

# CREATING ONE OF THE WORLD'S LEADING INDEPENDENT LISTED AFRICAN E&Ps

ANNUAL STATEMENT  
OF RESERVES 2022

APRIL 2023

[www.panoroenergy.com](http://www.panoroenergy.com)



# DISCLAIMER

The information provided in this report reflects reservoir assessments, which in general must be recognised as subjective processes of estimating hydrocarbon volumes that cannot be measured in an exact way.

It should also be recognised that results of recent and future drilling, testing, production and new technology applications may justify revisions that could be material.

Certain assumptions on the future beyond Panoro's control have been made. These include assumptions made regarding market variations affecting both product prices and investment levels. As a result, actual developments may deviate materially from what is stated in this report.

The estimates in this report are based on third party assessments prepared by Netherland Sewell and Associates Inc. (NSAI).

# INTRODUCTION

Panoro's classification of reserves and resources complies with the guidelines established by the Oslo Stock Exchange and are based on the definitions set by the Petroleum Resources Management System (PRMS), sponsored by the Society of Petroleum Engineers/ World Petroleum Council/ American Association of Petroleum Geologists/ Society of Petroleum Evaluation Engineers (SPE/WPC/AAPG/SPEE) as issued in June 2018.

Reserves are the volume of hydrocarbons that are expected to be produced from known accumulations:

- On Production
- Approved for Development
- Justified for Development

Reserves are also classified according to the associated risks and probability that the reserves will be actually produced.

1P

Proved reserves represent volumes that will be recovered with 90% probability

2P

Proved + Probable represent volumes that will be recovered with 50% probability

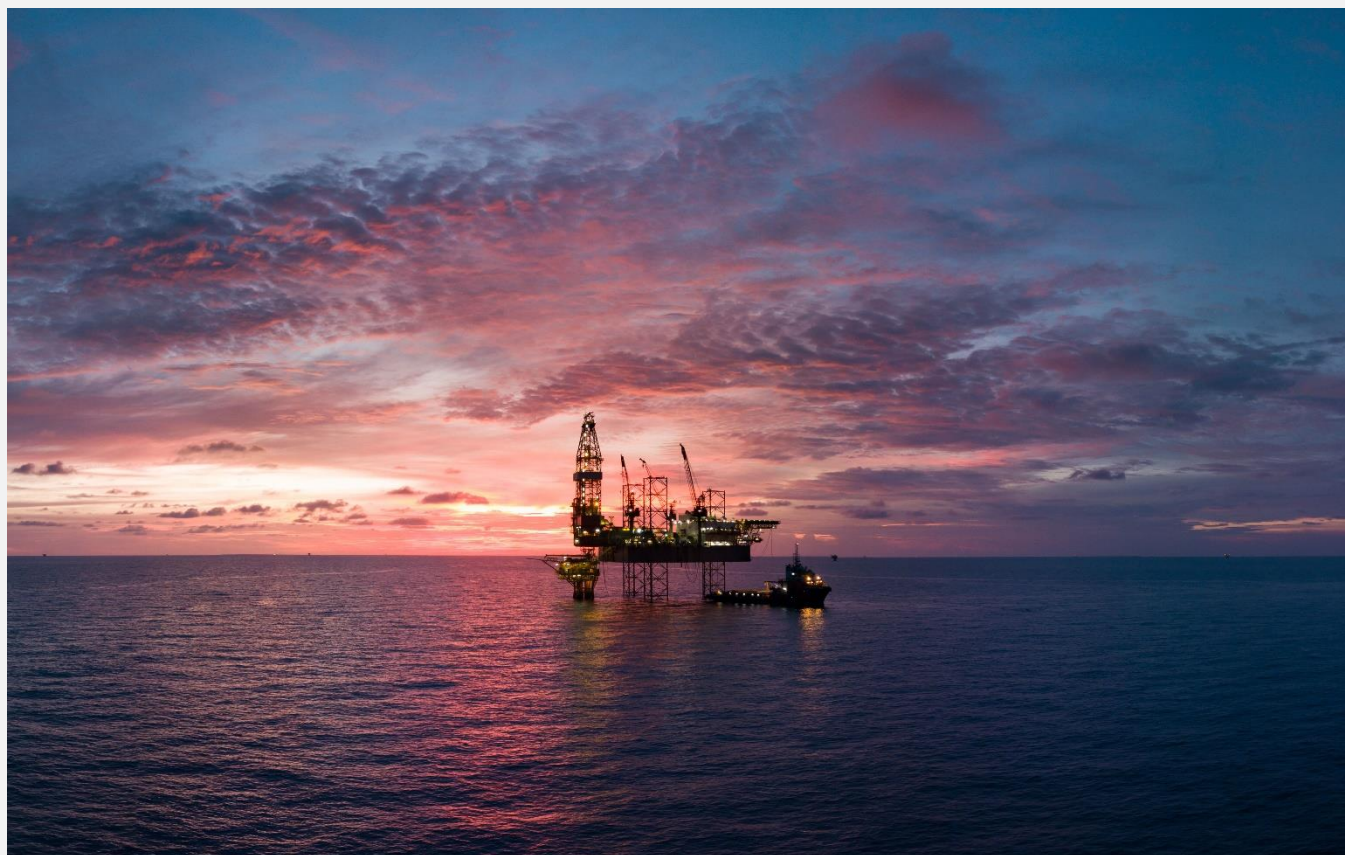
3P

Proved + Probable + Possible volumes that will be recovered with 10% probability.

Contingent Resources are the volumes of hydrocarbons expected to be produced from known accumulations:

- In planning phase
- Where development is likely
- Where development is unlikely with present basic assumptions
- Under evaluation

Contingent Resources are reported as 1C, 2C, and 3C, reflecting similar probabilities as reserves.



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## PANORO ASSETS PORTFOLIO

The Panoro portfolio reported here for year end 2022 is considered to comprise three assets with continuing operations with reserves and contingent resources, these are: Block G license in Equatorial Guinea, the Dussafu license in Gabon and the TPS Assets in Tunisia. A summary description of these assets with status as of year-end 2022 is included below. For additional background information on the assets, refer to the company's website. Unless otherwise specified, all reserves figures quoted in this report are net to Panoro's working interest.



### **BLOCK G: Offshore Equatorial Guinea**

**Operator: Trident Energy, Panoro 14.25%**

The Block G assets comprise a number of oil fields offshore Equatorial Guinea

The Block G license covers an area containing the Ceiba field and the Okume complex. The Okume complex consists of five separate oil fields. The fields in Block G started production in 2000-2002 and oil is produced through a number of wells either subsea or from fixed platforms and tied back to a FPSO.

Production from Block G during 2022 amounted to 11.3 MMbbls gross.

In April 2023 NSAI certified (3rd party) reserves and resources for the Block G licence. As of the end of December 2022, the Block G licence contained gross 1P Proved Reserves of 62.4 MMbbls in the Ceiba and Okume Complex fields. Gross 2P Proved plus Probable Reserves amounted to 100.0 MMbbls in the same fields. Gross 3P Proved plus Probable plus Possible Reserves in these fields amounted to 149.1 MMbbls.

In addition to these Reserves NSAI also certified gross unrisks 1C Contingent Resources of 42.1 MMbbls, gross unrisks 2C Contingent Resources of 93.0 MMbbls, and gross unrisks 3C Contingent Resources of 154.3 MMbbls in the Block G licence area.

These evaluations yield the following Reserves net to Panoro's working interest of 14.25%: 1P Proved Reserves of 8.89 MMbbls, 2P Proved plus Probable Reserves of 14.25 MMbbls and 3P Proved plus Probable plus Possible Reserves of 21.25 MMbbls. Additional unrisks Contingent Resources net to Panoro's working interest of 14.25% are 6.0 MMbbls 1C, 13.1 MMbbls 2C and 22.0 MMbbls 3C. These Reserves and Contingent Resources are Panoro's net working interest volumes before deductions for royalties and other taxes.

Panoro's net entitlement 1P reserves are 7.54 MMbbls, net entitlement 2P reserves are 11.82 MMbbls and net entitlement 3P reserves are 17.20 MMbbls.





## **DUSSAFU: Offshore Gabon**

**Operator: BW Energy, Panoro 17.4997%**

The Dussafu license contains the producing Tortue field and the Hibiscus/Ruche fields

Dussafu is a development and exploitation licence covering an area containing several oil fields, the most recent discovery being the Hibiscus North field. In 2014 an Exclusive Exploitation Authorisation (EEA) for an 850.5 km<sup>2</sup> area within the Dussafu PSC was awarded. The first field in the EEA area, Tortue, started oil production in 2018. The second set of fields, Ruche and Hibiscus is scheduled to start oil production during Q2 2023.

Production from the Tortue field during 2022 amounted to 3.9 MMbbls gross.

In March 2023 NSAI certified (3rd party) reserves and resources for the Dussafu licence. As of the end of December 2022, the Dussafu licence contained gross 1P Proved Reserves of 65.3 MMbbls. Gross 2P Proved plus Probable Reserves amounted to 96.7 MMbbls. Gross 3P Proved plus Probable plus Possible Reserves in Dussafu amounted to 124.0 MMbbls.

In addition to these Reserves NSAI also certified gross unrisked 1C Contingent Resources of 18.8 MMbbls, gross 2C Contingent Resources of 38.2 MMbbls, and gross 3C Contingent Resources of 68.3 MMbbls in the Dussafu licence area.

These evaluations yield the following Reserves net to Panoro's working interest of 17.5%: 1P Proved Reserves of 11.43 MMbbls, 2P Proved plus Probable Reserves of 16.92 MMbbls and 3P Proved plus Probable plus Possible Reserves of 21.70 MMbbls. Additional unrisked Contingent Resources net to Panoro's working interest of 17.5% are approximately 3.3 MMbbls 1C, 6.7 MMbbls 2C and 12.0 MMbbls 3C. These Reserves and Contingent Resources are Panoro's net working interest volumes before deductions for royalties and other taxes.

Panoro's net entitlement 1P reserves are 8.36 MMbbls, net entitlement 2P reserves are 11.55 MMbbls and net entitlement 3P reserves are 13.95 MMbbls.



## **TPS ASSETS: Onshore and Offshore Tunisia**

**Operator: TPS, Panoro 29.4%**

The TPS Assets comprise five oil field concessions in the region of the city of Sfax, onshore and shallow water offshore Tunisia

The concessions are Cercina, Cercina Sud, Rhemoura, El Ain/Gremda and El Hajeb/Guebiba.

The oil fields were discovered in the 1980's and early 1990's and have produced a total of around 60 million barrels of oil to date. Production from the TPS assets amounted to 1.54 MMbbls gross, which is approximately 0.45 MMbbls net to Panoro's working interest share.

In March 2023 NSAI assessed reserves and resources from the fields as of end December 2022. Gross field reserves amount to 1P Proved Reserves of 10.5 MMbbls, 2P Proved plus Probable Reserves of 15.1 MMbbls and 3P Proved plus Probable plus Possible Reserves of 19.4 MMbbls. Panoro's net working interest 1P Proved reserves are 3.08 MMbbls, 2P Proved plus Probable are 4.44 MMbbls and 3P Proved plus Probable plus Possible are 5.71 MMbbls.

In addition to these reserves, NSAI also assessed gross 1C Contingent Resources of 7.7 MMbbls, 2C Contingent Resources of 13.4 MMbbls and 3C Contingent Resources of 23.0 MMbbls. Panoro's net working interest 1C Contingent Resource is 2.3

MMbbls, net working interest 2C Contingent Resource is 3.9 MMbbls and net working interest 3C Contingent Resource is 6.7 MMbbls. These Reserves and Contingent Resources are Panoro's net volumes before deductions for royalties and other taxes.

Panoro's net entitlement 1P reserves are 2.69 MMbbls, net entitlement 2P reserves are 3.86 MMbbls and net entitlement 3P reserves are 4.94 MMbbls.

## MANAGEMENT DISCUSSION AND ANALYSIS

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Panoro uses the services of NSAI for third party verifications of its reserves and resources.

All evaluations are based on standard industry practice and methodology for production decline analysis and reservoir modelling based on geological and geophysical analysis. The following discussions are a comparison of the volumes reported in previous reports, along with a discussion of the consequences for the year-end 2022 ASR:

**Block G:** In 2022, JV partners were awarded an extension to the term of the Block G PSC until the end of 2040. The additional production associated with this longer term has been converted from contingent resources to reserves. The NSAI reserves assessment takes this additional volume of reserves into account and as a result additional working interest 2P 2.7 million barrels of oil have been added compared to year end 2021.

Contingent resources in the Block G fields are associated with projects that have not yet been approved and potential production beyond the license expiry dates of the fields. Some of these contingent resources may be re-assigned as reserves if certain projects are approved or license terms further extended.

**Dussafu:** Some minor modifications were made to end 2022 reserves based on well performance and phasing of the Hibiscus/Ruche development project.

The remaining fields in Dussafu (Walt Whitman, Moubenga and Hibiscus North) and extensions to the other fields are classified as Contingent Resources. A decision to develop these fields will trigger a re-assignment of these resources as reserves and a possible re-determination of their volumes.

**TPS:** Minor modifications were made to TPS reserves based on 2022 well performance. Additional Contingent Resources were identified in the El Ain, Guebiba and Rhemoura fields in the TPS assets. These resources may be re-assigned as reserves if certain projects are approved or license terms extended.

## ASSUMPTIONS:

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The commerciality and economic tests for all of the reserves volumes were based on an oil price of USD80/Bbl with 3% escalation.

## 2022 – 2P DEVELOPMENT (WORKING INTEREST)

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2P Reserves Development	(MMBOE)
Balance (previous ASR –31 December 2021)	35.8
Production 2022	(2.8)
New developments since previous ASR	2.7
Revisions of previous estimates	(0.1)
<b>Balance (revised ASR) as of 31 December 2022</b>	<b>35.6</b>

Panoro's total 1P working interest reserves at end of 2022 amount to 23.41 MMbbls. Panoro's 2P reserves amount to 35.61 MMbbls and Panoro's 3P reserves amount to 48.65 MMbbls.

Panoro's Contingent Resource base includes discoveries of varying degrees of maturity towards development decisions. By the end of 2022, Panoro's assets contained a total un-risked 2C working interest volume of approximately 23.9 MMbbls.

27 April 2023

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**John Hamilton**  
CEO

# ANNEX RESERVES STATEMENT

AS OF 31 DECEMBER 2022

Interest %	1P (Low Estimate)				2P (Base Estimate)				3P (High Estimate)				
	Liquids	Gas	Total	Net	Liquids	Gas	Total	Net	Liquids	Gas	Total	Net	
	MMbbls	Bcf	MMBOE	MMBOE	MMbbls	Bcf	MMBOE	MMBOE	MMbbls	Bcf	MMBOE	MMBOE	
<b>ON PRODUCTION</b>													
Dussafu	17.50	18.95	-	18.95	3.32	26.48	-	26.48	4.63	31.45	-	31.45	5.50
TPS	29.40	8.69	-	8.69	2.55	11.83	-	11.83	3.48	14.38	-	14.38	4.23
Block G	14.25	52.53	-	52.53	7.49	78.77	-	78.77	11.22	111.33	-	111.33	15.86
<b>Total</b>	<b>80.16</b>	<b>-</b>	<b>80.16</b>	<b>13.36</b>	<b>117.08</b>	<b>-</b>	<b>117.08</b>	<b>19.34</b>	<b>157.16</b>	<b>-</b>	<b>157.16</b>	<b>25.60</b>	
<b>APPROVED FOR DEVELOPMENT</b>													
Dussafu	17.50	33.34	-	33.34	5.83	47.86	-	47.86	8.38	58.85	-	58.85	10.30
TPS	29.40	1.02	-	1.02	0.30	1.35	-	1.35	0.40	1.66	-	1.66	0.49
Block G	14.25	8.26	-	8.26	1.18	15.29	-	15.29	2.18	25.87	-	25.87	3.69
<b>Total</b>	<b>42.61</b>	<b>-</b>	<b>42.61</b>	<b>7.31</b>	<b>64.50</b>	<b>-</b>	<b>64.50</b>	<b>10.95</b>	<b>86.38</b>	<b>-</b>	<b>86.38</b>	<b>14.47</b>	
<b>JUSTIFIED FOR DEVELOPMENT</b>													
Dussafu	17.50	13.02	-	13.02	2.28	22.35	-	22.35	3.91	33.68	-	33.68	5.89
TPS	29.40	0.79	-	0.79	0.23	1.92	-	1.92	0.56	3.37	-	3.37	0.99
Block G	14.25	1.61	-	1.61	0.23	5.94	-	5.94	0.85	11.92	-	11.92	1.70
<b>Total</b>	<b>15.42</b>	<b>-</b>	<b>15.42</b>	<b>2.74</b>	<b>30.21</b>	<b>-</b>	<b>30.21</b>	<b>5.32</b>	<b>48.97</b>	<b>-</b>	<b>48.97</b>	<b>8.58</b>	
<b>TOTALS</b>													
<b>Total Reserves</b>	<b>138.20</b>	<b>-</b>	<b>138.20</b>	<b>23.41</b>	<b>211.79</b>	<b>-</b>	<b>211.79</b>	<b>35.61</b>	<b>292.51</b>	<b>-</b>	<b>292.51</b>	<b>48.65</b>	

Small rounding differences may arise due to rounding to the nearest MMBOE.

## RESERVES DEVELOPMENT

2P Reserves Development	(MMBOE)
Balance (previous ASR – 31 December 2021)	35.8
Production 2022 <sup>1</sup>	(2.8)
New developments since previous ASR <sup>2</sup>	2.7
Revisions of previous estimates	(0.1)
<b>Balance (revised ASR) as of 31 December 2022</b>	<b>35.6</b>

1. Represents TPS, Dussafu and Block G production in 2022.

2. Block G extension.

## CONTINGENT RESOURCES SUMMARY

Asset	2C MMBOE (as of YE 2021)	2C MMBOE (as of this report)
Dussafu	6.8	6.7
TPS	1.6	3.9
Block G	20.9	13.3
<b>Totals</b>	<b>29.3</b>	<b>23.9</b>





## COMPANY ADDRESSES

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