

***In case of discrepancy between the Norwegian language original text and the English language translation, the Norwegian text shall prevail***

**Til aksjeeierne i Panoro Energy ASA**

## **INNKALLING TIL ORDINÆR GENERALFORSAMLING**

Styret i Panoro Energy ASA ("**Selskapet**") innkaller med dette til ordinær generalforsamling.

Tid: 27. mai 2015 kl 11.00 norsk tid  
Sted: Continental Hotel, Stortingsgaten 24 / 26,  
0161 Oslo.

Til behandling foreligger:

1. **Åpning av møtet ved styrets leder Julien Balkany, med opptak av fortegnelse over møtende aksjeeiere**
2. **Valg av møteleder og en person til å medundertegne protokollen**

Styret foreslår at ekstern advokat Geir Evenshaug velges til møteleder, og at en person blant de som er til stede velges til å medundertegne protokollen.

3. **Godkjenning av innkalling og dagsorden**
4. **Godkjenning av årsregnskapet og årsberetningen for regnskapsåret 2014**

Styrets forslag til årsregnskap og årsberetning for regnskapsåret 2014 ble offentliggjort 30. april 2015 og er tilgjengelig på [www.panoroenergy.com](http://www.panoroenergy.com).

Styret foreslår at generalforsamlingen treffer følgende vedtak:

*«Styrets forslag til årsregnskap og årsberetning for regnskapsåret 2014 godkjennes.»*

**To the shareholders of Panoro Energy ASA**

## **NOTICE OF ANNUAL GENERAL MEETING**

The Board of Directors (the "**Board**") of Panoro Energy ASA (the "**Company**") hereby summons for annual general meeting.

Time: 27 May 2015 at 11am (CET)  
Place: Continental Hotel, Stortingsgaten 24 / 26,  
0161 Oslo.

Agenda:

1. **Opening of the meeting by the Chairman of the Board Julien Balkany, including the taking of attendance of shareholders present**
2. **Election of chairman of the meeting and a person to co-sign the minutes**

The Board proposes that external legal counsel Geir Evenshaug chairs the meeting and that one person among the attendees is elected to co-sign the minutes.

3. **Approval of notice and agenda**
4. **Approval of the annual accounts and the annual report for the financial year 2014**

The Board's proposal for annual accounts and annual report for the financial year 2014 was made public on 30 April 2015 and is available at [www.panoroenergy.com](http://www.panoroenergy.com).

The Board of Directors proposes that the general meeting makes the following resolution:

*"The Board of Director's proposal for annual accounts and annual report for the financial year 2014 is approved."*

<p><b>5. Redegjørelse for eierstyring og selskapsledelse</b></p> <p>Redegjørelse for eierstyring og selskapsledelse skal være et eget punkt på agendaen for ordinær generalforsamling. Redegjørelsen er tatt inn i årsberetningen, samt vedlagt separat til denne innkallingen som <b><u>Vedlegg A</u></b>.</p> <p>Redegjørelsen for eierstyring og selskapsledelse er kun gjenstand for diskusjon og ikke separat godkjenning fra aksjonærenes side.</p>	<p><b>5. Statement on corporate governance</b></p> <p>The corporate governance statement of the Company shall be a separate item on the agenda for the Annual General Meeting. The statement is included in the annual report and attached separately hereto as <b><u>Enclosure A</u></b>.</p> <p>This is a non-voting item as the corporate governance statement is subject to discussions only and not to separate approval by the shareholders.</p>
<p><b>6. Fastsettelse av godtgjørelse til styret</b></p> <p>I samsvar med vedtektenes § 8 har Valgkomiteen foreslått godtgjørelse til styrets medlemmer. Valgkomiteen foreslår følgende vedtak:</p> <p><i>«Styrets godtgjørelse frem til den ordinære generalforsamlingen i 2016 (senest til 30. juni 2016) er fastsatt til NOK 450.000 årlig til styrets leder og NOK 200.000 årlig til hvert enkelt styremedlem. Godtgjørelsen skal utbetales kvartalsvis gjennom året.»</i></p>	<p><b>6. Approval of remuneration to the Board</b></p> <p>In accordance with § 8 of the Company's Articles, the Nomination Committee has proposed the remuneration for the Board. The Nomination Committee proposes the following resolution:</p> <p><i>"The remuneration to the Board of Directors until the annual general meeting in 2016 (no later than 30 June 2016) is fixed to NOK 450,000 per annum to the Chairman of the Board and NOK 200,000 per annum to each Board member. The remuneration shall be paid quarterly during the year."</i></p>
<p><b>7. Fastsettelse av godtgjørelse til medlemmer av revisjonsutvalget og kompensasjonsutvalget</b></p> <p>I samsvar med vedtektenes § 8 har Valgkomiteen foreslått godtgjørelse for deltakelse i revisjonsutvalget og kompensasjonsutvalget. Valgkomiteen foreslår følgende vedtak:</p> <p><i>"Medlemmer av revisjonsutvalget og kompensasjonsutvalget skal for perioden frem til neste ordinære generalforsamling (senest 30. juni 2016) motta kompensasjon på NOK 50.000 årlig for hvert medlem. Leder av revisjonsutvalget og kompensasjonsutvalget skal årlig motta NOK 50.000 hver. Kompensasjonen skal utbetales kvartalsvis gjennom året.»</i></p>	<p><b>7. Approval of remuneration to members of the Audit Committee and the Compensation Committee</b></p> <p>In accordance with § 8 of the Company's Articles, the Nomination Committee, has proposed the remuneration for the members of the Audit Committee and the Compensation Committee. The Nomination Committee proposes the following resolution:</p> <p><i>"Members of the Audit Committee and the Compensation Committee shall, for the period until the annual general meeting in 2016 (no later than 30 June 2016) receive a compensation of NOK 50,000 per annum to each member. The chairman of the Audit Committee and the Compensation Committee shall each receive NOK 50,000 per annum. The remuneration shall be paid quarterly during the year."</i></p>
<p><b>8. Fastsettelse av godtgjørelse til medlemmer av Valgkomiteen</b></p>	<p><b>8. Approval of remuneration to the members of the Nomination Committee</b></p>

Styret foreslår at godtgjørelsen til medlemmer av Valgkomiteen fastsettes som for 2014. Styret foreslår følgende vedtak:

*«For perioden frem til neste ordinære generalforsamling (senest 30. juni 2016) skal lederen av Valgkomiteen motta NOK 40.000 i årlig kompensasjon og hvert medlem motta NOK 30.000 i årlig kompensasjon. Kompensasjonen skal utbetales kvartalsvis gjennom året.»*

#### **9. Godtgjørelse til revisor**

Det foreslås at Selskapets revisorhonorar for 2014 på USD 88.000 blir godkjent. Beløpet omfatter revisorhonorar til Ernst & Young for morselskapet Panoro Energy ASA for den årlige revisjonen i 2014, og inkluderer ikke revisorhonorar i tilknytning til datterselskapene for 2014.

Note 4 i det konsoliderte regnskap viser honorar til revisor for Selskapet og dets datterselskaper.

Styret foreslår følgende vedtak:

*«Generalforsamlingen godkjenner revisors honorar for lovpålagt revisjon for 2014 på USD 88.000.»*

#### **10. Godkjenning av styrets erklæring om fastsettelse av lønn og annen godtgjørelse til ledende ansatte**

I henhold til allmennaksjeloven § 6-16 a skal styret utarbeide en særskilt erklæring om fastsettelse av lønn og annen godtgjørelse til daglig leder og andre ledende ansatte for kommende regnskapsår. Erklæringen er vedlagt innkallingen som **Vedlegg B**.

I samsvar med gjeldende anbefaling for eierstyring og selskapsledelse, har styret foreslått å behandle den veiledende delen og den bindende delen av erklæringen separat.

Styret foreslår følgende, separate vedtak:

The Board proposes that the remuneration for the members of the Nomination Committee is resolved to be the same as for 2014. The Board proposes the following resolution:

*«For the period until the annual general meeting in 2016 (no later than 30 June 2016) the remuneration to chairman of the Nomination Committee is fixed to NOK 40,000 per annum and NOK 30,000 per annum to each of the other members of the Committee. The remuneration shall be paid quarterly during the year.»*

#### **9. Remuneration to the auditor**

It is proposed that the auditor's fees for the Company for 2014, totalling USD 88,000, are approved. The amount represents the fees to Ernst & Young for the annual audit for 2014 for the parent company Panoro Energy ASA, and does not include fees related to the audits of the Company's subsidiaries for 2014.

Note 4 to the consolidated financial statements provides disclosure of the fees to the auditor for the Company and its subsidiaries.

The Board proposes the following resolution:

*«Remuneration to the auditor for 2014 of USD 88,000 for statutory audit is approved.»*

#### **10. Approval of the statement by the Board regarding remuneration and other benefits for leading employees**

In accordance with Section 6-16 a of the Public Limited Companies Act, the Board shall prepare a special statement on stipulation of wages and other remuneration to the Chief Executive Officer and other leading employees for the coming accounting year. The statement is attached hereto as **Enclosure B**.

Pursuant to the applicable recommendation for corporate governance, the Board has proposed to put the non-binding part and the binding part of the statement up as separate items.

The Board proposes the following, separate resolutions:

Sak 10A: «Styrets erklæring om lønn og annen godtgjørelse til ledende ansatte, dens del 1, tas til etterretning.»

Sak 10B: «Styrets erklæring om lønn og annen godtgjørelse til ledende ansatte, dens del 2 knyttet til aksjeverdibasert godtgjørelse, godkjennes.»

### 11. Forslag om kapitalnedsettelse ved reduksjon av aksjenes pålydende

Selskapets aksjer har per i dag en pålydende som inneholder 9 desimaler, noe som kan skape problemer i forhold til avrunding. I tillegg er pålydende over nåværende aksjekurs, noe som vanskeliggjør eventuelle egenkapitaltransaksjoner. Videre vil nedsettingen innebære en regnskapsmessig overføring fra bundet egenkapital til fri egenkapital, noe som gjør det enklere å senere kunne foreta utdelinger til aksjonærene. Styret foreslår derfor å redusere aksjenes pålydende ved å gjennomføre en aksjekapitalnedsettelse.

Kapitalnedsettelsen innebærer ingen utbetaling til aksjonærene. Kapitalnedsettelsen har ingen betydning for aksjenes reelle verdi, og vil etter styrets oppfatning heller ikke ha noen betydning for aksjekursen på Oslo Børs.

Styret foreslår følgende vedtak:

«Selskapets aksjekapital reduseres med NOK 341.374.355,15 ved reduksjon av aksjenes pålydende fra NOK 1,460471768 til NOK 0,005 per aksje. Nedsettingsbeløpet avsettes til frie fond, jfr allmennaksjeloven §12-1(1) nr. 3. Etter gjennomføring av kapitalnedsettelsen endres Selskapets vedtekter § 4 første avsnitt til å lyde: Selskapets aksjekapital er NOK 1.172.728,93, fordelt på 234.545.786 aksjer, hver pålydende NOK 0,005.»

### 12. Forslag om fullmakt til styret til forhøyelse av aksjekapitalen ved nytegning av aksjer under Selskapets insentivprogram

Item 10A: "The Board's statement on remuneration and other benefits for leading employees, its part 1, is taken into account."

Item 10B: "The Board's statement on remuneration and other benefits for leading employees, its part 2 relating to share based remuneration, is approved."

### 11. Proposal to reduce the share capital by reduction of the shares' par value

The current par value of the Company's shares includes 9 decimals, which could create some problems with respect to rounding off numbers and figures. Further, the par value is above the current trading price of the Company's shares, which makes it difficult to carry out potential equity transactions. Further, the reduction will mean a transfer for accounting purposes from restricted equity to free equity which makes it easier to later carry out distributions to shareholders. Consequently, the Board proposes to reduce the par value by accomplishing a share capital reduction.

The capital reduction does not involve any payments to shareholders. The capital reduction has no significance for the value of the shares and will in the view of the Board have no effect on the trading price on the Oslo Stock Exchange.

The Board proposes the following resolution:

"The Company's share capital is reduced by NOK 341,374,355.15, by a reduction of the par value of the shares, from NOK 1.460471768 to NOK 0.005 per share. The reduction amount is transferred to free funds, ref section 12-1(1) no. 3 of the Public Limited Companies Act. After the completion of the capital reduction, section 4, first paragraph of the Company's articles will be amended to read: The Company's share capital is NOK 1,172,728.93, divided into 234,545,786 shares, each having a par value of NOK 0.005."

### 12. Proposal to give the authorization to the Board to conduct capital increases by way of share issue under the Company's incentive program

Styret foreslår at fullmakten som ble gitt på ordinær generalforsamling i 2014 fornyes for ett år (dog hensyntatt lavere aksjekapital som foreslått i sak 11). Eksisterende aksjonærs fortrinnsrett til tegning foreslås fraveket for å muliggjøre utstedelse av aksjer til ansatte.

Styret foreslår følgende vedtak:

*«Selskapets styre tildeles fullmakt til å gjennomføre kapitalforhøyelse, på følgende vilkår:*

- 1. Aksjekapitalen skal, i en eller flere omganger, i alt kunne forhøyes med inntil NOK 62.500 ved utstedelse av opp til 12.500.000 nye aksjer i Selskapet.*
- 2. Fullmakten kan benyttes til å utstede aksjer til selskapets ansatte under Selskapets insentivprogram.*
- 3. Fullmakten skal gjelde til ordinær generalforsamling i 2016, likevel senest til 30. juni 2016.*
- 4. Aksjeeieres fortrinnsrett til tegning av aksjer kan settes til side.*
- 5. Fullmakten omfatter kapitalforhøyelse mot innskudd i andre eiendeler enn penger eller rett til å pådra Selskapet særlig plikter.*
- 6. Styret kan foreta de vedtektsendringer som kapitalforhøyelsen(e) gjør påkrevd.*
- 7. Fullmakten omfatter ikke beslutning om fusjon.»*

**13. Forslag om fullmakt til styret til forhøyelse av aksjekapitalen ved nytegning av aksjer for oppkjøp og lignende**

Styret ser det som hensiktsmessig at aksjonærene gir styret fullmakt til å utstede aksjer i forbindelse med mulige oppkjøp. En slik fleksibilitet kan være i Selskapets interesse, da det kan tenkes at styret må handle raskt i tilknytning til oppkjøpsmuligheter. Foreslått fullmakt er begrenset til ca. 10 % av dagens antall aksjer, og forutsetter vedtakelse og gjennomføring av kapitalnedsettelsen i sak 11. Eksisterende aksjonærs fortrinnsrett til tegning foreslås fraveket for å muliggjøre rettede emisjoner.

The Board proposes that the authorization given at the general meeting in 2014 is renewed for one year (however so that the reduced share capital as proposed in item 11 is taken into account). Existing shareholders' pre-emption rights to subscribe new shares are proposed set aside in order to allow for issue of shares to employees.

The Board proposes the following resolution:

*"The Company's Board is authorized to increase the share capital, on the following conditions:*

- 1. The share capital may, in one or more rounds, be increased by a total of up to NOK 62,500 by the issuance of up to 12,500,000 new shares in the Company.*
- 2. The authorization may be used to issue shares to the Company's employees under the Company's incentive program.*
- 3. The authorization shall be valid until the ordinary general meeting in 2016, but no later than until 30 June 2016.*
- 4. The shareholders' pre-emption for subscription of shares may be set aside.*
- 5. The authorization includes the increase of the share capital in return for contributions in kind or the right to incur on the assumptions of special obligations of the Company.*
- 6. The Board is authorized to alter the Articles of Association implied by the share capital increase(s).*
- 7. The authorization does not include decision on merger."*

**13. Proposal to give the authorization to the Board to conduct capital increases by way of share issues for mergers and acquisitions**

The Board believes it is appropriate that the shareholders furnish the Board with an authorization to issue shares in connection with possible mergers and acquisitions. Such flexibility can be in the interest of the Company, as the Board may have to act quickly in relation to acquisition opportunities. The proposed authorization is limited to approximately 10% of the current number of shares and assumes approval and completion of the capital reduction in item 11. Existing shareholders' pre-emption rights to subscribe new shares are proposed set

Styret foreslår følgende vedtak:

«Selskapets styre tildeles fullmakt til å gjennomføre kapitalforhøyelse, på følgende vilkår:

1. Aksjekapitalen skal, i en eller flere omganger, i alt kunne forhøyes med inntil NOK 117.272 ved utstedelse av opp til 23.454.000 nye aksjer i Selskapet.
2. Fullmakten kan benyttes til å utstede aksjer som vederlag ved oppkjøp innen Selskapets vanlige forretningsområder eller i forbindelse med egenkapitalutvidelser.
3. Fullmakten skal gjelde til ordinær generalforsamling i 2016, likevel senest til 30. juni 2016.
4. Aksjeeieres fortrinnsrett til tegning av aksjer kan settes til side.
5. Fullmakten omfatter kapitalforhøyelse mot innskudd i andre eiendeler enn penger eller rett til å pådra Selskapet særlig plikter.
6. Styret kan foreta de vedtektsendringer som kapitalforhøyelsen(e) gjør påkrevd.
7. Fullmakten omfatter beslutning om fusjon.»

#### 14. Forslag om fullmakt til styret til erverv av egne aksjer i Selskapet

Styret foreslår at fullmakt gitt på ordinær generalforsamling 2014 fornyes for ett år. Som følge av foreslått kapitalreduksjon er dog laveste pris og størrelsen på fullmakten redusert sammenlignet med 2014-vedtaket.

Styret foreslår følgende vedtak:

«Styret gis følgende fullmakt til å erverve egne aksjer:

1. Styret gis fullmakt til å erverve Selskapets egne aksjer med en samlet pålydende verdi på inntil NOK 117.272. Selskapet kan ikke erverve egne aksjer dersom den samlede pålydende verdi av beholdningen av egne aksjer etter ervervet vil overstige

aside in order to allow for private placements.

The Board proposes the following resolution:

*"The Company's Board is authorized to increase the share capital, on the following conditions:*

1. *The share capital may, in one or more rounds, be increased by a total of up to NOK 117,272 by the issuance of up to 23,454,000 new shares in the Company.*
2. *The authorization may be used to issue shares as consideration for acquisitions within the Company's ordinary business sectors or in connection with equity increases.*
3. *The authorization shall be valid until the ordinary general meeting in 2016, but no later than until 30 June 2016.*
4. *The shareholders' pre-emption for subscription of shares may be set aside.*
5. *The authorization includes the increase of the share capital in return for contributions in kind or the right to incur on the assumptions of special obligations of the Company.*
6. *The Board is authorized to alter the Articles of Association implied by the share capital increase(s).*
7. *The authorization does include decision on merger."*

#### 14. Proposal to authorize the Board to acquire the Company's own shares

The Board proposes that the authorization given at the 2014 ordinary general meeting is renewed for one year. However, as a consequence of the proposed capital reduction, the lowest price payable and the size of the authorization are reduced compared to the 2014- resolution.

The Board proposes the following resolution:

*"The Board is given the following authorization to acquire own shares:*

1. *"The Board is hereby authorized to acquire the Company's own shares up to an aggregate nominal value of NOK 117,272. The Company may not purchase shares in the Company if the aggregate nominal value of the shares owned by the*

<p><i>10% av Selskapets til enhver tid gjeldende aksjekapital, eller dersom samlet kjøpesum for aksjene overstiger Selskapets frie egenkapital etter den senest fastsatte balansen.</i></p> <ol style="list-style-type: none"> <li><i>2. Laveste pris som kan betales for hver aksje er NOK 0,01 og høyeste pris som kan betales skal være lik prisen på aksjen notert på Oslo Børs på tidspunktet for ervervet pluss 5 %.</i></li> <li><i>3. Styret fastsetter innenfor rammen av Verdipapirhandel- og aksjelovgivningens likebehandlingsprinsipp, jfr. allmennaksjeloven § 6-28 første ledd og verdipapirhandelloven § 5-14, på hvilke måter egne aksjer kan erverves eller avhendes.</i></li> <li><i>4. Fullmakten skal gjelde til ordinær generalforsamling i 2016, likevel senest til 30. juni 2016.»</i></li> </ol>	<p><i>Company after the purchase exceeds 10 % of the Company's share capital at the time of the purchase, nor if the aggregate purchase price for the shares exceeds the free equity in the Company according to the most recently approved balance sheet.</i></p> <ol style="list-style-type: none"> <li><i>2. The lowest price to be paid per share shall be NOK 0.01 and the highest price to be paid per share shall be the price as quoted on the stock exchange at the time of the acquisition plus 5%.</i></li> <li><i>3. With due consideration of the principle of equality in the Securities and Company legislation, cf. the Public Companies Act Section 6-28 first paragraph and the Securities Trading Act Section 5-14, the Board determines how the shares in the Company may be purchased or sold.</i></li> <li><i>4. The authorization shall be valid until the ordinary general meeting in 2016, but no later than until 30 June 2016."</i></li> </ol>
<p><b>15. Valg av nytt styremedlem</b></p>	<p><b>15. Election of new member of the Board of Directors</b></p>
<p>Lars Brandeggen har meddelt at han på grunn av andre oppgaver ønsker å bli erstattet i styret. Som følge av dette har Nominasjonskomiteen foreslått Garrett Soden som nytt styremedlem. <u>Se Vedlegg C.</u></p>	<p>Lars Brandeggen has given notice that he, due to other engagements, wants to be replaced in the Board. Thus, the Nomination Committee has proposed Garrett Soden as a new director. See <u>Enclosure C.</u></p>
<p>Nominasjonskomiteen vil i tillegg vurdere å nominere ett femte styremedlem før generalforsamlingen, i hvis tilfelle særskilt informasjon om dette vil bli sendt ut.</p>	<p>The Nomination Committee will in addition consider proposing a fifth member for the Board before the Annual General Meeting, in which case additional information will be sent out.</p>
<p><b>16. Valg av medlem til Valgkomiteen</b></p>	<p><b>16. Election of member to the Nomination Committee</b></p>
<p>Petter Mannsverk Andresen og Stig R. Myrseth ble valgt for to år på ordinær generalforsamling i 2014. Valgkomiteen foreslår at det tredje medlemmet, Odd Rune Heggheim, gjenvelges for to år. Forslag til vedtak:</p>	<p>Petter Mannsverk Andresen and Stig R. Myrseth were elected for two years at the ordinary general meeting in 2014. The Nomination Committee proposes that the third member, Odd Rune Heggheim, is re-elected to two years. Proposed resolution:</p>
<p><i>«Odd Rune Heggheim gjenvelges som medlem til Valgkomiteen.»</i></p>	<p><i>"Odd Rune Heggheim is re-elected as a member to the Nomination Committee."</i></p>
<p><b>17. Forslag om nytt insentivprogram for ansatte</b></p>	<p><b>17. Proposal for new incentive program for employees</b></p>

Styret har utarbeidet et forslag til nytt aksjebasert insentivprogram for ansatte. Programmet er nærmere beskrevet i **Vedlegg D**.

Styret foreslår følgende vedtak:

«Styrets forslag til aksjebasert insentivprogram for ansatte godkjennes.»

\* \* \*

Det er 234.545.786 aksjer i Selskapet, og hver aksje gir én stemme. Selskapet har per datoen for denne innkallingen ingen egne aksjer.

Med hensyn til forvalterregistrerte aksjer, er det Selskapets syn at verken den reelle eieren eller forvalteren har rett til å stemme for slike aksjer. Beslutninger om stemmerett for aksjeeiere og fullmektiger treffes av møteåpner, hvis beslutning kan omgjøres av generalforsamlingen med alminnelig flertall.

Aksjeeiere som ikke har anledning til å delta på generalforsamlingen personlig, kan gi fullmakt til styrets leder eller andre til å stemme for deres aksjer ved å benytte *møteseddel* og *fullmaktsskjema* vedlagt som **Vedlegg E**.

Fullmakten kan sendes til Nordea Bank Norge ASA, Issuer Services, Postboks 1166 Sentrum, 0107 Oslo, via telefaks: 22 48 63 49 eller 22 48 49 90 eller leveres til fullmektigen og medbringes til generalforsamlingen.

I henhold til selskapets vedtekter § 7 er det bestemt at aksjeeiere og fullmektiger som ønsker å delta på generalforsamlingen, må varsle Selskapet om sin deltakelse fem kalenderdager før generalforsamlingen ved å benytte *møteseddel* og *fullmaktsskjema* vedlagt som Vedlegg D. I samsvar med vedtektenes § 7 må utfylt påmeldingsskjema være mottatt av Nordea Bank Norge ASA **senest 22. mai 2015**.

The Board has prepared a proposal for a new share based incentive program for employees. The details of the program are set out in **Enclosure D**.

The Board proposes the following resolution:

*"The Board's proposal for a share based incentive program for employees is approved."*

\* \* \*

There are 234,545,786 shares in the Company, and each share carries one vote. As of the date of this notice, the Company does not hold any of its own shares.

With respect to custodian registered shares, it is the Company's view that neither the actual holder nor the custodian is entitled to vote for such shares. Decisions regarding voting rights for shareholders and proxy holders are made by the person opening the meeting, whose decisions may be reversed by the general meeting by simple majority vote.

Shareholders who cannot participate at the general meeting in person may authorize the Chairman of the Board or another person to vote for their shares by using the *attendance slip and proxy form* attached as **Enclosure E**.

The proxy form may be sent to Nordea Bank Norge ASA, Issuer Services, P.O.Box 1166 Sentrum, 0107 Oslo, Norway, by telefax + 47 22 48 63 49 or + 47 22 48 49 90 or be delivered to the proxy holder and brought to the general meeting.

Pursuant to the Company's articles of association section 7, it is decided that shareholders and proxy holders who wish to participate at the general meeting, must notify the Company of his/her presence five calendar days prior to the general meeting by use of the *attendance slip and proxy form* attached hereto as Enclosure D. In accordance with section 7 of the articles of association completed attendance form must be received by Nordea Bank Norge ASA **no later than 22 May 2015**.



Aksjeeiere har rett til å fremsette forslag til vedtak i de saker som generalforsamlingen skal behandle. Aksjeeiere har rett til å ta med rådgiver, og kan gi talerett til én rådgiver.

En aksjeeier kan kreve at styremedlemmer og daglig leder på generalforsamlingen gir tilgjengelige opplysninger om forhold som kan innvirke på bedømmelsen av saker som er forelagt aksjeeierne til avgjørelse.

Det samme gjelder opplysninger om Selskapets økonomiske stilling og andre saker som generalforsamlingen skal behandle, med mindre de opplysninger som kreves, ikke kan gis uten uforholdsmessig skade for Selskapet.

Informasjon vedrørende den ordinære generalforsamlingen, herunder denne innkalling med vedlegg, styrets forslag til årsregnskap og årsberetning for regnskapsåret 2014, inkludert Selskapets redegjørelse for foretaksstyring etter regnskapsloven § 3-3 b, samt revisors beretning og Selskapets vedtekter er tilgjengelig på Selskapets nettside [www.panoroenergy.com](http://www.panoroenergy.com).

Med vennlig hilsen,  
for styret i Panoro Energy ASA  
Julien Balkany  
Styrets leder

Shareholders have the right to suggest resolutions in matters that are before the general meeting. Shareholders have the right to be assisted by an adviser, and may give one adviser the right to speak.

A shareholder may demand that Board members and the CEO provide available information at the general meeting about matters which may affect the assessment of items which have been presented to the shareholders for decision.

The same applies to information regarding the Company's financial position and other business to be transacted at the general meeting, unless the information demanded cannot be disclosed without causing disproportionate harm to the Company.

Information regarding the annual general meeting, including this notice with attachments, the Board's proposal for annual accounts and annual report for the financial year 2014, including the Company's statement regarding corporate governance in accordance with the Norwegian accounting act section 3-3 b, as well as the auditor's report and the Company's articles of association, is available at the Company's website [www.panoroenergy.com](http://www.panoroenergy.com).

Yours sincerely,  
for the Board of Directors of Panoro Energy ASA  
Julien Balkany  
Chairman of the Board

## STATEMENT ON CORPORATE GOVERNANCE IN PANORO ENERGY ASA

Panoro Energy ASA ("Panoro" or "the Company") aspires to ensure confidence in the Company and the greatest possible value creation over time through efficient decision making, clear division of roles between shareholders, management and the Board of Directors ("the Board") as well as adequate communication.

Panoro Energy seeks to comply with all the requirements covered in The Norwegian Code of Practice for Corporate Governance. The latest version of the Code of October 30, 2014 is available on the website of the Norwegian Corporate Governance Board, [www.ncgb.no](http://www.ncgb.no). The Code is based on the "comply or explain" principle, in that companies should explain alternative approaches to any specific recommendation.

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### 1. IMPLEMENTATION AND REPORTING ON CORPORATE GOVERNANCE

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The main objective for Panoro's Corporate Governance is to develop a strong, sustainable and competitive company in the best interest of the shareholders, employees and society at large, within the laws and regulations of the respective country. The Board of Directors (the Board) and management aim for a controlled and profitable development and long-term creation of growth through well-founded governance principles and risk management.

The Board will give high priority to finding the most appropriate working procedures to achieve, inter alia, the aims covered by these Corporate Governance guidelines and principles.

The Norwegian Code of Practice for Corporate Governance as of October 30, 2014 comprises 15 points. The complete version of the Corporate Governance report is available on the Company's webpage [www.panoroenergy.com](http://www.panoroenergy.com).

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### 2. BUSINESS

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Panoro Energy ASA is an international independent oil & gas company with a primary office in London and listing in Oslo, Norway. The Company is focussed on its high quality exploration and development assets in West Africa, namely Dussafu license offshore southern Gabon, and OML 113 offshore western Nigeria. Both licences have existing discoveries and an oil field development is underway at OML-113 in Nigeria. Panoro Energy was formed through the merger of Norse Energy's former Brazilian business and Pan-Petroleum on June 29, 2010. The Company is listed on the Oslo Stock Exchange with ticker PEN.

The Company's business is defined in the Articles of Association §2, which states:

"The Company's business shall consist of exploration, production, transportation and marketing of oil and natural gas and exploration and/or development of other energy forms, sale of energy as well as other related activities. The business might also involve participation in other similar activities through contribution of equity, loans and/or guarantees".

Panoro Energy currently has only one reportable segment with exploration and production of oil and gas, by geographic West Africa. In 2014, Panoro Energy has exited Brazil completely and

all activities in relation to Brazil are reported as discontinued operations. In West Africa, the Company participates in a number of licenses in Nigeria and Gabon.

### Vision statement

Our vision is to use our experience and competence in enhancing value in projects in the West Africa basin to the benefit of the countries we operate in and the shareholders of the Company.

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### 3. EQUITY AND DIVIDENDS

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Panoro Energy's Board of Directors will ensure that the Company at all times has an equity capital at a level appropriate to its objectives, strategy and risk profile. The oil and gas E&P business is highly capital dependent, requiring Panoro Energy to be sufficiently capitalized. The Board needs to be proactive in order for Panoro Energy to be prepared for changes in the market.

Mandates granted to the Board to increase the Company's share capital are restricted to defined purposes.

Mandates granted to the Board for issue of shares for different purposes will each be considered separately by the General Meeting. Mandates granted to the Board are limited in time to the following year's Annual General Meeting.

Panoro Energy is in a phase where investments in the Company's operations are required to enable future growth, and is therefore not in a position to distribute dividends. Payment of dividends will be considered in the future, based on the Company's capital structure and dividend capacity as well as the availability of alternative investments.

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### 4. EQUAL TREATMENT OF SHAREHOLDERS AND TRANSACTIONS WITH CLOSE ASSOCIATES

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Panoro Energy has one class of shares representing one vote at the Annual General Meeting. The Articles of Association contains no restriction regarding the right to vote.

Any acquisition of own shares will be at market price, and the Company will not deviate from the principle of equal treatment of all shareholders. Any decision to deviate from the principle of equal treatment by waiving the pre-emption rights of existing shareholders to subscribe for shares in the event of an increase in share capital will be justified. Such deviation will be made only if in the common interest of the shareholders and the Company.

The Board has at the AGM in 2014 been granted a power of attorney by the General Meeting to acquire 10% the Company's own shares. The power of attorney is valid for one year from the date of AGM. If the Board of Directors resolves to carry out an increase in share capital on the basis of a mandate granted to the Board, the justification for waiving pre-emption rights of existing shareholders will be disclosed in the stock exchange announce-

ment of the increase in share capital.

In the event that the Company carries out any transactions in its own shares, these will be carried out through a regulated marketplace at market price. If there is limited liquidity in the Company's shares at the time of such transaction, the Company will consider other ways to ensure equal treatment of all shareholders.

All Board members, employees of the Company and close associates must clear transactions in the Company's shares or other financial instruments related to the Company prior to any transaction. All transactions between the Company and shareholders, shareholder's parent company, members of the Board of Directors, executive personnel or close associates of any such parties, are governed by the Code of Practice and the rules of the Oslo Stock Exchange in addition to statutory law. Any transaction with close associates will be evaluated by an independent third party, unless the transaction requires the approval of the General Meeting pursuant to the requirements of the Norwegian Public Limited Liabilities Companies Act. Independent valuations will also be arranged in respect of transactions between companies in the same Group where any of the companies involved have minority shareholders. Any transactions with related parties, primary insiders or employees shall be made in accordance with Panoro Energy's own instructions for Insider Trading.

The Company has guidelines to ensure that members of the Board and executive personnel notify the Board if they have any material direct or indirect interest in any transaction entered into by the Company.

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## 5. FREELY NEGOTIABLE SHARES

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The Panoro Energy ASA share is listed on the Oslo Stock Exchange. There are no restrictions on negotiability in Panoro Energy's Articles of association.

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## 6. GENERAL MEETINGS

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Panoro Energy's Annual General Meeting will be held by the end of June each year. The Board of Directors take the following necessary steps to ensure that as many shareholders as possible may exercise their rights by participating in General Meetings of the Company, and to ensure that General Meetings are an effective forum for the views of shareholders and the Board. An invitation and agenda (including proxy) will be sent out 21 days prior to the meeting to all shareholders in the Company. The invitation will also be distributed as a stock exchange notification. The invitation and support information on the resolutions to be considered at the General Meeting will furthermore be posted on the Company's website [www.panoroenergy.com](http://www.panoroenergy.com) no later than 21 days prior to the date of the General Meeting.

The recommendation of the Nomination Committee will normally be available on the Company's website at the same time as the notice.

Panoro Energy will ensure that the resolutions and supporting information distributed are sufficiently detailed and comprehensive to allow shareholders to form a view on all matters to be considered at the meeting.

According to Article 7 of the Company's Articles of Association, registrations for the Company's General Meetings must be received at least five calendar days before the meeting is held.

The Chairman of the Board and the CEO of the Company are normally present at the General Meetings. Other Board members and the Company's auditor will aim to be present at the General Meetings. Members of the Nomination Committee are requested to be present at the AGM of the Company. An independent chairman for the General Meeting will, to the extent possible, be appointed. Normally the General Meetings will be chaired by the Company's corporate lawyer. Shareholders who

are unable to attend in person will be given the opportunity to vote. The Company will nominate a person who will be available to vote on behalf of shareholders as their proxy. Information on the procedure for representation at the meeting through proxy will be set out in the notice for the General Meeting. A form for the appointment of a proxy, which allows separate voting instructions for each matter to be considered by the meeting and for each of the candidates nominated for elections will be prepared. Dividend, remuneration to the Board and the election of the auditor, will be decided at the AGM. After the meeting, the minutes are released on the Company's website.

No deviations from the Code of Practice, save that the recommendations of the Nomination Committee for the 2014 EGM on October 14, 2014 was made available on the Company's website later than the notice to the meetings.

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## 7. NOMINATION COMMITTEE

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The Company shall have a Nomination Committee consisting of 2 to 3 members to be elected by the Annual General Meeting for a two year period. The AGM elects the members and the Chairperson of the Nomination Committee and determines the committee's remuneration. The Company will provide information on the membership of the Nomination Committee on its website. The Company will further give notice on its website, in good time, of any deadlines for submitting proposals for candidates for election to the Board of Directors and the Nomination Committee.

The Company aims at selecting the members of the Nomination Committee taking into account the interests of shareholders in general. The majority of the Nomination Committee shall as a rule be independent of the Board and the executive management. The Nomination Committee currently consists of three members, whereof all members are independent of the Board and the executive management.

The Nomination Committee's duties are to propose to the General Meeting shareholder elected candidates for election to the Board, and to propose remuneration to the Board. The Nomination Committee justifies its recommendations and the recommendations take into account the interests of shareholders in general and the Company's requirements in respect of independence, expertise, capacity and diversity.

The AGM will stipulate guidelines for the duties of the Nomination Committee.

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## 8. CORPORATE ASSEMBLY AND BOARD OF DIRECTORS – COMPOSITION AND INDEPENDENCE

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The composition of the Board ensures that the Board represents the common interests of all shareholders and meets the Company's need for expertise, capacity and diversity. The members of the Board represent a wide range of experience including shipping, offshore, energy, banking and investment. The composition of the Board ensures that it can operate independently of any special interests. Members of the Board are elected for a period of two years. Recruitment of members of the Board will be phased so that the entire Board is not replaced at the same time. The Chairman of the Board of Directors is elected by the General Meeting. The Company has not experienced a need for a permanent deputy Chairman. If the Chairman cannot participate in the Board meetings, the Board will elect a deputy Chairman on an ad-hoc basis. The Company's website and annual report provides detailed information about the Board members expertise and independence. The Company has a policy whereby the members of the Board of Directors are encouraged to own shares in the Company, but to dissuade from a short-term approach which is not in the best interests of the Company and its shareholders over the longer term.

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## 9. THE WORK OF THE BOARD OF DIRECTORS

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The Board has the overall responsibility for the management and supervision of the activities in general. The Board decides the strategy of the Company and has the final say in new projects and/or investments. The Board's instructions for its own work as well as for the executive management have particular emphasis on clear internal allocation of responsibilities and duties. The Chairman of the Board ensures that the Board's duties are undertaken in efficient and correct manner. The Board shall stay informed of the Company's financial position and ensure adequate control of activities, accounts and asset management. The Board member's experience and skills are crucial to the Company both from a financial as well as an operational perspective. The Board of Directors evaluates its performance and expertise annually. The CEO is responsible for the Company's daily operations and ensures that all necessary information is presented to the Board.

An annual schedule for the Board meetings is prepared and discussed together with a yearly plan for the work of the Board.

Should the Board need to address matters of a material character in which the Chairman is or has been personally involved, the matter will be chaired by another member of the Board to ensure a more independent consideration.

In addition to the Nomination Committee elected by the General Meeting, the Board has an Audit Committee and a Remuneration Committee as sub-committees of the Board. The members are independent of the executive management.

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## 10. RISK MANAGEMENT AND INTERNAL CONTROL

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Financial and internal control, as well as short- and long term strategic planning and business development, all according to Panoro Energy's business idea and vision and applicable laws and regulations, are the Board's responsibilities and the essence of its work. This emphasizes the focus on ensuring proper financial and internal control, including risk control systems.

The Board approves the Company's strategy and level of acceptable risk, as documented in the guiding tool "Risk Management".

The Board carries out an annual review of the Company's most important areas of exposure to risk and its internal control arrangements.

For further details on the use of financial instruments, refer to relevant note in the consolidated financial statements in the Annual Report and the Company's guiding tool "Financial Risk Management" described in relevant note in the consolidated financial statements in the Annual Report.

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## 11. REMUNERATION OF THE BOARD OF DIRECTORS

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The remuneration to the Board will be decided at the Annual General Meeting each year.

Panoro Energy is a diversified company, and the remuneration will reflect the Board's responsibility, expertise, the complexity and scope of work as well as time commitment.

The remuneration to the Board is not linked to the Company's performance, and share options will normally not be granted to Board members. Remuneration in addition to normal director's fee will be specifically identified in the Annual Report. Members of the Board generally do not take on specific assignments for the Company in addition to their appointment as a member of the Board.

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## 12. REMUNERATION OF THE EXECUTIVE PERSONNEL

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The Board has established guidelines for the remuneration of the executive personnel. The guidelines set out the main principles applied in determining the salary and other remuneration of the executive personnel. The guidelines ensure convergence of the financial interests of the executive personnel and the shareholders.

Panoro Energy has appointed a Remuneration Committee (RC) which meets regularly. The objective of the committee is to determine the compensation structure and remuneration level of the Company's CEO. Remuneration to the CEO shall be at market terms and decided by the Board and made official at the AGM every year. Remuneration to other key executives shall be proposed by the CEO to the RC.

The remuneration shall, both with respect to the chosen kind of remuneration and the amount, encourage addition of values to the Company and contribute to the Company's common interests – both for management as well as the owners.

Detailed information about options and remuneration for executive personnel and Board members is provided in the Annual Report. The guidelines are presented to the AGM as an attachment to the AGM notice.

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## 13. INFORMATION AND COMMUNICATION

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The Company has established guidelines for the Company's reporting of financial and other information available on the Company's website.

The Company publishes an annual financial calendar including the dates the Company plans to publish the quarterly results and the date for the Annual General Meeting. The calendar can be found on the Company's website, and will also be distributed as a stock exchange notification and updated on Oslo Stock Exchange's website. The calendar is published at the end of a fiscal year, according to the continuing obligations for companies listed on the Oslo Stock Exchange. The calendar is also included in the Company's quarterly financial reports.

All shareholders information is published simultaneously on the Company's web site and to appropriate financial news media.

Panoro Energy normally makes four quarterly presentations a year to shareholders, potential investors and analysts in connection with quarterly earnings reports. The quarterly presentations are held through audio conference calls to facilitate participation by all interested shareholders, analysts, potential investors and members of the financial community. A question and answer session is held at the end of each presentation to allow management to answer the questions of attendees. A recording of the conference call presentation is retained on the Company's website [www.panoroenergy.com](http://www.panoroenergy.com) for a limited number of days.

The Company also makes investor presentations at conferences in and out of Norway. The information packages presented at such meetings are published simultaneously on the Company's web site.

The Chairman, CEO and CFO of Panoro Energy are the only people who are authorized to speak to, or be in contact with the press, unless otherwise described or approved by the Chairman, CEO and/or CFO.

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## 14. TAKEOVERS

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Panoro Energy has established guiding principles for how the Board of Directors will act in the event of a take-over bid.

As of today the Board does not hold any authorizations as set forth in Section 6-17 of the Securities Trading Act, to effectuate defence measures if a takeover bid is launched on Panoro Energy.

The Board may be authorized by the General Meeting to acquire its own shares, but will not be able to utilize this in order to obstruct a takeover bid, unless approved by the General Meeting following the announcement of a takeover bid.

The Board of Directors will generally not hinder or obstruct takeover bids for the Company's activities or shares.

As a rule the Company will not enter into agreements that act to limit the Company's ability to arrange other bids for the Company's shares unless it is clear that such an agreement is in the common interest of the Company and its shareholders. As a starting point the same applies to any agreement on the payment of financial compensation to the bidder if the bid does not proceed. Any financial compensation will as a rule be limited to the costs the bidder has incurred in making the bid. The Company will generally seek to disclose agreements entered into with the bidder that are material to the market's evaluation of the bid no later than at the same time as the announcement that the bid will be made is published.

In the event of a take-over bid for the Company's shares, the Board of Directors will not exercise mandates or pass any resolutions with the intention of obstructing the take-over bid unless this is approved by the General Meeting following announcement of the bid.

If an offer is made for the Company's shares, the Board will issue a statement evaluating the offer and making a recommendation as to whether shareholders should or should not accept the offer. The Board will also arrange a valuation with an explanation from an independent expert. The valuation will be made public no later than at the time of the public disclosure of the Board's statement. Any transactions that are in effect a disposal of the Company's activities will be decided by a General Meeting.

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## 15. AUDITOR

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The Auditor will be appointed at the General Meeting every year. Ernst & Young has previously been appointed.

The Board has appointed an Audit Committee as a sub-committee of the Board, which will meet with the auditor regularly. The objective of the committee is to focus on internal control, independence of the auditor, risk management and the Company's financial standing.

The auditors will send a complete Management Letter/Report to the Board – which is a summary report with comments from the auditors including suggestions of any improvements if needed. The auditor participates in meetings of the Board of Directors that deal with the annual accounts, where the auditor reviews any material changes in the Company's accounting principles, comments on any material estimated accounting figures and reports all material matters on which there has been disagreement between the auditor and the executive management of the Company.

In view of the auditor's independence of the Company's executive management, the auditor is also present in at least one Board meeting each year at which neither the CEO nor other members of the executive management are present.

Panoro Energy places importance on independence and has established guidelines in respect of retaining the Company's

external auditor by the Company's executive management for services other than the audit.

The Board reports the remuneration paid to the auditor at the Annual General Meeting, including details of the fee paid for audit work and any fees paid for other specific assignments.

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## REPORTING OF PAYMENTS TO GOVERNMENTS

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This report is prepared in accordance with the Norwegian Accounting Act § 3-3d), which is a new requirement applicable from the fiscal year 2014. It states that the companies engaged in the activities within the extractive industries shall annually prepare and publish a report containing information about their payments to governments at country and project level. The Ministry of Finance has issued a regulation (F20.12.2013 nr 1682 - "the regulation") stipulating that the reporting obligation only apply to reporting entities above a certain size and to payments above certain threshold amounts. In addition, the regulation stipulates that the report shall include other information than payments to governments, and provides more detailed rules with regard to definitions, publication and group reporting.

This report contains information for the activity in the whole fiscal year 2014 for Panoro Energy ASA.

The management of Panoro has applied judgement in interpretation of the wording in the regulation with regard to the specific type of payments to be included in this report, and on what level it should be reported. When payments are required to be reported on a project-by-project basis, it is reported on a field-by-field basis. Per management's interpretation of the regulation, reporting requirements only stipulate disclosure of gross amounts on operated licences as all payments within the license performed by Non-operators, normally will be cash calls transferred to the operator and will as such not be payments to government.

Although Panoro Energy, through its subsidiaries, has ownership interest in two licences in West Africa, namely Dussafu license offshore Gabon and OML-113 offshore Nigeria; both of the licenses are non-operated and as such only cash calls are disbursed to operating partners and therefore none of the payments during 2014 can be construed as payments to governments under the regulation. Furthermore, the Company or its subsidiaries have not made any direct payments in relating to the non-operated assets to the respective governments of Gabon and Nigeria.



DECLARATION FROM THE BOARD OF DIRECTORS OF PANORO ENERGY ASA ON EXECUTIVE  
REMUNERATION POLICIES

(REF. SECTION 6-16a OF THE NORWEGIAN PUBLIC LIMITED COMPANIES ACT)

**Part 1: Salaries, bonuses and other non-share based remuneration**

Panoro Energy ASA has established a compensation program for executive management that reflects the responsibility and duties as management of an international oil and gas company and at the same time contributes to add value for the Company's shareholders. The goal for the Board of Directors has been to establish a level of remuneration that is competitive both in domestic and international terms to ensure that the Group is an attractive employer that can obtain a qualified and experienced workforce. The compensation structure can be summarized as follows:

Compensation Element	Objective and Rational	Form	What the Element Rewards
Base Salary	A competitive level of compensation is provided for fulfilling position responsibilities	Cash	Knowledge, expertise, experience, scope of responsibilities and retention
Shorm-term Incentives	To align annual performance with Panoro's business objectives and shareholder interests. Short-term incentive pools increase or decrease based on business performance	Cash	Achievement of specific performance benchmarks and individual performance goals
Long-term Incentives	To promote commitment to achieving long-term exceptional performance and business objectives as well as aligning interests with the shareholders through ownership levels comprised of share options and share based awards	Restricted Share Units	Sustained performance results, share price increases and achievement of specific performance measures based on quantified factors and metrics

The Remuneration Committee oversees our compensation programs and is charged with the review and approval of the Company's general compensation strategies and objectives and the annual compensation decisions relating to our executives and to the broad base of Company employees. Its responsibilities also include reviewing management succession plans; making recommendations to the Board of Directors regarding all employment agreements, severance agreements, change in control agreements and any special supplemental benefits applicable to executives; assuring that the Company's incentive compensation program, including the annual, short term incentives and long- term incentive plans, is administered in a manner consistent with the Company's strategy; approving and/or recommending to the Board of Directors new incentive compensation plans and equity-based compensation plans; reviewing the Company's employee benefit programs; recommending for approval all administrative changes to compensation plans that may be subject to the approval of the shareholders or the Board of Directors; reviewing and reporting to the Board of Directors the levels of share ownership by the senior executives in accordance with the Share Ownership Policy to be adopted (see below).

The Remuneration Committee seeks to structure compensation packages and performance goals for compensation in a manner that does not incentivize employees to take risks that are reasonably likely to have a material adverse effect on the Company. The Compensation Committee designs long-term incentive compensation, including restricted share, performance units and share options in such a manner that employees will forfeit their awards if their employment is terminated for cause. The Committee also retains the discretionary authority to reduce bonuses to reflect factors regarding individual performance that are not otherwise taken into account..

**Remuneration in 2014:**

Remuneration for executive management for 2014 consists of both fixed and variable elements. The fixed elements consist of salaries and other benefits (free phone, electronic communication, newspapers, etc.), while the variable elements consist of a performance based bonus arrangement and a share option scheme that was approved by the Board of Directors in 2014. The annual bonus was determined based on the achievement of certain pre-set targets.

**For 2014, the following was paid to the executives:**

2014	Short term benefits							
USD 000 (unless stated otherwise)	Salary	Bonus	Benefits	Pension costs	Pension costs	Total	Number of options awarded in 2014	Fair value of options expensed/ (credited)
Nishant Dighe, CEO / COO	375	41	15	48	-	479	-	25
Qazi Qadeer, CFO(*)	108	54	3	11	-	176	-	2
Jan Kielland, former CEO(**)	434	47	4	28	218	731	-	(7)
Anders Kapstad, former CFO (***)	177	38	12	8	365	600	-	(52)
Total	1.094	180	34	95	583	1.986	-	(32)

(\*) Mr. Qazi Qadeer assumed the role of CFO with effect from August 1, 2014 and his remuneration tabled above is also reflective of this.

(\*\*) Following the decision to relocate Panoro's head office to London in December 2014, Mr. Jan Kielland stepped down from the role of CEO and was replaced by the former COO, Mr Nishant Dighe as interim CEO. Mr. Kielland was entitled to a lump sum of six month's base salary as severance of approx. USD 218 thousand as well as his monthly base salary until June 2015 as per the terms of his termination agreement. Mr. Kielland's severance was paid in January 2015.

(\*\*\*) Mr. Kapstad's two year contract with the Brazilian subsidiary, Panoro Energy do Brasil Ltda. expired on July 31, 2014 and at this point he was entitled to a 12 months base salary of approx. USD 365 thousand; in addition to his contractual salary, Mr. Kapstad was entitled to be reimbursed for overseas housing expenses and school fees, which totalled USD 95 thousand to the point of his contract expiry in July 2014. Severance pay for Mr. Kapstad was approved by the previous Board of Directors that stepped down in the Extraordinary General Meeting on October 14, 2014.

All bonuses that were incurred and paid in 2014 were after completion of milestones that the previous Board of Directors approved in 2013. The previous Board of Directors consisted of Mr. Endre Ordning Sund (Chairman), Ms. Silje Christine Augustson, Mr. Bjørn Kristian Stadheim and Ms. Tone Kristin Omsted.

#### **Remuneration principles for 2015:**

For 2015, remuneration for executive management consists of both fixed and variable elements. The fixed elements consist of salaries and other benefits (free phone, electronic communication, newspapers, etc.), while the variable elements consist of a performance based bonus arrangement and a share option scheme that was approved by the Board of Directors in 2015.

Any cash bonuses to members of the executive management for 2015 will be capped at 50% of annual base salary. Further, bonuses will be based on criteria linked with certain measurable, strategic, organizational and/or operational targets, which will be individually tailored for each member of the executive team. Criteria will be determined by the Board of Directors within the first 60 days of any financial year. In general, the criteria applied for cash bonuses to members of the executive team during the previous financial year will, unless they contain confidential and company sensitive targets, be disclosed in the Company's annual remuneration statement for the financial year after grant.

#### **Severance payments etc:**

Per the respective terms of employment, the CEO is entitled to 12 months of base salary in the event of a change of control; whereby a tender offer is made or consummated for the ownership of more than 50% or more of the outstanding voting securities of the Company; or the Company is merged or consolidated with another corporation and as a result of such merger or consolidation less than 50.1% of the outstanding voting securities of the surviving entity or resulting corporation are owned in the aggregate by the persons by the entities or persons who were shareholders of the Company immediately prior to such merger or consolidation; or the Company sells substantially all of its assets to another corporation that is not a wholly owned subsidiary. The CFO is not entitled to such remuneration at change of control.

#### **Pensions:**

The Company is required to have an occupational pension scheme in accordance with the Norwegian law on required occupational pension ("Lov om obligatorisk tjenestepensjon"). The Company contributes to an external defined contribution scheme and therefore no pension liability is recognized in the statement of financial position.

In the UK, the Company's subsidiary that employs the staff, contributes a fixed amount per Company policy in an external defined contribution scheme. As such, no pension liability is recognised in the statement of financial position in relation to Company's subsidiaries either.

#### **Share ownership guidelines:**

With a view to aligning the long-term interests of the directors of the board with those of shareholders the board of directors might decide to implement a share ownership policy for directors (the "SOG Policy"). Pursuant to the SOG Policy, Directors are required to hold shares of the Company with a combined value of not less than NOK 250,000 and such directors are expected to achieve this level within 3 years starting from the later of either the date of appointment to a position noted above or from the date of adoption of the SOG Policy.

The Board of Directors, upon the Remuneration Committee's recommendation, has also adopted a SOG Policy for members of the executive management to ensure that they have meaningful economic stake in the Company. The SOG policy is designed to satisfy an individual senior executive's need for portfolio diversification, while maintain management share ownership at levels high enough to assure the Company's shareholders of managements' full commitment to value creation. Officers of the Company are required to invest in a number of shares valued at a multiple of their base salary in the amounts ranging from 1 times base salary for CFO and COO to 3 times base salary for the CEO. A member of the executive team will have three years to comply with the ownership requirements starting from the later of either the date of appointment to a position noted above or from the date of adoption of the SOG Policy. Implementation of the SOG Policy for members of the executive management is subject to the shareholders approving a new Restricted Stock Unit program at the 2015 Annual General Meeting.

#### **2014 – Compliance:**

In 2014, the executives received base salaries and cash incentive bonuses in line with the executive remuneration policies as presented to the 2014 Annual General Meeting. Severance payments with respect to Mr. Kielland and Mr. Kapstad are described above.

#### **Part 2: Share based incentives**

No options under the Company's option program were issued or granted during 2013 or 2014.

For 2015, the Board of Directors will only issue share based incentives in line with any shareholder approved program. Awards will normally be considered one time per year and grant of share based incentives will in value (calculated at the time of grant) be capped to 100% of the annual base salary for the CEO and 50% of the annual base salary for other members of the executive management.

VEDLEGG C TIL INNKALLING ORDINÆR GENERALFORSAMLING PANORO ENERGY ASA

ENCLOSURE C TO CALLING NOTICE FOR ORDINARY GENERAL MEETING IN PANORO ENERGY ASA

<p><u>Sak 15 – Valg av nytt styremedlem</u></p> <p>Nominasjonskomiteen foreslår Garrett Soden som nytt styremedlem. Nominasjonskomiteen vil i tillegg vurdere å nominere et femte styremedlem før generalforsamlingen, i hvis tilfelle særskilt informasjon vil bli gitt.</p> <p>Soden har erfaring på tvers av sektoren for naturressurser, herunder statlig virksomhet, investeringsbank og ledelse av noterte selskaper. Han har arbeidet i Lundin konsernet siden 2007 som senior executive og styremedlem. Soden er styreleder og tidligere CEO i RusForest AB (NASDAQ OMX: RUSF), et svensk selskap innen skogvirke med fokus på Russland. Han er også styremedlem i Etrion Corporation (TSX/NASDAQ OMX: ETX), et kanadisk solenergi produsent med eiendeler i Italia, Chile og Japan. Soden er tidligere CFO i Etrion og PetroFalcon Corporation (TSX: PFC), et kanadisk olje og gass selskap med fokus på Venezuela. Han har tidligere vært olje og gass analytiker for Lehman Brothers i New York og finansiell analytiker i M&amp;A delen av Salomon Brothers i New York. Soden har også tidligere tjenestegjort i det Hvite Hus ved the National Economic Council og har vært Senior Policy Advisor til U.S. Secretary of Energy. Han har en BSc honors grad fra London School of Economics og en MBA fra Columbia Business School.</p> <p>Foreslått vedtak:</p> <p>Garrett Soden velges som styremedlem som erstatning for Lars Brandeggen. Tjenestetiden er to år fra valget.</p>	<p><u>Item 15 – Election of new Board member</u></p> <p>The Nomination Committee proposes the election of Garrett Soden to the Board. In addition, the Nomination Committee will consider proposing a fifth board member before the Annual General Meeting, in which case additional information will be given.</p> <p>Mr. Soden has experience across the natural resources sector in government, investment banking and public company management. He has worked with the Lundin Group of Companies since 2007 as a senior executive and board member. Mr. Soden is Chairman of the Board and former Chief Executive Officer of RusForest AB (NASDAQ OMX: RUSF), a Swedish forestry company focused on Russia. He is also a board member of Etrion Corporation (TSX/NASDAQ OMX: ETX), a Canadian solar power producer with assets in Italy, Chile and Japan. Mr. Soden is the former Chief Financial Officer of Etrion and PetroFalcon Corporation (TSX: PFC), a Canadian oil and gas company focused on Venezuela. He was previously an equity research analyst covering oil and gas companies for Lehman Brothers in New York and a financial analyst in the M&amp;A group at Salomon Brothers in New York. Mr. Soden also previously served in the White House at the National Economic Council and was Senior Policy Advisor to the U.S. Secretary of Energy. He holds a BSc honors degree from the London School of Economics and an MBA from Columbia Business School.</p> <p>Proposed resolution:</p> <p>Garrett Soden is elected as Board member to replace Lars Brandeggen. The term is two years from election.</p>
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Leder av Nominasjonskomiteen / Chairman of the Nomination Committee

Petter Mannsverk Andresen

(sign)



## **Enclosure D**

### NEW RESTRICTED STOCK UNIT AWARD PROGRAM

#### General – Summary of the program

The Board of Directors (the "Board") has adopted, subject to the approval of the Company's shareholders at the 2015 Annual General Meeting (the "2015 AGM"), a program for the grant of restricted stock unit ("RSU") awards to the executive employees of the Company (the "RSU Program"). The RSU Program will replace all other share based incentive schemes and programs relating to the executive employees. The RSU Program can be summarized as follows (and as further detailed below):

- The RSU Program will be administered by the Board. The Board may delegate its authority to administer the program to a remuneration committee (such remuneration committee or the Board, a "Committee").
- One RSU will entitle the holder to receive one share of capital stock of the Company against payment in cash of the par value for the share. The par value is currently NOK 1.460471768 but is proposed reduced to NOK 0.005 per share.
- The total number of RSUs available for grant under the RSU Program during the period from the 2015 AGM and up to the Annual General Meeting in 2018 shall not exceed 5% of the number of shares outstanding as per the date of the 2015 AGM.<sup>1</sup>
- Grant of RSUs will be subject to a set of performance metrics with threshold and factors reviewed annually by the Board of Directors. Such metrics will be set as objectives based on sustained performance results including mostly share price increases and achievement of specific financial performance measures related to a group of oil and gas exploration and production peers that has been defined and adopted by the Committee. The annual criteria applied for grants of RSUs to members of the executive team during the previous financial year will, unless they contain confidential and company sensitive targets, be disclosed in the Company's annual remuneration statement pursuant to section 6-16a of the Public Limited Companies Act.
- Vesting of the RSUs is time based. The standard vesting period is 3 years, where 1/3 of the RSUs vest after one year, 1/3 vest after 2 years, and the final

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<sup>1</sup> As per the 2015 AGM, the total number of outstanding shares in the Company is 234,545,786.

1/3 vest after 3 years after grant, unless the Board decides otherwise for specific grants.

- RSUs vest automatically at the respective vesting dates and the holder will be issued the applicable number of shares as soon as possible thereafter.
- No executive employee can receive RSUs in any financial year which in value at the time of grant exceeds 100% (in respect of the CEO) or 50% (for other members of the executive team) of that employee's annual base salary compensation.
- The Committee, will have the authority to administer the RSU Program, including the power to determine participants, the types and sizes of awards, the price and timing of awards, the methods for settling awards, the method of payment for any exercise or purchase price of an award, the forms of award agreements, any rules and regulations the Committee deems necessary to administer the plan, and the acceleration or waiver of any vesting restriction. The Committee also has the power and authority to interpret the terms of the RSU Program and any award agreement thereunder.
- The Committee, subject to the approval of the Board, may terminate, amend, or modify the RSU Program at any time; provided, however, that shareholder approval will be required for any amendment to the extent necessary and desirable to comply with any applicable law, regulation, or rule of a national securities exchange, or to increase the number RSUs available under the RSU Program.

### Reasons for RSU Program

Historically, equity compensation has not been a significant component of the Company's compensation programs. Previously, the Company has issued standard share options with strike prices equal to the market price at time of grant. As per 31 March 2015, 925,005 options were still outstanding with an average strike price of NOK 7.23.

However, after an evaluation the Board proposes the RSU Program to enhance our employee compensation and retention programs by providing a means for our employees to take part in a meaningful stake in the Company which, in the opinion of the Board, is full alignment with the interests of the shareholders.

The RSU will be based on strict quantified metrics and performances objectives measures and will only reward the Company's value creation, mainly through the share price increases, and extraordinary performance.

The Board believes that the RSU Program is in the best interests of the Company and our shareholders for the following reasons:

- The RSU Program is necessary to help ensure that we have an effective long-term incentive compensation strategy in place to meet our short-term recruitment, motivation, and retention objectives, as well as to retain and motivate current key executives and as well as new key executives that the Company attract from time to time in the ordinary course of business.
- The Board believes that the equity award opportunities that will be available under the RSU Program will enable the Company to better compete to attract, motivate, and retain the services of the key individuals essential to the Company's long-term growth and success for the near future.
- The Board believes that RSUs have the potential of increasing the overall employee share holdings in the Company, as employees eligible for RSUs will receive actual shares provided the time based criteria are met.
- The Board recognizes the potential dilutive effect of an increased use of equity compensation and, accordingly, believes that RSUs are preferable to stock options as the vehicle for the delivery of long-term incentive compensation opportunities to our employees. Since the holder of an RSU upon exercise only will have to pay the par value of the share, the RSUs will almost always have value for the holder. Hence, a desired economic value can be delivered to an individual employee in the form of an RSU award using fewer shares of capital stock than would be necessary to deliver an equivalent value in the form of a stock option. Since the RSUs almost always will have value, they also represent a stronger retention mechanism for employees compared with ordinary options.
- In connection with and subject to the approval of the RSU Program, the Board will implement a share ownership policy for members of the executive team which will involve that, within 3 years the CEO must invest at least 3 times the annual base salary in Company shares and any other member of the executive must invest 1 time the annual base salary in Company shares.

## The terms of the RSU Program

This Restricted Share Unit Plan (the "Plan") has been adopted by Panoro Energy ASA (the "Company") to reward, attract and retain Employees of the Company and its Subsidiaries. On May 27, 2015 the general meeting of the Company approved the principles of Plan for the Company, and further approved these terms.

### 1. DEFINITIONS

As used herein, the terms set forth below shall have the following respective meanings:

**"Award"** means the grant of RSUs to an Employee pursuant to such applicable terms, conditions, and limitations as may be established in order to fulfill the objectives of the Plan.

**"Award Agreement"** means one or more agreements between the Company and an Employee setting forth the terms, conditions and limitations applicable to an Award.

**"Board"** means the Board of Directors of the Company.

**"Change of Control"** means (i) a change of control in the ownership of the Company which gives a person (individual or corporate) the right and the obligation to make a mandatory offer for all the shares in the Company pursuant to the Norwegian Securities Trading Act of 2007, (ii) if (i) is not applicable; a change of control in the ownership of the Company which gives a person (individual or corporate) ownership to or control over more than 50% of the votes in the Company, (iii) a merger in which the Company is not the surviving entity or (iv) a sale of all or substantially all of the Company's assets to another corporation, partnership or other entity that is not a wholly owned Subsidiary of the Company. In the case of (i) and (ii) above, the change of control is deemed to occur at the time when the relevant ownership or control occurs and in the case of (iii) and (iv) above at completion of the merger or the sale.

**"Committee"** means a committee of the Board designated by the Board to administer certain portions of the Plan or, if no such committee is designated, the Board. The Committee may consist of directors of the Board and/or of the personnel from the Company executive management, but shall always consist of at least one member who is also a director of the Board.

**"Code"** means the United States Internal Revenue Code of 1986, as amended.

**"Employee"** means an executive employee of the Company or any of its Subsidiaries.

**"Fair Market Value"** of a Share means, as of a particular date, (i) if the Company at that point is listed on an exchange, the volume weighted average trading price of the Shares on the exchange that particular date, or (ii) if the Shares are not publicly

traded, the most recent value determined by an independent appraiser appointed by the Company for such purpose.

**“Good Leaver”** is defined in Paragraph 6(b)(iv).

**“Grant Date”** means the date an Award is granted to a Participant pursuant to the Plan.

**“Participant”** means an Employee to whom an Award has been granted under this Plan.

**“RSU”** means a restricted share unit, each of which entitles the Participant to receive one share of the Company against payment in cash of the par value for the share, subject to the terms and conditions of the Plan and the Award Agreement.

**“Settlement Date”** means, the relevant vesting dates as defined in Paragraph 6(b). If the applicable Settlement Date falls on a Saturday, Sunday or public holiday in Norway, the Settlement Date shall be the first day thereafter where banks in Norway are generally open for business.

**“Shares”** means the ordinary shares of the Company.

**“Subsidiary”** means (i) in the case of a corporation, any corporation of which the Company directly or indirectly owns shares representing 50% or more of the combined voting power of the shares of all classes or series of share capital of such corporation which have the right to vote generally on matters submitted to a vote of the shareholders of such corporation, (ii) in the case of a partnership or other business entity not organized as a corporation, any such business entity of which the Company directly or indirectly owns 50% or more of the voting, capital or profits interests (whether in the form of partnership interests, membership interests or otherwise), (iii) any other corporation, partnership or other entity that is a “subsidiary” of the Company within the meaning of Rule 405 promulgated by the U.S. Securities and Exchange Commission under the U.S. Securities Act of 1933, as amended and (iv) any other corporation, partnership or other entity that is a “subsidiary” of the Company within the meaning of the Norwegian Public Limited Companies Act Section 1-3 second paragraph.

**“VPS Account”** means an account registered in the name of the Participant with the Norwegian Central Securities Depository, Verdipapirsentralen ASA.

## 2. ELIGIBILITY

All Employees are eligible for the grant of Awards under this Plan at the discretion of the Committee.

## 3. RSUs AVAILABLE FOR AWARDS

- (a) Subject to the provisions of Paragraph 13 hereof, the number of RSUs outstanding shall not exceed 16,418,205 over a period starting at the 2015 AGM and ending on the 2018 Annual General Meeting.
- (b) The rights provided for by an Award Agreement, the grant and settlement of the RSUs and the RSUs themselves are at all times conditional on the Board having the necessary authorization to fulfill the delivery of the Shares under the RSUs. In the event these conditions are not met, any RSUs awarded and settled under the Plan shall be settled by a cash payment equal to the Fair Market Value per Share over the par value per Share on the date of settlement, multiplied by the number of RSUs subject to the Award.
- (c) No executive employee can receive RSUs in any financial year which in value at the time of grant exceeds 100% (in respect of the CEO) or 50% (for other members of the executive team) of that employee's annual base salary compensation.

#### 4. ADMINISTRATION

- (a) This Plan shall be administered by the Board, except as otherwise provided herein.
- (b) Subject to the provisions hereof, the Board shall have full and exclusive power and authority to administer this Plan and to take all actions that are specifically contemplated hereby or are necessary or appropriate in connection with the administration hereof. The Board shall also have full and exclusive power to adopt such rules, regulations and guidelines for carrying out this Plan as it may deem necessary or proper and which are either (i) not materially adverse to the Participant to whom such Award was granted, (ii) consented to by such Participant, or (iii) made pursuant to the adjustment provisions in Paragraph 13. The Board may correct any defect or supply any omission or reconcile any inconsistency in this Plan or in any Award in the manner and to the extent the Board deems necessary or desirable to further the Plan purposes.
- (c) No member of the Board or officer of the Company to whom the Board has delegated authority in accordance with the provisions of Paragraph 5 of this Plan shall be liable for anything done or omitted to be done by him or her, by any member of the Board or by any officer of the Company in connection with the performance of any duties under this Plan, except for his or her own willful misconduct or as expressly provided by statute.

#### 5. DELEGATION OF AUTHORITY

The Board may delegate its authority to administer the program to the Committee. The Committee may, in turn, delegate to one or more members of the Board or one or more executive officers of the Company the authority to grant RSU awards to Participants other than executive officers of the Company. Subject to Paragraph 6(b), the Committee will have the authority to administer the RSU Program, including the

power to determine Participants, the types and sizes of awards, the price and timing of awards, the methods for settling awards, the method of payment for any exercise or purchase price of an award, the forms of award agreements, any rules and regulations the Committee deems necessary to administer the plan, and the acceleration or waiver of any vesting restriction. The Committee also has the power and authority to interpret the terms of the RSU Program and any award agreement thereunder.

## 6. AWARDS

- (a) Each Award may, in the discretion of the Committee, be embodied in an Award Agreement, which shall contain such terms, conditions, and limitations as shall be determined by the Committee in its sole discretion and, if required by the Committee, shall be signed by the Participant to whom the Award is granted and signed for and on behalf of the Company. Awards may be granted singly, in combination or in tandem. Awards may also be granted in combination or in tandem with, in replacement of, or as alternatives to, grants or rights under this Plan or any other employee plan of the Company or any of its Subsidiaries, including the plan of any acquired entity. All or part of an Award may be subject to conditions established by the Committee, such as individual or corporate performance criteria to be met in order for RSUs to vest.
- (b) An Award shall be in the form of RSUs, subject to the terms and conditions of the Plan and the Award Agreement. Unless otherwise provided by the Board, the following terms shall apply to all RSUs:
  - (i) The vesting period is 3 years, where 1/3 of the Awards will vest after 1 year, 1/3 after 2 years and the remaining 1/3 after 3 years from Grant Date.
  - (ii) At settlement, the Participant is required to pay a consideration per Share equal to the par value of the share.
  - (iii) Subject to the terms and conditions of this Plan and the Award Agreement, and further subject to Paragraph 16, all RSUs will automatically be settled at the applicable Settlement Date. Following settlement, and subject to Paragraph 3, last sub-paragraph and the further terms and conditions of the Plan and the Award Agreement, a number of Shares equal to the number of RSUs settled will be delivered by the Company to the Participant's VPS Account or other share depository account as soon as practicable following the Participant's payment of the par value of the Shares. Any delivery of Shares is conditional upon the Participant having registered a VPS Account or other share depository account and notified the Company of the account details. Until the date that Shares are registered on a Participant's VPS Account, the Participant shall have no rights as a

shareholder pursuant to the Plan or any Award Agreement. From the date when the Shares are registered with the Participant's VPS Account, the Participant will have the right to receive dividends thereafter declared with respect to such Shares and to exercise other shareholder rights.

- (iv) *Termination of Employment:* A "Good Leaver" is someone who leaves due to death, retirement at the normal retirement age or early retirement with Company (or a Subsidiary) consent, redundancy, incapacity, serious ill health or death. For a Good Leaver, unvested RSUs will accelerate by one year and will automatically be settled at the first Settlement Date which would have applied had the RSUs not accelerated, and pursuant to the terms and conditions of the Plan and the Award Agreement. In the event of the death of the Employee, the RSUs which are deemed vested at the time of death pursuant to this paragraph 6 (iv), shall be settled in cash as full and final settlement of all RSUs within 60 days after the time of death. If more than one heir (whether by will, statute or otherwise) of the Employee claims the cash payment, the Committee can require as a condition for making the cash payment that the heirs within 30 days from written notice from the Committee agree among themselves who shall have the right to the cash payment, and if no such confirmation has been received in writing by the Committee within the 30 day deadline, the RSUs will terminate without any cash payment taking place and without any further liability or obligations for the Company (or any Subsidiary). For an Employee who is not a Good Leaver, all RSUs outstanding at the time the Employee resigns, gives or receives a notice of termination with the Company (or a Subsidiary) will terminate immediately without any further liability or obligations for the Company (or a Subsidiary). For the avoidance of doubt, a transfer of employment between the Company and a Subsidiary or between Subsidiaries shall not be considered a termination of employment for purposes of this Plan.
- (v) For the avoidance of doubt, the rights granted to the Employee under this Plan shall also be effective if the Employee is on leave pursuant to Chapter 12 of the Norwegian Worker Protection and Working Environment Act of 2005.
- (vi) If the Employee is on educational leave pursuant to Section 12-11 of the Norwegian Worker Protection and Working Environment Act of 2005 as at the date on which any part of the RSU would otherwise vest, then such part of the RSU will not vest. For the avoidance of doubt, any part of the RSU which does not vest as a result of the preceding sentence will not roll-over to any later Settlement Date, but will expire without any right of compensation for the Employee.



## 7. CHANGE OF CONTROL

Notwithstanding any other provisions of the Plan, including Paragraphs 5 and 6 hereof, unless otherwise expressly provided in the applicable Award Agreement, in the event of the occurrence of a Change of Control, each RSU granted under this Plan, may be settled in full as soon as possible; *provided, however*, that with respect to a Participant subject to United States taxation, no Change of Control shall be deemed to have occurred unless such event also constitutes an event specified in Code Section 409A(2)(A)(v) and the Treasury Regulations promulgated thereunder. Provisions relating to a Change of Control will only apply to named employees and as further set out in the applicable Award Agreements.

## 8. PARTICIPANTS IN DIFFERENT JURISDICTIONS

The Committee may grant Awards to persons in a particular country under such terms and conditions as may, in the judgment of the Committee, be necessary or advisable to comply with the laws of the applicable foreign jurisdictions and, to that end, may establish sub-plans, modified settlement procedures and other terms and procedures. Notwithstanding the above, the Committee may not take any actions hereunder, and no Awards shall be granted, that would violate any securities law, any governing statute, or any other applicable law.

## 9. SECURITIES LAWS REGULATIONS

- (a) As the Company is a public company and is listed on Oslo Børs, there are certain laws, rules and regulations that apply for subscription, sale and purchase of the Company's securities (including Shares and other financial instruments in the Company), including but not limited to insider trading rules and notification obligations. Each Participant is obliged, and is personally responsible, to make him or her self familiar with such rules and to abide by the same.
- (b) Furthermore, the Company has rules (which might be amended from time to time in the Company's sole discretion) for its employees and employees of its Subsidiaries trading in its securities, and each Participant is also obliged, and is personally responsible, to make him or her self familiar with such Company rules and to abide by the same.
- (c) The Committee may adopt additional rules and procedures regarding the settlement of RSUs from time to time, provided that such rules and procedures are not inconsistent with the provisions of this Plan.

## 10. TAXES

The Participant shall be fully liable for any and all tax liabilities imposed upon the Participant pursuant to an Award and any and all rights conferred to the Participant under an Award Agreement, including but not limited to, taxes imposed by the settlement of RSUs and delivery of Shares or payment of cash. The Company will

declare any Award and any delivery of Shares or payment of cash on the basis of an Award Agreement to the Norwegian and/or other relevant tax authorities in accordance with applicable laws at all times. The Company or its designated third-party administrator shall have the right to deduct applicable taxes (including withholding taxes) from any Award payment and withhold, at the time of delivery of cash or Shares under this Plan, an appropriate amount of cash or number of Shares or a combination thereof for payment of taxes (including withholding taxes) or other amounts required by law or to take such other action as may be necessary in the opinion of the Company to satisfy all obligations for withholding of such taxes.

#### 11. AMENDMENTS TO AND TERMINATION OF THE PLAN

The Board may amend, modify, suspend, or terminate this Plan for the purpose of meeting or addressing any changes in legal requirements or for any other purpose permitted by law, except that (i) no amendment or alteration that would adversely affect in any material respect the rights of any Participant under any Award previously granted to such Participant shall be made without the consent of such Participant and (ii) no amendment or alteration shall be effective prior to its approval by the shareholders of the Company to the extent such approval is required by applicable legal requirements or the applicable requirements of the securities exchange on which the Shares are listed.

#### 12. ASSIGNABILITY

Unless otherwise determined by the Committee and provided in the Award Agreement or the terms of the Award, no Award or any other benefit under this Plan shall be assignable or otherwise transferable except by will or by the laws of descent and distribution. The Committee may prescribe and include in applicable Award Agreements or the terms of the Award other restrictions on transfer. Any attempted assignment of an Award or any other benefit under this Plan in violation of this Paragraph 12 shall be null and void.

#### 13. ADJUSTMENTS

- (a) The existence of outstanding Awards shall not affect in any manner the right or power of the Company or its shareholders to make or authorize any or all adjustments, recapitalizations, reorganizations, or other changes in the share capital of the Company or its business or any merger, demerger or consolidation of the Company, or any issue of Shares, bonds (including convertible bonds), debentures, preferred or prior preference share (whether or not such issue is prior to, on a parity with or junior to the existing Shares) or the dissolution or liquidation of the Company, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding of any kind, whether or not of a character similar to that of the acts or proceedings enumerated above.

- (b) In the event of any subdivision or consolidation of outstanding Shares or a Share split, any consolidation, merger or demerger of the Company with another corporation or entity (which do not qualify as a Change of Control), the adoption by the Company of any plan of exchange affecting the Shares, then the number of RSUs covered by the Awards shall be proportionately adjusted by the Company as appropriate to reflect such transaction; provided that such adjustments shall only be such as are necessary to preserve, without increasing, the value of such RSUs.

14. **RESTRICTIONS**

No Shares or other form of payment shall be delivered with respect to any Award unless the Company shall be satisfied based on the advice of its counsel that such delivery will be in compliance with applicable law. Shares delivered under this Plan may be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the rules, regulations and other requirements of the applicable securities regulatory authority, any securities exchange or transaction reporting system upon which the Shares are then listed or to which it is admitted for quotation and any applicable law. The Committee may cause a legend or legends to be placed or coded upon the Shares to make appropriate reference to any such restrictions.

15. **RIGHT TO EMPLOYMENT**

Nothing in this Plan or any Award Agreement shall interfere with or limit in any way the right of the Company or its Subsidiaries to terminate any Participant's employment or other service relationship at any time, or confer upon any Participant any right to continue in the capacity in which he or she is employed or otherwise serves the Company or its Subsidiaries.

16. **POSTPONEMENT OF SETTLEMENT DATE**

If, due to securities law restrictions, the Committee in its discretion finds it appropriate, the Committee may elect to postpone the applicable Settlement Date. The Settlement Date may, however, only be postponed for as long as the securities law restrictions apply.

17. **CASH COMPENSATION**

The Company may, in its sole discretion, decide to pay a cash compensation to the Employee in lieu of issuing/transferring Shares. This cash compensation shall be equivalent to the Fair Market Value per Share on the date of settlement over the par value of the Shares, multiplied by the number of RSUs subject to the Award.

18. **PERSONAL DATA**

The Employee consent to the Company processing personal data related to the RSU, the Award Agreement and the Plan in any way necessary to operate the RSU program. This consent includes, but is not limited to, the transfer of personal data to companies within the Company group or a third party administrator for the purpose of operating the Plan or for the purpose of providing the Company's shareholders with information on the Company's shareholders and RSU holders. The consent further includes, for the same purposes, the transfer of personal data to other countries, including countries outside the EEA-area.

19. **GOVERNING LAW AND DISPUTES**

Any Award of RSUs, the Award Agreement and the Plan shall be governed by and construed in accordance with Norwegian law, without regard to its choice of law principles. The City Court of Oslo has exclusive jurisdiction over any disagreement relating to or arising out of any Award of RSUs, the Award Agreement and the Plan.

\* \* \*

PIN CODE:

REF NO:

Vedlegg/Enclosure E

## **ATTENDANCE SLIP AND PROXY FORM FOR ANNUAL GENERAL MEETING ON 27 MAY 2015 – PANORO ENERGY ASA**

### **Attendance slip**

The annual General Meeting in Panoro Energy ASA is to be held on 27 May 2015 at 11:00 hours (CET) at Hotel Continental, Stortingsgt 24/26, Oslo. The Attendance slip must be returned to Nordea Bank Norge ASA **no later than 22 May 2015**. Address: Nordea Bank Norge ASA, Issuer Services, P.O.Box 1166 Sentrum, 0107 Oslo, Norway. Telefax + 47 22 48 63 49.

The undersigned will attend Panoro Energy ASA's annual General Meeting on 27 May 2015 and

Vote for my/our shares

Vote for other shares in accordance with proxy(ies) enclosed



### **Proxy form (without voting instructions)**

**PIN code:**

**Ref no:**

Shareholders who are unable to attend the annual General Meeting, may execute a proxy in the name of any other person attending the meeting. You may then use this proxy form which is a voting proxy without voting instructions. Voting proxy with voting instructions follows in the next page. If you do not enter a name, then the proxy form will be given to the Chairman of the Board or the person whom the Chairman of the Board appoints to attend on his behalf. The proxy must be returned to Nordea Bank Norge ASA no later than on 22 May 2015.

Address: Nordea Bank Norge ASA, Issuer Services, P.O. Box 1166 Sentrum, 0107 Oslo, Norway. Telefax + 47 22 48 63 49 or + 47 22 48 49 90. Within the same deadline, the proxy may also be sent electronically to the following e-mail address: [issuerservices.no@nordea.com](mailto:issuerservices.no@nordea.com). The undersigned shareholder in Panoro Energy ASA hereby authorizes:

Opener of the annual General Meeting, Chairman of the Board Julien Balkany, or a person authorized by him

Other person (name) \_\_\_\_\_

to attend and vote on my/our behalf at Panoro Energy ASA's annual General Meeting on 27 May 2015. The votes shall be cast in accordance with the instructions stated below. If there are any doubts concerning the interpretation of the instructions, the proxy will assume a reasonable interpretation when casting the vote. In the event of any unclear instructions, the proxy may abstain from voting.

**Please note that a blank vote will be deemed as a vote in favor of the motion.** If a proposal is submitted in addition to, or as a replacement for, the proposals in the notice, then the proxy will be entitled to decide how to vote for these proposals.

\_\_\_\_\_  
Place

\_\_\_\_\_  
Date

\_\_\_\_\_  
Shareholder's signature

(Signature only when granting proxy)

With regard to rights of attendance and voting we refer you to The Norwegian Public Limited Liability Companies Act, in particular Chapter 5. A written power of attorney dated and signed by the beneficial owner giving such proxy must be presented at the meeting.



PIN CODE:

REF NO:

- |  |                          |                          |                          |
|--|--------------------------|--------------------------|--------------------------|
| 8. Remuneration Nomination Committee   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. Remuneration to auditor for 2014  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. Declaration from the Board regarding remuneration principles for Executive Team                  |                          |                          |                          |
| 10.A Non-binding part 1  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 10.B Binding part 2  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 11. Capital reduction by reducing the par value of the shares  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 12. Board authorization to increase the share capital by issuance of new shares – Incentive programs | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 13. Board authorization to increase the share capital by issuance of new shares – acquisitions       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 14. Board authorization to buy back own shares   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 15. Election of Garrett Soden as new Board Director  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 16. Election of member for the Nomination Committee  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 17. Approval of new employee incentive scheme  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

The abovementioned proxy holder has been granted power to attend and to vote for my/our shares at the General Meeting in Panoro Energy ASA to be held 27 May 2015.

\_\_\_\_\_

Place

\_\_\_\_\_

Date

\_\_\_\_\_

Shareholder's signature

(Only for granting proxy with voting instructions)

With regard to rights of attendance and voting we refer you to The Norwegian Public Limited Liability Companies Act, in particular Chapter 5. A written power of attorney dated and signed by the beneficial owner giving such proxy must be presented at the meeting.

If the shareholder is a company, please attach the shareholder's certificate of registration to the proxy.

PIN KODE:  
REFERANSE NO:

Vedlegg/Enclosure E

## MØTESEDDEL OG FULLMAKTSSKJEMA FOR ORDINÆR GENERALFORSAMLING 27. MAI 2014 – PANORO ENERGY ASA

### Møteseddel

Ordinær generalforsamling i Panoro Energy ASA avholdes 27. mai 2015 kl 11.00 på Hotel Continental, Stortingsgt 24/26, Oslo. Varsel om at De vil delta i generalforsamlingen kan gis på denne møteseddel. Seddelen må være Nordea Bank Norge ASA i hende **senest 22. mai 2015**. Adresse: Nordea Bank Norge ASA, Issuer Services, Postboks 1166 Sentrum, 0107 Oslo. Telefaks: 22 48 63 49.

Undertegnede vil møte i Ordinær generalforsamling i Panoro Energy ASA 27. mai 2015 og

- Avgi stemme for mine/våre aksjer
- Avgi stemme for aksjer ifølge vedlagte fullmakt(er)



### Fullmakt uten stemmeinstruks

Pinkode:

Referansenr.:

Hvis De selv ikke møter i generalforsamlingen, kan De møte ved fullmektig. De kan da benytte dette fullmaktsskjema som er fullmakt uten stemmeinstruks. Fullmakt med stemmeinstruks følger på neste side. Dersom du ikke påfører et navn, gis fullmakten til styrets leder eller den person styrets leder utpeker til å møte i sitt sted. Skjemaet må være Nordea Bank Norge ASA i hende **senest 22. mai 2015**.

Adresse: Nordea Bank Norge ASA, Issuer Services, Postboks 1166 Sentrum, 0107 Oslo. Telefaks: 22 48 63 49. Innen samme frist kan fullmakten også meldes elektronisk til e-postadresse: [issuerservices.no@nordea.com](mailto:issuerservices.no@nordea.com). Undertegnede aksjonær i Panoro Energy ASA gir herved:

- Generalforsamlingens møteåpner, styreleder Julien Balkany, eller den han utpeker
- \_\_\_\_\_  
Navn på fullmektig eller uten navn (in blanco)

fullmakt til å møte og avgi stemme på mine/våre aksjer i ordinær generalforsamling i Panoro Energy ASA 27. mai 2014. Stemmegivningen skal skje i henhold til instruksjonene nedenfor. Ved tvil om forståelsen av instruksene vil fullmektigen legge en rimelig forståelse til grunn ved stemmegivningen. Ved uklare instruksjoner kan fullmektigen avstå fra å stemme. **Merk at dersom det ikke er krysset av i rubrikkene nedenfor, vil dette anses som en instruks om å stemme "for" forslagene i innkallingen.** I den grad det blir fremmet forslag i tillegg til, eller til erstatning for forslagene i innkallingen, gis fullmektigen adgang til selv å avgjøre stemmegivningen.

\_\_\_\_\_  
Sted

\_\_\_\_\_  
Dato

\_\_\_\_\_  
Aksjeeiers underskrift

Undertegnes kun ved fullmakt)

Angående møte- og stemmerett vises til allmennaksjeloven, især lovens kapittel 5. Det gjøres spesielt oppmerksom på at ved avgivelse av fullmakt skal det legges frem skriftlig og datert fullmakt fra aksjepostens reelle eier (beneficial owner).



PIN KODE:  
REFERANSE NO:

### Fullmakt med stemmeinstruks

Pinkode: Referansenr.:

Dersom De ønsker å gi stemmeinstruks til fullmektigen må dette skjemaet brukes. Sakslisten i instruksjonen under henviser til sakene på dagsorden for generalforsamling. Fullmakt med stemmeinstruks kan meddeles den De bemyndiger, eller De kan sende fullmakten uten å påføre navn på fullmektigen. I så fall vil fullmakten anses gitt til styrets leder eller den han bemyndiger.

Skjemaet må være Nordea Bank Norge ASA i hende **senest 22. mai 2015**. Adresse: Nordea Bank Norge ASA, Issuer Services, Postboks 1166 Sentrum, 0107 Oslo. Telefaks: 22 48 63 49. Innen samme frist kan fullmakten også meldes elektronisk til e-postadresse: [issuerservices.no@nordea.com](mailto:issuerservices.no@nordea.com).

UNDERTEGNEDE: \_\_\_\_\_  
gir herved (sett kryss):

Styrets leder (eller den han bemyndiger)

\_\_\_\_\_  
(Fullmektigens navn med blokkbokstaver)

fullmakt til å møte og avgi stemme for mine/våre aksjer på ordinær generalforsamling i Panoro Energy 27. mai 2015.

Stemmegivningen skal skje i henhold til instruksjonene nedenfor. Merk at ikke avkryssede felt i agendaen nedenfor vil anses som en instruks om å stemme "for" forslagene i innkallingen, likevel slik at fullmektigen avgjør stemmegivningen i den grad det blir fremmet forslag i tillegg til eller til erstatning for forslagene i innkallingen. I det tilfellet stemmeinstruksjonen er uklar vil fullmektigen utøve sin myndighet basert på en fornuftig tolkning av instruksjonen. Dersom en slik tolkning ikke er mulig vil fullmektigen kunne avstå fra å stemme.

ORDINÆR GENERALFORSAMLING 2015                      FOR                      MOT                      AVSTÅR

- |  |                          |                          |                          |
|--|--------------------------|--------------------------|--------------------------|
| 1. Åpning av styreleder, fortegnelse av møtende aksjonærer<br>(Ingen avstemning) |                          |                          |                          |
| 2. Valg av møteleder og person til<br>å medundertegne protokollen                | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Godkjenning av dagsorden og<br>innkalling                                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Godkjenning av årsregnskap og<br>årsberetning for 2014                        | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Redegjørelse for eierstyring og selskapsledelse (Ingen avstemning)            |                          |                          |                          |
| 6. Fastsettelse av godtgjørelse til styret                                       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Fastsettelse av godtgjørelse<br>styreutvalg                                   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

PIN KODE:

REFERANSE NO:

- |   |                          |                          |                          |
|---|--------------------------|--------------------------|--------------------------|
| 8. Fastsettelse av godtgjørelse for Valgkomiteen  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. Godkjenning av revisors honorar for 2014   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. Styrets redegjørelse om lønn og annen godtgjørelse til ledende ansatte                              |                          |                          |                          |
| 10.A Ikke-bindende del 1  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 10.B Bindende del 2   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 11. Kapitalnedsettelse ved reduksjon av pålydende   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 12. Fullmakt til styret til å forhøye aksjekapitalen ved utstedelse av nye aksjer – Incentivprogram     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 13. Fullmakt til styret til å forhøye aksjekapitalen ved utstedelse av nye aksjer – Oppkjøp og lignende | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 14. Fullmakt til styret til erverv av egne aksjer   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 15. Valg av Garrett Soden som nytt styremedlem  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 16. Valg av medlem til Valgkomiteen   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 17. Nytt incentivprogram  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Ovennevnte fullmektig har fullmakt til å møte og avgi stemme i Panoro Energy ASAs ordinære generalforsamling 27. mai 2015 for mine/våre aksjer.

\_\_\_\_\_

Sted

\_\_\_\_\_

Dato

\_\_\_\_\_

Aksjeeiers underskrift

(Undertegnes kun ved fullmakt)

Angående møte- og stemmerett vises til allmennaksjeloven, især lovens kapittel 5. Det gjøres spesielt oppmerksom på at ved avgivelse av fullmakt skal det legges frem skriftlig og datert fullmakt fra aksjepostens reelle eier (beneficial owner).

Dersom aksjeeieren er et selskap, skal aksjeeierens firmaattest vedlegges fullmakten.