

August 17, 2022



NOG Announces Midland Basin Bolt-on Acquisition

HIGHLIGHTS

- Bolt-on acquisition of high oil cut, core non-operated working interest properties in the Midland Basin for \$110 million
- Average production >1,800 Boe per day (2-stream, ~86% oil) expected over the next twelve months
- Strong line of sight with approximately 9.6 net undeveloped and in-process locations and ~1,600 net acres located in Howard County, Texas
- Forward 1-year unhedged cash flow from operations (assumed October closing) expected to be approximately \$48 million at strip pricing as of 8/15/2022, representing an initial purchase price transaction multiple of 2.3x
- Strong free cash flow profile with only ~\$12.5 - 17.5 million of annual sustaining capital expenditures necessary to maintain production on assets
- Transaction expected to be accretive to key valuation metrics, including TEV / EBITDA, earnings per share, free cash flow and cash flow per share, over a multi-year period
- Acquisition to be financed with cash; still expect to exit 2022 below 1.0x leverage ratio

MINNEAPOLIS--(BUSINESS WIRE)-- Northern Oil and Gas, Inc. (NYSE: NOG) (the "Company" or "NOG") today announced that it has entered into an agreement to acquire properties in the Midland Basin.

MIDLAND BASIN ACQUISITION

NOG has entered into a definitive agreement to acquire non-operated interests in the Midland Basin for a purchase price of \$110 million in cash, subject to typical closing adjustments. NOG expects to fund the acquisition with cash on hand, operating free cash flow and borrowings under NOG's revolving credit facility.

At closing, production on the assets is expected to be greater than 1,600 Boe per day (2-stream, ~87% oil) and NOG expects average production of over 1,800 Boe per day over the next twelve months post-closing (2-stream, ~86% oil). NOG expects less than \$5 million of capital expenditures to be incurred post-closing in 2022 and does not anticipate revising 2022 capital expenditure guidance for the acquisition. These high-quality properties have operating costs lower than NOG's corporate average.

The acquired assets are located in Howard County, Texas and include approximately 1,600 acres, 6.4 net producing wells, 1.6 net wells-in-process and approximately 8 net undeveloped locations. Substantially all of the assets are operated by SM Energy.

The effective date for the transaction is August 1, 2022, and NOG expects to close the

transaction in October 2022. The obligations of the parties to complete the transactions contemplated by the purchase agreement are subject to the satisfaction or waiver of customary closing conditions.

MANAGEMENT COMMENTS

“We continue to focus on a balanced approach to growing our enterprise, with a focus on quality and low-breakeven economics,” commented Nick O’Grady, NOG’s Chief Executive Officer. “NOG continues to build a stronger, more diversified company built to drive higher shareholder returns for the long term.”

“In our second meaningful bolt-on acquisition of 2022, we have found a high-quality prospect that continues to grow our Midland Basin position,” commented Adam Dirlam, NOG’s President. “Anchored by highly economic inventory, high oil cuts, and a strong operator, this transaction helps continue to build out the Permian Basin as an area of growth for NOG.”

ADVISORS

Kirkland & Ellis LLP is serving as legal advisor to NOG.

ABOUT NORTHERN OIL AND GAS

NOG 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 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, business strategy, plans and objectives of management for future operations, industry conditions, capital expenditures, production, cash flow, hedging and other matters are forward-looking statements. When used in this release, forward-looking statements are generally accompanied by terms or phrases such as “estimate,” “guidance,” “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, the effects of the COVID-19 pandemic and related economic slowdown, NOG’s ability to acquire additional development opportunities, integration and benefits of property acquisitions, or the effects of such acquisitions on

Northern's cash position and levels of indebtedness, 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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