

Fourth Quarter report 2012

Panoro Energy ASA and its subsidiaries (“Panoro Energy” or “Panoro” or “the Company”) report EBITDA of USD 5.6 million for the fourth quarter 2012. Production from Manati remained high as gas demand from thermoelectric power plants continued to be strong during the quarter. The drilling of the Tortue prospect on the Dussafu Marin Permit offshore Gabon resulted in an oil discovery and oil was discovered also in the subsequent appraisal well. Reservoir and conceptual engineering studies are initiated to evaluate the potential commerciality of the discovery. In the southern Santos basin in Brazil, the drilling of the Jandaia prospect completed a three-well exploration campaign resulting only in a non-commercial discovery. The reserves in the BS-3 project were reclassified to resources due to delays in the project and lack of a firm gas export solution, resulting in a partial impairment of the assets. The divestment process for parts of the West African portfolio is ongoing, although the precise timing of any potential transactions remains uncertain.

Fourth quarter 2012 highlights and subsequent events

- Net gas sales averaged 3,668 BOE/day in the fourth quarter, versus 4,004 BOE/day in the previous quarter
- EBITDA was USD 5.6 million, down from USD 6.7 million in the previous quarter
- Made oil discovery in the Tortue prospect on the Dussafu Marin Permit offshore Gabon. Conceptual studies are initiated
- The carried three-well exploration campaign in Brazil was completed, having resulted in only non-commercial discoveries
- Impairment charge of USD 42 million on BS-3 assets and USD 5 million on Round 9 assets in Brazil
- Ongoing divestment process for assets in West Africa

Please find enclosed the fourth quarter report and the investor presentation. The presentation will be broadcasted live from Hotel Continental in Oslo from 08:30 CET today, and can be seen using the following link

<http://webtv.hegнар.no/presentation.php?webcastId=529313%20>

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