Registration Document

DNO ASA

Date: 18th January 2022

IMPORTANT INFORMATION

This registration document (the "Registration Document") has been prepared by DNO ASA (the "Company", together with its subsidiaries, the "Group") solely in connection with listing of bond issues (the "Bonds") on the Oslo Stock Exchange, a stock exchange operated by Oslo Børs ASA (the "Oslo Stock Exchange").

This Registration Document has been approved by the Financial Supervisory Authority of Norway (Finanstilsynet) (the "Norwegian FSA"), as the competent authority under Regulation (EU) 2017/1129. The Norwegian FSA only approves this Registration Document as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the Company that is the subject of this Registration Document.

This Registration Document prepared according to Regulation (EU) 2017/1129, is valid for a period of up to 12 months following its approval by the Norwegian FSA. This Registration Document was approved by the Norwegian FSA on 18th January 2022. The prospectus for issuance of new bonds or other securities (the "Prospectus") may, for a period of up to 12 months from the date of the approval, consist of this Registration Document, and a securities note (the "Securities Note") for each bond issue and, if applicable, a summary subject to a separate approval.

For definitions of certain other terms used throughout this Registration Document, see Section 9 "Definitions and glossary".

The information contained herein is current as of the date hereof and is subject to change, completion and amendment without notice. Neither the publication nor distribution of this Registration Document shall under any circumstances imply that there has been no change in the Group's affairs or that the information herein is correct at any date subsequent to the date of this Registration Document.

No person is or has been authorized by the Company to give any information or to make any representation not contained in or not consistent with this Registration Document or any other information supplied in connection with the Bonds and, if given or made, such information or representation must not be relied upon as having been authorized by the Company.

The distribution of this Registration Document in certain jurisdictions may be restricted by law. This Registration Document does not constitute an offer of, or an invitation to purchase, any of the Bonds in any jurisdiction. This Registration Document may not be distributed or published in any jurisdiction except under circumstances that will result in compliance with applicable laws and regulations. Persons in possession of this Registration Document are required to inform themselves of and observe any such restrictions. In addition, the Bonds are subject to restrictions on transferability and resale 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.

The content of this Registration Document is not to be construed as legal, credit, business or tax advice. Each investor should consult its own legal, credit, business or tax advisors for such issues. In making an investment decision, investors must rely on their own examination of the Group and the Bonds, including the merits and risks involved.

The Bonds may not be a suitable investment for all investors. Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisors, whether it:

(i) has sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this Registration Document or any applicable supplement;

(ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact the Bonds will have on its overall investment portfolio;

(iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including where the currency for principal or interest payments is different from the potential investor's currency;

(iv) understands thoroughly the terms of the Bonds and is familiar with the behavior of financial markets; and

(v) is able to evaluate possible scenarios for economic and other factors that may affect its investment and its ability to bear the applicable risks.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisors to determine whether and to what extent: (i) the Bonds are legal investments for it, (ii) the Bonds can be used as collateral for various types of borrowing; and (iii) other restrictions apply to its purchase or pledge of any Bonds. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Bonds under any applicable risk-based capital or similar rules.

The Bonds have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the U.S. Securities Act) except in accordance with Regulation S under the U.S. Securities Act or pursuant to an exemption from the registration requirements of the U.S. Securities Act.

This Registration Document shall be governed by and construed in accordance with Norwegian law. The courts of Norway, with Oslo District Court as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Registration Document.

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1 RISK FACTORS

Investing in bonds involves inherent risks. Prospective investors should carefully consider, among other things, the risk factors set out in the Registration Document before making an investment decision.

A prospective investor should carefully consider all the risks related to the Company and the Group and should consult his or her own expert advisors as to the suitability of an investment in the Bonds. An investment in the Bonds entails significant risks and is suitable only for investors who understand the risk factors associated with this type of investment and who can afford a loss of all or part of the investment. Against this background, an investor should thus make a careful assessment of the Company, its creditworthiness and its prospects before deciding to invest, including its current and future tax position. The risk factors for the Company and the Group are deemed to be equivalent for the purpose of this Registration Document unless otherwise stated.

The Company believes that the factors described below represent the principal risks inherent in investing in the Bonds, but the Company may be unable to pay interest, principal or other amounts on or in connection with the Bonds for other reasons which may not be considered significant risks by the Company based on information currently available to it or which it may not currently be able to anticipate. The risks within each category are listed, in the view of the Company, according to the possible negative impact they may have and the probability of their occurrence. The greatest risk within each category is generally mentioned first. It applies for all risk factors that, if materialized, and depending on the circumstances, may have an adverse effect on the Company and/or the Group and which may reduce anticipated revenue and profitability, ultimately resulting in a potential insolvency situation.

1.1 OPERATIONAL RISK

Difficulties in the marketing or exporting of the Group's oil and gas could adversely affect the Group's revenues

The Group’s ability to sell the oil and gas it produces will be affected by numerous factors beyond its control. There is a risk that the Group does not get paid or paid on time for its deliveries. In addition, disruptions to transportation services or restrictions on access to key transportation channels, as well as disruptions in the supply of essential goods and services and access to processing facilities, may have a material adverse effect on the Group's business, results of operations, financial condition or prospects. For more information, see “Political Risk” below.

Historically, as a result of disagreements between the Federal Government of Iraq (“FGI”) and the Kurdistan Regional Government (“KRG”), economic conditions in the Kurdistan region of Iraq (“KRI”) and limited available export channels, the Group has faced constraints in fully monetizing the oil it produces in the KRI. There is no guarantee that oil and gas can be exported in sufficient quantities or at prices required to sustain the Group’s operations (at profitable levels or at all). The ability to export oil and gas may depend on obtaining licenses, the granting of which is at the discretion of the relevant regulatory authorities, and export volumes. Furthermore, there can be no assurance that the Group will be paid its full entitlement for export sales. The actualization of any of the above risks may have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The Group may be unable to obtain, retain or renew required licenses, concessions, permits and other authorizations necessary for its operations

The Group conducts its exploration, development and production operations pursuant to rights granted under Production Sharing Contracts (“PCSs”), Production Sharing Agreements (“PSAs”) and exploration and production (“E&P”) licenses (together with PSCs/PSAs, “licenses”) by relevant host country authorities. The ability of the Group to operate its business depends on the granting and continued validity of such licenses, which may be subject to the discretion of the relevant host country authorities and therefore cannot be assured.

Although the Company believes that all of the Group’s licenses are currently valid and that the consents necessary for its operations have been obtained, the Group also operates in jurisdictions with unpredictable legislative, regulatory and judicial environments and the Group may have difficulty enforcing rights under its licenses or defending claims of invalidity or obtain permission to conduct certain operations.

Any inability of the Group to comply with the terms of its licenses, successfully defend claims against it, obtain, retain, extend or renew its licenses on terms satisfactory to it or enforce its rights or defend claims in relation to its contracts and government consents may have a material adverse effect on the Group’s business, results of operations, financial condition or prospects.

HSSE laws and regulations may expose the Group to significant liabilities

The Group's operations are subject to health, safety, security and environment ("HSSE") rules established internationally, regionally and nationally. HSSE laws and regulations typically govern, among other things, the discharge of hazardous substances into the environment, the handling and disposal of waste, and the health and safety of the Group's employees and local communities in the vicinity of its operations.

Certain HSSE laws and regulations provide for strict joint and several liabilities without regard to negligence or fault for damage caused to persons, property and the environment by E&P activities. Such laws and regulations may expose the Group to liabilities incurred either due to its own conduct or the conduct of others. Compliance with HSSE laws and regulations may lead to the Group incurring substantial future expenditures, for instance due to requirements to modify operations, upgrade employee and contractor accommodation or other infrastructure, install pollution control equipment, perform clean-up operations, or to curtail or cease certain operations.

In addition, some of the jurisdictions in which the Group is currently operating, or has recently conducted operations, do not have a developed infrastructure for waste management, which may lead to increased risk of pollution to the surrounding environment and, therefore, an increased risk of non-compliance with HSSE laws and regulations.

For additional HSSE risks, see the risk factors immediately below; "The Group's operations could be compromised by criminal or terrorist action" and "The Group is subject to risks associated with failures in technology systems and cybersecurity". Additional HSSE risks are also presented in other risk factors below, see "Parts of the Middle East are currently prone to political, social and economic instability".

Any failure by the Group to comply with HSSE laws and regulations may result in regulatory actions and liabilities, including withdrawal of licenses or permits, temporary or permanent closure of the Group's facilities, imposition of fines or penalties, obligations to compensate for environmental damage and to restore environmental conditions or other obligations or payment of compensation to third parties and employees, each of which could lead to a decrease in revenues or an increase in costs. The Group may also become involved in claims, lawsuits and administrative proceedings relating to HSSE compliance or claims that could result in reputational damage, industrial action or difficulty in recruiting and retaining skilled employees. This, along with any of the above risks may have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The Group's operations could be compromised by criminal or terrorist action

Some of the Group's operations are taking place or have been taking place in jurisdictions with a high degree of political, social and economic instability, and may hence be a target for criminal or terrorist actions, or threats of actions, in particular against its employees, properties, facilities or workplaces or third-party infrastructure.

Criminal or terrorist action, or threats of action could disrupt the Group's operations or increase operating costs associated with security, insurance and other protections against criminal and terrorist action, which may have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The Group is subject to risks associated with failures in technology systems and cybersecurity

The Group is exposed to cyber-attack against its IT infrastructure. Worldwide, the sophistication of such attacks is increasing. Cyber attacks may halt production and expose the Group to extortion attempts. The impact of a cyber-attack may increase with the level of digitalization. Especially in the North Sea, digitalization has progressed to such a degree that it could be difficult to revert to less automated production processes in case of a severe attack.

The actualization of any of the above risks may have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The Group may become liable for failure to comply with various laws and regulations regarding anti-corruption, international sanctions and market abuse regimes

The Group is subject to various laws and regulations relating to anti-bribery and corruption in each of the jurisdictions it does business, including but not limited to provisions of the Norwegian Criminal Act of 20 May 2005, the UK Bribery Act of 2010 and similar legislation in jurisdictions where the Group operates. Such laws and regulations generally prohibit companies and their intermediaries from making improper payments to government officials or private parties, or otherwise improperly influencing such persons, for the purpose of obtaining or keeping business or other benefits. These laws and regulations on anti-bribery and corruption may apply to actions taken on behalf of the Group or by individual subsidiaries regardless of the jurisdiction in which such actions are carried out, and the Group may thus become liable for a breach of such anti-bribery and corruption provisions even if such breach occurred in other jurisdictions. The Group must also comply with sanctions and market abuse regimes established or adopted by Norway and the United Kingdom ("UK"), including regimes established by the United Nations Security Council and the European Union (the "EU"). In addition, certain U.S. cross border legislation may affect the Group.

Any remediation measures taken in response to potential or alleged violations of these laws, regulations and sanctions regimes, including any necessary changes or enhancements to the Group's procedures, policies and controls and potential personnel changes and/or disciplinary actions, may have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The Group's current Norwegian Continental Shelf ("NCS") production is dependent on operating host facilities of other companies

The Group's production of oil and gas on the NCS is concentrated in a limited number of offshore fields mostly connected to host facilities operated by other oil companies. The Group is particularly dependent on the Norne and Ula host facilities and technical issues or additional downtime on these facilities may have an impact on the Group's production. If technical problems or other events affect production on one of these key offshore fields, or affect other related facilities or the downstream infrastructure, it may have direct and significant impact on a substantial portion of the Group's production. The actualization of any of the above risks may have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

Estimates of the Group's oil and gas reserves, recovery and resources are uncertain and subject to conditions which are outside of the Group's control.

All estimates of oil and gas reserves and resources, and the future net cash flows expected, are inherently uncertain. Important factors that could cause actual results to differ from estimates include, but are not limited to, technical, geological and geotechnical conditions, economic and market conditions, operating costs, oil and gas prices, changes in legislation and governmental regulations and interest rates and currency exchange rates. Specific parameters of uncertainty related to fields and reservoirs include but are not limited to reservoir pressure and porosity, recovery factors, water cut development, production decline rates, gas/oil ratios and oil properties.

Estimates of the economically recoverable reserves attributable to any particular group of properties, classification of such reserves based on risk of recovery and estimates of future net revenues expected therefrom prepared by different engineers, or by the same engineers at different times, may vary. The Group's actual production revenues and development and operating expenditures with respect to its reserves are likely to vary from estimates and such variations could be material.

If the actual reserves or resources of the Group are less than the current estimates or of lower quality than expected, the Group may be unable to recover and produce the estimated levels or quality of oil or gas and, as a result, the Group may not recover its initial outlay of capital expenditures and operating costs of any such operation and may have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The Group may not be able to commercially develop its contingent and prospective resources

Oil and gas E&P activities are inherently uncertain in their outcome and the ability of the Group to initiate production following a discovery may depend on its ability to bring its assets from an exploration phase to a development and production phase and to complete commitments within certain specified timeframes. As such, the Group may not have, or may not choose, to allocate capital to all of these projects at current ownership levels. In such circumstances, the Group may choose to withdraw from part – or all – of such projects and, as a consequence, not meet its production growth aspirations. If the Group is unable to commercially develop or decides not to develop its contingent and prospective resources, this may have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The Group cannot accurately predict its future decommissioning liabilities

Pursuant to its licenses, the Group has assumed certain obligations and liabilities with respect to decommissioning of facilities and infrastructure (including plugging and abandonment of wells) and it is expected to assume additional decommissioning liabilities in respect of future operations. These liabilities are derived from legislative and regulatory requirements in certain jurisdictions and require the Group to make provisions for and/or underwrite the liabilities relating to such decommissioning. The Group's current portfolio on the NCS and the UK Continental Shelf ("UKCS") includes assets with declining production. Currently, the Group is operating the decommissioning of the Schooner and Ketch fields on the UKCS and the Oselvar field on the NCS.

Although the Group's accounts make provisions for such decommissioning costs where mandated, there can be no assurance that the costs of decommissioning will not exceed the value of the long-term provisions set aside to cover such decommissioning costs. It is difficult to accurately forecast the costs that the Group will incur in satisfying its decommissioning obligations and the Group may have to draw on funds from other sources to bear such costs. Decommissioning requirements may also increase over time.

When its decommissioning liabilities crystallize, the Group may be jointly and severally liable for them with former or current partners in the field. In the event that the Group's partners default on their obligations, the Group will remain liable and its decommissioning liabilities could significantly increase through such default. For more information on decommissioning requirements and compliance costs, see "*HSSE laws and regulations may expose the Group to significant liabilities*" above.

Any increase in the actual or estimated decommissioning costs of the Group may have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The Group relies on the services of independent third party contractors

The Group relies on external independent contractors to carry out various operational tasks in its E&P operations, including carrying out drilling activities, delivering hydrocarbons to counterparties and maintaining the Group's assets and infrastructure. Some of the services required for the Group's operations and developments are currently only available from a limited number of key providers on commercially reasonable terms, such as within drilling, downhole services and seabed mapping offshore. Historically, spot market prices of such services have tended to rise significantly in oil market upturns when demand has often outpaced supply. As opposed to major E&P operators, the Group does not have a continuous activity level, for example within drilling. Therefore, the Group has fewer long term contracts with suppliers, a factor which makes the Group more exposed to prevailing spot market conditions.

The Group's success is dependent upon its ability to attract and retain key personnel

The Group's success depends, to a large extent, on certain of its key personnel having expertise in the areas of E&P, operations, engineering, business development, oil and gas marketing, finance and accounting, such as the heads of the business units and/or technical functions. The loss of the services of any key personnel could have a material adverse effect on the Group.

In addition, the competition for qualified personnel in the energy sector is intense. As a result, the Group may face significant costs to attract and retain all personnel necessary for the development and operation of its business and there can be no assurance that it will be able to do so in each case. Any failure to attract or replace key personnel may have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The effects of the COVID-19 situation and other health crises could negatively affect the Group's financial condition and operations going forward

The Group's operations are dependent on physical staff presence in compact production facilities and on personnel on rotation often crossing international borders to live in field camps or on offshore installations for weeks on end. As such, operations are vulnerable to contagious diseases spreading in the field, but also to disease related restrictions imposed by companies and various international jurisdictions such as quarantines, business closures and travel bans.

COVID-19 and other public health crises continue to represent a risk to employee health and safety and may cause a slowdown or temporary suspension of operations, all factors which may have material adverse effects on the Group's reputation, production and financial condition.

1.2 FINANCIAL RISK

1.2.1 Risks related to the Group's financial position

The Group may be dependent on securing future financing

The Group's E&P activities require significant capital expenditures. The Group's ability to arrange future financing, as well as the cost and terms of such financing, if any, depend on many factors, including the general conditions of the capital markets, investor confidence in the oil and gas industry and in the Group, the business performance of the Group, regulatory developments, credit available from banks and other lenders, and provisions of tax and securities laws that are conducive to raising capital. Additionally, the terms and conditions on which future funding or financing may be made available may not be acceptable, or funding or financing may not be available at all. If additional funds are raised in the longer term, the Group may become more leveraged and subject to additional or more restrictive covenants which may have a material adverse effect on its business, results of operations, financial condition or prospects.

The Group may be adversely affected if financial covenants are breached

The Group is subject to a number of covenants under its bond facilities. The financial covenants of the bonds issued by the Group require a minimum of USD 40 million of liquidity, and that the Group maintains either an equity ratio of 30 percent or a total equity of a minimum of USD 600 million. In addition, covenants in general also require the Company to operate according to applicable laws and sanction regimes. Although, as of the date of this Registration Document, the Group is in compliance with all covenants and has not triggered any of the other event of default provisions contained in its financing arrangements, if such covenant or any future covenant of any financing arrangement is breached and the Group is unable to cure the breach or obtain a waiver from the relevant lenders, or any of the other events of default are triggered, the Group could be in default under the terms of such arrangement. Moreover, a default under any single financing arrangement could result in a default under other financing arrangements and could cause the Group's lenders to accelerate all amounts due under such financing arrangements. In addition, in an event of default scenario, the lenders under the Group's credit lines could terminate their commitments to extend credit, cease making loans, or institute foreclosure proceedings, forcing the Group into bankruptcy or liquidation.

Climate risk may reduce investor confidence in the industry and increase the Group's cost of capital

The Group's exploration, development and production operations require significant expenditures. The Group's ability to arrange future financing, and the cost of such financing, depend on many factors, including economic and capital market conditions generally, investor confidence in the oil and gas industry and in the Group, the business performance of the Group, regulatory developments, credit available from banks and other lenders, and provisions of tax and securities laws that are conducive to raising capital.

Increasing concerns about climate risk may affect investor appetite for oil and gas investments, which could inhibit the Group's ability to obtain funding. Future regulations and consumer demand changes may also make several oil and gas resources unprofitable to develop.

Ability to utilize existing debt facilities is subject to certain conditions

The Group has a reserve-based lending ("RBL") covering the Group's Norwegian and UK assets and an exploration financing facility ("EFF") in Norway. The ability to utilize and/or draw down further on these facilities is subject to customary conditions, such as financial and operational ratios and representations. In particular, the amount able to be drawn down from the RBL is calculated by reference to the net present value of the approved borrowing base assets, i.e., oil and gas reserves. In the event that the level of the Group's approved borrowing base materially decreases, the Group would be unable to withdraw further funds from the RBL and/or may be required to repay all or a proportion of the amount withdrawn under the facility.

Proposed changes to the petroleum taxation system in Norway may negatively affect the borrowing base amount of the RBL facility due to lower tax values on the oil and gas assets. At yearend 2021 there is also uncertainty related to the availability and terms of future exploration financing facilities. The inability to utilize the RBL and EFF facilities may have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

1.2.2 Risks related to taxation

The Group is involved in business activities in various jurisdictions and is subject to taxation in the countries in which it operates and/or in which its subsidiaries are incorporated. Consequently, the Group is faced with a number of different tax regimes and complex tax laws. When computing its tax obligations in these jurisdictions, the Group is required to take various tax and accounting positions for which the Group may not have received rulings from the relevant tax authorities. The final determination of the Group's tax liability may be materially different from what is reflected in the Group's income tax provisions and related balance sheet accounts and future changes in, or any new interpretation of, tax legislation applicable to Group entities may reduce net returns to the Company's shareholders. The actualization of any of the above risks may have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The uncertainty of the tax system in the KRI may adversely affect taxation of the Group, reducing net returns to the Company's shareholders

Taxation of the Group's operations in the KRI is currently governed by regional law and the terms of the Group's PSCs. However, there is uncertainty related to the tax laws of the KRI and no well-established tax regime is in place. In the event that PCS terms are no longer recognized or the legislation currently governing taxation of the Group's operations is overridden or adversely affected by enactment of any future laws or regulations, there may be a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The Norwegian petroleum tax regime is under revision

The Group's upstream activities in Norway are subject to both ordinary corporate income tax and a special tax on petroleum income. As a general rule, losses may be carried forward. However, losses relating to exploration have since 2005 been subject to cash refunds from the Norwegian government. E&P companies may also obtain a refund of the tax value of remaining carry forward losses upon cessation of petroleum activities on the NCS.

During the economic downturn caused by the COVID-19 pandemic in 2020, Norwegian authorities introduced temporary petroleum tax incentives. The temporary tax changes are to be replaced by a permanent tax regime proposed by the Norwegian Government in the fall of 2021. If enacted, E&P companies will be able to expense investments immediately in the special tax basis and receive cash refund of tax value of all losses in the special tax basis.

There is a risk that future Norwegian petroleum taxation may become less favorable to E&P companies due to climate concerns and energy transition issues. Higher tax rates or restrictions on refund schemes may have a material adverse effect on the Group's business activities, results of operations, financial condition or prospects.

CO2 taxes may increase, increasing the Group's operational cost

Since 1991, oil companies operating on the NCS have been paying a CO2 tax according to the level of their emissions. The CO2 tax has gradually increased to a level of NOK 591 per tonne of CO2 emissions in 2021. A 2021 Norwegian governmental white paper on climate change outlined an intention to increase the CO2 tax to NOK 2,000 per tonne in 2030. Similarly, stricter emissions trading schemes and a higher Carbon Price Floor in the UK may increase the Group's cost of producing oil and gas. In the same vein, the Norwegian government has recently pushed for electrification of offshore oil and gas production to reduce the country's CO2 emissions.

In Kurdistan, the Government has recently introduced a requirement for oil companies to put plans in place to curb gas flaring and thus reduce emissions. While the Group is a pioneer in flaring reduction measures in Kurdistan, having built the first gas capture and injection facilities in the region at the Tawke license, stricter policies or sanctions may add to the Group's operational cost.

The costs related to CO_2 emissions in form of payment of CO_2 taxes, quotas or similar may increase going forward given the increased focus on climate, which may have a material adverse effect on business, results of operations, financial condition or prospects.

1.3 POLITICAL RISK

1.3.1 Risk relating to the Group's operations in the Middle East

Most of the Group's production and reserves are located in the Middle East

The Group's producing assets and related operations are predominantly located in the Middle East region, namely in the KRI. In addition to the operational and other risks associated with the Group's E&P operations, the Group is subject to risks specifically relating to its operations in the Middle East, including political, social and economic instability.

Parts of the Middle East are currently prone to political, social and economic instability

Parts of the Middle East are currently prone to political, social and economic instability. Instability in the region may result from a number of factors, including government or military regime change, sanctions, civil unrest or acts of terrorism. Such instability could disrupt the Group's operations, lead to a decline in production and otherwise adversely affect the Group's business.

Furthermore, such instability could threaten the security of the Group's assets, personnel and transportation systems. There can be no assurance that the Group will be able or permitted to obtain or maintain effective security arrangements for any of its assets or personnel in this region. There can also be no assurances that the governments of this region will be able to provide the necessary degree of peace, order, stability and security specifically for the Group to carry out its operations.

Additionally, political, social and economic instability creates uncertainty as to whether the governments with which the Group has negotiated licenses will remain in power and, if they are replaced, whether future decision-makers will honor the terms of the licenses held by the Group. It also creates uncertainty about whether the Group can safely conduct its operations and execute its development plans in the region.

The actualization of the risks above may have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The Group operates in jurisdictions where it may be difficult to interpret the applicable laws and regulations and obtain or enforce court rulings and arbitral awards

Some of the jurisdictions in which the Group operates or has recently been operating have developing legal systems which may make it difficult to interpret the applicable laws and regulations in these jurisdictions, for example in circumstances not yet considered under local laws or to obtain or enforce court rulings and arbitral awards. Enforcement of laws may depend on, and be subject to, the interpretation of such laws by the relevant local authorities, and such authorities may adopt an interpretation of an aspect of local law that differs from the advice that has previously been given to members of the Group.

Any failure by the Group to correctly interpret the applicable laws and regulations or to obtain or enforce court rulings and arbitral awards in the jurisdictions where it operates may have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The Group's assets may be nationalized or expropriated

There is a risk that the Group's property and other rights in the countries in which it operates could be nationalized or expropriated. Statutory and contractual protections of the Group's property interests in these countries may not be sufficiently robust to protect the Group against nationalization or expropriation, and the Group may not receive adequate compensation or be able to obtain proper redress in local or international courts or arbitration tribunals which may have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

1.3.2 Risks relating to the Group's operations in the KRI

As a result of the historical and legal position of the KRI, and the relationships of the KRG with the FGI and with neighboring countries, the Group and other international E&P companies operating in the KRI face a number of risks specific to the region as set forth below.

The FGI has historically disputed the validity of the PSCs entered into by oil and gas companies with the KRG and there can be no assurance that the Group can protect its interests in assets in the KRI

Although the Group has good title to its licenses in the KRI, including the right to explore for and produce oil and gas from these licenses, the FGI has in the past challenged the validity of certain PSCs signed by the KRG. Should the FGI (pursuant to any future federal oil and gas law or otherwise) attempt to revoke or materially alter the PSCs held by the Group in the KRI, it could disrupt or halt the Group's operations in the KRI, lead to administrative fines or penalties, subject the Group to contractual damages or delay or prevent the Group's execution of its strategy. The actualization of any of the above risks may have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

There can be no assurance that the Group will receive payments for its oil exports or recover costs as provided in its PSCs in the KRI

The Group generates revenues in the KRI through the sale of oil produced from the Tawke license which is then exported by pipeline through Turkey by the KRG. In the past there has historically been uncertainty related to receipt of payments. The Group has accumulated a receivable against the KRG after monthly entitlement and override payments to the Group and other KRI oil exporters were withheld early in 2020 by the KRG in connection with the COVID-19 pandemic.

In the past, the Group has also sold Tawke license oil into the local market and has been subject to the KRG's Ministry of Natural Resources' overall guidance on volumes and price. If there are any disruptions to the current export route, there can be no guarantee that the Group will in the future be permitted to sell oil on the local market in quantities or at prices sufficient to generate economic benefit. Local sales prices have historically been significantly lower than prevailing international oil and gas prices.

The actualization of any of the above risks may have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The Group is subject to political and legal uncertainty relating to the KRI's status within Iraq's federal structure

The issue of regional autonomy in Iraq, and in particular the autonomy of the KRI, is a subject on which various political factions in Iraq disagree and which could lead to political and legal uncertainty that could negatively affect the Group. Should the KRI pursue independence further, the added uncertainty may have an adverse effect on the Group's business, results of operations, financial condition or prospects.

The Group's PSCs are subject to audit and there is uncertainty relating to the outcome and impact of any such audit on the Group's recovery of costs and financial results

The Group's PSCs are subject to audit by regulatory authorities in the respective host countries. The KRG has initiated audits for 2017 and 2018 on costs, production data and payment of bonuses. The audits are not yet closed.

In the event that these or other future audits determine that the costs recoverable by the Group are lower than the costs actually incurred or are lower than the costs that the Group has expected it will recover, the Group may not fully recover its costs, which would result in lower profits than expected. A significant decrease in profits as a result of these risks may have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The KRI could be negatively impacted by instability resulting from military operations and instability in the rest of Iraq

There is a risk that the KRI could be destabilized by a number of factors in a region which has a history of political and social instability. There can be no assurance that the Group's operations in the KRI will not be materially impacted by civil unrest or cross-border military activities, or that the Group will be able to obtain or maintain effective security arrangements for any of its assets or personnel in the KRI. In the event that the KRI is negatively impacted by instability within Iraq or cross-border military operations, the Group could face disruption to, or cessation of, its operations or lose key personnel, any of which may have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

1.3.3 Risk relating to the Group's operations in Yemen

Operations in Yemen are currently suspended. The ongoing conflict in Yemen entails risk that the Group could face continued disruption over a prolonged period to its operations, which may have an adverse effect on the Group's business in Yemen, results of operations, financial condition or prospects.

1.4 LITIGATION AND REGULATORY RISKS

Future and current disputes, litigation or regulatory investigations, could adversely affect the Group's business, results of operations, financial conditions or prospects

From time to time, the Group is involved in disputes and litigation matters. Some of these are ongoing. The ultimate outcome of any such disputes and their effect on the Group cannot be predicted and may be material. While the Group assesses the merits of each dispute and defends itself accordingly, it may incur significant expenses and/or devote significant resources to defending itself in such disputes. Furthermore, reputational harm may arise from such disputes.

As an example, the relationships between owners of host facilities, satellite fields and the transportation systems in the North Sea are covered by commercial agreements, the interpretation of which may be disputed. Substantial claims may arise regarding tariffs, processing fees and reallocation of production, factors which may have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

Although the Group has policies and procedures designed to ensure that the Group operates in compliance with applicable laws and regulations, there can be no absolute assurance that such policies or procedures will fully protect the Group against liability for actions taken by its employees or other parties outside of such policies or procedures and deemed to be acting on the Group's behalf with respect to the Group's business. If the Group or its employees do not comply with applicable laws, regulations and sanctions regimes (including local laws), one or both may be subject to criminal and civil penalties and other remedial measures, including investigations relating to potential violations of these laws, regulations and sanctions regimes. Furthermore, the Group may have to implement remediation measures in response to potential or alleged violations of applicable laws, regulations and sanctions regimes (including local laws), including any necessary changes or enhancements to the Group's procedures, policies and controls and potential personnel changes and/or disciplinary actions, all of which may have a material adverse effect on its business, results of operations, financial condition or prospects.

1.5 MARKET RISK

Exchange rate fluctuations and inflation may increase the Group's operating costs

The Group's revenues are received in USD and euros ("EUR") whereas its operational costs are primarily in USD, but also in NOK, pound sterling ("GBP"), Iraqi dinar ("IQD"), Yemeni rial ("YER") and United Arab Emirates Dirham ("AED"). The Group's reporting currency is USD. The Group is accordingly exposed to fluctuations in exchange rates and currency devaluations the effects of which are specified in the Company's annual reports. Exchange rate and currency fluctuations as well as inflation in the countries in which the Group operates may have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

New regulation may reduce the Group's achieved oil prices

The majority of the Group's oil production is relatively heavy crude coming from the Peshkabir and Tawke fields in the KRI. The Tawke crude had an API grade of 27.8 and a sulfur content of 3.1 percent as of July 2021. This type of crude has historically been sold at a discount to international reference prices such as Brent Blend ("Brent"), the discount amounting to USD 9 per barrel as of yearend 2021. New regulations, such as the international standard on shipping fuel (IMO 2020), may reduce the demand for heavy crudes and reduce the price received by the Group. Other new regulations may have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

2 PERSONS RESPONSIBLE

Persons responsible for the information

Persons responsible for the information given in the Registration Document are as follows:

DNO ASA
Dokkveien 1,
0250 Oslo,
Norway

Declaration by persons responsible

DNO ASA confirms that, to the best of its knowledge, the information contained in the Registration Document is in accordance with the facts and that the Registration Document makes no omission likely to affect its import.

Oslo, 18th January 2022

DNO ASA

Competent authority approval

This Registration Document, drawn up as part of a simplified prospectus in accordance with Article 14 of Regulation (EU) 2017/1129, has been approved by the Norwegian FSA, as competent authority under Regulation (EU) 2017/1129. The Norwegian FSA only approves this Registration Document as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the issuer that is the subject of this Registration Document.

3 INFORMATION ABOUT THE COMPANY

3.1 Company corporate information

The Company's legal name is DNO ASA and the commercial name is DNO. The Company is a Norwegian public limited liability company (*allmennaksjeselskap*) organized and existing under the laws of Norway pursuant to the Norwegian Public Limited Liability Companies Act of 13 June 1997 no. 45 (the "Norwegian Public Limited Liability Companies Act").

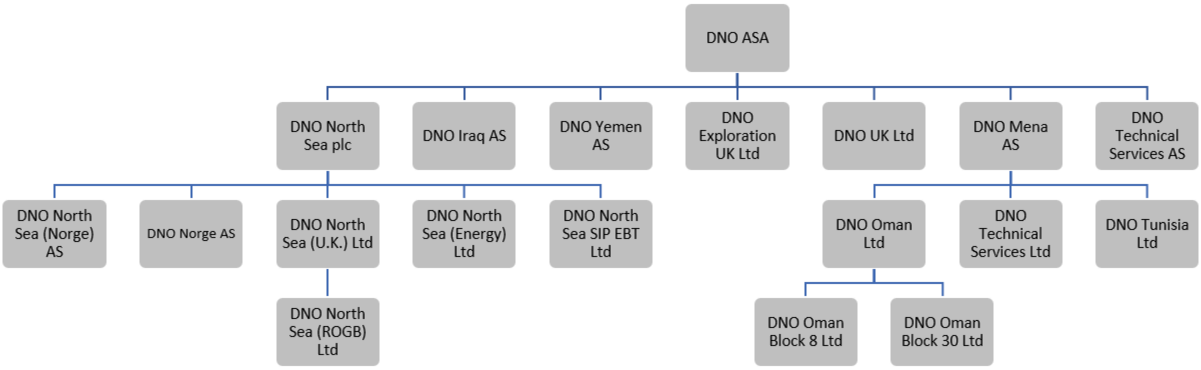
The Company's registration number in the Norwegian Register of Business Enterprises is 921 526 121 and LEI code 5967007LIEEXZXH3K072. The shares in the Company have been listed on the Oslo Stock Exchange since 1981. The Company's registered office is located at Dokkveien 1, N-0250 Oslo, Norway, its telephone number is +47 23 23 84 80 and its fax number is +47 23 23 84 81.

Website: www.dno.no[1]

3.2 Legal structure

The Company, the parent company of the Group, is a holding company and the operations of the Group are carried out through the operating subsidiaries of the Company.

The following chart sets out the Group's legal group structure as of the date of this Registration Document.



As a holding company, the Company is dependent upon the performance of its subsidiaries. The following table sets out information about the entities in the Group:

Company	Country of incorporation	Field of activity	Holding (%)
DNO Iraq AS	Norway	Oil and gas extraction and related services	100
DNO Norge AS	Norway	Oil and gas extraction and related services	100
DNO MENA AS	Norway	Management of oil and gas extraction and related services	100
DNO Technical Services AS	Norway	Management of oil and gas extraction and related services	100
DNO Yemen AS	Norway	Oil and gas extraction and related services	100
DNO UK Limited	United Kingdom	Oil and gas extraction and related services	100
DNO Exploration UK Limited	United Kingdom	Oil and gas extraction and related services	100
DNO Oman Limited	Bermuda	Oil and gas extraction and related services	100
DNO Technical Services Limited	Guernsey	Oil and gas extraction and related services	100
DNO Tunisia Limited	Guernsey	Dormant	100
DNO Block 30 Limited	Guernsey	Dormant	100
DNO Oman Block 8 Limited	Guernsey	Oil and gas extraction and related services	100
DNO North Sea plc	United Kingdom	Management of oil and gas extraction and related services	100
DNO North Sea (ROGB) Limited	United Kingdom	Oil and gas extraction and related services	100

[1] *Disclaimer - the information on the website does not form part of this Registration Document unless information is incorporated by reference into the Registration Document*

DNO North Sea SIP Employee Benefit Trust Ltd	United Kingdom	Dormant	100
DNO North Sea (U.K.) Limited	United Kingdom	Oil and gas extraction and related services	100
DNO North Sea (Energy) Limited	United Kingdom	Dormant	100
DNO North Sea (Norge) AS	Norway	Oil and gas extraction and related services	100

3.3 Share capital

As of the date of this Registration Document, the Company's share capital is NOK 243,858,186.50 divided into 975,432,746 shares, each with a nominal value of NOK 0.25. All the shares have been created under the Norwegian Public Limited Liability Companies Act and are validly issued and fully paid. The Company has one class of shares.

3.4 Major shareholders

As of 6 January 2022, the Company had 16,284 shareholders. The Company's 20 largest shareholders as of the same date are shown in the table below:

Shareholders	Shares	% of shares	Account type	Country
RAK PETROLEUM HOLDINGS B.V.	438,379,418	44.94	COMP	NLD
FOLKETRYGDFONDET	39,668,897	4.07	COMP	NOR
STATE STREET BANK AND TRUST COMP	18,093,571	1.85	NOM	USA
JPMORGAN CHASE BANK, N.A., LONDON	10,502,178	1.08	NOM	USA
J.P. MORGAN SECURITIES PLC	8,050,075	0.83	COMP	GBR
NORDNET BANK AB	6,975,976	0.72	NOM	SWE
STATE STREET BANK AND TRUST COMP	6,926,329	0.71	NOM	USA
SALT VALUE AS	6,480,188	0.66	COMP	NOR
THE BANK OF NEW YORK MELLON	6,207,101	0.64	NOM	USA
STATE STREET BANK AND TRUST COMP	6,151,202	0.63	NOM	USA
THE BANK OF NEW YORK MELLON SA/NV	6,137,129	0.63	NOM	GBR
AVANZA BANK AB	5,893,375	0.60	NOM	SWE
EUROCLEAR BANK S.A./N.V.	4,722,186	0.48	NOM	BEL
BNP PARIBAS SECURITIES SERVICES	4,200,000	0.43	NOM	NLD
VERDIPAPIRFONDET STOREBRAND NORGE	4,174,554	0.43	COMP	NOR
GOLDMAN SACHS & CO. LLC	3,998,977	0.41	NOM	USA
THE BANK OF NEW YORK MELLON SA/NV	3,743,683	0.38	NOM	BEL
JPMORGAN CHASE BANK, N.A., LONDON	3,609,970	0.37	NOM	GBR
NORDEA BANK ABP	3,528,035	0.36	NOM	DNK
ARNE HELLESTØ AS	3,430,604	0.35	COMP	NOR

RAK Petroleum Holdings B.V. holds 44.94 percent of the shares in the Company and is the largest shareholder in the Company. RAK Petroleum plc, the parent company of RAK Petroleum Holdings B.V., holds two board positions in the Company. However, the Company has three independent board positions. As such, to the extent known to the Company, there are no persons or entities that, directly or indirectly, jointly or severally, exercise or could exercise control over the Company. The Company is not aware of any arrangements which could result in a change of control of the Company at a subsequent date.

4 INDUSTRY AND MARKET OVERVIEW

4.1 Overview of the Group's areas of operation

4.1.1 KRI

The KRI is estimated to hold four billion barrels of proven oil reserves and the KRG estimates that it holds 45 billion barrels in reserves and unproven resources[2]. The KRI is currently exporting around 400,000 bopd via pipeline to the Ceyhan terminal in Turkey to international markets. The Company's contribution from the Tawke license represents around one third of the total of the KRI's exports. Other international operators in the region include Rosneft, Gazprom, TAQA, Genel, HKN, Dana Gas and Gulf Keystone.

4.1.2 Norway

Norway is a significant petroleum producer with an oil production of 2.06 million bopd and a gas production of 2.12 million barrels of oil equivalent per day ("boepd") in October 2021. Since production started in 1971, oil and gas has been produced from more than one hundred different fields on the NCS. At the end of 2020, 90 fields were in production. Three new fields were brought onstream in 2020, whereas nine field development projects were ongoing at yearend 2020.

Many of the producing fields are ageing, but some still have substantial remaining reserves. Moreover, the economically recoverable resource base in these fields increases when small discoveries in the area are tied back to existing infrastructure. According to the Norwegian Petroleum Directorate ("NPD") only 49 percent of overall estimated oil and gas resources in Norway had been produced by yearend 2020. At the end of 2020, a total of 37 E&P companies were active on the NCS; 24 companies as operators and 15 as partners in production licenses.

4.1.3 UK

The UK is a mature region that has been producing oil and gas offshore since 1967. Despite this, Wood Mackenzie estimated in July 2016 that about 15 percent of the remaining reserves are yet to be produced. In 2020, the oil production declined by 6.3 percent on the previous year to 1.05 million bopd, whereas gas production was kept constant at 0.58 million boepd. According to a public report published by the Oil and Gas Authority ("OGA") in September 2021, daily UK oil production is projected to decrease by 34 percent by 2026 from 2020 levels while daily UK gas production is projected to decline by 38 percent during the same period. There is an even larger and more diverse number of E&P companies active in the UK than in Norway.

[2] EIA Energy (https://www.eia.gov/beta/international/analysis_includes/countries_long/Iraq/iraq.pdf) (April 2016).

5 BUSINESS OVERVIEW

5.1 Overview

The Company is a Norwegian oil and gas operator focused on the Middle East and the North Sea. Founded in 1971 and listed on the Oslo Stock Exchange, the Company holds stakes in onshore and offshore licenses at various stages of exploration, development and production in the KRI, Norway, the UK, Netherlands, Ireland and Yemen.

5.2 The Group's assets

5.2.1 Overview of the Group's assets

The Group holds interests in two operated licenses in the KRI, both of which are PSCs. The Tawke license contains the producing Tawke and Peshkabir fields. The Baeshiqa license contains a discovery, which the contractor declared as a commercial discovery of crude oil on 1 August 2021 with plans submitted for fast-track development. Elsewhere in the Middle East, the Group holds one license in Yemen at Block 47.

In the North Sea, the Group held 74 licenses in Norway of which 18 were operated as of 30 September 2021. In the UK, the Group held 11 licenses of which three were operated. The Group's North Sea production was based on 10 non-operated fields of which two were in the UK. Furthermore, the Group held two licenses in the Netherlands and is in the process of exiting an exploration license in Ireland.

The general license terms of the relevant jurisdictions are outlined in section 5.3 of this registration document.

As is customary in the oil and gas E&P industry, most of the Group's assets are held in unincorporated joint ventures with other companies. Below is an overview of the Group's licenses which are held through several wholly-owned subsidiary companies.

Region/License	Participating interest	Operator	Status[1]
KRI			
Baeshiqa PSC	64% (80% paying)	DNO Iraq AS	ED/P
Tawke PSC	75%	DNO Iraq AS	D/P
Norway			
006 C	85	DNO Norge AS	E
006 E	85	DNO Norge AS	P
006 F	85	DNO Norge AS	P
018 ES	45	A/S Norske Shell	E
019	20	Aker BP ASA	P
019 E	20	Aker BP ASA	P
019 F	45	Aker BP ASA	P
036 D	28.853	Aker BP ASA	P
048 D	9.3	Equinor Energy AS	P
053 B	14.2567	Wintershall Dea Norge AS	P
055	14.2567	Wintershall Dea Norge AS	P
055 B	14.2567	Wintershall Dea Norge AS	P
055 D	14.2567	Wintershall Dea Norge AS	P
055 E	14.2567	Wintershall Dea Norge AS	P
065	45	Aker BP ASA	P
065 B	45	Aker BP ASA	P
122	17	Vår Energi AS	P
122 B	17	Vår Energi AS	P
122 C	17	Vår Energi AS	P
122 D	17	Vår Energi AS	P
147	50	DNO Norge AS	P
159 B	32	Equinor Energy AS	P
159 G	32	Equinor Energy AS	P
169 E	87	DNO Norge AS	P
185	14.2567	Wintershall Dea Norge AS	P
248 F	20	Wintershall Dea Norge AS	P
248 GS	20	Wintershall Dea Norge AS	P
248 HS	20	Wintershall Dea Norge AS	P
274	55	DNO Norge AS	S
274 CS	55	DNO Norge AS	S
293 B	29	Equinor Energy AS	P
300	45	Aker BP ASA	P
405	15	Spirit Energy Norge AS	P
586	7.5	Vår Energi AS	E
644	20	OMV Norge AS	P
644 B	20	OMV Norge AS	P
644 C	20	OMV Norge AS	P
740	50	DNO Norge AS	P
827 S	49	Equinor Energy AS	E

836 S	30	Wintershall Dea Norge AS	E
836 SB	30	Wintershall Dea Norge AS	E
906	20	Aker BP ASA	E
923	20	Equinor Energy AS	E
924	15	Equinor Energy AS	E
929	10	Neptune Energy Norge AS	E
943	30	Equinor Energy AS	E
967	60	DNO Norge AS	E
968	40	DNO Norge AS	E
969	45	Shell UK	E
983	20	Equinor Energy AS	E
984	40	DNO Norge AS	E
984 BS	40	DNO Norge AS	E
986	20	Aker BP ASA	E
994	30	Neptune Energy Norge AS	E
1006	30	Equinor Energy AS	E
1007	40	DNO Norge AS	E
1027	20	Lundin Norway AS	E
1029	40	Lundin Norway AS	E
1036	60	DNO Norge AS	E
1048	50	Lundin Norway AS	E
1070	30	Total Norge AS	E
1076	50	Equinor Energy AS	E
1077	40	Equinor Energy AS	E
1083	30	Lundin Norway AS	E
1084	40	Lundin Norway AS	E
1085[2]	25	Aker BP	E
1086	50	DNO Norge AS	E
1102	40	Lundin Norway AS	E
1106	40	DNO Norge AS	E
1108	40	DNO Norge AS	E
1109	30	OMV Norge AS	E
1112	20	A/S Norske Shell	E
1120	40	DNO Norge AS	E
1127	20	Equinor Energy AS	E
United Kingdom			
111	54.3	Repsol Sinopec Resources UK	P
219	18.2	Repsol UK	P
255	45	Shell UK	E
558	10	BP Exploration	P
803	10	BP Exploration	P
2401	45	Shell UK	E
2472	70	DNO Norge AS	E
2533	50	Zennor Petroleum	E
2537	30	Chrysaor CNS	E
2548	100	DNO Norge AS	E
2551	100	DNO Norge AS	E
Ireland			
LO16/23	20%	Europa O&G	E
The Netherlands			
D15	5%	Neptune	S
D18a	2.5%	Neptune	S
Yemen			
Block 47	64%	DNO Yemen AS	E/D

1. A = Appraisal, E = Exploration, D = Development, P = Production, R = Under Relinquishment, S = Operations Suspended.
2. Farm-in through a swap agreement with Aker BP announced in Q3 2021, DNO's license ownership not formally registered with the NPD at end-Q3

In addition to the licenses listed above, in September 2021 the Group applied for ownership of ten licenses and five license extensions under Norway's Awards in Predefined Areas ("APA") 2021 licensing round.

The Group also operates the ongoing decommissioning of the Schooner and Ketch fields in the UK, involving the permanent and safe plugging of 21 wells plus removal of wellhead platforms, all expected to be completed by 2023. The Schooner and Ketch licenses are not listed above as they have been relinquished.

5.2.2 Reserves and resources data

The reserves and resources data contained in this Registration Document are derived from the Company's annual statement of reserves and resources ("ASRR") for the year ended 31 December 2020. The ASRR is prepared based on the Petroleum Resources Management System ("PRMS") jointly published by the Society of Petroleum Engineers, the World Petroleum Council, the American Association of Petroleum Geologists and the Society of

Petroleum Evaluation Engineers. The system is a recognized resource classification system in accordance with the listing and disclosure requirements for oil and gas companies on the Oslo Stock Exchange, see section 3.7 of the Continuing Obligations.

The system uses "reserves", "contingent resources" and "prospective resources" to classify oil and gas resources of varying technical maturity. The maturity within each class is also described to help guide classification of a given asset.

Reserves are those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions. Reserves must further satisfy four criteria: they must be discovered, recoverable, commercial and remaining based on the development project(s) applied.

Reserves are further categorized in accordance with the level of certainty associated with the estimates:

(i) "**Proven reserves ("1P")"** are those quantities of petroleum which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable, from a given date forward, from known reservoirs and under defined economic conditions, operating methods, and government regulations. If deterministic methods are used, the term reasonable certainty is intended to express a high degree of confidence that the quantities will be recovered. If probabilistic methods are used, there should be at least a 90 percent probability that the quantities actually recovered will equal or exceed the estimate.

(ii) "**Unproven reserves**" are based on geoscience and engineering data similar to that used in estimates of proven reserves, but technical and other uncertainties preclude such reserves being classified as proven. Unproven reserves may be further categorized as probable reserves and possible reserves:

(a) "**Probable reserves**" are those additional reserves which analysis of geoscience and engineering data indicate are less likely to be recovered than proven reserves but more certain to be recovered than possible reserves. It is equally likely that actual remaining quantities recovered will be greater than or less than the sum of the estimated proven plus probable reserves ("2P"). In this context, when probabilistic methods are used, there should be at least a 50 percent probability that the quantities actually recovered will equal or exceed the 2P estimate. 2P reserves include but are not limited to 1P reserves.

(b) "**Possible reserves**" are those additional reserves which analysis of geoscience and engineering data suggests are less likely to be recoverable than probable reserves. The total quantities ultimately recovered from the project have a low probability to exceed the sum of proven plus probable plus possible reserves ("3P"), which is equivalent to the high estimate scenario. In this context, when probabilistic methods are used, there should be at least a 10 percent probability that the actual quantities recovered will equal or exceed the 3P estimate. 3P reserves include but are not limited to 2P reserves.

This Registration Document also includes descriptions of contingent and prospective resources. Special uncertainties exist with respect to the estimation of contingent and prospective resources in addition to those set forth above that apply to reserves.

Contingent resources are defined as those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be economically recoverable due to one or more contingencies. In the PRMS, the uncertainty of the contingent resources is classified into categories 1C, 2C and 3C in a classification scheme corresponding to the scheme used for reserves (1P, 2P and 3P).

Prospective resources are defined as those quantities of petroleum that are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future exploration and development projects.

This Registration Document describes reserves on a gross, net to the Group ("net") and net entitlement ("NE") basis:

(i) Net reserves of a license are the product of gross license reserves and the Group's percentage ownership in that particular license; and

(ii) NE reserves comprise the Group 's entitlement to cost oil and profit oil. NE reserves reflect the Group's additional share of cost oil covering its advances towards the government carried interest (if any). NE reserves also include any notional tax paid by the government on behalf of the Group.

5.2.3 The Group's reserves and resources

At yearend 2020, the Group’s net 1P reserves stood at 216.9 million barrels of oil equivalent (MMboe), compared to 219.3 MMboe at yearend 2019, after adjusting for production during the year and upward technical revisions. On a 2P reserves basis, the Group’s net reserves stood at 359.9 MMboe, compared to 370.2 MMboe at yearend 2019. On a 3P reserves basis, Group’s net reserves were 549.6 MMboe, compared to 582.5 MMboe at yearend 2019. Group’s net 2C resources were 164.9 MMboe, compared to 191.5 MMboe at yearend 2019. Reported reserves fall within class 1-3 of the NPD classification and 2C resources fall within class 4-7 of the NPD classification.

DNO’s Group’s production in 2020 totaled 36.6 MMboe (of which 30.3 million barrels of oil (MMbbls) in Kurdistan, 6.0 MMboe in Norway and the balance in the UK), compared to 40.2 MMboe in 2019 (of which 33.9 MMbbls in Kurdistan, 6.0 MMboe in Norway and the balance in the UK). The Group’s yearend 2020 Reserve Life Index (R/P) stood at 5.9 years on a 1P reserves basis, 9.8 years on a 2P reserves basis and 15 years on a 3P reserves basis.

The following table shows a summary of remaining 1P, 2P and 3P reserves per field on a gross, net to the Group and NE basis at yearend 2020, derived from the Group’s ASRR reported for the year ended 31 December 2020. The table differs slightly from the reported 2020 ASRR table as the group until yearend 2020 reported its net production and reserves from licenses governed by PSCs/PSAs on a Company Working Interest (“CWI”) basis, which was calculated after royalty and included the Group’s additional share of cost oil covering its advances towards any government carried interest. In the Tawke license in Kurdistan, the CWI figures also included production and reserves attributable to a temporary override, an element of a Receivables Settlement Agreement (“RSA”) completed in 2017 between the Group’s subsidiary DNO Iraq AS (“DNO Iraq”) and the KRG. As part of the RSA, the Group was to receive three percent of gross license revenues each month (override) from the KRG over a five-year period ending 31 July 2022.

From the first quarter of 2021, the Group started reporting net production solely based on percentage ownership in the license. The main reason for the change is to improve comparability with peer companies.

Remaining reserves at yearend 2020 (Gross, net to the Group and net entitlement)

Asset (Region, Field)	Proven (1P)			Proven + Probable (2P)			Proven + Probable + Possible (3P)		
	Gross (MMboe)	Net (MMboe)	NE (MMboe)	Gross (MMboe)	Net (MMboe)	NE (MMboe)	Gross (MMboe)	Net (MMboe)	NE (MMboe)
Developed Assets									
Kurdistan, Tawke	83.6	62.7	25.3	90.1	67.6	26.8	126.6	95.0	35.2
Kurdistan, Peshkabir	58.7	44.0	17.9	60.4	45.3	18.0	96.4	72.3	26.8
Kurdistan Developed	**142.3**	**106.7**	**43.2**	**150.5**	**112.9**	**44.8**	**223.0**	**167.2**	**62.0**
Norway, Alve	20.7	6.6	6.6	29.3	9.4	9.4	43.0	13.8	13.8
Norway, Brage	12.1	1.7	1.7	19.5	2.8	2.8	27.3	3.9	3.9
Norway, Marulk	4.5	0.8	0.8	8.2	1.4	1.4	9.3	1.6	1.6
Norway, Oda	15.9	2.4	2.4	21.6	3.2	3.2	33.0	5.0	5.0
Norway, Ringhorne East	4.3	1.0	1.0	5.6	1.3	1.3	7.1	1.6	1.6
Norway, Tambar	10.2	4.6	4.6	17.5	7.9	7.9	29.4	13.2	13.2
Norway, Tambar East	0.0	0.0	0.0	0.5	0.2	0.2	0.7	0.3	0.3
Norway, Trym	3.4	1.7	1.7	6.8	3.4	3.4	17.8	8.9	8.9
Norway, Ula	19.7	4.0	4.0	38.1	7.6	7.6	63.0	12.6	12.6
Norway, Vilje	8.0	2.3	2.3	13.7	4.0	4.0	17.5	5.0	5.0
Norway Developed	**98.8**	**25.0**	**25.0**	**160.7**	**41.1**	**41.1**	**248.2**	**65.9**	**65.9**
UK, Blane	2.2	1.0	1.0	2.7	1.2	1.2	3.2	1.4	1.4
UK, East Foinaven	0.3	0.0	0.0	1.0	0.1	0.1	2.7	0.3	0.3
UK, Enoch	0.2	0.0	0.0	0.5	0.1	0.1	1.5	0.3	0.3
UK Developed	**2.7**	**1.0**	**1.0**	**4.2**	**1.4**	**1.4**	**7.3**	**1.9**	**1.9**
Total Developed		**132.7**	**69.2**		**155.4**	**87.3**		**235.1**	**129.8**

Asset (Region, Field)	Proven (1P)			Proven + Probable (2P)			Proven + Probable + Possible (3P)		
	Gross (MMboe)	Net (MMboe)	NE (MMboe)	Gross (MMboe)	Net (MMboe)	NE (MMboe)	Gross (MMboe)	Net (MMboe)	NE (MMboe)
Under Development Assets									
Kurdistan, Tawke	89.6	67.2	25.5	178.4	133.8	38.0	277.5	208.1	42.2
Kurdistan, Peshkabir	2.6	1.9	0.7	65.0	48.7	13.9	104.4	78.3	15.9
Kurdistan Under Development	**92.2**	**69.1**	**26.2**	**243.3**	**182.5**	**51.9**	**381.9**	**286.4**	**58.1**
Norway, Brasse	24.9	11.8	11.8	35.3	16.7	16.7	45.4	21.6	21.6
Norway, Fenja	43.0	3.2	3.2	69.7	5.2	5.2	87.0	6.5	6.5
Norway Under Development	**67.8**	**15.0**	**15.0**	**105.0**	**22.0**	**22.0**	**132.4**	**28.1**	**28.1**
Total Under Development		**84.1**	**41.2**		**204.5**	**73.9**		**314.5**	**86.1**
TOTAL DNO ASA		**216.9**	**110.5**		**359.9**	**161.2**		**549.6**	**216.0**

NE reserves are net to the Group after royalty and include the Group's additional share of cost oil covering its advances towards the government carried interest (if any). NE reserves are based on economic evaluation of the license agreements, incorporating projections of future production, costs and oil prices. NE reserves may therefore fluctuate over time, even if there are no changes in the underlying gross and net volumes.

NE reserves in the table above comprise reserves attributable to DNO Iraq under the RSA, including the override.

The ASRR is available on the Company's website at https://www.dno.no/en/operations/production-and-reserves/

5.3 The Group's operations

The table below summarizes the Group's oil and gas production on a daily gross operated and net production basis for each of the regions in which it has producing assets for the years ended 31 December 2021, 2020, 2019 and 2018. The 2021 averages are preliminary, based on Q4 production figures included in a stock exchange release of 18 January 2022.

Gross operated production				
Boepd	**2021**	**2020**	**2019**	**2018**
Kurdistan	108,713	110,282	123,940	113,149
North Sea	-	-	2,999	-
Oman	-	-	46	4,458
Total	108,713	110,282	126,985	117,607

Net production				
Boepd	**2021**	**2020**	**2019**	**2018**
Kurdistan	81,535	82,711	92,955	84,824
North Sea	12,942	17,352	17,368	-
Oman	-	-	21	1,965
Total	94,477	100,063	110,344	86,789

5.3.1 KRI

5.3.1.1 Description of assets

The Group's operations in the KRI are regulated by the Tawke and Baeshiqa PSCs, which were entered into with the KRG through its subsidiary DNO Iraq which is the operator of each of the PSCs.

DNO Iraq's participating and paying interest in the Tawke PSC is 75 percent. DNO Iraq is the operator of the Tawke PSC and its partner is Genel Energy International Limited ("Genel") which holds a 25 percent participating and paying interest. The Tawke PSC expires in 2026, but DNO Iraq has the right to one automatic five-year extension (i.e., to 2031) and, if commercial production is still possible at the end of this extended period, DNO Iraq is entitled to, upon request to the KRG, a further five-year extension (i.e., to 2036). Based on DNO Iraq's current assessments, the production from Tawke PSC will be commercial for the duration of its contractual term and through subsequent extensions.

DNO Iraq originally acquired a 32 percent participating (40 percent paying) interest and operatorship of the Baeshiqa license from ExxonMobil Kurdistan Limited ("EMKRIL") in 2018, following which a discovery was made in the Baeshiqa-2 exploration well in 2019. In 2021, DNO Iraq doubled its stake by acquiring EMKRIL's remaining interest in the license. Following completion of the transaction, the joint venture comprises DNO as operator with a 64 percent (80 percent paying) interest, the Turkish Energy Company (TEC) with a 16 percent (20 percent paying) interest and the KRG with a 20 percent carried interest.

Commerciality was declared by the contractor on the Baeshiqa license on 1 August 2021, terminating the exploration period and moving the PSC into the development period, which has a duration of 20 years. If commercial production is still possible at the end of the 20-year period, DNO Iraq is entitled to a five-year extension.

Under each of the PSCs, DNO Iraq and its partners must perform certain minimum work obligations during the applicable exploration periods. DNO Iraq, as operator under each PSC, has performed all of the minimum work obligations mandated by both PSCs. All major petroleum operations in Kurdistan are subject to completion of environmental impact assessments. DNO Iraq prepares these in accordance with international standards and seeks the necessary approvals from relevant authorities.

The PSCs operate on a cost oil/profit oil basis. After payment of the royalty, DNO Iraq and its partners can recover their costs, with cost oil entitlements capped at a certain percentage of production in a given calendar year. Unrecovered costs can be carried forward until complete cost recovery is achieved. If all costs are not recovered by the end of the PSC's term, then (with the exception of decommissioning costs) such costs cannot be cost recovered from another PSC.

Following deductions for cost recovery, the percentage of profit oil allocated to DNO Iraq and its partners, on the one hand, and to the KRG, on the other hand, varies according to a sliding scale determined by reference to cumulative revenue and cumulative costs under each PSC, such that the profit oil percentage to which DNO Iraq and its partners are entitled decreases as cumulative revenue increases relative to cumulative costs. DNO Iraq's profits are also subject to income tax, which is paid by the KRG on behalf of each license partner out of the government's share of profit oil.

PSC	Cost oil entitlement cap (percent)	Profit oil entitlement cap (percent)
Tawke	45	16-38
Baeshiqa............................	43	16-32

5.3.1.2 Tawke

Gross output at the Tawke PSC, containing both the Tawke and Peshkabir fields, averaged 109,131 bopd during the first nine months of 2021.

While the Tawke field still holds most of the license reserves notwithstanding 14 years of operation, the Peshkabir field, which came on stream within the same license in 2017, has overtaken the Tawke field in terms of daily production. Cumulative Tawke license gross production reached 382 million barrels at the end of the third quarter of 2021. Both fields are slated for multi-year development campaigns.

The USD 110 million Peshkabir-Tawke gas project, Kurdistan's first and only gas capture and injection scheme, gathers, treats and transports gas over 80 kilometers from the Peshkabir field to the Tawke field for storage and enhanced oil recovery. Since it was commissioned in mid-2020, it has injected eight billion cubic feet of otherwise flared gas through the end of the third quarter 2021, capturing 480,000 tonnes of CO2 equivalent. In September 2021, the Company initiated a USD 25 million second phase of the gas capture project to reinject and retain gas in the Tawke reservoir and reduceflaring.

5.3.1.3 Baeshiqa

The Baeshiqa PSC contains two large structures with multiple independent stacked target reservoirs, including in the Cretaceous, Jurassic and Triassic. DNO has drilled, completed and tested three exploration wells in the Baeshqia PSC (Baeshiqa 1, 2 and Zartik 1) successfully producing oil through temporary test facilities from numerous zones including the Triassic Kurra Chine and Jurassic Mus reservoirs. In November 2019, DNO Iraq issued a notice of discovery to the KRG on the Baeshiqa-2 well, in accordance with the requirements of the PSC, after flowing hydrocarbons to surface from the upper part of the Triassic Kurra Chine B reservoir. On 1 August 2021, the contractor declared a commercial discovery of crude oil on the license with plans submitted for fast-track development including early production from previously drilled but suspended wells. The development plan for the first phase of the field development was approved in December 2021.

5.3.1.4 Sales

The oil that DNO Iraq produces from the Tawke license is delivered to the DNO-operated Fish Khabur export facility where it is then exported by the KRG by pipeline through Turkey and on to international markets. Up until the end of the third quarter of 2018, revenues from the KRI were recognized upon receipt of cash payment. Following an assessment of facts and circumstances, effective 1 October 2018, DNO Iraq recognizes revenue generated in the KRI in line with invoiced oil sales following monthly deliveries to KRG and not upon cash receipt. The funds are shared by DNO Iraq and partner Genel pro-rata to the companies' interests in the license. Monthly export payments reflect the revenue derived from Tawke production on a netback basis, adjusted for crude quality differentials to Brent in addition to deductions for pipeline transit fees.

5.3.2 Yemen

The Group's operations in Yemen are regulated by the Block 47 PSA which was entered into between DNO's subsidiary DNO Yemen AS with the Ministry of Oil and Mineral Resources on 16 July 1998 and in which DNO acts as the operator. Activity at Block 47 is currently suspended due to the ongoing civil war.

5.3.3 Norway and the UK

5.3.3.1 Regulatory framework in Norway

Norway has adopted detailed legislation on petroleum activities through the Norwegian Petroleum Act ("NPA") and regulations issued thereunder. The NPA establishes that the Norwegian State has the proprietary right to subsea petroleum deposits on the NCS and that companies are required to obtain licenses to have the right to engage in petroleum activities. Further consents and approvals from the competent authorities are required for key steps in all phases of the petroleum activities.

5.3.3.2 The life cycle - From area opening procedures to the end of production

Petroleum activities on the NCS are structured in separate phases. First, an area must be opened for petroleum activities before any operations are permitted. The first phase is exploration, when any subsea petroleum resources are mapped and proved. If commercially viable discoveries are made, activities enter a new phase with the aim of developing the field and producing from it, at the same time ensuring sound resource management and maximizing value creation. Following the cessation of production, the facilities and installations will be subject to decommissioning.

5.3.3.3 Production licenses on the NCS

A production license grants exclusive rights to exploration for and production of oil and gas in the area covered by the license. It also sets out more detailed conditions for activities in a particular area. Licensees become the owners of a share of the oil and gas produced proportional to their participating interest shares in the license. Production licenses are awarded either through the ordinary license rounds which usually take place every other year or through Norway's Awards in Predefined Areas ("APA") licensing rounds, which take place annually. Participating interest shares in production licenses can also be obtained through direct purchase of participating interests in licenses or indirectly by purchasing shares in companies that hold licenses. Any such purchases are subject to the approval of the Ministry of Petroleum and Energy ("MPE") and the Ministry of Finance ("MOF").

5.3.3.4 Main terms of the production licenses on the NCS

The terms of NCS production licenses are to a large degree standardized. Key terms are established in both the NPA and regulations issued under the NPA. Norwegian authorities also use standardized license documents and require the use of a standard joint operating agreement ("JOA"). The fiscal terms are also set out in legislation. The rules set out in the NPA and regulations issued thereunder are comprehensive and detailed. The authorities, notably the MPE, the NPD and the Petroleum Safety Authority are given wide discretionary powers under the NPA and the regulations thereunder.

As for the production licenses, the two main license terms require completion of specified work obligations and the entry into an Agreement Concerning Petroleum Activities, which includes a standardized JOA and Accounting Agreement.

The work obligation typically involves collecting and processing seismic data and/or drilling of exploration wells. The content of the work obligation may vary from license round to license round, as between ordinary license rounds and the APA rounds and from license to license. Each individual production license will stipulate a specific deadline for completion of each of the various elements of the work obligation. The deadline must be completed for each element. When the licensees have completed the entirety of the work obligation, it may request that the initial period of the production license be extended. The general rule is that the production license is extended for 30 years, but in certain circumstances the extension may stretch up to 50 years. The MPE also has the power to require that the work obligations are fulfilled prior to any relinquishment of a production license.

The JOA governs all matters pertaining to the joint venture and is the fundamental legal basis for the licensees' obligations towards one another. An operator is responsible for the daily operations of each joint venture and conducts its role on a "no gain, no loss" basis, which implies that the operator shall neither have profit nor loss through the execution of his duties as operator unless losses are the result of willful or gross negligence.

The joint venture participants are primarily liable to each other on a pro rata basis, secondarily jointly and severally liable for all obligations arising out of the joint venture's activities. The participants are also obligated to contribute sufficient funds to cover all expenses relating to the joint venture's activities in accordance with their respective participating interest. If a participant defaults on its obligation to provide sufficient funds to the joint venture or to cover its liabilities, non-defaulting participants are obligated to advance the deficient amounts. Strict default rules apply for a defaulting party.

5.3.3.5 The exploration phase

Once awarded, a production license is valid for an initial period of up to ten years, which is reserved for exploration activities. To ensure that the area to which the production license applies is explored properly, the licensee group is obliged under the terms of the license to carry out a work program, as mentioned above. If all the licensees agree, they may relinquish all or parts of the production license once they have completed the work obligations. Once the production license has matured from the initial exploration phase, an area fee will apply for any non-relinquished acreage not being actively explored.

5.3.3.6 The development and operation phase

If the licensees make a discovery and wish to continue work under the license after they have fulfilled their work obligations, they are entitled to an extension period for the license. The duration of the extension period is determined by the MPE when the license is awarded. Field development and operations take place during the extension period.

The licensees must submit a plan for development and production ("PDO") of a new deposit to the MPE as a basis for approval. A separate plan for installation and operation ("PIO") may be submitted and approved for pipelines or onshore terminals if such installations are not covered by the PDO. A PDO/PIO consists of a development plan and an impact assessment. The latter provides an overview of the likely impacts of the project on the environment, fisheries and society. The report on the impact assessment is sent to all those who may be affected by the project so that they have an opportunity to put forward their views. The process ensures that all relevant arguments for and against the project are known before a decision on development is taken, that the field developments approved are responsible, and that their impacts on other public interests are acceptable. In special cases, the MPE may exempt licensees from the requirement to submit a PDO/PIO.

A license can be renewed when it expires.

5.3.3.7 Cessation of petroleum activities

The licensees shall prepare and file for approval of a plan for decommissioning and removal. The NPA requires licensees to submit a decommissioning plan to the MPE between two and five years before the production license expires or is relinquished or use of a petroleum installation will be terminated permanently. A decision will then be made by the MPE with respect to how the license group should carry out the decommissioning and how removal should be done.

Each of the licensees in a license are jointly and severally responsible for decommissioning liability towards third parties (including the Norwegian State). As between the licensees, this liability is however primarily pro-rata based on each licensee's ownership interest in the license, alternatively joint and several in case any of the licensees do not meet their obligations in this respect.

A former licensee having sold its ownership interests remains "secondarily liable" by law for the costs of decommissioning of installations and facilities that existed at the "time of transfer" of the ownership interest to the buyer, in case the buyer does not fulfil its decommissioning obligations as a licensee. In a transaction, the seller and the buyer normally agree that the decommissioning obligations, in the valuation of the assets, are deducted and transferred to the buyer. If so, the seller will generally require to be indemnified by the buyer should the secondary decommissioning liability materialize. Such indemnity is normally secured by a security arrangement agreed in a decommissioning security agreement with more or less standardized terms. The security is often a parent company guarantee ("PCG") or letter of credit arrangement.

Contrary to other jurisdictions, there is no legal basis for the other licensees in a joint venture to require any form of decommissioning security from the buyer in connection with a transaction.

Liability for pollution damage from petroleum activities is regulated in Chapter 7 of the NPA, under which the licensee is liable on a strict basis for pollution which emanates from a facility.

5.3.3.8 Main Terms of the Production Licenses on the UKCS

The Petroleum Act establishes the regulatory regime applying to oil and gas E&P in the UKCS. All rights to petroleum vest in the Crown, but the OGA grants licenses through annual competitive licensing rounds. Any bid for a license or the acquisition of an interest in an existing license is subject to OGA approval. There are four types of licenses available: production licenses (offshore/onshore), innovative licenses and exploration licenses.

Offshore production licenses run for three successive terms, each connected with a particular activity (i.e., exploration, appraisal and production) and a specific work program. The license will expire at the end of its initial term unless the licensee has completed an agreed initial term work program and surrendered a fixed amount of acreage (normally 50 percent). The license will expire at the end of the second term unless the OGA has approved a development plan. The third term is intended for production. The licensee is not restricted from starting production before the third term, provided the minimum work program is completed and the OGA has approved a development plan.

Licenses impose an escalating annual rental fee over the acreage covered by the license to encourage licensees to surrender fallow areas. Licensees are further required to pay an annual OGA levy. All licenses are governed by Model Clauses, set out in secondary legislation under the Petroleum Act.

Where more than one company holds an interest in a license, their relationship is governed by a JOA which follows the same main principles as in the NCS. Legally there is only ever a single licensee and all companies on a license are jointly and severally liable for operations conducted under the license.

Decommissioning of offshore oil and gas installations and pipelines is regulated by the UK Department for Business Energy and Industrial Affairs ("BEIS") through the Petroleum Act. Decommissioning obligations arise when the UK Offshore Petroleum Regulator for Environment & Decommissioning ("OPRED") issues a "Section 29 notice" on license holders requiring the submission of a decommissioning program. The Section 29 holders are obliged to carry out the approved decommissioning plan on a joint and several basis; failure to comply is a criminal offence. As the objective of the regime is to shield the UK taxpayers from decommissioning costs, the OPRED may serve notice on a wider group of parties, not just the current licensees, including a parent or affiliate of the licensee and any former licensees who held an interest in the license after the first Section 29 notice was issued by the OPRED. Section 29 holders are required to post security for the cost of decommissioning, normally in the form of a letter of credit or facility agreement, when the relevant field reaches a certain point in its production life.

Under Section 34 of the Petroleum Act, the authorities also retain the right to require any company that has previously been released from a Section 29 notice, or any company that could have been served with a Section 29 notice at any time after the first Section 29 notice was issued, to carry out a decommissioning program, although this is seen as a remedy of last resort. In practice, decommissioning programs will be implemented by the current licensees pursuant to the relevant JOA unless they were all to default, in which case the responsibility would fall to the Section 29 holders and, should they all default, potentially to further entities under Section 34 of the Petroleum Act.

It is also common UKCS industry practice, but not a legal requirement, for joint venturers to enter into field decommissioning security agreements ("DSAs") whereby the relevant licensees will be obliged to post security for their individual shares of future decommissioning liability when the relevant field reaches a certain point in its production life. Such security will usually take the form of a letter of credit, or, where a licensee's parent company has a sufficient credit rating, a PCG. Bi-lateral security arrangements may also be entered into between a seller and a purchaser of field participating interests in order to protect the seller against potential future decommissioning liability. Should a company fail to fulfil its decommissioning obligations the relevant security can be called.

5.3.3.9 Summary of the Group`s license portfolio in the North Sea

In the North Sea, the Group held 74 licenses in Norway of which 18 were operated as of 30 September 2021. In the UK, the Group held 11 licenses of which three were operated. The Group's North Sea production was based on 10 non-operated fields of which two were in the UK. Furthermore, the Group held two licenses in the Netherlands and is in the process of exiting an exploration license in Ireland. In 2021, DNO maintained an active drilling program including two appraisal wells on previous discoveries and three exploration wells. Two of these five wells proved likely commercial volumes (Røver Nord on PL923 and Bergknapp on PL836S).

5.4 Legal proceedings

During the normal course of its business, the Group may be involved in disputes and some are currently ongoing. Other than what is described in the Annual Report 2020 – note 17 in the consolidated accounts, see Section 8.4 "Incorporation by reference" in this Registration Document, in the past 12 months there have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) which have been initiated against the Company and which may have, or have had in the recent past, significant effects on the Company and/or Group's financial position or profitability.

5.5 Material contracts

There are no material contracts that are not entered into in the ordinary course of the Company's business, which could result in any group member being under an obligation or entitlement that is material to the Company's ability to meet its obligation to security holders in respect of the securities being issued.

6 BOARD OF DIRECTORS, MANAGEMENT AND CORPORATE GOVERNANCE

6.1 Introduction

The general meeting is the highest authority of the Company. All shareholders in the Company are entitled to attend and vote at general meetings of the Company.

The overall management of the Group is vested in the Company's board of directors and the Group's executive management. In accordance with Norwegian law, the board of directors is responsible for, among other things, supervising the general and day-to-day management of the Group's business, ensuring proper organization, preparing plans and budgets for the Group's activities, ensuring that the Group's activities, accounts and capital management are subject to adequate controls and undertaking investigations necessary to perform its duties.

The board of directors has four sub-committees: a nomination committee, an audit committee, a remuneration committee and a HSSE committee.

The Managing Director is responsible for the day-to-day supervision of the Group's operations in accordance with Norwegian law and instructions set out by the board of directors. Among other responsibilities, the Group's Managing Director is responsible for keeping the Group's accounts in accordance with prevailing Norwegian legislation and regulations and for managing the Group's assets in a responsible manner. In addition, according to Norwegian law, the Managing Director must brief the board of directors about the Group's activities, financial position and operating results at least once a month.

The Company's articles of association provide that the board of directors shall consist of a minimum of three and a maximum of seven board members. The current board of directors consists of five board members, as listed in the table below.

6.2 Board of Directors

The names, positions and current terms of office of the board members as of the date of this Registration Document are set out in the table below.

Name	Position	Served since	Term expires
Bijan Mossavar-Rahmani	Executive Chairman	2011	AGM 2023
Lars Arne Takla	Deputy Chairman	2012	AGM 2023
Elin Karfjell	Board member	2015	AGM 2023
Gunnar Hirsti	Board member	2007	AGM 2023
Shelley Watson	Board member	2010	AGM 2023

Bijan Mossavar-Rahmani (Executive Chairman)

Bijan Mossavar-Rahmani is an experienced oil and gas executive and has served as the Company's Executive Chairman of the Board of Directors since 2011.

Mr. Mossavar-Rahmani serves concurrently as Executive Chairman of Oslo-listed RAK Petroleum plc, the Company's largest shareholder as held through its subsidiary RAK Petroleum Holdings B.V. He is a Trustee of the New York Metropolitan Museum of Art and a member of Harvard University's Global Advisory Council. He has published more than ten books on global energy markets and was decorated Commandeur de l'Ordre National de la Côte d'Ivoire for services to the energy sector of that country. Mr. Mossavar-Rahmani is a graduate of Princeton (AB) and Harvard Universities (MPA). He is a member of the nomination and remuneration committees.

Lars Arne Takla (Deputy Chairman)

Lars Arne Takla has extensive experience from various managerial, executive and board positions in the international oil and gas industry.

Mr. Takla has held various managerial positions with ConocoPhillips, including Managing Director and President of the Scandinavian Division. He was Executive Chairman of the Norwegian Energy Company ASA between 2005 and 2011. Mr. Takla was appointed Commander of the Royal Norwegian Order of St. Olav for his strong contribution to the Norwegian petroleum industry. He holds a Master of Science degree in chemical engineering from the Norwegian University of Science and Technology. He was elected to the Company's Board of Directors in 2012 and is a member of the HSSE committee.

Elin Karfjell (Director)
Elin Karfjell is Director Property Management and Development of Statsbygg and has held various management positions across a broad range of industries.

Ms. Karfjell has been Managing Partner of Atelika AS and has served as Chief Executive Officer of Fabi Group, Director of Finance and Administration at Atea AS and partner of Ernst & Young AS and Arthur Andersen. Other board directorships include Aker Philadelphia Shipyard, North Energy ASA and Contesto AS. Ms. Karfjell is a state authorized public accountant. She has a Bachelor of Science in Accounting from Oslo and Akershus University College of Applied Sciences and a Higher Auditing degree from the Norwegian School of Economics and Business Administration. Ms. Karfjell was elected to the Company's Board of Directors in 2015 and is a member of the audit committee.

Gunnar Hirsti (Director)
Gunnar Hirsti has extensive experience from various managerial, executive and board positions in the oil and gas industry as well as the information technology industry in Norway.

Mr. Hirsti was Chief Executive Officer of DSND Subsea ASA (now Subsea 7 S.A.) for a period of six years. He also served as Executive Chairman of the Board of Blom ASA, for eight years. Mr. Hirsti holds a degree in drilling engineering from Tønsberg Maritime Høyskole in Norway. He was elected to the Company's Board of Directors in 2007 and is a member of the audit and remuneration committees.

Shelley Watson (Director)
Shelley Watson began her career as a reservoir surveillance and facilities engineer with Esso Australia in its offshore Bass Strait operation.

Subsequently she held management positions with Novus Petroleum, Indago Petroleum and RAK Petroleum plc where she served as General Manager until 2014. She was appointed as Chief Operating Officer of RAK Petroleum plc in February 2017 and Chief Financial Officer in May 2017. Ms. Watson holds a First Class Honours degree in chemical engineering and a Bachelor of Commerce degree from the University of Melbourne. She has served on the Company's Board of Directors since 2010 and is a member of the audit committee.

The Company's registered business address, Dokkveien 1, N-0250 Oslo, Norway, serves as the c/o address for the board members in relation to their directorship of the Company.

As of the date hereof and other than described above, no conflict of interest or, to the knowledge of the Company, potential conflict of interest exists between the duties of the members of the Company's Board of Directors to the Company and their private interests and/or other duties.

6.3 Management

The Group's executive management team consists of eight individuals.

The names of the members of the executive management team as of the date of this Registration Document, and their respective positions, are presented in the table below:

Name	Current position within the Group	Employed with the Group since
Bjørn Dale	Managing Director	2011
Chris Spencer.............................	Chief Operating Officer	2017
Haakon Sandborg	Chief Financial Officer	2001
Nicholas Whiteley	Chief Commercial Officer	2015
Ørjan Gjerde	General Manager DNO North Sea	2017
Tom Allan	General Manager KRI (Kurdistan region of Iraq)	2019
Geir Arne Skau...........................	Director of Human Resources and Corporate Services	2019
Tonje Pareli Gormley...................	General Counsel Middle East	2018

Bjørn Dale (Managing Director)
Mr. Dale joined the Company in 2011. Mr. Dale holds a Master of Law degree from the University of Oslo and an Executive MBA from the Stockholm School of Economic.

Chris Spencer (Chief Operating Officer)
Mr. Spencer joined the Company in 2017. Mr. Spencer previously served as the CEO of Rocksource ASA and in various commercial and technical roles at Royal Dutch Shell and BP. He is a Chartered Engineer with the Institution of Chemical Engineers in the UK.

Haakon Sandborg (Chief Financial Officer)
Mr. Sandborg joined the Company in 2001. In addition to his oil and gas experience, he has a background in banking, including positions at DNB Bank. Mr. Sandborg holds a Master of Business Administration from the Norwegian School of Business Administration.

Nicholas Whiteley (Chief Commercial Officer)
Dr. Whiteley joined the Company in 2015. Dr. Whiteley previously Exploration and Subsurface Director for DNO and prior to that served as General Manager of Exploration at Cairn India. He commenced his career at BP and has a Master of Science degree in Earth Sciences from the University of Cambridge and a PhD from the University of Oxford.

Ørjan Gjerde (General Manager DNO North Sea)
Mr. Gjerde joined the Company in 2017. Mr Gjerde previously served as CFO of Noreco and in management roles at various oil services companies. He is a state authorized public accountant and obtained his Master level degree in Accounting and Auditing from the Norwegian School of Economics.

Tom Allan (General Manager Kurdistan region of Iraq)
Mr. Allan joined the Company in 2019. Mr. Allan previously served as the Chief Operating Officer & Chief Financial Officer of Oilserve Oilfield Services and in various operational and managerial roles at Schlumberger. He holds a BS in Engineering with the Royal Military College of Canada.

Geir Arne Skau (Director of Human Resources and Corporate Services)
Mr. Skau joined the Company in 2019. Mr. Skau previously served in the Norwegian Armed Forces and in various human resources leadership roles at TechnipFMC. He was educated at the Norwegian Military Academy.

Tonje Pareli Gormley (General Counsel – Middle East)
Ms. Gormley joined the Company in 2018 upon secondment as a partner from the law firm Arntzen de Besche. She holds a law degree from the University of Oslo and a diploma in law from the London Metropolitan University.

The Company's registered business address, Dokkveien 1, N-0250 Oslo, Norway, serves as the business address for most members of the management in relation to their employment with the Group. Ørjan Gjerde's business address is Badehusgata 37, 4014 Stavanger and Tom Allan's business address is Office 1201, Boulevard Plaza 2, Downtown Dubai, United Arab Emirates.

As of the date hereof no conflict of interest or, to the knowledge of the Company, potential conflict of interest exists between the duties of the members of the Company's management to the Company and their private interests and/or other duties. The Managing Director of the Company, Bjørn Dale, is a member of the board of RAK Petroleum plc, the parent of the largest shareholder in the Company.

6.4 Nomination committee

The Company's articles of association provide for a nomination committee. The current members of the nomination committee are Bijan Mossavar-Rahmani and two external members, Anita Marie Hjerkinn Aarnæs and Kåre Tjønneland. The nomination committee's mandate is to propose candidates for the board of directors and its various committees to the annual general meeting. It also proposes the level of board members' remuneration. The current composition of the nomination committee will be assessed at the next annual general meeting.

6.5 Audit committee

The board of directors has established an audit committee composed of three board members. The current members of the audit committee are Gunnar Hirsti (chair), Shelley Watson and Elin Karfjell. The audit committee's mandate includes undertaking quality control of the Company's financial reporting and monitoring internal control and risk evaluation systems.

6.6 Remuneration committee

The board of directors has established a remuneration committee composed of two board members. The remuneration committee is currently comprised of Bijan Mossavar-Rahmani and Gunnar Hirsti. Its mandate is to consider matters relating to compensation of executive management and to make related recommendations to the board of directors.

6.7 HSSE committee

The HSSE committee comprises Lars Arne Takla and Shelley Watson. Its mandate is to review the Company's management of operational risks and HSSE performance.

7 FINANCIAL INFORMATION

7.1 General

The Company has prepared audited consolidated financial statements as of and for the year ended 31 December 2020 in accordance with the International Financial Report Standards ("IFRS") (the "Financial Statements") and unaudited consolidated interim financial statements as of and for the three and nine months ended 30 September 2021 in accordance with International Accounting Standard ("IAS") 34 (the "Interim Financial Statements"). The Financial Statements and the Interim Financial Statements are incorporated by reference hereto, see Section 8. "Incorporation by reference" in this Registration Document.

In general, the Group is funded by a strong cash flow from its legacy assets in the KRI and by long-term bonds as its main interest-bearing debt funding. The reentry into the North Sea has also provided the Group access to bank financing, represented by the RBL and EFF facilities the Group established in November 2019. The Group aim at building the North Sea activities to be self-sustaining based on North Sea petroleum revenues even though field development projects in this region is likely to require significant investments. In the Middle East, the Group has traditionally developed fields in a low cost, fast track manner, aiming at an early production start providing revenues to back up further development. This is likely to be the strategy also in the future.

DNO ASA:	*Parent*	*Group*	*Group*
	2020	**2020**	**Q3 2021**
	audited	*audited*	*unaudited*
Income statement	Page 74	Page 22	Page 9
Balance sheet	Page 74-75	Page 23	Page 10
Cash flow statement	Page 76	Page 24	Page 11
Notes	Page 77-87	Page 26 - 72	Page 13 - 23
Accounting principles	Page 77	Page 26 - 35	Page 13
Auditors report	Page 88-92	Page 88 - 92	-

7.2 Auditor

The Company's independent auditor is Ernst & Young AS with registration number 976 389 387, and business address at Dronning Eufemias gate 6, N-0191 Oslo, Norway. Ernst & Young AS is a member of Den Norske Revisorforeningen (The Norwegian Institute of Public Accountants). Ernst & Young has been the Company's independent auditor since 2002. Accordingly, the Financial Statements, incorporated by reference in this Registration Document, have been audited by Ernst & Young AS. The auditor's reports on the Financial Statements are included together with the Financial Statements, as incorporated by reference in this Registration Document. Ernst & Young AS has not audited, reviewed or produced any report on any other information provided in this Registration Document.

7.3 Significant change in the Company's financial position

There is no significant change in the financial position of the Group which has occurred since the end of the last financial period for which either audited financial statements or interim financial information have been published.

7.4 Trend information

There has been no material adverse change in the prospects of the Company since the date of its last published audited financial statements or any significant change in the financial performance of the Group since the end of the last financial period for which financial information has been published up to the date of the Registration Document. There are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Company's prospects for at least the current financial year.

7.5 Statement of no material adverse change

There has been no material adverse change in the prospects of the Company since the date of the last audited Financial Statements. And there are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Company's prospects for at least the current financial year.

8 ADDITIONAL INFORMATION

8.1 Summary of disclosed information

All Company announcements are available in the Company's website:

https://www.dno.no/en/investor-relations/announcements/

In addition, all quarterly and annual reports are available here:

https://www.dno.no/en/investor-relations/reports-and-presentations/

The most important announcements during the last 12 months are the following:

18.01.22	Q4 2021 Trading Update and Invitation to Earnings Call
16.12.21	Key Information Relating to Cash Dividend in December 2021
04.11.21	DNO Reports Third Quarter 2021 Results
14.10.21	Q3 2021 Trading Update and Invitation to Earnings Call
28.09.21	DNO Updates North Sea Drilling
08.09.21	DNO02 - Key Information Relating to Redemption of Bond Loan
08.09.21	DNO Reports KRG Payments
06.09.21	DNO Scores Bergknapp Upgrade
01.09.21	DNO Completes USD 400 Million Bond Placement
26.08.21	DNO Releases 2020 Corporate Social Responsibility Report
25.08.21	DNO to Hold Fixed Income Investor Meetings
09.08.21	DNO Spuds Gomez
03.08.21	DNO Doubles Stake, Declares Commerciality at Kurdistan Baeshiqa License
29.07.21	DNO Reports Second Quarter 2021 Results, Strengthening Financials
12.07.21	DNO Appoints Spencer COO
27.05.21	DNO Annual General Meeting Held; All Resolutions Passed by Shareholders
13.05.21	Update on Kurdistan Payments
06.05.21	DNO Returns to Profitability, Ups Tawke License Production Guidance
05.05.21	DNO02 - Key Information Relating to Partial Redemption of Bond Loan
05.05.21	Notice of Annual General Meeting 2021
13.04.21	DNO Reports KRG Payments, Ramps Up Production
18.03.21	DNO Reports KRG Payments
16.02.21	DNO Releases 2020 Annual Statement of Reserves and Resources
11.02.21	DNO Reports 2020 Results; Guides on 2021 Activity
11.02.21	DNO Increases Stake in Kurdistan's Baeshiqa License; Prepares to Step Up Operations
05.02.21	DNO North Sea Exploration Gains Traction with Latest Discovery
19.01.21	DNO Receives 10 Awards in Norway's APA Licensing Round
18.01.21	DNO Operations Update

Other announcements relate to the financial calendar and ex-date of dividend.

Information regarding "*Mandatory notification of trade*" are available at Oslo Børs' webpage NewsWeb with the ticker DNO:
https://newsweb.oslobors.no/search?category=1102&issuer=1015&fromDate=2021-01-01&toDate=2022-01-01&market=&messageTitle=

8.2 Documents on display

Copies of the following documents will be available for inspection at the Company's offices at Dokkveien 1, N-0250 Oslo, Norway, during normal business hours from Monday to Friday each week (expect public holidays) for a period of 12 months from the date of this Registration Document:

- the up-to-date memorandum and articles of association of the Company;
- all reports, letters, and other documents, valuations and statements prepared by any expert at the Company's request any part of which is included or referred to in the Registration Document.

8.3 Information sourced from third parties and statements regarding competitive position

Any information sourced from third parties contained in this Registration Document has been accurately reproduced and, 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.

Unless otherwise indicated in the Registration Document, 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.

8.4 Incorporation by reference

The information incorporated by reference in this Registration Document shall be read in connection with the cross-reference list set out below. Except as provided in this Section, no information is incorporated by reference in this Registration Document.

In section 5.4 of this Registration Document, information regarding legal disputes are incorporated by reference to the Company's Annual Report 2020 note 17 in the consolidated accounts.

In section 7 of this Registration Document, the financial information is incorporated by reference to the following:

- Information concerning the Company's 2020 figures is incorporated by reference to the Issuer's Annual Report 2020.
- Information concerning the Company's third quarter interim results is incorporated by reference to the Company's Third quarter 2021 Interim report.

9 DEFINITIONS AND GLOSSARY

In this Registration Document, the following terms have the following meanings:

APA	Awards in Predefined Areas.
AED	United Arab Emirates dirham, the lawful currency of the UAE.
ASRR	Annual Statement of Reserves and Resources.
BEIS	UK Department for Business Energy and Industrial Affairs.
boe	Barrels of oil equivalent.
bopd	Barrels of oil per day.
boepd	Barrels of oil equivalent per day.
Brent	Brent Blend, a North Sea light crude oil quality for which a reference oil price is set.
Bonds	DNO ASA 7.875 percent senior unsecured callable USD 400,000,000 bond issue 2021/2026.
Company	DNO ASA.
CWI	Company working interest.
DNO Iraq	DNO Iraq AS.
DNO Norge	DNO Norge AS.
DNO Oman	DNO Oman Block 8 Limited.
DSA	Decommissioning security agreement.
EEA Agreement	The European Economic Area Agreement.
EFF	Exploration financing facility with an aggregate commitment limit of NOK 1,000 million.
ESA	The EFTA Surveillance Authority.
EPSA	The Exploration and Production Sharing Agreement in Oman.
EU	The European Union.
EUR	Euros, the lawful currency of the European Union.
E&P	Exploration and production.
Faroe	Faroe Petroleum plc (now DNO North Sea plc).
FGI	Federal Government of Iraq.
Financial Statements	Financial statements the year ended 31 December 2018.
GBP	Pound sterling, the lawful currency of the UK.
Genel	Genel Energy International Limited.
Group	The Company together with its subsidiaries.
HSFO	High-sulfur fuel oil.
HSSE	Health, safety, security and environment.
IAS	International Accounting Standard.
IFRS	International Financial Report Standards.
Interim Financial Statements	Unaudited consolidated interim financial statements as of and for the nine months ended 30 September 2021.
IQD	Iraqi dinar, the lawful currency of Iraq.
JOA	Joint Operating Agreement.
KRG	Kurdistan Regional Government.
KRI	Kurdistan region of Iraq.
Licenses	E&P licenses and PCAs/PSAs.
MMboe	Million barrels of oil equivalent.
MMbbls	Million barrels of oil.
MOF	Norwegian Ministry of Finance.
MPE	Norwegian Ministry of Petroleum and Energy.
NE	Net entitlement.
Norwegian FSA	The Financial Supervisory Authority of Norway.
NCS	Norwegian Continental Shelf.
NOK	Norwegian kroner, the lawful currency of Norway.
NPA	Norwegian Petroleum Act.
NPD	Norwegian Petroleum Directorate.

Norwegian Public Limited Liability Companies Act	The Norwegian Public Limited Companies Act of 13 June 1997 no. 45 (*allmennaksjeloven*).
OGA	UK Oil and Gas Authority.
OOCEP	Oman Oil Company Exploration and Production LLC.
OPRED	UK Offshore Petroleum Regulator for Environment & Decommissioning.
Origo	Origo Exploration Holding AS.
Oslo Stock Exchange	The Oslo Stock Exchange, a Euronext stock exchange
PCG	Parent Company Guarantee.
PDO	Plan for development and operation.
PIO	Plan for instalment and operation.
PRMS	The Petroleum Resources Management System.
Prospectus	The Registration Document, Securities Note and Summary.
Proven (1P) Reserves	Means, in accordance with PRMS, those quantities of petroleum which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable, from a given date forward, from known reservoirs and under defined economic conditions, operating methods, and government regulations. If deterministic methods are used, the term reasonable certainty is intended to express a high degree of confidence that the quantities will be recovered. If probabilistic methods are used, there should be at least a 90 percent probability that the quantities actually recovered will equal or exceed the estimate.
Probable (2P) Reserves	Means, in accordance with PRMS, those additional reserves which analysis of geoscience and engineering data indicate are less likely to be recovered than proven reserves but more certain to be recovered than possible reserves. It is equally likely that actual remaining quantities recovered will be greater than or less than the sum of the estimated proven plus probable reserves ("2P"). In this context, when probabilistic methods are used, there should be at least a 50 percent probability that the quantities actually recovered will equal or exceed the 2P estimate. 2P reserves include but are not limited to 1P reserves.
Possible (3P) Reserves	Means, in accordance with PRMS, those additional reserves which analysis of geoscience and engineering data suggests are less likely to be recoverable than probable reserves. The total quantities ultimately recovered from the project have a low probability to exceed the sum of proven plus probable plus possible reserves ("3P"), which is equivalent to the high estimate scenario. In this context, when probabilistic methods are used, there should be at least a 10 percent probability that the actual quantities recovered will equal or exceed the 3P estimate. 3P reserves include but are not limited to 2P reserves.
PSC/PSA	Production Sharing Contracts/Agreements. A PSC or PSA is used interchangeably as an agreement between a contractor and a host government, whereby the contractor bears all risk and costs for exploration, development and production in return for a stipulated share of production.
RBL	Reserve-based lending facility of USD 350 million.
Registration Document	This registration document dated 18th January 2022.
RSA	Receivables Settlement Agreement.
R/P	Reserve Life Index.
Securities Note	Document to be prepared for each new issue of bonds under the Prospectus.
Summary	Document to be prepared for each new issue of bonds under the Prospectus if applicable.
UK	The United Kingdom.
UKCS	United Kingdom Continental Shelf.
U.S. Securities Act	U.S. Securities Act of 1933, as amended.
USD	United States dollar, the lawful currency of the United States.
YER	Yemeni rial, the lawful currency of Yemen.