

Panoro Announces 50% Increase in 2P Oil Reserves at Tortue Field, Dussafu PSC, Offshore Gabon

Oslo, 19 February 2019 – Panoro Energy ASA (the “Company” or “Panoro” with OSE ticker: “PEN”) is pleased to provide an update on the Dussafu Production Sharing Contract (“PSC”), offshore Gabon, including a new oil reserves review from independent reserves auditor Netherland, Sewell & Associates Inc. (“NSAI”) on the Tortue field located within the PSC.

John Hamilton, Chief Executive Officer of Panoro, said “*The 50% increase in the mid-case scenario compared with the end of 2017 reserve report combined with the strong oil production clearly demonstrates the value of Tortue and more generally the huge potential for Dussafu to become a world-class producing asset. We are very excited by the initial production performance and look forward to continuing delivering strong results at Dussafu.*”

Reserve Increase Tortue Field

The Tortue field (“Tortue”) is one of five existing oil discoveries in the Dussafu Exclusive Exploitation Area (“EEA”) in which Panoro currently holds an 8.33% working interest.

As a result of the successful 2018 development drilling campaign at Tortue, previously reported Contingent Resources from the western flank of the field have now been re-categorized as reserves. Consequently, the 2P gross remaining reserves at Tortue have substantially increased by 11.6 million barrels, approximately 50% higher as compared to year end 2017. The remaining reserves are calculated after deducting 1.2 million barrels produced during 2018. The NSAI estimates are based on a total of 6 wells at Tortue.

The NSAI reserves review does not yet include the other 4 discovered fields in the EEA (Ruche, Ruche North East, Moubenga and Walt Whitman) which will be updated in due course. In addition, the independent reserves review also does not include prospective resources associated with the numerous prospects and leads already identified within the EEA.

NSAI has calculated the following estimates for the total gross economically recoverable oil reserves as at December 31, 2018, derived from the assumed production from six oil wells at the Tortue field (compared to four wells previously):

- Proved (1P) reserves of 25.9 MMbbls
- **Proved + Probable (2P) reserves of 35.1 MMbbls**
- Proved + Probable + Possible (3P) reserves of 48.3 MMbbls

Production at Tortue

Following first oil in mid-September 2018, gross production from Tortue totalled 1.2 million barrels during Q4 2018, which included a number of well shut-ins and pressure build up tests. For the full 2018 fourth quarter gross production at Tortue was an average of 11,800 barrels of oil per day. Average opex per barrel for the period was \$23 per barrel including various one-off costs associated related to the field start-up. The first cargo of approximately 550,000 barrels of oil from Dussafu was successfully offloaded from the BW Adolo FPSO on 2 December 2018. The achieved price was approximately \$56 per barrel. A second lifting of 310,000 barrels of oil for the Government of Gabon was completed later that same month.

Production during January 2019 has continued strongly, with the monthly average of 12,977 barrels of oil per day. To date there has been no occurrence of wax detected and no water produced from the field. A third lifting of 650,000 barrels of crude was achieved at the beginning of February, with a sales price of approximately \$59 per barrel. Given the largely fixed operating cost base of the FPSO development, opex per barrel is highly dependent on production rates. Panoro estimates that opex per barrel will optimise once Phase 2 production is on line.

Phase 2 Planning

Phase 2 planning activities are underway with drilling due to commence in the second half of 2019. In this second phase of Tortue, up to four development wells will be drilled in the Gamba and Dentale reservoirs with production start-up of the phase 2 wells projected for the first quarter of 2020. Once all the Phase 1 and Phase 2 wells at Tortue are in production, targeted initial rates are anticipated to be over 20,000 barrels of oil per day from Tortue. The Phase 2 drilling programme will also comprise of at least 2 exploration wells in the Dussafu PSC.

Enquiries

John Hamilton, Chief Executive Officer
Tel: +44 203 405 1060
Email: investors@panoroenergy.com

The Dussafu

The Dussafu Permit, a Production Sharing Contract, offshore Gabon, is operated by BW Energy Gabon and Panoro’s current interest in the license is 8.33%. There are five oil fields within the Dussafu Permit: Moubenga, Walt Whitman, Ruche, Ruche North East and Tortue. The latter three fields were discovered by Panoro and JV partners in the last 7 years. The development of the Dussafu fields now is underway, with production from 2 wells at the Tortue field having started in September 2018. Oil is produced from the Gamba and Dentale reservoirs at Tortue into a leased Floating, Production, Storage and Offloading (FPSO) vessel via subsea trees and flowlines. Phase 2 development activities are planned for 2019 and 2020 with up to four additional development wells to be drilled at the Tortue field. The exploration potential in Dussafu is

significant and interpretation of recent 3D seismic data has confirmed several large Dentale prospects and numerous Gamba prospects in addition to the already discovered resources. Certain of these prospects will be targeted in the planned 2019-2020 drilling campaign.

Tullow Oil Gabon S.A. a subsidiary of Tullow Oil plc, holds a 10% back-in right under the terms of the Dussafu PSC which is exercisable within a certain time after first oil.

About Panoro Energy

Panoro Energy ASA is an independent E&P company based in London and listed on the Oslo Stock Exchange with ticker PEN. The Company holds high quality production, exploration and development assets in Africa, namely the Dussafu License offshore southern Gabon, OML 113 offshore western Nigeria, and the TPS operated assets, Sfax Offshore Exploration Permit and Ras El Besh Concession, offshore Tunisia.

For more information visit the Company's website at www.panoroenergy.com.