NET ASSETS	50	88	(88)

As net identifiable assets are equal to consideration paid, no goodwill is recognised.

The pro forma adjustment reflects the consideration paid, as well as the changes in book value of the assets between 31 March 2021 and the acquisition date. This will not have a continued impact on PetroNor and is a one-off adjustment.

The USD 13K share capital, USD 11K foreign currency translation reserve and USD 64K retained earnings brought forward for this new subsidiary will be eliminated upon consolidation into the PetroNor Group.

9.3.4 Independent assurance report on unaudited pro forma financial information

With respect to the unaudited pro forma financial information included in this Prospectus, BDO AS has applied assurance procedures in accordance with ISAE 3420 "Assurance Engagement to Report Compilation of Pro Forma Financial Information Included in a Prospectus" in order to express an opinion as to whether the unaudited pro forma financial information has been properly complied on the basis stated, and that such basis is consistent with the accounting policies of the Company. BDO AS has issued an independent assurance report on the unaudited pro forma financial information included as Appendix 2 to this Prospectus. There are no qualifications to this assurance report.

9.4 Symero transaction

9.4.1 Background

In the Republic of Congo, the Company holds an 11.9% indirect interest in PNGF Sud (comprised of three liquid and gaseous hydrocarbons production licenses: Tchendo II, Tchibouela II, and Tchibeli-Litanzi II) (Project) through its local subsidiary Hemla E&P Congo S.A (HEPCO).

These three production licenses were awarded in 2017 to the Congolese National Oil Company (SNPC), and a separate production sharing contract (PSC) is in place in connection with each of them. Other than SNPC, the current members of the contractor groups under these PSCs are Perenco Congo (operator), HEPCO, Continent Congo, Africa Oil &Gas Corporation, and Petro Congo.

Hemla Africa Holding AS (HAH) is the immediate parent company to HEPCO and holds 84.15% of the issued shares. The Company currently holds 70.707% of the issued shares in HAH. The remaining

29.293% interest in HAH (Ownership Interest) is held by Symero Limited (Symero). Consequently the Company holds a 59.50% indirect interest in HEPCO.

Symero is a wholly owned subsidiary of NOR Energy AS, an entity controlled by Knut Søvold, Chief Executive Officer of the Company, and Gerhard Ludvigsen, a former Director of the Company. NOR Energy AS is also the second largest shareholder in the company (holding approximately 13.59% of the issued Share capital).

The Company has entered an agreement with Symero under which Symero has conditionally agreed to sell the Ownership Interest to the Company, such that upon completion of the transaction, the Company will hold 100% of the issued capital in HAH (the Symero Transaction).

In conjunction with the Symero Transaction, the Company is undertaking a capital raising that includes a second tranche of 138,763,636 Shares at a deemed issue price of NOK 1.10 issued to Symero (Symero Consideration Shares) in consideration for Symero's shares in HAH. (Tranche 2a). The issue of the Tranche 2a Shares was subject to and conditional on Shareholder approval pursuant to Chapter 2E of the Corporation Act in Australia.

The Symero Consideration Shares were deemed equal to USD 18,000,000.

The Symero Transaction was considered by the Company to be a related party transaction requiring Shareholder approval in terms of Chapter 2E of the Corporations Act because Symero is the subsidiary of Nor Energy AS, the second largest shareholder in the Company and an entity controlled by Knut Søvold and Gerhard Ludvigsen. Messrs. Søvold and Ludvigsen are related parties of the Company by virtue of being the Chief Executive Officer and a former Director of the Company.

Due to the structural complexity and interrelated elements to the Symero Transaction, the Directors resolved to seek Shareholder approval for the issue of the Symero Consideration Shares in accordance with Chapter 2E of the Corporations Act.

In addition, the Directors commissioned Stantons International Securities to prepare an independent expert's report for the purpose of assessing the fairness and reasonableness of the Symero Transaction that was published by the Company and annexed to the notice of meeting for the General Meeting to approve the Symero Transaction.

On 4 May 2021 at the General Meeting the shareholders approved the Symero Transaction and issue of Symero Consideration Shares.

9.4.2 Accounting for Symero transaction

The Company already holds 70.707% of the issued shares in HAH, and thereby controls HAH. As per IFRS 10, HAH is accounted for as a subsidiary and consolidated into the financial statements of the Group.

The Symero Transaction increases the level of control of HAH to 100%. But as it is already considered a subsidiary and, the gross assets, turnover and net profit are already consolidated into the Group. The Symero Transaction will have no variation to gross assets, turnover or net profit of the Group.

As Company shares are utilised to acquire the minority interest of HAH, this is a purely equity transaction within equity in the statement of financial position. In accordance with IFRS 10.B96 the USD 18,000,000 increase in share capital will be offset with reductions in non-controlling interests and retained earnings. After the acquisition, on the future statement of profit or loss and other comprehensive income, the profit or loss for the year and total comprehensive income will not be adjusted. Only the allocation between owners of the parent and non-controlling interests will change to reflect the 29.293% increase in equity.

The Listing Prospectus includes pro forma information for several transactions. However, the Company considers it disproportionately burdensome to prepare pro forma financial statements for the Symero Transaction due to no effect on the three standard indicators of size (total assets, revenue or profit and loss) of the company's business. The Company considers the non-controlling interest of equity to be of limited relevance to investors. Furthermore, the existing investors who are the target of the subsequent offering have already considered and approved the Symero Transaction at the General Meeting on 4 May 2021. For which an independent experts report had been published in advance that included unaudited pro forma consolidated statement of financial position as at 31 December 2020, using the

Company's interim reporting for the quarter ended 31 December 2020 as the source document. The Company considers the use of additional resources required for preparing and obtaining auditor assurance for pro forma financial information for the Symero Transaction is of limited value to investors.

The CEO and Board of Directors of PetroNor E&P Limited

19 August 2021



Eyas Alhomouz
Chairman



Jens Pace
Director



Joseph Iskander
Director



Roger Steinepreis
Director



Gro Kielland
Director



Alexander Neuling
Director



Knut Søvold
CEO



Ingvil Tybring-Gjedde
Director