

June 16, 2021



Northern Oil and Gas, Inc. Announces Core Permian Basin Bolt-On Acquisitions

HIGHLIGHTS

- \$102.2 million of bolt-on acquisitions in the Delaware Basin
- Includes 2,900 core Permian acres in Reeves, Lea and Eddy Counties
- 3,700 Boe per day (two-stream) expected in the second half of 2021
- Forward 1-year cash flow from operations expected to exceed \$40 million at current strip pricing (assuming August 1, 2021 closing), or approximately 2.5x the purchase price
- Over \$100 million of cumulative free cash flow expected from the assets through 2025
- Transaction, inclusive of contemplated financings, expected to be accretive to TEV / EBITDA, Debt / EBITDA, free cash flow and cash flow per share over a multi-year period
- Management intends to submit a request for a 50% increase to the quarterly dividend to \$0.045 per share to Northern's Board of Directors upon closing of the transactions
- Excluding these acquisitions, Northern's preliminary April and May 2021 average oil production estimated to exceed 31,750 Bbl per day, above internal expectations

MINNEAPOLIS--(BUSINESS WIRE)-- Northern Oil and Gas, Inc. (NYSE American: NOG):

PERMIAN BASIN ACQUISITIONS

Northern Oil and Gas, Inc. (NYSE American: NOG) ("Northern") announced today that it has entered into three definitive agreements to acquire non-operated interests across approximately 2,900 net acres located in the heart of Reeves County, Texas and Lea and Eddy Counties, New Mexico for a combined purchase price of \$102.2 million.

May 2021 production on the assets was approximately 2,200 Boe per day (2-stream, 66% oil) and Northern expects average production of 3,700 Boe per day in the second half of 2021, assuming an August 1 closing. The estimated development plan on the properties over the next several years is expected to grow production to approximately 6,500 Boe per day, assuming current strip prices. Under this development scenario, Northern forecasts the assets to generate over \$100 million of cumulative free cash flow through 2025.

The assets include 5.3 net producing wells, 5.0 net wells in process and an additional 23.1 net undrilled locations ascribed to the core zones including the Wolfcamp A, Wolfcamp B and 1st through 3rd Bone Springs. The assets are operated primarily by Mewbourne Oil Company, Colgate Energy, ConocoPhillips and EOG Resources.

The effective date for the majority of the transaction value is April 1, 2021. Northern consummated the acquisition of a portion of the assets in June and expects to close on the

acquisition of the remaining assets in the third quarter of 2021. Northern estimates approximately \$35 million of capital expenditures on the combined properties to be incurred in 2021, inclusive of estimated purchase price adjustments at closing of the acquisitions.

TRANSACTION FINANCING

The pending acquisition is expected to be funded through a combination of a common equity offering and, to the extent necessary, cash on hand and/or borrowings under Northern's Senior Secured Credit Facility and the transactions are anticipated to be immediately leverage accretive.

MANAGEMENT COMMENTS

"These assets represent the trifecta," commented Adam Dirlam, Chief Operating Officer of Northern. "We are acquiring high return core properties with top operators, assets with significant inventory and growth potential, and engaging in a transaction expected to meaningfully impact Northern's free cash flow profile. We expect to generate over \$100 million in free cash flow from the assets through 2025, based on current strip prices."

"Consistent with our fundamental approach to growing our enterprise, these transactions achieve all of our stated goals," commented Nick O'Grady, Chief Executive Officer of Northern. "These deals are immediately accretive to our enterprise and all relevant per share statistics. As promised, alongside a reduction in leverage ratios, it means an acceleration of our dividend strategy to shareholders, while augmenting our inventory and growth profile."

UPDATED CAPITAL EXPENDITURES GUIDANCE

	Current	Previous
Total Capital Expenditures (<i>in millions</i>)	\$215 - \$270	\$200 - \$250

Northern has experienced significantly improved capital efficiencies year to date, and post-transaction, capital expenditures are expected to increase by only \$15–20 million, despite approximately \$35 million of development capital on the acquired properties. The implied \$15–20 million reduction of Northern's previous capital expenditure guidance, combined with the additional cash flows from the acquired properties, should serve to bolster Northern's estimated free cash flow profile at current strip prices.

CONFERENCE CALL

Northern has recorded a conference call discussing the acquisitions. Those wishing to listen to the conference call may do so by calling Toll-Free U.S. 877-660-6853 or International +1 201-612-7415 and providing the Conference ID 13720652.

ABOUT NORTHERN OIL AND GAS

Northern Oil and Gas, Inc. is a company with a primary strategy of investing in non-operated minority working and mineral interests in oil & gas properties, with a core area of focus in the premier basins within the United States. More information about Northern Oil and Gas, Inc. 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 Northern’s financial position, business strategy, plans and objectives of management for future operations and industry conditions are forward-looking statements, including statements regarding the expected production, drilling locations and free cash flow from the Permian assets, the expected closing date for the pending acquisition, Northern’s expected capital expenditures for 2021 and management’s intention to recommend an increase to Northern’s quarterly dividend. 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 Northern’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 Northern’s properties and properties pending acquisition, the effects of the COVID-19 pandemic and related economic slowdown, Northern’s ability to acquire additional development opportunities, changes in Northern’s reserves estimates or the value thereof, general economic or industry conditions, nationally and/or in the communities in which Northern conducts business, changes in the interest rate environment, legislation or regulatory requirements, conditions of the securities markets, Northern’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 pending transaction described herein), Northern’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 Northern’s operations, products, services and prices.

Northern 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 Northern’s control. Northern 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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