

November 21, 2023



NOG Announces Bolt-on Acquisitions; Expands Northern Delaware Position and Enters Ohio Utica Shale in Appalachia

HIGHLIGHTS

- Bolt-on acquisitions of core non-operated working interest properties in the Northern Delaware and Appalachian Basins for a combined initial purchase price of \$170 million in cash and 107,657 shares of common stock, subject to typical closing adjustments
- Combined average expected 2024 production of ~6,500 Boe per day (26% oil, 2-stream)
- Combined cash flow from operations for the acquisitions expected to be \$57.5 - \$62.5 million in 2024, representing a 2.8 - 3.0x purchase price multiple, based on recent commodity strip pricing
- Expecting approximately \$33 - \$38 million in total 2024 capital expenditures on the combined assets
- NOG has existing ownership interests in approximately 90% of the Delaware Basin leasehold
- Transactions expected to be accretive to key financial metrics in 2024 and on a multi-year basis
- Acquisitions to be financed with cash on hand, operating free cash flow and borrowings under NOG's revolving credit facility
- NOG hedged a portion of the expected production on a multi-year basis, at higher than current pricing levels, prior to signing

MINNEAPOLIS--(BUSINESS WIRE)-- Northern Oil and Gas, Inc. (NYSE: NOG) ("NOG" or "Company") today announced two acquisition transactions.

NORTHERN DELAWARE BASIN TRANSACTION

NOG has entered into a definitive agreement with a private party to acquire non-operated interests across ~3,000 net acres located primarily in Lea and Eddy Counties, New Mexico. NOG owns existing interests in approximately 90% of the leasehold. Current production is ~2,800 Boe per day (2-stream, ~67% oil). NOG expects 2024 production to average ~2,500 Boe per day (2-stream, ~67% oil) but expects significant future growth on the assets, with average production of >3,500 Boe per day for 2025 through 2030. Capital expenditures on the assets are expected to be in the range of \$25 - \$30 million to be incurred in 2024, with similar expected levels annually through 2027.

The acquired assets include 13.0 net producing wells, 1.0 net well in process and an estimated 26.3 net undeveloped locations, representing approximately 13.5 years of inventory at sustaining capital levels. The undeveloped assets are of extremely high quality,

with an average pre-tax PV-10 breakeven of less than \$45 per barrel. Mewbourne Oil is the largest operator, controlling approximately 80% of the assets.

The effective date for the transaction is November 1, 2023. NOG has placed a \$17.1 million deposit for the acquisition with the balance of the funding to occur at closing, which is expected in the first quarter of 2024, subject to the satisfaction of typical closing conditions.

APPALACHIAN BASIN TRANSACTION

NOG has entered into a definitive agreement with a separate private party to acquire non-operated interests in Jefferson, Harrison, Belmont, and Monroe Counties, Ohio. The primary target zone is the Point Pleasant/Utica Shale.

Current production is approximately 23 MMcfe per day (~3,800 Boe per day, ~100% gas) and NOG expects average production in 2024 at slightly higher levels. NOG expects to incur approximately \$14 million of capital expenditures on the assets in 2023 (which may be included in whole, or in part, as a portion of the initial closing settlement, depending on timing), and \$8 million of capital expenditures in 2024.

The acquired properties include approximately 0.8 net producing wells and 1.7 net wells-in-process. Substantially all the assets are operated by Ascent Resources, one of the top Utica producers in Ohio.

The effective date for the transaction is November 1, 2023, with an expected close in the fourth quarter of 2023, subject to the satisfaction of typical closing conditions.

MANAGEMENT COMMENTS

“These transactions demonstrate our continued ability to successfully acquire high quality assets in the core of their respective basins, with best-in-class operating parties,” commented Nick O’Grady, Chief Executive Officer of NOG. “We expect the assets to be accretive in 2024 and to accelerate further in future years. We are also pleased to expand our Appalachian presence into some of the best parts of the Ohio Utica Shale as we continue to grow our natural gas portfolio in the region over time. Notably, at the current pricing strip, we still expect to reach our ~1x leverage ratio target in 2024 and cash generating assets such as these should add to dividend capacity over time.”

“After closing, our Permian lands will approach ~40,000 net acres and definitively become our most active and largest basin in terms of activity and production,” commented Adam Dirlam, NOG’s President. “Our focus remains on low-breakeven, resilient inventory that works in nearly any price environment, and these assets deliver in spades. On the Appalachian front, we are acquiring assets in the core of the Utica under one of the most prolific operators, with a focus on near-term development. As we continue to build data in the area, there is significant potential for longer term expansion.”

ADVISORS

Citi served as financial advisor to NOG for the Delaware Basin transaction.

TPH&Co, the energy business of Perella Weinberg Partners, served as financial advisor to the Delaware Basin seller.

Kirkland & Ellis LLP is serving as NOG's legal advisor for the Delaware Basin transaction. Steptoe & Johnson is serving as NOG's legal advisor for the Utica transaction.

ABOUT NOG

NOG is a real asset company with a primary strategy of acquiring and investing in non-operated minority working and mineral interests in the premier hydrocarbon producing basins within the contiguous United States. More information about NOG can be found at www.northernoil.com.

SAFE HARBOR

This press release contains forward-looking statements regarding future events and future results that are subject to the safe harbors created under the Securities Act of 1933 (the "Securities Act") and the Securities Exchange Act of 1934 (the "Exchange Act"). All statements other than statements of historical facts included in this release regarding NOG's financial position, common stock dividends, production, cash flows, capital expenditures, business strategy, plans and objectives of management for future operations and industry conditions are forward-looking statements. When used in this release, forward-looking statements are generally accompanied by terms or phrases such as "estimate," "project," "predict," "believe," "expect," "continue," "anticipate," "target," "could," "plan," "intend," "seek," "goal," "will," "should," "may" or other words and similar expressions that convey the uncertainty of future events or outcomes. Items contemplating or making assumptions about actual or potential future sales, market size, collaborations, and trends or operating results also constitute such forward-looking statements.

Forward-looking statements involve inherent risks and uncertainties, and important factors (many of which are beyond NOG's control) that could cause actual results to differ materially from those set forth in the forward-looking statements, including the following: changes in crude oil and natural gas prices, the pace of drilling and completions activity on NOG's properties and properties pending acquisition, NOG's ability to acquire additional development opportunities, changes in NOG's reserves estimates or the value thereof, general economic or industry conditions, nationally and/or in the communities in which NOG conducts business, changes in the interest rate environment, legislation or regulatory requirements, conditions of the securities markets, NOG's ability to consummate any pending acquisition transactions (including the transactions described herein), other risks and uncertainties related to the closing of pending acquisition transactions (including the transactions described herein), NOG's ability to raise or access capital, changes in accounting principles, policies or guidelines, financial or political instability, acts of war or terrorism, and other economic, competitive, governmental, regulatory and technical factors affecting NOG's operations, products, services and prices.

NOG has based these forward-looking statements on its current expectations and assumptions about future events. While management considers these expectations and assumptions to be reasonable, they are inherently subject to significant business, economic, competitive, regulatory, and other risks, contingencies, and uncertainties, most of which are difficult to predict and many of which are beyond NOG's control. NOG does not undertake any duty to update or revise any forward-looking statements, except as may be required by the federal securities laws.

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Evelyn Leon Infurna

Vice President, Investor Relations

(952) 476-9800

ir@northernoil.com

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